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OCT 23 1918

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 1 | NEW YORK CITY, FRIDAY, JANUARY 4, 1918 | $3.00 per Year; 25c. per Copy

HEAVY LOSSES REDUCE CONTINGENTS

Reliable Estimates Show Metropolitan Losses to Have Increased 100 Per Cent.

SERIOUS PROBLEM FOR AGENTS

Eight Fires Alone Cost Companies Thirty Per Cent. of Last Year's Total

Official estimates of the 1917 fire loss in the metropolitan district compiled for The Eastern Underwriter on Wednesday, place the increase over the losses of 1916 at a few points more than 100 per cent. The incurred losses in this section for 1916 were, in round numbers, $10,100,000.

Eight Fires Cost $3,185,000

Herewith is presented the approximate losses from eight fires during the past twelve months, which total $3,185,000, or about 30 per cent. of last year's entire loss:

Dow Stores	$1,500,000
Washburn Wire Co.	500,000
Chas. Williams Stores	400,000
428 Greenwich St.	160,000
Manhattan Brass Co.	200,000
Brooklyn Cooperage Co.	150,000
British America Chemical Co.	150,000
226 West 35th St.	125,000
Total	$3,185,000

Hard on Contingents

These excessive losses in the metropolitan section and in Brooklyn are believed to have very materially reduced the profits of those agencies operating on a contingent basis and in some instances to have entirely wiped out any income from this source. As a large portion of the local offices have contingent contracts, the fear has been expressed by some that this added hardship on top of the increased overhead charges and the duplication of clerical charges through the draft presents a serious situation.

The National Surety has made an appropriation of $100 a month for its Welfare Club, whereby the small charge heretofore made to cover the cost of coffee and tea will now be applied to the purchase of war savings stamps.

"The Largest Fire Insurance Company in America."

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

Sixty-four-Year Record for Fair Dealing and Prompt Adjustment and Payment of Losses

FIRE AND ALLIED BRANCHES OF INSURANCE.

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

ORGANIZED 1867

EQUITABLE LIFE OF IOWA

J. C. CUMMINS, President

Operating in

IOWA ILLINOIS
PENNSYLVANIA OHIO
MINNESOTA INDIANA
NORTH & SOUTH DAKOTA
NEW JERSEY MICHIGAN
KENTUCKY OKLAHOMA
KANSAS NEBRASKA
MISSOURI CALIFORNIA
OREGON WASHINGTON

Good Territory Open
Attractive Policies to Sell
Low Net Cost
Large Annual Dividends

For Agency apply to
H. E. ALDRICH
Supt. of Agents
DES MOINES, IOWA

THE GAUVIN AGENCY

LIFE MEN TO SPEND A WEEK IN CAMPS

Plans Now Being Perfected to Visit Service Men Latter Part of January

CONFERENCE AT CAPITAL TODAY

Way, Vardell, Priddy and Kuhns, Shuff, Markey and Talbot at Last Meeting

The life insurance men who were called to a conference at the Treasury Department the latter part of last week agreed to extend every assistance possible to the Government in seeing that the soldiers and sailors take out insurance before the expiration of the time limit: February 12. Up to Monday morning $2,600,000,000 had been written; 324,000 applications. As there are more than a million soldiers and sailors it will be seen that hundreds of thousands are yet uncovered.

Those Attending Conference

At the conference last week the Treasury Department was represented by Assistant Secretary of the Treasury Thomas B. Love (former Insurance Commissioner of Texas), and the officers and heads of departments of the War Risk Bureau, including the commissioner of soldiers' and sailors' insurance, Charles F. Nesbit. The insurance men who attended were John L. Way, Travelers; Thomas W. Vardell, Southwestern Life; George Kuhns, Bankers Life of Des Moines; John L. Shuff, Union Central; Lawrence Priddy, president of National Association of Life Underwriters; Daniel P. Markey, Knights of the Maccabees, and A. R. Talbot, Modern Woodmen of America.

The conference had been called by the Treasury Department to devise ways and means to more vigorously prosecute the Government's soldiers' and sailors' insurance campaign.

Will Meet Again Today

A further conference will be held in Washington today and tomorrow at which time it is believed the campaign committee will be enlarged by the appointment of a number of other persons prominently identified with life insurance.

A campaign will be organized by the National Association of Life Underwriters, and it is believed that the cantonments and other camps will be visited the last week in January.

Two New Policies by Northwestern

CONVENTION ON IN NEW YORK

Company Approves $176,000,000 New Business—Mortality Reduced—War Conditions Discussed

With two hundred in attendance, the annual convention of the Middle Atlantic and New England States agencies of the Northwestern Mutual Life, opened at Hotel McAlpin, New York, January 2.

It was announced that the company's medical department approved last year over $176,000,000 of business, which is $4,600,000 over 1916.

Bristol Chairman of Meeting

W. F. Hazelton, of Providence, opened the meeting and read a letter of greeting from Capt. Millard W. Mack, former general agent in Cincinnati, who is now in France on a special mission for the Government. Jno. I. D. Bristol, of New York, acted as chairman. President George C. Markham was unable to attend and Second Vice-President P. R. Sanborn read a message of welcome from the chief executive.

Investments Profitable

Mr. Sanborn read an address on the company's financial position in which he praised the constructive work done by Judge Henry L. Palmer, who had been with the company for more than fifty years. How the company came to move its home office from Janesville to Milwaukee, and the wisdom of that change, were cited. The representatives were informed that since 1870 the company has more than paid its death losses from profits on investments. It has lent $600,000,000 to farmers in the Middle West. Mr. Sanborn drew a good laugh when he said in apparent seriousness that Iowa blooded live stock is worth its weight in gold in New York restaurants. The remainder of his talk was along patriotic lines.

Ravages of War

Medical Director J. W. Fisher talked on the subject generally assigned to him—medical selection—and explained the early work which led up to the combining of experience of thirty-three American companies and one Canadian company in 1900. This covered ninety-eight classes between 1870 and 1900, and embraced 1,500,000 policies. In 1909 the combined experience was secured of 43 companies in the United States and Canada on 3,000,000 lives.

As to the war, Doctor Fisher said his company has thus far received notice of seventeen deaths among soldiers. The ravages of venereal disease are appalling. In England there are four general hospitals under the Army Medical Board. In one of these hospitals there are 300 beds occupied by these cases. One hospital in six months handled 11,500 such cases and 11,000 cases were released as cured. other three hospitals show just same number of cases.

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were among those specifically referred to.

As to automobile accidents, the company paid death claims from this cause as follows: 1915, 53; 1916, 45; 1917, 48. As a whole the company's loss experience last year shows a saving of about $1,300,000 over 1916. High blood pressure cases show a mortality of just double that of the company's entire business and it is estimated that $1,000,000 has been saved by not taking these risks.

Business Will Be Good

Doctor C. E. Piper, chief of the inspection department made a spirited address in which he said life insurance men who stay at home and sell protection for families are performing a work nearly as important as that of those men who go to the front. He urged thrift and all other stabilizing practices. As to the future of the business, Mr. Piper declared that while many may think they are facing hard times, word comes from the field that never before were men of middle age so willing to insure. The feeling of self sacrifice was never so strong; business men realize as never before the value of the lives of their associates. "The plums are falling," he said.

Banquet Features

In keeping with the feeling of the times the banquet Wednesday night took on the aspects of a "war dinner." Edward J. Cattell, of Philadelphia, spoke on "Big Things for Big Men to Do." He and Robert Davis, of the American Red Cross Commission and Major F. R. Stoddard, Jr., second deputy superintendent of insurance of New York, were the principal speakers. Besides the speakers the guests were P. R. Sanborn, second vice-president; Medical Director J. W. Fisher, Doctor C. E. Piper, chief of the inspection department; Actuary P. H. Evans, John J. Hughes, of the agency department, George E. Copeland, superintendent of agencies, and E. F. Valentine.

Cup Presented

A silver cup was awarded to the Connecticut agency, of which F. A. Griswold is manager, in recognition of his force having finally won a three years' competition between the Connecticut and Brooklyn agencies. The cup now will remain the property of the Connecticut agency.

Louis E. P. Smith, general agent at Boston, presided.

Wednesday afternoon R. W. Putnam of Syracuse spoke on "Flexibility of Contract, Paid-Up Option, etc." Optional settlements were discussed by D. E. Osgood of Brooklyn. Actuary P. H Evans talked on reserves, saying that in spite of the war's disintegrating influences he believes the company can maintain its present dividend scale in 1919. The 1918 scale was announced last fall, unchanged.

The company has 250 agents in war service and 50 from the home office.

L. W. Mack, of New York, speaking of the Government war insurance, said it would prove a tremendous factor in the development of all life insurance. The Government, he said, has for the first time recognized the responsibility of a married man to his dependents, and has authorized the withholding of a portion of his pay to make provision for them. This will be a great stimulus to the life insurance business, but in spite of the attractivenes of the Government's plan it is found necessary for life insurance men to virtually sell it to the men in the ranks.

New Policies

Two new policies will be issued, one a limited payment life with premiums payable until age 65, and an endowment at age 65. These policies will be sold in conjunction, the combination appealing strongly to many insured. The disability feature will be extended to age 65. The age limit is now 60.

Cash and Loan Values

The company's other policies have been rewritten and simplified. Cash and loan values can be obtained by the insured without the consent or participation of any beneficiary not irrevocably designated. Other changes in the contract are of minor importance.

Last year the agency of Jno. I. D. Bristol paid for $13,000,000 besides devoting much time to Red Cross and Liberty Loan work. Herman Duval paid for $1,500,000 and Rudolph Recht and Theodore Peyser stand next in production.

The meeting was continued through Thursday.

SOUTHLAND AND W. S. S.

In line with its endeavor to assist the Government in every way, the Southland Life Insurance Company, of Dallas, has this year presented to its clerks, as a Christmas bonus, War Savings Certificates instead of the usual gold pieces. The number of Certificates allotted was based on the employe's yearly salary, the percentage being double what was allowed in cash a year ago.

PENNSYLVANIA INSURANCE

The Pennsylvania legislative committee for the codification of insurance laws has been appointed, consisting of Senators Daix, Philadelphia, and Baldwin, Potter, and Representatives Mearkle, Allegheny, and Siggins, Warren counties. The insurance men who will confer with the legislative committee are E. A. Woods, A. J. Maloney and Robert M. Coyle.

H. C. Hintzpeter, of the Mutual Life in Chicago, closed the year with $2,000,000 of business.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.
2. The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.
3. Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,

Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

Companies Made Gain in Paid-For

SOME 1917 ROUND FIGURES

New York Life Paid for $315,000,000—P. L. & T. Paid for $63,680,000 —Travelers' Data

The New York Life's new paid insurance for 1917 is about $315,000,000; at the close of 1917 the total outstanding insurance in force is about $2,675,600,000; at the close of 1916 it was about $2,511,600,000, an increase of $165,000,000. During the year the Company paid over $30,000,000 in death losses; about $56,000,000 in maturing policies and other cash benefits, and about $23,000,000 in dividends, while loans were about $23,500,000.

The Security Mutual Life winds up the year with approximately $54,000,000 insurance in force, and with assets aggregating $8,750,000. 1916 figures: Assets, $8,097,355; in force, $51,786,159.

P. L. & T. Figures

The following figures in round numbers give the Provident Life & Trust figures:

Paid for business, 1917....	$63,680,000
Paid for business, 1916....	52,170,000
Increase	$11,510,000
Paid for business outstanding December 31, 1917...	$389,091,000
Paid for business outstanding December 31, 1916...	353,129,000
Increase	$35,962,000
Admitted assets (New York standard), Dec. 31, 1917..	$100,573,000
Admitted assets (New York standard), Dec. 31, 1916..	94,611,000
Increase	$5,962,000

Home Life's Figures

The insurance issued by the Home Life for 1917 will be about $22,000,000, or from 22 to 25 per cent. greater than the issue of 1916. The total insurance in force at the end of the year was about $144,000,000, a gain of $12,000,000.

The United States Life paid for about $2,750,000 in 1917; assets on December 31, about $7,325,000.

Continental Life, Wilmington, paid for approximately $3,000,000 in 1917, and its assets are approximately $2,500,000. Assets December, 1916, were $2,114,775; paid for, $3,029,104.

Central Life, Ottawa, Ill. Paid for, 1917, about $4,250,000; assets, $2,000,000. In 1916: paid for, $4,400,445; assets, $1,658,073.

The Travelers

The record of The Travelers in 1917 exceeds all of its previous records.

New Life insurance paid for	over	$185,500,000
Gain	over	70,500,000
Paid Life premiums over		16,500,000
Gain	over	2,800,000
Paid Accident and Health premiums	over	5,800,000
Gain	over	433,000
Paid Compensation and Liability premiums over		17,700,000
Gain	over	4,690,000
Paid premiums, The Travelers Indemnity Co. over		2,700,000
Gain	over	940,000
Total premium income over		42,860,000
Gain	over	8,924,000
Income, The Travelers Insurance Company ..	over	46,283,000
Gain	over	9,232,000
Income, The travelers Indemnity Company..	over	2,899,000
Gain	over	965,000
Total income	over	49,182,000
Gain	over	10,196,000

Massachusetts Mutual Pays for $62,000,000

The Massachusetts Mutual Life paid for approximately $62,000,000 in 1917. In 1916 it paid for $57,125,000.

The Intermediate Life Insurance Company, of Evansville, Ind., had approximately $7,757,000 insurance in force at the close of 1917, and paid for approximately $2,000,000 worth of new business. The assets of the company will be in the neighborhood of $1,020,000, with the surplus over capital stock and all liability of $50,000.

The American Central Life of Indianapolis at the end of December, 1917, had approximately $46,900,000 insurance in force, as compared with $40,456,000 in force December, 1916. Its gross assets will be about $6,010,000.

The Lutheran International Inc. has paid for about $500,000 in 1917. Its assets are about $220,000.

The Ohio National Life issued $4,250,000 in 1917, a gain of $2,450,000. The insurance in force is $11,500,000. Assets, December 31, are $14,500,000 surplus to policyholders, $715,000.

Union Central and Equitable

The Union Central's paid-for business for 1917, will be about $80,000,000; assets at end of the year about $120,000,000; total amount of insurance in force about $525,000,000. Figures for 1916 are $76,901,819 written, $472,603,217 in force, assets, $114,684,245.

The Equitable Life Assurance Society paid for approximately $185,000,000 in 1917. This is exclusive of group.

The Peoria Life closed the year with issued business of $7,000,000 as against $5,000,000 last year. This closes the year with $21,000,000 of business in force, with assets of $2,000,000. The Company has entered two new States, Nebraska and Kentucky, making seven States in all. It expects to write $10,000,000 in 1918.

New England Mutual and Columbian National

The New England Mutual had a great year. Its new paid-for business for 1917 was $54,800,000; its increase in insurance in force $38,100,000.

The Columbian National estimates its paid-for business as $15,000,000.

Three Years For Elmer Dwiggins

LIFE MAN NOW IN PENITENTIARY

Sentenced for Liberty Bond Swindle in New York

Elmer Dwiggins, who at one time was a leading producer of life insurance, and later became a general agent in New York City, is now in the Federal penitentiary at Atlanta, Ga., serving a three years' sentence. He had pleaded guilty to an indictment charging him with having misused the mails in a scheme to defraud persons who entrusted their savings to him for investment in patriotic securities.

Ben A. Matthews, Assistant United States Attorney, called the offences tantamount to treason and asked the imposition of a very severe sentence. He said that Dwiggins' act had been injurious to the military policies of the nation.

Dwiggins' defalcations were said in court to amount to $105,000 and the number of swindled persons to exceed 7,000.

Liberty Bond Swindle

His lawyer pleaded that he was truly penitent and that his record has previously been good. This statement, however, was shattered when Mr. Matthews called the court's attention to the fact that the broker had been indicted for larceny and embezzlement in 1897 and later in Iowa for running a bucket shop.

The plan used by Dwiggins to defraud the Liberty Bond purchasers was one for the sale of the securities on installments. When final payment was made they were to receive the bonds, but instead they found that their money had been used by Dwiggins to speculate in stocks.

JOHN D. KAY TRANSFERRED

John D. Kay, for twelve years superintendent for the Metropolitan at Glens Falls, N. Y., has been transferred to Schenectady.

Samuel Heifetz, of the Mutual Life in Chicago, increased his production over 1916 by $350,000.

Harold Peirce's Daily Paper Ads

BASED ON INHERITANCE TAXES

Points Need of Estate Protection—Discusses Shrinkage of Securities

Harold Peirce, the New York Life agent in Philadelphia, who wrote the J. Pierpont Morgan and J. P. Davison policies, ran an advertisement in the New York "Evening Post," a newspaper which circulates in financial, literary and professional circles mostly. As anything that Mr. Peirce has to say on the subject of life insurance is of wide interest to agents it is printed herewith:

Three questions every wealthy man, who is not blindly indifferent to facts, should ask himself:

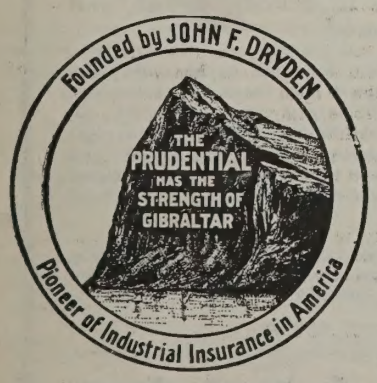
First question: Have I sufficient ready cash laid aside to pay the Federal and State inheritance tax on my estate? Illustration: As a minimum these taxes vary from about $2,500 on a $100,000 estate to $350,000 on a $3,000,000 estate and must be paid part within 6 months and all within 1 year or a heavy penalty is added.

Second question: Should my executors be obliged to sacrifice, at great loss, securities which I may leave for the purpose of raising the money necessary to meet these inheritance taxes? Illustrations: Bonds, stocks, real estate and mortgages, even of unquestioned value, cannot be sold at present except at great loss, and there is little prospect of better conditions for several years. The larger the estate the greater the shrinkage in value if cash is required for immediate use.

Third question: How can I best protect my estate and make sure that my beneficiaries receive the amounts I bequeath them in my will? Illustration: Large estates frequently shrink to such an extent in settlement that many benefactions are reduced. This is often because the executors are obliged to sacrifice securities to obtain money necessary for inheritance taxes and other debts.

The answers: The answers to these questions are given in a short brief I have prepared, which I will be pleased to send to anyone interested, upon written application.

Harold Peirce, 222 Drexel Building, Philadelphia.



Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years.

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President — Home Office: NEWARK, N. J.

Insurance Men in New Association

RAILROAD SECURITY PROTECTION

F. F. Dryden Vice-President of Eastern District of National Association of R. R. Bond Owners

Baltimore, Dec. 28.—The National Association of Owners of Railroad Securities has just been incorporated under the laws of Maryland by S. Davies Warfield, president of the Continental Trust Company; H. Crawford Black, capitalist, and William M. Hayden, president of the Eutaw Savings Bank, on behalf of investors. The headquarters of the association is to remain in Baltimore, with Mr. Warfield as president. There are also five district vice-presidents.

Life, Fire and Surety Men Represented

The executive and advisory committees comprise the charter membership, the New York committeemen being as follows: Executive committee, Mortimer N. Buckner, president New York Trust Company; F. H. Ecker, treasurer Metropolitan Life Insurance Company; Darwin P. Kingsley, president New York Life Insurance Company; Henry A. Schenck, president Savings Banks Association of the State of New York and president Bowery Savings Bank; A. H. Wiggin, president Chase National Bank. Advisory committee, W. A. Day, president Equitable Life Assurance Society; Charles A. Peabody, president Mutual Life Insurance Company; F. H. Ecker, George E. Ide, president Home Life Insurance Company; Cecil F. Shallcross, manager Royal Insurance Company; C. L. Tyner, vice-president Home Insurance Company; Charles G. Smith, president German-American Insurance Company; William H. Ziegler, Hanover Fire Insurance Company; William B. Joyce, president National Surety Company; L. W. Smith of Harris, Forbes & Co. and Gates W. McGarrah, president Mechanics and Metals National Bank.

Dryden's Territory

Forrest F. Dryden, president Prudential Insurance Company, is vice-president of the Eastern district, embracing New York, New Jersey, Delaware, Pennsylvania, Massachusetts, Connecticut, Rhode Island, Vermont, New Hampshire and Maine.

MAY BE A LONG TIME YET

Industrial Men Worried About Exodus to Europe After the Great War

Industrial life insurance men saw signs last summer of a large exodus of foreigners from America when the war ends. This was particularly noticeable in Chicago. Now it is being noised about that fully 3,000,000 are ready to return to their native lands as soon as the dove of peace shall find a permanent resting place. This emigration may be felt by industrial life offices but it should not be a just cause for worry by industrial, accident and health agents. If, as is said, only 25 per cent. of factory workers carry accident and health insurance, there are plenty of fish in the sea. The best thing to do is forget the 3,000,000 who are going to leave and get after the 75 per cent. who have no insurance. Indications from all parts of the country are that the business interests have entered the new year with few misgivings. This dispatch to a daily paper shows the temper of business men: "Boston, December 28.—One thing is clear in all the obscurity ahead of us in 1918—there will be more than enough work for every able-bodied person, and with everybody at work at good pay, there should be no room for hard times."

Equitable's 1917 Group Writings

MANY BIG NEW YEAR GIFTS

Insurance Generally for Year's Salary—Increases for Each Year of Service

New Year gifts to employes of various industrial, manufacturing and commercial institutions in the form of group life insurance aggregating some $20,000,000 life insurance is reported by the Equitable Life Assurance Society. In most cases the insurance is for the amount of one year's salary, or income, and in other cases it is for flat amounts, increasing $100 per year for each additional year of service up to a maximum of $3,000 insurance.

Some of the Insured

Among the companies adopting the Equitable group plan at this time are the following: LaLance & Grosjean Manufacturing Co., of New York and Woodhaven, L. I., where the big steel agate-ware plants are located; F. C. Linde Co. and Mercantile Co. of New York, warehouses; L. Oppenheimer, chain of 38 stores, New York City; Okonite Co. of New York City, manufacturers of insulators; American Paper Co., Kensington, Conn.; George W. Smith & Co., Inc., Philadelphia, Pa., wood-workers and shipbuilders; Aultman & Taylor Machinery Co., Mansfield, Ohio; the Fisher Bros. Co., chain wholesale and retail groceries, Cleveland, Ohio; employes of Equitable Office Building Corporation; American Bottle Co., Chicago and Streator, Ill.; Whitney Glass Co., Glassboro, N. J.; Graham Glass Co., Evansville, Ind.; Graham Glass Co., Oklahoma; Champion Coated Paper Co., Hamilton, Ohio; Central Paper Co., Muskegon, Mich.; Peoples State Bank, Detroit; Merchants National Bank, Los Angeles; Greenfield Tap & Die Corporation, Greenfield, Mass.; Reliance Electric & Engine Co., Cleveland, Ohio; Tygart Valley Glass Co., Grafton, W. Va.; H. C. Christy, groceries, Cleveland; Liberty Flour Mills, Nashville, Tenn.; J. Allen Smith, flour mills, Knoxville, Tenn.; Stone-Ordean-Wells Co., wholesale groceries, Duluth, Minn.; Kelly-How-Thomson Co., wholesale hardware, Duluth; Watts, Ritter & Co., Huntington, W. Va., wholesale dry goods and notions; S. Marcus Co., Worcester, Mass., department store; Oscar Sherer & Bro., leather manufacturers, Newark, N. J.; The Hirsch Co., outfitters, Cleveland, Ohio; Duriron Castings Co., Columbus, Ohio; Hisey-Wolf Machine Co., Cincinnati, Ohio; J. L. Sommer Mfg. Co., novelties, Newark, N. J.; Clinton Woolen Mfg. Co., Clinton, Mich.; Jonathan Ring & Son, manufacturers of yarns, Philadelphia, Pa.; B. A. Ballou & Co., Inc., manufacturing jewelers, Providence, R. I.

MAYOR OF COHOES

Michael J. Foley, the new mayor of Cohoes, N. Y., has been assistant superintendent of the Prudential for twenty years. He was elected by the soldier vote.

Clinton O. Shepherd, of Sioux City, Iowa, who for the past six years has been identified with the National Fidelity Life Insurance Co. and the United States Annuity & Life Insurance Co., has been appointed assistant actuary of the Missouri State Life.

Founded 1865

The PROVIDENT Life and Trust Company

OF PHILADELPHIA, PA.

What do most men fear?

An insufficient income for their wives and children if they die, and for their own old age if they live.

WE WILL INSURE THE INCOME IN EITHER EVENT.

Write for Information

PURELY MUTUAL **THE** CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

Insurance in Force, $1,505,464,984

SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued.

POLICIES MOST FLEXIBLE AND EASY TO SELL

Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

Write GEO. E. COPELAND, Supt. of Agencies, Milwaukee, Wis.

40% Increase in Paid New Premiums—that tells the 1916 story of Fidelity progress.

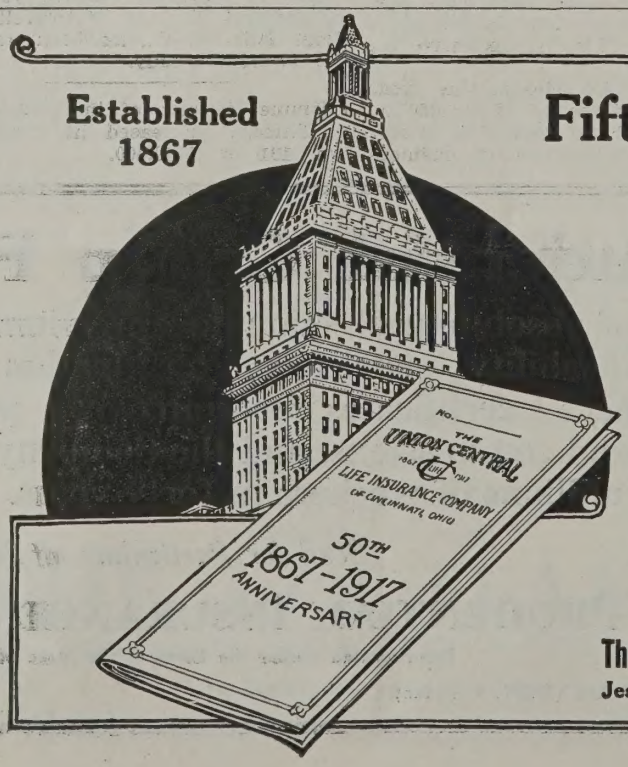
Direct leads and the Fidelity "Income for Life" plan are making money for Fidelity field men. Any man who can sell life insurance can sell MORE Fidelity insurance.

Write to-day—

Fidelity Mutual Life
INSURANCE COMPANY, PHILADELPHIA

INCORPORATED 1878 WALTER LE MAR TALBOT, President

Established 1867



Fifty years of success

The Strength of the Company—the growth of a half century—towering back of every policy contract, assures the largest possible measure of *security*, *service*, and *saving* to the insured.

The wisdom of the founders in restricting the Company's investments to farm loans, has throughout the years afforded the largest degree of safety, together with the greatest earning power on its invested funds. It has in addition served the Nation, and the wide world in these troublous times, by its signal aid in the development of the Country's Agricultural Resources.

The manifold service of the past half century may safely be accepted as a criterion of larger service in store for its policy-holders and their beneficiaries.

For Information address Allan Waters, Second Vice-Pres.

The Union Central Life Insurance Company

Jesse R. Clark, President Cincinnati

Theory Back of Women's Departments

VIEWS OF NEW YORK MANAGERS

Know and Thoroughly Understand the Field and Those Who Cultivate It

By ALICE LEWIS

The number of life insurance women in New York City is constantly growing just as is the number of wage-earning women. The wage-earning woman and the woman life agent are corollary. One is an outgrowth of the other. There is a saying in social service circles that one out of every four women in New York works. In Greater New York there are five or six companies which have women agents, and one company—the Equitable Life Assurance Society—has two agencies which are exclusively managed by women, one managed by Miss E. Marie Little, with women agents only, and one by Mrs. Ray Wilner Sundelson, with women and men agents.

Of women's departments connected with New York agencies of leading insurance companies, there are several, among the most prominent being those of the T. R. Fell Agency of the Massachusetts Mutual; the F. A. Wallis Agency of the Fidelity Mutual; the Mellor & Allen Agency of the Provident Life & Trust; and the C. B. Knight Agency of the Union Central Life. Again, there are some companies which have neither women's departments nor women's agencies, notably the New York Life, which, however, smploys women as agents working in its various agencies.

Each of these agencies or departments is so individual, the personality of its manager so interesting, its methods of training and work so varied, and the character of the agents it employs so distinctive, that each is worthy of special study.

T. R. Fell's Ideas

T. R. Fell, manager of the agency of the Massachusetts Mutual, denies that he has a women's department, since he makes no distinction between his men and women agents. Mr. Fell's ideas in selecting and training his women agents, however, are so unique that his department is notable.

Mr. Fell perhaps holds the record in time for having first employed women as insurance agents. Twenty years ago, he says, he found out their value as sellers of life insurance, and when he took over the New York agency of the Massachusetts Mutual, his former experience led him to put in women agents as soon as this was feasible. "I became manager of this agency in 1910" he said, "and for the first few years I had no women agents—not because I did not believe in them, but because it took me that long to get the business running and the men organized. Two years ago I began to train women.

"As to the type of woman that makes the best agent, I prefer one without any previous business experience—a woman who has had the advantages of social breeding and culture. Our agents must be able to meet our clients on a social level. We can't teach manners here. If a woman tells me she has been a clerk or a stenographer, that is not a recommendation, in my eyes. I don't want that type.

"Education, intelligence and ability are essential, of course. We can't instill brains," Mr. Fell added.

"Our agents are given not less than three weeks of training before they go out," he said. "I first have them read this book—" and Mr. Fell indicated a type-written volume entitled "Subjects Discussed at Daily Conferences." "These are notes of problems and discussions we have had here at the daily noon meetings, put into this shape for handy reference. When an agent has read this and still desires to go on, he or she is admitted to these noontime conferences, at which methods are presented and problems discussed. To these conferences, which continue after the agent begins active work, both men and women are admitted. We don't put women into a corner nor limit them by telling them to confine themselves to women as clients. That would be unfair, giving the best chances to the men.

An Unselfish Act

"In selling, we always present the idea of life insurance as an unselfish act. We emphasize protection, rather than investment. Our agents are not allowed to go to anyone without an introduction—what we call a friendly act. This rule is rigid. But we want only the introduction; we don't want our introducer to try to sell the policy for us."

As to women as insurance prospects, Mr. Fell declined to discuss them. "The same reasons apply to women for insuring as do to men; when you talk about women clients, and try to draw a line—I shut up."

What Mrs. Edwards Says

Mrs. Evelyn H. Edwards, manager of the women's department of the New York agency of the Union Central Life Insurance Company of Cincinnati, has had many years of insurance experience back of her, having been connected with two other companies before she took up the management of this department, which was started about July first. Mrs. Edwards feels that it is almost too young yet to quote figures or results. She has several women in the department, most of them still in training, but some doing active selling as part of that training.

Mrs. Edwards considers that it is the exceptional woman who makes a success of life insurance, or indeed of any business. She differs from some in that she prefers women who have had business experience, and in training these she regards each as her pupil, "educating" her in the real meaning of the word by drawing out her individual capabilities and showing her how to develop individuality of approach and work. Mrs. Edwards does not believe in crushing originality by giving her pupils "a line of talk," for in addition to thinking that each woman should develop her own individual methods, she believes that every "prospect" must be approached differently.

"Strange as it may sound to you, women are not so saving as men. By this I mean, that they will not plan and save for something in the distant future, as men will. Many women won't study and work for a future that is not in sight—they won't risk the loss of a small certain job for the sake of an uncertain one that presents

THE AVERAGE EARNINGS OF THE AGENTS
OF THE
Standard Life Insurance Company
∴ ∴ OF PITTSBURGH ∴ ∴
are higher this year than ever before. Our attractive Accident and Health Policies have helped them to make more money.
Write for a LIFE, ACCIDENT AND HEALTH Contract to
FRANK A. WESLEY
Vice-President and Director of Agencies

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915
"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."
Home Office, DALLAS, TEXAS

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

WORTH KNOWING
Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?
ANSWER:
FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.
SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.
THIRD, that in case of death from certain SPECIFIED accident, $15,000, or THREE TIMES the face of the Policy, will be paid.
BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.
Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:
United Life and Accident Insurance Co.
Home Office, United Life Building Concord, New Hampshire

American Central Life
Insurance Company
INDIANAPOLIS, INDIANA
Established 1899
All agency contracts direct with the company
Address:
HERBERT M. WOOLLEN, President

bigger possibilities. Both men and women must look beyond their jobs," she said. "It is the women who do this who go ahead, in every line of business just as it is the men with vision who succeed."

Mrs. Edwards has many interesting ideas about this power to "think beyond the job" and to develop individuality. She counsels her agents to review each night the work of the day, and try to discover exactly why they failed or succeeded in each case. By this method thorough knowledge of one's business and of human nature are thus consciously acquired, and the agent develops a mastery of her work and a personality that means success, such personality as radiates from every successful man or woman.

The character of the ideal insurance agent, according to Mrs. Edwards, is made up of courage—plenty of that—initiative and perseverance.

Mr. Fell declared that his methods might probably be valueless as aid to other departments, as he did not claim that his theories would work with other agencies even of his own company. But that they do work and are valued by the Massachusetts Mutual, is shown by the fact that he is at present training three agents for the Boston office, two of whom came to him for training, while the third was sent by the Boston manager.

From the testimony of one woman agent, trained by Mr. Fell, it appears that his pupils are instructed to call upon one kind of prospect only, "the man who is making more money than ever before and who has a wife and children." All others than this ideal ospect must be undertaken with the realization that they are not the most efficient basis upon which to work.

Miss Little's Observations

Miss E. Marie Little, whose agency has women only as solicitors, has had a great deal of experience in insurance and business. Broad vision, keen interest in her work and wholesome common sense are some of her characteristics. "Tell you something about women as agents and clients?" she repeated. "Now, wouldn't you know it was a man who wanted to know that. Men think that when a woman goes into the business world she immediately becomes some inhuman creature, different from the rest of her species. Bless you, business women are just the same as other women."

In her choice of agents, this manager exercises personal selection, having in mind an ideal or standard to which each agent must conform. She choses women who have the talent for success, who would succeed in whatever they undertook, preferring those who have had some business experience, because they are "more teachable, and there is some foundation on which to build." The training of an agent varies with the individual's ability and intelligence, the average being six weeks before being permitted to solicit; business women need less. It is the most interesting thing in the world to watch these agents develop, this manager thinks, and each is given the full time necessary for her development. Sometimes this growth may be very, very slow, but the manager, who has plumbed her possibilities, is patient and willing to wait for the fruition she knows will come.

Study and discussion of problems are carried on, including daily conferences at first, but as fast as they learn, the women make use of their knowledge in work, not always among those they know or by means of such introductions as Mr. Fell's Friendly Act. This agency has more than a dozen women doing active work, bringing in big business, besides others doing occasional work. This agency is four years old. It sent three representatives this year to the company's convention of agents who had written more than a quarter of a million, which is some record! When it is remembered that every agency has a yearly allotment of business which it must maintain, it is seen that this agency, conducted solely by women, is second to none run by man-power alone.

This agency manager declared that the future of the insurance business will be among women, that conditions engendered by the war tend to broaden the field daily. The outlook was good, she said. A little paper published by the women of this agency emphasizes this opportunity constantly, and the keen interest that the manager takes in women, their abilities and possibilities, keeps this field always before the eyes of her agents.

Miss Hopper's Experience

The women's department of the Mellor & Allen agency of the Provident Life & Trust provides all the wonder and inspiration and enthusiasm of watching new enterprise growing visibly. This department is an experiment in the quarter century experience of this agency, and almost an innovation with the company. For the Provident Life & Trust, except in its Minneapolis office, has not had women agents. To cap the climax of his experiment, Mr. Mellor, in inaugurating the new department last spring, placed at the head of it a young woman who had never had a day's experience in insurance work of any sort. No wonder the oldtime members of the fraternity were scandalized, and no wonder the hard-headed business folk of Mr. Mellor's acquaintance prophesied dire things—for never was an experiment more doomed to failure!

But when one enters the pleasant offices of the women's department, there is an atmosphere of success which is almost contagious, and to meet Miss Mary Johns Hopper, the manager, is to realize that much of this atmosphere is inspired by her own vivid personality, which abounds in vigor, interest and enthusiasm. And after a short conversation, the visitor begins to understand why both Miss Hopper and her department are a success and how they have upset all the traditions of the fraternity.

Although quite without insurance training or experience when she undertook this department last spring, Miss Hopper had been in philanthropic work for some time, having been for thirteen years an executive secretary of the National Board of the Y. W. C. A. In this capacity she was in charge of a territory, acting as inspector and supervisor of the work carried on by the various Y. W. C. A. branches in her field, travelling from one to another, always meeting new people and new problems, gaining constantly fresh insight into human nature and exercising and developing the executive abilities which she is now using in the organization and running of her new department. All this experience, knowledge and zeal for service are now being turned into business channels, with results that have surprised the oldtimers.

Miss Hopper formally started her department in June, after a few weeks' study, training and planning. Beginning with one or two women, she now has six actively selling and three more in training. All are full-time workers—Mr. Mellor and she will have no others. All are of the college type of young woman—"widows with children not wanted"—most of them have had some business experience, although not in insurance lines. Their training is according to individual reuqirements, and takes from two to six weeks. As soon as workers show grasp of their subject, they are sent out to do "cold canvassing," i. e., talking to prospects that are not personally known to them. Miss Hopper declares that the forced introduction—such as Mr. Fell's so-called Friendly Act, is unwelcome to the business man or woman. "If insurance is worth selling, it is worth giving dignified approach," she said.

Sets $200,000 as Goal

The personnel of this department's agents shows a high degree of intelligence, and has received commendation from representatives of the company's home office, who came to inspect and

(Continued on page 9)

HOME LIFE INSURANCE CO.
(Now Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-seventh annual report shows insurance in force of $133,493,000, an increase during the year of $7,832,827. The Company paid the policyholders in 1916 $3,536,233, of which $628,406 was in dividends or premium refund. Its insurance reserve fund was increased by $1,300,000 and the Assets are now $32-821,462.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agts.
256 Broadway, New York, N. Y.

BANKERS BLCo LIFE DES MOINES COMPANY
PAYS GOOD PAY TO GOOD MEN

A GOOD OPENING
An old, well established, progressive life insurance company, with unexcelled dividend record has good opening at PHILADELPHIA, covering Eastern Pennsylvania. Address, stating qualifications:
PHILADELPHIA, care of The Eastern Underwriter
105 William St., New York City

We want a GOOD PERSONAL PRODUCER and organizer for DESIRABLE TERRITORY in several states west of the Mississippi River. EXCELLENT CONTRACT.
Northwestern National Life Insurance Company
MINNEAPOLIS, MINNESOTA,
is a LEADING LOW NET COST, annual dividend, MUTUAL, OLD LINE company. Record for 1916—increase in insurance in force, 20%; in paid-for business, 51%; in assets, 15%; in amount apportioned for 1917 dividends, 71%.

For SEVENTY-THREE YEARS, SERVICE AND SATISFACTION have been synonymous with STATE MUTUAL of Worcester.
The Company's record of SEVENTY-THREE YEARS OF SERVICE spells SUCCESS for all.
Additions are made to our General Agency force when the right men are found.
State Mutual Life Assurance Co.
of WORCESTER, MASS.
Incorporated 1844
B. H. WRIGHT, President D. W. CARTER, Secretary
STEPHEN IRELAND, Inspector of Agencies

Are You Permanently Established?
Write for Territory
Pennsylvania—Ohio—West Virginia
PHILADELPHIA LIFE INSURANCE CO.
PHILADELPHIA

Obstacles Necessary to Growth

Some That Must Be Met and Overcome by the Successful Agent

By Olin P. Beall, District Manager, Macon, Ga., of New England Mutual Life

Mr. Beall's address was delivered at a meeting of the Georgia agents of the New England Mutual Life in Atlanta, and has been generally circulated by the New England Mutual Life among its field force.

To the average observer, the man who for years has made a success in selling life insurance appears to have led an easy life. He carries his age well, is generally in good humor, enjoys a reasonable share of the comforts of life and some of its luxuries, and frequently finds time for doing the things he loves to do outside of his business activities. It is not surprising therefore to hear the uninitiated say of the successful agent, "He has such an easy time. I wish I could earn my living as easily as he earns his."

Selling Life Insurance Not Easy

The maker of such a remark, however, has only to try to sell life insurance to find how erroneous is this opinion. For, selling life insurance is hard work—work that is such a tax on both the physical and the mental man, that few are those who have the will power to persist in it until success can reward their efforts.

That is why this work pays so well. If life insurance could be sold easily by any man—if it were sought by the buyer, as groceries, dry goods, and drugs are sought—life insurance would be sold on every corner. And it could not possibly offer the young man of ability and character, even though he be without capital, the splendid opportunity it gives him today.

No, selling life insurance is not an "easy job." It is work beset with obstacles on every hand, obstacles that must be put behind him by the man who accomplishes anything in this great work.

Stumbling Blocks Have Important Uses

But obstacles are by no means unmitigated evils. We have often seen how they make greater opportunity for the man who possesses the grit and determination to overcome them. They do more: they develop strength and increase ability. Just as a child is taught by knocks and bruises to keep his balance, and just as his strength and skill are developed by walking over rough places and jumping ditches, so the life insurance salesman learns by hard knocks, to avoid the mistakes that lose him business. The salesman becomes stronger and more efficient every time he meets and overcomes an obstacle.

If a boy could be sent out to write only the applications that had already been virtually closed by his successful and influential father, would he make a capable salesman? I think not. His production might seem phenomenal as long as he got credit for his father's work; but if he depended solely on business of this kind, he would be helpless when left to his own resources. Every life insurance agent must learn for himself to meet and overcome the many obstacles incident to the work before he can develop to full stature.

These obstacles may be divided into three classes. The first class is composed of obstacles that one might say were inherent in the business; that is, those that arise from the nature of life insurance itself.

Agent Must Be an Educator

As life insurance is a subject concerning which the general public has as yet very slight knowledge, the successful agent must be able not only to give desired information, but also to correct a great deal of misinformation that is broadcast over the country. To prepare himself to do educational work along this line is the first problem the man who would become a successful underwriter must solve. A thorough knowledge of the fundamental principles on which life insurance is based, and the way these principles are applied, is necessary to every man who hopes to attain genuine success.

You do not need, however, to make an actuary of yourself or of your prospect. Simply prepare yourself to answer intelligently the questions that will be put to you by those whom you solicit, and be careful in your canvass lest you spend so much time explaining life insurance to the prospect that you fail to show him clearly why he should buy the policy you offer him. Since it is true that many applications have been lost by useless airing of the solicitor's knowledge, some successful men have said that an agent may know too much about the theory. They are mistaken. You cannot know too thoroughly the goods you sell. Learn all you can about life insurance, but be sure to learn also how and when to use your knowledge.

The second obstacle arising from the nature of the life insurance business is the problem of learning salesmanship. The successful life insurance agent must be a proficient salesman—and salesmanship is one of the finest arts known, and one of the most elusive.

Difficulties Arising from Attitude of Others

The second class of obstacles to be met by the agent consists of those that arise from the attitude of other people.

First among these is the advice of relatives and friends with regard to his own career, who see nothing but failure for him. It is surprising how many of these "Job's comforters" arise to advise the new agent to hold on to his job behind the counter, with its ten dollars every Saturday night, rather than go hungry as an agent.

Then, he meets the man who is prejudiced against life insurance or who says he does not believe in it. He also finds the man who is suspicious, because he has been "stung" by an unscrupulous agent, or has bought a policy in an irresponsible company. Again, he has to contend with the busy man of affairs who has lost so much time listening to propositions in which he was not interested, that he refuses to grant an interview.

Finally, when he begins placing a fair amount of business in spite of these obstacles, regardless of the hostile attitude of the friends or relatives of his prospects, and notwithstanding the contemptible methods of the parasite with the rate-book but without the energy to work up cases for himself; when he begins to succeed in spite of all these—he is confronted with the problem of financing his growing business.

In selling much life insurance, he must take notes for a certain proportion of the premiums, and getting these notes handled by the banks is not always easy. The banks have had so many annoying experiences due to handling insurance notes, where policies were never delivered or where the insured was dissatisfied, that they prefer to steer clear of such doubtful business. The agent therefore has to overcome this obstacle in order to get a satisfactory banking connection.

The Most Formidable Obstacles of All

Having briefly examined the obstacles that arise from the nature of the business and from the attitude of others, let us look at the third class—those that are due to the attitude of the agent himself—those that arise within him. These are by far the most serious that he has to contend with.

First among these is carelessness. This is manifested in many ways. One agent is so careless of his personal appearance that he starts every interview with a handicap. Another loses the confidence of people by his slovenly conversation—his exaggeration and inaccuracies. Others are heedless with their money, spending it freely and even recklessly, while some are negligent of their credit. But probably the most serious form is carelessness of time. How many of us, like Mr. Micawber, spend hour after hour, day after day, waiting for something to turn up, when we should be spending every minute of this time in turning things up.

Then comes laziness. There is something about the life insurance business that brings out the lazy streak that exists somewhere in the most energetic. Sometimes the agent is physically lazy—just shirks activity. But more frequently, it is pure mental indolence. Rather than exert himself to prepare the data necessary to meet competition in a hard case, he lets his competitor get the business, telling himself that the opposing company has an unbeatable proposition, anyway.

Then we have to contend with impatience. We get impatient with our prospects, though we try to train ourselves not to show this. We get impatient because the medical department declines the biggest and best case we have had in a long time. Impatience leads to fault-finding, to discontent, to impaired efficiency. Or, perhaps, we get impatient because results do not come as fast as we think they should The ambition that causes this sort of impatience is a virtue, but unless the agent can content himself with hard work and slow but steady progress, he cannot hope for success.

The Meanest of All Obstacles

Probably the meanest of all these obstacles that arise within the agent—the one that will come nearer nullifying his efforts and paralyzing his ability is fear. What agent has not met this obstacle in one form or another? Sometimes it is fear of the prospect; at others, fear of a strong competitor. Or it may be fear that he will not succeed. It comes to us each and all—to some many times a day, to others less often; but until the agent learns to keep this evil spirit away, he will never reach permanent achievement.

No Obstacle Great Enough to Cause Failure

Such are the obstacles that confront the life insurance salesman. Many that will occur to you have not been mentioned, but every one you can think of arises from (a) the nature of the business, (b) from the attitude of others, or (c) from the mental attitude of the agent himself. But though the difficulties in his way are many, it is comforting to know that none are sufficient to bar from success a man of energy, intelligence, perseverance, and determination.

Information Concerning Life Insurance Easy to Get

Those obstacles that arise from the nature of life insurance will give little difficulty to the agent who has a fair education and is willing to spend time and effort in learning certain essential facts. There are many excellent textbooks that explain the subject in such a way that the agent may learn, with comparative ease, facts and principles which will enable him to give his prospects direct and satisfying answers to questions that arise in soliciting. A number of admirable insurance journals, also, are published to teach the solicitor, and to keep him informed on new developments in the business. These textbooks and journals can be obtained by the agent at a cost that is as nothing in comparison with the profits he will make from an intelligent use of them.

(To be Continued)

Capable Agents, Desirable Company

The two most important factors in life underwriting are capability in the Agent and quality in the Company. If the Company provides an unexcelled, attractive policy for a low net cost, and has a reputation for prompt and efficient service, the result is contentment, loyalty, and success for the man in the Field, if he is capable. This Company's record is evidence of the character of its representatives and of the quality of the institution.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
Life Insurance Company
Springfield, Massachusetts
Incorporated 1851

44 MILLIONS from 42 AGENCIES

THE 1916 RECORD OF OUR EARNEST, LOYAL AND HAPPY AGENCY FORCE

New England Mutual Life
Insurance Company
BOSTON, MASS.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Miss Alberta Allen Makes Good

The St. Louis "Post-Dispatch" for October 26 contained an article on the career of Miss Alberta Allen, manager of the Woman's Department of the St. Louis Agency, of which Warren C. Flynn is manager. Miss Allen's steady progress and unqualified success show how unlimited is the field of life underwriting for a woman who has brains, ambition and a genuine desire to serve in making the world a happier place for her having lived.

The "Post-Dispatch" article, reproduced by the "Radiator," published by the Massachusetts Mutual Life, is given here for the benefit of women readers of The Eastern Underwriter:

An inspiration to the ambitious but timid woman in industry is the career of Miss Alberta Allen. For quite a number of years Miss Allen held a nice, comfortable, safe and secure position in the benignant service of Uncle Sam. She rose to the top of his pay roll at the Merchants' Exchange Branch Post Office.

Here she had an opportunity to cultivate a large acquaintanceship and time and the inclination to look about her and take an interest in the interests of other women workers. As evidence, her activity in the organization of the Town Club and continued devotion to its administration in one capacity and another.

Many women would have succumbed to a contentment fatal to ambition or would have pined for a broader outlook than the grilled window without the courage or initiative to venture beyond. Few, I think, would have surrendered certainty and security and, as compared to the salaries of a majority of women, good pay, for uncertainty, though unlimited pay, in an entirely unfamiliar line of work.

However, that is what Miss Allen did. A little over a year ago she abruptly pulled up anchor in the snug harbor of the Post Office Department and set forth upon the pathless, chanceful, almost boundless sea of life insurance selling.

And this is the inspiring part of it—she has made good.

More than that, it is said that having written more than $150,000 worth of insurance the first year of her experience, she has broken some records. I am unable to learn what this means in commissions, but I am able to observe that Miss Allen is now known as manager of the Woman's Department of the Massachusetts Mutual, that she drives her own motor car and that she is blooming with good health and spirits and is radiantly enthusiastic about her work.

"One of the problems that used to perplex me in my study and interest in all sorts of problems pertaining to women, and, I think it is a question that occurs to everybody more or less," began Miss Allen when I wanted to know about her new venture, "was, what's to become of all these working women who do not marry when they no longer are young enough to work? With limited salaries they must either practice self-denial as they go along and save—which I know not all of them do—or they must look forward to a dependent old age.

"For myself, I decided that I must undertake something wherein my earning capacities would not be so arbitrarily limited. Then I heard of this new system of insurance whereby a woman may, while she is in the prime of life, assure herself of an income of so much a month when she has become incapacitated or can retire.

"Here was the solution of two problems in one—my own and other women's. I would go out and urge women to invest in life insurance for the sake of their own future safety and security and so perform a really altruistic service in a field that really appealed to me. At the same time I would either increase my income upon the commission basis or, at least, I would satisfy myself as to my limitations."

* * *

Three Net Cost Stories

Every life insurance company seems to take pride in giving histories of old policies showing the very small net cost to those who have continued their insurance in force for thirty or forty years.

The Northwestern Mutual Life submits to agents several cases calling particular attention to ten payment life records:

Policy No. 4300—William B. Griswold. Issued November 27, 1863, Age 29, $1,000, Ten Payment Life. Annual Premium $45.55.

10 Annual Premiums paid.....$455.50
Total dividends returned, including 1917 ..... 550.58

Excess dividends returned over premiums .....$ 95.08

Policy still in force for $1,000.

Policy No. 7394—Benedict Troendle. Issued September 5, 1864, Age 33, $1,000 Ten Payment Life. Annual Premium $49.50. Insurer died March 26, 1917.

10 Annual premiums paid $495.00
Total dividends returned including post-mortem 588.74

Excess dividends returned over premiums .....$ 93.74

The Company received $495 in premiums and returned in dividends and death claim, $1,588.74.

Policy No. 154778—Harris Weinstock. Issued March 17, 1887, Age 32, $5,000 Five Payment Life. Annual Premium $424.25. Dividends applied to purchase additions.

5 Annual premiums paid.....$2,121.25
Full-paid additions including 1917 ..... 2,732.00

Total insurance protection 1917 .....$7,732.00

* * *

What Better Service Means

E. A. Woods, of Pittsburgh, briefly sums up for agents what better service means in this way:

Selling a larger number of people.—By seeing more people. By being better prepared, knowing (a) your rate book; (b) your prospect; (c) what you are going to say. By doing an honest day's work. By wholesale, not group, insurance.

Selling larger amounts.—Increased cost of living. Trailers—irregular deposits. Multiples of $2,500, $5,000, $10,000. Average Equitable policy, $2,342. Average government policy, $8,500. Team work. By retaining your customer's trade. Insuring inheritance taxes. Abstracting a policyholder's insurance. Advising changing all policies from estate to named beneficiary. Christmas savings club idea adapted to life insurance.

Selling better policies.—Life incomes. Income bonds. Ordinary life instead of term. Limited payment and convertible instead of ordinary life. Endowments instead of limited payments. Visualizing policies and features of policies.

Specific December, 1917, suggestions.—(a) Wills. (b) Christmas dividends. (c) Business insurance. (d) Your biggest prospect—What is it—business or personal insurance? How did you get it? How are you developing it? How and when do you expect to close it? (e) Going after a definite goal. (f) Recording one's work.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company Home Office Building

The Company
Of the People
By the People
For the People

The Daily Average of the Company's Business during 1916 was:

701 per day in Number of Claims Paid.

8,304 per day in Number of Policies Issued and Revived.

$1,969,823 per day in New Insurance Issued, Revived and Increased.

$376,827.40 per day in Payments to Policyholders and Addition to Reserve.

$220,509.26 per day in Increase of Assets.

JOHN R. HEGEMAN, President

NEW AGENCY IN NEWARK

Arnold Harmelin Employs a Staff and Has $1,000,000 Mark as His Goal

The Progressive Insurance Agency of Newark, N. J., which has been incorporated with a capital stock of $25,000, commenced operations in Newark and vicinity on January 1. Arnold Harmelin will have the duties of managing the business, training the staff and closing cases. He has been with the Metropolitan Life for more than ten years as agent, assistant superintendent and deputy superintendent.

A friend of Mr. Harmelin said this week: "He has resigned his position with the best wishes of the Company and a thorough knowledge of the insurance business. He leaves a great number of friends among the field men, and enjoys the confidence of the business and professional world in Newark, and is determined to reach the $1,000,000 mark the first year as general agent."

AT BASE HOSPITAL, EDINBURGH

Dr. Henry B. Carstens, former assistant medical director of the Detroit Life, is now in Europe. He is a captain attached to the base hospital, Edinburgh.

Walter S. Sullivan, of the Mutual Life, is on the committee of six appointed to co-operate with the State and various city fuel administrations in the work of coal conservation.

Representing

The Mutual Life Insurance Company
of New York

You will make money.

The great strength, big dividends and incomparable benefits of the *"oldest company in America"* mean certain success for you.

For Terms to Producing Agents, Address

GEORGE T. DEXTER, 2d Vice-President
34 NASSAU STREET, NEW YORK, N.Y.

Theory Back of Women's Departments

(Continued from page 6)

remained to marvel. "Your women know their business and cannot be stumped by questions," Miss Hopper was told, which is most gratifying, for the manager believes that when this is true of an agent "she is able to stand on her own feet and push her own business." Miss Hopper has set a high standard for her department, not less than $200,000 a year for each agent. This is of course impossible with so new a staff, but the practical figure of $75,000 a month for the department has been attained or in actual reach every month since the department started. Her agents are encouraged to specialize; one of them is bringing in big returns with corporation insurance, and another is doing creditably while specializing with women clients.

Miss Hopper declared that the big field for the future of insurance is among women both as clients and as salesmen. "It is simply a question of educating women to the value of insurance," she said. "Women at home are worth canvassing, because they advise insurance to their husbands." Insurance salesmanship this manager considers a wonderful and growing field for women, an opportunity to exercise their special talents, and to make more than a good living while they are serving others as well.

A newcomer to the world of business, Miss Hopper is full of interest and enthusiasm about it all. She declares that, whereas in her Y. W. C. A. work she always distrusted the ethics of business life, she now finds that the Y. W. C. A. might learn many profitable lessons from the high standard of ethics and morals she sees about her daily. Among the qualities which she considers an ideal insurance agent should possess are: "First, knowledge of one's business and ability to learn; then enthusiasm, call it 'pep'; next, honesty, perseverance, courage, courtesy, physical strength, ability to appear at one's best, tact—which is just the ability to put yourself in another's place; and—oh, yes, very important—a sense of humor."

Wonderful Field Says Mrs. Lochner

Under the able management of Mrs. Ellanora D. Lochner, the women's department connected with the Wallis Agency of the Fidelity Mutual Life Insurance Company is rounding out its first year of solid achievement. Fully half of the force of six women agents will qualify for the annual convention, in addition to Mrs. Lochner herself. This manager is a woman of wide business and insurance experience, of commanding personality and her success brings her in what is said to be one of the largest incomes of any woman in the business. The personnel of her department has undergone changes since it was first inaugurated, but its present force are all active workers. A good education and some experience in salesmanship—department stores or real estate being included—Mrs. Lochner considers the best foundation for an agent. Her women are trained by daily conferences and much personal help, Mrs. Lochner frequently accompanying them on canvassing trips until they gain confidence and ability.

Through its own system of introduction to the company, the Fidelity Mutual makes the road smooth for its agents, securing them personal requests for calls upon the prospects. Thus the ice is broken, and the agent knows her visit is anticipated and that she will find the client already interested and willing to hear her exposition. Much of the embarrassment of a first call is thereby saved for the beginner, and she soon gains ease in presenting her proposition. From two to three weeks is usually required for training, some women writing policies the first week.

Mrs. Lochner considers insurance a wonderful field for women both as agents and as clients. Women are especially adapted to the business, she thinks, and from experience as beneficiaries themselves they can make others realize the value of insurance. The business is one of the few that are not overcrowded; in fact, there are not enough women in insurance for the field that it presents. Results insure more than a good income, giving leisure for social and cultural enjoyment. "You have to work hard—yes, but you have more time and more independence than in any other business. That I know," she says.

"The field for women as clients is constantly growing, as women are more and more taking men's positions in business, and realizing that they must look ahead and provide for their own future and the future of those dependent on them. This agency has done especially well with a policy which ensures a monthly income for life, upon maturity, and at least forty women holding big important positions in the downtown business section have taken this policy, while school teachers of the city have taken more than $2,000,000 of it. And women keep up their policies and are good payers, too; they meet their premiums promptly," says Mrs. Lochner. "Life insurance is merely a matter of education."

New York Life's Leading Woman Agent

No discussion of insurance women of New York City would be complete without a mention of Mrs. Jennie Watkins, the chief woman agent of the New York Life Insurance Company. Mrs. Watkins, who is connected with the Yorkville Agency, has been in the business for eight years, and never once failed to write $200,000 annually. She was the first woman member of the Life Underwriters Association of New York City.

Though never connected with a women's department or women's agency, Mrs. Watkins knows something of the requisites for the work. These, she declared, include common sense, tact, diplomacy, courage, perseverance, patience, and an understanding of human nature. Education and previous business training she considers are not always necessary, since she herself had had little of the former and none of the latter when she took up insurance selling.

"Do I believe in insurance for women? I believe in insurance for everybody." she said. "The only people who can't get insurance are the morally, physically and financially unsound. All others can and should insure according to their needs and ability. I like to talk insurance to women, and I find women easier than men to approach on the subject. It is only the uneducated woman who is afraid of life insurance; only the one who is buried in the backwoods who does not realize its value. The woman who is alone, with no one dependent on her, is the only one to whom I talk endowment. To all others I present insurance as desirable and necessary to protect their dependents. Women are more inclined to save than men, I think; that is, if they have anything to save. This is especially true if they have children; they are more anxious to protect their children and safeguard their future than men are. The field for insurance among women was never wider."

One of the most versatile women agents in the city is Miss E. Constance Woodward, of the Equitable. She is as clever with her pen as with her ratebook, and is the editor of "The Little Upstart," a paper which in soundness of its advice and life insurance theories gives cards and spades to many an older and more ambitious organ.

THE MOST VALUABLE POLICY FOR YOU,
Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
METROPOLITAN DISTRICT, ST. PAUL BLDG., 220 BROADWAY, NEW YORK, N. Y.

ORGANIZED 1871
Life Insurance Company of Virginia
RICHMOND, VIRGINIA
OLDEST, LARGEST STRONGEST
Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1916:

Assets	$14,464,552.23
Liabilities	12,436,717.56
Capital and Surplus	2,027,834.67
Insurance in Force	118,349,212.00
Payments to Policyholders since Organization	18,119,172.50
Is Paying its Policyholders over	$1,300,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

"If You Were In His Place"—
Would you buy the policy you are offering your prospect?
Provident agents are successful because they are absolutely convinced that the policies they offer are exactly the policies which under similar conditions they would prefer for themselves.
Write for information.
The Provident Life and Trust Company
OF PHILADELPHIA.
Founded 1865

NATIONAL LIFE INSURANCE COMPANY
(MUTUAL)
MONTPELIER, VERMONT
67th Year
FRED A. HOWLAND, President
On paid-for insurance basis and with bonds valued at par only (market value $409,882 above par) the 67th report shows:

Assets	$66,426,040.82
Liabilities	62,268,494.36
Surplus	$ 4,157,546.46
INSURANCE IN FORCE	$212,037,400.00

A good company for the policyholder and the agent
EDWARD D. FIELD, Superintendent of Agencies.

THE TRAVELERS
INSURANCE COMPANY — INDEMNITY COMPANY
HARTFORD, CONNECTICUT
WRITE THE GREATEST VOLUME OF
GUARANTEED LOW COST LIFE INSURANCE
AND
CASUALTY INSURANCE
THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone 2497 John.

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THE WAR RISK CAMPAIGN

The life insurance men of this country have been asked by the United States Government for assistance in prosecuting the campaign for soldiers' and sailors' insurance, and they have responded as wholeheartedly as might have been expected. It is probable that the last week in January will be devoted to this work by the life insurance fraternity. In asking for the co-operation of the life insurance companies and agents the Treasury Department has acted wisely, and it is safe to predict that the campaign in the camps which follows will be one of the most vigorous that the nation has seen. If any soldier or sailor escapes learning all about the Government's insurance proposition, everybody will be surprised.

FRANK LOCK'S REVIEW

The New Year always brings with it the welcome review of Frank Lock, United States manager of the Atlas, who by temperament and grasp of economics and insurance is qualified to sum up the twelve months' record of events in fire insurance and point out the significance of the happenings. In his page article in the "Journal of Commerce," after scanning and commenting on events, he refuses to act as a prophet as to whether 1918 will be a profitable year for the companies. Because of the problems of unusual magnitude and importance calculated to test the stability of the whole business he throws up his hands, putting it up to the reader, who, he says, "is as competent as the reviewer to form a judgment as to the probable results in profit or loss in 1918." However, he makes some prophecies, which no one will dispute, and they are here repeated:

1. That the average rate of premium is likely to rise in 1918.

2. That fire premiums will probably show a substantial increase in the year 1918.

3. That all forms of miscellaneous insurance allied to fire insurance will probably show great buoyancy.

4. That the carrying capacity of companies will be taxed to the utmost, so that many companies will be verging on the limit of safety in many large cities.

5. That inter-reinsurance arrangements of companies are likely to be considered and developed to a substantial degree.

6. That the rate of expense is likely to advance and make a new high record.

7. That abnormal losses due to "war conditions" are likely to continue to an indefinite but serious degree.

MOURN PATERSON'S DEATH

Meeting in New York Insurance Department in Memory of Veteran Actuary

A memorial meeting to Actuary John S. Paterson was held in the offices of the New York Insurance Department this week, called by Superintendent Phillips. All of the employes of the department met in the former actuary's room. At the close of the meeting the employes attended the funeral in a body. This memorial was adopted:

"At a meeting of the officials and employes of the State Insurance Department, called to express the respect and affection they held for their late friend and associate, John S. Paterson, the following memorial was adopted:

"John S. Paterson: On Wednesday last, December 26th, 1917, there rested on his desk in the actuary's room a vase of fifty roses, a rose for each year of loyal service. Attached was a card reading:

> 'We, one and all—by all meaning every one of your associates—extend greetings, the best of wishes and congratulations on this, your fiftieth anniversary in the insurance department. You have always been our friend and adviser and we are indebted to you. We wish you every possible happiness, good fortune, health and many more years with us.'

"On the following day (Thursday) there appeared in one of the leading insurance journals a tribute to John S. Paterson—'Fifty Years Young'—in which was a statement from every living ex-superintendent of the department and one from the present superintendent. It was a testimonial to make any man proud.

"Today, Wednesday, January 2, 1918, his associates place, not a bunch of fifty roses on his desk, but a wreath on his casket. Woven in it is love, appreciation and gratitude that it has been our good fortune to have been associated with such a man."

FORGET YOURSELF

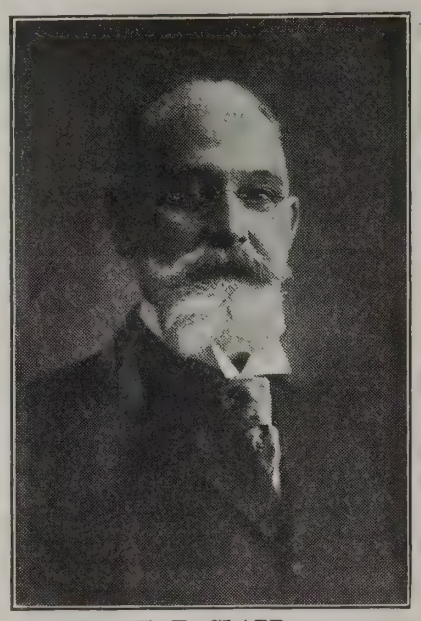
Be Convinced That Your Petty Troubles Have no Place in This War

When its four o'clock and time to go home to a warm room and a good dinner, think of the boys in the trenches. When one feels blue and feels like quitting a little earlier than usual, think of the boys in the trenches. When anything goes wrong in the office or anywhere else, think of what others are suffering in order to make the future safe for you and yours. In short, make up your mind that your troubles are as nothing compared to those which confront the men who are really fighting this war. Cheer up! Don't criticise, help.

ADDRESS BY LUCAS

Julian Lucas, Jr., of Davis, Dorland & Co., prominent New York brokers, has consented to address the meeting of the Brooklyn Fire Brokers' Association next week on the standard fire policy. At this meeting new officers of the Association will be installed.

THE HUMAN SIDE OF INSURANCE



E. E. CLAPP

Edward Everett Clapp will be eighty years old tomorrow, January 5, and with the coming of 1918 has been in the insurance business forty-three years. E. E. Clapp & Company, 90 William Street, New York, of which he is the head, is one of the most widely known insurance general agencies in the country and its achievements in the health and accident business stand out in bold relief. Its yearly records are little short of marvelous. During his entire insurance career he has been connected with the Fidelity & Casualty, which was, when Mr. Clapp first knew it, the Knickbocker Casualty Insurance Company of New York. Among his associates Edward E. Clapp is known as an able department superintendent, skillful organizer, efficient agent, successful man of affairs, a wise councellor and a courtly gentleman.

Mr. Clapp was born in Holyoke, Mass., in 1838, the son of Justus Clapp. He is descended from Roger Clapp who was the first commander of Fort Independence, Boston, which command he held for twenty-one years. Mr. E. E. Clapp was educated in the academy in Newburgh, N. Y., and in 1861 went to China to engage in the cotton business. When he returned to America and entered the insurance business, he immediately took a foremost place among salesmen of his day by writing $300,000 of life insurance in two months for the Provident Savings Life. That was in 1875, when he located in Albany and represented twelve fire companies, one life company and the Fidelity & Casualty. In 1881 the Fidelity & Casualty induced him to sell his insurance business in Albany and come to New York to devote all his time to the accident department. From 1887 to 1891 he was superintendent of the accident department for the entire United States, in which interval accident premiums increased from $250,000 to $852,000. He then resigned his post as superintendent of the accident department to become general agent for the territory his firm still handles, New York, New Jersey, Massachusetts and Rhode Island. The annual premium income of the firm in that territory alone is now over $1,500,000. In January, 1895, Mr. Clapp took into partnership Edward Griffith, who had been associated with him for many years, and who is one of the ablest insurance producers in the United States or any other country.

George Harvey Russell, of the George H. Russell Company, Milwaukee, insurance, has been appointed a member of the military staff of Governor Philipp of Wisconsin with the rank of colonel. He is chairman of one of the Milwaukee draft boards. During the incumbency of Governor W. D. Hoard, Mr. Russell served as aide-de-camp on the governor's staff, an honorary position in the National Guard.

* * *

Mott A. Brooks, who has resigned as managing editor of the "Weekly Underwriter," with which paper he has been connected since 1910, to become assistant secretary of the Association of Life Insurance Presidents, is one of the most able, conscientious and hard-working insurance newspaper men. His integrity and common sense has long been recognized in newspaper circles, where he is popular.

Mr. Brooks, who has had much experience in the insurance legislative information field and allied lines, in recent years, was formerly identified with the newspaper business in the Southern Tier Counties of New York State. For four years Mr. Brooks was news editor and business manager of the Waverly, N. Y., "Free Press" and Waverly representative of the Elmira "Sunday Telegram." Following this, for two years he was circulation manager of the Ithaca "Daily Evening News." Then came eight years' service as manager of the Binghamton branch office of the Elmira "Sunday Telegram." During this time he also acted as correspondent for several New York dailies.

* * *

Robert W. Huntington, Jr., president of the Connecticut General Life, has been elected president of the Dime Savings Bank, of Hartford.

* * *

John O. Platt, vice-president of the Insurance Company of North America, recently led a Philadelphia team in the Y. M. C. A. country-wide drive.

* * *

Joseph J. Windle, well-known New York fire insurance adjuster, was confined to his home this week, by an injured leg.

* * *

John B. Lunger, vice-president of the Equitable Life Assurance Society, has been carrying his arm in a sling as the result of a fracture.

* * *

Edwin S. Cowles, a well-known Hartford insurance man, has been in the insurance business twenty-five years. The "Courant," of that city, thought the event important enough to be worth half a column. He is the oldest general agent in the service of the Fidelity & Deposit. Among positions held by Mr. Cowles in the past has been that of president of the Hartford Board of Fire Underwriters.

* * *

Chris Anderson, of the Mutual Life in Chicago, has completed thirty-eight months with $100,000 a month to his credit in that company. He also writes for the Penn Mutual.

* * *

Randolph Kingsley, a well-known daily newspaper man, is now manager of the information department of the National Surety Company. A Yale graduate, he was with the New York "Sun" from 1902 to 1904; with the New York "Times" from 1907 to 1912; and then secretary of the New York State Immigration Bureau.

FIRE INSURANCE DEPARTMENT

Jackson-Smith Agency, Inc. Formed

SUCCEEDS JACKSON & POTTER

Represents Preferred Accident as General Agents and Insurance Company of North America

The New York City agency of Jackson & Potter, Inc., has been discontinued. It is succeeded by the Jackson-Smith Agency, Inc., Frederick C. Smith, of the Frederick C. Smith Co., is president of the new agency and Stuart W. Jackson, who has been president of Jackson & Potter, Inc., is secretary and treasurer. This change was made desirable by the continued absence of Loris R. Potter, who has been with the army for more than a year.

Personnel of Agency

The Jackson-Smith Agency, Inc., will continue the company representation of Jackson & Potter, Inc. This includes at present the metropolitan general agency of the Preferred Accident for all casualty lines, the Insurance Company of North America for automobiles, and the Hartford Accident & Indemnity for surety bonds.

Mr. Smith has been a casualty agent for twenty-two years in New York and New Jersey and Mr. Jackson has had a like experience. Mr. Smith continues as head of the Frederick C. Smith Co., which will be maintained as a separate office. Mr. Smith also represents the Phoenix, of Hartford; the Equitable Fire & Marine and the Connecticut Fire for the binding of business throughout the United States and Canada.

MEET IN NEWARK TO-MORROW

Ways and Means Committee of New Jersey Association—Miller to Visit State

A meeting of the Ways and Means Committee of the New Jersey Association of Fire Underwriters will be held on Friday morning at the rooms of the Fire Insurance Society of Newark. Plans for combatting the State insurance menace and other matters will be discussed.

The first work of Chauncey S. S. Miller, the new field secretary of the National Association of Insurance Agents, will be to visit the various counties in New Jersey where he will line up the various agents for membership. It is a pretty safe prediction that New Jersey will be one of the strongest States in the membership of the association.

PHILADELPHIA CONSOLIDATION

Wagner-Taylor-Edson Company, Inc., Has Experts in Charge of All Departments

The Wagner-Taylor-Edson Company, Inc., Philadelphia, is a consolidation of Wagner & Taylor Company and Edson & Co. It will be one of the livest offices in the East and will have all the necessary departments of a well-equipped office, with experts in charge.

Had Been With One Company for 46 Years

RETIREMENT OF GEORGE W. HOYT

A Deputy United States Manager Before He Was Twenty-Three—His Many Activities

The retirement of George W. Hoyt this week as Deputy United States Manager of the Liverpool & London & Globe removes from the underwriting field one of the most distinguished figures in insurance. Mr. Hoyt has been in the New York insurance district for 46 years during all of which time he has worked hard and been a stickler for ethics. It is also remarkable that during all that time his affiliation has been with a single company. Mr. Hoyt joined the Liverpool & London & Globe when a boy, worked his way through various departments and was appointed Deputy United States Manager before he was twenty-three years old. During the time that Mr. Eaton has been in Europe and on vacations he has been the acting United States Manager.

Helped Form Suburban Exchange

Many of the honors that can come to an underwriter in this city have been accorded Mr. Hoyt, including the presidency of the Suburban Fire Insurance Exchange, for two terms and the New York Fire Insurance Exchange for two terms. In fact, Mr. Hoyt was one of the leading spirits in the organization of the Suburban Fire Insurance Exchange, among others who co-operated in the formation of the Exchange being Messrs. McChord, Hanover; Burtis, Home; McKay, Phoenix of Hartford, and Captain Barley, Phoenix of Brooklyn. At that time the suburban territory was known as "No Man's Land." Rates were whatever the insured could get. The Surburban Exchange has been so successful that in many respects it is a model rating organization.

Headed Fire Prevention Committee

A list of the committees on which Mr. Hoyt has served would be too long to enumerate, but probably his best work was as chairman of the Fire Prevention Committee of the National Board of Fire Underwriters, which position he held for ten years. Upwards of $900,000, was spent during this decade, resulting in great improvements in properties, perfection of electrical equipment, better water supply for innumerable communities and reduction in number of fires.

Among reforms earnestly advocated by Mr. Hoyt has been the elimination of the cancellation clause in the policy contract. He believes that many of the evils of the business are directly traceable to this, and if the clause were abrogated the personnel of the local agency forces of the companies would be considered improved.

G. F. KRANK WITH HANOVER

George F. Krank, formerly manager for P. J. TenEyck of Albany, is now New York State special agent for the Hanover, co-operating with Mr. Crittenden.

FIRE AND MARINE INSURANCE—ALL LINES

The Automobile Insurance Company of Hartford, Conn.

MORGAN G. BULKELEY, President

Statement January 1, 1917

Cash Capital	$1,000,000.00
Assets	2,748,832.19
Liabilities (Except Capital)	1,039,977.81
Surplus to Policyholders	1,708,854.38

AFFILIATED WITH

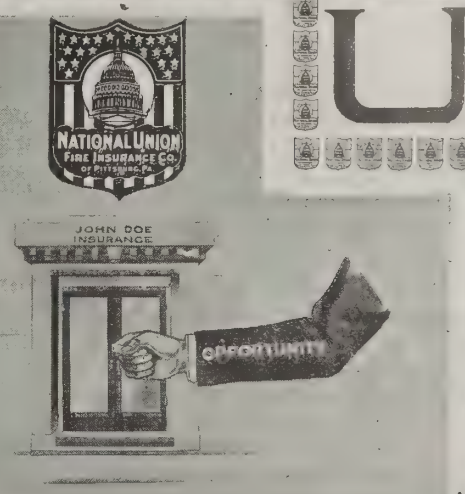
AETNA LIFE INSURANCE COMPANY

THE AETNA CASUALTY & SURETY CO.

London and Lancashire Fire Insurance Co. Ltd.

OF LIVERPOOL, ENGLAND.

NU



As an asset to any agency, by every test that counts, the NATIONAL UNION is unquestionably a company whose representation good agents should seek. Extending always a full measure of co-operation, its facilities and service have given it a conspicuous place in 5000 offices throughout the United States. To experienced and properly qualified agents the NATIONAL UNION can prove its worth in numerous ways. Are you willing to be convinced of facts already proven to others who have gained satisfaction and profit in a pleasant business relationship? Shall we send a Special Agent to discuss the subject with you?

"OPPORTUNITY IS KNOCKING"

BROKERS ACTIVITIES

Talks Insurance In Realty Section

MORGENTHAU'S "POST" ARTICLE

Says Every Real Estate Concern Should Have an Insurance Department —Increased Values

M. Morgenthau, Jr., a well-known insurance broker, and former president of the Real Estate Association of New York, discussed fire insurance needs of real estate owners, in the annual financial and real estate review of the New York "Evening Post" on Saturday. The only other fire insurance man in the issue was Vice-President J. J. Hoey, of the Continental, who discussed fire prevention. Mr. Morgenthau said in part:

"Almost all real estate concerns have insurance departments, but very few give this department the attention it merits. Real estate owners and business men are demanding a new kind of insurance service, and the real estate man who wishes to stay in the insurance business must place his insurance department in the hands of experts. The war accentuates this necessity, because it has brought about new conditions, and the insurance man must be as alert and aggressive as his brother in the trenches.

"In the first place, it is best to assume nothing and to base nothing on past conditions. Face each proposition afresh. Take up insurance with each individual customer, and you will be surprised to find in how many cases matters require attention which would otherwise entirely escape your notice.

Increased Costs

"An investigation of an insurance account usually discloses that no attention has been paid to the increased cost of everything. Property formerly insured for $10,000 should frequently now be insured for as much as $20,000, and almost always will cost not less than $15,000, to replace. In the case of real estate, this is of especial importance because the insurance rate can frequently be reduced by making improvements. Matters which were not worth while, when say only $10,000 insurance was carried, may be well worth while when the insurance costs increase fifty per cent. or more. It is frequently possible to reduce the insurance rate considerably by making minor improvements and it is now well worth while for every insurance office to employ expert engineers for this specific purpose."

* * *

McGee in London

William H. McGee, Jr., of Wm. H. McGee & Co., is in London.

* * *

With Aetna

Frank E. Brower, who has been with the City Insurance Company of New York, is going with the Aetna as solicitor.

* * *

Parcel Post and Registered Mail

The Insurance Company of North America calls attention to the fact that agents sometimes confuse the terms parcel post policy and registered mail policy. The parcel post policy covers shipments of merchandise. The so-called registered mail policy covers wholly on shipments of valuable papers, such as bonds, securities and currency.

* * *

Sounding Brokers

One of the non-board fire companies has addressed a letter to the San Francisco Insurance Brokers' Exchange asking if it can expect patronage from the brokers if the company joins the Pacific Board.

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— *FIRE and WAR RISKS* —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

FORM NEW BROKERAGE FIRM

Geo. W. Block, A. A. Earle and A. J. Manuel Resign from Wilcox, Peck & Hughes

As of January 1, the new fire and marine brokerage firm of Block, Earle & Manuel has been formed. The firm is composed of Geo. W. Block, A. A. Earle and A. J. Manuel, all formerly of Wilcox, Peck & Hughes. Mr. Block has been in the marine department of Wilcox, Peck & Hughes for about twenty-six years, Mr. Earle in the fire department for about twenty years, and Mr. Manuel in the loss department for about the same length of time.

* * *

Red Cross Work in a Brokerage office

R. C. Rathbone & Son were asked by The Eastern Underwriter this week for some information relative to Red Cross knitting work in their office. In reply the following information was given:

"This office is permitting the young ladies in their employ to knit for the Red Cross. At the present time fifteen are doing this work, and to date have turned in several completed articles.

"Our plan has been to allow one-half hour in the morning—from 9 to 9:30—for knitting exclusively and any other periods during the day when the young ladies have any spare time.

"It is our belief that if all of the large offices will permit work of this kind the Red Cross would be considerably benefited.

"It is also the intention of this office to present each employe with a Thrift Stamp and card as a New Year's gift to encourage as much as possible saving in this manner."

* * *

Geo. H. Smith & Hicks to Move

About January 15, Geo. H. Smith & Hicks will move their offices from John and William Streets, where they have been located for a long period of years, to the Merchant Marine House at Beaver and South William Streets. Geo. H. Smith & Hicks are marine managers of the Home Insurance Co.

SCHAEFER & SHEVLIN
103-5 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

ARTHUR C. SWINTON
1 Liberty Street GENERAL AGENT New York City
FIRST NATIONAL FIRE INSURANCE CO.
Washington, D. C.
New York Suburban and New Jersey
Exceptional Reinsurance Facilities Local Agents' Interests Protected

Authorized Capital $500,000
Detroit National Fire Insurance Co.
DETROIT, MICHIGAN
A Company to be built gradually and along the indicated lines of permanence
AGENCY CONNECTIONS SOLICITED

Capacity For Local Agents
You can use our capacity as your own to take care of additional business beyond the capacity of admitted Companies.
Our capacity is as high as $150,000 on a single risk with immediate binders and 10% commission to brokers. Guaranteed Underwriters. Use our special Surplus Line Department. Special liberal policies for Baggage Insurance.
MARSH & McLENNAN
Insurance Exchange, Chicago
19 Cedar St. NEW YORK · 1615 California St. DENVER · 314 Superior St. DULUTH · 300 Nicollet Ave. MINNEAPOLIS
Ford Bldg. DETROIT · 17 St. John St. MONTREAL · 23 Leadenhall St LONDON
THESE OFFICES GIVE YOU THE BEST THERE IS IN INSURANCE SERVICE

FRED. S. JAMES GEO. W. BLOSSOM WM. A. BLODGETT
FRED S. JAMES & CO.
123 WILLIAM STREET
United States Managers
GENERAL FIRE ASSURANCE CO. of Paris, France
URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England
NEW YORK
C. B. G. GAILLARD Assistant Manager
UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

AMERICAN EAGLE FIRE INSURANCE COMPANY
OF NEW YORK

HENRY EVANS, President

AN AMERICAN INSTITUTION

MR. AGENT: Study your problem well. Successful business is not the result of snap judgment. Maybe we can help you. We've solved many problems for our agents. Ask us.

HOME OFFICE, 80 Maiden Lane, New York PACIFIC COAST DEPT., Insurance Exchange Bldg., San Francisco

Leave the Press at Call of Insurance

TENDENCY OF THE BUSINESS

Young E. Allison, Jr., With Henry Evans Group—M. A. Brooks With Life Presidents

The insurance newspapers lost considerable talent in December, when Young E. Allison, New York correspondent of a Louisville newspaper; Mott A. Brooks, of a New York paper, and Chauncey S. S. Miller, New York correspondent of a Chicago paper resigned to become affiliated with insurance itself instead of chronicling the happenings therein. Mr. Allison goes with the Henry Evans group as the manager of publicity and advertising; Mr. Brooks goes with the Association of Life Insurance Presidents as assistant secretary and Mr. Miller, as has already been published, is the new field secretary of the National Association of Insurance Agents.

The Significance

There is considerable significance in these changes, as they demonstrate the growing tendency among insurance interests to have their publicity handled with constantly increasing intelligence, and efficiency.

In the old days a fire insurance office was a sealed book—something on the order of the modern marine insurance office. A reporter visiting such an office in quest of news was received as an I. W. W. would be in one of the encampments. This secrecy caused a complete misunderstanding of insurance, its principles and insurance men on the part of the public, which grew in many quarters to antagonism. This attitude was also exaggerated by the type of insurance newspaper men, who called at the offices for information. Gradually there has been a change, not only in the recognition of the importance of insurance news, but also of its correct interpretation, which feeling has been emphasized as some of the younger men in the business were elevated and the personnel of the newspaper men improved; with this came a realization that such a great institution as a leading fire insurance company has considerable material of an educational as well as a news nature, which is worth the time of an expert to handle and hand it out where it will do the most good—either to special agents, local agents, the public or all.

Then, too, there has been a decided change in the matter of insurance advertising. Companies nowadays are choosing their mediums of advertising with care and intelligence, the old "hand-out" days having been discarded. This development also made it necessary to have an expert in charge of advertising. Another change has been the growing popularity of the company organ, needing for its editor someone with newspaper or magazine training.

News Experts With the Companies

Sometime ago the Home Insurance Company made as its advertising and publicity expert, A. Irving Brewster, who had made a splendid reputation as a writer on insurance and engineering subjects. This was followed by the appointment of Robert T. Gebler, a capable daily newspaper man, as advertising and publicity manager of the Insurance Company of North America. Another former newspaper man who has done effective work in handling fire insurance publicity and company publications is J. M. Longnecker, whose newspaper experience was with Western newspapers, and who is editor of the Hartford "Agent." Then, Hugh V. Munday, formerly with the "Surveyor" and other insurance newspapers, in which connections he made many friends, affiliated with the publicity department of the Aetna Life, as assistant to David Van Schaack. The manager of the Travelers' publicity is J. D. Whitney, formerly one of the best men on the New York "Evening Post," and a brother of Albert W. Whitney, of the Compensation Bureau. Frank W. Pennell, one of the most capable of the insurance newspaper men, went with Mutual Life about a year ago in their publicity department.

Harvey Thomas, former Trenton correspondent of the Newark "News," is manager of the Prudential's publicity department; and Luther B. Little, former political reporter for the New York "Times," is the Metropolitan's publicity expert. George T. Wight, manager and secretary of the Association of Life Insurance Presidents, was for years a daily newspaper man. Another clever daily paper reporter is John Buchanan, of the Boston "Globe," who handles publicity for several insurance companies.

Harry C. Brearley's Work

Some time ago the National Board of Fire Underwriters saw the need of properly handled publicity and put in charge of this work Harry Chase Brearley, a distinguished Detroit newspaper man. Brearley was the author of the history of the National Board, recently published. Few men have been able to merge so successfully human interest incidents with insurance data, facts and history. With the National Board, Mr. Brearley has been a great success. Since he has been with the National Board that organization has seen published an astonishingly large amount of first class publicity, including two full pages in the New York "Tribune."

Mr. Allison's Career

The latest appointment—that of Young E. Allison, Jr., to be head of the publicity department of the Continental group, removes from the ranks of insurance journalism one of its most shining lights. Mr. Allison is the son of the most brilliant editor in insurance. He received his first journalistic training on the staff of the "Louisville Evening Post," where he worked for the munificent salary of $5 a week. At that, although he was a cub reporter he scored more "beats" than any reporter in the town. His salary began to move up. After some other daily paper experience he went with the "Insurance Field" where he did surprisingly good work as editor of the daily edition that paper had the hardihood to start in San Francisco at the time of the Panama-Pacific Exposition, but which was carried through to success. For weeks Allison quit work at 3 o'clock in the morning, but was on the job a little later in the morning reporting one of the numerous insurance conventions which were being held at that time. Later he was transferred to Chicago and then to New York. Here he made scores of friends by his modest, attractive personality, and then clinched them by the accuracy and attractiveness of his stories. Insurance journalism will be sorry to lose him and he goes to his new position with the best wishes of everyone.

IMPORTERS AND EXPORTERS CO.

Papers of Incorporation Cover a Wide Field of Insurance—Names of Incorporators

The incorporators of the Importers & Exporters Insurance Company now being formed are Ery Kehaya, J. Velonsi, Sava Kehaya, Morris S. Amado, Jesse Spier, M. L. Heide, Michael Litsas, Ira B. Robbins, Harry L. Rogers, A. C. Spencer, Ralph R. Fresco, Nicholas George Soter, S. Contente. The papers of the new corporation describe it as follows:

"The name of the corporation is to be The Importers and Exporters Insurance Company, and the purposes for which said corporation is to be formed are the making of insurance upon vessels, freights, goods, wares, merchandise, specie, bullion, jewels, profits, commissions, bank notes, bills of exchange and other evidences of debt, bottomry and respondentia interests, and every insurance appertaining to or connected with marine risk and risks of transportation and navigation, including the risks of lake, river, canal and inland transportation and navigation, insurance upon automobiles, whether stationary or operated under their own power which shall include all or any of the hazards of fire, explosion, transportation, collision, loss by legal liability for damage to property, resulting from the maintenance and use of automobiles, and loss by burglary or theft or both, but shall not include insurance against loss by reason of bodily injury to the person and of re-insurance of any risks taken by it."

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $152,000,000.00

Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus, .. - - - - -	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - -	1,051,543.00

NEW YORK OFFICE
80 William Street

When Protection Is not Protection

IT'S WHEN CHANCE IS TAKEN

Local Agent D. J. Carter's Argument in Meeting Mutual Fire Insurance Competition

D. J. Carter, of Henderson, Dubois & Carter, Aetna agents in Herkimer, New York, has evolved a number of arguments that have enabled him successfully in many instances to meet mutual insurance competition.

"I try to interest a man by seeking to draw some parallel or comparison between the line of insurance and some phase of his own business," says Mr. Carter, writing in the "Aetna-Izer." "For instance, if I am trying to sell a policy of fire insurance or liability to a clothing merchant, and he brings up the question of the mutual company, I ask him the following question:

Question Asked Prospective Insured

"'Would you expect me to come into your store today and buy a suit of clothes, paying a certain amount as deposit, with an agreement to pay the balance at the end of the year, the exact amount to be paid for the clothes depending on whether or not you make money this coming year? In other words, would you expect me, when I merely want to purchase a suit of clothes, to assume a share in your liabilities, or would you do the same thing if you were to purchase a suit of clothes in some other store?'

"In some way like this, I try to emphasize the fact that a policy of fire insurance or liability in a company that is known to be good should be bought and paid for and with no strings attached, just as we buy and pay for a suit of clothes.

"If a prospective policyholder mentions the fact that he may get back the dividend at the end of the year I merely say that that is not insurance. In other words, protection is not protection if the insured has to take a single chance and indicate to him that there may be other differences in the actual cost of a stock company and a mutual policy than is represented in the difference of the premiums.

Usually Wins Out

"I also emphasize the fact that these companies are experimenting and my Company is not and that there is altogether too much experimenting going on already.

"So far I have found out that, if I bear hard enough on these arguments, I can usually win out.

"When I have learned that these mutual companies were circularizing the automobile owners in this field, I have sent circulars out with the idea of counteracting the impression which the mutual companies are trying to make. Of course, we are very close to the Utica companies and so far I don't see that they have made any great impression in Herkimer."

NEW UNDERWRITERS

Takes Over Business of Nord-Deutsche in Western Field for Automobile Co.

A dispatch to the "Journal of Commerce" says:

The fire and marine underwriters of the Automobile Insurance Company of Hartford began business to-day. This organization is put in the field to handle the agency plant of the Nord-Deutsche, which it has re-insured, at points where the Automobile of Hartford already has a satisfactory agency connection, and it is not desirable to have a dual agency. It is probable few agencies of the fire and marine underwriters will be planted in Cook County.

New Fire Commissioner a Democratic Leader

RECORD OF THOMAS J. DRENNAN

Former Deputy State Workmen's Compensation Commissioner—Forty Years Old and Bachelor

Thomas J. Drennan has been appointed Fire Commissioner of New York succeeding Robert Adamson. Mr. Adamson's future plans are not announced. He was one of the ablest men to hold down the post of New York Fire Commissioner. The only criticism heard of him in insurance circles is that of manipulating the loss record figures to give the Fire Department the best end of it in the showing made the public.

Drennan Career

Drennan had been "mentioned" for Fire Department, but not as prominently as Dr. William F. Doyle, the present veterinarian, with the rank of Deputy Chief. Strong opposition to Dr. Doyle effaced him from the slate. Drennan was born in Williamsburg, the son of William Drennan, a local Democratic politician, and is a Boys High School graduate.

Comptroller Metz made him Deputy Tax Receiver. Comptroller Prendergast removed him. Mayor Gaynor made him an assessor. Five years ago he was nominated for Kings County Clerk and defeated by William S. Devoy. He was Deputy State Workmen's Compensation Commissioner under Gov. Glynn, and after being out of office for a year became Deputy County Clerk of Kings. He is 40 years old and a bachelor. He was Mr. McCooey's final choice for Fire Commissioner and is also liked by Mayor Hylan.

DISMISS EXPLOSION CASE

London, Dec., 20.—A firm which was engaged in the manufacture of explosives held two policies with the British Dominions General Insurance Company which, among other things, covered the risk of damage to property caused directly by "war." They had a series of explosions in their factory, and claimed £5.500 under the policies. The claims were contested.

In the Edinburgh Court of Sessions Lord Cullen dismissed the claims as irrelevant. The pursuers averred that the explosions were caused by an enemy agent. His Lordship thought their view confused probability with proof. Their averments did not carry the matter beyond conjecture. They had failed to find the perpetrator, and had thrown on the defenders the task of finding him, and of proving that he was not an enemy agent. He did not think they were justified in shifting the onus on to the defenders. They had not proved their claim, and he dismissed the action with expenses.

AGENCY SUPERINTENDENT

Richard S. Kissam has been appointed agency superintendent of the City of New York Insurance Company at its home office, in which capacity he will continue in the underwriting affairs under the direction of General Agent F. W. Kentner.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

BRITISH CHANGES

G. H. Sich Made Foreign Fire Superintendent of Commercial Union —Other Appointments

London, December 20.—H. Beaufort Mitchell has been appointed Chief Surveyor for the Phoenix Assurance Co.

Arthur E. Boyd has been appointed inspector at the Dublin Branch of the Ocean Accident and Guarantee Corporation.

A. E. Sich has been appointed to succeed Mr. G. H. McCausland as Foreign Fire Superintendent to the Commercial Union.

Thomas MacMaster, assistant secretary to the Caledonian Insurance Company, has been appointed to succeed R. S. Stewart as secretary to the Company.

Ernest Churchill H. Durham, foreign and colonial inspector to the Commercial Union Assurance Company, has been apointed as an additional assistant fire manager to the London Assurance Corporation.

A. Cansdale, who has been at the head of the burglary department of the Railway Passengers Assurance Company, has been appointed by the directors to be an additional assistant secretary to the Company.

Ex-Baillie J. W. Stewart, the local manager of the Hand-in-Hand Branch of the Commercial Union Assurance Company, has been selected by the Glasgow Council to be Lord Provost of the city.

BRITISH AMERICA
ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1917
Assets $1,936,279.77
Surplus in United States.... 823,964.59
Total losses paid in United States from 1874 to 1916, inclusive 24,669,753.43
W. R. BROCK, President
W. B. MEIKLE, Vice-Pres. & Gen. Mgr.

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

ROCKEFELLER'S INSURANCE

The insurance in the residence of John D. Rockefeller, which burned near Cleveland recently, was $100,000.

COLONIAL INSURANCE AGENCY
54 MAIDEN LANE Phone John 1210 NEW YORK CITY
AUTOMOBILE AND ALL FIRE AND CASUALTY LINES
"SECOND TO NONE IN SERVICE"

Associated Mutual Agency Incorporated
B. J. ALLEY, Manager
68 William St., New York
Exceptional Facilities for Writing Business Throughout the United States

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

Raise Suspension on Pennsylvania Dailies

DEPARTMENT MAKES A RULING

Reports Held up to Collect 10 Per Cent. Advance—What McCulloch Said

A sigh of relief among Pennsylvania local agents has gone up as a result of the lifting of suspensions of hundreds of daily reports, held up by the rating bureaus of the State for "violations." Following the recent advances in rates in the State (to take effect November 22, 1917) many belated daily reports mailed before the agents knew of the advance were held for the corrected rate. One of the leading agents of the State made a protest to the Pennsylvania Insurance Department, and received the following ruling from Deputy Insurance Commissioner McCulloch:

Department's Ruling

"I am in receipt of your favor, and in reply beg to say that the action of the Middle Department, as outlined by you, is clearly a discrimination and in direct violation of the Act of 1915.

"A specific date is fixed upon which the increased rate becomes effective, and all policies written or renewed covering business expiring previous to the date fixed are entitled to the old rate, while every policy, no matter when it may be written up, covering business that becomes effective on and after the date of the promulgation of the increased rate, should be required to pay the additional charge. Of course, agents who might have had previous notice of the intention of the Middle Department to make an increase could not and should not be permitted to cancel and re-write business for a longer term so as to give the policyholders advantage of the old rate."

Circular Clearing the Violations

The action of the Middle Department in raising the suspensions is found in the following letter from Secretary Wiederholt:

"Our executive committee has instructed us to clear all violations now in our files for the absence of rate advances, as promulgated by Bulletins A and B, and covering policies whose term is dated to begin prior to November 22, 1917, the daily reports for which did not reach our district secretary's office until November 22, or subsequent thereto. The relief, herein referred to, only applies to violations recorded up to December 21, 1917, and any dailies received thereafter, dated prior to November 22, will be violated unless the advance is included. Where there are other violations than the question of advance the advance only is to be cleared."

The Rate Increases

The rate advances are explained in Bulletins A and B as follows:

Bulletin A

To Agents: At a special meeting of the Underwriters' Association of the Middle Department held this day the following was adopted:

Specific and minimum rates, bearing date of promulgation prior to November 22, 1917, upon mercantiles, buildings and all contents, rated as unprotected, sprinklered risks excepted, shall be advanced 15 per cent. as of November 22, 1917.

Specific and minimum rates, bearing date of promulgation prior to November 22, 1917, upon all contents of mercantiles, rated as protected, sprinklered risks excepted, shall be advanced 10 per cent. as of November 22, 1917.

Specific and minimum rates, bearing date of promulgation prior to November 22, 1917, upon all hotels, commercial and resort, boarding houses, hospitals, sanitariums, club houses and all contents of the classes specified, rated as unprotected shall be advanced 20 per cent. as of November 22, 1917, sprinklered risks excepted.

The advances herein specified are to be applied as directed, and to the result add 10 per cent. in accord with Bulletin B. Secretary.

Bulletin B

To Agents: At a special meeting of the Underwriters' Association of the Middle Department held this day the following was adopted:

General Advance of 10 Per Cent.

That all rates, minimum and specific, shall be advanced 10 per cent. to take effect as of November 21, 1917. This advance shall apply to all rates now in effect or hereafter published until such time as business conditions warrant its removal. Any advances upon specific classes, effective concurrently with this increase or subsequently promulgated, shall be applied first and 10 per cent. added to the result. This 10 per cent. advance will not be included in any published rates. The necessity for this action is obvious and warrants your full support. Secretary.

THE LUCKY FARMER

Premiums on Farm Property (Exclusive of Dwellings), Deductible Under Income Tax

In the 15,000 word primer issued by the Treasury Department covering questions that arise in the application of the income tax, questions 54 and 55 and their answers are of interest to fire insurance men.

54. Can the amount of life insurance premiums and premiums paid for insurance on my residence be claimed as deductions?

No, as these are held to be items of personal expenses. If, however, you pay premiums on insurance policies covering farm buildings, other than your dwelling house, or on any property used for business purposes, these premiums are allowable as deductions.

55. A tenant, under the terms of a lease, is obligated to pay a certain cash rental and all taxes assessed against the property and keep it insured. May he claim as a business expense the aggregate amount of rental, taxes, and insurance premiums paid?

Yes, if the property is used by the tenant for business or trade purposes and not as a home, the aggregate amount may be claimed as a deduction for the year during which actually paid.

ONE WAY TO GET BUSINESS

Commenting upon the aftermath of the burning of the Forest Hill Country Club the Newark "Call" this week quoted a Newark agent as saying:

"We have written $100,000 in policies since this fire. It was mostly in the nature of additional insurance, the need of protecting a house thoroughly being demonstrated by the practically complete destruction of the club house."

ENJOINS COMMISSIONER AMBLER

Commissioner Ambler, of Pennsylvania, has been enjoined from canceling the license of the American Druggists, of Cincinnati. The controversy is over the new rate law, which the American Druggists maintains is unconstitutional. There will be a hearing January 21.

JOHN J. FITZGERALD DEAD

John J. Fitzgerald, who died in South Orange, N. J., a few days ago, was eighty-seven years old and had been in the local insurance business for half a century.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

NORTH AMERICA LEADS

Beat Out Atlantic Mutual in Marine Insurance Business—Premiums and Losses

The agitation in favor of expansion of marine insurance facilities in the United States, preparatory to the trade expansion campaign after the war, calls attention to the statistics on marine insurance in this country, says the "Towne Crier." The reports made to the State insurance departments do not segregate the purely marine insurance figures, as the rapidly growing automobile line is usually covered under the marine forms. The net marine and inland premiums written in the United States last year were $90,807,520, with a loss ratio of 41.7 per cent. This was an increase of over 51.6 per cent. in premiums, as compared with 1915, when the loss ratio was 47.3. The ratio of marine premiums to all premiums of the companies writing the line was 26.6. The loss ratio on all business of the companies writing marine insurance was 50.3, while the marine loss ratio was 41.7.

The Insurance Company of North America led in marine premiums with $7,383,225, followed by the Atlantic Mutual with $6,697,875; the Firemen's Fund with $5,629,931; the Manheim with $3,464,665; the Aetna with $3,234,135; the St. Paul with $3,232,777; the United States Lloyds with $3,191,308; the Globe & Rutgers with $3,163,773, and the Rossia with $3,137,265.

FORESTVILLE AGENCY BOUGHT

Fred C. Myers of Rudolph, New York, has purchased of Charles F. Record the Forestville Insurance Agency which was established in 1864.

COMMERCIAL TRUCK BUSINESS

All signs point to a good year for commercial automobile business, but as to pleasure cars there is considerable doubt as to the ultimate outcome.

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852

The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.

R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y

HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK

HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

GERMANIA
FIRE INSURANCE COMPANY
NEW YORK.

ORGANIZED 1859
STATEMENT, JANUARY 1, 1917

Cash Capital	$1,000,000.00
Assets	8,553,704.22
Liabilities	4,222,485.60
Net Surplus	3,331,218.62
Surplus for Policy Holders	4,331,218.62

HEAD OFFICE
Cor. William and Cedar Streets

INCORPORATED 1720
Royal Exchange Assurance
LONDON, ENGLAND

United States Branch
92 William Street, New York

RICHARD D. HARVEY
United States Manager

Firemen's Insurance Co., Newark, N. J.

January 1, 1917

Cash Capital	$1,250,000.00
Net Surplus	$2,449,322.25
SURPLUS TO POLICYHOLDERS	$3,699,322.25

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer
NEAL BASSETT, Vice-President
A. H. HASSINGER, Secretary
J. K. MELDRUM, Assistant Secretary

A Conflict Over the Insurance Policy

INTERESTING WISCONSIN MATTER

State's New Valued Policy Law Contrasted with Standard Fire Insurance Policy

Madison, Wis., Dec. 31.—That the full value insurance policy law enacted at the 1917 session of the Wisconsin legislature is not repealed by the adoption by the same legislature of the standard fire policy is the opinion of Attorney General Owen to Lieutenant Governor E. F. Dithmar today. In 1915 the so-called full value policy law was repealed. Lieutenant Governor E. F. Dithmar made a fight for the re-enactment of the law by the 1917 session and won out, but the same legislature enacted a standard fire policy law, which places some of the provisions of the full value law in conflict.

Opinion on the Two Statutes

As soon as the matter was discovered and attention was called to the fact that the standard fire policy was being distributed in the State to take effect January 1, 1918, Mr. Dithmar asked an opinion as to the effect of the two statutes, one upon the other; what would be the rule of damages in case of a total loss of fire after January 1, 1918, and what action should be taken to prevent the use of the new policy form.

"These two chapters of the laws of 1917 are apparently in conflict," says the opinion. "Both are the enactments of the legislature of the year. Chapter 461 does not, in terms, repeal the provisions of Chapter 127. Both are entitled to recognition and to enforcement as far as the same can be carried out. According to the well-known rules of statutory construction, repeal of a statute by implication is not favored, and where there are two affirmative statutes, or sections of the same statute, on the same subject, the one will not repeal the other, if they can stand together.

Court Action not Necessary

"It is also a well-known rule of construction that where two laws conflict and the earlier will admit of a reasonable construction, leaving the latter one in force, such construction will be adopted, otherwise the latter law will prevail.

"It is clear that as to personal property, such chapters are not in any wise in conflict. Chapter 461 is not a part of the form of the policy of insurance. It constitutes a statutory rule of damages for a certain class of property wholly destroyed by fire, viz., real property, and, where real property is wholly destroyed under the proposed new policy, the provisions of said chapter would prevail over the terms included in the form of policy prescribed in Chapter 127. The insurance companies will no doubt adopt this statutory rule of damages, in the adjustment of fire losses under such insurance contract, but failing to do so the courts will compel such action.

"It is my opinion that the situation does not call for any action by the courts to prevent the use of the proposed new policy form. There can be little question as to how the chapters under consideration will be construed by the courts. Undoubtedly the wording of the proposed new policy will lead to considerable misunderstanding on the part of the insured as to his rights thereunder and in respect to the rule of damages applicable in case of a total loss of the real property described therein. Without legislative action the courts may in time be called upon to declare the law, and, if so, I am confident that it will be declared as herein stated."

See Subtle Propaganda for Dean Schedule

CHARGE OF INSPIRED ARTICLES

Insurance Papers Seem Able to Forecast Future Action of Rating Organizations

Articles about the progress of the Dean or Analytical rating schedule in the East, and forecasts of what is going to happen throughout the country, show such an unanimity of confidence and optimism in the Western schedule. that some insurance men hint that these articles may be "inspired." The articles boosting the Dean Schedule began to appear in insurance newspapers after the New England test which resulted in the adoption of that schedule in New England.

It will be recalled that three schedules were tested in Hartford, one of them being the Larter & Lemmon, or L. & L. Schedule. Hartford, although the home of many fire insurance companies, had never before been rated by schedule. More than seven hundred tests were made, and the Dean won out, in which achievement Eugene Smith, of Chicago, who applied the Dean tests had been the subject of a great many encomiums. and has been hailed as a first-class diplomat.

Would Sweep the Country

Following the New England test articles began appearing in insurance papers everywhere saying that it was all over, but the shouting, and that the Dean schedule would sweep through the country. Some papers even went so far as to say it would be adopted by the Southeastern and the Pacific Coast rating bodies. Just where they got their inside information is rather interesting. Mr. Dean, (he is Western manager of the Springfield Fire & Marine) has had nothing to do with the propaganda—if such it be, but has all along taken a most modest position, refusing to make any statement for publication. Some of his admirers, however, are not so silent.

ASK SHALLCROSS AND LOUDON

Cecil F. Shallcross, manager of the Royal; and Hugh R. Loudon, deputy manager of the Liverpool & London & Globe, have accepted invitations to attend the annual meeting of the New Jersey Association of Fire Underwriters to be held in Trenton on February 14.

THE
JACKSON-SMITH AGENCY, INC.
1 Liberty Street New York City
ANNOUNCES
That It Has Succeeded
JACKSON & POTTER, Inc.
AS
General Agents
Preferred Accident Insurance Co.
Agent, Automobile Department
Insurance Company of North America
City Surety Agent
Hartford Accident & Indemnity Co.

MAY INCREASE HAZARD

Government officials in charge of the work of conserving the coal supply are urging the use of wood, especially in churches. They point out that in such buildings heat is required only for a short time and then in large volume. No other fuel answers the purpose so well as wood. The same situation applies to rural schools, lodge and grange halls and similar places. What the increased fire hazard is, if any, in using wood instead of coal is for the fire prevention engineers to decide.

SPRINKLER LOSSES HEAVY

As a result of the cold wave and the coal shortage, the executive of one of the companies which writes a large sprinkler leakage business estimates that the 1917 underwriting profit of the majority of companies writing sprinkler leakage, has been extinguished.

RATE CONFERENCE JANUARY 9

A conference regarding New York City rates was held last Thursday between a special committee of the New York Fire Insurance Exchange and the National Board of Fire Underwriters. The committee from the National Board is expected to make its report to the Exchange at the meeting of the latter on January 9.

The insurance business of the late E. E. Frost, Oswego, N. Y., has been taken over by Frank W. Parker.

Thomas Moore, a prominent insurance agent in Scranton, Pa., died recently.

TO MEET IN CHICAGO

The mid-year meeting of the National Association of Insurance Agents will be held in Chicago at the Hotel La Salle on February 21, 22 and 23. It will be one of the most interesting in the history of that Association.

AUTOMOBILE THEFT RECORD

In New York last year 2,269 automobiles were stolen and 1,905 recovered.

SIGNS OF THE TIMES

Signs like this may soon be seen on William Street:

ZENITH INSURANCE COMPANY
Aviation Department
Four Flights Up

ARRESTS IN NORFOLK

The Norfolk, Va., fire has resulted in a large number of arrests.

MR. EATON'S CONDITION

The condition of Henry W. Eaton, United States manager of the Liverpool & London & Globe, who is suffering an attack of nervous prostration, is somewhat improved. It will be sometime before he is able to return to his office.

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CASUALTY AND SURETY NEWS

Increased Rates Hastened Mutual

HUDSON RIVER ICE MEN JOIN

Mutual Managers Claim Stock Companies not Getting Correct Payroll Data

Organization of a mutual to write ice dealers and harvesters has been under consideration for a long time but nothing was done until after compensation rates had been advanced very materially in New York. Then the Ice Dealers Mutual Insurance Company was launched.

The company claims to have most of the dealers on the Hudson River lined up, besides some in New York and Brooklyn. The payroll of the river plants is $500,000 a year. Besides there is the other business in the State yet to be heard from. The mutual has also been assured the business of certain large plants in Mohawk Valley cities and as far West as Buffalo.

The managers claim that this mutual will have the benefit of much information in possession of the Ice Publicity Association and the National Ice Association of America, of which a large number of its prospective policyholders are members. It is the purpose of the mutual not to insure any plants which have not the approval of either one of these associations, the headquarters of which is at 18 East Forty-second Street, New York, where the mutual will also be domiciled.

Expect Inside Track

Through the co-operation of these associations the mutual managers feel certain that it will be impossible for the dealers to under-state payroll or misrepresent conditions in the plants and that the company will get the full premium, whereas, they claim, the stock companies are in many cases receiving premium on only fifty per cent. of payroll because they have no way of checking it up.

Arrangements have been made with the American Reinsurance Company to take all excess lines over $25,000. It is estimated that not over sixty per cent. of the business can be subject to catastrophe hazard owing to the proportion of drivers and helpers represented in the payrolls.

The company has joined the Bureau and will write compensation and public, teams and automobile liability.

Rates on ice dealers were recently increased from $3.24 to $5.67 plus 5 per cent.; harvesters $5.27 to $9.54 plus 5 per cent. The mutual men claim that while the stock companies are collecting premiums on the payroll basis of the higher wages now being paid, their liability is still kept within the old limits by law. While they do not feel inclined to make any definite promises as to dividends to policyholders the mutual managers intimate that they expect to save at least the difference between the old and the new rates.

ENGLISH LEAVES DEPARTMENT

Commissioner English, of Iowa, who is president of the Convention of Insurance Commissioners, has resigned to become president of the Iowa Bonding & Casualty Company, Des Moines, which will shortly start business, with $1,000,000 capital and about $500,000 surplus. Before going with the department he was a newspaper man.

Maccabees To Sell Health and Accident

WILL START NEW DEPARTMENT

C. S. Hoag Leaves Federal Casualty to Take Charge—His Insurance Career

C. S. Hoag has resigned from the Federal Casualty to go with the Maccabees of the World, a fraternal organization with headquarters in Detroit, and with whom he will have full charge of a new accident and health department they are about to inaugurate, combining the regular monthly payment plan of personal accident and health insurance with fraternalism, making each accident and health policyholder a social member of the order. The development of this branch will be along lines similar to those employed by the regular accident and health companies, and with which he is quite familiar.

Mr. Hoag's first experience in the insurance business began in 1901, as a solicitor in Detroit for a mutual company (now defunct) obtaining the district managership for Detroit a little later, developing a business of $2,000 per month. In 1903 he was offered and accepted the position of agency manager for the Company, remaining with them until the first of March, 1905, when he became connected with the Standard Accident Insurance Company of Detroit, organizing and having charge of their industrial department, severing his connection with them in October, 1912. On January 1, 1913, he became connected with the Federal Casualty Company of Detroit, as assistant secretary, in charge of the agency department, tendering his resignation to President Cliff December 1, effective the 31st, to enter his new work with the Maccabees January 1.

BEUTINGER CASE DECIDED

General Accident Scores a Victory in the New Jersey Supreme Court

Judge Duncan, of the New Jersey Supreme Court, on Wednesday of this week, decided the case of the administratrix of Christof Beutinger in favor of the General Accident.

Mrs. Beutinger was adjudged insane and not guilty of having murdered her husband a few months ago. She carried a policy for $7,500 in the General Accident on which she brought suit.

Judge Duncan in his opinion said that the ground for deciding the case is that there was a breach of warranty in respect to the moral and intemperate habits of the assured.

Accident
Health Automobile
Plate Glass
Burglary Liability

Fidelity
Contract Judicial
Public Official
Depository Bonds

FIDELITY & DEPOSIT CO.
OF MARYLAND
BALTIMORE

American Rate Plan Adopted in Canada

COMPENSATION AND LIABILITY

Eastern Association Committee to Work Out Details for New Brunswick and Quebec

That the American plan of workmen's compensation and liability rating should have been adopted in toto by the Eastern Casualty Underwriters Association of Canada for New Brunswick and Quebec is a distinct compliment to those who have had in charge the task of developing this system. This action was taken at a meeting in Montreal last week, at which G. F. Michelbacher, actuary of the National Workmen's Compensation Service Bureau was present. A special committee of managers was appointed to study the details and arrange to carry out this program.

The Canadian companies are going to take the Basic Manual and extend it to those two provinces by means of a rate sheet, just as the Manual is extended to any one of the compensation States. In addition they will adopt the liability rates contained in the Manual, applying schedule experience rating in conjunction with the Manual.

They will use the American experience plus an actuarial estimate of the relationship of cost of compensation in Quebec and New Brunswick to the cost of compensation in the States.

The present Canadian rates may be said to be purely judgment rates which have been used in the absence of a large volume of experience such as is available in the States.

THE NEW POOL

Meeting to be Held in Offices of Royal Indemnity Company To-day

A meeting regarding the new extra hazard compensation pool will be held in the offices of the Royal Indemnity Company to-day. The situation in New Jersey demands immediate action or there will be real monopolistic insurance there. The companies finally have awakened to the importance of this situation.

AETNA FAVORS EMPLOYES

The Aetna Life Insurance Company and affiliated companies this week announced a bonus to all employes of the three companies of one-half a month's salary.

General Accident
FIRE AND LIFE
ASSURANCE CORPORATION, Ltd.
FREDERICK RICHARDSON, United States Manager.
GENERAL BUILDING · 4TH & WALNUT STS.
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SERVICE THAT EXCELS

Position Wanted
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Reporting Data For New Manual

COMPLETE INFORMATION ASKED

Occupations Common to All Industries Listed Only Under Respective Headings

Presented here is an excerpt from a report made to the manual committee of the Health & Accident Underwriters' Conference by an agent who was assigned to investigate the chain works industry. Reports of this character are particularly valuable because they give full information on the hazard of each particular occupation and also the investigator's recommendations in regard thereto. The report follows:

Assembler.—This occupation should not be listed as "Assembler," but rather as "Welder." Class "E" is correct for the hazard of this occupation.

Color Room Man.—This occupation should be listed as "Blacker," instead of "Color Room Man." It refers to the man who colors the chains. Class "D" would be proper for the hazard.

Counter Sinker.—There is no such occupation in this industry. This should be eliminated from the list.

Cutter.—This should be changed to "Shearsman," and rated in class "E."

Dolly Fireman.—This should be changed to "Dolly Chainmaker," as "Dolly Fireman" is never used. Class "E" would be proper for the hazard involved.

Driller.—This occupation does not come under the chain industry. The work is done by machinists. It should not be listed, as a "driller" has nothing to do with the manufacture of chains.

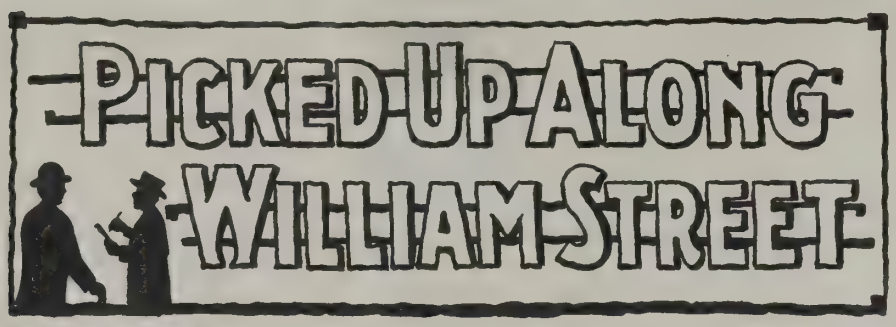
Forger.—This man operates a drop hammer and makes shackles, hooks, etc. He should be classed in "E."

Reamer.—This occupation is obsolete and should be eliminated from the list. The work is now done by machinists.

Avoiding Duplication.

Under each industry listed in the new manual will be found classifications for all occupations having hazards peculiar to that particular industry which are rated either higher or lower than the proper class for a laborer in that industry. All other

(Continued on page 18)



Largest Bond Written

Surety men are still talking about the remarkable bond written on E. W Bliss & Co. The premium was $47,500; bond, $4,700,000; contract (torpedoes, etc.), $47,700,000. It was written by the Fidelity & Deposit, excess above net line being pareeled out. It is said one company took $800,000.

* * *

$1,750,000 in Premiums

It has been a great year for Conkling, Price & Webb, Chicago. It is reported that office wound up the year with $1,750,000 premium income.

* * *

Unusual Accident

Assistant United States Manager Thomas C. Moore of the General Accident met with an unfortunate accident recently. While filling the gasoline tank of his auto his gloves, which were saturated with gasoline, became ignited, and before he could remove them both hands were painfully burned.

* * *

Writes President of Insurance Company

Manager William N. Heard, of the Newark branch of the Aetna, is elated over the fact that his office has written two combination residence policies totalling $60,000. Both policies are for Forrest F. Dryden, president of The Prudential Insurance Company, of Newark.

One of these policies covers Mr. Dryden's home, "Stronghold," at Mine Mount, Bernardsville, New Jersey, and covers in the amount of $50,000 under the burglary clause. The other policy is issued for Mr. Dryden's city residence, at No. 59 Lincoln Park, Newark, New Jersey, with a coverage of $10,000 under the burglary clause.

Both of these policies were placed through the Newark branch office by Special Agent F. W. T. Stiles.

The Newark branch office has within the last year been making a drive for miscellaneous lines and this drive has met with marked success. The combination residence business written through that office so far this year amounts to $5,000.

A number of branch offices and general agencies have within the last year come to realize that the miscellaneous lines form an important part of their income. These lines are easier to put on their books than the larger schedules in some of the other departments, and, when once put on the books, they are there to stay.

* * *

Maryland Office Damaged

A good example of water damage was given in the office of the Maryland Casualty Company at 100 William Street, where the ceiling is ruined by the bursting of a frozen water pipe on the floor above. The Maryland has long been a writer of water damage insurance.

* * *

Water Losses Heavy

In the fire offices this week the universal cry is losses, losses, principally sprinkler leakage, but with plenty of total fire losses also. In the casualty offices writing water damage and residence combination business the losses have been coming in at a lively rate ever since the cold snap began. The experience of this winter should make it easy to sell this class of insurance next fall.

Advance Generally Approved

Most all the compensation States have approved the 5 per cent. increase in rates which went into effect December 31. There are still five or six which for one reason or another have not yet been convinced of the necessity for the advance.

* * *

Year's Work Satisfactory

In casualty offices generally there is an atmosphere of satisfaction and optimism regarding the underwriting results of the year. Were it possible to say the same of the securities held by the companies, 1917 would be a year of general all around good results.

* * *

Tribute to F. W. Ford

This month agents of the General Accident will honor F. W. Ford, agency manager, industrial department, with a special drive for business. A vigorous campaign is on under the direction of C. H. Carey, superintendent claim department; L. M. Ambler, superintendent underwriting department; A. J. Miller, industrial accountant, and M. Green, manager weekly department.

* * *

Commercial Casualty's Year

The Commercial Casualty of Newark reports that it will make an increase of $600,000 in assets, and $750,000 in premiums in 1917. The company will close the year with assets slightly over $3,000,000, and the premium income will be over $2,500,000. Loss and management expenses will be about the same as last year. Speaking of the year's work Secretary W. Van Winkle says:

"Our investments have been largely increased; as a matter of fact, we have passed the stage where it is necessary for us to make any money out of the insurance end of our business, our income from our investments bring sufficient to pay our dividends, and, at the same time, allowing us to increase our surplus even though our underwritings are only held even. On account of our large increase in premiums we have a large increase in reserves, both in re-insurance and in losses, but, even with this increase, we would expect to show an increase in surplus if securities were of the same value as they were a year ago."

* * *

View of Liquor Bonds

Some surety bond men believe that the companies will be disappointed with results under the new bonds guaranteeing the payment of the war tax on liquors. They point out that under the old distiller's bond—which, by the way, was sold as low as twenty-five cents a thousand—in event of default the Government took the distillery and sold the contents. If after that there was any deficit the Government looked to the surety for it. It is argued that now when the Government needs money so urgently, it will not take the trouble to go through the process for recovery practiced under the old distiller's bond, but will demand immediate settlement by the surety, and that a large number of these claims will be made at about the same time.

To-night's burglarly is not covered by to-morrow's policy.

How Wisconsin Rate Has Been Readjusted

FIVE PER CENT. MORE LOADING

Companies Have Decided to Increase Pure Premium Established By Board

What the Compensation Insurance Board of Wisconsin has done on the rate situation is to approve a five per cent. increase in the maximum loading for management expense, taxes and profits, as an alternative for the flat five per cent. increase in rates promulgated by the Bureau. The companies have in addition increased the pure premium multiplier from 3.25 plus .01 to 3.63 plus .01.

Generally speaking compensation rating laws resolve themselves into two types; those which provide for both adequacy and reasonableness of the rate, and those which recognize only one of these elements, adequacy or reasonableness. Where the law is specific as to both, there is no escape from its terms; but where only one element is specifically limited the carriers have certain latitude in fixing rates. This is the case in Wisconsin. Section 637 of the laws of 1917, provides as follows:

May Change Pure Premium

"For the purpose of providing for the solvency of companies writing workmen's compensation insurance in this State, the Compensation Insurance Board shall approve a minimum adequate pure premium for every classification under which such business is written * * * The Board shall also approve maximum and minimum expense loadings to be incorporated in premiums collected on such business in this State * * *. In fixing a rate for any classification, no company shall use a pure premium less than that approved as adequate by the Compensation Insurance Board for that classification. **Any company may, in fixing a rate for any classification, use a pure premium higher than that established by the Compensation Insurance Board for that classification.**"

Interpreted, this means that the Wisconsin statute gives individual consideration to the two elements of the rate; namely, the pure premium and the loading for management expenses, taxes and underwriting profit and loss. Provision is specifically made permitting any company, so desiring, to use a pure premium higher than that established by the Board. It is unlawful, however, for any company to exceed the maximum loading for management expenses, taxes, and profit which shall be established by the Board.

Lowering and Raising Rates

Now, suppose a carrier wishes to use a rate lower than the stock company rate; how may this be done in Wisconsin? The company may not use a pure premium lower than that established by the Compensation Insurance Board as adequate. However, if the company can convince the Board that its organization and management is such that it can conduct its compensation business at an expense lower than the maximum expense loading established by the Board it may file such expense loading with the Board and use it in the establishment of its rates. This is what the mutuals have done in Wisconsin.

But it is higher rates the stock companies asked for in Wisconsin. Under the law they have the right to use a pure premium higher than that established by the Board, but to make any increase in the loading for management expenses, taxes and profit (now 20 per cent. to 40 per cent.) they must obtain the Board's approval. This they accomplished. To make up the remainder of the desired increase they advanced the multiplier used in computing the minimum adequate pure premium, as stated above.

TRAVELERS APPOINTMENTS

John B. Egan, special agent, the Travelers Indemnity Company, steam boiler department, now in the training school, has been assigned to the Albany branch office and reported for duty on December 31.

Fred H. Minton, assistant credit man for the Morris Plan Company of New York City, has been appointed special agent, compensation and liability department, effective January 1. He will report to the home office for instruction in the training school on January 2.

Charles L. Platts, of Bridgeport, Conn., employed as salesman by The Andrew Radel Oyster Company of South Norwalk, Conn., has been appointed special agent, compensation and liability department, effective January 1, 1918. He will report to the home office for instruction in the Training School on January 2.

Joseph W. Reilly, employed as civil engineer by the Delaware & Hudson Company of Albany, N. Y., has been appointed special agent, compensation and liability department, effective January 1, 1918. He will report to the home office for instruction in the training school on January 2.

GET HOME FIRE & MARINE

O. G. Orr & Co. on Thursday announced their appointment as Atlantic marine managers of the Home Fire & Marine, of San Francisco. This company is owned by the Fireman's Fund.

ANOTHER DEPARTMENT APPROVES

The Massachusetts Department has approved the flat increase of five per cent. in compensation rates.

The National Surety has been appointed selling agent for the United States Government in connection with the distribution of the war savings stamps.

The National Surety had two teams working in the Red Cross campaign, one composed of ten women and the other ten men.

New Accident Manual

(Continued from page 17)

workers peculiar to that industry will be classified under the blanket classification given for "Worker or Laborer (not otherwise classified)." Occupations having hazards which are common to practically all industries are not listed under each industry but only under their respective headings. For example:

Accountant	Janitor
Buyer	Machinist
Carpenter	Manufacturer
Checker or Tallyman	Office Employes
	Paymaster
Deliveryman	Receiving Clerk
Electrician	Salesman
Engineer	Shipping Clerk
Fireman	Superintendent
Foreman, supervising only	Timekeeper
	Watchman
Inspector	Weigher

This plan eliminates the necessity of duplicating hundreds of classifications throughout the Manual, reduces the occasion for cross-referencing and greatly facilitates the work of both the agent and the company.

BIG WRITERS

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CASUALTY AND SURETY POINTERS

Why Add to Confusion

With the mails clogged, postage up, the railroads congested, this advice from the Fidelity & Deposit is particularly timely: There are two kinds of needless letters; the letter from the home office because the business has not been properly written by the agent, either through lack of answers, error in rates, insufficient information, etc. Then there is the "Follow Up Letter." In some cases the home office sends half a dozen follow-up letters, where, if the original letter had been replied to with some definite advice, the subsequent letters would not have been written. Agents sometimes are irritated by these follow-up letters, but the cure rests entirely with the agent.

* * *

Robbery Rates not Increased

Agents who have been writing burglary insurance have received a notice of an increase of rates for the residence, safe, mercantile open stock and bank risks. Robbery rates were not increased nor were the rates on money in banks. These were thought to be adequate as the loss ratio is at present low enough to enable the companies for the present at least to stand the increase. More frequently than ever one reads of hold-ups and bank burglaries, but the growth in the business at present takes care of the increasing losses. In time it may not, but of that the companies will wait until they have to ask an increase or can afford a decrease.

* * *

Plan Ahead in Dull Seasons

There are periods during the course of the year when every agent is compelled to mark time. Such seasons can be turned to good advantage by accepting the opportunity thus afforded to plan ahead to the time when the days will not be long enough for planning and working too. It is a good idea to sit down alone during these quiet spells and do some constructive thinking. Provide yourself with a pad and pencil and as your thoughts crystallize into tangible suggestions note them down. You will be surprised to learn how easy it is under this method to plan your work ahead and thereby save time when you need it most for active solicitation. Your time is your capital, spend it wisely. —The "General's Review."

* * *

There Is No "Safe" Occupation

The injury would have been bad enough no matter what the man's occupation, but he happened to be an accountant, one who must have the full free use of his arm or he is worthless so far as his particular work is concerned, totally disabled from following his usual business. He was examining the name plate of a motor, and lost his balance. A loose end of clothing was pulled into the machine, became wrapped around the motor shaft, and brought about injuries to his shoulder and elbow that disabled him totally for nearly two years. The Maryland Casualty Company paid him twenty-five dollars a week until this indemnity under his accident policy amounted to two thousand seven hundred dollars. Accountants, like men in other modern professions, lead lives apparently sheltered from danger. But both the daily newspapers and the claim reports received at the home office show how frequently and painfully this idea of safety is being driven from the minds of men engaged in all sorts of "safe" occupations. Hence accident insurance. Every man needs it.

Good Advice on Collections

Companies are always justified in insisting on prompt collections. Today it is an absolute right to require premium accounts to be kept strictly to the letter of agency contracts. We are not preaching anything which we are not practicing. We are requiring all our salaried offices to cancel all policies, and such bonds as can be cancelled, which have not been paid for at the end of sixty days. This proves we do not care for the business if we can't get our money on time. Few of our representatives are in a position to appreciate what insurance companies are now confronted with in largely increased operating cost and heavy additional taxes. In order to meet running expenses and loss payments, substantial cash balances are necessary. But aside from all this, uncollected money is an idle asset. We cannot afford any idle assets in these times when every dollar of resources must be made to return more than ever before.—The "Fidelity Journal."

* * *

Hint to Surety Agents

The Chicago Bonding has received the following letter which caused hysteria in the office:

"Enclosed please find check for $5.85 for additional premium on bond in ———— City. Engineer's final estimate $19,870—premium at $5.00, $99.35. Amount paid, $93.50, balance, $5.85."

This would indicate, adds the company, that our agents are overlooking an opportunity of picking up additional comission in collecting additional premiums due on contract bonds when the contracts are in excess of the original estimate.

* * *

Financial Responsibility of Sheriffs

Losses on sheriffs' bonds seldom arise out of direct actions of the sheriff, but are usually caused by the deputy either misinterpreting some writ or process or acting in excess of his authority. No sheriff ought to assume this hazard, and where the laws of the State do not require the deputy sheriff to furnish bond, then the sheriff ought to insist upon this protection for his own personal benefit. If the sheriff does not protect himself against defaults occurring through acts of his deputies then this liability must be assumed by the surety signing the sheriff's official bond. The surety should stand sponsor for the sheriff alone, and hence the importance of taking care of the deputy feature. If the surety is not to assume the burden of facing the expense of defending the damage suits as they arise, then the sheriff ought to be sufficiently strong financially to assume this responsibility himself. This should be ascertained before signing. Don't write the bond unless the sheriff can defend and take care of all damage suits filed against him.—The "Fidelity Journal."

* * *

Needless Delays on Pay Day

Realizing that a great deal of time of home office employes is wasted on the two pay days each month, on account of the system which has been in vogue, the Fidelity & Deposit, starting with January 15, will try a new system. A messenger from the treasurer's department will go through all the departments with each employe's salary in cash in individual envelopes. Employes will sign these envelopes as a receipt for the proper amount. Under such a plan no one will have to leave his desk and the time and work of several hundred employes will not be seriously impaired on two days each month as it has been in the past.

* * *

Man of Many Jobs

An applicant for a fidelity bond wrote as follows to the Fidelity & Deposit: "In May, 1910, I left Chicago to see the West. I landed in Tacoma, and went to work as a fireman at the Pacific Building for a couple of weeks; then as a barker outside of a novelty store for a week or so, and wound up at Tacoma as a machinist at the Williamette Iron & Steel Company. I then went to Portland as a real estate salesman, and after a few weeks went to work at the Portland Iron & Steel Company as a machinist for about eight weeks. From Portland I went to Spokane and fruit farmed for L. A. Dyar, Keisling, Wash., from about October 1, 1910, until January, 1911. Then I rented a ranch from P. McGregor, Hooper, Wash., until I was frosted out in March. From that time until I went to work for the Griffin Wheel Company I picked strawberries in Walla Walla; afterward painted houses at Pocatello; I farmed peaches at Penawawa; mixed concrete at Ogden, Utah; carried the hod at Salt Lake City; was a carpenter at Denver and did numerous other things that I cannot remember."

Complaint About Collections

The impression is abroad that casualty collections are going from bad to worse. The complaint is general. There are a few managers, however, who are congratulating themselves that they never let this situation get the upper hand and they are not regretting that they had the courage and foresight to turn away business which could have had no other result than to swell volume at the expense of everything else.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary
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Surplus and Reserves to Policyholders.....$1,526,022.81

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EUGENE H. WINSLOW, President
Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.
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Liability, Accident, Burglary, Boiler and Credit Insurance
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Massachusetts Bonding and Insurance Company
BOSTON T. J. FALVEY, President
Paid-In Capital $1,500,000 Write For Territory

The Employers' Liability Assurance Corporation, Ltd.
The original and leading Liability Insurance Company in the World
LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE
United States Branch
SAMUEL APPLETON, United States Mgr.
Employers' Liability Building
33 BROAD STREET, BOSTON, MASS.
AGENTS WANTED

THROW AWAY THAT CUMBERSOME RATE MANUAL

Can you find no better use for your time than to spend the best part of it turning 362 pages every time you want to quote an automobile rate?

Compare the Simplicity of These Rates!

The "*Definite Value*" Automobile Policy

A clearly defined policy protecting an automobile owner—indemnifying for loss by fire, theft, explosion and other hazards.

It is simple in language, and definite in terms—it positively fixes the value of a car, during the life of the policy, on a basis determined by the men who made and sold the car.

In the event of a total loss, it pays the amount of fixed value shown in the policy contract, thereby avoiding any controversy in settling and paying the loss.

In the event of a partial loss, it pays for the repair or replacement of all parts, to the full extent of the damage.

Compare the protection and the cost of this policy with other forms of automobile insurance.

PREMIUM RATES

All premiums are based on list price of car. Rates quoted are for each one hundred dollars of list price. The rate is not increased on renewal. Freight charges and war tax may be added to amount of insurance.

Pleasure and Commercial Cars

	Full Cover	Full Cover Excluding Theft
Models Listing $2,500 or Over	$1.00	.80 cents
Models Listing $1,000 to $2,500	$1.50	.80 cents
Models Listing Under $1,000	$2.00	.80 cents

Extra Equipment, Including Theft— Twice the rate charged for car.

Extra Equipment Excluding Theft— Same rate as charged for car.

Electric Cars—All Models
.75 cents for fire and theft.

Collision Insurance

Covers all loss or damage above twenty-five dollars in any one accident.
(For full cover add thirty-five dollars to all premiums.)

Pleasure Cars
In Cities under one hundred thousand population.
1½% of list price — $15.00 minimum premium
In Cities over one hundred thousand population.
2% of list price — $25.00 minimum premium

Commercial Cars
Regardless of size of city.
2¼% of list price — $30.00 minimum premium

Property Damage

Indemnity to extent of one thousand dollars for damage done to property of others.

Pleasure Cars
In Cities under one hundred thousand population.
Ten Dollars Premium
In Cities over one hundred thousand population.
Fifteen Dollars Premium

Commercial Cars—Decline property damage.

TERM POLICIES

Two Years Insurance—One and three-quarter times annual rate.
Three Years Insurance—Two and one-half times annual rate.
Pro rata cancellation allowed on old insurance when new car purchased and insured.

Taxi Cabs, "Jitneys," Rented, Livery, Second-Hand Cars and Dealers' Cars WILL NOT BE INSURED UNDER THIS FORM OF POLICY

THIS POLICY IS WRITTEN ONLY BY

THE NEW BRUNSWICK FIRE INSURANCE CO.

Capital $500,000

NEW BRUNSWICK, NEW JERSEY

THE NEW JERSEY INSURANCE COMPANY

Capital $1,000,000

NEWARK, NEW JERSEY

OCT 23 1918

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 2 | NEW YORK CITY, FRIDAY, JANUARY 11, 1918 | $3.00 per Year; 25c. per Copy

COMPANIES TO PAY FOR RUNNING FAUCETS

While Hoboken Residents Save Their Water Pipes Big Paper Mill Concern Burns

GATTI-McQUADE COMPANY'S LOSS

Bale, Snedeker Co. Deny Rumor that Sprinkler System Was Out of Commission

Among the losses that have attracted a great deal of attention is that of the Gatti-McQuade Co. in Hoboken, a wholesale paper mill concern. The insurance on building was $85,000; on use and occupancy, $48,000; on stock and machinery, $290,000. The broker for the stock and machinery and use and occupancy insurance is Bale, Snedeker Co.

Due Diligence

One report reaching The Eastern Underwriter was that the sprinkler equipment had been out of commission for three weeks before the fire, but that notice of it had not been given to the companies. The point was made that here was a case where the provisions of the rider that the assured must use due diligence in order to get his reduced rate for sprinkler installation had not been followed; and, therefore, the question had arisen as to whether or not this rider is a dead letter, in view of the fact that several other cases of failure to use due diligence with sprinkler systems had arisen in the local field.

Deny Sprinkler Story

Bale, Snedeker Co., when seen by The Eastern Underwriter, flatly denied that the sprinkler system had been out of commission for three weeks. Mr. Bale stated that there could not have been a freezing of pipes for the reason that the dry pipe system was used. He said further that the indicators showed that the system was working the day before the fire, and that the superintendent of the plant had seen sprinkler heads open after the fire started.

While discussing this fire Mr. Bale said that the real reason for its destructiveness was the fact that the firemen had no water, as the people in the vicinity had been letting their fau-

(Continued on page 16)

"The Largest Fire Insurance Company in America."

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

FULL WAR COVER

INCLUDING

BOMBARDMENT and EXPLOSION

Liberal Contracts Reasonable Rates

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

SPRINGFIELD Fire & Marine Insurance Co.

Cash Capital $2,500,000.00

THE SPRINGFIELD for two-thirds of a century has transacted business solely under its own corporate name, without annexes, underwriting agencies or subsidiary companies. An agent of the SPRINGFIELD is not a half, a quarter or any other fraction of an agent, but is vested with the rights and dignity of an undivided representative of an undivided and independent company. The SPRINGFIELD stands today pre-eminent among American fire insurance companies.

SPRINGFIELD MASSACHUSETTS

THE GAUVIN AGENCY

PACIFIC MUTUAL'S NEW CONTRACT AND RATES

Annual Dividend 20 Payment Life With Unusual Total Disability Benefit Provision

RATES EFFECTIVE JANUARY 1

Company Paid for $27,500,000 Last Year—Two Clauses in New Contract

The Pacific Mutual Life, which paid for $27,500,000 in 1917, and is in its fiftieth year, has begun to issue a new annual dividend 20 payment life policy, and has also adopted a new rate book, beginning with January 1. The conditions of the Company's permanent total disability benefit are particularly liberal. Two clauses from the policy follow:

Permanent Total Disability Benefit

Should the insured, before attaining the age of sixty years, become permanently totally disabled, as hereinafter defined, while this policy is in full force and effect and no premium is in default, the Company agrees to waive the payment of all premiums thereafter becoming due under the conditions of the policy and to pay to the insured a monthly income of ten dollars for each thousand dollars of the face amount of this policy. Such waiver of premium payment shall become operative, and the first of such monthly income payments shall be made, immediately on receipt by the Company of due proof of such disability, and subsequent monthly income payments shall be made on the first day of each month thereafter as long as the insured shall live; provided, however, as follows:

That immediately after the commencement of the permanent total disability full particulars thereof shall be given in writing to the Company at its home office, together with the then address of the insured; and that, within one hundred and twenty days after the commencement of such disability, there shall be given the Company at its home office due proof thereof; and that, annually thereafter, due proof of the continuance of such disability shall be given, if required by the Company.

That any medical adviser of the Company shall be allowed to examine the person of the insured in respect to any alleged permanent total disability, in

THE PILOT POLICY

the manner and at such times as the medical adviser may require.

That no suit on account of alleged permanent total disability shall be maintainable if commenced before the expiration of six months from the date of the alleged beginning of such disability.

That no claim on account of permanent total disability shall be valid if there is a failure to comply with any of the foregoing provisions.

That "permanent total disability," as used herein, shall be construed to mean that there is neither then nor will be at any time thereafter any work, occupation or profession that the insured can ever sufficiently do or follow to earn or obtain wages, compensation or profit, excluding from its coverage any disability resulting directly or indirectly, in whole or in part, from any form of insanity or from disease complicated with insanity.

The irrecoverable loss of the entire sight of both eyes, or the amputation of both entire hands at or above the wrist, or the amputation of both entire feet at or above the ankle, or the amputation of one entire hand at or above the wrist and one entire foot at or above the ankle, shall be deemed to constitute permanent total disability.

The waiver of premium and the payment to the insured of a monthly income under this benefit shall not affect the amount of the death benefit nor the right of the insured to any dividends, loan or non-forfeiture values or other benefits provided under the conditions of the policy; and such death benefit, dividends, loans or non-forfeiture values or other benefits shall continue with the same force and effect as if the premiums had been paid in cash to the Company when due.

On written application by the insured before attaining the age of sixty years, the Company will cancel this permanent total disability benefit and will reduce the annual premiums thereafter required twenty-five cents for each thousand dollars of the face amount of this policy.

Life Income Benefit at Age Sixty-five

On the anniversary date of this policy nearest the sixty-fifth birthday of the insured, if this policy is then in full force and effect and free from indebtedness to the Company, the insured may surrender this policy for a fully paid non-participating contract providing for the payment to the insured of a monthly income of $.....

The first monthly income payment shall be made on the anniversary date of this policy nearest to the sixty-fifth birthday of the insured and subsequent payments shall be made on the first day of each month thereafter as long as the insured shall live.

The value of any outstanding dividend additions, or any dividends left to accumulate and accrued interest thereon, shall be paid to the insured in cash with the first monthly income payment.

Some new annual rates of the Pacific Mutual at age 21 follow:

Life	Participating	Non-Par.
Ord.	$18.20	$14.95
20-p.	26.65	22.45
15.p.	31.85	27.10
10-p.	42.55	36.70
Endowment		
At age 65	$21.20	$17.55
20-yr.	47.35	41.05
15-yr.	65.40	57.20
10-yr.	102.35	90.35
Endowment		
30-yr.	$30.35	$25.75
25,yr.	37.05	31.75
10-p. 20-yr.	76.80	67.50

Ordinary Life Continuous Monthly Income

Age of Benef.		
10	$39.95	$34.30
15	38.80	33.15
20	37.70	32.05

20-Payment Life Continuous Monthly Income

Age of Benef.		
10	$57.75	$50.45
15	56.10	48.80
20	54.55	47.25

20-Year Endowment Continuous Monthly Income

Age of Benef.		
10	$117.95	$107.00
15	114.70	103.75
20	111.35	100.40

WITH CONNECTICUT GENERAL

John T. Shirley Made General Agent in Pittsburgh—His Territory, Western Pennsylvania

John T. Shirley, for four years supervisor of agents of the Eastern Department of the Edward A. Woods Agency, general agents for the Equitable Life Assurance Society, and one of the best known insurance men of Central Pennsylvania, has assumed his new duties as manager of Western Pennsylvania for the Connecticut General Life Insurance Company of Hartford, and will have his headquarters in Pittsburgh.

Mr. Shirley is a Pennsylvania man, having been born in Clarion County, and is thoroughly acquainted throughout the Western part of the State. He is a former president of the Central Pennsylvania Association of Life Underwriters, a member of the executive committee of the National Association of Life Underwriters, a director of the University Club, of Harrisburg, and a member of the executive committee of the Salesmanship Club, of Harrisburg. He leaves in Harrisburg a large number of friends and a business three times as big as when he took charge here.

A PEEP INTO OUR PRIVATE FILES

AN OFFICIAL OF THE U. S. GOVERNMENT AT WASHINGTON SAYS:

"I have your letter of October 1st with the bulletin which you are mailing to your policyholders and thank you for it. **This work is the kind that is going to make the Second Liberty Loan of 1917 an overwhelming success."**

A POLICYHOLDER SAYS:

"The **service which you perform for your policyholders** is without a doubt **unequaled by any of your competitors. This Health Service beats anything I have ever seen.** 'May your tribe increase'."

AN AGENT SAYS:

"If a man **doesn't make good** with The Germania Life Insurance Company **it is his own fault."**

WE SAY:

Since these are but samples of **many** letters received regularly by **"The Company of Modern Insurance Service," THE GERMANIA LIFE INSURANCE COMPANY, established 1860 under the laws of the State of New York,** it should be worth something to YOU to ask T. Louis Hansen, Superintendent of Agencies, 50 Union Square, New York City, to tell YOU more about the SERVICE which this Company is rendering ITS COUNTRY, ITS POLICYHOLDERS AND ITS FIELDMEN.

WHAT DO YOU SAY?

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

Continental First To Publish Statement

PRESIDENT BURNET TO HIS FIELD

Company's Large Increase in Dividends to Policyholders—Gain in Surplus and Earnings

The first life insurance company to publish its annual statement is the Continental Life of Wilmington, Del. The president of the Company, Philip Burnet, has issued the following statement to the agency force:

To the Agency Force:

You will be gratified to know that in spite of the increase in the generous dividends to our policyholders, in spite of the increased war taxes, and in spite of the heavier expenses due to war conditions, the actual net earnings of the Company for 1917, after the payment of dividends to policyholders, were the largest in its history. They were 17 per cent. greater than for the preceding year and were sufficient not only to cover the regular dividends of 12 per cent., and the extra dividend of 6 per cent. paid stockholders during the year, but also to leave a good balance for surplus.

It is noteworthy that the net surplus of $716,697.31 is nearly 20 per cent. greater than the outstanding capital stock of $601,690; and that the total assets of $2,578,541.78 are more than double the total liabilities of $1,260,-154.47, thus giving the Continental more than $2 of net admitted assets for every dollar of liabilities, a ratio of strength shown by few other companies.

The year may be summed up as resulting in an increase of 17 per cent. in net earnings and in outstanding capital stock, and gains of 10 per cent. in insurance, 22 per cent. in assets and 15 per cent. in the important item of net admitted surplus.

When you consider (1) that every dollar of the Company's participating business is on the annual dividend plan, (2) that the large dividends which the Company is paying to its policyholders result in a net cost to the insured which puts the Continental in a class with the four or five best dividend-payers in the country, and (3) that the Company is earning nearly three times the amount of these dividends, I think all of us may take just pride in an accomplishment which yields such generous returns not only to our policyholders, but also to our stockholders, to say nothing of the steady increase in our accumulated surplus.

BUSINESS MEN'S POLICY

Issued by Globe Mutual Life of Chicago in Amounts of $2,000

The Globe Mutual Life Insurance Association, of Chicago, is offering a "business men's" policy in amounts of $2,000 only. These are the rates:

Age		Age	
20	$27.24	43	$52.98
21	27.82	44	55.06
22	28.44	45	57.26
23	29.02	46	59.62
24	29.80	47	62.12
25	30.50	48	64.78
26	31.28	49	67.64
27	32.08	50	70.68
28	32.90	51	73.92
29	33.80	52	77.34
30	34.72	53	81.02
31	35.72	54	84.96
32	36.74	55	89.14
33	37.84	56	93.60
34	38.98	57	98.40
35	40.22	58	103.48
36	41.52	59	108.96
37	42.86	60	114.80
38	44.32	61	121.80

Companies Make Public More 1917 Figures

INCREASES ALL ALONG LINE

Southland Gains $504,857 in Net Admitted Assets—Mutual Benefit, Fidelity Mutual and Others

The Great Northern Life Insurance Company paid for $1,007,000 in 1917; assets are $353,000; surplus is $35,000. In 1916 it paid for $917,000.

The Old Line Life of Milwaukee paid for $3,650,000 in 1917, and $3,001,805 in 1916. Its assets on December 31 were, in round numbers, $1,750,000.

To Issue New Policies

The National Fidelity Life, of Iowa, writes The Eastern Underwriter as follows: "Approximate business for 1917, $3,150,000; assets December 31, 1917, $400,000.

"Our new policies, which will shortly appear, will have a very liberal total disability benefit paying a disabled policyholder a continuous annuity for life, which annuity will not be deductible from the face of the policy nor reduce the values in the policy."

The Columbus Mutual Life, of Columbus, Ohio, wrote $2,950,000 in 1917 and $2,462,181 in 1916; admitted assets are $1,135,885.61.

Southland Life Increases

The Southland Life Insurance Company of Dallas, Texas, writes to The Eastern Underwriter as follows:

"The amount of paid for business of this Company for the year 1917 was $8,188,961. On December 31, 1917, our net admitted assets amounted to $3,003,932.82.

"We are pleased to advise that we have had a splendid year, showing an increase of

$1,219,362.00 in new business;
4,134,720.00 in insurance in force;
68,945.50 in income;
504,857.01 in net admitted assets.

"We, of course, are very much gratified at the results and are starting the best year in the history of the Company, and we look forward with confluence to 1918, in the hope that it will be even better than the year just closed."

Home Life and Accident Company of Fordyce, Ark., paid for $1,812,000 last year.

Changes Its Name

The National American Life Insurance Co. of Burlington, Iowa, formerly the German-American Life Insurance Company, sends the following statement to The Eastern Underwriter:

"The production for the year of the German-American Life Insurance Company was $2,090,000, while the assets are increased to $338,000. Our plans for the coming year are, of course, not well matured, but we have determined to prosecute a vigorous campaign for new business, the outlook for which is most promising.

"Please note that at a meeting of the policyholders of the German-American Life Insurance Company of Iowa, held at the home office, on December 27, 1917, it was unanimously decided to change the name of the Company to National American Insurance Company, the change becoming effective December 31, 1917, but involves no other change than the name."

Farmers & Bankers Life Insurance Company, Wichita, Kansas, paid for $6,621,000 in 1917; $5,552,000 in 1916. Insurance in force paid for $18,810,000; assets, over, $1,350,000.

Midland Insurance Company of St. Paul, Minn., $1,553,000 in 1917, and the net assets on December 31, 1917, were $588,630.

Increased Average Premium

Edward D. Field, superintendent of agencies for the National Life of Montpelier, Vermont, writes The Eastern Underwriter as follows:

"Paid for business for the year ending December 31, 1917, was $27,463,965. Our gain in outstanding insurance exceeded 1916 and the average premium per thousand on new business increased over $3. The increase in the average premium on new business indicates a smaller percentage of term insurance to the total written and an older average age, due to limitations on younger ages caused by the war hazard."

Western Reserve Life Insurance Company wrote $715,000 in 1917.

The Toledo Travelers Life, of Toledo, Ohio, through Arthur D. Main, general manager of agencies, sent this statement to The Eastern Underwriter: "1917 was by far the best year from the standpoint of production of new business the Company has ever had, 85 per cent. of which is endowment business. This will consequently give us a nice increase in premium as well as increase in volume of business."

Discusses Lapses

Secretary J. R. Kruse, of the California State Life, of Sacramento, sends this statement to The Eastern Underwriter:

"We beg to advise that our assets will exceed $2,500,000. Paid for business for the year, total $7,563,000 as against $7,197,000 for the year 1916. Insurance in force, $25,221,000.

"Our business has been very satisfactory this year, except that we are a little disappointed in the amount of gain of insurance in force. This is due to an increase in lapses on account of so many of our policyholders who were drafted having replaced their insurance by Government insurance. Doubtless you are aware of the fact that we have had a war clause in our policies for the past three years, and our lapses on this account militated against us this year, whereas the companies who have just recently adopted the war clause will not notice the increased lapses until next year."

The Detroit Life's figures follow:

New business on the paid for basis, $4,175,000; insurance in force Dec. 31, 1917, $11,765,000; gain in insurance in force during 1917, $2,131,000; total premium income during 1917, $401,851.

In 1917 the Connecticut General paid for $33,408,398.80 of new life business, including revivals and increases. The 1916 paid for was $26,506,390. The insurance in force on a paid for basis on December 31, 1917, was $137,349,393.94. On December 31, 1916, it was $113,391,968.

President Talbot's Message

President Talbot, of the Fidelity Mutual, sent the following telegram to the field managers:

"Greetings and congratulations! Nineteen seventeen objective fully attained. Over one hundred forty-two millions in force. Net gain six millions three hundred eighty thousand, largest in thirteen years, showing effect of conservation effort. Mortality ratio approximately seventy-five, lowest in many years. Fidelity triumphantly enters its fortieth year determined to close with one hundred fifty millions in force."

The Jefferson Standard, of Greensboro's paid for issue for the year 1917 will amount to not less than $15,000,000. The Company will gain $10,000,000, showing insurance in force on December 31, 1917, of $60,000,000.

Mutual Benefit Figures

The Mutual Benefit has sent the following statement to the agency force:

"At this writing the paid for figures covering the Company's business in December, 1917, are not yet available. On the basis of applications received and new policies issued, however, there was a decrease in December, 1917, as compared with the corresponding month of 1916. It is worthy of note, however, that December, 1916, was a phenomenal month in point of business production. As compared with the business of December, 1915, there was an increase in December, 1917, both in applications received and policies issued.

	Number	Amount
Applications received.	2,889	$12,232,596
Dec. compared with December, 1916.....	1,452	3,433,795
New policies issued on orig. applications...	*3,219	11,583,853
Dec. compared with December, 1916.....	1,553	2,900,713

Comparative Record of New Business—Year 1917

	Number	Amount
Applications rec.....	41,406	$149,469,910
Inc. over yr. 1916.		10,229,233
Dec. over yr. 1916.	1,877	.....
New policies issued on original applications	*44,386	133,261,214
Inc. over yr. 1916.		10,013,714
Dec. over yr. 1916.	1,809	.....

*The issued business includes only new policies issued on original applications. It does not include paid-up policies for reduced amounts issued in exchange for surrendered policies, or extensions, or convertible term policies exchanged.

Income insur. issued, year 1917 (new)....	1,855	$13,020,456
Income insur. issued, year 1917 (old).....	1,959	10,462,658
Total	3,814	$23,483,114
Inc. over yr. 1916 (tl.)	504	3,762,758

The Midwest Life, of Lincoln, closed its books for the year with approximately $10,500,000 of paid for insurance in force and admitted assets of $1,000,000.

The Old Line Bankers' Life, of Lincoln, paid for over $11,000,000 in 1917. Its assets are over $12,600,000.

The Protective Life, of Birmingham, Ala., paid for more than $1,900,000 in 1917, and has $900,000 assets.

Will Issue New Child's Endowment

The West Coast-San Francisco Life's paid business for 1917 was $8,330,000; increase over 1916 figures, $2,680,000; estimated admitted assets, $3,650,000.

"In 1918 we intend to issue a new child's endowment policy based on the life of the parent, the premiums ceasing on the death of the parent and the proceeds going to the child at the end of the endowment period," said President C. O. G. Miller.

The Fort Worth Life paid for $2,687,371 in 1917.

Northwestern Mutual

M. H. O. Williams, assistant superintendent of agencies of the Northwestern Mutual Life, said this week:

"The paid for business for 1917 will be approximately $160,000,000 and the assets approximately $385,000,000.

"The Company has announced two new forms of policies, a life policy paid up at age 65 and an endowment at 65.

"We have no reason to feel that 1918 will not show a largely increased business over 1917."

Official Home Life Figures

Final figures of Home Life Insurance Company, December 31, 1917: Paid for in force December 31, 1916, $133,493,328; issued paid for in 1917, $22,691,136; cancelled in 1917, $10,134,319; in force December 31, 1917, $146,050,145.

Missouri State Figures

The Missouri State Life shows new paid business of $45,400,000; revivals and increases, $1,750,000; insurance in force, $156,900,000, an increase over 1916 of $27,800,000.

A. B. Howe, vice-president of the Security Mutual Life, Binghamton, N. Y., when a young man sold F. W. Woolworth, head of the five and ten cent store chain, his first bill of goods. At that time Mr. Woolworth was doing business in a small way in Watertown, N. Y. In order to move goods faster for his customers Mr. Howe proposed having the goods put on counters and sold at small prices. This was the beginning of the five and ten cent store movement.

Tenth Annual Statement

Continental Life Insurance Company

WILMINGTON, DEL.

December 31, 1917

ASSETS

First Mortgages on Real Estate	$1,666,828.80
Bonds	508,875.36
Policy Liens within the Reserve	241,529.18
Cash	161,308.44
Total	$2,578,541.78

LIABILITIES

Legal Reserve		$1,221,164.67
Reserved for Taxes, etc		38,989.80
Total Liabilities		$1,260,154.47
Capital Stock	$601,690.00	
Surplus	716,697.31	
Assets in excess of Liabilities		1,318,387.31
Total		$2,578,541.78

FIVE YEARS' PROGRESS

Year	Income	Assets	Insurance
1912	$259,557	$ 522,004	$ 9,232,314
1917	740,462	2,578,542	18,004,571

Monthly Income and How to Sell It

VIEWS OF A CANADIAN PRODUCER

A Dollars and Cents Proposition—Safeguarding the Widows' Insurance Money

By E. J. L'ESPERANCE,
Imperial Life, Montreal

In the first place, sometimes a man says to me, "How do you canvass, how do you get prospects?" Caesar's ghost! the easiest thing in the world; go out after them. You see a nice looking man with a prosperous looking business; you look around a little and see he has a family. Then go up to him, "How do you do, Mr. Thomas; I am Mr. L'Esperance, with the Imperial Life; I have something I want to show you." My method is the direct method of the man selling shoes, or the coal dealer, who wants to sell coal to a public institution. He says, "I am selling coal; let me show you some coal." The big thing in selling anything at all is making the man want it. That is very silly, isn't it? And yet so many of us make him so that he doesn't want it. If I were selling dinners, if I were running a cafe, I would try to get as big a sale out of every man that came into my cafe as I could. With that in mind I would serve a little appetizer free. Free, sure. He would spend more money in my place. If less time were taken on "Here is the dotted line; by Jove you've got to sign it," and more time on "Look at this, look how happy this will make you, look what this is," he would finally grab you by the elbow and say, "Good, where it is?" The psychology of this is good. Create the need for the goods. The thing sells itself if the man wants it badly enough. Schwab says, "It is easier to sell a thirty million dollar bond to a man who wants it than a piano to a man who doesn't want it." Devote your time to making the man want your proposition and he will buy it, believe me.

The Income Contract.

An income contract is simply the usual proposition that we have, that is selling a man money for future delivery, but it is paid in a different way; instead of paying a lump sum we pay it over a stated number of years or an uncertain number of years. I usually sell it for the lifetime of the beneficiary; while the premium may be higher I do not want to have on my head the thought that that old lady will be without money when she needs it most. I will sweat a little longer, and it will make a better sale. I always say "How would you like to put your wife on the pay-roll when yours comes off?" Of course, he does, if he is a regular man.

A Dollars and Cents Proposition

Now, the financial side of this, the way in which you can make it look good to Mr. Prospect. "Supposing, Mr. Thomas, I were to ask you to deposit with me—your age is forty and your wife thirty-five—I ask you to deposit $807 a year. I am the Bank of Montreal. You have got to save money and you are going to put $807 a year in our bank. What will we do for you for that? If I were to tell you that the Bank of Montreal, after you had made one deposit of $807, would pay your wife $100 a month for her lifetime, you would say I was crazy. Of course, I would be, for the bank can't do it." You know, that is immense when you get to think of it. $100 a month, or $1,200 a year for her lifetime, and twenty years certain. We have got to pay Mr. Man $24,000, that is the least we can get out of it for him. "You hold our I.O.U. for $24,000. Furthermore there are dividends coming with this inasmuch as you have a participating contract with a participating company. Based on our dividends of last year your wife gets $8,280 of dividends, so in all probability we will have to pay $32,280 to Mrs. Thomas. Pretty soft, isn't it? How would you like it, Mr. Thomas?" He says, of course, he would like it. "Now, furthermore, the chances are that if you die at the present time your wife has an expectation of eight years more at the end of twenty years, which means $9,600 we have to pay her, plus dividends of $1,628; so we would have to pay her in all $43,508 in all probability, if you die tomorrow. Do you know you are not going to die tomorrow? Hence, if you do not know you are not going to die tomorrow, you may die tomorrow; and your wife may live a great many years, for a great many women on a moderate income outlive their expectation after 50. Furthermore, supposing I were to tell you that at the end of twenty years' time your family are grown up and you do not need this any more, since you have educated your children and made provision for them, suppose I tell you we are going to give you back $2,000 or $3,000 or $4,000 or $5,000 out of it. You say it can't be done. We not only give you back that, but supposing I say we give you back roughly $16,000, all you had paid. You would say we were going some, wouldn't you? That is what we are prepared to do, to give you back all you put in and will have been prepared to give you protection in the meantime." You know, if you just get the idea of that fixed in your mind, the immensity of that, gentlemen, you can sell then some insurance and lots of it.

Safeguarding the Widows' Insurance Money

Income insurance is a good thing because most wives and most men live on a week to week basis. The cannibals used to live on a meal to meal basis; the more civilized we become the longer the basis. Isn't it a nice thing to arrange the method of your wife receiving money in the same way as when you were at home and supported her? What reason have you to think that she is going to become used to a revolutionary method of living? The widow is the shining mark for the mining shark; you know that. A lot of widows are fleeced out of the hard-earned money that some kind, self-sacrificing man made provision to create for them. That won't happen to my wife. Why? Because I leave her an income. I know as well as any man can know just what she will get, which is just as much as I can arrange for, and how she will get it and how long. To me it is a source of consolation. I consider it the cruelty of kindness, gentlemen, for a man to bring his family up to a fine standard of living and leave them to go down, and the human biped that does that is not worthy of the name of man as we understand it. We know that 65 per cent. of widows lose all that is left within the first five years. Do you want your wife to be in the 65 per cent.? Even if there were only 2 per cent., would you want your wife to be among the two? Of course, not. Why be so blind? We know these things are so; why don't we use that knowledge? That is what we are given brains for.

A Few Thoughts About Unearned Money

There are always expensive wants in every life, and some women—and we cannot blame them—gratify those wants out of the lump sum insurance money that is left. The thing that keeps you and me from spending all we get is that we have to earn it, we have to sweat hard. We know what it costs to make a dollar. With unearned money there is always a temptation to squander and to go higher and higher. That is the reason a great many wealthy men do not like to leave much money for the boy. If

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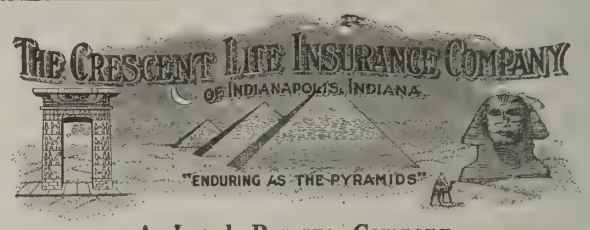
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you leave a widow a great sum of money that temptation is there. There is also the temptation to follow fool advice. I feel sad about that. Women get a lot of fool advice, and there is a big temptation to follow it. I do not want to take any chances on that myself. The intelligent man tries to tie up his estate so that it cannot be lost, yet you find the reverse done by most men who insure their lives. What would you think of a man with a nice estate, a good business and with full knowledge of his impending death, who would convert it into cash and put it in the bank and lay himself down to die? We would call him a fool, wouldn't we?

Ten Dollars a Month Might Be a Fortune

Some men tell me $10 a month is not enough. Of course, it is not enough. Most men do not put away the money they should put away. But, gentlemen, $10 received regularly each month by a widow, who has no other means of support, is a fortune. Things are great or small by comparison. Ten dollars a month rents a room. If the little unfortunate widow has a child, it is a home for $10 a month. Don't fool yourselves about that $10 a month. If you were ever without money and you found $10, you would think you were in heaven. There are three kinds of income, $10 a month, $50 a month and $100 a month. Do you like to leave your wife a room income, or a flat income, or do you want to leave her in a home? $10, $50 or $100 a month. The smaller the amount of interest on a lump sum left to the widow the higher the security, and the more valuable; the higher the security the more chances that it can be negotiated or borrowed on, the more temptation to invest it in something paying 15 or 20 per cent.

Trust Companies and Trustees

Some men tell me they will leave their money in a trust company. Some men are very sincere about that. It's all right, I believe, but he doesn't know my proposition. The revenue from trust funds after you consider all the various fees, which the trust company rightly enacts, and if it invests it as the Government specifies, will be less than 4 per cent. In mostly all participating policies the yield to the widow will be nearer 6 per cent. Does he want to lose 2 per cent? Two per cent. is a lot of money. You can't tell whether a trustee is going to make a mistake; or he may die and then you have another trustee. Seriously, it is not a good proposition. If a man has any estate that he cannot leave in an insurance company I tell him to leave it with a trust company and give them carte blanche to invest it—that's the only way the widow can be sure of an income. This is business in which no question could enter. Morgan left all his money, with the exception of two bequests, in income, and I am sure al those people could have had access to the finest kind of advice in investing money. He knew.

Some Safeguards

Income contracts first sold in 1906; millions of income are being sold today. Furthermore, Mr. Buyer does not mortgage his contract as quickly if he thinks of it in terms of life income for Mrs. Thomas. He says, "I must not borrow on it, it is her $100 a month income, and if I borrow she won't have $100 a month." Furthermore, it brings him up to a certain standard of leaving money. It removes the thought, "I am leaving my wife fifteen or twenty thousand dollars." It sounds big and he likes to mouth the word. At 5 per cent. what is it? It makes him think of the thing as it really is. You sell him a twenty-five dollar a month income this year and next year, and you can go back and step that up a little. She might get along on $25, but you and I would like her to have $50. He knows what he earns. It is so easily figured; you get down to brass tacks. It is a trait of human nature to be heedless of the future. I read some time ago of a woman who was left $8,000, and the first thing she did was to buy a $3,000 automobile. The cold, black, dismal future is there unless you make it nice and warm and bright. On an income contract the little innocent children get the benefit directly or indirectly as long as it is paid. A widow might marry the wrong man when she remarries, a man that might take her money. If she has an income she may give him the first cheque, but I venture, unless she is a fool she will not give him the second one.

Showing the Goods

When you show your goods show them with some degree of skill. If I were going to show a man this thing (picking up a camera) I would not rush in and say, "Do you want to buy a camera?" Of course not. I would take it in this way (opening and displaying camera) and say, "What do you think of that? Isn't that a wonder?" Of coure, I would try to stimulate his curiosity and interest. When you show your goods, show them in an interesting manner. I always carry a cheque similar to what we pay the beneficiary, and say, "How would you like Mrs. Jones to get one of these?" He says, "What is that?" and I tell him.

Beware of Underselling Your Prospect

When you sell him, sell him enough. Some say we overload a man. About two years ago I sold a man a five thousand dollar policy. I delivered him fifty thousand. He said, "I will take it, but what is the limit of your company?" I said $50,000. He said he would have taken $100,000. I said, "I am sorry I cannot take it." He said, "I won't take it now." I wired the company and brought him another fifty the next day and said, "I have called your bluff." He said, "I will take it." I met him about three months ago and he said, "I can't buy insurance now." I said, "I heard about it, old man." He said, "You did me a wrong; why didn't you sell me enough?" If more men would talk less and underwrite more they would sell more insurance. I am a firm believer in a man being what he thinks he is going to be. I think I am a whirlwind that makes me a whirlwind whether you think it or not. I believe a lot in that, believing a certain thing, then trying to be that thing.

Some Good Ideas With a Few "Dont's"

A good idea whenever you talk to a man, is to have something in your hand; it is a great trick in selling. There is a lot in meeting a man with a pleasantry. It is the same psychology as with the speaker on the platform.

Do not talk insurance wherever you go. I do not believe in talking to every man. We waste a lot of time and believe me, I value my time. I couldn't have sold what I did last year if I were not chary of my time. A man who has not the coin cannot talk to me; Mr. Man who has not got the money or the health can go right by. I think it is a mistake to talk promiscuously. Think about the man you want to see and then go and see him.

From the official publication of the Canada Life Underwriters' Association.

SINGLE PREMIUM ANNUITIES

In November the Phoenix Mutual Life receiver $60,000 in single premiums for life annuity contracts. For eleven months of 1917 these single premiums aggregate $462,000 against $80,000 received during all of 1916. In addition the Company received in 1917 $134,500 in single premiums on insurance contracts.

The first meeting of agents of the Northwestern Mutual Life was held in 1867.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

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Life Insurance Company
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

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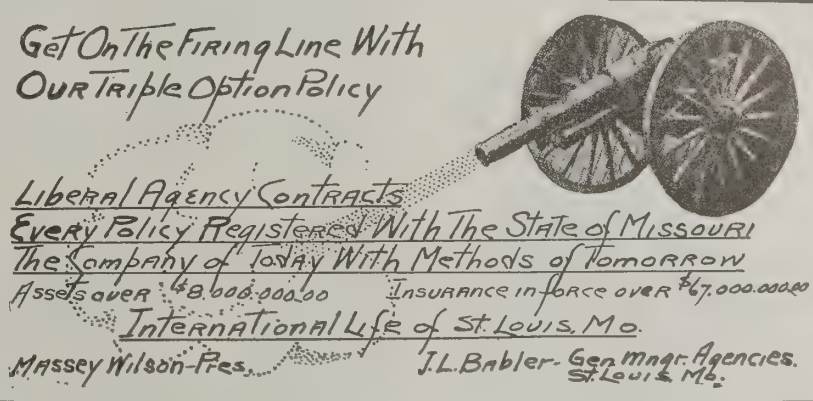
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CERF MEETING AND DINNER

To be Held at the Hotel Breslin on January 28—Officers of Company to Talk

The annual meeting of the L. A. Cerf Agency of the Mutual Benefit, New York City, will be held at the Hotel Breslin on January 28. There will be an educational session in the morning from 9 until 12 o'clock followed by another in the afternoon and a banquet.

During the day there will be addresses by the various officers of the Company, including Vice-President Rhodes, Actuary Papps, Superintendent of Agencies Drew, Assistant Superintendent of Agencies Winton, Counsel David Kay. Jr., J. Elliott Hall, George H. Austin.

Obstacles Necessary to Growth

Some That Must Be Met and Overcome by the Successful Agent

By Olin P. Beall, District Manager, Macon, Ga., of New England Mutual Life

(Continued from last week.)

We also have the broad field of company literature. Every life insurance company furnishes its agents with literature concerning the company and its contracts, and many of them supply much excellent information concerning life insurance in general. This is especially true of the great company we represent. From the smallest leaflet to the "New England Pilot"—that storehouse of information, gem of art, and never-failing source of inspiration—every piece of literature sent out by our unequalled department of publications is designed for the sole purpose of giving us field-men the best equipment for our work. And how well they succeed every agent who makes intelligent use of our literature can give ample testimony! If there is any high-class company whose agents can complain because the company does not furnish them information necessary to a proper understanding of the goods they have to sell, that company is certainly not the New England Mutual.

The man who would learn the difficult art of salesmanship can find excellent helps. Never before was so much study given to this subject. Books on salesmanship, magazines on salesmanship are offered on every side. All these are helpful, and can be obtained at low cost. But the most valuable aid to the salesman, and the aid for which he does not have to pay a cent, is a constant and thorough study of human nature. Alexander Pope's line, "The proper study of mankind is Man," might well be changed by us into the motto, "The most profitable study for life insurance agents is Man."

Prejudice Disappears as Knowledge Grows

The obstacles arising from the attitude of others can also be disposed of by the intelligent, determined man. Consider the prospect who is prejudiced against life insurance—who says he does not believe in it. In nine cases out of ten, is not this because he does not know its advantages?

When the automobile was first seen on our country roads the farmer was prejudiced against it, thinking of it chiefly as a device for frightening his horses. But now that he has seen how much help a car can be to himself and his neighbors, he has become an enthusiastic motorist.

So it is with life insurance. Let a man see what this wonderful institution is doing for the widows and orphans in his neighborhood, and prejudice will melt away. In communities that have been worked by unscrupulous agents, the melting may take time. But absolute truthfulness and honesty in the end will win you the confidence and help of those who in the beginning looked upon you with suspicion and prejudice.

Interviews with busy men can be secured by careful preparation. Work out a proposition that meets a real need in a prosperous man's life, and he will be glad to hear it. Prepare your case so that you can present it very briefly, and excite his curiosity by some novel method of presentation. Once you get him interested, he will give all the time needed to understand your proposition.

How to Finance the Business

The difficulty of financing his growing business can be met by the agent who is honest and conscientious in his daily life and careful in his business dealings. Strict attention to his social, moral and financial obligations will win him the good opinion of those who know him, and soon he can find a banker willing to discount some of his best paper. He thus gets a start, and careful handling of these matters will make it easy for him to get money on the notes he takes. By accepting notes from only such prospects as are good for their obligations, and by giving personal attention to the collection of collateral notes when clients fail to pay the bank promptly, the agent can make each loan, obtained on the security of his insurance paper, strengthen his position with his banker. If he will religiously meet every obligation at the bank the very day it matures, and if he will make it a point to keep a fair balance to his credit in proportion to the amount of his loans, the industrious agent will be able to secure all the credit necessary to a healthy development of his business.

How to Get the Proper Mental Attitude

Those obstacles that arise from the mental attitude of the agent himself can best be overcome by selecting a high ideal of service and striving at all times to realize that ideal. If he will make it the chief aim of his business life to be recognized as the life insurance man of his community—the man pre-eminent in knowledge of the business and in the rendering of real service—the agent will take the best step possible towards the elimination of obstacles of every kind.

With such a purpose ever before him, he will plan far ahead, and will strive to make every act contribute its mite towards accomplishing the one great aim. With every step that he makes advancing him steadily toward this most desirable goal—do you think he will spend much time worrying over obstacles?

Having resolved to be recognized as the authority in his community on life insurance matters, he makes his plans to study the subject, until he is fully equipped to solve readily the problems that are so perplexing to the layman. He determines to be honest and conscientious in all his dealings, and to let his advice to clients be always what is best for their interests. He resolves that every business transaction, with no exceptions, shall strengthen his position in the confidence of his fellow citizens.

Since he cannot become the most respected and most influential underwriter in his community without a large and friendly clientele, and without an income sufficient to leave his mind free from the countless annoyances that arise from a depleted bank account, he makes up his mind, early in the game, that he will write business enough, not only to supply him with adequate funds, but also to give him a large and ever increasing number of friends and clients.

Planning for Big Things

As a means to this end, he determines what he must earn each year in order to live comfortably, and put by a fair amount for future needs. He then finds out how much business he will have to pay for, in order to get the required income. From this he fixes his monthly quota of paid-for business, and then, estimating declinations and "not-taken" business, he figures how much insurance he must write each week, in order to get his quota for the month. He then studies his records of interviews, calls, and the number and size of applications written, that he may ascertain how many calls on the average he must make every day, to produce the necessary weekly volume of business.

Nor will his planning stop here. Before starting out each day, he will decide, as fully as possible with the data before him, just what course each interview shall take. He will schedule each day's work so as to save time and effort, by arranging his calls with as little distance as possible to travel between them, so that each may be made at the time most likely to result in a favorable interview.

A Way Over Every Barrier

With such an ideal constantly before him, and with every act planned toward accomplishing this one great purpose—he is sure to find some way over, under, around, or through most of the obstacles that arise in his path. And often, the very obstacle that seemed so formidable will be brushed aside by the sheer, undaunted power of his spirit!

With such an ideal, fear will vanish. Knowing that he represents "the first business in the world," and feeling that he has the purpose and the ability to render immeasurable service to the applicant and his loved ones—can he fear to approach the biggest, the most prosperous man?

In like manner will doubts as to his success in the business disappear. With a definite plan worked out to bring him to the goal of his ambition, and with each day's work taking him slowly, yet steadily and surely, toward the accomplishment of his one great purpose—is the agent likely to be perplexed with doubts as to his success? Will he not rather be so filled with enthusiasm over the great cause he represents, and with interest in watching the development of his well laid plans, that his busy mind will have literally no room for discouragement or doubt or fear?

The Power of an Ideal

So, too, will impatience and carelessness disappear. With his mind ever set on the attainment of his high ideal, and with every faculty employed in planning ways to reach this goal, such things as grumbling, careless dressing, inaccurate speech, and thoughtless wasting of funds will be banished from his life.

But why all these changes? Because the man who has one great ambition and endeavors unfalteringly to attain it, will analyze his every act—yes, his every desire—and if one be found inconsistent with the attainment of his supreme ideal, that act will no longer be performed, that desire will be no longer entertained.

Fellow agents, we are in a business that requires the overcoming of many obstacles before success can be attained. But we know that these obstacles are not impassable. Each of us encounters some of them every day. Some we meet successfully, others best us from time to time. We all fall far short of what we should be and do.

But let us fill our minds with a high purpose, and work steadily for the attainment of that purpose. If we do this with constancy and industry to the end of life, no obstacles, however formidable they may be in nature or appearance, can prevent our attaining genuine success in our high calling.

W. F. STILZ WITH UNION CENTRAL

William F. Stilz, of Portland, has resigned as general agent of the New World Life for Western Oregon, to become Oregon State manager of the Union Central Life. He succeeds Frank P. Tebbetts who resigned to join the colors. Prior to the absorption of the Columbia Life & Trust by the New World Life, Mr. Stilz was general agent for that company for four years, previous to which time he was general agent for eleven years of the Penn Mutual Life at Philadelphia and Washington, D. C.

JOINS LIFE PRESIDENTS

The Life Insurance Company of Virginia is now a member of the Association of Life Insurance Presidents.

Capable Agents, Desirable Company

The two most important factors in life underwriting are capability in the Agent and quality in the Company. If the Company provides an unexcelled, attractive policy for a low net cost, and has a reputation for prompt and efficient service, the result is contentment, loyalty, and success for the man in the Field, if he is capable. This Company's record is evidence of the character of its representatives and of the quality of the institution.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
Life Insurance Company
Springfield, Massachusetts
Incorporated 1851

44 MILLIONS from 42 AGENCIES

THE 1916 RECORD OF OUR EARNEST, LOYAL AND HAPPY AGENCY FORCE

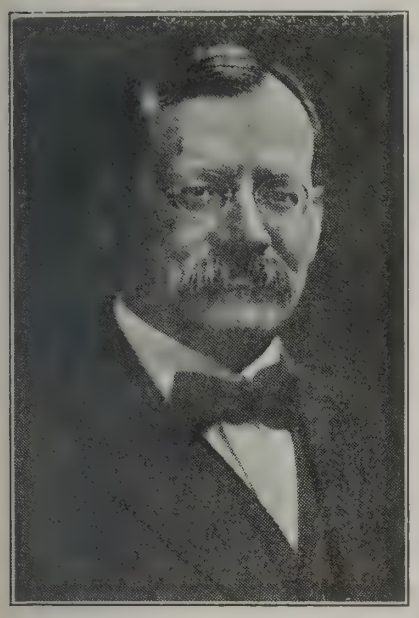
New England Mutual Life
Insurance Company
BOSTON, MASS.

Personnel of New Maryland Assurance

STRONG LIST OF EXECUTIVES

Will Issue Broad Range of Policies on Non-Participating Basis

Baltimore, Jan. 8.—The Maryland Assurance Corporation has completed its home office organization and will issue in addition to forms of accident and health a broad range of life, limited payment life, endowment and term forms of insurance on the non-participating basis, in addition to the forms of accident, health and disability insurance originated and widely sold by the Maryland Casualty Company.



JOHN T. STONE



F. H. BURNS



RICHARD H. THOMPSON



T. M. SEARLES

The Officers

The officers of the Maryland Assurance Corporation follow:

President, John T. Stone; vice-president, F. Highlands Burns; secretary-treasurer and actuary, A. G. Portch; vice-president and agency director of the accident and health insurance department, Richard H. Thompson; agency director of the life insurance department, Thomas M. Searles; medical director, Dr. John W. Abbott; manager of claims, F. L. Templeman.

President Stone of the Assurance Corporation, one of the foremost insurance executives in America, needs no introduction. Twenty years ago he launched the Maryland Casualty Company and has developed it into an unusually large organization with more than thirteen hundred salaried employes, six thousand agents and assets of over thirteen million dollars.

Vice-President Burns, who is also first vice-president of the Maryland Casualty Company, has specialized for eighteen years as an underwriter of liability insurance, and has a national reputation as one of the pioneers in the workmen's compensation field; he brings to the Assurance Corporation a mind trained in handling the most difficult insurance problems.

Actuary Portch's Career

Actuary Portch, who is also secretary-treasurer, has had an actuarial experience of fifteen years, first in the actuarial department of the Canada Life Assurance Company of Toronto, then as actuary of the Franklin Life Insurance Company of Springfield, Illinois. He is president of the American Institute of Actuaries, a fellow of the Actuarial Society of America, and associate of the Institute of Actuaries of England.

R. H. Thompson's Experience

Vice-President Richard H. Thompson of the accident and health insurance department began his insurance career twenty years ago with the United States Fidelity and Guaranty Company, was next made manager of the burglary insurance department of the Maryland Casualty Company, continued in that position for ten years with the remarkable average loss ratio of twenty-nine per cent. on a steadily increasing business, then served for a time as vice-president of the Maryland Trust Company, returned to the Maryland Casualty Company as fourth vice-president assigned to the accident and health insurance department, and increased the accident and health premium income of

(Continued on page 9)



A. G. PORTCH



F. L. TEMPLEMAN



DR. JOHN W. ABBOTT

HOME LIFE INSURANCE CO.

(Now Purely Mutual)

256 BROADWAY, NEW YORK

GEORGE E. IDE, President

The fifty-seventh annual report shows insurance in force of $133,493,000, an increase during the year of $7,832,827. The Company paid the policyholders in 1916 $3,536,233, of which $628,406 was in dividends or premium refund. Its insurance reserve fund was increased by $1,300,000 and the Assets are now $32-821,462.

For Agency apply to

GEORGE W. MURRAY,
Supt. of Agts.
256 Broadway, New York, N. Y.

ALWAYS A PLACE FOR DEPENDABLE AGENTS

Those who can not only write applications but deliver policies, and are energetic in their methods. Good positions are ready for such men.

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BANKERS BLCo LIFE DES MOINES COMPANY

PAYS GOOD PAY TO GOOD MEN

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Sources of Prospects

That most wonderful success quality for a life insurance salesman to possess, the ability to intelligently self-direct one's energy, was forcibly brought out in a letter received by the Equitable, of Iowa, from General Agent Tessman.

Some days ago a chart, "Sources of Prospects," was mailed out to each general agent of the Company and in the circular letter accompanying it, a suggestion was made that the chart be framed and hung in the agency room.

"An official of the Company took one of these charts over to a picture framer for framing and found he could get it framed very neatly for seventy-five cents," says "Equiowa." "Inasmuch as he was interested in having one of these charts framed and hung in each agency, he sent out a circular letter to the effect that he would personally see to it that a chart similarly framed would be sent prepaid to any general agent of the company upon a remittance of a like sum of only seventy-five cents. This he thought would make it easy for every general agent to get one framed. He went on the principle that if you make it easy for men to comply a good many will respond, where the same men would not go to the trouble to look up a picture framer themselves and get the job done. It would require too much effort in addition to the expense. Besides, some agents are located where this work cannot be done handily.

"The first response was a remittance, but the second reply received was the one that so forcibly illustrates the qualities of initiative and resourcefulness as well.

"It is this case which we want to recount to you. There is a suggestion in it which you could well take to yourself and perhaps its repetition here may be the means of causing some of you to turn some like incident to your own advantage.

"I can do no better than to quote the reply itself. It shows very clearly how this successful writer's mind works and the incident is particularly interesting, because he made this 'Sources of Prospects' chart itself a source of prospect then and there.

"'Circular letter November 30 very good and I receive it in the same good will and spirit as you wrote it, but I believe in spending my money where I make it. Just such a little thing as this **gets business.** My frame cost me $1.25 and while I order it I get the attention of the boss and the attention of the framer and get talking to them about the company. My frame will be ready Monday and when I get it I will get an application for $2,000 20 Pay. That beats a saving of fifty cents all hollow. Look for $50,000 from me for December and if I do not get it, mark me up as a No Good Producer.'"

* * *

Federal Inheritance Tax

Most of the companies are using the inheritanc tax argument to good effect. Here's what the New York Life says on the subject:

One of the most formidable arguments for life insurance, not confined to men of large estates, is the Federal Inheritance Tax. Thousands of business men who have created a moderate competence are using this means to leave an estate unimpaired to the family. The taxation of inheritances has passed all reasonable limits. A man of property must pay heavy taxes not only to the State in which he lives, and some State laws are drastic, but to other States if he owns stocks of corporations chartered under them, and in addition, heavy taxes.

The sum of these inheritance taxes is large, but they must be met and met in cash. Comparatively few men of means keep on hand a supply of money. So closely is their cash invested that probating usually shows that the great bulk of their estates consists of securities, real estate, and personal property, none of it readily convertible into cash save at a sacrifice that would be great at this paticular time. No matter how a man is fixed financially, the only method of meeting and paying the debts that accrue at death without sacrificing a part of the estate is by life insurance. In that alone is safety.

* * *

Ideal Coverage of Life Insurance

A letter to a prospect by Louis N. Denniston, agency instructor of the Travelers:

To the man who realizes the responsibility which he bears to his family, there are four points in his estate or in his plans therefor which he would like to arrange to have cared for beyond any question of doubt:

1. That every debt which he owes, both of a personal and family nature, would be paid. (This would include expenses of his last illness and burial.)

2. That the home which he now occupies, or one just as good, be assured to Mrs. Blank; that is, if he owns his home under the usual mortgage approximating fifty per cent. of its value, this mortgage either be wiped out entirely or reduced materially; or, if he does not own his home, that a sum of money be left to purchase a modest home—for he knows that one of the reasons families are separated is the fact that it is impossible to maintain a home or get together enough money month by month to pay the rent, if the home is not owned.

3. An emergency fund—by which I mean that a reasonable sum be deposited to the credit of Mrs. Blank, in a savings bank, to be used at her discretion; but he could place upon her the moral obligation that it should be used solely for emergency, such as sudden illness, or repairs upon the home, and the like.

These three points take care of what might be termed the absolute necessities of an estate in so far as the immediate necessities are concerned, but not necessarily the most important item; for he should leave a sum of money in the form of a monthly income, which will be paid to Mrs. Blank so long as she lives—twenty years guaranteed.

From the very frank statement which you made me, I judge that a man in your circumstances should arrange his insurance coverage along the above lines and in the following amounts:

1. Debts (approximately) .$1,500
2. Home (purchase or reduction of mtg.) 3,000
3. Emergency fund 2,000
4. Income ..... 100 per mo.
   (Continuous for the life of Mrs. Blank, twenty years guaranteed; by which I mean that should Mrs. Blank die before receiving instalments for twenty years, the remaining instalments will be paid to her heirs or as you may direct, or commuted in one cash payment.)

This would cost you, for the insurance to cover the first three items $162.92
For the continuous instalment, monthly income, your age 40 and Mrs. Blank's age 36..... 476.30

Total $639.22

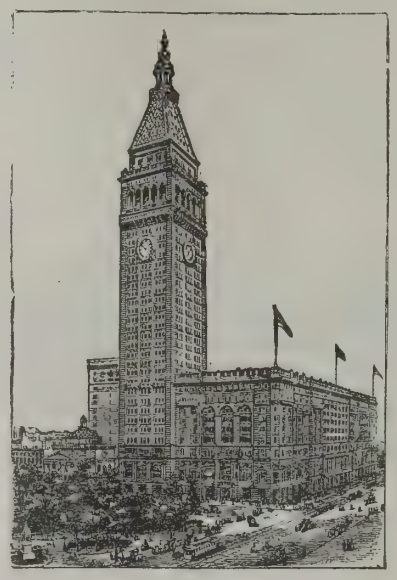
In connection with the above proposition, permit me to suggest for your consideration—if not at this time, at some later date—an income proposition which would supplement the above and arrange to make it possible for Mrs. Blank to draw $200 a month for the first ten years following your death, and $150 for the second ten years; and, if she is surviving, $100 a month for the remainder of her life.

Such a part of your estate as you create in the form of life insurance is free from taxation and the plan of distribution of same could not be changed by Mrs. Blank unless you gave her the option; of course, in the event of your doing so, there is a possibility of the intent of your plan being defeated.

I am sure you will appreciate, Mr. Blank, that the above proposition is very properly termed an ideal coverage, for it takes care of every phase of your estate, and on completion of such an arrangement you would have the great satisfaction of knowing that you had done all that is possible to provide for the good wife.

It is not the $5,000 or $10,000 policy you are going to take but the $1,000 or $2,000 policy you actually have when you die that count.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

The Company
Of the People
By the People
For the People

The Daily Average of the Company's Business during 1916 was:

701 per day in Number of Claims Paid.

8,304 per day in Number of Policies Issued and Revived.

$1,969,823 per day in New Insurance Issued, Revived and Increased.

$376,827.40 per day in Payments to Policyholders and Addition to Reserve.

$220,509.26 per day in Increase of Assets.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

PHOENIX MUTUAL CHANGE

T. L. Landress of Brown & Landress, Chattanooga, Tenn., district managers of the Penn Mutual Life, has been appointed manager of the western Tennessee agency of the Phoenix Mutual at Chattanooga, succeeding Chester D. Freeze, who has gone to Chicago to become associated with Jules Giaradin, the manager of the Company there. Mr. Freeze has already taken his position in Chicago. He was formerly at the home office of the Company, was located later with the Phoenix Mutual office at Davenport, and later Des Moines. He has done excellent work in the field and in a supervisory capacity.

New England Names New General Agents

F. B. PARKER AT TOPEKA, KAN.

H. J. McGee at Anderson, S. C.; K. W. Yancey at Richmond; H. A. Dunbar, Pittsfield

The New England Mutual Life has made a number of important general agency appointments.

Frank B. Parker has been appointed general agent for the State of Kansas, with headquarters at Topeka. The appointment will be effective January 15. Mr. Parker was general agent for eleven years in the same territory for the Connecticut Mutual. He succeeds Charles S. Locknane, resigned.

Change Headquarters

Horace J. McGee on February 1 will become general agent for the State of South Carolina, with headquarters at Anderson, S. C. Mr. McGee was formerly a banker and for the past five years general agent of the Southeastern Life. He succeeds Theodore W. Bethea, resigned, of Charleston. In connection with this appointment William B. Mitchell was appointed district manager of the New England Mutual at Charleston, the former State headquarters, and will report through Mr. McGee.

Kemper W. Yancey has been appointed general agent, effective February 1, for Eastern Virginia, with headquarters at Richmond. Mr. Yancey is a graduate of the University of Virginia; is prominent in athletics in that State, and for the past two years has been an agent of the New York Life.

Succeeds Lieut. Peterson

This Company has appointed as district manager at Pittsfield, Mass., Harry A. Dunbar for the Berkshire County territory. He succeeds Lieut. F. A. Peterson, who has been called to the colors. Mr. Dunbar is a banker.

NEW LINE OF POLICIES

To Be Issued by Western Mutual Life —R. M. Messick Now General Manager

The Western Mutual Life Insurance Company of Aberdeen, S. D., was organized in 1905, and has practically lain dormant all this time, simply writing such business as came to it voluntarily through its officers and directors. All is changed now and about future plans R. M. Messick, second vice-president and general manager, said to The Eastern Underwriter:

"It is the intention of the company at this time to launch an aggressive management in the future. We are revamping the entire proposition. Our new line of policies, which are up-to-date in every way, will be ready for the market some time in February, and will embody a total and permanent disability and double indemnity clause, all of which we expect to re-insure. Rates and values are being furnished by our actuary, Dr. J. M. Emery, of Des Moines, Iowa. The company is conducted upon a purely mutual plan, and has heretofore been on a 3 per cent. basis, but we have now adopted a 3½ per cent. standard.

"The writer had about fourteen years active experience in life insurance work, and resigned as Deputy Commissioner of Insurance for the State of Montana, to accept the general managership of this company, believing that the company offers an unusual and permanent opportunity."

EQUITABLE BUILDING EMPLOYES

Porter Clyde Shannon, of the C. J. Edwards Agency of the Equitable, New York City, recently closed a group contract on the employes of the Equitable Building Corporation, and one on the employes of the Okonite Company.

Women in the Business World

AS SEEN BY HOME LIFE MAN

Writes His Impressions of Situation Under Caption, "Make Way for the Ladies"

Under the caption "Make Way For the Ladies" a writer in the publication of the Home Life Insurance Company of New York, signing himself F. P. C., writes the following interesting comments:

She was young, well groomed, and attractive; she had a low, sweet voice in which the lilt of exaltation lurked—and she came in a quiet, businesslike manner, to ask the actuary of the Home Life to explain to her some of the technicalities of the War Risk Insurance bill. He said she glimpsed the possibilities and impossibilities of that remarkable measure with a keenness of insight which was notably absent from some men who had questioned him on the same subject.

An agent—if you please. A representative of one of the best "old line" companies; trained by a prominent general agent who believes in the ability of women, and boasts that of the many women he has trained as insurance agents not one has failed to make good—aye, exceedingly good—in her vocation. This man has personally instructed, trained, and encouraged in Life Insurance a large force of women agents. They are a recognized factor in the field, an unqualified asset to his office, and the business they write is well placed and stays on the books. This Women's Agency Department is no camouflage. At agency meetings the women are not only "among those present"; they are interesting speakers, and their keen intuitive sense is a distinct acquisition in developing plans for the betterment of the field service. One section of the company's monthly agency magazine, edited by a woman is devoted to the activities of the women agents.

An Agency Asset

Yet this is an agency asset, a distinctive feature of the Field Force, which has been taken advantage of by only very few of our General Agents.

Picture to yourself the Woman Agent, a frivol of chiffon and lace, among the chastely severe evening coats at our Annual Banquet!

But it will come fellow agents! See, the Moving Finger writes:

"Make way for the Ladies!"

Our clerical departments are daily showing added depletion in their ranks owing to more frequent vacancies caused by enlistment and draft calls. These vacancies are being filled by women. Captain H. O. Pattison stopped in the Home Office recently in uniform—just marking time till he's called to do his bit. Other general agents and many of their sub-agents are becoming more and more engrossed in National work. The number of young men desirable and eligible for training as agents is decreasing. Who will take their places? Why not make way for the Ladies?

There are highly intelligent young women whose present scope is limited to clerical work—who sigh "there is no chance for advancement" or lose ambition when they think they have "reached the limit"; there are college women seeking a vocation; young married women anxious to increase an income depleted through the enlistment of the chief support—all of these are eligible prospects for the Field Force. Find them; educate them; inspire them with the humanity of your calling! Opportunity is opened in all vocations to women by phenomenal conditions; necessity demands that woman prove themselves equal to the opportunity. Agents of the Home Life, shoulder your responsibilities; behold the possibilities, and Make way for the Ladies!

Millions of Women Eligible for Life Insurance

Millions of women are eligible for life insurance—teachers, clerks, nurses, social workers, even lawyers and farmers. Many can take the Government insurance under the War Risk Insurance Bill. Here is a wide field for the woman agent among her own sex—but it does not limit the boundaries of it. She has already proven her ability to teach men the benefit of life insurance.

New York State has increased the responsibilities of a large quota of its population this fall; it has given the vote to women. Classes have been formed to teach the women of this State the duties as well as advantages of this franchise.

Maryland Assurance

(Continued from page 7)

that company to more than one and a quarter million dollars; this entire business has been transferred to the Maryland Assurance Corporation.

Thomas M. Searles is Agency Director

Agency Director Thomas M. Searles of the life insurance department was for years supervisor of agents for the general agency of L. D. Drewry, covering Ohio, Tennessee, Alabama and Mississippi for the Mutual Benefit Life Insurance Company.

Medical Director Dr. John W. Abbott is a graduate of Harvard Medical School. His first connection with insurance was as medical examiner in New York for the Travelers Insurance Company. He was subsequently appointed acting medical director of the Germania Life Insurance Company. He is a member of the New York County and State Medical Societies and a fellow of the American Medical Association.

Manager of Claims F. L. Templeman has had eighteen years' experience with the Maryland Casualty Company as claim examiner, underwriter, and claim manager for the accident and health insurance department.

THE MOST VALUABLE POLICY FOR YOU,
Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
METROPOLITAN DISTRICT, ST. PAUL BLDG., 220 BROADWAY, NEW YORK, N. Y.

ORGANIZED 1871
Life Insurance Company of Virginia
RICHMOND, VIRGINIA
OLDEST, LARGEST STRONGEST
Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1916:

Assets	$14,464,552.23
Liabilities	12,436,717.56
Capital and Surplus	2,027,834.67
Insurance in Force	118,349,212.00
Payments to Policyholders since Organization	18,119,172.50
Is Paying its Policyholders over	$1,300,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

"If You Were In His Place"—
Would you buy the policy you are offering your prospect?
Provident agents are successful because they are absolutely convinced that the policies they offer are exactly the policies which under similar conditions they would prefer for themselves.
Write for information.
The Provident Life and Trust Company
OF PHILADELPHIA.
Founded 1865

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, President
GREATEST ILLINOIS COMPANY
WANTS GOOD MEN AND WILL PAY THEM WELL

THE EASTERN UNDERWRITER

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Entered as second-class matter January 4, 1907, *at the Post Office at New York, N. Y.; under the act of Congress of March* 3, 1879.

THE NEW YORK ADVANCE.

For the first time in some years an advance of rates in fire insurance is accompanied by intelligent publicity. At the same time the New York Fire Insurance Exchange made its 10 per cent. increase this week a full statement was given to the daily papers in explanation. As a result the situation was correctly placed before the New York public by all the dailies.

LIFE MEN AND THE RED CROSS

Life insurance men are the greatest makers of sentiment, says Robert Davis of the Red Cross Commission. It is natural that as a body the life insurance men of the country should be looked to for substantial aid in carrying forward the work of the Red Cross. They have the means of approach and know how to reach the heart.

Of course, in soliciting aid for the Red Cross, one finds that certain propaganda launched against that institution has had some adverse effect. Many persons suspect that all the money is not wisely or properly used. Mr. Davis in his address to the Northwestern Mutual Life men in New York last week, made particular reference to this, and told his audience that there is absolutely no foundation for the claims of the propagandists. He said that the Red Cross has no overhead expense, and that it gets its rent free.

In consequence of this, each dollar given to the Red Cross amounts to one dollar and two cents by the time it is actually expended abroad. The money contributed goes into the banks immediately upon being received and begins accumulating interest at once.

THE SMOOT BILL

The Smoot bill to recast the income and war profits tax feature of the War Revenue act is now being closely studied by the life insurance companies. There is no doubt that the bill clarifies the situation. The tax on corporation incomes is made 8 per cent., however. The bill as it affects life insurance will be discussed further in The Eastern Underwriter next week.

WILL NOT VISIT CAMPS

A number of prominent life insurance men have been in Washington since Friday of last week in conference with Assistant Secretary Love, of the Treasury Department; Commissioner Nesbit and other officials. While it was practically decided a fortnight ago that life insurance men should spend a week in the cantonments the latter part of January prosecuting the campaign among the soldiers for Government life insurance, it has now been decided that life men shall not visit the camps unless they are now in the Government service, as are Millard W. Mack and a number of others. In other words, the Government representatives will continue to prosecute the campaign, which is growing more successful, as some of the camps have grown to be 100 per cent. camps now so far as life insurance is concerned.

ROYAL ARCANUM TROUBLES

Boston, Jan. 9.—Charges that the Royal Arcanum, a fraternal insurance order, was running behind at the rate of $1,000 a day, counter claims that the order was solvent and a suggestion that a Federal inquiry into its affairs might be proper at this time marked a hearing in the Federal District Court today. The proceedings were on a motion of counsel for the order for the dismissal of a bill asking for the appointment of a receiver.

LINCOLN WITH METROPOLITAN

Leroy A. Lincoln, of Rumsey & Morgan, New York lawyers, and formerly counsel for the New York Insurance Department, has been made general attorney for the Metropolitan Life Insurance Company, continuing as a member of the firm.

Philip L. Spooner, a Madison, Wis., capitalist and first insurance commissioner of Wisconsin, died on January 2 after a long illness due to creeping paralysis, aged 71 years. He was a brother of former United States Senator John C. Spooner, now of New York City. He was graduated from the University of Wisconsin in the sixties, and in 1867 engaged in the business of fire and life insurance in Madison. He continued in this line until 1878, when the Legislature created the office of insurance commissioner and Mr. Spooner was appointed to the position. By appointment and election he held it from April 1, 1878, to January 3, 1887. He was mayor of Madison in 1880-1881.

Colonel George M. Paine, formerly president of the Wisconsin National Life Insurance Company of Oshkosh, Wis., died at his home in that city on December 29. He held the presidency of that Company until a few years ago when he withdrew because of failing sight. He was founder and president of the Paine Lumber Company, reputed to be the largest sash and door manufacturing company in the world, and in this respect and in other ways was one of the leading citizens of his home city and one of its greatest benefactors.

MORRIS MEMBER OF BOARD

At a meeting of the directors of the Insurance Company of North America, Effingham B. Morris was elected a member of the board.

THE HUMAN SIDE OF INSURANCE



LAWRENCE C. WOODS

Lawrence C. Woods, of Pittsburgh, assistant manager of the Edward A. Woods, Inc., general agency of the Equitable Life Assurance Society, made an amazing record of personal production last year, his writings being nearly $12,000,000.

Part of this insurance is group and a complete analysis of the insurance written by Mr. Woods during the year is given below, but this analysis does not show, and of necessity could not show, that additional volume of life insurance which unquestionably has been written indirectly by Lawrence C. Woods as a result of the inspiration and education which he has imparted in written and spoken word to the life insurance men of this country.

The Eastern Underwriter has previously related the story of remarkable life insurance performances of remarkable men. All things considered, no performance yet recorded excels that of Lawrence C. Woods. The man is remarkable too, from the fact that here is a type of scholarly man of highest intellectual attainments, foreordained and schooled for just the big success as a life underwriter which he has achieved.

Lawrence Woods is what might be called a hand-picked life insurance agent. His father, Dr. Woods, college president, was the first general agent of the Equitable in Pittsburgh. His father was succeeded as general agent by his eldest son, Edward A. Woods, famous brother of Lawrence Woods. Edward A. Woods was then a boy manager, but as he grew in power and performance as a general agent, he shaped the education and course of study of his younger brother Lawrence to give him something of the great analytical ability which he possesses and laid the groundwork for that wide and sympathetic knowledge which Lawrence C. Woods has of general topics of interest to all who serve, and who try to serve, their fellowman.

Lawrence Woods entered the life insurance business as an agent on his graduation from Princeton twenty-five years ago, and, incidentally, it might be worth knowing that he was chairman of his Princeton class in the matter of the Twenty-fifth Anniversary Gift made to his Alma Mater. As life insurance agent, as assistant manager of the leading life insurance agency in the world, as alumnus, as clubman, as civic leader, as staunch friend, Lawrence Woods' virtues all go to the n'th degree. He does whatever is set before him with a combination of good fellowship and intellectual efficiency that compels at once love and admiration.

Schedule I

	Lives	Amount	Deposits
Regular	17 5/6	$ 778,566	*$ 91,079.10
Group	5934	6,920,464	74,272.60
Total	5961	$7,699,020	$165,351.70

Schedule II

	Lives	Amount	Deposits
Regular	25	$ 1,122,900	*$158,659.96
Group	9170	10,354,102	105,372.39
Total	9195	$11,477,002	$264,032.35

* Including Single Premium.

Schedule No. I shows the business credited entirely to Mr. Woods on which he received the full first year's commission.

Schedule No. II indicates the total business in which Mr. Woods had an active personal share. In each case in this schedule Mr. Woods received credit for commissions and business from the Equitable Life, although portions of the individual cases went to the individual credit of other agents of the Society of the Woods Agency Company. In other words, Mr. Woods had a personal part in the insuring of nearly 9,200 lives for about $11,500,000 of business with first year's actual paid premiums of over $264,000.

These totals would run up to approximately $1,500,000 of ordinary business and nearly twelve millions in the aggregate, including group, if Mr. Woods included in his additional $275,000 of corporation insurance which he placed in behalf of other companies on a large line in which the Equitable had its full limit.

That this is a day of big things, actual and relative, is illustrated by comparison with the business of the Woods Agency at a time Lawrence Woods entered the agency. At that time the Woods Agency was already a big agency and one of the leading life insurance agencies of the world, but the total business done by the agency then or for any of the first five years Lawrence Woods was with the agency did not equal the amount of business for which Mr. Woods was personally responsible during 1917.

* * *

Winslow Russell, agency manager of the Phoenix Mutual Life, has been given a year's leave of absence, and is with the War Department, Washington, assisting Dr. Walter Dill Scott, whose tests for army officers are being used in all the cantonments.

* * *

Dwight W. Sleeper, Boston fire agent, contributed a column article to a Boston paper last week reviewing automobile insurance for the past year.

* * *

Mason B. Barret, manager of the American Surety Company's branch office at Louisville, Ky., for more than nine years, died on Wednesday morning, January 2nd, after a prolonged illness. Mr. Barret was one of the company's most active managers. His numerous acquaintances among the insurance and bonding fraternities will greatly regret his loss both as a friend and an associate.

A CORRECTION

The marine insurance figures given in The Eastern Underwriter last week were for 1916 instead of 1917.

ST. PAUL MAN IN PORTO RICO

W. J. Sonnen, of the St. Paul Fire & Marine, is in Porto Rico.

FIRE INSURANCE DEPARTMENT

New York Harbor Conflagration Hazard

BAD TRANSIT TIE-UP IS CAUSE

Ship Captain Tells of Storage of Inflammable Materials on all Shore Fronts

Storage conditions on New York's shore fronts constitute a hazard of conflagration which has never before been equalled in the history of the city. Such is the statement of the New York "World" in describing transportation conditions in its issue of last Saturday.

The "World" said:

"Imminent danger of a conflagration at congested points along the harbor front worried steamship men yesterday more than the continuation of the freeze-in. Not only has the Fire Department in mind the possibility of a disaster in the crowding of vessels and freight in the ice-packed waters and frozen slips, but the Navy Department has made ready to aid with men and boats should a blaze start at one of the danger points, the chief of which are in South Brooklyn."

The "World" also published a statement from Captain De Boer, of the Dutch steamship Sassenheim, which was in part as follows:

"My vessel is loaded with oil cake which I was to take to Holland to feed cattle, and it would burn like matches. The stern of my ship is lying against the bulkhead of a yard in which are stored 10,000 or more barrels of resin. A lumber yard is close by and no end of inflammable stores piled all around us. Each lighter has a coal stove for those aboard, and the slightest carelessness would start a fire that no human hands could cope with until it had wrought havoc."

NEWBURGH WATER SUPPLY

S. Carlisle Goodrich, of Newburgh, N. Y., writes to The Eastern Underwriter as follows:

I write to advise you that "the water conditions in Newburgh are now again normal and the lake level is now above the intake pipe, which supplies this city. Fifteen million gallons per day have been taken from the Catskill Aqueduct of the New York City supply and will continue to be taken until the lake level is considerably above the said intake pipe, making pumping unnecessary. The water is now running into the city by gravity and is ample for all needs, fire and otherwise."

ENTERING FOR RE-INSURANCE

Christiania General With J. M. Wennstrom of Svea, United States Manager

Six hundred thousand dollars has been brought to this country by the Christiania General of Norway preparatory to its entry to the United States for re-insurance business. J. M. Wennstrom, United States manager for the Svea, will also manage the Christiania General and he will obtain additional space at 100 William Street to accommodate the new entrant.

The Christiania General is an old company, organized in 1846. Its financial statement at the close of 1916, computed in kroner, follows: Total assets, 7,911,159; subscribed capital, 4,000,000; cash capital, 2,000,000; net surplus, excluding capital, 2,194,225. The kroner is equivalent to twenty-seven cents American.

SANDBERG IN NEW COMPANY

Marine Broker and Attorney W. O. Badger, Jr., Among Hudson Insurance Co.'s Incorporators

Finn Sandberg, of Finn Sandberg, Raynes & Lee, marine insurance brokers at 32 Beaver Street, is one of the incorporators of the Hudson Insurance Company, of New York, which will transact fire and marine business. He was formerly with Wilcox, Peck & Hughes. Among the other incorporators are William Otis Badger, Jr., counsel for A. M. Best Co. and other insurance interests; Thomas A. Hine and C. H. Hine, of Hine's loss reports, and publishers of the "Insurance Monitor" and R. M. Chandor, editor of the "Monitor."

Mr. Badger said an announcement regarding the organization plans of the Company would be made at a later date. He added that he did not care at this time to say who were the real interests back of the company, but said that Mr. Sandberg would be an active factor in it.

DOW STORES ADJUSTMENTS

All of the large assured in the Dow stores loss, Brooklyn, have accepted $1.39 as the price of No. 1 California barley, and $1.40 for superior to No. 1. A few of the minor interests are still unadjusted.

Daniel Knecht, of Lower Nazareth, Pa., has been elected president of the Northampton County Horse Insurance Company.

FIRE AND MARINE INSURANCE—ALL LINES

The Automobile Insurance Company of Hartford, Conn.

MORGAN G. BULKELEY, President

Statement January 1, 1917

Cash Capital	$1,000,000.00
Assets	2,748,832.19
Liabilities (Except Capital)	1,039,977.81
Surplus to Policyholders	1,708,854.38

AFFILIATED WITH

ÆTNA LIFE INSURANCE COMPANY

THE ÆTNA CASUALTY & SURETY CO.

THE WILLIAM H. KENZEL COMPANY

FIRE INSURANCE AGENT

REPRESENTING AT NEW YORK OFFICE
79-83 WILLIAM STREET

HUMBOLDT FIRE of Pittsburgh, Pa.
EQUITABLE FIRE & MARINE of Providence, R. I.
IMPERIAL ASSURANCE of New York, N. Y.
GRANITE STATE FIRE of Portsmouth, N. H.
ALLEGHENY FIRE UNDERWRITERS of Pittsburgh, Pa.
COMMERCE INS. CO. of Albany, N. Y.
AACHEN & MUNICH FIRE Organized 1825
FRANKLIN FIRE of Philadelphia, Pa.
CALEDONIAN-AMERICAN of New York, N. Y.

REPRESENTING AT BROOKLYN BRANCH
154 MONTAGUE STREET

LONDON ASSURANCE of London, England
NORWICH UNION of Norwich, England
COMMERCE INS. CO. of Albany, N. Y.
GRANITE STATE FIRE of Portsmouth, N. H.
MECHANICS INSURANCE CO. of Philadelphia, Pa.

Niagara Fire Insurance Company

ESTABLISHED 1850

OTHO E. LANE, President
BERNARD M. CULVER
WILLIAM L. STEELE, Vice-Presidents
CHAS. A. LUNG
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"Agents Everywhere"



FIRE
TORNADO
AUTOMOBILE
RENTS
SPRINKLER LEAKAGE
EXPLOSION
FULL WAR COVER
LEASEHOLD

Use and Occupancy, Profits, Commissions—All Form

123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.

Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY

Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Sprinkler Leakage Losses Pile Up

SERIOUS CONFLAGRATION HAZARD

Fifty Per Cent. of Sprinkler Equipment on Manhattan Island Out of Commission

The principal topic of conversation on William Street this week is the avalanche of losses on sprinkler leakage. Veteran adjusters say that they have never seen anything like it. One well-known adjuster told a representative of The Eastern Underwriter this week that he had 125 losses in five days, many of which were sprinkler leakage. Sprinkler leakage policies as a rule are 10 per cent. of the value of the stock. Some policies as high as $75,000 are written, and, frequently, these risks are not re-insured.

Systems Out of Commission

In the meantime the condition of the sprinkler systems of the city could hardly be worse. It is officially stated that about 50 per cent. of the systems in Manhattan are out of commission, laying the city open to a conflagration hazard. At intervals the New York Fire Insurance Exchange has been issuing a list of risks in which water has been drained from automatic sprinkler systems on account of shortage of coal and inability to adequately heat premises. One of these lists—issued at 4 o'clock on January 3—consists of three pages of street addresses of buildings.

Instructions to Inspectors

E. P. Boone, superintendent of the Automatic Sprinkler Department of the New York Fire Insurance Exchange, has issued the following memorandum for the guidance of inspectors:

Where sprinkler equipment has been drained or is known to be frozen, the following precautions should be exercised in placing the equipment in commission in order to avoid water damage and prolonged interruption of protection.

In order to prevent unnecessary annoyance and delay, it is suggested the making of repairs be left with the company that installed the equipment:

Have equipment examined by competent party, pipe system including filling and steam pipes for tanks tested for ice and leaks, and repairs effected where necessary.

Open all drain valves and remove plugs at low points to insure the pipe system being properly drained.

Close all controlling valves and fill tanks slowly one at a time.

Turn water slowly into system one floor at a time, after having closed all drain valves and replaced plugs at low points.

The following day, if no leaks develop, place air on pressure tanks and notify central station company where such service obtains to restore alarm service.

Note: The above precautions apply to both wet and dry pipe sprinkler systems.

Where sprinklers are in a pendant position it may be necessary to remove each sprinkler so located in order to test for ice, and in doing this, extra care must be exercised not to injure the sprinklers. Those injured must be replaced with new sprinklers before placing equipment in commission.

Note: Upon request to this office and if conditions warrant, such minor portions of equipment as stairway and elevator shafts, hallways, show windows, blind attics, pent houses and portions under sidewalks where heating system has been impaired or is inadequate may remain shut off until March 15, 1918.

CAN'T ACT AS AGENTS

Superintendent of Wisconsin to Refuse to License National Banks—His Reasons

National banks operating in Wisconsin cannot act as the agents for fire insurance companies. The opinion to this effect has been rendered by Attorney-General Owen, to Insurance Commissioner M. J. Cleary, Jan. 7. A Federal law permits National banks in cities under 5,000 population to act as insurance agents. A State law prohibits it.

The attorney-general holds that under these circumstances and the other circumstances in the laws of Wisconsin regarding the delivery of insurance policies, the Wisconsin statute would be controlling.

SETTLE TRUCK LOSS

Companies to Pay Beam, Fletcher Corporation, North Philadelphia, $38,800

Charles J. Kirby has settled the loss of the Beam, Fletcher Corporation, North Philadelphia, for $38,800. This was the loss of ten White motor trucks. Cause of the loss was backfire. A peculiar feature of the loss was that nothing burned but the trucks, there being no other loss.

TAKE GERMAN COMPANY SPACE

The Niagara Fire Insurance Co. has taken the major portion of the floor of 123 William Street formerly occupied by the Hamburg-Bremen and the Suburban Fire Insurance Exchange will take over that formerly held by the Nord-Deutsche.

ENTERS CUBA

The Insurance Company of North America announced this week that it has been licensed in Cuba and that risks in that territory might be bound in New York City through the brokerage department under the management of Charles F. Enderly.

GOOD MOVE BY HEARST

One of the best things that William R. Hearst has done is to start an insurance column in his Boston daily paper, and have it run intelligently and conscientiously.

PHILADELPHIA DINNER

Jones, Launt & Barrett, Inc., Philadelphia, will give a dinner to their employes on January 24 at the Hotel Adelphia.

H. L. MARSH WITH BERRY & CO.

Herbert L. Marsh has become associated with John J. Berry & Co. of Newark, N. J. He was formerly with the National Surety and will handle the bonding business for Berry & Co.

Fred V. Bruns, of Syracuse, N. Y., is sending out a complimentary inventory book to business concerns.

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

SCHAEFER & SHEVLIN
103-5 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

THE YORKSHIRE INSURANCE COMPANY, LTD., OF YORK, ENGLAND
ESTABLISHED 1824
The "Yorkshire" is the Oldest and Strongest of the English Fire Companies not heretofore represented in the United States
U. S. BRANCH
Frank & Du Bois, United States Managers Ernest B. Boyd, Underwriting Manager
Harry F. Wanvig, Branch Secretary Frank B. Martin, Supt. of Agencies
NO. 80 MAIDEN LANE, NEW YORK
New York Life Insurance and Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENTS—METROPOLITAN, Willard S. Brown & Co., Managers, New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Manager, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Managers, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, Manager, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, Manager, McClure Kelly and McKee Sherrard, Assistant Managers, San Francisco, Cal.

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET NEWARK Phone Market 6536 | SERVICE FIRST | 80 MAIDEN LANE NEW YORK Phone John 4560

WILLIAM C. SCHEIDE & CO., Inc.
HARTFORD, CONN.
Re-Insurance in All Branches

WALTER F. ERRICKSON
38-40 Clinton St., Newark, N. J. 95 William St., New York
Representing
THE GERMANIA FIRE INS. CO.
For Automobiles
Special facilities for out-of-town business.

CRUM & FORSTER
GENERAL AGENTS
95 WILLIAM STREET NEW YORK CITY

United States Fire Ins. Co., N. Y.	The North River Ins. Co., N. Y.
Richmond Ins. Co., N. Y.	Union Fire Ins. Co. Buffalo, N. Y.
Potomac Ins. Co., Washington, D. C.	Seneca Fire Ins. Co., Buffalo, N. Y.
National Lumber Ins. Co., Buffalo, N. Y.	United States Underwriters' Policy, N. Y.

F. M. GUND, Mgr. Western Dept. Freeport, Illinois
W. W. ALVERSON, Mgr. Pacific Coast Dept. San Francisco, California

LINES SOLICITED AND BOUND THROUGHOUT UNITED STATES AND CUBA
E. F. FLINDELL
INSURANCE
1 LIBERTY STREET Telephone John 2612 NEW YORK
LOCAL OFFICES
JERSEY CITY, N. J. 1 Montgomery St. Tel. 216 Montgomery
BROOKLYN, N. Y. 153 Remsen St. Tel. 2504 Main
NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

A Broker's View of Use and Occupancy

MAKES SUGGESTION ABOUT FORM

Would Limit Time of Daily Indemnity to 150 Days—How Rate Would Figure

One of the most progressive young brokers on the Street has furnished The Eastern Underwriter with the following comments about use and occupancy, giving a new rate basis:

Many timely conferences and discussions are now being held with the object of revising use and occupancy forms, and for the purpose of changing the existing methods of computing rates. This class of insurance has grown to such proportions during the last few years, that it may well engage the attention and careful consideration of underwriters and brokers. It was to be hoped that the efforts of the underwriters would be directed toward making the shortest cut to the desired object, without making the subject so intricate that it would require a tremendous amount of detailed work and study to understand the forms and rate schedules.

From information that is available, it appears that the new forms will be quite closely patterned after those now generally used by most of the large offices throughout the country. While there may be serious criticism of certain features of these forms, we are led to believe that the underwriters will give careful consideration to the various points and decide upon a form with which all of us are more or less familiar, and one which we can recommend to our clients. An alternative form, however, should be allowed at a higher rate.

Should Not Be Measured By Time

The proposed method of rate making, however, does not instill in us the same degree of optimism. As we all know, use and occupancy loss adjustments are based upon "time," either to replace or rebuild or resume operations. It has heretofore been the practice in making rates, to merely name a figure equal to, or a slight reduction from, the regularly promulgated fire insurance rate applying to the contents of the plant insured. During the last few years, however, the underwriters have learned—and often to their sorrow—that the use and occupancy rates should not be measured in any such manner, and that every point in connection with each plant must be investigated. For instance, it is quite evident that it would take a longer time to resume operations in a plant that has only one power house or vital unit than one with several sources of power or operative units. If machinery can be replaced in this country, a risk would be more acceptable to an underwriter than if the replacement must be made from foreign points.

The underwriter has found that he has been unable to measure his "time" at each plant and that in case after case the use and occupancy rate, which was based on the fire rate, should, in fact, have very little relationship to that rate. In order to meet this inconsistency, it is now proposed to issue a special schedule for use and occupancy, which, while still retaining the fire rating system as a basis, will give certain credits and make certain charges for favorable or unfavorable conditions surrounding a plant, such, for instance, as were mentioned in the preceding paragraph—distribution of important working units, power sources, machinery and raw stock replacements, etc. In order to properly apply these charges and credits, an inspection is made and the result applied to the schedule, the inspector's judgment, we understand, to play no inconsiderable part in the rate adjustment.

Finds Fault in the System

The fault in this system is to be found in the ever-changing or transient conditions applicable to most plants, particularly in these war times. Take, as an instance, the sugar refiners. The testimony before the Special Congressional Investigating Committee shows that several important plants were obliged to close down for a time owing to their inability to secure unrefined stock. Subsequently, a huge consignment was received or arranged for, from the Louisiana growers, so that everything looks rosy again. Suppose, however, that a fire destroys the raw stock which is piled high in the warehouses; how long will it take before a replacement can be made and the refinery started up again? The refiner himself probably has some idea as he must have carefully considered that point in these days of enemy incendiarism, but will he tell all of his trade secrets to the inspector? Other raw stocks or machinery may not be available today, but next week or next month conditions may be changed entirely, due to the lifting of freight embargoes, the arrival of steamers with much needed goods, or other reasons not necessary to mention.

After all is not the whole crux of the use and occupancy proposition from the underwriters' standpoint—"How am I best able to determine in advance the length of time during which I must pay the assured a fixed sum per diem?"

His Solution

It appears to us that a satisfactory solution of the problem would be to make the insured an inspector, although without his knowledge or consent. In other words, base the rate upon the number of days, or months, for which he desires indemnity, as he is the one to more correctly estimate in advance the facilities at his disposal for replacing stock and materials, as well as buildings.

But before illustrating the operation of this system of rating it would appear advisable to make an important change in the form now in current use—namely, to limit the time for which the daily indemnity is payable on account of any one interruption or disaster, to 150 days (or six months), using this as the basis or average and adding or deducting fixed percentages to meet the assured's requirements or desires for a longer or shorter period. For the purpose of computing the premium, the policy term can remain, however, at 365 days and the key or basis rate could be approximately the same as now used—say the average annual fire rate on the buildings or 80 per cent. of the fire rate on contents.

An Illustration

A manufacturer of rubber goods, desiring to take out use and occupancy insurance, makes a careful review of conditions at his plant. He finds that should his power house be destroyed, he could "hook up" to a public power station service almost immediately; his machinery can be replaced within about three months and a survey of the crude rubber market shows a plentiful supply. We will say that his plant is not a very extensive one, and is of fire-proof construction, so that he believes his possible use and occupancy loss will not run beyond four months. He would, therefore, agree to a limit of the daily indemnity to 120 days (or four months), for any one interruption or disaster and under the rating system just outlined, he would be entitled to a discount from the basic rate (which is based on a six months' time limit) of say 10 per cent., or at the rate of 5 per cent. discount for each month under six. Some time later, should he find that the raw stock market has become very narrow and he may decide to increase the time limit to eight months, or 240 days. His policy can be endorsed accordingly and his rate would then be increased to the basic rate plus 10 per cent—if he wants it for a year, it will be plus 30 per cent. These particular percentages are used merely for convenience and without any special thought as to whether they would properly measure the differential in time or not.

Assured Can Protect His Loss

Thus we find that the assured can properly protect his loss by adjusting the per diem limit in his policy and the underwriters are paid an adequate rate for the risk, at the same time their attention being called to changes in the conditions surrounding the plant. You will note that the whole thing is practically automatic—the assured fixes the time limit of indemnity, which carries a particular rate; later if the time is changed the rate is revised accordingly. The assured thus becomes the inspector, to a great extent, and at the same time the underwriter is kept in touch with general conditions in each industry, according to the extending or reducing of the per diem limit.

As stated at the commencement of this article, use and occupancy is based on time and the rates should therefore be based on time—the assured requiring an eight months' limit should pay more than the one requiring four months. His own self-interest will impel him to reveal to the underwriters, by the terms, or time limit in his policies, the various conditions to be considered.

It is not the purpose of this article to criticise in detail the proposed rate schedule, which appeared in The Eastern Underwriter's issue of November 30th, 1917, but to demonstrate that it is not elastic enough under present conditions. The insurance company inspector can continue to report the physical merits or demerits in connection with a plant, but it is highly improbable that the average inspector is qualified to pass judgment upon the markets for replacing raw stock and machinery.

Against Intricate Schedule

The assured is the one best able to judge this element of time and the rate should be fixed accordingly. Let us not adopt an intricate rate schedule which will confuse everyone and in the end will not be workable. The suggested rate-making, as outlined herein, attains the object in a direct and easily workable method, and accomplishes the desired end far more accurately than the schedule-rating proposed by the underwriters. It should therefore be given consideration and the adoption of a new schedule delayed until the subject has had a little further investigation in all its ramifications.

How the System Would Work

Manufacturer desires $1,000 per day (300-day form). Amount of insurance: 300×$1,000=$300,000. Average fire rate for plant buildings: 1 per cent. Annual premiums for U. & O.: $300,000×1%=$3,000.

(This rate to carry with it a per diem limit of not to exceed 150 days (6 mo.) for loss occasioned by any one interruption or disaster from perils insured against.)

Table for Increasing or Reducing Per Diem Limit (Any One Loss)

Limit.		Rate.
1	month	Base rate less 25%
2	"	" " 20%
3	"	" " 15%
4	"	" " 10%
5	"	" " 5%
6	"	Base rate
7	"	" " plus 5%
8	"	" " 10%
9	"	" " 15%
10	"	" " 20%
11	"	" " 25%
12	"	" " 30%

Note: By this system the amount or face of the policy does not change by the shifting of the per diem loss limit.

N. J. Ways and Means Committee Meets

MANY AGENTS IN ATTENDANCE

Discuss Social Problems, Including State Insurance—Plan for Big Annual Meeting

In response to a call issued by Fred J. Cox, of Perth Amboy, N. J., president of the New Jersey Association of Insurance Agents, and chairman of the Executive Committee of the National Association of Insurance Agents, an enthusiastic meeting of the Executive Committee and the Ways and Means Committee of the New Jersey Association, was held on Friday morning, January 4th, at the Fire Insurance Society's rooms in Newark, N. J.

More than a score of the leading agents from all parts of the State attended, some of them taking twenty-four hours to make the trip. Chauncey S. S. Miller, the new field secretary of the national association, was in attendance and a comprehensive and specific program was discussed and arrangements made for Mr. Miller to address special meetings at twelve county seats in New Jersey this month in a big concerted drive to increase the membership of the New Jersey Association and the National Association.

Plan to Fight State Insurance

The situation with regard to monopolistic State compensation insurance was thoroughly discussed and plans were made to acquaint the entire insurance fraternity of the State with the shortcomings of such monopolistic and socialistic measures wherever they have been or are being tried in this country, and the political, social and economic fallacies of the propaganda which is being used insidiously. Plans were made for what promises to be the biggest and most enthusiastic annual meeting of the New Jersey Association on February 14th, winding up with a banquet that night at the Hotel Robert Treat, Newark, N. J., in honor of E. M. Allen, president of the National Association of Insurance Agents. Several other speakers of National eminence will speak and the committee in charge, headed by Mr. Cox and Secretary T. C. Moffatt, of the New Jersey State organization, have promised that the morning and afternoon business meetings and the banquet will include the best program ever presented at any such an affair.

FATE OF L. & L. SCHEDULE

To Be Decided at Meeting of Eastern Union—Dean Used in Twenty States

The Eastern Union at its meeting this month will take up for consideration the Larter & Lemmon Schedule. No one can predict its fate in advance.

The Dean schedule is used in twenty States, all in the West or Southwest. It has recently been adopted in England.

The L. & L. Schedule is being tested in a number of cities, including Pittsburgh, and its supporters still think it the only schedule which will make money for the companies. It is reported that the members of the L. & L. committee of the Eastern Union—three of the leading underwriters of America—have as strong faith as ever in the schedule. The fourth edition of the L. & L. Schedule has just left the press. There are several changes in it of importance.

Schonceit & Blitzer is a new insurance firm in Perth Amboy, N. J. Both members of the firm were formerly with J. Kreielsheimer & Sons.

BROKERS ACTIVITIES

Some Clauses Used by Lloyds, London

PROFITS PRO RATA CLAUSE

Warranty, Overrunning, Marine and Average Clauses—From Witherby Book of Forms

The following clauses used by Lloyds are taken from the very interesting book of marine insurance forms compiled by Witherby & Co., 15 Nicholas Lane, London. All of these clauses have been approved by Lloyd's Underwriters' Fire and Non-Marine Association.

Profits Insurance (Pro Rata Clause)

The amount payable hereon for loss of profits as above mentioned shall not exceed
part of the sum hereby insured for each during which the said business is entirely stopped or suspended. In the event of partial stoppage of the business this policy is to pay a proportionate amount to be ascertained by an assessor to be mutually agreed upon and shall further pay such sums as the assured shall necessarily disburse after a fire for increase in cost of working to continue the business during the said period of consecutive
calendar months, provided that the total liability under this policy in respect of any one fire shall not exceed the sum which would have been payable if the business had been entirely stopped by the fire, nor in the aggregate in respect of all fires the sum insured, namely, £

Provided, that if the sum insured shall be less than the sum of the annual net profit and standing charges of the business the amount payable in respect of increase in cost of working shall be proportionately reduced.

Warranty Clause

Warranted same gross rate, terms and conditions as and to follow the settlements of
Company, and that said Company has, during the currency of this policy, at least subject only to reduction by amount of any loss not reinstated on the identical subject matter and risk, and in identically the same proportion on each separate part thereof.

This policy is subject without notice to the same conditions, endorsements, assignments and alterations of rates as are or may be assumed in policy or policies issued by the above mentioned Company.

Overrunning Clause

No claim to attach to this policy for damage to any dynamo transformer motor or other working machine or apparatus for generating altering or utilizing electricity used by overrunning excessive pressure short circuiting or self heating.

Marine Clause

This insurance does not cover any loss or damage to the property which at the time of happening of such loss or damage is insured by or would but for the existence of this policy be insured by any marine policy or policies, except in respect of any excess beyond the amount which would have been payable under the marine policy or policies had this insurance not been effected.

Average Clause

This policy is subject to the condition of average, that is to say, the assured shall be entitled to recover in respect of any loss only such proportion of the sum assured as the value of the property lost bears to the total value of the property covered by the insurance.

CONVERTED WAREHOUSES

Shortage of Market Exists—Brokers Unable to Get Coverage for Van Dam Risk

Constant trouble is being experienced by brokers in procuring coverage for their clients on merchandise located in converted warehouses. The companies are exerting their fullest capacities to assist valuable brokerage connections and in many cases are carrying over-lines.

Brokers particularly complain of being unable to secure coverage for the Van Dam warehouse, Mariner's Harbor, Staten Island. Underwriters say that there is hardly a brokerage house on William Street which has not received orders for coverage at this location. Brokers are inviting suggestions for the relief of these conditions.

* * *

With Wilcox, Peck & Hughes

N. C. Rorabaugh, who was special agent of the National Insurance Company of Hartford in Pennsylvania (first in the Western and then in the Eeastern part of the State), and who later went with A. M. Waldron, Philadelphia, is now with Wilcox, Peck & Hughes.

* * *

Tait Returns to Bale & Snedeker

Robert Tait, who has been placer for Davis, Dorland & Co., resigned this week to return to Bale & Snedeker, with which firm he had previously been connected as placer.

* * *

Bagot Placed Frohman Scenery

The Charles Frohman theatrical scenery warehouse burned early this week. This business is placed by Bagot & Co.

* * *

Offered Lines at 8% on Cotton Gins

The recent additional cotton gin fires in the South have centered interest in that class of business. There are only a few companies which have written cotton gins and one of the most prominent recently placed them on its prohibited list. Brokers this week offered several lines at 8 per cent. rates.

* * *

Cleaves & Jenkins Formed

R. S. Cleaves, announcement of whose resignation from the Royal Exchange was made in The Eastern Underwriter of December 28, has combined with W. H. Jenkins in the brokerage firm of Cleaves & Jenkins.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

INCORPORATED 1720
Royal Exchange Assurance
LONDON, ENGLAND
United States Branch
92 William Street, New York
RICHARD D. HARVEY
United States Manager

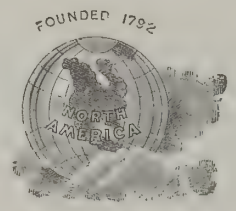
Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

WESTERN ASSURANCE CO.
OF TORONTO, CANADA
(Fire, Tornado, Ocean Marine and Inland Marine Insurance)
UNITED STATES BRANCH
January 1, 1917

Assets	$3,329,177.74
Surplus in United States	1,478,531.90
Total Losses Paid in United States from 1874 to 1916, inclusive	41,657,814.31

W. B. MEIKLE, President

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $105,000,000
Losses Paid in U. S. - $38,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY



125th Anniversary
Insurance Company of
NORTH AMERICA
PHILADELPHIA
CAPITAL, $4,000,000 ASSETS OVER $23,000,000
FIRE, MARINE, AUTOMOBILE, Rent, Leasehold, Tornado, Explosion, Use and Occupancy, Sprinkler Leakage, Travelers' Baggage, Parcel Post
The Oldest American Stock Insurance Company


F. H. HAWLEY, Pres. ORGANIZED 1848 W. E. HAINES, Secy.
Ohio Farmers Insurance Co.
LE ROY, OHIO.
Ohio's Oldest and Strongest Company
Net Surplus Over $1,293,741.00
AN AGENTS COMPANY
E. K. SCHULTZ & CO.
PHILADELPHIA
GENERAL AGENT
Pennsylvania, New Jersey and New York

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

Suggests New Stolen Automobile Bureau

ALL COMPANIES TO JOIN

Nation-Wide Co-Operation in Recovering Cars Recommended by a Student of Conditions

(*By an Observer.*)

One year ago the conference companies writing automobile insurance adopted a new form eliminating the deductible theft clause and increasing the rates. The question of adequate rates for automobile fire and theft seems to be more of a speculative than an experience rate. At the present time we cannot show an experience of two years on any one method. Prior to 1917 the companies were writing both the deductible and full theft, but all the companies did not adopt the same rates. In 1917 most of the companies adopted the conference policy which provided for full theft. Will, therefore, the experience of the companies reflect the true condition and a pure premium that can be used as a basis of rates? It would seem that the drafters of the automobile fire and theft policy intended that the coverage of "equipment" should embrace only the regular equipment of the car as furnished by the manufacturer of the car at the advertised list price, and not the additional equipment bought by the purchaser of the car or added by the selling agent of the car. Many of the companies have not made any effort to differentiate at the time of settling of theft losses. It is true that it may be a question of law to decide what is equipment and additional equipment, but the fact remains that a clause has been provided and has been made known to the public that same can be secured and should be secured if this coverage is to be embraced in a fire and theft policy. Some companies have made a stand on such losses while others have paid without considering the subject, feeling that it was good advertising.

Can't Adjust and Underwrite, Too

When will the companies wake up and decide that the adjusting of losses cannot be handled in conjunction with the underwriting? A loss is a fact and should be adjusted upon its basis. Companies would not think of allowing a $15 man to adjust their fire losses; yet how many companies are leaving their automobile losses to men of that grade? How can they expect to make the business pay? It looks as though the companies are to blame for many of the conditions that exist today. Lack of co-operation and an effort to secure business is responsible for the companies paying more than they are actually liable for and has educated the owners of automobiles to make a claim for all they possibly can, irrespective of whether their fault was the cause of the accident for which they are making a claim. How many of us have heard the remark made when an owner's attention was called to the fact that he was leaving his car at the curb with the engine running, "Oh, that's all right, if it is stolen I am insured."

Thefts Abnormally High

Every underwriter feels that something must be done to curb the theft of both machines and equipment. Most of the thefts are centered in the large cities. The police have recovered a good number, but the percentage of thefts are abnormally large. While a great number of cars are recovered, the companies are called upon to pay a large sum of money for the repair of these same stolen cars, for damage done by the thief. Therefore, a ratio of the recovered cars cannot be compared with the number of cars stolen, unless some comparison is made of the damage sustained and paid for by the companies. Many of the manufacturers have adopted special locking devices for their cars, yet they are stolen almost with the same frequency as those that have no locks at all. Many schemes have been suggested whereby stolen cars can be traced, but no definite plan has been adopted with any success.

Should Check Up With State Records

The writer of this article feels that sooner or later a plan must be adopted which will necessitate the carding or listing of every automobile and then check it up with the State records of licensed automobiles in each State. That will show any duplicates if there be any, and when new licenses are taken out during the year, they can be checked and if a duplication of number or the number of a car reported stolen the company that reported the stolen car could be immediately advised and the new owner also advised that the car is a stolen car. The immediate handling of this matter would facilitate the tracing of the seller of the car and possibly the apprehension of the thief. I feel also that it will reduce the market for the stolen car, because if the fact is advertised and publicity enough given, the public will make inquiry about every second-hand car before it is purchased especially when it is made known that the information can be secured for the cost of a postal card. Sure, it will take money to start such a bureau and I do not feel that it should be handled by any of the conferences maintained by the companies, but I do think that if the companies would subscribe to an independent bureau, managed by a competent man, known to the companies, both the conference and the non-conference companies would avail themselves of the opportunity presented to reduce their theft loses. The question then is, who will start it and who will co-operate? Without the advertising I think the work can be carried out at an initial expense of say $15,000 the first year, which would be considerably reduced the following years inasmuch as the paraphernalia would have been secured the first year. Thus the cost would average about $150 per year, if 100 companies would join and I feel confident that they all would want to, as the recovery of one automobile would more than pay for the small cost of membership.

(Editor's note: The above article was submitted to us by an insurance man who is well known in the insurance fraternity as an authority on automobile underwriting and compiler of insurance statistics. The plan has been suggested to many prominent underwriters and it is understood that some have signified their readiness to embrace the privilege if it is started.)

NEW COMPANY UP-STATE

Business Men Behind Organization of Eureka Fire of Syracuse—R. B. Smith, Chairman

The new fire insurance company being organized in Syracuse will probably be called the Eureka. It will be headed by Ray B. Smith, of Smith, Hayden & Setright, a law firm. Mr. Smith is president of the Syracuse Press, Inc., a printing establishment, and also president of the Underwriters of Syracuse, Inc., an insurance agency. He is chairman of the Eureka's organization committee.

The board of governors, from whom the directors will be selected, are prominent business men in Syracuse, Watertown, Seneca Falls, Middleburg, Gloversville, Herkimer, Ilion, Oneida and other towns up-State. Stock is being bought for $15 a share. The Central New York Corporation Securities Company, Inc., of Syracuse, is in charge of the sale of the stock.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

The Gamewell Fire Alarm Telegraph Co.

Fire Alarm and Police Telegraphs for Municipal and Private Plants

OVER 1500 PLANTS IN ACTUAL SERVICE

GENERAL OFFICES AND WORKS
NEWTON UPPER FALLS, MASS.

AGENCIES

5708 Grand Central Terminal, New York
448 John Hancock Building, Boston, Mass.
1216 Lytton Building, Chicago, Ill.
335 Wabash Building, Pittsburgh, Pa.
915 Postal Building, San Francisco, Cal.
304 Central Building, Seattle, Wash.
Utica Fire Alarm Telegraph Co., Utica, N. Y.
Northern Electric Company Limited, Montreal, Canada.
General Fire Appliances Co., Ltd., Johannesburg, South Africa
Colonial Trading Co., Ancon; Canal Zone, Panama
F. P. Danforth, 1060 Calle Rioja, Rosario de Santa Fe, Argentine Republic

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852

The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.

R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y

HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK

HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

Caledonian Insurance Co. of Scotland
FOUNDED 1805
"THE OLDEST SCOTTISH INSURANCE OFFICE"
UNITED STATES HEAD OFFICE
Caledonian Building, 50-52 Pine Street, New York
CHAS. H. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

Agricultural Insurance Company, of Watertown, N. Y.

64th Annual Statement
Assets $5,036,003.01
Liabilities 2,296,861.95
Capital 500,000.00
Conflagration Surplus 250,000.00
Surplus to Policyholders 2,739,141.06

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent..NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1917, to New York Insurance Department
LIABILITIES

Capital Stock, All Cash $2,000,000.00
Funds Reserve to Meet All Liabilities, Re-Insurance Reserve, Legal Standard 9,912,715.84
Unsettled Losses and Other Claims 1,878,398.32
Net Surplus over Capital and Liabilities 3,743,747.60

Total assets January 1, 1917 ..... $17,534,861.76

H. A. Smith, President — F. D Layton, Ass't Sec'y — F. B. Seymour, Treas.
G. H. Tryon, Secretary — S. T. Maxwell, Ass't Sec'y — C. B. Roulet, Gen. Agt.

SURPLUS TO POLICY HOLDERS, - - $5,743,747.60

Firemen's Insurance Co., Newark, N. J.
January 1, 1917
Cash Capital $1,250,000.00
Net Surplus $2,449,322.25
SURPLUS TO POLICYHOLDERS... $3,699,322.25

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer — A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President — J. K. MELDRUM, Assistant Secretary

Discusses Evidence in Arson Trials

VIEWS OF NATIONAL BOARD MAN

Testimony Showing Motive on Part of Defendant—What Constitutes Evidence

F. R. Morgaridge, of "the arson squad" of the National Board of Fire Underwriters, recently delivered a paper on what constitutes evidence in the prosecution for arson. Some interesting statements made follow:

If a landlord or reversioner sets fire to his own house, of which another is in possession under lease, it is arson, for during the lease the house is the property of the tenant.

A barn or stable, usually occupied by night by a person lodging therein, and so occupied when set fire to, is a dwelling house, in a trial for the crime of arson.

A school building, one part of which is occupied as a habitation with interior communication between the two parts, is a dwelling house within the meaning of the law of arson.

It is not necessary that the inhabitants be within the house at the moment, for arson may be committed while all members are temporary absent.

Burning Need Not be Complete Destruction

The burning need not be complete destruction.

Where, on a trial for arson, the indictment charged that the defendant set fire to a dwelling house, but it turned out in the evidence that he had not set fire to the house but to some personal property belonging to himself, and no part of the building burned, the court said it was not arson.

The burning of one's own building is not a crime under the laws of Ohio unless the building is insured.

The crime of burning to defraud an insurance company may be completed although the policy of insurance is invalid.

An intent to injure an insurance company is an essential ingredient of the crime of burning personal property as well as buildings and by burning one's own property as well as the property of another.

Motive

After sufficient proof of the corpus delicti has been introduced any suspicious circumstances or fact tending to show motive on the part of the accused can be introduced. Any statement of conversation about a fire made previous to the time of the fire occured can be introduced. A desire to leave the locality, an over-stock of goods, unsalable goods, insolvency and over-insurance, all present themselves in this connection. Any circumstance relating to the insurance policies just previous to the fire, such as additional insurance or precautions to safeguard the insurance policy, or any inquiry regarding the validity of the insurance carried, is admissible and can be introduced as tending to show motive on the part of the accused.

Many Reasons for Over-Insurance

REPLY TO ARKANSAS OFFICIAL

L. B. Leigh & Co. Say Companies and Agents of State Not to Blame

Recently the fire insurance companies doing business in Arkansas received from Bruce T. Bullion, Insurance Commissioner and State Fire Marshal of Arkansas, a letter calling their attention to a recent decision of the Arkansas Supreme Court that the burning of one's own property does not constitute the crime of arson, and to the further fact that out of the thirty fires investigated by the Arkansas Marshal's department eighteen, or 60 per cent., of them show the property to have been insured for more than its value. A severe indictment of local fire insurance agents for this condition was made.

Leigh & Co.'s Letter

L. B. Leigh & Co., general agents of the Home, Franklin and American Alliance, have written an interesting letter to Commissioner Bullion promising every co-operation, but putting the responsibility for the condition where it belongs, which is not upon the shoulders of agents or companies. Two interesting paragraphs of the letter of L B. Leigh & Co. follow:

It is our opinion that the impossibility of keeping insurance in proper proportion to the daily fluctuations of merchandise and other personal property is too obvious to warrant discussion, and we will, accordingly, confine our remarks to the insurance of buildings. In the first place, there is no way of definitely and finally determining the exact value of a building. If you should employ half a dozen contractors to make bids on cost of erecting or replacing a building there would be a difference of from 25 per cent. to 50 per cent. between the highest and the lowest bids. So that it appears that if specialists who make a business of erecting buildings cannot agree as to the cost, it is expecting the impossible of an insurance agent to be able in every single case to determine exactly the value of a building and then keep that value stable for three or five years during the term of the policy issued on it. As an illustration of this, a careful investigation of the cost of erecting buildings show a variation, during the past three years, of from 30 to 75 per cent., according to the character of construction. Even if the replacement, or new value of a building, could be definitely determined, which the above shows it cannot, there is still the important factor of depreciation from use and age. This feature varies widely according to the construction, occupancy and amount of repair put on the building. The value of two buildings, exactly alike, side by side, built at the same time, could easily vary 50 per cent. at the end of ten years, according to the amount of repairs and replacements put on them.

There are in Arkansas at least 1,500 losses annually (not including damages of less than $200, where the building is not destroyed). We understand that four of the eighteen cases of over-insurance found by your department were on personal property, which we believe every one will agree cannot be prevented, leaving fourteen on buildings, or less than 1 per cent. of the total number of fires. We are not prepared to agree with your statement that these facts "indicate a laxness on the part of the local agent which is truly alarming."

PHILLIPS ON ADVANCE

New York Superintendent Tells What He Thinks of It—Action not Local

After the New York Fire Insurance Exchange had increased rates this week Superintendent Phillips made the following statement to the newspapers:

"Superintendent of Insurance Phillips stated that the action taken by the New York Fire Insurance Exchange at its meeting yesterday increasing the fire insurance rates 10 per cent. throughout the jurisdiction of said Exchange merely follows like action by certain rating associations in other parts of the country, and will in the near future mean the same proceeding by rating associations throughout the United States. This action is not local in its character, nor has it special application to specific risks, but is general as affecting all hazards, and is made necessary for the stability of the companies in the judgment of all fire insurance interests by the existing conditions due to the war. The increase is to remain in force for the duration of the war only, and is not to be regarded as permanent.

"The Superintendent of Insurance assumes no responsibility for the action of the fire underwriters in advancing rates beyond recognition of the fact that the severe fire losses, increased Federal tax burdens and depreciated security holdings make some action advisable, if fire insurance indemnities are to be maintained unimpaired. It should be understood that the independent inquiry into the rating situation conducted by the Insurance Department is being continued, and that the action taken by the Exchange has no relation to such inquiry. It may be added that appropriate recommendations will be made at the conclusion of the investigation."

NORD-DEUTSCHE MEN TAKEN

J. S. Murdy has been appointed special agent for the Fire & Marine Underwriters' Agency of the Automobile Insurance Company of Hartford. He will have Connecticut, Western Massachusetts, Eastern and Southern New York, with headquarters in Boston. Mr. Murdy was formerly with the Nord-Deutsche. Louis H. Schwer has been appointed State agent in Ohio and Kentucky, with headquarters in Cincinnati. He was also with the Nord-Deutsche.

Running Faucets

(Continued from page 1)

cets run continuously in order that their pipes would not freeze. In their dilemma the firemen finally managed to get small streams from the river, but without much avail. He said the stock and machinery was a total loss.

The loss is in the hands of a committee, Eugene La Tourette, chairman.

Great American
Insurance Company
New York
INCORPORATED – 1872
STATEMENT JANUARY 1, 1917
CAPITAL
$2,000,000
RESERVE FOR ALL OTHER LIABILITIES
10,954,055
NET SURPLUS
10,759,422
ASSETS
23,713,477
HOME OFFICE No. 1 LIBERTY ST.
NEW YORK CITY
CHARLES G. SMITH, PRESIDENT — JESSE E. WHITE, VICE PRESIDENT
EDWIN M. CRAGIN, SECRETARY — ALEXANDER R. PHILLIPS, ASST. SECRETARY

RE-LICENSING FOREIGN COMPANIES

Under the trading with the enemy act President Wilson is empowered to require that all insurance companies not organized under the laws of the United States must make formal application for a renewal of license by February 1. The papers are being handled through the New York Department. British and French companies are expected to receive their renewals promptly but more time will doubtless be taken in the case of companies of other countries. The authorities at Washington will wish to know who is behind these companies regardless of where their home offices may be.

EXAMINING GLOBE & RUTGERS

The New York Department is making its periodical examination of the Globe & Rutgers. It is expected that the work of examination will be slower than usual because of the unusually large amount of business the company has been doing of late.

G. E. CULP RETIRES

G. E. Culp, who has been in the insurance business in Lock Haven, Pa., for thirty-nine years has retired. For many years he was president of the Lock Haven Board of Underwriters, and was special agent of the Fireman's Fund. A. W. McCormick has purchased his agency.

PRESIDENT LYONS DEAD

W. H. Lyons, president of the North Branch Fire Insurance Company of Sunbury and the City Insurance Company of Pittsburgh, dropped dead in the dining room of his home there on Wednesday. He was sixty-five years old.

BROKERS!
KEEP POSTED
BY READING
THE EASTERN UNDERWRITER
Subscription $3 a Year

JONES, LAUNT & BARRETT, Inc., GENERAL AGENTS
CAPITAL FIRE INSURANCE COMPANY of CAL.
CHICAGO BONDING & INSURANCE COMPANY
GREAT EASTERN CASUALTY COMPANY
THAMES & MERSEY MARINE INSURANCE CO., Ltd.
SECURITY MUTUAL FIRE INSURANCE CO. of MINN.
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CASUALTY AND SURETY NEWS

Consumption Entry Bond Is Modified

MEETS VIEWS OF IMPORT FIRMS

Original Form Objected to on Ground that It Hampered Importers

The Treasury Department has announced a modification in the form of consumption entry bond which was prescribed in T. D. 37246 of June 29, 1917. The section numbered 3 in T. D. 37246 read as follows:

"And if the said principal shall pay to the said collector when demanded all duties and charges found legally due and unpaid on the final liquidation of said entry, then this obligation shall be void, otherwise it shall remain in full force and effect."

The announcement follows:

The forms of consumption entry bond, single entry (customs Cat. No. 7551), and consumption entry bond, term (customs Cat. No. 7553), prescribed in T. D. 37246 of June 29, 1917. are hereby amended by the elimination of the words "and if the said principal shall pay to the said collector when demanded all duties and charges found legally due and unpaid on the final liquidation of said entry," so as to make the section read "then this obligation shall be void; otherwise it shall remain in full force and effect."

Customs officers are hereby authorized, pending the delivery of the amended forms, to strike out the sentence "and if the said principal shall pay to the said collector when demanded all duties and charges found legally due and unpaid on the final liquidation of said entry."

In all cases in which any advance is made in value or rate by the appraising officers a demand will be made upon the importer for the return of the unexamined packages, which demand will be in the following form (customs Cat. No. 3293):

An advance in value or rate of duty having been made on the merchandise covered by entry No..... consumption entry bond (single entry) No. ....., or consumption entry bond (term), executed by you, demand is hereby made for the re-delivery of the unexamined packages covered by the said entry No. .....

Protest by Merchants

Certain New York merchants objected to the original form on the ground that it entailed an unnecessary hardship upon importers, in that it was required to be in a penal sum double the value of the goods imported, conditioned upon the payment of all duties and charges found legally due and unpaid on the final liquidation of the entry, which condition had heretofore not been required in many bonds.

The merchants voiced their protest against the proposed increased obligation of the principal and surety as provided in the prescribed form of bond. They recommended to the Treasury Department that if a consolidated form of bond is desired, such form should omit the condition or payment of additional duties now covered by paragraph 3 of the proposed form and should be used as to all bonds where such condition is not expressly authorized or required by the statute; and that in cases where such condition is required or permitted under the statutes, a separate form of bond should be used.

1917 Premiums of Baltimore Companies

U. S. F. & G.'s GAIN WAS $3,736,000

Maryland Casualty Company's Premium Income $12,900,000—Fidelity & Deposit Shows Large Increase

Baltimore, Jan. 5, 1918.—Although surety and casualty companies have not yet made public their reports for 1917, preliminary figures obtainable at this time indicate that practically all of the local companies showed large gains in net premiums as compared with the previous year.

The net premiums of $14,364,500 represent the greatest total ever recorded by the United States Fidelity & Guaranty Company. As a matter of fact this company did more business in nine months of 1917 than it did in the whole of 1916. The gain in net premiums over 1916 was $3,736,000.

The premium income of the Maryland Casualty Company totaled $12,900,000, or an increase of $3,500,000, as contrasted with the previous year. The surplus to policyholders is now $3,500,000. The Maryland Casualty calls attention to the fact that in the twenty years of its existence, the Company has paid more than $37,000,000 in providing indemnities to protect the holders of its policies and bonds.

According to figures given by Vice-President William Hugh Harris, the net premiums of the Fidelity & Deposit derived from its surety, accident, burglary, automobile and plate glass insurance business totaled $6,526,941.96, which is an increase of $600,000 over 1916. Mr. Harris explained that the losses of the Fidelity and Deposit Company for the twelve months ended December 31, 1917, were about normal as compared with previous years.

Officials of surety companies in this city expect to derive substantial benefit from the advance in rates on many lines of insurance. This advance, they claim, was made necessary by reason of conditions that have been created since this country went into the European war. Supplies which the companies must have are costing a great deal more than they did in the past, and the various companies here have been compelled to increase the pay of their men in order to keep them, owing to the higher salaries paid in other lines of work. Insurance men here call attention to the fact that practically everything had advanced except insurance rates and that it was absolutely necessary to make the rates higher, otherwise the companies would face a loss in many lines at the end of 1918.

The Great Western Accident and Insurance Company of Des Moines, Iowa, has been granted permission to write accident and health insurance in Wisconsin. The company's surplus is given as $66,950.

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

SEMI-ANNUAL STATEMENTS JUNE 30, 1917

Assets	$14,005,236.30
Liabilities	10,395,192.68
Capital	1,000,000.00
Surplus over all liabilities	2,610,043.62
Losses paid to June 30, 1917	58,554,792.60

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation-Steam Boiler Insurance; Fly-Wheel Insurance.

Conjecture As To Canadian Fund

MAY NOT PAY COMPENSATION

Halifax Disaster Results—Provisions of Act—First Year of Operation

In reply to an inquiry The Eastern Underwriter has received the following letter from a prominent Nova Scotia insurance firm, W. R. MacInnes & Co., concerning the probable result of the Halifax disaster upon the government compensation fund of Canada.

"The Nova Scotia government has no funds to meet claims under the Workmen's Compensation Act. Nineteen seventeen was the first year the act was in force. We have not the slightest idea what the Nova Scotia government intends to do, as under the act, widows and children of employes who have lost their lives are paid a monthly amount; the widows for life, and the children until they have reached a certain age."

Character of Fund

A Provincial board administers the accident fund, and is required to maintain a reserve. Assessed premiums are prior claims in case of bankruptcy. Benefit payments are exempt from assignment except with the approval of the board.

Disputes are to be settled by the compensation board, with limited appeals to the courts.

Indemnities Payable

Burden of payment: Entire cost is on the employer.

Compensation for death.

(a) Necessary expenses for burial, not exceeding $75.

(b) To a widow or invalid widower, $20 a month, and $5 additional for each child under 16 years, the total not to exceed $40.

(c) Orphan children under 16 years, $10 a month, total not to exceed $40.

(d) Other dependents, not over $20 a month to parents and not over $30 in all, for only such periods as support from the deceased might have been reasonably expected. If there are both total and partial dependents an allotment may be made between them. No earnings in excess of $1,900 a year are to be considered in awarding compensation or assessing premiums.

Compensation for disability:

Total disability, 55 per cent. of average weekly earnings, during continuance of disability. Partial disability, 55 per cent. of the weekly wage loss.

General Accident

FIRE AND LIFE

ASSURANCE CORPORATION, Ltd.

FREDERICK RICHARDSON, United States Manager.

GENERAL BUILDING · 4TH & WALNUT STS.

PHILADELPHIA

SERVICE THAT EXCELS

Revolutionizing General Liability

NEW YORK PLAN NEARLY READY

Twenty-six Districts to Replace Present Unwieldy System With Only Three

Work on the plan for redistricting the Borough of Manhattan for purposes of general liability rating is nearing completion. Unless there is a hitch in the proceedings an early announcement of the new ratings and classifications may be expected.

Last Monday the sub-committee of three brought in a report to the committee of nine and another meeting will be held next Wednesday when the committee of nine will most likely take some definite action on the report of the sub-committee.

Change Will Be Radical

Without adequate experience general liability underwriters in New York City have had to get along with a system of classifications which is anything but comprehensive. In Manhattan there are only three districts, each carrying its minimum rate. These districts are so large that they totally fail to reflect in their respective classifications the wide variations of risk met with in any one. The new plan proposes no less than twenty-six districts and four classifications, which will graduate the hazards to a nicety hitherto unknown in New York.

Present District Boundaries

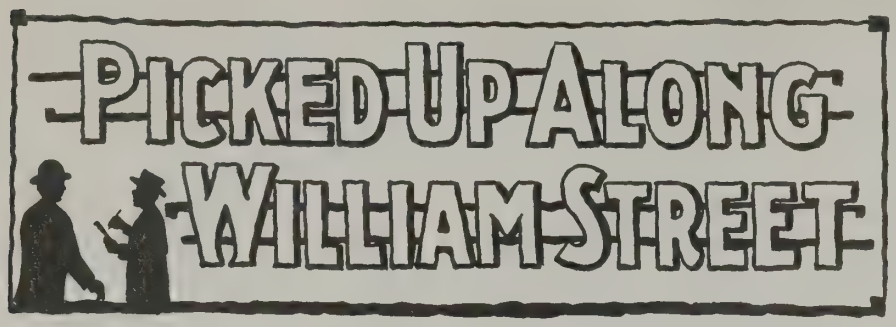
At present the dividing lines for the entire Borough of Manhattan are Broadway and Fifth Avenue. On the East Side, district number one extends from the Battery to Forty-second Street. In this district, from the Battery to the Brooklyn Bridge, there is practically no general liability (apartments and tenements) business. In an area extending from the Brooklyn Bridge to Tenth Street lies the worst section in the entire borough. On the map in the office of Manager Collins of the Casualty Insurance Exchange this section stands out strikingly as the hotbed of fraudulent claims. The whole city is charted on this map by means of various colored pins indicating the number of claims per annum in each house. The section referred to is now so covered with these pins that little of the map itself is visible. The minimum rate for the whole of District No. 1 is $50. This district is so large that the particularly bad section referred to occupies but a small portion of it, but the yield of claims is appalling. Above it and west of Third Avenue is a section that is fairly good but again, just east of Third Avenue the trouble begins anew.

Gramercy Park and other equally good sections are embraced in this fifty dollar minimum district, which, as has been said, is the worst in the city. So the insufficiency of the system is apparent and the companies have only been awaiting the accumulation of sufficient available experience to create a comprehensive classification.

Farther Up Town

From Forty-second Street, east, to

(Continued on page 18)



$43,000 Premium on One Policy

One of the largest insurance premiums ever paid for a policy in a department store has just been put through the New York office of the Maryland Casualty Company by Eugene F. Hord, resident manager. The coverage includes workmen's compensation, general liability, elevator and automobile insurance on Gimbel Brothers. The total premium on this business is said to have been in excess of $43,000.

* * *

National's Generous Offer

One of the largest bonds ever written for a benevolent institution has been executed by the National Surety, covering 3,300 chapter treasurers of the Red Cross. The total amount is $4,500,000. If the anti-rebate law can be circumvented the National Surety will not charge the Red Cross anything for this bond. Two other large fidelity bonds, under the same conditions, have also been issued by the National Surety to the American Red Cross as follows: One, for $1,500,000, protects the Red Cross with respect to money-handling officials and employes in the main office at Washington, and also at the divisional headquarters in various States. The other, for $141,000, protects the Red Cross with respect to its officials in Europe.

* * *

Redistricting Committee of Nine

The committee which has had in charge the important work of redistricting New York City for general liability insurance rating is composed as follows: General, Preferred, United States, Travelers, Fidelity & Casualty, Ocean, Employers Liability, Commercial Casualty, Aetna. The sub-committee is made up of the Travelers, Commercial Casualty and the Fidelity & Casualty.

* * *

Many Bills Examined

Speaking of the possibilities of a lessened amount of insurance legislation, the records of the Workmen's Compensation Publicity Bureau are interesting. The number of bills examined by the bureau in the last five years are as follows: 1913, 3,759; 1914, 1,140; 1915, 3,732; 1916, 1,145; 1917, 2,899. The number of these affecting casualty and surety interests were: 1913, 1,805; 1914, 454; 1915, 1,263; 1916, 484; 1917, 981. The record of casualty and surety bills enacted is: 1913, 421; 1914, 94; 1915, 280; 1916, 103; 1917, 269.

* * *

Boiler Rates Up

February 1 the new steam boiler rates go into effect. The change has been made by a renumbering of classifications and the result is calculated to be an advance of approximately eight per cent. all round. Boiler rates were advanced slightly last July, but the rapidly rising cost of material and inspections made another increase absolutely necessary. With the general cutting down in train schedules another burden is added to the inspection end, as it will require still more time for inspectors to make their trips. The steam boiler writing companies put off the advance as long as could be reasonably expected.

Cost Question Up Again

Increased costs of doing business and means for meeting them were discussed at a meeting of the governing committee of the Bureau of Personal Accident & Health Underwriters in New York, Thursday of this week.

* * *

Officers Re-elected

All officers and directors were re-elected at the ansual meeting of the Fidelity & Casualty which was held January 1.

* * *

Contingent Reserve Valuable

Those casualty companies which have been maintaining a liberal contingent reserve find it of particular benefit this year, with security values as they are at present.

* * *

May Lose $20,000

Advices received by the Lloyds Plate Glass from its representative at Halifax are to the effect that the glass losses there are heavy and that practically every policy the company has outstanding there will yield a claim. Most all of them will be total losses. The company, therefore, may suffer an aggregate loss of $20,000. While this is a particularly large loss for one company to suffer in one disaster, the Lloyds Plate Glass is in strong financial position to meet all claims made upon it. Its last annual statement showed surplus including capital of $505,137.

* * *

Ekern to Address Builders' Mutual

The Master Builders' Association of Wisconsin, which operates the Builders' Limited Mutual Liability Insurance Company of Wisconsin, devoted to workmen's compensation business, will hold its sixth annual State convention at Watertown, Wis., January 10-12. The workmen's compensation law will be a principal discussion topic, with a speaker to be announced later. Herman L. Ekern, former State insurance commissioner, will speak on "Building an Insurance Company," and Dr. F. S. Meade, of Madison, medical director of the Builders' Limited Mutual, will speak on "Accidents, from a Medical Standpoint." O. H. Ulbright, 249 Twenty-eighth Street, Milwaukee, is secretary of the association.

* * *

Peter Epes Honored

Peter Epes, agency manager of the Georgia Casualty, was given a silver service in honor of the twenty-fifth anniversary of his wedding. T. W. Hooks also presented Mr. and Mrs. Epes with a silver tray and announced that the heads of departments and the officers were invited to be his guests at a dinner in honor of Mr. Epes at the Hotel Lanier January 4.

* * *

American Surety Meeting

Stockholders of the American Surety held their annual meeting January 8 and re-elected the following trustees whose terms of office expire in 1920: Charles H. Allen, Newcomb Carlton, E. F. Carry, James B. Duke, W. N. Dykman, Daniel Guggenheim, A. J. Hemphill, Andrew Mills, Seward Prosser, Simon W. Rosendale, John Sherwin, Robert S. Sloan, Valentine P. Snyder, Theodore N. Vail, L. A. Watres, Albert H. Wiggin, Bronson Winthrop.

LIMITED LINES DROPPED

Great Eastern Casualty Gives Up this Feature of Accident Business

The Great Eastern Casualty has made the following statement regarding an important change in its business policy:

"The Great Eastern Casualty is discontinuing its limited accident and health department. The company's plans have always provided for the building up of a large volume of commercial and monthly payment accident and health business, and finding that the limited lines interfered to considerable extent with that idea, notwithstanding the fact that its limited lines produced a large volume of premiums, the management feels that the welfare of the company can be better served by its discontinuance."

Revolutionizing

STATE FUND IN TROUBLE

Auditor General of Pennsylvania Says Deficit is Likely to Exist

William J. Roney, manager of the Pennsylvania State Insurance Fund has advised Auditor General Snyder that he will decline to allow an audit of the Fund's books. There is a controversy on over the hiring of nine extra clerks to care for year-end renewals and their salaries have been withheld by the attorney general.

The State Fund recently declared a dividend of more than $100,000, or about 15 per cent. This was done when, it is alleged, the fund officials told the legislature that it would not declare a dividend if it were not self-sustaining. The legislature of 1915 appropriated $300,000 for the Fund's maintenance, and the session of 1917, $200,000 more, and it is asserted that the greater portion of this is now spent. Mr. Snyder says an audit is necessary to determine whether or not the Fund can be made self-sustaining. He says a deficit will exist at the end of the appropriation period, and estimates that it will amount to $60,000. His only purpose, he says, in demanding an audit is to protect the people of the State, and adds that in order to carry this purpose into effect his department will insist on a reduction in the payroll and other expenditures and a closer inspection of the management.

New Publication by Hine's

C. C. Hine's Sons Company of 100 William Street, New York, has begun the publication of the "Workmen's Compensation Law Journal" which should prove a valuable addition to casualty insurance literature. This is a monthly publication containing the current decisions of all the courts relating to workmen's compensation. It will be to those interested in workmen's compensation cases what the "Insurance Law Journal" is to those interested in insurance cases. The plan and scope will be identical, except that the index, instead of being a scientific law-index, will be an alphabetical, cross-reference index of the law and the fact combined, making for easy access. The subscription price is $10 per annum.

* * *

Gained $2,500,000

An increase of $2,500,000 in net premiums written was made by the Fidelity & Casualty last year over 1916, when the writings were $10,359,410.

* * *

You can pass into the temple of honor only through the temple of virtue, says "Bankers' Life Bulletin."

POOL IN ABEYANCE

No Definite Plan for Carrying Hazardous Compensation Lines

Conferences are being held this week in an effort to formulate a working plan by which a pool may be formed to handle extra hazardous compensation lines. The subject is being approached from two angles. The companies associated in the present Coal Mine Pool, are endeavoring to reach an understanding, while another group of companies which includes some which are already in the coal pool are following a somewhat different angle. So far nothing definite has been formulated.

REAL ESTATE DEALER SUES

Blinded by Dynamite Explosion—Superintendent Cleary to Be Witness Against Insurance Company

Suit against an insurance company has been begun by Albert L. Williams, a Madison, Wis., realty man, to recover damages. Williams claimed to have been blinded by a dynamite explosion, October 15, 1916.

The company maintains that Williams was insured as a real estate dealer and sustained injuries while in other employment. The suit promises to be interesting inasmuch as the plaintiff alleges that the insurance company did not comply with the Wisconsin laws relating to the printing in bold face type of any exceptions to the general text of the policy.

It is understood that State Insurance Commissioner M. J. Cleary will be one of the witnesses for the plaintiff. Williams sues for $1,300.50, which he claims is due him under the $25 per week benefit for total disablement.

CHOSEN NEW JERSEY SPECIAL

Raymond S. Van Houten has been appointed New Jersey special agent for the Royal Indemnity, with headquarters in Newark. He was formerly with the Travelers.

Revolutionizing General Liability

(Continued from page 17)

the Harlem River is District No. 2. Here the minimum is $40 and as a whole the district is pretty good until one gets far up town into the Italian quarter. Here the pins on the map begin to show again like a young forest springing up.

On the entire West Side, from the Battery to Harlem, there is but one district, number 3. It follows that while the minimum for this district is but $20 there are many gradations of risk embraced in that wide territory. In fact, some sections are just as bad as the thickly populated section on the lower East Side. For example, there is the Greek and Syrian quarter, running south from Cedar Street, anything but a good section, such as is entitled to a minimum of $20. Going north one comes to the Tenderloin, a large section, evidently not entitled to any such minimum. A little farther north and west is that smaller area long known as Hell's Kitchen and Gas House District. All these sections are shown on the map in unmistakable evidence of the hazards involved, together with numerous gradations in between.

The actuarial division of the Insurance Department has taken a lively interest in this re-classifying and re-rating and is still contributing its share in the work. When all the details of the Manhattan situation are ironed out, the other Boroughs will be taken up one at a time.

CASUALTY AND SURETY POINTERS

Large Sprinkler Losses Expected

Manager Rausch of the sprinkler leakage department of the Maryland Casualty, has issued a bulletin requesting sprinkler leakage policyholders, general agents and local agents to co-operate with his inspectors in exercising the greatest possible care to prevent sprinkler leakage losses caused by freezing. If the difficulty in getting coal has the effect of making property owners tend to unduly skimp the heating of their buildings, there will very certainly be a repetition of last year's widespread water losses due to frozen sprinkler pipes. And if there is any such exceedingly expensive total of sprinkler leakage losses, then sprinkler leakage insurance will have to cost must more than the present price of this protection.

During the four months of last winter from the first of December to the end of March, insurance companies paid, under sprinkler leakage policies, the sum of $350,000 on account of water losses caused by freezing. But in spite of that the rates for sprinkler leakage insurance have not advanced—not yet. However, if the experience of this winter proves to be as bad in that respect as the record of last year, underwriters will either have to discontinue the sale of this protection, or else considerably increase the premiums charged for it.

On the other hand, persistent carefulness can solve the problem to everyone's satisfaction, by keeping the losses from freezing down to a reasonable figure. And the kind of care needed to accomplish this will not be a tax upon anyone.

* * *

Rate Advance Up to Agents

One thing is certain, says "The Standard Cog," speaking of accident and health rates. Enough money must be collected to run the business or that business must stop. This advance must be put upon a scientific basis and reduced to efficiency. That can be done. This is a serious situation and what we say here is the plain, unvarnished truth. Something must be done and in the last analysis you, the agents, must do it. If rates are to be raised either by change of manual or an added per cent. to each case you are the fellows who must do the collecting. The burden will fall upon you to do a lot of the work. Year by year the loss ratio has been going up—each year has seen an added burden in taxation—every year the cost of clerk hire has gone up—every year the railroads and the hotels have added just a little to the old-time cost and so we have climbed to the point where we must turn and look back to the level of safety and determine how we can again return to that point surely, safely and quickly. At the beginning of the new year, this is our problem. Let us face it bravely and honestly and together solve the difficult situation.

* * *

Soliciting School Teachers

Manager Brown, of the Guernsey-Newton Company, Spokane, agents for the Maryland Casualty, classifies his prospects and goes after them systematically. Here is the letter he sends to teachers, soliciting disability insurance:

"You, in organized education, prepare people for 'getting there' when on their feet.

"We, in organized insurance, prepare people for 'getting there' when on their backs.

"The Maryland Casualty Company, through this office, emphasizes to you, **right now**, that, as a leader of education here, your personality and your income are too vital for **you** to carry when this Company will carry the same risk for one-half of one per cent.

"**Remember**, the school board pays your salary when you are **strong** in body and mind.

"**Remember**, the Maryland Casualty Company pays your salary when you are **weak** in body and mind from accident or disease.

"**Remember**, for $36 a year, you may be housed and clothed; with $100 a month for four years for total disability from accident, and $100 a month for one year for total disability from disease; and one-half of these sums for six months for partial disability.

"**And remember** that plus the monthly indemnity you receive $5,000 if death comes from accidental causes; doubling to $10,000 for accidents of travel or on elevators, and all this for $3 a month."

* * *

Unreasonable Promises of Agents

If the policy is properly explained and the prospect told of conditions affecting the adjustment of claims before he signs the application, no district manager representing a clean-cut company will ever experience any hardships in building up a profitable business in accident and health insurance. My experience in this business has proved to me that the most degrading part of our profession is the breaking of the exaggerated and unreasonable promises of an agent. Your duty as a district manager or an agent when you are asked a question pertaining to any part of the policy or the rulings of the company, is to answer it truthfully. You will find there is nothing so essential in your work as telling the truth and then standing back of everything you have promised. Be sure to promise only what you can live up to. Back up honest and fearless methods with work—the same number of hours any other position would require, and you will have no complaint to make about results.—C. D. Nolan, Massachusetts Bonding.

* * *

Get After the Cranks

An agent in one of the Northern States is writing a lot of business by following a unique plan. When he walks down the street he carefully scrutinizes each automobile at the curb. When he sees one with a crank he waits for the owner—and insures him. No man can afford to drive a car without a self-starter—unless he carries an accident policy, so that the man who starts his car with his strong right arm needs only to have his attention called to the hazard to become an immediate and favorable prospect. Ask him how he feels when he is thoroughly chilled. His engine apparently feels just the same way. It does not want to move quickly at first, then it changes its mind and moves too quickly—with disastrous results in the way of bruises, fractured arms and wrists.—"Coordinator."

* * *

Liberty Loan no Obstacle

Harold E. Apt, of Hammond, Indiana, primarily a life insurance agent, is finding time to write some monthly payment health and accident business for the Massachusetts Bonding and reported twenty-three applications one month. Where some agents might have been discouraged on account of the second Liberty Loan, Mr. Apt turned this to his advantage. He writes to his company as follows:

"The Liberty Loan does not in any sense hurt business but on the contrary stimulates it. By making a list of bond purchasers and calling upon them I came into contact with men who otherwise I would never have heard of. With their added obligations on account of their Liberty Bond purchase I found many of them to be first-class prospects for additional accident insurance. With a past Liberty Loan as a spur and the prospect of another soon, there should not be an agent in the field who can not increase his business by at least one-third."

* * *

Plan to Get More Agents

The practice of using recommendations to gain favorable attention is so old that "the memory of man runneth not to the contrary." Their value is being proven daily by agents who obtain "thank you" letters and names of prospects from satisfied claimants. But agents who stop there fall short of obtaining the last ounce of benefit from each satisfactory claim payment. If the policyholder is pleased with the service, and wants his friends to enjoy the company's protection, show him how easy it is to obtain their applications himself. Seventy-five per cent. of all satisfied claimants are first-class agency prospects. They have had good and sufficient proof of the practical value of income protection and are enthusiastic about it. With a little persuasion many of them will seize the opportunity to turn their spare time into dollars. Try this the next time you deliver a claim check—and you will keep it up. Have ten or more policyholders qualified to write business in their spare time. They will enjoy the policy fees, you want the commissions and—we want the business.—"Coordinator."

A. L. ADAMS RESIGNS

Allison L. Adams has resigned as superintendent of the surety department of The Gauvin Agency. Mr. Adams has not announced his future plans.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,526,022.81

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

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Liability, Accident, Burglary, Boiler and Credit Insurance



Established 1869.

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Service Counts

Our Metropolitan District is managed by

Service Men

who

Insure Service

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Accident and Health, Automobile Workmen's Compensation and General Liability Coverage

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H. G. B. ALEXANDER, President

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General Agents

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'Phone Cortlandt 8730 NEW YORK CITY

AMERICAN SURETY COMPANY OF NEW YORK

100 BROADWAY

Fidelity and Surety Bonds

B. S. Walsh, Inc., Philadelphia

B. S. Walsh, Incorporated, Philadelphia, has been incorporated with $50,000 capital to conduct an insurance and brokerage business. A. S. Wright, M. L. Rogers and L. E. Aare, of Philadelphia, are the incorporators.

The Columbian National Life
OF BOSTON

ARTHUR E. CHILDS, President

A CHANGE may be necessary to realize your ambition

Think a minute—then write

WM. H. MASTIN — FRANK D. LOMBAR

SUPERINTENDENTS OF AGENCIES

(West of the Mississippi). SYMES BUILDING DENVER, COLO.

(East of the Mississippi). 77 FRANKLIN STREET BOSTON, MASS.

DARL D. MAPES, Superintendent of Accident Agencies
77 FRANKLIN ST., BOSTON, MASS.

The service of a high grade Accident Department will also be offered so that you will not have to broker your Accident business to avoid violating your Life insurance contract.

Announcement

Owing to the large demand for extra copies of the

LIFE INSURANCE SALESMANSHIP

edition of The Eastern Underwriter, *issued September 21, 1917, an*

EXTRA EDITION

of that number has been published

Life Insurance Companies and General Agents desiring to secure copies for distribution among their Agents can do so by wiring or writing The Eastern Underwriter, *105 William St., New York, the number required.*

Price Twenty-five cents per copy.

The Eastern Underwriter.

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.
2. The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.
3. Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,
Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

THE OHIO MILLERS
MUTUAL FIRE INSURANCE COMPANY

Net Cash Assets.....$1,147,802
Net Cash Surplus..... 505,213

Squire Company, Inc.
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STOCK POLICIES ONLY

BUSINESS SOLICITED FROM AGENTS AND BROKERS

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus, .. - - - - -	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - -	1,051,543.00

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $152,000,000.00

Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

OCT 23 1918

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 3 | NEW YORK CITY, FRIDAY, JANUARY 18, 1918 | $3.00 per Year; 25c. per Copy

LIMITS FIFTEEN DAY PRIVILEGE

New York Exchange Acts on Discontinuance of Sprinkler Equipment —618 Disabled Here

RISKS MUST BE RE-RATED

Hundreds of Buildings Carrying Low Rate Now Written at 10 Per Cent. Advance on Unprotected Basis

The privilege granted by the New York Fire Insurance Exchange on January 3 for fifteen days' interruption of sprinkler protection by endorsement was limited at the meeting of the Exchange on Monday by a resolution forbidding the granting of extensions of the privilege. The resolution also provided for the re-rating of all risks, where protection is not resumed at the expiration of the fifteen days, on an unprotected basis, which includes the 10 per cent. advance.

The New York Situation

Justification of this action of the companies is seen in the bulletin issued by the Exchange on Tuesday showing the inspection of 618 risks where sprinkler protection has been temporarily out of order. The Exchange reports in this bulletin that in the case of 141 of these risks, protection will be suspended indefinitely because of breaks due to freezing, etc., 136 are victims of the coal shortage; in 293 instances the water in pipes or tanks was frozen at 1 o'clock on Saturday, in 88 cases sections of the system were disconnected, and there were only 48 in which the protection had been restored, discontinuance of which had been noted in previous bulletins.

Unprotected Class

The attitude of the underwriters on the sprinklered risk situation and the action of the Exchange is that, through the general collapse of the protection in consideration of which these risks carried a low specific rate, they are properly placed in the unprotected class and should carry a higher rate for the period during which the equipment is disabled. The underwriters also say that on this basis companies generally now have larger lines on their books than they customarily carry on unprotected risks.

"The Largest Fire Insurance Company in America."

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE.

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

ORGANIZED 1867

EQUITABLE LIFE OF IOWA

J. C. CUMMINS, President

Operating in

IOWA ILLINOIS
PENNSYLVANIA OHIO
MINNESOTA INDIANA
NORTH & SOUTH DAKOTA
NEW JERSEY MICHIGAN
KENTUCKY OKLAHOMA
KANSAS NEBRASKA
MISSOURI CALIFORNIA
OREGON WASHINGTON

Good Territory Open

Attractive Policies to Sell

Low Net Cost

Large Annual Dividends

For Agency apply to

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Supt. of Agents

DES MOINES, IOWA

THE GAUVIN AGENCY

THE PILOT POLICY

ESTATE TAXES AND LIFE INSURANCE

The Tendency to Provide for Acquisition of Cash Funds Adequate and Sufficient

VIEWS OF DAVID KAY, COUNSEL

Representative of Mutual Benefit Makes Comprehensive and Valuable Review of Situation

David Kay, Jr., counsel for the Mutual Benefit, has written for the agents of the Company an unusually interesting commentary on estate taxes and their relation to life insurance. This was published in the Company's paper, "The Pelican." As a great many agents are using the tax argument in soliciting life insurance—and it can be used effectively by all agents—Mr. Kay's article is reproduced herewith in full:

In the public prints attention has been called recently to the purchase of insurance in very large sums by prominent financiers, men possessing great wealth, whose individual fortunes are so large that it was quite apparent that the purchase of the insurance by them was not to augment their estates on death. The public announcement then made was that they procured this insurance to provide funds from which the Decedents Estate Taxes could be paid, thus enabling them to transmit their estates to such persons and in such amounts as they might desire, without alteration of their purposes because of the necessary compliance with the provisions of the Decedents Estate Tax. The effort made by them is not an evasion of the taxes, but a provision for the acquisition of cash funds adequate and sufficient to meet tax demands. This effort is particularly praiseworthy as it tends to relieve from the burden very frequently thrust upon those incapacitated to pay the same, of those taxes which are assessed by the State upon property left by a decedent on his demise.

Formerly Called "Collateral Inheritance Taxes"

The property on which such tax is levied has theretofore, during the lifetime of the decedent, paid to the State its share of the burden levied upon it, and the additional burden created by the imposition of "estate taxes" tends, in many cases, to seriously diminish the funds which the decedent desires

should go intact to those whom he wishes to benefit.

The taxes to which reference is made and relief from the burden of which is sought, were formerly called "collateral inheritance taxes." In their inception, their purpose was to assess a tax upon the property of a decedent when he left no lineal descendants, or distributed his property among collaterals, rather than lineal descendants.

The attempt of society to thrust upon the State the performance of so many phases of social and what were formerly considered charitable work, coupled with the growing communistic tendency on the part of the State to aid and develop its citizens, has naturally given rise to the necessity of procuring from certain of its citizens larger funds than were formerly needed to meet the requirements of the State. As the demands of the State have increased, new methods of taxation have been devised, and now we find that no longer are taxes restricted to property passing to collaterals, but that the lineal descendants are obliged to contribute to the State in proportion to the amount received by them. In consequence, it is the widow and children of the decedent who most frequently pay the State for the privilege of inheriting property which either descended or was devised or bequeathed to them by their father or ancestor.

There is the greatest divergency in the rates at which such taxes are assessed, and in the amounts of exemption from taxation, allowed by the various States. The only thing which we see in the future as fixed, is the fact, that as the needs of the State increase, the exemption will become more limited, and the rate of taxation expand.

In addition to the taxes imposed by the respective States, the Federal Government has found it desirable to enter the same field, and we may describe the taxation of decedents' estates as a usual and common method in the present day. All of our States, with the exception of five and the District of Columbia, have statutory provisions therefor, and though, in such five States and the District, citizens of such States are not assessed locally in this method, yet they are subject to the Federal Act, and payment must be made by them thereunder.

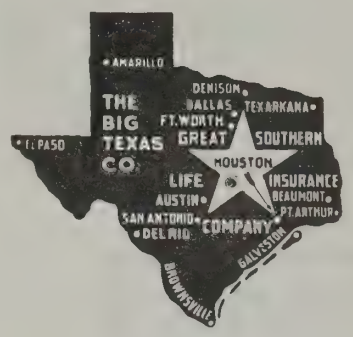
Determining Liability of Estate

The amount of property exempt from decedents' estate tax, varies from $250 to $50,000. Relationship to the decedent, also, in some States where they still adhere to the "collateral" idea, procures exemption. The rates of taxation imposed vary from 1 per cent. to 30 per cent., by reason of the relationship of the recipient to the decedent, and the amount of the estate liable to taxation. Still other States assess a flat rate, irrespective of relationship or amount. To determine the liability of an estate in any particular instance, it is necessary to examine the laws of the State in which the decedent had his domicile at the time of death, and where the property of said decedent was physically located, for we find that some of the States, not content with the fact that a tax had been assessed upon the estate of resident decedents, also assess a tax on property of non-resident decedents within their territory. There are still other States which have corporations organized under their laws, which States have attempted to tax the stockholdings of non-resident decedents in such corporations, even though the shares of stock were physically in the State of domicile of the decedent.

In consequence of the multiplicity of taxes and the lessening of estates thereby, any expedient which will relieve the beneficiaries of the estate from the burdens of the tax and pass such estate in its entirety to those for whom it has been accumulated, should receive from those who will leave estates liable to taxation, mature, grave and careful consideration.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

The plan adopted by many wealthy men has been to procure insurance on their lives in an amount commensurate with the liability which will be imposed upon their estates and their beneficiaries at their decease, by the State and Federal Governments. Familiar with the amount of their respective estates, and with the present rate of taxation, an approximation can easily be made as to the sum needed to satisfy the tax. Insurance can then be procured in the desired amount, payable to the estate of the insured, and on the death of the insured, his or her executor or administrator will be immediately in possession of funds which will procure the satisfaction of the estate tax, so soon as appraisal has been made and the amount thereof legally determined, thus enabling the estate to receive any advantage of discount allowed for the prompt and instant payment of the tax.

The obvious advantage of the possession by an executor or administrator, of adequate cash for such purpose, is so very apparent that the mere statement of the proposition carries conviction.

Bank Funds

It is not advisable in any well managed personal affairs, to carry constantly a sufficient sum in bank, over and above liabilities, direct and contingent, to enable in the event of a sudden demise, an executor or administrator to have on hand the necessary funds to satisfy tax obligations.

Whether the estate be large or small, there is no likelihood that it will continuously have in bank sufficient funds to meet the tax demands. If the estate be small, its size necessarily demands the continued investment of all its funds to obtain adequate income and returns. If the estate be large, its investments are necessarily numerous and widely divergent, and will require ample funds to preserve their stability and character.

The continuous retention in bank, of a sum necessary to meet the decedents' estate tax, uncertain in point of time, is repugnant to the business instincts of every conservative, well-balanced, thoughtful business man.

Without such funds available to the executor or administrator, to satisfy the taxes, and the imposition of which is as certain as death itself, and the consequent need thereof equally certain, to procure the needed funds, either the executor or administrator, or the recipient of the estate, must sell either the securities or real estate (if without the necessary sum of cash), regardless of the state of the market and the price which can be obtained therefor, perhaps making a sacrifice and loss, to procure funds for taxes. If the estate consists largely of realty, either improved or unimproved, its necessary sale to meet the tax demands will result in a great sacrifice of what, if retained, would become highly valuable. It is almost a proverb, that a forced sale is a bad sale.

If Bonds Constitute Most of Estate

If the estate consists largely of bonds purchased to be retained until maturity, their sale in a falling market or in time of panic, would be a disaster, a calamity caused by the failure of the decedent to properly provide his estate with sufficient cash funds to obviate the necessity of such sacrifice. Many estates will consist of stocks or bonds in corporations of which the decedent was an influential officer, and the death of such officer and the consequent loss of his services to the corporation, may so materially depress the value of such stock in public estimation, that its forced sale at such time, to provide funds to meet taxes, would be a sad misfortune. Such securities might be intrinsically equal in value to what they were formerly, before the decedent died, and the change in officials might, after a time, happily restore them in public estimation, to their former value. The failure of the decedent to procure adequate protection against such a contingency cannot be described as a sane or commonsense action.

The same principle seems applicable to partnership interests, and the same consequences might follow.

It appears, then, very clear that the widow or heir will lose from the legacy received so much thereof as represents the tax, and may, also, lose a further part thereof in procuring the amount of the tax. Not a pleasing or pleasant prospect for the heir, nor a joyful contemplation for a well-disposed parent.

Methods of Paying Taxes

There are two methods prescribed by the various statutes for payment of these taxes. The Federal Act levies the tax on the net estate, and the same is payable by the estate, irrespective of the relationship of the persons entitled thereto; those levied by the States generally depend on the relationship of the recipient, and are a lien on the gift devised or bequeathed, though primarily, the executor is liable for the amount of the tax, and, therefore, must provide for its payment before he makes his transfer in accordance with the will.

Such insurance, if procured and made payable to the estate of the insured, will be taxable as a part of his estate, and will necessitate a direction in his will, to the executor, requiring him to pay all taxes due, both from the estate and such as may be due on the gifts made to devisees or legatees, from the proceeds of the policy, so that such devisee or legatee may receive such gifts without diminution by reason of the tax.

If the policy be made payable to individuals who take under the will, such individuals should, on receipt of the insurance funds, pay the same to the executor for the tax payment; but if the heir be improvident, he may refuse so to do, and in consequence, his gift under the will would, by his action, be subject to the lien of the tax. Such action, however, would not be to the detriment of his co-legatees or co-devisees, but would be wholly a personal loss, disturbing, however, the possible plans of the insured. In the possible failure of the insured to preserve harmony between the beneficiaries under his will and policy, and the possible failure of the beneficiaries under the policy to comply with the purposes of the insured, lies the possible danger of naming the individual beneficiaries under the policy, and this is my reason for suggesting that policies be payable to the estate of the insured, with directions in the will, that all taxes be paid with the proceeds thereof. Otherwise, confusion and failure to accomplish the purposes desired will ensue, unless the insured is particularly careful to see that the terms of his will and of his policy go "hand-in-hand," and even then the danger is not entirely eliminated, as I have endeavored to show.

A Tip About the Telephone

In a letter to his agents Darby A. Day, manager of Mutual Life, Chicago, gives a good pointer about the telephone. He says:

"If when you answer the telephone someone is called for whom you do not know, please refer the call to somebody else; at least, do not tell the party at the other end that there is no such agent connected with this office. One of our good men lost a $15,000 case in this way the other day when the person who answered the telephone here advised the man at the other end of the line that we had no such person with us. Even though those things are done without any intention to injure anybody the effect sometime is disastrous."

* * *

Endowing a School Through Insurance

Down in the southern part of South Dakota, and ten miles from the end of the railroad, is the inland town of Academy. As its name suggests, this little city is the site of an educational institution—Ward Academy—supported by the Congregational denomination and intended chiefly as a preparatory school for Yankton College.

At the head of this splendid little institution is Mr. Lewis E. Camfield, a man of fine ability and striking personality, and known throughout the State for his fine management. Especially is he held in high regard by the surrounding rural community, who are proud of their school and loyal in their support of it, says "Points," printed by the Mutual Life.

His leadership is recognized as so essential to the school's welfare, and his plans for future endowment have met with so much favor, that Mr. George W. Fitch, of Yankton, a member of the Sioux Falls Agency of the Mutual Life, has recently established a $15,000 ten-year endowment policy upon Mr. Camfield's life, for the benefit of the school, at an annual premium of $1,800. A unique feature of the transaction is that 180 friends of the school in that locality have agreed to pay $10 each a year for the next ten years with which to meet the premium payments.

Agent Fitch's remuneration is well earned, as he has spent a great amount of his time is engineering the project, but he has also earned a keen sense of satisfaction in having rendered this service to the academy. The way in which he has handled the proposition throughout is decidedly in the way of a novelty, and should suggest to agents in other parts of the country many similar opportunities.

* * *

NEW BOND AND TRUST MEN

The men behind the Universal Fire Insurance Company, Chicago, which discontinued its organization, are now behind the Universal Bond & Trust Co., Chicago.

Mutual Paid for Over $200,000,000

MORE THAN $27,000,000 GAIN

Figures of Missouri State Life, Kansas City Life and Other Companies

The Mutual Life's 1917 writings, including dividend additions, will run over $200,000,000. The gain over 1916 is in excess of $27,000,000.

The Kansas City Life had an unprecedented year. Figures follow:

Actual issued and paid for business during 1917	$ 50,104,924.00
Total assets in round numbers	9,000,000.00
Total insurance in force at end of year	122,070,058.00
Total income for 1917	4,566,551.51

* * *

The Southland Life

The 1917 new business of the Southland Life is $8,188,961, an increase of $1,219,362. Issurance in force is $30,139,790, an increase of $4,134,720. Income was $1,035,609, an increase of $68,945; net admitted assets are $3,003,932, an increase of $504,857.

* * *

Secretary Mason, of the Southeastern Life, writing this paper, said last week:

"I wish to advise that the paid-for business for the year of 1917 was $2,171,841. Insurance in force December 31, 1917, $10,781,902. In view of the ususual conditions and restrictions rendered necessary by the war, we feel that the Company has had a very successful year. We have nothing especially new to announce as a program for 1918, except that the Company is making arrangements to enlarge its field and will probably in the near future enter the State of North Carolina."

* * *

The State Mutual Life, Worcester, paid for $29,010,501 (not including additions) in 1917, an increase of $3,685,956 over the paid-for of 1916.

* * *

Wrote $1,000,000 Last Year

Writings of the London & Lancashire Indemnity last year reached over $1,000,000, which is what the Company set out for when 1917 opened.

* * *

Northwestern National Life In. Gains

Northwestern National Life of Minneapolis reports that 1917 was the best year in the history of the Company. Applications written totaled $18,870,000.00, an increase of 56 per cent. over the previous year, and an average of $1,572,500.00 monthly. Insurance in force December 31st, 1917, totaled more than $54,000,000.00. The Company now ranks fourth in the amount of insurance in force of all mutual legal reserve companies west of Philadelphia, in the United States. From the nineteen States in which the Company is operating, it received during 1917, applications averaging approximately $1,000,000 for each State. The four leading States rank as follows: Minnesota first, North Dakota second, South Dakota third, Montana fourth. The White & Odell agency, Minnesota, State Agents of Northwestern National Life of Minneapolis, wrote more than $5,500,000 of business during the past year, and won the silver loving sup offered by the Company for leading in Group One, during the last quarter of 1917.

* * *

Missouri State Life

The figures of the Missouri State Life follow:

In force beginning of year 1916, $106,880,393; 1917, $129,199,279, increase, $22,318,886; new business, 1916, 39,550,326; 1917, $45,398,668, increase, 5,848,342; revivals, 1916, $1,486,234; 1917, $1,378,964, increase, $107,270; total addition, 1916, $41,418,443; 1917, $47,152,745, increase, $5,734,302; total, 1916, $148,298,836; 1917, $176,352,024, increase, $28,053,188; terminations, 1916, $19,099,557; 1917, $19,403,482, increase, $303,925; in force end of year, 1916, $129,199,279; 1917, $156,948,542, increase, $27,749,263.

* * *

Great Southern Life

The Great Southern, of Houston reports the following figures: New paid-for business, 1917, $12,832,327; admitted assets, $3,459,055.92.

* * *

The figures of the Standard Life, of Des Moines, follow: New business, 1917, $2,132,500; assets, December 31, 1917, $372,602.

* * *

The Western Union, of Spokane, paid for new business for the year 1917 of $11,105,898. Its admitted assets on December 31, 1917, were $2,941,267.62.

* * *

The Midland Mutual's new paid-for business of 1917, excluding reversionary additions, was $4,756,614, and the gross assets of the Company on December 31, 1917 amounted to approximately $2,750,000.

* * *

The new paid-for business of the Southern Life & Trust was $6,648,886 last year.

THE NEW YORK LIFE'S STATEMENT

Gross Assets $937,389,327—In Force $2,673,334,336—Accomplishments to Date

Summary of 73d annual report of the New York Life Insurance Company:

New insurance paid for in 1917	$315,994,500
Exclusive of over $16,000,000 increase in revivals, increase in old policies and additions by dividends.	
Total paid-for insurance in force January 1, 1918	2,673,334,336
*Total admitted assets	934,929,382
Legal liabilities	760,742,336
Reserves for dividends and contingencies	174,187,046

	1916	1917
Total first year's premiums, excluding annuities	$10,241,497	$12,916,826
Total renewal premiums, less amount paid to other companies, for re-insurance on policies of this Company	82,843,015	87,362,296
Interest and rents	38,108,768	39,957,422
Annuities, profit on sale of securities and income from all other sources (exclusive of increase of book value of ledger assets)	7,366,116	5,881,618
Total income	$138,559,396	$146,118,162
Paid		
For death losses	$29,332,346	$30,599,371
For matured endow.	11,384,425	13,566,409
For surrender values	19,551,361	18,527,170
For dividends	19,695,355	22,807,762
For annuities	1,414,154	1,387,241
Total payments to policyholders (exclusive of disability claims)	$81,377,641	$86,887,953
Loaned to policyholders during the year	$25,054,426	$23,722,213
Insurance in force	$2,511,607,274	$2,673,334,336
Total number of policies in force	1,228,601	1,301,969

What the New York Life Insurance Company Has Accomplished in the 73 Years Since its Organization

Total amount paid to policyholders and held for their benefit	$2,178,034,944.00
During this same period the Company has received in premiums from its policyholders	1,973,939,159.00
Excess paid to and now held for policyholders over the total amount received from them	$204,095,785.00
Gross assets (book value)	937,389,327.00

*Bonds subject to amortization at book value.

Captain S. H. Wolfe Back from France

MADE DEPENDENCY INQUIRY

Organized European War Risk Bureau Office, Paris—Was Abroad Four Months

Captain S. Herbert Wolfe, the distinguished actuary, who is now with the War Department, and who went to Europe four months ago, returned to New York on Wednesday of this week.

Captain Wolfe, who some time ago made an investigation of the Canadian experience in war mortality, dependency, etc., which was published by the Government giving the first authentic information on the subject from Canada, was sent to France and England by the War and Treasury Departments to investigate what those countries have done for the care of dependents. His report will give the first exhaustive information on the subject.

Major Straight in Charge

While in France the Government cabled Captain Wolfe to organize an European office of the War Risk Insurance Bureau, which he did in Paris. It is now under the direction of Major Willard Straight, formerly of J. P. Morgan & Co.

Massachusetts May Insure Its Soldiers

BILL NOW IN LEGISLATURE

Commission of Three to Consider Expediency of Measure—Introduced by Roxbury Man

Boston, January 15.—Massachusetts, having spent some $15,000 the past summer on an investigation of the call for State health insurance, will now delve into the opportunities for State insurance of her Massachusetts sons in the present war, if a bill introduced in the present legislature by Representative Frank J. Burke, of Roxbury, gets by the House and Senate.

The bill calls for the appointment of a commission of three, with an expense appropriation of $2,500 to consider the expediency of insurance by the Commonwealth of all soldiers and sailors in the present war. It reads in full as follows:

"Resolved, that the Governor, with the advice and consent of the council, is hereby authorized and requested to appoint a commission of three persons, one of whom he shall designate as chairman, to consider the expediency of insurance by the Commonwealth of all officers, soldiers and sailors in the military service of the United States who at the time of their enlistment or drafting were residents of the Commonwealth, such insurance to be against illness, injury or death. The members of the commission shall serve without compensation, but may incur such expenses, clerical and otherwise, as may be approved by the Governor and council. The commission shall report the result of its investigation with its recommendation to the General Court by March 15."

THE SMOOT BILL

Would Only Increase the Tax—Companies Awaiting Blanks From Government

Interest in the Smoot tax bill is not general in insurance offices, as most of the executives believe it will not go through Congress. The general counsel of one of the leading companies, after studying the bill, informed The Eastern Underwriter that the Smoot bill, while providing for a simpler method of making out of tax returns, is merely an increase in the amount of the tax from 6 to 8 per cent., and would mean an additional burden of several hundred thousand dollars for each of the leading companies.

In the meantime, companies are awaiting for the Government to send them blanks on which excess profits tax returns must be made before March 1.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years.

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President

Home Office: NEWARK, N. J.

All To Co-operate In Government Drive

WAR RISK INSURANCE CAMPAIGN

John L. Way, of Travelers, Chairman of Insurance Men's Committee—Record of Camps

The Treasury Department issued the following statement on Monday of this week:

Desiring to have every man in the army and navy insured by the Government in the War Risk Insurance Bureau, Secretary of the Treasury McAdoo announced to-day that a concerted effort of many agencies would be inaugurated immediately to bring about the desired goal. Army and navy officers, enlisted personnel, insurance men and insurance companies, councils of national defense, the Y. M. C. A., women's organizations and other Federal, State and local agencies will be continued until February 12, which is the last day on which most of the persons now in service can apply for insurance from the Government.

Up to the close of business Saturday, January 12, applications for $3,633,213,000 of insurance had been received by the military and naval divisions of the Bureau of War Risk Insurance. This represents 427,811 policies. The average amount of insurance applied for is $8,493.

The Co-operative Campaign

Under the supervision of Secretary McAdoo a soldiers' and sailors' campaign council, co-operating with the Bureau of War Risk Insurance and the War and Navy departments, will direct the movement. This council has delegated an executive committee of representative insurance men to take active charge. The members of this committee of the Travelers Insurance Company; chairman, T. W. Vardell, president of the Southwestern Life Insurance Company, Dallas, Tex.; Henry L. Rosenfeld, fourth vice-president of the Equitable Life Assurance Society; Lawrence Priddy, president National Life Underwriters Association, New York; Daniel P. Markey, supreme commander of the Maccabees, Detroit, Mich., and Louis N. Denniston, agency instructor of the Travelers Insurance Company, secretary.

Orders have gone from Adjutant General McCain to each divisional commanding general making him directly responsible for the insurance record of his camp.

Captain Tupper's Fine Record

The spirited rivalry aroused among the National Guard and National Army camps, and among units within the camps, will thus be further stimulated. According to the reports received by the Bureau of War Risk Insurance to date, Camp Wadsworth at Spartanburg, S. C., has registered the highest insurance totals. Captain Tristam Tupper, divisional insurance officer there, reports that up to January 5 insurance of approximately $175,000,000 had been written.

Camp Dix, N. J., had written $125,000,000 of insurance up to January 1, according to the reports from Captain Edward D. Freman, divisional insurance officer.

Camp Custer, Mich., had written $133,660,500 of insurance up to December 29, according to a report by Lieutenant H. H. Pound, divisional insurance officer.

Other high totals reached up to January 5 are those of Camp Sheridan, Ala., with about $125,000,000 of insurance; Camp Grant, Ill., with $120,338,500; Camp Bowie, Tex., with $100,550,000; Camp Logan, Tex., with $107,564,900, and Camp Meade, Md., with $126,714,000. Beginning this week each camp will make an official weekly report of insurance progress and "a standing of the camps" will be published by the campaign council to show the leaders in the drive.

SUSPEND CONVENTIONS

Mutual Life Will Not Hold Field Club Annual Meeting in 1918—Ambulance Given

The Mutual Life has suspended for one year the annual meeting of its field clubs. Instead, the clubs have equipped an ambulance which will be sent to France with a crew.

It is reported that the Prudential may not hold its annual superintendents' meeting. Last year's meeting was held in January.

BAYARD TAYLOR PROMOTED

Bayard Taylor, of Utica, N. Y., formerly local agent for the Connecticut Mutual Life, who enlisted in the Marine Corps, is at the marine barracks, Paris Island, S. C. He has been made a squad leader.

CALL OFF MEETING

The mid-year meeting of the executive committee of the National Association of Life Underwriters, hass been called off. It was to have been held in Baltimore on February 22.

Warren M. Horner, general agent of the Provident Life & Trust, Minneapolis, will devote fifty per cent. of his time during 1918 to the War Savings Certificate campaign. He has already put into operation some novel selling and advertising ideas for this great campaign.

MANY NEW GROUPS

Prudential Announces Names of Employers Who Have Recently Purchased Protection

Sales of group life insurance by the Prudential in December were numerous, and covered a varied line of occupations. In all cases the entire cost of the protection was assumed by the employers, and in most instances the announcements by employers went to their employes in the form of Christmas or New Year's greetings, it having been the intention of the officers of the several companies to furnish a pleasant surprise at a time of year when employes might look forward to bonuses, increases or other gifts.

The names of the new Prudential group insurance patrons follow:

Parker Pen Company, Janesville, Wisconsin, manufacturers of fountain pens. Individual insurance graded in accordance with length of service.

Russell Grader Company, Minneapolis, builders of road machines. Individual insurance graded in accordance with length of service.

D. & W. Fuse Company, Providence, manufacturers of electric fuses. Individual insurance graded in accordance with length of service.

A. T. Baker & Co., Philadelphia, plush manufacturers. Individual insurance graded in accordance with length of service.

Union National Bank, Newark, N. J. Employes insured for the amount of his or her salary.

Hays Run Fire Brick Company, Orviston, Pa., manufacturers of fire brick. Individual insurance graded in accordance with length of service.

Driver-Harris Company, Harrison, N. J., wire manufacturers. $500 for each employe after six months' service.

Murphy Varnish Company, Newark, N. J. Individual insurance graded in accordance with length of service and salaries.

Bockoff Company, Richmond, Indiana, manufacturers of machines for tool-making. Basis: Uniform amounts for all employes.

Centre Brick and Clay Company, Orviston, Pa. Individual insurance graded in accordance with length of service.

FINANCIAL STATEMENT

NORTHERN ASSURANCE COMPANY

CLARENCE L. AYRES, President (Time Tried and Claim Tested) DETROIT, MICHIGAN

DECEMBER 31, 1917

ASSETS

First Mortgage Securities (All on improved income bearing real estate)		$1,005,948.39
Premium Loans, net (fully secured by reserves on policies)		18,640.15
Policy Loans on this Company's policies as collateral		157,377.60
Real Estate (includes Home Office Properties at actual cost)		232,113.68
Cash in Banks		12,763.63
Interest due and accrued		28,437.70
Net amount of deferred and uncollected premiums (reserve charged in liabilities)		19,271.29
Collateral loan		2,000.00
U. S. Government Bonds		1,015.00
Agents' Balances		None
Furniture and Fixtures (All charged off)		None
Non-admitted assets		None
Net admitted assets		$1,477,567.44

LIABILITIES

Reserve (Michigan Standard), including disability reserve	$1,300,142.47	
Less reinsurance reserve	23,216.63	$1,276,925.84
Deferred annuities not yet due		22,957.41
Death Claims unpaid (proofs not received)		2,000.00
Premiums paid in advance		2,240.32
Reserve for unpaid Agency expenses		1,428.11
Reserve for reinsurance premiums		1,119.57
Other special reserves set aside		22,776.78
All other Liabilities		2,520.11
Capital Stock	$100,000.00	
Net Surplus	45,599.30	145,599.30
		$1,477,567.44

GROWTH OF THE COMPANY

Year Ending	Income	Assets	Reserve	Paid-for Assurance in Force
Dec. 31, 1907	81,554.41	144,097.74	17,146.15	2,111,000.00
Dec. 31, 1909	142,852.98	256,481.26	115,236.25	3,906,648.00
Dec. 31, 1911	216,065.89	420,443.12	271,811.34	7,056,630.84
Dec. 31, 1913	311,028.20	676,046.68	531,439.87	10,077,462.00
Dec. 31, 1915	379,082.24	1,021,784.34	861,144.86	12,185,019.45
Dec. 31, 1916	433,713.35	1,236,775.39	1,059,210.31	13,707,101.78
Dec. 31, 1917	502,587.41	1,477,567.44	1,276,925.84	15,310,527.00

GAINS DURING THE YEAR 1917

Gain in admitted assets	21.29%
Gain in reserve protection of policyholders	20.55%
Gain in net surplus protection of policyholders	40.63%
Gain in paid-for assurance in force	11.69%
Paid-for assurance written and revived during 1917 (net)	$3,103,022.00
Assurance terminated during the year from all causes, including death, maturity, expiry, surrender, lapse and decrease	1,499,597.00
Net gain in paid-for assurance in force	1,603,425.00
Paid-for assurance in force December 31, 1916	13,707,102.00
Total paid-for assurance now in force (net)	$15,310,527.00
Of the assurance in force at the beginning of the year, the termination from all causes was only	10.94%
The termination from lapses was only	7.53%

How to Sell Farmers Insurance

WINTEMUTE EXPLAINS METHODS

Endowment Gives Farmers' Sons a Start—Forms of Presentation Given

Published by the Canadian Life Underwriters' News

P. A. Wintemute, of the Manufacturers Life, Canada, recently addressed the Life Underwriters' Association of Canada, on "Need of Life Insurance for the Farmer and How to Sell Him." Points he made, as printed in the official organ of the Canadian Association, follow:

Certainly if we are to successfully sell any class of individuals, farmer, storekeeper or artisan, we must first be impressed with their need.

Possibly the farmer has more need for life insurance than any other individual. I am speaking now of farmers in a general class, including every man who tills the soil for gain, be it fifty acres in Ontario, or a section or ten sections, in Western Canada.

Farmers Have Great Need of Insurance

The average farmer to-day, particularly the grain grower, has more at stake in each year's crop than the average business man; is a greater gambler and hence in event of his premature death, if his estate is going to be in the shape he had hoped to leave it, he should have life insurance.

Records of probates prove that reductions to farmers' estates are larger than to the estates of other lines of business, more particularly those of a non-speculative nature, mostly caused from the want of ready money at the time of the owners' decease.

Progressive farmers are invariably adding to their holdings, either in land, or cattle, or buildings, and are not always in a position to pay cash, and hence resort to loans, secured by mortgages in most cases, and it is surely the province of a wise man to have at least enough life insurance to cover these obligations, and leave the estate intact.

A Factor in Credit

In arranging a line of credit with their bankers, farmers are learning that such can be considerably strengthened if they have life insurance, and, while the banks do not always ask for even a temporary assignment of the insurance, they consider the man with insurance, even if the same is made payable to a stated beneficiary, a better man to do business with than the man without, as, in the event of the decease of the borrower, instead of their having to ask that some part of the estate, regardless of opportunity, be sold to satisfy their claim, there are funds to take care of the same.

Endowment Insurance Gives Farmers' Sons a Start

The farmer who has become more or less "well-to-do," and has, say, several sons, is realizing more than ever that an endowment policy placed on himself, to mature at an age when his boys are wanting to start on their own account, provides funds to buy that fifty acres, or the quarter section nearby, and thus keeps the family circle inviolate. And could we men be engaged in any finer work than selling endowments to that end. Is there anything finer in the world, or, could you have any better experience than to get into a district where John Jones and his six sons live, all in one township? I have in mind my mother's brothers—my uncles—four of them living in a radius of two miles.

A Paying Proposition

A great many farmers, too, are seeing the need and advisability of placing insurance on their boys as they attain the age of, say, fifteen or sixteen—mostly twenty pay life bought in such cases. The father invariably pays one or two premiums, and then puts the obligation of continuing the insurance up to the boy. This encourages thrift on the part of the boy. These boys, too, as they become of age, and get running farms, or doing business on their own account, make a fertile field for increased insurance. To recall one of my own personal experiences in this respect, six years ago I encouraged the father of seven sons to place $1,000 twenty pay life each on two of them. Since then, four others have attained the age of fifteen, and have been written, and there is still one to secure when he attains that age. In the meantime, the first two are now farming on their own account, and one chap has raised his policy to $5,000, and the other increased his by $5,000. If they live long enough, and continue to prosper, I expect that they will each individually have at least $10,000 with our company.

An Appeal for the Farmers' Daughters

Most of us are aware of the fact that, even yet, some farmers' daughters are working alongside of their brothers, early and late, doing their part to help pay for the old homestead, or buy more land, only to find that when the day comes for them to leave home and parents, to join in marital felicity with a neighbor's son perhaps, she receives the munificent gift of old "Bess," the old cow that always was hard to milk, and, when father eventually succumbs to the call of Time, she has been forgotten completely in the will, or, at the most receiving $100—the boys of the family dividing the land and stock amongst them. Thanks to the persistency of the life insurance salesman, we now find a great many farmers placing insurance on their lives for their daughters. What better dower could be provided? And in encouraging him to buy an endowment you are safeguarding the daughters' interests to the very best advantage. Farmers, too, who are in the "better-off" class, and, possibly have some life insurance, are now purchasing to some extent monthly income policies for their daughters. This is a field for cultivation.

How to Sell the Farmer

In trying to establish the need of life insurance for the farmer, I feel that I have already shown, to some degree at least, how it might be sold to him. The "Need" and "How to Do It" are certainly co-related. However, if I may be permitted, I will take a few more minutes of your time to particularize on the "How" of it, as I have personally met the farmer and convinced him of the "Need."

I submit, gentlemen, there is practically no limit as to "Ways" and "Means." You read often of the man who, when he goes to canvass a farmer, puts on his overalls and goes out prepared to talk anything but life insurance for an hour or even a half day, and possibly, goes so far as to assist with some work that may be under way. I have, personally, in the past, and more particularly in the early part of my insurance career, and where there were two of us working together, presented my proposition, while my partner took the fork, or drove the seeder; or I have done the labor, and let him sell the goods. In fact, one of my best cases was written after helping a man pick twenty bags of potatoes, which had already been ploughed out, and were lying above ground. It was late in the fall, the air was full of frost, and it was absolutely necessary, if these potatoes were to be saved, that they should be under cover that night. By assisting him to do this, I secured an invitation to supper, and, by the way, after supper is always a good time to approach a prospect, and had no difficulty in closing the case.

Approaching the Farmer as a Business Man

I have worked this way with varying success, but with my longer and larger experience in selling, to-day I approach a farmer, in nine cases out of ten, just as I would a business man in his office. When I get to him, whether in his house, his barn, or his field, I approach him with hand extended, smile as broad as possible and say, "Mr. Jones, my name is Wintemute. I represent the Manufacturers Life Insurance Company." In most cases, I introduce myself, as I find very few men have the ability to introduce you, and give you the proper "send-off."

After the formal introduction, circumstances play a great part as to what my words are to follow. If I happen to be with a local man, who is well and favorably known, and, providing the local man has approached the prospect before, I make some remark as, "Mr. Smith intimated to me that you and he had been discussing life insurance, and he had only been waiting for me to come around, so that we might advise together as to which plan would suit your needs the best." I invariably try to impress my prospect with the fact that my experience and knowledge of life insurance is at his disposal, and it is my privilege to advise him. Keep away from the word "Sell." Few men like to be sold. They much prefer to "Buy." Before reaching his place, we have, of course, discussed his financial position and particular need for what I have to sell; decide on a plan to suit that need and then enlarge on its many advantages. In every case, I find it advisable to talk one plan only to each prospect, and while it is good business always to suit the plan to the need of the particular individual, still, I find, unless there is a great variance in their ages, it is wise to sell pretty much the one plan in a particular district. This avoids comparisons, and possibly misunderstandings.

Visualizing it to the Prospect

After such an introduction as I speak of, I have had men say, after a few minutes' explanation, "Well, I will buy so much of that." But, generally, I find, especially if in the open it is hard to get them to concentrate. In that case I use a pad and pencil, bringing figures into play, the premium required written very small and the amount of the policy written in large figures, generally using some saying, such as, "Mr. Jones, for this small addition to your liability you can have a large addition to your assets." Sometimes, I show him what the price of one or more hogs—if he is a hog man—will do in the way of paying the premium, or, one colt—if a horse man; or, one steer—if a cattle man. If a grain farmer, what one load of grain each fall will purchase. I find it pays, if possible, to meet the farmer in his own environment. That is, if his hobby is hogs, see his hogs, know something about hogs, be "wised up" to the price of hogs for the day, discuss the possibilities of an increase in price, and if possible, meet him when the price is on the up-grade. This applies also, of course, to the cattle man, or grain man.

Putting the Proposition in Terms of Property

As farmers, more particularly in the West, are increasing their holdings in lands, one of my stock arguments, and one from which a reasonable man can

(Continued on page 8)

THE AVERAGE EARNINGS OF THE AGENTS
OF THE
Standard Life Insurance Company
∴ ∴ OF PITTSBURGH ∴ ∴
are higher this year than ever before. Our attractive Accident and Health Policies have helped them to make more money.
Write for a LIFE, ACCIDENT AND HEALTH Contract to
FRANK A. WESLEY
Vice-President and Director of Agencies

THE TRAVELERS
INSURANCE COMPANY
INDEMNITY COMPANY
HARTFORD, CONNECTICUT
WRITE THE GREATEST VOLUME OF
GUARANTEED LOW COST LIFE INSURANCE
AND
CASUALTY INSURANCE
THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

Averages One App a Week for Four Years

HOW GEORGE M. RYAN DOES IT

Obtains One Application for Every Four Persons Interviewed Lunch Hour Utilized

George M. Ryan, of the Graham C. Wells Agency of the Provident Life & Trust, has scored the unique feat of writing at least one application a week for four years. Here is his story of how he does it:

To begin with, the selling of life insurance is hard work. It can be made much easier by following a plan.

My plan has largely been one of consecutive work. I am very safe in saying that I sell one application out of every four people interviewed. There is a lot of work done behind the scenes, however, such as arranging for a proper attitude on the part of the prospect and surrounding him with conditions which are conducive to his buying.

Working During Lunch Hour

Let me illustrate a plan which I have used with telling effect many, many times and which nearly always results in immediate business:

I call up a man and ask him to take lunch with me, which a man usually will consent to do. Once in a while a man will say over the 'phone, "Do you want to talk life insurance?" In which case I invariably answer, "Absolutely not." This disarms him and we have luncheon together.

Frequently such a man is curious to know what I want with him and asks what my intentions were, to which I reply that when he asked me I had intended to show him something concerning insurance, but my promise to him not to talk life insurance has sealed my lips and that I will not say a word about life insurance at this luncheon—unless he relieves me of the promise made, in which case I would like to show him a plan of making his own old age confortable at a time when more than 90 men out of every 100 are absolutely dependent.

Now, you will usually find that any man will respect you for keeping your promise and 99 such men of every 100 will relieve me of the promise and say go ahead, but I won't promise to buy.

Figuring on the Menu Card

In a great many cases I have taken the back of the menu card and drawn a picture of the policy which I wish to sell him, as I know this is a better way to center his attention on my presentation than to simply sit back and talk. Nearly all of these cases result in his coming over to the office right after the luncheon and being examined, although quite often we have taken so much time that day that the following day is set for the deal to go through.

When I received your letter I could not give detailed figures. Since receiving it, I have taken off very carefully a tabulated statement which shows upon what day of the six working days of each week the first case for the week was written.

You must realize that a consecutive weekly producer does not stop for the week when one case has been written—and so in the figures which follow I am simply referring to the first case of each week without reference to any others which may follow in that week.

Monday the Best Day

In other words, out of the 52 weeks in 1917, the first case for each week was written on the following days:

Mondays	19
Tuesdays	10
Wednesdays	4
Thursdays	8
Fridays	11
Saturdays	0
Total	52

You can, therefore, see that out of the 52 weeks there were 33 weeks in which the scoring for that week occurred in the first half of the week—and 19 weeks in which it was done on the last half of the week and never did it happen that I had not scored until Saturday.

This does not mean that I have not written business on Saturdays, but it does mean that the application which was responsible for the consecutive weekly scoring record was always safely tucked away before Saturday, leaving any further business as clear sailing.

Under no conditions is an agent in this Company allowed to carry one case over to a following week, as the date of the medical blank governs.

Starts Early

I might add for the benefit of any readers of this article that part of the plan of producing consecutively each week is to get your first case across on Monday, if possible.

For the benefit of those who have never tried consecutive weekly production, or who are afraid to try it for fear it may make them work harder than they cared to, I would say that no man can adopt consecutive weekly scoring as his slogan and consistently keep it up without writing more than $200,000 in each year—and unless he is a lazy chap he will go beyond $300,000 and $400,000 by this plan.

We have seven men in this agency, each one of whom has produced every week consecutively at least one application during 1917. In nearly every week there had been two or more—sometimes as many as 11 and in one week two of our men working together produced 26 applications for that week; or you might say 13 each.

BENEFICIARIES?

Who Is Usually Named When Policy Is Sold to Meet Inheritance Tax

This question has been asked of the Mutual Life: Who is usually named as beneficiary under policies taken out by wealthy men for the purpose of meeting the inheritance tax?

An examination of certain of these policies which have been written by the Mutual Life shows that in most cases the beneficiary is a member of the family, or some other close relative. In one of the very largest on the Company's books, the beneficiary named is the insured's son.

The Company says:

"In reply to the suggestion such a beneficiary might use the proceeds of the policy for purposes other than the meeting of the inheritance tax, it may be stated that the interest of the beneficiary in the estate itself should be sufficient to persuade him to observe the insured's wishes. If not, then a proviso in the will to that effect would create an additional safeguard.

"If the insurance is made payable to the estate of the insured, with directions to the executor to pay the inheritance taxes with it, then the desired results will to a certainty be accomplished. It must be remembered, however, that in such an arrangement the proceeds of the policy are taxable, while, according to a recent Massachusetts court decision, a policy payable to any individual is free from the inheritance tax."

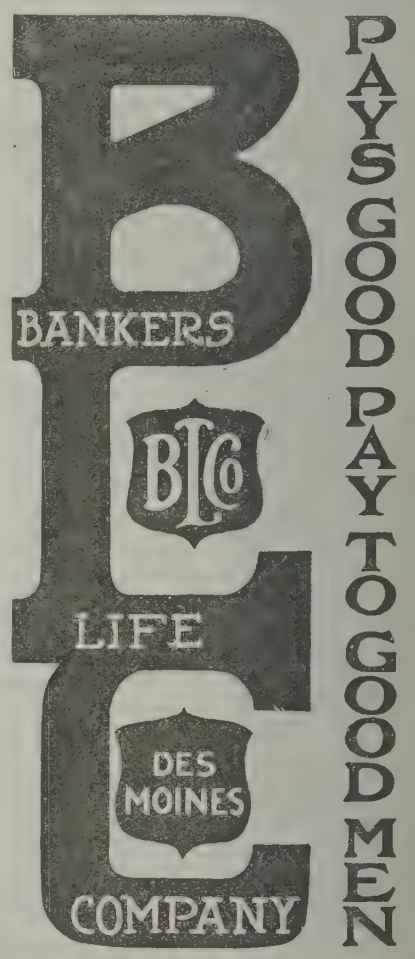
Y. M. C. A. BUSINESS

Competition for applications on the lives of men representing the Young Men's Christian Association in foreign service has been brisk. One company which offered a rate of $25 extra a thousand got a large part of this business. Several companies later shaded this rate.

HOME LIFE INSURANCE CO.
(Now Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-seventh annual report shows insurance in force of $133,493,000, an increase during the year of $7,832,827. The Company paid the policyholders in 1916 $3,536,233, of which $628,406 was in dividends or premium refund. Its insurance reserve fund was increased by $1,300,000 and the Assets are now $32-821,462.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agts.
256 Broadway, New York, N. Y.



Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity,
Disability Benefits,
Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

THE UNITED STATES LIFE INSURANCE COMPANY
1850 IN THE CITY OF NEW YORK 1914
ISSUES GUARANTEED CONTRACTS
Good men, whether experienced in fe insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, 277 Broadway, New York City.
JOHN P. MUNN, M. D., President
FINANCE COMMITTEE (CLARENCE H. KELSEY, Pres. Title Guarantee and Trust Co. · WILLIAM H. PORTER, Banker · EDWARD TOWNSEND, Pres. Importers and Traders Nat. Bank)

THE WESTERN AND SOUTHERN LIFE INS. CO.
W. J. WILLIAMS, President CINCINNATI, OHIO
The Largest Industrial Company West of The Alleghenies
Also Issues All Standard Forms of Ordinary $500 to $10,000
Organized 1888
COMPARATIVE RECORD—SEVEN YEAR PERIODS

	Assets	Insurance in Force		Income	Policies Issued
Dec. 31, 1888	$ 104,307	$ 889,073	1889-1895	$ 1,085,087	265,931
1895	155,640	5,294,381	1896-1902	3,930,883	638,659
1902	876,007	22,374,980	1903-1909	11,312,912	839,426
1909	4,867,379	44,780,907	1910-1916	22,670,340	1,426,752
1916	11,943,640	104,989,362			

AGENTS WANTED IN THE PRINCIPAL CITIES OF OHIO, KENTUCKY, MICHIGAN, INDIANA, WEST VIRGINIA and WESTERN PENNSYLVANIA

NATIONAL LIFE INSURANCE COMPANY
(MUTUAL)
MONTPELIER, VERMONT
67th Year
FRED A. HOWLAND, President
On paid-for insurance basis and with bonds valued at par only (market value $409,882 above par) the 67th report shows:

Assets	$66,426,040.82
Liabilities	62,268,494.36
Surplus	$ 4,157,546.46
INSURANCE IN FORCE	$212,037,400.00

A good company for the policyholder and the agent
EDWARD D. FIELD, Superintendent of Agencies.

Annuities of Canada Government

STATE GUARANTEE NO FORFEIT

From $50 to $1,000 Paid for Life—No Medical Examination—Different Plans

S. T. Bastedo, superintendent of Canadian Government annuities, has written an interesting article for the "Monetary Times," giving a resume of the salient features of the Canadian Government annuities act, which was passed in order that habits of thrift might be promoted among the people of Canada, and that they might be encouraged and aided to make provision for their old age by the purchase of annuities from the government.

The main principles which underlie government annuities are, that they are guaranteed by the state; that there is no forfeiture in case premiums are interrupted or should cease altogether; that they cannot be seized or levied upon by or under the process of any court; that they cannot be alienated or anticipated; that they are not transferable; and that they are exempt from taxation under the Dominion income tax act.

Under the act the government may contract for the sale to any person domiciled in Canada of an annuity of from $50 to $1,000, to be paid for life; or for a term of years certain, not exceeding 20 years, provided the annuitant shall so long live; or for a term of years certain, not exceeding 20 years, or for the life of the annuitant, whichever period shall be the longer. An annuity may also be purchased on the joint lives of any two persons; any society or association of persons, being a body corporate for fraternal, benevolent, religious or other lawful purpose, may purchase annuities for its members; and employers of labor may enter into an agreement with their employes for the purchase of annuities otherwise purchasable by such employes as individuals.

Annuities Either Deferred or Immediate

Annuities may be either deferred or immediate. A deferred annuity is one that may be contracted for at the age of 5 or any later age; and there are three plans on which it may be purchased, namely, plan "A," plan "B," and the guaranteed plan. Under plan "A" and the guaranteed plan if the annuitant dies before the age fixed for the annuity to begin all his payments with 3 per cent. compound interest up to the date of his death will be returned to the legal representatives of the purchaser.

Under plan "B" the rate is lower for the same annuity than on either of the other plans, and in consideration of that fact no portion of the purchase money is returnable should the annuitant die before attaining the annuity age. Under all the plans the annuity is payable quarterly for life, unless otherwise arranged. Under plans "A" and "B" the contract ends with death after the annuity begins.

Under the guaranteed plan, which may be for a period not exceeding 20 years, the annuity would in any event be paid for the period guaranteed. For example, if the annuitant should purchase an annuity payable for life or for 20 years in any event, and should die, say, at the end of 5 years, 60 quarterly installments would be continued to his legal representatives.

The earliest age at which annuities may become payable is 55, with the sole exception that should a person purchasing a deferred annuity become through invalidity or disablement unable to complete the purchase, and the sum at his credit will buy him an annuity of not less than $50, the annuity may begin at his then age, though he be under 55. An annuity may, of course, be arranged to begin at any later age than 55, and the longer it is deferred the smaller will be the payment to be made, the rate for an annuity to begin at 65 being on plan "A" less than two-fifths of what the rate would be for the same annuity to begin at 55; and on plan "B" it would be less than one-third as much.

No Fixed Rule for Purchases

The purchase may be made, at the discretion of the purchaser, by a single payment in advance; by payments of amounts at irregular intervals; by annual premiums, which may be split up into weekly, monthly, quarterly or half-yearly installments; or in any other manner that may best suit the purchaser's convenience. Should the payments be not made strictly in accordance with the terms of the contract there is no penalty; and the purchaser will in any event receive at the age fixed for the annuity to begin whatever annuity his payments will purchase. If, however, these should not be sufficient to secure the minimum annuity of $50 the amounts paid with 3 per cent. compound interest will be returned to him.

The purchase money may be paid to the postmaster of any postal money order office; or it may be remitted ,free of postage, by any of the usual methods of remission direct to the department. The first installment of annuity becomes payable an even number of years from the date on which the first payment on account of the purchase was made.

Immediate annuities are purchasable by a single payment in cash in advance by any person who has attained the age of 55, or any older age, a man of 60 paying less for the same annuity than a man of 55, a man of 70 paying less than a man of 60, the rate decreasing in like manner until the age of 85, when it becomes stationary. They may be purchased on the ordinary life plan or on the guaranteed plan, and the first quarterly installment of annuity becomes payable three months from the date of purchase. The purchase money may be remitted by marked cheque or bank draft made payable to the credit of the postmaster-general.

When the details of the purchase have been arranged a contract or policy setting forth the conditions of the purchase is issued to the annuitant. No medical examination is required. No deductions are made from the purchase money for administration expenses of any kind, every dollar the annuitant pays being credited to him on the annuities' account.

The Cost

The cost of an annuity varies according to the nature of the contract, the age at which payments are commenced, and the age at which the annuity becomes payable. The rates for females are somewhat higher than the rates for males in consequence of the superior longevity of the former. The greater the obligation of the government to the annuitant the larger, of course, is the premium to be paid.

The rate of interest allowed on payments made is 4 per cent., but as the annuity benefits are calculated on the average expectation of life they represent a very much larger return on the investment than 4 per cent. Take, for example, the case of a young man of 25 buying a life annuity of $500 to begin at 60, with the proviso that should he die before 60 all his payments with compound interest at 3 per cent. up to the date of his death shall be returned to his heirs, and that from 60 the payment of $125 every three months shall be guaranteed for a period of 10 years in any event. For such an annuity he will pay to the government from age 25 to 60, or for 35 years, the sum of $72.85 per annum, or $6.08 per month, which with interest will amount at the end of the 35 years to $5,580. So it will be seen that his annuity represents a return on his investment equal to 9 per cent. so long as he may live, with a positive return of $5,000 guaranteed.

Benefits of Immediate Annuity

If instead of purchasing a government annuity he deposited the same amounts in a savings bank at 3 per cent. compound interest, he would have at the end of 35 years the sum of $4,500, and if, by way of illustration, he were then able to invest his $4,500 at 5 per cent., and were to spend $500 a year, both capital and interest would be exhausted before he was 73. A better plan would be to invest his $4,500 in an immediate annuity, which would yield him an income of $432.69 payable quarterly so long as he might live, or over three times the return he would secure if the money were left in the bank.

Where the investment is in an immediate annuity the benefits, though calculated on the same interest basis, are still more striking. For example, an investment in a life annuity by a man of 60 will yield him so long as he may live, the contract to end with his death, a return equal to over 9½ per cent. on the sum invested; a man of 65, over 11 per cent.; a man of 70, over 13½ per cent.; a man of 75, over 16½ per cent.; a man of 80, over 21 per cent.; and a man of 85 over 27 per cent. A considerable number of persons of both sexes have purchased annuities at these and even greater ages. One man purchased at 87 and lived to be 92, receiving back in annuity payments $500 more than he had paid for his annuity.

NEW WOMEN'S DEPARTMENT

Established by Warren M. Horner, Provident Life & Trust Co., Minneapolis

Warren M. Horner, general agent of the Provident Life & Trust Co., with headquarters in Minneapolis, has established a women's department, the director of which is Miss Blanche Fenton. The appointment of Miss Fenton was rather interesting as it was made indirectly through Mr. Horner's vocational salesmanship book.

The war has not only enlarged the sphere of women's usefulness but has created innumerable opportunities for their advancement. The women's department in the Horner agency has had a successful inauguration, and already has enlisted the services of a number of capable women agents.

For SEVENTY-THREE YEARS, SERVICE AND SATISFACTION have been synonymous with STATE MUTUAL of Worcester.

The Company's record of SEVENTY-THREE YEARS OF SERVICE spells SUCCESS for all.

Additions are made to our General Agency force when the right men are found.

State Mutual Life Assurance Co.
of WORCESTER, MASS.
Incorporated 1844
B. H. WRIGHT, President D. W. CARTER, Secretary
STEPHEN IRELAND, Superintendent of Agencies

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

A Year of Splendid Achievement

It is not difficult to see why the MASSACHUSETTS MUTUAL in 1917 wrote a larger amount of paid-for business than in any other year in its history. Sixty-six years of Service efficiently and promptly rendered have won the confidence of its representatives and of the public. Co-operation with a Home Office that has the right spirit, policies which are not excelled, and a company with a sterling reputation ensure success for the Field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts
Incorporated 1851

44 MILLIONS from 42 AGENCIES

THE 1916 RECORD OF OUR EARNEST, LOYAL AND HAPPY AGENCY FORCE

New England Mutual Life
Insurance Company
BOSTON, MASS.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Sell And Get Out

It is always well for the salesman to learn everything possible about the personality of the prospect he is going to interview, many sales managers believe. An antagonizing remark frequently cuts into the sales account, as the star salesman for a large Chicago bond house found out several years ago, when he was starting out in busines. Simultaneously he discovered another rule for salesmen. Since his lamentable experience he always gets out of the customer's office as soon as he has made his sale.

On his very first sales trip he called on a banker in a middle-sized Minnesota city. As luck would have it, his man was in the market, and a $40,000 sale was closed in less than an hour. Then in his anxiety to strengthen the tie between them, he started a casual conversation. The banker had a fondness for young men, and inside of ten minutes they were quite chummy. The talk slowed up for a moment, and the salesman said, cheerfully, "I certainly admire the way the President is handling the tariff situation."

The banker was a dyed-in-the-wool member of the opposition and a State leader of the party. He didn't stop to argue the point, but cried excitedly, "Cancel that order. And get out of here! Stay out, too."

The salesman left, and try as he might, has been unable to recover the choleric old gentleman's favor. He has lost a large total of business over the ensuing years by his inability to break in again, but he claims that it has been worth it to him, in actual earnings. --"System."

* * *

An Agent's Prayer

Teach me never to wish for things, but to set out to attain them instead.

Teach me to speak only of happiness and pleasure, and never to cry for the moon.

And, may I learn to credit my misfortune at my own door, and not at the door of Fate;

To accept the results of my folly, to explain to no man, and

Never to sell my self-respect and individuality in order to gain sanction and position.

I pray that I may never become diseased with the malady of meddling into the private affairs of other men.

Teach me to dilute my work with play, to brighten my seriousness with jest,

And never to take myself so seriously that I crowd from my life the joys and pleasures that are mine by heritage.

Teach me to get the most from the companionship of the stars and trees, and from my walks and talks with men.

Teach me to be greater than my blunders and to absorb the philosophy that folly gives me the vision to acquire.

May I never prophesy failure for other men,

And may I always remember that one divine moment or hour carries us further along on our way than the tide of a day misspent can carry us back.

Teach me never to make myself a nuisance by advising other men how to live, the style of clothes to wear and what to eat and drink.

May I understand more and more that an agile tongue is the evidence of a shattered and sickly mind—

A mind saturated with suspicion for my neighbor and those whom I pretend to love and befriend.

Teach me to forget the mistakes I have made and the mistakes of other men,

And may I learn that it is best to write the failings of men and women in the sand, near the water's edge.

Teach me never to wear the double smile and never to go tip-toeing about with moccasins to malign and criticise and to carry "news," for these things ill-become men and women.

May my imagination never grow dim, and may there always be a place in my mind for the Butterfly of Fancy to spread its wings and fly.

Teach me to always discern the opportunity and the possibilities that are constantly beckoning to me from the horizon of the Future.

If it is possible for me to acquire these things, even in a degree, I will then be the type of salesman that I want to be.—From "Salesmanship."

Writing Farmers

(Continued from page 5)

hardly get away, is, "Mr. Jones, would you be interested in buying this most desirable half section near you, if the terms could be arranged to suit you? For instance, if I could arrange for you to pay $150 this year, and then $150 each year for the next nineteen—without interest mark you—you would, I am sure, at least be interested enough to discuss it with your good wife, and I can imagine I see you getting your heads together and finding ways and means to raise that first $150. Now, Mr. Jones, you know if you bought this property and promised to pay for it that way, if you had made the first payment, and anything unfortunately happened to you—the bread-winner—Mrs. Jones would be required to make the other nineteen payments before she could secure the title to the land. Our proposition is practically the same, except that it is this much better, if you died prematurely the full value of the property you bought is paid to her in full within a short time, or, at most, as soon as the company receives proof of your demise. There will be no road work to do, or taxes to pay on this property, Mr. Jones." If necessary, I continue. "Of course, Mr. Jones, we are discussing the proposition when, after all, we may not be able to do business at all, as more than the price has to be taken into consideration. In fact, the biggest consideration in the closing of our contract is the condition of the health of the purchaser. Last year's statistics prove that one in every nine, or eleven per cent. of those who applied for life insurance in Canada were, for various reasons, declined. I venture, Mr. Jones, that at least ninety-five per cent. of these applicants could at one time have had insurance, but deferred applying until something happened—possibly only in the family history. Possibly, typhoid, pneumonia, pleurisy, or any one of several diseases I might mention, have left them with health impaired, heart weakened, lungs unsound. Most of these men may live as long as you or I, but they can never have the supreme satisfaction of the protection provided by a life insurance policy. And believe me, to these men the price is no consideration. I have had men say to me, after the doctor has said, 'Sorry, old chap, but I do not believe there is any use in sending this in,' 'Don't you suppose they will give me some kind of a policy?' And the fact that men are accepting high premium policies, and, in some cases these even liened, is proof that it behooves us to get it when we can."

Another Form of Presentation

This simple presentation sometimes appeals to a prospect. "In our company, Mr. Jones, the application is a small matter." I generally then hand him an application form with some such remark as the following: "This is the form. We complete this, photograph the same, and attach it to the inside of the policy."

Other Methods

I find, too, that very often, if you can secure answers to a few of the leading questions on the application, by showing him the same, partly completed, he will give you the necessary information required to finish it, and then sign.

In some cases I find it good business to leave out the words "life insurance" as far as possible, discussing it more as providing a bank account, which, after all, it really is, being a larger one than could be provided in any other way, if the insured dies early in life.

If I have been fortunate enough to have secured an application in a district I get the names of at least three friends or neighbors, call on these gentlemen, and after introductions, address them in some such manner as this: "Your neighbor, Mr. Smith, has very kindly allowed us to present his name in the form of an application to our company for some life insurance. It is necessary that we should have some further information than that disclosed by the application or medical examination. He has given us your name as reference. Will you kindly answer the following questions." I invariably complete the questions, and have the party sign. Very often this paves the way for an interview which might otherwise have been hard to obtain. In a community where I have a number of policyholders, I always carry a list of same, and find the displaying of this list, or reading the names, has a great influence on average prospect.

If a claim has been paid in the district lately, either by your company or another, know the facts. Localize your talk as much as possible—not necessarily entering into the community gossip—but know some of the things worth while of the district in which you work. My final word of advice to you is: Write farmers, see farmers, and several each day.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

The Company
Of the People
By the People
For the People

The Daily Average of the Company's Business during 1916 was:

701 per day in Number of Claims Paid.

8,304 per day in Number of Policies Issued and Revived.

$1,969,823 per day in New Insurance Issued, Revived and Increased.

$376,827.40 per day in Payments to Policyholders and Addition to Reserve.

$220,509.26 per day in Increase of Assets.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

The Nimble Dollar

By J. Frank Howell

Americans have been called "a nation of spendthrifts." The term is not a libelous one, for our extravagances are too obvious to admit of denial. Nor are these extravagances confined to the wealthy alone—they may be laid at the door of all the elements constituting our social scale. The American laborer to-day is better housed, fed and clothed and insists on and receives more comforts and luxuries than the Norman kings who ruled England, and the wage earner lives under conditions that would have been deemed the acme of luxury by the enormously wealthy of olden times, says the "Financier."

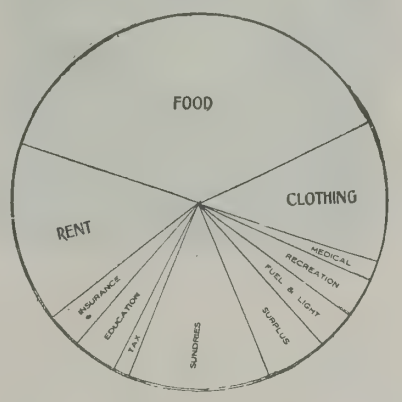
The diagram illustrates, in a general way, the budget of the average American family of moderate means. The relative proportions of the various expenditures shown in the diagram are arranged upon percentages and are believed to be actually representative of the facts. No one cares to lower our ideals of living, but the time has come when a halt must be called to extravagances, for many of our expenditures are simply foolish extravagances.

There are, of course, exceptions to every rule and, therefore, it would be unreasonable to expect the foregoing schedule to fit every case. For instance, rents are higher in large cities than in rural communities. Again, expenditures for fuel, light and clothing vary according to special conditions associated with the environment of the individual, but in the long run the average figures apply. It might with great propriety also be mentioned that in cases where the income is very small, the items of food and rent take a much larger proportion of the income than is shown by the diagram. The percentage of expenditure for these items, however, gradually decreases as the income increases. On the other hand, expenditure for clothing and sundries also increases with the amount of income up to a certain figure. None of the figures shown here apply to those possessing great wealth or extremely large incomes.

In this connection it is interesting to refer to the figures of the Internal Revenue Bureau for the fiscal year 1917. This report shows 206 men with incomes in excess of $1,000,000 a year, 10 of whom have incomes of more than $5,000,000 and 196 with incomes ranging from $1,000,000 to $5,000,000. Number reporting incomes are divided as follows:

85,122	$3,000	to	$4,000
72,027	4,000	to	5,000
150,551	5,000	to	10,000
45,305	10,000	to	15,000
59,311	15,000	to	50,000
10,452	50,000	to	100,000
2,900	100,000	to	150,000
1,264	150,000	to	200,000
2,238	200,000	to	1,000,000

The bare necessities of life are food, clothing and shelter. They were the necessities of man in all past ages. They are equally our primary needs to-day. Fostered by favorable conditions, American desire for artificial wants has developed tastes and demands for other things, that through gradual association, are regarded as necessities. Through living under such exceptionally favorable circumstances, we have become so accustomed to pursue the even tenor of our way, that we



have thoughtlessly settled down in the midst of plenty deeming anything and everything within a reasonable reach as being essential to our peace and comfort. Yet if we were to analyze them carefully one by one, it would be surprising to find how many could be discarded as absolutely non-essential. It follows, therefore, that lopping off the non-essentials alone will not bring actual hardships home to any one. That is all very well as far as it goes. It is, at least, a step in the right direction. We must cut deeper into matters; we must come down to rock bottom in every item if we are to be faithful to our duty as Americans.

MUTUAL LIFE MEETING

Agents of Western Shore of Maryland Did $6,000,000 in Year 1917

Agents of the Mutual Life in the Baltimore district recently held a two days' conference. There were 88 representatives present from the territory embraced in the district which covers the Western Shore of Maryland, the southern part of Pennsylvania and part of West Virginia, and these reports were highly gratifying to Charles R. Posey, manager of the district office. They showed that the business done during 1917 was ten times the amount of that done ten years ago when Mr. Posey took charge of the office, the figures being $600,000 for 1907, and $6,000,000 for 1917.

Aetna Life Girls Entertain

The Aetna Life Girls' Club furnished entertainment in the form of a patrictic play at a rally of the Girls' Patriotic League in Hartford. January 16.

Extracts from Report of Examination of

SOUTHWESTERN LIFE INSURANCE CO.

By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."

"I beg to report further that I find the Company in excellent financial condition."

"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

THE MOST VALUABLE POLICY FOR YOU,
Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
METROPOLITAN DISTRICT, ST. PAUL BLDG., 220 BROADWAY, NEW YORK, N. Y.

ORGANIZED 1871
Life Insurance Company of Virginia
RICHMOND, VIRGINIA
OLDEST, LARGEST STRONGEST Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1916:

Assets	$14,464,552.23
Liabilities	12,436,717.56
Capital and Surplus	2,027,834.67
Insurance in Force	118,349,212.00
Payments to Policyholders since Organization	18,119,172.50
Is Paying its Policyholders over	$1,300,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

The Life Insurance Salesman bears an unusual responsibility.
The service he sells often continues for many years.
Provident service sells so readily today, because of the value and satisfaction Provident policy holders have derived from the service of Provident Agents.
Write for information

The Provident Life and Trust Company
OF PHILADELPHIA
Founded 1865

We want a GOOD PERSONAL PRODUCER and organizer for DESIRABLE TERRITORY in several states west of the Mississippi River. EXCELLENT CONTRACT.

Northwestern National Life Insurance Company
MINNEAPOLIS, MINNESOTA,
is a LEADING LOW NET COST, annual dividend, MUTUAL, OLD LINE company. Record for 1916—increase in insurance in force, 20%; in paid-for business, 51%; in assets, 15%; in amount apportioned for 1917 dividends, 71%.

15,000 PEOPLE
Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life."
This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.
AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day

FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA

Insurance in force over $142,000,000
Walter LeMar Talbot, President

The Connecticut Mutual Life Insurance Company,
PRESIDENT JOHN M. TAYLOR, HARTFORD, CT.

Insurance in force, 107,262 Policies for	$253,439,405.12

WHAT NO OTHER COMPANY HAS DONE
To repay to its Policyholders in Death Claims, Endowments, Dividends, Surrender Values, Annuities and other credits more than they have paid to it in premiums. It stands alone in that result.

Total premiums received, Dec. 1, 1846, to Dec. 31, 1916	$310,337,255.71
Total returned to Policyholders, as above noted, in same period	319,548,729.00
Excess of amount returned	9,211,473.29

A GOOD OPENING
An old, well established, progressive life insurance company, with unexcelled dividend record has good opening at PHILADELPHIA, covering Eastern Pennsylvania. Address, stating qualifications:
PHILADELPHIA, care of The Eastern Underwriter
105 William St., New York City

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

Subscription Price $3.00 *a year. Single copies,* 25 *cents.*

Entered as second-class matter January 4, 1907, *at the Post Office of New York; N. Y.; under the act of Congress of March* 3, 1879.

A MARINE INSURANCE NUMBER

On January 25th The Eastern Underwriter will issue a service number devoted to marine insurance. The first issue of this kind that has been printed by any paper, it is designed to meet the demand of insurance men for information about marine insurance. Ever since the beginning of the war marine insurance has assumed a tremendous importance recognized by many fire insurance companies opening ocean marine departments. The attitude in many marine offices has been to keep their own counsel, refusing to disclose information about the great business in which they are engaged. The Eastern Underwriter was conscious of this phase of the marine insurance business, but felt sure that it was exaggerated; that such a selfish position was not taken generally, which estimate turns out to be correct as will be seen by the unusually interesting number which The Eastern Underwriter will present to the insurance public.

While in a few offices, such as the old Atlantic Mutual where every officer of the company refused to co-operate in any educational way with The Eastern Underwriter, taking the position that its officers were too busy with their own clients to care about the needs of men in other offices who are readers of this paper, other marine insurance men were willing to lend a hand and to help disseminate information. They made the success of the issue possible and to them The Eastern Underwriter extends its thanks.

Among some of the subjects which will be covered are the following: The American Merchant Marine, the principles of general average, insurance on cargoes, British builders' risk forms, marine insurance rates, the brokers' viewpoint, British war clauses, personalities in the business, the Government War Risk Bureau, war risk insurance, unique marine insurance losses, New York Insurance Department rulings, the law of marine insurance, inland marine, etc.

The men who have written the articles, or who have furnished material for them, are among the most representative in marine insurance.

In the course of its inquiries The Eastern Underwriter learned that there is not a reporter in New York City, the greatest marine insurance market on this continent, who is going about the offices in quest of marine insurance news, and in order to meet the demand for such news a marine insurance column will be established by this paper, forming part of each issue hereafter.

CANCELED, NOT TAKEN

Relation of this Evil to Taxation—Plain Talk by F. C. Calkins & Co.

Under the head of "Canceled, not Taken, and Increased Taxation," Fred C. Calkins, general agent of Hanover Fire and other companies of Jacksonville, Fla., has the following pert comments to make:

"We call the attention of agents to the fact that it costs $3 to put a daily report through the books of this office and at our respective head offices. By the same token another $3 is to be added when a policy is canceled. This makes a dead loss of six bucks and we want to secure the aid of our agents in helping us avoid this direct loss where possible. Try to be sure of your ground in case of a renewal or new policy. All it takes is a little more thought and care on your part. Another item we want to let sink in on you is this—beginning the 1st of last November the Government war tax went into effect. '1c for each one dollar or fractional part thereof of the premium charged on all policies.' The companies will settle with the Government for this and agents should be thankful to be relieved of the burden of providing and affixing revenue stamps.

"However, there's one little joker in the proposition and it is this—you should use the greatest caution against issuing a policy that may not be taken by the assured. Be sure of your ground first. The tax is due and must be paid on each policy written and accepted by the assured. Credit on cancellations cannot be taken. If a policy has been ordered out and is not promptly accepted, send it in at once marked Not Accepted. If you do not do this you put an unnecessary burden on your company. Please also change your usual date for making up your monthly accounts and let them get away from your offices by the 4th or 5th of each month. In this way you will be doing your bit and helping mightily and at a time when head offices are rushed to the limit and working at top speed with untrained help for the most part."

CITY CLUB PLANS

At the meeting of the City Insurance Club on Tuesday plans were made for the annual meeting to be held March 19. The by-laws committee will meet on January 29 and provide for the nomination of the new officers. It was announced that the membership of the club now totalled ninety-eight.

T. L. WILSON ADVANCED

Thomas L. Wilson has been appointed manager of the Delaware Underwriters of the Westchester Fire, succeeding J. Parsons Smith, Jr., deceased. Mr. Wilson has been agency superintendent of the Delaware Underwriters.

J. A. Rooney has joined the Kenzel Agency, New York, as a solicitor. He has been with Wallace Reid.

THE HUMAN SIDE OF INSURANCE



WILLIAM G. McADOO

William G. McAdoo, Secretary of the Treasury, Director General of the Railroads, and right-hand man of President Wilson, is growing to be a more important man in insurance every day. A considerable part of his time is devoted to consideration of insurance problems. This is natural in view of the fact that the War Risk Bureau is one of the divisions of the Treasury Department. The first step taken by the Treasury Department in regard to indemnities was the compensation of seamen. Then followed the War Risk Bureau relieving the marine insurance situation and modeled somewhat after the Government war risk bureaus of several foreign countries. Next came the soldiers' and sailors' insurance division. Secretary McAdoo has gathered about him not only a large corps of official insurance advisers and executives, who are devoting all their time to the Government, but in addition some of the greatest insurance minds in the country are at his beck and call. In fact, the spirit of co-operation displayed by insurance men of the first rank in dropping their private duties and co-operating with the Treasury Department is one of the most encouraging signs of the times. Another great division of the Treasury Department, which should not be overlooked, is the W. S. S., to which many insurance men are giving their service.

* * *

Henry W. Hubbell, Jr., has been appointed traveling secretary of the National Association of Life Underwriters. He is a Princeton man and also a graduate of New York Law School. Mr. Hubbell is a son of the late General Henry W. Hubbell. After being admitted to the bar he joined the law firm of Conway & Westbrook, of New York City. Some years later he became connected with the Lawyers' Title and Trust Company. In 1907 he went to Kansas City, where he became associated with J. & W. C. Mackenzie, a banking concern. His last connection was with the stock exchange house of Joseph Walker & Son, New York.

* * *

John G. Sell has been elected president of the Pittsburgh Fire and that company is to be congratulated as he is an underwriter who knows his business and stands well with the fire insurance community. Other officers of the company are D. G. Shaw, vice-president; G. R. Dette, secretary, and J. D. C. Miller, treasurer.

Mayor Hylan, of New York, named a committee this week to greet the Serbian War Commission. As this is the first general committee of prominent citizens named by the Mayor, the list was closely scanned by the Street to see what insurance men he would name. Among them are President Peabody, Mutual Life; President Hegeman, Metropolitan Life; President Day, Equitable; President Kingsley, New York Life. As was expected, Charles Jerome Edwards, the leading life insurance man of Brooklyn, is on the committee. Another life insurance general agent on the committee is John M. Riehle. The only fire insurance man named is George R. Branson, president of the United States Fire. George T. Wilson, of the Equitable, a member of every important citizen's committee named by Mayor Mitchel, and the chief of the Mitchel reception committees to the Allied missions, is not on the Hylan committee.

* * *

J. L. Purdy, of the Toronto agency of the Canada Life Assurance Company, began his insurance career in South Africa in 1905, travelling from Cape Town, through practically every town and city on the railroad up to the Northern Transvaal, soliciting for the Norwich Union Life Insurance Company. Prior to that he had general commercial experience; back to London, England, in 1908, where a link was made with the Norwich Union again; in 1910 he was invited to join the soliciting forces of Price, Forbes & Company, at Lloyds, and continued there until 1913, when the call of the overseas dominions again claimed him. He came to Toronto in 1913, going with the Mutual Life of Canada, and in 1916 he joined the Canada Life on its Toronto soliciting staff.

* * *

Harvey Thomas, supervisor of the publication department of the Prudential, has on the walls of his office in Newark a collection of autographed photographs that are the envy of everyone who sees them. One is from Woodrow Wilson, inscribed in the President's writing: "To Harvey Thomas, an editor who is not afraid." Theodore Roosevelt has sent the best photograph he ever had taken, with a characteristic friendly note; Joseph Tumulty, secretary to the President; William J. Burns, detective, and others have added their pictures to the gallery.

JERSEY MEETINGS

Many Join Bergen County and Other Associations—Representatives of National Body Speak

Insurance agents of Bergen County, New Jersey, met in Hackensack this week and were addressed by representatives of the National Association of Insurance Agents, including F. J. Cox, of Perth Amboy, and C. S. S. Miller, field secretary. Others who talked included A. W. Van Winkle, of Rutherford, and Thomas C. Moffatt, of Newark. Seventy per cent. of the agents of the county attended and it was a rousing meeting. Everybody present joined the local association.

The constitution was amended, dropping the designation "fire" from the association's title. Also, every member will automatically become a member of the National body.

On Tuesday meetings were held at Englewood, Rutherwood and Ridgewood, with members of the Bergen County Association co-operating. Eight new members were obtained. There was not one refusal to join.

Wednesday afternoon a meeting was held in Plainfield, the New Jersey commissioner and Mr. Miller speaking.

FIRE INSURANCE DEPARTMENT

Little Likelihood of Theft Advance

COMPANIES NOT IN FULL ACCORD

Divergence of Opinion and Insufficient Available Experience Stumbling Block

As the time for the anticipated advance in automobile theft rates approaches, it becomes more and more apparent that the stage is not set for this event and it would not be surprising if the whole matter went over for the time being.

It was expected that theft insurance rates would be materially advanced in large cities which have shown a particularly unfavorable experience. Also action was expected on the reduction in cover, together with other changes in the policy form which would have had the effect of making the business more profitable.

Companies not Agreed

The likely necessity for deferring action by the conference at this time is attributable to lack of co-operation on the part of member companies and inability to get together on the many points which have been raised during the discussion of the rate subject. The divergence of opinion as to just how the desired result might best be attained has been so wide as to seemingly preclude the possibility of successfully bridging it now.

Far from all the member companies of the conference have furnished that body with their experience and at the same time these companies were not satisfied to abide by the combined experience of those members whose experience was available. The result is a deadlock from which the conference has not yet emerged. Possibly by the end of another six months the conference may be able to obtain the complete 1917 experience of from seventy-five to ninety per cent. of the member companies. When that time comes, the companies may, with this weight of testimony before them, be in a frame of mind more conducive to an agreement on this question of theft rates and cover.

Meanwhile the program of the conference, as it relates to collision, property damage and certain special forms of contract, is progressing along the lines laid down some time ago.

NEW YORK BOARD MEETING

Losses Handled by Committee Totalled $9,500,000 for Year as Against $5,200,000 for 1916

The annual meeting of the New York Board of Fire Underwriters was held on Wednesday. Secretary A. M. Thorburn announced that the annual report was ready and would be distributed this week. Wallace Reid read extracts from the report of the committee on losses which showed that the committee during 1917 handled $9,500,000 in losses as against $5,200,000 for 1916.

Suburban Exchange and Violations

QUESTIONS SENT TO MEMBERS

Asked if Work of Pointing out Violators Should Be Continued—The Questionnaire

The following questionnaire for information of the Deviation Committee of the Suburban Fire Insurance Exchange has been sent to company members:

1. In your opinion is it desirable to continue the work of our stamping department in pointing out violations of rates, rules, forms, etc.?
2. If yes, should such violations be followed up for correction?
3. If yes, should a limit of time be fixed within which violations must be corrected or policies cancelled?
4. If yes, is ninety days too short a limit?

(As a matter of fact the time is always longer because it does not begin to run until the end of the month in which the violation is imposed.)

5. If in your opinion a time limit of ninety days is reasonable, should a penalty be imposed by the Deviation Committee for exceeding that limit, due notice being given that such penalty is imminent, and the elapsed time being thereby lengthened to more than one hundred days?
6. If penalty fines are imposed should they be paid?
7. Would the publication each month of the names of those companies who have violations to stand uncorrected longer than ninety days be preferable to imposing and collecting fines?
8. Is there any form of penalty other than fine or publication which you would suggest?

GOES WITH GREAT AMERICAN

Paul J. Clarke Leaves American Insurance Company—A Young Man of Much Talent

Paul J. Clarke has resigned as special agent of the American Insurance Company of Newark, in charge of that Company's brokerage office at 80 Maiden Lane, New York, and will go with the Great American and American Alliance.

Mr. Clarke is one of the brightest and one of the ablest special agents in this field. He came from Atlanta where he was with the Southeastern department of the Queen Insurance Company. He attracted attention among underwriters and agents by his fine work with the Atlee Brown rating office in Newark. There he showed so much tact that several companies bid for his services. He went from there to the American.

MARYLAND FIRE MARSHAL

Commissioner Shehan, of Maryland, has recommended that a fire marshal be appointed in that State. He makes this recommendation because of the large number of suspicious fires.

FIRE AND MARINE INSURANCE—ALL LINES

The Automobile Insurance Company of Hartford, Conn.

MORGAN G. BULKELEY, President

Statement January 1, 1917

Cash Capital	$1,000,000.00
Assets	2,748,832.19
Liabilities (Except Capital)	1,039,977.81
Surplus to Policyholders	1,708,854.38

AFFILIATED WITH

ÆTNA LIFE INSURANCE COMPANY

THE ÆTNA CASUALTY & SURETY CO.

THE WILLIAM H. KENZEL COMPANY

FIRE INSURANCE AGENT

REPRESENTING AT NEW YORK OFFICE
79-83 WILLIAM STREET

HUMBOLDT FIRE of Pittsburgh, Pa.
EQUITABLE FIRE & MARINE of Providence, R. I.
IMPERIAL ASSURANCE of New York, N. Y.
GRANITE STATE FIRE of Portsmouth, N. H.
ALLEGHENY FIRE UNDERWRITERS of Pittsburgh, Pa.
COMMERCE INS. CO. of Albany, N. Y.
AACHEN & MUNICH FIRE Organized 1825
FRANKLIN FIRE of Philadelphia, Pa.
CALEDONIAN-AMERICAN of New York, N. Y.

REPRESENTING AT BROOKLYN BRANCH
154 MONTAGUE STREET

LONDON ASSURANCE of London, England
NORWICH UNION of Norwich, England
COMMERCE INS. CO. of Albany, N. Y.
GRANITE STATE FIRE of Portsmouth, N. H.
MECHANICS INSURANCE CO. of Philadelphia, Pa.

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

London and Lancashire Fire Insurance Co. Ltd.

OF LIVERPOOL, ENGLAND.

Those Who Block Advance Unpatriotic

E. C. IRVIN'S RATE VIEWS

Sharp Comment on Philadelphia Chamber of Commerce, Which Finally Approves Rates

What amounted to a charge of lack of patriotism was leveled at the directors of the Philadelphia Chamber of Commerce by E. C. Irvin, president of the Philadelphia Fire Underwriters' Association, during a discussion over the action of the fire companies in advancing rates 10 per cent. in Philadelphia.

"The insurance companies are entitled to the increased rates; they are in a mighty serious situation," declared Mr. Irvin with much vigor. "The city is literally covered with explosives, and the people must be protected from loss by fire in this crisis. The companies are now working with the Government and are forced to write business now that they would not even consider, let alone accept, two years ago.

"What I want to know is whether the Chamber of Commerce is on the side of the insurance companies of this country in the business which they are handling for the American Government, or whether it is on the side of the German propagandists. For the Chamber of Commerce to fight the insurance companies that now survive and accept the greatest risks will be more harmful than anything else it can do. The interest of the people and the property owner are great in this matter."

The Protests

Protests had been registered against the rise on the ground that Philadelphia fire losses do not show any increase over those of previous years. The Fire Underwriters' Association, however, took the stand when the rates were raised that total losses throughout the country last year exceeded by $30,000,000 those of the previous year and that Philadelphia should stand a pro rata share in a new schedule of rates designed to protect the companies. Increased operating costs, salaries, fire replacement and other expenses were advanced in backing the position of the companies.

Under the leadership of Powell Evans, chairman of the committee on fire prevention of the chamber, opposition had been raised, and following an investigation the case reached a climax at the directors' meeting when Mr. Irvin appeared to sustain the side of the insurance men.

The discussion led finally to the taking of a vote on a resolution proposed by Alba B. Johnson, chairman of the executive committee, that it was the sense of the directors, in view of the added costs to the companies, that the rates were justifiable. With twenty members voting, the ballot cast resulted in a tie—ten to ten. Ernest T. Trigg, president of the chamber, then threw the deciding vote against approval of the rates.

New Business Meant New Risks

The case was not settled there. Mr Irvin asserted that when the Government put the German insurance companies out of business, the American and English companies were forced to take over business that otherwise they would not think of handling. This was an unexpected hazard of the business, added to which the constant movement of munitions and explosives was a continuous risk to tremendous losses that should call for the recompense of higher rates.

By doing anything to weaken the insurance companies, he said, business organizations who fought the increase were aiding German interests.

Referred to Committee

Another vote was taken and the directors by a small majority, voted against approving the rates. The subject then was referred to the fire insurance committee for further investigation.

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

$44,048,651 ASSETS

A Splendid Statement by the Home—$19,001,250 Surplus for Policyholders

The first of the fire companies to issue its January 1, 1918, statement is the Home and it is a statement to be proud of, showing total assets of $44,048,651 and surplus as regards policyholders of $19,001,250. It is the Company's 129th semi-annual statement and its growth has been steady, consistent and satisfactory in every way. The Company is not only one of the strongest in the world, but one of the best managed. Its greatest progress has been under the presidency of Elbridge G. Snow, one of the most honored figures in the business. He is assisted by a corps of underwriting experts of unusual capabilities, many of whom are distinguished figures in the business. In fact, it is rather difficult to find an active important underwriting committee of any kind without a representative of the Home on it.

E. J. PERRIN, JR., IN CHARGE

Edward J. Perrin, Jr., has been placed in charge of the automobile department of the New York office of the Aetna Life Insurance Co. and affiliated companies during the absence of Edmund Ely who has entered the service of the Government. Mr. Perrin has been associated with Mr. Ely in the automobile department for several years and in addition has had charge of the other inland marine business of the New York office.

The Hanover Fire held its annual meeting January 15 and re-elected all directors and officers.

The Westchester Fire of New York held its annual meeting January 9 and re-elected all officers and directors.

SCHAEFER & SHEVLIN
103-5 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Sun and Patriotic Get Auto Manager

P. R. WILBUR, OF NORWICH UNION

Change Effective February 1 Marks Active Entry of Companies to Field

P. R. Wilbur has resigned as general agent for the automobile department of the Norwich Union at the New York office. He has taken a similar position with the Sun and the Patriotic, where he will be general agent and department manager. The change is effective February 1.

Mr. Wilbur is one of the automobile insurance men who have been longest in the business. His entry into it dates back fourteen years, during a large part of which he was with George H. Smith & Hicks and has an extensive experience in marine insurance.

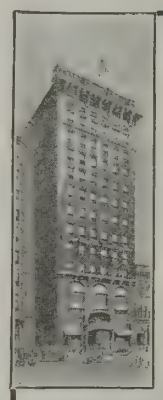
The Sun has been writing automobile insurance through its Western department in Chicago for some time. It is not affiliated with the Conference.

APPLETON & COX APPOINTED

Appleton & Cox have been appointed marine managers of the Fire Association of Philadelphia. The companies now represented by Appleton & Cox for marine are United States Lloyds, Indemnity Mutual Marine, Royal Exchange, Tokio Marine, Agricultural and Fire Association.

HONOR ROLL OF FIFTEEN

Members of the New York Underwriters Agency staff who have joined the colors now number fifteen. They are H. M. Alling, S. W. Banta, John Beale, S. E. Bickard, Geo. Borthwick, John F. Curtis, C. Dowdney, Robert Forrest, J. E. Gruber, C. Arnold Grasse, J. A. Heck, O. A. Hoegberg, W. L. Hill, S. T. Shotwell, R. S. Newell.


Just say:
"Insurance Man"—
the open sesame to every courtesy within our power.
Room with detached bath $1.50 and $2.00
Private bath $2.50 and $3.00
BREVOORT Hotel
Insurance Headquarters
MADISON ST.—East of LaSalle
CHICAGO
LAURENCE R. ADAMS, Sec'y & Mgr.

1853 Sixty-Fourth Year 1917
FARMERS' Fire Insurance Company
YORK, PENNSYLVANIA
Assets (Dec. 31, 1916) $1,116,968.00
Net Surplus (Dec. 31, 1916)..... 514,025.00
W. H. MILLER, President
A. S. McCONKEY, Sec. and Treas.

FRED. S. JAMES GEO. W. BLOSSOM WM. A. BLODGETT
FRED S. JAMES & CO.
123 WILLIAM STREET
NEW YORK
United States Managers
GENERAL FIRE ASSURANCE CO. of Paris, France
URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England
C. B. G. GAILLARD Assistant Manager
UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

Warns Marine Men Against P. P. I. Cover

PERMITS "TRADING WITH ENEMY"

Lawrence Kneeland Describes the Effect of Act on Marine Insurance—German Company Status

That great danger exists in the issuance of the policy proof of interest contract of marine insurance both for the broker and for the underwriter was the warning given by Lawrence Kneeland, of Kneeland, Herison & Hewitt, prominent admiralty lawyers, to the Marine Insurance Club at the meeting of that organization on Monday evening.

The meeting was the regular monthly gathering of the Club at which it was announced that J. K. Symmers, a well known admiralty attorney, would address the club on the Halifax explosion and its effect on marine insurance. Plans for the annual dinner to be held on January 30 were also announced. President Englar here introduced Mr. Kneeland, whose title was the "Trading with the Enemy Act as Considered in Connection with the Contract of War and Marine Insurance as well as with the Contract of Sale."

Mr. Kneeland traced the practice of French, British and American courts on the subject of protecting enemy interests through marine insurance back to the fourteenth century. He cited the case of Griswold vs. Waddington in 1819 to show that at that time the intent of admiralty law was to prevent the protection of enemy property, although he stated that Judge Mansfield in all his opinions on the subject permitted expediency in each instance to become an important factor. He told how in the war between England and France which ended in 1763 French ship owners resorted to the subterfuge of covering their vessels to full value with French underwriters and for several times their value with English underwriters and then sending their vessels out to be captured.

English Underwriters' Attitude

According to Mr. Kneeland, the attitude of the British underwriters since early times has always been to pay all losses on policies effected before the war started, on which losses occurred during the war in spite of the two proclamations of the British Government made early in the war. The first proclamation prohibited the British underwriters from paying losses on vessels captured by the British forces, and the proclamation of December 21, 1914, prohibited the payment of losses on any enemy property whatever. These proclamations, he said, were repudiated in effect by Messrs. Kent, Duer and Phillips.

Admiralty Law Before the War

Mr. Kneeland then described the workings of the laws already in effect previous to the entrance of the United States into the war. The law then provided that contracts with enemies were in status quo during the war. The proclamation of the President permitting the German companies to continue to do business changed this. Mr. Kneeland said that the Trading With the Enemy Act, which revoked the proclamation of President Wilson, made void contracts consummated between the time of the entrance of this country into the war and the date of effect of the act which was six months later. Mr. Kneeland explained that the act takes no cognizance of existing laws previous to its enactment and he also took exception to the lack of definition by the act of an "alien enemy."

Mr. Kneeland then defined the status of enemy corporations and enemies under the act which he said is determined upon the country in which they are incorporated or domiciled. Natives of Germany residing in this country are not enemies unless they have been specifically declared such by the black list or unless they have an interest in property located in Germany which is the subject of the contract.

Mr. Kneeland then told of the difficulty in drawing the line between valid and avoided contracts under the Enemy Trading Act. He said that, in the case of a marine insurance contract, the burden of establishing the status of an assured was placed by the act upon the marine underwriter. He was expected to make all reasonable inquiries to satisfy himself that conditions were as they were represented.

"Executed" and "Executory" Contracts

The basis on which the underwriter can determine the insurability of a risk was given by Mr. Kneeland. Two general forms of contracts exist, one valid and the other not. An "executed" contract is one in which the title to property changes hands and they remain in status quo for the balance of the war. Executed contracts of marine insurance are policies issued in time of peace on which there was a loss before the commencement of the war but which will be paid to the Custodian of Alien Property who will hold it until the war is over.

"Executory" contracts, according to Mr. Kneeland, are contracts entered into during the war and on which there is a loss before the war is ended. Such contracts are invalid when covering enemy property.

It was here that Mr. Kneeland dwelt upon the issuance of policies on account of whom it may concern, He said that under this form of contract it is easily conceivable that enemy interests can be protected against loss contrary to the intent of the Enemy Trading Act. He stated that if the principal of the policy is an enemy, or an enemy has an interest in the policy, it is avoided even though the business has been handled through a commission merchant or other third party so long as the underwriters could have discovered whether an enemy interest was being protected through reasonable inquiry on their part. He told of the operation of the Government black list and said that if the title to property insured under a marine cover had passed, the policy is still avoided if the loss happened after the black list was published. If the policy was effected before the black list was published, the loss occurred afterwards it is suspended and the loss must be paid to the Custodian of Alien Property.

Mr. Kneeland said that while underwriters generally took the attitude that where a premium had been received, the loss should be paid; this is not in accordance with the object of the Government, which is endeavoring to prevent the enemy from using any funds in this country as a basis of credit abroad.

That this war would see a new precedent established by governments through the adoption of the policy of no confiscation was the opinion expressed by Mr. Kneeland. He said that it was along these lines that the Custodian of Alien Property had been given such drastic powers.

Must Record Policies

Speaking of the Custodian of Alien Properties, Mr. Kneeland urged upon those brokers present the importance of reporting to the custodian all payments of premiums to German companies here and all policies covering enemy property. He said that it was all right for brokers to continue to pay premiums to German companies and that those companies which had elected to carry their business to expiration would continue with the vise of a representative of the Custodian of Alien Property.

The club then listened to Lieutenant Paul Hughes of the French Army who described his experience during three years in the French Ambulance service of the Red Cross on the western front. Lieutenant Hughes distributed among his listeners photographs and relics which he had accumulated "over there."

EASTERN MARINE UNDERWRITERS, Inc.

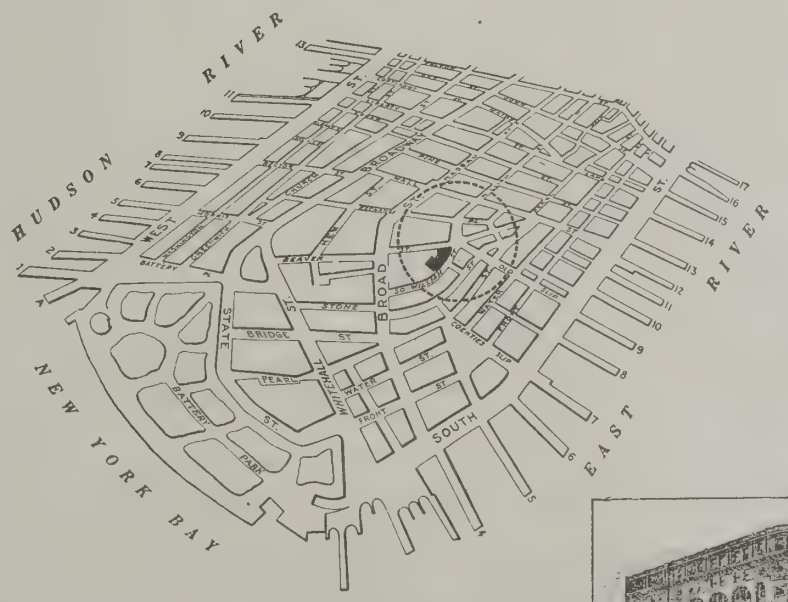
GEORGE A. EVALENKO, President

MANAGERS
OF THE
MARINE DEPARTMENT
OF THE
EQUITABLE UNDERWRITERS
OF
NEW YORK

FOR WHICH WE ARE NOW PREPARED TO BIND ALL LINES OF MARINE, CARGO AND HULL ASSURANCES AT OUR TEMPORARY OFFICE

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AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House New York City

South William and Beaver Streets

NOT ALL INCENDIARY

National Board of Fire Underwriters and the New York "Times" List

The New York "Times" this week printed a long list of losses of $100,000 or more, occurring since March 31, and involving either munitions or equipment. The story was printed with some information about the National Board of Fire Underwriters, and a heading on the list of losses was captioned "Incendiary Fires."

In this a misconception was given to the public as the National Board's statement to the "Times," said: "The following fires are of known incendiary origin and others that are under suspicion."

Naturally, not every fire under suspicion is incendiary, and in printing this list of names and calling all of them incendiary an injustice is done.

VACANCY IN WEST VIRGINIA

George W. Graham, Jr., has been promoted to the position of special agent in Pennsylvania for the New York Underwriters' Agency. He will be associated with W. G. Monroe, with headquarters in Philadelphia. Mr. Graham has been State agent in West Virginia, which field is now open.

N. J. INSURANCE COMMITTEE

The New Jersey House Insurance Committee consists of Messrs. Lewis, Tattersall, Pruden, Burroughs and Hurley.

William D. Winter On Marine Insurance

SECOND LECTURE OF COURSE

Explains Relation to Commerce—Capacity of Room Proves Inadequate

Marine insurance taps every line of activity and it is necessary for the successful marine underwriter to know something of all lines of business with which he comes in contact in order that he may be in position to ask intelligent questions of his clients.

This is one of the dominant thoughts conveyed by William D. Winter, third vice president of the Atlantic Mutual Insurance Company, in his second lecture on marine insurance given under the auspices of the Wall Street branch, New York University, January 10, in the assembly room of the New York Merchants Association in the Woolworth Building. Mr. Winter's talk was confined to the relations of marine insurance to commerce. His remarks were in part as follows:

Three Kinds of Underwriting

"There appears to be three kinds of marine underwriting in New York.

"1. That which is written on terms based upon experience, by men of good judgment, who have been in the business for many years.

"2. That written by those who have more recently come into business and who are endeavoring to conduct it along conservative lines, as followed by the older underwriters.

"3. Business placed by a class which has entered the business but recently, possibly to stay but a short time while the profits are particularly good.

Time and Distance

"It is necessary for the marine underwriter to understand commerce from its geographical standpoint, and the routes that commercial development has taken. The history of ship building is one of contest by man against the physical forces of the sea. As men built better ships they extended their field of trade.

"There are generally speaking, two types of commerce:

"1. That which is termed Mediterranean commerce.

"2. Ocean trade.

Some idea of the importance of marine insurance may be formed by recalling that seventy-two per cent. of the world's surface is water. Then, too, one must realize the distance that goods must be carried. Vancouver is 4,500 miles from Japan, and 6,000 miles from Shanghai, for example.

"The belts of wind which traverse the ocean's surface have an important effect upon commerce and trade routes. You have heard the expression 'It is down hill to Europe.' This has its origin in the more favorable winds blowing east. Many ships make the voyage east without trouble, but are wrecked on the return trip. Likewise, ocean currents may be helps or hindrances to commerce.

New Erie Canal

"Types of harbors are also important. There are several, such as natural harbors, barrier beaches, river harbors coral reef harbors, crater harbors—those formed by sunken volcanos—and those made by man with the aid of breakwaters.

"The new Erie Canal, by which seagoing barges will be brought to tide water will develop a new problem for marine underwriters, as ocean going barges will be brought direct to the coast. Removal of sandbars, deepening of channels and other improvements which makes unnecessary the breaking of cargoes, all have an important bearing upon marine underwriting and must be watched carefully. Also the weather service has come to be of vital importance in this business.

"As preliminary to the study of marine insurance it is necessary to know something of the geography of trade and the evolution of commerce. First there was barter. Then money was instituted as a medium of exchange. Later the bill of exchange was invented by the Jews, in order that they might transfer their money with safety without carrying it.

The "Commercial Set"

"There are certain documents necessary to trade.

"1. The invoice. It may be an invoice C. I. F., which means that the seller has agreed to lay down the goods carriage, insurance and freight paid.

"2. The bill of lading. This is a receipt for the goods and a contract of carriage.

"3. The draft in payment for the goods sold.

"A banker will not honor the draft until an insurance certificate is produced, consequently this certificate constitutes the last document of what is known as a 'commercial set.' With all of these the merchant can go to his bank and receive credit, which puts him in funds without waiting for the goods to arrive at their destination, often a matter of months.

Ships Must Be Seaworthy

"4. There is yet another ship's paper to be considered in commerce, the charter party, used in cases where the shipper purchases the services of a vessel for his own use. There is also what is known as a 'bare ship charter,' which is used where the Government takes over a ship without anything aboard such as supplies and provisions. In such case the Government becomes, in everything but title, the owner of the boat, and the Government may ask the owner to cancel his insurance.

"Incidently, the law has made it possible for the ship owner to avoid most every liability, provided only that he gives the owner a seaworthy vessel.

All Dependent Upon Insurance

"In order to get a clear vision of just where marine insurance plays its part in commercial transactions, trace step by step a sale of cotton by a Texas grower to a Liverpool merchant. With the various documents before mentioned the seller goes to his local banker who arranges credit for him in the large centers such as New York and Liverpool. All these credits are dependent upon the one fact that the goods are adequately insured, and in event of loss those who have advanced money will be recompensed. The aggregate of these transactions go to build up what is termed trade balances between countries. This brings us to the subject of foreign exchange, about which it is necessary for the marine underwriter to be always informed.

"Before we leave this subject I wish to remind you that the draft, the bill of lading and the insurance certificate are all negotiable documents. I would also remind you that the marine underwriter must be on the lookout for fictitious documents such as appeared in the case of the cotton frauds practiced in 1910.

Types of Ships

"Problems of the marine underwriters have been multiplied because of the increase in types of ships. There are four principal types, the sailing vessel, the auxiliary sailing vessel, the iron and the steel steamer. The iron vessel will last much longer than the steel hull, because the iron is non-corrosive. The vessel with an internal combustion engine is a newer type, which is becoming increasingly popular. In underwriting it is necessary to know the merits and demerits of the various types, such as single and double deck, with or without bulkheads, shelter and awning decks, etc. Whether the insured vessel is to carry a heavy or a light cargo is important. If a heavy cargo, additional care must be taken in loading, in order that the cargo shall not shift, and if it does, provision must be made to restore equilibrium. Therefore the marine underwriter must understand rules for loading.

Lecture Room Crowded

"Underwriters have been puzzled considerably by the tank type of steamer, which for sometime after its introduction was not structurally correct. The assistance of the various

(Continued on page 15)

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

COLONIAL INSURANCE AGENCY
AUTOMOBILE AND ALL FIRE AND CASUALTY LINES
SECOND TO NONE IN SERVICE

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

BRITISH AMERICA
ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1917
Assets $1,936,279.77
Surplus in United States.... 823,964.59
Total losses paid in United States from 1874 to 1916, inclusive 24,669,753.43
W. R. BROCK, President
W. B. MEIKLE, Vice-Pres. & Gen. Mgr.

Authorized Capital $500,000
Detroit National Fire Insurance Co.
DETROIT, MICHIGAN
A Company to be built gradually and along the indicated lines of permanence
AGENCY CONNECTIONS SOLICITED

Firemen's Insurance Co., Newark, N. J.
January 1, 1917
Cash Capital $1,250,000.00
Net Surplus $2,449,322.25
SURPLUS TO POLICYHOLDERS... $3,699,322.25
DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer
NEAL BASSETT, Vice-President
A. H. HASSINGER, Secretary
J. K. MELDRUM, Assistant Secretary

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

BROKERS ACTIVITIES

MARSH & McLENNAN CHANGES

Kennedy Brothers Training for Officerships—Walter Gleich Now Attached to New York Office

Lawrence and Paul Kennedy, brothers, attached to the New York office of Marsh & McLennan, are respectively at the officers' training camps at Camp Upton, N. Y., and Fort Dodge, Iowa. Taking the place of the Messrs. Kennedy and others who are now at the front, Marsh & McLennan have made several new appointments in the New York office.

E. J. Breen, until recently secretary of Jackson, Morse & Co., and previously with Johnson & Higgins, is now a placer with Marsh & McLennan. Fred. Weiss, formerly with Jos. M. Byrne & Co. in Jersey City, is now in the auditing department. Walter Gleich, formerly with Macomber & Co., is now with Marsh & McLennan and has charge of several important lines. Alexander Arno, who for seven years has been with Jones & Hadnot, is now in the liability department of Marsh & McLennan.

* * *

George R. Packard, of Stokes, Packard, Haughton & Smith, Philadephia, is chairman of a Pennsylvania State Committee of Insurance Men, which is organizing in every county to conduct a house-to-house canvass for the sale of W. S. S.

* * *

Join Marine Club

Among the new members of the Marine Insurance Club of New York are Stephen F. Barrett, Hutchinson, Rivinus Co.; Howard W. Beebe, Carpinter & Baker; A. C. Broderick, Com. Union Assurance Co.; Charles E. Buckton, Wm. H. McGee & Co.; Wesley A. Cale, Northern Und. Agency; Earl J. Campazze, O'Keeffe & Lynch; C. S. Elder, Chubb & Son; B. S. Fuller, Ins. Co. of North America; T. H. Gasson, 2nd Russian Ins. Co.; Herbert Gavey, O. G. Orr & Co.; Frederick A. Grein, Wm. H. McGee & Co.; H. R. Howard, Johnson & Higgins; T. Catesby Jones, Har. Bigham & Englar; Thomas W. Lamar, L. A. Wight & Co.; Werner Lugenbuhl, Parsons & Eggert; Frank J. Lynch, O'Keeffe & Lynch; Augustus Mackenzie, Jr., Mackenzie & Vail; John F. Macklin, Macklin, Brown & Purdy; Frederick B. McBride, Parsons & Eggert; Louis H. May, Chubb & Son; Arthur J. O'Keeffe, O'Keeffe & Lynch; A. Mercer Parker, Platt & Farnum; W. D. Phillips, Jr., Platt & Farnum; C. Sherwood Reddish, Mather & Co.; George L. Veith, Wm. H. McGee & Co.; Robert C. Walsh, Willcox-Peck & Hughes; Theodore H. Ward, Macklin, Brown & Purdy; D. L. Webster, Northern Und. Agency; Harry H. Wood, D. D. S. Polhemus, Inc.; J. R. Wood, Mather & Co.

* * *

J. R. Brennen Dies

James R. Brennen, a Brooklyn broker, who died a few days ago, belonged to the Masons, Brooklyn Civic Club, Invincible Club, Crescent Athletic Club, Anawanda Club. He had been suffering from paralysis.

ADVERTISE CUT RATES

W. B. Renton Co., Inc., Circularize Brokers About National Automobile Mutual Casualty Co.

There was mailed to the New York brokers this week the following announcement of W. B. Renton & Co., general agents of the National Automobile Mutual Casualty Co. at 80 Maiden Lane:

"We have been appointed general agents of the National Automobile Mutual Casualty Company and can make a reduction of twenty per cent. of the conference rates on automobile liability, property damage, and collision insurance and will pay a commission of twenty per cent.

"We issue policies giving the same coverage as given by all other casualty companies writing this class of automobile insurance.

"All business submitted will receive our very careful attention and prompt service and settlement of claims are guaranteed."

UNLICENSED INSURANCE

Amount of Competition Which Admitted Companies in Canada Must Meet

Canadian agents are exercised over the amount of unlicensed insurance which is growing every year. Results for two years follow:

Nature of property insured.	Amount of insurance, 1915.	Amount of insurance, 1916.
Lumber and lumber mills	$15,488,299	$15,893,068
Other industrial plants and mercantile establishments	154,450,371	185,548,910
Stock and merchandise	40,649,711	36,499,877
Railway property and equipment	24,896,076	24,055,737
Miscellaneous	286,140	806,290
	$235,770,597	$262,803,882
Lloyds' Association	$63,188,168	$55,864,594
Reciprocal underwriters	22,109,561	28,574,461
Mutual companies	119,174,939	135,548,458
Stock companies	31,297,929	42,816,369
	$235,770,597	$262,803,882

Farmer & Ochs Move

Farmer & Ochs this week moved from Pine Street to the Merchant Marine House.

* * *

Tannenbaum's Offer

Rates on the asylum and almshouse at Wilkes-Barre, Pa., have been advanced 32 per cent. I. Tannenbaum's Sons, of New York, have offered the Poor Board of that city a sprinkler proposition with a ten year contract by which rates are reduced 30 per cent. The offer has been given considerable publicity in Wilkes-Barre papers.

* * *

Captain Pell at Jackson, S. C.

Duncan C. Pell, Jr., formerly with the National of Hartford, in charge of their brokerage department in New York City, is at Camp Jackson, S. C., where he is a captain in the 324th Infantry.

* * *

Special for West Virginia

Charles H. Knocke has been appointed special agent for the Home of New York in West Virginia, with headquarters in Pittsburgh. He has been with the St. Paul Fire & Marine. The change is effective February 1.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

William Winter Lecture

(Continued from page 14)

classification societies has been valuable in following this and other least desirable types."

The room where the lecture was given seats about 250 and it was filled to capacity. The popularity of the course has far exceeded expectations. In order to get this place of meeting one night a week for the remaining lectures, it has been necessary to change the night from Thursday to Friday. It was also decided to begin the lectures at 5:30 o'clock instead of 5 o'clock and to close them at 7:15.

Cheer up! The terraine of William Street is becoming much less difficult to negotiate.

J. G. Simmonds & Co., Inc., of Long Island City, has resigned the agency of the Milwaukee Mechanics.

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852

The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.

R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y

HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK

HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

GERMANIA
FIRE INSURANCE COMPANY
NEW YORK.

ORGANIZED 1859
STATEMENT, JANUARY 1, 1917

Cash Capital	$1,000,000.00
Assets	8,553,704.22
Liabilities	4,222,485.60
Net Surplus	3,331,218.62
Surplus for Policy Holders	4,331,218.62

HEAD OFFICE
Cor. William and Cedar Streets

[of Liverpool, England]



THE LEADING FIRE COMPANY
OF THE WORLD

LEWIS & GENDAR, Inc.
New York City Agents
Commonwealth Insurance Co. of New York
Telephones: John 63-64-65 ONE LIBERTY STREET, NEW YORK CITY
Brooklyn and Suburban Agency
Northern Asse. Co., Ltd. of Eng. — Firemen's Inc. Co. of New Jersey
Commonwealth Ins. Co. of N. Y. — Globe & Rutgers Inc. of N. Y.
Detroit F. & M. Ins. Co. of Mich. — Employers' Lia. Assce. Corp. of London
145 MONTAGUE STREET, BROOKLYN—NEW YORK
Telephones: Main 6370-6371-6372

Full War Cover, Explosion, Marine & Fire Insurance and Allied Lines
THE CONTINENTAL (FIRE) INSURANCE COMPANY
The AMERICAN Company
WITH THE LARGEST CAPITAL AND LARGEST POLICYHOLDERS' SURPLUS
HOME OFFICE
80 Maiden Lane, New York
SAN FRANCISCO OFFICE
Insurance Exchange Bldg.
CHICAGO OFFICE
332 So. LaSalle St.
HENRY EVANS, President

New Pool to Cover Munition Factories

PLAN OF ASSOCIATED COMPANIES

Statement by Walter G. Cowles, Vice-President of Travelers—Ten Company Members

The ten companies in the coal mine "pool" have extended the idea to munition plants and other prohibited risks, where there is a conflagration hazard in compensation insurance. The carrier to be known as "The Associated Companies." This was decided at a conference in Hartford last week.

In the past munition plants and other concerns doing unusually dangerous work have found it difficult, if not impossible, to obtain compensation insurance. No company would take the risk because of the catastrophe possibilities, which might wipe out reserves completely. Two years ago ten companies decided to shoulder the risk in common for the coal mines. Now the idea has been extended to munition plants and other prohibited risks. In discussing the plan Walter G. Cowles, vice-president of the Travelers, issued the following statement this week:

"Some two years ago ten of the leading casualty companies (companies engaged in workmen's compensation lines) formed an association for co-insurance and re-insurance upon coal mines. The companies who are parties to the agreement are as follows:

"The Aetna Casualty and Surety Company, Aetna Life Insurance Company, The Employers' Liability, Hartford Accident & Indemnity, London Guarantee & Accident, Maryland Casualty, The Ocean Accident & Guarantee, The Standard Accident, The Travelers Indemnity, The Travelers.

The Associated Companies

"These companies assumed as an operating name 'The Associated Companies.' The handling of the coal mining risks has been very satisfactory, not only to the companies, but to policyholders, State officials and the public generally and encouraged by the results obtained in this particular line, these same companies under the same operating name have now entered into a supplemental agreement to provide a co-insurance and re-insurance method for handling not only risks possessing an obvious element of collective hazard but risks which for other reasons are difficult subjects of insurance for a single company. It is not feasible at this time to announce the classifications included in the list covered by the agreement, because those lists have only been tentatively prepared and will be subject to many changes as necessities arise. Perhaps the character of the risk to be undertaken can best be described by the term 'prohibited risks,' if we adopt the vernacular of the insurance offices.

"These companies unanimously believe that there should be no such thing as an uninsurable workmen's compensation risk if the elements of hazard are limited to those which are necessary and inherent in the business. The reason for the maintenance of a prohibited list by individual companies is that certain risks, because of the collective hazard involving possible injuries to many persons in one accident, or because of other conditions which cannot be fully described except at great length, cannot be adequately distributed by one company, however large its premium income or however wide its distribution, under the existing practices and requirements of compensation insurance. Compensation insurance properly written involves an unlimited policy undertaking so far as amount is concerned, and ordinarily involves the requirement that the entire risk should be accepted by one company. Safety for both the policyholder and the company is obtained only by sufficient distribution. Distribution is sometimes attempted by ordinary reinsurance methods. Under this practice one company takes the risk entire and re-insures parts of it with other companies. Such other companies are ordinarily not disclosed to the policyholder, and the policyholder has no contract relation with them. Such re-insurance methods fail to meet the peculiar requirements imposed by compensation and, therefore, other methods should be devised which will positively provide not only cohesiveness and continuity of the re-insuring interests but also uniform treatment of difficult risks and maximum protection to both the employer and employe engaged in hazardous undertakings.

Principles of Co-Insurance

"The principles of co-insurance have been applied to insurance contracts from time immemorial. If two or more companies accept the same risk, the resulting loss is in effect the joint and several obligation of those companies. The difficulties presented by this method of underwriting are that it not only requires a number of independent policies, but under existing rules in many States it requires payment of the full premium rate to each of the insuring companies. In addition to all this there is a lack of cohesiveness and continuity in an arrangement which involves independent underwriting because the policy of one insurer might expire or be canceled while the policies of other insurers were continuing and the relations of the remaining insurers would change because of that fact.

"The arrangement now perfected for handling these difficult risks is in reality an extension and simplification of the long existing theory of co-insurance rendered uniform and certain by a joint and several policy rather than by independent policies of companies involving a joint and several obligation. This leads to an arrangement which has been successfully employed for coal mining risks for the past two years and which will now be further employed for the risks contemplated by the new agreement. Each company will transact its own business, fully administer its own risks, and in every respect preserve its identity. These companies, however, express the belief that the maximum of insurance protection should be available to such employers and can thus be actually provided.

A Stock Insurance Argument

"The undertaking to provide indemnity should not be the only undertaking in a well considered compensation policy. Insurance carriers which would adequately and properly discharge their duty, not only to the employer and the employe, but to the public, must furnish their policyholders with a service calculated to improve the safety of workmen and minimize accidents, thereby producing an ultimate reduction in the insurance cost and avoiding as well a vast economic waste. In the discharge of that duty The Associated Companies will offer to their policyholders their combined knowledge and experience, with the practical and useful suggestions resulting therefrom, to accomplish this most beneficent purpose of compensation insurance.

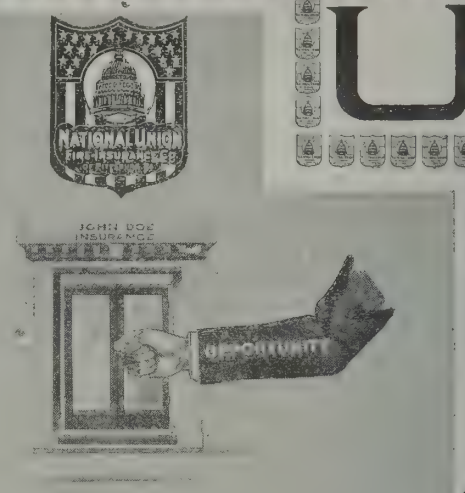
"We realize that as insurers of the workmen's compensation obligation stock companies alone can provide such means as are contemplated in this agreement for the proper distribution of such risks and for the safety service which such risks should have. We will frankly claim in our own behalf that no other form of insurance outside of stock insurance can offer an equivalent form of protection and service. Neither the gross assets nor the capital and surplus of the companies concerned in this agreement as of December 31, 1917, can be accurately stated at this moment, but the gross assets of The Associated Companies at the end of 1916 were $304,031,070, and the combined capital and surplus of these companies at the same date were $51,131,097, the difference between these two amounts representing reserves required by law or voluntarily maintained for the protection of policyholders. The statements of December 31, 1917, will show an appreciable increase in these amounts.

A Valuable Service

"In conclusion, then, it may be definitely announced that The Associated Companies under this agreement are prepared to furnish workmen's compensation insurance protection of unusual financial strength and reliability to any form of employment or line of business not ordinarily written by individual companies or by other insurance organizations if the employer in a given risk will give proper attention to and provide suitable remedy for the unfavorable elements of the risk which are within his control. Under this arrangement all risks possessed of whatever degree of inherent and necessary hazards can easily obtain workmen's compensation insurance of the best and only reliable kind. The prohibited list of the future, therefore, will include only those employers who, because of indifference, unwillingness or deliberate design, refuse to improve and maintain the moral and such of the physical conditions of their risks as are capable of improvement and which, if unimproved, constitute a hazard against which no insurance should under any circumstances be provided. The prohibited list of the future, therefore, will only include such risks as are in that list from their own choice.

"Of course one reason for making these provisions for the safe distribution of loss lies in the requirements of those who are engaged in the manufacture of war materials. Perhaps it may be said, therefore, that The Associated Companies have volunteered for a valuable and effective service without waiting to be drafted."

N U



As an asset to any agency, by every test that counts, the NATIONAL UNION is unquestionably a company whose representation good agents should seek. Extending always a full measure of co-operation, its facilities and service have given it a conspicuous place in 5000 offices throughout the United States. To experienced and properly qualified agents the NATIONAL UNION can prove its worth in numerous ways. Are you willing to be convinced of facts already proven to others who have gained satisfaction and profit in a pleasant business relationship? Shall we send a Special Agent to discuss the subject with you?

"OPPORTUNITY IS KNOCKING"

JONES, LAUNT & BARRETT, Inc., GENERAL AGENTS

CAPITAL FIRE INSURANCE COMPANY of CAL.
CHICAGO BONDING & INSURANCE COMPANY
GREAT EASTERN CASUALTY COMPANY
THAMES & MERSEY MARINE INSURANCE CO., Ltd.
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CASUALTY AND SURETY NEWS

Liability Plans For Manhattan

LOW MINIMUM PREMIUM LIKELY

Four Territories and Four Classifications Proposed—Probable Boundaries

Relative to the plan for redistricting and re-rating the Borough of Manhattan for general liability, the committee of nine has adopted the report of the sub-committee of three. The whole subject has been referred back to the committee of three with power to formulate Manual rules for the application of the new rates and to set a time for their effectiveness.

The rates for both area and frontage will vary according to the territory in which the risk is located and the class in which it falls. As there are four distinct territories and four classifications there will be sixteen different rates. The system of minimum premiums has been virtually dispensed with for the reason that the question of minimum premiums will not have to be considered. However, there are small houses in various parts of the city on which a minimum premium of $15 will apply and this minimum applies to the entire borough.

As The Eastern Underwriter goes to press the committee of three is meeting to adopt the proposed Manual rules and approve other matters, after which a meeting of all the companies interested will be called to hear final objections and suggestions to the plan as proposed.

Territorial Divisions

The proposed boundaries of the four territorial divisions are as follows:

Territory No. 1. From E. 96th St. and 3d Ave. to 5th Ave. to 110th St. to Manhattan Ave. to Columbus Ave. to W. 127th St. to St. Nicholas Ave. to St. Nicholas Place to W. 155th St. to Harlem River to Spuyten Duyvil Creek to Harlem Ship Canal to Hudson River to W. 70th St. to B'way to 7th Ave. to Greenwich Ave. to 6th Ave. to W. 4th St. to the Bowery to E. 4th St. to 3d Ave. to E. 96th St.

Territory No. 2, three different sections, not contiguous. W. Houston St. from Hudson River to B'way to 4th St. to 6th Ave. to Greenwich Ave. to 7th Ave. to B'way to W. 48th St. to Hudson River to W. Houston.

From 23d St. to 96th St. E. of 3d Ave., including 3d Ave.

Columbus Ave. to W. 127th St. to St. Nicholas Ave. to St. Nicholas Place to 155th St. to Harlem River to 120th St. to 7th Ave. to W. 110th St. to 7th Ave. to Manhattan Ave. to Columbus Ave.

Territory No. 3 four sections.

From the Battery to W. Houston St. to Hudson River to B'way to E. 4th St. to Bowery to Chatham Sq. to Oliver St. to East River to Battery.

From 14th St. to 23d St. E. of 3d Ave., including 3d Ave.

W. 48th St. from Hudson River to B'way to 70th St. to Hudson River W. 48th St.

From 96th St. at the East River to 5th Ave. to 110th St. to 7th Ave. to 120th St. to East River to 96th St.

Territory No. 4. East River from Oliver St. to E. 14th St. to 3d Ave. to Bowery to Chatham Sq. to Oliver St. to East River.

Four Classifications

The four classifications are:

A. Apartments without stores.
B. Apartments with stores.
C. "Walk-ups" without stores.
D. "Walk-ups" with stores.

The committee's conclusions are based on the 1913 experience which shows the average loss ratio in Manhattan on O. & T. liability to be 159 per cent. Using this experience the projected rates would show a loss ratio of 47.8 per cent. In figuring the pure premium the committee considered the allocated expense as part of the pure premium. In figuring the rates the pure premiums were loaded fifty per cent. to care for acquisition expense, taxes, inspections, loss expense and administration or home office expense. In many sections rates will be lower and in others higher, as shown to be justified by the experience.

Particular credit for this important work is due to Messrs. Payne, of the Travelers; Sturges, of the Fidelity & Casualty, and Wilkins, of the Commercial Casualty, ably assisted by Messrs. Collins, of the Casualty Insurance Exchange and Ryan, of the Insurance Department.

Official Changes by American Surety

LEWIS H. PARRY VICE-PRESIDENT

A. F. Lafrentz Comptroller, D. H. Cook Superintendent of Agencies—Other Promotions

Lewis H. Parry, of Mexico City, vice-president and general manager of the Mexican Surety Company, a subsidiary of the American Surety, has been elected vice-president of the parent company. His headquarters will remain in Mexico City. He is a brother of F. J. Parry, who, at the annual meeting of the company last Tuesday, was re-elected vice-president of the American Surety, with headquarters at the home office in New York. F. J. Parry relinquishes the office of superintendent of agencies, formerly held in conjunction with that of vice-president, in order to obtain more time for executive work. D. H. Cook, who has been assistant superintendent of agencies, becomes superintendent of agencies succeeding Mr. Parry, while Harry A. Reiss, formerly Eastern District special agent becomes assistant superintendent of agencies.

A. F. Lafrentz Comptroller

Arthur F. Lafrentz was elected comptroller and W. C. Lloyd deputy comptroller. A. E. Cotterell was chosen manager of the schedule department and J. L. Tuthill becomes manager of the re-insurance division. All other officers of the company were re-elected.

Lewis H. Parry has been a representative of the company, directly or indirectly, for eighteen years. He began with it in New York as a traveling auditor, later becoming manager of the company's interests in Mexico, where he has done much creditable work handling the difficult problems presented during the unsettled political conditions there. Mr. Cook has been with the company for seventeen years, formerly as traveling auditor from which he worked through various positions in which he gained a wide experience. Mr. Reiss has spent fifteen years with the American Surety. A. F. Lafrentz has been secretary-treasurer of the American Audit Company and deputy comptroller of the American Surety. W. C. Lloyd was formerly junior clerk in the accounting department.

Accident
Health Automobile
Plate Glass
Burglary Liability
Fidelity
Contract Judicial
Public Official
Depository Bonds
FIDELITY & DEPOSIT CO.
OF MARYLAND
BALTIMORE

Re-Insurance of Lines Considered

FIDELITY AND DEPOSIT'S ACTION

Follows Company's Decision to Drop Liability, Accident and Plate Glass

Announcement has been made by Vice-President William Hugh Harris of the Fidelity & Deposit, that the discontinuance of the liability, personal accident and plate glass business would be referred for ratification to the directors, following the annual stockholders' meeting. The Company has a large volume of fidelity, surety and burglary business, which has always been very profitable, while the liability business as a whole, has proved quite the reverse. The Company entered the casualty field in 1910, and the following year embarked extensively upon the employers' liability business, which, as with most companies, proved most unprofitable.

Says "Nothing in It"

"The Fidelity and Deposit" said Mr. Harris, in commenting on the proposed move "has been writing casualty business for eight years, and the figures convince us that there is nothing in it. This is particularly true of the liability business wth the new loss reserve requirements of 60 per cent. with the most vigilant care necessary to keep acquisition cost and operating expenses plus taxes within 40 per cent. On the other hand, the Company has always showed a good profit on the fidelity, surety and burglary lines, some years a very substantial one. Our net premium from those lines were in excess of $4,000,000 a year in 1917, and with them receiving our undivided attention the possibilities are large for their further development.

Profit in Surety Lines

"We still have the old fashioned and almost obsolete idea that one of the aims of insurance companies is for underwriting profit. Indeed the idea seems almost extinct. There is nothing in particular to be gained by maintaining an extensive casualty organization, merely to take in and pay out money with the accent on the 'Out.' Our casualty ratios are normal in comparison with other companies, but existing casualty loss ratios in general would seem to be abnormal if the present acquisition and operating costs are proper.

"The Company's surety business in recent years has aggregated a very large profit, while the liability business has radically reduced that profit annually. We do not feel that our loss experience on the casualty business is unique. Statements for the 1917 operations of the various casualty companies are not available, but they will hardly be better than those for 1916. In that year the four companies generally regarded as being the leaders in the casualty field, showed in their reports to the insurance departments, a combined underwriting loss of $1,537,317 on the tremendous volume of $49,820,680 in net premiums.

Could Not Break Even

"Such companies have everything in their favor, viz; the volume necessary to good average, the distribution of business, minimized overhead expense ratios and old well established agency organizations, the same as we enjoy in the surety business. These are all big favorable factors, but these four companies according to their filed statements could not break even on underwriting. On the other hand for 1916 operations, the records show that the four leading surety companies made a handsome underwriting profit on a volume of fidelity and surety business of less than one-third of the casualty volume mentioned above. You could not ask for an argument much more convincing.

Just Like Compensation

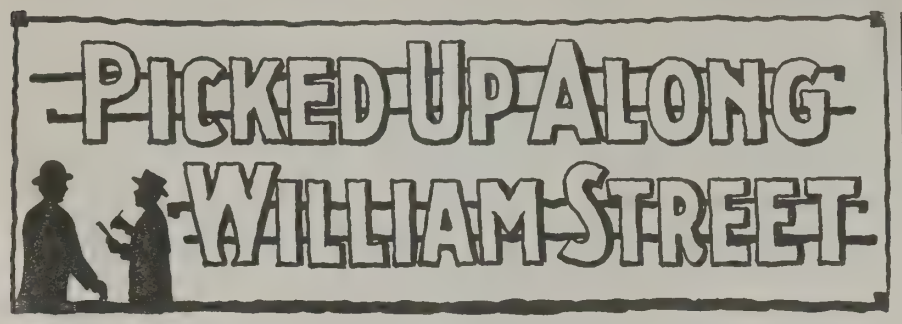
"You will recollect that the wisdom of our eliminating workmen's compensation was seriously questioned by some at the time. The Fidelity & Deposit, never took a step for which it is more thankful. A few still maintain that there is profit in the compensation business for the carrier, but perhaps this is the tendency to whistle while you are going through a cemetery at night, to keep up your courage. We now feel much the same way about the general casualty business and believe that very few companies can show any underwriting profit in it. That is none of our concern, however.

"We regret exceedingly that to a move such as we are now taking, it is dangerous to give premature publicity. Nevertheless, our agency organization and employes may rest assured that they will be tended every reasonable opportunity to complete new arrangements and that the Fidelity Company stands ready to assist them in every way it consistently can toward that end.

Considering Re-insurance

"Although personal accident and health policy benefits are ridiculous from the viewpoint of premium charged and although plate glass rates always appear to be several laps behind the current price of glass, our accident and plate glass departments over a period of eight years have showed very normal loss ratios. Re-insurance offers for the entire casualty business are being considered, and also re-insurance governed by territorial and agency arrangements. It may be decided, however, to ask some of our agents to rewrite their casualty business for the unexpired policy term, in such companies as they may elect to represent. Most of our surety representatives will handle our burglary line and it will be developed aggressively along with the surety."

General Accident
FIRE AND LIFE
ASSURANCE CORPORATION, Ltd.
SERVICE THAT EXCELS
FREDERICK RICHARDSON, United States Manager
GENERAL BUILDING · 4TH & WALNUT STS.
PHILADELPHIA



C. A. CRAIG, President W. R. WILLS, Vice-Pres. C. R. CLEMENTS, Sec. & Treas.

The National Life and Accident Insurance Company

NASHVILLE, TENNESSEE

Industrial, Life, Health and Accident Insurance in ONE policy

Globe Indemnity's Record

Out of approximately 108 men, subject to service with the government, employed by the Globe Indemnity, 47 have already entered active war service. This is 43 per cent. of the company's entire grown male staff. Of the 47 men in the service, 11 are commissioned officers, 27 volunteers, 10 conscripted and 10 were in some branch of the military service prior to the declaration of war.

The Globe Indemnity employes, during the second Liberty Loan campaign, sold bonds to the amount of $492,150, to 2,601 subscribers.

The names of the men in the service of the government to date are as follows:

Navy—J. C. Acevedo, Donald T. Munson, Frank A. Briggs, Edwin R. Kelly, Charles H. Scott, Jr., Donald G. Sherwin, R. Brooke Thomas, C. B. M., W. P. Sweet.

Artillery—Bruce D. Brighton, Russell Lee, Thomas A. Smith, Jr., Raymond L. Choate, Lieut. Albert E. Gunther, Jr., Frank D. Mohoney, Jr., Edward C. Meehan, Edmund R. Powers, Lieut. Edwin S. Sweeney.

Field Signal Battalion—W. J. Jones, Wray Allen.

Infantry—Edgar V. Treacy, Lieut. Harlan W. Short, Russell H. Lockwood, George K. Beers, Capt. M. F. Waltz, Jr., E. Henry Roussos, Robert E. Reed, Fred C. Steup, Lieut. Thomas J. Hearn, Harry E. Ketcham, Milton L. Powell, H. M. King, Emmett B. McDonald, John D. McGreevey, Lieut. Joseph A. Swett, Harold C. Taylor, Henry S. Todd, Vincent C. Warren, James L. Weldon, Major; Lieut. Howard D. Wright, Lieut. Charles A. McClintock.

Hospital Corps—Lieut. James H. Brothers, Jr., Sergt. J. T. Casey.

Ambulance Corps—Charles J. Mehegan.

Machine Gun Battery—Southard Outwater.

Aviation—Ernest R. Stock, Lieut., Royal Flying Corps.

Truck Train—Donald J. Duncan, Sergeant.

M. O. T. Co.—Urban B. Harris.

* * *

Royal Building Flagpole

William Street witnessed a good sample of general liability hazard last Saturday when the flag pole of the Royal Building was blown over by the severe storm of Friday night and literally hung by a thread. The main entrance of the building, 84 William Street, was roped off, and entrance to the building was through the office of the Queen Insurance Company. Among the companies in the building are Royal Indemnity, Hartford, Massachusetts B. & I., Fidelity & Deposit, Royal, Queen and London Assurance fire companies.

* * *

Why Experience Failed

Manager Leon S. Senior, of the Compensation Inspection Rating Board, says in his annual report regarding experience rating in New York State:

"Searching for the causes that have contributed to the failure of experience rating in this State, it is altogether probable that primarily such failure is due to the fact that in the perfection of experience rating plans it was deemed necessary to arrive at results by compromise. At times the compromise involved views that went deeply into the fundamental principles of insurance. There are quite a number of us who hold to the opinion that experience rating will prove successful in practice only when due recognition is given to the fact that individual experience becomes increasingly important with the size of the risk and that actual instead of artificial experience is the proper standard for appraising the hazard as a foundation for a prospective rate. Nor will the practice of experience rating receive or become entitled to proper recognition until the subject is entirely removed from the realm of competitive discussion and studied from a purely scientific point of view."

* * *

American Surety Figures

Preliminary returns made by the American Surety for 1917 show that the Company paid claims amounting to $783,513, the number of claims being 3,272. Net premium receipts amounted to $4,159,337, an increase of $469,768. The number of local representatives December 31, 1917, was 13,907, an increase of 356. These representatives report through forty-one branch offices.

* * *

Fidelity & Casualty Figures

Writings of the Fidelity & Casualty for last year are summarized as follows: Bonding $1,182,519; burglary $785,963; plate glass $465,193; boiler and fly wheel $638,256; liability $5,999,373; accident $3,659,224; total $12,730,528. The increase in writings over 1916 is $2,371,118.

* * *

See Senior

If there is still anybody in the insurance business who wishes to cut down the H. C. of L., let him consult Manager Senior of the Compensation Inspection Rating Board. Last year the expenses of the Board were $108,506, in 1916 $115,612 and in 1915 $135,452.

* * *

Seek Easiest Road

Because it is just a little easier is the answer to the old question: Why do accident and health insurance agents persist in soliciting those who already carry insurance or who have had a policy and let it lapse? It requires just a little less effort, a little less talking, to "get" the man who has once had a policy. He knows by experience what the proposition is and it's "yes" or "no" and that settles it. The man who is making his debut as a policyholder treads cautiously and must be led most of the way. Only 25 per cent. of the working men are insured at any one time, but somehow most agents would rather seek prospects there than among the other seventy-five per cent.

* * *

Bureau Men in Washington

Secretary-Treasurer E. W. Miller and Actuary Michelbacher, of the National Workmen's Compensation Service Bureau, are in Washington this week.

* * *

Should Be Great Business

No wonder there is always plenty of work for the industrial accident and health man. Eighty-five per cent. of his business would lapse in the course of a year if he did not keep after it constantly. And yet, it ought to be an even greater business than that of industrial life because it appeals to a man's own personal comfort during his lifetime. Why it has not reached larger proportions is often attributable to companies treating it as a sort of side line. The money necessary for proper development is not forthcoming and the monthly payment or industrial department languishes accordingly.

MEET IN ALBANY

A meeting of the board of directors of the Insurance Federation of the State of New York was held at Albany yesterday, at which time matters of more than usual importance to the federation movement in this State were considered. President Edgar M. Griffiths, of the Ten Eyck & Lansing Insurance Agency, states that among the subjects to be discussed are ways and means of increasing the membership and legislation. A. C. Hegeman, president of E. C. Anderson Company, and chairman of the executive committee, headed the New York delegation to Albany and reported that the interest in the federation movement is so great that nearly every New York City director had announced his intention of attending the meeting.

BROOKLYN AGENCY TAKEN OVER

George Chesbro, Jr., has taken over the agency of Brown & Chesbro, 144 Montague Street, Brooklyn, and George Chesbro has resigned as agent for the Teutonia of Pittsburgh.

Do You Know that a
DIGEST OF WORKMEN'S COMPENSATION CASES IN THE HIGHER COURTS

Is published on the third Saturday of each month in THE WEEKLY UNDERWRITER? These digests cover every state and territory where Workmen's Compensation Laws are now in effect. This department has been conducted ever since Workmen's Compensation went into effect in each state, and is **complete up to date.** It is indexed every six months and numerous cross-references are made to parallel cases both in the courts and before the Industrial Boards. FULL TEXTS ALWAYS AVAILABLE. Industrial Board decisions are reported every week.

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The Weekly Underwriter

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JOHN T. STONE'S REPORT

Discussion of Compensation and Liability Reserves—Refers to Depression of Securities

A record of unusual prosperity is contained in the annual report which President John T. Stone, of the Maryland Casualty Company, submitted to his stockholders at their annual meeting. Mr. Stone reviewed the operations for the year, 1917, in detail, and showed that business went away ahead of that for the previous year.

Premiums for 1917 were $3,548,351.81 larger than for 1916. It is explained that this was produced to a great extent by excess and additional premiums on liability and workmen's compensation policies.

Discusses Increase

"As such premiums are fully earned when received," said President Stone, "it is not necessary to set up any portion of them as unearned premium reserve. Therefore, the increase in our premium reserve, resulting from our increased writings, is only $1,151,785.72. This increase is spread over all classes of our business, each of which recorded a very substantial growth in volume during the year.

"The application to the increased premium writings, of the percentage prescribed by law for the purpose of providing claim reserves against workmen's compensation and liability policies, requires an addition to those reserves as they were a year ago, of $645,491.

"It is possible that this legal percentage may not prove to be high enough to meet ultimate claim requirements. In view of this possibility, it has been thought wise to set aside a voluntary additional reserve of $250,000. A somewhat detailed statement of the considerations which suggest this possibility will be found in my last report. By way of attemptng to meet these considerations there has been an advance in premium rates during the year 1917; and, in order to cover in part the war increase in the expense of furnishing service, other than indemnities paid, to policyholders, an increase in rates of 5 per cent. on workmen's compensation insurance and of 10 per cent. on liability insurance, went into effect January 1, 1918. Similar increases in rates on other classes of casualty insurance, and surety bonding to cover increased cost of service are either in effect or in contemplation at this time.

"The present abnormal depression in the market values of investment securities, incident to the universal disturbances and readjustments brought about by the war, has been considered by a committee of State insurance commissioners in conference with chief executives of insurance companies. Upon the recommendation of that committee the convention of insurance commissioners has decided to use a schedule of valuation prices deduced from average calculations of prices prevailing during the past fifteen months. It it believed that this schedule represents a nearer approximation to real values than the prices quoted on December 31, 1917. We have applied that schedule to our investment securities and have thus encountered a total apparent depreciation of $185,264.92 in their value."

CASUALTY AND SURETY POINTERS

Getting Help With Adjustments

The agent who is interested in his future and who is loyal to the company will so handle his business that when claims are presented he will pay close attention to the prompt investigation of them and forward an early report to the home office. This expedites adjustment and enables the company to give service which is so much desired by all concerned. Occasionally it may be necessary for agents to handle adjustments where the assured expects more than the policy provides. On such occasions the agent should never lose his nerve because if he had properly classified the risk and explained the contract he should have very little trouble in satisfying the assured that the claim is being properly adjusted. One good move on such claims is to call on some other claimant who may have had a similar claim which was satisfactorily adjusted and have him explain to his fellow workman the real conditions of the contract. We have seen this plan adopted by many agents with great success.—"The Fieldman."

* * *

Cutting out Waste

The general order of the day is to conserve in every department of life. We are asked by our Government to help in every way we can to use the material at hand to the very best advantage. This rule does not apply solely to the food and the fuel of the country, but to every other department of the home and business world.

It would seem to us that there is no business where a greater saving can be made than in the insurance business in all its branches. The waste of paper, postage and credit is terrible. We see every year tons of paper used in our advertising matter which we know gathers only dust in the agent's office. None of it gets to the spot where it can help in gathering business, for which purpose it was created. We see other agents using this material in a way which is purely waste, for but a small quantity can ever reach the heart of the prospect because it is not properly used.

The greatest waste, however, is in the credit system used. Several hundred thousand dollars in premiums are recorded each year that must afterwards be cancelled flat as not taken. Much of this can be saved if only real orders are accepted. The idea of writing a policy in the fond expectation that the prospect can be made to take it afterward is the cause of much of the waste. You are no salesman unless you can sell the goods and those goods are not sold when you get a promise to merely look over a sample. In such cases use a sample policy—we supply those for you. Our general experience teaches us that when a policy has been left with the prospect for thirty days "to look over" he very rarely overlooks it if in the meantime an accident happens. If no cause for claim arises, then he may return if not wanted. Every single agent of company **can save a lot** if he will deliver a policy only upon an order so to do, and with the understanding that an earned premium will be paid for the time the policy is used.—The "Standard Cog."

* * *

Not Keen for Large Policies

Large policies are not so popular as they frequently were, and as time goes by we feel certain that the life companies will take exactly the position that this company has maintained. The life companies' explanation is that a very wealthy man reached that level in one of two ways—first, he inherited his wealth, or, second, he is self-made. It is contended that the man to whom a fortune may be handed down follows a form of living which is not conducive to good health and sound health. On the other hand, the man who has been obliged to build up his fortune usually does so by extremely hard work and high pressure methods. High pressure methods cannot be used without paying a physical penalty, and at the climax of success, therefore, we frequently find men unfit physically and unsound for accident or disability insurance.

In other words, the physical risk of these men is not so good generally as that of the poorer man. The rich man eats and drinks too much. His work is of a strainy type, which tends to pull down his physical resistance. We find, too, in our experience, that men of large fortunes frequently obtain those large fortunes by plunging. Sometimes an extra plunge brings down the fortune with a crash. Those cases are not unknown and when that happens it lays the foundation for the suicide, or the self-inflicted injury. Right at this point, let us make it clear that the man who is rich is not always the man who makes a fair and equitable claim. The man who is high up socially is the very man who seeks to protect that social position from the loss by the use of his insurance policy, and social position is no barrier to self-inflicted injury. In fact, it seems to be an inducement to just such cases.—The "Standard Cog."

NEW AMSTERDAM'S PREMIUMS

More Than $3,000,000 in 1917—Shows Increase of More Than $900,000

Figures now available show that the New Amsterdam Casualty Company enjoyed a prosperous year in 1917. The premium income account of the company for the twelve months was slightly in excess of $3,000,000. This represents an increase of approximately $900,000 over the previous fiscal year.

In insurance circles a great deal of comment has been made on the favorable showing of the company, creating as it has in three years a surety business of nearly three-quarters of a million dollars annually.

Increases in premium and claim reserve needed to transact the volume of business reported totaled about $600,000. In the face of these increases, however, it is understood that the company will not suffer any loss of surplus on account of the year's operations.

Harry C. Michael has been appointed secretary and treasurer of the Maryland Assurance Corporation. Mr. Michael was formerly with the Maryland Casualty Company, both in the home office and at the Charlotte (N. C.) agency. **W. G. Chandler** has been made agency supervisor for the New England and Northern New York territory, and he will establish headquarters in Albany. **H. B. Wands** will represent the Maryland Assurance as agency supervisor in Southern territory. His offices will be located in either Atlanta or Charlotte.

MANAGERS MUST GIVE BOND

Bureau Makes Rates for Those in Charge of Charity Entertainments

By Ordinance No. 163 of the City of New York, managers of charity entertainments are required to give "bond to the city with sufficient surety to be approved by the commissioner of licenses in the penal sum which shall be fixed by such commissioner conditioned for the due observance of the provisions of law or ordinance relating to such entertainments." The Towner Rating Bureau has made rates for these bonds as follows: One per cent. on penalty of bond for any term up to one year. Annual renewals, one per cent. The earned minimum for short term or renewal is one per cent.

Entering Brokerage Field

Chester M. Cloud, formerly casualty manager in New York for the Fidelity & Deposit, has entered the brokerage business in that city, in the office of H. W. Schaefer Company.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,526,022.81

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE
CHICAGO

F. W. LAWSON
General Manager

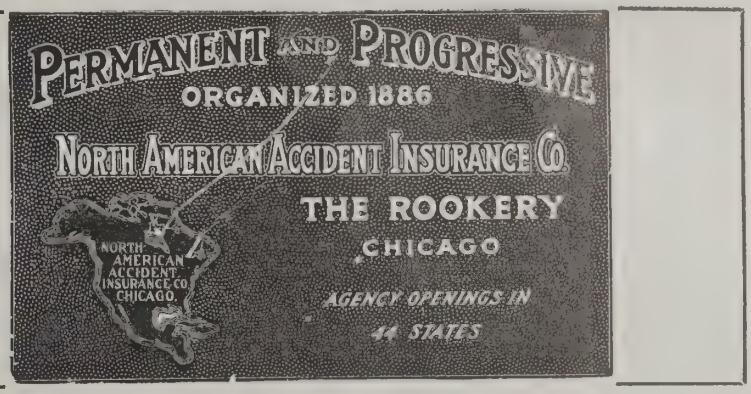
Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers New England

London Guarantee & Accident Co., Ltd.
OF LONDON, ENGLAND



BUSINESS=BUILDERS

DEVELOPING

Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE

APPRECIATE THE CO-OPERATION OF THE

Massachusetts Bonding and Insurance Company

BOSTON T. J. FALVEY, President

Paid-In Capital $1,500,000 Write For Territory

The Employers' Liability Assurance Corporation, Ltd.

The original and leading Liability Insurance Company in the World

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE

United States Branch

SAMUEL APPLETON, United States Mgr.

Employers' Liability Building

33 BROAD STREET, BOSTON, MASS.

AGENTS WANTED

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000, or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address

United Life and Accident Insurance Co.

Home Office, United Life Building Concord, New Hampshire

PURELY MUTUAL THE CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

Insurance in Force, $1,505,464,984

SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued.

POLICIES MOST FLEXIBLE AND EASY TO SELL

Complete Agency Protection:

Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

Write GEO. E. COPELAND, Supt. of Agencies, Milwaukee, Wis.

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.
2. The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.
3. Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,

Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

Capacity For Local Agents

You can use our capacity as your own to take care of additional business beyond the capacity of admitted Companies.

Our capacity is as high as $150,000 on a single risk with immediate binders and 10% commission to brokers. Guaranteed Underwriters. Use our special Surplus Line Department. Special liberal policies for Baggage Insurance.

MARSH & McLENNAN

Insurance Exchange, Chicago

19 Cedar St. NEW YORK — 1615 California St. DENVER — 314 Superior St. DULUTH — 300 Nicollet Ave. MINNEAPOLIS

Ford Bldg. DETROIT — 17 St. John St. MONTREAL — 23 Leadenhall St LONDON

THESE OFFICES GIVE YOU THE BEST THERE IS IN INSURANCE SERVICE

Associated Mutual Agency Incorporated

B. J. ALLEY, Manager

68 William St., New York

Exceptional Facilities for Writing Business Throughout the United States

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

Pan-American Life Insurance Company

NEW ORLEANS, U. S. A.

CRAWFORD H. ELLIS, President

Capital.....$1,000,000.00

OUR 1916 STATEMENT SHOWS

Insurance in force	(over)....	$42,400,000
Resources	(over)....	5,600,000
New Insurance paid for		10,000,000

The High Scores in the Life Insurance Profession are won by Trained Men. We will train you in the Profession and locate you in Productive Territory either North or South. Your Opportunity is Here.

Further information on request. Address:

E. G. SIMMONS, Vice-President and General Manager

Whitney Central Bank Building

NEW ORLEANS, U. S. A.

MARINE EDITION

THE EASTERN UNDERWRITER

IN TWO PARTS

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Copyright by The Eastern Underwriter Co., 1918

PART ONE

Nineteenth Year; No. 4 NEW YORK, FRIDAY, JANUARY 25, 1918 $3.00 a Year; 25c. per Copy

IMPORTANT NEW INSURANCE DECISION

Where Violation of Warranty Increases the Hazard Insurance Is Canceled

SEVERABILITY OF RISK

An Analysis of Kings County Supreme Court's Decision in Ohio Farmers' Case

William Otis Badger, Jr., and Joseph Thurlow Weed, attorneys for the Ohio Farmers Insurance Company, won an important victory before Supreme Court Justice Lazansky sitting in the King's County Supreme Court, New York State, on Wednesday last.

In an action brought by the Joseph F. Bernascheff Building Construction Co., Inc., upon the standard form of fire insurance policy to recover $3,000 upon the dwelling and $3,000 upon the household furniture and personal effects, the insurance company pleaded mortgage foreclosure, breach of warranties and fraud.

Plaintiff's Claim

The policy contained the usual provisions as to sole and unconditional ownership and that the building was occupied exclusively for dwelling house purposes, and also contained a provision that it should be void if, with the knowledge of the insured, foreclosure proceedings be commenced or notice given of any sale of the property insured by reason of any mortgage or trust deed, unless otherwise provided by agreement indorsed upon the policy.

It appeared from the plaintiff's evidence that it did not have title to the land upon which the dwelling stood, but it claimed, nevertheless, that it owned the building and all the personal property covered by the policy, and it sought also to recover for the loss of a large amount of other personal property not specifically insured.

The plaintiff's president and treasurer Mr. Bernascheff, testified that all of the household furniture and his own clothing, and that of his wife was the property of the plaintiff corporation, but he was unable to explain to the Court upon what theory a corporation formed for building construction and real estate purposes could be the owner of women's lingerie and men's clothing except by the bare statement, "It belongs to my corporation."

(Continued on page 14)

"The Largest Fire Insurance Company in America."

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

Equal Protection for ALL Policyholders.

FIRE AND ALLIED BRANCHES OF INSURANCE.

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

ORGANIZED 1867

EQUITABLE LIFE OF IOWA

J. C. CUMMINS, President

Operating in

IOWA ILLINOIS
PENNSYLVANIA OHIO
MINNESOTA INDIANA
NORTH & SOUTH DAKOTA
NEW JERSEY MICHIGAN
KENTUCKY OKLAHOMA
KANSAS NEBRASKA
MISSOURI CALIFORNIA
OREGON WASHINGTON

Good Territory Open

Attractive Policies to Sell

Low Net Cost

Large Annual Dividends

For Agency apply to

H. E. ALDRICH

Supt. of Agents

DES MOINES, IOWA

THE GAUVIN AGENCY

DWIGGINS LOSSES TO BE MADE GOOD

Bankers Life, of Des Moines, and New York Bank Take Action

STATE OFFICIALS AGREEABLE

Liberty Loan Subscribers Will Not Lose by New York Agent's Act

Arrangements have been virtually completed whereby the Bankers Life, of Des Moines, and the bank in New York through which Elmer A. Dwiggins operated will take care of his defalcations.

Dwiggins became active in the sale of Liberty Loan bonds when the big drive was on among the insurance companies sometime ago, but he lost a considerable portion of the funds he collected through speculation in stocks. He was general agent in New York for the Bankers Life and is now serving a three year prison term.

State Officials Approve

It is understood that former Insurance Commissioner English, of Iowa, is agreeable to the plans of the bank and the insurance company, and also that the New York Department will not object.

It is likely that the insurance company will notify subscribers who bought their bonds through Dwiggins, that they will not lose the amount they paid and that they will receive their bonds provided any balances due on subscriptions are paid.

Company Not Liable

The Bankers Life, like all other insurance companies, advised their agents to do everything in their power to aid the Government in obtaining subscriptions for the loan. It also instructed its agents that the Company would in no way be responsible for moneys collected and that agents should not take any subscriptions in the name of the Company. The Company is not legally liable for the misappropriations of Dwiggins, but from the start was anxious that no one lose a cent through the misuse of the name of the Company.

THE PILOT POLICY

Where and How to Look for Prospects

SOME POINTERS FROM D. A. DAY

The Corporation, The Spender, The Teacher, The Young Married Woman, The Mechanic

Darby A. Day, the "million-a-month manager" of the Mutual Life, has issued in concrete form some suggestions, which are not necessarily new, but are worth repeating just the same.

The following suggestions are not new but may be of benefit to new men—in fact, may be a gentle reminder to some of the older men as to where to get a new prospect.

The man who is already insured is a better prospect than the man who never carried protection because he, the old policyholder, realizes the value of life insurance; and in view of the ever increasing cost of living a larger line of life insurance should be carried from year to year.

The man whose neighbor has recently died without insurance, leaving a family unprovided for, ought to be a good prospect in that he has had the value of life insurance brought home to him. Likewise the man who has recently died leaving a goodly amount were no other assets, furnishes a good of insurance protection, where there argument for insurance.

Don't Forget the Beneficiaries

Sometimes the beneficiaries of the man who left a large amount of life insurance are themselves good prospects, and they can be induced to follow the example of their relative or benefactor in taking out life insurance.

The man who is a father and loves his children might be expected to take life insurance in an adequate amount consistent with his means.

The man who has lived long enough to realize that life is short should be a good prospect.

The school teacher or other salaried woman who wishes to provide for her own old age should be shown the value of an endowment policy.

Read the newspapers; note the announcement of engagements and weddings. The young man in that happy state is susceptible. He may be approached by other men in the business but your chances are as good as that of the other fellow.

Note the announcement of births. The happy father should take a fifteen year endowment policy to provide for the education of the child, or perhaps a twenty year endowment to start his son in business.

Sales of Real Estate

Note the sales of real estate. The man who has bought property subject to mortgage must have insurance to provide for the cancellation of the mortgage in case of his death.

The young married woman, who with her husband is working and saving to provide for the payment of the mortgage on their home, will help you to persuade the husband to insure.

Try out men who are about to enter into some new business undertaking. They must have insurance to protect their estate in the event of their death before the enterprise is brought to a successful issue.

Employes in various concerns who have been promoted or who have received an increase of salary should be open to conviction.

High class mechanics who have steady employment and are earning good wages ought to invest something is life insurance.

Young Men and Women

Young people who have reached the age of 15 and are eligible can get insurance at less cost now than any time hereafter.

Young men and women who have dependent relatives, a mother, an invalid sister, or other person partially or wholly dependent upon them, should prepare for the unexpected through the medium of life insurance.

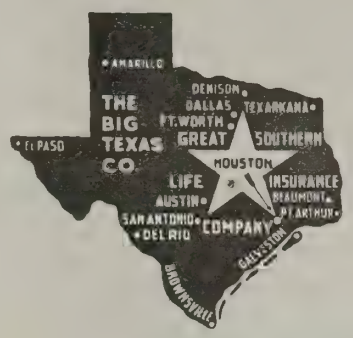
The corporation which has been built up by the genius and energy of its president or manager must protect itself against the calamity of that man's death.

The spender who lives extravagantly, laying up nothing for the future, needs life insurance because in all probability that is the only estate he can leave to his dependents.

Lastly—use tact in getting your client to introduce you to his friends, or at least send you to his friends who might be in the market for insurance. What is known as the "endless chain" system of securing prospects is about the best plan we know of.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

SUIT AGAINST DIRECTORS

Suit to recover $3,000,000 from the former directors of the Pittsburgh Life & Trust has been filed by Charles A. Ambler, who, as Pennsylvania Insurance Commissioner, is receiver of the company. In his petition Mr. Ambler says that the directors responsible for selling the company to Clarence F. Birdseye of New York should be made responsible to the company for the payment of all losses.

HENRY P. STAMFORD DEAD

Henry P. Stamford, who had been connected with the New York Life for nearly fifty years, died at his home in Grand View, N. Y. He was seventy years old. Mr. Stamford was born in Ireland. He served through the Civil War as an officer in the navy. In 1870 he obtained a position as accountant with the New York Life and later became assistant secretary.

A PEEP INTO OUR PRIVATE FILES

AN OFFICIAL OF THE U. S. GOVERNMENT AT WASHINGTON SAYS:

"I have your letter of October 1st with the bulletin which you are mailing to your policyholders and thank you for it. **This work is the kind that is going to make the Second Liberty Loan of 1917 an overwhelming success."**

A POLICYHOLDER SAYS:

"The **service which you perform for your policyholders** is without a doubt **unequaled by any of your competitors. This Health Service beats anything I have ever seen.** 'May your tribe increase'."

AN AGENT SAYS:

"If a man **doesn't make good** with The Germania Life Insurance Company **it is his own fault."**

WE SAY:

Since these are but samples of **many** letters received regularly by **"The Company of Modern Insurance Service," THE GERMANIA LIFE INSURANCE COMPANY, established 1860 under the laws of the State of New York,** it should be worth something to YOU to ask T. Louis Hansen, Superintendent of Agencies, 50 Union Square, New York City, to tell YOU more about the SERVICE which this Company is rendering ITS COUNTRY, ITS POLICYHOLDERS AND ITS FIELDMEN.

WHAT DO YOU SAY?

PEORIA LIFE RESULTS

Renewals Ninety-two Per Cent.—Mortality Under Thirty Per Cent. of Expected

Having closed the greatest year in its history the Peoria Life calls attention to these particularly gratifying results: Insurance in force, $21,071,596, a gain of $3,770,131; gross assets of nearly $2,000,000; percentage of renewals, about 92 per cent.; interest on investments, over 6 per cent.; savings in mortality, over 70 per cent.

Speaking of business conditions the Company says: "If there are any pessimists in this land to-day talking about the insurance business, please set them right. Should you find any persons who are carried away on the waves of gloom about the present situation in regard to insurance, show them that we wrote almost twice as much business last year as ever before and that our men made twice as much money and that we developed more new agencies than ever before. Not only that, but we had 92 per cent. of our business renewed. Conditions never were so good in the insurance business as they are to-day. People in this country never realized the necessity and value of insurance as they do to-day, and when it is considered that more insurance is being sold to people over the age 35 than ever before in the history of the world, it can then be realized how good the insurance business is and how stable it is and how much a part of our very system of government and business world the insurance business has grown to be.

"During the year we entered two new States—Nebraska and Kentucky. Both of these States are progressing splendidly in their organization. During the coming year the Company is ready to go into two more new States and develop more intensively the territory which we already have opened. The Company to-day has 400 agents located in the seven States in which it is doing business and we want to establish more agencies during the year. It will be our plan to continue to develop agency organization by promotions."

During the year the Company purchased a lot in the City of Peoria for the erection of a home office building. This building will be erected during 1918. It will be an office building at least twelve stories high and will be the permanent home of the Peoria Life.

FROM PRESIDENT TAFT

President Taft's tribute to life insurance, paid in a letter to W. H. Hunt, president of the New York Life, has attracted considerable attention. It reads as follows:

"I am strongly in favor of life insurance. It is a means of gently enforced saving that makes not only for the security of the family of the moderately circumstanced and the poor, but it strengthens the self-restraint and prudential virtues of the men who assume the responsibilities of the life insurance contract. It has done as much in developing the moral tone of men in the business world as any one secular agency that I know. I have taken out policies for my son just for the purposes of teaching him prudence and saving for a definite purpose. I wish your Company every success."

OLD GUARD ANNIVERSARY

Nineteen-eighteen marks the thirtieth anniversary of the establishment of the Prudential Old Guard. The object of the Old Guard, as outlined by President John F. Dryden, is "an association based on long, continuous and honorable service, having behind it a significance of positive value; to every member a bond of good-fellowship and good will, a union binding all together in one common fraternal society within the Company."

Annual Report of President McClench

INVESTMENTS YIELD 5.08

Mortality 57 Per Cent. of Expected—Comments on Government Insurance—Figures

The annual report of President William W. McClench, of the Massachusetts Mutual, is always of interest and follows herewith:

To Policyholders:

Your directors present herewith their report of the transactions of the company during the year 1917, and of its condition at the close of the year.

The following statement gives a summary of the income and disbursements during the year:

Income

Premiums (less $76,553 for re-insurance)	$14,619,931
Interest and rents	4,606,074
All other income	1,009,253
Total income	$20,235,263

Disbursements

To policyholders and beneficiaries:		
Death claims	$4,186,865	
Matured endowments	319,781	
Surrender values	1,752,475	
Dividends to policyholders.	2,910,879	
Other payments	1,041	
	$9,170,981	
Other disbursements (see statement herewith)	3,656,418	
Total disbursements		$12,827,399
Balance (gain in ledger assets)		$7,407,864
Ledger assets, December 31, 1916		90,213,349
Ledger assets, December 31, 1917		$97,621,213
Other assets		3,147,367
Admitted assets, December 31, 1917		$100,768,580

New Business

The new business delivered and paid for in 1917 amounted to $61,849,534, a gain of $4,723,858 in amount of new insurances over the record of the previous year.

At the close of the year 1917 there were in force 195,679 policies representing insurance amounting to $450,212,181. This is a gain of 15,321 policies and of $40,045,261 in outstanding insurance over the preceding year.

The new business delivered in 1917 was distributed as to kinds of insurance as follows:

Whole life	$52,099,894
Endowment	4,767,032
Term and other	4,772,128
Paid-up additions	210,480
Total	$61,849,534

Investments

During the year there was invested in railroad bonds $3,200,653, at an average annual yield of 5.08 per cent.

In addition, the Company subscribed for $1,000,000 of the United States Liberty Loan 3½ per cent. bonds and for $1,500,000 of the second 4 per cent. bonds. Owing to the over-subscription of both of these issues, our Company under the first subsbcription received and paid for $300,000 of the bonds and under the second subscription it received and paid for $900,000. The 3½ per cent. bonds were subsequently exchanged for other securities.

The bonds of the Missouri, Kansas & Texas System and of the Boston & Maine System which were reported last year as in default are still in default, although interest was received during the year upon some of the issues of the former system. With the above exceptions, there occurred no default during the year on any of the bonds or the stock owned by the Company.

The recent action of the Federal Government in assuming temporary control and management of all the railroads of the country and the proposed legislation guaranteeing specific returns to the owners of their securities will, it is believed, benefit the railroads and will tend to strengthen all the railroad bonds owned by the Company.

There was invested also during 1917 in first mortgage loans upon improved real estate the sum of $6,240,650, at an average annual yield of 5.13 per cent. At the close of the year, with the exception of six loans upon which the unpaid interest amounted to $3,306, all mortgage loan interest due the Company had been paid.

During the year our Company passed the one hundred million mark in admitted assets. On December 31, 1917, these assets, as shown by the statement herewith, amounted to $100,768,580, an increase over the previous year of $7,528,203.

Mortality and Expenses

The mortality experience during 1917 was vtry favorable, being about 57 per cent. of the expected, and all expenses for the year were 20.87 per cent. of the premium receipts and 16.22 per cent. of the total receipts from premiums, interest and rents.

Government Insurance for Soldiers and Sailors

Since the publication of our previous annual report, the Federal Government, by appropriate legislation, has provided for the insurance of American soldiers and sailors engaged in active service in the great war. Your directors are in hearty accord with the purpose of this law. In effect, the plan provides term insurance during the period of the war in amounts not to exceed $10,000 upon any one life; it provides, further, for the conversion of the policies issued during the war into permanent insurance within five years after the termination of the war, under certain regulations and conditions. No life insurance company can with safety issue policies in time of war giving the holders thereof unrestricted right to perform military or naval service without the payment of an extra premium on account of such service. The hazards of war as they affect the mortality experience of a life insurance company are elements the full effect of which cannot even be estimated in advance with any approach to definiteness. That such hazards are very great is amply demonstrated by the known experience of the British and Canadian companies whose policyholders have been actively engaged in the great European struggle. For these reasons, if for no other, the decision of our National Government to provide some protection in the form of life insurance for our soldiers and sailors is entirely justified.

During the year just closed, our Company, in common with many other life insurance companies of America, accepted and adopted upon its new issues the extra premium provision for war risks recommended by a committee of insurance commissioners and officials of life insurance companies.

State Triennial Examination

During the year just closel the officials of the Massachusetts Insurance Department, in compliance with the law of the Commonwealth, made their triennial examination of the Company. This examination included, as usual, not only the present condition of the Company, but practically all of its transactions since the previous inspection in 1914.

The official report is too long to be published in full, but the following paragraph in it should be of interest to our policyholders:

From a careful reading of the records of the meetings of the Company, and of its directors and committees, it was evident that all the business of the Company which was subject to the provisions of the statutes had been undertaken in strict observance of the spirit thereof. Indeed, it is not too much to say that, as far as could be ascertained by our careful examination, this Company is a thoroughly well-managed institution. It has an excellent accounting system, there is harmony between the departments, its investment methods are carefully planned and followed, policyholders are equitably dealt with, and its officials and employes do not forget that they are the trustees of a large mutual institution and not its owners.

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

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(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,

Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

Annual Report of John M. Taylor

CONNECTICUT MUTUAL'S YEAR

Seventy-two Years Old—Small Increase In Policy Loans—Good Investments

The Connecticut Mutual Life is seventy-two years old. The annual report of President John M. Taylor, always an interesting document, follows:

To the Members of the Company:

The Company's charter, written in 1846, provided that its directors "shall at all times superintend and manage the funds, property and effects of said corporation." In the performance of that multifold trust, in no year have more gratifying results been secured than in 1917, despite the abnormal conditions. These results denote a steady adherence to the sound principles of corporate management—with safety last, as well as safety first, foremost among them—and also the Company's sure advance in resources and in public confidence and patronage.

What were the chief factors in the year's service; the ones which have especial interest to policyholders? They may be thus summarized:

Gains in amounts of new business and of insurance in force. New paid-for business amounted to $31,140,429.13, and the total insurance in force at the end of the year was $270,243,227.37

Mortality Savings

Mortality savings (i. e., the difference between the actual and assumed tabular death losses) of $1,248,299.55, the most favorable result in the history of the Company, demonstrating a careful inspection and selection among applicants by the medical directors and examiners.

Increases of $3,058,896.96 in the Company's admitted assets and of $264,642.16 in its surplus.

Satisfactory interest earnings for the year.

A somewhat increased dividend scale for 1918, in pursuance of the progressive plan commenced a year ago.

Significant Figures

Continuance of the Company's exceptional record in the history of American life underwriting, of having repaid to its policyholders and their representatives more than it has received in premiums. This fact has commanded wide attention. These are the significant figures:

Total premiums received, Dec. 15, 1846, to Dec. 31, 1917	$318,299,060.36
Total returns to members and their beneficiaries, in death claims, endowments, dividends, annuities, surrender values and other benefits*	326,786,585.46
Excess of the returns over premiums received	8,487,525.10
Percentage of such returns	102.67%
The Company had, on Dec. 31, 1917, admitted assets of	$79,730,049.88
To meet liabilities of and reservation for 1918	74,363,918.34
dividends of	1,700,000.00
Leaving unassigned surplus of	3,666,131.54

*The Company also holds for members and their beneficiaries dividends, with interest thereon, in the sum of $2,205,980.10.

Effective continuation of the search for missing policies begun October 1, 1911, covering to date 3,485 cases and involving cash payments to representatives of $276,075.62. This voluntary action is a vivid illustration of pure mutuality in life insurance.

The issue of unique forms of annuity

contract which offer to the holders manifest advantages.

Policy Loans

A satisfactory small net increase in policy loans, only $501,945.47; making a total outstanding December 31, 1917, of $8,715,066.96. As we have repeatedly emphasized, any sum borrowed against a policy must ultimately be paid off. If it is not paid off in cash—and the record shows that, in this Company, out of such loans made, only 12.5 per cent. have been paid off in cash—it must finally either reduce the provision made for the beneficiaries or result in the premature cancellation of that protection altogether. The note of a husband or father is a mighty poor equivalent for money in hand on the settlement of a loss. The figures are significant of the facts that, in a year of great demand for funds, our appeals to members to conserve this final safeguard of their families have not gone unheeded, and that, as the uncertainties of life multiply, the increasing necessity for adequately protecting the future of their dependents becomes more fully recognized.

In the preservation of the national honor and the great principles of true democracy, which this Republic markedly represents among all the nations of the earth, the Company subscribed $1,000,000 to the first Liberty Loan and received an allotment of $300,000. It also subscribed $1,500,000 toward the second Liberty Loan and received an allotment of $750,000.

Investments

Additional investments of the year were: a net increase in the holding of real estate first mortgages in the sum of $340,437.11, making the total investment on that account of $38,127,242.53. (These mortgages are secured, in the aggregate, by real estate conservatively appraised at more than three times the face of the mortgages); also:

$100,000 convertible notes French Republic, due 1919;
$100,000 convertible notes United Kingdom of Great Britain and Ireland, due 1919;
$100,000 convertible Anglo-French bonds due 1920;
$50,000 notes Dominion of Canada, due 1919;
$100,000 bonds City of Hartford, Conn., due 1941;
$30,000 bonds City of Waterbury, Conn., due 1930-1940;
$100,000 bonds City of Bridgeport, Conn., due 1931-1933;
$200,000 collateral trust notes Great Northern Railway Co., due 1920;
$200,000 notes General Electric Co., due 1920.

The Company, to assist the armed forces of the nation in establishing peace and security, and in the conservation of its policyholders' interests, contributed to the American Red Cross War Fund the sum of $10,000, and to the National War Work Council of the Y. M. C. A., $5,000.

In the protection of the members' interests as a whole, and in view of war conditions, the Company has taken steps, through extra war-service premium charges and limitations of amounts of insurance, to provide, as far as can be foreseen, against the special hazards which such service involves.

Conclusion

With these results of the year's work, with the Company's unexcelled record of beneficent service to its members and to their representatives for seventy-one years, with its present resources, as may be noted in the statement herewith to which we invite special attention, we again urge every policyholder to exercise the duty and privilege of membership and take a personal share and interest in the management of one of the most sacred of trusts.

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.

PHILADELPHIA

We don't contract with poor men.
We give a new man our attention until he is started.
We make our men make good.
Why don't you work for us?

Peoria Life Insurance Company

PEORIA, ILLINOIS

Security Mutual Life Insurance Company

Binghamton, N. Y.

Offers to men able to produce business first class territory, with direct contract providing liberal compensation.

For particulars, address

C. H. JACKSON, Supt. of Agencies

KANSAS CITY LIFE INSURANCE COMPANY

Annual Statement December 31, 1917

Ledger Assets, January 1, 1917		$6,819,871.16
INCOME		
Premiums—		
New Business	$1,523,889.10	
Renewals	2,447,867.65	
Total Premium Income	$3,971,756.75	
Interest Income	394,112.65	
Policy dividends left with Company	167,851.20	
Miscellaneous	32,830.91	
		4,566,551.51
Total		$11,386,422.67
DISBURSEMENTS		
Death Claims paid	$451,056.73	
Matured Endowments	25,323.84	
Dividends and Surrender Values	452,177.84	
Total paid policyholders	$928,558.41	
Salaries, all officers and Home Office Employees	$103,511.36	
Medical Examination and Inspections	170,146.98	
Taxes and Insurance Department Fees	66,013.17	
Commissions, New Business and Renewals	1,465,553.47	
Rent, Advertising, Postage, Printing, Supplies, Furniture, Legal, Branch Office and Miscellaneous Expense	182,912.65	
Total Disbursements		$2,916,696.04
Balance		$8,469,726.63
LEDGER ASSETS		
First Mortgage Real Estate Loans	$5,976,022.70	
Real Estate owned	30,000.00	
Loans to Policyholders	1,107,941.17	
Renewal Premium Notes	125,501.93	
Loans Secured by Collateral	6,390.23	
Bonds and Stocks	563,602.60	
Cash and Certificates of Deposit	577,972.86	
Agents' Balances and Bills Receivable	82,285.96	
Reinsurance Premiums due from other Companies	9.18	
Total Ledger Assets		$8,469,726.63

OTHER ASSETS		
Accrued Interest on Investments		$199,517.80
Net Premiums in Course Collection and Deferred		264,134.67
Market Value Bonds over Book Value		2,250.00
Total Resources		$8,935,629.10
DEDUCT		
Agents' Balances	$140,548.48	
Bills Receivable	4,713.94	
Policy Loans, Deferred and Uncollected Premiums in Excess of Reserve	47,582.71	
Book Value Bonds over Market Value	57.45	
Total		$192,902.58
Admitted Assets		$8,742,726.52
LIABILITIES		
Net Legal Reserve		$7,173,867.75
Reported and Unpaid Death Claims		113,373.43
Premiums and Interest paid in Advance		35,716.12
Unpaid Current Bills		19,305.00
Set Aside for 1918 Taxes		48,000.00
Paid-up Capital	$100,000.00	
Surplus Assigned for Annual and Deferred Policy Dividends	920,701.06	
Unassigned Surplus	331,763.16	
Total Admitted Surplus Assets to Protect Policyholders		$1,352,464.22
Total		$8,742,726.52
1917 NEW BUSINESS		
Issued on Applications	$50,104,924.00	
Old Policies Increased	87,341.00	
Old Policies Revived	294,500.00	
Total	$50,486,765.00	
Deposited with State of Missouri to Secure Policyholders		**$6,505,264.12**
Insurance in Force		**$122,070,058.00**

Life Insurance Men and the Camps

INSURANCE COMMITTEE'S AIMS

Aiding Bureau in Clearing Away Obstacles That Prevented Many From Taking Insurance

A very great deal of unreliable and unfortunate publicity has been expressed in connection with the Soldiers' and Sailors' Insurance Campaign Council, of which John L. Way is chairman, in its relation to the insuring of men in active service.

Judging from the insurance press, life insurance agents all over the country, and particularly members of the National Association of Life Underwriters, have been given to understand that they would be expected, in a spirit of patriotism to invade the various camps and cantonments and naval stations with the sanction and under the auspices of the Army and Navy Department, for the purpose of securing applications for the insurance offered by the Government from all soldiers and sailors who have not availed themselves of the insurance—before the 12th of February—the last day men now in the service can apply for insurance. Such a plan was discused tentatively by the insurance committee before it found its bearings and realized the obstacles which stood in the way of such plan. As these obstacles revealed themselves to the committee, the plan was abandoned by the unanimous consent of all its members, and it was recommended that all plans pertaining to active effort to secure applications for insurance at camps or cantonments should be left entirely to the insurance and other Army and Navy officers.

The greatest usefulness of the insurance men's committee to date has been expressed in assisting the War Risk Bureau in clearing away certain obstacles that were working to the disadvantage of the insurance officers in the various camps and cantonments, and which prevented a large number of soldiers and sailors from applying for the insurance. This service has received the strong commendation of the Secretary of the Treasury and of the War Risk Bureau.

Publicity

Another phase of the usefulness of the committee will be expressed in a plan or program of publicity through which the benefits and advantages of the insurance offered by the Government will be brought home to the families and relatives of soldiers and sailors through various mediums.

This feature of the work will offer a splendid opportunity to life insurance agents all over the country through which to do their bit for the Government and at the same time for men in the service eligible to the insurance. It is hoped through this propaganda that families and relatives will write their soldier and sailor members urging the importance of the insurance and in some instances offering to relieve them of having the premium deducted from their pay—a privilege which is not universally known, in the opinion of the committee.

AGENT INSURED FOR $20,000

Arthur W. Shafer, who was the representative of the Bankers' Life of Iowa in Battle Creek, Mich., was insured for $20,000.

ONTARIO UNDERWRITERS MEET

T. B. Parkinson, of Aetna, Elected President—Talk by A. B. Farmer, Vocational Expert

London, Ont., Canada, Jan. 19.—At the eleventh annual meeting of the Life Underwriters' Association of London held here Friday night, T. B. Parkinson, local manager of the Aetna Life, was elected president. Other officers elected for the ensuing year were: Vice-President, J. J. Callaghan; secretary-treasurer, William Morrison; board of managements, R. P. Pearce, P. Bowen and John W. Clark.

After the election of officers an address was given by A. B. Farmer, B.A., the character analyst and vocational expert of Toronto, Ont. Mr. Farmer took for his subject the "Four Alphabets of Character from the Life Insurance Salesman's Viewpoint." The speaker dealt with four different phases of life insurance salesmanship, action, expression, appearance and writing. Mr. Farmer impressed upon his hearers the necessity for life insurance salesmen to endeavor to find likable qualities in the men with whom they do business. The speaker gave a practical demonstration of how to read character by handwriting.

The newly elected president, T. B. Parkinson, addressing the members, declared that the eleventh annual meeting will be remembered as a milestone in the history of the Life Underwriters' Association of London. He said that the foremost efforts of the society will be devoted this year to making every life insurance man a member of the association. The president said that the association during the present year will contribute to the developing of the educational campaign in this city and urged the co-operation of every member to secure the desired results. An attractive program for the year 1918 then was drawn up. A meeting of the executive committee of the association will be called shortly to further discuss the activities of the society for the year.

W. S. S. AS INVESTMENT

Investment Association at Convention and Other Trade Bodies Give Endorsements

The Board of Governors of the Investment Association, at its convention at the Hotel Astor last Friday, passed a resolution endorsing the war savings stamps of the Government as a profitable investment. L. Seton Lindsay (New York Life Superintendent of Agencies), of the war savings committee for Greater New York addressed the convention and told of the features of the stamps which should appeal to investors in all walks of life. Similar action was taken at the luncheon of the Interior Furnishings Trades Committee held last Friday at which W. Ward Smith, vice-chairman of the committee spoke.

Sixty-Sixth Annual Statement
of the
Massachusetts Mutual Life Insurance Company
Springfield, Mass.
Year Ending December 31, 1917
On the basis of Paid-for Insurance

Income		
Premiums		$14,619,931
Interest, rents, and all other income		5,615,332
Total income		$20,235,263
Disbursements		
Death claims and matured endowments	$4,506,586	
Surrendered and canceled policies	1,752,475	
Dividends to policyholders	2,910,879	
Other payments to policyholders	1,041	
Total payments to policyholders and beneficiaries		$9,170,981
All other disbursements		3,656,418
Total disbursements		$12,827,399
Total Assets		$100,768,580
Total Liabilities		94,063,695
Surplus, December 31, 1917		$6,704,885
New Insurance paid for in 1917, 23,472 policies	$61,849,534	
Insurance in force December 31, 1917, 195,679 policies	450,212,181	
GAINS		
In Assets		$7,528,203
In New Insurance		4,723,858
In Insurance in Force		40,045,261

JOSEPH C. BEHAN, Superintendent of Agencies

Type of Women for Good Agents

AS SEEN BY DETROIT WOMAN

Personnel Must be Carefully Chosen and Guarded—Women Especially Fitted

Miss Georgia Emery, superintendent of the women's department of the Massachusetts Mutual recently outlined for Cleveland agents of that Company, her ideas of a woman's department, saying in part:

"The successful women's department must be composed of women chosen with discrimination. Their personnel must be zealously guarded. The reputation of one woman whose character is not above reproach can effectually stifle a whole woman's department for years. The double standard is not yet eliminated in insurance. They must build their business on a higher class of prospects than men demand. To most women, the agent is the company, and her associates, her ideals, and even the names of her policyholders, make an impression with which the agent must reckon.

Must Measure Up to Prominent Lay Women

"They must be women who measure up well beside the best business and professional women in their community. They must be interested in all that pertains to the welfare and activities of women, since it is there that their prospects are found, their viewpoints broadened, their sympathies intensified.

"These women must receive exactly the same contracts as men. The day has passed when the class of women who should be required for a woman's department can be retained under an inferior contract.

"In the days when insurance business was the refuge for men who had failed in everything else, a rate book and an application blank were all the equipment required. Give the women agents the rate book, but withhold the application blank until they are able to talk intelligently, to give information that is correct; until they are able to tell a girl of twenty just why a long term policy is better for her than a ten year endowment; until they are qualified to sell a contract which must serve a score of years or a lifetime. Women, more than men, need to be trained to ring the time-clock of conscience and to be at their desks early in the morning, with their day's work planned. They must be made to realize, before a fatal habit is formed, that nothing less than a full week's work deserves a full week's pay.

"Their work should be in a field for which women are especially adapted, not as competitors of men but as supplying a real demand. Those whose aims reach no higher than 'Just to earn a little money,' should not be allowed to enter the business. There is an economic loss to themselves, to the agency, and to the women of their territory when agents have not the inspiration which comes from an ambition to put their business on a permanent foundation. There are occupations in which less damage can be done by those who plan to work only temporarily.

Should be a Women's Department in Every General Agency

"The co-operation of an intelligent, busy, woman physician is an invaluable adjunct to a women's department. More than one woman's application has been lost because of the dread of the examination by some strange doctor; and more than one bit of vital information has been denied the company which refuses an efficient woman examiner for woman applicants."

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

Metropolitan Life Writes $790,000,000

HOLDING ANNUAL CONVENTION

Two Days' Meeting—Big War Savings Stamp Campaign Is Launched

When the annual superintendents' convention of the Metropolitan Life opens this morning in the assembly room of the home office, the company's representatives will learn that last year the Metropolitan placed $790,000,000 of insurance. This is more than the Metropolitan or any other life insurance company ever effected in a twelve-month period. The Metropolitan now has eighteen million policyholders, almost 20% of the population of the United States. These figures include ordinary, intermediate, industrial and group business. Last year the company paid claims of almost $59,000,000.

Large Attendance

The convention opened Friday morning with a business session and another session will be held tomorrow, January 26. Saturday night the annual dinner will be held at the Astor. In keeping with the spirit of the times this affair will be less pretentious than in former years; there will be no theatre party. "Strictly business" is the keynote.

Those who will attend outside the home office are superintendents, deputies and a few agents, in all about eight hundred. Addresses will be made by President John R. Hegeman, Vice-President Haley Fiske, Second Vice-President George H. Gaston, Third Vice-President Frank O. Ayres and Fourth Vice-President J. C. Kavanagh.

War Stamp Campaign

The Metropolitan Life is deeply interested in the campaign to sell War Savings Stamps and there is likely to be much discussion of this subject. Mr. Kavanagh is in field charge of the campaign for the Government in Washington, where he makes his headquarters, and Senator Tully, of New York, who is also general solicitor for the company, is State Director for the sale of the stamps in New York. He is organizing every county in the State and has his headquarters in Syracuse.

Veterans to Dine

Thursday night the Veterans' Association, composed of company men from the field and the home office, who have been with it for twenty or more years, held their annual dinner at the McAlpin. This is an individual affair of the veterans, whose association is growing rapidly. Last year at this time the membership was 1,105; now it is 1,279.

THE WISE AGENT

The wise salesman finds out that reason, even at considerable trouble. The "otherwise" salesman makes no attempt to find it out, but each time soothes himself with that demoralizing ditty, "It can't be done."

That success hinges on "the way you do it" is an elementary proposition to be sure. But at the same time it is fundamental. And it is a fundamental that legions of good people have not learned—to their daily detriment.

Inquire into "the way you do things." Single out the wrong way and the right way. Then get over on the right side—now.

The methods that assuredly make for success are in daily use by successful men around about you. They are subject neither to patent nor copyright.

Make an effort to use those methods in your work. Make the effort in a sincere, earnest way. The reward will be swift and certain.—Equitable, of Washington, Notes.

DOUBLE INDEMNITY

What the Equitable Life Assurance Has Paid Under this Clause—Circumstances of Deaths

The Equitable Life Assurance Society under ten policies carrying its new double indemnity accident clause has paid death claims totalling $62,362, exactly double the amount which would have resulted in each instance from natural causes. The circumstances covering each death follow:

Insured found unconscious and auto partly turned over. Upon being revived stated car had skidded and threw him out. He died six hours later.

Driving late at night in rain storm, with wind shield up, insured was run into by street car and killed.

Chauffeur lost control of car at foot of a long hill, car rolling over steep embankment. The insured who was a passenger, was thrown out and killed.

Insured operating auto truck drove immediately behind a passing trolley car and into another coming in opposite direction. Died in hospital three hours later. Two others in auto truck were also killed.

Insured struck by an automobile.

Insured killed while on fishing expedition—shot in head by accidental discharge of a gun in hands of a companion—fell into a pond and not until he was taken out was it discovered that he had been shot.

Insured accidentally drowned by capsizing of boat while duck hunting. Body recovered twenty-four hours later.

Gang of Filipinos forced their way into store kept by insured and killed him after looting safe.

Insured fell from a barge and was swept away by swift current of Columbia River before aid could be rendered. Body was recovered some days later.

Chauffeur in demonstrating car rode up steep hill, insured a passenger and prospective purchaser. On reaching top, car skidded and overturned. Insured pinned underneath. Death instantaneous.

PROSSER TO TALK

Bank President Who Once Was Life Insurance Man Will Address Local Association

Seward Prosser, president of the Bankers' Trust Co., New York, and at one time a general agent of the Equitable, is to be the principal guest at the banquet of the Life Underwriters' Association of New York, on Saturday noon at the Hotel McAlpin (January 26). Lieut.-Col. M. W. Howze, Judge Advocate at Camp Upton, and Dave Hennon Morris, now a member of the National Board, Y. M. C. A., will also talk.

$7,983,976 MORE PREMIUMS

Travelers' Total Gains in Paid For, Income and Other Items in Statement

The gains made by the Travelers in 1917 in brief follow:

Assets $14,215,836, paid for $70,836,608, in force $140,923,162, total income $9,360,411, payments to policyholders $2,641,246.

Life premiums increased $2,856,392, accident premiums $180,825, health premiums $254,104, liability premiums $1,242,564, total premiums $7,983,976.

WOULD CONTROL INSURANCE

The plans of the British Labor Party, announced this week, favor the Government taking over industrial and all other kinds of life insurance.

McMASTER'S SUCCESSOR

W. A. McSwain, New South Carolina Commissioner, an Agent Most of His Life

Retiring Insurance Commissioner F. H. McMaster, of South Carolina, has issued a statement regarding his successor in which he says: "William A. McSwain, who was elected insurance commissioner to succeed Fitz Hugh McMaster, is a native of Laurens County, having been born near Cross Hill about 45 years ago. He has spent most of his life at Newberry, where his principal occupation has been that of a fire insurance agent. He is at the head of the largest fire insurance agency in Newberry, at the present time representing 23 fire insurance companies, one life insurance company, and seven miscellaneous companies. He is the secretary and manager of the Security Loan and Investment Company of Newberry, which does a large business in the selling of stocks, bonds and other securities and the lending of money on real estate. He is regarding as one of the most substantial business men in Newberry."

A LIMITED MORATORIAM

Provision for a limited moratorium to protect not only residents of the State who are in the Federal and State service, but all New Yorkers affected by circumstances caused by the war is sought in a bill introduced last week in Albany by Assemblyman William C. Amos of New York.

BIG WRITERS
READ
THE EASTERN UNDERWRITER
Each Week for New Ideas
DO YOU?
Subscription $3 a Year

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity,
Disability Benefits,
Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE
INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

HOME LIFE
INSURANCE CO.
(Now Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-seventh annual report shows insurance in force of $133,493,000, an increase during the year of $7,832,827. The Company paid the policyholders in 1916 $3,536,233, of which $628,406 was in dividends or premium refund. Its insurance reserve fund was increased by $1,300,000 and the Assets are now $32-821,462.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agts.
256 Broadway, New York, N. Y.

BANKERS BLC LIFE DES MOINES COMPANY
PAYS GOOD PAY TO GOOD MEN

The Connecticut Mutual Life Insurance Company,
PRESIDENT JOHN M. TAYLOR, HARTFORD, CT.
Insurance in force, 107,262 Policies for..... $253,439,405.12
WHAT NO OTHER COMPANY HAS DONE
To repay to its Policyholders in Death Claims, Endowments, Dividends, Surrender Values, Annuities and other credits more than they have paid to it in premiums. It stands alone in that result.
Total premiums received, Dec. 1, 1846, to Dec. 31, 1916 ..... $310,337,255.71
Total returned to Policyholders, as above noted, in same period..... 319,548,729.00
Excess of amount returned..... 9,211,473.29

THE COLUMBIAN NATIONAL LIFE
OF BOSTON
ARTHUR E. CHILDS, President
A CHANGE may be necessary to realize your ambition Think a minute—then write
WM. H. MASTIN, Superintendent of Agencies (West of the Mississippi), Symes Bldg., DENVER, COLO.
FRANK D. LOMBAR, Superintendent of Agencies (East of the Mississippi). 77 Franklin St., BOSTON, MASS.
DARL D. MAPES, Superintendent of Accident Agencies, 77 Franklin Street, BOSTON, MASS.
The service of a high grade Accident Department will also be offered so that you will not have to broker your Accident business to avoid violating your Life insurance contract.

State Insurance Receives Set-Back

NOT LIKED IN MASSACHUSETTS

Has Few Supporters—Would Not Lessen Poverty—Solution in Prevention

In reporting adversely the social insurance bill advocated by Governor McCall of Massachusetts, the recess commission appointed to make an investigation of social insurance has greatly encouraged the monthly and weekly premium health and accident insurance men. They know that this form of State insurance, if successful, would fall most heavily upon them.

The report of the commission strongly opposed such legislation. Of the eleven members of the commission, nine signed the report, eight of them condemning the system as a poor solution of existing evils. The commission took the ground that prevention of disease is more to be desired than compensation and advocated that the dispensary system be extended in the larger cities. Another feature of their report which is particularly gratifying to insurance men is that recommending group insurance for employes in industrial plants.

William G. Curtis, president of the National Casualty of Detroit, in 1916 estimated that the Massachusetts legislation, if enacted, would cause an additional annual tax burden of $8,900,000, which is 99 per cent. increase, and that the total cost of the system would be over $40,000,000 a year.

Insurance men transacting commercial accident and health lines are not so deeply concerned over this legislation, as it does not so vitally effect them. Some of the best informed among them believe that it cannot succeed in any of the States in which it is at present advocated. They believe that it will be impossible even in these times of paternalistic and socialistic endeavor to foist upon any State such an additional tax burden as the proposed system would inevitably develop.

Commission's Findings

The majority report of the commission follows:

After serious consideration of the evidence submitted at the various hearings and of the several studies undertaken in its behalf the majority has reached its conclusion and does not feel justified in recommending a bill to establish a system of State health insurance within the Commonwealth.

The so-called compulsory contributory system of health insurance has few supporters. There appears to be two serious obstacles to the enactment of legislation of this character, namely, the united opposition of employer and employe to the plan and the difficulties presented by the constitutional aspects of the question.

We cannot disregard the objection put forward by labor bodies and others that compulsory contributory health insurance is class legislation—inasmuch as it taxes one class of citizens, the inherently wealthy, for the benefit of the smaller but less fortunate group on which the burden of illness falls.

Would Not Lessen Poverty

We believe that health insurance would not in any degree lessen poverty or so much of it at least as is due to sickness. Those persons in the Commonwealth whom the Standard bill is designed to help are already in a position to avail themselves of medical service and indemnify themselves through voluntary insurance, if they so desire, against loss caused by sickness.

The great contributory causes of poverty in the Commonwealth we find to be tuberculosis, insanity, feeble-mindedness, intemperance, insufficient wages, lack of education and shiftlessness. In view of the failure of the sanitarium benefits under the Health Insurance act in Great Britain it is difficult for us to feel that any system of health insurance would tend to alleviate or greatly improve the conditions caused by these first named diseases. Most of the health insurance systems of the compulsory type now in vogue make no provisions for chronic ailments, such as tuberculosis, insanity, cancer, or diseases extending over a period of twenty-six weeks in any given year. In the event of the wage earners succombing to any of these diseases it is conceivable that a measure of this kind might improve the condition of the members of the families affected to a degree but an act for this purpose alone is gratuitous.

Prevention the Solution

In brief, the real solution of the health question, it seems, is not indemnification for wage loss during illness, but prevention of illness. To cope intelligently with the sickness problem, therefore, our energies should be directed to making possible the extension and greater efficacy of our preventive work.

It is our opinion that an ultimate solution of the sickness indemnity question may be partially reached at least through the growth and development of voluntary industrial mutual benefit associations now in operation.

Suggestion is made by the majority in its report that if the clinics and dispensaries are extended, or its service, some provision should be made for State supervision. It recommends that the State Department of Health shall be given authority to license all dispensaries and prescribe general regulations for their management. "Such a law," the report states, "would prevent the development of commercial, exploitative institutions, some of which now exist, and would enable a constructive development of medical service to proceed in an orderly way without, however, hampering local initiative."

MAKE C. D. BABCOCK SECRETARY

New Position Created by Insurance Economics Society—Has Had Journalistic Experience

The work of the Insurance Economics Society has grown in volume and importance to a point where it becomes necessary to employ a competent manager who can devote all of his time to the work. C. D. Babcock, formerly secretary of the Insurance Federation of Oregon, has been secured as Secretary of the Insurance Economics Society, and has already taken office. The business address of the Society will be 422 Majestic Building, Detroit, Michigan, as heretofore.

Mr. Babcock, having graduated in law, and having had an extensive newspaper and journalistic eperience, and being a close student of economics will by his personal efforts render much of value to the Insurance Economics Society and to the public at large.

Frederick W. Cameron, of Albany, N. Y., who died a few days ago was a lecturer on insurance and other subjects at the Law School.

Suggestions for Creating Business

NINE IDEAS OF ILLINOIS MAN

A Tabulation of Arguments of Value To Both Old and New Agents

Nine practical suggestions for creating business were made by General Agent Julius Abrahamson at the January fifth meeting of the Illinois Life Agencies in Illinois. They all involve the use of the ordinary policies presented in a new way.

1. It is said that 85 per cent. of the money paid to claimants under life insurance policies is lost through the inexperience of beneficiaries in handling money and bad advice regarding investments. The life insurance companies are specially equipped to handle trust funds. Much new business could be written by going back to old policyholders and inducing them to convert lump sum contracts into monthly income policies. The monthly income in many cases would be so small that men would see the necessity of taking more insurance.

2. To the wealthy man who says he does not need insurance, the agent can present a powerful argument on the need of life insurance with which to pay his inheritance taxes. He knows, better than the poor man does, what sacrifice of values would be necessary to secure ready cash for this purpose in the present condition of the securities market.

3. As the war progresses women are going to take an increasingly important place in business. This will open large possibilities to life insurance agents and will also increase the opportunities for women to enter the life insurance business.

4. Partnership insurance offers fine opportunities. The small concern needs this protection as much as does the large one, and sometimes even more. The want of such protection often makes it necessary for the widow of a deceased partner to take his place in the firm. As she is not familiar with business, the producing power of the firm is reduced while it must still support as many families as before. This is its undoing at times.

5. Corporation insurance is essential It is as logical to protect the corporation against loss through the death of an individual or a group of individuals as against loss or damage to property.

6. Life insurance for credit purposes has come to have a generally recognized value. It is now often demanded as a condition of receiving a loan. Corporations have often been forced into liquidation by the calling of loans when the head of the concern died.

7. During the war and the fluctuation in security values life insurance is especially necessary. The bonds or stocks which a man has provided for the protection of his family may be way down in value at the time of his death and have to be sacrificed. Life insurance is at par all the time.

8. Public spirited citizens are now giving millions to cities and institutions. Through life or endowment insurance they can make bequests, build memorials or endow institutions by installment payments during their lifetime without any loss to their families at the time of their death.

9. The high values of farm products furnish an opportunity to the life insurance man. With the income for the sale of a certain amount of produce the farmer can now pay for three times as much life insurance as he could a few years ago.

INSURANCE AN INVESTMENT?

Only in Sense That it Brings Stability —Returns Possible no Other Way

Even if a man possesses sound judgment the happenings of a day, even an hour, may upset every calculation, may reduce materially the value even of sound securities, real estate, or other commodities in which men invest their money, and on which they rely for income returns.

An agent of the New York Life writes the Company:

"Mr. ..... does not carry insurance, does not believe that it is a good 'investment.' He is an extremely selfish man, has a wife who is richer than he, he too is wealthy and there are no children. He has real estate investments on which there is mortgage and he should at least cover the mortgage. He is fifty years old."

This man is skating on thin ice, says the New York Life. He may pull through and he may not. He errs in considering life insurance an "investment." It is an investment only in the sense that it brings returns in the way of a stability that can be reached in no other way. But how about the wife? He may pass on first. If so, the widow will have to shift for herself, to become a business woman and a financial manager, to look after business matters herself with which she is probably little familiar, or entrust their care to an outsider with great doubt as to the ultimate outcome in the course of years. With life insurance he can accomplish any result he wishes beyond peradventure. No, such a man, having plenty of money, is the very one to demonstrate that he is a good business man, one whose judgment is sound. Practically all of the best business men in the country do carry life insurance.

George Herbert Parker, general agent in Brooklyn and Long Island for the Connecticut Mutual Life, died recently of blood poisoning. He was 48 years old and resided at West Brighton, Staten Island. Mr. Parker was born in Canada and came to New York about ten years ago from Chicago, where he had been in the insurance business for several years.

A Year of Splendid Achievement

It is not difficult to see why the MASSACHUSETTS MUTUAL in 1917 wrote a larger amount of paid-for business than in any other year in its history. Sixty-six years of Service efficiently and promptly rendered have won the confidence of its representatives and of the public. Co-operation with a Home Office that has the right spirit, policies which are not excelled, and a company with a sterling reputation ensure success for the Field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts
Incorporated 1851

44 MILLIONS from 42 AGENCIES

THE 1916 RECORD OF OUR EARNEST, LOYAL AND HAPPY AGENCY FORCE

New England Mutual Life
Insurance Company
BOSTON, MASS.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

How Much Should a Man Carry?

Writing in the "American Investor," a contributor argues that a man on a salary of $2,400 should carry at least $5,000, which he says would cost on the endowment plan about $250. He then gives two budgets, one based on a salary of $2,500 and the other on a salary of $3,000. These are followed by a number of people whom he knows:

	Budget, $2,500 Salary		Budget, $3,000 Salary	
Personal, man and wife	10%	$250	10%	$300
Rent, heat, light, insurance	20%	500	20%	600
H. H. Expense, food	20%	500	17%	510
H. H. Expense, refurnishing	5%	125	4%	120
H. H. Expense, help	5%	150	5%	150
Doctor and dentist	5%	125	4%	120
Children's clothing and allowance	8%	200	7%	210
Church and charity	10%	250	10%	300
Life insurance	16%	400	17%	510
Saving	....	...	6%	180
	100%	$2,500	100%	$3,000

In discussing these budgets this writer says: "In both of these budgets the personal expenses are very low and include amusements. The women in these cases make their own clothes, and keep no servants, having the laundry done, and a woman comes in to clean once a week, the men belong to no clubs, and have no expensive habits. The item of rent, etc., is low owing to favorable conditions which the usual persons on these salaries do not enjoy.

"In the case of Brown you do not show that he gives any part of his income to church and charity which a good citizen must do. I have a feeling that in his case, and most owners of automobiles on salaries between $2,000 and $3,000, that the expense of the car is taken from the items church and charity, and life insurance. Again, Brown has no children, most families have from one to five, in the cases given here one to three, and it is clear that when the children arrive at college age, the parents must deny themselves unless they have been able to accumulate a nest egg before the H. C. L. reached its present proportions.

"These budgets show the difficulties that people on moderate salaries are laboring under, and in too many cases, they can not hope for an increase, as the institutions with which they are connected are having a hard struggle for existence. If anyone has better working budgets I should like to learn of them."

The "American Investor" makes the following comments:

"As regards endowment life insurance, we consider this an interesting question and will discuss it in a coming issue of the 'American Investor.' We do not feel that endowment insurance should be carried if a man has a certain amount of straight life insurance. In other words, a man should not go too deeply into life insurance. A certain amount of life insurance is, of course, absolutely necessary, but putting all of one's savings into life insurance, especially the endowment sort, is a matter for argument."

* * *

Wealth Depends on Chance

That talent for money-making is a gift from a source outside ourselves for which we should assume no credit and that accumulation of wealth is largely a matter of chance is the sentiment expressed by Julius Rosenwald, president of Sears, Roebuck & Co., of Chicago, who is now advising the Government. In an interview with James B. Morrow, published in "Nation's Business," Mr. Rosenwald, speaking of talent, gave these views:

"Bestowed upon us, instinctively we use it and find pleasure in the act. The artist began to draw pictures on scraps of paper while a child. The orator was eager to recite pieces at school. The poet saw beauty invisible to his playmates and teachers.

"I give talent its proper place in the scheme of life, but the man who has it should walk humbly in the sight of the world, remembering always that he is merely an agent, without much excellence in himself.

"I have never supposed that any quality I possess had more than a minor part in what I may have achieved as a merchant. An opportunity opened before me. I didn't create it.

"I accepted the opportunity more in behalf of a relative than for myself. The business expanded. There are a thousand men in the country who would have done better with that business than myself. But they didn't have it. Some of them, perhaps, are still working on salaries.

"The United States is filled with men who could get rich if they had the chance. General Grant was a leather merchant in a town not far from where I was born. The Civil War turned him into a hero and made him President of the United States."

"But you will admit that he was a great soldier," the interviewer remarked.

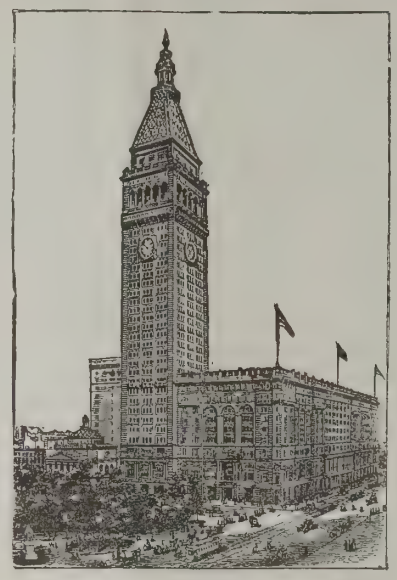
"Surely," Mr. Rosenwald answered, "but no one ever would have known it had he been deprived of an opportunity to fight. And that is my argument. Every situation in life has a man, often a multitude of them, capable of meeting and filling it. My philosophy, in the present instance, stops at that point; but there are not enough situations to go around."

* * *

The Star Salesman

If I were asked to define salesmanship, I should say that: "It is simply making the other fellow feel as you do about what you have to sell." That is about all there is to it. You go into a man's office with something to sell. You feel that this man ought to possess, through purchase from you, this thing that you have to sell. But the man you have called to see, who sits with an air of cool defiance behind the breastworks of his desk, is in a directly opposite state of mind. He feels that he ought not to possess, through purchase from you, the thing you have to sell. Now, the only possible way you can make the sale is to make that man's mind come around into agreement with your mind. It is not even a case where you can meet your opponent half way; you can not make even a small compromise and still make a sale. You have got to sell him completely or you don't sell him at all; you must pull him full 180 degrees around the circle. When you have made him feel just as sincerely as you yourself feel that he should buy what you have to sell, then he will buy.—"Colliers."

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

The Company
Of the People
By the People
For the People

The Daily Average of the Company's Business during 1916 was:

701 per day in Number of Claims Paid.

8,304 per day in Number of Policies Issued and Revived.

$1,969,823 per day in New Insurance Issued, Revived and Increased.

$376,827.40 per day in Payments to Policyholders and Addition to Reserve.

$220,509.26 per day in Increase of Assets.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

BANKERS LIFE AND MONTANA LIFE ANNUAL REPORTS

The Bankers Life of Iowa, reports the following figures for 1917:

Issued for the year 1917 (Paid-for basis)	$50,596,333
Revived	1,498,200
Increased	197,869
Total	$52,292,402

Admitted assets December 31, 1917, were in round figures $33,250,000.

The twenty-seventh annual report of the Montana Life follows:

Total admitted assets	$1,927,500
Capital paid up in cash	250,000
Net surplus (not including capital)	394,311
New business in 1917 (paid for basis)	7,011,515
Insur. in force Dec. 31, 1917	20,589,402
Gain in insurance in force	4,583,643
Total premium income in 1917	733,261
Total income in 1917	886,751
Paid policyholders and beneficiaries in 1917	125,632
Total disbursements in 1917	480,492
Total amount of Liberty Loan bonds held on Dec. 31, 1917.	82,740

* * *

The paid for of the State Life, of Great Falls, Mont., for 1917 was $1,025,871; in force, $2,500,000; admitted assets, $266,827.

* * *

Assistants' Association Dinner

The Assistants' Association of the Fidelity & Casualty will hold its annual gathering on the evening of February 11. The entertainment committee is now perfecting plans for the dinner, of which detailed announcement will be made later. Those who have attended the function in previous years know of the good time in store for them.

* * *

The Vulcan Insurance Company of New York held its annual meeting January 18 and re-elected all its officers and directors.

Average Earnings of State Mutual 5.37 P.C.

REPORT OF PRESIDENT WRIGHT

Company Wrote $31,711,370—How Business was Divided During 1917—Gains Made

The new insurance of the State Mutual, of Worcester, Mass., written during the year amounted to $31,711,370. This amount was increased to $32,435,233 by additions purchased by dividends and the restoration of policies previously lapsed, and is an increase over the new insurance written the previous year of $3,037,271. The average amount of the new policies written during the year was $2,769; the average amount of those written the previous year was $2,530; the average amount of the whole number in force is $2,522. The insurance terminated from all causes amounted to $14,244,722. The total amount of insurance in force at the end of the year is $223,870,597, a net increase of $18,190,511.

President Wright in his report said:

"Our percentage of gain in insurance in force to the amount written the past year was 56 per cent. against 54 per cent. the previous year. This high percentage of gain shows that our business is being well maintained and that the Company is being developed on a basis of permanent strength and stability.

"The business written during the year was divided as follows:

Whole life	$17,425,755
Limited payment life	9,350,004
Endowment	2,549,788
Term	2,385,823
	$31,711,370

"Receipts from premiums were $7,602,067.08, from interest, rents and all other sources, $2,738,098.79 making our total receipts $10,340,165.87, an increase over the previous year of $752,739.64.

"Disbursements for death claims, matured endowments, dividends, policies surrendered, annuities, expenses and all other accounts amounted to $6,773,580.83.

"In addition to the actual disbursements there has been charged off for amortization of bonds and profit and loss $13,367.82, so that our book assets now stand at $53,560,601.43, an increase for the year of $3,553,217.22.

"Owing to an unusually low mortality rate, the amount paid for death claims, $1,868,114.85, was less than the amount paid the previous year by $371,132.69. The amounts paid for matured endowments, $752,696.98, for dividends, $1,451,212.86, for policies surrendered, $924,655.33, and for annuities, $45,769.61, all show normal increases.

"We have invested during the year $3,077,300 in mortgage loans yielding 5.27 per cent., $435,576.25 in municipal bonds yielding 4.51 per cent., $687,705 in railroad bonds yielding 6 per cent., $512,855 in public service and other corporation bonds yielding 5.86 per cent., $7,900 in railroad stocks yielding 7 per cent., and $1,087,500 in Government bonds (Liberty Loans) yielding 3.85 per cent—the average yield on all the investments being 5.08 per cent. Excluding the investment in the Liberty Loans, the average yield on the investments made was 5.37 per cent. In addition to these investments, there has been loaned to members on their policies $2,637,544.75. Policy loans have been paid to the amount of $2,261,151.08, so that the net increase in policy loans for the year amounts to $376,393.67.

"Our investment in mortgage loans increased $963,856, in stocks and bonds $2,197,691.24. The average interest return on our mortgage loans for the year was 5.43 per cent., on our stocks and bonds 4.53 per cent., and on our entire book assets 5.01 per cent."

Problems of Fund Investments

THE FARM MORTGAGE SITUATION

One or Two Companies Withdraw from the Field—Farm Loan Board

The past year has been filled with serious problems for those charged with the investment of funds on a large scale. The railroad situation has naturally been reflected in even the best of railroad securities and this further complicates the investment situation. Farm loans, so long a favorite medium with the life insurance companies, are free at least from the element of fluctuation of values. At the present time the supply of first class farm mortgages exceeds the available liquid capital at the old interest rates and several of the leading companies investing in this field report a general hardening in rates.

Farm Loan Board's Action

One or two of the life companies that heretofore were large purchasers of farm mortgages have withdrawn from the field. The war loans and future needs in this connection have been a considerable influence in absorbing liquid capital or in making it necessary to maintain funds in liquid form, which farm loans are not. The action of the Farm Loan Board in raising its rate one-half per cent. is both justified and necessary in the circumstances. The fact that the Government has been unable to dispose of any considerable volume of bonds to furnish capital to make the loans is not due, however, to decreasing available funds.

A bill has passed the house authorizing an appropriation of $200,000,000 for the purchase of Farm Loan bonds. A proposed amendment to the Farm Loan Act increasing the maximum amount of individual loans from $10,000 to $25,000 will further complicate the problem of the Federal Farm Loan Board in providing adequate funds to meet the present scale of Government lending, so long as the bonds remain an unattractive investment.

Amendment to Federal Farm Loan Act

An amendment to the Federal Farm Loan Act is under consideration whereby local mortgage companies may be taken into the system as Joint Stock Land Banks. This will produce a still larger volume of mortgages to be digested by the Government system and require enormously increased appropriations for the absorption of the bonds.

The bonds are thus the weak link in the chain of credit which the Government extends to the farmer. They are not "primary" investments; they represent the underwriting of a system and it is a long distance with many intervening agencies between a farm loan bond and a farm mortgage. This indirectness and the complex agency factors between are so important that there is little wonder that individual investors are wary of the bonds. The Government imprint cannot make them other than they are.

The meeting of the South Eastern Congress of Life Underwriters has been called off.

THE MOST VALUABLE POLICY FOR YOU,
Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the
John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS
WILLIAM N. COMPTON, General Agent
METROPOLITAN DISTRICT, ST. PAUL BLDG., 220 BROADWAY, NEW YORK, N. Y.

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST-LARGEST-STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

The LIFE INSURANCE SALESMAN Bears an UNUSUAL RESPONSIBILITY
The SERVICE he sells often continues for many years
Provident service sells so readily today, because of the value and satisfaction Provident policy holders have derived from the service of Provident Agents.
Write for information
The Provident Life and Trust Company
OF PHILADELPHIA
Founded 1865

INSURED ON DEATH BED

Private Raymond L. Henry at Camp Dix, Wrightstown, N. J., was insured for $10,000 in the Government War Risk Bureau after doctors had said that he could not survive an attack of pneumonia. Col. A. V. P. Anderson gave the direction for the making out of the application.

REACH $3,000,000,000 MARK

War risk applications of the Government in the Government Bureau have reached the three billion mark.

"The old guard dies, it never surrenders" a policy.

GOOD TERRITORY
still available for development by the
RIGHT AGENTS
..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.
Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, PRESIDENT
GREATEST ILLINOIS COMPANY
WANTS GOOD MEN AND WILL PAY THEM WELL

Read
THE EASTERN UNDERWRITER
for Selling Ideas

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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THE MOST IMPORTANT EVENTS

In a retrospect article reviewing life insurance during 1917 one of the clearest visioned of the editors gives his opinion that the three most important events of the year which has just closed are the government's plan for insuring soldiers and sailors, the great strides made in group insurance and the mutualization of the Equitable Life Assurance Society. That these events are of importance The Eastern Underwriter believes, but that they are the most important happenings of 1917 it is not fully in accord.

First rank undoubtedly is taken by the inauguration of the soldiers and sailors division of the War Risk Bureau, but the tremendous stride forward taken by group insurance was more the great feature of 1916, 1917 being merely a further evidence of the expansion. The mutualization of the Equitable had been largely discounted by the fact that the Society was mutual in practice if not in theory. It caused no stir among policyholders or in the press, and was chiefly interesting because of the fact that some minority stockholders went to court in an unsuccessful effort to block the mutualization.

In the opinion of The Eastern Underwriter there were eleven major or semi-major events in 1917:

1. The government's entrance into the life insurance field through the door of the War Risk Bureau.

2. The decision of the National Convention of Insurance Commissioners that they had favored the fraternals long enough, and that the latter must prepare to obtain adequate rates.

3. The excess profits and other increased taxes.

4. The direct participation in government service of a large number of life insurance men—Washington, cantonments, Europe and W. S. S.

5. The breaking of all records of personal production by such men as L. C. Woods, H. B. Rosen and Harold Peirce. Mr. Woods and Mr. Rosen each wrote above $12,000,000, the former's writings, however, containing many group cases.

6. The increase to $2,500,000 in the size of individual applications, as evidenced in the J. P. Morgan and Julius Rosenwald cases.

7. The drop in securities of which the less said at this time the better.

8. The narrowing of the field for profitable investments.

9. The taking over of the railroads by the government.

10. The concentration of life underwriters' associations in all parts of the country upon the preparation of a Code of Ethics.

11. The launching of a life insurance company by the Maryland Casualty Company, an interesting and important event from many angles.

While not everyone will agree with this list, any more than there is unanimous approval of the "six best sellers" or a critic's all-American eleven, The Eastern Underwriter believes that there will be unanimity in thinking that 1917 happenings and tendencies are potent of enough significance to keep the philosophers and students of insurance economics busy for some time to come.

MARINE INSURANCE NUMBER

The marine insurance service number of The Eastern Underwriter, which is included with this issue, was prepared in part to meet the demand of fire insurance men for information on this subject, but by no means is confined to rudimentary articles. The story of how the companies lost more than $15,000,000 in premiums when the Government decided to carry the Emergency Fleet Corporation insurance, now published for the first time, is one of the most timely articles in the issue. One of the most important articles is that of D. Roger Englar, the most brilliant young admiralty lawyer in New York. Mr. Englar is an extremely busy man, has made frequent trips to Washington of late, but he appreciated the fact that agents should be informed about the topic he so kindly covered. For a time it looked as if Mr. Englar would not be able to write his article, but last Sunday he went to the rooms of the Bar Association and prepared it. There is human interest, also, in the writing of the article on cotton insurance by Joseph J. Windle, the most distinguished cotton insurance adjuster. He had promised to write this paper, but was called to Canada. Finally, he wrote it on a railroad train, while stalled in a snowdrift far from any city. To all the insurance men who helped The Eastern Underwriter with this number, and they include most of the leaders in marine insurance, this paper extends thanks and its gratitude is also given to the Co-Operative Press in the Mail and Express Building in New York, for the loan of many of the cuts used in this issue.

THE BANKERS' LIFE

As was expected, the Bankers' Life of Des Moines will see that no one is the loser by Liberty Loan defalcations of Elmer Dwiggins, its former general agent in New York. The Company has done the right thing.

DOLLAR A YEAR MEN

Hendon Chubb, of Chubb & Son, President Hedge, of the Boston Insurance Co. and "Bill" Davey, of Johnson & Higgins, are spending most of their time in Washington these days advising the Government regarding marine and war risk insurance matters.

THE HUMAN SIDE OF INSURANCE



THOMAS H. DARLING

Thomas H. Darling, secretary of the Great Eastern Casualty Company of New York, celebrated the twenty-fifth anniversary of his connection with the company January 23. In 1893 Mr. Darling entered the service of the company as an office boy at $3.50 a week. He has among his mementos of those early days in the insurance business a receipt, crumpled and yellow with age, as evidence that at that time he received but this modest sum in return for his contribution to the development of the Great Eastern Casualty.

Mr. Darling advanced to the position of policy writer and February 14, 1900, was elected assistant secretary. November 1, 1904, he was elected secretary. As an expression of their regard the administrative committee of the company gave Mr. Darling a leather wallet of handsome design, with his initials done in gold.

Mr. Darling is secretary of the Health & Accident Underwriters Conference and a valued member of that organization. He was also for three terms the treasurer of the Casualty & Surety Club of New York. He is a member of the Wheatley Hills Golf Club, and is an ardent devotee of the game. In underwriting matters he is a stern advocate of thoroughness in investigation and intelligent conservatism in selection of all business. He regards the underwriter as the man who either makes or breaks a company.

* * *

Charles A. Knocke, former manager of the farm department of the St. Paul Fire & Marine at the home office, is special agent for the Home Insurance Co. in Western Pennsylvania not in West Virginia, as stated in The Eastern Underwriter of last week. Mr. Knocke travelled Western Pennsylvania for the St. Paul for a long term of years, and on September 1, 1916, resigned because of ill health. A few months later he accepted the position of manager of the farm department of the Company at the home office, which department he continued in charge of until the present time.

Mr. Knocke was formerly a member of the Underwriters' Association of the Middle Department, and of the Smoke & Cinder Club and has a wide acquaintance among West Pennsylvania agents. He will make his headquarters in the Commonwealth Building, Pittsburgh, after February 1.

* * *

Carl Rubert has resigned as special agent for the North British & Mercantile Insurance Company to become executive special agent for the City of New York Insurance Company at its home office. Mr. Rupert has had a broad field experience, having previously traveled extensively in the service of the Continental. He is well equipped for the responsibilities of his new position, and will have the support of a host of friends in the insurance fraternity.

Richard H. Thompson, vice-president of the Maryland Casualty Company, and widely known in insurance circles in this city, has been made vice-president of the Maryland Assurance Corporation the latest entrant into the life insurance profession. For ten years, Mr. Thompson was identified with the Maryland Casualty Company, but left that concern to go with the Maryland Trust Company. In 1914, he returned to the casualty company and has been in its service ever since.

Thomas C. Searles has assumed charge as agency supervisor and announces the appointment of Harry E. Munn as his assistant. Mr. Searles comes to Baltimore from the Mutual Benefit Life Insurance Company, in charge of Southern territory, with headquarters in Nashville, Tenn. Mr. Munn was formerly connected with the Equitable Life Assurance Society, of New York, being identified more particularly with the Navy branch.

SECURITIES AT THE MARKET

Fideltiy & Deposit Shows Surplus and Undivided Profits of $2,050,303

By its decision to give up general casualty lines, the Fidelity & Deposit has created much interest throughout the entire field as to what will be the final disposition of its business other than fidelity, surety and burglary, which it will retain.

This week the plate glass business, amounting to over $300,000 in premiums, was taken over by the New York Plate Glass. This will give the re-insuring company a plate glass premium of over $1,000,000 a year.

Larger Premium Receipts

Stockholders of the company have held their annual meeting and re-elected the retiring directors, who re-elected President Edwin Warfield and all other officers. President Warfield stated that the premium receipts increased substantially over 1916. Receipts of net premiums from the surety department in 1917, increased $435,254 over 1916, with an underwriting profit of $572,485. After deducting return premiums and re-insurance, the total fidelity, surety and casualty premiums were $6,526,942.

The effect of the war on the securities of the company brought about a decrease in market value in the stocks and bonds of $468,340. If the company had carried its assets at the valuations fixed by the insurance commissioners, the figures would have been $313,731 in excess of the amount at which the company is carrying these stocks and bonds on its books today.

Investment Income

The net income from investments and real estate amounted to $448,986. The net increase in gross income from all sources was $589,544. The net income, after paying all losses and expenses, amounted to $1,209,930.

The company increased its legal reserve during the year $616,916. It paid its usual dividend of 16 per cent. After allowing for depreciation in value of securities and other assets and setting aside a special reserve amounting to $125,119, the surplus and undivided profits amounted to $2,050,303.

FIRE INSURANCE DEPARTMENT

Tourist Conference Elects Officers

FRANK APPLETON IS PRESIDENT

New Standard Form and Rates Are to Be Made Effective as Soon as Ready

A meeting of the Tourist Floater Insurance Conference was held yesterday at the National Board of Marine Underwriters, New York. Frank H. Appleton, of Appleton & Cox, was elected president.

The other officers are C. S. Timberlake, general agent of the Hartford Fire, vice-president; and Edw. J. Perrin, Jr., of the Automobile Insurance Co., secretary.

The executive committee is composed of C. M. Campbell, of the inland marine department of the Insurance Company of North America, W. R. Crane, assistant secretary of the United States Fire, together with the officers of the Conference.

One of the important functions of the meeting was to determine upon the date when the new standard tourist floater form would become effective, together with the new schedule of rates. It was decided that the form would take effect as soon as the printing and other details could be taken care of. The form contains some radical departures in the usual coverage which are also reflected in the new rates.

Department Heads Bowl

The department heads of the New York office of the Aetna Life and affiliated companies have formed the Aetna Bowling Club. The first session was held last Thursday in Brooklyn. Sixteen of the local staff were present. Some high as well as some low scores were registered. It was decided to meet on every Friday evening during the winter.

PHILLIPS WITH GERMANIA

W. Paine Phillips, who has been with the German-American (Great American) of New York for twenty-seven years, latterly as special agent in the suburban field, has been made special agent of the Germania Fire of New York for the same territory. Mr. Phillips will make his headquarters at the Brooklyn office of the Germania.

PERTH AMBOY FIRE

Fire starting in the store of John Slobodien, State Street, Perth Amboy, last Friday destroyed the entire block. The buildings were owned by Joseph Slobodien and were fully covered by insurance. The buildings were valued at $35,000.

J. J. Boland Co., Inc. Gets Montana Fire

TERRITORY EAST OF OHIO

Company Has Authorized Capital of $500,000—Has Applied for Admission in New York

The James J. Boland Co., Inc., of Scranton, Pa., and New York, has been appointed Eastern manager of the Montana Fire Insurance Co., of Butte, Mont. The company has already applied for admission to New York and Massachusetts and will also be entered in all States from Maine to Virginia and from the Atlantic Coast to Ohio, which is the territory to be handled for the company by the James J. Boland Co., Inc.

The Montana Fire has an authorized capital of $500,000, most of which has been paid in. On December 31, 1916, the paid in capital of the company was $256,000. Since that time the paid in capital has been increased, exact figures of which are not yet available.

The company was organized in 1911 and began business in 1912. Each year a substantial increase in paid in capital has been made to meet the needs of the expanding business. The company in 1917 also entered several of the Western States.

W. R. Allen, president of the Montana Fire, was formerly governor of that State.

NEW INSURANCE AGENCY

Fearnley & Company, Incorporated, is the title of a new insurance agency in Manhattan, organized with $15,000. F. L. Randall and William O. Badger of Brooklyn are directors.

WILL SHOW GOOD SURPLUS

No changes were made in the official staff of the Assurance Company of America at the annual meeting held January 16. In making its annual returns to the Insurance Department the Company will mark its securities down to market value. In spite of this it will show a substantial increase in surplus and re-insurance reserve.

The annual report of the Farmers Reliance Insurance Company of Geneva, New York, shows $17,000 funds on hand.

* * *

Willis P. Goldin and Thomas E. Jones, of Catskill, N. Y., have formed a partnership to conduct the insurance business formerly managed by Willet C. Hunter.

* * *

The Industrial Mutual Fire of Reading, Pa., is being liquidated.

FIRE AND MARINE INSURANCE—ALL LINES

The Automobile Insurance Company of Hartford, Conn.

MORGAN G. BULKELEY, President

Statement January 1, 1917

Cash Capital	$1,000,000.00
Assets	2,748,832.19
Liabilities (Except Capital)	1,039,977.81
Surplus to Policyholders	1,708,854.38

AFFILIATED WITH

ÆTNA LIFE INSURANCE COMPANY

THE ÆTNA CASUALTY & SURETY CO.

THE WILLIAM H. KENZEL COMPANY

FIRE INSURANCE AGENT

REPRESENTING AT NEW YORK OFFICE
79-83 WILLIAM STREET

HUMBOLDT FIRE of Pittsburgh, Pa.
EQUITABLE FIRE & MARINE of Providence, R. I.
IMPERIAL ASSURANCE of New York, N. Y.
GRANITE STATE FIRE of Portsmouth, N. H.
ALLEGHENY FIRE UNDERWRITERS of Pittsburgh, Pa.
COMMERCE INS. CO. of Albany, N. Y.
AACHEN & MUNICH FIRE Organized 1825
FRANKLIN FIRE of Philadelphia, Pa.
CALEDONIAN-AMERICAN of New York, N. Y.

REPRESENTING AT BROOKLYN BRANCH
154 MONTAGUE STREET

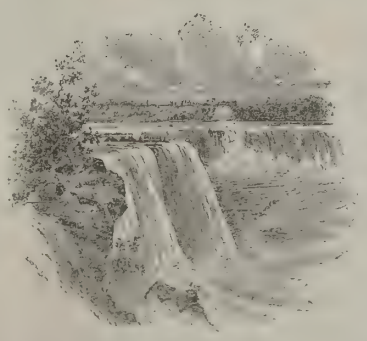
LONDON ASSURANCE of London, England
NORWICH UNION of Norwich, England
COMMERCE INS. CO. of Albany, N. Y.
GRANITE STATE FIRE of Portsmouth, N. H.
MECHANICS INSURANCE CO. of Philadelphia, Pa.

Niagara Fire Insurance Company

ESTABLISHED 1850

OTHO E. LANE, President
BERNARD M. CULVER
WILLIAM L. STEELE, Vice-Presidents
CHAS. A. LUNG
WILBUR C. SMITH, Secretaries

"Agents Everywhere"



FIRE
TORNADO
AUTOMOBILE
RENTS
SPRINKLER LEAKAGE
EXPLOSION
FULL WAR COVER
LEASEHOLD

Use and Occupancy, Profits, Commissions—All Form

123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Birthday Flowers For E. G. Snow

THE HOME'S PRESIDENT IS 77

Began With Company as a Clerk and Rapidly Went to the Front

Elbridge G. Snow, president of the Home Insurance Company, celebrated his seventy-seventh birthday on Tuesday of this week, and as usual the event was made the occasion for the presentation of a number of floral tributes from officers, departmental heads and clerks. There is no more popular insurance official in the country than the president of the Home, and his popularity begins in his own office, and extends out through the field.

As usual the cards accompanying the flowers were addressed to Mr. and Mrs. Snow. Mr. Snow worked just as hard on his birthday as on any other day; in fact, in addition to other duties he attended a meeting of the trustees of the New York Life. He is in splendid health and spirits and is a splendid example for young men to follow as unflagging industry has kept him young.

His Career

And while commenting upon Mr. Snow's birthday this is a good time to discuss his career. He is a member of one of the oldest families in America, his immigrant ancestor having been Nicholas Snow, who came to New Plymouth from England in 1624. His grandfather was Elkanah Snow; his father (born in 1811), E. G. Snow.

The present head of the Home was born in Barkhamstead, Conn., in 1841; attended public schools in that town and in Waterbury, Conn., and also was a student at Fort Edward Institute. Deciding to be a lawyer he was a clerk in a law office in Waterbury, but discovered that his real preference was for business.

Insurance first saw him while a clerk in the office of J. W. Smith, of Waterbury. In 1862 he secured a position with the Home as a clerk in the main office, where he remained for nine years, resigning to go into business on his own account with an insurance agency, but the call of the Home was too strong and he returned. The company by this time had become a part of his thoughts and his aims. Soon he was appointed general agent for Massachusetts, with headquarters in Boston, and he was a mighty good man on that job, as increase in premiums and low loss ratio showed.

Became a Leading Underwriter

While holding this position he formed a partnership under the firm name of Hollis & Snow and conducted an insurance agency in Boston, representing the Home and other companies. In 1885 he returned to New York City to assume the duties of secretary of the Home, his successful administration of that office winning him promotion to the second vice-presidency. Here he became acknowledged as an underwriter of top rank and his election to the presidency in 1904 caused no surprise. He has seen the cash assets increase from $18,040,793 when he became president to $44,048,652 in 1917. The policy under his administration was once succinctly stated as follows in an advertisement:

"The Home avoids controversy and disagreements, if practicable; if not, pacifies or reconciles, if possible; rectifies, if justifiable, and never fights in court if preventable."

Mr. Snow's front door is open and he has many a pleasant visit with agents who have represented the company ever since he joined it, or before he joined it. He is also president of the Franklin, which company, organized in 1829, has had nine presidents.

Mr. Snow has many outside activities, being on the board of the Metropolitan Museum of Art and other public institutions. He belongs to the Bankers', Union League, Lotos, Automobile Club of America and other clubs.

CANADIAN RESULTS

British companies have received more than 50 per cent. of the premiums collected in Canada and paid more than 50 per cent. of the losses during the 48 years ending December 31, 1916. The aggregate totals of the fire insurance business in Canada are as follows:

	Premiums.	Losses.
British	$267,308,817	$163,371,003
Canadian	96,048,484	59,795,734
U. S. and other	87,382,969	49,075,208
	$450,739,560	$272,241,945

The expansion in fire underwriting in Canada during the last 26 years ending with December 31, 1916, is shown in the following figures:

	Premiums. 1890.	1916.
Canadian	$1,249,884	$4,817,876
British	4,072,133	14,294,803
United States	514,054	8,671,173
	Risks.	
Canadian	$135,145,294	$742,805,919
British	427,931,692	1,606,346,835
United States	57,646,959	1,069,085,926

The rate per cent. of premiums charged upon risks taken is shown in the following table:

	Gross amount of risks taken during the year.	Premiums charged thereon.
British	$1,606,346,835	$17,278,033
U. S. and other	1,069,085,926	11,146,042
Canadian	742,805,919	8,807,615

The increase in the amounts taken in 1916 as compared with the previous year by Canadian companies is $69,561,788. For British companies there is an increase of $168,309,114, and for United States and other companies there is an increase of $68,814,875.

GENERAL AGENTS FOR QUEENS

Thomas F. Purcell and Paul K. Meehan have been appointed general agents in Queens Borough and vicinity by the National Surety, with offices in the Queens Plaza Court Building, Long Island City.

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

SCHAEFER & SHEVLIN
103-5 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET NEWARK Phone Market 6536 | SERVICE FIRST | 80 MAIDEN LANE NEW YORK Phone John 4560

WILLIAM C. SCHEIDE & CO., Inc.
HARTFORD, CONN.
Re-Insurance in All Branches

WALTER F. ERRICKSON
38-40 Clinton St., Newark, N. J. 95 William St., New York
Representing
THE GERMANIA FIRE INS. CO.
For Automobiles
Special facilities for out-of-town business.

LINES SOLICITED AND BOUND THROUGHOUT UNITED STATES AND CUBA
E. F. FLINDELL
INSURANCE
1 LIBERTY STREET Telephone John 2612 NEW YORK
LOCAL OFFICES
JERSEY CITY, N. J. 1 Montgomery St. Tel. 216 Montgomery
BROOKLYN, N. Y. 153 Remsen St. Tel. 2504 Main
NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

WESTERN ASSURANCE CO.
OF TORONTO, CANADA
(Fire, Tornado, Ocean Marine and Inland Marine Insurance)
UNITED STATES BRANCH
January 1, 1917

Assets	$3,329,177.74
Surplus in United States	1,478,531.90
Total Losses Paid in United States from 1874 to 1916, inclusive	41,657,814.31

W. B. MEIKLE, President

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $105,000,000
Losses Paid in U. S. - $38,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY

JAMES J. BOLAND COMPANY, Inc.
GENERAL AGENTS
HOME OFFICE SCRANTON, PA.
68 WILLIAM STREET NEW YORK CITY, N. Y.
NEW YORK NATIONAL INS. CO.
THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.

Politician Busy In Jersey City

FOR MUNICIPAL FIRE COMPANY

Hurls Invectives at Insurance Carriers in Letter to Corporation Council

Director of Public Safety Charles Francis Xavier O'Brien, of Jersey City, is planning a municipally controlled fire insurance company for that place. Just now he is endeavoring to find out if there are any legal obstacles to carrying out his project. He sets forth his views and desires in a letter to Corporation Council John Milton, which letter abounds in exaggerations and misstatements, to say nothing of vituperation heaped upon the fire insurance companies. He uses the terms "outrageous mulcting of the people," "individuals who are imposing on our citizens," "ravenous insurance companies." His letter follows:

"Dear Mr. Milton:—

"For some time past I have been considering the fire insurance rate situation in Jersey City. It seems to me that the most outrageous mulcting of the people that has yet been recorded in any endeavor has been saddled on our citizens through that channel.

Claims Imposition

"When it is considered that we have the finest fire department in the world; when we consider, too, the ability, energy and bravery of our fire-fighters, combined with the excellent water pressure always maintained, and remembering that for a long time past no fire has gotten beyond the bounds of the premises wherein it started, it seems to me that drastic action ought to be taken against those individuals who are imposing upon our citizens.

"I am offering a suggestion, therefore, with the hope that you will advise me of its feasibility and applicability to Jersey City.

"Why could we not effect the organization of a municipal department on the same lines as the present Board of Education, yet constituted a distinct entity? The idea of this new department would be to ascertain the assessed value of each piece of property; determine the rate of insurance sufficient to cover said properties and charge the individual owners in return for the protection received at the rate arrived at from this basis. Needless to say the advantages of such a scheme would be so apparent that there would be no objection except on the part of those persons who control the ravenous insurance corporations.

Haggling over Settlements

"I feel that the Government is more solid, substantial and reliable than a mere organization of private individuals. Rates would be lower, and when it comes to a question of adjustment of fire losses there would be no haggling over a direct settlement. An honest, competent body of adjusters would be appointed; the actual amount of damage done would be ascertained and settlement effected immediately.

"I am confident that if this plan could be put into operation, even though legislation may be necessary, it would mean greatly increased prosperity and protection for the people of our city. What ever surplus moneys might accrue could be devoted to reducing the fire hazards, thereby bringing about a greater measure of happiness, contentment and satisfaction to our citizens."

Views of Governor Edge

While this Jersey City politician is crying for more power, Governor Edge is uttering some true remarks about governmentally controlled railroads, which applies equally well to insurance. Speaking at Trenton, he said:

"I do not look for Government ownership of railroads. I believe that railroad men can run railroads better than anybody else. But I foresee a partnership between Government and railroads aimed, not to harass with extravagant and confiscatory regulations, but to promote efficiency and a maximum of facilities.

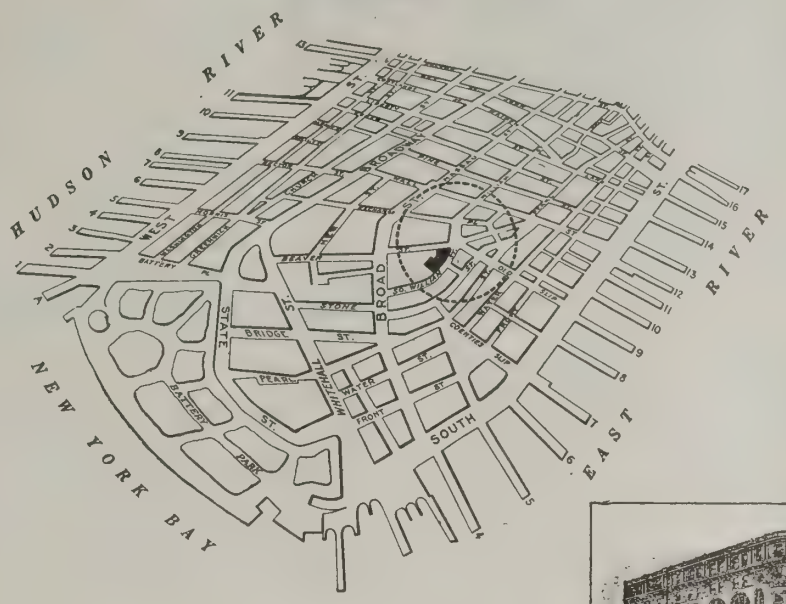
Mutual Proposition

"We can win the war only through co-operation, and co-operation is out of the question unless business and industry understand the needs of the Government and Government understands the needs of business and industry. It is a mutual proposition calling for the freest discussion and the puncturing of prudish, old-fashioned ideas of censorship.

Against Theoretical Tinkers

"Politics, like football and the luxuries, is losing much of its prestige in this day. More and more people are beginning to rely upon Government for healthy guidance in personal habits, in business and in all manner of human activity. Public office is no longer a partisan sinecure; it's a real responsibility, and the public so regards it."

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

Fourteen German Companies Liquidate

PROPERTY TOTALS $134,605,231

Gross Assets $33,544,261, Net $10,294,-103—Personnel of Government Law Bureau

Fourteen German-controlled insurance companies licensed in the United States and three such companies incorporated in enemy countries are liquidating. The proceeds of the liquidation will ultimately come into the possession of A. Mitchell Palmer, alien property custodian at Washington.

Here is a list of these companies, together with their gross and net assets:

Licensed	Gross Assets	Net Assets
Aachen & Munich	$2,968,270	$1,473,743
Balkan National	2,643,677	806,765
Frankona Re-insurance	1,250,957	324,459
First Bulgarian	2,139,304	483,576
Hamburg-Bremen	1,967,488	611,855
International Re-insurance	1,527,656	439,444
Munich Re-insurance	6,651,463	1,668,312
Nord-Deutsche	1,208,052	589,356
Nord-Deutsche (marine)	1,441,604	479,231
Prussian National	2,475,263	848,985
South German Re-ins.	1,515,541	727,561
Allianz	732,246	413,960
Mannheim	2,733,869	926,557
Frankfort General	1,553,944	473,859
Total	$33,544,261	$10,249,103
Not Licensed		
Cologne Re-insurance	$1,485,222	$364,350
Hamburg Assurance	4,813,197	869,078
Minerva Retrocession	770,206	319,856
Total	$7,068,626	$1,553,286
Grand total	40,612,887	11,802,388

Value of Property

In three months the property, stocks, bonds, and goods belonging to aliens living abroad collected by the alien property custodian have amounted to $134,605,231.78, divided as follows:

Cash deposited with U. S. Treasury		$330,250.98
Stocks		53,984,704.59
Bonds		25,547,038.42
Mortgages		3,754,736.96
Notes receivable		2,725,370.87
Accounts receivable		37,733,713.07
Real estate		2,206,219.03
Gen'l business, miscel. mdse.:		
Business and estates in operation or liquidation	$11,052,337.24	
Wool and silk	58,000.00	
Furs, hides, skins and other animal products	40,413.01	
Tobacco	819,966.70	
Cotton	82,400.00	
Breadstuffs and other farm products	151,266.74	
Metals	86,453.31	
Minerals and oils	191,500.00	
Textiles	35,911.47	
Jewelry, precious stones, paintings, art objects	278,346.67	
Machinery and tools	36,672.00	
Household goods, clothing, &c.	81,150.73	
Other manufactured products	28,188.00	
Other articles not specified	5,901.00	
Total	$12,948,506.87	
Less: Loans, accounts payable, and other claims	4,625,309.01	8,323,197.86
Total trusts entered		$134,605,231.78

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $152,000,000.00
Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus, . . - - - - -	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - - -	1,051,543.00

NEW YORK OFFICE
80 William Street

Important Decision

(Continued from page 1)

It was further shown that at the time the policy was issued and continuously up to the time of the fire, the building had been occupied as a residence by Mr and Mrs. Bernascheff, and as the office and place of business of the plaintiff corporation, and it further appeared that a mortgage upon the land had been foreclosed previous to the fire, of which fact the Bernascheff Co., had knowledge, but did not obtain the consent of the insurance company to a continuance of the risk as required by the policy.

At the close of the plaintiff's evidence, the defendant moved for a dismissal of the complaint in so far as it sought to recover upon the building upon the ground of mortgage foreclosure and the breach of warranty of sole and unconditional ownership.

The insurance company also moved to dismiss as to the personal property upon the ground that the violation of the dwelling house warranty had so increased the hazard upon the personal property insured and therein contained as to overcome the rule of severability of risk and prevent a recovery.

What Court Held

The Court granted the motion as to both branches of the case upon the grounds stated by counsel. It held that while in certain cases the risk was severable in that a breach of a warranty as to a portion of the property insured might avoid the policy as to it without in any way affecting a recovery as to the other property covered by the policy, this rule did not apply in any case where the violation of the warranty relied upon by the insurance company increased the hazard as to all classes of property covered by the policy.

So far as can be found, the Appellate Courts of New York, have never authoritatively passed upon this latter proposition. In a well considered case handed down by the Supreme Court of Minnesota (97 Minn., 98), it was held, that a contract of insurance is entire and that the increase of moral hazard caused by the condition of the title to the land upon which the building stood, affected not only the building insured, but also the property therein contained which was covered by the policy, and that no recovery could be had.

Similar rulings has been made by the Courts of Maine, Maryland, Georgia and other States, and is considered by insurance authorities as in line with the reasoning and intent of the policy.

The plaintiff was represented by Herbert S. Worthley.

NEWARK FIRES INCREASED

In its 1917 report the Fire Department of Newark, N. J., shows that while the number of fires materially increased, the aggregate fire loss was smaller than it has been in several years. Most of the fires are traceable to preventable causes.

U. AND O. LINE TOTALS $2,000,000

The Stewart-Warner Speedometer Corporation has taken out use and occupancy insurance to the amount of $2,000,000, covering its Chicago and Beloit plants and the plant of the Chicago Flexible Shaft Company, owned by the Stewart-Warner Corporation.

One of the most interesting of losses of the past fortnight is that of the Lamport Manufacturing Co. Broadway, New York, where damage estimated by the insured at $150,000 is involved and where the sprinkler leakage policy is $30,000.

The City Council of Allentown, Pa., is considering using a blanket form of contract on all the city's improved property.

The Great Eastern Casualty held its annual meeting January 15 and re-elected all officers and directors.

INSURANCE CO. OF N. A.

Had $26,281,211 Total Assets on December 31, 1917—Polcyholders' Surplus, $10,817,636

The Insurance Company of North America is 126 years old. This is the statement of December 31, 1917:

Assets

Real Estate	$ 281,077.20
First mortgages on real estate	150,855.00
Bonds and stocks at present market value	19,759,942.83
Cash in banks	2,815,197.53
Fire premiums in course of transmission	1,657,548.28
Marine premiums in course of transmission.	1,237,317.96
Accrued interest and all other property	379,272.21
Total assets	$26,281,211.01

Liabilities

Capital stock	$ 4,000,000.00
Reserve for re-insurance.	9,991,018.27
Reserve for unpaid losses	4,348,700.00
Reserve for National and other taxes	845,000.00
All other liabilities	278,855.99
Contingent fund	817,636.75
Conflagration fund	1,000,000.00
Surplus	5,000,000.00
Total liabilities	$26,281,211.01
Surplus to policyholders.	$10,817,636.75
Losses paid since organization	192,518,273.33

In 1900 its assets were $9,261,037; reserve, $4,033,517; net surplus, $1,621,780.

NEW YORK NATIONAL STATEMENT

An increase of $81,824.44 in admitted assets over 1916 is shown in the annual statement of the New York National Insurance Co., formerly the National Lumber, as of December 31, 1917. The gross assets of the New York National are now $539,866.57, which includes a surplus to policyholders of $243,553.44.

The New York National, which came under the control of the James J. Boland Co., Inc., during 1917, has considerably widened its field during the year. The New York office of the Company is that of the James J. Boland Co., Inc., at 68 William St.

AMERICAN EAGLE FIGURES

The American Eagle Fire this week completed its annual statement as of December 31, 1917. The books of the Company on that day showed it to have had total assets of $3,007,714.32. This includes a surplus to policyholders of $2,103,582.73. The premium reserve fund of the American Eagle is now $464,783.66.

PASTON & ESHER FORMED

Charles Paston, general agent of the Travelers, and George Esher, formerly of Forman & Herman, have combined to do a brokerage business and to develop the general agency of the Travelers. They have opened an office in Brooklyn.

The annual report of the Delhi Insurance Company, Delhi, N. Y., shows a balance of $60 in the treasury.

The Preferred Accident of New York held its annual meeting January 15 and re-elected all officers and directors.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

Caledonian Insurance Co. of Scotland
FOUNDED 1805
"THE OLDEST SCOTTISH INSURANCE OFFICE"
UNITED STATES HEAD OFFICE
Caledonian Building, 50-52 Pine Street, New York
CHAS. H. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

THE YORKSHIRE INSURANCE COMPANY, LTD., OF YORK, ENGLAND
ESTABLISHED 1824
The "Yorkshire" is the Oldest and Strongest of the English Fire Companies not heretofore represented in the United States
U. S. BRANCH
Frank & Du Bois, United States Managers Ernest B. Boyd, Underwriting Manager
Harry F. Wanvig, Branch Secretary Frank B. Martin, Supt. of Agencies
NO. 80 MAYDEN LANE, NEW YORK
New York Life Insurance and Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENTS—METROPOLITAN, Willard S. Brown & Co., Managers, New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Manager, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Managers, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, Manager, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, Manager, McClure Kelly and McKee Sherrard, Assistant Managers, San Francisco, Cal.

INCORPORATED 1720
Royal Exchange Assurance
LONDON, ENGLAND
United States Branch 92 William Street, New York
RICHARD D. HARVEY United States Manager

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

THE OHIO MILLERS
MUTUAL FIRE INSURANCE COMPANY
Net Cash Assets.....$1,147,802
Net Cash Surplus..... 505,213
Squire Company, Inc.
1 LIBERTY ST. REPRESENTATIVES NEW YORK
STOCK POLICIES ONLY
BUSINESS SOLICITED FROM AGENTS AND BROKERS

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

A. E. Smith Agency Fifty Years Old

HAS SIXTEEN COMPANIES.

Arnold E. Smith Started Firm at Ogdensburg in 1868—Special Campaign this Year

The A. E. Smith & Son Agency at Ogdensburg, N. Y., is celebrating its fiftieth anniversary this year. The agency was established by the late Arnold E. Smith in 1868. From time to time Mr. Smith added to his business by taking over other agencies which included the Hasbrouck agency then the oldest in Ogdensburg, and later the agency of Fairchild & Palmer, and in 1905 he took over the Matheson agency which was also one of the old established firms.

E. C. J. Smith Enters

In 1888 his son, E. C. J. Smith, entered into partnership with his father and the firm name of A. E. Smith & Son was adopted. From that time to the present the detail of the business has been handled by Mr. Smith, Jr., and Arnold Smith up to the time of his death in 1914, devoted most of his time to the adjustment of losses, becoming one of the most prominent independent adjusters in Northern New York.

A. E. Smith & Son represent in all sixteen companies. They are the Aetna Fire, Home, Hartford, Phoenix, Connecticut, Springfield, Niagara, Hanover, Phoenix Assurance, Commercial Union, London Assurance, Equitable Life Society and Fidelity & Casualty.

Since the death of Mr. Smith, senior, the business has been continued by his son under the same firm name. The agency is located at 101 Ford St., Ogdensburg, in its own building.

In conjunction with the fiftieth anniversary of the agency, Mr. Smith has compiled the following letter to his customers which is rather unique as a soliciting medium:

"Dear Sir:—

"We desire to call your attention to the fact that this is our 50th anniversary year. In 1868 Mr. Arnold E. Smith, the founder of this agency, issued his first policy, and in all the years since, this firm has enjoyed the unquestioning confidence of the community.

"It has always been the policy of this office to represent none but strong and reliable companies, to do a conservative business strictly within the rules of prudent underwriting, and to adjust and pay losses promptly when they occur. Representing 'time-tried and fire-tested' corporations of the highest commercial standing, we are able to provide our customers with the best insurance protection in the world.

"Insurance is our business, we have made it a life study. It is our livelihood. We have a permanent and model business home. We give real insurance service in every branch of the business and always have the best interests of our customers ever in mind. Taking into account the long and honorable record of this agency, made up of fifty years of fair dealing, its list of millionaire companies, and the expert service it offers, is it not to your interest to place at least a portion of your business with us?

"We thank our customers for the patronage heretofore extended to us, and in soliciting its continuance we would respectfully ask those who have not before patronized this agency to tender us a share of their business during this our 50th anniversary year. We will certainly appreciate any business you may offer us and will give it our personal and careful attention, regardless how large or small your policy might be.

"With best wishes for a happy and prosperous new year, we remain

Yours very truly,
A. E. SMITH & SON."

BUILDING ASSOCIATION BLAMED

Norristown Court Criticized Organization for its Insurance Practices

The Excelsior Saving Fund & Loan Association, of Norristown, Pa., has directed the Court to pay $710 to Edna M. Shoemaker, of Norristown, the value of matured shares of stock and other money paid after the stock had matured. The association had refused payment on the ground that the shares had not matured because Mrs. Shoemaker had voluntarily entered a class of stockholders carrying an insurance feature, and that under the contract part of the dues thus contributed had to be applied to the payment of the insurance.

The Court said that the insurance feature should have been explained to her before the association, without notice, renewed a policy and criticized what he termed the "insurance scheme." The Court said:

"The attempts by these building associations to combine these independent and unrelated subjects are constantly condemned by the Attorney-General as illegal and against the policy of the law. Building and loan associations should not hold themselves out as agents to secure business for the insurance companies. It is, in fact, an encouragement to gamble with the insurance company whether it shall help to pay for property or whether the stockholder shall lose all the premiums paid during a term of years.

"If he dies within the terms of the policy not he, but his heirs, acquire the enjoyment of the house. If he lives beyond the policy term he receives nothing whatever in return for the expended premiums."

NEW JERSEY COMMISSIONS

An Agent in Millville Thinks that They Are Discriminating and Unfair

H. S. Powell, of Millville, N. J., has written the "American Agency Bulletin," published by the National Association of Insurance Agents, the following opinion:

"I think the rates of commissions in New Jersey are absolutely discriminatory and unfair, and should like to hear from the agents throughout the State through the columns of the Bulletin as to their opinions in this matter. If you will be good enough to give space in the Bulletin for this article, I shall be greatly obliged to you."

E. M. HARMON DIES

Edwin M. Harmon of LeRoy, N. Y., died recently. In 1871 he traveled several Western States for a fire insurance company. He returned to LeRoy some forty years ago, where he resided until his death, conducting an extensive insurance agency.

THE DICKINSON AGENCY

The W. M. Dickinson insurance agency of Trenton, N. J., has just completed its twentieth year in business. Mr. Dickinson was former president of the Underwriters' Association of New Jersey.

TO BENEFIT ABSENT BROKERS

To Facilitate Relicensing Those Engaged in Military or Red Cross Work

A bill before the New York legislature amends Section 143 of the Insurance Law by authorizing the superintendent of insurance to issue a renewal certificate of authority to any duly licensed broker who, by reason of being engaged in military, naval, Red Cross or civilian service in connection with the war, is unable to make personal application for such renewal certificate, upon the filing of an application on behalf of such broker, accompanied by an affidavit showing such service and the inability of such broker to make personal application.

Under present law all such certificates of authority expire December 31 of the year in which issued, and application for renewal must be made personally by the applicant before January 1. Under the provisions of the proposed amendment the appliction and affidavit required may be made on behalf of the absent broker by some person who has knowledge of the facts.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852

The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.

R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y

HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK

HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

H. KRAMER
ADJUSTER
FOR INSURANCE COMPANIES
105 William Street, New York City

National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1917, to New York Insurance Department
LIABILITIES

Capital Stock, All Cash	$2,000,000.00
Funds Reserve to Meet All Liabilities, Re-Insurance Reserve, Legal Standard	9,912,715.84
Unsettled Losses and Other Claims	1,878,398.32
Net Surplus over Capital and Liabilities	3,743,747.60
Total assets January 1, 1917	$17,534,861.76

H. A. Smith, President — F. D Layton, Ass't Sec'y — F. B. Seymour, Treas.
G. H. Tryon, Secretary — S. T. Maxwell, Ass't Sec'y — C. B. Roulet, Gen. Agt.
SURPLUS TO POLICY HOLDERS, - - $5,743,747.60

Firemen's Insurance Co., Newark, N. J.
January 1, 1917

Cash Capital	$1,250,000.00
Net Surplus	$2,449,322.25
SURPLUS TO POLICYHOLDERS	$3,699,322.25

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer — A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President — J. K. MELDRUM, Assistant Secretary

F. H. HAWLEY, Pres. ORGANIZED 1848 W. E. HAINES, Secy.



Ohio's Oldest and Strongest Company
Net Surplus Over $1,293,741.00
AN AGENTS COMPANY
E. K. SCHULTZ & CO.
PHILADELPHIA
GENERAL AGENT
Pennsylvania, New Jersey and New York

An Agent on Paying Balances

DELAY IS REBATE

Jos. E. Merriam Proposes that Suburban Exchange Adopt Sixty Day Maximum Limit

Joseph E. Merriam, of Mt. Kisco, N. Y., has addressed the following letter to the Suburban Exchange:

"I want to offer the following suggestion as a rule to be adopted by the Suburban Fire Insurance Exchange for the guidance of all agents and brokers, to be a universal rule to be applied by all, i. e.:

"We are all on our honor that we shall not rebate to a client and I believe that the brokers are universally living up to this rule. I know that this agency is absolutely not rebating a nickel, but the evil comes in through poor collections. Collections are bad now, and will grow worse as the war progresses. We are all afraid to be rough with our clients, lest they shall cancel their policies and go elsewhere. This degenerates into a form of rebating, because the agency which will extend the longest credit will be the one which will ultimately retain the business. Where an agent waits a year for an account, it is virtually a rebate of 7 per cent. or 8 per cent., because there is 6 per cent. lost in interest and about 2 per cent. in cost of bookkeeping, postage, efforts to collect, etc. Thus, if a man waited three years for his bill to be paid, his entire commission would be gone. The companies are paid by the agents and everything is fine for them, but the poor agent is the one to suffer.

"Now, could not your Exchange recommend that a rule be adopted that insurance premiums must be paid within a maximum period of sixty days, and if not paid at the end of sixty days the policies must be cancelled, and that all agents' books shall be open to the inspection of the Suburban Exchange, and any agent allowing a longer credit than this shall be discharged as an agent.

"This may sound very chimerical and quixotic, even utopian, but it is the only practical solution of the problem which I can suggest. I have taken this up with Carpenter & Pelton here in town, and they approve of the suggestion. I think other brokers would be delighted to have this put into effect. You see the trouble is now, if this agency drops a client for non-payment, that client would immediately go to another broker and so keep playing the game, and never pay any insurance. The Exchange which passes a sufficient number of rules to annoy us should pass this one rule to help us."

A rule similar to that proposed by Mr. Merriam is in effect in the West, where the companies permit a maximum of forty-five days for the payment of all agency balances. The subject of delinquent balances is being much discussed in all circles at the present time, and it is expected will receive consideration at some of the agency association meetings to be held in the near future as well as by the companies.

WILLIAM STREET

They Would Miss Her

Over in the home office of the Fidelity & Casualty in New York the conversation one day turned to consideration of the persons whose presence in the office would be most sorely missed. Among those spoken of as most necessary to the smooth running of the big office machine was Miss Anna H. Marshall, who for fifteen years has presided over the big-double telephone switchboard, which is one of the busiest private boards in the country.

At the office of the New York Telephone Company this board is regarded as one of the best handled in the city. To have made a brilliant success of this position is no small achievement. For the reason, one has not far to go. Miss Marshall regards her board much as a finished musician cherishes a fine instrument. To get all possible out of it in the best manner is the height of her ambition. Add to this a remarkable memory for names, voices and numbers; a large fund of knowledge embracing the needs of every department and the requirements of each official, besides accuracy, rapidity and the ability and willingness to relieve others of the maximum of detail, make Miss Marshall's absence from her post of duty an occasion soon noticeable throughout the building and in the William Street branches.

Just a word about this board. In one year the outgoing calls were 65-000, incoming 130,000, intercommunicating 165,000. When Miss Marshall took the board there were nine trunks and twenty-four extensions. Up to the time she was given an assistant, she handled eighteen trunks and 100 extensions. Now there are twenty trunks and 145 extensions. Miss Marshall knows the numbers of most every large insurance office in the city besides those of many private residences in and out of town, which are frequently called. This in large measure explains her ability to handle quickly so large a volume of business over the wires.

* * *

Luncheon to James R. Garrett

James R. Garrett, of New York, eastern department manager for the National Casualty, was given a luncheon last Friday by Vincent Jervis, superintendent, and eight agents of the Harlem branch. The Harlem men were the winners in a contest between their district and Jersey City, running through November and December. Mr. Garrett awarded a flag to the winning office and cash prizes for individual production.

* * *

Do Not Fear Loss

Liability and compensation writing companies say they will be affected but little as a result of the shutdown order. Day laborers and piece workers will lose the most time. A good many others will be paid in whole or in part and many will find temporary jobs, while others will be put on extra time when conditions improve.

* * *

Premiums $7,500,000

The National Surety received $7,-500,000 in premiums last year.

THE pioneer American fire insurance company to recognize and provide for the needs of both large and small insurers throughout the country, by establishing numerous, well selected and widely distributed local agencies, and by conservatively and steadily enlarging its underwriting capacity to meet the needs of all.

"The Largest Fire Insurance Company in America"

THE HOME
INSURANCE COMPANY
NEW YORK

Home Office: No. 56 Cedar Street

ELBRIDGE G. SNOW, President

One Hundred and Twenty-Ninth Semi-Annual Statement

JANUARY, 1918

CASH ASSETS	$44,048,651.58
CASH CAPITAL	6,000,000.00*
LIABILITIES	25,047,401.00
NET SURPLUS OVER LIABILITIES	13,001,250.58*

*SURPLUS AS REGARDS POLICYHOLDERS, $19,001,250.58

RESOURCES INVESTED IN AMERICAN SECURITIES

ALL BRANCHES OF FIRE INSURANCE

Fire, Lightning, Automobile, Explosions, Hail, Marine (Inland and Ocean), Parcel Post, Profits and Commissions, Registered Mail, Rents, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

AGENTS IN CITIES, TOWNS AND VILLAGES THROUGHOUT THE UNITED STATES AND ITS POSSESSIONS AND IN CANADA

STRENGTH REPUTATION SERVICE

EASTERN MARINE UNDERWRITERS, Inc.

GEORGE A. EVALENKO, President

MANAGERS
OF THE
MARINE DEPARTMENT
OF THE
EQUITABLE UNDERWRITERS
OF
NEW YORK

FOR WHICH WE ARE NOW PREPARED TO BIND ALL LINES OF MARINE, CARGO AND HULL ASSURANCES AT OUR TEMPORARY OFFICE

111 Broadway, New York City
Telephone 1555 Rector

Agricultural Insurance Company, of Watertown, N.Y.

64th Annual Statement

Assets	$5,036,003.01
Liabilities	2,296,861.95
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,739,141.06

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent..NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

JONES, LAUNT & BARRETT, Inc., GENERAL AGENTS

CAPITAL FIRE INSURANCE COMPANY of CAL.
CHICAGO BONDING & INSURANCE COMPANY
GREAT EASTERN CASUALTY COMPANY
THAMES & MERSEY MARINE INSURANCE CO., Ltd.
SECURITY MUTUAL FIRE INSURANCE CO. of MINN.

BOSTON
NEW YORK
LONDON
CHICAGO
BALTIMORE

We are strictly an Agency Office, and can offer service and facilities anywhere in the United States.

HEAD OFFICES: 411-13 Walnut Street, PHILADELPHIA

NEW YORK OFFICE: 95 William Street, NEW YORK CITY

CASUALTY AND SURETY NEWS

Meet in Albany to Protect Business

FEDERATION SHOWS ACTIVITY

Business Men Meet With Underwriters To Oppose State Insurance

An enthusiastic and largely attended meeting of insurance men of Troy and Rensselear counties, New York, to which manufacturers and business men were invited, was held last week in Albany by the Insurance Federation of the State of New York. Frank M. Chandler, assistant secretary of the Knox & Mead Company, outlined the purposes of the Federation and pointed out that it is different from any other organization because companies, agents and brokers of every branch of insurance, no matter whether they represent stock, mutual or fraternal interests, can meet on common ground and aid in bringing a better understanding of the insurance business by the general public. This is so particularly as to legislation likely to make the State or the national government an underwriter of insurance hazards of any description.

Must Broaden Influence

Edgar M. Griffiths, of the Ten Eyck & Lansing Agency, Albany, president of the Federation, congratulated the insurance and business men on the large number present, saying it augured well for the future of the insurance business as at present conducted. He spoke of the need of greatly increased membership in the Federation and of the work accomplished during the year. Mr. Griffiths said the Federation is an established fact and that all insurance men were invited and urged to become members and thus broaden its influence and extend its sphere of usefulness.

Stanley L. Otis, executive secretary, spoke in detail of the organization and its work and outlined its plans. Mr. Otis, after pointing out the marked increase in various forms of socialism and radicalism emanating from our foreign-born population and the dangers to insurance interests from its general trend towards State monopolies and government ownership, said:

Must Defend Individual Action

"The Federation appeals to you to prepare to defend the liberty of individual action and prevent the State transacting the business of insurance.

"The Federation urges far-sighted and intelligent treatment of the new problems brought about by war conditions thereby demonstrating that insurance is in the hands of those most capable to conduct it.

"The Federation educates your friends and neighbors and the general public respecting the principles of insurance and the technical training required to transact it and safeguard the interests of the policyholders.

"The Federation seeks to impress upon companies, agents and brokers the responsibility that rests upon them to so conduct the business that there will be no desire for, or need of, State insurance.

"The Federation maintains that through private enterprise properly supervised and not through bureaucratic agencies will the greatest good for the largest number be realized.

"The Federation is the only organization whose sole purpose is to oppose the transaction of insurance business by the State. It is the most important co-operative effort in which insurance men are engaged.

"The Federation asserts that the agents and brokers are essential to the business and of direct value to the assured and that to eliminate either by State operated insurance would be detrimental to the best interests of the general public.

"The Federation permits you to go about your business knowing your interests are well protected. Its bulletins and other service information are valuable and keep you in touch with the rapid changes taking place in the insurance world. It organizes your associates all over the State into militant, aggressive bodies pledged to defend your business which is a necessary and honorable one and indeed rightly a profession. It is constantly working in your behalf and its every effort is for your betterment. The federation is the salvation of your business and is worth to you many times the membership fee required. The socialists and radicals are organized and your interests demand that you do your part to greatly strengthen the federation membership.

Must Not be Short-Sighted

"Is it possible that you are going to be so short of vision that the force of the trend of this socialistic propaganda will have the opportunity of sweeping everything before it and make such a strong appeal to the people that through lack of efficient co-operation its actual realization be upon you before you are aware?"

Frank T. Hill is the director of the federation for the district including Troy, and the Rensselaer County Committee consist of Frank M. Chandler, chairman; S. F. Bagg and Charles H. Gardner.

The meeting unanimously approved the federation purpose and a large number of new members were added to the roll. It was the general opinion that the meeting was the most successful one of insurance men held in Troy in some time and presaged the best of co-operation among the fraternity.

To Have Speakers Bureau

Julian Lucas, Junior, of New York City, vice president of Davis, Dorland & Company, and chairman of the membership committee, reported respecting the activities of the committee, and recommended plans for further work which after consideration were adopted. A Speakers Bureau has been established, and a series of meetings through the State are being arranged. A committee consisting of Vice President George A. Scott of Waverly, president of the New York State Fraternal Congress, A. C. Hegeman, chairman of the executive committee, president of E. C. Anderson & Company, New York City, and President Griffiths of the Ten Eyck & Lansing Agency, Albany, was appointed to consider matters inimical to the Federation's objects.

New Amsterdam Casualty Company

A Progressive

SURETY AND CASUALTY

Company

Agents Fall Short Selling Liability

CAN THINK OF BUT ONE LIMIT

Court Decisions and Higher Values Have Changed Conditions—John S. Turn's Views

It is becoming strikingly evident that public liability insurance is not sold as it should be. That agents and brokers have gotten into a bad habit of thinking only in the terms of $5,000-$10.000 limits. Claimants, courts and juries no longer confine their thought to these limits and many are the embarrassing situations into which assureds are placed by not having enough insurance. The additional cost for higher limits is so trifling that it should be easy to sell the added indemnity if the broker would but take the lessons of the courts to heart and properly protect his clients.

Only a few days ago an automobile owner on the East Side in New York ran into a boy and hurt him severely. The verdict was $22,000 and it is quite likely that it may stand. The assured had the usual limits of five and ten. When he heard of the verdict he lost no time in having the limit raised to $50,000. He was much disappointed to find that he had not sufficient insurance, just as he would have been had he carried but $5,000 on a $22 000 stock and lost it all by fire.

Case in Philadelphia

Another illustration is that of a brewing firm in Philadelphia. An electrician while working for the firm climbed upon one of its trucks when it was backing up to the building. He was caught between the building and the truck and his legs badly injured. The driver had no way of knowing that the electrician was about to get on the truck. A verdict of $17,500 was rendered and the case was carried up through the Court of Appeals and the Supreme Court, the insurance company having decided to stay with the case to the end, finally getting off free, except for the costs of litigation. The brewing company, after seeing the size of the verdict decided that it would have its own lawyer remain on the case. His fee was $1,500. If the assured had been insured for a higher limit, say ten-twenty, he would hardly have wished to keep his own attorney on the case and he would not have been "soaked" for this big fee. As it was, after the litigation, the broker came to the company and hinted that as it would have been willing to pay its $5.000 limit if the verdict had been reasonable, wouldn't it now be willing to contribute something to help out the assured with his heavy attorney's bill? The company manager told the broker that he was in fault in not properly covering the assured in the first place.

Extra Premium Small

It is not generally known for what a small additional sum higher limits of insurance can be obtained. Here is an illustration:

$5,000—$10,000	$100
10,000— 10,000	110
10.000— 20.000	132
10.000— 50,000	153
20,000— 50,000	161
50,000—100,000	175

John S. Turn, New York manager for the Aetna companies, has set forth very clearly this necessity for full and proper limits of liability protection. He says:

In selling any form of public liability insurance, a most important question must be decided, that is—what limits of protection are adequate?

Some of my friends, in this business have termed me a crank on the question of proper limits of protection under liability policies, and I will not deny the allegation although I think I am a crank in the right direction. It seems to have become customary for agents and brokers to go about presenting liability propositions on a basis of 5/10,000 limits of protection, and I think that has come about simply because all rates for liability insurance are based on these limits. The fact that this limit is used as a rate basis is no indication that it is sufficient protection, and I feel it is the duty of every insurance man to study his policyholder's needs and advise him what, in his opinion, should be the minimum limit of protection that will properly safe-guard him.

I should like to see the insurance business made a profession like medicine, and have all insurance men required to study their lines and strive for a degree of "I.D.," namely, "Doctor of insurance."

No Limit on Recovery

If you call on a doctor for advice regarding any ailment, you would think him a poor doctor if he did not give you a prescription that. in his opinion, would effect a full cure of your ailment. Is it not just as important that the insurance man always prescribe full and complete protection? We are,

(Continued on page 18)

General Accident

FIRE AND LIFE

ASSURANCE CORPORATION, Ltd.

SERVICE THAT EXCELS

FREDERICK RICHARDSON, United States Manager

GENERAL BUILDING · 4TH & WALNUT STS.

PHILADELPHIA

Compensation Pool Classifications Out

ARE SUBJECT TO MODIFICATION

Rules for Underwriting to Be Formulated as Need Arises

Presented here is a list of classifications of risks to be undertaken by members of the Associated Companies, the organization of compensation carriers which has for the past two years been writing workmen's compensation lines on coal mines under the pool system.

These companies have reached an agreement for handling compensation lines on risks which because of collective hazard, or for other reasons, are difficult subjects for insurance under existing arrangements.

This list is preliminary and the classifications are subject to modification and further subdivision from time to time. Underwriting rules will be formulated as need for them develops. The list follows:

Group "A"

Risks including one or more of the following classifications may be underwritten by the Associated Companies and must be so underwritten, provided a predominant portion of the payroll is expended in one or more of the following classifications:

1. Acetylene Gas Tank Charging Stations—operation.
2. Acid Mfg.—all kinds.
3. Ammonia Mfg.—distillation of—under pressure.
4. Analytical Chemists.
5. Blasting.
6. Bleaching Powder.
7. Bottle Dealers—second hand.
8. Building Moving.
9. Building Raising—shoring buildings, removing walls and foundations, columns and piers and rebuilding same.
10. Carbide of Calcium Mfg.
11. Celluloid Mfg.
12. Caisson Work.
13. Chemical Mfg.—all kinds.
14. Excelsior Mfg.
15. Fertilizer Mfg.—not phosphate companies.
16. Fiberloid Mfg.
17. Firemen in towns of ten thousand population or over.
18. Fire Patrol and Salvage Corps.
19. Fireworks Mfg.
20. Fuse Mfg.
21. Garbage Works (reduction or incineration of garbage or offal).
22. Glue Mfg.
23. Ice Harvesting—storing and dealing.
24. Junk Dealers.
25. Jute Mfg.—spinning and weaving.
26. Leather (imitation) Mfg.—using pyroxylin or pyroxilene composition.
27. Masonry—building chimneys only.
28. Match Mfg.
29. Oil and Gas Wells Shooting.
30. Oxygen and Nitrogen Mfg.
31. Paper stock and Rag Dealers—old stock.
32. Policemen in towns of ten thousand population or over.
33. Powder Mfg.
34. Projectile Shell or Case—charging and loading.
35. Pyroxylin Plastic Mfg.
36. Rubber Reclaiming.
37. Rubber Stock Dealers—receiving, handling, baling and shipping old rubber stock.
38. Salvage Operations.
39. Saw Mills—portable.
40. Sulphur Refining.
41. Shaft Sinking.
42. Shoddy Mfg.
43. Smokestacks and chimneys—metal erection.
44. Stevedores.
45. Tanks—metal—erecting — not otherwise classified.
46. Tanks—erecting—wood.
47. Threshing Machines and Corn Shredders, ensilage cutters and harvesting machines—operation.
48. Trees—pruning, spraying, trimming, repairing and fumigating.
49. Wadding and Waste Mfg.
50. Window Cleaning.
51. Vessels—all kinds—including boats and barges of any description.
52. Viscoloid Mfg.
53. Wrecking—marine and otherwise.

Group "B"

Risks including one or more of the following classifications may be underwritten by the Associated Companies.

NOTE: The policy of this Corporation will generally be to underwrite this group in the Associated Companies just as though it formed a part of Group A.

1. Aeroplane Mfg.—including overhauling and repair in shop and outside—including operation and demonstration.
2. Baseball Clubs and Parks.
3. Celluloid Goods Mfg.
4. Composition Goods Mfg.
5. Detective Agencies.
6. Glucose Mfg.—both wet and dry process.
7. Rifle Ranges and Gun Clubs.
8. Shooting Galleries—no rifle ranges.
9. Starch Mfg.—both wet and dry process.

List of States in which the Associated Companies have undertaken the joint and several underwriting of so-called prohibited risks.

California, Colorado, Connecticut, Delaware, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Nebraska, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Utah, Vermont, Wisconsin.

Companies in Pool

The companies forming the pool are: Travelers Insurance, Travelers Indemnity, Aetna Life, Aetna Casualty & Surety, Ocean Accident & Guarantee, Maryland Casualty, London Guarantee & Accident, Employers' Liability, Hartford Accident & Indemnity, Standard Accident.

NEW JERSEY ACT UPHELD

Compensation Aid Bureau of Benefit to Efficient Insurance Carriers

Compensation insurance men are generally agreeable to the decision of the Superior Court at Trenton, New Jersey, in upholding the constitutionality of the act of 1916, creating a workmen's compensation aid bureau. The court also held that the act does not provide any new remedy for the injured workman, or impair any existing contract, and that it is retroactive.

It is believed that the act does not work any hardship on the high grade insurance company and that it may be the means of bringing into line those less efficient. The purpose of the act is to provide an expeditious method of enforcing the provisions of the Workmen's Compensation Act. It creates a bureau in the Department of Labor and vests it with exclusive and original jurisdiction to hear and determine all claims for compensation. It provides that this bureau shall approve all agreements for compensation before they shall become a burden upon the employer and that it shall endeavor to secure settlement of such matters by agreement. Procedure is provided for the adjudication of claims before this bureau, which is substantially the same as the procedure before the Court of Appeals, although somewhat less formal. The act provides for an appeal to the Court of Appeals.

Crew-Trainor Case

The points in the decision referred to above were brought out in the case of Alfred Crew against Thomas Trainor, a night watchman in his employ. Trainor was injured February 19, 1916. His claim was presented to the Passaic Court of Common Pleas which awarded compensation.

In attacking this award Crew contended the act of 1916 was not applicable because the accident happened prior to its passage. If the act were held constitutional the further claim was made that it was violative of the Federal Constitution, in that it impaired an existing contract.

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

SEMI-ANNUAL STATEMENTS JUNE 30, 1917

Assets	$14,005,236.30
Liabilities	10,395,192.68
Capital	1,000,000.00
Surplus over all liabilities	2,610,043.62
Losses paid to June 30, 1917	58,554,792.60

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation-Steam Boiler Insurance; Fly-Wheel Insurance.

Liability Short-Comings

(Continued from page 17)

however, in the same position as the doctor prescribing for an ailment; the doctor cannot make his patient take the prescription, neither can we make our client take our prescription, but we can urge him to, and place ourselves on record as having given him advice as to the proper limits for his own risk.

Since in practically every State in the Union there is no limit to the amount that may be recovered for wrongful death or injuries, I am satisfied that recoveries being based on expectancies makes every policyholder carrying a limit of protection of 5/10,000 a possible co-insurer of his risk for several times that amount.

You have all read of verdicts obtained in excess of $5,000 for injuries or death of an individual, and while we must admit that they are few and far between, it is not given to any one to know which one of his policyholders is going to have a recovery for a large amount made against him.

May Exceed Policy

It has come under my personal observation in several cases that if a serious injury or death occurs and no settlement can be made except to pay the limits of the policy, or possibly an amount very close to the limits, in such cases the company insuring the risk, having the privilege given in the policy of electing whether the case be settled or tried out in the courts, may take the view that if the case cannot be settled, unless it pays the limits of the policy, or an amount very close to the limits of the policy, there is always a chance of successful defense of such a case and would, perhaps, choose to chance the cost of such defense, let the case be tried, and the court determine the measure of the damage. If this is done, it is possible that final recovery may be in excess of the policy limits and the policyholder be required to pay the difference, or, as has happened more often, the final recovery is less than the limits but while the suit is being tried out the policyholder realizes that he is protected for only $5,000, and appreciates that a recovery may be made in excess of that amount. In the latter case he is sometimes worried to such an extent that he would, if it were possible, then gladly pay the difference in cost for larger limits of protection. What is more usual, however, is to have him, during that critical time, insist that the company settle and that he will contribute a certain portion of the settlement, and when such contribution is made, the amounts involved would usually pay for excess limits of protection for many years.

Relieved of Worry

I am trying to make clear that if a policyholder will carry limits of 10/20,000 or more, he throws the bulk of the burden on the insurance company and relieves himself of worry. In such cases the higher limits would force settlement, for under such limits no insurance company, if it has a damage case on hand in which there is possible liability and it can be settled for $5,000, is going to let the opportunity for settlement pass. If, however, the company protects for limits of 5/10,000 only, and nows that it cannot settle for less than that amount, it might take a chance on the cost of defense with the hope of winning the case, or perhaps being successful in obtaining a verdict less than $5,000. If the company is not successful and the verdict is more than $5,000, the difference must then be paid by the policyholder.

Putting Oneself on Record

Therefore, should we not always study an assured's needs and prescribe for him such limits of protection as will be ample for him under any and all circumstances? If he does not wish to pay the price, you have gone on record that such protection is needed and later he cannot criticise you for not having given him proper advice. Judging from my experience in personal soliciting, you will be successful in a large percentage of your cases in selling the higher limits, which means more money to you and a better opportunity for profit to your company.

Creative Soliciting

I am a firm believer in creative soliciting of insurance and I do believe that most public liability lines have to be sold and are not bought.

Has it ever occurred to you how much actual time insurance agents waste going about soliciting risks that are already insured by other agents and what a small percentage of such business any agent secures? If another agent tries to take your business from you, you are going to protect it by using every possible argument and all your influence with your client to retain it, and usually you are successful. If you attempt to take business from another agent, the same situation exists. Is it not better to go out seeking some of these public liability lines which, perhaps, competing agents are overlooking, and create business for yourselves, and increase your premium income by enlarging your lines with present policyholders? What better opportunity have you for increasing your business than to try to sell much needed and additional protection to your present policyholders?

Do You Know that a DIGEST OF WORKMEN'S COMPENSATION CASES IN THE HIGHER COURTS

Is published on the third Saturday of each month in THE WEEKLY UNDERWRITER? These digests cover every state and territory where Workmen's Compensation Laws are now in effect. This department has been conducted ever since Workmen's Compensation went into effect in each state, and is **complete up to date.** It is indexed every six months and numerous cross-references are made to parallel cases both in the courts and before the Industrial Boards. FULL TEXTS ALWAYS AVAILABLE. Industrial Board decisions are reported every week.

Indexed Bound Volumes of THE WEEKLY UNDERWRITER can be obtained at $3.50 each containing the back files of these cases.

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Sample Copies on Request

The Weekly Underwriter

80 MAIDEN LANE - - - - - - NEW YORK CITY

CASUALTY AND SURETY POINTERS

Come Out of Your Cage

Many an insurance agent is like a squirrel in a cage going round and round, ever on the move yet making no progress. They work hard—at least their attempts to do, to accomplish something, seems to them to be hard work and yet they accomplish but little.

They see others whom they consider not so intelligent, who apparently do not work so hard surpass them in accomplishment and cannot fathom the reason why. They grumble at what they call their "ill-luck" and envy the "other fellow."

If you should tell one of these agents that the cage he is going round and round in is of his own making he would indignantly refute it because he is unconscious of it and yet it would be the truth.

The world is not against him—there is nothing untoward in circumstances that environ—there is nothing out of gear except himself. He is out of gear—the trouble is within himself.

He goes about his work very much like a man with a chip on his shoulder daring any one to knock it off.

His ideas, his thoughts, his efforts center in himself. The men he meets, whom he would do business with, are nothing to him, save as he can use them to advantage himself.

His mental attitude is wrong. It is cribbed, confined and confined by walls of selfishness. The trouble is not the business he is engaged in. In any other vocation the result would be the same because he would take himself with him wherever he went.

The other fellow "is different." His mental attitude is broader. The world is his workshop and every man he meets is an object of interest—not the man's pocketbook but the man himself—and the man's interest becomes his interest.

The "other fellow" may not have so much intelligence, may be less fluent than our "caged" agent, but his interest in his prospect makes him sincere—hence impressive and convincing—and leads to success.

Forgetfulness of self—an unselfish interest in your work, a sincere belief in your being a benefactor to your fellowman and honest desire to safeguard his interests will open wide the door of any "caged" agent and give free and happy access to the broad fields of success.—"Preferred Pilot."

* * *

Effects of War

Now what effect will war conditions have on the business of industrial health and accident insurance? Will they aid or harm the health and accident salesmen? We believe they will prove of benefit. To begin with, skilled and unskilled laborers will have plenty of money to buy insurance. A dollar or two a month in premiums will not prove an item worthy of consideration. They are becoming accustomed to enjoy a fixed, ample income, and look with greater dread than formerly (when living from hand to mouth) on anything that would tend to deprive them of the comforts they now enjoy. They know that their income, in the absence of income protection of same sort, depends on their ability to work; that disability from illness or accident will effectually rob them of their earning power and put a temporary end to income; that the only way to protect themselves against such a calamity is either to resort to the most persistent and frugal saving in order to lay up a sufficient surplus for the "rainy day" which is sure to come to all, or rely on insurance. The latter offers the line of the least resistance, and will be followed by the majority. Because of the hazards of their occupations, the cost of commercial policies, calling for the payment of a heavy annual premium, would be prohibitive, and they are, therefore, forced to rely on the old reliable monthly payment contract, which, while containing some restrictions it is true, nevertheless offers a most satisfactory measure of income protection considering the small premium cost. If our reasoning is correct, it would follow then that the opportunity for the sale of industrial health and accident insurance among the laboring classes was never better. The health and accident salesman can figure this out for himself and prove or disprove his deductions in actual practice.—"Federal Record."

* * *

Preserving Plate Glass Business

While the shortage in labor, freight and coal is giving great concern to manufacturers of the products which are listed by the Government as "essentials," the situation as regards the manufacture of commodities not officially recognized as economic necessities is even more serious. Plate glass, it is rumored, is to be classed among the non-"essentials." If the plate glass manufacturers are deprived of an adequate coal supply and are forced to shut down their plants, their working force, held intact for the past three years against the competition of munition plants, would be entirely disorganized and impossible to reassemble upon resumption of business. It is vitally important that all legitimate means be employed to have plate glass placed on the list of "essentials" if we are to continue the business of plate glass insurance as a medium of service to the public. Collectively there are at least 300,000 plate glass policies in force today. Each one is an implied contract of replacement, although an option of cash settlement is reserved to the companies. Our 50,000 policyholders rely upon us to replace in case of breakage—to use our highly developed service for their benefit. They do not want cash settlements and the consequent trouble of securing glass themselves. They expect us to use our buying facilities in return for the premium they paid. Therefore, it should be brought home to every property owner insured through our agents that unless the plate glass manufacturers are relieved from the burdensome conditions which would result from the designation of plate glass as a non-"essential," the day may come when the plants will remain idle and the reserve stock of glass will have been exhausted. There is a big opportunity here for missionary work. Therefore, we urge our agents to do their share in such an effort to preserve our business.—Fidelity & Casualty "Monthly Bulletin."

* * *

Guardians in Default

In New York, when the estate of an infant does not exceed two thousand dollars in value a surrogate may in his discretion permit a guardian to serve without bond. In passing such a law the New York legislature was presumably actuated by the laudable motive of eliminating red tape and making it as easy as possible for the children to obtain the benefit of their property. Experience, however, seems clearly to show that the lawmakers overshot their mark, and that in fact the provision referred to works grievious wrong in practice. "The guardian clerk of the court advises me," says a prominent surrogate, "that in some instances these guardians, giving no security under the law, have boldly walked off with the children's estates, or, where sums have been allowed such guardians for the children's maintenance, these suretyless guardians have converted the allowance to their own uses and failed to supply the same, or even a part thereof, to the use of these children. These defrauded children are complaining to the court, but their cries to my sorrow must this time fall on a deaf ear, as the guardians are in every instance personally irresponsible."—Fidelity & Casualty "Monthly Bulletin."

* * *

Getting the Salesmen

In order to interest commercial salesmen, Manager Brown of the Guernsey-Newton Co., Spokane, who represents the Maryland Casualty, is using this special letter:

With an income of at least $5,000 per annum and an expectancy of life of 30 years, having, therefore, a potential value of $150,000 wrapped up in your personality, have you any right to carry such a risk at 100 per cent. cost—

When we carry the same risk for ½ of 1 per cent.?

Your company, of course, will keep up your salary when you are on your feet.

But you or we may have to do it when you are on your back.

Therefore, may we not plead with you to translate your good intentions into good acts by considering the following proposition:

That we will furnish you for $48 per annum the following income for twelve months on health and fifty months on accident for total disability, and one-half for partial:

$400 a month for travel accidents,

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,526,022.81

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

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CHICAGO

F. W. LAWSON
General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance



Established 1869

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers
New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

Service of Quality to Policy Holders

Contracts of Superiority to Representatives



THE NATIONAL of DETROIT

Eastern Dept.
100 William St.
New York

Western Dept.
Pacific Bldg.
San Francisco

Northwestern Dept.
Palace Bldg.
Minneapolis

American Surety Company
of New York

100 BROADWAY

Fidelity and Surety Bonds

73d ANNUAL REPORT

NEW YORK LIFE

INSURANCE COMPANY

346 & 348 BROADWAY - - NEW YORK CITY

(Organized under the laws of the State of New York)

TO THE POLICY-HOLDERS AND THE PUBLIC:

Admitted Assets, Dec. 31, 1917 - - - - -	**$934,929,381.52**

These assets are the property of over 1,000,000 people with their dependents (in accordance with their contractual rights). The Company is purely mutual; it has no capital stock.

Legal Liabilities - - - - - -		$760,742,335.52
Reserved for dividends payable in 1918	$26,561,063.64	
Reserved for dividends on deferred dividend policies maturing subsequent to 1918	107,041,778.00	
Reserved for Contingencies	40,584,204.36	$174,187,046.00
Total - - - - - - - - -		**$934,929,381.52**

For the year 1917 the Company's mortality rate was the lowest in its history

Average earning power of total Ledger Assets—		New paid business for the year	$316,000,000
December 31, 1917, 4.59%		Outstanding insurance, end of 1917	$2,673,000,000
December 31, 1916, 4.54%		Paid policy-holders during year	$87,000,000

The annual dividend rate of 1917 will be maintained in 1918

Liberty Loan Bonds owned Dec. 31, 1917 ..... $12,075,000

SUPPORT THE GOVERNMENT

We urge all policy-holders to buy War Savings and Thrift Stamps.

We have directed all Agents to take no application for insurance from a soldier or sailor unless the applicant already has the limit with the Government.

BACK UP THE GOVERNMENT

A detailed statement will be sent to any person asking for it.

January 14, 1918. DARWIN P. KINGSLEY, President

Commerce

MARINE EDITION

THE EASTERN UNDERWRITER

IN TWO PARTS

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

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PART TWO

Nineteenth Year; No. 4 NEW YORK, FRIDAY, JANUARY 25, 1918 $3.00 a Year; 25c. per Copy

QUEEN INS. CO.

OF AMERICA, 84 William St., N. Y. City

Established 1891

Marine, Fire, Automobile, Sprinkler Leakage, Windstorm, Use & Occupancy

U. S. Frigate "Constitution", Queen of America



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EXPLOSION INSURANCE
AIR and SEA PLANE INSURANCE

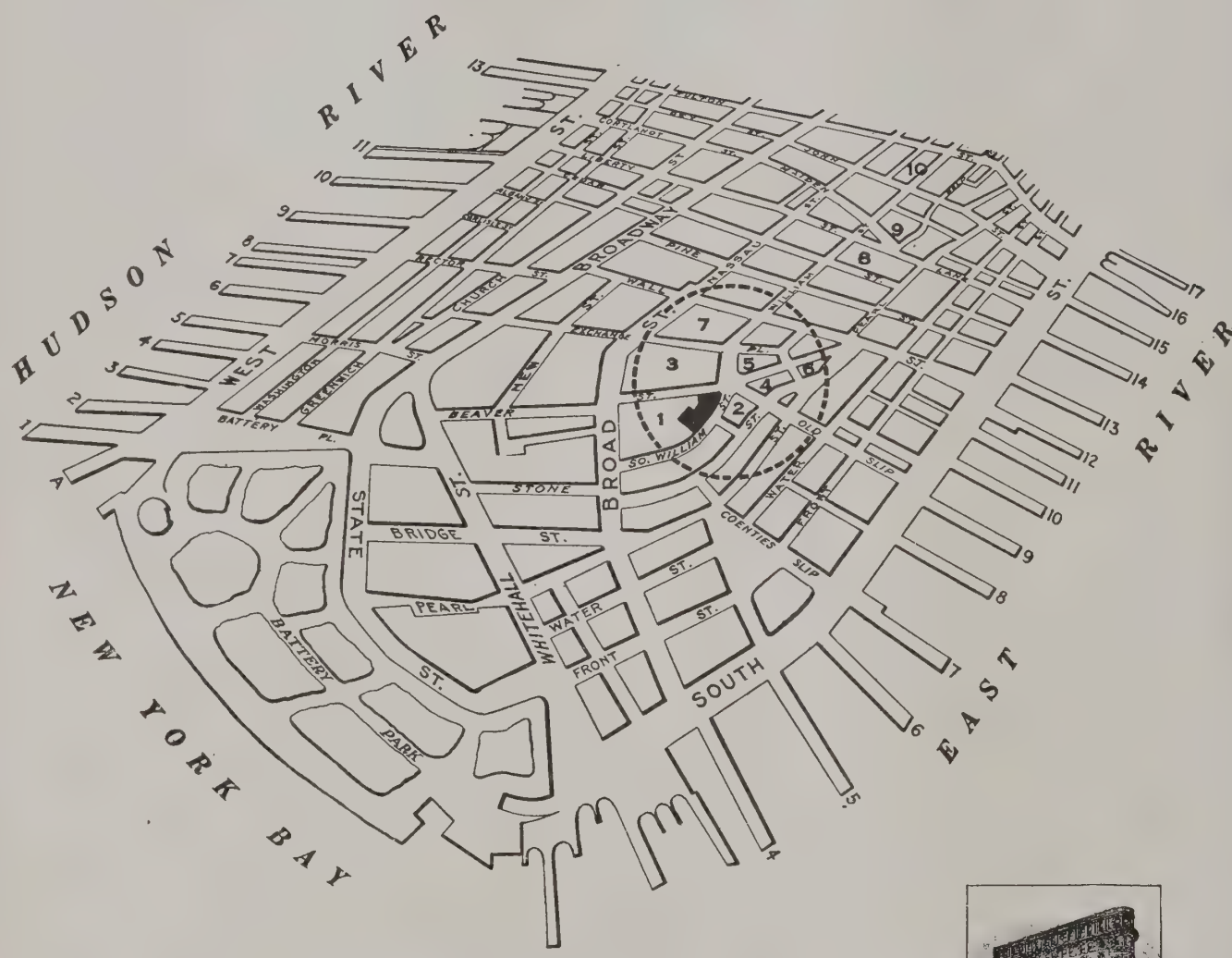
STATEMENT

ASSETS	$12,149,847.97
LIABILITIES	6,973,698.40
SURPLUS	4,176,149.57
CAPITAL	2,000,000.00
Total Surplus	6,176,149.57

Head Office - - - - 84 William Street, New York
Western Department, Chicago, Illinois
Pacific Coast Department, San Francisco, California

Marine Department - - - 84 William Street, New York
Southern Department, Atlanta, Georgia.

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





1
American Merchant Marine Insurance Co.
Glens Falls Insurance Company
Hanover Insurance Company
American Insurance Company
Firemen's Insurance Company
Globe & Rutgers Insurance Company
Home Insurance Company
Jefferson Insurance Company
Liberty Insurance Company
North Atlantic Insurance Company

2
Alliance Assurance Co., Ltd.
Federal Insurance Company
Hartford Fire Insurance Company
London Assurance Corporation
Marine Insurance Company
Sea Insurance Company
New York Fire and Marine Underwriters
Norske Lloyd Insurance Company
Norwegian Underwriters
Union Insurance Company of Canton
Western Assurance Company
YangTaze Insurance Company
Agricultural Insurance Company
Indemnity Mutual Marine Assurance Co., Ltd.
Royal Exchange Insurance Co.
United States Fire Insurance Company
United States Lloyds
Tokio Marine Insurance Company

3
Columbia Insurance Company
Liverpool London and Globe Insurance Co.
North China Insurance Co.
Norwich Union Fire Insurance Co.
Old Colony Insurance Company
Phoenix Assurance Co., Ltd.
Thames and Mersey Marine Insurance Co.
Union Marine Insurance Company
Alliance Insurance Company
Insurance Company of North America
Camden Fire Insurance Company
Massachusetts Fire and Marine Insurance Co.
The Phoenix Insurance Company
Providence Washington Insurance Company
Skandinavia Reinsurance Company
St. Paul Fire and Marine Insurance Co.
Westchester Fire Insurance Company
Great American Insurance Company

4
American and Foreign Insurance Company
British and Foreign Insurance Company
Maritime Insurance Company
Reliance Marine Insurance Company
Boston Insurance Company
Rossia Insurance Company

5
National Fire Insurance Company
Northwestern National Insurance Company
Aetna Insurance Company
National Insurance Company of Copenhagen
Franklin Fire Insurance Company
Standard Marine Insurance Company
Switzerland General Insurance Company

6
Automobile Insurance Company
Spanish American Insurance Company
Second Russian Insurance Company

7
Atlantic Mutual Insurance Company
Firemen's Fund Insurance Company
Continental Insurance Company
Fidelity Phoenix Insurance Company
American Eagle Insurance Company
Scandinavian American Insurance Co.

8
North British & Mercantile Insurance Co.
Commonwealth Insurance Company
Mercantile Insurance Company

9
Royal Insurance Company
Queen Insurance Company
Newark Fire Insurance Company

10
Globe & Rutgers Fire Insurance Co.
Commercial Union Assurance Co.

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WADE ROBINSON & CO.
INC.
MANAGERS
Merchant Marine House
South William and Beaver Streets
New York

Real Story of Emergency Fleet Corporation's Insurance

During the early stages of the Emergency Fleet Corporation, contracts were let by the general manager to builders all over the country. Under the terms of the contracts the builders agreed to insure the vessels during the course of construction against the so-called "builders risks." Under some contracts the insurance clause provided that it must be with companies satisfactory to the Government; in others, this provision was not contained.

In the latter part of June, General Goethals sent for Mr. LaBoyteaux, president of Johnson & Higgins, and asked if he would accept appointment as chairman of the Insurance Committee of the Emergency Fleet Corporation, for the purpose of looking after the interests of the Corporation in connection with the builder's risk insurance. It was of course understood at that time that such service would be given the Government entirely without remuneration and that the firm he represented should have no connection or make any profit out of the business.

As a result of this appointment it was suggested to General Goethals that, as the American companies which were writing this class of insurance were at that time engaged in trying to formulate rates (especially for the wooden ships building), and the tendency was to show a material increase in the current rates, it would be advisable for him to ask a committee of the underwriters to appear before him in Washington for a conference. This he did. During the conference, the companies received the impression that the control of all this builder's risk insurance was in the hands of the Fleet Corporation, which was not exactly correct. After return of the companies to New York, the Chairman of the Insurance Committee had a number of conferences with them, at the first of which it was suggested that as this was a matter in which the Government was directly interested, it was felt that all of the companies should contribute to the general cause by making a wholesale rate for this business; that in making this rate the question of profit should be eliminated; that the business be handled absolutely without any brokerage agency commission; and that the Government be furnished insurance at the absolute net cost to the companies, eliminating all cost of production and profit, and this was agreed to.

The companies, however, had evolved the idea of a theoretical basis of rating, starting upon the basis of the average fire rate on the ship-building plant at which the vessels were to be constructed. In a ship-building plant there are many varied industries, on some of which the rates are very high and which really have little or no connection with the risk incident to the building ways. These items would be the paint shop and such like where the rates are very high. The result of the application of this theory of average rate was that the rates promulgated by the companies on the various plants were much in excess of those which had been prevailing prior to the inauguration of this theoretical rating. Although it had been agreed by the companies that their rates were subject to a discount of 33 1-3 per cent., to cover the elimination of brokerages, agency commissions and profit charges, the net result was too high a rate compared with those previously effective and higher than the rates securable in other markets. Another unfortunate situation also developed at this time, viz., a number of the local agents, particularly in the Northwest, who had been counting on this business, got very active with their State insurance commissioners, with the result that many complaints were made of the business being taken away from the State and considerable pressure was brought to bear through Representatives in Congress to have the business placed through their local agents. This would, of course, have had the result of defeating the desired object, viz., lower rates for the benefit of the Government. Taking all the conditions (the increase in rates by the companies, the agitation of the Resident Agency law by the insurance commissioners in several States) the Emergency Fleet Corporation under the management of Admiral Capps (after the retirement of General Goethals) took up the question of carrying the risks itself. After a number of conferences it was decided that such a thing was entirely feasible, especially as the premium income from the business would amount to somewhere between $15,000,000 and $20,000,000. The Insurance Department was therefore organized by the Fleet Corporation and at the present time all builder's risks in which the Emergency Fleet Corporation are interested are assumed by it. Prior to this change of policy a number of the ship building yards had already arranged insurance on boats then under construction. In respect to such vessels the policy of the Fleet Corporation was not to disturb any more than necessary existing conditions and such insurance was allowed to remain in force and, where it expired prior to completion of the vessel, the contractors were instructed to renew it. On all tonnage, however, where the insurance had not actually attached, the insurance is now placed with the Emergency Fleet Corporation through its insurance department.

An Expert's View of the Business

The Eastern Underwriter this. week presented to the attention of one of the greatest marine underwriters in America, a man very close to the Government, five questions and asked him if he would answer them. With the understanding that he was not to be quoted but that his views were personal and not an expression of an official nature he consented to do so.

The opinions sought were on subjects about which there is the greatest difference of opinion prevalent in the marine insurance world.

The questions and answers follow:

1. What is your estimate of the growth of the ocean marine insurance business—amount at risk—since the war started? The statement has been made that it is three times as large as it was in 1913.

A. It is impossible to give an accurate answer to this question for the reason that you can not discuss ocean marine insurance without including war risk. A shipper formerly insured $20,000 worth of cargo. Now he insures $20,000 against marine risk and $20,000 against war risk. If you take the total amount insured it will exceed the total amount shipped. To give you an offhand answer to your query the amount of merchandise shipped and insured is less than before, but the class of vessels leads to higher rates and the value of the merchandise and the ships has brought the total result up so that there is double the amount of insurance carried than was the case before the war.

2. Estimates have been made that the marine insurance companies have lost about fifty per cent. of their old risks by reason of the Government's taking over the cargo space for their own supplies, or taking over the hulls. Do you think this is an over-estimate?

A. I think 50 per cent. is very much of an over-estimate. Again you must distinguish between marine and war risk. Marine insurance will go on; after the war, the war risk will stop. As far as I can see, taking over of the hulls by the Government has reduced marine insurance on the hulls about 20 per cent. It has reduced the war risk very considerably. More than 50 per cent. of the world's war risks are covered by the governments.

With regard to cargoes there is a very considerable reduction by governments taking over certain classes of cargo where they assume the risk and place no insurance on it. All supplies going to armies are uninsured. Army supplies and government cargo are taking the place of 90 per cent. of the private-owned cargoes going to transatlantic countries.

3. The leading marine underwriters

(Continued on page 10.)



A FABRICATED SHIP PLANT
THE BIG QUESTION IN MARINE INSURANCE IS "WHAT WILL BECOME OF THESE SHIPS AFTER THE WAR?"

THE HOME INSURANCE COMPANY NEW YORK

"The Largest Fire Insurance Company in America"

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

THE HOME INSURANCE COMPANY NEW YORK — HOME

HOME OFFICE: No. 56 Cedar Street, NEW YORK

MARINE INSURANCE
on HULLS and CARGOES

Full War Cover, Including Bombardment and Explosion Perils

Liberal Contracts **Service Unexcelled**

LOSSES PAYABLE ANYWHERE IN THE WORLD

GEO. H. SMITH & HICKS, MANAGERS MARINE DEPARTMENT
MERCHANTS MARINE HOUSE

Fire, Lightning, Automobile, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits and Commissions, Registered Mail, Rents, Sprinkler Leakage, Tourists' Baggage, Windstorm, Full War Cover.

THE HOME INSURANCE COMPANY NEW YORK

STRENGTH REPUTATION SERVICE

THE HOME INSURANCE COMPANY NEW YORK

Why Marine Rates Puzzle the New Broker

By CLARENCE AXMAN, Editor The Eastern Underwriter

"How Marine Insurance Rates Are Made" seemed such an attractive title for an article for this issue that the editor started right down for Beaver Street to land it.

"What? Write an article on marine insurance rates?" echoed the broker. "Why you must think I have gone stark, raving mad. No two offices use the same methods in making rates and we certainly are not going to tell our competitors how we do it. It's taken us too long to learn."

"What, write an article on marine insurance rates?" echoed the underwriter. "How can I? If I told you how they were made at 4 o'clock at night you would hold me responsible when you found that the rates at 10 o'clock the next morning are entirely different."

So the editor gave up trying to induce an active figure in the business to sponsor such an article, and decided to write one himself. He had discovered that it would be much easier getting a banker to tell for publication "The Best Way for a Yeggman to Crack a Safe."

Where Intuition Counts

As a matter of fact, both the underwriter and the broker quoted above were right. Marine rates are judgment rates, intuitive rates, intangible rates and, above all else, they are unstable rates. The men who make them —they accept the title "underwriter" as their due—have a sixth sense, which may be called "feeling the market." Their experience, their judgment, their knowledge of shipping, of finance, of international trade conditions, of international politics and of psychology, too, are brought into play. Naturally, they must know all about marine insurance practices, not only here but abroad; they must be familiar with ports, with dry docks, with shipyards, with exporters, with submarines. They must know just how much credence to place in that story in the morning paper about the strike, or the revolution, or the new cabinet, and what the real inward significance of it is—not how it will affect the situation to-day, but next week or the weeks to follow.

Brokers Must Act Surely and Quickly

The principal stock in trade of the broker is to know the market; to understand what lines can be placed; and to know where to place them at the cheapest rate and in the speediest time possible. Time is a mighty important factor. If the New York telephone system ever quit work for lack of coal it would play the dickens in marine insurance. If a broker is slow in placing a line of a million, say, something may happen in the meantime—a submarine, for instance—which will shoot the rate up to dizzy heights. It is his knowledge and experience which enables the old broker to have such an advantage over the newcomer in the field, and he needs this advantage because the competition is growing swifter every minute. Always there is the lurking fear in his mind that some one is going to get the shade the better of him in the rate. The general impression has gone abroad that great fortunes are being made over night in marine insurance, which accounts for the influx of new brokers, of which it is said there are a thousand who have put out their shingles in New York since the beginning of the war. It is true that there are some great fortunes being made over night, and the Street is full of these stories—of men who, starting with a desk in a back office, now have their own suites, with branch offices in several cities; but many of these stories should be taken with a grain of salt.

Before the War Rate Experience Not Worth Much

Marine underwriters are unanimous on one point, viz.: everything is changed since the war. Experience, knowledge, rate-making methods, which made rate making easy in the days before August 1, 1914, are not worth much now. Then the rate making processes worked smoothly as clockwork. Now every hour presents a new theory and condition. The tramp, worth $50,000 four years ago, sold the other day for $300,000, and is just getting into Liverpool with $1,000,000 worth of cotton in her cargo. The ship that laid ashore for ten years in Guatemala has been put afloat, repaired, and is insured for over a million. Another boat, pushed into service again, after being consigned to the scrap heap is worth almost her weight in gold. Every ship is worked to the limit; and two ships have to do where four are necessary. It is like recalling from the retirement of the farm a pair of wornout street-car horses and making them draw heavy trucks every day and Sunday to boot.

A Few Turns of the Marine Insurance Rate Wheel

Here are a few kinks to the complicated marine rate problem:

One remarkably successful company is said to make its rates by agreeing to shade any rate of a reputable company which a broker presents to its notice for binder purposes.

It is not unusual for three or four agents of a company in different parts of the country to insure cargo on the same vessel for different parties, rate quotation being different.

A broker gets an order for $500,000 insurance on a cargo. He has gathered a lot of information in advance from the ship owner, an exporter or some other client. Armed with this information, which includes the sailing date, he hurries to the market to bind the risk. At the start he is after as low a rate as possible and as large commitments as he can obtain. He refuses to accept the rate in some offices, and keeps going until he exhausts the market at the rate he wants. Then he returns to the offices he left unsatisfied, willing to accept the rates they offered. By that time the underwriters look rather coldly on the line and the rates go up, and finally he finds the situation so tight that he takes what he can get at whatever rate he can get. Thus, as time goes on the lines grow smaller, the rates higher. On the other hand, the underwriter must be careful not to make a mistake. His rate must not be so high as to scare the broker away and make him say: "Oh, very well, if you will not accommodate me on this line I'll stay away when I have something better to offer."

Freest Market in the World

With every office making its own rates in its own way and changing constantly it will be seen that there is not much chance of the United States Government building up a case to prosecute marine underwriters for violating the Sherman anti-trust act. And there probably never will be a marine rate compact because marine insurance is the freest market in the world. It has more competition than any other market in the world because even if there were an iron clad agreement in the United States there would always be the Lloyds competition in sight and that is the oldest and hardest competition in marine insurance to fight that there is.

Some Order in the Chaos

Despite the fact, however, that there are no rating compacts in marine insurance it must not be understood that the marine underwriters of this country are so foolish that they completely ignore each other's experience or refuse to co-operate in any manner. In New York there are several associations of marine insurance companies. One of these, the National Board of Marine Underwriters, has nothing to do with rates, however, but is more in the nature of an information bureau to keep them posted about conditions in foreign ports, about wrecks and other matters of general marine insurance interest. The National Board of Marine Underwriters has done much to elevate the business; and has as its officers some of the leading men on the Street.

Another important body is the American Institute of Marine Underwriters, also a non-rate making body.

The American Hull and Atlantic Inland

There are two associations, however, which have rating committees of an advisory nature: the American Hull Association and the Atlantic Inland Association.

The American Hull Underwriters' Association has nothing to do with cargo rates. Its rates apply only to hulls, although it has rated some shipyards, the rate for them being the fire rate plus charges for other hazards, such as those incurred during the launching of a ship.

The Inland Association has had its hands full lately because there are a great many new problems arising which have greatly increased the size of losses. To illustrate: some years ago a tugboat could be raised for a few hundred dollars. Old Captain Baxter, for decades a famous harbor figure, set the pace and price for the wreckers, and it was a low price. Then he died, and the war came on and up shot the prices. A case to the point is a tug which sunk and which could have been raised some years ago for $1,200 but which cost $10,000 before the job was completed.

The cost of repairs have, of course, arisen for ships, tugs, shipyards and everything connected with shipping just as in other lines.

Another important factor has been that of explosion. Recent decisions have tended to increase the liability of part of the fire cover; that is, a loss that formerly was not covered because of explosion may have to be paid now. It's the old question of what came first, the explosion or the fire.

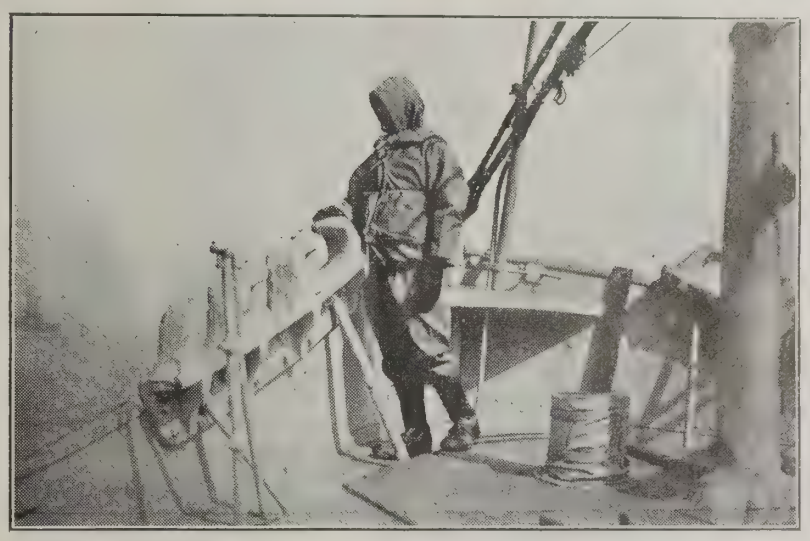
There is no analogy between fire insurance and marine insurance rates. In marine insurance there are no key rates or elaborate schedules, but in New York, as well as in London, there are certain important factors which enter into the making of the rate which are given in part herewith, although not necessarily in order of their importance:

1. Owner. 2. Master. 3. Season. 4. Condition of ship, engines, equipment, etc. 5. Trade. 6. Method of discharging cargo upon arrival. 7. Class. 8. Existing conditions. 9. Congestion at and near wharf. 10. Re-insurance.

At the present time factor No. 8 and factor No. 9 are of tremendous importance. On January 14 the statement was made that there were 41,000 carloads of freight congested at the big Atlantic ports. The New York "Times" described the situation as follows:

> Because of the shortage of ships, the coal situation and railroad congestion there are 40,000 carloads of munitions and supplies for the allied nations awaiting shipment at the six North Atlantic ports—Boston, New York, Philadelphia, Baltimore, Newport News, and Norfolk. Of this total, 30,000 carloads are shipments for the United States, British, French, Russian, and Italian Governments. The 40,000 cars do not include other thousands of cars of supplies which have been held back from the ports because of the congestion on the Atlantic Seaboard. Of the 30,000 carloads of Government freight, more than half is lying on the ground near the ports; the rest is in cars and on piers and in warehouses. The 30,000 carloads translated mean about 1,200,000 tons, or enough to load 240 ships, each carrying a cargo of 5,000 tons.

Since the "Times" printed that state-



A MAN WHO HELPS KEEP WAR RATES DOWN

ment there has been a great improvement, but the congestion still continues and, of course, is reflected in the rate.

While, as before stated, there is a different method of rating fire and marine risks, it is also true that the marine underwriters "do not go it blind," and have something to start on. A normal tramp, in first class condition, with engines amidship, would start at 5 per cent.; engines aft, 5½. One of the great liners, worth millions, construction of the most superior nature, would start at about 3 per cent.

War Rates

A short explanation of the difference in war rates for open policies may be of interest to the agent and broker who is beginning to place marine business. The rates for sailings from January 7 to January 13 are taken as a criterion. These rates follow:

For Sailings From January 7th to January 13th 1918, Inclusive. United States Ports (to and From)

	Neutral	Belligerent
United Kingdom	9	4
Havre	12	7
Europe Between Brest & Gibraltar (except Spain)	8	4
Spain (Atlantic) Direct	4	.
Spain (Mediterranean) Direct	4½	.
Mediterranean not east of Sicily (except Spain)	10	6
Greece	18	18
Denmark, Norway & Sweden not beyond Malmo	4½	.
Archangel	7	7
Holland	5	5
South Africa	1½	1½
China, Japan, Australia, East of Good Hope generally via Suez (direct)	15	15
Via U. K. & Suez	20	20
Via Cape of Good Hope (direct)	2	2
Via Cape of Good Hope & U. K.	10	10
Via Pacific Coast	1-5	1-5
Via Panama Canal	1-5	1-5
U. S. to U. S.	1-10	1-10
South America—West Coast	1-5	1-5
South America—East Coast, Brazil	⅛	⅛
South America—River Plate	1-5	1-5
West Indies and north coast of South America	1-10	1-10

Shipments to all countries will only be insured: "Free of British, Allied and American capture, seizure and detention."

Explaining the War Rate

The first column shows neutral vessels, which, of course, are not armed, and which explains the fact that the rate is larger than for the belligerent or armed liner. Havre is across the channel and hence is a higher rate than for the United Kingdom. Between Brest and Gibraltar rate is a little lower, not being up the channel. Spain has a low rate for direct sailing as the ship does not stop at a French port, and there is no belligerent cargo. Also, the Germans sink few ships bound for Spanish ports. Spain, by the Mediterranean, is a little more hazardous route than Spain by the Atlantic. Greece has the second highest rate on this list. Reasons are obvious. She's at the full length of the Mediterranean, and her political status is very much in doubt. Denmark, Norway and Sweden are favored in the rates because of a general belief that the Germans think twice before sinking a ship for any ports of those countries, as she may eventually benefit by the cargo. Archangel is a hard place to reach. Holland has a low rate as far as European rates go for the same reason that Denmark and Sweden and Norway have. "Via Suez" means trouble. This is due to the long journey through the Suez and the obliteration of aids to navigation, such as lighthouses, buoys, etc., and the known presence of enemy submarines. Pacific Coast, South Africa, Panama Canal, South America, West Indies, etc., are in clover. The only danger here is through raiders.

The Lure of London

It is the ambition of every young man in the marine insurance offices in New York, Philadelphia, Hartford and Chicago, to take a peek into the British marine offices, and; above all, to visit Lloyds. The mere sound of "Lloyds" has a certain fascination for men in marine offices, and well that it should as most of the traditions of the business spring from its rooms. It is a fact that some of the brokers who have sprung up "over night" in New York have spent a few days, a week or a month, and in some cases, much longer studying conditions at Lloyds, and have returned to New York equipped with first hand information that has gone a great way in overcoming the handicap of their lack of experience.

Leading the Slip

Two of the most famous of the Lloyds underwriters are Martin and Janssen, and two of the most celebrated of the outside underwriters are Mountain, of the British Dominions, and Jones, of the Commercial Union. These men are real "slip leaders." In Great Britain there are no applications and the system is different than here. There they use slips which the underwriters sign to designate how much they will carry on a risk. Thus, if Martin or Mountain or Jones or Janssen indicates on the slip that they will take £20,000 at a certain rate the smaller fry are apt to accept their judgment and regulate their commitments accordingly.

Lloyds has the most remarkable and complete data regarding ships; those who own them and those who man them of any institution in the world, and these records are so accessible that a record of any one connected with the sea in any capacity is available in a minute or so. Thus, there is a record of every master, whether he has ever been in a wreck; and, if so, the circumstances; how he started; when and how often he was promoted; all about his character; and whether or not he is considered a first-class man. There are, of course, complete records of the owners; who they are; what they are; what has happened to their ships, if anything. Naturally, there is every fact about every ship; where built; when; its experiences, if there have been any. The season of the year, of course, has something to do with it; and the question of discharge is important. A vessel sailing for Java, for instance, must unload on to lighters instead of at the wharf, because of poor harbor facilities, thus increasing the hazard.

Many of the outside offices are not far behind Lloyds in experience and records as they have been in the business long enough to get all the information of every kind that they want. There are some minimum rates in London and Liverpool, but as a matter of fact there is just as much divergence there as there is here.

No Money in Marine

This article should not be concluded without the fact being stated that companies are losing money on the marine business, but making it on the war risk. The war risk will be responsible for the splendid showing that some of the companies will make.

LLOYD'S REDUCES WAR RATES

Figures on Cargo Insurance Are Below Government's Flat Rate—A British Dispatch

London, January 19 (by A. P.).—Lloyds Underwriters yesterday accepted war insurance on transatlantic cargoes at rates much below the flat rate of the British Government, according to the "Times." This action probably is connected with the proposal to extend the Government's scheme, which in effect, the "Times" says, would make such insurance on cargoes in British ships a Government monopoly.

Say Edgemere Loss Is Not a Tidal Wave

LLOYDS WILL NOT PAY CLAIM

An Interesting Letter Written About Ocean Damage to Long Island Home

Some time ago the ocean at Edgemere, Long Island, a summer resort having a large number of concrete-built homes, costing between $15,000 and $50,000, began to rise, finally crossed a street and flooded some of the houses nearest the ocean. One of the summer residents filed a claim with Lloyds claiming that his policy covered this loss as it was "a tidal wave." Lloyds refused to pay the loss, and a letter from Gush, Phillips, Walters & Williams, 3 Finbury Circus, London, E. C., written to Gallert & Heilborn, 31 Liberty Street, New York, covering the subject, is of interest:

Gentlemen: We thank you for your letter, just to hand. As mentioned in our letter of the 29th December, 1916, we think that there is a good deal to be said on the second point raised by New York admiralty lawyers, for we are very doubtful if the policy could be construed as covering more than the dwelling house itself.

The answer to their first point also presents difficulties, but we are inclined to the view that damages from a succession of waves such as took place in the present case would be within the policy. Even if the words "Tidal Wave" should be held to mean only one big wave caused by a disturbance of the earth's surface, it seems to us that the underwriters would find it difficult to escape liability under the word "tornado," for in the present case we understand that the violent wind raised a succession of waves, which destroyed the property. In our opinion the word "tornado" should be construed to include a storm such as this, but we need hardly point out to you that the view a court might take on such a point of construction is necessarily uncertain.

Position of Mountain & Co.

We have done our best to settle this matter in an amicable way, and the underwriters, Messrs. Gardner Mountain & Co., have met us in quite a friendly spirit, but they point out that they hold a strong opinion from their lawyers in America, and do not see their way to depart from it. We gather that Messrs. Gardner Mountain & Co. were only sub-underwriters, the actual underwriters being some person or body of persons in America for whom the lawyers act. If this is so you can understand that Messrs. Gardner Mountain & Co. are in a difficult position, if they admit liability as sub-underwriters against the opinion of their principals. As you say in your letter, we fear there is no other alternative but to bring an action, in which case, of course, it would be best to bring an action for the full amount claimed, as there is always the chance that the Court may take the view that the policy covers damage to the ground as well as to the building. This being so, the amount is too large for our inferior courts, and the action would have to be tried in the High Court, which would have the added advantage of securing a better judge and a more competent jury. In the ordinary event, if the property was situated here in England, the expenses of both sides, even if your clients lost, should not exceed £350/400, but it is clear that evidence will have to be taken on commission in America, including, we presume, expert evidence of surveyors, etc., as to damage, and the cost of reinstatement. You will be able to judge better than ourselves the expense of securing such witnesses, but we should say that our original estimate of £600, if your client lost the case, is a moderate one.

There is a half-way house, that is to say, your clients might lose on the claim for damage to the ground and win on the issue regarding the house. In this case they would get the general costs of the action, but would have to pay the defendant's costs properly attributable for fighting the claim for damage to the ground, in which case your client, even if he won, would be cut-of-pocket some £150/200.

We have put the position as clearly as we can. It is an extremely difficult matter to advise you upon. Not only are the points in issue matters of construction, which are proverbially uncertain, but we are not sufficiently aware of your client's circumstances.

To use a colloquial phrase, we consider that he has a "sporting chance" of recovering or forcing a settlement if he commences proceedings, but unless he is a rich man, who can afford a speculation of this sort, it would be doubtful wisdom on his part to embark on litigation.

We are, dear sirs,

Yours faithfully,

GUSH, PHILLIPS, WALTERS & WILLIAMS.

WAR RISK LAW

Leyland Shipping v. Norwich Fire—Tamplin v. Anglo-Mexican Petroleum Products Co.

Questions of law on the War Risk policies have not figured prominently in reported cases in the American Courts during the past year. An English case, however—Leyland Shipping Co. vs. Norwich Fire Insurance Society held that a steamer torpedoed by a German submarine within twenty-five miles of Havre, which reached Havre with the assistance of tugs and in stormy weather, anchored outside the breakwater and after three days sank at her berth, was a loss excluded under the F. C. & S. clause. This was undoubtedly a proper finding under the rule of proximate cause.

In several cases, both in America and England, the courts have dealt interestingly with the question of "restraint of princes." The Circuit Court of Appeals in Massachusetts reversed the "Kronprinzessen Cecilie" decision holding that restraint of princes to relieve the shipowner under a ill of lading must be an actual and operative restraint and not merely a contingent one. A similar conclusion was reached in the English Courts and it may also be noted that the House of Lords affirmed the decision of the Court of Appeal in the case of F. A. Tamplin vs. Anglo-Mexican Petroleum Products Co., dealing with the same subject in a charter-party

Some Interesting Marine Insurance Losses

By WALTER D. DESPARD, Hagedorn & Co.

The steamer "Sturmfels" left Calcutta in July, 1914, bound for New York via Colombo, with a cargo of burlaps, oil, rubber and other products. When the war was declared in August, 1914, the nearest neutral port was Massowah in Italian Somaliland. The "Sturmfels" took refuge there. When Italy declared war the steamer was seized and ordered to Naples.

In the meantime, she had rather a serious fire on board. She discharged her cargo at Naples and the Italian government announced its intention of commandeering practically everything on board. Energetic protests were made to the State Department. After many months' delay the greater part of the cargo was loaded on two other steamers and brought on to New York, arriving in December, 1916, and February, 1917, nearly two and a half years after it had been loaded.

Generosity of War Risk Underwriters

There was no liability on the part of the underwriters carrying marine risk except for consequences of fire on board at Massowah. The war risk underwriters were also not liable because none of the perils enumerated in the war clause had actually been encountered. Notwithstanding this fact the war risk underwriters very liberally agreed to stand all direct loss in connection with the forwarding and transferring of the cargo. An interesting feature was that the value of most of the goods had increased about 50 per cent. during the delay, so that any loss of interest on the part of the cargo owners was much more than covered by the rise in price.

Recover in 1917 on 1865 Loss

The Lake steamer "Pewaubic," carrying passengers and freight, sailed from Duluth in July, 1865, bound for Buffalo, but went ashore in Thunder Bay, Lake Huron, in a storm and sank quickly, with great loss of life. She had a large quantity of copper on board, and many attempts were made to recover this, but the depth of the water (165 feet) made this impossible. Last year, however—fifty-two years later—the Leavitt Diving Co., with newly devised apparatus, succeeded in salving the greater portion, if not all of this copper, and the underwriters who paid a total loss on it in 1865 have just recovered their money.

Plans of Crooks Go Wrong

One of the most interesting cases of which I have heard was a Greek vessel, which I shall call the "Solon Akapis." This steamer had belonged to a highly respectable Greek firm, who later sold it to some people in Smyrna. They obtained insurance in Smyrna, Constantinople and London for a large amount on a cargo of figs, opium and olive oil. There was no difficulty in getting insurance because the steamer was believed by the underwriters to belong to her former owners.

The new owners engaged a captain and crew and agreed with the captain that the steamer should be lost between Smyrna and London, promising a large reward for this.

The work of loading the vessel then began, but while this was being done one of the casks was broken against the side of the vessel and the stevedores saw that it contained water instead of oil.

They then made an examination and found that the opium packages were really balls of clay, wrapped to resemble an opium package, while the "figs" were various kinds of refuse.

The stevedores immediately demanded hush money from the shipowners which they obtained not once but many times during the loading. Naturally, they did not hold their tongues, so rumors as to the nature of the cargo spread. However, the vessel finally sailed.

After Reaching London

The captain lost his courage and instead of wrecking his vessel in the Mediterranean as per orders, he turned up at Gibraltar safe and sound. There, one of the owners saw him and persuaded him to continue to London but to lose the ship on the way. Once more the captain's nerve gave out and the ship arrived in the Thames.

The cargo had been consigned to a thoroughly respectable London firm, which had no knowledge of what had been planned and had even made heavy advances in money against the bills of lading. It became important to the shipowners to prevent the transaction being know. The captain was ordered to return to Smyrna.

This gave rise to a great many questions with the consignees and with the British customs. Finally the shipowners had to repay their advances and bring the boat back to Smyrna where the cargo was discharged and thrown away and the vessel was sold. Jail sentences followed.

The "Natale Gallino" Case

Another interesting case was an Italian bark, the "Natale Gallino," loaded with case oil from Philadelphia for Genoa. She encountered bad weather and sustained considerable damage to masts and rigging. She put in at Bermuda for repairs. There was no cable communication with Bermuda then.

The surveyors ordered the entire cargo discharged, which would have involved very heavy expense and a great deal of damage by handling.

The National Board of Marine Underwriters sent one of its best special officers, the late Captain William A. Overton, to Bermuda by return steamer. He found that the captain had no funds and no means of raising any in Bermuda; that the owners would like to get rid of the ship. The plan was to discharge the cargo, have the ship condemned, if possible, and abandon her to the hull underwriters.

An Experiment Never Tried Before

The companies interested in the cargo then decided upon an experiment which, as far as I know, was an innovation. It was arranged to buy the vessel as she then was with cargo on board. New spars, sails and rigging were obtained, with a new set of officers and men. A new lot of provisions was shipped from New York. The ship was made seaworthy and Captain Overton took her to Genoa. He delivered the cargo to its owners; collected his freight. He tried to sell the ship, but could not get his price for a time. Before he finally sold her he carried two other cargoes. The cargo was delivered sound and so the underwriters were saved from what would have turned out to be practically a total loss.

These are only a few of hundreds of interesting losses that have come to my attention, and will throw a light on a few of the human interest features of marine insurance losses.

Marine Insurance in Wisconsin

By FRED. L. HOLMES, Madison

Marine insurance in Wisconsin consists almost entirely of hull and cargo risks on the great inland seas of Michigan and Superior, the various crafts plying on the Mississippi River, and the automobile business within the confines of the State. These waters form a large part of the boundaries of the State, and they offer unusual opportunities for the shipment of iron ore and farm products to the eastern cities and even the Atlantic seaboard on the one hand, and lumber, flour, and farm products to the southern and central States on the other.

Inland Commerce Increasing

Coal and manufactured materials of all kinds find a ready market in Wisconsin, and very large quantities are shipped in bottoms. Milwaukee, Sheboygan, Manitowoc, Superior, Ashland and Racine are fast becoming centers for the great upper Lake traffic, and ships are constantly leaving these ports of entry for all points on the Great Lakes. This inland commerce is constantly increasing. Already Manitowoc is fast becoming a shipbuilding place of importance, and, with the increase of hulls, owned by residents of Wisconsin, marine insurance is destined to become an important part of the business.

Why Premiums Are not Large

The amount of marine premiums reported in Wisconsin statements of the companies for Wisconsin has never been large. This is no doubt due to the fact that the hulls have largely been owned by corporations and firms living outside f the State. It has been a custom among marine companies that hull insurance should be allotted to the State having the port of entry in which the owners of the vessel live and the boat is originally registered, and no matter if the boat be engaged entirely in the coastwise trade of another State, the premiums received on the insurance go to the home State. This works an injustice to Wisconsin. Insurance on cargoes belongs to the State having the port of entry from which the cargo is shipped.

As the shipments into Wisconsin are not so large nor so important as those shipped out, other States are again benefitted at the expense of Wisconsin. This will largely account for the smallness of the premiums shown in the Wisconsin reports, which amounted in 1916 to only $471,280.14. This amount, however, is an increase of $70,926.33 over the previous year. Stock fire companies of Wisconsin wrote premiums to the amount of $23,289.05, those of other States, $308,311.51, foreign fire $87,721.06, and foreign marine $51,958.53.

Local Agents Write Little

Neither the agents nor the stock fire companies of Wisconsin have ever been strong competitors for the business, and the greater part of the underwriting of both hull and cargo insurance has been done in Chicago, Cleveland, and Buffalo.

During 1917 reports show that the first half of the year indicated an unusual activity in the inland marine business, and the prospect was bright for a record-breaking season. The Government at Washington, however, felt the need of the larger boats of the Lake fleet and they were cut in two and shipped through the Welland Canal to the Atlantic seaboard. As soon as they entered the Federal service their policies were largely cancelled and written by the United States Government.

Marine policies are indemnifying policies and the shortage of dock facilities and the stoppage of the building of mercantile crafts and their various parts and the turning of the plants over to the Government have caused an enormous increase in the cost of repairs and replacements. Some have estimated that the increase will approximate 175 to 200 per cent. This cuts into the premium income and has greatly upset the estimates of the underwriters. The season, therefore, for 1917 will be an unsatisfactory one, unless present indications are greatly changed.

Automobile Business Increasing

The automobile business written on marine forms of policies will no doubt show a large increase. The business is being systemized and standardized, and the people are being educated to its need. The amount of automobile premiums written in Wisconsin is not definitely known, as not all the business is handled by fire and marine companies. Our statistics in this respect are not quite satisfactory. However, the future looks bright, and with the increase of hulls owned by residents of Wisconsin and the rapid growth of the automobile business, we may expect Wisconsin to play quite an important part in this form of insurance.



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Total Net Assets . . .	$26,693,568.89	Net Surplus	$8,146,446.99
Total Liabilities . . .	13,547,121.90	Policy-Holders' Surplus	13,146,446.99

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A Short Treatise on Cargo Insurance

By JOSEPH A. O'BRIEN, Mather & Co., Philadelphia

Marine policies on cargo are valued policies. The value of the goods for all purposes of the insurance is the value named in the policy. The value is not always expressed in currency—it may be "invoice" value, "market" value or it may be expressed in money. In the absence of any value being named, then the amount insured is assumed to be the value. Cargo insurances on imports and exports to and from foreign countries are arranged either under open policies or special insurances for each voyage. An importer usually takes out an open policy, which is a contract between the insured and the insurer, in which the underwriter agrees to insure all the importations, same to be reported to the underwriter, and the premiums thereon paid when the importer receives the necessary shipping documents, and the importer on his part agrees to report to the underwriter all shipments received by him. These open policy contracts are sometimes made for a limited period, but more frequently they provide that they are to remain in force until cancelled by either party on giving the other so many days' written notice. It is usual in such policies to fix the valuation at the invoice plus a certain per cent. (so as to cover profits), say "invoice and 10 per cent." or "Invoice plus 20 per cent.," etc. Sometimes an arbitrary rate of exchange is fixed so as to cover the profit, for instance, "Valued at invoice the pound sterling at $5.50," "Valued each pound sterling of invoice at $5.00," etc., etc., but whatever the valuation, the premiums and claims are settled on that basis.

Export Shipments

Export shipments by large exporters are usually covered under open policies, but not always. Some shippers prefer to negotiate insurance on each shipment. Usually the shipper making a large shipment, perhaps an entire cargo, requires reimbursement at once from the consignee for the value of the goods; in fact, all large transaction are so conducted and financed through bankers. The shipper makes a draft on the consignee, either at sight or for a term. The original invoices and bills of lading are attached to the draft, which the banker then discounts, provided he is protected by marine insurance. The shipper obtains from his underwriter a "certificate of insurance" covering the shipment. The certificate makes the claim payable to the holder thereof, provided he produces the necessary documents to substantiate the ownership, and is payable at a designated office of the insurance company in the port or country to which the shipment is destined. The banker forwards these documents to his house at the port of destination, and they are surrendered to the consignee on payment of the draft. If the shipment is lost on the voyage, the banker collects the claim from the underwriter in payment of his draft. In the event of claim for damage or general average contribution the consignee applies to the settling agent named in the certificate of insurance.

Domestic Shipments

The foregoing applies to foreign shipments. Domestic shipments are insured by either shipper or consignee, sometimes under open policies, sometimes under special insurance for the voyage, and frequently, where the shipper has numerous small shipments of nominal value, under annual or blanket policies. Under such annual policies a fixed premium is paid based on the estimated value of the shipments during the year and the maximum amount at risk at any one time. The valuation under such policies is usually the invoice or the market value.

Nearly all the coastwise steamship lines issue, upon request, an insured bill of lading and in many instances the rates of freight between certain points include marine insurance. Under such circumstances the carrier effects with the regular marine insurance companies insurance protecting its liability under all such bills of lading.

Many shippers and others who have known of claims for marine loss under insured rates being collected from carriers, have concluded that coastwise steamship companies are obliged under the law to pay all claims, and many vexatious questions have thus arisen.

There is another feature of the carriers' liability that has caused much controversy, especially with attorneys who are not familiar with admiralty law, and who attempt to enforce claims against carriers after a marine disaster on the ground of negligence. The writer has had many such experiences in the adjustment of losses where vessels have stranded. It must be clearly understood that if the owners of a vessel have exercised due diligence as to the seaworthiness of the ship and in the selection of the officers of the ship they cannot be held liable for errors or negligence in the operation and navigation of the vessel.

Quotation, 3d section "Harter Act," passed by Congress of the United States, February, 1893:

Sec. 3. That if the owner of any vessel transporting merchandise or property to or from any port in the United States of America shall exercise due diligence to make the said vessel in all respects seaworthy and properly manned, equipped, and supplied, neither the the vessel, her owner or owners, agent, or charterers shall become or be held responsible for damages or loss resulting from faults or errors in navigation or in the management of said vessel nor shall the vessel, her owner or owners, charterers, agent, or master be held liable for losses arising from dangers of the sea or other navigable waters, acts of God, or public enemies, or the inherent defect, quality, or vice of the thing carried, or from insufficiency of package, or seizure under legal process, or for loss resulting from any act or omission of the shipper or owner of the goods, his agent or representative or from saving or attempting to save life or property at sea, or from any deviation in rendering such service.

Total Loss

A claim for total loss of cargo can be made in the event of the absolute total loss of vessel and cargo from sea perils, or of any disaster by which the cargo is totally destroyed. It can also be claimed in a case where the cargo has been sold in an intermediate port of distress by reason of its being so damaged that it could not be forwarded to destination. There are a few other conditions under which a total loss on cargo can be claimed, but as a general rule, if the cargo is ultimately carried to its port of destination and arrives in specie, no matter how badly damaged, claim for total loss cannot be maintained. In claiming total loss from the underwriter it is necessary to produce: Certified copy of the Master's protest, original or certified copies of the invoices, full set of the bills of lading and policy or certificate of insurance.

Particular Average

Particular average on cargo is damage from sea perils to the goods insured. This may result from fire, sea water or by being broken or damaged in any way in consequence of a disaster. Particular average cannot be construed to mean damage by rot or any inherent vice in the goods themselves or from being musty, mouldy, spotted or mildewed due to long voyages where no disaster has occurred.

Marine policies usually contain a provision that a claim for particular average must reach a certain percentage before it becomes a claim under the policy. In American policies it is usually 5 per cent. of the shipment; in English policies, 3 per cent. These conditions are frequently modified by special agreement on the policy, by which the average is made applicable to a limited number of packages or certain divisions of the invoice; sometimes it is made applicable to each case. Special terms are also frequently made with respect to packages subject to leakage, such as oil, molasses, etc., in which case provision is usually made exempting what is termed "ordinary leakage" to which such commodities are susceptible. Another form of particular average insurance is known as English conditions, and pays for loss or damage, no matter how small the percentage in the event of stranding, sinking, burning or collision. The clause reads:

Free of particular average unless the vessel be stranded, sunk, burnt or in collision.

Another form known as American conditions is as follows:

Free of particular average unless caused by stranding, sinking, burning or collision.

"Caused By"

To the layman there would not seem much difference in the above clauses, but in practice the words "caused by" have a very material bearing. Under the English clause, if the vessel has a slight collision or a stranding which does no material damage, it opens the warranty, and any claim for particular average from other causes that has occurred on the voyage is collectible without regard to percentage. Under the American clause the particular average must be caused by the perils mentioned in the clause: Some years ago a vessel loading grain at one of the Atlantic ports, when just about completing loading, was run into by a scow or railroad float and a plate above the water line was cracked, it was repaired and the vessel sailed on her voyage. She encountered most severe gales, during which she shipped great quantities of sea water, which, getting into the holds, caused the grain to swell and a most serious damage resulted. The grain was insured under the "English condition" clause and claim was made on underwriters that the collision referred to opened the warranty. This was disputed by the underwriters on the ground "the voyage had not commenced," but it was eventually held that the warranty was opened and the underwriters were obliged to settle.

"Free of Particular Average"

Goods perishable in their own nature underwriters rarely insure subject to particular average, and then only at largely advanced rates. Such good are usually insured "free of particular average," which means the underwriters pay no claims for damage, and such insurance is only against the risks of total loss and general average. The rates of insurance, also the conditions of average, vary according to the character of the vessel, the season of the year, and the particular circumstances of the class of business under consideration. There is quite a distinction between steam and sailing vessels, also regular lines or "tramp" steamers. Usually sailing vessels take the highest rates while the first class line steamers regularly employed between stated ports command the lowest rates.

Claims for damages to cargo (particular average) as applicable to fluctuations in market values are often unsatisfactory to the claimant, owing to the conditions not being understood, but if the following illustrations are carefully studied it will be seen the conditions are not only fair and equitable, but in fact could not be reconciled in any other way.

Determining the Claim

Remembering that we are dealing with a valued policy and the value for all purposes of the insurance being fixed, the only way in which the claim can be determined is to first ascertain the percentage of depreciation by reason of the disaster, and then apply that percentage to the insured value.

We will assume that during a long voyage the market value has largely advanced and the goods are worth much more than the insured value had they arrived in sound condition:

Example:
Insured value $10,000.00
Market value 15,000.00

Goods sold at auction to determine depreciation realize gross proceeds of $7,500.00.
Market value $15,000.00
Sold for 7,500.00

Depreciation $7,500.00
Equal to 50 per cent. depreciation.
Claim—50 per cent. of insured value of $10,000.00=$5,000.00.

We now take for illustration the same example where the market has fallen off and the goods on arrival if sound are worth only $7,500.

Insured value $10,000.00
Market value 7,500.00

Goods sold at auction realize gross proceeds of $3,750.00.
Market value $7,500.00
Sold for 3,750.00

Depreciation $3,750.00
Equal to 50 per cent. depreciation.
Claim—50 per cent. of insured value of $10,000.00=$5,000.00.

It will be seen from the above that it would have been unfair to the claimant in the first instance to have taken the position that since the goods realized $7,500 at auction that the underwriter should only pay the difference between that sum and the insured value of $10,000 (or $2,500). It would be equivalent to the underwriter taking 50 per cent. of the profit on the shipment when he did not insure and had no interest in the profit.

It would be equally unfair to ask the underwriter in the second instance to share 50 per cent. of the loss of profit in which he had no interest. In both examples it will be noted the underwriter sustains exactly the same loss—viz., 50 per cent. of the insured value.

Must Consider Duty

Duties on imports must be considered in insuring import shipments. In the

event of total loss duties need not be considered, nor in the case of general average, but they affect the value of the goods in the adjustment of particular average, since the Government requires payment of the full duty, whether the goods are damaged or not, therefore, in order to be fully protected against particular average claims, it is necessary to insure the duty. The rate of premium on duty is much less than the rate on the goods since the underwriter only insures against particular average, as there can be no total loss or general average claims on duty.

Example: Under policy insuring invoice, plus 10 per cent., including duty:

Invoice	$10,000.00
Plus 10 per cent.	1,000.00
Duty	3,000.00
Total insured value	$14,000.00
Adjustment:	
Market value	$13,000.00
Value in damaged condition	6,750.00
Depreciation	$6,750.00=50%

Claim—50 per cent. of insured value of $14,000.00=$7,000.00.

Example: On same shipment with duties not insured:

Invoice	$10,000.00
Plus 10 per cent.	1,000.00
Total insured value	$11,000.00
Adjustment:	
Market value	$13,500.00
Value in damaged condition	6,750.00
Depreciation	6,750.00=50%

Claim—50 per cent. of insured value of $11,000.00=$5,500.00.

Goods shipped "on deck" are not insured unless by special agreement. The ordinary marine policy covers only "under deck." Rates of insurance "on deck" are much higher than "under deck," and as a rule cover only the risks of "Total Loss," "Jettison" and "Washing overboard." Insurance on goods shipped on deck usually contains the following warranty:

Free from claim occasioned by wet, leakage, breakage or exposure on deck.

Deck structures, shelter decks, etc., are all considered as "on deck."

Under deck is construed to be that portion built into the "framing" of the ship.

An Expert's View

(Continued from page 3)

give conflicting statements. about the Emergency Fleet Corporation. Has it been decided whether the Emergency Fleet Corporation will insure in private companies?

A. *The present government policy is that where the vessels are owned and operated, even though under requisition, the marine insurance is taken care of by their owners. However, vessels taken by the army on the bare boat basis and by the navy, which includes ships taken for transport or auxiliary purposes, are at the risk of the Government.*

Vessels owned by the Emergency Fleet Corporation are not being insured and the possibility is that these vessels will not be insured because it has not been the habit to insure government-owned property. The underwriters will get practically none of the new tonnage being built until the war is over. Whereas in the past underwriters in taking a fleet as vessels got older had the benefit of replacement by new vessels this will not be the case during the balance of the war.

5. *In your opinion will marine insurance expand rather than contract after the war? Will not there be a great merchant marine, for instance, that will need marine insurance?*

A. *Fifty per cent. of the premiums are now war premiums which will be entirely eliminated within six months after the war. The value of all vessels will probably recede, but that will be a gradual process.*

6. *How in your opinion will the business be readjusted after the war?*

A. *You will have to see someone who is a better prophet than I am before that question can be intelligently and satisfactorily answered.*

A Broker's View of Brokers

By C. P. STEWART, President of Frank B. Hall & Co.

The relations between marine brokers furnish a subject about which I have always held a very well defined opinion. Before the war the marine business was small and that were not more than half a dozen firms in New York doing enough to be really considered important. The relations of these firms with each other were not unfriendly, but there was no exchange of ideas, and the keenest sort of rivalry, not to say jealousy, really existed. The great increase in the volume of business has done away, to quite a large extent, with the feelings of dislike which had existed, and the position is now more like in the London market, where each of the large firms has a good word to say for the other, and is willing to extend a helping hand now and then.

The Influx of New Men

One difficulty that exists here now is, of course, the number of small brokerage firms, who are, to speak frankly, not on a solid foundation of knowledge of the business, and do not possess the feeling of responsibility towards their clients which the larger houses do. The very large commissions to be earned in the war risk end of the business have made it possible for men with practically no knowledge whatever of marine insurance, to open up offices and call themselves brokers and proceed to make as much money as they possibly could; no doubt, not really intending to stay in the business after the war was over and business had settled back to a substantial basis again.

There are certain well-defined ethics in the brokerage business, as in any other business, and one of the practices which is frowned upon is that of making differentials, or charging the assured more than the broker pays the underwriter. This is justified by the broker calling himself a trader or dealer in marine and war risk insurance, and saying that he buys a line from the underwriter and sells it at whatever price he can get. This might be true if the broker bought space in the marine insurance market as an export house might buy tonnage space from a steamship company and pay for it, intending to ship goods on the particular steamer they had booked space in but the insurance broker does not do this. He holds the market against all comers, and if he is unable to sell the line he has bound, he then goes back to the underwriter and asks to have it marked off on the ground that the shipment his client was to make was shut out. This practice is also, unfortunately, very largely indulged in by forwarding houses, and I have heard the statement made that certain large forwarding houses make more money through differentials in marine and war risk insurance rates than they do out of most of the rest of their business.

The Tricky Broker

Of course, in London, the Stamp Act, requiring a revenue stamp to be placed on each policy and also requiring policies to be issued for every risk written, with the premiums or consideration for the insurance stated in the policy, makes it difficult, if not impossible, to make differentials. In this market certificates that do not show the rate or premium are issued, and it is largely this fact that the dishonest broker—for, in my opinion, a broker who makes differentials is nothing more or less than dishonest—takes advantage of. With the tricky broker, of course, the large and substantial houses can have no relations, nor do they desire to compete with them or place themselves in any way on the same plane. It is unfortunately true that many of the insuring public do not take any care to investigate the standing of a brokerage house, but merely look at the rate, or listen to the siren tales, or believe the enticing letters of men who really do not belong in the marine insurance business, and are only in it because it appears to be an easy way of making money.

What a Competent Broker Must Know

A marine insurance broker should and eventually will have to be a man who knows something of shipbuilding, operating ships, freight rates and the export and import businesses, in order to be able to advise his clients as to the best way in which to protect themselves. In addition to this, of course, he must have a wide knowledge of the marine insurance markets both here and abroad, of the security of insurance companies, and the nature of the contract he is obtaining. Without this knowledge he cannot hope to secure and retain the respect of his competitors, and, it is to be hoped, friends in the same business. I have little doubt that if all of the men calling themselves marine insurance brokers in New York were to submit to an examination as to what they knew of the contracts, involving frequently millions of dollars, to say nothing of the incidental knowledge which is necessary, more than fifty per cent. would be found not only ignorant, but ridiculously so.

Marine Insurance Exchange

Not long ago I suggested the formation of a marine insurance exchange, to which all of the marine underwriters were to be asked to go or send representatives to between the hours of say 10 and 4. The saving in time would have been tremendous, and everyone seemed to recognize the desirability of the plan, which, of course, was not an original one, but was one which I was at that time in a position to make possible. One of the large brokerage houses, however, opposed it on the ground that it would place the smaller brokers in the same class with the larger ones who had spent thousands, or hundreds of thousands, in building their organizations to give efficient service. I do not think that it would have had that effect, and that the control, which could have been exercised by the responsible underwriters and brokers, would have enabled them to eliminate the undesirable element to a very large extent. Perhaps during the next ten years when the "Arabian Nights" of the shipping and marine insurance businesses have faded into the cold, grey dawn of after the war re-organization, the reduction in expense and saving in time may seem more desirable. It seems to be thought on all sides that there is to be a large export business here after the war, but the United States is not going to keep its business in years to come if we do not adopt economical methods.

A Tribute to Mr. Winter

New York University, in fathering a series of lectures given by Mr. Winter, of the Atlantic Mutual Insurance Company, is, I think, doing a very good work. They will teach the brokers who are attending to respect their calling and each other, and help them to realize that the marine insurance brokerage business is one requiring years of special training, and not simply a means of getting money easily by entertaining officials of large corporations with property to insure.

THE ROYAL EXCHANGE

How Company Got Its Name—Charters of Years 1564, 1710, 1717 and 1720

In 1564 Queen Elizabeth granted two charters giving license to search for minerals in "The Mines Royal" and "The Mineral and Battery Works." In 1710 these societies amalgamated under the name of "The Court of Assistants of the Mines Royal, Mineral and Battery Works." In 1717 these charters were purchased by the Mercers' Hall Marine Company which carried on marine underwriting until 1720 when, on receiving a royal charter from His Majesty King George I, it changed its name to the Royal Exchange.

LLOYD'S NEW CHAIRMAN

At a preliminary meeting of the committee of Lloyd's for 1918, Mr. Charles Irving de Rougemont was elected chairman of Lloyd's, and Mr. Cecil Charles Blogg deputy-chairman for the ensuing year.

Mr. de Rougemont became an underwriting member of Lloyd's in 1885, and was elected deputy-chairman a year ago. Mr. Blogg became an underwriting member in 1889.

Sir Raymond Beck, who now retires from the chairmanship, has been continually in office for the last eight years. He was chairman of Lloyd's in 1910 and 1911, was then deputy-chairman for three years, and has again been chairman since the beginning of 1915. He became an underwriting member in 1888, and was first elected to the committee in 1905.

AIRCRAFT INSURANCE

One of our members recently addressed an inquiry to the Government Aircraft Office on the following lines:—If an aeroplane came down in a field of growing crops, and crops were further damaged by spectators trampling over the other fields, would the damage, caused indirectly by aerial craft, be covered by the Government policy? To this inquiry the War Risks Office replied in the negative.—Journal of the C. I. B. & A.

New York Insurance Legislation of 1917 in Relation to Marine Insurance and Some Departmental and Attorney General Rulings

Laws of 1917, ch. 294, amended section 150 of the insurance law by providing that a stock marine insurance company incorporated under the section having a paid in cash capital of $400,000 may, by taking the proceedings required by section 52, amend its charter so as to assume all the powers of a fire company organized under section 110.

The amendment removes a discrimination against domestic marine companies by giving them the same rights as are now possessed by foreign marine companies to do a fire business. The bill became a law May 1, 1917, and went into effect immediately.

Mutual Marine Insurance

Laws of 1917, ch. 4, added new sections 162 to 168 to the insurance law,



JESSE S. PHILLIPS

providing that ten or more persons may organize protection and indemnity mutual marine insurance corporations on the mutual assessment plan to insure against liability for loss or damage resulting from personal injury to any person; loss or damage to cargo or damage to other vessels or craft; loss by reason of general average sacrifices; against expense incident to quarantine detention; expense in resisting claims or defending loss suits; against loss incident to ownership, operation and chartering of vessels, including legal expenses, but no such corporation to insure hull, machinery, freight moneys or disbursement of any vessel or cargo, etc., and no business to be transacted until the proposed corporation has twenty members with two hundred vessels of aggregate tonnage of not less than $500,000 nor until a sum equivalent to twenty cents per ton on the aggregate tonnage has been paid in and setting forth the procedure.

The purpose of this amendment was to afford to the American Merchant Marine facilities for obtaining protection and indemnity insurance which they are now compelled to seek abroad. The measure became a law February 14, 1917, and went into effect immediately.

Attorney General's Opinion, April 6, 1916

"I have given careful attention to the question of the right of the ..... Insurance Company to commence business upon the subscription agreements entered into with the members. I have been reluctantly forced to the conclusion that the company has not complied with section 152 of the insurance law, which as you know provides in part as follows:

> "nor shall any such corporation formed for the purpose of doing business on the plan of mutual insurance, commence business if located in the County of New York, or County of Kings, **until agreements have been entered into for insurance with at least one hundred applicants, the premiums** on which shall amount to at least three hundred thousand dollars, and notes have been received in advance for the premiums on **such risks,** payable at the end of or within twelve months from the date thereof, which notes shall be considered as a part of its capital, and shall be known as capital stock notes and shall be valid, negotiable and collectible for the purpose of paying any losses which may occur or otherwise.
>
> "No such mutual insurance corporation shall in any other county of the State commence business until **such agreements** have been entered into, the premiums on which shall amount to one hundred thousand dollars and notes received therefor, which notes shall be payable and shall be liable for and used as above specified.

"By the application agreement of the ..... the subscriber does not agree to take insurance upon any **specific** automobile or automobiles, nor is the kind of insurance he will take agreed upon. By section 150 of the insurance law, insurance upon automobiles may be of various kinds, fire, explosion, transportation, collision, indemnity, burglary, theft, etc.

"I believe that the insurance law contemplated that subscribers should be applicants for a specific policy or policies of insurance upon property specifically named in the agreement, so that the company will not only have capital enough to justify its entering upon the business of insurance but also on actual business of insurance with precisely known **'risks.'**

"Furthermore, by paragraph (4) of the subscription conditions:

> "Any subscriber hereto may discharge his obligation by taking insurance in his own name or by taking insurance partly or wholly in the names and for the account of other satisfactory solvent applicants for insurance, whose risks shall be approved by said new corporation when organized and be acceptable to it. The total of the premiums therefor when paid to be applicable to the payment of the note so to be given by the subscriber.

"This provision also in my opinion violates section 152 of the insurance law. The subscription agreement must under the statute amount to something more than an underwriting agreement to furnish so much capital to or acquire so much business for the company.

"When section 150 of the insurance law, containing the provisions for the incorporation of marine insurance companies, was drafted, it did not provide that such corporations might do automobile insurance business. That power was inserted later, and no doubt was placed there to extend the field of operation of already organized marine insurance companies. A $1,000 premium upon specific marine or transportation risks would be a reasonable agreement for any one subscriber to make. When applied to automobile insurance risks it appears unnecessarily excessive for one subscriber, and yet we cannot for that reason avoid the plain language of the statute by allowing subscribers to mutual automobile insurance companies, to offset the provisions of the statute by agreeing to take insurance upon property which they do not own and have not brought forward for insurance.

"I have no doubt of the good faith of the organizers of this company. I cannot, however, convince myself that they have appreciated fully the precise character of the obligations which they have assumed. It is my opinion that the signers of the notes have not realized that they will be required to pay into the treasury, at the maturity of the notes, the full amount thereof in cash, less whatever each may have previously paid as a premium upon a policy of insurance. They should realize this fact. Even if they do realize this fact, it would not alter my opinion above expressed that this company cannot be licensed to do business under the plan selected for the purpose.

"E. E. WOODBURY,
"Attorney General."

Department Rulings

Ruling of Sept. 20, 1916

"You inquire whether vessels leaving New York for Portland, or for points in New Jersey and Virginia, could be classified as coming within the scope of inland marine insurance and such risks be accepted by your company, which is authorized to transact only on inland marine business. I assume that the voyages in question would necessarily take the vessels outside the so-called three mile limit. The department has heretofore held the three mile limit defines the boundary which, for insurance purposes, separates 'inland navigation' from 'ocean marine' insurance. Probably in this connection the decision in the United States Circuit Court of Appeals in the case of Fulton vs. Insurance Company of North America, 136 Fed. Rep., 182, would be instructive. In that case the policy contained the following warranty:

> "Warranted confined to the inland waters of New Jersey, New York and Long Island.

"The loss occurred inside the three mile limit. The court referred to the United States Statute (U. S. Comp. St. 1901, p. 2900) which authorizes the Secretary of the Treasury to designate and define the lines dividing the high sea from rivers, harbors and inland waters. Concededly the loss occurred inside such 'statutory boundary,' and also inside a 'natural boundary,' consisting of a line drawn from the extremity of Sandy Hook to the nearest Point on Rockaway Beach. The court held that the loss was covered by the policy.

"I am inclined to think that the words 'inland waters' in the warranty in question are fairly equivalent to the words 'inland navigation' in the statute, and I shall, therefore, advise that you have no power under your charter limited to inland marine insurance, to cover risks of navigation occurring outside the statutory three mile limit."

Broker's License

Ruling of Aug. 8, 1916

"This replies to your letter of August 7th in which you inquire whether it is necessary for your firm to hold a license in order to receive commissions on insurance placed by you with a general agent and broker for a foreign insurance company writing marine business in this State. I understand that you act in the transaction in question as a broker, and that the insurance referred to is 'strictly insurance' upon or in connection with marine or transportation risks or hazards.

"Section 143 of the insurance law, which requires that brokers obtain a certificate of authority from this department, specially exempts transactions in marine insurance, by the following language of the next to the last paragraph:

> "This section shall not apply to * * * any contract of insurance upon or in connection with marine or transportation risks or hazards.

"In the absence of any statutory provisions relating to this subject, such as those contained in section 143, the matter of broker's commissions would be entirely open to agreement between the parties. Section 143 has placed certain restrictions upon brokers acting in certain lines of insurance and requires such brokers to obtain a certificate from this department. Inasmuch, however, as insurance upon marine or transportation risks or hazards is specifically exempted, I would advise you that, in so far as the transactions in question are of this character, no certificate of authority is necessary and the subject of commissions is entirely open to such agreements as you may have with the agent or broker with whom you deal."

License Fees

Department Ruling of Aug. 14, 1916

"Replying to your favor of the 11th, agents representing foreign marine insurance companies of other States and countries are required to have certificates of authority under section 50 of the insurance law, except when the agent is designated by the marine company to write automobile insurance in connection with marine risks. Such agent received a certificate under section 142 and being so licensed no certificate is issued under section 50.

"If the company is a company of another State, in making a charge for a certificate of authority, we would be governed by our reciprocal law, that is, we would charge the same fee which would be charged of a like New York company operating in the other State. If no fee was charged a New York company we would charge no license fee.

"Agents representing foreign companies of other countries—marine—are licensed under section 50 as qualified in the first paragraph of this letter; those representing a fire company under section 142. No fee is charged for such agents' licenses."

Opinion on Tax

Department Ruling of March 10, 1916

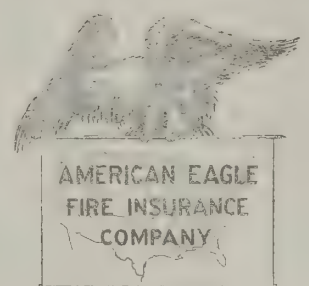
"Inasmuch as your certificate of authority to transact business in this state authorizes you to carry on the business specified in section 110 of the insurance law of the State of New York and inasmuch as you are not author-

(Continued on page 13)

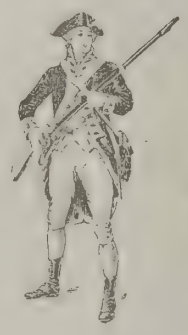
"AMERICA FORE"

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(WITH FULL WAR RISK COVER)



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THE
CONTINENTAL

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HENRY EVANS, President

O. G. ORR & CO.
MARINE GENERAL AGENTS
37-43 Wall Street, - - - New York

The Growing Importance of Inland Marine

By C. A. SIEBOLD, Jones & Whitlock, New York

The importance of transit insurance is now greater than ever. Our shrewd business men do not have to be awakened to the protection it affords, having carried it for years, enabling them to sell their wares f. o. b. destination and giving them a decided advantage over their competitors not carrying similar policies. Transit policy covers merchandise shipped while in custody of common carrier and licensed public truckmen against losses by fire, lightning, cyclone, tornado, flood, theft, collision, derailment, and all risks and perils of transportation.

Fixing the Premium

Discussion among many underwriters of transportation insurance is rife today, and many have become thoroughly alarmed at what appears to be a serious problem in dealing with this class of insurance. As underwriters of many years' experience in successfully handling transportation insurance, we propose to deal with this subject by separating it into two branches; first, the question of fixing the premium, and secondly, the question of recovery after the loss has occurred.

In dealing with the former, many elements enter into the method of fixing the premium, which can only be determined by long years of experience involving practically every commodity that is insurable under transportation policies and the losses accruing thereunder which can be reasonably anticipated.

An Intelligent Basis

Of course, it would be unwise as well as unprofitable to sell transit insurance without some intelligent basis upon which to establish the rate to cover such risks, but no hard and fast rule can be followed in attempting to arrive at what may or may not be the proper rate, and in our opinion, no transit business accepted on what appears to be a good premium, for the risks assumed, can be made profitable without having an insight into the various elements entering into the writing of this form of insurance. To write transit insurance indiscriminately, on the assumption that the premium appears remunerative, may result in serious loss. On the other hand, it is difficult, if not impossible, to say with any degree of certainty, when such business is offered just what would be the proper premium to cover without some experience in handling transit insurance generally.

Congestion of Merchandise

Much has been said about the danger confronting underwriters of transit insurance on account of the condition prevailing at present. The great congestion of merchandise en route and at terminals and warehouses incidental to transit; the relation of the shippers and the railroads which exists now, and the conditions existing before the Government took over the control of railroads, all tend to create confusion.

Even under these conditions, and it must be assumed they are conditions which were not anticipated, it is still possible to write transit insurance profitably, because the chances of recovery are not uncertain even under the President's Proclamation; as we know by practical experience, and we are satisfied that transportation insurance will continue to be written. We venture to say it will be more desired by shippers than ever before, as a result of the uncertainty which is bound to arise in their minds either through incorrect information received by them, or because of their own construction of the proclamation.

The Railroad Situation

It is apparent that the Government has taken over the operation of railroads, and its purpose in doing so is to facilitate the movement primarily of freight, but until Government ownership becomes a reality, we cannot conceive how there can be any interference on the part of the Government with respect to the relations between shipper and carrier; even though the Government has undertaken to guarantee to the railroads a net income equal to the average net income earned by the railroads based upon a period of three years. It is doubtful whether under the proclamation the Director General would, even if he could, undertake to issue any special orders which would have the effect of defeating a shipper's rights to collect for losses actually sustained. It can only be assumed that the Director General in his wisdom will deal in a fair and reasonable way so far as shippers' rights are concerned. The right of the shipper to recover from the carrier such damages as he may sustain cannot be lawfully taken from him. Even should Government ownership of the railroads eventually become a fact, some proper protection would necessarily have to be made for the protection of the shipper, since even the Government itself could not deprive him of his property, without just compensation.

The Question of Recoveries

Now, with respect to the question of recoveries, the salvage account is a very important one, and the probabilities of a good salvage account depend largely upon the efficiency of the channel through which the recoveries are made. With a properly organized bureau, the recovery account should result in minimizing losses. Recoveries of course should depend upon many conditions; first, upon the liability of the carrier, secondly, upon the ability of the carriers to pay, and thirdly, the means used to make the recovery; all of which are accomplished only by an intimate knowledge of the conditions under which transportation insurance is written. The nature of the loss has an important bearing upon the recovery, but it is presumed that the underwriter has a knowledge of the nature of the losses to be anticipated when writing transportation insurance. These are conditions which it is difficult to explain and can only be obtained by actual experience in handling this form of insurance, particularly in view of the fact that the importance and desirability of transportation insurance is still unknown generally.

Fine Field for Brokers

In conclusion, we believe that no better time than the present could be selected for the distribution of propaganda among the brokers through the country to develop the sale of inland transportation insurance.

NEW YEAR'S HONORS

How British Underwriters Fared—E. M. Mountain a Knight—Lord Furness a Viscount

The insurance men who figured in the list of New Year's Honors follow with their titles:

Viscount.

Lord Furness (director of the Economic).

Privy Councilor.

Sir Henry Craik, K. C. B., M. P., (director of Scottish Widows).

Baronets.

Sir H. Dalziel, M. P. (director of British Widows).

A. H. Dixon (director of Bolton Cotton Trade and Westminster Fire).

Sir Francis Lowe, M. P. (director of National Benefit and the Regal).

J. Stewart-Clark, J. P., D. L., (director Legal and United Provident).

Knights.

Edmund Browne (director of British Legal and United Provident).

E. M. Mountain (chairman, Eagle, Star and British Dominions).

R. R. Simpson (director, United Free Church of Scotland Fire Office).

H. Kingsley Wood (the well-known solicitor to many industrial offices).

NOT AT FORMER ADDRESS

The American Society for Fire Prevention, which was located at 233 Broadway, New York, has removed from there without leaving any address. A representative calls at intervals for letters.

DISCUSSES JERSEY LOSSES

Article by William S. Naulty in Sunday "Call," Newark—War Conditions

William S. Naulty, president of the Underwriters' Protective Association of Newark, and vice-president of Jos. M. Byrne & Co., Newark, had an interesting article about fires and losses in the Newark Sunday "Call." Two paragraphs of his article follow:

"As a result of the high pressure under which many factories are operating, due to war conditions, an overcrowding has resulted and a lack of general safeguarding is manifest that makes us feel that this year will not show such favorable local results.

"The fire insurance business for 1917 in the entire United States has been unprofitable, the losses being $267,000,000, as against $231,000,000 for 1916, and $182,000,000 for 1915. While Newark has been free of large fires in the last year, the State of New Jersey has not been so fortunate and it is certain that the losses have greatly exceeded the premiums. Last January alone there was a property loss in New Jersey, as a result of two fires only, of $13,500,000."

TRANSFERRED TO NEW YORK

Rochester, N. Y., Jan. 19.—After having been located in Rochester since 1872 the Rochester underwriting agency for the Greater American Insurance Company has announced its removal to New York City on May 1. All of the business now transacted here will be moved to New York. The Company formerly was known as the German-American Insurance Company but changed its name on the outbreak of the present war.

NEW HERKIMER AGENCY

Bradley, Perry & Bradley, have opened offices in the First National Bank Building, Herkimer, N. Y., to do a general insurance business. The firm members are Edward J. Bradley of the Fairchild Shoe Company; Ralph Perry, an orchestra conductor, and John J. Bradley, now in the insurance and real estate line in Utica. He will continue his Utica enterprise, giving part of his time to the Herkimer offices.

LAW'S STATE CHART

Harrison Law, of Nutley, N. J., has issued his State Chart for 1918, placing before the underwriters a list of the companies that are regularly admitted to the various States. The chart is compiled from data secured direct from the companies. Interesting information about annual and tax statements are also given.

New York Rulings

(Continued from page 11)

ized to carry on the business of marine insurance specified in section 150 of such insurance law, it is my opinion that the tax tendered by you is not collectible by this department. Section 34 of our insurance law prescribes a tax for effecting 'insurance against marine risks.' The risks for which your tax is tendered are stated to be automobile risks, which you are authorized to write by virtue of section 110. Although similar risks may be written by marine companies under section 150, section 34 has been construed to relate only to those risks when written by companies authorized to do a marine business and when actually written in the marine department of such companies as are authorized to do both a fire and marine business."

WM. H. McGEE & CO.

MARINE UNDERWRITERS

15 WILLIAM STREET

NEW YORK

GENERAL AGENTS MARINE DEPARTMENT

ST. PAUL FIRE & MARINE INSURANCE CO.
PHŒNIX INSURANCE CO. OF HARTFORD
GREAT AMERICAN INSURANCE CO.
CAMDEN FIRE INSURANCE ASSOCIATION
WESTCHESTER FIRE INSURANCE CO.

AGENTS MARINE DEPARTMENT

PROVIDENCE WASHINGTON INSURANCE CO.
MASSACHUSETTS FIRE & MARINE INS. CO.

Rules and Practices of the Association of Average Adjusters of the U. S.

It is said of the Association of Average Adjusters of the United States that its rules and practice are accepted by the courts as the basis for decisions, and in this the association occupies a unique and important position.

This association is forty years old and includes in its membership the representative average adjusters and some of the most prominent underwriters and brokers in America. W. Harvell La Boyteaux is chairman; Henry Pegram is secretary; and the executive committee consists of William N. Davey, chairman; Edgerton Parsons and Walter D. Despard.

The rules and practice of the association follow:

I.

Compensation and Expenses of Master

Adopted February 17, 1885.

Where the voyage is broken up by reason of shipwreck or condemnation of the ship at a place short of the port of destination, the master shall be entitled to compensation from the general interests for the time necessarily occupied by him in transacting the business growing out of the disaster until his departure thence for the home port with the proceeds, general accounts and vouchers.

He shall also be entitled to a reasonable indemnification for his necessary expenses and services in returning to the home port when needed or required, by the peculiar circumstances of the case, to justify his acts at the place of disaster, or to give information, not otherwise afforded, to finally adjust and apportion the average charges to be paid by the general or special interests for whom such services are performed, to be determined by the nature of the case.

These rules shall apply whether the vessel be in ballast or with cargo.

II.

Interest on Allowances in General Average

Adopted April 21, 1885.

Where allowances, sacrifices or expenditures are charged or made good in general average, interest shall be allowed thereon at the legal rate prevailing at the place of adjustment.

III.

Deck Load Jettison

Adopted October 9, 1894.

Where a cargo consisting of one kind of goods is, in accordance with a custom of trade, carried on and under deck, that portion of the cargo loaded on deck shall be subject to the same rules of adjustment in case of jettison and expenses incurred, as if the same were laden under deck.

IV.

Loss of Freight on Cargo Sacrificed

Adopted January 16, 1900.

Rescinded October 9, 1913; rescission to take effect December 9, 1913.

When loss of freight on cargo sacrificed is allowed in general average, the allowance shall be for the net freight lost, to be ascertained by deducting from the gross freight the expenses that would have been incurred subsequent to the sacrifice to earn it.

V.

Credit for Expenses Saved by Salvage Services, etc.

Adopted October 9, 1902.

When salvage services are rendered to a vessel, or she becomes disabled and is necessarily towed to her port of destination, and the expenses of such towage are allowable in general average, there shall be credited against the allowance such ordinary expenses as would have been incurred, but have been saved by the salvage or towage services.

VI.

Credits for Old Material

Adopted October 13, 1910.

Where old material is replaced by new, credit shall be given in the average statement for the value or proceeds of the old material, or, if there is no credit, the adjuster shall insert a note in explanation.

VII.

Approval or Repair Accounts

Adopted October 13, 1910.

All repair accounts shall be examined, when practicable, by the owners' surveyor and a surveyor for underwriters before the statement is issued.

The adjuster shall insert a note in the average statement that this has been done and the result of same.

VIII.

Scraping and Painting Bottom of Vessel

Adopted October 13, 1910.

The cost of scraping and painting the bottom of a vessel consequent upon repairs which are recoverable in average, shall be allowed, unless the vessel, at the time of drydocking, is due in the ordinary course for a bottom painting, according to the custom of the owners, or, in the case of a vessel employed in salt water navigation, unless the bottom has not been painted within one year.

When the cost of scraping and painting the bottom is allowed, the adjuster shall insert a note in the average statement giving the date of the last painting and the date on which, in the ordinary course, the vessel would have been due for repainting bottom.

IX.

Drydocking Charges and Expenses Incidental to Drydocking—Particular Average

Adopted October 13, 1910.

When a vessel is drydocked:

(1) For owners' account and repairs are found necessary for which underwriters are liable and which can only be effected in drydock; or

(2) For survey and/or repairs for which underwriters are liable and repairs for owners' account are made which are immediately necessary for her seaworthiness, or she is due for ordinary drydocking (in accordance with the owners' custom),

the cost of removing the vessel to and from the drydock, of docking and undocking, and as much of the dock dues as is common to both classes of work, shall be divided equally between the owners and underwriters.

When the vessel is drydocked for underwriters' account and the owners avail of her being in drydock to scrape and paint or to do other work for their own account which is not immediately necessary for seaworthiness, all the expense incidental to the drydocking of the vessel shall be charged to the underwriters.

The adjuster shall insert a note in the average statement in explanation of the allowances made.

X.

Overtime Work—Particular Average

Adopted October 13, 1910.

The bonus or extra cost for overtime work on repairs shall be allowed up to the amount of the saving of drydock dues or other charges, which otherwise would have been incurred.

The adjuster shall insert a note in the average statement in explanation of the allowances made.

XI.

Temporary Repairs—Particular Average

Adopted October 13, 1910.

The cost of reasonable temporary repairs shall be allowed:

When made in order to effect a saving in the cost of permanent repairs;

When complete repairs cannot be made at the port where the vessel is;

When the material or parts necessary for permanent repairs are unobtainable at the port where the vessel is, except after unreasonable delay.

The adjuster shall insert a note in the average statement in explanation of the allowances made.

XII.

Allowance in Respect of Provisions

Adopted October 13, 1910; amended January 9, 1913; amended April 12, 1917.

When allowance is made in general average for provisions of master, officers and crew the allowance shall be on the following scale:

Master .....$1.00 per day.
Officers and Engineers 1.00 per day.
Crew ..... .65 per day.
Asiatic Crew.....Actual cost to shipowners.

This rule shall apply to vessels on voyages to United States ports on the Atlantic Coast and in the Gulf of Mexico.

This rule shall also apply to voyages from the Atlantic and Gulf of Mexico ports of this country where the general average statement is stated in accordance with American law and usage, as required by the contract of affreightment.

This rule, unless meantime amended, to remain in force for three years from date of adoption.

XIII.

Allowance in General Average for Repairs to Vessels.

Adopted April 10, 1913.

Deductions, new for old, from cost of repairs and/or renewals of vessel's damages and/or losses allowable in general average shall be made according to the following scale:

THIRD LECTURE ON MARINE

Talk by William D. Winter Devoted to Vessel Types and Construction

On the presumption that there can be no marine insurance without ships, William D. Winter, of the Atlantic Mutual Insurance Company, devoted the third lecture of the course he is giving on marine insurance to types and constructions of vessels. The lecture was given in the assembly room of the New York Merchants' Association, in the Woolworth Building, last Friday, and was well attended.

Mr. Winter said that the marine underwriter is confronted with problems involving every type of water carrier, from the rude floats used by Indians on the Amazon River, to the latest construction in steel and composite ships. He called particular attention to the hazards of wooden vessels over 200 feet long and described all the numerous patterns of ships, their advantages and weaknesses.

Concrete Ships

As to the concrete ship, Mr. Winter said it has been tried in the form of barges in Norway and Italy. There is now a 500 ton dead weight reinforced concrete ship with reciprocating engines being built on the Pacific Coast. The attraction this method has for shipbuilders is the ease of construction. It must be remembered, however, that the steel reinforcement must take up all strains and stresses as well as the vibration of engines. This type of vessel would likely be costly to repair.

Attention was also directed to the hazards attending the placing of vessels constructed for the Great Lake trade in ocean service. A considerable portion of the lecture was devoted to an explanation of the term "displacement" as well as center of gravity, center of buoyancy, "stiff" ships and "tender" ships.

The next lecture will be held Friday, January 25.

WISH FEWER NOT-TAKENS

Brokers Act With National Board and Companies for Relief

Steps are being taken by the Fire Brokers Association of New York to relieve the companies of some of the burden occasioned by the war tax of one per cent. on premiums, by reducing as far as possible the number of not taken policies.

A resolution was adopted at the last meeting whereby each member is requested to prevent as far as possible the necessity for issuing policies, either new or renewal, for which no authorization has been given by the insured. This has been done because under the law, if the policy is issued and in force the Government considers that the one per cent. tax on the premium is due. After consultation with the National Board the Brokers' Association decided to send to their members a letter explaining the law and asking their cooperation, in order to accomplish as nearly as possible the results desired by the National Board and the companies.

NORWEGIAN ALLIANCE

The International Fire & Marine Agency has been appointed representative here of the Norwegian Alliance Insurance Co., of Christiania, Norway, which plans to enter shortly for fire re-insurance business.

SELL WITHERBY BOOK

The Spectator Company is American selling agent for the Witherby & Co. book on marine insurance clauses.

GETTING AND HANDLING A VOLUME OF GOOD MARINE AND TRANSPORTATION BUSINESS

WHEN all has been said, it is service in getting and holding business that attracts agents to an insurance company. An ordinary connection may be serviceable and satisfactory to some agents—but if that connection is based upon common or indifferent service you may be missing the full potential force of specialized departmental service.

Marine and Transportation insurance, as conducted by the Hartford, has unlimited possibilities.

This organization is a large one. It is an aggregation of specialists. Its departments work for you as a unit on big problems, yet each has its specialized field, in charge of men trained to service; practical underwriters, every one of them, who knowingly and feelingly labor in a common cause.

Because the Hartford does a big business it knows the problems and difficulties you are overcoming. The Hartford will work with you, not against you. It is growing because its service satisfies both agents and policyholders.

Our preference is to work with the agents of other departments of this organization; men who know the established business policies of the Company and its purpose and who seek a Marine and Transportation connection. In some cities the Hartford can serve agents of ability with desirable business to place.

Correspondence welcomed.

Hartford Fire Insurance Company

Marine and Transportation Department

C. S. TIMBERLAKE, General Agent

HARTFORD, CONN.

SOME MARINE INSURANCE PERSONALITIES

A brief sketch of some of the interesting personalities or firms in marine insurance is printed herewith. This is not a who's who, as space is limited and a complete list of prominent underwriters, brokers, adjusters and others would fill a book.

Hendon Chubb, of Chubb & Son, is spending Saturday in his office in South William Street and the balance of the week with the Government in Washington. When the Treasury Department picked him out as its principal insurance adviser, the choice met the approval of the entire Street, as he is one of the greatest living authorities on marine insurance. Chubb & Son was originally composed of Thomas C. and Percy Chubb, and was known as Chubb & Son Underwriters. The firm organized in 1882 the New York Marine Underwriters, which was succeeded by the Federal Insurance Company. Hendon Chubb is a brother of Percy Chubb, as is Sidney Chubb. The Chubb Building at 5 and 7 South William Street was erected by Percy Chubb, and a son of Thomas C. Chubb, as is Sidney Chubb. The Chubb Building at 5 to 7 South William Street was erected by Percy Chubb, who spends part of each year in London. The firm represents the Federal, Sea, Hartford, Marine and London Assurance.

* * *

William H. McGee

Most of the men who have made a success in the insurance business are self-made. In this William Henry McGee is no exception. He was thirteen years old when he started to work for the dry goods firm of T. K. Horton & Company, Brooklyn. His first insurance experience was with Wreaks & Chubb, insurance brokers and average adjusters.

In 1884, when just twenty-one years of age, Mr. McGee went to the home office of the Providence-Washington Insurance Company at Providence, and remained there until 1887, returning to New York the latter year as agent of the company. The insurance business was beginning to emerge from a state of relative importance to something that every line of trade required, and Mr. McGee found work aplenty at his hand. He managed so well that the business of the Providence company grew at a handsome rate, and he found himself with an established agency and bigger opportunities ahead. He was never slow to utilize these, and in 1895 obtained appointment as general agent of the St. Paul Fire & Marine Insurance Company of St. Paul. This acquisition proved to be a valuable one, and Mr. McGee succeeded in writing a volume of business for the company that more than met with their expectations.

From then until 1914 he continued to upbuild his clientele and to care for an ever increasing flow of business. In order to better care for it, the firm of William H. McGee & Company was organized, the other two partners being Eugene J. F. Coleman and Robert B. Jennings, the first of whom had been associated with Mr. McGee for twenty-five years, and the latter fifteen, at the time that the firm came into existence. Its fine record of the past has been even excelled under the new organization.

Willcox, Peck & Hughes

Willcox, Peck & Hughes is one of the largest concerns in the marine insurance field, occupying four floors of the Seligman Building in South William Street, and having branches in many cities in this country and affiliations abroad. This office is a merger of three old-established houses of fine repute in the New York marine insurance world: Albert Willcox & Co., Charles E. & W. F. Peck and Walker & Hughes.

Albert Willcox & Co. for years made a specialty of marine insurance on cotton. Charles E. & W. F. Peck (consisting of Charles E. Peck and William A. Prime) made a specialty of lake hull and Western business generally. Walker & Hughes specialized on general hull and cargo insurance and were also a well known firm of average adjusters.

The fire and liability business of this office is conducted under the name of Willcox, Peck, Brown & Crosby, an affiliation having been made with Henry W. Brown & Co., Philadelphia.

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Marine Insurance Sidelights

Messrs. Mather and O'Brien, of Mather & Co., Philadelphia, have seen that office grow from one clerk to one hundred and fifty representatives. Mather & Co. have their own building, which is being remodeled to give them more space. The attitude of this office has always been helpful to those seeking information about marine insurance, the position taken being that it is mighty short-sighted to keep what they know "bottled up," as is the selfish policy in some offices.

* * *

Appleton & Cox

The story of the present firm of Appleton & Cox dates back to 1872 and the firm of Higgins & Cox. Higgins & Cox was formed by A. Foster Higgins (who was the Higgins of Johnsen & Higgins) and James F. Cox, who was the father of Douglas F. Cox, of Appleton & Cox. Mr. Higgins and Mr. Cox formed the United States Lloyds which was the first company for which they acted as marine underwriters. Shortly afterwards they were appointed attorneys for the Indemnity Mutual Marine. Then followed the Royal Exchange, Tokio Marine, United States Fire and this month it was announced that Appleton & Cox had been appointed marine managers of the Fire Association of Philadelphia in addition to the before-mentioned companies.

In 1888, John D. Barrett was admitted to the firm co-incident with the retirement of Mr. Higgins from active business at this time. In 1897, Mr. Barrett in turn retired and the firm became Higgins & Cox again, Herbert Appleton becoming a partner. In 1898 James F. Cox died and Douglas F. Cox became a partner, the name and personnel continuing the same until 1915 when it was changed to Appleton & Cox. Both Mr. Appleton and Mr. Cox started with the firm as young men and were constant factors in its development.

George H. Smith & Hicks

George H. Smith & Hicks Co., underwriting agents of the Home of New York, was founded in 1861 by George H. Smith, inventor of the New England Transit policy, conceived to protect cotton mill owners on shipments in transit, and George A. Hicks, who took charge of the financial end of the office. The present members of the firm are Louis F. Burke, Joseph L. White, O. F. Dean and A. H. Dumont. Mr. Burke began in a broker's office, then went with the old Phenix of Brooklyn with their marine underwriting department. When the Home went into the marine business in 1888 he joined the Home. He is secretary of the Inland Atlantic Association. Mr. Dumont went into steamboating when a boy and worked his way up from deckhand to captain and owner. His last position on the water was captain of the "Grand Republic." He went with the Home as an inspector and adjuster, remaining with that company twelve years. Joseph L. White began as a placer with George H. Smith & Hicks thirty-five years ago. O. F. Dean also began with the firm as a boy. He went through all departments and is an underwriter of the first rank.

* * *

Parsons & Eggert

Edgerton Parsons, one of the most picturesque figures in marine insurance, graduated from St. Paul's School and then from Trinity College, '96. Upon leaving college he spent several years at sea engaged in salving wrecked vessels. His first insurance experience was with Mather & Co. in New York, where he was their attorney for seventeen years. He formed the office of Parsons & Co. in 1913, which in 1916 became Parsons & Eggert. Herbert F. Eggert of this firm was also with Mather & Co., and before that with the Atlantic Mutual.

During his sea experience Mr. Parsons went to many parts of the world on wrecked vessels. In fact, what he doesn't know about salvage and ocean marine losses is not worth knowing. Some of his experiences would fill a book.

Parsons & Eggert are in charge also of the marine end of Marsh & McLennan.

* * *

Despard & Co.

Despard & Co. was Despard & Co. thirty-five years ago. The firm was founded by C. L. Despard, father of the C. L. Despard of today. Mr. Despard senior immediately became a factor in the marine insurance world and continued a factor to the time of his death in April, 1916. At that time, C. L. Despard, Jr., succeeded him as head of the firm. Shortly after graduating from Harvard in 1908, Mr. Despard entered his father's office and in the production of marine premiums he has followed closely in his footsteps. Associated with Mr. Despard as partners in Despard & Co. are Jesse Spier, P. H. Parsons and E. Thomlinson. Mr. Spier started with Despard & Co. thirteen years ago. It was his first position. He will become vice-president and underwriter of the newly formed Importers & Exporters Insurance Co., when that company starts business early in February. Mr. Parsons was for twenty years with Mather & Co. and has been with Despard & Co. for the past two years. Mr. Thomlinson, who is in charge of the losses of Despard & Co., was for many years attached to the staff of the Lloyds agency in Buenos Aires, Argentina.

* * *

O. G. Orr & Co.

O. G. Orr & Co., Inc., organized in April, 1917, is now one of the largest of the marine underwriting offices. O. G. Orr, who has been a marine underwriter since 1889, started with P. H. Fleming & Co., general agents in Chicago of the Union Marine of Liverpool. On the death of Mr. Fleming, Mr. Orr with J. S. Wall, who had been with Henderson & Co., lake marine underwriters, formed the firm of Orr & Wall. Mr. Orr came to New York in 1908 and Mr. Wall in 1910, the general agency in Chicago being turned over to F. H. Osborn & Brothers, who represented the same companies. When O. G. Orr & Co., Inc., was formed last year, Mr. Orr combined with Mr. Wall, Mr. Osborn, C. E. Dean, who was formerly in charge

A Few of the Many Interesting Figures In Marine Insurance

of the loss department of the Union Marine at Liverpool and came to New York in 1904, and Wade Robinson, now of Wade Robinson & Co., Inc., to form the agency which represents as marine managers the Continental, Fidelity-Phenix, American Eagle, Fireman's Fund, Home Fire & Marine and Scandinavian-American.

* * *

Cecil P. Stewart

Cecil P. Stewart, president of Frank B. Hall & Co., Inc., and of the American Merchant Marine Insurance Co., is another of the prominent marine figures who received their first start in the business under the tutelage of their forbears. Mr. Stewart joined the firm of Moody, Stewart & Parker, of which his father was one of the organizers in 1898. In 1904 he joined with his father in the organization of Henry Stewart & Son which continued until 1910 when Mr. Stewart took charge of the marine insurance department of the Texas Co., an oil company operating a large fleet of tankers. After several years in this capacity, he joined the staff of Frank B. Hall & Co., Inc., becoming its president a little more than a year ago and about the same time organizing the American Merchant Marine Insurance Co., which, like all of his ventures, has grown to important proportions.

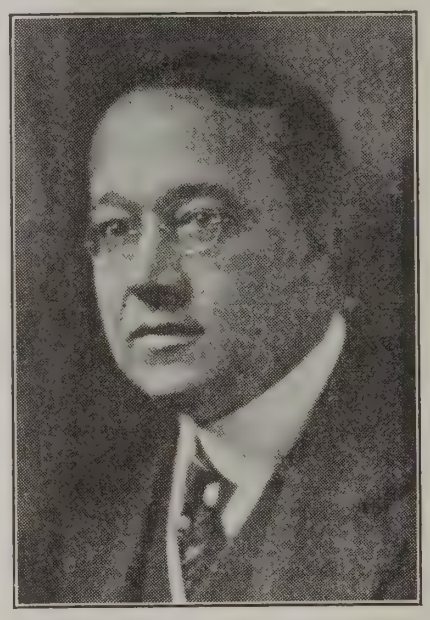
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S. D. McComb & Co.

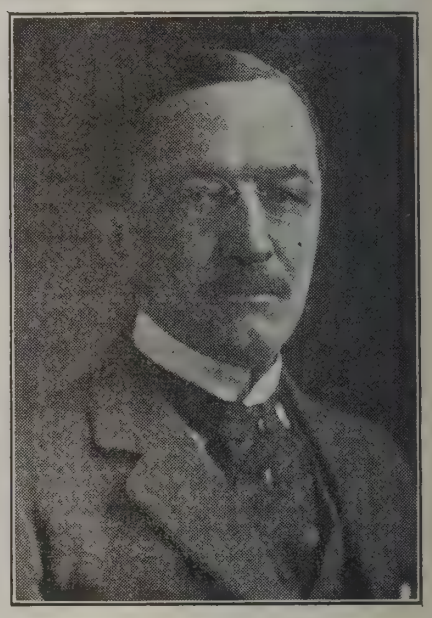
S. D. McComb & Co., Inc., is one of the younger marine firms which immediately assumed an important position among underwriting offices. S. D. McComb, president of the firm is, in addition to a marine underwriter, a marine architect and a graduate of Webbs Shipbuilding School of Fordham University. He is also a member of the Marine Architects' Society. He has had practical experience in shipbuilding, having been employed in several of the large shipbuilding plant in the East. Mr. McComb first started as an underwriter about ten years ago, limiting himself at first to the insuring of fire risks on vessels, and later including full marine cover. He organized the firm of S. D. McComb & Co., Inc., on February 1, 1916, previous to which he had headed the Vessel Agency since 1914. Associated with Mr. McComb is Albert Ullmann, who has charge of the underwriting of cargo and war insurance for the agency. Mr. Ullmann has had a marine underwriting experience extending over twenty-four years, having started in the office of Jones & Whitlock. He became identified with S. D. McComb & Co. on June 1, 1917, after having been an underwriter with F. Herrmann & Co. for a long term of years and later with O. G. Orr & Co.



HENDON CHUBB
Of Chubb & Son, Uncle Sam's chief insurance adviser.



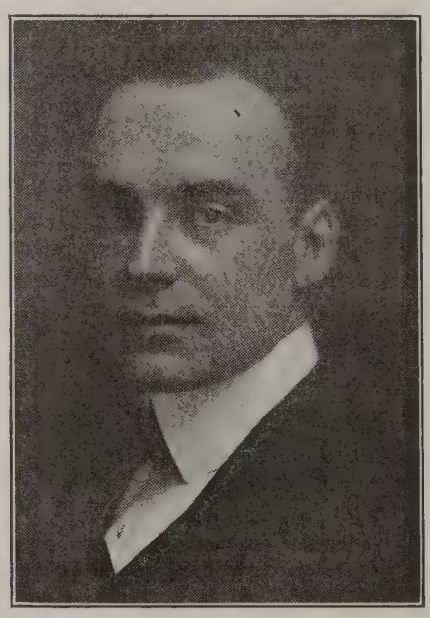
WILLIAM H. McGEE
One of the most successful men on the Street.



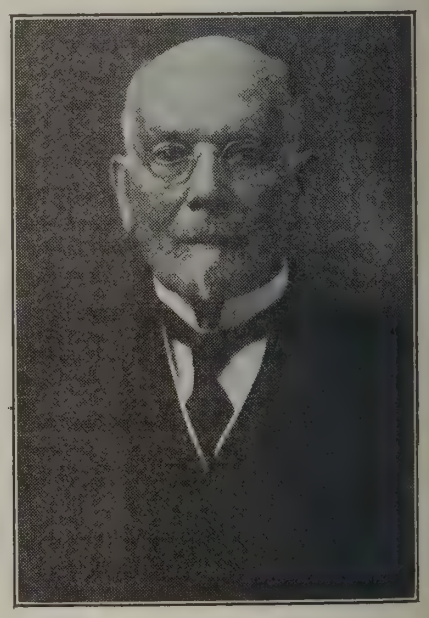
HENRY W. MARSH
Of Marsh & McLennan, a remarkable insurance producer.



CECIL P. STEWART
Who turned downtown Delmonico's into an insurance building.



J. J. McGIVNEY
Of the Automobile and Spanish-American, making good as underwriter.



A. A. RAVEN
For Years the brains of the Atlantic Mutual

All these pictures from the Co-operative Press.

Johnson & Higgins

Johnson & Higgins, known to agents all over the country as "J & H.," is one of leading brokerage firms in the insurance world, and one of the oldest. The business was really established in 1845, originating in the firm of Jones & Johnson. Henry W. Johnson had for years been in the marine insurance business, his apprenticeship having been served with the Atlantic Mutual. Leaving that Company he became an adjuster; in fact, Jones & Johnson became the leading firm of average adjusters. Walter R. Jones, the other member of the firm, was also a well-known figure in marine insurance.

A. Foster Higgins began his marine insurance career with the Atlantic Mutual, and later on, went with Jones & Johnson as an average adjuster. Upon the death of Walter R. Jones, of that firm, he was taken into partnership, and the name of the firm was changed to Johnson & Higgins. As an average adjuster he stood at the head of his profession and was frequently consulted, by both bench and bar, as to questions relating to admiralty practice. It is said that out of upwards of 10,000 cases settled by him, but twenty of his decisions were appealed. He re-

(Continued on page 25)

Some of the War Risk Clauses Used by the British Marine Insurance Offices

(For these clauses The Eastern Underwriter is indebted to Witherby & Co., London.)

This Insurance only covers the risks excluded by the following clause in marine policies on English conditions:—

"Warranted free of capture, seizure, arrest, restraint, or detainment, and the consequences thereof or of any attempt thereat (piracy excepted), and also from all consequences of hostilities or warlike operations whether before or after declaration of war," but this insurance also includes loss or damage to the property insured caused byb mines and/or torpedoes, and/or other engines of war, and/or by strikers, locked-out workmen or persons taking part in labor disturbances, or riots or civil commotions.

Excluding all claims arising from delay.

Including risks from shippers' or manufacturers' warehouse until on board the vessel, during trans-shipment if any, and from the vessel, whilst on quays, wharves, or in sheds, and until safely deposited in consignees' or other warehouse at destination named in policy.

Direct or otherwise—including transshipment if required by any other steamer of neutral or friendly flag.

With leave to change route and/or to proceed by any route and to touch and stay at any port or ports, place or places, for any and all purposes in the absolute discretion of the Captain without being deemed a deviation.

Amount to be reduced by any amount short shipped, or insurance cancelled should shipment not be made.

Warranted free of any claim arising from capture, seizure, arrest, restraint or detainment, except by the enemies of Great Britain or by the enemies of the country to which the assured or the ship belongs.

This policy to cover WAR RISKS ONLY—to cover such risks as are excluded by the following Institute F. C. & S. and R. & C. C. clauses—

Warranted free of capture, seizure, arrest, restraint, or detainment, and the consequences thereof or of any attempt thereat (piracy excepted), and also from all consequences of hostilities or warlike operations whether before or after declaration of war.

Warranted free of loss or damage caused by strikers, locked-out workmen or persons taking part in labor disturbances or riots or civil commotions.

but excluding all claims for deterioration, General Average, loss of market, or other loss caused by delay, owing to War, Hostilities, etc.

Including mines, torpedoes, bombs, etc.

Leave to deviate. By any route.

Warranted free of any claim arising from capture, seizure, arrest, restraint, or detainment, except by the enemies of Great Britain or by the enemies of the country to which the assured or the ship belongs.

In the event of claims for general average, salvage charges, and/or claims under the Institute collision clause, not being recovered in full under the policies on Hull and Machinery by reason of the difference between the insured value as expressed in those policies, and the sound value of the vessel this Policy will pay such proportion of the excess as the sum hereby insured bears to the difference between the vessel's sound and insured values, or to the total sum insured against excess liabilities if it exceed such difference.

Warranted free of capture, seizure, arrest, restraint, or detainment, and the consequences thereof or of any attempt thereat (piracy excepted), and also from all consequences of hostilities or warlike operations whether before or after declaration of war.

Should the vessel at the expiration of this Policy be at sea, or in distress, or at a port of refuge or of call, she shall, provided previous notice be given to the Underwriters, be held covered at a pro rata monthly premium, to her port of destination.

To return — per cent. for every thirty consecutive days the vessel may be laid up in port or in dock, during which time the vessel to be at the risk of the company, or to return — per cent. for each uncommenced month if this Policy be cancelled, at the option of Assured and arrival.

Provided always that in no case shall a return be allowed when the within-named Vessel is lying in a roadstead or in exposed and unprotected waters.

W. and B. Clause

This policy is to cover the risk of loss of and/or damage to the property hereby insured directly caused by war, bombardment, military or usurped power, or by aerial craft (hostile or otherwise), including bombs, shells and/or missiles dropped or thrown therefrom, or discharged thereat, and fire and/or explosion directly caused by any of the foregoing, whether originating on the premises insured or elsewhere. No claim to attach hereto for delay, deterioration, and/or loss of market or for confiscation or destruction by the Government of the country in which the property is situated, or for breakage of glass due to concussion.

Only to pay hereon if not recoverabie under any other existing policy of insurance.

No cancelling and no return of premium for short interest.

Hull and Machinery and Excess Value; Club

On hull and machinery and/or excess value. Valued at the total amount insured on behalf of the owners for war risks, however described (excluding freight), and representing in any way value of the ship. This policy is additional to and includes the same terms and conditions as regards risks covered and salvages recoverable as the form of policy issued by the war risks associations on hull and machinery. To pay and receive of claims or salvages in the proportion which the sum hereby insured bears to the total amount insured irrespective of any value which may be inserted in any other policy.

British and Allies, etc., Capture Clause, 1917

Warranted free of any claim arising from capture, seizure, arrest, restraint or detainment, except by the enemies of Great Britain or by the enemies of the country to which the assured or the ship belongs.

War Risk

This insurance covers only the risks excluded by the following Institute F. C. & S. and R. & C. C. clauses:

"Warranted free of capture, seizure, arrest, restraint or detainment, and the consequences thereof or any attempt thereat (piracy excepted), and also from all consequences of hostilities or warlike operations whether before or after declaration of war."

"Warranted free of loss or damage caused by strikers, locked-out workmen or persons taking part in labor disturbances, or riots or civil commotions."

This insurance covers all loss and/or damage by mines, torpedoes, bombs, etc.

Average irrespective of percentage.

Excluding all claims arising from delay or loss of market.

Leave to deviate by any route.

Held covered at a premium to be arranged, in case of deviation and/or change of voyage or of any omission in the description of the interest, vessel or voyage.

Warranted free of any claim arising from capture, seizure, arrest, restraint or detainment except by the enemies of Great Britain or by the enemies of the country to which the assured or the ship belongs.

N. M. A. Clause; Full

This policy is to cover the risk of loss of and/or damage to the property hereby insured directly caused by rioters, civil commotions, war, civil war, revolutions, rebellions, military or usurped power, or by aerial craft (hostile or otherwise), including bombs, shells and/or missiles dropped or thrown therefrom, or discharged thereat, and fire and/or explosion directly caused by any of the foregoing, whether originating on the premises insured or elsewhere.

No claim to attach hereto for delay, deterioration and/or loss of market or for confiscation or destruction by the Government of the country in which the property is situated.

Only to pay hereon if not recoverable under any other existing policy of insurance.

No cancelling and no return of premium for short interest.

Aerial Craft Risk Clause

This policy is to cover risk of loss of and/or damage to the property hereby insured directly caused by aerial craft, hostile or otherwise, including bombs, shells, and/or missiles dropped or thrown therefrom, or discharged thereat, and fire and/or explosion directly and/or indirectly caused thereby whether originating on the premises insured or elsewhere.

Only to pay hereon if not recoverable under any other existing policy of insurance.

No cancelling and no return of premium for short interest.

Full War, Riots, Etc.

This policy is to cover the risk of loss of and/or damage to the property hereby insured directly caused by rioters, civil commotions, war, civil war, revolutions, rebellions, military or usurped power, or by aerial craft (hostile or otherwise), including bombs, shells and/or missiles dropped or thrown therefrom, or discharged thereat, and fire and/or explosion directly caused by any of the foregoing, whether originating on the premises insured or elsewhere.

No claim to attach hereto for loss or damage incurred in or through the removal, confiscation, destruction, requisitioning or other usage of property by the Government of the country in which the property is situated; nor for any consequential loss or damage arising from delay, deterioration of the subject matter insured owing to its inherent nature, loss of market or otherwise.

Average Clause

This policy is subject to the condition of average, that is to say, the assured shall be entitled to recover in respect of any loss only such proportion of the sum assured as the value of the property lost bears to the total value of the property covered by the insurance.

Pro Rata Contribution Clause

If at the time of loss or damage happening to any property insured by this policy there be any other subsisting insurance or insurances, whether effected by the assured or by any other person, covering the same property or any part thereof, this policy shall not be liable to pay or contribute in respect of such loss or damage more than its rateable proportion of the aggregate liability under all the insurances covering such property.

Belligerent Clause

Attaching to and forming part of Policy No. .....

This policy does not apply to goods in Germany, Austria, Turkey, Bulgaria, or in places in the occupation of the above nationalities.

War

"The goods hereby insured are warranted free from any claim which would be covered by an insurance for the full value and on the usual form in the Government War Risks Insurance Office, and also from any claim arising from capture, seizure, arrest, restraint or detainment, except by the enemies of Great Britain or by the enemies of the country to which the assured or the ship belongs.

"Subject to the above warranty this insurance is to cover only those risks which would be excluded from an ordinary marine policy by the following warranties:

"Warranted free of capture, seizure, arrest, restraint or detainment, and the consequence thereof or any attempt thereat, piracy excepted, and also from all consequences of hostilities or warlike operations, whether before or after declaration of war;

"Warranted free of loss or damage caused by strikers, locked-out workmen or persons taking part in labor disturbances or riots or civil commotions.

"In the event of transhipment for any part of the sea transit to a vessel not complying with the requirements for cargo insurance under the Government War Risks Insurance Scheme, the goods shall be held covered at a premium to be arranged.

"Notice must be given immediately on receipt of advices."

O. G. ORR

MAN

37-43 WALL STREET

Atlantic Marine Department

Fireman's Fund Insurance Company

of San Francisco

Marine Department

Continental Insurance Co.

of New York

Marine Depar

Fidelity-Phenix Fire

of New Yo

Gen

Scandinavian American

of

Inland and Ocean Marine,

Registered

& CO., INC.

ERS

NEW YORK CITY

Atlantic Marine Department

Home Fire & Marine Insurance Company

of San Francisco

Marine Department

irance Co. American Eagle Fire Insurance Co.

of New York

ents

urance Corporation Ltd.

nia

ine Transportation Floaters,

l Insurance

Marine Insurance Events of the Year 1917

JANUARY

The Tokio Marine amended its charter to write fire and automobile insurance.

Galloway C. Morris, formerly secretary for the marine department, Insurance Company of North America, was promoted to the third vice-presidency, and T. Leaming Smith was appointed marine secretary.

Authority was granted the Niagara Fire by the New York Department to write ocean marine, its charter being amended for that purpose.

The Jefferson Fire of Philadelphia was reorganized and its capital increased to $500,000. The bulk of its business will be marine.

The Agricultural of Watertown entered the ocean marine field and Appleton & Cox were appointed general agents for that branch. W. L. Perrin & Son handle the ocean marine end of the business.

Eugene S. Smith, a marine insurance broker of New York, died of pneumonia.

S. L. Stevens was appointed marine underwriter at Boston for the Automobile Insurance Company of Hartford. He had been with Chubb & Son for many years.

The Northern Assurance offered to purchase control of the Indemnity Mutual Marine, the latter to remain a separate company. It was founded in 1824.

FEBRUARY

The Governor of New York signed a bill providing for the organization of mutual marine companies organized by vessel owners to insure against liability for personal injuries or liability for loss or damage to cargoes.

The proposed amalgamation of the Guardian Assurance of London with the Reliance Marine was approved by the Court of Appeal of London.

Chubb & Son, of New York, were given charge of the entire marine business of the Hartford Fire in the United States and Canada, including ocean and inland lines.

MARCH

The life of the Bureau of War Risk Insurance was extended for another year and the law amended, increasing the funds available for use by the Bureau.

The Atlantic Fire & Marine changed its name to Ajax Fire & Marine.

The litigation of the China Mutual Insurance Company was terminated after eight years. There were over 100,000 claims, most of which arose from the Company having assumed the risks of the Dutch Marine Insurance Company.

Ransom B. Fuller, president of the Boston and the Old Colony, died in Brookline, Mass., age 73.

O. G. Orr & Co. was organized in New York as a new marine agency to manage the marine department of the Continental and the Fidelity-Phenix. The firm was composed of O. G. Orr, C. E Dean, J. S. Wall, Wade Robinson and F. H. Osborn.

F. L. Greene, assistant superintendent of the marine department of the Automobile Insurance Company of Hartford, was transferred to the New York office as assistant to C. R. Elbert, marine underwriter.

William D. Winter, formerly assistant underwriter for the Atlantic Mutual Insurance Company, was elected third vice-president. He has been with the company seventeen years.

APRIL

Reports of the activity of a German raider created lively demand for war risk insurance on coastwise ships.

Total losses of War Risk Bureau since entry of United States into the war, $1,799,000. Activities of submarines off United States coast thus far had no effect on rates. Smaller underwriters withdrew from the market.

Mediterranean war risk rates were lowered two per cent. South American rates were also quoted lower.

The British war risk bureau granted insurance on cargoes of neutral ships.

Spain established a war risk department. Instead of paying for loss of ship in full the government proposes to pay fifteen per cent. until owners prove that they have brought another vessel to replace the one lost.

MAY

The Governor of New York signed the bill amending Section 150 of the insurance law, permitting a stock marine insurance company, incorporated under this section, and having $400,000 in cash, to include in its corporate powers all the privileges of a fire insurance company.

The War Risk Bureau barred sailing vessels bound for war zone, on the ground that they could not protect themselves.

The Jefferson Insurance Company of Philadelphia increased its capital to $400,000, to write marine insurance. Christen Steendall was chosen marine underwriter.

The Northern Underwriting Agency, Inc., was organized to handle the marine business for the Jefferson Insurance Company of Philadelphia, with C. Steendall as president.

The Marine Insurance Club of New York gave its first "get together" dinner at the Hotel Astor, May 24.

W. H. McGee was elected president of the National Board of Marine Underwriters.

In France a law was enacted making state insurance of ships over 500 tons gross compulsory.

Albert Ullmann joined S. D. McComb & Co., Inc., as vice-president and director. He was formerly with Jones & Whitlock.

JUNE

P. Schallen, Jr., took the management of the marine department of W. L. Webster & Co.

President Wilson signed the amendment to the War Risk Insurance Bill, enlarging the powers of the Bureau, including provision for the compensation of crews of torpedoed vessels.

JULY

S. D. McComb & Co., Inc., were appointed marine managers for the American of Newark.

The New York State Insurance Fund began cancelling all policies covering employes on vessels, including stevedores.

The North Atlantic Insurance Company was organized under the New York law to write marine insurance.

The National Insurance Company of Copenhagen entered the United States to write fire and marine risks.

President Wilson issued a proclamation to prevent military information obtainable by German insurance companies from reaching the enemy.

AUGUST

The Tokio Marine was admitted to Tennessee.

The War Risk Bureau issued a list of German companies prohibited from writing new business on American vessels.

Thomas H. Allen entered the firm of Chubb & Son, with whom he has been associated for thirty years.

Government marine insurance was proposed for Japan.

The Marine Insurance Company of London was absorbed by the London & Lancashire.

SEPTEMBER

The Home Fire & Marine was reestablished as a subsidiary of the Fireman's Fund of San Francisco.

Cecil P. Stewart, of Frank B. Hall & Co., led a movement to establish a New York marine insurance exchange.

The North Atlantic Insurance Company was authorized to write marine risks.

The Empire State Insurance Company began organization to write marine insurance.

The United States Government decides to write insurance on vessels in process of construction.

The Franklin of Philadelphia began writing marine through Talbot, Bird & Co., New York.

OCTOBER

British underwriters agreed to reinsure a substantial portion of Spain's war risk insurance in co-operation with the French marine companies.

The Eastern Company of Warehouses Insurance and Transport of Goods, Etc., Ltd., of Russia, entered the United States to write marine risks.

NOVEMBER

The Great American of New York decided to enter the marine field.

War risk insurance rates, which had been going down gradually for almost a year, were quoted four per cent. to the United Kingdom for express steamers.

The War Risk Bureau reduced its rate to 4 per cent., but New York underwriters at the same time raised their rates to 4½ and 5 per cent.

Osborn & Co., of Chicago opened a branch office in New York, for marine insurance brokerage and average adjusting.

War Risk Bureau announced a rate of 5 per cent. for United Kingdom, France and Italy for all steamers. By November 10, the private market rate was below the Government rate. November 8, four per cent. was quoted, but only on the fastest and best protected steamers.

The Motor Union Insurance Company, Ltd., of London, entered the United States for marine, with Wade Robinson, United States manager.

DECEMBER

Some firms were quoting war risk cover for the fastest ships at 3½ per cent.

The Queensland Insurance Company, Ltd., of Sydney, N. S. W., sent a representative to the United States with the view to entering the Company for marine business.

The Spanish-American Insurance Company of Havana, appointed J. J. McGivney agent for New York territory.

The Importers & Exporters Insursurance Company, was formed by banking and tobacco interests to write marine insurance. Jesse Spier, of Despard & Co., it was said, will become underwriter for the new company.

THREE KINDS OF LOSSES

They Are Total Loss, Particular Average and General Average—Their Definitions

For the benefit of agents not familiar with marine insurance losses it is stated that losses are classified under three heads: total loss, particular average and general average.

Total loss is the absolute loss of the vessel and her cargo, such as foundering at sea, total destruction by fire or by any other disaster that absolutely and completely destroys the vessel and her cargo.

Particular average is loss and/or damage to the property insured, either vessel or cargo, occasioned or caused by perils insured against.

General average is the necessary expense or sacrifice at a time of peril made for the benefit of all interests and to which expense or sacrifice all interests contribute.

The Principles of General Average

By ERNEST W. CONGDON, Willcox, Peck & Hughes

Being extracts from "General Average," a book written by Mr. Congdon and published by Baker, Voorhis & Co., New York City.

To give the right to claim for general average contribution there must be

1. An imminent or impending physical peril common to vessel and cargo.

2. A voluntary sacrifice or reasonable extraordinary expenditure to avert such peril.

3. A successful result.

4. An absence of fault on the part of those claiming contribution.

It must always be borne in mind that the primary and indispensible requisite, and the very foundation upon which the law of general average is based, is a common peril to be avoided. * * *

Contribution

The right to contribution when the sacrifice consists of physical damage to vessel or cargo, or both, exists only when it is the means of saving the whole or part of the adventure. If it does not do this and, before any actual expenses are incurred, there is a subsequent loss of both vessel and cargo during the voyage no contribution in general average is due for the reason that such sacrifice, although voluntary, was of no ultimate benefit to either. On the other hand, when disbursements are incurred directed towards the common benefit, and vessel and cargo are subsequently lost before the voyage is completed, such disbursements, if only as a matter of equity, should be repaid by those toward whose benefit they were directed, and the values existing at the time they were incurred would serve as a basis for the apportionment of them.

It is, it would seem, no answer by the cargo owner to say that the shipowner or party who advanced the funds should, when practicable, insure the proportion applicable to cargo against the risk of subsequent loss of the cargo during the voyage. Such expenditures, so far as applicable to the cargo, are incurred by the master in his capacity as agent for the owner of the cargo, and under an implied authority for the latter, and, although they are sometimes insured by the shipowner, such insurance is not obligatory.

The view is held by some that because of the facilities which exist in these days for easy and prompt communication, the shipowner or his agent is usually in a position to, and should, insure the disbursements, or at least the cargo's proportion, and that, when such course is practicable, failure to do so would in the event of total loss during the voyage deprive him of the right of contribution from the owners of the cargo. It is even considered doubtful by others whether the shipowner has any rights which he can exercise beyond his lien on the cargo itself and that unless he protects himself by insurance he has no remedy.

In a case, for instance, where reasonable disbursements, directed toward the common benefit, are incurred by the shipowner in attempts to salve a stranded vessel by a continuous operation, but are unsuccessful, and the vessel and her cargo become a total loss, he should not have to bear the entire expense. Equity, at least, would demand that it should be apportioned as a general charge between vessel and cargo, and the values (estimated) which would have existed if the property had been saved and brought into port would serve as a basis for such apportionment. Insurance in such a case would probably be out of the question. * * *

If the funds to meet the disbursements are raised by hypothecation upon security of vessel or cargo, or of both, as was frequently done in the past by means of bottomry and respondentia bonds, and a subsequent total loss occurs, no contribution is due. The lender of the funds, in consideration usually of a high maritime rate of premium, takes the risk of loss, the loan being repayable only after arrival. Such cases are now of rare occurrence as the master of a vessel in distress at almost any port or place can usually communicate with her owner, or with the owner of the cargo, and obtain the necessary funds. The raising of funds by giving such a bond or bonds is always subject to the closest scrutiny, and the right to do so is only justified when all other means of obtaining funds have been exhausted. * * *

A bottomry bond was held to be invalid because of failure of the master to communicate with the ship owner, who was easily accessible, and to notify him of the intention to borrow money on the security of the vessel and to obtain his approval of it.

Loss or damage incurred for the preservation of vessel and cargo at a time of common peril by using the vessel's appliances, materials, etc., for an unusual and a different purpose from that for which they were adapted and intended is a proper subject for contribution. Such use is extraordinary and usually with knowledge by the master of risk of loss or damage arising out of the character of the employment of the appliances, materials, etc., under the known circumstances. It is not necessary, however, in order to support the claim for contribution that there should have been any intention on the part of the master to destroy the appliances or materials—no such intention is supposed to exist—the fact that they were selected to suffer the common peril and subjected for the common benefit to the risk of loss or damage is sufficient. This was the principle of sacrifice to support a claim in general average announced by the Supreme Court.

Allowances in General Average

Allowances in general average are not confined to the part of the vessel or cargo which was first selected to bear the voluntary sacrifice, but extend also to such other losses as are the direct consequence of the general average act, which in nearly all cases carries with it a first and secondary loss. It is very difficult sometimes to distinguish between a direct and an indirect consequence, but. generally speaking, all losses and damages which may reasonably be considered as fairly within the contemplation of the master at the time of the general average act, or are its natural and immediate result. are treated as direct consequences of the original act, and irrespective of whether the losses or damages exceeded his intention or expectation.

Consequential Losses

Sound common sense must be largely resorted to in dealing with consequential losses and damages, as, owing to their varied nature, it is impossible to formulate rules for each and every case that may occur.

Part of the cargo of flour was damaged owing to the sluices having been opened at sea by order of the master under the erroneous belief that a leak which had filled the forepeak was due to the vessel having holed herself, and that it was consequently urgent to empty the forepeak in order to stop the hole. The leak proved to be due to a break in the hawse pipe and could have been reduced without opening the sluices. The Court held that the bona fide belief of the master that a common danger existed brought the damage to the flour under the head of general average. * * *

A steamer, while loading alongside a wharf was found, when nearly loaded, with her forepeak full of water, arising from a hole in one of the plates in the bottom, from some cause unknown. A tight bulkhead protected the cargo from injury or danger of injury, and it appeared from the evidence that the vessel and cargo could have remained at the wharf as they were, without injury and in safety, as long as the owner of either desired. The vessel was put on dry dock with her cargo on board and after repairs were made she completed her loading and proceeded in the voyage.

In suit by the shipowner to recover contribution in general average from the cargo, the District Court held that none of the extra expenses incurred were for the benefit of the cargo or to rescue it from peril, that the risk of such accidents, while loading, falls upon the shipowner, and that consequently the cost of the repair, whether temporary or permanent, and all the incidental charges connected with it, not being an extraordinary expense within the meaning of the law of general average, were such as he alone was bound to bear.

On trial of the case in the Circuit Court of Appeals the Court did not decide the question as to whether the cargo was in any peril, but denied the shipowner's claim to contribution on the ground that it was obligatory on him, under his implied warranty of seaworthiness, to have the vessel in proper condition for the voyage not only while loading but also at time of sailing, and that consequently, as the necessity for the extra expenses did not arise from any voluntary act of sacrifice, he had no claim against the cargo for contribution in general average.

Abandonment at Sea

It happens occasionally that a vessel is justifiably abandoned at sea, with no intention on the part of the master or crew to return to her. If she and her cargo are brought into port by salvors, and control of the property and of the voyage are regained by the master before the cargo owners intervene and elect to end the contract of carriage and refuse to go on with the voyage because of the abandonment, is the shipowner entitled to contribution from the cargo in general average towards sacrifices made for the common benefit before the abandonment?

In a case of this kind, where masts, rigging, etc., were cut away prior to the abandonment, and the vessel, with her cargo (not perishable) were subsequently brought into an intermediate port by salvors, the cargo owners, because of the abandonment of the vessel and cargo at sea, and notwithstanding the desire and ability of the master to complete the voyage, elected to treat the contract of affreightment as at an end, and, by their action in obtaining possession of the cargo by Court order, prevented the resumption of the voyage. The lower courts held that there was no actual renunciation of the contract by the shipowners and that there was not, in that respect, any actual intention one way or the other involved in the abandonment, and conceded to them the right of general average contribution against the cargo, and, on principles of equity, subjected the cargo to a payment of pro rata estimated net freight. The Supreme Court. however, held that no liability for freight existed, and, in respect of the claim for general average contribution, its dictum was as follows:

> The agreement urged to the effect that the cargo's liability to general average created a right to have the voyage finished, however, it might have been otherwise, does not need an extended answer. The cargo owners had the same right to treat the contract as ended as against a shipowner who had cut down a mast, that they would have had against one who had made no sacrifice for the common good. The contract is a supreme source of mutual rights, and cannot be overridden by the incidents of its performance.

It would appear from the foregoing that the doctrine declared by the Supreme Court was that the right of recovery by the shipowner in general average for voluntary sacrifices made before an abandonment was lost by the renunciation of the contract of carriage (namely, by the enforced abandonment of the vessel without intention to return to her), and, as the statement of the Court that "the contract is the supreme source of mutual rights" (thus involving the doctrines of general average with those obligations of vessel and cargo that arise from contract) was quite contrary to accepted authority that the right to contribution in general average does not arise from contract, but is based upon natural equity and upon the established law of the sea, a petition was made by counsel for a re-hearing to determine the exact scope of the decision, but. unfortunately, was denied by the court. * * *

Abandoned Vessel Brought Into Port

Where a vessel and her cargo, justifiably abandoned at sea by the master and crew are brought into port by salvors, it would seem, in view of the reasoning of the Supreme Court, that the right of the shipowner to freight and to contribution in general average from the cargo toward voluntary sacrifices made before the abandonment would depend upon whether the master promptly, and with reasonable diligence, regained possession of vessel and cargo, and in that way revived his right to complete the voyage, before the cargo owners stepped in and recovered their property direct from the salvors.

Demurrage and loss of interest or market are not subjects of contribution, being considered as remote and not as direct consequences of a general average act; and, similarly, deterioration of or loss on cargo by delay at a port of refuge or through climatic conditions because of such delay are not allowed for.

No allowance is made for loss of freight under a time charter, because such loss is the result of the contractual relation between the shipowner and the time charterer, with which the cargo owner is not concerned.

The Most Popular Book in Marine Insurance

LLOYD'S SHIPPING REGISTER

Originated in Edward Lloyd's Intelligence Sheets in Seventeenth Century—American Committee

Lloyd's "Register of Shipping" publishes annually, in July, a register book of the world's sea-going vessels of one hundred tons and above, which is kept up-to-date by supplements forwarded to subscribers every two weeks. The current edition contains particulars of 23,624 steamers and 6,082 sailing vessels, arranged alphabetically, and, in addition, separate lists of

Motor vessels;

Vessels fitted with refrigerating appliances;

Cable steamers;

Vessels carrying petroleum in bulk;

Vessels fitted for oil fuel;

Vessels fitted with wireless telegraphy;

Vessels fitted with submarine signalling apparatus;

Shipowners of the world, with their addresses, giving also the names, tonnages and dates of build of their vessels, and distinguishing steamers from sailing vessels.

A Copy in Every Marine Office

This record of vessels compiled by Lloyd's "Register of Shipping," whose officers are stationed at the principal ports throughout the world, is printed at the society's printing house in London, and it is safe to say that a copy will be found in every marine insurance office.

The practice of marine insurance must have been found necessary very far back in history in order that an accident from sea peril or a total loss by stranding or foundering should not mean the ruin of the shipowner or of the merchant to whom the cargo belonged. In the sixth century insurance was so common that it was made the subject of special provision in the Justinian Code. Under that code 6 per cent. was pronounced to be the ordinary and legal standard of interest; 8 per cent. was allowed for the convenience of manufacturers and merchants; while 12 per cent. was granted for the "perilous adventure" of what Gibbon calls "nautical insurance." In the Middle Ages we find marine insurance carried on in the Italian republics, which, by the way, went so far as to regulate by law the loading of vessels, and operations of the same character began to be not unusual in England.

How Lloyd Started His Records

Towards the latter part of the 17th century the growth of shipping had reached such a stage that the owners of ships, the merchants who sent cargoes across the seas and the people who took risks of insurance upon the ships which carried those cargoes, began to feel the want of an exchange, club house, or other such place where they might meet daily and mutually transact shipping business. Coffee houses had recently come into popularity in London, and business men found it convenient to use them for the purpose of such meetings. A certain Edward Lloyd kept one of these establishments, first in Tower Street and thereafter in Lombard Street, and it was to his coffee house that shipping people gravitated for the daily interchange of news. This enterprising proprietor conceived the idea that by providing his customers with reliable intelligence regarding the ships in the docks, he might incidentally benefit his business. He, therefore, commenced by supplying written and subsequently printed sheets containing sundry records of shipping for the information of those visiting his house. And so by degrees there was formed at Lloyd's coffee house the nucleus of a marine insurance corporation and of a registration and classification society, the issue of which one sees today in Lloyd's and Lloyd's "Register of Shipping."

The First Classification Society

Much of the early history of the classification of ships remains obscure, but it is at least clear that about 1760 was founded a society known as "The Register of Shipping," which was the first classification society of which there is any record. This Register was managed exclusively by underwriters and was called the "Green Book." After a lapse of nearly forty years the shipowners, who become dissatisfied with the method of classification adopted by the managers of the Green Book, started a rival register in 1799. This was known as the Shipowners' Registry, or the "Red Book." The concurrent existence of these two registers was soon found to be productive of inconvenience and other unsatisfactory consequences, and after considerable agitation on the part of those interested, extending over a number of years, the amalgamation of the two rival bodies was finally achieved, and in the year 1834 Lloyd's "Register of Shipping" was established on its present basis by the voluntary action of the shipping community.

The general system of classification resorted to by the shipping communities of all maritime countries, originated in Britain. There are ship classification societies in other countries, but in none of them have attempts been made to supply the want which such bodies represent by the method adopted by the parent institution from the beginning and which it has ever since continued. One of the most marked and distinctive characteristics of the British people is their fondness for voluntary effort, and their strong disinclination to seek in Government aid what they are able to do independently for themselves.

Not a Profit-Making Concern

It is of importance to consider what classification did for shipbuilding in the early days. Classification was not forced upon shipping by an organization or corporation wishing to get a living out of the industry. On the contrary, it was a condition created by the shipowners themselves, in order that they might get good ships, and it was encouraged by underwriters in order to minimize their risks by satisfying them as to the nature of the risks they were actually taking. It also received the support of merchants who wanted to ensure that their merchandise was put on board ships fit to receive it. Neither at that time, nor since, was Lloyd's "Register of Shipping" a profit-making concern. It was then and is now worked on a purely voluntary basis for the benefit of all affected by its operations, and fees are charged only to enable the society to carry out its manifold functions.

Lloyd's "Register of Shipping" has on file in its head office the reports of every survey held by the society's surveyors since 1834, together with the plans of most of the classed vessels. The society is, in fact, the British Museum of Shipping in so far as the possession of ancient and modern records are concerned.

The American Committee

In 1845 a branch committee of Lloyd's Register was established in Liverpool; a similar branch committee in Glasgow in 1900, and the following are the members of the American Committee established in February 1916: A. G. Smith, chairman; Herbert Appleton, deputy-chairman; M. Bouvier, A. H. Bull, Hendon Chubb, G. S. Dearborn, Holden A. Evans, Andrew Fletcher, H. K. Fowler, J. R. Gordon, J. B. Levison, W. Livingstone, Edgar F. Luckenbach, Wm. H. McGee, J. A. McGregor, C. E. Mather, F. C. Munson, J. V. Paterson, J Howard Pew, H. H. Raymond, Benjamin Rush, W. L. H. Simpson, Lewis K. Thurlow, W. A. Thompson, Jr., C. S. Timberlake, R. C. Veit, W. F. Whittelsey, F. M. Wood.

S. D. McCOMB & Co.

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Marine Underwriters

MANAGERS MARINE DEPARTMENT

Firemen's Insurance Co.
NEWARK, N. J.

Glens Falls Insurance Co.
GLENS FALLS, N. Y.

Hanover Fire Insurance Co.
NEW YORK

American Insurance Co.
NEWARK, N. J.

MARINE AGENTS

Globe & Rutgers Fire Insurance Co.
NEW YORK

CABLE ADDRESS: MACOMB, N. Y.

TELEPHONE BROAD 631

MARINE INSURANCE CLUB

Lectures Every Month at Waldorf-Astoria—More Than 400 Members Now.

The rapid growth of the Marine Insurance Club, of New York, which now has more than 400 members, is in keeping with the increased interest in marine underwriting and marine insurance conditions. The club was formed in September, 1916, and at the start was known as the Adjusters' Club. In September, 1916, the name was changed.

D. Roger Englar, president of the club, is one of the leading lawyers of New York. William H. Young, of Wm. H. Young & Co., is first vice-president; and C. D. West, of Macomber & Co., second vice-president. Joseph V. Lane is secretary.

The club meets once a month at the Waldorf-Astoria, and its annual dinner to be held on January 30, will have as the principal speaker Ambassador Gerard.

The following speakers have addressed the club this year:

W. S. Samuels, a government surveyor who inspected the interned German liners, told the club what his observations had been on board of those liners.

Major Francis R. Stoddard, of the New York Insurance Department, who went to England to inspect anti-aircraft defense, explained how Britain protects herself against the Zeps.

W. D. Despard, famous adjuster, discussed ethics of the business; relationship of the broker to the assured.

Lawrence Kneeland, admiralty lawyer, told about the Trading With the Enemy act in connection with the war and marine insurance contract.

Lieut. Paul R. Hughes, of the French Army, related ambulance service experience on the West front.

Among recent new members are G. S. Elder, of Chubb & Son; and Messrs. Frank J. Lynch and Arthur J. O'Keefe, of O'Keefe & Lynch.

At the present time the Club has on its Roll of Honor over 50 men who have joined the colors, and in order to live up to the true principle of good-fellowship, a war comfort committee was appointed at the December meeting, of which E. W. S. Morren was made chairman. Under his direction, the committee has been working hard to back up the boys and make them feel they are still members of the organization.

Elaborate plans are now in progress for the annual dinner, which will be held in the grand ballroom of the Hotel Biltmore on January 30, 1918. The committee, of which C. D. West is chairman, consists of J. A. Michaelis, F. A. Wildnauer, J. M. Williams, H. A. Huff and J. J. Maguire. This committee is bending every energy to make this affair the most talked of event in marine insurance circles. Applications for reservations are piling in, and from present indications the attendance will be in exces of 600.

A French scientist voices the opinion that wireless waves sometimes start fires on ships. How's he going to prove it?

A Story About Personalities

(Continued from page 18)

tired from active practice as a marine adjuster twenty years before his death. When the United States Lloyds was reorganized, about 1870, Mr. Higgins, at the request of the late J. P. Morgan and Samuel D. Babcock, took charge of the matter. During his twenty years of management of its affairs it paid dividends aggregating 2,000 per cent. on its capital stock. His crowning achievement was the re-organization of the Knickerbocker Trust Co.



S. D. McCOMB

Young in years, but old in marine insurance experience.

Among the men who have been president of Johnson & Higgins have been many distinguished men in the business. In order of their terms as president they were William Krebs, John C. Barrett, James B. Dixon, William Brockie, W. R. Coe and W. H. La Boyteaux, present head of the corporation.

W. H. La Boyteaux President

Mr. La Boyteaux began his insurance career with Wreaks & Loins and when Mr. Wreaks died, Mr. Loins went with Johnson & Higgins. Mr. La Boyteaux then took charge of the settlements of claims for the British & Foreign. Later he joined Johnson & Higgins, and was with them for five years in Philadelphia. In 1899 he took charge of the Pacific Coast business of the corporation, and in 1916 he came to New York as president. He was chairman of the insurance committee of the Emergency Fleet Corporation until it changed its policy to carrying its own insurance when he resigned from the committee.

William H. Davidge, vice-president, was formerly with Lethbridge & Davidge which amalgamated with Johnson & Higgins in 1900.

W. R. Coe, chairman of the board, started with Johnson & Higgins in Philadelphia in the adjusting department. Under his management the business was largely increased, extending all through the South. About 1903 Mr. Coe came to New York as an assistant to Mr. Gourlie. Upon Mr. Gourlie's death he had charge of the adjusting until the death of Mr. Brockie when he was elected president. Under Mr. Coe's regime the business had a phenomenal growth and in 1916, desiring to relieve himself of some of his duties, he resigned and became chairman of the board.



W. A. PRIME, Jr.

Of Willcox, Peck & Hughes, one of the comers.

George Coe, his brother, a vice-president, has always given his time to the fire business. He likewise started with the Philadelphia office of Johnson & Higgins, and was subsequently brought to New York to take charge of the fire department here. He was made a director in 1907, and is one of the best known fire insurance men in the country.

Fifteen Directors

Johnson & Higgins have fifteen directors. They are the men named above and J. D. Barrett (retired), J. P. Dixon, Stephen Loins, W. W. Curtin (Philadelphia), Stephen C. Hunter, J. A. Hopkins, Willis H. Botsford, W. N. Davey (one of the advisory committee of the War Risk Bureau, which committee is also advising the United States Shipping Board), Henry W. Lowe, Thomas J. Prindiville (Chicago) and John S. Keegan.

It has been the policy of Johnson & Higgins to recognize the abilities of the young men in its own offices and promote them, the leaders in the organization having been developed in the Johnson & Higgins establishment. Johnson & Higgins have branches in Philadelphia, where they operate as Curtin & Brockie; San Francisco, Chicago, Seattle, Baltimore, Boston, Detroit, Montreal and Portland, where they operate as Henry Hewitt & Co.

Other Personalities

Stories about H. K. Fowler, Talbot, Bird & Co., L. A. Wight Co., Platt & Farnum, Nutting & Wells, Field & Cowles, and other prominent concerns or personalities in marine insurance will be printed in subsequent issues of The Eastern Underwriter.

BUYING THE FRONT PAGE

One of the newer brokerage houses printed an advertisement on the front page of a daily paper of considerable influence. This got a rise out of one of the old-established brokerage houses which immediately bought the front page space for a year.

COAST LABOR

More Than 100,000 Skilled Workmen Employed in the Different Shipyards

Much concern is felt by the more foresighted of the captains of industry on the Coast over the unrest of labor in shipbuilding and related industries. Overnight, as it were, a great and most promising industry has been developed on this Coast, which the people are making the most of. They see for it a future that knows nothing but progress, expansion, profit, if wisely handled by all concerned.

It is estimated that before the winter is over fully 75,000—perhaps 100,000—skilled workmen will be employed in the different shipyards, machine, boiler and other shops and plants directly contributing to the building and equipping of ships. Precisely such a development is what the Pacific Coast has long dreamed of, hoped and worked for, and ready to spend good money to secure, and to hold.

Now it is here. It is believed that it is firmly planted, on a broad foundation. It is the desire of all concerned to keep it, to foster and develop it to the very limit. With a population exceeding 500,000,000 on the other side of the Pacific, just awakening to its needs, there is no limit to be placed upon the vast commerce that will develop between these two shores—the people of the old and the new world.

ANOTHER BIG PLANT

Fort Mifflin Shipbuilding Company a $10,000,000 Concern—Arthur Masters, of Montclair, President

Another gigantic shipbuilding plant, located on the Delaware River, the Fort Mifflin Shipbuilding Company, formed recently with a capital stock of $10,000,000, will hasten the construction of its plant. Arthur Masters, of Montclair, N. J., is president of the new company. Mr. Masters has had a long experience in shipbuilding, having begun his career in England and since 1890 has been connected with leading American shipbuilding companies. He helped design the American steamers "St. Paul" and "St. Louis," as well as several American battleships while employed as chief draftsman by the Cramp shipyard. William A. Crump is vice-president of the Fort Mifflin concern and was last employed in the hull department of the Newport News Shipbuilding and Drydock Company. Henry D. Bacon, who had charge of the ship fitters and boiler makers at the Panama Canal, is also a vice-president, while J. M. Cardeza is treasurer. Leonard E. Harris of this city has been retained as consulting engineer. The plans call for 16 shipbuilding ways. The new project will also have a complete shipbuilding unit.

KEEPING BONDS IN FORCE

The Travelers of Hartford has issued a warning regarding loan sharks attempting to get possession of Liberty bonds through an advertisement in newspapers. After giving some sound advice on the subject the Company says: "If any person who subscribed to Liberty bonds through the Travelers Insurance Company is unable to continue their payments the company will refund the money paid in. If the owner of a Liberty bond, subscribed through the Travelers, desires to dispose of it and has not the facilities for doing so through his bank, the services of the Travelers Insurance Company are at his disposal."

NEW SHIPYARD FOR NEW ORLEANS

New Orleans is to have a yard for the construction of steel ships which will give employment to a force of 1,000 men. The yard is to be built by the Jahncke Shipbuilding Company, primarily for the construction of twelve steel cargo steamers, each of 5,000 tons capacity. It is generally understood here that the yard will be kept open after these vessels are built and that other ships will follow these as rapidly as they can be constructed.

FLEET PROGRAM

Contracts are Made for 884 New Vessels Aggregating 4,724,300 Deadweight Tons

In a recent announcement the Emergency Fleet Corporation makes public for the first time complete details of its shipbuilding program. It was stated that since the corporation was organized contracts have been let for 884 new vessels, aggregating 4,724,300 deadweight tons; that 426 vessels of 3,029,508 tons building on the ways were requisitioned to hasten construction, and that contracts for 99 other vessels of 610,000 tons are pending.

The program presents a grand total of 1,409 vessels of all types, aggregating 8,363,808 deadweight tons. Of the requisitioned vessels included in this schedule 33 of 257,575 tons have been completed and released. The total deadweight tonnage given represents approximately 6,000,000 gross tons.

TAKING TOO MUCH RISK

Newark Insurance Men Advise Municipal Fund Against Large Lines

Insurance men of Newark have advised the Municipal Insurance Fund Commission that it is taking too great a risk on municipal buildings. This could be reduced, they said, if instead of carrying, without re-insurance, $7,000,000 of the total $9,000,000 at risk, the commission were to carry not more than $2,500,000. They also advised that on any one building the commission should carry no more than twenty-five per cent. of its $300,000 capital.

It was pointed out by the advisers, John J. Berry and J. Herbert Reid, that if the latter plan were followed the commission's capital could not be wiped out unless every city building insured should be destroyed. On the other hand, under the present system, they showed that a total loss on any one of the buildings on which the commission carries heavy insurance, such as on the City Hall, would be enough to consume the commission's capital.

It was in the belief that the city was assuming too large a risk that the new insurance commission, composed of Mayor Gillen and Directors Raymond and Archibald, sought the advice of the insurance men. While definite action toward adopting the plan suggested was not taken, it is likely that it will be shortly. Some of the commissioners believe that the commission could afford to take more than twenty-five per cent. of the insurance on any one building, possibly as much as thirty-three and a third per cent.

The twenty-five per cent. restriction would mean that the city's risk on any building would not be more than $75,000. The seventy-five per cent. remaining would be taken by insurance companies. Secretary Clark, of the commission, was not altogether favorable to the plan, holding that some risks were so good that the commission could afford to take much more than twenty-five per cent., or even the whole risk. He did believe that the present method of insurance was improper. Mr. Clark said that so far the commission had had a loss ratio of about eight per cent. That the ratios had not been higher, the insurance men declared, was only because Newark has been lucky.

Transportation Insurance

By Edw. J. Perrin, Jr., Automobile Insurance Company

No little anxiety is being felt by the underwriters of transportation insurance today, as it involves many aspects of uncertainty. The question is being asked, what effect the government control of the carriers will have on this form of insurance. It is the belief of constitutional lawyers that shippers today have no recourse for damages suffered in railroad accidents. The government having leased the roads, the lawyers say, is liable for such damages, but under the laws of the country the government cannot be sued. Heretofore the underwriters have been able to forecast with a reasonable amount of certainty, the extent of their recoveries from the carriers for losses for which they may be legally liable, but the present situation raises a point that might develop to be a serious one.

The President's Proclamation

The President's proclamation sets forth: "Except with the prior written assent of said director, no attachment by mesne process or on execution shall be levied on or against any of the property used by any of said transportation systems in the conduct of their business as common carriers; but suits may be brought by and against said carriers and judgments rendered as hitherto until and except so far as said director may, by general or special orders, otherwise determine." This would seem to give Mr. McAdoo the power to issue an order prohibiting suits being brought against the carriers to enforce payment of claims, or to prohibit judgments being rendered against them. Having such a power the director of railways might see fit to issue a special order dealing with a specific case where there might exist a possible doubt as to whether there was any legal liability on the part of the carrier. In other words a border-line case, as it would be to the government's advantage to avoid a suit.

It must be appreciated that the government is guaranteeing the carriers a net income equal to their average net income for the three years ended June 30 last, and it is evident that under such a provision, the government will exercise their control over the moneys paid out by the carriers. Otherwise the carriers might, in view of the guarantee, endeavor to establish relations with the shippers by making ex gracia payments with the view of corraling business for the future, anticipating, that the roads will eventually revert to their individual control.

Perilous Condition Surrounding Transportation of Property

The present day perilous conditions surrounding the transportation of property has brought about a demand for covers against risks which heretofore the shippers have been willing to assume, notwithstanding their exclusion in bills of lading. While it is admitted by fire underwriters that their rates for war and explosion insurance, covering specifically located property have been made without any scientific reasoning; no less are the marine underwriters at a loss to intelligently deal with the transit situation, where it is necessary to grant limits that are merely policy limits and not risk limits, they are in fact hoodwinked in the writing of insurance where it is impossible to limit their liability at any given point, as can be done in the writing of most forms of insurance.

Never before have the terminals been so choked and the means of transportation so taxed as they are at the present time, involving a most critical situation. The duration of a trip is now most uncertain and in many instances double or triple that of normal times, still the purchasers of transit insurance seem to be reluctant to concede a proportionate increase in the rates.

The Automobile

Another new aspect is that of the automobile; not only is the automobile to-day necessary to overcome embargoes, but it has been found most satisfactory for the hauling of merchandise to points within a radious of one hundred miles, and without a doubt, will in the future prove a keen competitor of the railroads as is now the case between certain points. Such carriers or transit companies, and there are many now operating, are not financially strong enough to meet their legal liability for claims involving losses of entire loads. It is therefore anticipated that this growing mode of transportation will be cause for more anxiety in the future.

Hap-hazard Estimate of Shipments

It has been an almost uniform practice to write the usual transit policy, based upon a hap-hazard estimate of shipments without requiring any adjustment of premium on account of increased volume of shipments made during the policy period. Doubtless, underwriters have been taking into consideration the normal fluctuation of business, but it must be admitted that little thought has been given to the tremendous increase in prices. Many accounts of long standing, renewed year after year at the same rates of premiums which were considered adequate at the time of their original acceptance, heretofore profitable, but during the past year proving unprofitable, have developed the necessity of increasing the rates under such policies to anywhere from one hundred to one thousand per cent.

Suggestions have already been made that some uniform practice be adopted, to eliminate the apparent evil, and discrimination, now existing in the writing of this business, and it is hoped by many that co-operation can soon be secured.

CHAOS OVER AFFREIGHTMENT

There is considerable discussion in Great Britain on the question of the law of the contract of affreightment as regards shipowners. The jurists are perplexed by the chaos which the issue has got into. There are two distinct doctrines; one is: Does a breach of contract on the part of a shipowner cancel a bill of lading, and make him subject to the liabilities of a common carrier? Common carrier he was not under the law of England, because he was not bound to carry the goods. Must not a definite connection be shown between the cause of loss and the breach and that the breach directly caused the loss?

MATHER & CO.

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and

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NEW YORK - - 51 Wall St.

BOSTON - - - 148 State St.

SEATTLE - - - Colman Bldg.

SAN FRANCISCO { GEO. E. BILLINGS CO., 312 California St.

Dominion Licenses For Two Companies

ALLIANCE AND COLUMBIA

Great American and Phoenix of Hartford Entered Canadian Operations —Some Underwriting Results

The following companies received licenses last year from the Dominion Insurance Department for the class or classes of business shown below in addition to the classes for which they were already licensed:

Canadian Companies

British America—Inland transportation insurance.

Canada Accident—Automobile insurance.

Canadian Surety—Burglary, plate glass and automobile insurance.

Globe Indemnity of Canada—Fire insurance.

British Companies

Royal Exchange—Automobile insurance.

United States Companies

Great American—Sprinkler leakage and automobile insurance (excluding insurance against loss by reason of bodily injury to the person).

Phoenix—Automobile insurance (excluding insurance against loss by reason of bodily injury to the person).

During 1917 the following companies received a license for the first time from the Dominion Insurance Department:

British and Colonial Companies

Union Insurance Company of Canada, Limited—C. R. Drayton, Toronto, chief agent, fire and automobile insurance.

United States Companies

Alliance Insurance Company of Philadelphia—Robt. Hampton & Son, Limited, Montreal, chief agent, fire and automobile insurance.

Columbia Insurance Company, R. MacD. Paterson, Montreal, chief agent, fire and automobile insurance (excluding insurance against loss by reason of bodily injury to the person).

Both the Alliance Insurance Company of Philadelphia and the Columbia Insurance Company formerly operated in one or more provinces of Canada under provincial licenses.

Dominion Insurance Licenses Cancelled

The Factories Insurance Company by a re-insurance agreement dated December 2, 1916, re-insured its business in the Western Assurance Company, Toronto. The deposit of the Company to the accepted value of $51,537 is still in the hands of the receiver general, but the Company has given notice as required by the insurance act of its intention to apply for its release.

New Companies in Ontario and Manitoba

The following insurance companies were admitted to transact business in the province of Ontario during 1917: Pacific Marine Insurance Company, Tokio Marine Insurance Company, Limited; Stuyvesant Insurance Company, Provident, Accident and Guarantee Company, Union Insurance Society of Canton, Limited, and Thunder Bay Mutual Fire Insurance Company.

Some 1917 Marine Figures

Marine and inland transportation figures of the St. Paul Fire and Marine for 1917, excluding automobile, follow:

Premiums	$2,760,657.85
Losses paid	1,838,030.53
Losses incurred	1,910,245.00

The War Risk Bureau at Washington

By J. F. RICHTER, Jr.

Sucess of Uncle Sam as proprietor of the biggest insurance company in the world as well as successful in every other endeavor undertaken by him is proven by the $22,369,712 put into the national treasury by the insurance branch of the government, as the profit upon governmental insurance transactions since the creation of the Bureau of War Risk Insurance.

Especially successful has been the insurance of American hulls and cargoes



WILLIAM C. De LANOY

by the government. Although $50,000,000 has been appropriated by Congress to make good the risks assumed by the United States Government against the sinking of American bottoms and cargoes by German submersibles and lesser perils of oceanic travel, only $12,968,059 was paid in losses to ship owners by the Government.

Fixing Rates

Although government insurance of hulls and cargoes was conceded a profitable business during the maintenance of neutrality by the United States, fears were entertained for the success of this business by the government after war was declared against Germany by Congress. Notwithstanding, officials were determined to see through the success of governmental insurance despite the uncertain effects upon national funds if required to pay wholesale losses through numerous sinkings of American government-insured vessels.

As a result, the rate of six and a half per cent. on American bottoms was fixed, deemed satisfactory to cover the multiplied risk of the government by reason of the declaration of war. However, since the growing effectiveness of the allied campaign to sink submarines has gradually lessened the German under-sea menace, the marine insurance rate of the government was resultantly reduced from six and a half per cent. to five per cent. In addition, a further waning of the German submersible peril brought another reduction in the insurance rate, that of four per cent. as in effect at the present time.

A still further reduction is not unlooked for, but government officials are hesitant to bring this about, not for the reason of rendering a more fair proposition to the owners of government-insured vessels but so as not to crowd the private-owned marine insurance companies out of that phase of the insurance field by too severe competition.

More Than a Billion of Insurance

Since the creation of the Bureau of War Risk Insurance. September, 1914, insurance of more than one billion dollars has been issued by the government on American hulls and cargoes. Up to December 31, 1916, only $182,203,080 of insurance had been issued by the Federal bureau. However, since that time the bureau has been literally deluged with applications of ship owners for government insurance. According to recent figures of the governmental insurance branch, $819,334,445 of insurance of the American hulls and cargoes has been listed upon Uncle Sam's books.

This amount of insurance, it is estimated, represents approximately fourteen thousand applications received since the creation of the Bureau of War Risk Insurance. Recently revised figures of the Government show that the total premiums received exceed the total expenditure for losses by $12,888,420.

These figures indicate the great service which the Bureau has rendered the country, both before and after the declaration of war. In addition to the large amount of insurance issued, the reasonable premiums charged by the Government have had a large influence on the rates of private companies," an official assisting in governmental insurance transactions declared in commenting upon the progress of the Federal bureau.

An index of the rapid growth of the Federal bureau may be had from the report submitted to Congress. In the report it was declared that nine hundred and thirty-eight policies to the amount of $483,796,603 on hulls had been issued, from December 1, 1916, to November 30, 1917. During this time, ten thousand four hundred and seventy-one policies to the amount of $303,914,285 on cargoes also had been issued in addition to sixty-three policies to the amount of $5,766,578 on freight, making a total of eleven thousand four hundred and seventy-two policies and $793,477,456 of insurance. During the month, from the time of the making of the Bureau's annual report, November 30 to December 31, approximately $26,000,000 of new marine insurance was obtained.

What Submarines Have Sunk

Principally from the ravages of the German submarine, losses from the sinking of approximately thirty American vessels have been incurred by the government throughout the year of 1917. Most of these sinkings occurred, however, after the declaration of war against Germany by this government. During the year the insurance of hulls amounted to $14,593,803. The insurance of sunken cargoes during this time was estimated to total $9,255,163, and freight insurance $229,000, making the total insurance of the lost vessels $24,077,966. Claims of ship owners for insurance on their sunken vessels have not been entirely disposed of—only to the extent of $12,965,084 of the total loss, outstanding claims amounting to $10,585,197.

Some of the larger losses incurred by the governmental insurance branch were the "John D. Archbold," sunk June 16, and insured for $2,200,000; the "Campana," sunk August 6, insured for $1,150,000; the "Wilmore," sunk September 12, insured for $1,375,000; the "Missourian," sunk April 4, insured for $1,000,000, and the "Vacuum," sunk April 26, and insured for $1,000,000

The Figures in a Nutshell

From the beginning of operation of the Federal insurance, September, 1914, to November 30, 1917, the itemized transactions are as follows:

Total amount insured....	$961,127,863.00
Prem. received on same.	35,337,771.00
Salvage received to date.	59,055.00
Total amount at risk....	117,775,318.00
Known losses to date....	24,148,075.00
Possible outstand. claims	10,652,332.00
Net losses (paid).....	12,968,059.00
Total expenses of Bureau	335,487.00
Total premiums received.	$35,337,771.55
Net losses paid.....	12,968,059.21
Surplus prem. on hand.	$22,369,712.34

WARRANTIES

An Atlantic Mutual warranty clause follows:

"Warranted by the assured free from claim on account of capture, seizure, detention or destruction, by or arising from hostile forces, civil commotions, riots or by the acts of officers or other persons acting in the name of belligerents, or in pursuing warlike operations whether before or after declaration of war.

"Warranted by the assured not to be loaded in tons of 2,240 lbs. more than the registered capacity under tonnage deck, with lead, marble, stone, coal and/or iron; also warranted not to be loaded with lime under deck. Also if loaded with grain, warranted to be loaded under the inspection of the Surveyor of the Board of Underwriters, and his certificate as to the proper loading and sea-worthiness obtained."

IT'S FIFTY-FIFTY

War risk and marine are now running half and half in one of the biggest offices in William Street. Premiums on cargo are showing a continual increase.

THE ALLIED SHIPPING

Who Owns Bulk of it?—31,000,000 Tons Overseas Craft, Says J. of C.

In connection with the proposition to pool all allied shipping into one management, the United States Shipping Board has made a survey of the shipping facilities of the world which shows that the world's tonnage, based upon figures deemed to be accurate three months ago, is about 48,000,000 tons deadweight. This includes 31,000,000 tons of overseas ships, 6,000,000 tons of inland and Baltic ships, 6,000,000 tons of coastwise only, and 5,000,000 tons of enemy ships.

An estimate of the tonnage under different flags in the Atlantic and Pacific trades shows that the 25,500,000 tons deadweight of ships engaged in the Atlantic are distributed as follows, according to the "Journal of Commerce":

	Tons
British liners	4,860,000
British tramps	8,540,000
Norwegian	1,800,000
Swedish	860,000
Danish	690,000
Dutch	1,200,000
United States	2,000,000
French	1,600,000
Italian	1,250,000
Greek	470,000
Spanish	750,000
Portuguese	150,000
Russian	350,000
Belgian	280,000
South American	600,000
Japanese	100,000

It has also been estimated that the 5,500,000 tons deadweight of ships engaged in the Pacific are distributed as follows:

	Tons
British liners	650,000
British tramps	450,000
Norwegian	50,000
Dutch	275,000
United States	400,000
French	220,000
Italian	70,000
Portuguese	50,000
Russian	200,000
South American	200,000
Chinese	35,000
Japanese	1,900,000

NO TANGIBLE EVIDENCE OF OWNERSHIP

A large buyer of fire insurance recently became an importer by paying $750,000 for some Oriental merchandise that came on a steamer from Bombay. The cargo was insured in Liverpool. After the goods had been put on the wharf he asked his fire broker to cover it with fire insurance. The broker, who had no experience with marine insurance, soon learned of the fifteen days' coverage in the policy after arrival at port. He explained this carefully to his assured, but the latter can't yet understand why he should feel that he is covered if the risk burns; inasmuch as he has $750,000 at stake, and no evidence of protection in the shape of a tangible policy.

A VERSATILE UNDERWRITER

Robert B. Jennings, of William H. McGee & Co., was once a cartoonist. He was a mighty good one, too.

WINTER'S STUDENTS

Many of the students in the William Winter lecture course at New York University are from the office of the Atlantic Mutual. A press agent report published in daily newspapers says that among the auditors are "presidents of insurance companies."

Damon on American Merchant Marine

UNPREPAREDNESS A CRIME

View of President of Springfield Fire & Marine—Praises Henry Evans' Paper

On Friday of last week before a club in Springfield, Mass., President A. W. Damon, of the Springfield Fire & Marine, read an illuminating, scholarly and erudite paper on "The American Merchant Marine." Among other things, Mr. Damon discussed in considerable detail the Hanseatic League, starting with the first alliances between Hamburg and Lubeck in the years 1241 and 1255, and traced its influence and its development through the country.

The rise, the expansion and the fall of the American merchant marine was explained from historical documents. With eloquence he pictured the sad end of the great dream of American shipping triumphant on the high seas. The struggle for supremacy between America and foreign countries was described:

U. S. Held its Own for a Time

"It is almost forgotten now," said Mr. Damon, "but it is a fact of record that the American Government for a time resolutely met subsidy by subsidy and was brilliantly successful in the contest." Sectional jealousy finally sounded the death knell of American shipping hopes.

After describing the free ship experiment, and later the demand of foreign crews for American wages, he said:

"If the United States had possessed, as it should normally have possessed, 10,000,000 or 15,000,000 tons of overseas shipping in August, 1914, at the outbreak of the present European War its ocean delivery service could not have been broken down by the wholesale diversion of foreign ships whose first duty was owed to foreign governments. Reduced or disrupted steamship services and abnormally increased freight rates have cost the American people uncounted millions of dollars since the war began and as agriculture still supplies the major bulk, if not themajor value, of our exports, the heaviest loss has fallen upon the cotton-growing South and the grain-growing West, many of whose public men have historically been most blind and indifferent to the need of a merchant fleet that would serve America first.

"If an adequate merchant shipping is important to our commercial security, it is absolutely indispensible to our military and naval defence."

Discusses Evans' Paper

Mr. Damon concluded his paper as follows:

"To make our merchant marine of maximum value to the nation requires something more than ships. President Evans, of the Continental Insurance Company of New York, recently delivered a carefully prepared address to a gathering of bankers, capitalists, shippers and producers of trade commodities on 'The Vital Relation of Insurance to Banking and Shipping in the World's Trade After the War.' Heretofore almost all imported merchandise has been paid for by letters of credit on foreign bankers. Several metropolitan banks, notably the National City Bank of New York, have established branches or agencies in foreign cities to finance American business. Mr. Evans suggests the appointment of such banks as agents of American insurance companies to supplement their efforts in building up this foreign trade and encouraging shipments in American bottoms. This combination ought to prove of value sentimentally as well as practically."

England's Merchant Marine

Continuing Mr. Damon said:

"In the present war, England is said to have in its employment two thousand merchant steamers transporting troops, arms, munitions, food, clothing, etc. The London 'Daily Chronicle' states that ninety per cent. of England's great merchant marine is now operated by the government and that three million tons of that shipping has been placed at the service of France, Italy and other Allied countries to supplement their own fleets. Some of these vessels make fairly long voyages in supplying their armies and navies in the Eastern Mediterranean but many more are employed in ferrying across the English Channel, short trips frequently repeated. Our present problem calls for a much larger fleet in proportion on account of the long transatlantic voyage requiring weeks for a single round trip. As Vanderlip says, no matter what we build, the effectiveness of it can only be measured after it is landed in France.

Remedy

"Briefly, the remedy of the present deplorable situation of our merchant marine is first a change of heart on the part of the people of the Middle West and the South, located away from the sea-board and out of sympathy with all legislation favoring ocean transportation facilities. Then and only then can laws be passed granting subsidies in some form or forms and making such changes in our navigation laws as will put us on an even footing with other maritime nations. I recognize difficulties in connection with the navigation laws as in part they provide for the amelioration of the condition of poor Jack and as far as that is necessary it appeals to the sympathies of us all. Other portions, however, were enacted at the behest of the labor element and their power in Congress is so great that any material change seems hopeless. This must, therefore, be offset by more liberal treatment of the subsidy feature.

"If Congress will set aside its old prejudice against subsidies and substitute a generous attitude, the wealth of the country will be increased many fold beyond the few millions of dollars required. That our national legislators are seeing a new light is evidenced by the progress of the Webb bill which provides for the legalizing of combinations of exporters to promote foreign commerce and enable American exporters to hold their foreign markets in the intense commercial competition that peace will bring. Germany has had such laws for many years and the handicap under which our exporters have labored must be removed.

Blame for Railroad Muddle

"The situation is paralleled on land by the crippling of our raiload transportation system through niggardliness on the part of the Interstate Commerce Commission as shown by Justice Knowlton in his able paper a few weeks ago. But the blame for the present deplorable condition on land and sea really rests upon Congress, for it lay in their power to prevent it by wise legislation. Broad statesmanship and ability, to think internationally, must be the qualifications required of the men chosen as our law makers if the people are to be properly served and this great Republic prove a success. Thus, war has shown to us and to all the world many weaknesses in our system of government or perhaps I should say in its administration. And not the least conspicuous weakness is the treatment of our transportation systems:

"Some discerning person once said regarding the attitudes of the German and American governments toward large corporations: 'In Germany the government is back of big business, while in America big business is back of the government.'"

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APPLETON & COX

3 South William Street ATTORNEYS New York City

Cotton Insurance and Cotton Losses

By JOS. J. WINDLE, Adjuster

January 12, 1918.

Snowbound somewhere in Canada where they don't speak anything but French.

Editor The Eastern Underwriter:

I enclose the promised article on cotton. I do not know when it will reach you as all trains South and West are cancelled on account of the storm, but I have done my best for you.

This train of five freight cars and one day coach of the vintage of 1860 is stalled with one cylinder head blown off.

J. J. WINDLE.

Excepting the underwriters who specialize in this branch of insurance, there are few who realize the importance of that world power King Cotton, the largest premium producer of any single insurable commodity, or appreciate its controlling influence in the development of our country. Under normal conditions the United States exports from eight to ten million bales of cotton, worth on the average six hundred million dollars in its raw state on the Atlantic seaboard, but at present prices this export crop is worth about eighteen hundred millions. There is no article of commerce more thoroughly insured than cotton, which is usually covered, for its full market value, against all insurable hazards.

Marine Cargo Open Cotton Policy

As the marine underwriters do not insure the factors and small merchants or buyers they are not interested in the raw cotton until it comes to the larger buyers or exporters whom they insure under what is known as the "Marine Cargo Open Cotton Policy, Buyers' Transit Form." This is a cargo policy form to which a rider is attached that covers "all cotton in the United States purchased by the assured or for their account, attaching from the moment the cotton becomes the property of the assured or legally at their risk, provided, however, that no cotton shall be covered hereunder prior to actual delivery to the assured or their agents unless specifically identified by marks or numbers or other designation in possession of the assured or mailed to the assured prior to loss."

Authorized to Issue Certificates

The assured are authorized to issue certificates under the policy, covering specific shipments as soon as they obtain bills of lading for same. These certificates are of valued form and are usually issued for the face of the invoice plus ten per cent., plus freight and insurance. There is not much difficulty in adjusting losses under these certificates, as in the absence of fraud, there can be no dispute as to the valuation of the insured cotton. If only a part of the shipment is damaged or destroyed the underwriters may pay the certificated value of the damaged cotton, take over the salvage to be sold for their account, and let the balance go through to destination given in the certificate. But the interest of the underwriters is always best served by letting all the cotton, that is not so badly damaged as to preclude further shipment, go through to destination. This is especially true of cotton insured under through shipment to Europe, for the underwriters must pay the certificated value of all the damaged cotton they take over, and if they sell it in this country they lose the 10 per cent. added to the invoice value, plus freight and insurance, which today amounts to about twelve cents per pound, as well as the depreciation in value by whatever damage it may have sustained. Whereas if the damaged cotton can be sent through to destination, even if the consignee refuses to accept it on arrival, it can be sold on that market and the underwriter does not lose the added cost of freight, insurance, etc., as he would do if sold here.

Fixing the Value

When a loss occurs before bill of lading is signed and the certificate issued, the policy provides that the basis of settlement "Shall be the actual market value of the cotton at the time and place of the loss." If samples of the destroyed cotton can be obtained, there is little difficulty in determining the grade and thus the value, provided it is the average short staple cotton of any well-known district. But its value cannot, as many underwriters think, be definitely fixed by taking the spot quotations of the nearest exchange for that particular grade of cotton and deducting therefrom the local freight from place of loss to such exchange point, because the cotton grown in certain districts though classed as short staple commands a premium over the exchange quotations which apply only to the average run of short staple cotton. For example, the spot quotation of the Dallas Cotton Exchange for middling cotton on date of loss occurring at Cottonville, Oklahoma, may be 15 cents and the freight from Cottonville to Dallas is 50 cents per hundred, making middling cotton at Cottonville worth only 14.50 cents per pound according to the exchange quotations. But you may find the buyers were actually paying 15.25 cents per pound at Cottonville for middling cotton on the day of the loss; because there are some districts in Oklahoma, as in other States, that produce a cotton which though it is not classed as long staple cotton, is of so much better grade, having a longer and stronger fibre, than the average cotton, that it always commands a premium on the exchange quotations.

There are no exchange quotations for long staple cotton, and 1¼-inch cotton, that is, cotton with a fibre an inch and a quarter long, commands a premium of from ten to fifteen cents today over the short staple of the same grade. There are no two districts, we might almost say no two buyers, who class and value their long staple cotton alike. I have on several occasions submitted a list of long staple cotton to several different buyers to be priced and found an average variation in their prices of from 10 per cent. to 20 per cent. We have found the better class of cotton buyers far above the average insurance claimant as far as their honesty is concerned, but many of them have that human weakness of over-valuing their own property, especially when an insurance company is involved. And the adjuster who is willing to accept their statements either as to quantity, quality or price without thorough investigation or who is not entirely familiar with all the customs of the cotton business, as well as the customs and responsibility of the railroads and warehousemen, is sure to prove an expensive connection to the underwriters who employ him.

We have had several claims presented to us for cotton burned in compresses, where after investigation we have been able to prove to the claimant that the identical bales said to have been burned had been delivered to New England mills long before the fire.

Question of Liability

The question of liability is often a difficult one to decide. Many people imagine actual delivery to the assured is required before any cotton comes under cover of the policy, but delivery is not necessary even to pass title to any chattel, much less to bring cotton "legally at the assured's risk." Thus John Doe at Cottontown wires Richard Roe at Baleville: "I have one hundred bales here average about strict middling which I offer you at fifteen cents middling basis usual differences." And Roe answers by wire: "I accept your offer one hundred bales at Cottontown fifteen cents middling basis usual terms consign to me here attaching draft to bill of lading." If Doe has only one hundred bales of cotton at Cottontown when he receives Roe's message, the cotton offered has been "otherwise designated" as provided by the policy, and the telegrams are all that is required to constitute a legal sale under the statute of frauds. Therefore the property has passed to Roe bringing the cotton at his risk and under cover of his policy although Doe retains actual possession not only of the cotton but also of the warehouse receipts, bills of lading or other evidence of ownership. But if Doe had more than one hundred bales at Cottontown there would be no valid sale and title would not pass or cotton come at Roe's risk and so not under cover of his policy, until the one hundred bales offered had been designated by marks or numbers. But supposing Doe had only the one hundred bales so that it came under Roe's risk and under cover of Roe's policy on Doe's receipt of his telegram, and Doe carried specific fire insurance policies containing the usual commission clause, covering "cotton his own or held in trust or sold but not delivered" this one hundred bales undoubtedly remains under cover of Doe's policy until he delivers it to Roe. This is only one of the many complications we find in almost every large cotton loss. Cotton is not materially damaged by being exposed to the rain, for if it is placed on skids so the air can reach all sides of it, it will soon dry out. But if the bales are left on damp ground or a wet plank floor the moisture will continue to work up from the bottom of the bale until about one-third of its bulk is affected, this will gradually heat and rot and if not opened up and dried its only value will be for paper stock. If a bale is immersed in water for many hours it will absorb from twenty-five to fifty per cent. of its weight of water, and it must be opened up and dried soon after being taken from the water or the cotton will heat and rot.

Hard to Extinguish Fires

When fire once gets into a bale of cotton it cannot be extinguished by merely pouring water on it. A burning bale of cotton has been thrown into the water and kept immersed for more than a week yet when removed from the water it was found the fire was smouldering inside the bale and was only extinguished when all the burning cotton was pulled out. This is a tedious and difficult process requiring an experienced man to supervise the work.

When fire occurs in a large cotton warehouse under protection of a good fire department, they usually play streams on the burning bales until all visible fire is extinguished and then leave it to smoulder on inside the bale until most of the cotton is destroyed or it bursts into flame again in which case they play a hose stream on it for a while and the process is repeated. We cannot recall a single large cotton fire where any intelligent and continued effort was made to protect the salvage before some experienced representative of the underwriters arrived and took charge. Realizing the necessity for prompt action in these cases we have arrangements with selected men throughout the cotton States whereby we can place experienced salvage men at any point within a few hours' notice. The man who takes charge of a cotton fire has no time to look up the different interests or ascertain whom he represents, he must obtain the consent of the warehouseman and then proceed without further delay to handle the burning cotton for account of whom it may concern.

Carriers' Liability

The most complicated and difficult question encountered in adjusting cotton losses is that of the carrier's liability. This calls for a very thorough knowledge of the State and federal laws, Interstate commerce rules, weighing and inspection bureau rules and the methods and customs of the various railroads all of which is beyond the range of an article of this character.

MARINE INSURANCE

Some Notes On Its Origin And Development

By D. ROGER ENGLAR, of Harrington, Bigham & Englar, Attorneys

One of the incidental effects of the great war has been a widespread revival of interest, on the part of the American public, in maritime affairs.

A few years ago the American flag had all but disappeared from the high seas. Even our coastwise shipping existed only by virtue of a statutory monopoly, which prevented foreign vessels from engaging in our coastwise trade. American marine insurance companies were few in number and by no means prosperous. It is not the purpose of this article to deal with the great increase of American shipping, in recent years, or the enormous expansion of the American marine insurance market. Each of these subjects is a romance of modern business which is still being written. But, as a result of the present wide public interest in these matters, the principles of marine insurance are now engaging the attention of many persons who have had no previous experience in this field, and who may find it profitable to study the past of their new profession as well as its future.

Fire Insurance Companies Enter Field

Within the last few years most of the great fire insurance companies of the United States have begun to write marine insurance, and many brokers have recently taken up this class of business for the first time. Many merchants and manufacturers, who formerly confined themselves to domestic trade, are now doing a large export business. The average person is familiar with life insurance and with fire insurance; and in approaching marine insurance for the first time his ideas are naturally based upon the other classes of insurance, with which he is familiar. He naturally assumes that with a working knowledge of fire insurance he should be able to construe a marine insurance policy with reasonable accuracy. His confidence, however, is likely to be short lived. To his surprise, and not infrequently to his chagrin, he finds that a marine insurance policy is unintelligible without a knowledge of the ancient principles and customs which govern its interpretation.

A Warranty Not in the Policy

For example, the holder of a marine insurance policy is surprised to learn that it contains a warranty that the vessel on which his goods are carried shall be seaworthy. This warranty appears nowhere in the policy, and yet it is well settled that it is as much a part of the policy as any of its printed provisions.

The assured is equally surprised to find that he is, in some situations, a co-insurer, although no provision to that effect appears in the policy.

Upon examining the policy more closely, the assured is struck by the fact that in one of the early paragraphs it assumes the risks of war, which are later carefully excluded by another paragraph.

To a person familiar only with the other branches of insurance, these and similar features of the marine insurance policy are somewhat mystifying. The experience of fire insurance companies has been that it is difficult to induce the courts to give full effect even to express warranties in their policies; and it would scarcely occur to them to suggest that they were entitled to any protection for which they had not expressly stipulated.

The explanation of these peculiarities of the marine insurance contract is to be found in its ancient origin and its international character.

Origin of Marine Insurance

It is not known in what age or country marine insurance had its origin; but it was a well recognized business in the Fourteenth Century and it is certainly by far the most ancient form of insurance. Marine insurance first became an important branch of commerce in London, which, for at least four centuries, has been the principal marine insurance market in the world. It is uncertain how the business originated in London, but there seems to be good authority for the belief that it was brought to London by the merchants of Northern Italy, who gave their name to Lombard Street, which, for a long period, was the center of the marine insurance business of London. The importance of London as a marine insurance market is illustrated by the fact that early in the Seventeenth Century policies issued in Antwerp contained a provision that they should be as good as the best policies issued in London. For some centuries questions arising under marine insurance policies appear to have been settled almost invariably by arbitration. In this way, no doubt, there came into existence a fairly complete set of usages and customs which governed the trade and which were well understood by all persons who had occasion to deal with the marine insurance contract. Out of the obscurity of the Sixteenth and Seventeenth Centuries, there was evolved, almost in its present form, the familiar Lloyd's policy, which is in common use in England today. This form is the very essence of simplicity and shows clearly that the method followed by the early English underwriters was not to change their policies to meet various contingencies, but rather to adopt a standard form of policy and then stand by it for better or for worse, protecting themselves against adverse decisions not by changes in the policy, but merely by changes in the premium.

Lord Mansfield's Decision

Lord Mansfield, who presided in the Court of King's Bench from 1756 until 1778, probably did more than any other one man to establish the law of marine insurance in its present form. His decisions appear to have been based uniformly on the existing customs. For the better ascertainment of these customs, Lord Mansfield was in the habit of submitting marine insurance questions to special juries of merchants, who appear to have been singularly free from any prejudice in favor of the assured. Thus, in Lewis vs. Rucker, decided in 1761, Lord Mansfield had to determine for the first time the proper method of adjusting a particular average loss on goods under a valued policy. The assured claimed to be paid the difference between the price for which the goods sold in their damaged condition, and the value fixed in the policy. The question was submitted, however, to a "special jury, amongst whom there were many knowing and considerable merchants," who found that the proportion of loss was to be determined by a comparison of the sound and damaged values of the merchandise, and that the assured was then only entitled to be paid this proportion of the value fixed in the policy. This verdict was upheld by Lord Mansfield. There can be little doubt that if such a question arose for the first time in the American courts today, the result would be different.

Attitude of Protection

Until the last century, however, the attitude of courts and juries toward underwriters appears to have been one of protection; and some of the early writers appear to have regarded the underwriter as somewhat in the position of a ward of the court. Thus, Stevens in his Essay on Average, after quoting from a treatise published in Holland in 1653 says:

> It is worthy of observation, that this writer, and others after him, place the insurer in the situation (in regard to the protection of the law) of pupils or infants—he says, "L'Assureur qui est protege ou tenu par tout comme un pupille."

First Contracts Were Wagers

So far as we can judge from the early text books and decisions, the contract of marine insurance was originally regarded merely as a wager, in which both parties were expected to conduct themselves in a sportsmanlike manner.

Thus, it was early established that the assured was bound to disclose to the underwriter (even without inquiry) every fact material to the risk which the underwriter was not presumed to know; and that failure to make such disclosure would avoid the policy.

The First Underwriters

In considering the early history of marine insurance, two circumstances must be borne in mind. The marine underwriter first appeared on the scene not as a wealthy and technical corporation, eager to escape its liabilities on the slightest pretext; but rather as an individual of sporting propensities who was usually at a great disadvantage by reason of the fact that he had no first hand knowledge of the vessel to which his policy related or of the risks to which it was likely to be exposed. These circumstances probably explain what seems to us, from this distance, the tenderness of the Eighteenth Century courts toward marine underwriters.

Not only was the assured required to disclose faithfully all circumstances attending the risk, but, furthermore, the slightest deviation from the voyage insured, wholly avoided the policy, without any express provisions to this effect.

On the other hand, the subjects of insurance were commercial ventures, and, as a rule, not within the personal control of the assured. Losses were ordinary incidents of commercial life and were settled on familiar commercial documents. Frauds were practically impossible without the connivance of a large number of persons.

Good Faith on Both Sides

In short, there was usually the utmost good faith on both sides of the contract, and the rule was early laid down that a contract of marine insurance is uberrimae fidei,—a contract based on the utmost mutual good faith.

Another circumstance which has had a considerable effect on the development of the marine insurance contract is the fact that this contract first became of commercial importance in England; and was first construed in the English courts. In the early days all policies were subscribed (as many are today) by individual underwriters who, as a practical matter, could be sued only in London. As there was only one system of English courts, a decision by these courts was final as far as English insurance was concerned. It was unnecessary to change the policy to meet an adverse decision. Underwriters merely accepted it and charged a corresponding premium. The marine underwriters of London were wise enough to recognize that it is of very little importance how the law is settled, so long as it is settled. The only thing which they found disconcerting was uncertainty; and after the English courts had passed on a given point all uncertainty ceased.

Divergence Between English and American Laws

We have seen that the usages and customs of two centuries were incorporated into the law of England under the administration of Lord Mansfield, whose term of service ended during the Revolutionary War. When the business of marine insurance first assumed considerable proportions in the United States, during the Napoleonic Wars, there was a large body of decisions in the English courts which were adopted almost in their entirety by the courts of this country, who seem to have recognized that the business of marine insurance was international and that nothing was to be gained by departing from principles evolved by centuries of actual practice and promulgated as law by the greatest commercial country in the world. During the last hundred years, unfortunately, there has been a definite divergence between the laws of England and America on a few subjects, notably, with respect to the facts necessary to constitute a constructive total loss; and with respect to various questions of general average, as for example, the liability of underwriters to contribute in general average in respect of actual values in excess of policy valuations.

To the student of marine insurance, the decision of Lord Mansfield in Lewis vs. Rucker and the line of cases which culminated in the decision of the United States Circuit Court of Appeals for the

Ninth Circuit in British & Foreign Marine Insurance Company vs. Maldonado furnish an interesting contrast, illustrating, as they do, the difference in attitude toward marine underwriters between the English courts of the Eighteenth Century and the American courts of the Twentieth Century. Today it is the assured who is treated as an infant; the underwriter cannot expect the scales of justice to be inclined in its favor, but may count himself fortunate if they are held even. The differences between English and American law, however, are confined almost entirely to questions which have remained open until a comparatively recent date. By far the greater part of the law of marine insurance is identical today in England and America.

Eighteenth Century Principles Still Hold Good

The ground won by marine underwriters in the Eighteenth Century is still held; and the principles of fair dealing upon which the business was originally based, still hold good. The writer ventures the opinion that there is no business of equal proportions in which there are so few cases decided in the course of a decade in the United States as in the marine insurance business. Few cases are litigated and fewer still reach the point of decision. Those engaged in the marine insurance business have a habit of keeping their own house in order, without the assistance of the strong arm of the law.

The prejudice against insurance companies which undoubtedly existed in this country for many years (and which has not yet entirely disappeared) appears to have arisen in connection with the business of fire and life insurance. These branches of the insurance business were originally carried on in this country by small companies, whose outlook was purely local. As soon as they began to extend their business beyond the limits of the State of their origin, they found themselves involved in a maze of conflicting legislation and decisions. Nothing could be considered settled because a decision in one State was not binding in another, and the decisions in the different States were frequently in conflict. In this situation the companies sought to protect themselves by strict provisions in their policies, designed to guard against various contingencies which had arisen from time to time, in the course of their business. Many of these provisions were harsh in their operation and the frequent forfeiture of the rights of policyholders aroused the sympathies of the courts. Moreover, the policyholders, as a rule, were not commercial men, but were persons of small means and limited knowledge of business affairs. It was felt, and no doubt justly, that the assured was at a great disadvantage in dealing with the insurance companies, which were astute in devising new conditions and warranties from year to year, for their own protection. On the other hand, and particularly in fire insurance, the insurance companies were not infrequently victimized by unscrupulous policyholders. These conditions gave rise to a feeling of hostility toward insurance companies in this country, which persisted for many years. During this period fire and life insurance companies went through a process of education and development which, fortunately, marine underwriters have never been called upon to endure. Although the prejudice against insurance companies still persists to a considerable extent, the causes for it have almost entirely disappeared.

Standard Fire Policy Longer Than Lloyd's Form

Fire insurance companies were long since regulated by statutes in the various States, which prescribed the form of policy to be issued; and these statutory forms have now been so frequently construed by the courts that their meaning is reasonably clear. It is interesting to observe, however, that the statutory fire insurance policy of this State is three or four times as voluminous as the ordinary Lloyd's form of marine insurance policy, which is still in common use in England, and which, with slight modifications, is frequently issued in this country in certain classes of business.

Life insurance companies have voluntarily abandoned the practice of seeking to defeat recovery upon their policies; and now vie with each other in seeking to make their policies incontestable. They have at last learned what the marine underwriters appear to have appreciated from the beginning—that, in the absence of fraud, the best method of dealing with increased liabilities is not by restricting the scope of their policy, but by enlarging their premium.

Inclusion and Exclusion

It is impossible, within the scope of this article, to deal in any detail with the form of the marine insurance policy, but a word may be said with respect to the curious custom of including, at the beginning of this policy, a number of risks which are subsequently excluded by an appropriate warranty included in the same printed form. The explanation of this is that, to the marine underwriter, there is something almost sacred about the old Lloyd's form; and he invariably starts his policy with the exact wording of this form, no matter what changes may be necessary to meet the actual situation before him. In using this form, he is on firm ground. Its meaning has been settled for hundreds of years, and he feels that he knows exactly what it means. Once he departs from this form, he is on new and unfamiliar ground. If he attempted to rewrite the policy, the work of centuries would have to be done over again. No matter what words he used, the courts would have to decide what they meant. Accordingly, he feels that safety lies in using the time honored form, and stating, in a separate paragraph, what modifications he desires to make in it. He knows that perils "of the seas" include a certain class of risks with which he is familiar; and exclude other risks such, for example, as the bursting of a donkey pump or the negligent handling of cargo. If he used any other expression, which seemed to him equivalent, no one would know what it meant until it had passed through the federal courts and the courts of forty-eight States.

SHIPBUILDING CAPITAL

Authorized Capital for New Concerns For Year 1917 Is $271,503,000

The development over the war period in the shipbuilding industry in the United States is shown in the following table, which sets forth the authorized capital of the new concerns:

Five months, 1914	$ 1,844,000
Year 1915	37,662,000
Year 1916	69,466,000
Year 1917	271,503,000

Capitalization in War Period

The following table shows the total capital authorized in the incorporation of new shipping companies by months since the beginning of the war. The list includes concerns of more than $50,000 capital for the operation, construction, salvage and repair of ships and also new financing involved in the expansion of existing companies:

1918—	
January (two weeks)	$ 5,650,000
1917—	
January	$ 2,475,000
February	30,525,000
March	12,975,000
April	29,395,000
May	47,490,000
June	84,025,000
July	19,020,000
August	19,038,000
September	5,100,000
October	9,650,000
November	4,850,000
December	6,960,000
Total since opening of war	$386,125,000

PRESENTATION TO JONES

Retires from Active Business as Underwriter for Commercial Union

London, January 10.—A meeting of marine insurance brokers was held in the committee room at Lloyd's to make a presentation to Mr. Richard T. Jones on his retirement from active business after acting as underwriter to the Commercial Union Assurance Company for thirty years.

Mr. H. P. Leslie (Leslie and Godwin), chairman of Lloyd's Brokers' Association, who presided, said that it was with deep regret they had arrived with a very old friend at the parting of the ways. When Mr. Jones' resignation was officially announced, it was felt that the occasion should be marked by some permanent record of their esteem. It was found that Mr. Jones was anxious to promote the interest of the Insurance Clerks' Orphanage, and desired that the money that was subscribed should provide a fund, of which the institution was in much need, for scholarships for orphans between the ages of 16 and 18. For this purpose £3,000 had been allocated, and a balance of £2,500 would be invested in the names of Mr. Jones and the corporation of Lloyd's for the benefit of the orphans of parents associated with Lloyd's. It was also intended to provide a book, which would contain the signatures of the subscribers and an inscription setting forth that the fund was to be known as the "Richard T. Jones Endowment."

Mr. H. Dumas (Dumas and Wylie), who referred to his friendship with Mr. Jones before he was appointed underwriter to the Commercial Union, said that he wished him long enjoyment of the rest he had so well earned.

Mr. Jones expressed his thanks, especially for the association of his name with the handsome contribution to the funds of the Insurance Clerks' Orphanage. He attributed his success to the brokers of London and his old friend, Mr. Dumas.

Mr. C. Wright (Head and Co.) said that Mr. Jones had with greater success followed the most successful man of his generation.

WHEELS AND WINGS

Motor Car Prospectus of a Lloyd's —Coal Gas and Explosion

The Wheel and Wings Insurance Association (at Lloyd's) has recently issued a comprehensive prospectus of all its plans of motor insurance. The prospectus deals with cars used for private and professional purposes, with commercial vehicles, and with passenger-carrying vehicles. Space does not permit of our dealing with each plan in detail, but we may say in passing that the benefits are as wide as can possibly be made, and the rates are moderate. A novel feature of the prospectus, however, is that vehicles can be covered against air raid risks for an additional 3s. 9d. per cent. No additional premium is charged for vehicles using coal gas, but if it is desired to cover claims arising out of explosion of the gas, an additional £1 per vehicle is required.

A liberal abatement of one-third of the premium is allowed in the case of private cars when the petrol allowance does not exceed ten gallons per month.

CLOGGING UP TERMINALS

English Plan for Holding Back Freight Until Docks Are Clean Urged

Our seaport terminals are our vestibules, and if we use them as our trunk rooms, if we pile our baggage and our furniture which we may want some time later in those terminals, they become perfectly useless as vestibules. And that is what we did here in the early days of the Allies' buying.

Now the methods adopted by the English Commission have been very simple, but they have been very effective, says the "Journal of Commerce." They have resulted in holding the freight back in the interior until a vessel was here to carry it forward. There has been no use, if we could ship in a certain given period five hundred thousand tons of freight, of bringing here a million tons, because the other five hundred thousand tons would simply clog our terminal avenues.

Up to the time of our Government going into the war the English, by adopting the system which I have described, and in which they were joined by the other Allies, had reduced the congestion at this port to a point where we were getting along fairly well; but with the introduction of the American Government into this war, and the purchase of immense supplies of material, the grave danger exists that a duplication of the congestion which existed two years ago will come about again.—Irving T. Bush, before the New York State Chamber of Commerce.

SEAMEN'S INSURANCE

The total amount of seaman's insurance issued at the end of the calendar year just past was $1,001,500,000 in the amount insured, and over $35,000,000 in premiums. Adding to the $24,000,000 and more lost on hulls, cargoes and freight, the $250,000 loss on seamen up to the first of the current year, it appears that the total losses suffered by the Bureau on all merchant marine business would not greatly exceed $24,300,000. Subtracting this from the $35,000,000 in premiums received during this time, there would remain a net profit of $10,700,000. It must be remembered, however, that not all of the premiums over and above the losses are earned premiums. There are many risks outstanding, and for military reasons the Bureau does not desire to disclose these just now.

NEW LLOYD'S MEMBERS

The following members, whose names are given in alphabetical order, have been elected to the Committee of Lloyd's Underwriters' Association for 1918:—Messrs. C. C. Blogg, S. A. Boulton, P. Hargreaves, E. Hicks, P. G. Mackinnon, P. Janson, C. I. de Rougemont, W. B. Rouse, and W. A. Thompson.

RE-INSURANCE MANAGER

W. R. Beavis, for over thirty years with A. F. Pearson & Co., London, fire re-insurance underwriters, has been appointed manager of the treaty department in the re-insurance offices of Mr. A. Rendtorff, 25, Birchin Lane, London. Mr. Beavis will take up his new duties from January 1, 1918.

The Northhampton Mutual Live Stock Insurance Company of Easton, Pa., has quit. It was organized in 1869.

* * *

Norman James has been elected a director of the Maryland Motor Car Company of Baltimore.

War Risk Insurance

By S. WILLSON RICHARDS, Fred S. James & Co.

The developments arising from the war in Europe, now in its fourth year, have been the means of bringing very forceably before the marine insurance fraternity and shippers especially, the unusual conditions that must be faced by the war risk underwriters. When the war was first seen to be inevitable, rates for war risk insurance ran from about four per cent. to as high as twenty per cent., the latter applying on German vessels especially those bound to German ports. When war was declared between Germany and England, vessels flying the German flag then on the Atlantic paid as high as forty per cent., and even at that figure some risks could not be covered, while German vessels and their cargoes in the Mediterranean were uninsurable, there appeared to be no hope for them.

For several weeks after August 1st, 1914, no stable rates were quoted for war risk cover, and steamers sailed from New York with cargo on board on which the insurance was arranged on different days, with rates varying from five per cent., to twenty per cent., the variations depending upon the underwriters and the day on which the insurance was bound. Since the sea has been cleared of the German cruiser fleet under Admiral Von Spree, and the raiders such as the "Emden" and "Karlsruhe," leaving mines and submarine as the principal factors to guard against, rates have been on a lower general plane gradually receding until today the charge made to points outside the actual war zone is practically nominal.

When War Started

The various companies here and abroad and Lloyds underwriters seemed at first to be in a position to take care of all requirements as to war risk insurance but as the number of vessels sunk rapidly increased, and the underwriters reduced their lines, at the same time boosting their rates on account of the increased hazard, conditions rapidly approached the stage where steamship owners despite the high freights obtainable, did not care to accept the venture of a trip through the different danger zones not fully protected. Thus, in order to assure the Government of sufficient tonnage to meet their own requirement, at the same time without disturbing the regular service any more than absolutely necessary, the British Government agreed to cover

> the risks of Capture, Seizure and Detainment by King's Enemies and the consequences thereof, or any attempt thereat, and all consequences of hostilities or warlike operations by or against the King's Enemies, whether before or after Declaration of War.

and at a rate which at the time was considerably lower than any underwriters were accepting especially to the war zone, but their rate was uniform the world around and applied to cargo on all steamers flying the British flag, and supplementing this the Mutual Shipowners Clubs and Societies in England under Government encouragement, adopted a somewhat similar arrangement for hull war risk insurance. This was later extended to cover neutral vessels and cargoes operating in the war zone for the benefit of the Allies.

Other Governments have followed suit to a certain extent, the Italian and Russian Governments backing the regular companies by assuming the larger part of the risk against war they may assume, while the French Government Scheme is much on the order of the British Government, but quite a bit more complicated.

Finally Congress passed a bill authorizing the Secretary of the Treasury to form a War Risk Insurance Bureau to insure American vessels, and their cargoes against war risk. At first this Bureau did not have a very extensive business, but after war was declared against Germany by the United States, the business of the Bureau to the war zone especially has grown by leaps and bounds, and even doing business on a lower scale of rates than the underwriters or even the British Government War Risk Insurance Office, our Government scheme seems to be prospering in that its income exceeds its losses, even though it is not supposed to be operated for profit.

Forms Differ

The forms of cover given by the different companies, War Risk Bureaus and "Lloyds" do not vary in their essentials, but the present "Lloyds" form of cover is more thorough than that granted by the majority of the companies here; in that—first they include the war risk from warehouse to warehouse if so provided in the marine policies covering the same interests, and not waterborne only as the companies do; second they include "Loss or damage causes by strikers, locked-out workmen or persons taking part in labor disturbances or riots or civil commotions," while the companies except most of this from their war cover; and third, they include deviations, etc., which most companies here try to avoid. At the same time Lloyds has its disadvantages in this line as in all others.

Numerous cases have arisen respecting war claims that have been exceedingly difficult of adjustment, as points have come up on which there has been no precedent to act or judge just what to do. These as far as I can learn have all been settled on a basis of common sense, and but in few cases have been other than satisfactory.

The "Sturmfels" Case

As a sample of a rather complicated case the former Hansa Line steamer "Sturmfels" can be mentioned. Loaded with hides, burlaps, cocoanut oils and other Indian cargo, she sailed from India just a few days before the outbreak of the war, bound for New York, via the Suez and Mediterranean route. Receiving wireless warning of his danger after the declaration of war the captain put into Massawa, in Italian East Africa to avoid capture by the British cruisers, then busy hunting down enemy merchantmen still at sea. He voluntarily interned his vessel in a supposedly friendly port, for while Italy had not entered the war with

(Continued on page 36)

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Reminiscences of a Boston Veteran

Asked for reminiscences of fifty years in marine insurance in Boston, what shall be the point of view of such a retrospect? Perhaps this may develop as we proceed. That in two generations great and important changes have taken place was inevitable, since stagnation means decay, and change life.

Two illustrations of this transition may serve as well as many: Fifty years ago there were fifteen local companies underwriting marine risks; of these, not one survives. Then, the insurance office of Foster & Cole, the founders of the present firm of Field & Cowles, had for its whole staff Mr. Foster, Mr. Cole, Mr. Bradley and an office boy, and they occupied the small corner office on the second floor of the old Brazier Building at the corner of State & Devonshire Streets. Today they occupy practically the whole of the large building on Water Street with their staff of over two hundred.

The Migration from State Street

And here a word may be said as to the migration of the underwriting community from State Street to the westward. In 1865 there were but two companies or agencies that were not on State Street, these the Prescott at 7 Kilby Street and the Shoe & Leather at 11 Kilby. The first to move was Mr. Charles E. Guild, when, leaving the presidency of the American Insurance Co. to take the management of the Liverpool & London & Globe, he located at the corner of Kilby Street and Exchange Place. At about the same time, Scull & Bradley, the successors of Foster & Cole, and Foster & Scull, moved from the Chandler Building on Devonshire Street to the location of the firm has ever since occupied at 85 Water Street. To the insurance community at that time it seemed as if Scull & Bradley were really moving out of town; but so complete has been the migration that today 85 Water Street is really east or behind the center, which may now be said to be Liberty Square, with Milk Street as its western boundary.

Should the shade of one of the underwriters of the sixties happen to visit these glimpses of the moon perhaps nothing would astonish him more than the host of soliciting brokers. For in those days the brokerage business, as such, distinct from the underwriting agencies, was of slight importance. Isaac F. Dobson, at 46 State Street, Hovey & Fenno in the old Traveler Building, and "Sam" Allen making a specialty of marine risks on hulls and freights, practically complete the list: but Brewster's Insurance Rooms (Mr. Oliver Brewster) upstairs at 4 State Street must not be overlooked, for they were unique in all respects: and the lad of those days well remembers the impression they made on him the first time he was sent there, with the walls covered with oil paintings and the whole atmosphere different from down on "the street." Mr. Franklin S. Phelps later came into the business with Mr. Brewster, but after their removal from 4 State Street the office never seemed quite the same. As has been noted, the rise of the agency and brokerage side of the business and the almost complete disappearance of the individual underwriter is the most marked change to the survivor today.

Old Time Merchant Could Give Broker Points

It is interesting to conjecture what would have been the reception of a broker who ventured to solicit insurance of one of the old time merchants; more than likely he would have been told that the said merchant knew what he wanted, and where he could get it, and what he proposed to pay for it, better than the broker could tell him; and it was a good deal more than likely that the merchant would be right; for at noon he would be found "on 'change" with a memorandum of his risks, and from one or another of several of the underwriters, most of whom, if not all, were his personal friends, he would buy what he wanted in insurance at satisfactory prices, and written as he wanted it. Not so bad a way after all, when one comes to think of it.

Boston Form of Policy Upon Hulls and Freights

The Boston form of policy upon hulls and freights has often been the cause of adverse criticism; but rightly understood as a growth of some seventy years, it is not so bad as its critics have tried to make it out to be. It was first written back in the eighteen-thirties when sailing ships were the only craft afloat, and it was clear and simple in its terms. As case after case came before the courts, little by little interpreting the law of marine insurance and the risks assumed or unassumed by the policy, the policy was added to and amended to exclude such risks as the underwriter was unwilling to assume, as also to clear up ambiguities or disputed points. The same thing is done today but to a greater extent by the "riders" attached to policies, in most cases completely superseding the form to which it is attached.

And here this reviewer is tempted to say to what a degree the insurance law of the United States is indebted to the Supreme Judicial Court for the Commonwealth, through its many decisions of questions arising under the Boston form of policy. It is not too much to say that for years, that is, until the Supreme Court of the United States decided that the Admiralty Courts of the United States had jurisdiction in questions arising under policies of insurance, this court with its first cousin the Circuit Court of the United States under Judges Story and Curtis, practically made the law of marine insurance. Reference to the cases cited in the first edition of Phillips will amply substantiate this.

The District in 1865

Were one to follow the lad of 1865 as he went the round of the insurance offices with some piece of news as to a disaster, for suggestions as to salvage, or to learn if a statement was passing successfully through its trials, it would have been something like this: Leaving the cell-like offices in the Merchants Bank's old building, he would stop first at the Merchants Insurance Co., corner of Exchange Street and State Street, then go to the Franklin at 44, and to the China Mutual at 52; here he would be held by Mr. Francis Bacon who would have the say that was to be said—and it was not long before the lad of '65 would begin his rounds with Mr. Bacon, for what Mr. Bacon said was always well said; but the lad of '65 had then much to learn—from the China Mutual he would go successively to the American at the corner of 'Change Alley, to the Mercantile Marine at 58, the Boston at 62, the Neptune at 64, the National at 66, and the Washington at 72; crossing the street he would call upon Mr. Gould of the Manufacturers and into the old Merchants Exchange to see Mr. Lord, of the New England, and Mr. Plummer, of the Equitable Safety, ending with Mr. Balch of the Boylston. From which it will be seen that State Street was lined on both sides from Devonshire Street to Kilby Street with insurance offices, each occupying the whole of the ground floor of their respective buildings. Prints in the offices of the State Street Trust Co. show how State Street then looked with its low granite buildings, not one of which is standing today.

There should be room for a word or two for the well-known agency of W. V. Hutchins and W. H. Vincent, for long the representatives of the Delaware Mutual Safety Insurance Co. Nor must Mr. G. Winthrop Coffin be omitted, as in his office in the old Merchants Exchange he represented for so many years the Atlantic Mutual Insurance Co. of New York. To all but a scant few these names convey no significance—but they were genial gentlemen of the old type whom it was always a pleasure to meet, and a lasting regret to miss.

Old Clipper Days

The changes that one finds when contrasting the marine insurance field of Boston of today with that of fifty years ago have come about through the decline of Boston as a world-wide commercial port and the rise of New York, resulting in the shifting of the insurance market from the former to the latter. In the fifties and early sixties Boston—and Boston was the center and financial backer of all Eastern New England—securely held its own as at least first amongst equals, if no better. Its fleet of clipper ships, its East and West Indian and Calcutta trades were securely held, and Lowell and Lawrence manufactured the goods for its export through the seven seas. Slowly but none the less surely the shadow passed across the dial, and one by one these magnificent trades slipped away to cross the border to its ever ready and vigilant neighbor and competitor.

Perhaps what the old Boston man of today most misses is the neighborly, and provincial if you will, community-feeling between underwriters and assured. Today he is referred to some "head office" in some other city, to whom he is but a name—and the personal equation of so much importance where the difficulties and intricacies of marine insurance questions are involved counts for little or nothing. *Omnia mutantur*, and wise is the man who in time changes with them.

Tribute to an Old Master

It would be a thing to be ashamed of if the recorder of these slight notes of a time long passed, forgot before closing them, to pay a word of tribute to his old master General John S. Tyler, with whom as boy and man, apprentice and partner, he spent the first eleven years of his business life. He was an old school gentleman of polished manners, genial and liberal to a fault. His many admirable social qualities and numerous deeds of public service and charity endeared him to all who knew him. His personal presence was one not to be forgotten; with his ruffled shirt bosom and military bearing he attracted instant attention wherever he might be. His habits were as regular as the hour hand of the clock; at his office at 10, to his club, the Suffolk on West Street, at 2, and every evening in his stock holder's seats at the Boston Theater with his daughter Mrs. Cutter. One of the first remarks he made to his new clerk was "never lie to an underwriter," and then, to never bring up to an underwriter the settlement of a previous case as a precedent to the one in hand; "run each case on its own rails." His lessons in conciseness and clearness of statement, the insistent elimination of all verbiage, and the reduction of a mass of figures to its lowest terms were of the utmost value and have never been forgotten. When "the General" passed at the ripe age of 79 a picturesque bit of Old Boston passed with him.

THEODORE W. GORE.
of Johnson & Higgins.

NEW BRITISH SCHEME

Coasting Vessels' Owners Can Accept Risks on Behalf of War Risks Insurance Office

A new scheme for British coasting business is different in two essential features from the present scheme. In the first place, there is more than one rate, as against a flat rate in the old scheme, and secondly, no policies are issued.

In regard to the second point the system adopted is that the shipowners will have power to accept coasting war risks on behalf of the War Risks Insurance office and stamp the receipt for the goods or the bill of lading as follows:

"War risk insurance covered by the Government War Risks office.

"Value to be the same as in the insurance policy."

In regard to the warranty about values, this is the same as in the first war risk scheme. The necessary details for the insurance together with the checks are to be forwarded to the War Risks office on the sailing of the steamer. All coasting voyages are provided for under the new scheme, which extends cover to merchandise, including live stock.

The list of rates and voyages is as follows:

	Per cent.
No. 1.—All voyages in the area between a line drawn between the Clyde and Londonderry on the north, and a line drawn between the Bristol Channel and Dublin on the south	5s 0d
No. 2.—Between ports in the above area and ports on the East and South Coasts of Ireland (south of Dublin and not west of Cork)	7s 6d
No. 3.—All other coasting voyages in Great Britain and Ireland not mentioned above	10s 0d

Practically all these rates are considerably lower than those in the open market. For instance, under the Government scheme, the rate from Hull to London is 5s per cent. as against 10s per cent. in the open market; Leith to London is 10s per cent., as against 15s. per cent. to 20s per cent., in the open market, and from London to Liverpool, Manchester and Ireland, 10s per cent., as against 20s per cent. in the open market.

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British Builders' Risk and Lloyd's Yacht Clauses

BRITISH CLAUSES FOR BUILDERS' RISKS

Attached to Policy per.....

for £..... Dated.....

This Insurance is also to cover all risks, including fire, while under construction and/or fitting out, except in Buildings or Workshops, but including materials in yards and docks of the assured, or on quays, pontoons, craft, etc., and all risk while in transit to and from the works and/or the vessel wherever she may be lying, also all risks of loss or damage through collapse of supports or ways from any cause whatever, and all risks of launching and breakage of the ways.

This Insurance is also to cover all risk of trial trips, loaded or otherwise, as often as required, and all risks whilst proceeding to and returning from the trial course.

With leave to proceed to and from any wet or dry docks, harbors, ways, cradles, and pontoons during the currency of this policy.

With leave to fire guns and torpedoes but no claim to attach hereto for loss of or damage to same or to ship or machinery unless the accident results in the total loss of the vessel.

In case of failure of launch, underwriters to bear all subsequent expenses incurred in completing launch.

Average payable irrespective of percentage, and without deduction of one-third, whether the Average be particular or general.

General Average and Salvage charges as per foreign custom, payable as per foreign statement, and/or per York-Antwerp rules, if required; and in the event of Salvage, towage, or other assistance being rendered to the Vessel hereby insured by any Vessel belonging in part or in whole to the same owners, it is hereby agreed that the value of such services (without regard to the common ownership of the Vessels) shall be ascertained by Arbitration in the manner hereinafter provided for under "Collision Clause," and the amount so awarded, so far as applicable to the interest hereby insured, shall constitute a charge under this policy.

In event of deviation to be held covered at an additional premium to be hereafter arranged.

To cover while building all damage to hull, machinery, apparel, or furniture, caused by settling of the stocks, or failure or breakage of shores, blocking or staging, or of hoisting or other gear, either before or after launching and while fitting out.

Full Contract Value to Be the Basis of the Insurance

It is agreed that any changes of interest in the steamer hereby insured shall not affect the validity of this policy.

And it is expressly declared and agreed that no acts of the Insurer or Insured, in recovering, saving, or preserving the property insured shall be considered as a waiver or acceptance of abandonment.

This Insurance also specially to cover loss or damage to the hull or machinery, through negligence of Master, Mariners, Engineers or pilots, or through explosions, bursting of boilers, breakage of shafts, or through any latent defect in the Machinery, or Hull, or from other causes, arising either on shore or otherwise, causing loss of or injury to the property hereby insured, provided such loss or damage has not resulted from want of due diligence by the Owners of the Ship or any of them, or by the Manager, and to cover all risks incidental to steam navigation, or in graving docks.

Collision Clause

And it is further agreed that if the Ship hereby insured shall come into collision with any other Ship or Vessel, and the assured shall in consequence thereof become liable to pay, and shall pay by way of damages to any other person or persons any sum or sums not exceeding in respect of any one such collision the value of the Ship hereby Insured, we the assurers, will pay the assured such proportion of such sum or sums so paid as our subscriptions thereto bear to the value of the Ship hereby Insured. And in cases where the liability of the Ship has been contested, with the consent, in writing, of a majority of the underwriters on the hull and/or machinery (in amount), we will also pay a like proportion of the costs thereby incurred or paid; but when both Vessels are to blame, then, unless the liability of the owners of one or both of such Vessels becomes limited by law, claims under the Collision Clause shall be settled on the principle of Cross Liabilities, as if the owners of each Vessel had been compelled to pay to the owners of the other of such Vessels such one-half or other proportion of the latter's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the assured in consequence of such collision.

And it is further agreed that the principles involved in this clause shall apply to the case where both Vessels are the property, in part or in whole, of the same owners, all questions of responsibility and amount of liability as between the two Ships being left to the decision of a single Arbitrator, if the parties can agree upon a single Arbitrator, or failing such agreement, to the decision of Arbitrators, one to be appointed by the managing owners of both Vessels, and one to be appointed by the majority in amount of Underwriters interested in each Vessel; the two Arbitrators chosen to choose a third Arbitrator before entering upon the reference. The terms of the Arbitration Act of 1889 to apply to such reference, and the decision of such single, or of any two of such three Arbitrators, appointed as above, to be final and binding.

This clause shall also extend to any sum which the Assured may become liable to pay, or shall pay for removal of obstructions under statutory powers, or injury to harbors, wharves, piers, stages, and similar structures, or for loss of life or personal injury consequent on such collision.

Protection and Indemnity Clause

It is further agreed that if the Assured shall by reason of his interest in the insured ship become liable to pay and shall pay any sum or sums in respect of any responsibility, claim, demand, damages, and/or expenses arising from or occasioned by any of the following matters or things during the currency of this policy, that is to say:—

Loss of or damage to any other ship or boat or goods, merchandise, freight, or other things or interests, whatsoever on board such other ship or boat caused proximately or otherwise by the ship insured in so far as the same is not covered by the running down clause set out above. Loss of or damage to any goods, merchandise, freight or other things or interest whatsoever other than as aforesaid (not being builders' gear or material or cargo on the insured ship) whether on board the insured ship or not, which may arise from any cause whatever.

Loss of or damage to any harbor, dock (graving or otherwise), slipway, gridiron, pontoon, pier, quay, jetty, stage, buoy, telegraph, cable, or other fixed or moveable thing whatsoever, or to any goods or property in or on the same, howsoever.

Any attempted or actual raising, removal or destruction of the wreck of the insured ship or the cargo thereof, or any neglect or failure to raise, remove or destroy the same.

Any sum or sums for which the Assured may become liable or incur from causes not hereinbefore specified, but which are absolutely or conditionally recoverable from or undertaken by the Liverpool and London Steamship Protection Association, Limited, and/or North of England Protecting and Indemnity Association, but excluding loss of life and personal injury and matters expressly excluded from any of the above clauses.

The undersigned will pay the Assured such proportion of such sum or sums so paid, or, which may be required to indemnify the Assured for such loss, as their respective subscriptions bear to the policy value of the ship hereby insured, and where the liability of the Assured has been contested with the consent in writing of a majority (in amount) of the Underwriters on the ship hereby insured, the undersigned will also pay a like proportion of the costs which the Assured shall thereby incur or be compelled to pay.

Notwithstanding the foregoing, this Policy is:—

(a) Warranted free from any claim arising directly or indirectly under Workmen's Compensation or Employers' Liability Acts and any other Statutory or Common Law liability in respect of accidents to workmen.

(b) Warranted free of capture, seizure, arrest, restraint, or detainment, and the consequences thereof or of any attempts thereat (piracy excepted), and also from all consequences of hostilities or warlike operations whether before or after declaration of war.

(c) Warranted free of loss or damage caused by strikers, locked-out workmen or persons taking part in labor disturbances or riots or civil commotions.

(d) Warranted free of loss or damage caused by earthquake.

LLOYD'S YACHT CLAUSES

Notwithstanding anything to the contrary herein contained, this policy is "warranted free from any claim for particular average unless amounting to £20 or upwards, in respect of each separate accident." No deduction, new for old, to be made.

No claim to attach in respect of metalling or repairs thereto unless directly resulting from stranding, collision, fire or being in contact with some substance other than water.

Warranted free from all average in respect of damage to sails or spars sustained whilst racing, unless the same be caused by stranding, sinking, fire or collision.

The insurance also specially to cover loss of, or damage to hull or machinery through the negligence of master, mariners, engineers or pilots, or through explosions, bursting of boilers, breakage of shafts or through any latent defect in the machinery or hull, provided such loss or damage has not resulted from want of due diligence by the owner of the ship or any of them, or by the manager.

And it is further agreed that if the ship hereby insured shall come into collision with any other ship or vessel, and the assured shall in consequence thereof become liable to pay, and shall pay by way of damages to any other person or persons any sum or sums not exceeding in respect of any one such collision the value of the ship hereby insured, we, the assurers, will pay the assured such proportion of three-fourths of such sum or sums so paid as our subscriptions hereto bear to the value of the ship hereby insured, and in cases in which the liability of the ship has been contested with our consent in writing, we, the assurers, will also pay a like proportion of three-fourths of the costs which the assured shall thereby incur or be compelled to pay; but when both vessels are to blame, then, unless the liability of the owners of one or both of such vessels becomes limited by law, claims under this clause shall be settled on the principle of cross liabilities as if the owners of each vessel had been compelled to pay to the owners of the other of such vessels such one-half or other proportion of the latter's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the assured in consequence of such collision. Provided always that this clause shall in no case extend to any sum which the assured may become liable to pay, or shall pay for removal of obstructions under statutory powers, for injury to harbors, wharves, piers, stages and similar structures, consequent on such collision or in respect of the engagements of the insured vessel, or for loss of life or personal injury.

In the event of accident whereby loss or damage may result in a claim under this policy, notice shall be given in writing to the underwriters where practicable, and, if abroad, to the nearest Lloyd's agent also, prior to survey, so that they may appoint their own surveyor if they so desire.

(These clauses published by Witherby & Co.)

"ROANOKE" SALVAGE CASE

The salvage case of the steamer "Roanoke" came before the British Admiralty Court recently for decision. It appeared that the steamer was bound from Dundee to New York, and was torpedoed off the north coast of Scotland. Fortunately she managed to keep afloat, and was picked up by several naval vessels and taken into port. The values admitted for salvage were £95,000 on the ship and £58,533 on the cargo, making a total of £153,533. The total award given was £8,345, divided among the various salving vessels.

Richards on War Risk Insurance

(Continued from page 32)

Germany and Austria with whom she was allied, she had not renounced them. Efforts were made to get the consent of the British authorities to let the vessel come on with her cargo, but these were unsuccessful and finally arrangements were made to send some other vessel to Massawa and bring forward the steamer "Sturmfels" cargo. In the meantime it developes the captain of the "Sturmfels" has disposed of some of the cargo to the natives, pocketing the cash, and advising representatives of the consignees that they would have to take up with his principals in Germany the question of recovery—an impossibility until after the war. Furthermore, in January 1916, a fire occurred on board the "Sturmfels" which destroyed, as far as we can learn, all of the cargo in one hold, but even today two years after the fire this cannot be confirmed definitely.

How Will it Be Decided?

When the Italians entered the war on the side of our allies, she was seized—or requisitioned by them and finally taken to Naples where her cargo was discharged by the Government. Some of it reached New York during 1917, three years after starting on its original voyage, some of it has been requisitioned by the Italian Government, the rest we may learn of some day. Whether destroyed by fire, requisitioned or still in storage at Naples we cannot tell at present. In the meantime, the consignees await either their goods, or some settlement from the underwriters, marine or war. Which is it—a claim or will the goods perhaps still in existence reach here some day? If a claim what proof is there to offer and who will pay the loss, if perchance the marine and war risk is with separate underwriters? Three and a half years ago the voyage started, when will it end? This is but a sample of what we have to meet today.

What is Marine? What is War Risk?

OFTEN HARD TO DEFINE

"Ikaria" Case Discussed By Chairman of British Association of Average Adjusters

G. S. Lloyd Davies, chairman of the British Association of Average Adjusters, recently discussed the difference between a marine and a war risk, not always as easy to define as might be supposed. Many decisions have been arrived at between assured and underwriters without resort to the courts, but one case has arisen of special interest that has been the subject of judicial decision.

Discusses "Ikaria" Case

In discussing that Mr. Davies said: "I refer to the case of the 'Ikaria'—Leyland Shipping Co., Ltd., v. Norwich Union Fire Insurance Company Society, Ltd.

"The short facts in this case were that the 'Ikaria' was torpedoed when approaching Havre, her destination, and, although sustaining considerable damage, and with the fore-hold full of water, remained afloat, and with assistance arrived about 9.30 p.m. at a berth in the outer harbor at Havre.

"Extra pumping power was at once obtained, and early next morning the discharge of cargo commenced. During the night a gale had sprung up and was increasing, and at about noon the vessel was ordered away from the berth by the authorities and she was moved to an anchorage inside the breakwater. Here she took the 2 holds and between No. 2 and the engine room gave way and the ship became a total loss.

A War Risk Loss

"The case has been decided in the Commercial Court and by the Court of Appeal in favor of the marine underwriters or in other words, it has been held that the vessel was lost by war risk.

"I understand that the case will probably go to the House of Lords. The decision of the Court of Appeal is of special interest owing to a remarkable judgment by Lord Justice Scrutton in the course of which he reviews most of the well-known authorities on the maxim of 'causa prixima non remota, spectatur,' and as I read his judgment, he was of opinion that the proximate cause of the total loss of the 'Ikaria' was the taking of the ground near the breakwater, and was consequently a loss by marine perils. Holding himself bound, however, by the decision of the Court of Appeal in Reischer v. Borwick, he gave judgment in conformity with the rest of the Court and left it to the House of Lords, if the case went there, to recognize the judgments of the Court of Appeal with the previous decisions of that House.

"The decision in all these cases appears to depend upon what was the proximate cause of the loss, and the dicta of the various judges on this question are somewhat bewildering, to the ordinary mind. There is, perhaps, a danger in taking a dicta from one judgment and trying to apply it to another case in which the facts are totally different and such as the judge had in no way in his mind when he uttered his words."

MR. RUSH'S PAPER

The Eastern Underwriter had intended running in this issue a valuable and important article on hull insurance, being the paper on that subject which was to have been read before the Insurance Society of New York, of Benjamin Rush, president of the Insurance Company of North America.

The address was to have been delivered on Tuesday of this week, but the meeting was postponed, and so it is impossible to run the paper. In view of the circumstances The Eastern Underwriter decided not to attempt to obtain a paper on hull insurance from some other source, but will print Mr. Rush's paper after it has been delivered.

Seventeen New Underwriters

During the year seventeen companies applied to Albany for the privilege of writing marine risks in New York State. The list is as follows:

American Insurance Company, Newark, N. J.

American Steamship Owners' Mutual Protection & Indemnity Association, New York City.

Concordia Fire Insurance Company, Milwaukee, Wis.

Dixie Fire Insurance Company, Greensboro, N. C.

Firemen's Insurance Company, Newark, N. J.

Jefferson Insurance Company, Philadelphia, Pa.

Liberty Marine Insurance Company, New York City.

National Insurance Company, Copenhagen, Denmark.

New Brunswick Fire Insurance Company, New Brunswick, N. J.

New Hampshire Fire Insurance Company, Manchester, N. H.

New Jersey Insurance Company, Newark, N. J.

North Atlantic Insurance Company, New York City.

Northwestern National Insurance Compaiy, Milwaukee, Wis.

Norwegian Assurance Union, Ltd., Christiania, Norway.

People's National Fire Insurance Company, Wilmington, Del.

Spanish-American Insurance Company, Havana, Cuba.

Union Insurance Company of Canton, Ltd., Hong Kong, China.

GLOBE AND RUTGERS

FIRE INSURANCE COMPANY

111 WILLIAM STREET, NEW YORK

E. C. JAMESON, President.

LYMAN CANDEE, Vice-President.

W. H. PAULISON, Vice-President.

Cash Capital - -	$ 700,000.00
Assets January 1st, 1917	13,790,133.26
Surplus to Policyholders	6,950,190.55

J. H. MULVEHILL, Secretary.

W. L. LINDSAY, Secretary.

A. H. WITTHOHN, Asst. Secy.

J. D. LESTER, Asst. Secy.

Little Stories Picked Up In Marine Offices

A. A. Raven Seriously Ill

A. A. Raven, for years president of the Atlantic Mutual Insurance Company, and now chairman of its board of directors, is seriously ill at his home in Brooklyn. He recently underwent an operation. For years Mr. Raven was one of the most picturesque figures in marine insurance, and the success of the Atlantic Mutual is largely due to his work and genius.

* * *

Thatcher an Army Captain

Archibald G. Thatcher, one of the most distinguished of the admiralty lawyers, and spokesman for marine insurance upon many occasions, is now a captain in the Army and has been stationed at Yaphank.

* * *

$500,000 Hull Limit

The American market on a hull is $500,000 in forty-four companies. This was the situation on January 20.

* * *

For Years with Board of Education

William G. Willcox, of Willcox, Peck & Hughes, was until recently chairman of the New York Board of Education.

* * *

"Jim" Corbett Once an Insurance Clerk

James J. Corbett, former champion heavyweight pugilist of the world, and now an actor and newspaper writer, was at one time a clerk in an insurance office under J. B. Levison, now president of the Firemen's Fund. The company was the Anglo-Nevada.

* * *

The Great Lakes

What is going to happen on the Great Lakes when all the good ships are taken away and nothing but tubs are left? This is a situation discussed constantly among marine underwriters. With so many of the good ships gone how are the grain shipments to be moved?

* * *

No Telephones

There isn't a telephone in the Atlantic Mutual Insurance Co.'s office. The report that there are no typewriters but that everybody writes with a quill pen is a fake. In some of the British offices, however, they do use quill pens just as they did a century ago. And, at that, there's nothing the matter with a quill pen.

* * *

Sailing Vessels too Slow

The Germans aren't sinking any American sailing vessels for the simple reason that Uncle Sam does not permit sailing vessels to cross the ocean. At the beginning of the submarine campaign of ruthlessness on the high seas, the Germans made a score of about seven out of ten.

* * *

Take Cover for Round Trip

Among other means resulting from the war by which the marine broker has profited is the practice adopted by shipowners and shippers of taking coverage for a round trip instead of one way anticipating an advance in rate.

* * *

Certificates Should Show Rates

A fire broker told The Eastern Underwriter last week that he had written the Insurance Department of the State of New York suggesting that legislation be enacted to force all marine underwriting offices issuing certificates of marine insurance to show thereon the rate charged for the coverage. He also stated that he had had serious difficulty with one of his clients who had heard of another shipper having been overcharged for a marine certificate by his broker.

When the above was mentioned to several marine underwriters, they unanimously said that there was no substantial reason why the rates should not be shown on the certificates and that considerable evil had resulted from their absence having been misused by some brokers. They went further and said that they would be willing to publish their rates on certificates if all other offices did likewise.

* * *

Time Worth $1 per Minute

The practice of settling marine losses by committees has some disadvantages, the principal one being the time consumed. After having conferred for some sixty hours at various times, a member of one such committee stated that he reckoned his time as being worth $1 per minute and, therefore, he had lost personally $3,600, or a good portion of the amount of the loss. There were five members of the committee. At their next meeting their statistically inclined member was twenty-one minutes late. He was a good loser, however, and really laid the eighty-four dollars on the table.

* * *

Did not Talk too Little

Another committee meeting story that is going the rounds has as its central figure one of our marine underwriters who enjoys the reputation of being rather loquatious. The deliberations of this particular committee had reached the point of being exasperating. Finally an agreement was reached when a wire was received by the aforestated member from his company president asking that no action be taken until further advices from him. Several days later the objections of the company president were overcome and the agreement went through as originally framed. Shortly thereafter, in an exchange of correspondence, one of the other committee members stated that he hoped the president was duly appreciative of the indulgence of the committee and that his New York representative had not let him overlook the fact. The latter replied, "I have been accused of talking too much, but never too little."

* * *

The Hudson Maru

When the "Hudson Maru" put in at Pernambuco, carrying refugees from ships sunk by a German raider, the Japanese crew refused to go to New York in her unless each was paid $250. They got the money.

* * *

Cornering the Market

Some of the most interesting stories being told on the Street are those in reference to tieing up the market on a specific ship. A broker learning that a ship is to sail from this port in about six weeks, gets a provisional binder covering the approximate maximum insurance. Other brokers seeking cover later find the market full. If the broker holding the provisional binder has a favorable rate, he can use his advantage along many lines. There have been instances where such brokers, unable to get the business of a particular shipper, have gone to him when he was embarrassed for marine cover on one of his shipments because of the cornered market, and offered him his insurance at the low rates they obtained through the binder issued some weeks before in consideration of his regular business.

RE-INSURANCE COMPANIES

Russia Had Nine in 1915 and Scandinavian Companies Had Twenty-six

At the end of 1915 there were in all 143 companies in Europe transacting purely or essentially re-insurance business, and 58 of these were in Germany and Austria. The German Government assisted the re-insurance companies by publishing statistics and general information with regard to re-insurances in Germany and all the world over, thus permitting the German re-insurance companies to have before them ready-made statistics to enlighten them as to the character and quality of business obtainable anywhere in the world. Re-insurance is not so easy a business as would appear at first sight, but it is a class of business which can be made very profitable, and the Germans have been able to make it so by skill, knowledge and finance. The oldest German re-insurance company is the Neue Funfste of Hamburg, which was established as long ago as 1842, but by far the most important German marine insurance company is, or, rather, was, the Munich Re-insurance Co., of Munich. This Company was established in 1880, and had a capital of 20,000,000 marks, of which 5,000,000 marks was paid up. This Company was highly successful, and had branches and every kind of ramifications all over the world. It is surprising that in spite of the large increase in the amount of American business written by American companies since the war there should be so little attention paid to re-insurance. This apathy toward re-insurance is also common to British underwriters. Not so on the Continent, however. To give but one instance: At the end of 1915 Russia had nine re-insurance companies, and the Scandinavian countries had 26. In France, Italy, Spain and Portugal there were very few. New re-insurance companies have been established since 1915 in most of the Allied countries. In France three new companies have been established and in Russia two.

HIDES DAMAGED BY ORE

A Mersey Dock Case—Court Decides that Master Pier Porters Are Responsible

London, Jan. 8.—A steamer arrived in the Mersey Docks with a cargo which included a large quantity of copper barilla in the form of powdered ore, which was in bags. In unloading some of the bags broke, and the ore was left on the quay. About two weeks later another ship arrived with a cargo of ox-hides for the Liebig's Extract of Meat Co. The hides, which were wet and salted, were placed on the quay, and were damaged by the ore which still remained there. Damages were claimed against the Docks and Harbor Board for breach of warranty and negligence. In the King's Bench division the jury found that the quay was not in a fit state to receive the hides, and that the board had been guilty of negligence.

For the board it was contended that the negligence was on the part of the master porters, who were duly licensed by the board to act as porters in the docks.

Mr. Justice McCardie was of opinion that there was ample evidence to support the finding of the jury. There was an implied warranty that the quay was in a fit condition to receive the goods, and the board's arrangement with the master porters did not relieve them from their obligation in this matter.

HALIFAX LOSSES

The marine insurance companies will pay the Halifax losses. There has been considerable discussion regarding the explosion feature of the loss, but the companies will not stand on technicalities.

SUB-MARINE BOAT CORPORATION

Builder's Risk Insurance Ordered Day to Day Then Canceled When Completed

With reference to the plant of the Sub-Marine Boat Corporation, Port Newark Terminal, a leading agent bound as a builder's risk several hundred thousand dollars of insurance, covering specifically on various buildings and the lumber on the premises. Insurance was ordered from day to day. As a load of pilings or cappings was delivered, the insurance for the full amount was effected in favor of the Lackawanna Bridge Company & Sub-Marine Boat Corporation, agents for the United States Emergency Fleet Corporation.

Before the buildings were completed, the insurance was cancelled, the assumption being that the Government had taken over the work. The Newark plant, which is located at the Port Newark Terminal, is one of the largest shipbuilding plants in the country and will employ, when in complete operation, fifteen thousand hands. The rivet for the first steel fabricated ship was driven in December. A copy of the policy form had nothing of particular interest as it was simply a builder's risk, being specific on each building.

LLOYDS RUNNING DOWN CLAUSE

And it is further agreed that if the ship hereby insured shall come into collision with any other ship or vessel, and the assured shall in consequence thereof become liable to pay and shall pay by way of damages to any other person or persons any sum or sums not exceeding in respect of any one such collision the value of the ship hereby insured, this company will pay the assured such proportion of three-fourths of such sum or sums so paid as our subscriptions hereto bear to the value of the ship hereby insured, and in cases in which the liability of the ship has been contested, or proceedings have been taken to limit liability, with the consent in writing of this company, the company will also pay a like proportion of three-fourths of the costs which the assured shall thereby incur or be compelled to pay; but when both vessels are to blame, then, unless the liability of the owners of one or both of such vessels becomes limited by law, claims under this clause shall be settled on the principle of cross liabilities as if the owners of each vessel had been compelled to pay to the owners of the other of such vessels such one-half or other proportion of the latter's damages as may have been properly allowed in ascertaining the balance or sum payable by or to the assured in consequence of such collision.

Provided always that this clause shall in no case extend to any sum which the assured may become liable to pay, or shall pay for removal of obstructions under statutory powers, for injury to harbors, wharves, piers, stages and similar structures, consequent on such collision, or in respect of the cargo or engagements of the insured vessel, or for loss of life or personal injury.

(This clause furnished The Eastern Underwriter by Witherby & Co.)

NEW COMPANY AT BILBAO

There has just been registered at Bilbao, under the title of Consorcio Espanol de Aseguradores, an insurance company with a capital of seventeen million pesetas, whose principal business will be devoted to maritime insurance.

A Shipping Editor's View of Marine Insurance

By R. de TANKERVILLE

Marine insurance, as most other institutions of the present day, had its origin in a practice of the Greeks, which consisted in making a loan on a ship or cargo, which was not to be repaid if either were lost, but bore a high rate of interest if the voyage turned out advantageously, in order to compensate the lender for the risk which he incurred. This custom has since evolved into the present system of maritime loans known as "bottomry" and "respondentia."

But marine insurance, as such, that is to say, the payment of a specific premium to cover the risk of a possible loss arising out of a casualty due to the act of the marine element, cannot claim a higher antiquity than the year 1300 A. D., when the insurance of marine risks became a distinct business from that of loans on freight. In 1601, the English Parliament created a commission to decide disputes under contracts of marine insurance, but inasmuch as the business was conducted solely by private persons acting independently, there was a certain amount of gamble in the covering of marine risks which made the insurance contract at times of doubtful value to the assured, while the keenness of competition led the assurers to assume liabilities in excess of their financial resources.

Beginning of Lloyds

In time this led those who made it their business to accept marine risks to meet at fixed hours, when shipowners and merchants could negotiate with them the terms of contract and the rate of premium for the particular voyage involved. Toward the end of the 17th century these meetings were held at the coffee house of Lloyd's in London and the simple practice of those days led in time to the complicated system of transacting marine insurance business today. The underwriters together evolved rules of practice and adopted means of ascertaining with a certain degree of accuracy the rate of premium to govern in given cases; but for generations to come they continued to insure severally, without common responsibility, so that eventually the name of Lloyd's became synonymous throughout the commercial world with the business of marine insurance. In England the name of Lloyd's remains associated with the insurance exchange, conducted by private underwriters, which sprang out of the meetings held at the coffee house of the same name. But in other countries it had been freely adopted by insurance and maritime institutions—although the business of Lloyd's of London is not confined to marine insurance—while in the United States the name of Lloyd's has been adopted by associations of private and individual underwriters, as distinguished from insurance corporations, whether in marine or any other class of insurance.

Local Difficulties

In this connection, the fact should not be lost sight of that England at that time possessed an immense mercantile marine and the premium income of English individual underwriters and companies was such that they could easily withstand the severe incursions upon English trade inflicted by French and Spanish privateers. The merchant marine of America on the contrary was—though much smaller in size—rather in excess of the needs of the country for its import and export traffic, with the result that American shipowners sought the more hazardous trades, i. e., those in which a fortune could quickly be made if one were lucky enough to avoid capture at the hands of any of the belligerents. This characteristic of American marine business lasted throughout the Napoleonic era and was the cause of the decay which set in the business, because claims mounted so high that underwriters in self-defence were constrained to extend the list of warranties until almost any insurable contingency save the Act of God was excluded; while on the other hand there was but little business of a peaceful character that could be attracted to offset the losses due to war. This in time led leading American underwriters to develop their fire business at the expense of the marine department.

New Spirit in the 40's

Following the abolition of the navigation acts of England in the 40's the fine ships of America began to seek charters for voyages to English ports and marine insurance again took a spurt, with the remarkable development of the merchant marine. But for some reason, due perhaps to the absence of a classification registry, such as the English underwriters possessed, or perhaps due to failure to exclude the risks of capture and seizure from the policies, marine underwriting was not a success in this country and the only companies that could stand the storm of the depressions which occurred with such painful regularity in the early economic history of the nation, were those which derived a large income from other sources than marine premiums. Thus, according to the records of the Insurance Company of North America, that institution during the first ten years of foreign wars was left with only 9 per cent. out of six millions received in premiums to cover expenses, while during the twenty years from 1842 to 1862 the marine premiums were $5,957,630, but the losses left only 15 per cent. to cover expenses.

Iron vs. Wooden Ships

Reference has been made above to the absence of a classification registry in America, such as was possessed by the English underwriters for the automatic rating of vessels offered for insurance or the cargoes carried by them. This had serious consequences, inasmuch as following the introduction of iron into shipbuilding, cargoes by British iron vessels were insured at an average premium perhaps not exceeding 2 per cent., while an extra premium of from ½ to ¾ of 1 per cent. was demanded for cargoes by the wooden vessels of American registry. The consequence of this was that in order to attract business, American underwriters began cutting the London rate on cargoes carried by wooden ships with disastrous results to themselves, as indeed has been the case with every attempt to secure business in marine insurance by trimming the premium to attract the customer, instead of basing it upon such known factors as are available, remembering always that marine insurance losses seldom accrue out of some huge disaster—like the sinking of the "Titanic"—but are made up of a multitude of trifling accidents to which no newspaper ever accords more than a few lines at the utmost. In fact, nothing could be more prosaic than the daily statement of claims presented to a marine adjuster.

Matters were in all conscience bad enough in this country as far as marine underwriting went, when the Civil War came and following it the period of intensive development of the country's resources, which began at first with capital borrowed from Europe. It was natural under the circumstances that foreign capitalists should prefer the indemnity of an insurance institution of their own land and a time actually came to pass when cargoes afloat could not be sold as high as others of the same kind in the European trade marts if insured in America. This virtually restricted American marine insurance business to the domestic traffic along our coasts, while the bulk of our exports was insured by the agencies of foreign companies having agencies in America, the vessels themselves being all foreign.

Decadence and Renascence of Marine Underwriting

Most unfortunate of all was the failure of the American insurance market early in its history to provide reinsurance facilities, the consequence being that even in the case of hulls insured in this country—such as coastwise steamers—all the re-insurances were placed with Lloyd's in London. In fact, on the eve of the war, English underwriters—both the companies and Lloyd's—controlled about 85 per cent. of the marine insurance market of New York, directly or by means of re-insurances, most of the older American institutions having withdrawn from the market after sustaining severe losses. This virtual monopoly of the American market was not at all times unresisted, because on several occasions underwriting offices induced fire companies with old marine charters to accept marine risks and on at least one occasion a few years ago they succeeded in winning all the Great Lakes business away from London, but as usual this was done by cutting premiums already barely adequate and a loss was sustained in most cases.

The neutral position of this country when the war broke out in Europe brought it an immense traffic with European ports located conveniently for the transhipment of goods eventually destined to the Central Powers. No insurance on such merchandise could be obtained in London under the restrictions imposed by the Trading-with-the-Enemy Act and thus it became necessary for shippers to obtain insurance elsewhere. Spurred to action by the urgency of the need, the New York brokers rose to the occasion and scoured the country for companies with charters allowing them to enter or re-enter the marine field, the attraction being in most cases the tempting rates offered, not for strictly marine business, but to cover the warranty known as the f. c. and s. clause; in other words, the war risk contingency. With the Government acting as a stabilizer of the market by means of its fixed tariff, there was every inducement to indulge in that mild form of gambling which is at the bottom of every insurance contract.

The results have been disappointing in some cases and highly encouraging in others. For one thing the market has been so broadened that London today probably does not control more that 35 per cent. of the New York business, American offices having the balance of 65 per cent. as their share. What is more important, the business of marine insurance has lost its mystery and is no longer the sealed book that it was to the American insurance community, with the result that there is every prospect that the business which has come to American underwriters as a result of the war will be retained by them when the war ends.

Re-Insurance the By-Problem

Unfortunately nothing has as yet been done on a broad scale to take care of re-insurances. There is danger that some newcomers in the field have been overconfident in their assumptions of risks, forgetting what every underwriter should know, namely, that a total loss on good-sized line is preferable to a multitude of small losses which entail much extra expense in addition to an equal liability. Before the war a large amount of reinsurance business, chiefly from Continental companies, was carried by German companies at great profit to themselves. But London controlled the bulk of re-insurances and does still today. It is imperative to the future of American marine underwriting that steps be taken to remedy this deficiency if this nation is to possess a strong merchant marine backed by the necessary insurance facilities.

FAULTY CONSTRUCTION CLAIMS

Owners Want to Collect When Vessel Building is Abandoned in Shipyards

In discussing claims arising from the faulty construction of auxiliary sailing vessels built at some of the shipyards recently laid down in this country "Shipping" says in a recent issue:

"In this connection it is interesting to note that several vessels built at a southern shipyard have had to abandon their voyages and we understand that heavy claims are to be made by the owners under the policies. It is evident that the system of building vessels in a hurry out of unseasoned timber is not giving satisfaction, and it is time that underwriters insisted upon a more rigid inspection of these ships than has been the case heretofore. There are complaints that it is altogether too easy for shipbuilders nowadays to secure high classification ratings for badly built wooden ships and unless the classification registry involved manages to set its house in order, it may have to undergo a thorough re-organization if faith is to be placed in its surveys. The other alternative, that of discriminating against all recently-built sailing vessels, would be very unfair to the owners of well-built vessels."

SALVAGE AWARDS

Five of the Elements to Be Considered in Determining the Amount

The following elements are to be considered in determining the amount of a salvage award: (1) The labor of the salvor in rendering the salve service. (2) The promptitude, persistence, skill and energy displayed in saving the property. (3) The value of the property employed by the salvors in rendering the service, and the danger to which it was exposed. (4) The risk incurred by the salvors. (5) The degree of danger from which the vessel and cargo were rescued, and the value of the property.—Livietta, 242 Federal Reporter, 195.

EASTERN MARINE
UNDERWRITERS, INC.

GEORGE A. EVALENKO, President

MANAGERS

OF THE

MARINE DEPARTMENT

OF THE

EQUITABLE UNDERWRITERS

OF

NEW YORK

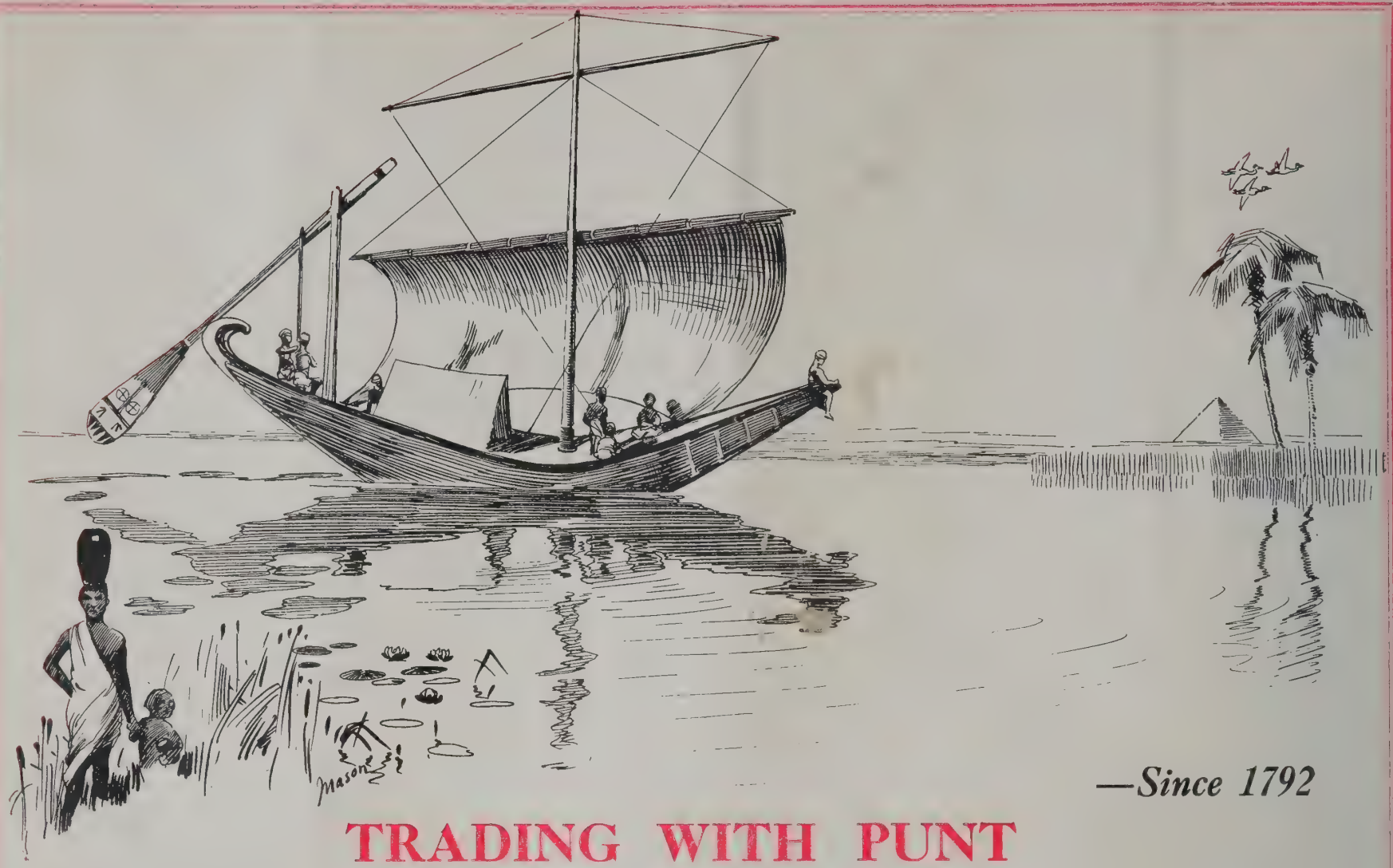
FOR WHICH WE ARE NOW PREPARED TO BIND ALL LINES OF

MARINE, CARGO AND HULL ASSURANCES

AT OUR TEMPORARY OFFICE

111 BROADWAY, NEW YORK CITY

Telephone 1555 Rector



—Since 1792

TRADING WITH PUNT

That little fleet of crude sailing ships that left Thebes about 4000 B. C. to trade with the merchants of Punt is the first record we have of a water journey in the interests of foreign trade.

And marine insurance is indirectly a development of this all but forgotten voyage of antiquity, although our earliest record of marine insurance is dated about 5000 years.

Marine Insurance in America did not assume the proportions of a serious business until the organization of the North America in 1792 and its incorporation two years later. This event marked the wane of individual underwriting. The North America has ever since been closely associated with the development of American and International shipping—and as a result of 125 years' continuous service it is today offering shippers and owners a service that is almost unique in its completeness.



Insurance Company of NORTH AMERICA
PHILADELPHIA

MARINE INSURANCE	PARCEL POST	HORSE & WAGON FLOATER
CARGOES	REGISTERED MAIL	TORNADO
FREIGHT	TOURIST	USE AND OCCUPANCY
HULLS	SALESMANS FLOATERS	SPRINKLER LEAKAGE
WAR RISK	INLAND TRANSIT	RENT
COTTON	YACHT & MOTOR BOAT	LEASEHOLD
AUTOMOBILE	FIRE INSURANCE	EXPLOSION

MARINE REPRESENTATIVES

Platt & Farnum, 27 William Street	New York
Jones & Whitlock, 1 Liberty Street	New York
Field & Cowles, 85 Water Street	Boston, Mass.
Charles H. Reeves	Baltimore, Md.
James Stuart Lowry	Baltimore, Md.
Marshall J. Smith & Co. Ltd.	New Orleans, La.
Robert Hampson & Son, Ltd.	Montreal, Can.
George L. McCurdy, Chicago. W. Richardson & Son	Chicago
Neare, Gibbs & Lent	Cincinnati, Ohio
Wight & Butt, Atlanta, Ga. Wight & Butt,	Dallas, Texas
J. C. Johnston, 325 Sansome Street	San Francisco
J. B. Levison	San Francisco, Cal.
F. D. Hirschberg & Co.	St. Louis, Mo.
Charles E. Parker	Hartford, Conn.

68:
FA
Commerce
Reading Room

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Copyright by The Eastern Underwriter Co., 1918

Nineteenth Year; No. 5 NEW YORK, FRIDAY, FEBRUARY 1, 1918 $3.00 a Year; 25c. per Copy

NEW BOARD FORM TOURIST POLICY

Adopted by Tourist Floater Insurance Conference Effective April First

NEW RATES PREVAILING TODAY

Form Contains Several Modifications of Coverage—Fifteen Per Cent. Commission in New York

The Tourist Floater Insurance Conference has adopted a new schedule of rates which is effective today and includes an increase.

On territorial limits A, which covers within and between the United States, including its possessions and Canada. Bahama Islands, West Indies, Bermuda Islands, United Kingdom of Great Britain and Ireland, the rates are raised to 2½ per cent. for amounts up to and including $2,500, each additional $100 to be charged for at the rate of 1½ per cent.: viz., on a policy of $5,000, the premiums would be $100.

For territorial limits B. which covers world-wide, charge 50 per cent. additional premium over territorial limits A, viz: on a policy of $5,000 the premium would be $150.

Another form effected by the Conference was in the nature of a resolution limiting the brokerage commission in New York City to fifteen per cent.

The Form

The form which has been adopted and which will become effective on April 1, is as follows:

In consideration of the stipulations herein named and of ..... dollars premium, does insure..... whose address is .....for the term of ..... from the ..... day of ..... 191.... at noon standard time at place of issuance to the ..... day of ..... 19.... at noon against direct loss or damage as hereinafter provided, to an amount not exceeding ..... dollars, to the following described property while located as described herein, and not elsewhere.

(1) On personal effects as follows: Wearing apparel, bedding, linens, plate and plated ware, printed books, and music, photographs and their frames, musical and scientific instruments, photo-

(Continued on page 14)

"The Largest Fire Insurance Company in America."

THE HOME
INSURANCE COMPANY
NEW YORK

ELBRIDGE G. SNOW, President

Equal Protection for ALL Policyholders.

FIRE AND ALLIED BRANCHES OF INSURANCE.

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents
EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

THE PILOT POLICY

METROPOLITAN LIFE SUPERINTENDENTS MEET; HEAR 1917 FIGURES

Paid-For, $791,060,002—In Force, $3,936,181,898—Assets, $704,025,515—Claims Paid, 226,962

1918 GROUP AIM OF $75,000,000

Company Will Try and Sell $65,000,000 Worth of War Savings Stamps

The annual meeting of the superintendents of the Metropolitan Life Insurance Company, gathering something less than 1,000 men from all parts of the country, is always a noteworthy event, not only because at this gathering the figures of the giant company are read for the first time, but there generally passes in review an epitome of the great happenings of the year, not only in life insurance but in other broad fields of human endeavor; while forecasts of the future are made by many speakers. The men who attend are prominent in their communities—oftentimes the leaders in some civic or national function of importance: and their applause of a patriotic or philanthropic sentiment means that thousands of hands "back home" are clapping too. For a time this year the Metropolitan Life thought it might be advisable to drop its Convention of superintendents as some other companies have acted in relation to their field clubs: but then the government first drafted Fourth Vice-President Kavanagh, to take charge of the organization of the War Savings Stamps' field campaign; next it decided to use in the sale of the stamps the selling methods which were conceived and executed by the great industrial companies; finally it was seen that if the sale of the stamps was to be a success the great army of life insurance agents of America must take an active part in the campaign. The Metropolitan had given the Government its word that it would help all it could; that word must be made good. So if for no other reason it was decided to hold the Convention and not let its superintendents go home until they understood the W. S. S. problem, viz: To be a success every family in America must own at least one $100 certificate. There are

20,000,000 families in America. The Metropolitan fixed upon $65,000,000 as its "bit" in the W. S. S. campaign. The Eastern Underwriter predicts that these agents will sell over $75,000,000.

Features of Convention

The W. S. S. and the enthusiasm it evoked furnished the great patriotic feature of the meetings, and the other features of human interest or of news interest as seen by the Editor of the Eastern Underwriter, who was privileged to attend the sessions, follow:

1. The tremendous increase made in the Company's ordinary business. It's nearly $82,000,000 more than the industrial; and together they foot up to a total of $791,060,002.

2. The Company has more outstanding insurance than any company in the world, and some time next month will have passed $4,000 000,000.

3. The Metropolitan is rapidly gaining on the British Prudential in number of policies in force. The British Prudential has 20,000,000. The Metropolitan had 18,262,933 on December 31, 1917.

4. The Company's mortality record for the year was unexceptionally good.

5. The Company has set $75,000,000 as the allotment for superintendents in group insurance for 1918. Rather, the agents themselves made the allotment.

6. The nursing service has been extended to group insurance in all except some plants in isolated sections.

7. The upward trend of remuneration for agents, deputies and superintendents continues. For agents in 1917 it was $2.38 a week higher than 1916.

8. The goal for an agent was fixed at six applications a week.

9. A number of concessions were made to agents in their expense accounts, such as telephone, telegraph and messenger charges.

10. Agents will not be charged with lapses on insurance after it has been in force five years.

Prevention More Important than Compensation for Sickness

One of the most significant points brought out at the meeting was the fact that a community health experiment inaugurated by the Metropolitan Life in a Massachusetts city had a great deal to do with the decision of the State of Massachusetts not to embark upon State health insurance. In other words, the legislature of that State is of the opinion that prevention of sickness is more important to society than compensation of sickness. The remarks of Dr. Lee K. Frankel, third vice-president of the Metropolitan Life, upon that subject were of intense interest; and will be reviewed more at length in a subsequent issue of The Eastern Underwriter.

A commentary on the health insurance situation in several States will be found on page 17 of this paper.

When the superintendents entered the great assembly hall on the eleventh floor on Friday morning they were welcomed by the Metropolitan's own band —one of the biggest in the city—which played patriotic and other popular numbers. On the wall, draped beneath flags, were two immense frames, bearing the caption "Roll of Honor," on which were inscribed the names of the representatives of the Company—nearly 800—who are in the service. Space is left by the side of each name for the writing of the complete record during the war.

President Hegeman Could not Remain Away

Although advised by his physician not to come, President Hegeman, who has seen the Company grow from its small beginnings to a position where it has more outstanding insurance than any other company in the world, was greeted with applause which lasted for five minutes. Evidently his physician was wrong because the venerable president never spoke with more wit, incisiveness and grip on his audience. There were cheers as he briefly announced the wonderful record of the Company. Stopping a moment he coined a bit of life insurance nomenclature:

"You have been called benefactors of the human race, teachers of thrift, friends of mankind," he said. "In my opinion a good life insurance producer is an apostle, the definition of which is "One who executes an important mission.' The mission you have executed is to bring peace, comfort and happiness to humanity by building up the Metropolitan Life. Last year was the 51st year of the Metropolitan's existence. So this is the 51st chapter of the Acts of the Apostles."

In calling attention to the Metropolitan's premium income he said it exceeded that of any company in the world. The Company's total income in 1917 was $193,691,915, which was a gain over 1916 of $40,648,595. Its assets made a gain of $95,927,881 over 1916, and this despite the decline in railroad and other securities. Assets December 31, 1917, $704,025,515.

The Company paid a death claim every 38 seconds of 1917, total claims paid being $58,792,940. In discussing the number of policies in force, 18,262,933, Mr. Hegeman said the total was more than that of all the other companies combined, with one exception.

War Loan Subscriptions of $34,000,000

Mr. Hegeman briefly touched the war activities of the Metropolitan. The Company so far has subscribed to about $20,000,000 in two war loans. It subscribed $14,000,000 in Canada, a total in all of $34,000,000.

"And bear this in mind," he said. "There are more subscriptions where these came from. This war has got to be won, and it has got to be won by the Allies. (Great applause.) This is the time for strong men to come to the for; and for mollycoddles and pacifists to go to the rear where they belong."

Mr. Hegeman then paid a great tribute to "Little Canada," and its share in war participation.

Referring to the drafting by the United States Government of the services of Fourth Vice-President Kavanagh, in charge of the field organization of the W. S. S., Mr. Hegeman said:

"This man is a Canadian, as clever as he is modest."

Pittsburgh L. & T. Re-Insurance

Vice-President Haley Fiske analyzed the figures, following the opening address of the president. One thing that particularly pleased him was the revivals in the industrial department. In 1917 586,000 policies were revived as against 432,000 in 1916. The record is phenomenal.

In discussing the feat of writing $436,803,832 ordinary Mr. Fiske said that even deducting the re-insurance transactions of the year, the Pittsburgh Life & Trust and the home office re-insurance, it was remarkable.

(Continued on page 7)

THE MUTUAL BENEFIT LIFE INSURANCE COMPANY

1845 OF NEWARK, NEW JERSEY 1918

FREDERICK FRELINGHUYSEN, President

TRANSACTIONS OF 1917

INCOME		DISBURSEMENTS	
Premiums	$ 32,071,307.70	Death Claims	$ 8,362,949.80
Interest and Rents	10,130,857.61	Endowments	1,972,703.17
Proceeds of Income Insurance Policies left with Company	1,151,414.04	Annuities	138,017.03
		Surrendered Policies	3,546,263.26
		Dividends	6,674,506.36
		Total Paid Policyholders	$ 20,694,439.62
		Taxes, Fees and Licenses	828,018.77
		Commissions and Agency Expenses	3,610,286.92
		Office Expenses, including Salaries	661,845.91
		All Other Expenses	714,804.32
		Red Cross and Y. M. C. A. War Funds	25,000.00
		Reduction in Book Value of Securities	77,578.71
		Profit and Loss (Net)	10,083.49
		Income Taxes Withheld at Source	1,094.37
		Paid Under Income Insurance Policies	635,756.13
		Excess of Income over Disbursements	16,094,671.11
Total	$ 43,353,579.35	Total	$ 43,353,579.35

ASSETS		LIABILITIES	
Cash on Hand and in Banks	$ 4,238,727.23	Reserve Fund	$196,205,258.00
Loans on Collateral	2,800,000.00	Other Liabilities	7,597,230.60
Bonds, Book Value	58,898,322.99	Regular Dividends Payable in 1918	6,951,753.36
Real Estate Mortgages	106,345,221.05	Contingency Reserve Funds: Suspended Mortality Fund, $6,569,710.00; Dividend Equalization Fund, $83,587.45; Security Fluctuation and Real Estate Depreciation Fund, $4,574,181.42	11,227,478.87
Real Estate	2,859,938.81		
Loans on Policies	39,642,904.30		
Railroad Stock acquired in reorganization	17,250.00		
Interest due and accrued and other assets	7,179,356.45		
Total	$221,981,720.83	Total	$221,981,720.83

Total Contingency Reserve Funds:
On basis of Assets Admitted and Market Values Fixed by State Insurance Departments $ 8,631,592.91
On basis of Assets Admitted and Market Values, December 31, 1917 4,452,678.83

INSURANCE ACCOUNT

Issued and Revived in 1917	44,603	Policies, Insuring		$133,279,023.00
In force December 31, 1917	366,747	"	"	920,274,435.00
Increase in insurance in force during year	24,887	"	"	83,031,661.00

Paid to and Invested for Policyholders in 1917, in excess of Premiums Paid by Policyholders, $5,229,576.32.

The expenses incurred in obtaining the new insurance of the year amounted to only 83.3 per cent., and the Total Insurance Expenses to only 60.8 per cent. of the amount allowed by the insurance law of the State of New York.

Net Rate of Interest Earned on Invested Assets (Par Values)1917, 4.68%.

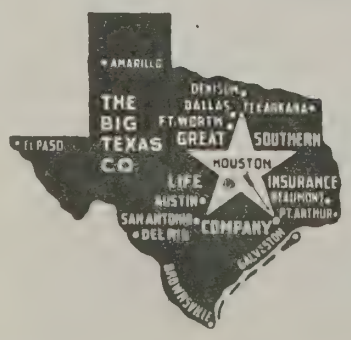
A full report of the year's business will be mailed upon request to the Home Office or to any agent.

DIRECTORS

MARCUS L. WARD	WILLIAM M. JOHNSEN
FRED'K FRELINGHUYSEN	EDWARD E. RHODES
J. WILLIAM CLARK	JAMES S. HIGBIE
JOHN O. H. PITNEY	SAMUEL W. BALDWIN
JOHN R. HARDIN	HENRY G. ATHA
PETER CAMPBELL	J. AMORY HASKELL

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

Why Line Must Be Drawn on U. S. Loans

FISKE ON COMPANY ASSETS

Says Great Companies Must Keep Part of Their Funds for Upbuilding Nation

One of the most interesting talks made at the convention of superintendents of the Metropolitan Life in New York last week was Haley Fiske's answer to a question (put by himself), "Why do the great life insurance companies call their agents to assist the Government in selling W. S. stamps, or in buying part of the Liberty Loans? Why do the companies themselves, with their millions and in some cases hundreds of millions of assets, not use these assets to buy the bonds and the stamps?"

Mr. Fiske Answers Questions

Here is Mr. Fiske's answer:

"The Metropolitan Life Insurance Company has $704,025,515 of assets. Why doesn't it sell a large part of these assets and with the money realized invest in Liberty Loans? Now, we have invested millions in Liberty Loans, but did you ever stop to think what would happen if we invested a large part of our assets in this way? Do you know that if this Company and other large companies invested so heavily that it would bring hundreds of thousands of people on the verge of starvation?

How Assets Are Divided

"About 40 per cent. of our assets are on bonds and mortgages. Bond and mortgages means building houses in which people may live; building plants and other structures in which people may work. It means helping people to make a living. The city of Akron, Ohio, became tremendously prosperous after the war began, and its population began to show a tremendous increase. There was no place to house all the thousands who came there seeking a livelihood. A tent city sprang up; and you know what that means in these days of blizzards. Some of our assets went to Akron so that these workmen and their families could live in a house with walls and not under canvas.

Railroad Securities

"Thirty per cent. of our assets are in railroad securities. Gentlemen, if you read the newspapers you will see the troubles they are having. Are we to sell our railroad bonds now and put that money in Liberty loans? The result would be a panic on Wall Street immediately. Anyway, it would not be possible because there is no money to buy these bonds if we did try to unload them all. And do you know what would happen to the railroads themselves? Our money enables them to buy rails, to buy cars, to buy equipment. Civilization would stop if all these bonds were dumped on to the market.

Helping the City and Country

"Seven or eight per cent. of our assets are on county and municipal bonds. That means new water mains, hydrants, hose, and all municipal equipment. It means more schools and better schools. It means keeping up the public institutions of all kinds. Shall we stop lending money for that purpose; shall we stop the spread of education?

"So you see we are limited in our subscriptions. We expect to subscribe for the next Liberty Loan and make a liberal subscription, but it must come out of our savings. Under no circumstances will we demoralize the market.

"Just as we invest our own savings we expect the workingman to do the same, and that is the argument to make to them. When you induce the workingman to invest in a war savings stamp you are helping him and you are helping the Government, because he is learning the value of thrift, he makes good interest on his money, and he has the satisfaction of knowing that when his country called he responded.

What Home Office Clerks Did

"In this very building I talked to 4,500 clerks last week, and preached to them the importance of buying W. S. stamps. They left the room. After a time their report was made. And how many subscribers do you think resulted? There were 4,603—more than the number of persons in the room. Undoubtedly they went and spread the tidings to porters and other building employes and the grand total resulted. Now, that is the proper spirit."

TO CO-OPERATE WITH UNCLE SAM

Five representatives of Wisconsin insurance men have been appointed by the Life Convention of Wisconsin to co-operate with the War Risk Bureau in soliciting soldiers to take out the national policies. These men are M. J. Cleary, State insurance commissioner; George A. Boissard, president of the Guardian Life of Madison; Rupert F. Fry, president of the Old Line Life, of Milwaukee; William A. Fricke, president of the Great Northern Life, Wausau; H. J. Frey, of the Wisconsin Life, Madison, and James C. Foute, of the Wisconsin National Life, Oshkosh.

It is expected they will be assigned to Camp Grant or Camp Custer, where Wisconsin men are in training. Wisconsin insurance companies not only endorsed the federal plan at a recent convention, but tendered the services of some of their leading men in the business, being the first State in the Union to make such a tender.

NO REBATE FOR EMPLOYE

A bill has been introduced in the Legislature by Senator Graves of Buffalo amends Section 65 of the insurance law by prohibiting any employe of the insured receiving any rebate from premium specified in the policy. Commissions may be paid to "a license" broker negotiating for insurance.

Kavanagh's Group Insurance Talk

SEES GREAT POSSIBILITIES

Great Problem of Manufacturers Is to Keep Labor Nowadays After Getting It

James E. Kavanagh, fourth vice-president of the Metropolitan Life, is keeping in touch with his work as head of the group department of the Metropolitan Life, as well as managing the field campaign for the war savings stamps. They are both what might be called man's sized jobs, but he is an extraordinary man, who is making good in both capacities.

At the annual meeting of the superintendents of the Metropolitan last week he made two talks—in one explaining how the field is being organized for the stamps; in the other outlining the progress of the group department.

Nothing Could Surprise Kavanagh

Mr. Kavanagh said that the Metropolitan has just got started in group. Its activities in this direction have been largely of the laboratory stage; an experiment; the business under analysis and review. About $10,000,000 was written last year despite this; 61 policies. Now, the Company has decided that it has had the experience and there will be great activity in the group department, and a goal of $65,000,000 has been set. Mr. Kavanagh, who thinks big, said: "Well, that's our allotment; but I wouldn't be surprised if you wrote $500,000,000."

Mr. Kavanagh said constant changes had been made in the policy in simplification and attractiveness; he now felt sure that there wasn't anything better on the market. The Company has done away with the application blanks, because it takes a lot of time to make them out and there are several other objectionable features about them from the agent's standpoint. He told of one case in an Alabama cotton mill town, illustrating the time it took to have these applications filled out. It was necessary to use a church to get all the people into one auditorium for the purpose. The new plan is for the employer to give the agent a list of his men and women employes. This list is forwarded to the Company which does the rest.

Beautifully Bound Policy

The new policy has the appearance of an intermediate policy; the certificates are placed in a beautiful morocco cover binder, on the cover of which the name of the insured is printed in gold letters, so when the employer gets this document it is something to be proud of.

The name of the Metropolitan appears on each certificate, but in very modest type. The big type is used for the employer. It's his gift to the employes; and his name is featured. The certificate for the employe, showing he's insured, is simple, and can be understood easily without consulting legal advice. Mr. Kavanagh said facetiously that in case of a large group, say 2,000, the policy is so heavy that it needs an express wagon to carry it, but that's one of the things about group insurance that can't be avoided, as there must be individual certificates.

The Metropolitan has not published much literature yet about group, but there are several folders on the subject which have been printed by the Company, and Mr. Kavanagh advised the superintendents to obtain a supply and see that their agents read them.

In discussing rates Mr. Kavanagh advised superintendents to sell this insurance by some other arguments. The price is not the thing to be emphasized. You can't and shouldn't sell group insurance as you would cut-price drugs or bargain counter remnants. It is a big contribution to one of the most perplexing subjects of the day: the relation between capital and labor, and the argument for its sale should be lofty and noble.

The rates, by the way, are from 1 to 1½ per cent.

Somebody asked Mr. Kavanagh if this meant 1½ per cent. of the policy or the wages. The answer is 1 to 1½ per cent. of the amount of the insurance purchased.

While the Metropolitan's own group insurance is for the payroll that is not true of the majority of the cases. Most of the new policies are for a definite amount for the employes: say, $500 or $700.

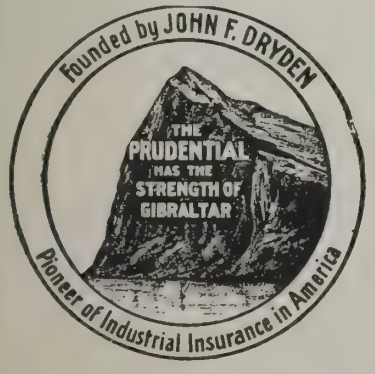
Small Dividends Already Declared on Old Policies

The Metropolitan groups run from $50 (the commissioners' minimum limit) up to $3,000. The minimum amount will be $500 per certificate. The policy is participating. Small dividends have been declared on some old policies, but Mr. Kavanagh warned the superintendents that it was poor judgment to try and sell group with any dividend argument.

Stabilizes Labor

In discussing approach he said that the best way to impress the employer is to make him understand the fact that group's great value is to stabilize labor There never was a time when labor was so scarce, good workmen so difficult to get and to keep as right now. He told a number of stories to illustrate this, the most interesting being about his visit to a great Pennsylvania steel plant in a small town crowded with people.

At one end of the plant there was a crowd of men seeking employment; at the other end, was just as large a crowd leaving the plant for good. To keep labor nowadays they must be well treated; must feel that the employer has their interests at heart. Mere payment of great wages will not suffice. The wise employer will leave no stone unturned to keep his employes satisfied.



Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years.

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Mutual Crosses $200,000,000 Mark

GAIN MADE OF $25,942,790

Company Closes its Havana Office, Last Foreign Agency—Entering Seventy-sixth Year

By crossing the two hundred million mark in new business paid for, and by increasing its benefits to policyholders to a total in the twelve months of over seventy millions, the Mutual Life of New York in 1917 far excelled the great figures it attained in the preceding year—one of the most notable in its history.

Including dividend additions, the field forces of the Company paid for $201,320,720 in new insurance, as compared with $175,377,932 in 1916—a gain of $25,942,790. Including revivals and increases in existing policies the grand total reached $209,054,920. As of December 31, the total insurance in force was $1,687,797,276—an increase over 1916 of $85,614,250.

Closes Last Foreign Agency

The distinguishing feature of this new business was the fact that over 99.5 per cent. was produced in the United States and Canada, and by approximately the same number of agents as were under contract in 1915. In December, the Company closed its last foreign agency—located at Havana—and henceforth will devote its entire attention in new business to the North American continent.

The $70,029,164.50 paid to policyholders during 1916 exceeds the amount directly received from them by $5,277,453.78; establishes a new high record for a single year and brings to one billion, four hundred million dollars the total amount paid to policyholders in the seventy-five years that the Company has been doing business. The death claims during 1917 totalled $25,398,739.10, and the dividends $19,483,729.43. Not only was the total mortality less than that of 1916, but there was also a greater saving on first year mortality.

First year premiums totalled $7,925,928.62, a gain over 1916 of $1,409,950.39. Renewal premiums were $51,977,240.55, an increase of $1,491,594.24. The total premium income from all sources was $64,751,710.72, a gain of $2,845,625.89. The Company's total income of $96,461,069.70 represents a gain of $4,021,594.56 over 1916.

Disbursements Reach $84,427,774

Disbursements reached $84,427,774.74, leaving an excess of total income over disbursements of $12,033,294.96 as compared with $9,591,471.93 the preceding year. The admitted assets went to $633,999,569.37, an increase of $9,469,525.20, and $1,357,257.31 was added to the contingency reserve, thereby bringing it to $17,609,997.08.

Of the companies devoting themselves exclusively to the writing of what is known as standard insurance, none writes a greater amount of new business annually or has a larger volume of insurance in force on its books than the Mutual Life of New York. Having attained its 75th birthday on February 1, 1918, the "Oldest Company in America" enters the last lap on the way to the century mark more capable than ever before of rendering to policyholders that maximum service which is consistent with safety and for which the Company has ever enjoyed an enviable reputation with the public.

LICENSED IN WISCONSIN

License to do life and casualty business in Wisconsin has been granted the Maryland Assurance Company by the State Insurance Commissioner M. J. Cleary. The company has $400,000 capital, assets totalling $799,246.56, and a surplus of $298,246.56.

LONG WITH SHIRLEY AGENCY

Milton R. Long, formerly one of the leading producers of the Edward A. Woods Company, of the Equitable Life has recently removed from Harrisburg, Pa., to Pittsburgh, Pa., where he is associated with the Connecticut General Life Insurance Company of Hartford. John T. Shirley is manager.

GEORGE H. PARKER DEAD

George H. Parker, general agent of the Connecticut Mutual Life Insurance Company of Hartford, in Brooklyn for a number of years, recently died, leaving a widow and three sons. His death was sudden and caused by an abscess which broke internally, as the result of trouble with one of his teeth. He was a prominent life insurance man in Brooklyn for years; and an able one. News of his death was received with great regret.

CAPITAL IMPAIRED

The capital of the Farmers Life of Denver has been found to be impaired following examination by several State departments.

"A rebate and a lapse are twins born a year apart."

THE TRAVELERS
INSURANCE COMPANY
INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

The Pacific Mutual Life Insurance Company

OF CALIFORNIA

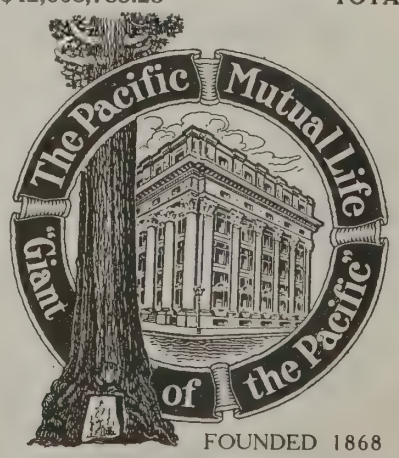
RESULTS FOR 1917—FIFTIETH YEAR

New Life Insurance Issued (Paid-for Basis)	$ 27,568,513.00
Total Life Insurance in Force, December 31, 1917	185,958,459.00
Gain in Life Insurance in Force	14,044,841.00
Total Cash Income	11,192,849.82
Gain in Cash Income over 1916	789,658.53
Total Paid Policyholders	4,527,607.02
Grand Total Paid Policyholders since Organization	53,222,730.26
Surplus, Assigned and Unassigned (Exclusive of Capital)	4,270,128.37
Gain in Surplus (Assigned and Unassigned)	338,103.87
Gain in Admitted Assets	3,341,586.66
Gain in Reserves	2,791,816.94
Premium Income, Accident Department	2,082,031.80

BALANCE SHEET, DECEMBER 31, 1917

ASSETS		LIABILITIES	
Loans on Real Estate (Amount of Loan does not exceed the statutory percentage of appraised value)	$22,980,649.68	Reserves on Policies	$35,344,552.09
Loans on Approved Collateral	2,213,865.53	Claims in Process of Adjustment	494,861.99
Loans to Policyholders (In no case does amount of Loan exceed the Reserve held by the Company)	7,397,904.90	Premiums and Interest Paid in Advance	224,079.66
Bonds Owned	4,395,639.12	Reserved for Taxes Payable 1918	220,500.00
Real Estate Owned (Including Home Office Building)	1,813,100.73	All Other Liabilities (Including $137,811.97 Reinsurance Fund and $108,477.91 for Agents' Commissions in Accident Department)	514,661.17
Interest Due and Accrued	670,029.04		
Outstanding and Deferred Premiums: Life Department	665,021.34	Total Liabilities	36,798,654.91
Outstanding and Deferred Premiums: Accident Department	381,582.17	Capital Stock	1,000,000.00
(Net Amount, Reserve charged in Liabilities)		Surplus Set Aside for Future Dividends to Policyholders	3,151,786.69
Cash on Hand (Including $1,329,563.27 of Deposits drawing Interest)	1,550,990.77	Surplus Unassigned	1,118,341.68
TOTAL ADMITTED ASSETS	$42,068,783.28	TOTAL	$42,068,783.28

Death Rate Actual to Expected, 60.29%



FOUNDED 1868

Average Rate of Interest Earned on Invested Funds, 6.30%

HOME OFFICE LOS ANGELES, CAL.

L. A. Cerf Finally Passes J. I. D. Bristol

INTERESTING RACE FOR HONORS

What New York General Agents Did—Rhodes and Cerf Discuss Salesmanship

L. A. Cerf, general agent of the Mutual Benefit in New York City, talking on Monday night at the agency's annual banquet, declared that he had achieved one of his greatest ambitions by beating out John I. D. Bristol, general agent of the Northwestern Mutual Life in this city, and for years the leading general agent.

In 1917 the Cerf agency paid for $13,937,157. The Bristol agency paid for $12,900,000.

What New York General Agents Did

The Eastern Underwriter got in touch with a number of the leading general agents in the city and asked for their 1917 figures. They are given herewith on the authority of the general agents themselves:

Ives & Myrick, Mutual Life, $15,100,000.

Mowry & Patterson, Aetna Life, $11,012,000.

Charles B. Knight, Union Central, $10,200,000.

Charles Kederick, Grand Street branch, New York Life, $8,500,000.

Robert J. Mix, Prudential, about $7,000,000.

Charles J. Edwards, Equitable Life, $6,500,000.

Perez F. Huff, Travelers, $6,000,000.

Mellor & Allen, $5,000,000.

E. E. Rhodes' View of Formulas

Another very interesting feature of the Cerf dinner was a spirited reply made by Mr. Cerf to some observations of Vice-President Rhodes on salesmanship formulas. Mr. Rhodes said in part:

Salesmanship is not my realm, but as an officer of a life insurance company and as a student of the business I have often been interested in reading carefully prepared formulas which are aimed to make people of every class see the value of insurance and induce them to sign the application. As I understand it, the authors of these formulas devote a great deal of time and go to a considerable trouble in mapping out scientific ways of approaching men in order to open up the question of insurance.

Now, speaking for a man of my type of mind I doubt if I could be convinced by any stereotyped speech that I should buy insurance. I think sometimes that if life insurance be preached and solicited exclusively by rule and rote those engaged in such practice are on dangerous ground. Some formulas are excellent in their way, but if followed too closely—I wonder if it will not make an agent really lose the spirit of his work.

I want insurance for the very reason that every man needs insurance; every man must be shown his need of insurance, but not always in the same way. It has been said that the greatest riddle in the world is the human face; that no two of them are alike. It is the same with men; no two of them are alike, which means that no two of them can be approached the same way. Some of us will fall in with an idea without any hesitation, while there are others, who, when approached with a proposition involving salesmanship, immediately adopt a natural mental attitude of looking for the flaw in the proposition, for the error; in short, will pick it to pieces. Not only will their attitude be unsympathetic, but even antagonistic, sure that it is wrong until convinced that it is right.

Such men are Mr. Papps, our actuary, and myself. If we were laymen, and we represent types of men not uncommon in this country—I do not think we could be persuaded to buy life insurance merely because some other men have done so; or be persuaded by a stock argument which has been used systematically in persuading other men. This does not mean that a formula of salesmanship is not all right for some people, but with a pair of crabbed, cross-grained, pig-headed men, such as are Papps and myself, you have to meet us on our own ground or not at all.

Cerf's Come-Back

When it came Mr. Cerf's turn to speak he paid a warm tribute to the abilities of the vice-president and to the actuary, but said he refused to take them at their own estimate as prospects.

"Mr. Rhodes may think that Mr. Papps is the eat-'em-alive kind of man who cries roughly for a pound of raw beef and a bucket of blood, but personally I think that both of these gentlemen are mighty fine fellows. I have seen them at their homes and if I were a soliciting agent I wouldn't like anything better than to beard Mr. Rhodes or Mr. Papps in their dens and sell them life insurance; and, just between us, I think that arguments which have swung thousands of men would swing them, too.

"Anyway, the National Cash Register Co., the American Tobacco Co., and other great sales organizations, have satisfied themselves that there are scientific, systematic ways in which to sell, by formula, if you please; and our results corroborate their work."

International Sociology

Another feature of the Cerf dinner was the discussion by many of the speakers of the international situation, with particular relation to capital and labor following the war. A. A. Drew, superintendent of agents, struck a new and interesting note when he gave it as his opinion that if there were a more equal distribution of wealth after the war it would be advantageous to the life agent, because there would be more people of larger means to canvass. He called attention to the fact that at the present time about 98 per cent. of the people of this country have an income of less than $3,000 a year.

An inspiring talk made by Assistant Superintendent of Agents Winton will be further discussed in a later edition of The Eastern Underwriter, as will a valuable paper of George Crogan, of the mathematical department.

The Cerf Agency paid for $3,900,000 in 1905, $8,423,100 in 1911, $12,202,187 in 1916.

THE AVERAGE EARNINGS OF THE AGENTS
OF THE
Standard Life Insurance Company
∴ ∴ OF PITTSBURGH ∴ ∴
are higher this year than ever before. Our attractive Accident and Health Policies have helped them to make more money.
Write for a LIFE, ACCIDENT AND HEALTH Contract to
FRANK A. WESLEY
Vice-President and Director of Agencies

We want a GOOD PERSONAL PRODUCER and organizer for DESIRABLE TERRITORY in several states west of the Mississippi River. EXCELLENT CONTRACT.
Northwestern National Life Insurance Company
MINNEAPOLIS, MINNESOTA,
is a LEADING LOW NET COST, annual dividend, MUTUAL, OLD LINE company. Record for 1916—increase in insurance in force, 20%; in paid-for business, 51%; in assets, 15%; in amount apportioned for 1917 dividends, 71%.

Extensive Life Insurance Fraud

S. J. ROSENBLUM PRICKS BUBBLE

Old Man Insured for $14,000 in Philadelphia Life and New Jersey Life

Indictments were returned Wednesday in New York against Israel and David Weinberger of Bayonne, N. J., and Morris J. Harmelin, of New York, on charges of conspiracy to defraud life insurance companies. The companies involved are the Philadelphia Life and the New Jersey Life and the amount is $14,000.

The alleged frauds were unearthed through an attempt to bribe S. J. Rosenblum, an insurance attorney of 80 Maiden Lane, New York. The two Weinbergers are in business in Bayonne, and Harmelin is an insurance broker at 500 Broadway, Manhattan.

According to Assistant Attorney Banton the two Weinbergers insured the life of one of their uncles, Ignatz Weinberger of Manhattan for $10,000 in the Philadelphia Life and $4,000 in the New Jersey Life, giving his age as 57 whereas it was 67.

The insured died January 5, after two hours' illness. He was buried the next day. As it became difficult to collect on the policies the aid of Attorney Rosenblum was sought and he obtained much of the evidence which resulted in the arrest of the alleged plotters. He led them on and, apparently, agreed to take $800 for helping them have the claims passed. Meanwhile he notified the district attorney, who sent a stenographer to Mr. Rosenblum's office to pose as his secretary. She obtained other important evidence. The Weinbergers presented notes, for $14,000, said to have been signed by the insured, to establish their insurable interest in his life. Their genuineness is questioned. In order to obtain certain other desired evidence Mr. Rosenblum had a form printed, purporting to be one in general use by insurance companies to establish insurance interest. This was executed by the interested parties. The money was passed to Mr. Rosenblum at the Broadway Central Hotel, where the arrests were made as pre-arranged.

"The average man eats twice the food he needs—and carries half the insurance."

American Central Life
Insurance Company
INDIANAPOLIS, INDIANA
Established 1899
All agency contracts direct with the company
Address:
HERBERT M. WOOLLEN, President

WORTH KNOWING
Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?
ANSWER:
FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.
SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.
THIRD, that in case of death from certain SPECIFIED accident, $15,000, or THREE TIMES the face of the Policy, will be paid.
BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.
Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:
United Life and Accident Insurance Co.
Home Office, United Life Building Concord, New Hampshire

Travelers Announces Changes in Contracts

LIBERAL DISABILITY FEATURES

Lower Rates, Where Disability Provision is Excluded—Drop Some Term Policies

The new life insurance program, outlined in a general way in the following paragraphs, will go into effect February 1, 1918.

The new contracts with a few exceptions hereinafter noted will be written in three different forms, as follows:

Settlement in Event of Permanent Total Disability No. 1:

(a). With a very broad disability coverage, to be known as disability provision No. 1, which in the event of permanent total disability prior to age 60 will waive the payment of any premiums falling due during such disability. Premiums so waived will not be deducted in any settlement of the contract. The insured wil receive each month, so long as he shall live and suffer such disability, an income equal to $10 for each $1,000 of insurance, this income to be in addition to all other benefits, payable at either death or maturity, under the contract.

In event of permanent total disability after the insured shall have attained the age of 60 the Company will allow all premiums falling due during such disability to accumulate without interest as an indebtedness on the contract, in which event the surrender values of the contract will increase in the same manner as if the premiums were being paid by the insured.

This disability provision will be included only in new contracts not in excess of $25,000 of insurance and will not be included in term contracts.

Settlement in Event of Permanent Total Disability No. 2:

(b). With a disability provision, to be known as No. 2 which will provide that in the event of permanent total disability prior to age 60 the Company will mature the contract and in full settlement thereof will pay to the insured, so long as he shall live and suffer such disability, an amount equal to $68 for each $1,000 of insurance. If the insured shall not live to receive the instalments for twenty years the Company will continue the payment of such instalments to the beneficiary until instalments for twenty years in all shall have been paid.

In event of permanent total disability after the insured shall have attained the age of 60 the premiums will acculate and the values increase in the same manner as provided under provision No. 1.

This disability provision may be included in contracts issued up to the Company's limits and may be included in term contracts.

Contracts With No Permanent Total Disability Provision:

(c). With no disability provision.

Note—The disability provision in the insurance to age 665 with life income (insurance annuity-65) and insurance to age 65 with deferred life income (formerly known as Pension Insurance contract) will be effective to age 65.

New Rate Book

The new rate book will, as regards rates contained therein, supersede all previous manuals and rate books but for the present the life manual of January 1, 1916, will be used for surrender values with a few exceptions. At an early date the Company wil issue a new life manual which will consolidate rates and values so that the inconvenience of using two books will be of but short duration. The rate book will then be continued for the use of brokers.

Changes in Rates

A considerable reduction in the Company's present rates has been made where the disability provision is excluded. Even with the liberalized disability provision No. 2 the rates will be found generally lower than at present, especially at the younger ages, although an increase will be noted on certain rates at the higher ages. With the new disability provision No. 1 the total rates, including the charge for the disability provision, will generally show an increase but compare favorably with those charged by other companies for broad coverage of a similar nature.

It is not possible in this short announcement to give all details of the new program but the changes are explained in the introduction of the rate book, to which attention is called.

New Life Application

The new program will necessitate a new life application, new illustration blanks and changes in most of the Company's canvassing literature.

Term Contracts

The new five year renewable term contract makes it unnecesary to continue the ten year renewable term and the five year convertible term. The ten year non-renewable term contract will be continued.

Twenty Payment to Age 80 With Cash Settlement

A twenty payment contract on the insurance to age 80 with cash settlement plan will be written.

1917 WRITINGS

The Michigan Mutual paid for a total of $9,147,885, and has in force $60,129,374; admitted assets, December 31, 1917, are $13,194,661.

The Commonwealth Life, of Omaha, issued $7,308,930, assets, December 31, 1917, $1,005,712.

Men are thinking in larger figures today than ever before, and will increase their protection. Get a clear vision of the new condition and see to how many of your clients you can sell another policy.

LARGE WRITERS

More Than 850 New York Life Men Topped $100,000 in 1917

In 1917 more than 850 representatives of the New York Life paid for over $100,000, amounting to more than $163,000,000 altogether. Over 360 representatives in 1917 each paid for between $75,000 and $100,000 insurance.

Only 100 representatives did this in 1907.

Over 530 representatives in 1917 each paid for between $50,000 and $75,000 insurance.

Only 250 representatives did this ten years ago.

Over 730 representatives in 1917 each paid for between $25,000 and $50,000 insurance.

Only about 400 did this in 1907.

Over 1,150 new-comers with the Company in 1917 paid for over 31½ million in the aggregate.

700 new-comers paid for about 5 millions ten years ago.

UTICA APPOINTMENT

W. S. Thomas, who for many years was connected here with H. H. Cooper & Co., has been appointed representative for Utica of the Provident Life & Trust.

Many agents are carrying thrift cards.

BIG WRITERS
READ
THE EASTERN UNDERWRITER
Each Week for New Ideas
DO YOU?
Subscription $3 a Year

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity,
Disability Benefits,
Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE
INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

HOME LIFE
INSURANCE CO.
(Now Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-seventh annual report shows insurance in force of $133,493,000, an increase during the year of $7,832,827. The Company paid the policyholders in 1916 $3,536,233, of which $628,406 was in dividends or premium refund. Its insurance reserve fund was increased by $1,300,000 and the Assets are now $32-821,462.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agts.
256 Broadway, New York, N. Y.

BANKERS LIFE COMPANY
BLCo
DES MOINES
PAYS GOOD PAY TO GOOD MEN

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915
"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."
Home Office, DALLAS, TEXAS

A GOOD OPENING
An old, well established, progressive life insurance company, with unexcelled dividend record has good opening at PHILADELPHIA, covering Eastern Pennsylvania. Address, stating qualifications:
PHILADELPHIA, care of The Eastern Underwriter
105 William St., New York City

NATIONAL LIFE INSURANCE COMPANY
(MUTUAL)
MONTPELIER, VERMONT
67th Year
FRED A. HOWLAND, President
On paid-for insurance basis and with bonds valued at par only (market value $409,882 above par) the 67th report shows:

Assets	$66,426,040.82
Liabilities	62,268,494.36
Surplus	$ 4,157,546.46
INSURANCE IN FORCE	$212,037,400.00

A good company for the policyholder and the agent
EDWARD D. FIELD, Superintendent of Agencies.

For SEVENTY-THREE YEARS, SERVICE AND SATISFACTION have been synonymous with STATE MUTUAL of Worcester.

The Company's record of SEVENTY-THREE YEARS OF SERVICE spells SUCCESS for all.

Additions are made to our General Agency force when the right men are found.

State Mutual Life Assurance Co.
of WORCESTER, MASS.
Incorporated 1844
B. H. WRIGHT, President D. W. CARTER, Secretary
STEPHEN IRELAND, Superintendent of Agencies

Metropolitan Life Meeting

(Continued from page 2)

The Metropolitan got $86,000,000 from the Pittsburgh L. & T. It was not a business a company would voluntarily seek, because the Pittsburgh L. & T. had itself re-insured two companies in days gone by, the Washington Life and the Security, both of New York City. Furthermore, the Pittsburgh company had been transferred from one set of stockholders to another by methods which smacked of scandal.

Why, therefore, did the Metropolitan Life take over this company? It was because the Metropolitan was asked to do so by the superintendents of insurance in two States, New York and Pennsylvania, who came to the Metropolitan as a great institution which would protect the policyholders of the Pittsburgh L. & T. at a crucial time when they needed such protection. There were 60,000 policyholders and the State Insurance Departments knew that they would be bombarded with letters from those policyholders, unless they were properly cared for; and that if anything happened to them the departments might be accused of not exercising proper diligence and safeguards in insurance provision. So the Metropolitan recognizing that it is a public institution with a large share of responsibility for the good name of insurance, agreed to this re-insurance.

The assets did not amount to much. Mr. Fiske humorously spoke of the lumber company in the south and its over-capitalization, the bonds of which were exchanged for Pittsburgh Life & Trust stock; and said jokingly that if any investor wanted to buy the two "white elephant" office buildings of the Pittsburgh Life & Trust on Broadway he would promise him a bargain.

The re-insurance of the Union Life, of Canada, some years ago was in much the same way. The Metropolitan had a direct and earnest appeal from the Canadian Government to take over the company. "We didn't want it, we were better off without it; but we felt it our duty to the Union Life policyholders to take it."

Of the 60,000 Pittsburgh L. & T. policyholders there are about 45,000 on the Metropolitan books.

Expenses and Lapses

Mr. Fiske then turned to the question of lapses. He said that expenses of the Company had increased about one per cent. last year, including cost of welfare work. However, he said it was the lowest any Company has ever shown. An interesting comment he made was this: "As the expense ratio goes down the percentage of payments to policyholders goes up."

In discussing lapses Mr. Fiske said: "In percentage of business in force at the end of 1917 that was written in 1917 there is 2½ per cent. more in force than the corresponding figures of 1916."

The Company gained 983 agents in 1917 and reduced the number of deputies by 27. Agents who died, left the service, were promoted to higher positions, went abroad, etc., numbered 6,685. This number Mr. Fiske said was higher than it should be, and it was a problem needing correction.

Agents' Pay Goes Up

At this point Mr. Fiske brought out some important facts about remuneration of agents. Agents in 1917 averaged $2.38 more per man than in 1917. There is no reason why Metropolitan agents should not earn more than any other class of working men. It was all up to the man. The year ended with agents averaging three applications per man per week. They really should average six, and if they worked hard and intelligently six days in the week they could do it. By the way, agents of the Company got $1,250,000 in remuneration for 1917 more than they did in 1916.

Mr. Fiske, as usual, paid a tribute to Monahan, the star superintendent in Chicago. He had no difficulty in averaging six applications a week. He has been at Englewood (or South Side, Chicago) for twelve of his fifteen years as a superintendent. In his office are four deputies and sixty-nine agents. They averaged 37 cents per week per man increase. The lapse per $100 of debit was 8 cents. On his $9,000 debit his advance payments were $12,000.

Lapse Figures

In summarizing his lapse talk Mr. Fiske showed how the lapse ratio has gone down. In 1891 it was 60½ cents per week; in 1901, 35¼; 5 years later it was 28½ ; after another five years it was 18 1-3; in 1916 it was 12.85; last year, 11½. One agent, Shafer, of St. Louis, had a lapse ratio of less than 3 cents.

While it is desirable to keep down lapses, in the opinion of Mr. Fiske a superintendent should not pay attention exclusively to this end of his business. He should exert a reasonable diligence. Good management is the solution.

The Company has decided to publish classification lists of lapses so that all superintendents will know of the records of each other.

The Company's Provident plan, now used in at least half the territory, showed up the strong and weak points of a superintendent's office. When first installed the lapses frightened some superintendents, but later on matters became adjusted. Mr. Fiske stopped a moment to ask the agents rather quizzically if they favored the Provident plan. "Yes" the men shouted.

Eloquent W. S. S. Appeal

Mr. Fiske concluded by making an eloquent appeal to agents to enter the War Savings Stamps campaign with all their energy, resourcefulness and enthusiasm. The Government had called upon the Metropolitan for its field organization in this campaign, and the Company had loaned the Government its fourth vice-president. Every one who knew Mr. Kavanagh felt that he would put it over. It was up to the Metropolitan to see that the drive did not fail. Mr. Fiske had previously asked the Metropolitan superintendents of agencies to make their own apportionment in selling these stamps. They had set the figure at $65,000,000. He knew they would deliver the goods. Every mention of the W. S. S. and the Metropolitan's participation in it was greeted by salvos of cheers.

Inspiring Talk by Mr. Gaston

Mr. Fiske was followed by George H. Gaston, second vice-president, who made one of his characteristic talks to the superintendents. It was full of words of wisdom, of philosophy gathered from years of experience, of uplift appeal that swept the agents off their feet. The Eastern Underwriter wishes it had the space to print the talk in full, and later may be able to induce Mr. Gaston to give permission for its reproduction.

$5,000 Whole Life Policy

Second Vice-President Woodward discussed the famous $5,000 whole life policy of the Metropolitan. He said that the mortality had been so low he was ashamed to speak of it. Some months ago the Company had increased the rates somewhat for this policy, and he made a prophecy that the saving on the policy was so much that there would be a dividend which would at least make up the difference between the old and the new rate.

Mr. Ayres and Mr. Scott

Third Vice-President Frank O. Ayres gave a corking good talk on salesmanship and read the records made by the leading producers of the Company. He asked men mentioned by him to stand up so that everybody could see them.

Fourth Vice-President George B. Scott, manager of the Pacific Coast, spoke a word about the loyalty of the Pacific Coast men to the war, briefly outlining some of their activities in the two Liberty loans, in the Red Cross and in the Y. M. C. A. drives. Since the last meeting British Columbia has been added to Canadian territory and Colorado given to the Pacific Coast department in its place. The Pacific Coast division is a miniature life insurance company in itself, as it issues policies, makes out death claim checks, etc.

Dr. Frankel Tells of Welfare Work

Third Vice-President Frankel, introduced by Vice-President Fiske, as "the best-known Metropolitan Life man so far as the general public is concerned," said that the Metropolitan issued 18,000,000 copies of health and other pamphlets in 1917, and has sent out in all more than 173,000,000 pieces of reading matter. The nurses made 1,300,000 visits last year. A corps of field supervisors has been installed. More than 40,000 maternity cases were handled last year. Sickness surveys were made in Pennsylvania, West Virginia, Kansas City, and in the Chelsea district of New York. He discussed the progress being made by the Metropolitan's $100,000 tuberculosis prevention experiment, being tried out in Framingham, Mass., and also the Holt welfare work agency at Meriden, Conn., where another interesting experiment was inaugurated in selling insurance by welfare methods.

There were a number of other speakers at the meetings and at the banquet, which lack of space prevents adequately covering in this issue.

Mr. Fiske Defends President Wilson

The feature of the banquet was Haley Fiske's talk in which he vigorously defended the Washington Administration and called upon all Metropolitan men to give it loyal support. As on previous years the superintendents left for home filled with pep not only for the Metropolitan, but for the great campaigns about to be waged for the Government, particularly the sale of War Savings Stamps.

15,000 PEOPLE
Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life."
This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.
AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day
FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA
Insurance in force over $142,000,000
Walter LeMar Talbot, President

A Year of Splendid Achievement
It is not difficult to see why the MASSACHUSETTS MUTUAL in 1917 wrote a larger amount of paid-for business than in any other year in its history. Sixty-six years of Service efficiently and promptly rendered have won the confidence of its representatives and of the public. Co-operation with a Home Office that has the right spirit, policies which are not excelled, and a company with a sterling reputation ensure success for the Field.
Occasionally we have a General Agency opening
JOSEPH C. BEHAN, Superintendent of Agencies
MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts
Incorporated 1851

54 Millions from 42 Agencies
38 Millions Increase in Insurance in Force
The 1917 Record of Efficient Service by our Competent Agency Force
New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Had Nothing to Conceal

To President Wilson is attributed a story of a great physician whose peculiarity was that no man who came to him for diagnosis should receive any attention unless he should strip off every stitch of clothing. He was a very busy practitioner and the rule was unvarying. A young man called one day and asked to see the distinguished son of Aesculapius. The attendant had his orders. He therefore directed the young man to the disrobing room, waiving aside all protest with the assurance that in no other way could one get into the presence of his great employer. The young man had some tenacity and much of the assurance which is essential to successful life insurance salesmanship. He complied with instructions and in due time was ushered into the august presence.

"What is the matter with you, young man?" inquired the physician.

"Nothing at all, sir," was the astonishing reply of the nude figure before him.

"Then in heaven's name why this?" returned his surprised companion as he pointed to the want of drapery.

"Your attendant said I could not come in to see you unless I should remove all my clothing and I very much desired to see you."

More startled than ever, the physician inquired:

"Well, what did you want to see me about?"

"I thought maybe," responded the blushing young gentleman, "you might like to take some additional insurance."—Exchange.

* * *

A Lesson in Profits

When it comes to the question of insuring profits, assume that Smith, Jones and Brown are the responsible officers of a company which has a thirty thousand dollar factory producing goods at an average rate of production, and that one of their boilers exploded, causing a heavy property damage, which was fully covered under a direct damage policy. It took almost four months to rebuild the plant, and while they are pleased at their foresight in providing direct damage insurance, they now discover that they are suffering loss by reason of their being unable to use or occupy their plant. In the year preceding the accident, their net profits amounted to $9,000, the salaries which continue during idle periods amounted to $7,000, interest on investments $1,500, insurance, taxes, depreciation, etc., $1,600. This is about $64 a day. Assuming that it took 100 days to rebuild, their use and occupancy loss amounted to $6,400. They could have insured against this loss for a three year premium of $96 or $64 if the insurance did not apply on the first seven days following the notice of accident. Many firms insure against the direct damage caused by explosion, but do not insure against loss of profits. The power plant is the source from which profits flow and it follows that a boiler or fly-wheel explosion strikes at the most valuable point.—Exchange.

* * *

Reasons For Not Insuring

1. If you are sure you cannot die, there is no use providing for a contingency when there can be none.

2. If you expect to get insurance for nothing, don't insure.

3. If you know that you are too careless and indifferent to keep up your insurance, don't insure.

4. If you need your money for foolish and unnecessary things, and get your support from your family, don't insure.

5. If you prefer useless luxuries for yourself to reasonable provision for your family, don't insure.

6. If you are too foolish to wish any comfort to others, because you cannot enjoy it yourself, don't insure.

7. If you feel good over the idea that your children may be dependent on the cold charities of the world after your death, don't insure.

8. If you are happy over the idea of going to heaven while you are contemplating the probability of your family going to the poorhouse, don't insure.—Fraternal Banker "Bulletin."

* * *

Dangers of Easy Times

It is good for men to be "put upon their mettle" occasionally. They are thereby jerked out of the rut. Years of easy going in about the same way tend to wear off the power of initiative. The knowledge that the same men will be running the same business, living in about the same locality and approachable in the same way, through the same line of argument, has a tendency to breed a kind of smug satisfaction of the life agent, and a false sense of security, which in time of sudden assault hinder rather than help him.

Therefore, when we speak of 1918 as a "mettlesome year" from the viewpoint of life insurance, we can regard it as a year which will undoubtedly put the agent on his mettle and force him to be what is called "a live number." He will have to use his wits. He will have to look for prospects in a new way.

The unprecedented world condition takes in the United States, and while this country is vitally affected, it is in one special particular very differently affected as compared with other nations, and that is that while with them money is very scarce and will be more so, there is, and will be, a plethora of money in the United States.

From present indications, while there will be this plentitude of ready cash, it will, as a rule, be found flowing in unusual channels. The seller of ordinary policies has heretofore looked more largely to the rich or well-to-do classes who have been better able to take his line; but the war conditions show a tendency to curb the financial ability of these classes, while the classes heretofore regarded as unable to buy ordinary insurance will be the monetarily inflated ones. This is already so.

A country's money is like a river, for it flows in about the same channels, and we know where to look for it; but this world war has worked a startling exception to the rule. Instead of a river of money turned loose, it is an ocean-like volume, rushing in such force that it makes new channels, in unexpected places.

All this must awaken the agent, and put him on the alert, or on his mettle. He must more than ever be on the watchtower. The money is in the land. For him is the task to use it—to know how to reach it.

And he has this tremendous advantage over other seekers: He knows that what he is offering cannot appeal to the frivolous; it is pre-eminently powerful in its appeal to the serious-minded, the conscientious, the man who wants to live up to his responsibilities. Gentlemen, a mettlesome year, a year for men of mettle!—Life Insurance Company of Virginia.

* * *

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

The Company
Of the People
By the People
For the People

The Daily Average of the Company's Business during 1916 was:

701 per day in Number of Claims Paid.

8,304 per day in Number of Policies Issued and Revived.

$1,969,823 per day in New Insurance Issued, Revived and Increased.

$376,827.40 per day in Payments to Policyholders and Addition to Reserve.

$220,509.26 per day in Increase of Assets.

JOHN R. HEGEMAN, President

ALEXANDER AGENCY MEETS

Address by T. Louis Hansen, H. W. Gennerich and Others—Guardian Life After March 1

(*By Tel. to The Eastern Underwriter.*)

Albany, N. Y., Jan. 29.—The Paul Alexander general agency of the Germania Life held a rousing meeting here today, and an entertaining banquet tonight. T. Louis Hansen, head of the agency force; Dr. Drake, medical director; H. W. Gennerich, the company's leading producer; and Edgar A. Davies, Assemblyman, were the principal speakers. The banquet was held at the Hotel Ten Eyck.

Announcement was made by Mr. Alexander, whose territory embraces several counties, and who is making a success, that the name of the Company will be changed to the Guardian Life of America on March 1.

The Germania Life had a most successful year, and everything is bright for a record-breaking business during 1918.

* * *

MUTUAL LIFE IN CHICAGO

Day Agency Pays For More Than a Million for Sixty-four Consecutive Months

The Mutual Life of New York, has been writing business in Chicago since 1855, sixty-three years. The first general agency of the Company was established there in 1886, with Mr. Charles H. Ferguson at its head. In 1900, W. B. Carlile, now Chicago's postmaster, took full control of the Chicago field and was at the head of the agency until February 11, 1911, when he resigned and the present manager took charge of the office.

January will be the 64th month in which the agency has paid for more than $1,000,000 of business, and the total paid for business during the seven years under the present management will approximate $90,000,000.

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

Aetna 1917 Income Over $53,888,239

COMPANY HAS A GREAT GAIN

Increases In All Lines—$105,370,625 More Life Insurance in Force

The Aetna Life group of companies—Aetna Life, Aetna Casualty & Surety and Automobile Insurance Company—has issued its annual statement, showing for 1917 a total income of $53,888,239. Some of the figures follow:

Aetna Life Insurance Co.

Total assets	$140,584,444.00
Increase in premium income	6,768,123.05
Increase in assets	9,285,820.41
Increase in life insurance in force	105,370,625.64
Payments to policyholders during 1917	19,875,699.75
Payments for taxes during 1917	1,244,866.08
New life insurance issued in 1917	202,664,856.68
New life insurance paid for in 1917 ($185,707,587.68) and in process of collection ($8,110,194.00)	193,817,781.68
Life insurance in force, January 1, 1918	572,916,282.45
Paid policyholders since organization in 1850	318,710,609.48

Aetna Casualty and Surety

Total admitted assets	$10,695,048.00
Increase in premium income	3,208,630.18
Increase in assets	2,939,794.10
Increase in surplus to policyholders	558,188.64

MUTUAL DOUBLE INDEMNITY

Aeroplanes, Balloons and Submarines, Possible Future Carriers, not Included in Clause

The Mutual Life has issued a new double indemnity clause. It is printed in full herewith for a $10,000 policy:

The premium stated on the face of policy No. .....(to which this agreement is attached and of which it forms a part) includes an additional premium of One dollar and ..... cents.

In consideration of the payment of such additional premium, the Mutual Life Insurance Company of New York, upon receipt at the home office of the Company of (1) due proof of the death of the insured (before the allowance of any benefit under the "Benefits in the Event of Total and Permanent Disability" clause in said policy and before default in payment of any premium on said policy and while the policy is in full force) and (2) due proof that death was caused directly by accident while traveling as a passenger on a railway train, a steamship licensed for regular transportation of passengers, a street car or other public conveyance operated by a common carrier except aeroplane, dirigible balloon or submarine, and if such death occurred within sixty days after such accident:

Hereby agrees to pay to the payee entitled to receive payment under said policy, in addition to the amount payable under the terms of said policy (exclusive of the rider), one, but not both, of the following described double indemnity benefits:

Double Indemnity Benefit No. 1

Twelve thousand dollars payable as follows:

(a) One hundred dollars a month for five years, first payment to be made upon receipt of said proof of the death of the insured, and

(b) Fifty dollars a month for the period of five years next succeeding the five-year period mentioned in (a), and

(c) Twenty-five dollars a month for the period of ten years next succeeding the five-year period mentioned in (b).

(The payments under (a), (b) and (c) do not terminate at the death of any payee, but are payments certain for the periods mentioned).

Double Indemnity Benefit No. 2

Ten thousand dollars in one sum.

(Election may be made to have this sum settled in accordance with one of the three "Modes of Settlement" provided for in said policy in accordance with the conditions thereof).

Election of double indemnity benefit No. 1 or No. 2 above shall be made in the same manner as is specified in the "Modes of Settlement" clause in said policy. If double indemnity benefit No. 1 is elected, the conditions of said "Modes of Settlement" clause as to participation, supplementary contract, right to surrender and surrender value, and right to assign shall be effective as to the payments to be made under said double indemnity benefit No. 1.

If the provision for "Benefits in the Event of Total and Permanent Disability" contained in said policy shall terminate, voluntarily or involuntarily, as provided for in the policy, before the insured attains the age of 60 years at nearest birthday, (but not if it terminates by the insured attaining said age), the provision for double indemnity benefits contained in this rider shall automatically terminate at the same time. If this provision for double indemnity benefits shall terminate, future ..... annual premiums upon the policy shall be reduced by the amount of the extra premium charged for the double indemnity benefit.

PENN MUTUAL RESULTS

The seventieth annual statement of the Penn Mutual of Philadelphia shows that 33,669 policies were written for $110,032,740. Assets increased $10,580,055 during the year, and now total $183,233,705. Lower expense ratio to income and interest gain enabled the trustees to award $5,350,000 for premium abatements, an increase of $595,000 over 1916.

STATE HEALTH INSURANCE BILL

Labor organizations will meet in Albany, February 6, to discuss a bill for State health insurance, and old age pensions, prepared by the American Association for Labor Legislation.

THE MOST VALUABLE POLICY FOR YOU,
Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the
John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS
WILLIAM N. COMPTON, General Agent
METROPOLITAN DISTRICT, ST. PAUL BLDG., 220 BROADWAY, NEW YORK, N. Y.

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST-LARGEST STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

PURELY MUTUAL THE CHARTERED 1857
Northwestern Mutual Life Insurance Co.
MILWAUKEE, WISCONSIN
GEO. C. MARKHAM, President
Insurance in Force, $1,505,464,984
SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued.
POLICIES MOST FLEXIBLE AND EASY TO SELL
Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules
Investigate before selecting your Company
Write GEO. E. COPELAND, Supt. of Agencies, Milwaukee, Wis.

The LIFE INSURANCE SALESMAN Bears an UNUSUAL RESPONSIBILITY
The SERVICE he sells often continues for many years
Provident service sells so readily today, because of the value and satisfaction Provident policy holders have derived from the service of Provident Agents.
Write for information
The Provident Life and Trust Company
OF PHILADELPHIA
Founded 1865

Pan-American Life Insurance Company
NEW ORLEANS, U. S. A.
CRAWFORD H. ELLIS, President
Capital.....$1,000,000.00
OUR 1916 STATEMENT SHOWS

Insurance in force	(over)	$42,400,000
Resources	(over)	5,600,000
New Insurance paid for		10,000,000

The High Scores in the Life Insurance Profession are won by Trained Men. We will train you in the Profession and locate you in Productive Territory either North or South. Your Opportunity is Here.
Further information on request. Address:
E. G. SIMMONS, Vice-President and General Manager
Whitney Central Bank Building
NEW ORLEANS, U. S. A.

THE EASTERN UNDERWRITER

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LIFE INSURANCE STATEMENTS

The Eastern Underwriter publishes this week the principal figures of the Metropolitan Life, The Prudential, the Mutual Life, the Aetna Life and the Pacific Mutual. These figures are amazing. It is now only a question of days before the Metropolitan, for instance, will pass the $4,000,000,000 mark of insurance in force. It staggers the imagination. The Metropolitan and The Prudential have between them about 35,000,000 policies. But despite this total, together with what other companies have on their books, there are millions of people who are still good subjects for insurance. The field is inexhaustible.

STAND BY THE GOVERNMENT

When soliciting business it is the greatest mistake imaginable for insurance agents to participate in any discussion in which the President, the Secretaries of the War, Navy or Treasury departments are criticised. Above all, nothing should be said that deprecates the method of carrying on the war. Such discussion only tends to encourage the enemy and stiffen his resistance as eventually it finds its way into print.

The duty of the agent, so far as the Government is concerned, is to give every bit of time he can spare away from his own business to participation in the W. S. S. and other Government activities which need the assistance of a great mass of people. The agent should not stop with his personal contribution, but he must persuade others of their duty to the nation in the raising of funds for patriotic loans.

KICKED OUT FIRE DEPARTMENT

Allen Tow, formerly special agent for the Standard Accident at Cincinnati, continues to send interesting letters home from the Front. In one to his father, George H. Tow, the company's manager at Cincinnati, he says:

I was interrupted last night by the fire call and we had quite a bit of excitement and a lot of fun. One of the houses caught fire and it's a lucky thing we were here or the local fire department would have had an awful time. We hauled out the pumps (the kind you see in pictures about 100 years old and the firemen were about as old), formed bucket brigades and hauled water from the creeks in trucks. The fire department was in our way, so we kicked them out, including the "chief," whose chest was full of medals. Gee! They were a scream, went home to change their clothes and put on their metal helmets, and from the length of time they were gone they must have been shining them up, for they sure glistened in the moonlight. Battled for a couple of hours with water and axes and it was all over. Loss was small and not covered by insurance. Oh! for the life of a fireman!

THE PRUDENTIAL'S FIGURES

Outstanding Insurance, $3,458,437,735—Tremendous Increase in Weekly Debit

The Eastern Underwriter is in a position to announce the writings of The Prudential for 1917, but the financial figures, such as assets, are not yet available. The Company made a truly remarkable record in many ways, particularly in increase in weekly premium debit, which was $128,055, as contrasted with $103,608 last year.

The figures follow

Writings:

Ordinary	$273,459,049
Industrial	403,090,019
	$676,549,068

Increase in insurance in force paid for:

Ordinary	$177,537,529
Industrial	187,905,042
	$365,442,571

Total insurance in force:

Ordinary	$1,418,670,438
Industrial	2,039,767,297
	$3,458,437,735

Increase in weekly premium debit, $128,055; weekly premium debit increase in 1916, $103,608.

EQUITABLE ACCIDENT RE-INSURES

As The Eastern Underwriter goes to press it learns that the Equitable Accident, of Boston, has re-insured all its business in the General Accident of Philadelphia. The Equitable Accident wrote accident and health lines and had a premium income of over $100,000 a year.

CALIFORNIA RE-INSURANCE

Vice-President William Hugh Harris, of the Fidelity & Deposit Company, announces that the company's entire California liability business has been re-insured through the Maryland Casualty Company. The Baltimore company has also been given this character of business in Oklahoma, while the Commercial Casualty Company has taken the automobile business written jointly with the home and the Buffalo office including all lines except plate glass.

The New York State business, as well as that in other localities, has not yet been placed, but Mr. Harris says that all of this insurance will be re-insured in other companies by February first, at which time, he will probably make a final announcement of the disposition of the liability insurance which the Fidelity and Deposit is eliminating from its business.

Mr. Harris says that the management has endeavored to re-insure all risks with new connections which their old agents have made. The shifting of the insurance risks has been accomplished with little disturbance to the other business of the company.

THE HUMAN SIDE OF INSURANCE



FREDERICK A. WALLIS.

Frederick A. Wallis, general agent of the Fidelity Mutual Life in this city, has been appointed Fourth Deputy Police Commissioner by Mayor Hylan of New York. Mr. Wallis will continue as general agent of the Fidelity Mutual in New York, the agency to be conducted as F. A. Wallis & Co., R. H. Waddell having been made his assistant. The appointment was favorably received by the New York City newspapers, public officials and other citizens of the city, including many prominent business and insurance men. Among the several hundreds of letters of congratulations received by Mr. Wallis were many from his brother general agents; from Lawrence Priddy, president of the National Association of Life Underwriters; from Nelson Hadley, of the New York Insurance Department, and from officers of several life insurance companies. As Fourth Deputy he is in direct charge of the Bureau of Repairs and Supplies; of the police force of the Borough of Richmond; of the junior police, which has 10,000 members; of the granting of permits for parades, and other functions, and many other duties.

Not the least unique sidelight on the appointment was that Mr. Wallis was to have been made a deputy by Commissioner Bugher, the $100,000 a year man who was Commissioner for 23 days, but although Mr. Bugher resigned, the Mayor and other police officials were insistent that Mr. Wallis take the office. They were after a man experienced in large affairs and a capable handler of men.

Mr. Wallis came to New York from Kentucky; was superintendent of agencies of the Home Life, and a few years ago went with the Fidelity Mutual in New York. In 1917 he trebled the business. Some months ago Mr. Wallis was elected president of the Pittsburgh Life & Trust Co., but upon learning that the sale of the company was made under false pretenses he resigned before taking office.

Among life insurance men Mr. Wallis is known not only as a capable general agent, but also as one of the most effective and moving talkers in the business. It has been said of him that "he can stand a crowd of men on their heads." In fact, it is reported that his spontaneity and control over an audience exhibited at a banquet of the Fidelity Mutual in Delmonico's at which District Attorney Swann was one of the principal speakers, so favorably impressed that official that when the new administration started looking for a business man as a deputy police commissioner, he is thought to have recommended Mr. Wallis and to have declared that the search need proceed no farther.



JAMES E. RHODES, Jr.

James E. Rhodes, Jr., one of the most talented of insurance men and a fine fellow, has broken loose from the Travelers at the irresistible urge of Y. M. C. A. work in the war. Mr. Rhodes, among other things, is an author. A few years ago he conceived the idea that there was an opportunity in the workmen's compensation field to write a book. Having been engaged in legal work for the claim division of the compensation and liability department of the Travelers for many years, Mr. Rhodes was pretty well informed on the subject and he proceeded to write, in his spare moments, an extremely good book, which was published last year by the Macmillan Company. This book went into the history and theory of the compensation movement and received most favorable notices in all parts of the country, appealing not only to the insurance press but to non-technical newspapers as well.

Mr. Rhodes has been formally released from the Travelers that he may take up secretarial services for the Y. M. C. A., and is now awaiting call from headquarters in New York. Maine was his native State. He was graduated from Bowdoin College and was secretary to Congressman Littlefield of Maine, when Littlefield was in Washington. He has been clerk of the South Congregational Church in Hartford for three years and was elected to the business committee of the church at the last annual meeting, a week ago. He is also a member of the University Club, the Hartford Golf Club, and the Wethersfield Country Club.

* * *

Charles Paston, of 151 Montague Street, Brooklyn, general agent for the Travelers, has become associated with Louis Escher, whose office has been at 51 Bible House, Manhattan, and who now removes to Brooklyn. They will develop the lines of the Travelers. Mr. Escher has been secretary of Froman & Herman, branch managers for Merges & Co., of 73 William Street.

FIRE INSURANCE DEPARTMENT

Schools and Churches To Be Re-Rated

SCHEDULE WITH CO-INSURANCE

Action of Up-State Country Clubs Taken —Understanding With Amsterdam, N. Y.

The fire companies' New York State conference committee met a few days ago with the executive committee of the Underwriters' Association of New York State. Several important matters were discussed and a number of recommendations made.

One of the most important will be to rate school houses and churches under schedule with co-insurance.

The city of Amsterdam has agreed to make the improvements asked for by the underwriters. When these are effected the 20 cent slip will be taken off.

The city of Albany is to be re-rated under schedule. The work will begin at once.

Club House Rates

The subject of country club houses was discussed and it was decided that club properties shall be rated in the U. A. N. Y. S. territory upon a same basis as in New York Suburban territory, an advance in rate.

No appointment has yet been made as assistant manager.

The ten per cent. advance was well received up-State, property owners recognizing its justice.

HERKIMER FEDERATION

William N. Van Alstine Chairman—Strong County Committee Appointed—Meeting a Success

A strong county organization of the Insurance Federation of the State of New York was effected in Herkimer County at a meeting of insurance men, held in Herkimer Friday, January 25th. Wm. N. Van Alstine, president of Rogers & Ashe, Little Falls, chairman of the meeting stated, that the strong drift toward socialism and radicalism with their proposals for State monopolies particularly as respects insurance made it more than ever necessary that the agents, brokers, officials of companies and others representing all lines of insurance and embracing all systems unite in an organization to combat such paternalistic tendencies. He urged that a campaign of education be inaugurated to make more generally known to the people the many intricate details of the insurance business, and the dangers and fallacies of State monopolistic insurance. Stanley L. Otis, executive secretary was present and spoke of the work of the Federation in this State. The county committee consists of W. N. Van Alstine, chairman; A. W. McGowan, of McGowan & Richardson, Ilion; Fred R. Coe, Mohawk, and Chas. T. Gloo of Earl & Gloo, Herkimer. Plans were made to hold a dinner of the Herkimer county insurance fraternity, and the arrangements were placed in the hands of the county committee. It is hoped to have President Edgar M. Griffiths of the Federation present at the dinner and address them.

LONDON MUTUAL MEETING

London, Ont., Jan. 29.—The annual meeting of the shareholders and members of the London Mutual Fire Insurance Company of Canada, will be held at the office of the company No. 83 Scott Street, Toronto, Ont., on Saturday, February 23. A. H. C. Carson is president of this organization.

Buffalo Once More Gets on the Map

INCUBATOR OF INSURANCE MEN

H. J. Drake Made Counsel for Insurance Department—Long List of Buffalo Celebrities

There is something about the atmosphere of Buffalo that turns out fine insurance legal talent. Anyway, a great many lawyers who have built up a general legal practice in Buffalo gravitate towards insurance and win distinction therein.

A Few Buffaloneans

Robert Lynn Cox, Alfred Hurrell, William H. Hotchkiss, Leroy A. Lincoln and Frederic Dunham are cases to the point. Now, another Buffalo lawyer has been drafted—this time by the New York Insurance Department, Hervey J. Drake becoming counsel, succeeding Mr. Lincoln, who is a member of the firm of Rumsey & Lincoln, and also general attorney of the Metropolitan Life. Mr. Drake was a member of the Buffalo Board of Supervisors, and those who know him say Superintendent Phillips has as usual made no mistake.

This story would be incomplete without the name of another distinguished Buffalonean, George Wight, general manager of the Association of Life Insurance Presidents.

PAGE WITH PHOENIX

William A. Page has resigned as manager in New York of the brokerage department of the National Union Fire, of Pittsburgh, and about February 15 will become special agent of the Phoenix of London for the suburban field. Mr. Page has been in charge of the brokerage department of the National Union for a little more than a year previous to which he was for fourteen and a half years with the Continental and was in charge of the brokerage department of the Continental at the time of his resignation to go with the National Union.

PAYS SIX PER CENT A YEAR

The directors of Jones, Launt & Barrett, Inc., have declared the regular semi-annual dividend of 3 per cent. to stockholders of record as of January 15, 1918.

Brodsky, Sovak, Capek & Company, of 300 East Seventy-second Street, Manhattan, have changed the firm name to F. A. Sovak Company, Inc.

Stockholders of the Merchants' Fire of New York met January 14 and re-elected the board of directors.

FIRE AND MARINE INSURANCE—ALL LINES

The Automobile Insurance Company of Hartford, Conn.

MORGAN G. BULKELEY, President

Statement January 1, 1917

Cash Capital	$1,000,000.00
Assets	2,748,832.19
Liabilities (Except Capital)	1,039,977.81
Surplus to Policyholders	1,708,854.38

AFFILIATED WITH

ÆTNA LIFE INSURANCE COMPANY

THE ÆTNA CASUALTY & SURETY CO.

THE WILLIAM H. KENZEL COMPANY

FIRE INSURANCE AGENT

REPRESENTING AT NEW YORK OFFICE
79-83 WILLIAM STREET

HUMBOLDT FIRE of Pittsburgh, Pa.
EQUITABLE FIRE & MARINE of Providence, R. I.
IMPERIAL ASSURANCE of New York, N. Y.
GRANITE STATE FIRE of Portsmouth, N. H.
ALLEGHENY FIRE UNDERWRITERS of Pittsburgh, Pa.
COMMERCE INS. CO. of Albany, N. Y.
AACHEN & MUNICH FIRE Organized 1825
FRANKLIN FIRE of Philadelphia, Pa.
CALEDONIAN-AMERICAN of New York, N. Y.

REPRESENTING AT BROOKLYN BRANCH
154 MONTAGUE STREET

LONDON ASSURANCE of London, England
NORWICH UNION of Norwich, England
COMMERCE INS. CO. of Albany, N. Y.
GRANITE STATE FIRE of Portsmouth, N. H.
MECHANICS INSURANCE CO. of Philadelphia, Pa.

FRED. S. JAMES GEO. W. BLOSSOM WM. A. BLODGETT

FRED S. JAMES & CO.

123 WILLIAM STREET

NEW YORK

United States Managers
GENERAL FIRE ASSURANCE CO. of Paris, France
URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England

C. B. G. GAILLARD
Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

Schaefer & Shevlin Get Auto Mutual

BOTH FIRE AND CASUALTY

Policies Are Assessable for Twice Amount of Premium—Initial Charge Twenty Per Cent. Cut

Schaefer & Shevlin this week were appointed general agents of the United States Mutual Automobile Fire Insurance Co. and the National Automobile Mutual Casualty Company, both recently formed in New York.

The National Automobile Mutual Casualty advertises a reduction of twenty per cent. of the conference rates on liability, property damage and collision insurance.

The United States Mutual Automobile Fire is located at 66 Broadway and has been approved by the New York State Insurance Department. The policies of both companies are assessable to twice the amount of the initial premium.

DONOVAN WITH J. L. & B.

Manager of Automobile Department Here—Thames & Mersey and Chicago Bonding Appointment

Jones, Launt & Barrett, Inc., announce the appointment of James E. Donovan as manager of the automobile department for its New York office, 95 William St., New York City. Mr. Donovan has had nine years' experience in the casualty and fire and theft lines, having formerly been with the Fidelity & Casualty Co., Globe Indemnity Co. as counterman, Ream, Ives & Wrightson, Inc., as manager of the casualty department and as vice-president of the American Marine Agency, Inc. Mr. Donovan's many years' experience will well fit him for his new position.

The "Triangle Corporation" has been enabled to secure recently the general agency for the Thames & Mersey Marine Insurance Company for the purpose of writing automobile, fire and theft, property damage and collision for the entire State of New Jersey and also the general agency of the Chicago Bonding & Insurance Co. for writing allied and casualty lines. Mr. Donovan will have charge of these two companies in the New York office.

The Thames & Mersey Marine Insurance Company was established in 1860 and has in its home office over $5,000,000 in assets and a net surplus of over $3,000,000.

FRANK KELLER, JR., MAKES CHANGE

Frank Keller, Jr., has been appointed general agent in charge of the automobile department of the Norwich Union, with headquarters in New York, and will assume his new duties in a week or so. Mr. Keller is now special agent in the automobile department of the Home at its head office. With the Norwich Union he will succeed P. Russell Wilbur who has gone with the Sun.

WANTS YALE LOCKS

Views of Major Pullman of the Washington (D. C.) Police Department

In Washington, D. C., the automobile theft problem is also acute, and R. W. Pullman, major and superintendent of the police department, has his own ideas as to how conditions might be improved. He said recently to a representative of The Eastern Underwriter:

"This city has a law which compels the locking of automobiles, but there are only a few automobile dealers in the country who have on the market a lock which is worth anything whatsoever. I think one of the biggest things which can be done would be to start a movement among all automobile manufacturers making it necessary for them to put locks on machines of the Yale or other automobile lock pattern so that each machine would have its individual key. Of course, some stealing of automobiles, a very small part however, is done by professional thieves who would be able to overcome almost any lock, but if machines were put out with Yale locks on the ignition and Yale locks on the two hood covers 96 per cent. of the automobile thieving in the United States would be broken up. As it is at present, an automobile thief or a joy-rider gets hold of a key of a certain make of lock and takes one of these cars any time he pleases and rides around for a day or so and possibly on account of his easy success in stealing it may make away with it entirely. For instance, during ten days we had somebody here with a Hudson key who has stolen half a dozen machines and used them for a period of from one hour to two or three days. Sooner or later we shall catch the guilty party, of course, but in the meantime a number of persons have been caused inconvenience and sooner or later there is going to be a stolen Hudson smashed up. I am taking this matter up with automobile manufacturers and hope that we can get some action on it."

(Editor's note.—A number of manufacturers have done as Major Pullman suggests.)

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

SCHAEFER & SHEVLIN
103-5 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

LEWIS & GENDAR, Inc.
New York City Agents
Commonwealth Insurance Co. of New York
Telephones: John 63-64-65 ONE LIBERTY STREET, NEW YORK CITY
Brooklyn and Suburban Agency
Northern Asse. Co., Ltd. of Eng. — Firemen's Ins. Co. of New Jersey
Commonwealth Ins. Co. of N. Y. — Globe & Rutgers Inc. of N. Y.
Detroit F. & M. Ins. Co. of Mich. — Employers' Lia. Assce. Corp. of London
145 MONTAGUE STREET, BROOKLYN—NEW YORK
Telephones: Main 6370-6371-6372

Authorized Capital $500,000
Detroit National Fire Insurance Co.
DETROIT, MICHIGAN
A Company to be built gradually and along the indicated lines of permanence
AGENCY CONNECTIONS SOLICITED

Associated Mutual Agency Incorporated
B. J. ALLEY, Manager
68 William St., New York
Exceptional Facilities for Writing Business Throughout the United States

Full War Cover, Explosion, Marine & Fire Insurance and Allied Lines
FIDELITY-PHENIX FIRE INSURANCE COMPANY
A Strong American Company Backed by Strong American Assets
HOME OFFICE 80 Maiden Lane, New York
SAN FRANCISCO OFFICE Insurance Exchange Bldg.
CHICAGO OFFICE 332 So. LaSalle St.
HENRY EVANS, President

Watchman Evil Pamphlet Success

EIGHTY THOUSAND DISTRIBUTED

Letters of Endorsement From Manufacturers—Manual For School Children

No work of the National Board has taken such firm hold upon manufacturers and other business men, fire marshals and fire prevention bureaus as the pamphlet on the watchman evil. This pamphlet comprises excerpts from an address by general manager of the Board, W. E. Mallalieu, at the fire marshals' convention in New Orleans last November. Its effect has been little short of revolutionary, particularly as regards the work of incendiaries. Eighty thousand copies have been distributed and the demand is still brisk. If it were not a gift it would easily be among the season's "best sellers." So good was the address considered that the convention voted that a sufficient number of copies be printed for distribution in all channels where it would do the most good.

Work of Joseph Button

Joseph Button, commissioner of insurance of Virginia and ex-officio fire marshal, wrote to a large number of manufacturers enclosing a copy of Mr. Mallalieu's address. These are excerpts from some of the replies he received:

We have taken this matter up with our shop in a vigorous manner for we consider the suggestions and recommendations offered of the best.

Virginia Bridge & Iron Company,
Roanoke, Va.

We agree with you that Mr. Mallalieu has offered some very timely suggestions, and we think there is a great deal of truth in what he has said about the necessity of employing only a capable watchman. For our own part we put on on extra watchman at our plant just about the time the United States declared war.

United Cigarette Machine Co., Inc.,
Lynchburg, Va.

We have read these extracts with interest and believe that you have done wisely in giving a wide circulation to the leaflet in question.

Comas Cigarette Machine Company,
Salem, Va.

We are making distribution of these extracts among our plants, and assure you that we are glad to co-operate with you in this matter to the best of our ability.

The Imperial Tobacco Company,
Richmond, Va.

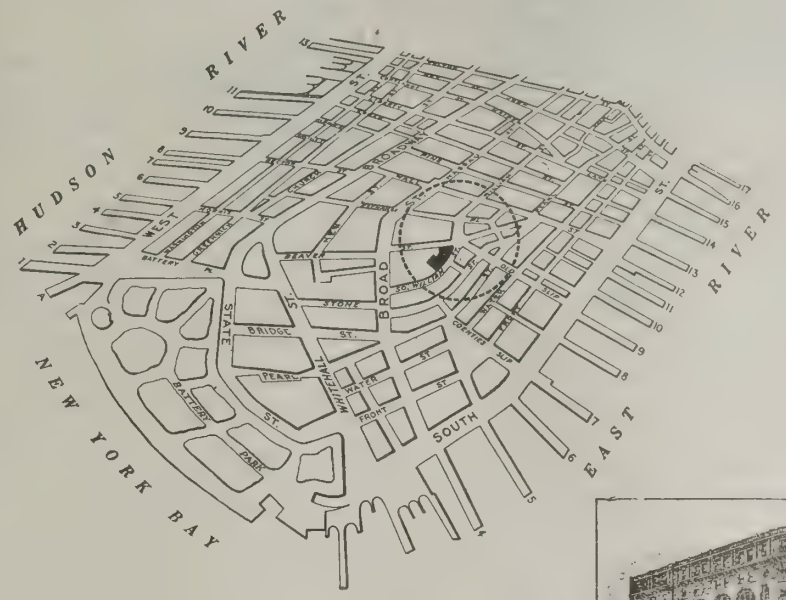
Orders for Large Numbers

Large numbers of manufacturers and others have ordered copies of the leaflet for distribution. The Employers' Association of Montana ordered 1,500 copies, the Nebraska Manufacturers' Association 1,500, Ohio Manufacturers' Association 600, the fire marshal of Arkansas 500, Minnesota Employers' Association 500, Milwaukee Association of Commerce 3,000, Manufacturers' Association of Connecticut 750, Georgia Manufacturers' Association 650, Illinois Manufacturers' Association 1,500, Kentucky Manufacturers' Association 450.

Manual for School Children

The Board is now preparing a fire prevention manual for school children. It will be a work of 23,000 words, profusely illustrated. The dominant idea throughout will be fire prevention rather than fire fighting and protection.

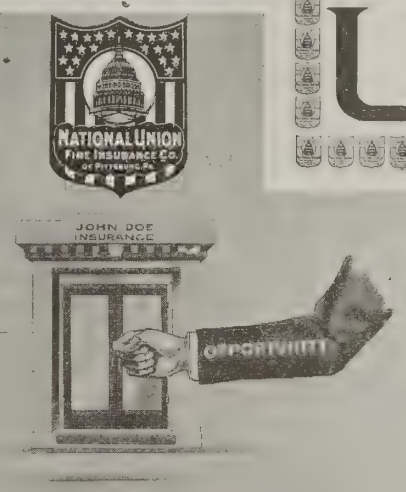
AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

N U



As an asset to any agency, by every test that counts, the NATIONAL UNION is unquestionably a company whose representation good agents should seek. Extending always a full measure of co-operation, its facilities and service have given it a conspicuous place in 5000 offices throughout the United States. To experienced and properly qualified agents the NATIONAL UNION can prove its worth in numerous ways. Are you willing to be convinced of facts already proven to others who have gained satisfaction and profit in a pleasant business relationship? Shall we send a Special Agent to discuss the subject with you?

"OPPORTUNITY IS KNOCKING"

Urges Greater Care in Risks

DUBUQUE F. & M. FIGURES

Company Has Made Gains Each Year in Assets, Surplus and Reserves Since 1883

In a letter sent to agents this week S. F. Weiser, secretary of the Dubuque Fire & Marine, of Dubuque, Iowa, urges them to use greater care during 1918 in the selection of risks. Mr. Weiser says in part:

"You will observe that while our assets show a considerable increase, our gain in net surplus is only nominal This conditions was caused not so much by reason of a heavier loss ratio as on account of the reduced value of securities and increased taxation on account of the war.

"It therefore behooves all of us to not only continue a careful scrutiny of the risks we assume, but likewise to practice economy wherever possible, in order to avoid a possible reverse in these eventful times."

The letter accompanied the annual statement of the Dubuque. The reserve for unearned premiums and all other liabilities of the Company as of December 31, 1917, was $1,420,232 and the net surplus $517,582. The capital of the Dubuque is $200 000.

Each year since 1883, when the surplus to policyholders was $102,915, the Dubuque has made consistent gains in assets, surplus and reserves.

NEUTRAL LICENSES

Twenty-Eight Companies of Countries not at War Permitted to Continue Business

The Secretary of the Treasury has announced that under the President's order of December 7, licenses to continue business have been issued to all French and English companies doing business in the United States and to the following companies incorporated under the laws of other foreign countries:

Spanish-American Union Insurance Co.; National Insurance Co.; Skandinavia Reinsurance Co., Ltd.; Nederland Limited Liability Life Insurance Co.; Nippon Fire Insurance Co., Ltd.; Tokio Marine Insurance Co., Ltd.; Christiania General Insurance Co., Ltd.; Norske Lloyd Insurance Co., Ltd.; Norwegian Assurance Union, Ltd.; Scandinavian-American Assurance Corp., Ltd.; Union & Phenix Espagnol Insurance Co.; Skandia Insurance Co.; Svea Fire & Life Insurance Co., Ltd.; Baloise Fire Insurance Co.; Swiss Reinsurance Co.; Switzerland General Insurance Co.; First Russian Insurance Co.; Jakor Insurance Co.; Moscow Fire Insurance Co.; Northern Insurance Co.; Rossia Insurance Co.; Russian Re-Insurance Co.; Salamandra Insurance Co.; Second Russian Insurance Co.; Warsaw Fire Insurance Co.; Norwegian Globe Insurance Co., Ltd.

A protest has been made to Washington by the National Defense Society.

COMPANIES GETTING EXTENSIONS

An unusually large number of companies are obtaining extensions of time for filing their statements. This is necessary because of the unusual difficulties attending that work this year, caused by shortage of help, and the inexperience of many new men in the accounting departments.

REVIVAL OF EXPLOSION

During the last six weeks there has been a marked revival in the demand for explosion and full war risk covers.

Tourist Floater

(Continued from page 1)

graphic apparatus and supplies, toys and games, sportsmen's implements, toilet articles, baby carriages, canes, parasols, umbrellas, clocks, watches, jewelry, trunks, suit cases, bags and other receptacles of travel; the property of the assured or any member of the assured's household, excluding employes, boarders and guests; but this policy shall not cover household furniture, conveyances and their appurtenances, salesmen's samples, merchandise for sale or exhibition, theatrical wardrobe, theatrical properties and appurtenances, accounts, bills, currency, deeds, evidence of debt, moneys, notes, securities nor property specifically or otherwise insured.

(2) This policy covers wherever the property may be within and/or in transit between the United States, including its possessions, Canada, Bahama Islands, West Indies, Bermuda, United Kingdom of Great Britain and Ireland—(at this point companies may provide for worldwide coverage, if not it may be provided by endorsement)—except in the permanent residence of the assured, or in storage, or in any place where the assured or any member of the assured's household ordinarily keeps an automobile.

The Policy Insures:

(3) Against any and all risks and perils (except as hereinafter provided), of fire, lightning, cyclone, tornado, flood (meaning rising waters), navigation and transportation; theft, pilferage and larceny, provided the assured shall promptly notify the local police authorities on discovery of loss; but this policy does not cover against theft, pilferage or larceny of furs, musical and scientific instruments, jewelry, plate and plated ware, clocks, watches or similar valuables for an amount exceeding:

25 per cent. of the amount of this policy if written for $1,000 or less;
30 per cent.....if for more than $1,000;
35 per cent.....if for more than 2,000;
40 per cent.....if for more than 3,000;
50 per cent.....if for more than 4,000;
62½ per cent...if for more than 5,000;
75 per cent.....if for more than 10,000

This Policy Does not Insure:

(4) Against loss by theft, pilferage or larceny of robes, coats, hats, caps, gloves, leggins, boots, goggles, chauffeur's livery or automobile accessories, while in or on any automobile, or while in any garage or in any other building used for the housing of automobiles.

(5) Against loss from breakage unless caused by fire, lightning, collision or derailment of the conveyance while on land or unless caused by the vessel, craft or lighter being stranded, sunk, burnt or in collision while waterborne.

(6) Against loss by delay, inherent defect of the property, improper or insufficient packing or address.

(7) Against loss or damage arising from riot, civil commotion, capture, seizure, or detention, or from any attempt thereat or the consequences thereof, or the direct or remote consequence of any hostilities, arising from the acts of any government, people or persons whatsoever (ordinary piracy excepted) whether on account of any illicit or prohibited trade, or any trade in articles contraband of war, or the violation of any port regulation or otherwise. Also free from loss or damage resulting from measures or operations incident to war, whether before or after the declaration thereof.

Misrepresentation and Fraud

(8) This entire policy shall be void if the assured has concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof; or in case of any fraud or false swearing by the assured touching any matter relating to this insurance or the subject thereof, whether before or after a loss.

Distribution

(9) It is a condition of this insurance that in case the property insured is in different places, this policy shall cover each place, that proportion of the whole amount of the policy, that the value of the property, in each place, bears to the value in all.

Carriers

(10) It is a condition of this insurance that the assured may accept such baggage checks and receipts as may be issued by carriers without prejudice to this insurance, by reason of any limitation as to the value of baggage as expressed or provided in any ticket or contract of transportation, and that the assured shall not enter into any special agreement with the carriers releasing them from their common law or statutory liability. This insurance shall be void as respects any claim in anywise inuring to the benefit of carriers.

Notice of Loss

(11) The loss, if any, under this policy, shall be immediately reported in writing, with full particulars to this company or its agents. Failure to file proof of loss within three months from date of loss invalidates the claim.

(12) No loss shall be paid hereunder if the assured has collected the same from others.

Loss Reinstatement

(13) Every claim paid hereunder reduces the amount insured by the sum so paid, unless the same be reinstated by payment of additional premium thereon.

Valuation and Payment of Loss

(14) This Company shall not be liable beyond the actual cash value of the property at the time any loss or damage occurs, and the loss or damage shall be ascertained or estimated according to such actual cash value with proper deduction for depreciation, however caused, and shall in no event exceed what it would then cost the assured to repair or replace the same with material of like kind and quality; said ascertainment or estimate shall be made by the assured and this company, or, if they differ, then by appraisers, as hereinafter provided; and, the amount of loss or damage having been thus determined, the sum for which this company is liable pursuant to this policy shall be payable sixty days after due notice, ascertainment, estimate, and satisfactory proof of the loss have been received by this company in accordance with the terms of this policy. It shall be optional, however, with this Company to take all, or any part of the articles at such ascertained or appraised value and also to repair or replace the property lost or damaged with other of like kind and quality within a reasonable time on giving notice within thirty days after receipt of the proof herein required, of its intention so to do; but there can be no abandonment to this company of the property described.

Appraisal

(15) In the event of disagreement as to the amount of loss, the same shall, as above provided, be ascertained by two competent and disinterested appraisers, the assured and this Company each selecting one, and the two so chosen shall first select a competent and disinterested umpire; the appraisers together shall then estimate and appraise the loss, stating separately the sound value and damage, and, failing to agree, shall submit their differences to the umpire, and the award in writing of any two shall determine the amount of such loss; the parties thereto shall pay the appraisers respectively selected by them, and shall bear equally the expenses of the appraisal and umpire.

Sue and Labor

(16) In case of loss or damage it shall be lawful and necessary for the assured, their factors, servants and assigns, to sue, labor and travel for, in and about the defense, safeguard and recovery of the property insured hereunder, or any part thereof, without prejudice to this insurance; nor shall the acts of the assured or this Company, in recovering, saving and preserving the property insured in case of loss or damage, be considered a waiver or an acceptance of abandonment; to the charges whereof, this Company will contribute according to the rate and quantity of the sum herein insured.

Subrogation

(17) In all cases of loss when it shall be claimed by this Company that a carrier or any other party is, or may be liable, then the assured shall, at the request of this Company, or its agents, assign and subrogate all their rights and claims to this Company to an amount

(Continued on page 16)

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

FOUNDED 1792
125th Anniversary
Insurance Company of
NORTH AMERICA
PHILADELPHIA
CAPITAL, $4,000,000 ASSETS OVER $23,000,000
FIRE, MARINE, AUTOMOBILE, Rent, Leasehold, Tornado, Explosion, Use and Occupancy, Sprinkler Leakage, Travelers' Baggage, Parcel Post
The Oldest American Stock Insurance Company

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

BRITISH AMERICA
ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1917
Assets $1,936,279.77
Surplus in United States.... 823,964.59
Total losses paid in United States from 1874 to 1916, inclusive 24,669,753.43
W. R. BROCK, President
W. B. MEIKLE, Vice-Pres. & Gen. Mgr.

Capacity For Local Agents
You can use our capacity as your own to take care of additional business beyond the capacity of admitted Companies.
Our capacity is as high as $150,000 on a single risk with immediate binders and 10% commission to brokers. Guaranteed Underwriters. Use our special Surplus Line Department. Special liberal policies for Baggage Insurance.
MARSH & McLENNAN
Insurance Exchange, Chicago
19 Cedar St. NEW YORK
1015 California St. DENVER
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17 St. John St. MONTREAL
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THESE OFFICES GIVE YOU THE BEST THERE IS IN INSURANCE SERVICE

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
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ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
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PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

Eastern Marine's Official Changes

MAKE C. R. EGERT UNDERWRITER

Appointment by Eastern Marine Underwriters, Inc.—Louis Pallay Made Assistant Secretary

About February 15 the Eastern Marine Underwriters, Inc., of which George A. Evalenko is president, will move to permanent quarters at 48-54 Beaver St. The Eastern Marine Underwriters, Inc., also announced this week the appointment of C. Russell Egert as underwriter. Mr. Egert has been marine underwriter of the New York office of the Automobile Insurance Co. He was for five years assistant marine underwriter of the Royal Insurance Co. and had also been in the underwriting department of the British & Foreign for a number of years.

Louis Pallay, who has been with the Eastern Marine Underwriters, Inc., since its incorporation, has been made assistant secretary of the firm. William A. Evalenko is treasurer and Henry Sutter, formerly in charge of the marine losses of the New York office of the Automobile Insurance Co., now has charge of the loss department of the Eastern Marine Underwriters, Inc. H. F. Shoemaker, also formerly with the Automobile Insurance Co., is office manager.

The Eastern Marine Underwriters, Inc., are marine managers of the Equitable Underwriters, of New York, and also for the Eastern Marine Insurance Co., now forming.

STATE INSURANCE

Proposition in Virginia to Carry Insurance on Public Buildings—Senator Conrad Describes Plan

Carrying out a scheme which he has for several months been considering, Senator George N. Conrad, of Harrisonburg, Va., has presented a bill in the State Senate which he says enables the State to insure public buildings at an enormous saving. He has obtained from the insurance department a prepared statement of risks now existing, the value of the property, the costs of the risks, the losses sustained and all else dealing with the matter. Asked to make a resume of the measure, Senator Conrad said:

"This plan whereby a State may carry its own insurance is not an untried one. The State of Wisconsin has, for fourteen years carried its insurance on public institutions, and for the last five years its counties and school districts have had the right to write insurance through the State Department. During the fourteen years of Wisconsin's experience, although three large institutions burned, there is now a surplus of about $50,000 to the credit of the State Insurance Fund."

HEATING ENDORSEMENTS

The endorsement departments of the companies have been kept busy the last few weeks making endorsements permitting the use of oil and coal stoves for heating purposes in all kinds of occupancies.

O. F. LARSEN MAKES CHANGE

Oscar F. Larsen, for some time counterman of the New York office of the General Accident, started on Tuesday in the casualty department of Pendleton & Pendleton, Brooklyn agents.

AUTOMOBILE NEWS

Effective Date Postponed

New automobile collision and property damage forms and rates will become effective April 1 instead of March 1, as originally intended. Printing difficulties are said to be the cause of the delay. The executive committee of the National Automobile Underwriters Conference has approved new forms, rules and rates for dealers policies. The new form is different mainly in that it takes care of various methods of reporting the cars insured. The local conferences now have before them for approval a new plan for an independent form of cover for taxicab and livery service. The new dealers forms will be known as Monthly Report Form, Pass Book Form, $500 Initial Premium (or Inventory Value) Form and the Blanket Form.

* * *

Lines Being Re-insured

Re-insurance has been effected by the Commercial Casualty of Newark of the joint automobile business, which the Fidelity & Deposit did with the Home of New York; also the Commercial Casualty has taken over the Buffalo office, and all business there except plate glass. In a circular letter to brokers the Fidelity & Deposit has offered to cancel pro rata any business they may wish to replace. Brokers are offering Fidelity & Deposit business in large blocks to other offices. The Fidelity & Deposit will continue to write fidelity, surety and burglary.

* * *

United States Casualty Changes

Richard Lance, liability department manager for the Frankfort General, has joined the United States Casualty as chief underwriter in its compensation and liability department, of which Dr. R. S. Keelor is manager. Mr. Lance had been with the Frankfort for twenty years. Herbert L. Kidder, who has been Dr. Keelor's assistant, becomes manager of the accident and health department in which he had an extensive experience before taking up liability and compensation.

* * *

Delay Crowds Auto Season

By postponing the effective date of the new automobile rates to April 1 the changes will come just at the time the spring business is reaching its height. This is unfortunate, for changes in rates, forms and rules always make enough trouble anyhow and it has been the object of the Conference to complete its work of revision each year before the new season's rush gets fairly under way. However, this year is full of surprises and drawbacks and the situation must be accepted in good grace. Besides, the changes proposed are not so radical as to cause the confusion which has sometimes resulted in the past when new regulations went into effect.

Kentucky agents are expecting an anti-compact bill in that State and introduction of legislation which would abolish the State Rating Board and the Actuarial Bureau.

Marie F. Raichlen, of Brooklyn, who transacted business under the name of G. A. F. North & Co., has retired from that agency, which is now conducted by Emma F. North and Leslie T. Finkelday under the name of G. A. F. North Company.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

CRITICISED CLAIMS

In his annual report as chairman of the Committee on Losses and Adjustments of the New York Board of Fire Underwriters Wallace Reid said in part:

"We have during the past year reported sixty-five claims where the evidence of moral hazard seemed clear. Thirty-six of these, called for unusual investigation and/or compelled litigation, the cost of which amounted to $86,009.50, of which amount $39,157.60 was paid during the year 1917, representing 29.34 per cent. of the full expense of the year's adjustments. The resulting saving to the companies as compared with assured's claims in these was however $274,154.22. We have spent during 1917 $8,370.58 on criticised claims, adjustments of which are still pending, and this amount together with the expense of the adjustments of the thirty-six claims above referred to represents 35.61 per cent. of the full expense of the year's adjustments."

NOW GLOBE, OF PENNSYLVANIA

The German, of Pittsburgh, has sent the following circular to its agents:

To our agents: As forcast to you in our letter under date of December 10, 1917, the stockholders at a meeting held on January 14, 1918, voted to change the name of the German Fire Insurance Company of the City of Pittsburgh to Globe Insurance Company of Pennsylvania.

Policies and supplies have been ordered and as soon as available we will forward them to you. In the meantime please continue writing insurance for us under the present form as it is needless to say the Company, under the new name, will honor all policies and obligations written under the name of the German Fire Insurance Company of the City of Pittsburgh.

A. H. ECKERT, Secretary.

An anti-rebate bill has been introduced in Albany, New York. It affects employes of an insured.

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852

The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.

R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y

HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK

HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

GERMANIA
FIRE INSURANCE COMPANY
NEW YORK.

ORGANIZED 1859
STATEMENT, JANUARY 1, 1917

Cash Capital	$1,000,000.00
Assets	8,553,704.22
Liabilities	4,222,485.60
Net Surplus	3,331,218.62
Surplus for Policy Holders	4,331,218.62

HEAD OFFICE
Cor. William and Cedar Streets

London and Lancashire
Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

Firemen's Insurance Co., Newark, N. J.

January 1, 1917

Cash Capital	$1,250,000.00
Net Surplus	$2,449,322.25
SURPLUS TO POLICYHOLDERS	$3,699,322.25

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer
NEAL BASSETT, Vice-President
A. H. HASSINGER, Secretary
J. K. MELDRUM, Assistant Secretary

COLONIAL INSURANCE AGENCY
54 MAIDEN LANE Phone John 1210 NEW YORK CITY
AUTOMOBILE AND ALL FIRE AND CASUALTY LINES
"SECOND TO NONE IN SERVICE"

MARINE DEPARTMENT

Refute "Kaiser Wins War" Talk

MARINE CLUB'S BIG DINNER

One Army Officer's Pessimism Gets Rise Out of Other Speakers—Much Enthusiasm

The Marine Insurance Club of New York, which is giving the Casualty & Surety Club a race for supremacy in entertaining dinners, filled the great banquet hall of the Hotel Biltmore on Wednesday night at its second banquet.

The attendance was almost a who's who in marine insurance. Even a sprinkling of fire insurance men was noticed, including C. B. G. Gaillard, assistant U. S. manager of the Urbaine. The banquet was a rapid fire affair with speakers ranging from army officers to mere congressmen, D. Roger Englar, president of the club, being toastmaster.

The first speaker, Capt. A. L. Boyce, of the army, started the fireworks by saying that the Kaiser had won the war. The Captain, who was telling of the horrors of Halifax, which explosion he attributed to agents of Germany had declared that Americans were too smug and contented; that they did not realize the situation; that they thought now that we are in it the Germans will speedily give up the fight.

"But," he said sharply, "while we are jollying ourselves and thinking how wonderful we are, those G— d— s—— b—s have gone and won the war."

"That's not true," shouted a man in the back of the hall to a salvo of hand-clapping.

From that time on Captain Boyce was a target for the other speakers, the first to answer his assertion being Walter W. Price, who traces cotton and other products for the underwriters. Mr. Price declared that anyone who thought Americans were asleep in this crisis were very much mistaken. The next man to take a shot at Captain Boyce was Lieut. G. T. Shirres, of the Canadian army, who described a trench raid in graphic language from personal experience.

By the time the next speaker, Congressman John J. Fitzgerald, got to his feet Captain Boyce had disappeared. Just where he obtained his inside information about the Germans winning the war was not disclosed, but probably he picked it up on a copy of "Simplicissimus," the Munich Puck.

Anyway, it was an evening to be remembered, and the excellence of the speaking and musical program and of the menu disclosed one of the secrets for the great success of the Marine Club, which is growing faster than the bank roll of a shoe manufacturer.

Hartford Appoints Three New Specials

IN MARINE AND TRANSPORTATION

S. D. Sarley, in Pennslyvania; G. C. Perrins, New England; W. O. Roberts, New York, and New Jersey

The Hartford Fire Insurance Company has appointed three new special agents in its marine and transportation department. They are S. D. Sarley, George C. Perrins and Walter O. Roberts. Mr. Sarley will have Pennsylvania. For two years he has been in that State as special agent for the fire branch of the business. He began with the electrical inspection department of the Underwriters' Association of the Middle Department, and was also acting district secretary of the Underwriters' Office at Baltimore.

Mr. Perrins' Career

Mr. Perrins, whose field will cover New England, began with the loss department of the National Union; and then became a daily report examiner for the Scottish Union & National. He joined the Hartford in 1912, as examiner of daily reports from Cuba and Porto Rico. In 1915 he had added to his duties Maryland, Delaware, District of Columbia, Southern New Jersey and Arkansas.

Mr. Roberts' Career

Mr. Roberts, who will cover New York and New Jersey, began in a local agency in Brockport, N. Y. Then he became an inspector in the Northwest for the St. Paul F. & M. Later he went with the Rochester, N. Y., board and with the Underwriters Association of New York State. He became later a daily report examiner for the Citizens of St. Louis.

INS. CO. OF N. A. TOURIST

Rates Advanced in Both Territorial Classifications—Brokerage Commission Fifteen Per Cent.

The Insurance Company of North America's rates on the broad form tourist policy, including pilferage, will be increased on February 1st, on territorial limits A, which covers within and between the United States, including its possessions and Canada, Bahama Islands, West Indies, Bermuda Islands, United Kingdom of Great Britain and Ireland, to 2½ per cent. for amounts up to and including $2,500, each additional $100 to be charged for at the rate of 1½ per cent.; viz.: On a policy of $5,000, the premium would be $100.

For territorial limits B, which cover world-wide, charge 50 per cent. additional premium over territorial limits A, viz: On a policy of $5,000, the premium would be $150.

Brokers' commissions in New York City will be 15 per cent.

EASTERN MARINE UNDERWRITERS, Inc.

GEORGE A. EVALENKO, President

MANAGERS
OF THE
MARINE DEPARTMENT
OF THE
EQUITABLE UNDERWRITERS
OF
NEW YORK

FOR WHICH WE ARE NOW PREPARED TO BIND ALL LINES OF MARINE, CARGO AND HULL ASSURANCES AT OUR TEMPORARY OFFICE

111 Broadway, New York City
Telephone 1555 Rector

New Tourist Policy and New Rates

(Continued from page 14)

not exceeding the sum paid by this Company, and permit suit to be brought in the assured's name, but at this Company's expense, and the assured expressly agrees to render all reasonable assistance in the prosecution of said suit or suits.

Suit Against Company

(18) No suit or action on this policy for the recovery of any claim shall be sustainable in any court of law or equity unless the assured shall have fully complied with all the foregoing requirements, nor unless commenced within twelve months next after the happening of the loss, provided that where such limitation of time is prohibited by the laws of the State wherein this policy is issued, then and in that event no suit or action under this policy shall be sustainable unless commenced within the shortest limitation permitted under the laws of such State.

Agent

(19) No person shall be deemed an agent of this Company unless specifically authorized in writing by this Company.

Cancellation and Minimum Premium

(20) This policy shall be cancelled at any time at the request of the assured; or by the Company by giving five (5) days written notice of such cancellation. If this policy shall be cancelled, or become void or cease, the premium having been actually paid, the unearned portion shall be returned on surrender of this policy, this Company retaining the customary short rate; except that when this policy is cancelled by this Company by giving notice it shall retain only the pro rata premium, but in the former case this Company is to retain not less than $.... which is hereby declared to be the minimum premium for this policy. Registered notice of cancellation sent to the assured at the address stated herein shall be deemed a sufficient compliance with the conditions of this clause on the part of this Company.

(21) This policy is made and accepted subject to the foregoing stipulations and conditions, which are hereby specially referred to and made a part of this policy, together with such other provisions, agreements or conditions as may be endorsed hereon or added hereto; and no officer, agent or other representative of this Company shall have power to waive or be deemed to have waived any provision or condition of this policy unless such waiver, if any, shall be written upon or attached hereto, nor shall any privilege or permission affecting the insurance under this policy exist or be claimed by the assured unless so written or attached.

ORR & CO. TAKE MORE SPACE

Now Occupy two Entire Floors of Equitable Trust Building—Bonus to Employes

O. G. Orr & Co., Inc., last week announced another bonus to its employes of one month's salary. This makes four such bonuses which O. G. Orr & Co., Inc., have made in the past year.

O. G. Orr & Co., Inc., has also taken over the entire fourteenth floor of the Equitable Trust Co. Building, in which the office has occupied the whole thirteenth floor since its organization. In conjunction with this move, several other changes have been effected. A room has been reserved on the fourteenth floor in which conferences between the department heads are held and in which underwriters and members of the firm lunch each day to gain more time in discussion of office topics. Forty of the employes of the underwriting department have enrolled in the New York University course on marine insurance which is being conducted under the tutelage of W. D. Winter, of the Atlantic Mutual, the tuition fees being paid by O. G. Orr & Co., Inc.

P.-W.'S MARINE FIGURES

The marine premiums of the Providence-Washington for 1917 were $2,128,416.08 and the paid losses on this business $1,201,017.28.

CHRISTIANIA GENERAL LICENSED

The Christiania General of Norway, has been licensed in New York. The company must now obtain a license from the Federal authorities. J. M. Wennstrom of the Svea is United States manager. The company will write fire reinsurance.

JONES, LAUNT & BARRETT, Inc., GENERAL AGENTS

JONES LAUNT INCORPORATED BARRETT

CAPITAL FIRE INSURANCE COMPANY of CAL.
CHICAGO BONDING & INSURANCE COMPANY
GREAT EASTERN CASUALTY COMPANY
THAMES & MERSEY MARINE INSURANCE CO., Ltd.
SECURITY MUTUAL FIRE INSURANCE CO. of MINN.

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NEW YORK OFFICE: 95 William Street, NEW YORK CITY

CASUALTY AND SURETY NEWS

Should Know One's Right to Exist

PROPER STUDY FOR FIELDMEN

State Insurance Idea Still Smouldering in Many Legislative Committees

It is to be hoped that the State health insurance idea will meet with the same chilly reception in other States as it did in Massachusetts where the legislative investigating committee reported adversely upon the pet scheme of Governor McCall. This does not mean that the danger is over; it merely signifies that one tentacle of the octopus has been bruised and is numbed for the time being.

Just now there is no better study for insurance men, particularly those selling health and accident lines, than this subject of State insurance. And such study is more than ever necessary in those States which, like Massachusetts, have appointed legislative committees to investigate this subject and report their findings. Upon their reports will largely depend the action of future legislatures in framing laws which may put private insurance out of the running.

Must Argue One's Case

It has been shown time and again that the public, including professional men of studious mind and public spirit, know little or nothing of this State health insurance propaganda. This is true also of the mass of that large body known as Labor. But it won't do for the insurance man to display this ignorance of a subject which so vitally concerns him. How many of the thousands of insurance men are today able to put up a really good argument against State insurance, based upon sound principles and convincing facts? Every man knows that he does not wish his business taken away from him nor his taxes increased to oil a gigantic political mechanism, but unless he can satisfactorily explain to the other fellow why this thing is bad for all of us, it will be taken for granted that his position is not tenable and that he has no good argument against it. Therefore study the State insurance problem, its aims, its possibilities and its failures.

What Is Being Done

Through the activities of the American Association for Labor Legislation commissions have been appointed in nine States to investigate this subject. In California the scope of the investigation is social insurance. In that State there is no State tax on real or personal property but William G. Curtis, president of the National Casualty, Detroit, has shown that under social insurance a tax of $6,700,000 would be necessary.

In Connecticut the legislative com-

(Continued on page 18)

Five New Directors of U. S. F. & G.

ANNUAL REPORT OF J. R. BLAND

Short Review of Company's Statement —Old Officers of Company Re-Elected

With the view to adding many men prominent in business life in all sections of the country to the directorate, the United States Fidelity & Guaranty Company has increased the board of directors from 30 to 60 members. The plan to enlarge the board was approved by stockholders of the company at their annual meeting held in this city on Tuesday last. Five new directors were elected, and others will be named from time to time. Following the stockholders' meeting, the newly-elected board met and re-elected President John R. Bland and other officers of the company. Several new vice-president and an assistant secretary were also chosen.

Review of Company's Statement

President Bland submitted his annual report at the meeting of stockholders, showing that the company had the greatest year in its entire history in 1917. Total premiums for the twelve months were $14,390,158.36, or $3,761,810.71 more than for the previous twelve months. Net income, after paying all losses and expenses, totaled $3,493,864.21 for the year. Actual investments in stocks and bonds as of December 31, 1917, amounted to $10,718,015.41, while the company's cash in bank and in depositories aggregated $2,101,463.12. The president explained that the company's resources have grown from $7,481,473 in 1912 to $16,789,366.87 in 1917, or an increase of $9,307,893 in the five-year period. The surplus increased from $2,232,433.66 on December 31, 1916, to $2,438,439.08 at the close of business December 31, 1917. The year's loss ratio was 41.4 per cent., and the expense ratio 38 per cent.

The new directors added to the board are Charles A. Hinsch, president of the Fifth-Third National Bank, Cincinnati, and president of the American Bankers Association; Hon. Fred. Nicholls, Montreal, Canada, president of the Canadian General Electric Company, Wildham H. McCord, Omaha, Neb., president of the McCord-Brady Company, Charles E. Taylor, president of the Wilmington Savings and Trust Company, Wilmington, N. C.; Martin J. Kohn, of Kohn & Pollock, publishers, of Baltimore, and S. McKennan, president Union Bank and Trust Company, Helena, Mont.

Sidney Hall, Hubard Pearce Ringgold, T. Hartley Marshall and Herbert L. Price were elected vice-presidents of the United States Fidelity and Joseph W. Bristor, assistant secretary.

Limited Sickness Policy Dropped

ACTION BY STANDARD ACCIDENT

Difficulty in Explaining Form so as to Avoid Controversy the Reason

Beginning February 1 the Standard Accident of Detroit will cease issuing its limited sickness policy. In regard to this decision the Standard says that a limited sickness policy has never been a favorite with it. It seems to be beyond human power to so explain these forms that trouble may be avoided at the time of claim. There is no doubt about the money value of the protection granted, but what it does is lost and gone when the claim department finds it necessary to call attention to what the policy does not. More harm to the business in general and to the agent and the company is the result than can be overcome in many days' work. There is but one cure for the condition, and we have decided to apply that, by taking off the policy referred to above.

Some Forms Continued

The sickness features of the following policies are also in the same class, but these policies will not be withdrawn at once. Accumulated accident and limited sickness policy—standard accident and limited sickness policy—sterling accident and limited sickness policy.

These policies will not be issued hereafter to any risk over fifty years. Those persons having procured policies before reaching age fifty will be continued by renewal up to age sixty. An additional premium of $2 per five dollars of weekly indemnity will be charged after the assured reaches age fifty.

ANOTHER TAX SCHEME

Compensation Companies in New Jersey May Pay for Negro Welfare

Insurance companies writing workmen's compensation in New Jersey would be required to pay to the State $400 for each employe who died without leaving dependents, under the provisions of an act introduced in the Senate. It has been estimated that one hundred workers die annually with no one to claim the compensation under the State law. This return of approximately $40,000 would be utilized in covering the expense of the proposed department in the labor office for negro welfare and the handling of compensation cases.

Commercial Casualty of Newark, N. J., now at 92 William Street, New York, has leased the four story building 128 William Street. The property will be altered for the exclusive use of the company.

The Globe Indemnity this week started the issuance of a new form of accident and health policy. The policy is known as the "Extra Special Policy" and provides unlevel insurance. Special rates for this policy have also been put into effect.

Risk in Writing Foreign Bonds

DEMAND LIKELY TO INCREASE

Companies Generally Reluctant to Become Surety for Foreign Principals

In view of the increasing interest being taken by American firms in foreign mercantile business, the following views of the Fidelity & Casualty Company on foreign surety bonds are of timely interest:

The Department of Commerce at Washington has shown highly commendable zeal in helping American manufacturers to increase their export business. We judge that somebody complained to the Department about the unwillingness of surety companies to issue fidelity bonds upon principals located in foreign countries, or perhaps about the premiums charged for such bonds, because we received a letter from the Department, apparently a round-robin communication, asking for information as to our practice in that matter. As agents sometimes submit similar inquiries, it may be worth while to reproduce here our answer to the Department.

Supervision Lacking

For reasons that seem to us quite understandable surety companies regard as exceptionally hazardous bonds conditioned for the honesty and right conduct of persons employed by domestic concerns but located in foreign countries. Without attempting to state these reasons in full, we outline them briefly as follows:

1. Usually such foreign employes are necessarily entrusted with high authority and wide discretionary powers—with very much more authority than would be given to employes of similar rank located in the United States and thus within easy reach of the home office of the employer.

2. Branch-office managers and traveling salesmen (the class of employes mentioned by you) located in this country are all the time under considerable supervision on the part of the home office of the employer, making frequent reports thereto, and occasionally visiting the home office or otherwise meeting their superior executives; but no such safeguarding supervision is practicable in the case of foreign employes.

Unsatisfactory Features

3. While the underlying extrinsic conditions of foreign risks are thus in two very important respects highly unfavorable, from the bonding company's point of view, as compared with similar domestic risks, the conditions on the subjective side are likewise as a rule decidedly unsatisfactory in the case of foreign risks as follows:

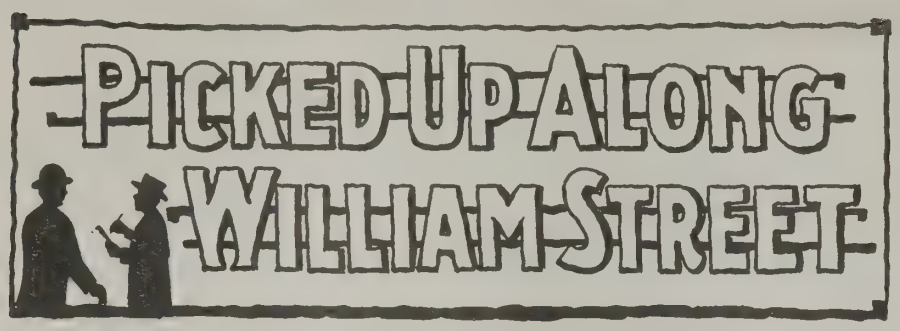
a. Frequently the persons whose honesty is to be guaranteed are foreigners about whose characters and careers it is very difficult, if not impossible, for the surety company to obtain full and satisfactory information.

b. If the bonded persons are not for-

(Continued on page 18)

General Accident
FIRE AND LIFE
ASSURANCE CORPORATION, Ltd.
FREDERICK RICHARDSON, United States Manager
GENERAL BUILDING · 4TH & WALNUT STS.
PHILADELPHIA
SERVICE THAT EXCELS

FIDELITY and SURETY BONDS
BURGLARY INSURANCE
FIDELITY & DEPOSIT CO.
OF MARYLAND
EDWIN WARFIELD, President



After Ambulance Chasers

Important amendments to the New Jersey "death act"—the statute under which relatives of a person killed through the neglect of another may collect damages—are proposed in a series of four bills which have been introduced in the Assembly. The immediate object of the measures is to require that plaintiffs, resident in that State shall have the right to bring suits only within New Jersey.

At present actions may be instituted in other States, wherever the plaintiff can serve the defendant or responsible agents of a corporation, or wherever the defendant party may have property which can be attached.

Recovery of damages for the death of a person is purely a statutory right, existing in New Jersey by enactment since 1848. In view of the opportunity to bring actions in almost any place, advantage has been taken to impose hardships on them by bringing suits for accidents within the State at inconvenient places outside, or in places where the plaintiff's lawyer assumes he may have a better chance to mulct the defendant.

One result of this broad policy has been to facilitate the work of what is known in the legal profession as "ambulance chasers." It is alleged that since last winter, when legislation was passed in New York prohibiting any lawyer from soliciting business, "ambulance chasers" have been more active in New Jersey.

* * *

New Liability Rates Effective

Saturday, January 26, the new owner, landlord and tenant liability rates became effective in Manhattan. This is easily one of the most constructive pieces of work recently done by the liability companies working through committees, the Casualty Insurance Exchange and the Insurance Department. The plan was explained in The Eastern Underwriter two weeks ago. The rates run from five cents to one dollar per hundred square feet of area and from five cents to seventy cents per linear foot of frontage. They apply on renewals as of March 1. The projected premiums indicate an increase of 232 per cent.

* * *

Affects Mutual Auto Companies

A bill introduced in New York would provide that mutual automobile casualty companies may not continue writing if at any time after six months from date of authorization the number of members falls below 1,000, the number of cars below 1,500 or the premium cost falls below $50,000.

* * *

Complete Treatise on Rating

About February 15 the National Workmen's Compensation Service Bureau will issue what is no doubt the most complete treatise on compensation rates. Its title is: "Report of the Work of the Augmented Standing Committee on Workmen's Compensation Insurance Rates, 1917, Together with a Brief Account of the History and Theory of the Making of Workmen's Compensation Insurance Rates." This pamphlet will comprise some two hundred pages and will deal not only with the work of the 1917 manual revision, but also, in general, with the history and theory of workmen's compensation rates, past and present. It can then be obtained from the bureau at a price which has not been fixed, but which will not exceed fifty cents per copy.

* * *

Sleighing in William Street

It is many days since the big men of New York drove down town from Greenwich and Chelsea villages in their sleighs. In fact a stylish sleighing outfit has long been much of a curiosity in lower Manhattan. So it is small wonder that a crowd gathered when Edward Griffith of E. E. Clapp & Co., appeared in William Street last week with a spick and span red cutter and a spirited horse of about fifteen hands and was whisked away by a driver in livery.

* * *

With Globe Indemnity

Frank E. Seymour, Jr., has become casualty manager for R. L. Wood & Co., Buffalo, general agents for the Globe Indemnity. Mr. Seymour was resident manager at Buffalo for the Fidelity & Deposit. The Globe has also attached Nagley & Johnson, of Milwaukee, formerly of the Fidelity & Deposit staff. Likewise Neare, Gibbs & Lent, of Cincinnati.

* * *

Territorial Limits Placed

Every policy and every renewal of the Standard Accident of Detroit will hereafter bear this endorsement:

"It is understood and agreed that this policy covers injuries received only within the limits of Continental United States. Anything in the policy to the contrary notwithstanding."

The use of the endorsement is subject to approval by the various insurance departments.

* * *

Against Liability Companies

A bill has been introduced in Massachusetts which would oust liability companies from the compensation field and create monopolistic State insurance. A commission to investigate the operation of present compensation laws is also asked for.

State Fund Need not Pay

Under a decision by the Attorney General, Pennsylvania's Workmen's Insurance Fund is not liable for an income tax provided by the Acts of Congress of 1916 and 1917, nor for the war income tax, the war excess profits tax or the war tax on insurance carried by the Act of October 3, 1917. The ruling has also been made that no duty is imposed on the board to make any return. This position was announced in a decision which holds that purely State matters are non-taxable.

* * *

No Fee for Boiler Inspector

In an opinion of the Department of Labor and Industry, of Pennsylvania, the deputy attorney general holds that while the law fixes no fee for the services of a boiler inspector the commissioner would be justified in revoking the commission of an inspector guilty of making unreasonable charges.

* * *

$30,000 on One Claim

On a death and dismemberment policy the Standard Accident of Detroit recently paid a Chicago banker $30,150 for the loss of a hand and a foot. The assured was hurt alighting from a train in motion.

* * *

Joins Aetna Companies

W. H. Nichols, formerly general agent at Cleveland for the Fidelity & Deposit, has joined the staff of the Aetna companies and will probably be stationed in Ohio.

* * *

At Last! A. Victor Hansen

A. Victor Hansen is to be married. The genial superintendent of the Massachusetts Bonding's personal accident department in New York has become engaged to Miss Grace Crowder of the Bushwick section of Brooklyn, who is now in the Aetna office. Mr. Hansen was formerly assistant manager for the Aetna.

* * *

Book on Woodworking Risks

"Safety in Woodworking" is the title of a new book soon to be issued by the National Workmen's Compensation Service Bureau. It is a decided improvement on anything of the kind issued by the Bureau, as it will be in loose leaf form, and all the cuts will be made from photographs of machines and safety devices in actual operation, instead of from drawings illustrating theoretical conditions. The work will contain about 150 pages.

* * *

Reducing Waiting Period

A compensation bill has been introduced in Kentucky reducing the waiting period from two weeks to seven days. In Maryland it is proposed to eliminate the waiting period altogether.

Do You Know that a
DIGEST OF WORKMEN'S COMPENSATION CASES IN THE HIGHER COURTS

Is published on the third Saturday of each month in THE WEEKLY UNDERWRITER? These digests cover every state and territory where Workmen's Compensation Laws are now in effect. This department has been conducted ever since Workmen's Compensation went into effect in each state, and is **complete up to date.** It is indexed every six months and numerous cross-references are made to parallel cases both in the courts and before the Industrial Boards. FULL TEXTS ALWAYS AVAILABLE. Industrial Board decisions are reported every week.

Indexed Bound Volumes of THE WEEKLY UNDERWRITER can be obtained at $3.50 each containing the back files of these cases.

Subscription to THE WEEKLY UNDERWRITER is Only Five Dollars Per Annum

Sample Copies on Request

The Weekly Underwriter

80 MAIDEN LANE - - - - - NEW YORK CITY

Foreign Bond Risks

(Continued from page 17)

eigners, but are American citizens transferred to a foreign post of duty, the investigations of their past, offers no unusual difficulty, but the subjective aspect of the risk is still relatively unfavorable in the fact that a man is more likely to give way to temptation when he is located in a far-off foreign city, deprived of home ties, and with perhaps unusual opportunity and leisure for wrongdoing.

Settlements Dangerous

4. Finally, in the matter of the settlement of losses foreign bonds are deemed materially more dangerous to surety companies than are similar domestic instruments. The precise facts of the loss are harder to ascertain; salvage even in small amounts is rarely recoverable; and the conviction of the defaulter, however certain his guilt, is usually impracticable. We recently, for example, sustained a heavy loss upon a fidelity bond covering a man located in Rio de Janeiro, where the circumstances were such that if our principal had been employed in a similar capacity in this country our claim expenses would have been vastly less than they were, and at the end we should have had the satisfaction of knowing that a brazen thief, instead of going scot-free, had been suitably punished with resultant benefit to the community. However, if the man had been located in this country, he might not have become a defaulter at all, and certainly could never in the world have defrauded his employer in the easy and efficient way found by him practicable in Brazil.

General Practices

While foreign bonds are thus unattractive to surety companies, it is not our understanding that such companies refuse absolutely to issue such bonds. On the contrary, we suppose that all the companies follow our own practice in that regard—namely, the practice of writing such bonds as a matter of course where they are desired by domestic companies in connection with a line of domestic bonds, and sometimes as a special matter where they are desired under other conditions. It is true, however, that a much higher rate is ordinarily charged for foreign bonds than that charged for bonds covering domestic principals holding corresponding posts. Even at the higher rate so charged we suppose it to be true that hardly any company has ever made any money on its foreign bonds. We are confident that in our own case the losses on such bonds have much exceeded the premiums charged.

Government Furnishes Argument

In the life insurance bill just passed Congress provides that every soldier or sailor may take life insurance at peace rates on the term plan of from $1,000 to $10,000. The Government goes a step further however, and states that if any soldier or sailor dies before this plan of optional insurance goes into effect next February, the Government will assume that he has applied for $4,500. Therefore, we have the stamp of our Government on the minimum loss entailed upon dependents who are bereft of those who are responsible for their maintenance. Surely if the average soldier taken from all classes and walks of life represents a monetary loss of $4,500 to those who are financially interested in his life, a prosperous business and professional man can hardly rate himself at a lower value. We have here a splendid sales weapon and a means of raising the $1,000 and $2,000 purchase to a larger amount.

Experience rating will be the principal topic for discussion at committee meetings of the National Workmen's Compensation Service Bureau this week.

CASUALTY AND SURETY POINTERS

What the Future Holds

Nineteen Eighteen will belong to the man with a vision—the ability to realize that there is a chance for him to make his energies pay him a profit. The pessimist will undoubtedly be able to find grounds to excuse his failings just as was the case last year, but there is no disputing the fact that the immediate future holds the biggest possibilities for our business that have ever come to it in its whole history. Never before since accident and health insurance payable monthly for the convenience of the working classes was first thought of; never before at any time, have the industrial activities of our country been under such terrific pressure. The ranks of the nation's industrial workers have been thinned to supply the country's fighting men, but in turn they have been more than filled by thousands of women, older men, boys, and men heretofore unemployed. The increased demands on the workers, the continual increased expense of living, every factor that enters into the problem of living in these greatly speeded-up times makes the risk of loss from accidents and sickness greater and harder to be borne. The man who fully appreciates the difficulties to be met and who meets the big opportunities with bigger effort will be the man of success during nineteen eighteen.—"The Standard Bulletin."

* * *

Additional Insurance Idea

Take it as you would the finest tasting and most bracing tonic when an apparently well-to-do man tells you he has all the insurance he needs. He is a type of one of your best prospects. He has been told the story, by you or another agent. He has liked the proposition so very well that he has already bought some, and—you know as does every one of us that as a matter of real fact he has not all that he needs, no matter how much he is carrying, because no man in the United States today, outside of possibly some very few of the greater multi-millionaires like Morgan and Wanamaker, is carrying as much life insurance as he needs. Urge with with all your expert finesse that life insurance in a way insures all of his other investments—his mercantile, his real estate, his stock and bond investments, every possible investment that he could make. Insures him as to them in this way, that no matter what may happen to them his life insurance money is absolutely certain—is the only non-fluctuating, non-failing investment any man can possibly make. Therefore, he has not all the life insurance that he actually needs until he is carrying an amount equal to the total of all of his other investments. Press hard upon him the cold fact that is clear to and appeals to every man these days, namely, the all kinds of uncertainty and worst harm that this war is certain to do to every imaginable investment outside of life insurance.—"The Fieldman"

* * *

Calculation for Year's Needs

In our zeal to be of service to our country, we, however, must not forget that we owe a duty to those dependent upon us; and to keep the wolf from the door, it is absolutely necessary to have an income large enough to meet the outgo. So in mapping out our plans for the year of Nineteen Hundred and Eighteen let us include all of our legitimate expenses, including our bit to Uncle Sam, and estimate the amount of labor we have to perform to attain the desired end. This calculation will show us that practically every working day will be needed to meet these necessities, so let us resolve at this, the beginning of the new year, not to "put off until tomorrow what should and can be done today." With this idea firmly fixed in our minds, we will find at the end of the year that we have suceeded far beyond our expectation, and we can look back and say with pride, "Well Done!"—"The Line."

* * *

Circular Costs $21,000

Carelessness in wording agency advertising is often responsible for disagreeable misunderstandings and sometimes it costs the company a stack of money. In regard to this the Fidelity & Casualty says: "Occasionally we have found an agent taking a position in a proposed circular that we could not for a moment support. He may, for example, explicitly state, without qualification, 'If you will complete and return the enclosed application, we will write your bond.' A few classes of license bonds are written in substantially that free-and-easy manner, but almost always what we should do is to solicit an application for the bond, without, of course, agreeing to write the bond if it be applied for. That the danger of trouble implied is not imaginary may be understood from the recent experience of a certain surety company with a large contractor. In reliance, as he said, upon the promise of the surety company's agent to furnish the necessary bond, the contractor in question submitted a bid upon a large job and received the award. When the bond was turned down by the home office of the surety company the contractor was forced finally to have recourse to personal sureties, at a cost to him of $130,000; and he sued the surety company for that amount. The company was satisfied that its agent had not in fact absolutely agreed to furnish the bond, but the circumstances were such that the surety company would probably have been cast in heavy damages if it had permitted the case to go to trial; and it comprised the controversy with the contractor by paying him $21,000."

One's Right to Exist

(Continued from page 17)

mission is empowered to investigate health insurance, old age pensions, free employment bureaus, hours of labor, minimum wage and nine other subjects.

The Illinois Commission is studying results of sickness and accidents to employes and their families, not covered by workmen's compensation insurance, with reference to adequacy of present methods of preventing and meeting losses therefrom. Also legislative measures proposed for preventing and meeting these losses. Mr. Curtis showed that in Illinois compulsory health insurance would cost $57,600,000; that the State tax on real and personal property, is $15,000,000, which would have to be increased by $12,500,000.

New Hampshire also has a commission ilnvestigating health insurance and workmen's compensation.

In New Jersey a commission is studying pension, insurance and annuity systems. The total cost of State insurance there was calculated by Mr. Curtis at $28,800,000 a year and the additional State taxes would reach $6,200,000.

Ohio and Pennsylvania

A commission in Ohio is investigating sickness, causes, influence of working and living conditions; loss to individual and the public; adequacy of present methods of treatment and meeting loss; sickness prevention, health insurance, old age and insurance; application of health and old age insurance to Ohio conditions. According to Mr. Curtis the cost of State insurance in Ohio would be $48,000,000 and the additional tax burden $10,400,000, which is 315 per cent. more than it was in 1916.

In Pennsylvania the scope of the commission appointed there is equally as extensive as that in Ohio. The cost there is estimated at $79,200,000 and the additional tax burden $16,800,000.

Wisconsin also has a commission at work on the same subject and Maryland has one in prospect.

Health Bill in Maryland

Provision for the appointment of a commission to study health insurance and methods which might be adopted to require it of employers and employes in Maryland is made in a bill introduced in the House.

The bill provides that the commission be required to report to the Legislature of 1920 and fixes membership in the body as follows: Two senators, three members of the House, one representative of labor, one representative of employers and one physician. The bill was introduced at the instance of Francis King Carey, chairman of the health insurance committee of the Federated Charities.

"Generally speaking, the passage of a law by the State of Maryland providing for compulsory health insurance would require all wage-workers earning less than a given annual sum to contribute from their wages part of the cost of an insurance premium which will provide for weekly payments to the employe during illness; adequate medical and, if necessary, hospital service, including medical supplies and perhaps maternity benefits for women and funeral expenses."

* * *

A bill before the Maryland legislature proposes to abolish the position of counsel to the State Insurance Department.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary
GEORGIA CASUALTY COMPANY
HOME OFFICE: MACON, GEORGIA
"DIXIE AUTO POLICY"
THE LAST WORD IN MOTOR INSURANCE
Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY
INSURANCE CO. OF NEW YORK
HOME OFFICE, 47 CEDAR STREET
CHARTERED 1874
Plate Glass, Burglary, Accident and Health Insurance
EUGENE H. WINSLOW, President
Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.
RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE
HEAD OFFICE
CHICAGO
F. W. LAWSON
General Manager
Liability, Accident, Burglary, Boiler and Credit Insurance
Established 1869
F. J. WALTERS
Resident Manager
55 JOHN STREET
New York
Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers New England
London Guarantee & Accident Co., Ltd.
OF LONDON, ENGLAND

BUSINESS=BUILDERS
DEVELOPING
Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE
APPRECIATE THE CO-OPERATION OF THE
Massachusetts Bonding and Insurance Company
BOSTON T. J. FALVEY, President
Paid-In Capital $1,500,000 Write For Territory

The Employers' Liability Assurance Corporation, Ltd.
The original and leading Liability Insurance Company in the World
LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE
United States Branch
SAMUEL APPLETON, United States Mgr.
Employers' Liability Building
33 BROAD STREET, BOSTON, MASS.
AGENTS WANTED

THROW AWAY THAT CUMBERSOME RATE MANUAL

Can you find no better use for your time than to spend the best part of it turning 362 pages every time you want to quote an automobile rate?

Compare the Simplicity of These Rates!

The *"Definite Value"* Automobile Policy

A clearly defined policy protecting an automobile owner—indemnifying for loss by fire, theft, explosion and other hazards.

It is simple in language, and definite in terms—it positively fixes the value of a car, during the life of the policy, on a basis determined by the men who made and sold the car.

In the event of a total loss, it pays the amount of fixed value shown in the policy contract, thereby avoiding any controversy in settling and paying the loss.

In the event of a partial loss, it pays for the repair or replacement of all parts, to the full extent of the damage.

Compare the protection and the cost of this policy with other forms of automobile insurance.

PREMIUM RATES

All premiums are based on list price of car. Rates quoted are for each one hundred dollars of list price. The rate is not increased on renewal. Freight charges and war tax may be added to amount of insurance.

Pleasure and Commercial Cars

	Full Cover	Full Cover Excluding Theft
Models Listing $2,500 or Over	$1.00	.80 cents
Models Listing $1,000 to $2,500	$1.50	.80 cents
Models Listing Under $1,000	$2.00	.80 cents

Extra Equipment, Including Theft— Twice the rate charged for car.

Extra Equipment Excluding Theft— Same rate as charged for car.

Electric Cars—All Models
.75 cents for fire and theft.

Collision Insurance

Covers all loss or damage above twenty-five dollars in any one accident.
(For full cover add thirty-five dollars to all premiums.)

Pleasure Cars
In Cities under one hundred thousand population.
1½% of list price $15.00 minimum premium
In Cities over one hundred thousand population.
2% of list price $25.00 minimum premium

Commercial Cars
Regardless of size of city.
2¼% of list price $30.00 minimum premium

Property Damage

Indemnity to extent of one thousand dollars for damage done to property of others.

Pleasure Cars
In Cities under one hundred thousand population.
Ten Dollars Premium
In Cities over one hundred thousand population.
Fifteen Dollars Premium

Commercial Cars—Decline property damage.

TERM POLICIES

Two Years Insurance—One and three-quarter times annual rate.
Three Years Insurance—Two and one-half times annual rate.
Pro rata cancellation allowed on old insurance when new car purchased and insured.

Taxi Cabs, "Jitneys," Rented, Livery, Second-Hand Cars and Dealers' Cars WILL NOT BE INSURED UNDER THIS FORM OF POLICY

THIS POLICY IS WRITTEN ONLY BY

THE NEW BRUNSWICK FIRE INSURANCE CO.
Capital $500,000
NEW BRUNSWICK, NEW JERSEY

THE NEW JERSEY INSURANCE COMPANY
Capital $1,000,000
NEWARK, NEW JERSEY

Reading Room

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 6 | NEW YORK, FRIDAY, FEBRUARY 8, 1918 | $3.00 a Year; 25c. a Copy

BEAVER STREET TO BE MARINE CENTER

Latest Developments in Section of City Where Marine Colony Is Building Up

G. A. EVALENKO LEASES SPACE

May Erect New Marine Insurance Building—Entrance of Volga and Overseas Companies

Further indication of the concentration of marine insurance interests in Beaver Street was evidenced this week when the four buildings at 48 to 54 were leased for twenty-one years to the Eastern Marine Underwriters, Inc., of which George A. Evalenko is president. The buildings are four stories high and are adjacent to Merchant Marine House which at present accommodates a number of marine insurance firms. The combined frontage of the four buildings is eighty feet. The lease is on a net rental basis and with the many improvements which must be made the transaction involves a large sum, estimated by some to be $500,000. According to Mr. Evalenko an entirely new building may replace the present structures as soon as conditions warrant such an undertaking.

More Companies Entering

The Eastern Marine Underwriters, Inc., is manager of the Equitable Underwriters of New York and will act as manager of the Eastern Marine Insurance Company which is now in process of organization. It is also preparing to take the management of the Volga Insurance Company of Russia and the Overseas Insurance Company of England, both of which are now making arrangements to enter New York. Both of these companies write fire and marine insurance and the Eastern Marine Underwriters will handle the marine lines.

At present it has not been determined just which marine offices will remove to the new location after necessary improvements have been made, but a large number of applications for space have been received by the lessees and among the prospective tenants are some of the most widely known marine insurance men in the business.

Do Large Business

The Volga and the Overseas companies have considerable writing cap-

(Continued on page 20)

"The Largest Fire Insurance Company in America."

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

Underwriting Capacity Second to None.

FIRE AND ALLIED BRANCHES OF INSURANCE.

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

PENN MUTUAL WINS TEST SUIT

Excess Premiums Returned to Policyholders Not Subject to Income Tax Levy

RULING MADE IN PENNSYLVANIA

Case of Interest to Mutual Companies —Interpretation of Judge Dickinson, Federal Court

The Penn Mutual Life has won the test case it instituted in regard to the income tax. The Philadelphia "Public Ledger" prints this story about the decision:

"A decision important to mutual life insurance companies and their policyholders, holding that excess premiums returned to the policyholders, though not in the same year in which they were paid to the companies, are exempt from the income tax law of 1913, was rendered yesterday by Judge Dickinson, of the Federal Court, in a test suit brought by the Penn Mutual Life Insurance Company against Ephraim Lederer, as collector of internal revenue.

"The decision is of widespread importance as it affects insurance companies of this class.

"The facts in the case were admitted, and virtually the sole question for the determination of the court was an interpretation of the provisions of the income tax law as it related to mutual insurance companies.

"These companies in one year require a maximum premium in advance to cover the actual cost of carrying the insurance, but it is not determined until the next year how much the actual cost was, and the excess that should be returned to the policyholders.

Penn's 1913 Disbursements to Policyholders

"1913, the year in which the income tax law became effective, the Penn Mutual Company disbursed among its policyholders, "excess premium payments," amounting to $686,502.38 accumulated in several previous years, and in 1914 claimed the right to deduct this amount from its statement of income for that year. Its demand was denied, and the collector of internal revenue compelled it to pay a tax of

(Continued on page 2)

THE PILOT POLICY

Revised Regulations of Income Tax

Interesting Rules Regarding Life Insurance Made by Commissioner Roper February 2

ARTICLES ABOUT DIVIDENDS

Can Exclude Part of Premium to Be Paid Back Within Same Year

The Eastern Underwriter has received a copy of the revised regulations governing the collection of the income tax, made February 2 by Commissioner of Internal Revenue D. C. Roper.

Some sections of these regulations follow:

Art. 107. Any distribution made to shareholders in the year 1917 or subsequent years (except any distribution of dividends made prior to August 6, 1917, out of earnings or profits accrued prior to March 1, 1913), shall be deemed to have been made from the most recently accumulated undivided surplus or profits, and shall constitute income of the distributee for the year in which received, and shall be taxed to such distributee at the rates prescribed by law for the years in which such surplus or profits were earned by the distributing corporation.

Thus, if a corporation distributed dividends in 1917, such dividends will be deemed to have been paid from the earnings of 1917, and the recipient, if an individual, will be liable to additional tax, if any, and if a corporation, to income tax, at the rates for the year 1917, unless it is shown to the satisfaction of the Commissioner of Internal Revenue that at the time such dividends were paid, the earnings up to that time were not sufficient to cover the distribution, in which case the excess over the earnings of the taxable year will be deemed to have been paid from the most recently accumulated surplus of prior years, and will be taxed at the rate or rates for the year or years in which earned.

Premium Income Paid Back

Art. 241. Life insurance companies come authorized to omit from gross income such portion of any actual premium received from any individual policyholder as shall have been paid back or credited to the policyholder or treated as an abatement of his premium.

The amount authorized by this provision to be excluded from gross premium income on account of any premium refunded to any individual policyholder is explicitly limited to an amount not in excess of the actual premium paid by the individual policyholder within the tax year.

Cash Dividends

Art. 241. Life insurance companies are entitled under the foregoing holding to exclude from gross income any part of the premium received which is paid back to the individual policyholder within the same return year. Where the dividend is in excess of the premium received, there can be excluded from gross income only the amount of the premium received from such individual policyholder within the same return year.

Dividends Provisionally Ascertained

Dividends provisionally ascertained, apportioned or credited on deferred dividend policies can not be excluded or deducted from gross income for the reason that the assured has no vested or inforceable right in them and cannot, at the time of the ascertainment, apportionment or credit, nor until the maturity of the policy, avail himself of such dividends; and in the event of the death of the assured prior to the expiration of the deferred dividend period, the amount so ascertained, apportioned or credited lapses.

Life insurance premiums not deductible, Article 236.

Section 32 of the act of September 8, 1916, specifically provides that premiums paid by corporations for insurance covering the lives of officers, employes or those financially interested in the trade or business of such corporations, shall not be deducted from the gross income of the corporations paying the same. This provision is held to apply to all forms of life insurance, the premiums upon which the corporations may pay, whether or not the corporations are the beneficiaries of the insurance policies upon the death of the insured, and all rules and regulations in conflict with this article are hereby revoked.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

LUNCH INSTEAD OF DINNER

Annual Meeting of Life Underwriters' Association of New York February 16

The Life Underwriters' Association of New York is thirty-two yeras old. The annual dinner will not be held on February 16 as planned some months ago, but there will be a luncheon instead. The speakers will be Charles D. Norton, president of the First National Securities Company, and vice-president of the American Red Cross, recently returned from Europe; Major Francis R. Stoddard, Jr., who went to Europe to report on the anti-air craft defense; and Lawrence Priddy.

It is presumed that there will be as large a crowd at the luncheon as at the dinners—which means about eight or nine hundred.

A PEEP INTO OUR PRIVATE FILES

AN OFFICIAL OF THE U. S. GOVERNMENT AT WASHINGTON SAYS:

"I have your letter of October 1st with the bulletin which you are mailing to your policyholders and thank you for it. **This work is the kind that is going to make the Second Liberty Loan of 1917 an overwhelming success."**

A POLICYHOLDER SAYS:

"The **service which you perform for your policyholders** is without a doubt **unequaled by any of your competitors. This Health Service beats anything I have ever seen.** 'May your tribe increase'."

AN AGENT SAYS:

"If a man **doesn't make good** with The Germania Life Insurance Company **it is his own fault."**

WE SAY:

Since these are but samples of **many** letters received regularly by **"The Company of Modern Insurance Service," THE GERMANIA LIFE INSURANCE COMPANY, established 1860 under the laws of the State of New York,** it should be worth something to YOU to ask T. Louis Hansen, Superintendent of Agencies, 50 Union Square, New York City, to tell YOU more about the SERVICE which this Company is rendering ITS COUNTRY, ITS POLICYHOLDERS AND ITS FIELDMEN.

WHAT DO YOU SAY?

TWO NEW POLICIES

Plans of Life Department of Provident Life & Accident Insurance Company

Chattanooga, Feb. 4.—A. S. Caldwell, manager of the life insurance department of the Provident Life & Accident Insurance Co. of this city, said today:

"Since we have closed our books and made our reports, I am pleased to quote you the amount of paid for business in the life department for the 9 months of 1917 that we were in active operation amounted to $1,221,597, and admitted assets to December 31, 1917, $471,223.23.

"The Company made substantial gains in all departments last year and our prospects for this year seem to be very bright indeed.

"We now have in course of preparation two new policies which we hope to have on the market within the next 30 days—a continuous monthly income policy, which will be written from $5 a month to $100 a month. Also a special whole life policy which will carry a term premium for ten years and thereafter automatically converts itself into a whole life policy."

MAY RUN FOR SENATOR

Stories in Pennsylvania Newspapers About Insurance Commissioner Ambler—Under Advisement

There are stories in Pennsylvania daily newspapers that Charles A. Ambler, insurance commissioner of Pennsylvania, will run for State Senator in the twelfth Pennsylvania district. Asked about the rumor he said: "I have not yet announced my position, although I am free to admit that I am being urged strongly to be a candidate and that the matter is under advisement."

RED BANK AND W. S. S.

Prudential agents in Red Bank, N. J., organized the first war savings stamp association reported to County Chairman William J. Couse. Sixty-two men in that agency have pledged to save $15.50 a week, an average of 40 cents each, sufficient to meet the individual quota required of every resident of the county if Monmouth succeeds in obtaining its quota of $2,657,600.

TWO CONSPIRATORS JAILED

F. Roe Searing, a contractor of Philadelphia, was sentenced to two years in prison for conspiring to defraud life insurance companies, and Elizabeth I. Rendel, his stenographer, was given six months. They were concerned in an effort to obtain $18,000 from the companies, the amount which Mrs. N. M. Searing, the contractor's wife, tried to collect on his policies, supposing that he had been drowned in the surf at Atlantic City.

S. H. Wolfe, the well-known actuary, has been commissioned a major by the United States Government in recognition of the service rendered by him in connection with the war insurance plan of the Government, and recently returned from France where he established headquarters for the European soldiers' and sailors' insurance division. He has been a captain.

Penn Mutual Case

(Continued from page 1)

$6,863.03 upon that amount. As a result the suit was brought.

"Judge Dickinson holds that under the interpretation of the income tax law, excess premium payments returned to policyholders are not taxable, and directs judgment in favor of the insurance company."

Metropolitan's New General Attorney

CAREER OF LEROY A. LINCOLN

Made Reputation in Less Than Three Years with New York Insurance Department

Leroy A. Lincoln, of Rumsey & Morgan, a firm of distinguished New York lawyers, who has been made general attorney of the Metropolitan Life, has attracted favorable attention in insurance circles ever since he joined the insurance department in 1915. Being the largest and most influential insurance department in the country by reason of the varied and complex problems constantly presented to it for solution and taking the lead among the departments in initiative; the position of counsel for the department is one of the most important of all the State's officials. Immediately, he displayed a remarkable grasp of insurance topics in all of its branches. Particularly good work was done in association with the Hardison Committee on Reserves Other than Life of the National Convention of Insurance Commissioners, which after many sessions prepared a loss reserve law for the liability and compensation business.

Standard Fire Policy and Pittsburgh L. & T. Re-Insurance

Mr. Lincoln also represented the department in the drafting of the new standard fire insurance policy now on the statute books of New York State.

Another achievement for the department was the working out, in collaboration with officers of the Metropolitan Life, of the re-insurance of the Pittsburgh Life & Trust, an $84,000,000 (insurance in force) re-insurance transaction, complicated by the fact that the Pittsburgh company in years passed had in turn re-insured the Washington Life and the Security Life, both of this city and both companies owning Broadway office buildings.

From Buffalo

Mr. Lincoln pleads guilty with R. L. Cox, Alfred Hurrell, W. H. Hotchkiss, F. A. Dunham and H. J. Drake of having practiced law in Buffalo, a city that turns out the highest grade of insurance legal talent. He was born in Little Valley, N. Y., and was graduated from the Albany High School and from Yale, '02. From New Haven he went to the Albany Law School and in May, 1904, hung out his shingle in Buffalo, where he successfully practiced law. In 1915 he was a member of the ill-fated Constitutional Convention as a delegate. The Insurance Department then appointed him as counsel, which position he resigned on December 1 to join Rumsey & Morgan. David Rumsey, of this firm, is The Eastern Underwriter's idea of a great fire insurance lawyer. Incidentally, he is also



LEROY A. LINCOLN

counsel for the Continental Fire Insurance group of companies. John H. Morgan, of the firm, was a member of the Assembly in this State.

The Metropolitan legal advisers are among the strongest in New York City with Senator William J. Tully and Mr. Lincoln as two of the shining lights.

DUAL PENSION POLICY

New Contract of Canada Life—Monthly Income Settlement Plan with Other Features

The Canada Life has a new plan, the Dual Pension Policy. The policy, as described by the "Life Underwriters' News," of Canada, is a monthly income settlement plan, but with some very advantageous additional benefits. The policy matures at age 65, and the monthly income is thereupon paid to the assured for life. The same income is paid to the wife if she outlives the assured after he has been drawing his monthly pension. If the assured dies before attaining age 65, the monthly income is paid to the widow for life, and if she does not live, to the children, the pension payments extending to ten years certain.

Disability provision may be attached, providing in the event of total permanent disablement of the assured before age 60 (1) remission of premiums, and (2) monthly income for life. Taken all round, the new plan is a splendid family protection policy, and as such is bound to sell when it becomes known.

Gain of 69.5 Per Cent. Insurance in Force

NEW ENGLAND'S GREAT RECORD

Seventy-fourth Annual Report of Board of Directors—Premium Income, $12,346,506

The seventy-fourth annual report of the board of directors of the New England Mutual Life in part follows:

All persons becoming members of the Company since April 6, 1917, have been charged a fair extra premium for war service.

How serious the effect of the war will be upon the mortality of the Company is very uncertain, as modern methods of warfare render all previous statistics valueless, and the number of mefbers who will be exposed to the hazard of war is unkown. The war risk insurance offered by the Government at net term rates, without any extra premium, furnishes the needed insurance for those in the service, and this, to a great extxent, will relieve the insurance companies from a burden which they would otherwise have to assume.

Has Lost Seven Policyholders

Thus far, the Company has lost seven members by the war, three having been on torpedoed vessels, two killed in action, one died from accident on a submarine and one from pneumonia in camp, involving a total of eight policies, amounting to $42,962.

1917 Figures

The new insurance issued and paid for during the year amounted to $54,783,039, an increase of $10,606,266. Notwithstanding the larger volume of insurance in force, the record of persistency shown for many years was further improved, as the total terminations were only $16,693,085. The net increase for the year in the amount of insurance in force was $38,089,954, equal to 69.5 per cent. of the new insurance issued, a remarkable record, and one rarely equalled. There are now in force 153,538 policies for $375,494,658 insurance, none of which is reinsured in other companies.

The premium income for the year was $12,340,506.56, an increase of $1,272,669.42, and the total receipts from all sources were $16,141,149.23, an increase of $1,379,118.39.

Death claims of $3,562,483.37 were paid, the ratio of actual to expected mortality being only 57.81 per cent. as compared with 62.98 per cent. the previous year.

The longest duration of any policy was 63 years, and the shortest 18 days. The average duration of all policies which became claims by death was 17.8 years, and the average age of the insured 55.8 years.

Twenty deaths were caused by automobile accidents, of which three were from automobile-gas poisoning. The total insurance paid in these cases was $80,338.

Of the 97 names of missing policyholders published, 76 have been found and the amounts due to 58 have been paid; the other cases are in process of completion.

Payments to policyholders aggregated $7,810,661.84, and the total disbursements amounted to $10,593,671.71.

Loans

Loans upon policies were made in the amount of $2,308,792.39, and the loan account was reduced $1,575,687.23 by maturity or surrender of policies, and the payment of $557,366.60 in cash, making a net increase of $733,105.16.

During the year mortgage loans amounting to $2,051,500 were made, at an average rate of 5.15 per cent. interest.

Bonds for $4 219,977 yielding an income of 5.30 per cent. were purchased and also $1,000,000 Liberty Bonds yielding 3.85 per cent.

The total assets are now $84,549,287.15, and the total liabilities $79,129,280.41, leaving a surplus of $5,420,006.74.

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. **Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.**
2. **The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.**
3. **Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.**

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,

Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

ROSEN TO SPEAK

Will Visit Hartford Conn., With Myrick and Priddy on February 12

H. B. Rosen, most productive of all life insurance agents, and a writer of $12,000,000 personal business in 1917, has consented to address Hartford insurance men on February 12. Mr. Rosen is an agent of the New York Life who has done very little speaking before agents of other companies. His last appearance in this connection was some months ago when he accompanied F. A. Wallis, of the Fidelity Mutual, to a meeting of the Fidelity Leaders' Club in Atlantic City, and in the course of a talk offered a gold watch to the 1918 Club leader.

Also, from New York, will come Julian S. Myrick, who will deliver to the Hartford underwriters a talk on the inheritance tax argument; and Lawrence Priddy, president of the National Association of Life Underwriters.

WILL TALK TO VERMONTERS

There is one life underwriters' association that does not belong to the National Association. It's Vermont. Lawrence Priddy will address this association at Montpelier on February 19. If they have not decided by February 20 to join the National Association many people will be surprised.

PILCHER JOINS TRAVELERS

Stuart Pilcher, for a number of years a leading agent in Nashville, has joined the agency force of Perez Huff, general agent in the Metropolitan district for the Travelers Insurance Co. Mr. Pilcher will devote his first few weeks to familiarizing himself with local conditions.

New Group Plans of the Travelers

ACCIDENT AND HEALTH COVER

Three New Contracts Offered—Attractive to Employers Carrying Workmen's Compensation

To meet the increasing need for group accident and health insurance and to stimulate its sale that it may keep pace with the remarkable growth of group life insurance, the Travelers has revised its plans and hereafter will issue three regular forms of group accident and health contracts, each of which will have the following scale of benefits:

Coverage: Indemnity of $5 a week or multiples thereof, but not exceeding 75 per cent. of wages during the period of temporary disability resulting from sickness—or from accidents occurring away from occupation. The limit of period of indemnity is 26 weeks, and there is no payment for the first week of disability. Employes of ages 16 to 65, inclusive, only will be covered.

Plan A, Group Accident and Health Contract

This form will be written only when at least 90 per cent. of the eligible employes are insured. The protection provided is liberal in that (1) the employe is paid full indemnity in case of sickness, whether he is confined to the house or not, and (2) all employes insured are protected from the time that they are included under the contract to its expiration, without right of cancelation on the part of the Company.

Plan B, Group Accident and Health Contract

This form will be written when less than 90 per cent. of the whole number of eligible employes are insured. The coverage on this form differs from that of Plan A in that the employe will be paid full indemnity while confined to the house, and 50 per cent. of the indemnity while not confined to the house because of sickness.

As a protection against adverse selection, the Company reserves the privilege under this contract of discounting insurance during the policy year upon individuals who prove to be poor risks. Under this plan, if 90 per cent. or more of the eligible employes are covered, the right to cancel individual risks will be waived by the Company.

Plan C, Group Accident and Health Contract

This form is designed to meet certain competitive contracts which claim cheapness as their principal merit in order to satisfy purchasers who prefer a low rate to greater liberality of coverage. Under this form the employe is paid full indemnity while confined to the house because of sickness, but no payment is made while he is not confined to the house.

The Company retains the privilege of discontinuing the insurance in its entirety or upon individuals who prove to be poor risks. The contract also contains certain restrictions and conditions which do not appear in the other plans.

Class of Business Desired

The solicitation of group accident and health insurance should be confined to the higher grade of mercantile and manufacturing plants in which there is no industrial disease hazard—where sanitary and healthful conditions prevail—and a good class of operatives is employed.

Class of Business to be Avoided

Risks of the following type should be avoided—lead workers, including pottery employes; workers in processes involving the use of arsenic, mercury, wood alcohol, aniline dyes, mineral acids, poisonous gases; also felt hat workers, furriers, tanners, and employes in dusty trades and in the manufacture of chemicals.

Rates

Rates will vary with the industrial operations and class of employes, and their living and working conditions. Rates will not be quoted for groups of less than 100 eligible employes unless group life is also written by the Company on the same establishment. For the latter cases, groups of 50 eligible employes will be considered, and the medical inspections or examintions required for group life insurance will be the basis of underwriting the group accident and health contract. It is not necessary, although it is preferable, that workmen's compensation insurance be carried with the Travelers. Agents, however, should endeavor to secure the workmen's compensation upon its anniversary, as it is manifestly to the advantage of the insured to have full coverage in the Travelers.

Preliminary Inspection Blank and Other Necessary Information

Form 11326 should be filled out completely and submitted in each case, in order that the underwriting department may have all the information necessary to compute the proper premium rate.

(Continued on page 9)

New England Mutual Life Insurance Company

87 Milk Street, Boston, Massachusetts

ALFRED D. FOSTER, President D. F. APPEL, Vice-President
JACOB A. BARBEY, Secretary

Abstract from the Seventy-fourth Annual Report
For the Year ending December 31, 1917

Gross Assets	$84,549,287.15	
	Increase,	$5,453,786.46
Policy Reserve and other Liabilities	$79,129,280.41	
	Increase,	$5,400,232.10
Surplus, Massachusetts Standard.	$5,420,006.74	
	Increase,	$53,554.36
Received for Premiums	$12,340,506.56	
	Increase,	$1,272,669.42
Total Income	$16,141,149.23	
	Increase,	$1,379,118.39
New Insurance Paid-for	$54,783,039.00	
	Increase,	$10,606,266.00
Total Insurance in Force	$375,494,658.00	
	Increase,	$38,089,954.00

EDWARD W. ALLEN, Mgr. ..... Astor House Building, New York, N. Y.
LATHROP E. BALDWIN, Mgr. ..... 141 Broadway, New York, N. Y.
CHARLES A. HINKLEY, General Agent ..... White Building, Buffalo, N. Y.
HENDERSON & MANN, General Agents ..... Cutler Building, Rochester, N. Y.
H. P. WICKES, General Agent ..... Union Building, Syracuse, N. Y.
MARSTON & SMALLEY, General Agents ..... Land Title Bldg., Philadelphia, Pa.

We don't contract with poor men.
We give a new man our attention until he is started.
We make our men make good.
Why don't you work for us?

Peoria Life Insurance Company
PEORIA, ILLINOIS

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

Answers to Income Tax Questions of Interest to Insurance Agents

INCOME, GROSS AND NET

18. What income, if any, is exempt?

(a) The proceeds of life insurance policies paid to individual beneficiaries upon death of the insured.

(b) The amount received by the insured, as a return of premium or premiums paid by him under life insurance, endowment, or annuity contracts, either during the term or at the maturity or surrender, of the insurance contract.

(c) The value of property acquired by gift, bequest, devise, or descent. It must be understood, however, that the income derived from such property is taxable.

(d) Interest upon the obligations of a State, or any political subdivision of a State, or upon the obligations of the United States, except in the case of obligations of the United States issued after September 1, 1917, only to the extent provided in the act authorizing their issue.

(e) Interest upon the obligations of any possession of the United States, or securities issued under the provisions of the Federal Farm Loan Act of July 17, 1917.

INCOME

19. What is meant by the term "Net income"?

For the purpose of determining whether or not a personal income tax return should be rendered, net income means your total gross income less the exemptions specified in the answer to the eighteenth question and the general deductions specified in the answer to the fifty-eighth question.

20. In rendering a return what items of income must I report under gross income?

Under gross income should be reported every item of income derived from any source whatever (except those specified in the answer to Question 18) actually received during the calendar year for which the return is rendered, whether received in cash or the equivalent of cash, including:

(a) All amounts of salary, wages, commissions, or compensation of whatever kind, received for personal service, including professional fees.

(b) All amounts of gain, profit, or income derived from a business, trade, commerce, or from any sale of property, real, personal, or mixed.

(c) Rents, interest on notes, mortgages, deeds of trust, or other securities issued by individuals, partnerships, etc., interest on bonds, mortgages, deeds of trust, or other similar obligations of corporations, joint-stock companies, associations, or insurance companies, and interest on bank deposits.

(d) All income received from fiduciaries—that is, amounts received from incomes of estates, trusts, etc., through trustees, administrators, or executors.

(e) If you have an interest in a partnership you should report your distributive share of the earnings or profits of the partnership ascertained during the calendar year for which the return is rendered, whether distributed to you or not; that is, if the fiscal year of the partnership ends on December 31 of that year your distributive share of its earnings or profits ascertained upon the close of the books on December 31 should be returned. If the partnership ends its fiscal year on some day during the calendar year your distributive share of its earnings of profits ascertained at that time should be reported.

(f) All items of foreign income—that is, interest upon bonds and mortgages or deeds of trust or other similar obligations issued by individuals who are citizens or residents of foreign countries, foreign corporations, joint-stock companies, etc.

(g) Royalties from mines, oil and gas wells, patents, copyrights, franchises, or other legalized privileges.

(h) Dividends on stock or from the net earnings of domestic corporations, joint-stock companies, associations, or insurance companies, whether paid in cash, stock, or scrip. As the net earnings of corporations, joint-stock companies, etc., are subject to the tax imposed upon the net income of corporations, dividends from such net earnings are not subject to the normal income tax in the hands of the shareholders receiving the same, but they are to be returned for the additional tax purposes and are subject to that tax. The rates of tax to be assessed against a dividend received during the year 1917, or any subsequent year, are covered by the answer to Question 53.

22. "A" is employed by a corporation at an annual salary of $3,000. The corporation, being in financial straits, only paid "A" $2,000 during each of the years 1915 and 1916.. In 1917, "A" received his salary in full plus for the balance of the salary due him for the two previous years. Must he include the full amount received in 1917 in his return for that year?

Yes. Five thousand dollars should be returned, and that amount will be subject to income at the rates prescribed for the year 1917.

24. An employe receives a per diem allowance for expenses in addition to his regular salary. Is this amount to be included as income in his return?

Yes. The entire amount of allowance received should be reported as income. The difference between the expenses incurred and paid whil away from home and the ordinary expenses while at home may be claimed as a deduction.

28. When is a farmer to return for tax purposes the value of crops and stocks produced?

The value of grain, stock, and other products produced on a farm is not considered taxable income until reduced to cash or the equivalent of cash. Therefore, if crops and stock were produced in 1916 on a farm owned by you and they were sold in 1917, the total amount received therefor is to be included under "Gross income" in your 1917 return. Crops and stock produced in 1917, and on hand December 31 of that year, need not be considered; but the amount received therefor should be included in your return rendered for the year during which they are sold.

Farmers who keep books according to some approved method of accounting, which clearly show the net income, may prepare their returns from such books, although the method of accounting may not be strictly in accordance with the above paragraph.

29. I rent a farm on shares. When is my share of the crops and stock to be taken into consideration?

Only for the year in which sold.

33. Special payments, designated as "bonuses," are often made to officers and employes of corporations, firms, and individuals. Are such items of income subject to tax in the hands of their recipients?

Any bonus or other item of compensation paid to an employee in addition to his regular salary or wage under a contract, expressed or implied, as additional compensation for services rendered as a reward for past endeavors, or as a stimulus to further zeal and enthusiasm in the discharge of his duties, is held to constitute taxable income which should be reported under "Gross income" in the employee's return rendered for the year during which received. Christmas remembrances, anniversary gifts, etc., from an employer to an employee do not constitute such items as are subject to the income tax.

35. What method should a merchant adopt to ascertain the amount of gain or profit which is to be reported under gross income?

Any individual who conducts a grocery, dry goods, clothing, or farm implement business or any other business which requires that a stock be carried should take an inventory at the close of each calendar year. To the total of his inventory taken at the beginning of the year for which the return is to be rendered should be added the cost of all goods purchased during that year, and the difference between the amount thus obtained and the total of his inventory taken at the close of the tax year, plus his total gross receipts, is the amount to be reported under "gross income." Gross receipts should not be reported under "Gross income" and the cost of the goods purchased claimed as a deduction.

37. I have two children who live at home and are regularly employed. One is 17 years old; the other, 21 years old. Am I required to include the amount of income which accrues to each during a calendar year in my own personal return?

As the first child has not reached its majority and is still legally under your control, the amount of its income is to be included in your personal return and is a subject to tax in your hands. The income of the child which has attained its majority is not to be included in your return and is only subject to tax in the hands of that child.

38. Must I include in my personal return the amount of interest I receive on Liberty Loan bonds, or is that interest exempt from tax?

All interest derived from the Liberty Loan 3½ per cent. bonds issued under the act of April 24, 1917, is exempt from both the normal and additional income tax.

Interest derived from the Liberty Loan 4 per cent. bonds issued under the act of September 24, 1917, is exempt from the normal income tax; but so much of the interest as is derived from such bonds, the principal of which exceeds $5,000, is subject to the additional income tax; that is, if you hold $8,000 of Liberty Loan 4 per cent. bonds the interest from $5,000, or $200, is exempt from tax, and the balance of the interest, or $120, is subject to the additional tax.

39. I held an endowment life insurance policy upon which I paid premiums for twenty years. In 1917 that contract matured and I received its face value, or $1,000. Must I return the entire amount received?

No. Return only the difference between the aggregate amount of premium paid and the amount received upon maturity of the contract.

40. Are commissions on renewal premiums on insurance policies subject to income tax?

Yes; such commissions received by insurance agents on account of business written are taxable income for the year in which received.

41. "A," who is the employe of a of a corporation, was injure and under the laws of the State in which the accident occurred he received $5,000 on account of the injury he suffered. Must the amount thus received be reported as income?

Yes. Any amount received under an employers' liability act or workman's compensation act, or any other similar act, or as the result of a settlement or compromise for "pain and suffering," is held to be such income as is subject to the Federal income tax. This ruling is also applicable to any amount received under the terms of an accident insurance policy.

46. Are amounts placed to the credit of a shareholder in a building and loan association subject to income tax?

Any amount credited to a shareholder when the title to such credit passes to the latter at the time of the credit has a taxable status for the normal and additional income tax and should be included in the return rendered for the year during which the credit is made.

Where the amount of accumulations credited does not become available to the shareholder until the maturity of a share it need not be reported as income, but upon maturity of the share the amount received in excess of the total amount actually paid in by the shareholder is to be returned.

49. Where service is rendered for a stipulated price, wage or salary, and paid with something other than money shall consideration be given the transaction for income tax purposes?

Yes; the stipulated value of the service in terms of money is the value at which the thing taken in payment is to be considered, and the amount of that value is to be reported as income.

Where there is no stipulation as to the value of the service, and payment therefor is made with something other than money, the fair market value of the thing taken in payment is the amount to be returned as income.

DIVIDENDS

50. The net earnings of a corporation in which I held stock in the year 1916 amounted to $50,000, which amount was carried to surplus account. Its net earnings from Jan. 1 to Dec. 31, 1917, amounted to $70,000, and on this latter date these last earnings were carried to surplus and a cash dividend of $50,000 declared and soon thereafter paid.

To the Man Who is Willing—and Will



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

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H. M. HARGROVE, President :: Beaumont, Texas

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220 BROADWAY

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An Income Tax Primer

What income taxes are to be assessed against this dividend?

Section 31 (b) of the act of September 8, 1916, as amended by the war revenue act, provides, in part, as follows:

"Any distribution made to the shareholders or members of a corporation, joint-stock company or association, or insurance company, in the year 1917, or subsequent tax years, shall be deemed to have been made from the most recently accumulated undivided profits or surplus, and shall constitute a part of the annual income of the distributee for the year in which received, and shall be taxed to the distributee at the rates prescribed by law for the years in which such profits or surplus were accumulated by the corporation, joint-stock company or association, or insurance company."

Therefore, the dividend to which you refer is to be charged against the most recently accumulated earnings or surplus; that is, against the $70,000 earned during 1917 and carried to surplus on the day the dividend was declared, and it will be subject to the additional tax at the rates prescribed by the act of September 8, 1916, and, also, at the rates prescribed by the war revenue act of Oct. 3, 1917.

55. Assuming that a corporation had assets which had greatly appreciated in value and had carried the amount of that appreciation to its surplus account and capitalized same, or that it capitalized its good-will, and then issued the new stock to its shareholders as a dividend, would this dividend be subject to tax?

Only such dividends as represent a distribution of earnings or profits accrued since March 1, 1913, are subject to the additional tax when received by the shareholders. As appreciation estimated to have occurred in the value of the assets held and good-will do not represent actual earnings, profits, or income, a dividend based upon a capitalization of any such items is not subject to tax when received by the shareholders. It should be understood, however, that when any of the stock received in payment of such a dividend is sold, the entire proceeds derived from the same are to be returned under "Gross income" in the shareholders' return rendered for the year during which the sale is made, and will be subject to both the normal and additional income taxes.

57. Are dividends on paid-up life insurance policies subject to income tax?

Dividends on paid-up life insurance policies are subject to the additional tax for the year in which received.

DEDUCTIONS

63. Can the amounts expended by a business man in entertaining out-of-town customers, or prospective customers, be claimed as deductions?

Yes. If the sole purpose of the business man in making such expenditures is to cultivate the good-will of his customers and secure an increase in trade they may be so claimed.

64. Can a salesman working on a commission basis claim as deductions the amounts expended from his own funds for railroad fare, excess baggage, taxicab or street car fare, show rooms, assistants, advertising, etc.?

Yes. If he is not reimbursed for such expenditures by his firm, he should report under "Gross income" the total amount of commissions received, and he may then claim such expenses as were actually incurred and paid in the earning of those commissions.

65. "A," who is employed in a city, has his home in a suburb. He pays car fare between his home and place of employment and takes his noon lunch in the city. Can the amounts expended for car fare and lunch be claimed as a business expense?

No, as such amounts are held to be items of personal expense.

66. Are the items of expense incurred and paid by me during the calendar year in connection with a form which I lease to another on a cash or crop-share rental basis, such as repairs to fences, farm buildings, etc., allowable as deductions?

Yes.

67. Can the amount of life insurance premiums and premiums paid for insurance on my residence be claimed as deductions?

No, as these are held to be items of personal expense. If, however, you pay premiums on insurance policies covering farm buildings, other than your dwelling house, or on any property used for business purposes, these premiums are allowable as deductions.

68. An individual or a partnership, to protect his or its business interests, insures the life of one or more employes or members. Can the premiums paid for such insurance be considered a business expense and claimed as a deduction?

No. However, should the policy become due and payable, the individual or partnership should deduct the aggregate amount of premiums paid from the proceeds of the policy and return the balance as income.

70. I own stock in a corporation which in 1917 assessed each of its stockholders $50 on each share held. Can the amount paid by me be claimed as a deduction?

No. Assessments made by a corporation on its capital stock are regarded as further investments of capital and do not constitute an allowable deduction in the return of the individual.

71. You say that assessments made against corporation stockholders can not be claimed as deductions. In California and other States, fruit growers, ranchers and farmers are shareholders in irrigation companies which are mutual in character, and they are often assessed, in proportion to their holdings of stock, for sufficient amounts to make repairs to the irrigation system, cleaning out of pipes, laterals, etc. Can such assessments not be claimed as deductions under the head of business expenses?

Yes. Where the purpose of the assessment is merely to raise funds to keep the irrigation system in usuable condition and not to make extensions or betterments, the amount assessed against each shareholder may be so claimed.

81. John Doe, while driving an automobile, ran down and injured another person. He either paid over a certain sum, or paid a judgment rendered against him, in settlement of the injury done. Can he claim the amount so paid as a loss?

No. It was not a loss which was incurred in the conduct of his business or trade, or which resulted from a transaction entered into for profit.

112. Is the duly appointed administrator of an estate of a deceased person, who died during the tax year, required to render a personal return for and in behalf of the deceased, and also his estate?

If the net income of the deceased from January 1 of the year during which he died to the date of his death equaled or exceeded $1,000, in the case of an unmarried person, or $2,000 in the case of a married person, the administrator should file a personal return, executed on Form 1040, for and in behalf of the deceased, and a return executed on the same form will also be required of him for and in behalf of the estate, if it remains in process of administration and its net income from the date of the decedent's death to December 31 equals or exceeds $1,000.

The administrator will be required to pay and will be held liable for any amount of tax which may be assessed against any such return rendered by him.

113. Is the trustee having charge of a trust estate, the net income of which is regularly distributed among the beneficiaries, required to render a return?

Yes; if any one of the beneficaries is unmarried and his or her distributive interest in the net income of the trust equals or exceds $1,000. Yes, also, if all the beneficaries are married and the distributive interest of any one equals or exceeds $2,000. Otherwise, no.

It should be understood, however, that this answer is applicable only in a case where all the beneficaries are citizens or residents of the United States. If any portion of the net income of an estate or trust is distributed to a non-resident alien beneficiary a return is required, and the normal income tax of 2 per cent. is to be deducted and withheld from so much of the amount remitted to such beneficaries as was not derived from dividends or from the net earnings of corporations, joint-stock companies, etc., subject to a like tax, or has been subject to the withholding of the normal tax at the source.

114. In a case where an estate is in process of administration and the fiduciary renders returns covering the income and deductions of the estate, and pays the amount of normal and additional tax assessed thereon, will the net income be subject to tax in the hands of the beneficiaries when received by them?

No. The estate during administration is held to be a taxable entity; the fiduciary having it in charge is required to render returns and pay the taxes assessed thereon, and, these taxes having once been paid, such income is exempt from tax in the hands of the beneficiaries who receive the same.

The income of estates in process of administration or in trust for accumulation of income is taxed as for an unmarried person.

115. Is any other than a return of income required of a fiduciary?

Yes. Fiduciaries come within the provisions of Section 28 of the act of September 8, 1916, as amended by Section 1211 of the war-revenue act, and will be required to render to the Commissioner of Internal Revenue a return of information, if, during the tax year, any income has been paid to an individual, partnership, corporation, joint-stock company, etc., equal to, or in excess of, $800.

118. Have the beneficiaries of an estate or trust a right to inspect income-tax returns rendered by a fiduciary covering the income of the estate or trust in which they are interested?

An executor, administrator, or trustee acts for his principal, and not for the beneficiaries of the estate of his principal; therefore, beneficiaries are not entitled, as such, to an inspection of returns of income filed by such a fiduciary.

119. Who is liable for payment of the tax assessed against the net income of an estate or trust?

Liability for payment of the income tax attaches to the person of the fiduciary up to and including the date of his discharge.

120. I act as trustee of a trust estate. A part of the net income which accrues to the trust is retained and becomes a part of the corpus of the trust estate. Am I required to render a return for and in behalf of the trust other than the fiduciary return required of me?

If the trust itself is named as a beneficiary and the amount of net income which accrues to it as a beneficiary equals or exceeds $1,000, a return executed on Form 1040, for and in behalf of the trust, in addition to the return executed on Form 1041, is required.

122. An individual, now deceased, held a life insurance policy in which his estate was named as the beneficiary. Are the proceeds of this policy subejct to income tax?

The proceeds of life insurance policies payable to the estate of the decedent, when received by his executor or administrator, are, in the amount by which such proceeds exceed the premium or premiums paid by the decedent, income to the estate and are to be accounted for by the executor or administrator.

123. Where, in the case of more than one trust, the creator in each instance is the same person, and the trustee in each instance is the same, how will the trustee account for the income of the several trusts?

The trustee should make a single return on Form 1041 for all the trusts in his hands, notwithstanding the fact that they arise from different instruments. When a trustee holds trusts created by different persons for the benefit of the same beneficiary he should make return for each trust separately on Form 1041. This ruling is based on the identity of the creator and the identity of the trustee of the various trusts and not upon the identity of the beneficiary.

HOME LIFE INSURANCE CO.

(Purely Mutual)

256 BROADWAY, NEW YORK

GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,-542,304.08.

For Agency apply to

GEORGE W. MURRAY,
Supt. of Agents.

256 Broadway, New York, N. Y.

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under our direct general agency contract

Our Policies provide for:

Double Indemnity, Disability Benefits, Reducing Premiums

See the new low Rates

JOHN F. ROCHE, Vice-Pres't

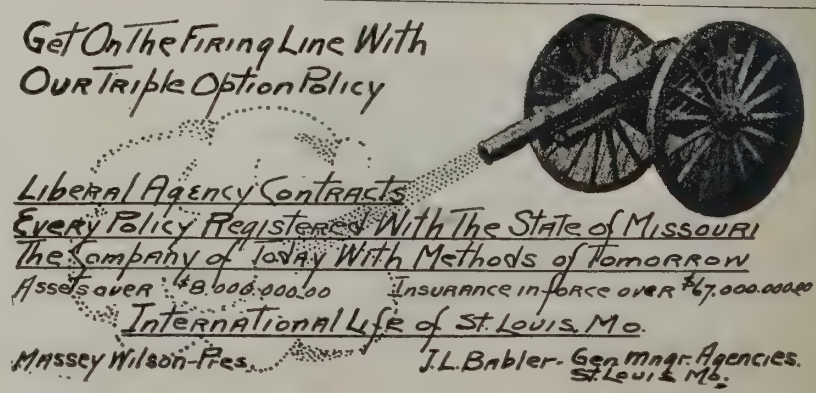
THE MANHATTAN LIFE INSURANCE COMPANY

66 BROADWAY NEW YORK

Organized 1850

BANKERS BLCo LIFE DES MOINES COMPANY

PAYS GOOD PAY TO GOOD MEN



THE UNITED STATES LIFE INSURANCE COMPANY
1850 IN THE CITY OF NEW YORK 1914
ISSUES GUARANTEED CONTRACTS

Good men, whether experienced in life insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, 277 Broadway, New York City.

JOHN P. MUNN, M. D., President

FINANCE COMMITTEE (CLARENCE H KELSEY, Pres. Title Guarantee and Trust Co; WILLIAM H. PORTER, Banker; EDWARD TOWNSEND, Pres. Importers and Traders Nat. Bank

An Important Duty For Life Insurance Agents

They Must See That Every Soldier and Sailor is Properly Covered By the United States Government

Despite interviews given to newspapers by the heads of many insurance companies, and the statements printed in company organs by company executives in which agents are asked to do everything in their power to aid the Government in covering soldiers and sailors through insurance there are still some agents in this country who are lukewarm and feel that in some way or other their own individual interests are to suffer because of the fact that the United States is carrying billions of dollars on the lives of the men fighting the battles of this country. The sooner the agents are brought to realize not only that it is their duty to aid in extending this coverage as completely as possible, but that they will be the gainers in the end, the better.

One point not to be forgotten is that the Government bears all cost of administration and excess war risk in this insurance, which accounts for the low price.

The theory of the Government is perfectly simple and absolutely correct, viz: the young men who comprise the army and navy forces are offering their lives in the defense of their country, and also making great sacrifices in a business way. It is only fair that the rest of the people pay the military cost. The only legitimate criticism is that the Government makes any charge whatsoever for this insurance. It would have been better had the Government made an inclusive, compulsory group under the section of the law providing for this insurance, and in that group assumed this extra war risk than as was done in making it a voluntary contributory proposition. The weak point in the voluntary contributionship was disclosed in the conspicuous examples of death-bed insurance.

When the convention of insurance commissioners adopted its group insurance rules and regulations in December at the Hotel Astor one provision was to the effect that no voluntary group should be insured that did not include 75 per cent. of all employes of a given institution. Some of the largest companies which have sold group longest will not sell contributory group insurance. Those companies believe that the employer should bear the whole cost. The people of the United States, through their Government, are the employers of the soldiers and sailors.

The War Risk insurance is in reality group insurance on a stupendous scale. It is perfectly right that the whole cost should be born by the employer, viz: the people, and so the Government is perfectly right in assessing that cost on the taxpayers who benefit by what the soldiers and sailors are doing.

Under provision of the law there is a 120 days' privilege to take advantage of this insurance which is voluntary. The majority of the present army has been in service since October 13, 1917. The 120 days' limit for these men expires on February 12. The advantage of the insurance scheme are many, particularly in the disability benefits for the soldiers, which are of first importance because the majority of the army and navy is made up of young men, unmarried. In addition, the Government's compensation scheme under the act will give any disabled soldier an income of sufficient size to make it worth while to him. In the event of his death in the service an additional income for his family will come out of the insurance feature. Without the insurance feature the Government's allowance to the family of the soldier, makes the income of insufficient size approximately in any way the cost of living under present conditions. Also, without the insurance feature the Government's allowance does not yield adequate family revenue. So it is of the greatest importance to the families of these soldiers and sailors as well to the men themselves to get under cover before February 12.

The Government has removed some of the obstacles by relieving soldiers who have been over-sold Liberty Bonds in cases where it has worked a hardship for them, and has made other adjustments of certain rules which had militated against the men. In the circumstances, there is no justification for any man refusing to take the insurance by reason of not having enough free income to pay for it.

Any member of a soldier's family can take on the obligation to pay this small sum monthly for the benefit of soldiers and sailors insurance.

The insurance agents in this country should pitch in and see that the benefits of this insurance scheme are brought before the family and friends of those soldiers and sailors before the expiration of the time limit: February 12.

They are not to visit the camps, but they should start a propaganda among the people, urging the members of the families and friends of men who have not yet seen fit to buy the insurance to buy the maximum amount immediately.

There isn't a life agent in the country who in his own circle of friends and acquaintances does not know of some soldiers or sailors who are not covered by Government insurance. His propaganda should be confined to such circles. Every time he sells insurance in his own company he should make inquiries of the insured asking him if he knows of uncovered soldiers and sailors, and in this way the entire country can be attended to and not a soldier or sailor be left unprotected.

Uncle Sam's Answers to Soldiers' and Sailors' Insurance Questions

1. Q. By whom is this insurance offered?

A. By the United States Government, as authorized in an act of Congress for that purpose approved October 6, 1917.

2. Q. What security is back of this contract of insurance?

A. The United States Government.

3. Q. Is it the only protection furnished by the Government to its soldiers and sailors?

A. No. The Government has provided, in addition, compensation for death or injuries or disease suffered in line of duty.

4. Q. The insurance, then, is in addition to compensation?

A. Yes; and they are entirely independent of each other.

5. Q. Does insurance interfere with service or retirement pay?

A. No; the right to insurance is independent of the right to service or retirement pay.

6. Q. Am I compelled to take insurance?

A. No; you may take it or not, as you see fit. The Government recommends it but does not compel you to take it.

Insured—Beneficiaries

7. Q. Who can be insured?

A. When engaged in active service under the War Department or Navy Department, any of the following can be insured:

(1) Commissioned officers.

(2) Enlisted men (meaning a person, male or female, enlisted, enrolled, or drafted into active service in the military or naval forces of the United States, including non-commissioned and petty officers and members of training camps authorized by law).

(3) Members of the Army Nurse Corps (female) and members of the Navy Nurse Corps (female).

8. Q. Who can be named as beneficiary?

A. Any one or more of the following may be named: Wife, husband, child, grandchild, brother, sister, adopted brother, adopted sister, stepbrother, stepsister, parent, grandparent, or step-parent of the insured, and parent, grandparent or step-parent of the insured's wife or husband.

9. Q. Can I name as a beneficiary anyone other than those named in No. 8; for instance, a trustee or guardian or the legal representative of some one in the permitted class or my estate?

A. No; only those in the permitted class may be named. In case a minor or person mentally incompetent is named as beneficiary payment will be made to a guardian or some other person legally vested with the responsibility or care of the beneficiary.

10. Q. Can I name as beneficiary a person who is not a citizen of the United States or one who resides in another country?

A. Yes. If such beneficiary is in the permitted class and if he be resident in enemy territory, payment will be subject to the provisions of the "Trading with the Enemy Act."

11. Q. Can the beneficiary be changed?

A. Yes; within the permitted class, at any time in writing and subject to the regulations of the Bureau of War Risk Insurance.

Benefits

12. Q. What benefits does this insurance give to the insured?

A. $5.75 per month for each $1,000 of insurance payable in the event of total

(Continued on page 9)

THE COLUMBIAN NATIONAL LIFE
OF BOSTON
ARTHUR E. CHILTS, President
A CHANGE may be necessary to realize your ambition Think a minute—then write

WM. H. MASTIN, Superintendent of Agencies (West of the Mississippi). Symes Bldg., DENVER, COLO.

FRANK D. LOMBAR, Superintendent of Agencies (East of the Mississippi). 77 Franklin St., BOSTON, MASS.

DARL D. MAPES, Superintendent of Accident Agencies, 77 Franklin Street, BOSTON, MASS.
The service of a high grade Accident Department will also be offered so that you will not have to broker your Accident business to avoid violating your Life insurance contract.

A Year of Splendid Achievement

It is not difficult to see why the MASSACHUSETTS MUTUAL in 1917 wrote a larger amount of paid-for business than in any other year in its history. Sixty-six years of Service efficiently and promptly rendered have won the confidence of its representatives and of the public. Co-operation with a Home Office that has the right spirit, policies which are not excelled, and a company with a sterling reputation ensure success for the Field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts
Incorporated 1851

54 Millions from 42 Agencies
38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Wives of Agents Attend a Luncheon

Sigourney Mellor and A. Rushton Allen, two exceptionally gifted and successful young insurance men who came to New York City a couple of years ago to be general agents for the Provident Life & Trust, gave a luncheon at the Lawyers' Club in New York City on Tuesday noon, which was attended not only by their agents but by wives of the agents. The tables were loaded down with flowers, and it was a mighty nice looking crowd. After the luncheon was served Mr. Allen explained something about the agency and its ideals.

Both Messrs. Mellor and Allen went into life insurance with their eyes wide open and because in their first contact with life insurance they had grasped the big idea back of it; not money making, but service to humanity. Mr. Mellor began work in a marine insurance office. He was doing well enough but his work was material; had more to do with property than with lives. When his father died and his mother received two life insurance checks he turned his attention to studying life insurance, became fascinated by it, and then decided to go into it. Soon he was one of a large number of men in a room of the Provident Life & Trust Co.

Ambitious, looking upon insurance as a profession, he was sure he could do something better than be one of a crowd. So he asked for a room of his own, and was told by Matthew Walker that the room was his as soon as he wrote $600,000 of business in a year. With the same Company was a man whose vision and conception of life insurance ideals coincided completely with those of Mr. Mellor. This was Mr. Allen. They joined forces. Their first aim was a million; the end of the year saw them write $1,200,000. The second year they topped that. The third year was begun by the writing of a single policy for $1,000,000. Then they came to New York, not to conquer the town, but they wanted a place with unlimited possibilities for growth. Last year they paid for about $5,000,000, despite the fact that war service deprived them of eight producers.

Surrounding themselves with educated men and women who respect their professions and themselves, who solicit insurance intelligently, and who know how to put in their time to the best advantage, they have started on the way to a $10,000,000 agency. The Eastern Underwriter picked them as comers the week they started in New York and is taking pleasure in watching them grow. The three planks in the agency platform are: (1) System; (2) intelligent comprehension of functions of life insurance; (3) agency self-respect. The agency's brokerage platform was recently printed in The Eastern Underwriter.

In telling why the wives of agents were asked to the luncheon Mr. Allen said that it was because they stand behind the agent in helping him to keep up a stiff upper lip in maintaining his ideals; they are always ready with words of encouragement.

* * *

A Forecast of the Future

The coming year will be dominated, of course, by the war. But in the aggregate the production of the industries will be enormous and the wages paid for labor will be far ahead of those of any year of our history, says the New England "Pilot."

This large distribution of income among the people will give a nation-wide purchasing power of exceptional strength and stability. This in turn will create an active market for all essentials.

Two large classes of the population will have unusual money resources: First,, farmers. If the season be favorable, the volume of food products raised will surpass all other records. And they will be sold for good prices, insuring a high labor-income to the producer.

Second, women will be engaged in business and industry to an extent never known in our country. These women, because of their new economic status, will need insurance, and they will be able to buy it.

As a whole, the forecast of 1918 is distinctly optimistic. Many converging lines of evidence carry an identical message. The great wave of insurance prosperity of the past two years has gone, and is now passing through the last of its ebb, but the new tide is coming in. The status of the last two or three months is giving way slowly but surely to a reaction that gathers force with each week.

We can help, every man of us, in bringing about the change! Here is where our message strikes home to each agent in our force. Working together for the common good, we, with thousands of other forces, are able to bring to bear a mighty influence that can and will conquer every difficulty.

The man who holds on, and while holding on, works, the man who clenches his hands, and seizes the task with unshakable determination, will win! Nothing can stop him; and nothing can stop the forces thus set in motion by the united strength of a whole people striving with one will to accomplish a great reconstruction.

Let us have faith in our country, in our business and in ourselves.

* * *

Richard L. Riker of East Orange, N. J., has been given the position of associate cashier by the Prudential of Newark.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

The Daily Average of the Company's Business during 1917 was:

749 per day in Number of Claims Paid.
9,516 per day in Number of Policies Issued and Revived.
$2,610,759 per day in New Insurance Issued, Revived and Increased.
$478,898.99 per day in Payments to Policyholders and Addition to Reserve.
$316,593.67 per day in Increase of Assets.

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Rejections for Life Insurance

The percentage of rejections among the number who are candidates for army service is no more surprising, and no less interesting to the student of economics than the percentage of rejections among applicants for life insurance, which is about eleven per cent.

This is not so high as the percentage of rejections for the army and navy, but, when taken at its full measure, is hardly less startling in its economic effect for the nation. It surely should act as a spur to greater thoughtfulness in the mode of living and to the seeking of some remedy to be applied even before reform can be inaugurated -- assuming that reform ever can be inaugurated for the people as a whole.

The pang of the army candidate on being turned down differs with different men. Pride in our nation would lead us to say that every man feels it keenly, but actual evidence compels the admission that there are some whose sadness, to say the least, does not weigh them down. In insurance the discovery of inability almost invariably carries a grievous shock. The worth of insurance suddenly becomes apparent as never before and there is desperate desire to get it by any means and at any cost. There's one in every nine who can't get it—this army of 100,000 each year—are greatly depressed, and happy is the agent if he may be permitted to console them with the hope that they can try again, provided they can improve their condition.

One special difference between the army and insurance is that for the army the call and the examination come at a particular moment named by another; in insurance, the call is one of conscience and common sense, and while it may not actually come until an agent has inspired it, it can come at any time. In other words, the candidate does not have to wait; he can present himself when the spirit moves.

And this brings out another interesting phase of the subject. A very large proportion of the 11 per cent. rejected would not have been rejected had they presented themselves at an earlier date. It is not always because of increased age; indeed, it is seldom that. Instead, it is because of some ailment which has developed between the time the man might have applied and the time when he actually did apply. Procrastination is the cause of many ills, but none worse than this.—"Phoenix Mutual Field."

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

WM. TEMPLE EMMET DEAD

Once Insurance Superintendent of New York State—Director of Metropolitan Life Insurance Co.

William Temple Emmet, a director in the Metropolitan Life, and insurance Superintendent of New York State for two years, beginning in January, 1912, died this week. He was a member of the Public Service Commission.

Mr. Emmet was forty-nine years old; a graduate of Columbia, and was admitted to the bar at Poughkeepsie in 1891. His standing at the Bar was high, and he made an able superintendent. He had much to do with the revision of the standard policy; and came into office about the time the compensation business started. He assisted in drawing up the first compensation law in this State, and was also one of the first to see that a check should be placed on the expense of acquiring this business.

Soldiers' and Sailors' Insurance

(Continued from page 7)

and permanent disability as long as the insured lives and is so disabled.

13. Q. What benefits does it give to my beneficiary?

A. In case of your death each $1,000 of insurance will pay to the beneficiary $5.75 per month for 240 months, less any payments made to the insured for total and permanent disability.

14. Q. Can I have the benefits paid in a lump sum?

A. No; benefits can only be paid in 240 monthly installments.

15. Q. Does it pay for death or total and permanent disability from illness as well as injury?

A. Yes.

16. Q. Must the injury or illness be suffered while in the line of duty?

A. No; insurance protection is not limited by any provision as to line of duty. This is in direct contrast to the rights as to compensation. (See questions 3 and 4.)

17. Q. Must the injury or illness be suffered while in the service?

A. No; if you continue to pay premiums you are protected, even though you may leave the service.

18. Q. If payment of premium is not made on the exact day when it falls due will insurance lapse?

A. No; it is subject to 31 days' grace, during which time it will remain in full force and effect.

19. Q. If insurance lapses, can I have it revived or reinstated?

A. Yes; at any time within six months after lapse, on compliance with the terms and conditions as may be specified in the regulations of the Bureau.

20. Q. If I leave the service, do I lose my insurance?

A. No; you may carry insurance with the Government even though you leave the service, but in order to do so you must change to another form within five years after the close of the war.

The Application

21. Q. What must I do to become insured?

A. Make written application, stating your name, military organization, date of last entry into active service, age, the amount of insurance desired, and if you wish to name persons to whom you wish it paid in the event of death, give the name of such beneficiaries, using their given name. Example: Jane Elizabeth Smith, do not write it Mrs. John Smith, or Mrs. J. E. Smith.

22. Q. Will application blanks be furnished?

A. Yes. They may be procured from the Bureau of War Risk Insurance, Washington, D. C.; from your commanding officer; or the insurance officer of your organization.

23. Q. Must I name a beneficiary?

A. You need not name a beneficiary. The law provides that where no beneficiary is named the insurance, in case of death, will be paid to those in the permitted class who would be entitled to your personal property should you die without making a will.

24. Q. If I do not name a beneficiary now may I do so later?

A. Yes; at any time by written designation sent to the Bureau of War Risk Insurance, Washington, D. C.

The Premium

25. Q. What will it cost?

A. See table of rates.

26. Q. How much can I take?

A. Any amount from $1,000 to $10,000 (in multiples of $500).

27. Q. For how long will the privilege of taking insurance last?

A. For only 120 days after enlistment or entry into active service unless you were in the service on October 15, 1917, in which event you may apply at any time within 120 days from that date. The last day of which 120 days is February 12, 1918.

28. Q. If I take less than $10,000, can I increase it after my 120 days have expired?

A. No; you can only apply within the 120 days and cannot increase your insurance after that time. Up to that time you may increase it to not more than $10,000.

29. Q. If I take $10,000 or any other amount, can I drop part of it at any time?

A. Yes.

30. Q. How can my premiums be paid?

A. By deduction from your pay, by deduction from any deposit with the Government, or paid direct to the bureau by yourself or some one for you. To avoid lapse it is recommended that deduction from pay be authorized.

31. Q. For how long must my premium be paid in advance?

A. You may pay monthly or for any longer period.

32. Q. Will my premium always be the same?

A. No; it increases annually in accordance with premium table (question 25, see last page) until you change to another form after the war, when the premium will depend upon the plan then chosen.

The Plan of Insurance

33. Q. What form of insurance is it?

A. Annual renewable term insurance for the period of the war. Change to the usual forms of insurance on some other plan may be made within five years after the close of the war.

34. Q. Can I carry my insurance after the war?

A. Yes, in its present form for a period of five years, but within such five years you must change it to another form which can be done without regard to your then physical condition. No medical examination will be required for the change.

35. Q. Will the permanent insurance after the war continue with the Government?

A. Yes.

36. Q. How are the expenses of handling the insurance paid?

A. By the Government.

37. Q. Will the cost to me be increased by the losses due to war?

A. No. Any losses in excess of premiums received will be borne by the Government.

38. Q. What form of insurance can I change to after the war?

A. Usual forms, including ordinary life, 20-payment life, and endowment.

39. Q. Has this insurance during the war a cash value or loan value?

A. No.

40. Q. Will permanent forms of insurance after the war have cash and loan values?

A. Yes.

Not Assignable

41. Q. Can people to whom I owe money collect such debts out of my insurance?

A. No. This insurance cannot be attached, assigned or otherwise taken by creditors.

42. Q. Does the Government provide automatic insurance?

A. Yes; for those who may be totally and permanently disabled or who may die without having applied before February 12, 1918, the Government has provided insurance in amount of $25 per month payable to a wife, during her widowhood; child, or widowed mother. It should be borne in mind that this insurance is payable to a more restricted class and does not last beyond February 12, 1918, and that on leaving the service the right to apply ceases. Automatic insurance should not therefore induce you to delay making application.

On Leaving the Service

43. Q. If while in the service I become insured, do I lose my insurance when I leave the service?

A. No; you may carry the insurance even though you leave the service, but you must change it to another form within five years after the war.

THE MOST VALUABLE POLICY FOR YOU,
Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure prompt action in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
METROPOLITAN DISTRICT, ST. PAUL BLDG., 220 BROADWAY, NEW YORK, N. Y.

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

THE WESTERN AND SOUTHERN LIFE INS. CO.
W. J. WILLIAMS, President **CINCINNATI, OHIO**
The Largest Industrial Company West of The Alleghenies
Also Issues All Standard Forms of Ordinary $500 to $10,000
Organized 1888
COMPARATIVE RECORD—SEVEN YEAR PERIODS

	Assets	Insurance in Force		Income	Policies Issued
Dec. 31, 1888	$ 104,307	$ 889,073	1889-1895	$ 1,085,087	265,931
1895	155,640	5,294,381	1896-1902	3,930,883	638,659
1902	876,007	22,374,980	1903-1909	11,312,912	839,426
1909	4,867,379	44,780,907	1910-1916	22,670,340	1,426,752
1916	11,943,640	104,989,362			

AGENTS WANTED IN THE PRINCIPAL CITIES OF OHIO, KENTUCKY, MICHIGAN, INDIANA, WEST VIRGINIA and WESTERN PENNSYLVANIA

Are You Permanently Established?
Write for Territory
Pennsylvania—Ohio—West Virginia
PHILADELPHIA LIFE INSURANCE CO.
PHILADELPHIA

Security Mutual Life Insurance Company
Binghamton, N. Y.
Offers to men able to produce business first class territory, with direct contract providing liberal compensation.
For particulars, address
C. H. JACKSON, Supt. of Agencies

The Functions of a Grievance Committee

PRIDDY ON PART-TIMERS

Favors Minimum of Ten Cases a Year to Show that Agent is Legitimate

President Priddy, of the National Association of Life Underwriters, has outlined the position of the association regarding part-timers and grievance committees of local association in a letter to a prominent member of a large and influential association of life underwriters. This man wrote to Mr. Priddy advising him that he had been appointed chairman of a grievance committee; that his committee was going to begin an active campaign to eliminate from the business all "pirates and sharks who travel under the assumed name of life insurance agents"; that his committee had been called to agree upon a program and they wanted some suggestions from Mr. Priddy to present at that meeting.

The letter printed below is his response to this appeal. During the past month he has received many letters of this general character and his letter is published in answer to such communications.

"I also know that campaigns of this general character should be taken up actively and vigorously by every local association," said Mr. Priddy to The Eastern Underwriter. "Therefore, I present for the consideration of the officers of all local associations the suggestions made in this letter, and I shall be glad to make any further suggestions upon request."

The letter follows:

I acknowledge receipt of your letter of January 26th, and I am very glad to know that your Executive Committee has seen fit to appoint a Grievance Committee. You did not state the number of men who have been appointed on this committee; I assume that the committee will have not less than five members, because if you people are going to undertake this **work actively and vigorously,** it is going to take a good deal of time to investigate the various complaints and irregularities.

The elimination of all of that tremendous group, which can properly be described as "undesirables," is a matter to be determined largely by the managers and general agents of your city and State. They are the people who know, **or should know,** whether or not the persons who seek licenses are in fact **going to become agents.** It is a great temptation for a general agent should a person appear at his office and state that he is in a position to control a big policy, or a number of policies of life insurance. In many cases such persons apparently are in a position to control these lines, and if general agents, managers and company officers are not willing to "tote fair" and do the honorable thing, the one with the other, such persons are in a position **absolutely to control** these lines.

The most important work which confronts you in connection with this program is to have your general agents and managers arrive at a point where they **will agree to do the square thing and to go on record as to what is and what is not an agent.** Publicity is one of the best things to eliminate this evil. I mean by that to say, that if I—assuming that I were so inclined—could issue a license and accept a risk of a hundred thousand from the secretary of some prominent business man, with full confidence that my act would not be discovered by other insurance men, or by the insuring public, it would be a temptation which few of us could resist. But if when Mr. Secretary approaches me with such a proposition I knew that the fact that he had a license for my company would become known among my fellows and the public, I would be very slow to issue that license.

As you know, Connecticut, New Hampshire and other States have for years printed a list of **all life licenses** granted by the State, and I have no doubt that if your Executive Committee will take this matter up with your insurance commissioner he will be glad to publish a similar list. I know of nothing that will do more to eliminate from the business persons who should be eliminated than the publication of such a list. There are many localities in which this has been proven. If your insurance department will not at once publish such a list, you people secure from the department a list of all licenses issued in that State for 1917, and then your committee can from this list arrange them by companies alphabetically, and, in addition, arrange the whole list alphabetically, and you publish it in booklet form and distribute it among your members and ask them to look it over carefully and wherever there is any question in their minds, make a careful investigation as to the **REAL BUSINESS** of all doubtful cases and then you will be prepared to make some definite recommendations to all the companies involved. I know from experience that if your association will present such facts as will be disclosed by the publication of such a list, and ask the several companies, or general agents thereof, to cancel these licenses a very large majority of them will be canceled at once. With the cancelation of such licenses the insurance department should be requested not to grant a license to these persons without first giving your organization an opportunity to file a statement with the department to prove that such persons should not be licensed. Many times every week our association does just this very thing, and when the department notifies us that an application has been made **we generally take it up with the company or manager which requested the license and have the request withdrawn. If you will make it plain to your State Insurance Department, and the life companies doing business in your State, that you intend to eliminate from the business persons who should not be permitted to secure commissions on life insurance, because they do not in fact RENDER A SERVICE to the insuring public, you will find that they will very quickly respond to your request.**

You ask that I furnish you with a copy of the latest law in New York State regarding renewal of licenses. Under the law of this State every agent who wishes a license to sell life insurance must make an application on a form provided by the State, copy of which is hereto attached. Renewal licenses are issued at the request of the companies on a form provided by the State. The National Association is recommending, and these recommendations have in many cases been adopted, **that a renewal license shall not be issued for an agent who does not pay for at least ten cases of insurance during the preceding CALENDAR YEAR.**

In your letter you speak of "fiscal year." The fiscal year of most companies is the calendar year, and insurance departments also deal with calendar years. You state that it has been suggested that before a renewal license is issued agents should be required to pay a thousand dollars in new premiums. This might be all right for your larger cities, but it is not practicable in rural communities where there are "part-time" agents, and there always will be part-time agents in the country. I use the term "part-time" agents advisedly. I do not mean the "one case agent," or the fellow who seeks a license to negotiate insurance on his own life and one or two of his friends. I mean a person who **"holds himself out to be an agent"** and is known in the community as a life insurance agent, and who writes a reasonable amount of business every year.

I think that, unless there are extenuating circumstances, all persons who hold a license should be required to pay for at least one case each month, and assuming that he is on a vacation July and August, he would be expected to pay for ten cases in each calendar year. **If he is not worthy to retain his license in one company, no other company should be willing to issue him a license to operate in the same territory. I believe that there are entirely too many "part-time" agents.** I think for many managers and general agents are entirely too careless in the appointment of agents. They visit small towns and appoint almost any person who is willing to accept of them five to ten dollars worth of literature and then they proceed to write several cases for these new agents and give them all the commission, and the agent never writes any more business until he is again visited by the general agent or someone representing him. So long as the country is filled with these "so-called" part-time agents, just so long will managers, general agents and companies find it difficult, if not impossible, to have such territory covered by REAL AGENTS. An agent would be foolish to go to such a community and work up a line of business only to have his prospect tell him that he is now convinced that he should carry life insurance, but his friend the postmaster, or a local lawyer, or a bank cashier is an agent, and being a fellow townsman he must patronize him. **If such persons were not authorized to negotiate contracts of insurance this territory would be covered at stated periods by real life insurance men and these men would sell the insurance.** So long as the rural communities are flooded with those "make believe agents" just so long will the people who live in such communities go uninsured, because these "make believe agents" **have not the ability to sell insurance** and other agents are unwilling to "work up the business" for them.

In connection with this matter of accepting business from **persons who are not in fact agents,** the managers and general agents in some localities have agreed among themselves that they will not accept business from such persons, and that upon conviction before the Executive Committee of their association they will agree to forfeit to the treasury of the association the entire commission received on such a case, plus a fine of fifty dollars. This has proven effective and I recommend the scheme.

I hope that your association will at once take a definite, positive stand with reference to these matters and will prosecute them vigorously every day in the year.

The LIFE INSURANCE SALESMAN Bears an UNUSUAL RESPONSIBILITY

The SERVICE he sells often continues for many years

Provident service sells so readily today, because of the value and satisfaction Provident policy holders have derived from the service of Provident Agents.

Write for information

The Provident Life and Trust Company

OF PHILADELPHIA

Founded 1865

HEADS LIQUIDATION BUREAU

Clarence C. Fowler, of Westchester County, has been appointed chief of the liquidation bureau in the New York State Insurance Department, to succeed M. J. Wright, resigned.

GOULDEN & MILLAR'S YEAR

In 1917 the Goulden & Millar general agency of the Connecticut General did a business of $7,905,000, an increase of 56.8 per cent. over last year.

This office has no agents.

NATIONAL LIFE INSURANCE COMPANY

(MUTUAL)

MONTPELIER, VERMONT

67th Year

FRED A. HOWLAND, President

On paid-for insurance basis and with bonds valued at par only (market value $409,882 above par) the 67th report shows:

Assets	$66,426,040.82
Liabilities	62,268,494.36
Surplus	$ 4,157,546.46
INSURANCE IN FORCE	$212,037,400.00

A good company for the policyholder and the agent

EDWARD D. FIELD, Superintendent of Agencies.

Travelers' Health-Accident Group

(Continued from page 4)

It is absolutely essential for the Company to know:

(1) The number of employes in various occupational groups, such as machinists, common laborers, clerks, etc.

(2) Average age and number of male employes, and average age and number of female employes.

(3) Schedule of employes by age groups:

(a) Age 16—50 inc.
(b) " 51—55 "
(c) " 56—60 "
(d) " 61—65 "

(4) The percentage of employes represented by each nationality.

(5) Number of employes wholly or partly of African descent.

State definitely whether rate is desired for "Plan A," "Plan B" or "Plan C," and the amount of weekly indemnity per individual employe desired, also complete information as to premium payments, i. e., whether (1) all the premium is to be paid by the employer, or (2) all by the employes, or (3) part by each—and the proportion each is to pay.

Rate quotations for Plan A will be made upon the basis of an annual premium in advance, and for Plan B and Plan C upon the basis of monthly premium payments.

Floaters

Employers will benefit by having the contract written to cover only employes who have been in service for three or six months, or a longer period of time. Such waiting period will automatically exclude the class of employes known as "floaters."

Benefit Association

In case a beneficial association is in operation in the plant, the Company should be given all statistical information obtainable in regard to it, together with a copy of its by-laws.

Commissions

Hereafter, until further notice, soliciting agents will be allowed a commission of 15 per cent. on the premiums reported and paid under each group accident and health contract while such agents are fully accredited with the risk by the Company.

Broad Field for Group Accident and Health Insurance

This new program is presented with the conviction that there is a big field for the sale of group accident and health insurance to employers carrying workmen's compensation insurance. Compensation insurance gives ample protection to the workman for accidents occurring during work hours, but there is a large and constantly increasing demand now imperfectly supplied by industrial accident and health contracts —for protection to workmen for temporary disabilities the result of sickness or injuries occurring outside of employment. There are beyond doubt thousands of prosperous employers throughout the country now carrying workmen's compensation insurance, who would be glad to meet the comparatively small cost of group accident and health insurance if intelligently informed of this method of completing the protection of their employes. The Company alone has over 75,000 compensation risks on its books.

Occupational Accidents—Accidental Death—Dismemberment

While the above plans do not cover occupational accidents nor include accidental death nor dismemberment benefits, in cases where such additional coverage is desired, a rate will be quoted on request. It should be understood, however, that one of the three standard forms described above should be recommended—and used—as the most satisfactory form of protection in the great majority of cases, and that no special plan is to be requested unless the requirements of the particular case require other than one of the standard forms.

Premature Peace Talk Seditious

LUNGER ON PROBLEMS OF U. S.

Short-sighted Policy Regarding Railroads and Coal—Wants Immigration Restricted

John B. Lunger, vice-president of the Equitable Life Assurance Society, delivered a timely and important address on the lessons of the war and the chief problems thereafter before the Cleveland Chamber of Commerce this week. Right at the start Mr. Lunger said that unfounded prediction of early peace borders on sedition. Its influence is to relax effort, to lessen sacrifice and to weaken our sense of responsibilities which we have assumed.

Must Conquer the Enemy

The after-war problem of first importance is keeping the peace of the world. As a preliminary to the solution of this problem "we must conquer the mighty outlaw and the desperadoes under him who are now ravishing Europe and threatening the whole world. Any peace based on expediency or entered into as a compromise will only be followed by silent preparation and patient waiting on the part of Germany for the opportunity to strike a new blow—and at a time when the countries now acting in concert may be unable to join forces. The war must be fought to a decisive military victory now. There should be no temporizing in the twentieth century with a government that has reverted to the usages of barbarians."

Favors Compulsory Service

Mr. Lunger is an ardent believer in preparedness, advocating compulsary service after the Swiss system, "not solely on the ground of military necessity, but for its benefit to our young men physically and morally, including under the latter heading the discipline of organization."

During the course of his remarks, Mr. Lunger discussed the questions of shipping, the railroads, the coal supply and other problems. He discussed our shortsightedness and folly regarding shipping and the humiliation of transporting the bulk of our troops and munitions in vessels captured from the Germans, or in English bottoms, "while we are feverishly engaged in the construction of shipyards and ships at enormous expense. One half, yes, one quarter of the amount which is now being spent, if distributed over a period of twenty years, would have given us a merchant marine which would be of inestimable value at this time. An important after-war problem will be solved if the Government will continue its support of shipbuilders and shipowners until we have a self-supporting merchant marine commensurate with our needs."

The Railroads

In discussing the railroads Mr. Lunger said, in part:

I think all intelligent men are in agreement that if the railroads had been allowed to increase their rates sufficiently to meet the increasing cost of labor and equipment; had not been trammeled by the anti-pooling law, and had not been embarrassed by conflicting priority orders and the many vexatious rules of the States and of the National Government, they could undoubtedly have met efficiently every demand upon them. The breakdown of the railroads under war conditions emphasizes so emphatically what they have had to endure that it is safe to assert that the old situation can never come back, and that when the railroads are returned to their owners it must be under very different conditions. Full publicity should be required of the railroads regarding their transactions; the issuance of new securities should be subject to proper restraint, but the Sherman Act should be abrogated in so far as it restricts railroads, and the Government should permit them to pool their traffic where it will serve the interests of the public, and do other things which will lead to economies of operation. Above all, they should be granted elasticity as to rates.

Mr. Lunger's views of the coal shortage, in part, follow:

England had tried the experiment of price fixing and failed, and we should have profited by her experience. The thought that anyone may make excessive profits out of war conditions is abhorrent to all; but in practice it is better to let the law of supply and demand regulate both distribution and price, checking extravagant profits by taxation. Economic laws cannot be violated with impunity.

Immigration

Mr. Lunger summed up, in part as follows:

One more after-war problem about which I wish to speak is that of immigration. I know that those amongst you who find it difficult to obtain labor will at first be antagonistic to any thought of restricting immigration. And yet I believe it is absolutely necessary to restrict immigration even more than by the Act of 1917 if we wish to make this country safe for ourselves and for our children.

Next to Lord Bryce as a student of our country I would rate de Tocqueville, a French philosopher who came to this country in 1830. In his book on Democracy in America he points out that "the dangers which beset the American Nation do not originate in diversity of interests and opinions, but in the various characters and passions of the American." To give us a name he refers to us as Anglo-Americans. I take it that he meant by this that, although there were peoples of other countries amongst us, we were chiefly of the English, or more properly speaking, British stock. If he had used the expression Anglo-Saxon Americans—the people of the North—I think it would have been better as that would fairly characterize the then population of the United States.

Since 1870 the tide of immigration has been strong, and it is estimated that now fully 41 per cent. of our adult males over the age of 20 are foreign born, or native born of foreign parents. In the years immediately preceding the war the immigrants arriving in this country numbered over one million annually. They were not the "people of the North" but the driftwood of Eastern and Southern Europe. A refractory kind of material to subject to the refining influences of the melting pot.

The greater part of these people have not come here, as did the original immigrants, in an adventurous spirit, or for the free expression of religious views, but as a mere matter of gain, and to get away from autocratic rule. They are a people of many races and diverse faiths. Having lived under autocracy, and under conditions which ground them to the earth, they have become embittered, furnishing fruitful soil for radical doctrines, socialistic or anarchistic. They arrive amongst us with their hearts full of bitterness and passion, utterly ignorant of our beliefs, the meaning of equal rights and the freedom which we enjoy under our Constitution. Too frequently they settle down in our large cities, where the conditions of life are hard for the newcomer, especially for those who are unskilled and unable to speak our language. They are apt to live in districts by themselves, to read their own language papers, to live apart in old world ways and—not knowing any better—to discuss public questions as though they were in their old homes. The undesirables amongst them we should keep out; or if from necessity we allow them to come in we should see to it that that most valuable possession of the citizen, the franchise, is not extended to them: for it is this class that is doing more harm than any other body to undermine our national institutions and our principles. Having found liberty they demand license. These aliens are exciting the minds of the conservative. They are stirring up passion and prejudice and inviting strife.

Some are desirable, perhaps not as many as we should like, and their children as they pass through our public schools—which after all are the great melting pots—become useful men and women. Recently I had occasion to address an audience of several hundred, composed almost entirely of the children of immigrants, on the subject of War Thrift and War Savings. I was delighted when I found that the young men and women had sold bonds for over $100,000 and were preparing to take part in every drive that the Government inaugurated. I could not ask for a more patriotic or appreciative audience.

How deeply we must all regret that our governing bodies did not foresee this tide of immigration and its effect on our national thought, and that they failed to attach to our franchise as a precaution a more stringent qualification than that of five years' residence. The further restriction of immigration, methods of educating in Americanism those who are admitted, and a new value to our franchise will constitute, after the war, a trinity of problems for the one end—the betterment of our people.

I know you will urge the need of cheap labor, but let me remind you that this country was once nearly torn asunder by the question of cheap labor and that if the million fine young men of the North and South that were killed in that struggle had been privileged to live we should today have not less than ten million more of the old native stock in this country—and, God knows, we need them to offset the evil effects of unrestricted immigration. I have no patience with the claim that the Civil War was a great blessing to the United States. * * *

A Better and Safer Country

Political parties are necessary for the perpetuation of our institutions. If there were no division of opinion or on questions of principle we might fall to the level of some of the republics to the south, where power is transferred from one person to another in a close autocratic group, and an election can be held only in the form of a revolution.

But our political parties should be compelled by the force of our franchise to nominate for office, not the man who appeals the strongest to the passions or prejudices of the people, or the man who tries to curry favor with the people by gifts at the public's expense, but the man who will serve his constituents with honor and credit under the guiding spirit of the Constitution.

The great need of this country, at the close of this war, will be to elect to office competent patriotic, intelligent men to grapple with the Nation's problems. Men without fear and who will not be influenced by favor. They need not be representative of party or faction—they can be men of experience and representative of the highest ideals of the Republic.

After this war let us be a little less insistent on party politics, a little less keen for material success, a little more respectful of thrift, and very, very considerate of the welfare of our Nation and its future.

GOOD TERRITORY
still available for development by the
RIGHT AGENTS
..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.
Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

GETS $3,508 BONUS

Lockport, N. Y., Feb. 1.—Sanford G Greenman, for past twenty-one years superintendent of the Lockport office of the Metropolitan Insurance Company of New York City, recently resigned that position and he received from the New York office a check for $3,508 in the way of a bonus and in appreciation.

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS PRESIDENT
GREATEST
ILLINOIS
COMPANY
WANTS GOOD MEN
AND
WILL PAY THEM WELL

Old Line Bankers Life Insurance Company

of Lincoln, Nebraska

FINANCIAL STATEMENT OF JANUARY FIRST, NINETEEN HUNDRED AND EIGHTEEN

ASSETS

First Mortgage Farm Loans	$11,193,800.00
Cash in Office and Banks	248,996.33
Cash Loans on Company Policies	650,617.45
U. S. Government Bonds	205,700.00
Interest Accrued, Not Due	179,403.27
Home Office Building	187,484.76
Bills Receivable	None
Deferred and Unreported Premiums	None
Furniture and Fixtures Account	None
Collateral Loans	None
Premium Notes	None
Stocks	None
Agents' Debit Balances	None
"Other Assets"	None
Assets, December 31, 1917	$12,666,001.81

LIABILITIES

Reserve, Actuaries Four Per Cent. (Full Reserve)	$8,645,104.65
Agents' Credit Balances	19,617.39
Death Losses Reported, Proofs Not In	12,517.43
Premiums Paid In Advance	11,642.96
Interest Paid In Advance	13,694.54
Capital Stock	100,000.00
Surplus	3,863,424.84
	$12,666,001.81

RECORD OF NINETEEN HUNDRED AND SEVENTEEN

1917 Lapse Ratio 5.49

Gain in Surplus	$ 551,822.19	Income Exceeded Disbursements	$1,630,522.28
Gain in Reserve	1,105,793.15	Gain of Insurance in Force	7,030,000.16
Gain in Assets	1,653,691.68	Insurance Issued	11,373,968.46

Insurance in Force December 31, 1917 ..... $66,184,033.66

WE LEAD THE WORLD IN OUR HOME STATE IN OLD LINE INSURANCE IN FORCE

We have a general agency to offer in a splendid state to an underwriter of experience. Write Home Office, Lincoln, Nebraska

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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PHASES OF FIRE INSURANCE

Managing underwriters of fire insurance companies do not often publicly offer frank views on internal phases of their own business, but when they indulge in such a pastime those who lend an ear gain much. Frank Lock, United States manager of the Atlas, a man unafraid, is one of the few real philosophers in downtown New York. He has spoken his mind on rates, commissions, survival chances of small companies and re-insurance, treating these and other live topics in a refreshing way, disdaining not even the role of a prophet. Considerable space in this issue is devoted to Mr. Lock's address (which was read on the Pacific Coast), as it is wise to go down to the basement once in a while and see how the furnace is going.

What does he say? The first point registered—his surprise that such a small business as fire insurance should create so much pother—is not a novelty to those who watch public opinion ebb and flow. The New York public has spilled twice as much fury over theatrical ticket speculators as over the Standard Oil Co. or the Chicago packers. The people like to punch a head; they don't care anything about the size of the man they hit.

Regarding rates, Mr. Lock doubts that any of the systems under consideration are perfect, and many will agree with him. Certainly there is a great deal of hard thinking about the loss records of the fire insurance companies in the almost two dozen States where the Dean Schedule has been operative for years. The fire insurance business does not show a satisfactory profit. Was there ever such complicated machinery in the world of American business which produced such poor results? The rating system finally adopted for all of America must be logical, understandable, applicable and profitable. Not so easy as it rolls off the tongue.

Mr. Lock bravely tackled the large-small company question, reaching the conclusion that the business is gravitating increasingly to the large companies, in which he agrees with Henry Evans and numerous others. Figures seem to be on their side. Artificial restraints or restrictions on the larger companies to check their growth, the Atlas manager and philosopher regards as unjustifiable and outside the realm of sound business economics. He believes that the small company may, in proportion to its liabilities, be the equal of a large company in a conflagration "if it measures its underwriting with corresponding prudence."

And speaking of conflagrations, Mr. Lock is not encouraging. He sees "a conflagration loss possibility of $500,000,000." The only protection against this catastrophe is the maintenance of reserves to the extreme limit. He is optimistic about the investment possibilities of capital for purely re-insurance companies. Here is a great field to be developed.

Agents reading Mr. Lock's paper will naturally turn to the question of expenses and acquisition cost. There is nothing therein to feel distressed about. Mr. Lock believes that the business cannot be conducted at a lower ratio of expense. However, he favors a change in the present system of compensation which he thinks favors the reckless and the man of low principle. Contingent profit-sharing appeals to him.

Considerable diplomacy is used in handling the future relations between companies and agents. He would not be surprised if there were greater concentration which would bring about a higher standard of qualification nor if the acquisition cost went down, but he does not think that would necessarily be a bad thing for the producer, because the capable agents and brokers would have a larger net income. He polishes off this situation with an epigram: If good companies would see that they are represented by good agents and good agents saw that they were represented only by good companies the situation could take care of itself. But, alas, would it? What are the "bad" agents and the "bad" companies going to say about it? We doubt if they will fall in with Mr. Lock's optimism, shut their desks and retire.

There are a great many other lights thrown by Mr. Lock on phases of modern fire underwriting, and most of it will be read with assent by other managing underwriters.

BIG MEETING NEXT WEEK

Prominent Men to Address New Jersey Agents on February Fourteen

Every indication points to a very large attendance at the annual meeting of the New Jersey Association on February 14. The speakers at the banquet will be E. S. Lott, president of the United States Casualty Co., and E. M. Allen, president of the National Association of Insurance Agents.

In the afternoon the speakers will be Insurance Commissioner Smith, Frederick Day, assistant manager of the Royal Insurance Company, and C. S. S. Miller, field secretary of the National Association of Insurance Agents. ever held and one of the most important.

It will probably be the largest meeting the New Jersey Association has ever held. This association is one of the most active,

THE HUMAN SIDE OF INSURANCE



R. N. M. M. PEARCE

R. N. M. M. Pearce, of Frank B. Hall & Co., Inc., and a director of the American Merchant Marine Insurance Company, who recently returned to New York after a business trip to the Orient, has had an insurance experience which is unique. Mr. Pearce has visited more than a score of countries representing varied insurance interests. Starting in 1901, Mr. Pearce since then has been connected with the Commercial Union, China Mutual, Equitable, General Accident of Perth, British Dominions, Volga, of Russia, of which he was the active secretary in London, subsequently becoming deputy underwriter in London of the Lloyd de France; English & Foreign, and Central, of Holland. Mr. Pearce was also with Edye & Co., ship and marine insurance brokers, members of the Baltic Exchange in London, for which company he made his first visit to the United States in 1916. It is his first-hand knowledge of world ports and of marine markets in addition to his extensive foreign connections that have given Mr. Pearce his hold on marine insurance. On his return to New York in April, 1917, Mr. Pearce joined Frank B. Hall & Co., Inc., and became a director of the American Merchant Marine Insurance Co. in October, 1917.



A. T. KIRK

A. T. Kirk, of Denver, was the leader of the entire field force of the Bankers Life Company of Des Moines for the year 1917. His record for the year showed a total of $735,000 of issued business. Mr. Kirk has gradually worked up to his present position. He was third man of the Bankers Life field force, second man in 1916 and then first in 1917. For many years he has been an insurance writer, always a consistently successful salesman. Mr. Kirk is president of the Hundred Thousand Dollar Club of the Bankers Life for 1918 and was a member of the Gold Medal Club of the Company for every month of the year 1917 except one.

RESULTS FOR THE EVANS' COMPANIES

The results for 1917 of the Continental, Fidelity-Phenix and American Eagle, follows:

The Continental

Net premiums			$11,530,992
Losses incurred	$5,096,365	(44.20)	
Adjustment expenses	138,557	(1.20)	
Taxes—National, State, municipal	313,881	(2.72)	
Fire dept., fire patrol and underwriter boards	159,556	(1.38)	
*General expenses	3,816,802	(33.10)	9,525,161
Trading surplus		(17.40)	2,005,831
Increase in unearned premiums			1,492,659
Underwriting profit		(4.45)	513,172

*⅛ of 1% for investment expenses not deducted.

Fidelity-Phenix

Net premiums			$9,592,250
Losses incurred	$4,322,412	(45.06)	
Adjustment expenses	112,834	(1.18)	
Taxes—National, State, municipal	234,066	(2.44)	
Fire dept., fire patrol and underwriter boards	146,109	(1 .52)	
*General expenses	3,289,729	(34.30)	8,105,150
Trading surplus		(15.50)	1,487,100
Increase in unearned premiums			1,518,816
Underwriting loss		(.33)	31,716

*⅛ of 1% for investment expenses not deducted.

American Eagle Fire

Net premiums			$525,860
Losses incurred	195,233	(37.13)	
Adjustment expenses	4,181	(.80)	
Taxes—National, State, municipal	12,915	(2.46)	
Fire dept., fire patrol and underwriter boards	7,958	(1.51)	
*General expenses	186,587	(35.48)	406,874
Trading surplus		(22.62)	118,986
Increase in unearned premiums			146,360
Underwriting loss		(5.21)	27,374

*⅛ of 1% for investment expenses not deducted.

FIRE INSURANCE DEPARTMENT

Decision in Canal Boat Loss Case

DAMAGE AFTER EXPLOSION

Proximate Cause of Explosion Damage was Fire, Says Appellate Division

The February issue of the Insurance Law Journal will contain the test case of Bird vs. St. Paul Fire & Marine Insurance Company, submitted on an agreed statement of facts to the Appellate Division.

On the night of July 30, 1916, a fire broke out in the Lehigh Valley Railroad Company's freight yards, under some freight cars loaded with munitions of war. An explosion ensued which caused another fire in the yard, which resulted in another and terrific explosion of a large quantity of dynamite and other explosives stored in the yard, causing a concussion of the air, which in turn damaged the plaintiff's canal boat, lying about 1,000 feet distant, to the extent of $675. No fire reached the boat. The boat was insured by the defendant against the adventures and perils of the sounds, harbors, bays, rivers, canals and fires. This action was brought to recover on the policy and was submitted to the Court on an agreed statement of facts. The policy contained no exception of liability for damages caused by the explosion.

The Court held that even if a policy contains the usual exemptions from loss for damage by explosion of any kind, unless fire ensues, and in that event for damage by fire only, if the explosion was an incident to a fire insured against, the insurer is liable for all the loss; both that caused by the fire and the explosion, and that the rule as to proximate causes as applied in insurance cases is the same as in other branches of the law.

The Court further held in an insurance contract, as in all others, the test is the intent of the parties as disclosed by the terms of the policy and where a fire policy on a canal boat contained no clause exefpting insurer from liability for loss by explosion, it should be construed against the insurer, which was liable for loss by explosion caused by a fire on the premises of another.

Further, where a fire on distant premises caused a slight explosion which caued another fire, which caused a terrific explosion of dynamite, damaging by concussion plaintiff's canal boat, which was insured against fire, the "proximate cause" of the damage was the fire.

Three Income Tax Questions Answered

QUERY ABOUT A TIMBER FIRE

No Deduction for Crops which Burn or Are Destroyed Before Being Sold

Three questions and answers in the Treasury Department's "Primer" about the income tax that are of more than ordinary interest to agents of insurance companies, doing a general business, follow:

87. I own a tract of timber which was partially destroyed by fire during 1917. Is this loss allowable as a deduction?

The actual amount of capital invested in standing timber, if acquired on or after March 1, 1913, and later destroyed by fire, may be claimed as a deduction if not reimbursed by insurance or otherwise. If the timber was acquired prior to March 1, 1913, its fair market price or value as of that date may be claimed. To illustrate the method to be employed in computing the amount of loss allowable as a deduction, the following is submitted: A tract of land was acquired prior to March 1, 1913, and the estimated amount of timber standing on that tract on that date was 1,000,000 feet, board measure, the fair market price or value per 1,000 feet established by the current prices prevailing in the locality of the tract in question as of March 1, 1913, being $4. During the year 1917, 400 000 feet of this timber was destroyed by fire. In this case $1,600 is the amount which may be claimed as a deduction.

88. If cattle or other live stock are produced on a farm which I own or operate, and are then lost through disease, may I claim their value at the time of death as an allowable deduction?

No. If the stock which died was purchased and the cost has not been claimed in a previous return as a deduction, that cost may be claimed as a deduction in your return rendered for the year during which the loss occurred.

89. If a crop which is ready to be harvested, but has not been gathered, or a crop which has been harvested, but has not been sold, is destroyed by storm, flood, or fire, can the value of that crop be claimed as a deduction?

No. It is understood, of course, that the actual cost of producing or harvesting a crop which has been so destroyed may be claimed as a deduction under the head of "Business expense."

FIRE AND MARINE INSURANCE—ALL LINES

The Automobile Insurance Company of Hartford, Conn.

MORGAN G. BULKELEY, President

Statement January 1, 1917

Cash Capital	$1,000,000.00
Assets	2,748,832.19
Liabilities (Except Capital)	1,039,977.81
Surplus to Policyholders	1,708,854.38

AFFILIATED WITH

AETNA LIFE INSURANCE COMPANY

THE AETNA CASUALTY & SURETY CO.

THE WILLIAM H. KENZEL COMPANY

FIRE INSURANCE AGENT

REPRESENTING AT NEW YORK OFFICE
79-83 WILLIAM STREET

HUMBOLDT FIRE of Pittsburgh, Pa.
EQUITABLE FIRE & MARINE of Providence, R. I.
IMPERIAL ASSURANCE of New York, N. Y.
GRANITE STATE FIRE of Portsmouth, N. H.
ALLEGHENY FIRE UNDERWRITERS of Pittsburgh, Pa.
COMMERCE INS. CO. of Albany, N. Y.
AACHEN & MUNICH FIRE Organized 1825
FRANKLIN FIRE of Philadelphia, Pa.
CALEDONIAN-AMERICAN of New York, N. Y.

REPRESENTING AT BROOKLYN BRANCH
154 MONTAGUE STREET

LONDON ASSURANCE of London, England
NORWICH UNION of Norwich, England
COMMERCE INS. CO. of Albany, N. Y.
GRANITE STATE FIRE of Portsmouth, N. H.
MECHANICS INSURANCE CO. of Philadelphia, Pa.

Niagara Fire Insurance Company

ESTABLISHED 1850

OTHO E. LANE, President
BERNARD M. CULVER
WILLIAM L. STEELE, Vice-Presidents
CHAS. A. LUNG
WILBUR C. SMITH, Secretaries

"Agents Everywhere"



FIRE
TORNADO
AUTOMOBILE
RENTS
SPRINKLER LEAKAGE
EXPLOSION
FULL WAR COVER
LEASEHOLD

Use and Occupancy, Profits, Commissions—All Form

123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

S. R. Weed in Harness Until the End

AT WORK ON FUELLESS DAY

A Tribute to His Remarkable Knowledge of Insurance Paid by E. R. Kennedy

Samuel R. Weed, of Weed & Kennedy, died suddenly on Monday morning after a long and distinguished career in the insurance business. He had been at his office every day; in fact, was there on Monday of last week despite the fact that nearly every insurance office in New York City was closed. On Sunday night he entertained at dinner a doctor and his wife, who were neighbors, and this doctor attended him at the last.

Tribute from E. R. Kennedy

E. R. Kennedy, who was the lifelong business associate of Mr. Weed, said this week: "Mr. Weed was a newspaper reporter in the West, and when Mr. Lincoln was nominated he represented a St. Louis paper.

"On the night of Mr. Lincoln's election to the presidency, Mr. Weed was one of the first to congratulate him. As a newspaper man in the West he had a great many similarly interesting experiences and he always retained his love for writing. He was the author of a great many articles upon insurance and read numerous papers on the subject.

"The first insurance experience of Mr. Weed was in St. Louis. The East had more attractions for him than the West, and he came to New York. We went into partnership forty-two years ago. I was a little more than a boy at the time. For a year or so the office was known as S. R. Weed & Company and then became Weed & Kennedy. First we were brokers, then we soon got the representation of some companies which Mr. Weed had represented in St. Louis; later we became underwriters as well as brokers.

Remarkable Memory

"Mr. Weed had a memory that was simply prodigious and he had a perfectly marvelous grasp of the history, the statistics, the theory and the development of fire insurance. I doubt if there were another man in the country who was so well posted on the subject. He continued his interest in fire insurance as a student up to the day of his death. It is difficult to put one's finger upon any one phase of distinguished service that Mr. Weed rendered the insurance business, but if I were to pick out one thing above another, it would be his work as chairman of the Committee on Losses and Adjustments of the New York Board of Fire Underwriters. This won widespread recognition and praise from underwriters."

* * *

Sharp With Newman & McBain

John Sharp, who has been underwriter for the Wallace Reid Agency for several years, is now underwriter for Newman & McBain.

* * *

M. P. Parks Makes Change

M. Phillips Parks, for several years with the New York Fire Insurance Exchange, and for a long period in charge of the schedule department of the New York office of John C. Paige & Co., is now handling the schedules of the Jos. D. Bookstaver office.

* * *

Firms Consolidate

Hall-Tietenberg Company has consolidated with Morse & Jackson Company, Inc. The new firm will be Hall-Morse Company, Inc., with offices at 46 Maiden Lane.

TOFTE SUCCEEDS SUGDEN

Well Known Underwriter of Kenzel Agency Is Made Secretary—Formerly with Fred S. James & Co.

P. M. Tofte, Jr., for the past six years underwriter of the William H. Kenzel Agency, has been made secretary of the William H. Kenzel Company, succeeding A. S. Sugden, who, it was learned this week, has resigned.

Previous to joining the Kenzel Agency in 1912, Mr. Tofte had been with Fred S. James & Co. for a number of years. He is well known on William Street as an underwriter of recognized ability.

* * *

Schmidt with Terhune & Co.

Charles Schmidt, of the Continental Insurance Company of New York, has joined the forces of Terhune & Co., 80 Maiden Lane, in the capacity of manager. He was with the Continental for one year as solicitor and with Willcox, Peck & Hughes seven years as placer.

* * *

Two Firms Merge

Kneeland, Ireland & Co. has consolidated with Richard M. Coit and the new firm will be Kneeland, Ireland & Coit, located at 19 Liberty Street.

* * *

Huff, Dreyer & Co. Changes

Huff, Dreyer & Co., Inc., have advanced Joseph L. Sanders by electing him assistant secretary, on recognition of ability and faithful service. R. V. Smith, formerly connected with the Consolidated Brokers, has been made office manager, and William A. Muhl has been appointed superintendent of their schedule department.

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— *FIRE and WAR RISKS* —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

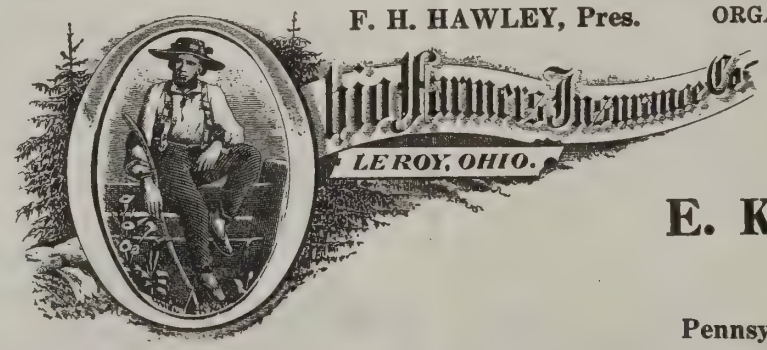
SCHAEFER & SHEVLIN
103-5 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Caledonian Insurance Co. of Scotland
FOUNDED 1805
"THE OLDEST SCOTTISH INSURANCE OFFICE"
UNITED STATES HEAD OFFICE
Caledonian Building, 50-52 Pine Street, New York
CHAS. H. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

THE OHIO MILLERS
MUTUAL FIRE INSURANCE COMPANY
Net Cash Assets.....$1,147,802
Net Cash Surplus..... 505,213

Squire Company, Inc.
1 LIBERTY ST. REPRESENTATIVES NEW YORK

STOCK POLICIES ONLY
BUSINESS SOLICITED FROM AGENTS AND BROKERS



F. H. HAWLEY, Pres. ORGANIZED 1848 W. E. HAINES, Secy.
Ohio's Oldest and Strongest Company
Net Surplus Over $1,293,741.00
AN AGENTS COMPANY
E. K. SCHULTZ & CO.
PHILADELPHIA
GENERAL AGENT
Pennsylvania, New Jersey and New York

JAMES J. BOLAND COMPANY, Inc.
GENERAL AGENTS
HOME OFFICE SCRANTON, PA. — 68 WILLIAM STREET NEW YORK CITY, N. Y.
NEW YORK NATIONAL INS. CO.
THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.

A Managing Underwriter's Views of Present Day Phases In Fire Insurance

Frank Lock, United States Manager of Atlas, Discusses Rates, Commissions, Re-Insurance, Future of Small Companies and Fire Waste Remedies

Frank Lock, United States manager of the Atlas, this week presented to the Fire Underwriters' Association of the Pacific clear-cut views on present phases of the fire insurance business, with particular interesting opinions regarding the future of fire underwriting, fire insurance rating and fire insurance production. Mr. Lock was unable to visit the Coast at this time and the paper was read by a representative. It is not reproduced in full herewith, but the principal points scored by Mr. Lock are given.

No Great Profits Caused by War Conditions

In his introduction he takes the position that the fire insurance business is reaping little benefit from war conditions. It is true that there is an increased volume of income, but to Mr. Lock's mind that means nothing. It is quite true that increased volume is significant in the case of a manufacturer, a merchant or a financier. To them it generally means much in percentage of profit. To the fire insurance company it may mean nothing but added liability.

Mr. Lock prepared a careful tabulation showing how the fire insurance business has grown in assets, income and amount at risk from 1872 to December 31, 1916. He found the amount at risk more significant than anything else as in 1872 it amounted to $3,988,000,000, while in 1916 it rose to $63,671,000,000, an increase of 1,500 per cent. The premiums written in 1872 represented a rate on insurance in force of a little more than 1 per cent. In 1916 the corresponding rate is about .63.

Small Business to Make Such a Fuss About

Compared with many other businesses fire insurance is small. While the men in the fire insurance business are disposed to magnify their profession Mr. Lock regards with a mild sense of wonderment that legislatures and the public generally should raise such a stir "over a business which, whatever its place of importance in the social fabric and however indispensable in its functions, yet when measured by the standard of dollars and cents is not a large business. After all is said and done it is a reasonable question whether all of the costly array of Governmental control can be justified in the interest of the public for a business which has a premium turnover of some $400,000,000 per annum only and which retains less than an average of 5 per cent. of that amount as profit, figures far exceeded by many individual concerns which have no supervision at all to speak of. The inference must be either that our business is very valuable or that we are very suspicious characters needing close watching, or possibly both. Of course I am not forgetting other branches of insurance are supervised as well."

The Outlook

Now the question comes up of what is the drift for the future? It may be granted that American underwriting has of late taken on a broader vision which is likely to become increasingly evident and this is as it should be, for America is rightly to be regarded as the field for fire insurance opportunity for the following, among other reasons:

1. It possesses the material insurable values.
2. The inherent risks due to climatic conditions and the nature of construction demand a high average rate so producing much revenue.
3. The development of resources provides a constant increase of insurable values.
4. The intelligence and prosperity of the people render them alive to the necessity of a protection for which they are well able to pay.

In the highly developed countries of Europe the income must continue relatively small because construction and climatic conditions are less hazardous while the temperament of the people is more conservative. Therefore the average rate of premium is, and will remain, far lower than can possibly be hoped for on this continent.

Mr. Lock's views on many points of interest follow:

Future Trend

If this be admitted it introduces the question what will be the trend as affecting companies individually? The answer would seem to be inevitable that the large companies must become larger and the strong become stronger; and this will continue to be so, subject to the limitations of individual incapacity of management or of sweeping catastrophe in conflagration or succession of conflagrations. This is said purely in the abstract, not for a moment belittling the honorable place filled in the past and at present by so many comparatively small companies. Let it be considered that generally speaking in the past generation the new and the small company has had an absolutely fair field, and even more than fair. The agencies all over the country are universally open to them on equal terms, the rating and other bureaus are generally at their service (often times availed of without the cost to them of membership), the adjustment of losses is facilitated by the settlements of the larger companies and the underwriting of the small company is frequently a reflex of that of the larger companies. Why, then, does the result of the race seem to be so inevitably to the companies already large and strong? Why is it that so many small companies at times taking on a fresh impulse fail to reach the goal and die in the courageous attempt while new companies organized under the best of auspices do not survive through the diseases of infancy, notwithstanding, their parents and nurses invariably see for them a glowing future which will leave companies like the "old Etny" speechless with jealousy?

Three expressions from the realms

The Gamewell Fire Alarm Telegraph Co.

Fire Alarm and Police Telegraphs for Municipal and Private Plants

OVER 1500 PLANTS IN ACTUAL SERVICE

GENERAL OFFICES AND WORKS
NEWTON UPPER FALLS, MASS.

AGENCIES
5708 Grand Central Terminal, New York
448 John Hancock Building, Boston, Mass.
1216 Lytton Building, Chicago, Ill.
335 Wabash Building, Pittsburgh, Pa.
915 Postal Building, San Francisco, Cal.
304 Central Building, Seattle, Wash
Utica Fire Alarm Telegraph Co., Utica, N. Y
Northern Electric Company Limited, Montreal, Canada
General Fire Appliances Co., Ltd., Johannesburg, South Africa
Colonial Trading Co., Ancon; Canal Zone, Panama
F. P. Danforth, 1060 Calle Rioja, Rosario de Santa Fe, Argentine Republic

[FIRE]
German American Insurance Company
New York
STATEMENT JANUARY 1, 1916
CAPITAL
$2,000,000
RESERVE FOR ALL OTHER LIABILITIES
10,146,941
NET SURPLUS
10,217,685
ASSETS
22,364,626

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $105,000,000
Losses Paid in U. S. - $38,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY

[of Liverpool, England]
ROYAL INSURANCE COMPANY LIMITED
THE LEADING FIRE COMPANY OF THE WORLD

WESTERN ASSURANCE CO.
OF TORONTO, CANADA
(Fire, Tornado, Ocean Marine and Inland Marine Insurance)
UNITED STATES BRANCH
January 1, 1917

Assets	$3,329,177.74
Surplus in United States	1,478,531.90
Total Losses Paid in United States from 1874 to 1916, inclusive	41,657,814.31

W. B. MEIKLE, President



Just say:
"Insurance Man"—
the open sesame to every courtesy within our power.

Room with detached bath $1.50 and $2.00
Private bath $2.50 and $3.00

BREVOORT Hotel
Insurance Headquarters
MADISON ST.—East of LaSalle
CHICAGO
LAURENCE R. ADAMS, Sec'y & Mgr.

1853 Sixty-Fourth Year 1917
FARMERS' Fire Insurance Company
YORK, PENNSYLVANIA

Assets (Dec. 31, 1916)	$1,116,968.00
Net Surplus (Dec. 31, 1916)	514,025.00

W. H. MILLER, President
A. S. McCONKEY, Sec. and Treas.

COMMERCIAL UNION ASSURANCE CO.
LIMITED, OF LONDON.
ANCHORA SALUTIS
THE LARGEST GENERAL INSURANCE COMPANY IN THE WORLD.
55 JOHN STREET, NEW YORK.

FRANK LOCK'S PAPER

of science suggest an answer, viz.: "The Law of Gravitation," "Natural Selection," "The Survival of the Fittest."

The New and the Old Company

How inevitable it seems that however attractive the prospectus of the new company it can offer only that which the old company already possesses in addition to the present resources, the skilled management, the trusted reputation gathered in the long life of the latter. If the new company does business at the same rate and terms it is powerless to seriously draw the clientage of the old company. If it cuts established rates or buys business at high cost it cannot live for the business is done by all of us at a narrow margin. Perhaps no business is based so wholly on confidence, on the trust of the community as that of insurance. A present payment is the pledge for the fulfillment of a future promise which possibly may not have to be redeemed for five years when it may prove the sole escape from dire calamity. Is it any wonder, therefore, that the best clients, agents and brokers gravitate to the companies of millions, proved by long years of character, managed by men of reputation and that this natural selection leads to the survival of the fittest? Is it not also perfectly evident that the cream of the business, thus seeking the best grade of company, makes for its added strength and size, so that they live and prosper where others struggle for a bare existence or go under?

There is in all this only what is quite within the realm of sound business economics, and there would seem no possible ground to justify any artificial restraint of such a growth of the great, nor should there be any concern to put bounds to the logical effects of such lawful causes. It must be emphasized that in my long career I have yet to see any concerted attempt on the part of large companies to hamper the small, or other than a generous mind to give all honestly managed concerns a fair chance.

Experience has shown that all efforts to foster companies as special pets of agents or brokers, or to cater to special classes, have proved futile. In a broad way neither agents nor the company will yield their support; therefore, we should be prepared to see in the future the business increasingly gravitate to the large companies, and this should not be regarded as a public menace.

Conflagrations

Amongst the problems of the future may be considered rightly the possible influence of the next conflagration or conflagrations. When and where will it come? What may be its magnitude? How can the companies meet it?

Some twenty cities might be marked as the major influences determining the underwriting status of this country. That is to say, but for them the business might be done either by a large number of comparatively small companies or by a few very large ones. Some underwriters estimate the possibility of a conflagrational loss of $500,000,000 at one or more points, which would seem not unreasonable. The underwriter who is not a gambler ponders such a possibility, and what may be the proportion of his individual company, for no underwriter is true to his trust who does not expect to be able to pay one hundred cents on the dollar in the time of trouble when the worst has happened. It is a matter of grave concern how such a loss might be financed in these war times. How could we sell our depreciated securities? How could we borrow on them? How could we get new capital to fill our depleted treasuries in the face of present-day conditions? If a satisfactory answer could not be given to these questions, what would be the position of the commercial world with the blanket of protection burned off, even for the supply of every-day normal indemnity, let alone the possibility of a conflagration following a conflagration? Surely there is need to gain and maintain reserves to the utmost limit, and here it is but justice to remember that a small company may in proportion to its liabilities, be the equal of a large company, if it measures its underwriting with corresponding prudence.

Re-insurance

Provided the tendency of gravitation and natural selection continue, then comes up the question of a proper distribution of liability by the companies for the individual large risk, and for the block liability. The ready resource of the foreign treaty has received a setback, and logical substitutes would seem to be that of (1) the re-insurance clearing house plan, (2) the extension of treaty relations with the smaller domestic companies, which companies may see a great opening, justifying some of them possibly in ceasing direct business entirely, (3) the attraction of new capital for purely re-insurance companies, which investment should prove far more attractive than any prospect of direct business. Indeed, in this lies possibly the most promising feature there is to be found in the fire insurance field ready to be developed at the present time.

Expenses

A constantly recurring problem is that of the cost of the business. Companies have, for many years, been put on the defensive with regard to the expense ratio, and much that is unreasonable has been alleged. **We might as well make up our minds that the business cannot be transacted at a low ratio of expense,** and furthermore as the average rate of premium declines, the average rate of expense may experience a tendency to rise. Nor should this be regarded as contrary to public interest. We transact what in fact is a retail business, involving a multiplicity of detail beyond the comprehension of the layman, whose mistaken idea is that there is nothing complex in the conduct of the fire insurance business; the truth is if it is to be conducted and not drift, heavy expense cannot be avoided.

Expenditure divides itself into three main items: First, company management; second, agency and brokerage

National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1917, to New York Insurance Department
LIABILITIES

Capital Stock, All Cash	$2,000,000.00
Funds Reserve to Meet All Liabilities, Re-Insurance Reserve, Legal Standard	9,912,715.84
Unsettled Losses and Other Claims	1,878,398.32
Net Surplus over Capital and Liabilities	3,743,747.60
Total assets January 1, 1917	**$17,534,861.76**

H. A. Smith, President — F. D Layton, Ass't Sec'y — F. B. Seymour, Treas.
G. H. Tryon, Secretary — S. T. Maxwell, Ass't Sec'y — C. B. Roulet, Gen. Agt.
SURPLUS TO POLICY HOLDERS, - - $5,743,747.60

1849 LARGEST FIRE INSURANCE COMPANY 1918
Chartered by the State of Massachusetts
Incorporated 1849 Charter Perpetual

SPRINGFIELD FIRE AND MARINE INSURANCE COMPANY
OF SPRINGFIELD, MASSACHUSETTS

CASH CAPITAL $2,500,000.00

Sixty-Ninth Annual Statement, January 1, 1918

ASSETS

Cash on hand, in Banks and Cash Items	$1,060,104.41
Cash in hands of Agts. and in course of collection	1,511,738.66
Accrued Interest, etc.	131,210.39
Real Estate Unincumbered	300,000.00
Loans on Mortgage (first lien)	2,628,670.00
Bank Stocks	1,986,932.00
Railroad Stocks	2,103,275.00
Miscellaneous Stocks	1,251,425.00
Government Bonds	324,250.00
Railroad Bonds	411,609.00
State, County and Municipal Bonds	522,260.00
Miscellaneous Bonds	1,165,855.00
TOTAL ASSETS	$13,397,329.46
Unadmitted Asset—Excess Canadian Deposit	173,296.12
ADMITTED ASSETS	$13,224.033.34

LIABILITIES

CAPITAL STOCK	$2,500,000.00
Reserve for Re-Insurance	7,226,190.15
Reserve for all unpaid Losses	817,123.31
Reserve for all other Liabilities	155,000.00
TOTAL LIABILITIES	$10,698,313.46
NET SURPLUS	2,525,719.88
SURPLUS TO POLICY HOLDERS	5,025,719.88
LOSSES PAID SINCE ORGANIZATION	$72,282,788.89

A. W. DAMON, President — E. H. HILDRETH, Secretary
W. J. MACKAY, Vice-President — PRIOLEAU ELLIS, Asst. Sec.
G. G. BULKLEY, 2d Vice-President — F. H. WILLIAMS, Treasurer

Western Department, Chicago, Illinois
A. F. DEAN, Manager
J. C. HARDING, Assistant Manager — W. H. LININGER, Assistant Manager
E. G. CARLISLE, 2d Assistant Manager — L. P. VOORHEES, Cashier

Pacific Coast Department, San Francisco, Cal.
GEO. W. DORNIN, Manager — JOHN C. DORNIN, Assistant Manager

Agencies in all Prominent Localities throughout the United States and Canada

Metropolitan District Agent
CHAS. G. SMITH — 1 Liberty Street

commissions; third, taxation and governmental imposts.

Company Management

As to the first of these, the fixed charges of salaries, rentals, inspections, stationery, maps, traveling, etc., show a tendency to constantly increase for well known causes, but for many reasons this is wholesome when it is borne in mind that it carries with it great service to the public, for the great fire preventive force of the country is the fire insurance profession. Inspections of buildings in the country run into the millions annually, effecting reduction of the fire waste through the indication of fire hazards by thousands of trained experts to an extent which can hardly be measured. Our institutions such as the National Board, Underwriters' Laboratory, our rating and inspection bureaus the cost of maintenance of which while high yet directly tending to the reduction of the fire waste cannot be dispensed with.

Production Remuneration

As regards the second class of expenditure—commissions and brokerages—it is a moot point whether these are too heavy or not. It depends on the point of view as to whether there are too many agents and too many brokers, as to which a few words are said later on. For those actually engaged in the business, there can be no question but that they are not overcompensated. It is true that a few of the largest brokers and the largest agents receive compensation individually far exceeding that of salaried officials, but their number is very small, and the great rank and file doubtless do not receive excessive compensation. Another question of perhaps greater importance is as to whether the general basis of compensation is not wrong. In a business having the peculiar features of fire insurance, where so much depends upon knowledge which the local agent possesses and no one else, it is an unsettled question whether a contingent profit-sharing basis of compensation is not the correct one. Personally I think it is. Expressed briefly, the present basis of compensation tells all in favor of the reckless agent, the man of little judgment and less conscience as against the agent of good judgment and good conscience. It is a severe strain upon human nature that the latter class of agent should see his compensation kept low as a consequence of the very loyalty he shows to his company, while the man who is indifferent to such considerations makes the larger income. It would seem that it should only need to state the proposition to have it considered upon its merits, for the conscienceless agent ought not to be rewarded and the man of high principle penalized; yet so far I seem to be in a minority in this matter, even if a large minority.

Taxes

As regards the third class of expenditure, including Federal taxation, State licenses, municipal imposts and all that kind of expense, it can be pointed out that it is a levy upon the thrifty section of the community and inequitable in character, nevertheless the taxation of the business seems to be regarded as a legitimate means to raise revenue by all authorities from the Federal Government down to the village fathers. Of course it may be argued with some force that it is none of our concern what the authorities choose to do in the way of taxation, and this is so far true that after all we are but collectors of revenue, the money cannot and does not in the ultimate analysis come out of our funds, it is an added impost to the premium income; at the same time, one cannot help regretting that a manner of revenue collection so wasteful should be permanently established and be the subject of constant expansion, for it must be evident that in a percentage impost upon premiums, about forty per cent. must be added for the cost of collection, that is to say, a dollar which is handed over to the authorities has cost $1.40 to obtain from the policyholder, the 40 cents representing the ratio of expense of the business, and it would certainly seem a matter of political economy that better ways of raising revenue could be devised than to make the Fire Underwriters tax collectors.

Rates

It is perhaps a little out of order to put the topic of rates so far down in this paper, seeing that fundamentally it underlies the whole business. The observant underwriter thinks he can note a method with more than a suspicion of scientific basis emerging out of the old time empirical rate making systems. Even yet however we must not regard any system as final nor as more than tentative. I was somewhat disturbed recently to find official advocacy of an important rate making system about to be adopted over a large section of this continent based upon the plea that "the system had already been in successful operation some fifteen years in over twenty-two States of the Union."

This does not seem to me a logical argument for the adoption of a rating system. Some of us are old enough in the business to remember the tremendous advance marked by the formulation and adoption of the Universal Mercantile Schedule. That the framers of that splendid schedule thought they had reached finality I do not believe, but seeing who they were, it is highly improbable they regarded their monumental work as other than a vast advance on anything then existent. In any event, it provided a good working basis for many years and sure ground upon which others could build. The Dean Analytical System is admittedly a splendid piece of work, and a far step in advance, but it cannot be regarded as finality. Yet again there has been work which has attracted much attention in the East in what is known as the L. & L. schedule, formulated under the immediate direction of some of the ablest minds in our business and which many of us think, had no other systems been actually occupying the field, might be adopted as the best of all yet evolved.

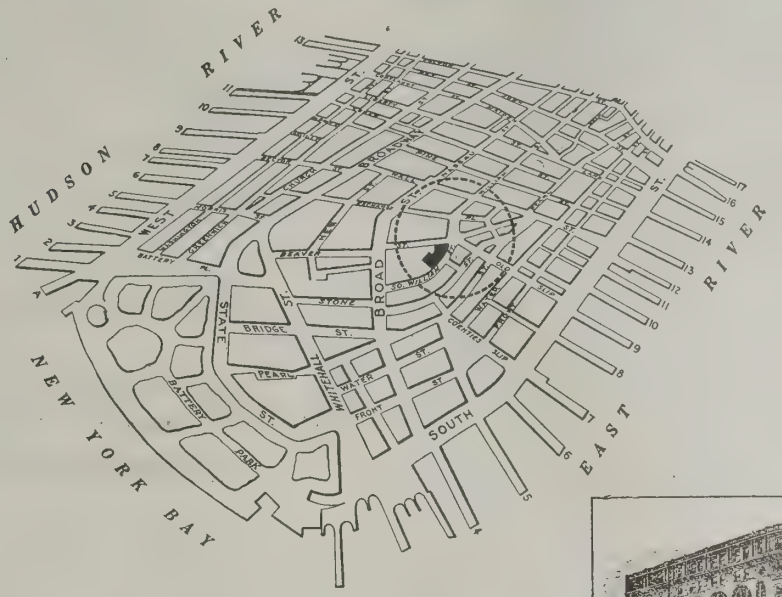
The Actuarial Bureau

Work in recent years of the National Board of Fire Underwriters in its very thorough examination and grading of cities by individual features and hazards has lent great aid to the development of rating systems, of which they are bound to avail themselves. Beyond this again lies the work of the Actuarial Bureau of the National Board of Fire Underwriters, which bureau receives and compiles statistical information concerning the writings and losses of the whole business of the United States. It seems inevitable that this information rightly handled by experts must eventually furnish invaluable light for rating methods. What the future calls for is the removal of rule of thumb methods and the substitution of the most approximate (if not exact) knowledge for what at the present time is nothing but guess work in our basic charges and our credits and debits.

The E. G. R. System

The rating system known as the E. G. R. is one which in my opinion has yet to be reckoned with; the lines along which the rating work of the future will move must, I think, take into account all established data of our business to be suitably expressed in percentage relatively. It is easy to see why fire insurance ratings must ever remain vastly complex; why they can never approximate even to the comparative simplicity of marine, let alone the absolute simplicity of life in-

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

San Francisco Losses
Amounting to $4,522,905.00
paid PROMPTLY IN CASH
WITHOUT DISCOUNT, from
funds largely supplied by head
office in Liverpool

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus, . . - - - - -	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - -	1,051,543.00

Liverpool
AND London
AND Globe
Insurance Co.
LIMITED

Over $152,000,000.00
Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

surance rates, for the features which have to be considered are not numbered by the hundred, but by the thousand, so that at the best we never can reach further than gradual advancement by the use of known facts, constantly increasing the measure in which we possess them, every one of which shall help us to discard some previous rule of thumb or guess work.

After all, in the final analysis, so far as regards the public, the first great point with them is that the Fire Insurance enterprise in its entirety after paying its losses, administering its business with a reasonable ratio of expense, does not show an excessive profit retained by the companies. That point being reached, then the great concern perhaps even more weighty with the public than the first, is that so far as possible, discrimination as between man and man, and risk and risk, should be eliminated. The objection from the public against our business is not so much to the actual rate paid, as to the superficial appearance of unfairness or discrimination. Indeed, it is not hard to show that the tax upon the national industry or per capita is far from oppressive, and the tendency in rates is to decline, yet not for many a long day can there be any deep cut in the present average rate of premium.

Anti-Discriminating Statutes in Themselves Discriminate

While on this topic, referring to this question of discrimination, it is to be noted that public officials are greatly concerned upon that point and laws are framed prohibiting under heavy penalties discrimination in the application of rates. The framers of them fail to see that as at present applied, "anti-discriminatory" statutes are in their very nature "discriminatory" in a very serious degree. The failure to see this is due to the common misconception that insurance companies insure "property," when as a matter of fact they insure "persons." Actual discrimination lies not so much in different charges for like physical hazard as in the necessity imposed by law upon underwriters of charging all men alike for like physical hazard. This is inherently unjust, although perhaps the injustice is both difficult to indicate and to cure.

Let me try to illustrate. Given two brick buildings of equal area and height, each equipped in like manner for the same manufacturing purposes; anti-discriminatory laws impose it upon us that we must make the same rate for each of the factories so built, equipped and protected and it looks equitable. Now the owner of one is a man of poor business capacity, of low financial standing and integrity. The owner of the other is a man of high integrity, good business ability, of sound financial condition, who maintains and runs his plant in the highest degree of efficiency—yet the laws of many States forbid us to recognize those features and compel us to charge the same rate to each man and the tendency of our own voluntary rating machinery is to the same end for almost all of our charges are based on the physical features of property. That is real discrimination as between man and man. The first man is almost, if not quite uninsurable. The other could be gladly and profitably written at perhaps half the average rate, yet we are not permitted to show that proper discrimination because of the accident that upon survey the physical features of the plants are alike.

This tends to show the folly of limiting by legislation or by our own rating machinery the functions of the underwriter, which depend in the present as in the past and as they always will in the future, upon personal judgment. Nothing will ever displace judgment in successful underwriting, notwithstanding that the tendency both of the companies themselves and of the State authorities goes far too much towards turning the whole thing into a matter of routine machinery.

Co-operation

Another problem of the future is the question of co-operation and its limitations. Many of the larger States, at any rate in the East, are reaching the conviction that co-operation and standardization of methods are the proper line on which the fire insurance business should be conducted and that it is well in the public interest that all companies in a State should be members of the same rating and inspection bureau. Competition is regarded, rightly, as inimical to the interests of the public, expensive and inefficient. While recognizing this it is not overlooked that the danger which might grow from this is that power so permitted to the companies might be abused. It should be admitted that a reasonable State supervision with a court of appeals established in the insurance department to which apparent hardships might be taken supplies the needed basis of fair play so that the public may safely entrust themselves to the companies conducting their business on these lines. If the latitude extended should be abused, it would not take long to bring new capital into the business or to secure restraining influences from the State powers.

Classes of Indemnity

Another question of the day which arises is to what extent may fire insurance companies legitimately embark in other classes of indemnity. It would seem a safe principle that the companies which now transact fire, tornado, sprinkler leakage, profit insurance, marine and inland transportation, war and explosion, hail, automobile insurance, mail losses, etc., might without injury to the public and with much convenience to it, be suffered to transact all classes of indemnity affecting material values, and the profits upon them, as distinct from life and accident insurance to the person. In other words, why is it not a good thing to concentrate, so far as possible the transaction of business into as few channels as possible for the sake of efficiency and economy and the convenience of the public? Beyond the things indicated there would seem little left to be practically effected. Insurance against crop failures may take more definite shape and the question of loss by floods may reach some kind of a practical basis, although at the present time no practical plan at a reasonable cost has been formulated.

Dangers

What dangers affect the business in the future, if any? The one chief danger would appear to be that of the extension of State rate making. The business is one so essentially of distribution and of averages to be derived from the widest possible scope, that every attempt on the part of a State to put up barriers around its frontiers to make it self-contained, is a violation of the fundamental principle of fire insurance. The business itself is so essentially different from, say, manufacturing, railroads, telephone or telegraph companies that the making of rates by State authority which can be accepted and preserve the integrity of

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET NEWARK Phone Market 6536 | SERVICE FIRST | 80 MAIDEN LANE NEW YORK Phone John 4560

WILLIAM C. SCHEIDE & CO., Inc.
HARTFORD, CONN.
Re-Insurance in All Branches

WALTER F. ERRICKSON
38-40 Clinton St., Newark, N. J. 95 William St., New York
Representing
THE GERMANIA FIRE INS. CO.
For Automobiles
Special facilities for out-of-town business.

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JERSEY CITY, N. J. 1 Montgomery St. Tel. 216 Montgomery
BROOKLYN, N. Y. 153 Remsen St. Tel. 2504 Main
NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

THE YORKSHIRE INSURANCE COMPANY, LTD., OF YORK, ENGLAND
ESTABLISHED 1824
The "Yorkshire" is the Oldest and Strongest of the English Fire Companies not heretofore represented in the United States
U. S. BRANCH
Frank & Du Bois, United States Managers Ernest B. Boyd, Underwriting Manager
Harry F. Wanvig, Branch Secretary Frank B. Martin, Supt. of Agencies
NO. 80 MAIDEN LANE, NEW YORK
New York Life Insurance and Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENTS—METROPOLITAN, Willard S. Brown & Co., Managers, New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Manager, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Managers, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, Manager, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, Manager, McClure Kelly and McKee Sherrard, Assistant Managers, San Francisco, Cal.

INCORPORATED 1720
Royal Exchange Assurance
LONDON, ENGLAND
United States Branch
92 William Street, New York
RICHARD D. HARVEY
United States Manager

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

the companies would seem to be impossible. The cost of factory products, of hauling a ton or a passenger a mile or of sending a message are all ascertainable and controllable, but the cost of insuring a risk or a group of risks has never yet been fathomed. State rate making functions are bound to break down in the time of great emergency when it is supremely essential that the companies must have the right to deal direct with the public; as, for instance, after such an emergency as the San Francisco conflagration.

As before said, there seems to be some jealousy of the companies through success moderate as it is in any instance, or abuot the accumulation of their reserves, but after all is said and done, criticism might much better be directed against the insufficiency of reserves rather than their over weight; let us never forget what those reserves have to meet. Such as they are, they are not large and the fire insurance business has never been a drain upon the wealth or the resources of the nation.

Operation Methods

The methods of operation raise the question, will they continue as now or will they materially change? It is not inconceivable that the time may come when, to a large extent, there may be a reversion to direct dealings of the insured with the companies. It would seem probable that if the number of companies shows a tendency to decrease and the business to concentrate into fewer hands, this may mean fewer agents and fewer brokers, and whether this should be regarded as an evil, depends on the point of view. If it is regarded as essential that the vast number at present in the business must be perpetuated in it then every effort should be made to multiply the number of companies in order to provide the multiplicity of representation; but another side to the question is whether the business as a whole would not greatly benefit by higher qualifications for agents and brokers. This would mean an elimination of a large number who have no great reason to be in it and the concentration of their business into the hands of those really qualified to handle it with some measure of expert knowledge and success. No agent who is worth his salt need fear such a concentration. On the contrary if with a contingent feature, he might even contemplate a reduction in the present scale of compensation as yielding a better net income and a better standing generally in the business and that in this manner might come about the solution of the problem of how to meet the increased cost of existence. It is axiomatic that no legislation would be needed to secure any such reduction in number of agents if good companies would ever see that they are represented by none but good agents, and if good agents would ever see that they represent none but good companies. Given these two features and the whole situation would take care of itself.

BROKERS!

KEEP POSTED
BY READING

THE EASTERN UNDERWRITER

Subscription $3 a Year

Tells Business Men of Mutual Fallacy

A DEBATE IN WHITE PLAINS

T. Frederick Lee Says 2,400 Mutuals or Cut-Raters Have Closed Up Shop

Before the Business and Professional Men's Association of White Plains, N. Y., T. Frederick Lee, of Clark, Lee, Tibbits Co., speaking for stock company insurance, and Frank P. Tucker, of Albany, secretary of the Co-Operative Fire Underwriters' Board of New York State, held a joint debate on insurance a few nights ago. Most of the insurance agents in town were present, and Mr. Lee walked away with the honors, judging by the space given to the speakers in the local press. The premium income of White Plains in stock companies is about $100,000.

In his talk Mr. Lee discussed the theory of insurance, rate making, cut rates, co-insurance, mutual insurance, White Plains' basis rates, standard buildings, use and occupancy insurance, term rates, protected residence rates, unprotected residences, fire prevention, the 10 per cent. increase, the adjustment of claims and the Suburban Fire Insurance Exchange. Mr. Lee, whose address is White Plains, has had his paper printed and The Eastern Underwriter advises up-State agents, particularly those in suburban or near suburban territory who have similar experiences with agitators against stock company insurance, or critics of stock company rates, to write to Mr. Lee and ask him for a copy of his argument.

The Cut Rate and Mutual Morgue

In discussing cut rate insurance he discussed the long list of cut-raters who make up the stock fire insurance company morgue. Then he switched to the mutuals and gave his opinion of them. He admitted that there is a sentimental heart clutch in the idea of mutuality. So much has been written about the loftiness and nobility of co-operation that the word mutual has a certain appeal, but time and experience show that the only safe insurance in the long run is that based on adequate rate and solvency back of the insurance carrier. A catastrophe may come any time and the only permanent insurance is that which spreads its liability over a wide area. In sixteen years 2,400 mutuals or cut rate companies have failed. It is true that the mutual has no capital stock on which dividends must be paid. Equally it is true that the mutuals have no capital stock with which to protect policyholders in case of emergency.

Two Cases That Preach Their Own Moral

Continuing, Mr. Lee said:

"Justice A. E. Sutherland, of Rochester, has handed down a decision affirming the report of Referee Peck in the action brought by the Skaneateles Paper Company, against the American Underwriters' Fire Insurance Company. The decision affects 1,200 policyholders in Onondaga County alone. He directed an assessment on the policyholders to make up a deficiency of $22,000, which amounted to $2.30 on each $1 of premium. There were 2,000 actions against policyholders held up pending the decision in this case.

"The Mutual Fire Insurance Companies of Syracuse, of which Frank L. Fuller is secretary, in January, 1909, levied an assessment on its policyholders amounting in the aggregate to $60,000. 10,000 policyholders in Syracuse and vicinity alone were affected by the assessment. Mr. Fuller said the mutual companies, insuring at the rate of 25 per cent. less than the line companies, in view of this fact were allowed to make assessments on their policyholders. If a man is paying a premium of $15 in the American Mutual Company, the 100 per cent. assessment will require of him to pay an additional $15. If we collect the assessment or a greater part of it, there will be absolutely no thought of asking for a receiver. We have adopted a platform of honesty and equality to all of our policyholders, and we intend to maintain it. We merely make this assessment because the press of business and accumulated liabilities require it and even under these conditions, we do not like to levy the assessment. He said a policy could not be cancelled.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

THE HANOVER
FIRE INSURANCE COMPANY

Incorporated 1852

The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.

R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y

HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK

HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

Agricultural Insurance Company, of Watertown, N. Y.

64th Annual Statement

Assets	$5,036,003.01
Liabilities	2,296,861.95
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,739,141.06

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent..NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

1849 "Old and Tried" 1918

GLENS FALLS
INSURANCE COMPANY
Glens Falls, New York

Abstract from its 68th Annual Statement January 1, 1918

Total Assets $7,157,222

LIABILITIES

Capital Stock	$500,000	
Unpaid Losses	631,934	
Reserve for Unearned Premiums	3,175,916	
Reserve for Taxes, etc.	198,034	
Reserve for Dividends	155,000	$4,660,884
Net Surplus Over All Liabilities		$2,496,338

Fire, Marine, Automobile, Tornado, Rent, Use and Occupancy, Explosion and War Insurance

T. Y. BROWN & CO., Agents, 77 William St., New York City
S. D. McCOMB & CO. (INC.), Marine Department
65 Beaver St., New York City

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

MARINE DEPARTMENT

First 1917 Marine Insurance Figures

LOSS RATIO UNDER 50 PER CENT.

What Seventeen Companies Report to New Jersey Department of Insurance and Banking

Annual statements of insurance companies transacting marine insurance indicate that the loss record for both marine and inland is close under fifty per cent. Returns from seventeen companies filed with the State of New Jersey show total premiums of $13,188,451, total losses paid of $6,222,362. The returns are filed, losses paid, instead of losses incurred and ocean and inland are not separated, but reported as a total. The figures filed up to Wednesday noon of this week follow:

	Net Prems.	Losses Pd.
American, N. J.	$ 562,618	$ 170,447
Camden	445,033	118,074
Columbia	475,873	321,923
National, N. J.	742,471	420,680
Agricultural	436,060	96,908
Concordia	3,962	47
Franklin	225,680	103,225
Home	1,743,024	736,070
Mass. F. & M.	820,125	327,880
Mich. Comm	231,556	90,586
Millers' National	30,076	6,968
New Hampshire	95,991	6,499
Providence-Wash.	2,498,416	1,357,971
British-American	48,756	30,960
Standard Marine	1,863,437	929,773
Union Marine	1,051,322	593,531
Western (Can.)	1,903,973	910,792

MARINE SQUARE

Board of Aldermen Asked to Change Name of Junction of Three Streets

By reason of the concentration of marine concerns in the vicinity of William, Beaver and South William Streets, the Board of Aldermen has been asked to give it the official name of "Marine Square," by which the district is now known among the trade. Many old and newly established marine insurance concerns have settled in this quarter during the past few months, the more notable accession being the purchase of the old Delmonico landmark at Beaver, William and South William Streets by Cecil P. Stewart and George A. Gaston, and renamed the Merchant Marine House, for the occupancy of such activities, the tenants-to-be now including the American Merchant Marine Insurance Company, F. B. Hall & Co., Wade Robinson, Northern Underwriters' Agency, R. Moore & Co., S. D. McComb & Co., the Smith & Hicks Agency, and other prominent concerns.

The desire of the marine insurance interests to have the locality so designated has the support of the Downtown League, formed some time ago for the betterment of the lower city in connection with removal of snow, subway debris, and other impediments to business.

MAKING CONCRETE SHIPS

It looks as though marine underwriters will have to study the concrete ship problem from an insurance standpoint, a contract having been let by the Shipping Board for ten ships of 3,500 tons each.

MAKES A HIT

General Praise for Marine Insurance Number of The Eastern Underwriter Received

The Marine Insurance Number of The Eastern Underwriter, printed on January 25, was favorably received throughout the insurance world.

"The Standard" of Boston, in commenting upon the issue, said in its last week's paper:

"The Marine Number of the Eastern Underwriter is one of the most timely and valuable bits of practical service yet done by any publishing concern.

"The carefully compiled articles on various phases of the too little understood branch of the business may be read with pront by all of the younger men and as well by some of the seasoned underwriters.

"Good work."

The "Weekly Underwriter," of New York, made this comment:

"The Marine Edition of The Eastern Underwriter was a distinct credit to practical insurance journalism and a reference number which every man interested in that line must preserve."

Among other interesting letters received was one from the insurance manager of the Emergency Fleet Corporation, who said:

Washington, Feb. 1, 1918.

Editor The Eastern Underwriter;

Just a word of appreciation of the brief though comprehensive article, "Real Story of the Emergency Fleet Corporation's Insurance," in your Marine Insurance Edition. It covers the ground completely.

The writer, now manager of the Insurance Department of the United States Shipping Board Emergency Fleet Corporation, was for seventeen years identified with the Insurance Department of the United States Steel Corporation in the conduct of their insurance fund, the same scheme having recently been adopted by the Emergency Fleet Corporation.

Please enter me for a subscription to your paper.

GILBERT A. HAYS.

One of the life insurance men who praised the issue was D. F. Appel, vice-president of the New England Mutual Life, who said:

"I have received the special Marine Insurance Edition of The Eastern Underwriter and have read it with much interest, and I wish to congratulate you upon what I consider a remarkable production of insurance journalism.

"The advertisement of the Queen Insurance Company on the front page and that of the North America on the last page are pleasing and artistic, and all others are put up in an unusually attractive style.

"I am sure the underwriters interested in this venture have every reason to feel satisfied with what you have accomplished."

NORTH AMERICA'S AD

In the Marine nnmber of The Eastern Underwriter the advertisement of the Insurance Company of North America, one of the most attractive in the issue, had a word left out in the second paragraph: the word "later." Corrected, the copy read as follows:

That little fleet of crude sailing ships that left Thebes about 4000 B. C. to trade with the merchants of Punt is the first record we have of a water journey in the interests of foreign trade.

And marine insurance is indirectly a development of this all but forgotten voyage of antiquity, although our earliest record of marine insurance is dated about 5000 years later.

Marine insurance in America did not assume the proportions of a serious business until the organization of the North America in 1792 and its incorporation two years later. This event marked the wane of individual underwriting. The North America has ever since been closely associated with the development of American and International shipping—and as a result of 125 years continuous service it is today offering shippers and owners a service that is almost unique in its completeness.

A. Bollaert, of 32 Nassau Street, New York, has written to fire insurance men, has asked a number of American fire insurance companies if they do not want to be represented in France. He has been asked by a well-known French insurance man to act as intermediary in arranging such representation.

MARINE SOCIETY ELECTION

Captain John W. Brewster was elected president at the annual feeting of the Marine Society of the City of New York. Other officers, elected are first vice-president, Capt. Arthur B. Conner; second vice-president, Capt. Harting A. Bagger; treasurer, Capt. J. H. Chamberlain; secretary, Capt. W. A. Pendleton; counsel, Montague Lessler.

CLOSE BOSTON OFFICE

Henry E. Otto & Co., Inc., New York and Boston, have closed their office at 4 Liberty Square, the latter city, due to five members of the staff having joined the army. One of the number, a brother, is in the Aviation Corps.

Evalenko Leases Building

(Continued from page 1)

acity. The premiums of these two companies in 1917 in England alone amounted to $12,000,000. It is through the Eastern Marine Underwriters that it is proposed to enter the Eastern Company of Warehouses Insurance and Transport of Goods with Advances, Ltd., of Russia. The capital of this Company has been increased to thirty million roubles and it has merged with the Kavkaz (Caucasus) & Mercury Insurance Company which also has a capital of thirty million roubles. The activities of both these companies are in the main that of common carriers, owning a fleet of about five hundred vessels, passenger and freight. The combined gross assets of the merged companies will be about 400,000,000 roubles, which, at the old rate of exchange (fifty cents to the rouble), equals $200,000,000. Whereas the Kavkaz & Mercury Insurance Company does not do any marine insurance business, the Eastern Company of Warehouses Insurance, etc., does both fire and marine, and the Eastern Marine Underwriters will handle the marine end of the business in New York just as soon as the necessary documents can be executed.

Heads Trading Company

George A. Evalenko, who has carried to completion the arrangements for occupation of the buildings in Beaver Street as a marine insurance center, is president and treasurer of the Bi-Continent Trading Corporation, which is a large export, import and shipping concern, with headquarters at 111 Broadway. In fact, it is an old company under a new name, having been known for years as A. M. Evalenko, Incorporated. It was because of the additional marine insurance facilities required by the American market that Mr. Evalenko decided to bring his connections into operation and organize the Eastern Marine Underwriters for that purpose. The company's temporary headquarters is at 111 Broadway.

EASTERN MARINE UNDERWRITERS, Inc.

GEORGE A. EVALENKO, President

MANAGERS
OF THE
MARINE DEPARTMENT
OF THE
EQUITABLE UNDERWRITERS
OF
NEW YORK

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CASUALTY AND SURETY NEWS

Not Anxious to Write East Side

OPINIONS OF LIABILITY MEN

Prediction that Later Experience Will Show New Rates Inadequate

In spite of the heavy increase in landlord's and tenant's liability rates in Manhattan, there appears to be little inclination on the part of New York managers to write the lower East Side business freely. Classification 4, in which this section falls, has become so bad that rates are now a secondary consideration. Under the new rating plan a 25 x 85 tenement of five floors will cost the landlord $118.75 to insure. There are companies which have been getting $100 and $125 a house, flat, and they are not particular whether they get the business. One office was on that East Side business for fifteen years and tried it both ways—paying and contesting. This office finally gave it up in disgust and now does not want it, rates or no rates.

Experience May Have Changed

The new rates, high as they are, are based on 1913 experience, that being the latest available. One manager says he believes the present experience is at leat fifty per cent. worse than in 1913. If this is so the proposition resolves itself into something like this. The new rates are designed to cover a loss ratio of 47.8 per cent. and an acquisition and maintenance cost of 42 per cent., 89.8 per cent. altogether. With fifty per cent. added to the assumed loss ratio, for which the present rates are expected to provide, and allowing that the acquisition cost remains the same, a total loss and expense ratio of $139.8 per cent. is shown.

Legal Problem Difficult

The same tenement described above used to be written for $7.80, but no matter to what the rate has been advanced the number and cost of accidents has increased in proportion and has always kept well ahead. When one office talks of having experienced a five hundred per cent. loss ratio on the East Side, some idea of the conditions there is conveyed. Some persons complain that the companies have been too liberal in settlements, but what are they to do? The average company agent, inspector, claim man, attorney or any body else from the carrier, who works on the East Side, is practically in a foreign country where the whole population is leagued against him. The company attorneys are generally of a class which cannot be expected to devote the time necessary to delve into the intrigue and cunning of the East Side as would a lawyer who may have grown up among those people and who knows their ways. But, the companies often argue, we are not always sure of the loyalty of men whom by their closer association with East Side conditions, might be in better position to handle these cases.

An inspector will go into one of those human hives and before he has been there long the whole house knows what he is there for and they make it so warm for him that he very likely hotfoots it back to the office to recommend a settlement. If it is the middle of summer he is likely to return sooner than he otherwise would.

No matter if, as has been predicted, the new rates do not adequately reflect the present hazard, the re-classification and re-districting is regarded as a highly beneficial accomplishment and it is expected that because of it landlords will be compelled to use their influence to improve conditions. The East Side is not hopeless.

Fix Compensation of Disabled Men

Relation of Former Occupation to Injury, Age and Restoration Considered

Officials of the War Risk Bureau in Washington have been in consultation with the National Workmen's Compensation Service Bureau with regard to the best method for determining the compensation to be awarded to men who become disabled in the military service.

The Government proposes to follow a plan quite different from that in use in most of the States having compensation laws. The usual plan is to fix an arbitrary sum as compensation for the loss of a member and for other major injuries. This applies to all persons alike. For example, a bookkeeper, under the ordinary State compensation law, would receive the same amount for the loss of a leg as would a plumber. Of course, it is not contemplated that a bookkeeper will lose a leg as a result of an injury suffered in the course of his employment, but it might happen.

Like California Schedule

Then the question arises, how much more is the plumber's leg necessary to him in his work than the bookkeeper's in his and how shall this relative value of a member be determined and computed in dollars? The schedule of indemnities prescribed in the California compensation law most resembles the proposed plan of the Government in determining indemnities under the War Risk Act. The California schedule was prepared with the assistance of the bureau.

Present indications are that all those who return from the war disabled will be compensated, not according to a fixed schedule common to all, but one based on the immediate and prospective effect of the injury, with due consideration of the effect of the disability upon the injured's chances of continuing in his former occupation; also the age of the injured person.

Learning New Trades

As to age, it will be seen that a young man who has been injured and unfitted for the occupation in which he was engaged before the war has, because of his youth, a chance to learn something else and need not necessarily become a burden upon the Government for an indefinite period. In the case of the older man, he may be unable to adapt himself to new conditions or to learn a new trade.

Still another feature of the Government's rather pretentious program is consideration of the possibilities afforded through the marvelous development of surgery, to remove or lessen disabilities of injured soldiers and render them capable of earning a living, whereas formerly their cases would have been considered well nigh hopeless.

The Essence

of workmen's compensation insurance: correct classification; accurate rate-making; expert safety-first inspections; prompt payment of claims.

In the workmen's compensation department of the Maryland Casualty Company, Baltimore, there are two hundred and four people specializing on these various essential features of complete compensation insurance.

Vice-President F. Highlands Burns, directing this organization, has had eighteen years' experience as an underwriter of employer's liability insurance, and was one of the pioneers in the workmen's compensation field.

Agents able to offer insurance of this quality have a very considerable advantage.

MARYLAND CASUALTY COMPANY
MERITS COMPLETE CONFIDENCE

HEALTH BILL AT ALBANY

Compulsory Act Backed by Labor Leaders Covers Sickness and Accident

The proposed compulsory State health insurance bill being discussed in Albany is said to have the backing of the State Federation of Labor. The proposed law would be administered by the State Industrial Commission. All workers under contract for hire, with a few exceptions, regardless of their earnings, are to be insured without physical examination against sickness and accidents not covered by the compensation law.

The indemnities would include medical, surgical and dental care, nursing attendance, medical supplies, etc., and would give each person free choice of a physician.

Minimum and maximum weekly benefits are fixed at $5 and $8 payable for 26 weeks. Contributions to the insurance fund are to be made in equal amounts by employer and employe. The State will bear the cost of supervision.

General Accident
FIRE AND LIFE
ASSURANCE CORPORATION, Ltd.
SERVICE THAT EXCELS
FREDERICK RICHARDSON, United States Manager
GENERAL BUILDING · 4TH & WALNUT STS.
PHILADELPHIA

UNLEVEL PREMIUM RATES

Provisions in New Disability Policy Being Issued by Globe Indemnity

Presented here are some sample annual rates for the Globe Indemnity's new accident and health policy which it is selling on the unlevel premium basis.

Principle sum $1,000 with $15 a week, accident only, $8.60; accident and health, $29.60. Thirty dollars a week, $15.50 and $57.50 respectively; fifty dollars a week, $24.70 and $94.70 respectively; one hundred dollars a week, $47.70 and $187.70 respectively.

For $5,000 and $50 a week the rates are $31.50 for accident and $101.50 for disability. The policy provides the following accident benefits:

Specific losses paid within 12 months irrespective of disability and any time during a period of total disability; weekly indemnity payable as long as insured lives and is totally disabled; intermediate disability paid for 52 weeks, partial, 52 weeks; hospital indemnity paid for 15 weeks and in addition to other indemnity; operation fees paid in addition to hospital indemnity; large elective indemnities; doctor's bills paid when injuries do not disable; liberal double indemnity provisions.

Illness: Specific losses paid in addition to weekly indemnity; house confinement not required; partial disability covered; hospital indemnity paid in addition to regular indemnity; operation fees paid in addition to hospital indemnity; doctor's bills paid when illness does not disable; no travel restrictions.

PICKED UP ALONG WILLIAM STREET

A Man Who Has Many Friends

Peter Epes, agency manager of the Georgia Casualty Company, who with Mrs. Epes was given a silver service upon the twenty-fifth anniversary of their marriage by officers and heads of departments of that Company, is a



PETER EPES

Virginia man who started work when a boy of sixteen and has been diligent and conscientious and has progressed steadily ever since that time. From 1891 to 1896, he was a telegraph operator. He became one of the fastest in the South, but sought a larger field. In 1897 he embarked in the insurance business in Norfolk, Va., representing a long list of companies, including the Fidelity & Casualty, London & Lancashire, Palatine, Orient, Philadelphia Underwriters, Germania and Equitable. In 1901 he moved to South Carolina and opened a general agency in life insurance. Always, he made friends and when he went with the Georgia Casualty he increased the circle of his acquaintance and built up a clientele that is of unshaken and devoted loyalty to the company and to Mr. Epes.

* * *

Manager in Chicago

The United States Fidelity & Guaranty announces that I. K. Cruett, who has been connected with the home office, will go to Chicago as manager of the casualty office. He succeeds Mr. Claypoole, who is now in the army.

* * *

Plate Glass Men Change

Seabrook Thomas, assistant manager of the plate glass department of the Fidelity & Deposit, goes with the New Amsterdam Casualty as manager of the plate glass department. Robert A. Dobbin, superintendent of the plate glass department, has accepted a position with the United States Fidelity & Guaranty. In the future, he will have the title of supervising special agent.

* * *

Fine Collection Work

Some remarkable work is being done by J. W. Lyon, industrial general agent for the General Accident at Shelby, Ohio, in collecting annual premiums. Mr. Lyon made a big December drive in Ohio for annual premiums and in addition to remitting between $400 and $500 gross in December for monthly premiums, he sent in an aggregate of $1,258.16 gross proceeds of 90 annual premiums which he collected on industrial business in December. This is a notable achievement. It affords much relief to the insured, to Mr. Lyon and to the home office to know that during 1918 there need be no worry about the premiums on those 90 policies nor any unnecessary labor in collecting and recording them. The lapse ratio is also reduced to nil. The achievement is noteworthy in that it represents Mr. Lyon's own personal efforts—he does not include in the list any annual premiums on the business of his sub-agents.

There is a lesson in this for every industrial agent. By campaigning for annual premiums the lapse ratio is reduced and valuable time is released from collection work to devote to new business. Mr. Lyon's strong drive in December for annual premiums prompted the company to find out what he has done in this direction during all of 1917. He obtained 351 annual premiums on industrial business, the gross proceeds of which amounted to $5,263.72, an average of over $100 a week.

* * *

New Maryland Assurance Agents

In its accident and health insurance department the Maryland Assurance Corporation has appointed the following agencies: The Laws Insurance Agency Company, Cincinnati; R. R. Rosborough, Jacksonville, Fla.; Tiernon & Co., Buffalo, N. Y.; Donald C. Butcher, Freehold, N. J.; The Fred P. Thomas Company, Cleveland, Ohio; Burnett & Stone, Warren, Ohio; The Guernsey-Newton Company, Spokane, Wash.; The G. A. Gescheider Company, Steubenville, Ohio; Albert L. Ivins, Red Bank, N. J.; H. E. Marsden, Lisbon, Ohio; T. T. Tongue and Company, Baltimore, Karshner, Krumm & Co., Columbus, Ohio; Haskins Agency Company, Detroit, Mich.; Alford & Baker Company, Chicago.

* * *

Judgments Against Insolvents

In connection with endorsements on liability policies, the attorney-general of New York has held that an insurance company cannot require that a judgment must be taken against an insolvent assured.

New Amsterdam Casualty Company

A Progressive

SURETY AND CASUALTY

Company

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

SEMI-ANNUAL STATEMENTS JUNE 30, 1917

Assets	$14,005,236.30
Liabilities	10,395,192.68
Capital	1,000,000.00
Surplus over all liabilities	2,610,043.62
Losses paid to June 30, 1917	58,554,792.60

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation-Steam Boiler Insurance; Fly-Wheel Insurance.

Fidelity & Deposit Re-insurances

The Maryland Assurance has re-insured the accident, health and disability business of the Fidelity and Deposit in Missouri, Mississippi, Oklahoma and California. All casualty risks in Texas and Illinois have been re-insured with the Continental Casualty of Chicago.

* * *

A. L. Adams to Make Run

Allison L. Adams, of the United States Fidelity & Guaranty, at 47 Cedar Street, New York, is being energetically boomed for Congress in the eighth congressional district, Brooklyn. This district was formerly represented by Daniel J. Griffin, who resigned to run for sheriff and was elected. Mr. Adams is an organization Republican and is likely to receive the nomination as the leaders of the assembly districts making up the eighth congressional district look with favor upon his candidacy.

* * *

S. E. Jackson, Branch Manager

S. E. Jackson, of Oakland, Cal., has been appointed branch manager by the Globe Indemnity for all lines. He was formerly with the Fidelity & Deposit in a similar capacity.

Do You Know that a DIGEST OF WORKMEN'S COMPENSATION CASES IN THE HIGHER COURTS

Is published on the third Saturday of each month in THE WEEKLY UNDERWRITER? These digests cover every state and territory where Workmen's Compensation Laws are now in effect. This department has been conducted ever since Workmen's Compensation went into effect in each state, and is **complete up to date.** It is indexed every six months and numerous cross-references are made to parallel cases both in the courts and before the Industrial Boards. FULL TEXTS ALWAYS AVAILABLE. Industrial Board decisions are reported every week.

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The Weekly Underwriter

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GLASS PRODUCTION CUT

Jobbers Urging Prompt Buying While Stocks Last—Fifty Per Cent. Reduction

What has been long forecast in the plate glass business has taken place. The production of plate and window glass throughout the country is to be cut fifty per cent. in 1918 in line with the Government's policy to slow down on industries engaged in other than war work.

The new trade discounts indicate an advance in window glass, but so far the plate glass discounts remain unchanged. Important jobbers are advising their clients and those who contemplate being in the plate glass market in the next eight months to get their orders in as soon as possible as present stocks cannot last long even at the prospective new discount levels.

The wages of skilled labor in the hand and machine glass works have been advanced 25 to 30 per cent. as of the beginning of the present "fire." Production is, during the temporary Federal fuel schedule, down to 75 per cent. of capacity, and there are some lines and sizes of glass that are already out of the market. No glass will be obtainable in the New York market before April, and so the entire district is taking glass from meagre jobbers' stocks.

By means of its carefully kept records the Maryland Casualty is enabled to cast an illuminating side light upon the plate glass insurance business and the increasing cost of transacting that line. Glass cost advanced to such an extent in 1917 that while the average claim for 1915 was $18 and for 1916 was $21, in 1917 the avereage was $26, an increase of 44 per cent. over 1915. The total number of claims in 1917 was a trifle over six thousand. The greatly increased cost of new glass carried with it the corollary of augmented value of existing store fronts and this led to the acquisition of many new and uninsured risks.

CASUALTY AND SURETY POINTERS

John T. Stone on Cancellations

Cancellations, says President John T. Stone, of the Maryland Casualty, is the only really black spot in the record of an otherwise remarkably good year. "And," he continues, "it is very black. Indeed, it is, in all soberness of speech, appalling to contemplate the enormous waste of time, skill, energy, materials, postage and money put forth by agents, underwriters and employes of every sort in receiving, examining, recording, charging and inspecting these cancelled risks. Then there is the free insurance the company is compelled to furnish on them. The holder of a cancelled policy gets all this service, and full protection for the period the policy is in force, and pays not a cent for it. The total of our cancellations in 1917 was $2,862,924. This means that the equivalent of a fairly good sized company's total business was handled by us without a cent of income; but costing just as much, in expenses, as though it had produced $2,862,924 in premiums. Some of this is unavoidable, we know. Policies are sometimes cancelled and rewritten for good reasons. Occasionally, in perfect good faith, a patron will find it necessary to annul an order. Some return premiums on audited policies are included in the figures given, although there were not many such items in 1917. But, after deducting all these legitimate discounts there remains a great mass of cancellation waste, almost if not quite all of which would be saved if our agents would follow our instructions to place no policies without a definite order for them."

* * *

Big Burglary Business Written

If there are any agents—and we believe there are—who think burglary insurance is not worth soliciting because the premiums are small, they may find encouragement in the experience of the General Accident. As an example of the premiums robbery risks can produce the company calls attention to the following lines which have been written within the past month:

Amount of Policy	Premium
$426,000	$1377.51
10,000	110.81
5,000	96.19
100,000	307.80

Nine mercantile risks of the best kind aggregated $929.90, or over $100 on an average for each. One safe policy carried a premium of $164.05 for one year and several residence policies contributed an average $75 each. This shows that there is a field for large burglary premiums for agents to work. If in the habit of quoting a rate for $1,000 insurance, begin today to quote the rate for $5,000 and let the amount come down to the needs of the applicant. You cannot always increase your quotation, but you can reduce it and sell a policy. Go after the big risks in your territory.

* * *

False Economy Discussed

The "Federal," published by the Federal Life, Chicago, makes a point that is of interest to insurance men at this time: "False ideas of economy lead people to defer applying for insurance. The idea is that the money should be held for the present, and sometime later, when things look better, we will take out a policy. In the meantime, we can do better by putting that money in the bank. No siren ever uttered words more baneful in the ear of the victim than those by which we proclaim our intention to put money in the bank in order to carry our own insurance protection. Just one little review of the past will demonstrate how often this fails, simply because we do not put that money away; and when you add to that the one thousand and one things which interfere without our consent, all the way from broken legs to death itself, the review is very conclusive.

"True economy here would dictate taking out insurance. The preservation of the family is the first and most important of all economies, and the head of that family should arrange things so that when he or she drops out, things will go on without that terrible wrench which so often follows death. The stabilizing influence of the home should remain, along with the educational opportunities that go so far toward making the individual a good citizen.

"One man not long ago paid this Company about $40 and his family received $1,000. If that kind of economy is objectionable, Mr. Hoover is asking the impossible."

* * *

Something for Nothing

In the conduct of our work we must expect that some person without honor will use our business as a cloak to hide behind while he gathers in a few spare dollars of the person who seeks to get something for nothing. Pay no attention to this "competition," for as such it can find no place. You may still sell your goods at the regular market price to the regular people and some day when these other deluded folks come to and count their harvest you may sell to them also. The petticoat for a dime has not injured the general clothing trade of the regular merchant one bit. Neither will these "fly-by-night" schemes hurt you in the long run.—"The Standard Cog"

MARYLAND APPOINTMENTS

Hugh L. White, of Johnson City, Tennessee, has secured the agency of the Maryland Assurance Corporation of Baltimore, covering Eastern Tennessee, Western North Carolina and Western Virginia. The company also states that J. C. Hood, operating as J. C. Hood & Company, Jackson, Miss., has been selected as general agent of the life department of the Baltimore company for the entire State of Mississippi, except the northeastern portion. J. Pearre Wantz has been named agent at Westminster.

Robert F. Moore, agency secretary of the Southern States Life, Atlanta, has had a long siege of illness.

The proposed Virginia compensation law has been framed and resembles closely the Indiana act.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

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THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

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The National Life and Accident Insurance Company

NASHVILLE, TENNESSEE

Industrial, Life, Health and Accident Insurance in ONE policy

68th Annual Statement

ÆTNA LIFE INSURANCE COMPANY

AND AFFILIATED COMPANIES

ÆTNA CASUALTY & SURETY CO. AUTOMOBILE INSURANCE CO.

OF HARTFORD, CONNECTICUT

MORGAN G. BULKELEY, President

ÆTNA LIFE INSURANCE COMPANY

Capital Stock $5,000,000

Life, Accident, Health, Liability and Workmen's Compensation Insurance

ASSETS	JANUARY 1, 1918	LIABILITIES	
Home Office Building	$1,000,000.00	Reserve on Life, Endowment and Term Policies	$101,544,616.00
Real Estate		Additional Reserve, not included above	1,448,009.00
Acquired by Foreclosure $47,600.85		Premiums Paid in advance, and other Liabilities	1,781,179.31
Supply Department 75,000.00	122,600.85	Unearned interest on Policy Loans	312,009.76
Cash on hand and in banks	6,773,455.85	Taxes falling due in 1918	1,173,208.19
Stocks and Bonds	47,508,459.51	Reserve for special class of Policies and Dividends to Policyholders payable in 1918	3,621,339.26
Mortgages secured by Real Estate	61,990,138.56	Losses and Claims awaiting proof and not yet due	999,646.22
Loans on Collateral	982,619.00	Unearned Premiums on Accident, Health and Liability Insurance	5,206,803.28
Loans secured by Policies of this Company	12,091,876.24	Reserve for Liability claims	5,968,461.83
Interest due and accrued December 31, 1917	2,803,460.09	Surplus to Policyholders amortized basis for Bonds	18,529,172.06
Due from Re-Insurance Companies and others	31,340.08		
Premiums in course of collection and deferred premiums	4,207,449.36		
Amortized value of Bonds and Market Value of Stocks over Book Value, less Assets not admitted	3,073,045.37		
Total Assets	$140,584,444.91	Total Liabilities	$140,584,444.91
Increase in Premium Income	$ 6,768,123.05	**New Life Insurance Issued in 1917**	$202,664,856.68
Increase in Assets	9,285,820.41	**Life Insurance Paid for in 1917 ($185,707,587.68) and in Process of Collection ($8,110,194.00)**	193,817,781.68
Increase in Life Insurance in force	105,370,625.64	**Life Insurance in Force, Jan. 1, 1918**	572,916,282.45
Payments to Policyholders during 1917	19,875,699.75	**Paid Policyholders since organization in 1850**	318,710,609.48
Payments for Taxes during 1917	1,244,866.08		

Total Income in 1917, Ætna Life Insurance Company and Affiliated Companies $53,888,239.70

11th Annual Statement

ÆTNA CASUALTY & SURETY CO.

OF HARTFORD, CONNECTICUT

CAPITAL STOCK $2,000,000

JANUARY 1, 1918

ASSETS		LIABILITIES	
Cash on Hand and in Banks	$1,817,380.65	Premium Reserve	$3,146,106.22
Stocks and Bonds	5,068,788.00	Losses in process of Adjustment	1,986,848.09
Mortgages secured by Real Estate	1,544,100.00	Commission Reserve on Premiums in course of Collection	323,722.52
Loans on Collateral	586,815.05	Taxes Falling due in 1918	240,950.76
Interest due and Accrued December 31, 1917	97,162.92	All other Liabilities	141,537.92
Premiums in Course of Collection	1,555,876.22	Total	$5,839,165.51
Equity in Funds of N. Y. Excise Re-Insurance Association	47,864.92	Surplus to Policyholders:	
Due from Re-Insurance Companies on Paid Losses and Salvage Recoverable	91,556.52	Capital $2,000,000.00	
Other Assets	30,921.73	Surplus 2,855,883.02	4,855,883.02
Gross Assets	$10,840,466.01	Total	$10,695,048.53
Less Special Deposits and Assets not Admitted by Insurance Departments	145,417.48		
Total Admitted Assets	$10,695,048.53		
Increase in Premium Income	$3,208,630.18		
Increase in Assets	2,939,794.10		
Increase in Surplus to Policyholders	558,188.64		

5th Annual Statement

AUTOMOBILE INSURANCE CO.

OF HARTFORD, CONNECTICUT

CAPITAL STOCK $2,000,000

JANUARY 1, 1918

ASSETS		LIABILITIES	
Cash on Hand and in Banks	$1,636,318.07	Premium Reserve	$1,914,657.52
Stocks and Bonds	3,277,201.64	Losses in process of Adjustment	777,672.73
Mortgages secured by Real Estate	426,100.00	Taxes Falling Due in 1918	157,333.42
Loans on Collateral	683,175.00	Funds Held under Re-Insurance Treaties	140,783.06
Interest Due and Accrued December 31, 1917	64,454.60	All other Liabilities	95,898.72
Agents' Balances	1,102,689.30	Total	$3,086,345.45
Due from Re-Insurance Companies on Paid Losses	89,659.43	Surplus to Policyholders:	
Other Assets	18,431.81	Capital $2,000,000.00	
Gross Assets	$7,298,029.85	Surplus 2,180,193.36	4,180,193.36
Less Special Deposits and Assets not admitted by Insurance Departments	31,491.04	Total	7,266,538.81
Total Admitted Assets	$7,266,538.81		
Increase in Premium Income	$3,714,787.30		
Increase in Assets	4,517,706.62		
Increase in Surplus to Policyholders	2,471,338.98		

Automobile Combination Policy Covering Liability, Fire, Theft, Transportation, Collision, Property Damage and Loss of Use. Liability and Property Damage for Teams and for Elevators. Plate Glass, Burglary, Flywheel, Sprinkler Leakage, Water Damage, Postal and Baggage, Combination Residence Insurance

GENERAL FIRE INSURANCE - MARINE INSURANCE - FIDELITY AND SURETY BONDS

FA Commerce Reading Room

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 7 | NEW YORK, FRIDAY, FEBRUARY 15, 1918 | $3.00 a Year; 25c. a Copy

HOW SPECIALTIES FARED IN 1917

Company Figures as Filed With Insurance Departments Up to Wednesday This Week

PROFITS SHOWN IN ALL LINES

Great Series of Sprinkler Losses Came After First Year of the War

Up to Wednesday of this week the following results for the specialties in 1917 were filed at Trenton:

Motor Vehicles

	Premiums Received	Losses Incurred
Aetna	$531,839	$208,295
Agricultural	93,915	43,705
American, N. J.	562,668	177,539
American Eagle	24.418	15,068
Atlas	49,379	22,969
Caledonian	102,921	17,200
Columbia	333,926	151,941
Camden Fire	39,691	5,958
Continental	332,121	161,698
Eastern Fire	90	.....
Fidelity-Phenix	332,168	161,698
Fire Association	12,927	582
Franklin	168,895	72,406
German Alliance	6,858	893
Grain Dealers N. Mut.	13,656	2,300
Great American	406,565	241,760
Hamilton	13,215	4,521
Home, N. Y.	825,981	384,352
London & Lancashire.	571,268	266,195
Maryland Motor Car.	354,980	116,465
Millers National	30,076	13,214
Milwaukee Mechanics	47,127	17,682
Mass. F. & M.	546,948	276,098
Michigan Commercial	1,014	1,753
New Hampshire	8,757	1,144
Northwestern Nat.	4,984	300
Orient	410,204	159,002
Phoenix Assurance.	295,100	124,792
Prov. Wash.	370,000	174,809
Queen, N. Y.	872,149	425,918
Safeguard	20,220	18,015
Scottish U. & N.	175,398	71,294
Springfield F. & M.	178,070	47,075
St. Paul F. & M.	1,166,698	733,083
Union Marine	21,576	9,269

Sprinkler Leakage

Aetna	26,683	1,869
Agricultural	2,394	246
American, N. J.	526	89
American Eagle	1,189	455
Atlas	1,496	939
Camden Fire	1,403	85
Concordia	3,962	47
Continental	22,860	7,726
Fire Association	3,290	1,306
Fidelity-Phenix	14,374	10,341

(Continued on page 15)

"The Largest Fire Insurance Company in America."

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

Sixty-four-Year Record for Fair Dealing and Prompt Adjustment and Payment of Losses

FIRE AND ALLIED BRANCHES OF INSURANCE.

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

SPRINGFIELD Fire & Marine Insurance Co.

Cash Capital $2,500,000.00

THE SPRINGFIELD for two-thirds of a century has transacted business solely under its own corporate name, without annexes, underwriting agencies or subsidiary companies. An agent of the SPRINGFIELD is not a half, a quarter or any other fraction of an agent, but is vested with the rights and dignity of an undivided representative of an undivided and independent company. The SPRINGFIELD stands today pre-eminent among American fire insurance companies.

SPRINGFIELD MASSACHUSETTS

THE GAUVIN AGENCY

THE PILOT POLICY

ROSEN IN TEARS AT HARTFORD BANQUET

Ovation to Leading Agent in City Where He Made His First Start

CONNECTICUT AGENTS' DINNER

Julian S. Myrick on Inheritance Tax—Lawrence Priddy and F. W. Ganse Also Speak

By MAX I. FARBER

(*By Tel. to The Eastern Underwriter*)

Hartford, February 12.—Can a business man be successful if he is sentimental? He can and the wonderful career of Harry B. Rosen may be taken as an example. His life story reads like a chapter from fiction proving again that truth is sometimes stranger than fiction, yet he admits that he is sentimental. To use his own words, "I speak from the heart." Harry B. Rosen, the greatest personal producer of individual life insurance, was moved to tears as he stood before a gathering in his former home town, Hartford, tonight, where he made his start on the road to fame and fortune.

The Lincoln's Birthday gathering, which was held at the Hartford Club under the auspices of the Connecticut Life Underwriters Association, comprised bankers, professional men, business men and life insurance agents from many parts of the State.

Touched by Ovation

Even the toastmaster, President C. E. Stockder, was led to remark on the singular fact that while Mr. Rosen was a shining success, he was a man of sentimental nature. He remarked too that this characteristic, seldom evident in business, had apparently aided Mr. Rosen greatly in his work. Mr. Rosen was touched by the ovation when the large gathering rose to honor him. His voice failed him when he tried to speak and he sat down and let tears flow from his eyes. It was like a dream to come back to the scene of his early struggles and to be feted now as a hero and business genius.

"I've got plenty of nerve in the life insurance business, but in my private life I am inclined to feel modest coming back to my former home town and seeing my friends," he said. "I cannot help but feel overwhelmed." He explained apologetically as he wiped

the tears from his face and stood up again to continue his speech.

Mr. Rosen's address in part follows:

"Life insurance is a profession without a limit. Within an hour after signing my contract, I grasped the idea of what life insurance meant, not only in dollars and cents, but to the community. I was in the jewelry business before, but I did not like it. A man cannot make a success in any business he does not like. I don't think I could like any business more than this great life insurance in which I am engaged. I have had offers to be a bank president or the head of other corporations, but I would rather be a life insurance man than anything else in the world. Life insurance has unlimited possibilities and should not be picked out as a wayside station for making a living. It renders service not only in dollars and cents but also renders service to the community.

"I've known New York firms twelve years ago that scorned you when you approached their officers and told them that insurance could put their business on a safe and sound basis. They said we have enough money to take care of ourselves.

"You have not scratched the surface, insure the brains of business as you insure a property against a fire.

Always Maintained His Dignity

"Even when I tramped the streets to sell a man a $1,000 policy I went as a dignified agent. I did not plead with him; I made him see his duty to his family and at the same time I was helping my own family.

"People ask how a boy from foreign shores can make such a wonderful success. I am going to tell you a secret, I am not a wonderful man. It is only that I am not afraid of men; I meet them on a basis of equality. I am selling them something tangible, not a mine in Oklahoma that may turn out gold, or only dross, not a non-existent oil mine in Arizona.

"I know of tragedies that have suddenly made wealthy homes poor, and so I know when I am selling life insurance that I am rendering a service to society. I would rather make a dollar in the life insurance business than make a half million in another business.

"The dissatisfied agent cannot be successful. Another quality of success is loyalty. An agent to be successful must be loyal to his company, he must have absolute faith in his company. The clerk behind the counter who is not loyal to his employer will always be a clerk behind the counter. Loyalty, energy, enthusiasm: if we have these three qualities we cannot fail.

"The more life insurance business you sell the fewer orphan asylums we will need, fewer poorhouses, fewer charitable institutions. The Government is trying to install the idea of thrift. Life insurance men have been doing this for forty or sixty years.

"We do not have to bow our heads in shame and say: 'I'm a life insurance agent.'"

How Rosen Sells Stamps

Mr. Rosen made a rousing plea for Americanism. He said, "I do not recognize in this wonderful country anything but Americans. You cannot tell me I am not as good an American because I was born in Russia. I feel I have the sentiment of America as much in my heart as any descendant of those that came over on the Mayflower."

Mr. Rosen mentioned the fact that he was vice-president of the War Savings Committee of New York. He said, "I don't feel right unless I sell ten or twelve membership books before I go to work in the morning unless I'm sick. Then I sell my doctor $5,000 worth for himself and his family. This just war must be won; it must be won in a business way; we must put our business aside, we must make our business secondary. The great army of life insurance men must help Uncle Sam win this war."

Other speakers on this occasion were Julian S. Myrick, of New York; Franklin W. Ganse, Columbian National, Boston, and Lawrence Priddy, president of the National Association of Life Underwriters.

Mr. Myrick spoke on inheritance taxes and how an insurance policy providing a special fund may preserve an estate. Mr. Ganse, representing the Life Insurance Committee of Federal Reserve District of New England, outlined plans for the organizing of 11,000 agents in New England to boom the next issue of Liberty bonds.

Mr. Priddy, as president of the National Association of Life Underwriters, told of what was being done to keep "pirates" out of the insurance business.

Inheritance Tax

Mr. Myrick spoke of life insurance in relation to inheritance taxation.

"The tax question, especially the inheritance tax, has not so much brought into being a new reason for life insurance as it has intensified a neglected one to the point of necessity," Mr. Myrick said. "With the increasing appreciation of the value of life insurance to large estates comes a decided advantage to the government in that this kind of insurance guarantees prompt and satisfactory payment, and less begrudgingly made to the tax collector, without causing a serious readjustment of the estate—readjustments which often have a more unfavorable and far-reaching influence upon the financial fabric, especially if the estate is large, than is generally imagined. Insurance taken to cover depreciation by the inheritance tax is not an evasion or substitute for the tax, but a measure for facilitating the government in its tax problems and acts as a general economic equilibrium."

HUBBELL CHANGES HIS MIND

Henry W. Hubbell, Jr., who was to have been traveling secretary of the National Association of Life Underwriters, has changed his plans, and the position is still vacant.

73d ANNUAL REPORT

NEW YORK LIFE

INSURANCE COMPANY

346 & 348 BROADWAY - - NEW YORK CITY

Income for the year 1917:

Premiums	$100,279,122.00	
Interest and Rents	39,957,422.00	
Other Income	5,881,618.00	$146,118,162

Paid Policy-holders, 1917 (Exclusive of Disability Benefits):

Death Losses	$30,599,371.00	
Matured Endowments	13,566,409.00	
Surrender Values	18,527,170.00	
Dividends	22,807,762.00	
Annuities	1,387,241.00	$86,887,953

Loaned Policy-holders during 1917 ..... $23,722,213

New Paid-for Insurance in 1917 (Exclusive of over $16,000,000 increase by Policies revived and increased, and Additions by Dividends) $315,994,500

Paid-for Insurance in Force Dec. 31 ..... $2,673,334,336
Number of Policies in Force Dec. 31 1,301,969

Admitted Assets, Dec. 31, 1917 ..... $934,929,381

These assets are the property of over 1,000,000 people with their dependents (in accordance with their contractual rights). The Company is purely mutual; it has no capital stock.

Legal Liabilities $760,742,335

Reserved for dividends payable in 1918	$26,561,063.64	
Reserved for dividends on deferred dividend policies maturing subsequent to 1918	107,041,778.00	
Reserved for Contingencies	40,584,204.36	$174,187,046
Total		$934,929,381

THE ANNUAL DIVIDEND RATE OF 1917 WILL BE MAINTAINED IN 1918

For the year 1917 the Company's mortality rate was the lowest in its history

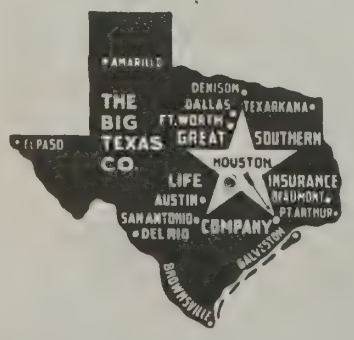
Average earning power of total Ledger Assets { Dec. 31, 1917, 4.59% / Dec. 31, 1916, 4.54%

A detailed statement will be sent to any person asking for it.

January 14, 1918 DARWIN P. KINGSLEY, *President*

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

THE TRAVELERS

INSURANCE COMPANY — INDEMNITY COMPANY

HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

Frank Wesley With Columbian National

TAKES A GENERAL AGENCY

To Handle Western Pennsylvania Territory—Was Formerly With Company

Frank A. Wesley, vice president and director of agencies of the Standard Life Insurance Company, has resigned his position with that Company to accept the general agency of Western Pennsylvania for the Columbian National Life Insurance Company.

Mr. Wesley was associated with the



FRANK A. WESLEY

Columbian for more than eight years, and left them to go with the Standard of Pittsburgh as vice-president. While he was with the Company, the Standard Mutual Life Insurance Company was organized into a stock company, and each year it has shown steady and consistent progress. He has built up an agency force composed of men of high character and ability.

John C. Hill to Supervise Standard Agency Work

John C. Hill, President of the Standard, who is also the founder, and who has been very active in the management of the Company since its inception, will take over the agency work for the present.

The Standard operates in Pennsylvania, and writes accident and health insurance in addition to life business. During 1917, the Company doubled its accident and health premium income, and made a gain of $1,500,000 in life insurance in Pennsylvania.

THE ADVERTISER
IS
AN EXPERIENCED
LIFE INSURANCE PRODUCER

HE CAN PRODUCE OVER $500,000 PERSONAL BUSINESS A YEAR

He wants a connection with a clean, progressive life insurance company where he can develop an agency which will produce about $1,000,000 additional business.

He will FINANCE such a proposition himself.

WHAT HAVE YOU TO OFFER?

Address giving territory open
"PRODUCER"
care of THE EASTERN UNDERWRITER
105 William Street, New York, N. Y.

HENDERSON BUYS A MILLION

Head of Crude Rubber Concern Insured by E. A. Hobbs in Thirteen Companies

Francis R. Henderson, principal of the firm of F. R. Henderson & Company, crude rubber merchants, of 82 Beaver Street, New York, has followed the lead of many sagacious business men in taking $1,000,000 of insurance on his life for the protection of his firm. The insurance was placed in thirteen companies by E. A. Hobbs, of 220 Broadway who makes a specialty of partnership and corporation insurance.

Charles Sumner Whitney, who organized the American Union Life of New York, died recently in New York. He was 61 years old. The company re-insured years ago.

JOINS BLAKE & DAVIES

J. Mortimer Darby Taken Into Philadelphia General Agency of Massachusetts Mutual

Blake & Davies, managers for the Massachusetts Mutual Life, Philadelphia, have admitted to partnership interest J. Mortimer Darby, general agent of the Phoenix Mutual Life Insurance Company, who resigns to become identified with the Massachusetts Mutual Life under the name of Blake, Davies & Darby.

Messrs. Blake and Davies, who are both large personal writers, will hereafter devote a greater part of their time to individual production, while Mr. Darby will develop the general agency business in Philadelphia and adjoining counties.

P. H. Gordon Dies; Struck by Ice

WITH TRAVELERS IN MILWAUKEE

Manager Was a Brilliant Life Insurance Man—Just Returned From Visit to Son

Percy H. Gordon, manager of the Milwaukee branch of the Travelers Insurance Company, in the life and accident departments, died on Monday, February 11, having been struck on the head with a piece of falling ice as he was entering the Pabst Building. When word of this accident was telegraphed to Hartford, Mr. Gordon's friends were inexpressibly shocked, as he was a man whom all remembered and liked, in addition to being a brilliant business-getter.



He was about fifty years old. His connection with the Travelers began in April, 1908, when he was appointed supervising special agent in charge of the Milwaukee branch. In February, 1909 he was made acting manager and on March 1, 1910, he was given the full title. That he made wonderfully good in the business will be apparent to any insurance man when it is known that his average increase in premium income per year for the last nine years has been $45,000.

He will long be remembered for the speech which he made at the Golden Anniversary Convention of the Travelers in April, 1914, in Hartford, responding to the toast "The West."

The owners of the Pabst Building were taking advantage of the Monday holiday to remove the ice and snow from the roof. A piece of ice weighing about twenty-five pounds struck him, and he died shortly afterwards at the Emergency Hospital A pathetic feature of the case is that Mr. Gordon had just received word from his son. Lieut. Sidney Gordon, at Camp Custer, Mich., telling of his promotion to a first lieutenancy and had proudly told friends and newspaper men. Mrs. Gordon and a daughter, Dorothy, also survive him.

ELECT HORD PRESIDENT

General agents of the Home Life, of New York, meeting here this week, elected Lorin Hord, of Minneapolis, president; J. R. Robbins, of New York, vice-president, and Charles Spaeth, Syracuse, secretary.

Founded by JOHN F. DRYDEN
THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR
Pioneer of Industrial Insurance in America

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years.

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Retirement of Equitable's Capital

COMMENTS OF PRESIDENT DAY

No Change in Rates of Contracts Outstanding or Those Newly Issued

The mutualization of the Equitable is the subject of a letter sent to the agency force of the Society by President Day, who says:

There has recently been consummated what I regard as the most important event in the history of the Equitable since my election as president—perhaps the most important in the Society's long and eventful existence.

I refer to the acquisition and ultimate retirement of the majority stock of the Society for the benefit of the policyholders.

This should afford the directors, officers, agents and policyholders great satisfaction. And it is fitting at this time that I should congratulate you on your co-operation in bringing that about; and I thank you most sincerely for it.

Nothing has been nearer to my heart since the chief responsibility for the administration of the Society's affairs devolved upon me, and nothing in which we have succeeded has given me more pleasure.

While you are undoubtedly aware of the exact nature of the change, you are likely to meet people, including policyholders, who do not correctly understand it. It may be well therefore to keep this brief official explanation at hand to exhibit on such occasions.

The Equitable has not changed to the mutual plan of insurance or to any other plan of insurance.

This Society has always been operated on the mutual, or participating, plan, and it will continue to be operated on that plan. Its assets, including the surplus, have always been held by the Society for the benefit of the policyholders alone, and will continue to be so held.

The change in the Equitable's status is from the control of the corporation by stockholders to control by the policyholders—nothing more.

When the Society was organized to issue mutual insurance in 1859 the law required a capital stock. The owners of this capital stock had, of course, the legal right and responsibility of electing the Board of Directors by whom the officers of the corporation were selected.

The law now permits the Society to purchase its own stock for the purpose of securing control of the corporation for the policyholders.

That is what has happened.

The majority stock, that is the "control," has been purchased by the Society, and it is hoped that the balance of the stock may soon all be secured, when all of the shares will be cancelled. But it is only necessary to secure a majority of the stock for the policyholders to assume control. This has been done.

The plan to purchase the majority and the minority shares has been approved by the vote of the directors, the stockholders, and the policyholders of the Society. It has been approved by the Superintendent of Insurance of the State of New York as required by law, and it has also had the judicial sanction of the United States Circuit Court of Appeals.

Over 96 per cent. of the vote cast by policyholders favored the plan.

The tried, efficient and successful business methods and policies of the Society and the progressive spirit of its management will be continued, and improved if possible. No change whatever will occur in the rates of contracts outstanding, or of those newly issued, as a result of the purchase of this stock, or the "statutory mutualization" which will follow.

Thus far the Society has prospered greatly, and has steadily increased in strength and efficiency. Those who have selected the members of its board of directors have been public-spirited men who have sought in every appropriate way to further the interests of our policyholders. But all men are mortal, and those who die cannot control those who succeed them. The Equitable, on the other hand, is organized to continue in perpetuity—to last "not for a day but for all time." And it is fitting that the protection which policyholders have enjoyed thus far, should be lasting—should be guaranteed to them for all time to come—that their interests shall be safeguarded in the future as completely as they have been in the past.

In a long statement Superintendent Phillips has approved of all details of the mutualization.

ADDITIONAL 1917 FIGURES

The paid for business of the Capitol Life of Denver in 1917 was $8,256,000. Insurance in force is $25,391,352; net assets are $2,486,865.

The Southwestern Life's 1917 new paid-for; $10,745,546; gain, $1,830,806. Insurance in force $442,713,070; gain, $6,961,485. Total admitted assets, $5,224,644.

Grange Life, of Lansing, paid-for, 1917, $2,719,738; admitted assets, $463,453.

Life Insurance Company of Virginia

The figures of the Life Insurance Company of Virginia follow:

	Ordinary.	Industrial.
Paid-for	$ 7,681,799	$22,197,640
Revivals	214,925	1,538,563
In Force	32,171,064	99,619,498

Total in force, $131,790,562.

Admitted Assets Dec. 31, 1917, $16,560,439.04.

The eight annual statement of the Amicable Life shows admitted amounts of $2,961,940, new business of $2,888,500; total income of $749,738; insurance in force of $16,546,334, mortality, 39.8 per cent. of the expected.

Western States Life

The new paid-for business of the Western States Life was $7,735,394, admitted assets, approximately $3,000,000.

The year 1917 proved to be the most prosperous year in the history of the Farmers National Life. The statement will show over $6,000,000 of life insurance in force. A continuance of the steady, healthy growth of the past will assure an increase of business in force of $2,250,000 for 1918.

The United States Life paid for $2,750,000 in 1917; and its assets are $7,325,000.

The Rockford Life paid for $4,195,272; its assets in round numbers are $400,000.

The Wisconsin Life of Madison paid for $1,017,000.

The Northwestern Life of Aberdeen, S. D., paid for $848,000, assets in round numbers are $240,000; total business in force, $2,000,000. Superintendent of agencies, E. E. Kneedy said, "We are planning to make 1918 the biggest year in the history of the Company.

The American Mutual Life of Lake Charles, La., paid for $885,000; its assets on December 31, 1917 were $125,000; insurance in force, $2,150,000.

LIFE INSURANCE LAWS

Association of Life Insurance Presidents Issues Largest Book in Its History

The 1917 volume of "Life Insurance Laws" just issued by the Association of Life Insurance Presidents to its members is the largest book of this series in the history of the Association. It contains 732 pages of new laws affecting life insurance companies, 24 pages more than any of the previous volumes, notwithstanding the number of new laws is five less than the previous high record.

WHAT'S THIS?

The State's Insurance Investment Corporation, of Wilmington, Del., has been incorporated with $1,000,000 capital. Incorporators are C. L. Remlinger, F. A. Armstrong and M. M. Clancy.

HOME LIFE INSURANCE CO.

(Purely Mutual)

256 BROADWAY, NEW YORK

GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to

GEORGE W. MURRAY,
Supt. of Agents.

256 Broadway, New York, N. Y.

State Mutual Life Assurance Company of WORCESTER, MASS.

Incorporated 1844

SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.

Our motto is SERVICE to policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

Build Your Own Business

under our direct general agency contract

Our Policies provide for:

Double Indemnity, Disability Benefits, Reducing Premiums

See the new low Rates

JOHN F. ROCHE, Vice-Pres't

THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

BANKERS BLCo LIFE DES MOINES COMPANY

PAYS GOOD PAY TO GOOD MEN

A Live Wire Wanted

By a Life Insurance General Agent to do both inside and outside executive work in New York City. State qualifications and salary desired. Information held in confidence.

Address, Box G R
c/o The Eastern Underwriter
105 William Street, New York, N. Y.

Excerpts from the Financial Statement of December 31, 1917, of the

Northwestern National Life Insurance Company
MINNEAPOLIS, MINNESOTA

Assets, $6,186,694.37, increase 17% over 1916.
Liabilities, $5,602,162.72. Surplus and contingent fund, $548,531.65.
Apportioned for dividends, $263,206.57, increase 23% over 1917.
Insurance in force, $54,193,728.00, increase 28% over 1916.
Paid to beneficiaries and policyholders to December 31, 1917, $16,966,562.65.

A western, mutual, annual dividend, old line company

THE COMPANY for policyholders and agents

Here are Drafts From Which There are no Exemptions

By George M. Crogan, Mutual Benefit

The war registration disclosed that there are approximately ten million men between the ages of 21 and 31 in the United States. The normal death rate among these is six per thousand. Accordingly, of America's choicest young manhood, 60,000 will die every year from normal causes—at the rate of 5,000 per month, or over 167 a day.

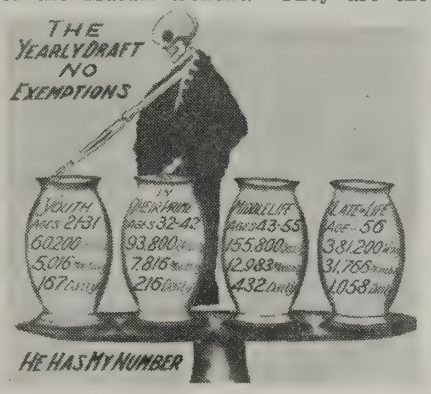
According to the United States Life Tables, prepared by the census bureau from the actual experience among unselected lives, i. e., lives not having come under medical selection, in other words from the general population of our country, out of ten million lives at ages 21 to 31, 5,000 are called monthly by death, or at the rate of 167 per day. On the same basis from men "in their prime"—ages 32 to 42 inclusive, 93,800 will die yearly at the rate of 7,816 monthly, or 216 daily.

Among those of middle life, that is, between the ages of 43 and 55, 155,800 will die yearly at the rate of 12,983 monthly, or 432 daily. From those late in life—ages 56 to 70 inclusive—381,200 will be called yearly, at the rate of 31,766 monthly, or 1,058 daily.

All of these numbers are based on ten million only, and show a total draft yearly by death of six hundred and ninety-one thousand, while the actual deaths in 1915 amounted to 909,-

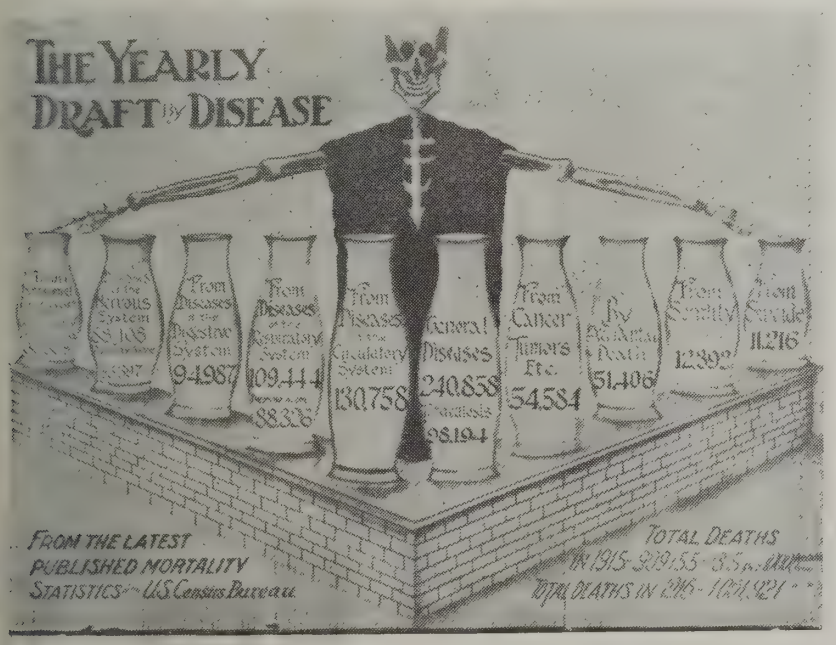
men with large families, who are most needed are called to untimely death while those with no dependents are not drafted until later.

The certainty of death and the uncertainty as to when it will occur are the two real reasons for the existence of the Mutual Benefit. They are the



great and only explanation of the beneficient institution called life insurance. It is, therefore, wise and it becomes absolutely necessary for you to put your house in order and then await the result of the draft.

If your number is in the first bowl, which contains the numbers of those between ages 21 and 31, you may not be called and your number slides in-



155 (at the rate of 13.5 per 1,000), and in 1916, 1,001,921.

No Exemption from this Draft

Here is a draft from which there is no exemption; physical disability, industrial reasons or the fact that one has dependents will have no weight or influence with this grim monster—death. Indeed, these reasons that are of such necessity before receiving exemption from the military draft boards offer an excuse for an early call by the grim reaper. For example, if a man is in poor health the military authorities do not want him, because of his physical condition, which usually indicates a short life and if his occupation is a hazardous one, such as the making of certain kinds of munitions, the Government needs him for his labor, while the very nature of such labor may mean death by accident at any time.

No Escape from These Figures

It also seems to be the case that to the bowl of "men in their prime"; those between the ages of 32 and 42 inclusive, but you may escape a drawing from this bowl, however, and the capsule slides into the "middle life" bowl. From this bowl even you may be fortunate enough to escape the drawing of your number and the capsule slides into the last or "late in life" bowl, from which there is no escape. It it then only a question of a short time, for from this bowl there is absolutely no extension of time. Death has your number. The question is from which bowl will it be drawn?

Let us consider for a moment the reasons that are responsible for this death rate from year to year. The yearly draft by disease, according to the U. S. Census Bureau's latest report indicate that in the year 1915 there were over 909,155 deaths, or 13.5 per 1,000 in the registration area, which includes over 67,000,000 of our people,

(Continued on page 9)

THE AVERAGE EARNINGS OF THE AGENTS
OF THE
Standard Life Insurance Company
∴ ∴ OF PITTSBURGH ∴ ∴
are higher this year than ever before. Our attractive Accident and Health Policies have helped them to make more money.
Write for a LIFE, ACCIDENT AND HEALTH Contract to
FRANK A. WESLEY
Vice-President and Director of Agencies

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.
Home Office, United Life Building Concord, New Hampshire

In addition to the ordinary forms of life insurance
THE EQUITABLE
makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. **Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.**
2. **The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.**
3. **Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.**

(See the policy for conditions and details.)

For Agency Openings Address
WILLIAM E. TAYLOR,
Superintendent of Agencies
THE EQUITABLE
LIFE ASSURANCE SOCIETY OF THE U. S.
120 BROADWAY, NEW YORK

PITTSBURGH APPOINTMENT

George E. Ott Appointed Inspector of Agencies of Equitable Life Assurance Society

George E. Ott, agency manager of the Equitable Life Assurance Society at Des Moines, Ia., has been appointed inspector of agencies for Eastern Pennsylvania and Delaware at Philadelphia. In commenting upon the appointment the Equitable "Agency Items" says:

"The Society has pleasure in announcing the promotion of George E. Ott from his position as agency manager at Des Moines, Iowa, to inspector of agencies for Eastern Pennsylvania and Delaware with headquarters at Philadelphia.

"Mr. Ott is one of the newer members of the Society's agency staff, and yet in the few years that he has been with us he established a most enviable record for himself. The district in Iowa that has been under his jurisdiction has shown a splendid increase, and it has been all the result of intelligent development.

"Mr. Ott carries the best wishes of the entire staff for success in his new field. He will, of course, be fortunate in having associated with him Mr. Langley as supervisor in the Philadelphia Metropolitan District, and we will look for an expansion of our business in the field as a result of the new arrangement that will be commensurate with the importance and the wealth of that section of the country, and the agencies located there. Mr. Ott is a relatively young man, in the prime of life, with an unusual knowledge of the insurance business in all its phases."

MR. RYAN'S RECORD

His Minimum Amount of Applications for Four Years Is One a Week

The phenomenal record of George W. Ryan, of the Provident Life & Trust in Pittsburgh, was recently the subject of a column article in the Eastern Underwriter. The caption on the story read "Averages One Application a Week for Four Years."

As a matter of fact his average was nearly three applications for each week for four years. In the article he explained that consecutive production consisted of getting the first case for the week across as soon in the week as possible, letting others follow. Writing The Eastern Underwriter Mr. Ryan said:

"Your heading, or caption, would indicate that only one a week was secured, which is not correct, as I believe most anybody could average one a week and besides this is not an average. If your article had read 'Produces at Least One Application a Week for Four Years' it would be correct."

SCRANTON LIFE RESULTS

In its annual report the Scranton Life shows assets of $2,776,201; reserve, $2,249,809; special deposit for endowment bond policies, $21,950; death claims in process of payment, $16,500; reserve for taxes falling due in 1917, $9,000; premiums paid in advance and other liabilities, $23,646; capital stock, $340,000; profits assigned to policyholders, $54,995; profits undivided, $60,299.

Buy
THE EASTERN UNDERWRITER
for Selling Ideas

PURELY MUTUAL **THE** CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

Insurance in Force, $1,505,464,984

SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued.

POLICIES MOST FLEXIBLE AND EASY TO SELL

Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

Write GEO. E. COPELAND, Supt. of Agencies, Milwaukee, Wis.

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

JANUARY 1, 1918

Sixty-Eighth Annual Statement

NATIONAL LIFE INSURANCE COMPANY

MONTPELIER, VERMONT

ASSETS (Paid for Basis)	
U. S. State and Municipal Bonds, at Market Value Dec. 31, 1917 (Par Value Dec. 31, 1917, $23,198,492.48)	$22,567,598.48
Mortgages, First Liens	31,966,646.98
Policy Loans and Premium Notes	10,561,548.37
Real Estate, Book Value	248,000.00
Cash in Banks and Office	732,425.60
Interest and Rents due and accrued	1,604,317.70
Deferred and Unreported Premiums	912,159.46
Due from Agents	2,540.66
Total	**$68,595,237.25**

Liabilities (Paid for Basis)	
Insurance Reserves	$51,307,019.50
Annuity Reserves	6,198,239.50
Extra Reserves	122,675.93
Reserves on Supplementary Contracts	398,668.00
Policy Claims under Adjustment	208,777.84
Other Liabilities	105,179.74
Taxes payable in 1918	217,621.75
Dividends Due and Unpaid	72,408.91
Dividends payable in 1918	1,716,774.57
Deferred Surplus	4,475,761.57
General Surplus	3,772,109.94
Total	**$68,595,237.25**

In 1917 the Company surpassed all prior records in volume of premiums received, in volume of insurance paid for, in the increase in insurance in force, in the amount of dividends paid, and in the amount of dividends set aside for payment in 1918.

Notwithstanding the adverse conditions created by the war, the Company continued its normal growth along sound lines during 1917. The policy of limiting the Company's investments to municipal bonds and first mortgage loans, all within the United States, has been amply justified by the year's experience. The unexampled shrinkage in all values has not in the least affected the integrity of the Company's securities or disturbed the regular payment of interest and principal on the Company's holdings.

The Company in its statement adheres to market values as being in strict compliance with the Vermont statute and also the most exacting test of solvency, not finding it necessary or deeming it advisable to adopt the amortized or the averaged valuations allowed by insurance departments, either of which valuations would have largely increased the asset and surplus items.

The National Life is a purely mutual company, now entering upon its sixty-ninth year. All its property belongs to the insured. There is no stock and the Company issues only participating policies. The National has paid policyholders since organization $91,397,393.07, which, with assets to their credit, exceeds the premiums received from them by $11,241,865.04.

A detailed report of transactions and investments, now in press, will be mailed upon request.

PROGRESS IN THE LAST TWENTY-FIVE YEARS

JAN. 1	INCOME	ASSETS	SURPLUS	INSURANCE IN FORCE	JAN. 1
1893	$ 2,497,780	$ 8,762,955	$1,002,074	$ 58,678,353	1893
1918	$11,552,876	$68,595,237	$3,772,110	$223,593,866	1918

Why a Man Should Insure His Life

By George W. Johnston, Johnston & Collins, New York

Recently a million dollar case was swung on the arguments contained in this article. Mr. Johnston wrote the article some years ago when it received a prize from the Mutual Life of New York as the best essay on the stated subject. It has been printed in many languages and many countries, but is as timely now as when written. The Eastern Underwriter republishes it in response to a demand for a condensed presentation of the basic arguments for life insurance. The author has three times received the Calef Cup for various essays from the National Association of Life Underwriters.—Editor, The Eastern Underwriter.

The argument for life insurance rests upon two axioms: One, the axiom that dangers should be anticipated and so either prevented or neutralized; the other, the axiom that life and fortune are uncertain. The conclusion is as irrefutable as either premise. Concede that the evil which threatens is vast; concede that a successful remedy or palliative exists, and a plain obligation appears. To a people it becomes the essential element of a sound political economy. To an individual it is a dictate of the highest ethics.

A Law of Precautions

The law of civilization is a law of precautions. Quarantines prevent epidemics; ambassadors avert wars; fire insurance replaces loss from conflagration. Now, of all material dangers the worst is death. While other calamities are contingent, death alone is certain, universal. Not only must it come, but is the more dreadful because the time of its coming is unknown and incalculable. Whatever, then, tends to modify its sure results is of supreme importance to the world. When a man dies, a useful machine is broken; a certain amount of wealth-producing power is destroyed; a momentum of years is wasted. Some person or family or community is deprived of the quota of brain or muscles he formerly contributed. How may the damage be repaired? How may the potential energy be saved? Until the device of life insurance no reparation was possible; the loss was absolute. But death's power has now been enfeebled. The man's value as an income-earner is at once replaced. As medicine prolongs life, so insurance prolongs life's usefulness; and the world, viewed in its economic aspect, is as deeply indebted to the one as to the other.

There is another evil, akin to death and its rival, full to the brim of bitterness; an old age either indigent or dependent. It is a living death, helpless and hopeless. The protection of life insurance has been extended till it shields from this danger also, and an income is assured, so that the fruits of labor in youth may continue without interruption by infirmity or loss of capital.

The Wisest Precaution

Beyond question, then, life insurance is a wise precaution, wiser and more needful than others in proportion to the evils it averts. Nor is it a theory only. Its statistics, long and carefully collected, establish the law of averages conclusively. In dignity and mathematical exactness it ranks as a science. It, therefore, merits not merely grateful consideration for its beneficence, but entire confidence.

It is a success? The system is steadily spreading and each year shows that in every enlightened country, no matter what the political changes or the fluctuations of business, whether stocks rise or fall, whether crops are good or bad, policyholders keep multiplying, receipts and welcome disbursements keep marvelously swelling. The best men of all trades and professions are its indorsers. It seems to have no enemies except a few whom some prejudice blinds. Its advocates are the countless widows whom it has saved from destitution, the orphans whom it has educated and supported, the aged to whom it doubly repays the savings of early manhood. There is no other financial institution who so satisfies the heart, the conscience, and the judgment. We will go further in claim of its proper position. It stands in history and must be recognized as a constituent factor in the profound economic revolution which marks this century. The world is more self-sacrificing now than it used to be, love is more endowed with foresight, the philosophy is gaining, which teaches denial now for the sake of the future. Who that reflects will deny the influence of life insurance ideas in making these things so?

Life Insurance an Imperative Necessity

The logic is irresistible. Life insurance is something more than a privilege. It is an imperative necessity. It is a social, domestic and personal duty. Upon whom incumbent? Clearly upon every man or woman whose life has, or is liable to have, a money value to any one else. To these add all who, if they outlive their productiveness, are liable to have an income insufficient for their support. Hence the application of the rule is as broad as is the mutability of human affairs.

The exceptions are rare. Among them would at first seem to be the wealthy, but fortune is a fickle as fate, and every provision should be made against loss or diminution. Moreover, the rich man who personally manages his estate has, in relation to it, a large and distinct value which he ought to perpetuate. The only persons truly exempt from obligation to insure are the drones, who contribute nothing and whom, therefore, the social machinery would never miss. Our argument is not with them. It does appear to the father who is the bread-winner, and to the mother whose economy and home management are as valuable to him as his labor is to her; to the merchant whose death would injure his partner; to the borrower who needs time to discharge his debts; to the young man or young woman who makes money now and would look forward to a day of rest, to whoever feels any pecuniary responsibility either towards others or towards himself.

A Duty Urgent, Inexorable, Without Appeal

The law of duty is inexorable and without appeal. It bars as trivial the plea of inconvenience. Applied to any individual, the question is not should he insure; but, rather, is there any good reason why he should not insure? How comes he to be free from the obligation? Is he so lucky as to be entirely beyond the reach of harm? If not quite immortal, has he a definite lease upon life, or has fortune signed a bond with him? Not otherwise may he refuse. In his profoundest heart he knows he ought to insure, and that now. A duty delayed is a duty shirked. Let a man convinced of responsibility secure an adequate protection at any sacrifice and at once.

ITALIAN S. & S. INSURANCE

Each Soldier Covered Up to 1,000 Lire —Cashes in if He Survives War

Writing to a Hartford paper from France, L. K. Porritt makes this comment on Government insurance:

"We have an insurance system for our men as generous and as fair as any government ever offered its soldiers, but so far as I know, this system only benefits men killed or wounded in action. The Italian system is different. Each soldier is given a gratuitous insurance up to 1,000 lire—a very small amount in comparison to that of our army. He can make it out to his family or dependents, and if he is killed in action it will be paid over to whom it is consigned. But if he survives the war unwounded—or otherwise—three months after demobilization and up to thirty years after it was issued, he can cash it for himself. The idea is to provide him with a little capital to resume civilian life after the war. The money is provided by taxing those who are remaining home, making money out of the war."

EN-ROUTE TO EUROPE

Major Howard A. Giddings, superintendent of agents of the Travelers of Hartford, and a member of the Connecticut State Council of Defense, is en-route to Europe as a member of the Federal Reserve Bank Liberty Loan Mission. He is one of twelve men who have gone abroad for a tour of study and observation in connection with the next Liberty Loan.

BRITISH MERGERS

The Clergy Mutual Assurance Society and the London Life Association, Ltd., both of London, are arranging to merge. The Clergy Mutual has a premium income of £300,000; London Life has a premium income of about £450,000.

The LIFE INSURANCE SALESMAN Bears an UNUSUAL RESPONSIBILITY

The SERVICE he sells often continues for many years
Provident service sells so readily today, because of the value and satisfaction Provident policy holders have derived from the service of Provident Agents.

Write for information

The Provident Life and Trust Company
OF PHILADELPHIA
Founded 1865

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President

A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY

Edward D. Field, Superintendent of Agencies

A Year of Splendid Achievement

It is not difficult to see why the MASSACHUSETTS MUTUAL in 1917 wrote a larger amount of paid-for business than in any other year in its history. Sixty-six years of Service efficiently and promptly rendered have won the confidence of its representatives and of the public. Co-operation with a Home Office that has the right spirit, policies which are not excelled, and a company with a sterling reputation ensure success for the Field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Springfield, Massachusetts
Incorporated 1851

54 Millions from 42 Agencies
38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

13,855 Failures in 1917

Talking to the Young Men's Business Club of Newark, Peter P. Wahlstad, associate editor of the Alexander Hamilton Institute, compared the failures of the last three years, these being the figures: 1917, 13,855 failures with $182,441,871 liabilities; 1916, 16,993 failures with $196,212,000 liabilities; 1915, 22,000 failures with $302,000,000 liabilities. He added that eighty per cent. of these failures were traceable to causes which are preventable.

Characterizing credit as a factor which enables a retailer to sell his goods at a profit before the date of payment of his bills, Mr. Wahlstad said that every merchant has a certain amount of credit, but the concerning question was to determine the amount. This has been ascertained through information from the credit seeker, which course he deemed inaccurate and unscientific. Another way is to take the testimony of others, which he did not consider reliable, as a concern may be insolvent and yet have a good rating.

The surest method, he declared, is to determine what the merchant is doing at present; to learn the quantity of goods he is buying; to know whether or not he is overloading his shelves and store rooms; to ascertain the regularity of his payments and to find out if he has any new sources of supply. He said that as only about one per cent. of all business transactions are illegitimate, it was reasonable that the merchants should co-operate in the interchange of this necessary information.

* * *

When 20-Year Dividend Fell Due

An agent recently showed his power to think in the following manner: A twenty-year dividend fell due on a whole life policy, issued at age 23 (present age of policyholder, 43). When the agent called the policyholder said, "I think the best thing for me to do is to take that paid-up addition of $356, don't you?" The agent stopped and thought for a moment before answering; then he said, "Let us see if it is." He figured for a moment with pencil and paper, with a rate book open before him. And this was his response: "You would have to pass an examination to become entitled to the $356 additional insurance. Granted you do pass the required examination; the company would issue you $1,000 of new insurance, and the dividend is more than sufficient to pay the premiums for five years in advance, thus giving you $644 more insurance, and at the end of five years you could cash it in for within $66 as much as you could obtain now in a cash dividend, or you can start then and pay the additional yearly premiums of $28.85 less the dividends."

Policyholder—"That is a better settlement, but will the company do that? It is not on the dividend statement."

Agent—"If you pass the necessary examination it will. It leaves that for me to explain. Just sign your name right here on this dividend form and on this application for the additional $1,000 and we will go up to the doctor's."

They went, the policyholder being very well pleased with this favorable adjustment. See your policyholders when dividends are due and help them to re-invest their earnings instead of spending them. This incident is republished from the Prudential "Weekly Record."

A Term Insurance Argument

"Bottles," a monthly publication given distribution by the Illinois Glass Co., in its January issue makes a term insurance argument which will interest agents:

"Many of us feel that we have fully protected the business in which we are a part owner or vitally interested, and when we provide fire and other insurance relating to the buildings and stock, when we have taken on credit insurance to protect the accounts, and when we keep our contracts for materials placed far enough in advance so that we are sure of a ceaseless supply of the necessary materials.

"But in recent years there is another form of protection coming into some general practice, and that is insurance to preserve the abilities of the executives, whose brains are responsible for the concern's existence and successful progress.

"Nature has provided that in no way can we be sure that these brains will not be eliminated through death, and the fact that they are of such vital importance to the business is leading many firms to take the next best substitute. This is to provide insurance that, in the event of these brains being taken away through the accident of death, the company shall receive some sum of money which will, in a measure, offset the loss while other brains are being trained or provided for these executive positions.

"What is costs a company to lose an effective executive is very hard to determine, but that it does cost something, and in some cases a large amount of money is unquestioned.

"Therefore, this thought of safeguarding the company as far as possible against the loss of any single executive or group of executives is being partially met by this type of insurance.

"Some companies take out an insurance policy for the length of time a certain executive is engaged, and it automatically expires when his contract expires, or if he continues in the service, another policy is written.

"There is a thought here for a small business, which consists of two or more partners, and whose success is known to be dependent on the abilities of one or more of these individuals. The partners agree that should they all continue in health and possession of their faculties, the success of the business is practically assured, but they cannot guarantee to one another that they will so continue. An insurance company meets a situation of this kind by these short-term policies."

* * *

Selling Income Bonds

This talk on income bonds is addressed by Marie Virginia Smith, of the Equitable of New York, to the business or professional woman of 40, earning from $2,000 to $3,000 a year.

Miss Prospect, what monthly income do you expect to need when you are 60 years old? $75? Very good!

May I ask what definite plan you are following which will guarantee this amount then and for as long as you may live? No special plan, you say? So far you have been able to save only upon occasion—you have not yet achieved "long distance" saving of any sort? I see.

Then you are prepared to lay aside about $1,125 each year for the next 20 years, are you? For it requires $22,500 safely and **permanently** invested—in Liberty bonds, for instance—to create an income of $75 a month. difficult to think in terms of income rather than of principal, is it not?

Now, only about 15 per cent. of us have a dependable "will-to-save." But assuming for the moment that you belong to this minority class and that you **can** save—**how much** can you save and continue to live according to reasonable standards? Anything like $1,125 a year? I feared not!

You see the earnings of women these days are small when compared with those of men who have the same standards of living. So that, as women working in this transition stage toward full economic equality, our problem is not only to include the element of compulsion in our income savings plan, but to provide for an income that is **adequate.** Often this is an insurmountable task except by a plan that embodies the characteristics of this bond.

Through the bond for an annual deposit of only $469.57 the company will **guarantee** to you a life income of $75 a month without the loss of one cent of your principal—a total investment of $9,391.50 as against $22,500 otherwise required.

I recommend the income bond as the most efficient contract for one particular purpose—**for the protection of your future.** It is not the best means of investing that money which must be available for immediate pleasure or gain. Nor does it yield a high return **at once.** But no one financial contract does **everything.** The efficient plan does some one thing well and meets other needs only incidentally. Not only are its safety and psychological soundness unexcelled, but I submit that the **economy** of the income bond makes it one of the few means by which you can make your present success in life permanent.

FOR FARMER CANVASSERS

"Uncle Donald's Life Insurance" is an interesting story for farmer prospects. The author has written this booklet for the purpose of aiding agents in canvassing farmer prospects. It is full of humor and sentiment and contains many arguments for sound life insurance.

This publication has just been issued from the presses of The Spectator Company. The book is by Ira C. Edwards.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

The Daily Average of the Company's Business during 1917 was:

749 per day in Number of Claims Paid.
9,516 per day in Number of Policies Issued and Revived.
$2,610,759 per day in New Insurance Issued, Revived and Increased.
$478,898.99 per day in Payments to Policyholders and Addition to Reserve.
$316,593.67 per day in Increase of Assets.

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

Brooklyn Managers Form Conference

TO MEET ONCE A MONTH

First Time They have Ever Organized —Discuss Soldiers' and Sailors' Insurance

Brooklyn is a city of 2,500,000 people in which the per capita of life insurance in force is particularly high. Until recently the life insurance managers and general agents there have gone their separate ways with little co-operation despite the fact that some of the companies' representatives have been in Brooklyn for many years, and they rank high as men and as producers. Then, Charles Jerome Edwards, of the Equitable; John S. Tunmore, of the Provident Life & Trust, and other Brooklyn men decided to organize the Brooklyn Managers' Conference with the aim of meeting once a month at the Brooklyn Club for luncheon, and while around the board to discuss questions of interest and of value to the fraternity.

A committee was appointed, and the first luncheon was held Wednesday noon, and was such a success that the Brooklyn Managers Conference is a "go" from now on.

At the Wednesday meeting Mr. Tunmore was in the chair and a different member will preside at each meeting. Every seat at the table was taken and everybody present seemed to like the idea.

Mr. Tunmore started the ball arolling by making a little speech showing why the gatherings would be of importance. He was followed by William Ryan, of the Penn Mutual, who discussed Soldiers' and Sailors' insurance. When he finished there were questions and answers, most of them about the conversion feature.

William F. Atkinson, of the Northwestern Mutual Life, said he hoped that everyone present would attend the annual meeting of the Life Underwriters' Association of New York, to be held at the Astor on Saturday. The managers decided to co-operate with "Brooklyn Life," an illustrated weekly paper, in a special edition featuring life insurance.

Charles Jerome Edwards could not be present as he is in Palm Beach. Among those who attended were:

J. S. Tunmore, Provident L. & T.; W. F. Atkinson, president, New York Association; S. S. Voshell and Frank C. Staniland, Metropolitan; T. A. Morrison, Berkshire; William H. Ryan, Penn Mutual; W. A. Nicolay, Aetna; D. J. Sweeney, Charles and Bernard Joachim, John Hancock, Warren Diefendorf, Mutual Life; Joseph A. Eckenrode, Penn Mutual, and John H. Scott, Home Life.

PRUDENTIAL WINS

U. S. not Entitled to Revenue Collected in 1912 in Dividends and Reserves

Barring reversal in the event of appeal, a decision handed down last week by United States District Court Judge Haight will bring back to the coffers of the Prudential Insurance Company $48,231.85, exacted by the Government when Dr. Herman C. H. Herold was internal revenue collector, with interest from August 1, 1912.

The case just decided arose under the Federal excise act of October 3, 1909, the first of the present series of income tax laws. The act imposed a tax on incomes of corporations in excess of $5,000, insurance companies being included. Its constitutionality was upheld by the United States Supreme Court in what is known as the Flint case.

The act made provision for certain deductions, but accepted payments made on account of dividends. The Prudential and other insurance companies filed returns in which they did not include as part of their income for the year dividends allowed to policyholders deducted from premiums, either by way of reducing the amount of such premiums, by credits, or by increasing the amount of the insurance. The Prudential, and other companies, also further deducted from income the increase for the year in the amount of reserves, certified to the State commissioner of banking and insurance and gave additional cause for controversy by making its return on a cash instead of on a bookkeeping basis.

After the Prudential had paid its tax on the basis of the return so made, the commissioner of internal revenues caused an additional tax to be assessed, covering the amounts allowed policyholders in the form of dividends, it being his contention that such dividends constituted income within the meaning of the act. The commissioner made a point of the fact that such dividends actually figured as income in annual statements filed by the Prudential with the Department of Banking and Insurance of this State, and with like departments of other States.

The commissioner of internal revenue disallowed also part of the deduction by the Prudential on account of increase in its reserves, and also imposed an additional tax on the Government's contention that the returns should have been made on a bookkeeping basis instead of on a cash basis.

EXTEND TIME TO APRIL 12

The House has passed the Senate resolution extending from February 12 to April 12 next the time within which soldiers and sailors may file applications for war risk insurance. Chairman Sims, of the Interstate Commerce Committee, in urging the resolution, explained that it was necessary because of the length of time required for communication between Washington and the American Expeditionary Forces.

ASSISTS J. N. RUSSELL

James O. Westervelt has been appointed assistant manager of the home office agency of the Pacific Mutual Life. He joined the agency two years ago. He at once completed the School for Salesmen course and put into practice what he had learned.

$1,773,411,526 IN FORCE

The Mutual Life has $1,773,411,526 in force. The Company's insurance in force at the end of 1916 was $1,687,797,276.

No Escape From This Draft

(Continued from page 5)

that is, over 2-3 of our population, while in 1916 the total was 1,100,921.

Notwithstanding all that medical science has done to prevent the spread of disease, all that surgery has done to save life, all that hospital service and an army of nurses have done to defeat this Grim Monster, we had in this country the enormous total of over 1,000,000 deaths in the year 1916 among a little over 2-3 of our population in 27 States, including the Eastern, Middle and far Western States, and only three Southern States, Kentucky, South Carolina and Virginia.

The Future

Let us not forget that after the great argument that is now going on across the waters has been concluded and the warring nations settle down to peaceful occupations, men will still live, will continue to marry and have families and there will be the same family ties, the same degree of love and affection, with the same desire to provide for the future of our dependents as there is today. Consequently, there will be the same need for the ideal protection afforded by life insurance.

THE MOST VALUABLE POLICY FOR YOU,
Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the
John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS
WILLIAM N. COMPTON, General Agent
METROPOLITAN DISTRICT, ST. PAUL BLDG., 220 BROADWAY, NEW YORK, N. Y.

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

15,000 PEOPLE
Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life."
This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.
AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day
FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA
Insurance in force over $142,000,000
Walter LeMar Talbot, President

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915
"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."
Home Office, DALLAS, TEXAS

The Connecticut Mutual Life Insurance Company,
PRESIDENT JOHN M. TAYLOR, HARTFORD, CT.
Insurance in force, 107,262 Policies for $253,439,405.12
WHAT NO OTHER COMPANY HAS DONE
To repay to its Policyholders in Death Claims, Endowments, Dividends, Surrender Values, Annuities and other credits more than they have paid to it in premiums. It stands alone in that result.

Total premiums received, Dec. 1, 1846, to Dec. 31, 1916	$310,337,255.71
Total returned to Policyholders, as above noted, in same period	319,548,729.00
Excess of amount returned	9,211,473.29

PENNSYLVANIA OPPORTUNITY
If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.
Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

Subscription Price $3.00 *a year. Single copies,* 25 *cents.*

Entered as second-class matter January 4, 1907, *at the Post Office of New York, N. Y., under the act of Congress of March* 3, 1879.

SHOULD UNLOCK DOORS

Out in San Francisco the Life Underwriters' Association does not permit newspaper men to attend its luncheons which has caused resentment. This leads J. A. Carey, a veteran Coast editor, to say:

Some, if not all of my local contemporaries, have expressed more or less grief at not having been invited to participate with the life insurance managers in their weekly luncheons. I know of no rule either of custom, courtesy or law whereby life insurance managers are obligated to feed the local insurance editors at times when they are assembled for the refreshment of their interiors and discussion of their private business affairs. Upon such occasions outsiders have no more right to intrude than they have to ransack the contents of a general agent's desk. I fear that this is a case of disappointed curiosity, which is almost as bad as that of a woman scorned.

If the insurance editors pay for the feed and are sufficiently interested to come and keep posted regarding an important division of their business, they should not be barred out. Curiosity in this instance is justified and should be gratified. A life underwriters' association is not a private club. Where such associations have been suspected of harboring such an opinion, criticism has resulted that has done the business no good, and some have been left out who properly belong.

The discussion of "private affairs" has no right intruding itself at a luncheon of an association of life underwriters. That is not the motive of such organizations. It is not why they come together. Life underwriters' associations are formed to uplift and stimulate their members by free, frank intelligent, broad discussion of problems which come up for solution in the life offices daily. And because most underwriters' associations fully recognize their duty to the insurance community, those not fortunate enough to attend the meetings should be able to learn what took place from the unprejudiced columns of a newspaper, so that if the meeting be worth while, the inspiration and knowledge in it can be communicated over as wide an area as possible.

The closer the insurance newspaper gets to the underwriter or to a body of underwriters the better for both. It is easy enough to pick up details about what happens behind closed doors. Why not open the doors so that the information can be obtained at first hand?

Plate Glass Rating to be Simplified

Plate glass insurance rates in New York City and State are soon to come under the supervision of W. F. Moore of New York, the plate glass insurance rating expert who formulates rates for the country at large. Heretofore New York territory has been handled through the Plate Glass Insurance Exchange, of which E. M. Gridley is manager.

The Exchange will continue to exercise its function of furnishing information to companies regarding individual risks in Greater New York, as well as regulating agency limitations and making agency rules. It will also continue to deal with the subject of commissions.

For twelve years the Exchange has been doing this work for the companies and twice during that time it has for one reason or another ceased to be operative. In each case it was found that such an organization is indispensable to the plate glass insurance business in New York City, and the Exchange was restored to life. Something like eighty per cent. of the plate glass business in New York State has its source in Greater New York. The nature of risks there is such that were it not for the assistance of some central organization like the Exchange, uniformity in rates and surveys would be impossible of accomplishment. In the many large risks in New York City each individual light must be measured to ascertain the correct rate. Half a dozen companies might send their best surveyors to measure these risks and rarely would two surveys be alike, but the company whose surveyor reported the least glass or classified it the lowest would get the business. Agreements are therefore of no use under such circumstances. The same condition exists the country over in lesser degree, but there is so much big business in New York City, that it never has been possible to get along satisfactorily without some organization through which surveys may be standardized and rates equitably determined.

John R. Bland, president of the U. S. F. & G., had selected five new directors making ten which have been named since January first. At the recent meeting of stockholders, a resolution was unanimously adopted, increasing the membership of the board from thirty to sixty members. The five new directors are; S. M. McKennan, President of the Union Banking and Trust Company, of Helena, Mont.; Samuel Ellis, vice-president of the Manufacturers and Traders National Bank, of Buffalo; William F. McCauley, President of the Savannah Banking and Trust Company, of Savannah; C. L. Sanger, of Sanger Brothers, Dallas, Texas; and Arthur E. Kirkpatrick, manager of the Canada branch of the United States F. & G. He makes his headquarters at Toronto.

* * *

Philip Hicks, one of the leading general agents in Tennessee for fire, automobile liability and bonds, has just returned from a business trip to Philadelphia, New York and other Eastern cities. While in Philadelphia he secured the general agency for the General Accident. Among other companies, Mr. Hicks now represents the Pacific Mutual and Fidelity & Deposit.

THE HUMAN SIDE OF INSURANCE



THOMAS C. MOFFATT

Thomas C. Moffatt, one of the ablest of the young general agents in Newark, was elected president of the Fire Underwriters Association of New Jersey yesterday. Mr. Moffatt is very popular with field men and his brother agents, as he is a strict believer in the ethics of the business and has a fine knowledge of insurance. George Hampton, of Bridgeton, N. J., was elected vice-president and Percy Limouse, of Weehawken, was elected secretary. Miss M. E. Wilkins, of Woodbury, N. J., was elected honorary vice-president.

Among those who attended the meeting were E. M. Allen of Helena, Ark., president of the National Association of Insurance Agents, and Insurance Commissioner Smith, of New Jersey. Commissioner Smith; Fred W. Day, of the Royal, and C. S. S. Miller, Field Secretary of the National Association, addressed the afternoon meeting, the morning being devoted to a discussion of underwriters agencies, jumbo lines and other agency questions. Frederick J. Cox, retiring president, was toastmaster at the banquet last night.

* * *

Charles F. Howell, editor of the "Insurance and Commercial Magazine," and a well-known insurance newspaper correspondent, has gone with "The Weekly Underwriter." For that paper he will contribute live comments on insurance events. A man of wide culture, who has traveled extensively Mr. Howell is an entertaining writer and a credit to his profession. Another interesting change in insurance journalism is the removal of **George W. Wadsworth** to San Francisco, where he will represent "The Insurance Field." He is an able business man who has shown ingenuity in devising advertising plans.

* * *

Stanley L. Otis, secretary of the Insurance Federation of New York, has compiled tables of comparative benefits of various compensation laws, which are published by the Spectator Company.

* * *

Fred V. Bruns, Syracuse (N. Y.), local agent, is a lieutenant on the staff of Colonel Brown, being supply officer of the Third Infantry, headquarters at Syracuse.

* * *

Fred L. Gray, former head of the Insurance Federation and president of the Fred L. Gray Company, Minneapolis, who is in California, expects to return about March 1.

J. A. Demarest, formerly assistant editor of Equitable Life Assurance Society's "Agency Items," who received a commission as second lieutenant after a training course at Plattsburg last year, has just been appointed a first lieutenant. For the past six months he has been stationed at Camp Upton, I. I.

* * *

George T. Dexter, second vice-president of the Mutual Life, is in Florida.

* * *

E. A. Fisher, of Des Moines, one of the leading members of the Bankers' Life field force in Iowa, is very proud of the fact that he has three sons already in the service of the United States and a fourth who will soon report for service. Lloyd Fisher is a recruiting officer for the U. S. Navy at Burlington, Iowa; Edwin A. is a gunner on the U. S. S. South Dakota; James J. is a gunner on the U. S. S. Goldshell. He has made three trips to France and England and one of them was in a submarine. Harley J., the fourth son, has been called to service in the National Army from the State of Wyoming and will soon report at American Lake, Washington.

* * *

Peter Crona, representing the New England Mutual Life in New Britain, Conn., served for some years in the Swedish navy. He came to this country in 1891, and has written insurance for the New England Mutual since 1891.

* * *

Benjamin McKeage, an insurance man of Binghamton, N. Y., who occupies an enviable position in the business and social life of that town and who is known there as "Duck," is headed for "somewhere over there." The Navy recruiting officer captured him and he is now enrolled in the Naval Reserve. Binghamton will miss Duck, for he was a good booster and there have been times when Binghamton needed a friend.

* * *

W. B. Meikle, the new president of the Western Assurance and British-America companies, is the subject of a number of articles in the British insurance newspapers. The following is from the "Policy Holder" of Manchester, England. "Mr. Meikle began his interesting insurance career in the head office of the late Scottish Commercial Fire and Life Insurance Company, and was afterwards for many years with the Manchester Fire Insurance Company at Manchester, Birmingham and London. Later on he went to Calcutta to take charge of the Manchester's business in India and the Far East, combining with this position the duties of marine underwriter of the Triton Insurance Company and manager of the Eastern Fire Insurance Company—the two leading local companies in India.

In 1900 he returned to England to become manager of the British and foreign branch of the Western and British America Assurance Companies, and in 1907 he was appointed the general manager of the two companies at their head office in Toronto. The admirable character of Mr. Meikle's work in this capacity is well known. He has not only maintained but enhanced the high reputation of these old-established Canadian companies. A regime of conservatism in underwriting and economy in administration kept steadily in force for several years, enabled both companies to reap the full benefit of the enlarged opportunities which have come to them more recently. Recognition of Mr. Meikle's services was shown in his election to the vice-presidency of both companies in 1914, and his present appointment to the presidency is the logical sequel. Mr. Meikle is a director of the Canada Life and the Imperial.

FIRE INSURANCE DEPARTMENT

Insurance Men Push W. S. S. Sale

WILLIAM G. WILLCOX CHAIRMAN

Wallace Reid Secretary of Insurance Division Committee—Other Prominent Members

William G. Willcox, of Willcox, Peck & Hughes, is chairman of the Insurance Division of the War Savings Stamps Committee. Wallace Reid, local agent, is secretary. Other members are Willard S. Brown, of Willard S. Brown & Co., 1 Liberty Street; E. G. Richards, United States manager of the North British & Mercantile and president of several fire insurance companies; R. Emory Warfield, president of the Hanover; William A. Hamilton, of the Queen; Samuel Bird, Jr., marine underwriter; Henry W. Farnum, of Platt & Farnum; Edmund Dwight, of Dwight & Hillas, managers Employers' Liability; A. Duncan Reid, manager Globe Indemnity; William B. Joyce, president National Surety; Frederick S. Little, broker; Henry W. Lowe, Johnson & Higgins; Robert C. Rathbone, broker; John A. Eckert, broker.

Buy Thrift Cards

Chairman Willcox has sent letters to all insurance companies, agents and brokers, appealing to them to help in promoting the sale of the $5 stamps and 25-cent thrift stamps. Many insurance offices have been appointed selling agents and have hung up W. S. S. literature in their offices. Some have presented to each employe a United States Government thrift card with one or more 25-cent stamps attached.

Mr. Willcox, in his letter, said in part:

"Little capital is needed. You have only to buy a few stamps from your post office and, as you sell them, replenish your supply. No bookkeeping is necessary. No accounting is required. You will neither make nor lose money for yourself, but will be rendering a valuable service to the Government."

ERIE MEETING POSTPONED

Nothing of importance was done at the last meeting of the Erie County Board of Fire Underwriters. The meeting was adjourned to the third Wednesday in April, when there will be an election of officers, or the organization will be disbanded.

BOUGHT BY C. S. FOUNTAIN

C. S. Fountain, of Hackensack, N. J., has purchased the real estate and insurance business of the late Francis H. Waite.

J. C. DISTLER, JR., PRESIDENT

Succeeds Late Martin Meyerdirck as Head of German-American, Baltimore

John C. Distler, Jr., for years vice-president of the German-American Fire Insurance Company, of Baltimore, has been elected president of the Company. He fills the vacancy caused by the death of Martin Meyerdirck.

The directors have also elected George A. Hax, vice-president. Mr. Hax has been a director of the institution for years. He is a prominent grain merchant of Baltimore, and is a member of the Chamber of Commerce of that city.

Mr. Distler played a prominent part in conducting the affairs of the company during the lifetime of Mr. Meyerdirk.

DEFENDS SPRINKLERS

Ira G. Hoagland Says Freezing Has Not Been Due to Defects in Systems

Ira G. Hoagland, secretary of the National Automatic Sprinkler Association, has issued a letter, saying that the idea has gained currency that the impairment of sprinkler protection by freezing has been due to inherent defects in sprinkler systems.

"Nothing could be farther from the truth," he said. "The impairment has been because the water in the 'wet pipe' sprinkler systems required by the fire underwriters in heated buildings has been allowed to freeze and more or less cripple the systems, or else the water has been shut off and the pipes drained to prevent freezing where heat could not be maintained because of lack of coal."

REMARKABLE RECORD

Continental Increases its Metropolis Premium Income 114 Per Cent. in Two Years

During 1917 almost every company made a substantial increase in the New York City premium income, and, in some special instances, very large increases were made. The Home, as usual, heads the list of companies with the Liverpool & London & Globe, Continental, Great American, Aetna and Royal following in close proximity.

The Continental made the largest percentage increase for the past two years which was phenomenal. In 1915, this Company has a premium income in New York City (Exchange territory) of $332,079, while in 1917 the amount received in the same territory was $709,162, or an increase of 114 per cent. in two years.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE WILLIAM H. KENZEL COMPANY
FIRE INSURANCE AGENT
REPRESENTING AT NEW YORK OFFICE
79-83 WILLIAM STREET

HUMBOLDT FIRE of Pittsburgh, Pa.
EQUITABLE FIRE & MARINE of Providence, R. I.
IMPERIAL ASSURANCE of New York, N. Y.
GRANITE STATE FIRE of Portsmouth, N. H.
ALLEGHENY FIRE UNDERWRITERS of Pittsburgh, Pa.
COMMERCE INS. CO. of Albany, N. Y.
AACHEN & MUNICH FIRE Organized 1825
FRANKLIN FIRE of Philadelphia, Pa.
CALEDONIAN-AMERICAN of New York, N. Y.

REPRESENTING AT BROOKLYN BRANCH
154 MONTAGUE STREET

LONDON ASSURANCE of London, England
NORWICH UNION of Norwich, England
COMMERCE INS. CO. of Albany, N. Y.
GRANITE STATE FIRE of Portsmouth, N. H.
MECHANICS INSURANCE CO. of Philadelphia, Pa.

Capacity For Local Agents

You can use our capacity as your own to take care of additional business beyond the capacity of admitted Companies.

Our capacity is as high as $150,000 on a single risk with immediate binders and 10% commission to brokers. Guaranteed Underwriters. Use our special Surplus Line Department. Special liberal policies for Baggage Insurance.

MARSH & McLENNAN
Insurance Exchange, Chicago

19 Cedar St. NEW YORK
1615 California St. DENVER
314 Superior St. DULUTH
300 Nicollet Ave. MINNEAPOLIS
Ford Bldg. DETROIT
17 St. John St. MONTREAL
23 Leadenhall St LONDON

THESE OFFICES GIVE YOU THE BEST THERE IS IN INSURANCE SERVICE

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

INSURABLE VALUE

Definition Made by Minnesota Insurance Department—Companies Asked to Follow Same

Commissioner Sanborn, of Minnesota, has often been asked by companies, agents and brokers whether the insurable value must be stated separately for each building or structure. He makes some interesting comments on this subject and has formulated definitions for guidance of companies and agents. Mr. Sanborn says:

Some maintain that when two or more buildings are written blanket the aggregate insurable value of all may be stated in one sum, on the theory that the assured regards them as one building because they adjoin and perhaps communicate, or merely because it is simpler and easier.

This question does not arise when the insurance is specific on each building, thus apparently making the interpretation of the law depend on the policy form under which the insurance is written instead of on the wording of the law itself, which says nothing about how the policy covers.

Clearly what is needed is a definition of the word "building." As the word is here used all other meanings than those having to do with insurance are excluded. The section quoted relates to all kinds of property damage insurance, fire, lightning, tornado, explosion, etc., on buildings or other structures. The same rule does not necessarily apply for all, because a "building" in fire insurance may be different from a "building" in tornado or explosion coverage.

The standard that should apply is that used by the companies in fixing rates and in rules for writing insurance. A row of brick buildings not separated by any space is one tornado risk, while each building is a separate fire risk if the division walls are standard. One rate is made for tornado on all of the buildings as one risk, but each will have a fire rate applying only to itself.

The following definition has been formulated: For the purpose of stating the insurable value a "building" shall be held to be a structure on which a specific rate has been made.

Note 1. In the case of risks comprising several buildings for which only an average rate is promulgated, the insurable value of each building should be stated the same as if specific rates had been promulgated.

Note 2. Lumber yards and other risks which may consist of more than one building for which no specific rates are customarily figured: state insurable value of each building or shed if it is actually a separate building and would be rated as such if used for mercantile or other purposes that would necessitate a specific rating.

All insurers and their agents are requested to observe the above rule.

* * *

Write at Old Rate

After considerable controversy and local newspaper publicity the poorhouse and insane asylum insurance in Wilkesbarre, Pa., has been written at the old rates, $11.39 plus the war tax. Recently the insurance was increased from $590,000 to $650,000.

* * *

W. L. Reid, Jr., in the Service

William L. Reid, Jr., assistant manager of the special risk department of the National Fire, has joined the naval reserves. He has been with the National for eight years.

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

STRONG COMBINATION

Personnel of Wagner-Taylor-Edson Company, Inc., Philadelphia—Two Branch Offices

The recent merger of the Wagner & Taylor Co. and Edson & So. under the name of Wagner-Taylor-Edson Company, Inc., makes a strong combination. The officers follow: Louis M. Wagner, president; John C. Taylor, vice-president; Henry Edson, treasurer; Harry A. Randall, secretary; Robert P. Bishop, assistant secretary; Thomas S. Strobhar, assistant secretary.

The Wagner & Taylor Company is an old established office that needs no introduction, and while Edson & Company is of more recent birth, its success in the insurance field has been most rapid and the merger of these two interests makes a splendid organization.

The new corporation will be equipped to handle insurance of any kind, maintaining a separate fire department, marine department, automobile department and brokerage department.

The home office building of the Company is at 422 Walnut Street, Philadelphia, with branch offices at 82 Beaver Street, New York City and at No. 1 St. John St., Montreal, P. Q., Canada.

SCHAEFER & SHEVLIN
103-5 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

COLONIAL INSURANCE AGENCY
54 MAIDEN LANE Phone John 1210 NEW YORK CITY
AUTOMOBILE AND ALL FIRE AND CASUALTY LINES
"SECOND TO NONE IN SERVICE"

CRUM & FORSTER
GENERAL AGENTS
95 WILLIAM STREET NEW YORK CITY
United States Fire Ins. Co., N. Y. The North River Ins. Co., N. Y.
Richmond Ins. Co., N. Y. Union Fire Ins. Co., Buffalo, N. Y.
Potomac Ins. Co., Washington, D. C. Seneca Fire Ins. Co., Buffalo, N. Y.
United States Underwriters' Policy, N. Y.
F. M. GUND, Mgr. Western Dept. Freeport, Illinois
W. W. ALVERSON, Mgr. Pacific Coast Dept. San Francisco, California

FRED. S. JAMES GEO. W. BLOSSOM WM. A. BLODGETT
FRED S. JAMES & CO.
123 WILLIAM STREET
United States Managers
GENERAL FIRE ASSURANCE CO. of Paris, France
URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England
NEW YORK
C. B. G. GAILLARD Assistant Manager
UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

AMERICAN EAGLE FIRE INSURANCE COMPANY OF NEW YORK
HENRY EVANS, President
AN AMERICAN INSTITUTION
MR. AGENT: Study your problem well. Successful business is not the result of snap judgment. Maybe we can help you. We've solved many problems for our agents. Ask us.
HOME OFFICE, 80 Maiden Lane, New York PACIFIC COAST DEPT., Insurance Exchange Bldg., San Francisco

FIFTEEN PER CENT. NET PROFIT

Interesting News About Their Own Business Given to Companies by Summit Editor

When the editor of a small town daily paper tackles the great question of insurance, his brain throbs can be heard for miles. Here is the concluding paragraph in a column editorial headed "Fire Insurance Monopoly," and printed in the Summit (N. J.) "Record":

The insurance premiums paid throughout the country during the last year for which we have figures available in excess of the fire losses sustained was more than one hundred million dollars. The insurance companies felt the sting of this exposure to such an extent that they set about explaining away a great deal of the apparent profit. Most of their contentions are legitimate. The matter of salaries, overhead and fixed charges for offices, commissions to agents, taxes, etc., etc., are accepted as necessary in the conduct of any successful business, but one item of charge, which they arbitrarily assert, means nothing to the public. This last blanket charge arbitrarily inserted in order to eat up a portion of the millions annually extracted from the people's pockets is termed one-tenth of one per cent. of all the insurance in force amounting to some $3,020,600,000 for supervision. In spite of the absurdity of this last general charge, which has no basis whatever as to amount and means absolutely nothing to the great business and industrial world, we still find an approximate net profit of 15 per cent.

If this editor can find a 15 per cent. net profit in fire underwriting he deserves to rank with Heinz, of Pittsburgh, as a discover. It was Heinz who discovered in the innocent pickle a road to fabulous riches. And why does the Summit editor speak so contemptuously of "Supervision?"

THE GLENS FALLS

1917 Net Premiums, $3,789,494; Losses Incurred, $2,029,385—45-year Record

The net premiums of the Glens Falls for 1917 were $3,789,494 and losses incurred were $2,029,385.

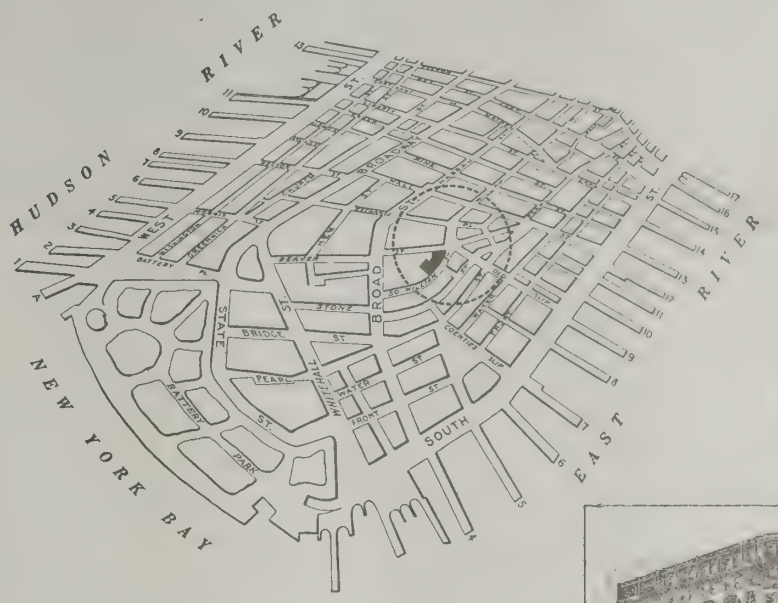
The forty-five years' record of this Company, one of the strongest and well-known in America, follows:

Date.	Gross assets.	Net surplus.
Jan. 1, 1873.....	$587,210	$57,667
Jan. 1, 1880.....	966,598	453,217
Jan. 1, 1890.....	1,785,404	1,003,049
Jan. 1, 1900.....	3,327,439	2,155,142
Jan. 1, 1905.....	4,176,096	2,493,183
Jan. 1, 1910.....	5,105,505	2,433,826
Jan. 1, 1911.....	5,310,298	2,594,356
Jan. 1, 1912.....	5,607,662	2,719,805
Jan. 1, 1913.....	5,719,167	2,485,505
Jan. 1, 1914.....	5,523,704	2,318,200
Jan. 1, 1915.....	5,559,478	2,126,852
Jan. 1, 1916.....	5,859,946	2,254,209
Jan. 1, 1917.....	6,429,946	2,371,845
Jan. 1, 1918.....	7,157,222	2,496,338

NEW HERKIMER AGENCY

Bradley, Perry & Bradley have opened offices in the First National Bank Building, Herkimer, N. Y. They will conduct a general insurance business. E. J. Bradley, a shoe man; Ralph Perry, an orchestra conductor, and John J. Bradley, a Utica insurance man, comprise the firm. J. J. Bradley will continue in Utica, giving part of his time to Herkimer, and E. J. Bradley will manage the Herkimer end.

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS

Merchant Marine House **New York City**
South William and Beaver Streets

NATIONAL UNION
FIRE INSURANCE CO.
PITTSBURG, PA.

(Pennsylvania Standard)

STATEMENT OF CONDITION
JANUARY 1, 1918

ASSETS

Bonds and Stocks (Computed on valuation adopted by Committee of Insurance Commissioners)		$3,184,476.33
Loans on Mortgages		348,800.00
Real Estate		2,172.14
Cash		890,805.49
Premiums Uncollected, in Course of Transmission and in Hands of Agents		732,100.89
Due from Other Companies		125,866.12
Accrued Interest		48,370.24
Total Assets		$5,332,591.21

LIABILITIES

Unearned Premium Reserve		$2,801,228.46
Reserve for Losses		683,155.19
Reserve for Taxes, Other Liabilities and Contingencies		175,000.00
Cash Capital	$1,000,000.00	
Net Surplus	673,207.56	1,673,207.56
Policyholders Surplus		$5,332,591.21

1852 — 1918

Sixty-sixth Annual Statement

Milwaukee Mechanics' Insurance Company

JANUARY 1, 1918

	Based on Values Adopted by Committee of National Convention of Insurance Commissioners	Based on Company's Values
Cash Capital	$1,250,000.00	$1,250,000.00
Reserve for Re-Insurance	2,822,128.85	2,822,128.85
Reserve for Unpaid Losses	289,737.73	289,737.73
Reserve for Dividend	37,500.00	37,500.00
Reserve for Taxes & Expenses	100,000.00	100,000.00
*Net Surplus	1,060,789.28	857,593.93
*Total Assets	$5,560,155.86	$5,356,960.51
***Surplus to Policyholders**	**$2,310,789.28**	**$2,107,593.93**

*Includes excess deposit New Mexico—$3,009.76.

OFFICERS

WILLIAM L. JONES, President
CHAS. H. YUNKER, Vice-President
G. W. GROSSENBACH, 2d Vice-President
OSCAR GRIEBLING, Secretary
EMIL TEICH, Assistant Secretary

New Jersey Fire Premiums and Losses Incurred in 1917

	Premiums Received	Losses Incurred
Aetna	$268,949	$182,576
Agricultural	91,092	37,135
Albany Insurance	41,222	22,607
Allemannia	62,648	28,641
American, N. J.	267,552	89,662
American Eagle	18,580	4,413
Atlantic City	38,536	7,405
Atlas	102,499	57,178
British America	43,209	11,543
Buck's Co. Con., Pa.	2,506	28
Buffalo Insurance	20,624	7,151
Caledonian	59,352	30,825
Caledonian American	1,254	919
Camden Fire	256,465	133,257
Capital Fire, N. H.	10,288	4,252
Central Mfrs. Mu., O.	16,715	6,790
Concordia, Wis.	85,442	27,296
Continental	394,794	97,042
County Insurance	16,443	15,975
Eastern Fire	38,873	7,234
Farmers, York, Pa.	31,596	12,839
Fidelity-Phenix	252,274	113,933
Fire Association	247,323	131,661
Firemens, D. C.	2,204	83
Franklin	150,954	58,532
General, Paris	44,852	19,493
German Alliance.	30,480	5,201
German-Amer., Md.	7,504	892
German Fire, Pa.	7,388	2,906
Great American, N. Y.	482,882	198,384
Grain Deal. Nat. Mu.	4,021	69
Granite State	31,281	15,116
Hamilton	19,529	24,576
Home, N. Y.	585,686	281,360
Humboldt, Pa.	43,550	17,549
Imperial	26,784	4,353
Industrial, Ohio	29,062	35,759
Law Union & Rock.	48,292	13,229
London & Lancashire.	59,019	28,018
Lumber Mut., Mass.	24,340	4,193
Lumbermens Mut., O.	23,257	5,594
Mass. F. & M.	35,064	11,288
Merchants, Colo.	11,876	3,077
Michigan Com.	20,367	6,149
Millers Nat., Ill.	30,855	12,335
Mill Owners Mut., Ia.	5,373	133
Milwaukee Mech.	39,825	18,355
Minneapolis F. & M.	2,961	2,441
National F. & M.	27,227	10,823
New Brunswick.	80,910	27,484
New Hampshire.	124,700	54,458
Northern	42,440	19,412
Northwestern Nat.	25,323	11,579
Orient	35,456	11,773
Pacific	26,166	35,361
Penn. Lumber. Mut.	37,348	6,969
Penn. Millers Mut.	10,628	5,082
Peoples Nat., Del.	22,155	6,020
Phoenix Assurance.	158,880	57,090
Pittsburgh Fire	10,360	3,931
Providence Wash.	78,533	57,822
Queen, N. Y.	176,788	58,379
Reliance	33,069	14,703
Rhode Island	48,999	25,495
Richmond	32,991	32,713
Scottish U. & N.	201,192	114,449
Seaboard Fire	6,863	4,491
Springfield F. & M.	217,776	93,221
State Assurance.	14,128	7,536
St. Paul F. & M.	122,577	57,239
Safeguard	935	50
Standard, N. J.	133,510	51,868
Union, France	18,712	11,418
United Firemens.	19,895	1,705
Urbaine	31,659	14,497
Western Assurance.	101,048	99,800
Western, Pa.	6,506	5,924

CANNOT COLLECT

Suits have been pending for some time between receivers for the Grangers Mutual Fire & Storm Insurance Company of Carroll County, Md., against the policyholders. The receiver wishes the policyholders to pay their assessments, and the policyholders wish their claims paid, but contend that their assessments should be offset by the amount of their claims. It is pointed out to them that under the law they should first pay their assessments and then file claims against the assets in the hands of the receiver. Council for the policyholders says this wouldn't do as the claims could not be paid out of what money the receiver would have have in hand. It looks like a hard problem, one about as easy as to collect from an admiring Fourth of July crowd the cost of the fireworks, after the display.

INCOME TAX DEDUCTION

In the new regulations governing the collection of the income tax, issued by Commissioner of Internal Revenue Roper the following is one of the deductions allowed:

Agency balances: There may also be deducted from agency balances or other amounts charged off as worthless, and losses by defalcation, premium notes voided by lapse, provided such notes have at some time been included in gross income for income tax purposes; otherwise they will not be deductible.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

Firemen's Insurance Co., Newark, N. J.
January 1, 1917
Cash Capital $1,250,000.00
Net Surplus $2,449,322.25
SURPLUS TO POLICYHOLDERS... $3,699,322.25
DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer — A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President — J. K. MELDRUM, Assistant Secretary

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

Authorized Capital $500,000
Detroit National Fire Insurance Co.
DETROIT, MICHIGAN
A Company to be built gradually and along the indicated lines of permanence
AGENCY CONNECTIONS SOLICITED

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

Associated Mutual Agency Incorporated
B. J. ALLEY, Manager
68 William St., New York
Exceptional Facilities for Writing Business Throughout the United States

BRITISH AMERICA
ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1917
Assets $1,936,279.77
Surplus in United States.... 823,964.59
Total losses paid in United States from 1874 to 1916, inclusive 24,669,753.43
W. B. MEIKLE, Pres. & Gen. Mgr.

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

Specialties in 1917

(Continued from page 1)

Franklin	9,031	955
German Alliance	1,526	668
Great American	13,260	8,835
Home, N. Y.	106,392	45,748
Imperial	9,262	1,684
London & Lancashire.	....	148
Milwaukee Mech	627	102
Minneapolis	2,275	8,668
New Brunswick	4,416	....
New Hampshire	1,395	452
Northwestern Nat	274	911
Orient	190	....
Peoples Nat., Del.	8,324	13,988
Phoenix Assurance	47,376	39,109
Providence Wash.	1,146	2,214
Queen	32,131	26,210
Reliance	768	25
Rhode Island	13,992	7,153
Scottish U. & N.	7,130	4,335
Springfield F. & M.	44,011	33,201
St. Paul F. & M.	17,177	9,730
State Assurance	56	....
Explosion		
Aetna	142,392	775
Agricultural	8,566	....
American, N. J.	3,196	15
American Eagle	11,378	690
Atlas	10,353	42
British-America	4,672	18
Caledonian	1,857	....
Continental	156,061	4,336
Fidelity-Phenix	138,899	4,310
Fire Association	10,767	152
Franklin	4,166	....
German Alliance	12,594	10
Great American	78,497	42
Hamilton	2,408	269
Home, N. Y.	148,344	2,807
Imperial	7,402	75
London & Lancashire.	12,319	....
Mass. F. & M.	1,957	....
Michigan Com.	534	218
Milwaukee Mech.	288	....
New Brunswick	9,529	195
Orient	2,061	....
Pacific	32,154	....
Peoples Nat., Del.	1,813	....
Phoenix Assurance	36,963	194
Providence Wash.	9,037	78
Queen	94,219	1,036
Reliance	1,584	10
Richmond	12,578	40
Rhode Island	22,051	98
Scottish U. & N.	46,484	628
Springfield F. & M.	72,113	773
State Assurance	2,579	112
St. Paul F. & M.	24,872	36
United Firemens	384	....
Western Assurance	18,413	432
Tornado		
Aetna	734,234	338,156
Agricultural	60,230	28,660
Albany Insurance	80	....
American, N. J.	529,420	191,432
American Eagle	7,987	2,332
Atlas	34,345	5,890
Caledonian	11,468	5,155
Camden Fire	35,376	295
Concordia, Wis.	57,156	12,651
Continental	687,803	279,084
County Insurance	2,282	....
Fidelity-Phenix	809,929	317,670
Fire Association	78,036	29,077
Franklin	15,828	1,034
German Alliance	14,044	1,739
German-Amer., Md.	601	217
German Fire, Pa.	3,439	1,693
Great American	393,846	133,198
Grain Deal. Nat. Mu.	11,421	9,619
Hamilton	4,198	452
Home, N. Y.	1,097,455	583,459
Imperial	14,822	2,933
Industrial, Ohio	2,934	1,148
London & Lancashire.	57,452	15,590
Michigan Com.	13,727	3,991
Millers Nat., Ill.	28,403	7,128
Milwaukee Mech.	93,601	14,958
Minneapolis F. & M.	25,564	7,867
New Brunswick	21,358	1,800
New Hampshire	29,860	....
Northwestern Nat.	199,587	60,085
Orient	49,379	10,464
Pacific	11,508	54
Peoples Nat., Del.	3,391	4,289
Phoenix Assurance	56,502	23,556
Providence-Wash.	6,468	4,125
Queen	156,007	53,725
Reliance	16,658	3,449
Richmond	4,571	1,452
Rhode Island	17,897	4,539
Safeguard	2,020	212
Scottish U. & N.	61,859	8,621
Springfield F. & M.	400,696	124,382
State Assurance	2,265	245
St. Paul F. & M.	452,756	201,853
Western, Pa.	988	477
Western Assurance	18,011	4,095
Hail		
Agricultural	13,759	6,271
German Alliance	16,560	6,886
Great American	903,226	405,576
Home, N. Y.	2,456,605	1,077,469
Michigan Com.	92	30
Minneapolis F. & M.	136,079	65,045
Northwestern Nat.	460,211	287,035
Providence Wash.	197,308	72,128
Scottish U. & N.	379	21
Springfield F. & M.	4,841	2,773
St. Paul F. & M.	926,812	620,705

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

SUN AND PATRIOTIC AGENTS

Jones, Launt & Barrett, Inc., of Philadelphia, have been appointed local agents there for the automobile department of the Sun and the Patriotic.

IN THE SOUTH

C. F. Shallcross, manager of the Royal, and John H. Stoddard, of the New York Underwriters Agency, are in the South.

1885 Thirty-Second Annual Statement 1918

OF THE

GRANITE STATE FIRE INSURANCE COMPANY

of PORTSMOUTH, N. H.

CALVIN PAGE, President — JOSEPH O. HOBBS, Vice-President
ALFRED F. HOWARD, Secretary — JOHN W. EMERY, Ass't Secretary

DECEMBER 31, 1917

ASSETS

State, City and Railroad Bonds	$ 957,599.00
Railroad and Other Stocks	78,600.00
Other Stocks and Bonds	75,200.00
Real Estate owned	18,200.00
First Mortgages on Real Estate	35,600.00
Cash in Bank and Office	104,176.08
Agents' Balance, net	166,839.71
Interest accrued	14,903.65
Due for Re-insurance	3,788.72
Total	$1,454,907.16

LIABILITIES

Unpaid Losses	$ 76,565.20
Reserve for unearned premiums	809,668.38
All other liabilities	35,631.75
Capital Stock paid up	200,000.00
Net Surplus	333,041.83
Total	$1,454,907.16

THE WILLIAM H. KENZEL CO.,

METROPOLITAN AGENTS

19 Liberty Street - - - New York City

1837 Organized 1837 1918

81st Annual Statement

Westchester Fire Insurance Company

OF NEW YORK

January 1st, 1918

ASSETS

Bonds and Stock	$6,044,097.19
Real Estate and Mortgages on Real Estate	109,510.00
Cash in Banks and Office	1,123,427.94
Premiums in course of collection	682,063.84
Interest due and accrued	32,499.74
Total Assets	*$7,991,598.71

LIABILITIES

Capital Stock	$1,000,000.00
Reserve for Unearned Premiums	4,570,803.37
Reserve for Unpaid Losses	708,356.62
Reserve for Taxes, etc	160,000.00
NET SURPLUS	1,552,438.72
	$7,991,598.71

*Security valuations based on figures fixed by Insurance Commissioners. Includes excess deposit of $13,225.02 in Canada.

This Company has been in CONTINUOUS and SUCCESSFUL operation for EIGHTY-ONE YEARS, and operates under provisions of SAFETY FUND LAW OF NEW YORK.

GEORGE R. CRAWFORD, President — H. H. CLUTIA, Secretary
OTTO E. SCHAEFER, Vice-Prest. & Treas. — GEORGE B. CRAWFORD, Ass't Sec'y

WALLACE REID, Manager Metropolitan District,
56 Maiden Lane, New York City

WM. H. McGEE & CO., General Agents,
Marine Department, 15 William St., New York City

JONES, LAUNT & BARRETT, Inc., GENERAL AGENTS

CAPITAL FIRE INSURANCE COMPANY of CAL.
CHICAGO BONDING & INSURANCE COMPANY
GREAT EASTERN CASUALTY COMPANY
THAMES & MERSEY MARINE INSURANCE CO., Ltd.
SECURITY MUTUAL FIRE INSURANCE CO. of MINN.

BOSTON
NEW YORK
LONDON
CHICAGO
BALTIMORE

We are strictly an Agency Office, and can offer service and facilities anywhere in the United States.

HEAD OFFICES: 411-13 Walnut Street, PHILADELPHIA

NEW YORK OFFICE: 95 William Street, NEW YORK CITY

MARINE DEPARTMENT

The Marine Broker's Relation to Assured

VIEWS OF A MANCHESTER MAN

Must Know the Law as Well as the Policy, He Says

James A. Reid, of Wallis, Stott & Co., brokers, Manchester, Eng., recently made some observations about the broker's relations to his marine insurance client. He said, in part:

"It is imperative that the broker dealing with marine insurance should be really conversant with, not only the rates and security of the various companies and underwriters, but more particularly the law and practice of marine insurance. The wording of the various clauses of the policy, owing to the fact that they have been incorporated in the policy in some cases for nearly 200 years, do not always mean today, what one would on a superficial glance think. Again, it will be found that these clauses, whether written or printed, often contradict one another, therefore, it is necessary to be in a position to fully and accurately explain same to the client, as it frequently happens that the assured get a wrong impression of the value of the cover, which is to be avoided as far as possible. Owing to the variety of destinations, and of interest shipped by firms, it is necessary to be in a position to draft special clauses to meet special cases, and in order that the assured can be properly protected, the broker must have a considerable experience of the business or be in a position to obtain the advice or assistance of someone able to do this work.

Claims

"Again, the marine insurance broker has to see that the claims arising on his policies are satisfactorily collected, and this, perhaps above everything else, requires knowledge of the law of marine insurance. In fact, the less the drafter of a policy has known of the subject the more difficult will be the satisfactory collection of the claim. It is therefore imperative that the marine insurance broker should be a man of practical experience, otherwise his clients will not receive the treatment they should. On the other hand, the broker with experience will be at a great advantage over the broker with only a superficial knowledge of the subject, as in the event of a claim he can step in and straighten out the matter, whereas the other broker is in a hopeless position. Further, in dealing with marine insurance I maintain that it is the duty of the broker to pay more attention to the class of cover he gives than the premium charged. We all know that it is natural for the firm to consider rates first, but I think you will find that when the difference is explained to the clients they will appreciate the difference, and will generally be prepared to act upon your advice. If this principle is carried out the broker will find his duty of collecting the claims much simplified.

"Again, it is sometimes the case that the assured is entitled to a larger amount under his policy than he claims. In this case it is the duty of the broker to collect the correct amount, and to remit the amount less the usual collecting fee to the assured. In such cases, if the claims are dealt with by a broker without experience the firms will lose the additional amount to which they are entitled, as would probably be the case if no broker had been employed and the claim was sent direct to the underwriters.

"Secondly, there is the duty of the brokers to the underwriters.

Duty to Underwriters

"The broker does not in many cases reveal to the underwriter the name of his clients as he has to in the case of other classes of insurance, therefore, the underwriter has a right to look to him to protect his interests as far as the moral hazard is concerned as far as possible, and the broker must disclose anything known to him which would influence the acceptance of the risk or otherwise. Again, the broker must see that all information he gives in connection with the risk is correct, otherwise the policy can be voided on the grounds of misrepresentation, and similarly, unless all matters relative to the risk are disclosed, can be voided on the ground of concealment of material facts. The 1906 Marine Insurance Act confirms that the broker is directly responsible to the underwriter for the premiums and the assured to the broker, but in the case of claims the underwriters are directly responsible to the assured for the payment of the claim, and the assured has no claim on the broker for payment of a loss insured against. In the event of a broker not passing on the premium to the underwriters for any reason, the underwriter has still to fulfill the obligations of the policy to the assured.

At the end of May, 1916, a most important decision was given in the case, Dickinson v. Devitt. Judge Atkin held that the loss resultant to the assured owing to their inability to recover same from the underwriters due to the fact that the broker had failed to carry out his instructions was recoverable from the broker. This decision recognizes the liability of the broker, and the right of the client to rely on the broker. A decision with which all competent brokers will readily agree.

EASTERN MARINE UNDERWRITERS, Inc.

GEORGE A. EVALENKO, President
C. RUSSELL EBERT, Secretary

MANAGERS
OF THE
MARINE DEPARTMENT
OF THE
EQUITABLE UNDERWRITERS
OF
NEW YORK

FOR WHICH WE ARE NOW PREPARED TO BIND ALL LINES OF MARINE AND WAR, ON CARGO AND HULL INSURANCE AT OUR TEMPORARY OFFICE

50 Broad Street, New York City—Suite 620
TELEPHONE 263-264 BROAD

WAR RISK RULING

McAdoo on African Trade Routes—Sailing Vessels on Route to Be Insured

Washington, D. C.—Because of the extending of the submarine war zone by the German Admiralty to include the African trade routes, Secretary of the Treasury McAdoo has issued an order making mandatory the insurance of masters, officers and crews of American merchant vessels traversing this lane of ocean travel against loss of life and personal injury by the risks of war, and for compensation during detention by Germany or her Allies.

This new order of the Government applies to American vessels traveling the trade route all American ports to the Cape Verde Islands and ports on the west coast of Africa, north of Sierra Leone, and vice versa. The order is effective as to vessels sailing from a United States port on and after February 1, 1918, and as to vessels sailing from a foreign port on and after February 15, 1918.

"Under previous orders the same rule applies to vessels engaged in trade from all ports to Europe and ports on the Mediterranean coast of Africa, the Azores, Madeira and Canary Island, and ports in Morocco and vice versa," Secretary McAdoo declared. "These orders were issued under authority of the act of Congress approved June 12, 1917, providing for this form of insurance 'wherever it shall appear to the Secretary of the Treasury that in any trade, the need for such insurance exists.'"

At the same time, the Secretary announced that sailing vessels going to and from the same area, their cargoes, freights and passage money will not be insured by the Bureau of War Risk Insurance. This ruling follows one previously made that such insurance on account of sailing vessels through the so-called "War Zone" would not be granted by the Bureau.

PILFERAGE MARKET NIL

Spanish, Portuguese and South American Ports in Particular Are Targets For Underwriters

Starting a few weeks ago with a tendency to boost the rates a trifle because of the increasing losses, most companies have now excluded pilferage from their contracts except in specific instances. In cases where coverage is being left in the contract it is usually under pressure as an accommodation and at greatly increased rates.

Pilferage losses have been running particularly heavy in Spanish, Portuguese, South American and Mexican ports and underwriters are declining to issue pilferage coverage destined to these ports at any rates at all.

The principal reason ascribed for the increased pilferage losses in other European ports is that there are few able bodied and experienced men now handing shipments.

A bill introduced in the New York Legislature would extend the time in which to complete organization of mutual automobile insurance companies to six months from the date on which the company is authorized to issue policies. The required minimum premium cost of insurance would be reduced to $30,000.

Great American Insurance Company
New York
INCORPORATED—1872
STATEMENT JANUARY 1, 1917
CAPITAL
$2,000,000
RESERVE FOR ALL OTHER LIABILITIES
10,954,055
NET SURPLUS
10,759,422
ASSETS
23,713,477
HOME OFFICE No. 1 LIBERTY ST.
NEW YORK CITY
CHARLES G. SMITH, PRESIDENT — JESSE E. WHITE, VICE PRESIDENT
EDWIN M. CRAGIN, SECRETARY — ALEXANDER R. PHILLIPS, ASST. SECRETARY

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street - - - - New York
Marine Underwriters
Managers Marine Department
AMERICAN INSURANCE CO., OF NEWARK, N. J.
FIREMEN'S INSURANCE CO., OF NEWARK, N. J.
GLENS FALLS INSURANCE CO., OF GLENS FALLS, N. Y.
HANOVER FIRE INSURANCE CO., OF NEW YORK, N. Y.
Marine Agents
GLOBE & RUTGERS FIRE INSURANCE CO., OF NEW YORK, N. Y.
CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

GERMANIA FIRE INSURANCE COMPANY
NEW YORK.
ORGANIZED 1859
STATEMENT, JANUARY 1, 1917
Cash Capital $1,000,000.00
Assets 8,553,704.22
Liabilities 4,222,485.60
Net Surplus 3,331,218.62
Surplus for Policy Holders 4,331,218.62
HEAD OFFICE
Cor. William and Cedar Streets

CASUALTY AND SURETY NEWS

Commercial Methods Hurt Whole Business

PRESIDENT A. E. FORREST'S VIEWS

Health and Accident Convention in Chicago—New Manual Submitted —War Expenses

Declaring that the commercial health and accident business has fallen into a deplorable condition, largely through lack of co-ordinating organization, President A. E. Forrest, of the Health & Accident Underwriters' Conference sees special need for maintaining that organization.

At the midwinter meeting, which opened at Chicago February 13 and continued through Thursday, President Forrest urged those engaged in monthly premium business to forget, if necessary, individual preferment in the interest of rapid and permanent improvement of the entire system.

"Huns" and "Turks"

Mr. Forrest deplored the effect of wars of competition and pictured the blessings of peace through concert. The Conference Code of Ethics, he referred to as the most important and far reaching step taken by the conference, and added:

"It is unfortunate for conference members engaged in the commercial line that no similar attempt at harmonizing differences between companies in that line has been made. We find in that line no attempt to encourage the seeking of new risks, but on the contrary companies publicly announcing that they will duplicate any policy of any competitor, will pay as much commission for a risk switched as for a new risk, and generally, showing such a spirit as we are today inclined to attribute only to the Hun and the Turk."

Legislation May Hurt

President Forrest hinted that correction of the commercial line by legislation may take such form as will work serious injury to all personal accident and sickness business. Under the present system, renewals cost too much, said he. Inequality in classifications will cease with the introduction of the new Conference Manual.

President Forrest attacked the free time evil and regards the subject as of vital importance. The malingerer furnishes another problem of far reaching effect which must soon be dealt with. He also urged public advocacy of some workable measure that will replace the proposed German insurance system in the minds of social workers.

Sanders on Expenses

W. R. Sanders, secretary of the American Liability, spoke on meeting increased expenses and declared that the only practical way at present is to collect the first month's premium in addition to the policy fee on all new policyholders.

In an able paper on the necessity for publicity regarding the evils of the proposed compulsory social insurance system, C. D. Babcock, secretary of the Insurance Economics Society, marveled at the "utter failure of most companies to make use of the local influence of their agents. There is something lacking between the average home office and the average field force. We must fight compulsory State insurance and work for health conservation."

B. P. Scott on Waste

In an address entitled "Squeezing the Water Out of Premium Account," B. P. Scott, agency manager of the North American Accident, spoke of stabilizing the monthly payment system, saying that for obvious reasons companies must, if possible, dismiss the thought of collecting a war tax on already established industrial business.

"From the standpoint of permanency and stability to bring industrial rates to a par with commercial rates and in addition to such rates require the collection of a policy fee, would have a tendency to drive our forces to the commercial field.

"As the head of an agency force, I could not possibly advocate the feasibility of a reduction of agents' commissions as an avenue for relief.

Offers But One Solution

"The sound solution lies in the collection, in addition to the policy fee, of the first month's premium for putting the business on a sound basis, for immediate and future needs (as far as we know at this time) and as a means of accomplishing our aims with the least possible disturbance to the field forces and the buying public.

"This squeezing out process, operative through classification manual and thirty days' protection at full premium rate as applied to any company with a million dollar industrial premium income will mean the elimination of at least $140,000 waste, an amount equal to fourteen per cent. of gross annual premium income. This margin is great enough, if in actual operation, to warrant the dismissal from our minds (as far as the present is concerned) of any thought of the necessity for increased premium, reduced agents' commissions or any other serious change apparent at this time."

Manual Committee Active

The manual committee presented through Chairman R. Perry Shorts an encouraging report of the progress made in making the much needed reclassification of risks and the new manual was submitted for adoption.

Thomas P. Nelson, of the Wisconsin Department, spoke on the effects of standard provisions and Harry Newman Tolles, of The Sheldon School, on "The Human Balance Sheet."

The Mutual Section held its session Tuesday.

TO EXTEND NEW YORK LAW

Bills have been introduced in the New York legislature to bring employes of theaters and similar places, and also men engaged in the various lines of forestry work under the compensation law.

You can *Sell* our new forms of

Accident and Health Policies

Send for Samples

OUR LINES

AUTOMOBILE
(Liability, Property, Damage and Collision).
GENERAL LIABILITY
ACCIDENT AND HEALTH
BURGLARY
PLATE GLASS

We Guarantee

"SERVICE THAT SATISFIES"
and
"PROTECTION THAT PROTECTS"

Great Eastern Casualty Co.

Home Office, 55 John Street, New York

Incorporated 1892

SERVICE TO MANUFACTURERS

Augustus H. Knoll, general agent for the Aetna companies at Buffalo, is operating a new service for manufacturers. In a circular to them he says:

"If you are operating a 'Non-Essential' industry and—in order to avoid the loss consequent upon the restrictions as to fuel or electricity upon non-essential industries—desire to engage in manufacture of war supplies or essentials, we suggest there are two things you may do: Communicate with George N. Peek, industrial representative, War Industries Board, Washington, D. C., to ascertain what government and war demands your plant can be adapted to supply; Place your name upon our United States Government Supply Indexes as to kinds of products or supplies you are able to manufacture so that we may give you notice of government requirements in such classes. This service is furnished gratuitously."

REPRESENTING MARYLAND ASSURANCE

The Maryland Assurance Corporation has selected life agency representatives as follows: Karshner, Krumm & Co., Columbus, Ohio; The Jones-Hewit Insurance Agency Company, Youngstown, Ohio and George N. Beisel, Easton, Pa.

Travelers Wins "Notice" Case in Michigan

REVERSE LOWER COURT VERDICT

Agent Has No Power to Waive Conditions of Policy—The Circumstances

A suit under an accident policy issued in 1896 by the Travelers Insurance Co., to run for thirty years, has just been decided in favor of the Company by the Supreme Court of Michigan.

The question at issue was whether or not the insured complied with the provisions of the policy requiring immediate notice of accident. The insured sustained an accident on November 21, 1913. The injury was a severe one, and nearly caused his death. He was in the hospital for a month, and unable to attend to any business. After his return home he required the services of a physician for a considerable time.

About May 4, 1914, for the first time, the insured remembered the existence of his policies, but could not find them, and did not remember their provisions. On May 4, 1914, he addressed a letter to J. M. Thompson, the agent of the

(Continued on page 18)

General Accident

FIRE AND LIFE
ASSURANCE CORPORATION, Ltd.

FREDERICK RICHARDSON, United States Manager
GENERAL BUILDING · 4TH & WALNUT STS.
PHILADELPHIA

FIDELITY and SURETY BONDS

BURGLARY INSURANCE

FIDELITY & DEPOSIT CO.
OF MARYLAND
EDWIN WARFIELD, President

PICKED UP ALONG WILLIAM STREET

E. F. Hord's Big Lines

Last December E. F. Hord's office of the Maryland Casualty in New York handled some big business for that Company. There was a new workmen's compensation line with a premium of $7,134.90; a new liability policy, premium $15,374.84; an automobile line, premium $20,640 and a renewal for $2,420; a renewal boiler premium of $24,448 and a new plate glass premium of $1,075.51.

* * *

Nat Wills' Widow Collects $27,500

One Sunday afternoon towards the close of last year Nat M. Wills, the actor, was killed by the gas from the exhaust of his automobile while in his own garage. He carried an accident policy in the Fidelity & Casualty, and the Company paid his widow $27,500. The business was written through the office of E. E. Clapp & Co., New York. The proof of death was presented to the Company one forenoon and the same day the check in payment of the claim was delivered to the beneficiary.

* * *

Record Sprinkler Losses

Sixty sprinkler leakage losses in seven days is a record established by the Maryland Casualty. Thus sprinkler leakage protection may be said to have "arrived." It took the unusually severe weather and abnormal conditions brought about by the war to demonstrate the need and value of this protection. Full credit should be given to those who have persisted in cultivating this line when the public was less appreciative of its merits. From now on it will hardly be so difficult to convince a business man that this form of protection he can ill afford to be without. Most of the losses in the Maryland's list of sixty were in New York and Toronto.

* * *

Helping Uncle Sam

Clarence S. Spader, executive special agent for the Fidelity & Casualty at the home office, has given his time for the last two weeks to the advertising department of the War Savings Committee of New York City. His work is interviewing large advertisers to secure appropriations for advertising the Thrift Stamps and War Savings Stamps. He has thus far been very successful and has interested some big men in the work. The newspapers make a space rate of about half usual prices.

* * *

H. L. Parker With Globe Indemnity

Harry L. Parker of Rochester, formerly resident manager for the Fidelity & Deposit, has been appointed general agent for the Globe Indemnity in the same field for health and accident lines.

BUSINESS-BUILDERS
DEVELOPING
Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE
APPRECIATE THE CO-OPERATION OF THE
Massachusetts Bonding and Insurance Company
BOSTON
T. J. FALVEY, President
Paid-In Capital $1,500,000
Write For Territory

Travelers Wins Case

(Continued from page 17)

Travelers, telling of the injury. To this letter apparently no reply was received.

On July 14, 1914, plaintiff's attorney called at the office of the agent, to learn what he could about the matter and, if possible, to get a copy of the policy. He procured a preliminary notice blank, which was sent to the Travelers' agent on July 18, 1914.

On August 4 the Company's agent wrote the plaintiff, enclosing blanks upon which to make affirmative proofs of disability, and these were filled out and returned on November 9, 1914. Between August 4 and November 9 the plaintiff submitted to a physical examination by physicians for the Company.

The lower court directed a verdict for the defendant, on the ground that the plaintiff could not recover because he had failed to comply with the provisions of the policy which, in addition to requiring immediate notice, required that affirmative proofs be filed within seven months from the time of the accident.

The court, in reviewing the case, said that no notice was attempted to be given until nearly seven months after the accident happened, and no affirmative proofs of the accident were filed until more than eleven months had intervened.

Attempts at waiver on the part of the Company were shown by the plaintiff, and in its opinion the court said that the most that could be said was that what was done was that if the plaintiff, knowing the attitude of the defendant, desired to enter into negotiations, the plaintiff's agent would furnish proofs that would be presented for the consideration of the home office, the letters in reference to the matter specifically stating that claim blanks were furnished without prejudice to any of the Company's rights under the policy.

In its final conclusion, the court said that before any act was done whereupon waiver was claimed, the policy by its express terms became forfeited. The agent insisted all of the time that his acts must not be regarded as a waiver. The policy stated in clear language that the agent had no power to waive its conditions; and to hold that what was done in this case could be regarded as a waiver would be to go further than any of the authorities warranted.

"The Texas Employer," published monthly by the Texas Employers Insurance Commission, has made its debut.

ESTABLISHED 1869 U. S. BRANCH 1892

LONDON GUARANTEE & ACCIDENT COMPANY, Ltd.
OF LONDON, ENGLAND

25th Annual United States Branch Statement
DECEMBER 31, 1917

ASSETS		
Government, State, Municipal, Railroad and Public Utility Bonds	$6,116,701.02	
First Mortgages on Real Estate	4,000.00	
Cash on hand and in Bank	495,210.22	
Interest due and accrued	104,649.87	
Premiums not over three months due in course of collection	1,698,113.15	
All other Assets	149,494.78	$8,568,169.04

LIABILITIES		
Claim Reserve:		
Compensation and Liability Departments (As required by Insurance Department of New York)	$3,247,166.55	
Credit Department	166,807.10	
All Other Departments	231,415.30	
Reserve for Unearned Premiums	2,479,077.76	
Reserve for Taxes	190,142.59	
Reserve for Return Premiums, Commissions on Outstanding Premiums, and all other Liabilities	472,949.83	
Special Reserve for Federal Taxes	225,000.00	
Voluntary Additional Reserve for Contingencies	500,000.00	
SURPLUS TO POLICYHOLDERS	1,055,609.91	
		$8,568,169.04

Deposited WITH INSURANCE DEPARTMENTS AND UNITED STATES TRUSTEE $5,966,920.77

Writes: Workmen's Compensation, Employers' Liability, General Liability, Workmen's Collective, Elevator, Teams, Automobile, General Accident, Health, Credit, Burglary and Boiler Insurance.

HEAD OFFICE, CHICAGO, ILLINOIS
F. W. LAWSON, General Manager

F. J. WALTERS,
Resident Manager Eastern Dept., 55 John St., New York City

STOKES, PACKARD, HAUGHTON & SMITH,
Resident Managers Middle Dept., 432-436 Walnut St., Philadelphia, Pa.

ELMER A. LORD & COMPANY,
Resident Managers New England Dept., 145 Milk St., Boston, Mass.

GALLIVAN & O'DONNELL,
Gen'l Agents, Rooms 25 and 26 Wilcox Bldg., 48 Custom House Street, Providence, R. I.

CASUALTY AND SURETY POINTERS

Business Conditions Forecast

Among the business men of the country who keep in particularly close touch with business conditions is E. M. Treat, president of the American Credit Indemnity Company, St. Louis, which makes a specialty of insuring mercantile accounts and has the largest business of that kind in the country. Naturally trade conditions, commodity prices and commercial failures are followed with particular care. Mr. Treat holds the view that there is a close connection between these three factors. They are interdependent. The first two go hand in hand, while commercial failure liabilities take the opposite course. When prices and profits increase failure liabilities decrease; and when commodity prices fall, failures increase.

An advance in prices should tend to derange business. The higher the price, under normal conditions, the greater the danger. There is a price which the average man of moderate income cannot pay. When this price shall have been reached he must stop buying or practice rigid economy. A diminished demand for goods cannot fail to affect prices. When prices fall, merchants must be cautious; when goods cannot be disposed of, an increase in failure liabilities is inevitable. When England, France and the United States stop buying supplies for military purposes, prices should decline rapidly, and failures should increase in nearly all lines of business.

The two years of 1905-6 with failures of 221 millions of dollars were followed by failures of 419 millions of dollars in 1907-8. The two years of 1909-10 with failures of 356 millions were followed by failures of 394 millions of dollars in 1911-12. The two years of 1911-12 were followed by the three poor years of 1913-14-15, during which time the failures amounted to 932 millions of dollars.

All these facts, we should say, would fairly indicate the following conclusions:

(1) That merchants are buying from a larger number of manufacturers and jobbers at greatly increased prices, entailing a proportionately greater risk to the sellers.

(2) That there will be a very large increase in failures as a result of the decline from the present high point of inflation back to even the normal point.

(3) That the injurious consequences resulting from the next business depression, when it comes, will be greater than any heretofore experienced, because merchants will go into the next depression with accounts far greater in amount than at any previous time.

(4) That it is highly necessary that manufacturers and jobbers bring their credit transactions more in accord with the rated financial responsibility of purchasers, that terms of sale be conservative, that past due accounts receive prompt attention.

(5) That the problem of business now is not so much to sell goods at a profit, but to provide against an inevitable decline in the price of goods which must come soon or late. To get cash is to avoid the risk; to sell on short time, to diminish it; to insure the accounts is to provide against the risk.

* * *

Bond Premium Delays

Speaking of the bonding field, President John T. Stone of the Maryland Casualty says: "There is one persistent and vexatious evil in the bonding business, which we have been fighting ever since we added that department to our business in 1910. It is the evil of delay in the payment of renewal premiums. Once more we emphasize the requirement that the agent must notify the principal that he personally owes us the premium, year by year, so long as our obligation as his surety is alive, and that it must be paid as each anniversary date arrives. Whether there are assets available in the estate, or whether there are or are not other conditions offered as excuses for nonpayment, does not interest us. It is the agent's plain duty to make all this clear to the principal and not to accept business if there is a likelihood of trouble or delay in collecting renewal premiums. We are sometimes told that other companies are habitually lax at this point. If that is true, then it is simply another point at which their methods are less efficient than ours; and we shall, therefore, as usual, adhere to our own better ways."

* * *

Accident Insurance and War

Many agents seem of the opinion that war conditions will temporarily put a stop to further development of health and accident insurance. It is contended that the draft will automatically remove a large proportion of desirable prospects and that taxes and higher living costs will preclude most of the remaining eligibles from extensive purchases of these classes of insurance protection.

We do not think the war will seriously or permanently affect this feature of the casualty insurance business.

It is true that war conditions will force a certain readjustment of previous lines of attack, but it does not seem probable that the business will become entirely demoralized as a result thereof.

The same need for economic protection, such as accident and health insurance so admirably affords, exists today as it did in the "piping times o' peace." Indeed, the present abnormal cost of everything by which our very existence is regulated has so reduced the purchasing power of money that it is even more imperative for men of limited income to provide themselves with some proper safeguard.

Harder work and more intelligently directed effort is all that is required of the solicitor to maintain the development of health and accident insurance at the same encouraging level reached in 1916.

New prospects must be discovered. The results shown at the conclusion of 1917 by no means measure the limits of possible growth and development which accident and health underwriting may attain. There are still hosts of good prospects to whom the message may profitably be carried.

LIABILITY HAZARDS AND POPULATION

In liability rating in New York City it has been found that in the territory which carries the highest rate the density of population is more than three times as great as in the territory carrying the lowest rate. Also, the percentage of alien population in the high rate territory is four times that in the least hazardous sections.

The Employers' Liability Assurance Corporation, Ltd.

The original and leading Liability Insurance Company in the World

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE

United States Branch

SAMUEL APPLETON, United States Mgr.

Employers' Liability Building

33 BROAD STREET, BOSTON, MASS.

AGENTS WANTED

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE

CHICAGO

F. W. LAWSON

General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS

Resident Manager

55 JOHN STREET

New York

Elmer A. Lord & Co.

145 Milk St., Boston

Resident Managers New England

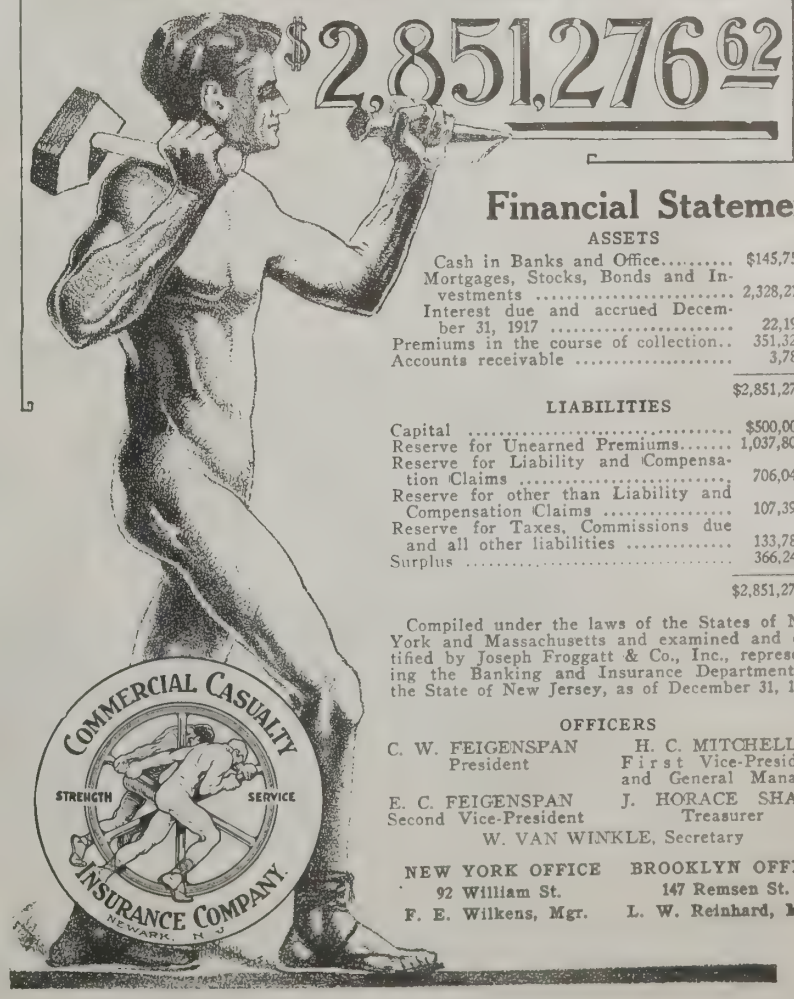
London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

December 31st 1917

TOTAL ASSETS

$2,851,276.62



Financial Statement

ASSETS

Cash in Banks and Office	$145,754.45
Mortgages, Stocks, Bonds and Investments	2,328,215.00
Interest due and accrued December 31, 1917	22,191.22
Premiums in the course of collection	351,329.74
Accounts receivable	3,786.21
	$2,851,276.62

LIABILITIES

Capital	$500,000.00
Reserve for Unearned Premiums	1,037,809.18
Reserve for Liability and Compensation Claims	706,045.00
Reserve for other than Liability and Compensation Claims	107,391.54
Reserve for Taxes, Commissions due and all other liabilities	133,787.49
Surplus	366,243.41
	$2,851,276.62

Compiled under the laws of the States of New York and Massachusetts and examined and certified by Joseph Froggatt & Co., Inc., representing the Banking and Insurance Department of the State of New Jersey, as of December 31, 1917.

OFFICERS

C. W. FEIGENSPAN, President — H. C. MITCHELL, First Vice-President and General Manager

E. C. FEIGENSPAN, Second Vice-President — J. HORACE SHALE, Treasurer

W. VAN WINKLE, Secretary

NEW YORK OFFICE 92 William St. F. E. Wilkens, Mgr.

BROOKLYN OFFICE 147 Remsen St. L. W. Reinhard, Mgr.

The TRAVELERS

HARTFORD, CONNECTICUT

L. F. BUTLER, President

ANNUAL STATEMENT

January 1, 1918

The Travelers Insurance Company

[Life, Accident, Health, Workmen's Compensation and Liability Insurance]

Capital, $6,000,000

Assets	**$129,311,109**
Reserves and Liabilities	**115,248,166**
Capital and Surplus	**14,062,943**
Life Insurance Paid for, 1917	$186,357,301
Life Insurance in Force	617,239,004
Increase—Life Insurance Paid for	$ 70,876,608
Increase—Life Insurance in Force	140,923,162
Paid Premiums for Life Insurance	16,516,888
Paid Premiums for Accident and Health Insurance	5,880,176
Paid Premiums for Liability Insurance	6,384,290
Paid Premiums for Workmen's Compensation	11,335,400
Increase—Premium Income	7,983,976
Total Income	46,411,911
Increase—Total Income	9,360,411
Total Paid to Policyholders to End 1917	195,314,111
Paid for Prevention of Accidents by Inspection	3,591,523

The Travelers Indemnity Company

[Automobile, Steam Boiler, Flywheel, Burglary and Plate Glass Insurance]

Capital, $1,000,000

Assets	**$4,199,461**
Reserves and Liabilities	**2,583,688**
Capital and Surplus	**1,615,773**
Total Paid Premiums	$2,745,259
Total Income 1917	2,899,369
Increase—Premium Income	$940,649
Increase—Total Income	965,169
Total Paid to Policyholders to End 1917	3,021,693
Paid for Prevention of Accidents by Inspection	867,083

MORAL: INSURE IN THE TRAVELERS

OCT 23 1918

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No; 8 | NEW YORK, FRIDAY, FEBRUARY 22, 1918 | $3.00 a Year; 25c

COMMENT ON PATHE FRERES DECISION

Case of Interest to All Brokers Will be Carried to Higher Court

ASSURED DROPPED POLICIES

Question Involved Is Can Broker Collect From Former Client After Cancellation?

The Justice Greenbaum statement in the Pathe Freres case, which has been construed that a broker cannot collect from the insured, has attracted wide attention. The decision of the court is a statement that in his opinion the facts alleged in the complaint of John A. Eckert & Co. do not constitute a cause of action. This is just the beginning of an action which may loom large in importance before the litigation is ended. The matter will be taken to the Appellate Division, and if that tribunal affirms Justice Greenbaum the complaint will be amended. If, on the other hand, the Appellate Division takes a different view the case will proceed to trial upon the merits.

How Action Started

It will be recalled that the case emanated from an effort of the Eckert office to secure commissions or damages from the insured where the policies were canceled shortly after being delivered to the insured. Hagedorn & Co. are the present Pathe Freres brokers.

In commenting briefly upon the case for The Eastern Underwriter this week, Latson & Tamblyn, counsel for the Eckert office, said:

The point at issue may be expressed somewhat as follows. When a merchant asks a broker to obtain and place insurance for him, and the broker consents so to do, have the parties entered into any agreement whatsoever? If so, what is that agreement? Certainly there is legal authority for the proposition that an agreement has been entered into of such a nature that the broker will be held liable in damages if he carelessly selects irresponsible companies, or again, if he carelessly omits to place the insurance as directed and a fire occurs in the meantime. There is then some sort of agreement here and there is some obligation entered into by the broker. What is it that the merchant agreed to do, impliedly, if not expressly? It is our contention that he agreed to accept the policies thus ordered and to pay for them, that is to pay the premiums upon the policies. If this view be ultimately sustained, the cause of action becomes complete. A great deal of confusion of thought has arisen by allusion to that clause in the policy which permits

(Continued on page 15)

THE GAUVIN AGENCY

"The Largest Fire Insurance Company in America."

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

FULL WAR COVER

INCLUDING

BOMBARDMENT and EXPLOSION

Liberal Contracts Reasonable Rates

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agencies

EQUITABLE BUILDING,

REAL ESTATE TAXES AND LIFE INSURANCE

A. K. McGinley, of Massachusetts Mutual, Discusses Subject of Pertinent Interest to All Producers

WHO SHOULD BE BENEFICIARY

Policy Should Be Made Payable To Executors or Administrators of Insured

Mr. Arthur K. McGinley, counsel of Massachusetts Mutual Life

A number of inquiries have recently been received at the home office as to the bearing on life insurance matters, not only of the Federal Estate Tax Law, but of the statutes having a similar object which are in force in many of the States under various names. While it would be impractical and perhaps undesirable to here attempt any extended discussion of these statutes which are intricate in their details, it is thought that it may be of interest to our agents to make a brief statement of the general purpose and effect of such laws, and a few suggestions as to the best method of adapting policies of life insurance to meet the increased burden which such taxes impose upon decedents' estates.

It is generally known that especially since the passage of the Federal Estate Tax Law many persons having large estates have taken out insurance policies on their lives for the express purpose of providing means for the payment of such taxes at their decease. This is from all points of view a most commendable practice, and furnishes the agent a valuable argument in addressing practical and successful business men.

Immediate Cash Availability

I shall only attempt to present a few of the more important features of the law. It is accessible to everyone and its provisions can be readily ascertained.

I want to make it clear that it is highly desirable for any person leaving an estate subject to taxation to provide a fund immediately available in cash for the payment of the tax so that the estate itself may not suffer

the plans of the decedent ibution may not be dis- deduction of the sum payment of the tax.

Estate Tax Law was ss, approved Septem- d March 3, 1917, and ctober 3, 1917. It im- n the net estate left by hat is, upon the residue s estate after allowance has é of an exemption of $50,000, ctions for funeral and admin- á expenses and certain other for which the estate is liable. é case of a non-resident of the d States the exemption of $50,- is not allowed, although certain ctions for claims against the es- are permitted. The gross estate ides the interest of the decedent at time of his death in any property hatever nature and wherever situ- It also includes all property of h he has at any time made a sfer in contemplation of death or nded to take effect at or after his th, except in cases of bona fide s for a fair consideration. The further provides that transfers le by the decedent within two rs prior to his death without such consideration shall, unless shown to the contrary, be deemed to be made in contemplation of death.

Graduated Rate of Taxation

The rate of taxation is graduated and is governed by the amount of the value of the net estate. We have appended a table showing the rate of taxation under the present law which applies to the estate of all persons dying after the approval of the act—October 3, 1917. A glance at these provisions will show that the tax required would amount to a large sum even on comparatively small estates. For example, the tax on an estate of the net value of $150,000 would be $6,000. The tax is due one year after the decedent's death. If it is paid before it is due, a discount at the rate of five per cent. per annum is allowed. If it is not paid within ninety days after it is due, interest at the rate of ten per cent. from the date of decedent's death is added as part of the tax.

Direct and Collateral Taxation

It is very evident that it might be difficult for an executor or administrator to realize a sufficient sum in cash within the time allowed by the law for the payment of the tax, or to benefit by any discount allowed for early payment, in addition to the sums to meet other allowances or charges against the estate, without incurring loss consequent upon the practically forced sale of securities or real estate holdings under unfavorable market conditions.

In addition to the Federal tax the estate of the decedent would be liable to taxation under any inheritance tax law in force in the State in which he resided at the time of his death, and any portion which was situated in another State would be liable to be taxed under the laws of such State.

All the States, with the exception of Alabama, Florida, Mississippi, New Mexico, South Carolina and the District of Columbia, have inheritance tax laws either direct or collateral, or both. A direct inheritance usually means one which passes to a near relative, such as a father, mother, husband, wife, child or descendant, and sometimes brothers or sisters. By collateral inheritance is usually meant the estate by or passing to relatives The exemptions and graduated rela-

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

intricate and can only be suggested here in order to emphasize the importance of making provisions for the payment of all taxes of this nature.

Beneficiary

This brings us to the question of the beneficiary who should be named in the policy to provide for the payment of the tax, and whether the proceeds of such a policy would be liable to such a tax.

It has several times been held by State courts that the proceeds of a policy of life insurance payable to the executors or administrators of the insured are taxable under inheritance tax statutes, not specifically as the proceeds of life insurance policies, but as part of decedent's general estate. It has recently been decided by the Supreme Court of the State of Massachusetts that a policy of life insurance payable to a named beneficiary, even though the right to change the beneficiary was reserved, is not taxable under the Legacy and Succession Tax Law of that State. So far as I am aware, there has been no decision on this question under the Federal Estate Tax Law, but the Treasury Department has ruled in effect that insurance payable directly to a beneficiary named in the policy would not be subject to the tax.

We think that the best method is to have the policy made payable to the executors or administrators of the insured. The insured can then provide in his will that the executor shall use the proceeds for the specific purpose of paying the tax, and this plan in our opinion should always be recommended. It is true that the proceeds of such a policy would be subject to the tax, but that would be a relatively small matter. I have seen it suggested that the policy might be made payable to a named beneficiary in order that it might not be taxable, and that the insured should have some understanding or agreement with the beneficiary outside of the policy under which the proceeds should be applied to the payment of the tax. This plan would seem to be open to several objections. It is, in fact, an attempt to evade taxation to the extent of an estate represented by the amount of the policy. Such a policy, of course, would in reality be for the benefit of the insured's estate and not for that of the person to whom it was made payable. The beneficiary would take the proceeds as a trustee for the express purpose of using them for the payment of the estate tax and for no other purpose. The transaction would seem to invite a claim that the proceeds should be treated as part of the insured's estate for purpose of taxation. It is also extremely probable that the ownership of the proceeds of such a policy would become the subject of dispute and litigation between the beneficiary and the representatives of the insured's estate, especially if the Estate Tax Law should be repealed prior to the death of the insured, or in case any surplus remained after the payment of the tax.

A Pending Bill

I understand that there is a bill now pending before Congress to amend the Estate Tax Law so as to exempt the proceeds of "life insurance payable to and received by the personal representative of the deceased to an amount equal to the aggregate inheritance and estate taxes imposed by this act and by the laws of the jurisdiction under which the estate is being administered and where it shall appear from the policy or policies that such insurance was effected to procure funds for the payment of such taxes." If this legislation is enacted it will be a most satisfactory disposition of this question.

Rates of Taxation Upon Net Estates Date of Death on and After October 4, 1917

		Per Cent.
Net estate not exceeding	$50,000..	2
Net estate $50,000 to	$150,000..	4
Net estate $150,000 to	$250,000..	6
Net estate $250,000 to	$450,000..	8
Net estate $450,000 to	$1,000,000..	10
Net estate $1,000,000 to	$2,000,000..	12
Net estate $2,000,000 to	$3,000,000..	14
Net estate $3,000,000 to	$4,000,000..	16
Net estate $4,000,000 to	$5,000,000..	18
Net estate $5,000,000 to	$8,000,000..	20
Net estate $8,000,000 to	$10,000,000..	22
Net estate exceeding	$10,000,000..	25

From "The Radiator."

A PEEP INTO OUR PRIVATE FILES

AN OFFICIAL OF THE U. S. GOVERNMENT AT WASHINGTON SAYS:

"I have your letter of October 1st with the bulletin which you are mailing to your policyholders and thank you for it. **This work is the kind that is going to make the Second Liberty Loan of 1917 an overwhelming success."**

A POLICYHOLDER SAYS:

"The **service which you perform for your policyholders** is without a doubt **unequaled by any of your competitors. This Health Service beats anything I have ever seen.** 'May your tribe increase'."

AN AGENT SAYS:

"If a man **doesn't make good** with The Germania Life Insurance Company **it is his own fault."**

WE SAY:

Since these are but samples of **many** letters received regularly by **"The Company of Modern Insurance Service," THE GERMANIA LIFE INSURANCE COMPANY, established 1860 under the laws of the State of New York,** it should be worth something to YOU to ask T. Louis Hansen, Superintendent of Agencies, 50 Union Square, New York City, to tell YOU more about SERVICE which this Company is rendering ITS ITS POLICYHOLDERS AND ITS FIELD-

NEW GENERAL AGENTS

Connecticut Mutual Life Makes Appointments in Brooklyn and in Newark

The Connecticut Mutual Life has appointed Fraser & Abry general agents of the Company in Brooklyn for Long Island. Both are bright, able young men who have made good records in this city. They succeed George H. Parker, who died.

Peter M. Fraser is twenty-eight years old. He lived in Brooklyn most of his life, where he has been active in social and civic organizations. For six years he has been an agency supervisor of the Ives & Myrick agency, previous to which time he was for several years connected with the home office of the Mutual Life.

Paul A. Abry is thirty-five years old, and for the past six years has been an agency supervisor for Ives & Myrick. Previous to that he was with the Home Insurance Company.

George F. Bower has been appointed general agent of the Connecticut Mutual in Newark. He has been one of the leading producers in New Jersey, and last year wrote $450,000 for another company.

TWO FLORIDA VISITORS

Two of the New York general agents who have been visiting Florida, seeking recreation from long business drives, are Charles Jerome Edwards, Equitable, and Robert J. Mix, Prudential.

Beach Article Causes a Stir

PUBLISHED IN MARCH "AMERICAN"

Makes Approach by Asking Insured to Examine Their Policies—Sample Letter Printed

The attention of The Eastern Underwriter has been called to an article in the March number of "The American Magazine," under the caption of "A Wonderful Salesman," and referring to George H. Beach, who operates in Detroit and in New York, and who is described as a man "who permits multi-millionaires to sell themselves million-dollar policies of life insurance." Not the least interesting feature of this article is a letter received by the magazine from a reader, who tells how he met Mr. Beach and explains some of his methods. The letter follows:

One day I received a note from George H. Beach, of whom I had never heard. He mentioned a number of my friends and acquaintances in Detroit who had availed themselves of his services for life insurance and he asked me to make some inquiries about him. If I thought his services would be of value he would go over my policies and advise me if any changes were necessary to bring them up to the best ideas of insurance.

He assured me that I would be under no obligation whatever for this service; but if I felt that he could help me he would be glad to have me say so. Shortly after that a very presentable young man explained the idea of Mr. Beach's service and said they would be glad to go over my policies, in connection with many others.

This resulted in my calling at Mr. Beach's office and discussing some points, and in my acquiring a knowledge of life insurance which I could never otherwise have received. It led me to secure changes in my policies which were worth thousands of dollars to me. Finally the policies were all written up in a morocco-bound loose-leaf book, specifying the various changes and the relation of each to a general plan.

It included a recommendation that I take out one hundred thousand dollars' worth of insurance along a special line. I went over this book carefully, and I do not think anything on earth, excepting a lack of money to pay the premiums, could have prevented me from taking out that insurance.

Sidelights on Beach and His Philosophy

The type of material used in the article is illustrated by several paragraphs about Mr. Beach, who at one time was general agent of the Canada Life in Michigan:

"The Beach philosophy of business was determined ten years ago. Briefly it is:

"If you do something for people, perform a service for them, disregarding the matter of profit except as it comes in naturally, always creating conditions—psychology, if you will—for men to patronize you, but letting people sell themselves on the basis of superior service, telling them the good things in their old insurance, they will be inclined to invest more.

"This was in direct contrast to the selling methods of insurance men heretofore, with exceptions, of course, but the average insurance agent belittled everything but his own. The Beach program was to be constructive; it was to fight all the companies in behalf of the clients.

"The public opinion has been that all companies are good. Mr. Beach realized that there was as great a difference in the companies as in the characters of men, and he set about the selling of insurance on a professional basis. Then it became largely a matter of learning how to deal with large insurers."

The article is discussed in the editorial columns of The Eastern Underwriter.

EARNED 6.30 PER CENT.

The Pacific Mutual earned 6.30 per cent. of its mean invested funds last year. In 1911 it earned 5.81 per cent.

TRAVELERS' GROUPS

Increase of 260 Per Cent. in 1917 Over 1916—Large Case in Bridgeport

The Travelers' record for group life insurance for 1917 showed an increase of 260 per cent. over the group life business of 1916, a year credited with a very large volume of business.

The total number of individuals covered under Travelers' group life insurance policies for 1917 approximates 130,000.

Among the largest group cases written by The Travelers' Insurance Company during the year was the Crane Company of Chicago and Bridgeport, with its various branches, covering about 8,500 employes, to the extent of $7,000,000.

Another signal event in the year's record was the action of The Victor Talking Machine Company. This company experimented with group life insurance in 1913, covering a comparatively small number of its employes. It has now adopted group insurance for over 7,000 employes, with a total insurance of more than $5,000,000.

ANOTHER $1,000,000 POLICY

O. S. Rogers, Phoenix Mutual Life, New York, and George Pick, Mutual Benefit, Chicago, have written a policy for $1,000,000 on a prominent Milwaukee business man. It was an ordinary life, but part was on the income basis. At the request of the agents The Eastern Underwriter does not print the name of the insured.

George W. Lewis, a supervisor connected with the comptroller's department of the Prudential of Newark, died January 26 at his home in Glen Ridge, N. J. He had been with the company over thirty years.

TALKS IN THREE CITIES

Priddy Visits Albany, Montpelier and Montreal—Asks Vermonters to Join National Association

Lawrence Priddy addressed meetings of the Albany, Montpelier and Montreal associations this week.

At Albany and Montpelier he made his plea for the W. S. S. along similar lines to his talk before the New York association on Saturday. In Montpelier he also invited the Vermont Association to join the National Association of Life Underwriters. The Vermont is the only local or State association that is independent of the National Association. In Montreal he discussed with the executive committee of the Canadian Association plans for the joint meeting of the National and Canadian associations at the annual meetings here of both associations.

APPOINTS MISS MACFARLANE

Agency Supervisor of Pan-American Life of New Orleans—Her Experience in Business

Miss Bertha B. Macfarlane has been appointed agency supervivsor of the Pan-American Life. The appointment was effective February 1, 1918.

Miss Macfarlane has been connected with the Company since its organization, and is intimately acquainted with every detail of agency work. In her capacity as agency supervisor she will have charge of first year premium collections and the new educational department which the Company has recently established.

G. A. Saltsman, a widely known fraternal man of Harrisburg, Pa., died recently.

CO-OPERATION No. 9

OUR effective plans of co-operation with new representatives (1) attract the best type of men to the business and (2) enable them to secure a substantial production during their training period.

A group of twenty-five new representatives who contracted with us in 1916 or early in 1917 have reported $83,418.46 in new premiums during the first nine months of 1917.

Phoenix Mutual Life Insurance Company

of Hartford, Conn.

JOHN M. HOLCOMBE, President

Clearing House to Keep Tab on Agents

CONNECTICUT TO START IT

Agent in Trouble in One State Must Satisfy Other States He's O. K.

The Connecticut insurance department is evincing a decided interest in a proposed plan to establish an agents' clearing house for the common protection of the insurance companies, the insurance agents and the public. Just how the plan is to be carried out is not yet definitely settled, but it may be by agreement with the insurance companies. The present arrangement is to extend the plan throughout the country with the cooperation of insurance commissioners, insurance companies and insurance agents' associations.

Endorsed by National Association

The clearing house has been recommended so that if an agent's license is cancelled in one State for cause he can be investigated and prevented from doing business in other States. The National Association of Life Underwriters is in back of the scheme and its president, Lawrence Priddy, is understood to be the chief individual sponsor for it. On a recent visit to Hartford he told a "Courant" reporter that he did not want the impression to go abroad that the insurance profession was filled with "pirates" and "twisters"; on the contrary, he believed the profession was singularly free from such people. But occasionally an unscrupulous person had succeeded in getting into the profession, just as such persons often succeed in getting into other professions, and Mr. Priddy was of the opinion that there should be some systematic method of handling them and driving them out.

At the office of the Connecticut insurance department it was said that the plan would probably come before the companies for formal action soon. The part that the department will play will be the investigation of applicants for licenses. With all the State departments, companies and agents cooperating, it will be possible to keep undesirable persons out of the profession.

MARYLAND'S AGENTS

The Maryland Assurance Corporation is gradually getting its agency organization into shape for business. Agency Director Searles, of the life insurance department, during the week selected a number of agencies located in various parts of the country. He also appointed Addison H. Hoover, of San Francisco, as agency supervisor for the Western section of the United States.

New agencies selected are as follows:

A. V. Powell, Scranton, Pa.; C. H. Ruprecht, Batavia, New York; Williams-Wormwood-Manny Company, Rockford, Ill.; W. T. Jones, Marion, Ind.; T. T. Tongue & Company, Baltimore; S. A. Douglas, Freeport, Ill.; J. W. Fehl, Lancaster, Pa., and Gideon P. Wade, Nashville, Tenn.

General agents were also named this week by Vice-President Thompson, of the accident and health insurance department of the Maryland Assurance, as follows: Lee C. Cooper, East Liverpool, O.; Henry Seymour, Ancon, Canal Zone, Isthmus of Panama; R. P. Rithet & Company, Victoria, B. C., Can.; W. E. Renner, Roanoke, Va., and Saskatchewan Underwriters, Saskatchewan, Canada.

Home Life Men In Patriotic Mood

AGENCY ASSOCIATION MEETING

President Ide Talks on War—Service Medals Given—Enthusiasm High

Members of the General Agency Association of the Home Life, who gathered in New York last week for the annual meeting of that organization, were in particularly happy mood, for 1917 was the best year, by far, that the Company has ever experienced. At all the sessions the interest was keen and the spirit of co-ordination between the field and the home office officials and department heads, which has always been of a high order, was this year more than ever in evidence.

Service Medals Given

In recognition of faithful services of representatives in the field and employes, no matter where located, the Company has adopted the plan of awarding to each person who has been in its service ten or more years a gold service medal of beautiful design. Seventy-nine of these medals were presented during the meeting, recognizing terms of service of from ten to fifty years. All the medals are alike in design but each one shows the number of years of service, which are divided into quinquennial periods. As a representative enters the next quinquennial period to the one he has been in, the service bar on his medal is changed to correspond with his advance in service.

Lorin Hord President

Officers of the association for the year were elected as follows: President, Lorin Hord, Minneapolis; vice-president, J. Roy Robbins, New York; secretary-treasurer, Charles Spaeth, Rochester.

Executive Committee: R. M. Simons, New York, chairman; J. Herman Ireland, Baltimore; C. A. Lacroix, Portland, Me.; R. A. Bickle, Huntington, W. Va.; T. C. Clancy, Louisville; Hoyt W. Gale, Cleveland, and the officers.

The meeting opened Wednesday morning and after completing routine business Lorin Hord gave an inspiring talk on personality and led in a half hour discussion of this subject, which was participated in by all.

George R. McLeran of Chicago, who was unable to attend, sent a much appreciated paper on "System," which was read by Charles N. Weber of Buffalo.

A discussion of "Service" was led by J. L. Bost of Washington, and advertising problems were handled by William Van Sickle of Detroit.

Thursday morning a reception was given by the association to the officers of the Company. President George E. Ide read an address on "War's Demands," in the course of which he said:

"War service is the great 'melting pot.' With all its evils it teaches as nothing else can the true verities, it brings out the real value of things. It proves that aid of one's brother is the supreme duty, that courage, truth and singleness of purpose alone can make us forget the 'insignificant trying details of our daily experiences,' that after all life is not worth the living unless that life is based upon the principles of universal justice and universal right. Against the black background of this horrid war 'the great peaks of honor, duty, patriotism and sacrifice' stand out in brilliant relief. May we all as individuals and as a nation learn these lessons and take them to our souls!"

Vice-Presidents W. A. Marshall and E. W. Gladwin, Henry Moir, the actuary, and Melvin Young, of the New York Insurance School, were heard on subjects of interest to the field force.

Patriotism Ran Strong

Thursday evening a dinner was given by the Company. President Ide presided. He spoke of the work life insurance agents are doing to help with the war, selling bonds, Y. M. C. A. and Red Cross work. He highly praised their efforts and emphasized the need for still greater sacrifices.

Vice-President Marshall made a particularly interesting address, drawing on his experience of fifty-two years with the company to bring out many interesting features of its growth and strength and forecast the boundless possibilities of the future. He laid particular stress upon the cordial relations existing between the field men and the home office officials and department heads.

Mr. Gladwin's address was of patriotic vein. In fact, the whole meeting was one in which patriotism and duty to the country was well in the fore. The speaker called attention to the number of men in the nation's service and pointed out what life insurance men can do at home to back up the men at the front.

William Van Sickle Leader

Dr. W. E. Ray gave some valuable suggestions on the business of the medical director and F. W. Chapin dwelt upon the medical problems of the home office.

President Ide called upon William Van Sickle, general agent at Detroit, whose agency led in volume of business last year, and that live wire said he expects to do even better in 1918. Other general agents from all parts of the country told their experiences dealing with the various kinds of patriotic endeavor in which they are interested and offered suggestions for furthering that spirit.

Superintendent George W. Murray referred to the ideas of thrift which the war is inculcating in the minds of individuals and averred that this condition will greatly help life insurance. William A. Nash, of New York, president of the Corn Exchange Bank, delivered an address on the value of life insurance as a credit asset to business men. The dinner at the Astor was attended by about 100. Mr. Nash's paper contained so many good ideas that the general agents requested that it be prepared in form for distribution. William Van Sickle of Detroit had eight of his representatives present. They were all seated at one table and, being a musical crowd, led in all the patriotic singing, of which there was an abundance.

Honor Men Entertained

Wednesday the Honor Men, those who qualified with a minimum of $100,000 paid for business, gathered for a rousing good fellowship meeting. These men work under general agents and thirty-five of them were invited to attend the meeting. They were addressed by Vice-President Gladwin, Assistant Medical Director Ray and Actuary Moir.

Superintendent of agencies Murray presided and S. R. Whitten, of Jackson, Miss., gave a forceful address on field work. Mr. Baker, of Winchester, Va., made a strong appeal to agents, as did also Mr. Wirth of Cincinnati. All attended a luncheon at the Hardware Club. Thursday the Honor Men were invited to attend the general agents' meeting at the McAlpin where they were addressed by President Ide.

Those who received service medals, together with their nearest quinquennial terms of service, are listed below:

Fieldmen

W. A. R. Bruehl, general agent, Cincinnati, 35; W. Van Sickle, general agent, Detroit, 30; G. H. Simonds, general agent, Newark, N. J., 25; E. A. Callahan, general agent, New Haven, Conn., 20; W. W. Betsche, agency cashier, Chicago, 20; D. F. Weld, general agent, Pittsburgh, 20; A. S. Campbell, agency cashier, Philadelphia, 20; C. A. Wray, general agent, Philadelphia, 20; A. E. Liverman, general agent, Denver, 20; J. H. Ireland, general agent, Baltimore, 15; C. N. Weber, general agent, Buffalo, 15; L. R. Bondy, general agent, Duluth, 15; P. M. Bredel, general agent, Buffalo, 15; C. C. McGehee, general agent, Atlanta, 15; H. P. Sanders, general agent, Pittsfield, Mass., 15; G. M. Robinson, agency cashier, Detroit, 15; C. A. Lacroix, general agent, Portland, Me., 15; I. R. Stevens, general agent, Ithaca, N. Y., 15; S. H. Beaumont, general agent, Little Rock, 15; A. C. Suppnick, clerk, Detroit, 15; J. V. Wilson, general agent, Columbia, S. C., 15; H. C. Wesinger, agent, Detroit, 15; S. R. Whitten, agent, Jackson, Miss., 10; R. M. Simons, general agent, New York, 10; J. L. Bost, general agent, Washington, D. C., 10; P. R. Spahr, agent, Denver, Colo., 10; W. A. R. Bruehl, Jr., general agent, Cincinnati, 10; J. R. Robbins, general agent, New York, 10; E. B. Cantine, general agent, Albany, N. Y., 10; T. J. Clancy, general agent, Louisville, 10; G. M. L. Erwin, general agent, Aberdeen, S. D., 10; G. B. Owen, general agent, Ithaca, N. Y., 10; W. H. Moir, general agent, Los Angeles, 10; Charles Spaeth, general agent, Rochester, N. Y., 10; Lorin Hord, general agent, Minneapolis, 10; S. R. Whitten, Jr., general agent, Jackson, Miss, 10; H. S. Morgan, general agent, Ithaca, N. Y., 10.

Home Office

W. A. Marshall, vice-president, 50; G. E. Ide, president, 25; A. S. Miller, clerk, 25; W. A. Keenholts, clerk, 25; E. W. Gladwin, vice-president, 25; F. W. Chapin, medical director, 25; G. W. Murray, superintendent of agents, 25; Mrs. A. Cable, clerk, 25; F. H. Trimble, cashier, 25; E. C. Dow, clerk, 20; F. W. Kensing, assistant cashier, 20; W. A. Shepherd, clerk, 15; Miss M. L. Larty, stenographer, 15; F. Spencer, clerk, 15; L. A. Spears, clerk, 15; W. J. Hoey, clerk, 15; J. S. G. Kemp, clerk, 15; W. S. Gaylord, assistant secretary, 15; Miss E. Bosch, stenographer, 15; H. L. Reed, clerk, 15; H. Van Sinderen, counsel, 10; G. Froehlig, clerk, 10; Miss L. M. Rittberg, clerk, 10; Miss M. L. Christie, clerk, 10; W. Nicholson, clerk, 10; Miss L. G. May, clerk, 10; Miss J. McMekin, clerk, 10; J. F. Ward, clerk, 10; C. A. Jordan, messenger, 10; G. R. Holly, clerk, 10; Miss C. Bruce, clerk, 10; H. Browne, clerk, 10; H. N. Sheppard, assistant actuary, 10; W. Sessman, clerk, 10; G. W. Hindmarsh, clerk, 10.

Directors

W. A. Nash, director, 25; C. P. Dixon, director, 20; A. A. Raven, director, 20; E. Le G. Beers, director, 20; M. Joost, director, 20; F. L. Hine, director, 20; W. G. Law, Jr., director, 10.

THE COLONIAL LIFE

Now Has Assets of $3,532,069—$5,230,125 in Force in One County

The Colonial Life of America, of Jersey City, N. J., has assets of $3,532,069, and surplus to policyholders of $3,532,069. Its total income in 1917 was $1,605,337; its assets, $3,532,070; insurance in force December 31, 1917, $33,793,742.

Insurance in force on lives of Hudson County, $5,230,125.

HOME LIFE INSURANCE CO.

(Purely Mutual)

256 BROADWAY, NEW YORK

GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to

GEORGE W. MURRAY, Supt. of Agents.

256 Broadway, New York, N. Y.

Build Your Own Business

under our direct general agency contract

Our Policies provide for:

Double Indemnity, Disability Benefits, Reducing Premiums

See the new low Rates

JOHN F. ROCHE, Vice-Pres't

THE MANHATTAN LIFE INSURANCE COMPANY

66 BROADWAY NEW YORK

Organized 1850

BANKERS BLCo LIFE DES MOINES COMPANY

PAYS GOOD PAY TO GOOD MEN

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL

Life Insurance Company

OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

Prudential Has 12 Vice-Presidents

MANY ADVANCED IN RANK

Careers of Officers Whose Titles Have Been Changed—Strong Organization

A number of important changes have been made in the official staff of The Prudential. Edward D. Duffield, now vice-president and general solicitor, has become vice-president and associate general counsel. Edward Kanouse, treasurer, has become a vice-president. Frederic A. Boyle, cashier, becomes a vice-president and treasurer. William I. Hamilton, secretary, becomes a second vice-president and secretary. George W. Munsick, assistant secretary, becomes a second vice-president and field supervisor. John W. Stedman, assistant treasurer, becomes a second vice-president and manager of the bond department. Alfred Hurrell, associate general solicitor, becomes a third vice-president and general solicitor. Fred W. Tasney, assistant secretary, becomes a third vice-president. Frederick L. Hoffman, statistician, becomes a third vice-president and statistician. Richard L. Riker, associate cashier, becomes cashier.

The promotions have been won by merit and will meet with wide approval in the field. President Dryden has gathered about him a strong and unusually able staff of executives.

Mr. Duffield's Career

Mr. Duffield is in the front rank of the New Jersey legal fraternity, while his prestige throughout insurance is high. He belongs to one of the most celebrated families in that State, his father having been a great professor at Princeton. After practicing law, Edward D. Duffield went into the New Jersey Assemby where he became leader of the Republican wing. Afterwards he was appointed Assistant State's Attorney, from which post he went to The Prudental as general solicitor. He was fourth vice-president for two years, and then vice-president.

Stands Well in Financial World

Edward Kanouse, treasurer of The Prudential, a new vice-president, is a prominent figure in the financial world.

Boyle with Company 32 Years

Frederic A. Boyle has been with the Company thirty-two years. He began as a clerk and has never been outside of the cashier's office. He has seen the Company accomplish wonders undreamed of by the officers when first he joined The Prudential forces.

Hamilton with Company Since Boyhood

William I. Hamilton came to The Prudential when eighteen years old. His progress which has been continuous has always been in the production end of the business. For some years when assistant secretary he had charge of different parts of the field, his work winning him promotion to the secretaryship of the Company six years ago. Mr. Hamilton is a thorough student, not only of life insurance, but of many other matters, and has upon several occasions delivered addresses at universities.

Mr. Munsick's Career

George W. Munsick is another Prudential man who has seen long service —thirty-five years with this Company, in fact. He came as a boy from school intending to remain a few weeks, but never left. In his early days he ran an agency for the Company as well as worked in the office. For a brief period he was assistant auditor. But for the most part his work was exclusively in the production end. He went through various stages, winning a supervisorship, and later becoming assistant secretary.

Well Known in Financial Circles

John W. Stedman is a Harvard man and a Bachelor of Arts. He had experience in the New York financial district and with the operating department of a railroad before going with The Prudential. He is a young man with a splendid reputation among men of big affairs.

Hurrell's Long and Busy Career

As a boy Alfred Hurrell sold goods in his father's store. After graduation from a country school he went to work for the D. L. & W. Railroad. He wanted to be a lawyer and attended Buffalo High School and University of Buffalo law school. For a year or so he practiced law in Altoona, Pa., after which he became a lawyer in Buffalo, serving also as a member of a law school. A man of much force of character and definite views he was made a member of the Erie County Republican committee. His first public office was as assistant district attorney of Erie County, from which position he became counsel of the New York Insurance Department in 1909 under Judge Hotchkiss. In 1910 he was counsel for the Merritt Committee, which investigated fire insurance and helped draw up the insurance statutes which were one result of that committee's work. He then became counsel for the Association of Life Insurance Presidents, quitting there to become associate general solicitor of The Prudential.

Tasney Started as Agent

Fred W. Tasney has traveled this country from end to end many times for The Prudential, and has a tremendous acquaintance among agents. Before going into insurance he was a commercial traveler for several years. With The Prudential he had his start carrying a rate book as an agent in Paterson, N. J. in 1887. Next he was made an assistant superintendent; later a superintendent, then superintendent of the ordinary department for New York and New Jersey, and after that was made manager of the Western division ordinary agencies and so on up to assistant secretary.

Hoffman an Encyclopedia

Frederick L. Hoffman, noted compiler of statistics, authority on health questions, not only in this country but all over the world, writer of books, lecturer, etc., is as well known in the world of sociology, medicine and life insurance as anybody in America. His most recent book covers cancer. It is said of Dr. Hoffman that when he finished covering a subject his investigations are so exhaustive that there is nothing else to write about.

Mr. Riker's Career

Richard L. Riker, the new cashier, has been with the Company twenty-six years. He began as a clerk in the Ordinary Agencies Department. Afterwards he was transferred to the cashier's department where he earned the title assistant cashier.

Other Officers

The Prudential now has twelve vice-presidents. There is no change in the rank of John K. Gore, vice-president and actuary; Wilbur S. Johnson, vice-president and comptroller, and Edward Gray, vice-president.

MAKES GOOD GAINS

Statement of Old Line Bankers Life Insurance Company of Lincoln, Nebraska

The Old Line Bankers Life Insurance Company of Lincoln, Neb., has more insurance in force in Nebraska than any other company. The company's 1917 record was splendid, particularly regarding lapses, the ratio being 5.49. Its gain in surplus last year was $551,833; gain in reserve, $1,105,793; gain in assets, $1,653,691. It made a gain of insurance in force of $7,030,000. It issued $11,373,968. In fact, this is a company that is making such splendid progress that the officers are to be congratulated.

NEW CONTRACT

Industrial Life Policy Converted Into Endowment Issued by Carolina Life

The Carolina Life of Columbia, S. C., has issued a new industrial life policy convertible into endowment. The following illustration is given of the contract:

After twelve years' premiums shall have been paid, the policy will become fully paid-up, and no further payment of premiums will be required. If, however, after twelve years' premiums have been paid, and the insured wishes to convert the policy into an endowment, it can be done as per the following example:

At entry age 2, the additional payment of 21 weeks' premiums will convert the paid-up policy into an endowment at age 70. A further payment of 23 weeks' premiums will make the endowment payable at age 65. A further payment of 36 weeks' premiums will make the endowment payable at age 60. By additional payments of premiums the policy may be converted into an endowment payable at ages 55, 50, 45 or 40. Similarly at age 25, after the policy shall become fully paid-up, by paying premiums for 33 weeks longer, it may be converted into an endowment policy, which will be paid in cash, to the insured, on his attaining age 70. A further payment of premiums for 36 weeks will convert the policy into an endowment at age 65, and so on, by continuing the payment of premiums, for additional periods (as outlined on page 4 of policy) the endowment can be made to mature at earlier ages.

At the commencement of 1917 the Maryland Casualty had on its salaried payroll 978 persons. The total is now 1,371.

REAL SATISFACTION

Working with **William N. Compton** and the **John Hancock Mutual Life Insurance Company** in New York City forms the happiest combination imaginable for the life insurance salesman.

If you have any doubt in your mind have it dispelled by calling at

220 BROADWAY

Phone 6030 Cortlandt

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.
2. The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.
3. Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,

Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

Latest Views of Harold Peirce

FUNCTION OF LIFE INSURANCE

Protection Against Three Major Contingencies of Life—Disability, Old Age and Death

Harold Peirce, of Philadelphia, who placed policies of large size on the lives of J. P. Morgan, H. P. Davison and other millionaires, has written an article, "Life Insurance as Seen by an Agent," for "The Nation," in which he says in part:

Three Major Contingencies

The function of life insurance is to protect men and women and their estates against the three major contingencies of life—disability, old age and death.

As society develops and the needs of men change, it is necessary to change the means or instruments by which needs are satisfied and to adapt them to the new conditions. Modern life insurance is the result of this adaptation to the demands of modern life, and many developments have been made within the last quarter of a century, particularly in the way of a greater diversity of policy contracts, so that to-day we find incorporated in life insurance policies many provisions and benefits which were not thought of in the earlier days of life insurance.

One thing should always be borne in mind: life insurance companies do not create money. They merely collect and distribute it when losses occur, and hence they necessarily play a most potent part in our economic and social life. As originally contemplated by the founders of our American companies, life insurance was designed solely for the protection of the home in event of the death of the breadwinner.

Business Insurance

In these days, however, life insurance has become a recognized necessity in business, protecting surviving partners or corporation officials against loss in the event of death of any partner or official. At such times they not only lose the benefit of the services of the deceased partner or official, his knowledge, ability and energy, but in the case of partnership the settlement with the family or estate of the deceased member or other necessary financial adjustments are oftentimes matters of serious concern. It constantly happens that firms are dragged down to ruin by the dead load of the continuing interest of a deceased partner. Life insurance has proved to be the most feasible means of protecting the partnership or corporation from such loss, and provides the means for the necessary financial readjustments.

Business insurance is, therefore, one of the great functions of modern life insurance, and into this field has come the demand for group insurance, millions of dollars of which are now being placed by employers on the lives of their employes. In most cases the entire cost of this insurance is borne by the employer, and the family of the employe is protected usually for at least a year's wages. This helps the employer to solve one of his great problems, that is, stabilizing his help. Hence through group insurance both employer and employe are benefited.

As our Government's functions and needs have expanded, it has become necessary to devise new ways of increasing its income, and one of the ways has been through heavy graded taxes on estates. These taxes have to be paid in cash, and to meet them in many cases it became necessary for estates to liquidate at considerable loss stocks, bonds, mortgages or real estate. In fact, mention was made in a leading newspaper at the time of the settlement of Lord Strathcona's estate that the decline in securities in which he was known to be heavily interested was caused by the executors selling such securities to pay his inheritance taxes.

Solved by Insurance

Modern life insurance offers a solution of this problem, with the result that many far-seeing men of wealth are insuring their lives for large amounts with the especial object of providing their estates with ready cash to meet these taxes without jeopardizing their securities or reducing their estates.

So far as the individual is concerned, unless he is a man of large means, there exists a real necessity for protection against total and permanent disability, the living death that is dreaded by all, and which deprives a man of the ability to support himself and his family. Modern life insurance for a slight additional cost enables the insured to provide against this contingency by guaranteeing him a life income during his disability, together with payment of the full amount insured at his death.

The protection from loss by sudden and untimely death that sometimes occurs as a result of accident is another function that has been assumed by life insurance companies through adding to their policy contracts a provision agreeing to pay double the face of the policy in event of such accidental death.

While every company deplores the discontinuance of a policy by the insured, yet it is recognized that conditions may so change that in some cases discontinuance becomes unavoidable. Therefore, equitable provisions are made in all modern policies that after three years, or in some cases even less, they may be surrendered for cash, or, in lieu thereof, a paid-up policy for a reduced amount payable under the same conditions as the original policy, or the insurance may be extended for the full amount for a period of years varying according to the surrender value.

Experience has proved that the proceeds of insurance policies were often dissipated by the beneficiaries through unwise expenditures or investments. To protect them against such deplorable losses, modern life insurance offers a solution by agreeing to pay in instalments or annuities, so that, instead of the beneficiaries receiving the proceeds of the insurance in one sum, they receive fixed payments continuing for a definite period or for life.

The bulk of insurance is written now on the mutual plan, under which the so-called dividends, which are really abatements or reductions of the premium, are credited annually and applied either towards increasing the benefits under the policy or towards reducing the cost of the insured.

Loans

Although loans on policies are deprecated by the companies, and justly so, because they are in reality advances against future payments to the insured or the beneficiary deductible at the maturity of the policy, still to the business or professional man a loan on his insurance is many times a godsend, tiding him over some tight place in his finances. Furthermore, to the business man desiring loans from his bank, life insurance is almost a necessity, not only as additional security to the bank, but also as an index to the character of the borrower. The fear that haunts many men of being in want or dependency in their old age is practically eliminated by the flexibility of modern life insurance policies, whereby the proceeds can be availed of in the old age of the insured.

THE NATION

Those Who Wrote Articles in February 7 Number Devoted to Insurance

The February 7 issue of "The Nation," a magazine going to the most intellectual people in America, printed a number of valuable articles on insurance. The authors and titles follow:

"The Military and Naval Insurance Act" by Julia C. Lathrop.

"Governmental War Insurance and Taxation" by George E. Ide.

"Better Advertising of Life Insurance" by Joseph A. Richards.

"Insurance Oil for War Waters" by J. D. Whitney.

"Modern Forms of Insurance Protection" by C. Harold Waterbury.

"Safeguarding Army Camps" by W. E. Mallalieu.

"Life Insurance as Seen by an Agent" by Harold Peirce.

"Maternity Insurance" by S. Adolphus Knopf.

$2,000,000 ALREADY

H. B. Rosen Making a Good Start on 1918 Business—One for a Million

H. B. Rosen, of the New York Life, did not write a dollar of life insurance business in January as during that month he was a team leader in several charity drives, having four or five hundred men working under him. In February he cut loose, and he has already about $2,000,000 to his credit. Among other policies he wrote one for a million in Canada.

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, President
GREATEST
ILLINOIS
COMPANY
WANTS GOOD MEN
AND
WILL PAY THEM WELL

We don't contract with poor men.
We give a new man our attention until he is started.
We make our men make good.
Why don't you work for us?

Peoria Life Insurance Company
PEORIA, ILLINOIS

Security Mutual Life Insurance Company
Binghamton, N. Y.
Offers to men able to produce business first class territory, with direct contract providing liberal compensation.
For particulars, address
C. H. JACKSON, Supt. of Agencies

Are You Permanently Established?
Write for Territory
Pennsylvania—Ohio—West Virginia
PHILADELPHIA LIFE INSURANCE CO.
PHILADELPHIA

Five Promoted by The Aetna Life

MADE OFFICERS OF COMPANY

A. J. Moody, Charles H. Symonds, Frank W. Bidwell, Robert B. English and K. J. McAlpine Advanced

Five new executives of the Aetna Life were made at the annual meeting of the Company this week. They are Adelbert J. Moody, assistant secretary; Charles H. Symonds, assistant secretary; Robert B. English, secretary group division, and K. J. McAlpine, field secretary group division. The careers of the new officers follow:

Adelbert J. Moody

Mr. Moody was born in Sussex, New Brunswick, October 13, 1878, came to Hartford when 3 years old and was educated in the South School and Hannum's Business College. He entered the Aetna office December 20, 1892. For eighteen years he has had charge of the policy loan division. Faithful service has brought to him his new and high responsibility.

Charles H. Symonds

Mr. Symonds, the new assistant secretary, was born in Concord, N. H., November 4, 1868, and came to this city in 1891, entering the employ of the company in May of that year. He began in the policy department and went thence to renewal, and then to the tax. His next change was to the agency bookkeeping and later he was in the cashier's bookkeeping work.

Frank W. Bidwell

Feb. 14 was Mr. Bidwell's birthday, he having been born in Woodside, W. Va., Feb. 14, 1865, a son of Alonzo and Jane Boardman Bidwell. He came to Hartford when he was 5 years of age. He was educated in the Arsenal School and entered the employ of the Aetna in August, 1879. He started as a general utility boy and soon was placed at work of copying letters and after a time was put under the late Thomas J. Gill, subsequently a famed politician, working in the death claims department, in which Mr. Bidwell has labored faithfully. He married June 3, 1890, and has five children, two of his sons being in the army, one of them, Harold F., being a first lieutenant of the infantry and attached to the Marine Corps and in France. He is a member of St. John's Lodge of Masons and also a Shriner.

Robert B. English

Mr. English is in charge of the group division and as secretary of this has an original appointment, the title being new. He was born in Hartford in 1884 and was graduated from the high school in 1904 and from Yale (academic) in 1908. He attended the Harvard and the Yale Law Schools for two years. In February, 1912, he came to the Aetna, making his start in the claims department. He has performed excellent service in the group division of the life department.

In 1911 Mr. English took an exciting, novel and venturesome trip in a thirty-five-foot power yawl from Halifax along the Labrador Coast and into Hudson Bay and to Baffin Land. For a companion Mr. English had John T. Rowland, a brother of Dr. H. C. Rowland, the author. Mr. Rowland subsequently became a lieutenant in the United States Navy.

Kenneth J. McAlpine

Mr. McAlpine was born in Hartford March 8, 1884, and was educated in the Laurel Street School and the Brewer School in Fairfield. He came to the Aetna in 1900 as office boy to Vice-President J. L. English and went into various departments, as he gained promotion. In 1913 he entered the group division of the life department and in this he has remained, becoming now the field secretary, his work being entirely in the field.

NEW PAR POLICIES

Announcement by Detroit Life—List of Contracts to be Issued by Company

The Detroit Life announces a number of new participating policies, a complete list of which follows:

Ordinary Life—No disability clause, par. and non-par.

Ordinary Life—With waiver of premium clause, par. and non-par.

Ordinary Life—Complete protection clause, par. only.

20 Payment Life—No disability clause, par. and non-par.

20 Payment Life—With waiver of premium clause, par. and non-par.

20 Payment Life—Complete protection, par. only.

20 Year Endowment—No disability clause, par. and non-par.

20 Year Endowment—With waiver of premium clause, par. and non-par.

20 Year Endowment—Complete protection, par. only.

10 Payment Life—No disability, par. and non-par.

10 Payment Life—With waiver of premium clause, par. and non-par.

15 Payment Life—No disability, par. and non-par.

15 Payment Life—With waiver of premium clause, par. and non-par.

10 Year Endowment—No disability, par. and non-par.

10 Year Endowment—With waiver of premium clause, par. and non-par.

15 Year Endowment—No disability, par. and non-par.

15 Year Endowment—With waiver of premium clause, par. and non-par.

15 Year Endowment—Complete protection, par. only.

Joint Ordinary Life, non-par. only.

Joint 20 Payment Life, non-par. only.

Joint 20 Year Endowment, non-par. only.

5 Year Term, non-par. only.

10 Year Term, non-par. only.

20 Year Term, non-par. only.

Child's Endowment—20 year, non-par. only.

President Day to Policyholders

EQUITABLE'S PROSPEROUS YEAR

Social Service and War Work Play Important Part in Efforts

President W. A. Day's annual letter to policyholders of the Equitable Life of New York is always looked forward to with keen interest.

As to the war, President Day says that the nation's difficulties lie now, not in securing public support for our war measures, but in wisely carrying them out.

Lurking Dangers

Danger to the future safety of our institutions undoubtedly lurks in some of the extraordinary policies and powers granted the Government under stress of this great war.

Twenty-one million dollars of the Equitable Life's funds now protecting its policyholders, are also helping to win the war by investment in war loans of our country and our Allies. The Society is otherwise actually engaged in war work and will continue its active service in every consistent way until peace is declared.

Increase in Business

The steady growth of confidence in life insurance has been emphasized during the past year by a substantial increase in business written, the total new issues in 1917 amounting to 251 million dollars, as against 210 million during 1916.

Extension of Social Service

The efforts of the Society to extend its social service to more individuals have been greatly augmented by the success of the group insurance method for employes which was introduced a few years ago.

The group insurance plan serves the class of people standing in the greatest need of insurance protection and without cost to them.

Another valuable social service pioneered by this Society is the home purchase plan, which gives real assistance to that portion of the wage-earning community desirous of owning its own homes.

Railway Investments

Now that the Government has taken temporary control of the roads, it is important that every Equitable policyholder should take a still greater interest in the protection of his rights as a creditor of the railroads through his insurance company. He should appeal to his Congressmen to see that in the hurry and confusion of war legislation full and complete justice is done the creditors of the roads; that the railways shall be returned to the owners at the end of the war not physically run down or impaired but in as good condition as when they were turned over to the Government, and, if possible, with extensions and improvements initiated to meet the constantly

(Continued on page 9)

NEW DISABILITY BENEFITS

Phoenix Mutual Life Offers Attractive Feature to Women Policyholders

The Phoenix Mutual Life is prepared to add an attractive feature to life and endowment policies issued on the lives of women. The waiver of premium or the waiver of premium and income in event of total and permanent disability, on the payment of a small additional premium, will be embodied in an agreement similar to the one issued on male lives, except that the benefits cease on the marriage of the insured. These disability benefits will be issued only to unmarried women and widows between ages 20 and 55 who are earning their own living.

The Company will issue policies of $1,000 to $2,500, but will in no case issue a larger amount unless evidence is furnished that the insured has a regular income exceeding by at least one-half the income provided by the waiver and income benefit.

Long Term Endowments

The disability benefits will be particularly valuable in the long term endowment which is well fitted for the needs of a single woman who is earning her own living. At age 30, for example, the premium for a 30 year endowment policy is but $33.08 per thousand with $1.58 additional for the waiver of premium and income benefits. A policy of $2,500 on this plan will guarantee that sum to any dependent the insured may have, should she die before maturity; or, irrespective of the use she may make of the dividend, it will mature at age 60 and then may be payable, under option 4, in monthly instalments for life. With the waiver of premium and income benefit added, the insured will not only be relieved from all premium payments in event of total and permanent disability, but six months from the date of proof of such disability she will begin to receive a monthly income of $25 or $300 per annum. This income would be paid so long as the disability continued total, even though the policy had matured as an endowment and been paid in cash.

Income Bond

Attention is called to the fact that the Company cannot issue disability benefits to female risks in the State of Illinois.

On March 1 the Company will be prepared to issue disability benefits with the income bond on the lives of women. The limit of such income will be $25 a month, unless evidence is furnished of a regular income exceeding by at least one-half of that provided in event of total and permanent disability, when larger amounts will be granted.

DR. ALBRIGHT HERE

Dr. Albright, of the Northwestern Mutual Life, the leading writer of life insurance in the West, was a New York visitor this week. While here Dr. Albright makes his home at the Union League Club.

A Year of Splendid Achievement

It is not difficult to see why the MASSACHUSETTS MUTUAL in 1917 wrote a larger amount of paid-for business than in any other year in its history. Sixty-six years of Service efficiently and promptly rendered have won the confidence of its representatives and of the public. Co-operation with a Home Office that has the right spirit, policies which are not excelled, and a company with a sterling reputation ensure success for the Field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts
Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

1918 Dividends and Net Costs

"For many years past this office has been in the habit of furnishing the agents with statements showing the present net cost under the current dividend scale of policies from one to twenty years in force, coupled with the statement as to different interests and reserve basis for the different years," says the Darby A. Day Agency of the Mutual Life, Chicago. "No such statement will be prepared this year because we believe in the first place that such a showing is unnecessary and, secondly, even if a statement of this kind were made it would show at best only the net cost this year under war conditions and would be no criterion for the future.

"Dividend leaflets furnished by the home office showing dividends this year on all forms of policies have been furnished the rate book men and these leaflets are, we believe, sufficient to show that the Mutual Life, even under adverse conditions in regard to security values, etc., is returning to its policyholders a goodly dividend.

"If it becomes necessary to show dividends at all, it is only fair to the Mutual Life to show not only dividends paid this year on policies issued one year ago, but also the natural increase in dividends on individual policies after the first year.

"In the case of policies requiring twenty premiums or more, if you wish to arrive at an approximate average dividend, which would maintain say for twenty years, if perchance the present dividend scale should continue, it is only necessary to refer to the dividend paid this year on policies issued ten years ago. These figures will be found in the leaflets.

"Once more we would caution the agents against leaving the impression that the dividends as published will be without question the dividends in the future. The scale for 1918 may be advanced or reduced. We thoroughly believe the trend will be upward, but in any event the best we can do is to show, where necessary, the dividends paid now, giving no assurance as to the amount of the dividends in future years."

* * *

Advocates a Fraternal Note System

There is considerable discussion in the fraternal newspapers about high lapse ratios and old-line agents will be interested in a discussion in "The Fraternal Monitor" of "a new plan to prevent lapses." The writer is L. M. Hundley, of Urbana, Ill., who is Deputy Supreme Chief of the Supreme Tribe of Ben Hur. Mr. Hundley's views follow:

"My experience in the past with new members going suspended for non-payment of monthly dues is in the early period of the connection between the insured and the insuring organization. This is true, I am told, in all fraternal societies. I find by going over some records of legal reserve companies that they lose more policyholders before the third annual premiums are paid than at any other time. They have no lapses in the first year. Why? Because the first premiums are paid either by note or by cash in advance. The fraternal societies have long since discovered that the greatest defection occurs after the new member has lost his or her enthusiasm and interest in the society and before he or she has paid more than a first monthly payment.

"I find in my work for the Ben-Hur the greater the amount the member has paid the less likely he or she is to become suspended. Why do so many new members pay one or two months' dues and then lapse their insurance? Here is my answer to this question. The insured has not taken nor has he or she signed any obligation, in a legal way that he or she would pay the fraternal organization money, but on the other hand the organization has accepted the application and has obligated itself to pay $1,000 or more in case of the death of insured. This part of the contract should at least require some obligation in a business and legal way on the part of the insured. Why not ask the insured at the time he or she makes application for insurance to sign a fraternal note which is legal under the statutes of each and every State in the United States for the amount of his or her monthly dues?

"If the insured so elects, he or she may sign twelve notes, one to each month during the year, or the insured may sign four notes payable quarterly in advance and if you use this fraternal note system you will find many of your members who will pay three months in advance. The notes should be taken at the same time the application is signed. By using this method you will have no trouble whatever in having your applicants examined.

"The average man or woman looks upon this note system as a means of giving them a good prestige and honesty in the community in which they live. For the average man or woman is never asked to give their note and when once asked they put forth every effort to meet the note on date due and my experience with this system since July 1, 1917, proves to be, beyond a doubt, the best way in which we should write new members for fraternal societies. We know the insured would not take our word if we just tell them our society would pay in case of death.

"The society would not do very much business if they did not issue legal contracts to the insured. This being true there is no good argument for the society to just take words that the insured will pay each month, so why do not all the fraternal societies get behind this fraternal note system and adopt it and then you will find that you have put a stop to the twisting from one society to another the first year. When you have once adopted this system you will emphasize the fact that the protection given by fraternal societies is worth the money it cost and worth an effort to keep it in force by being prompt and paying the notes each month on date."

THE GESEL PLAN

The California Gesel Plan, with headquarters in Los Angeles, has been incorporated in that State, and has secured authority from Commissioner of Corporations H. L. Carnahan, to issue a limited number of shares of its capital stock to parties, who, for an interest in the project, are to finance its promotion. The plan is devised by Mrs. Helen Gesel and is copyrighted. Briefly, it is an agreement with banks that a depositor places in the bank a stipulated sum at stated times for a certain period of years, the bank forwarding the depositor's application for a special term policy of insurance on the life of the depositor for a period of one year less than the deposit period. In case of death, the insurance company will pay a sum approximately equal to the difference between the amount of deposits (if made as agreed) less the insurance premiums and commissions and the full amount agreed to be deposited by the depositor during the whole deposit period.

ASK YOUR WIFE

In the event of your wife surviving you, which would she prefer as an inheritance, a farm, a town house or a guaranteed monthly income? In making this inquiry among hundreds of cases, the answer has invariably been "A guaranteed monthly income." There are many reasons for this choice, every one of them sound and logical. There is a proposition on this basis which has been especially designed for professional men, and it is backed by a company whose resources run into the millions. It is particularly attractive in that it relieves a man of any worry as to his wife's future. She cannot get the principal and re-invest it to lose it all, as so frequently happens where only negotiable property is left. It is something sure; a thing that appeals only to the man that is substantial and discriminating, as is evidenced by the increasing number of large-caliber men who are taking it up.—Prudential "Weekly Record."

A. W. SHAFER'S INSURANCE

Arthur W. Shafer, representing the Bankers' Life Company of Des Moines, at Battle Creek, Michigan, died following an operation for appendicitis. He was a man in the prime of life and had made a distinct success as an insurance salesman. He believed in life insurance himself and carried $25,000 of which $20,000 was with the Bankers' Life. He had two $10,000 policies in the Bankers' Life. One is a monthly income policy and pays his beneficiary $40 a month for 250 months. The other policy is payable under option one and will give to the beneficiary $41.66 per month for 20 years and then $5,000 in cash. Mr. Shafer had paid only one premium amounting to $211.80 on his policy settled under option one and only two premiums amounting to $330.02 on his monthly income policy.

Theodore Lyman was re-elected a director at the annual meeting of the Hartford Fire this week. It is his thirty-fourth year on that board.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York

34 NASSAU STREET, NEW YORK CITY

Plan $1,000,000 Company in Tulsa

TO WRITE NON-PAR BUSINESS

Will Be Called Atlas Life—James A. Stephenson, W. H. Walker in Company

James A. Stephenson and William Hargis Walker are two well known insurance men who are promoting the organization of the Atlas Life of Tulsa, Okla., which they say will have a capital of $500,000 and surplus of the same amount, and will write non-participating business. In the organization stage H. O. McClure, Tulsa, will be president of the Company; S. De Zell Hawley, Tulsa, vice-president. After the stock is sold and collected the Company will incorporate and elect permanent officers and be ready for business.

The Atlas has a strong local endorsement, the fifty signers to its certificate of organization being prominent bankers, oil operators and other business men.

The organization of the company is being handled by James A. Stephenson, formerly of Dallas, and William Hargis Walker, of Tulsa. Mr. Stephenson has spent eighteen years in the insurance business in Texas, having served the Southland Life as vice-president and president, resigning the latter part of 1915. Mr. Walker has been State manager of the Great Southern. He is a large personal producer. Both Messrs. Stephenson and Walker will be officially connected with the Atlas.

1917 ADDITIONAL FIGURES

The Volunteer State Life of Chattanooga paid for $2,600,000 in 1917; assets, $3,100,000.

The admitted assets of the International Life, St. Louis, are $9,409,292. Business written and paid for during 1917, including $14,515,778 of the Company's re-insurance amounted to $27,082,517. The Company has $70,227,486 in force.

The St. Joseph Life paid for $1,436,000 in 1917; its assets are $420,424.

The Oklahoma National has $10,369,000 in force; assets, $1,285,049; paid for last year, $2,930,000.

The Southern States Life paid-for $4,337,384 in 1917; gain in amount of insurance in force, $2,030,126; business in force as of December 31, $21,258,777; admitted assets, $2,299,724; gross assets, $2,320,963.

The Conservative Life paid-for $2,978,186 in 1917; assets, December 31, 1917, $831,838.

The Guardian Life, Wisconsin, paid-for $1,540,000; assets, $610,000.

Albert D. Shaw, manager of the policy loan department was made an assistant secretary of the Massachusetts Mutual Life, recently. The choice of Mr. Shaw for this position will be viewed with approval by all who know his ability and what he has accomplished in the positions which he has already held. After two years at Brown University, Mr. Shaw entered the Palmer National Bank, where he remained for two years. In 1902 he came to Springfield and entered the employ of the Springfield Fire & Marine. Two years later he came to the Massachusetts Mutual as a member of the bookkeeping department. In 1906 he became license clerk, which position he occupied until last September, when he because manager of the policy loan department. Mr. Shaw has been active in the political life of Springfield. For four years he was a member of the Common Council and for two its president.

Life Men Hear Five Hours of War Talk

LOCAL ASSOCIATION'S LUNCHEON

Baron de Neuflize, Charles D. Norton, Major F. R. Stoddard and Lawrence Priddy Make Stirring Addresses

President Atkinson, of the Life Underwriters' Association of New York, preseided on Saturday noon at one of the most interesting and inspiring luncheons ever given by the local association. The Hotel Astor ballroom was packed. All the speakers criticized striking ship workers.

The first speaker, Baron de Neuflize is member of the French High Commission and represents the Bank of France. He praised America's part in the war and poked fire at Von Hindenburg's statement that the German army would be in Paris by April.

Charles D. Norton, of the American Red Cross War Board said that the great growth of the Red Cross could be measured by the statement that five years ago the organization had 10,000 members, while it now has 23,000,000. "The Red Cross today is the American people," he said.

Major Stoddard, second deputy insurance superintendent of New York, described the emotions and experiences of the London people in Zeppelin raids. He went abroad for the War Department to study anti-air craft defence.

One Agent Has Bought $500,000 of U. S. Bonds

Lawrence Priddy's talk was a ringing appeal for the War Savings Stamps. He told of the activities of life insurance men in the Liberty Loan drives. The life men sold more than $125,000,000 of bonds, and in the next loan campaign they will make that figure seem small. He said that one agent (probably H. B. Rosen) had purchased $500,000 worth of bonds. Mr. Priddy declared that until the end of the war he is going to travel about the country making appeals to life insurance men to enter more actively in Government work, particularly in the sale of stamps and bonds.

President Day to Policyholders

(Continued from page 7)

increasing transportation demands of the country.

Policyholders are being urged to join the National Association of Owners of Railroad Securities, S. Davies Warfield, president, Baltimore, Md. (annual fee $1), which is organized to assist in protecting the interests of railway security owners.

Retiring Capital Stock

This proposition has now been agreed to by the vote of the directors, stockholders and policyholders, and approved by the Superintendent of Insurance of the State of New York as provided by the statutes. It has also had the judicial sanction of the United States Circuit Court of Appeals.

By accomplishing the statutory mutualization of the Society, a perplexing problem, the solution of which has long baffled those in charge of Equitable affairs, is settled for all time. The policyholders who have always owned the reserves and surplus funds now control the Equitable corporation and the possibility of any future annoyance or difficulty regarding the ownership of the contingent reserves, or matters of business or financial policy, arising from the individual stock ownership, is forever removed.

Progressive Methods

It is the proud privilege of the Equitable Society constantly to keep fully abreast of the march of progress in all fields of human effort and to lead in its own field.

It has greatly increased its public usefulness by initiating many important benefits in life insurance practice which are now enjoyed by the American people through their various companies. Its purpose is to keep up its constant search for opportunities to improve its present service and to find new channels of usefulness for itself and the great institution of life insurance.

David M. Bressler, who is connected with the Perez F. Huff general agency of the Travelers, has been in life insurance one year, during which time he has written about $1,000,000 of new life insurance.

THE MOST VALUABLE POLICY FOR YOU,
Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the
John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS
WILLIAM N. COMPTON, General Agent
METROPOLITAN DISTRICT, ST. PAUL BLDG., 220 BROADWAY, NEW YORK, N. Y.

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

THE COLUMBIAN NATIONAL LIFE OF BOSTON
ARTHUR E. CHILDS, President
A CHANGE may be necessary to realize your ambition Think a minute—then write
WM. H. MASTIN, Superintendent of Agencies (West of the Mississippi). Symes Bldg., DENVER, COLO.
FRANK D. LOMBAR, Superintendent of Agencies (East of the Mississippi). 77 Franklin St., BOSTON, MASS.
DARL D. MAPES, Superintendent of Accident Agencies, 77 Franklin Street, BOSTON, MASS.
The service of a high grade Accident Department will also be offered so that you will not have to broker your Accident business to avoid violating your Life insurance contract.

The LIFE INSURANCE SALESMAN Bears an UNUSUAL RESPONSIBILITY
The SERVICE he sells often continues for many years
Provident service sells so readily today, because of the value and satisfaction Provident policy holders have derived from the service of Provident Agents.
Write for information
The Provident Life and Trust Company
OF PHILADELPHIA
Founded 1865

GOOD TERRITORY
still available for development by the
RIGHT AGENTS
..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.
Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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SPRINKLERS HORS DU COMBAT

The advisability of printing a long list of sprinkler equipments that are out of order, either because of cold weather or other reasons, is questioned by many underwriters. If an alien enemy is undecided as to whether to touch off two plants, and he has seen published information that one of them has a sprinkler system out of commission and the other has a sprinkler system that is working, the alien enemy in question will not toss a coin to make the choice of which plant he will burn. Instead, it is a million to one shot that he will burn the plant that published information tells him will offer the least resistance to his kerosene and torch.

AN UNFORTUNATE ARTICLE

The "American Magazine," which features human interest stories of men who have made good, has frequently printed valuable and helpful experiences of life insurance salesmen, but in its March number it publishes a glorification of George H. Beach, who was an unusually large producer in Detroit, with a description of his selling methods, which will be sharply criticised by the life insurance fraternity, not only because the methods described are not those prevailing "in the best life insurance families," but the entire tone of the article is in poor taste. It not only carries the implication but says so in as many words that Mr. Beach found selling methods to be all wrong and he went in and reformed them. Now, how did he reform them?

Right at the start the "American" prints a letter from Mr. Beach to a prospective client, in which he asks for permission to inspect his policies in order that he can give advice and increase their value to the insured. Nothing is said about twisting the policies, but the thought is conveyed that the chances are the insured made one or more mistakes in buying his insurance, and Beach is in a position to correct the mistakes.

The Eastern Underwriter is informed by the New York Insurance Department that there is not necessarily anything illegal in the practice of inviting the inspection of an insured's policies, but the practice is often abused. In fact, frequently it is practiced by unscrupulous agents to an extent which makes insurance departments everywhere frown upon the practice. A shrewd business man may be able to hold his own in the contest of wits which follows such an inspection, but most people are not shrewd about their insurance, depending rather on the judgment and advice of the men with whom they originally placed the insurance and in whom they have shown confidence. Wholesale receipts of such letters as Mr. Beach wrote, and probably writes, are disturbing to the insured, and even if the Beach proposition be turned down the feeling left is one of uncertainty and occasionally insecurity. It is apt to create distrust of the agent who originally sold the insurance.

The "American" hinges its article more or less upon this letter as if Mr. Beach were performing a fine, lofty bit of original service to the community, and the tone of the article is bad. To illustrate one paragraph reads: "The public opinion has been that all companies are good. Mr. Beach realized that there was as great a difference in the companies as in the character of men, and he set about the selling of insurance on a professional basis. Then it became largely a method of learning how to deal with large insurers."

It is best for insurance that the public be led to feel that all companies are good. They certainly must be solvent or they will not be permitted by the departments to transact business. The endorsement of the departments should be enough. The "American Magazine" article has the tendency to make the public believe that many companies are "not good." This is unfortunate. It is hoped that Mr. Beach in his canvassing does not draw the line by arguing that the companies he represents are good and that the others are bad.

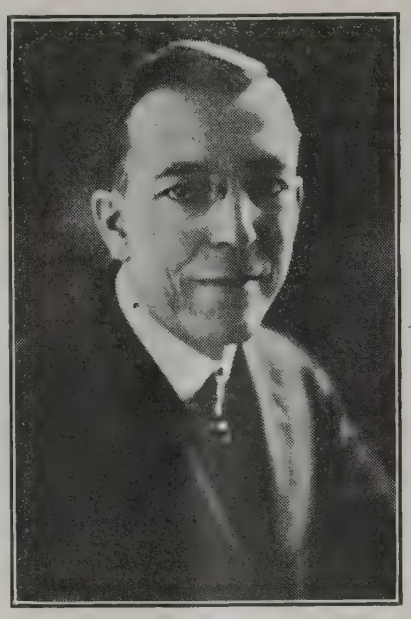
Evils existing before 1906 have been remedied by a strong, practical, forcible insurance code in the drafting of which Mr. Beach had no part, but in the benefits of which he shares along with tens of thousands of agents.

In marked contrast is an article in "The Nation" on February 7, written by Harold Peirce, a Philadelphia agent who practices ethics which have never been censured, and who, despite his great success, stands well with his brother agents. In that article Mr. Peirce makes a strong argument for insurance as insurance, and he neither praises his own company nor does he criticise his competitors or reflect upon other companies.

HANCOCK'S FARM MORTGAGES

The John Hancock's farm mortgage investments constitute the largest single item of its assets and aggregated on December 31 $65,558,078. The increase in investment in farm mortgages during the year was $7,184,000. The total mortgage investments of the Company aggregate $75,432,028. They yielded an average income of 5.73 per cent.

THE HUMAN SIDE OF INSURANCE



HERBERT W. CHAPMAN

Herbert W. Chapman, of Pittsburgh, who was elected president of the Underwriters' Association of the Middle Department at its last annual meeting, is well qualified by training and temperament to fill that difficult position to the satisfaction of his fellow special agents, with whom he has long been popular. The Middle Department is one of the most important associations in fire insurance, and its responsibility has grown with the war. In Pennsylvania, one of the States in the association, the number of special hazards is particularly large. There also are immense coal mine districts and the greatest steel plants in the world.

The Middle Department has co-operated with the Government and has kept right on the job in watching plants all over the State. The Middle Department has also appreciated its duty to the companies and when it was necessary to advance rates this was done.

Mr. Chapman has been in fire insurance for thirty-four years. He began with the Hartford in 1884, occupying various positions in its home office until 1902 when he was appointed special agent for Western Pennsylvania. In May, 1907, he assumed a similar position with the Springfield F. & M., with which company he is still associated. He became a member of the Underwriters' Association of the Middle Department in 1902, and is about completing his fourth term on the executive committee. He was elected chairman of that committee in 1916; was elected vice-president in 1917 and president a few weeks ago.

* * *

W. E. Mallalieu, manager of the National Board of Fire Underwriters, has an interesting and valuable article in the February 7 issue of "The Nation," entitled "Safeguarding Army Camps." This is only one of a number of articles written by Mr. Mallalieu, or prepared elsewhere in the National Board of Fire Underwriters' offices, which have been appearing in prominent magazines and daily newspapers. Such articles are doing insurance a world of good.

* * *

C. W. Bailey, vice-president of the American of Newark, gave a column interview to the Newark "News" on January 18, in which he discussed the abnormal heavy fire insurance losses.

R. E. Lelay, manager of the Minneapolis branch of the National Workmen's Compensation Service Bureau, has had to give up his work there to enter Government service in the Aviation Corps. A gentleman in Minneapolis who used to be quite indifferent to the Bureau but who has since seen the light, remarked upon hearing of Mr. Lelay's change: "The Bureau has lost a capable man who was at all times fair and impartial."

* * *

Elijah C. Johnson, vice-president of the First National Bank, Hartford, has been made a director of the Travelers Insurance Company.

* * *

Albert J. Hollister, secretary of the M. E. Wolff Company, was elected president of the Fire Underwriters' Association of Rochester, N. Y. at its annual meeting this week. He succeeds James C. Clements. Other officers chosen follow: Charles T. Rau, vice-president; John H. McAnarney, treasurer; Ezra Sparlin, secretary. Mr. Sparlin alone succeeds himself.

Reports of the retiring officers were heard. They showed that this association of thirty fire insurance offices had effected many changes in fire underwriting in the last year. On the first of the year a new standard policy went into effect in this State, and because of the changes in policy-writing rules it was necessary for the association to reprint hundred of thousands of forms for attachment to policies.

Percy B. Dutton presented the report of the nominating committee. Augustus J. Reibling, veteran fire insurance agent, occupied the president's chair during the election of officers.

* * *

J. F. Taake, who has been appointed insurance commissioner of Iowa, is the first fraternal insurance executive to be appointed commissioner in an important State. In 1899 he organized the Mystic Toilers and since the beginning has been its secretary and general manager. He was one of the founders of the Associated Fraternities of America, and was president of the National Fraternal Congress.

* * *

Artemas R. Roberts, president of the Amicable Life, may run for Governor of Texas on the prohibition ticket. In a dispatch to a Texas newspaper a correspondent writes: "Bone-dry leaders want business man who is free from past political rivalries." Mr. Roberts is a self-made man. After leaving school he became a teacher and about a quarter of a century ago entered the life insurance business.

CHICAGO MEETING

Officers and Committeemen of National Association of Insurance Agents Gather for Action

What will be the most important mid-year meeting in the history of the National Association of Insurance Agents is now being held in Chicago. Among other subjects being discussed is that of the secretary's office. Eastern men left in a special car from the New York Central station on Tuesday afternoon. In the party were President Allen, Chairman Cox, of the executive committee; T. C. Moffatt, president of the New Jersey association; Field Secretary Miller and others.

1868 1918

FIFTIETH ANNIVERSARY

INCORPORATED 1868

THE STANDARD FIRE INSURANCE CO.
OF NEW JERSEY

OFFICE: No. 15 WEST STATE STREET
TRENTON, N. J.

Cash Capital - - - - - - - - $200,000.00
Surplus To Policy Holders - $737,000.37

STATEMENT JANUARY 1, 1918

ASSETS:

Real Estate - - - - - - - - -	$ 30,000 00
Mortgage Loans - - - - - - -	333,050 00
Bonds and Stocks - - - - - - -	706,971 00
Cash in Banks, Office, and Agents' Balances - - - - - - - - -	157,255 33
Interest Due and Accrued - - -	8,509 48
	$1,233,785 81

LIABILITIES:

Capital Stock - - - - - - - - -	$200,000 00
Reserve for Re-Insurance - - -	422,687 16
Unpaid Losses and Claims - - -	54,671 49
All Other Liabilities - - - - -	21,426 79
Net Surplus - - - - - - - - -	537,000 37
	$1,233,785 81

Losses Paid Since Organization, Over
$3,800,000.00

WM. C. LAWRENCE, President

K. G. ROEBLING, Vice-President — F. W. WRIGHT, Ass't Sec'y and Treasurer

O. J. PRIOR, Secretary and Underwriter — W. M. CROZER, Ass't Sec'y and General Agent

R. J. CAREY, Assistant Secretary

1868 1918

FIRE INSURANCE DEPARTMENT

Standard, Trenton, Half Century Old

OLD OFFICERS RE-ELECTED

Company's Growth Has Been Conservative and Sure—Has Surplus of $737,000

The Standard Fire of Trenton, which has been a conservative, well-managed Company from its inception, is fifty years old to-day. At the time the Company was organized it employed two clerks; now it has a force of thirty-five and more than five hundred agents.

These agencies are in New Jersey, New York, Pennsylvania, Ohio, Massachusetts, Indiana, Illinois and Michigan. The Company has its own attractive office building in Trenton. It was the original intention of the Company to celebrate its golden anniversary by inviting agents to visit the home office, and to entertain them in the evening with a banquet, but the officers decided that this was not the time for such gatherings, and they decided not to have this celebration.

At the annual election this month the Company re-elected old officers, including William C. Lawrence, who has been president since 1895; K. G. Roebling, vice-president; Owen J. Prior, secretary and underwriter; F. W. Wright, assistant secretary and treasurer; W. M. Crozer, assistant secretary and general agent; and R. J. Carey, assistant secretary.

The Company, which has a surplus to policyholders of $737,000, has assets of $1,235,785. It has paid in losses since organization more than $3,800,000.

N. J. MARINE FIGURES

Marine premiums and losses in New Jersey in 1917 as reported to the New Jersey Department up to February 13 are as follows:

	Premiums Received	Losses Incurred
American, N. J.	$ 17,688	$ 6,723
Home, N. Y.	31,555	12,079
Franklin	21,445	4,975
German Alliance	47	.....
Great American, N. Y.	33,000	4,974
Fidelity-Phenix	10,736	4,520
Continental	9,850	4,530
Union Marine	816	566
Camden Fire	33,149	8,903
Aetna	8,679	4,186
Agricultural	664	.....
Millers National, Ill.	1,929	76
American Eagle	152	6
Orient	7,273	2,129
Queen, N. Y.	34,707	10,974
Providence-Wash	6,528	1,434
New Brunswick	3,033	954
Mass. F. & M.	124,133	80,061
Springfield F. & M.	1,175	.....
Safeguard	145	.....
Caledonian	4,820	814
Atlas	2,507	909
St. Paul F. & M.	57,659	20,877
Phoenix Assurance	7,217	1,284
London & Lancashire	13,248	2,420
Scottish Union & Nat.	26,931	4,280
Columbia	14,211	6,486
Maryland Motor Car	8,823	903

CO-OPERATIVES' PLANS

Classifications to Be Revised and Extended—Joint Inspection to Be Made

Anticipating the future, committees were appointed to revise and extend the classification of business, formulate more elaborate plans for joint inspection and co-operation with policyholders in fire prevention, and a systematic method of reporting losses at the annual meeting of the Co-Operative Fire Underwriters' Association of New York State.

It is said that in the opinion of all members, the graded and contingent profit sharing plan of agents commissions adopted in 1915 has already resulted in an improvement in the character of the risks submitted.

The officers were re-elected for another year.

This association is composed of twenty advance premium co-operative associations operating generally in the State, exclusive of New York City. There is but one company of this class in the State which is not a member of the association, the Tompkins County Co-Operative of Ithaca.

The association secretary reported that the experience of 1917 was the best in the last four or five years, in point of business, assets, surplus and required reserves.

NATIONAL FIRE MEN ADVANCED

As The Eastern Underwriter goes to press it is learned that George H. Tryon has been elected vice-president of the National Fire of Hartford. He has been secretary. Colonel Frank D. Layton, who has been assistant secretary, has been advanced to the position of secretary. Both men occupy prominent places in insurance circles and are held in high esteem throughout the field.

S. E. CROFTS' CHANGE

S. E. Crofts, for years with the Liverpool & London & Globe, has resigned to become New York City special agent for Fred S. James & Co.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE WILLIAM H. KENZEL COMPANY
FIRE INSURANCE AGENT
REPRESENTING AT NEW YORK OFFICE
79-83 WILLIAM STREET

HUMBOLDT FIRE of Pittsburgh, Pa.
EQUITABLE FIRE & MARINE of Providence, R. I.
IMPERIAL ASSURANCE of New York, N. Y.
GRANITE STATE FIRE of Portsmouth, N. H.
ALLEGHENY FIRE UNDERWRITERS of Pittsburgh, Pa.
COMMERCE INS. CO. of Albany, N. Y.
AACHEN & MUNICH FIRE Organized 1825
FRANKLIN FIRE of Philadelphia, Pa.
CALEDONIAN-AMERICAN of New York, N. Y.

REPRESENTING AT BROOKLYN BRANCH
154 MONTAGUE STREET

LONDON ASSURANCE of London, England
NORWICH UNION of Norwich, England
COMMERCE INS. CO. of Albany, N. Y.
GRANITE STATE FIRE of Portsmouth, N. H.
MECHANICS INSURANCE CO. of Philadelphia, Pa.

Niagara Fire Insurance Company
ESTABLISHED 1850

OTHO E. LANE, President
BERNARD M. CULVER
WILLIAM L. STEELE, Vice-Presidents
CHAS. A. LUNG
WILBUR C. SMITH, Secretaries

"Agents Everywhere"



FIRE
TORNADO
AUTOMOBILE
RENTS
SPRINKLER LEAKAGE
EXPLOSION
FULL WAR COVER
LEASEHOLD

Use and Occupancy, Profits, Commissions—All Form

123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Fire Companies' Special Lines

WAR RISKS ARE PROFITABLE

Premiums and Losses as Filed with New Jersey Department

Premiums and losses on war risk, registered mail, tourist baggage and earthquake lines in the United States are presented here from reports filed with the New Jersey Department. Other special line results in 1917 were shown in The Eastern Underwriter of February 15.

War Risk
(Other than Marine)

	Premiums Received	Losses Incurred
Aetna	$ 51,306	.....
Agricultural	5,580	.....
American Eagle	592	.....
Atlas	15,365	.....
Caledonian	6,429	.....
County Insurance	.....	694
Fidelity-Phenix	26,516	.....
Fire Association	2,008	13
Franklin	5,715	.....
German Alliance	5,694	.....
Granite State	5,232	79
Great American	45,922	.....
Hamilton	3,176	.....
Home, N. Y.	193,772	.....
Imperial	3,725	.....
Michigan Commercial	25	.....
Mass. F. & M.	1,533	.....
New Brunswick	2,786	.....
New Hampshire	.....	6,098
Orient	2,516	.....
Pacific	45,330	.....
People's Nat., Del.	7,773	.....
Phoenix Assurance	28,664	.....
Providence-Wash.	12,951	.....
Reliance	2,461	.....
Rhode Island	10,776	.....
Richmond	2,106	.....
Scottish Union & Nat.	9,467	.....
State Assurance	382	.....
United Firemens	3,235	.....
Western Assurance	437	.....

Registered Mail

Aetna	$ 18,603	267
Columbia	3,512	.....
Agricultural	27	.....
Continental	36	.....
Fidelity-Phenix	36	.....
Great American	14,906	5,375
Home, N. Y.	32,612	.....
Mass. F. & M.	3,551	.....
Minneapolis F. & M.	311	.....
Michigan Commercial	2,406	1,253
Phoenix Assurance	2,417	.....
Providence-Wash.	2,340	48
Queen	16,864	9,178
Springfield F. & M.	11,414	121
Standard Marine	6,156	160
St. Paul F. & M.	21,480	823
Union Marine	2,249	.....

Tourist Baggage

Aetna	3,674	293
Agricultural	1,049	202
Columbia	1,463	895
Continental	3,886	.....
Fidelity-Phenix	218	.....
German Alliance	27	.....
Great American	5,884	4,041
Home, N. Y.	8,480	3,235
London & Lancashire	2,625	463
Mass. F. & M.	361	3
Michigan Commercial	181	293
Orient	1,630	85
Phoenix Assurance	1,019	.....
Providence-Wash	3,991	1,213
Queen	3,466	2,407
Safeguard	34	.....
Springfield F. & M.	267	89
St. Paul F. & M.	6,647	1,239
Union Marine	221	.....

Earthquake

Camden Fire	2,631	25
Home, N. Y.	3,745	.....
Imperial	52	.....
London & Lancashire	436	.....
Phoenix Assurance	180	.....
Scottish Union & Nat.	427	.....

Much Legal Talent At Trial For Arson

BUT CONFESSIONS RESULT

An Independent Adjuster, Joseph Clark, of Chicago, Planned Illinois Fires

One of the most sensational arson cases with which Illinois has had to deal has been brought to a head with the confessions of Arthur and David I. Bauer, of Kankakee, to having set fire to the Model Store there on November 23, 1917. They pleaded guilty.

They have had other fires. Henry Phillips, a nephew of the Bauers, also confessed. In these confessions it was set forth that the fire was planned by Joseph Clark, an independent insurance adjuster of Chicago. He had been convicted in 1913 at the instance of the State fire marshal and served a term in Joliet.

Clark Changes Plea

The trial just closed, lasted ten days and ended February 13. There was a notable array of legal talent on the case, the attorney general and the State fire marshal each engaging special counsel. Clark was represented by Clarence Darrow of Chicago and other attorneys.

On Wednesday, the last day of the trial, Clark changed his plea from "not guilty" to "guilty" of burning to defraud. The penalty for this offense is from one to ten years in the penitentiary. He also pleaded guilty to conspiracy, the penalty for which is one to five years imprisonment.

Offered to do Good Job

Following the trial, three witnesses for the defense—one named Gadson, Edward Jefferson of Chicago, an adjuster, and Mildred Sperry, Clark's stenographer—were placed in the county jail charged with perjury in connection with certain alibi testimony which was exposed during the trial. Arthur Bauer testified that Joe Clark told him and his brother in 1916, at which time Clark adjusted a fire loss for the Bauers, that when they wanted to have a "good fire" to come to him and he would arrange it for them and also take care of the loss adjustment.

The investigation of the case was in charge of A. H. Bogardus, deputy fire marshal of Illinois. H. J. Sloan of the National Board of Fire Underwriters rendered valuable assistance throughout the trial. Julius F. Buenemann of the Western Adjustment Bureau, Chicago, attended the trial as a representative of the insurance companies.

CARL G. APP IN BROOKLYN

Carl G. App has been appointed Brooklyn fire manager for the Automobile Insurance Company of Hartford, under branch manager Joseph J. Phelan. Mr. App has been special agent for the Nord Deutsche, with headquarters at 123 William Street, Manhattan.

Mathews & Co., Inc., is the name of a new insurance agency in Newark, N. J. The incorporators are W. L. Fagan, Hohokus; F. O. Disborough, Plainfield; Arthur Esgen, Philadelphia.

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

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THE GERMANIA FIRE INS. CO.
For Automobiles
Special facilities for out-of-town business.

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DEPARTMENTS—METROPOLITAN, Willard S. Brown & Co., Managers, New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Manager, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Managers, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, Manager, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, Manager, McClure Kelly and McKee Sherrard, Assistant Managers, San Francisco, Cal.

INCORPORATED 1720
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92 William Street, New York
RICHARD D. HARVEY
United States Manager

Jersey Points Way Towards Conference

TO HANDLE CONTROVERSIES

Leaders Believe that Friendly Understandings with Companies Will Solve Agency Questions

When the last gong sounded and the crowd left the banquet of the New Jersey Association of Underwriters (State association of local agents) at the Robert Treat Hotel on Thursday night of last week, E. M. Allen, of Helen, Ark., president of the National Association of Insurance Agents, said he had never seen a better run local association than that in New Jersey, or a meeting which had accomplished more, and he has been doing nothing else since October but go to agency meetings from one end of the country to the other.

Didn't Pass a Lot of Resolutions

The meeting was unusual in that it did not pass a lot of resolutions. In the opinion of The Eastern Underwriter the most important action taken was a decision to appoint a conference committee for the State of New Jersey which will have for its functions, consultation with companies on points of difference where agents think a better understanding can follow if company and agency representatives meet around the mahogany table.

This is the carrying out of the conference idea adopted at the Transportation Club after the last national convention. It will be remembered that at this meeting (held directly following the National Association's annual convention in St. Louis), attended by officers and committee men of the National Association of Insurance Agents, a committee of five was appointed to confer with insurance companies when such conference is deemed necessary.

Now, New Jersey appoints a State conference committee, which has two hard nuts to crack with the companies right at the start, viz., multiple agencies and uniform commissions.

This so greatly impressed President Allen that undoubtedly other States will follow suit, and the State conference committee idea, co-operating with the national conference idea, will be given a fair trial. It should be stated right here that the New Jersey Association leaders have as their insigna the white dove of peace respecting relations between companies and agents, and they do not believe that agents should use Von Hindenburg and Ludendorf methods in correcting agency grievances.

President Moffatt, former President Cox, William S. Naulty, and other prominent figures in the association feel that the agent can travel farther with diplomacy than by swinging the iron club.

Jersey Grievances

New Jersey has grievances the same as any other State. These were brought out after Chairman Cox threw the meeting open for discussion. The two complaints that were made by agents in New Jersey relate to multiple agencies and to commissions. Short extracts of speeches are given herewith so that it can be seen what these grievances are.

Arnold Rippe, Hudson County: I doubt if there is a county in the United States where there are so many insurance agents per company as in Hudson County. Seven or eight years ago the New York Fire Insurance Exchange had a rule that there should be five agents per company in Hudson County. Then, the New York Fire Insurance Exchange dropped Hudson County, and some of the largest companies now have as many as thirty representatives there. This does not include underwriters' agencies. If you embrace them the number will be largely increased. Everybody knows that the Eastern Union had a committee to confer with agents about Hudson County. There was one conference and that's all. At that conference there was an admission that we were imposed upon, but we never got anything of it but the admission.

James Ransom, Hudson County: Mr. Rippe makes no exaggeration in the number of agents in Hudson County. The real secret of the trouble is that the companies want New York City business, and they will appoint almost anybody an agent in Hudson County who will give them New York business.

John H. Ward, Jersey City: While I think the multiple agency situation has been rather exaggerated, it is true that there are too many sub-agents in Hudson County, and a few companies are multiple agency offenders. I believe that it would be perfectly proper for this association to go on record as saying that we protest against underwriters' agencies. I want to take this occasion to pay a tribute to the Hudson County Underwriters Association. It saved the day when the New York Exchange went out of Hudson County. Despite the fact that there was but one meeting between companies and agents regarding Hudson County multiple agencies I believe that a conference committee is a good thing.

Meredith Dickinson, Trenton: I believe we should appoint a committee to meet with the Eastern Union about multiple agencies and make it a live committee that will be productive of good results. Anyway, we will see just where we stand.

T. C. Moffatt, Newark: The Good Practice Club of Newark has appointed a committee to handle this same subject. We have had some meetings and we are moving toward a conclusion. The Hudson County board corresponds with our Good Practice Club. The best way to handle the underwriters' agency situation is for agents to agree not to represent underwriter agencies. If the underwriters' agency question is not settled soon one way or the other the commissioners will settle it.

A. W. Hicks, Summit: If the multiple agency system continues to develop as it has in the past it will ultimately break down the American agency system.

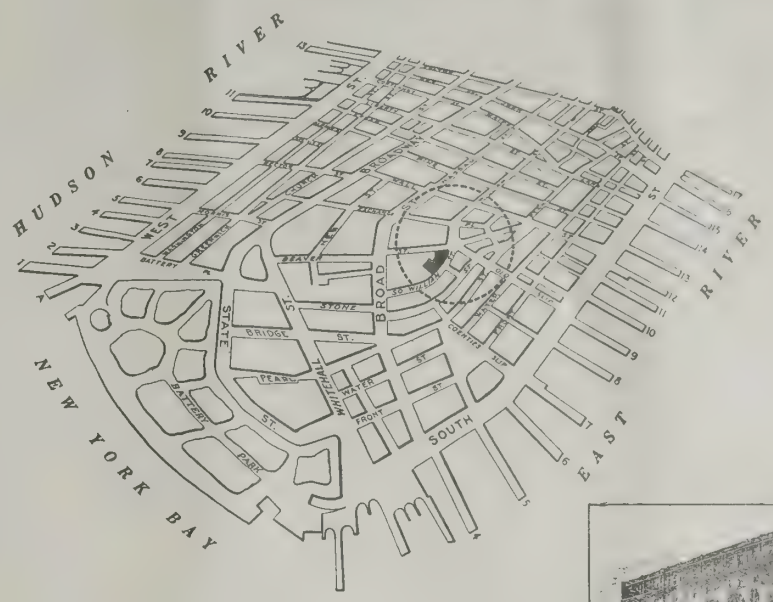
Commissions

Harry S. Powell Millville: I do not see why agents in the southern part of the State should receive lower commissions than agents in the northern part of the State. A carpenter does not receive ten or twelve grades of wages in ten or twelve counties in the one State. We get 15 per cent. on some business; other agents elsewhere get 25 per cent. on the same business. There should be uniformity of commissions. This is one of the subjects that the conference should take up, and should be backed to the limit by the State association.

D. H. Williamson, Jersey City: I would like to ask the gentleman if he understands the difference in the expense of conducting an office in a large city and in a small one. I suppose his office expense will run 5 per cent. of his premiums. In Jersey City it is 7 to 8 per cent. We get a larger commission, but we have to pay 15 to 20 per cent. brokerage. In the final analysis, we do not get any more commissions than you do. The only result of the commission agitation would be that it would not raise your commissions, but would lower ours.

Louis L. Leddon, Clayton, Gloucester Co., N. J.: Why should a man from Camden come to our county and re-

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IN THE UNITED STATES





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South William and Beaver Streets

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus, .. - - - - -	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - - -	1,051,543.00

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $152,000,000.00
Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

ceive more than what an agent in my county is receiving? On the other hand, why should a Gloucester County man go to Camden and get less commission than a Camden man? We simply want to be paid on the same basis.

Mr. Coleman, Asbury Park: We claim we have as much brains and ability in Monmouth County as insurance men have in other counties, but we are discriminated against in the amount of commissions that we receive. The rate law says there should be no discrimination in rates. Why should should there be a discrimination in commissions? We are real underwriting agents, as is proved by our loss ratio; even when there was a conflagration in the city no company lost in excess of $8,000. I came to Asbury Park from Elizabeth. In Elizabeth I got about twice as much commission on one risk as in Asbury Park on the same risk.

Mr. Tannenbaum, a New York broker, called me up the other day and said he wanted to give me $25,000 upon one of the best lines in Asbury Park, but he would charge me 15 per cent. commission. As that's all that I would get out of the line, I said "nothing doing."

Mr. Wentworth, Bergen County: Move that it should be referred to the conference committee.

Meredith Dickinson, Trenton: Trenton men made headway by conferring with companies, and I think a satisfactory arrangement of some kind can be made to settle this question.

The question was referred to the Conference Committee.

State Insurance

Louis O. Faulhaber, Newark: I am glad this association is taking a growing interest in casualty matters. Ten years ago casualty premiums did not amount to much with the average fire agency. Ten years from now you will find that the casualty premiums are the bigger end of your business. There are two important questions facing us: First, the menace of State insurance. Insurance agents of all kinds need to co-operate to the fullest extent of all their energies and resources in order to fight this.

The other question is the resident agency law. Not only are there too many agents in the State who should not be agents, but we are kicked by New York at one and by Philadelphia at the other. We simply must have your support.

Byron Conklin, Newark: Everything Mr. Faulhaber says is true. It would take an expert mathematician to figure up the number of agents representing casualty companies in New Jersey. One company (and not the worst offender) has eighty-four in Newark; twelve only have licenses from the State. Companies are running wild in appointing agents. Just a casual examination showed that many agents holding licenses are shoe repairers, jewelers and mechanics.

The Commissioner Speaks

At the fag end of the agency discussion, Commissioner Smith of Banking and Insurance came in. He said he understood perfectly the problem of the legitimate agents, as at one stage of his career he had been both a fire and a life insurance agent. He said that he lasted five months as a life insurance agent, and five weeks as a fire agent. Since that time he has had the greatest respect for successful insurance agents of all kinds, as he knows to be successful, one must have training, knowledge and ability. Commissioner Smith is spending several days a week at Trenton. He was introduced by Chairman Cox as a splendid type of business man, who could look intelligently upon insurance questions. In business Mr. Smith is both a banker and a manufacturer of cement.

Fred W. Day's Talk

Frederick W. Day, assistant manager of the Royal, who is building up a most enviable reputation as the friend of the local agent and their associations, discussed the relations between the two. He believes that the conference committee idea is not only a good thing, but also workable. His views on this subject, delivered in Newark, were enthusiastically applauded. He did not conclude without saying that both sides should display good faith.

C. S. S. Miller, field secretary, who made a whirlwind trip through the State, and increased the membership up to a point where New Jersey is now third in size of all the associations, was given an ovation. In a few weeks he has performed wonders.

The Banquet

The banquet was the largest ever held by fire insurance men in New Jersey, and more than two hundred attended. The speakers were Edson S. Lott, president of the U. S. Casualty; E. M. Allen, who told how Helena, Ark., agents manage their affairs; the Mayor of Newark, and others.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

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125th Anniversary
Insurance Company of
NORTH AMERICA
PHILADELPHIA
FIRE, MARINE, AUTOMOBILE, Rent, Leasehold, Tornado, Explosion, Use and Occupancy, Sprinkler Leakage, Travelers' Baggage, Parcel Post
The Oldest American Stock Insurance Company

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
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FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
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NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

THE OHIO MILLERS
MUTUAL FIRE INSURANCE COMPANY
Net Cash Assets.....$1,147,802
Net Cash Surplus..... 505,213
Squire Company, Inc.
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STOCK POLICIES ONLY
BUSINESS SOLICITED FROM AGENTS AND BROKERS

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THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.

WESTERN
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OF TORONTO, CANADA
(Fire, Tornado, Ocean Marine and Inland Marine Insurance)
UNITED STATES BRANCH
January 1, 1917
Assets $3,329,177.74
Surplus in United States.... 1,478,531.90
Total Losses Paid in United States from 1874 to 1916, inclusive 41,657,814.31
W. B. MEIKLE, President

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

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SATISFACTION SERVICE
ALL LINES

Wants Debate on The Mutuals

ECHO OF WHITE PLAINS TALKS

Frank P. Tucker, Secretary of Co-operative Fire Underwriters Association, Issues a Defi

T. Frederick Lee, the well-known White Plains (N. Y.) local agent, has been challenged to a debate on the comparitive merits of mutuals and stock companies by Frank P. Tucker, secretary of the Co-operative Fire Underwriters Association. Both attended a meeting of the White Plains Business and Professional Men's Association called to discuss rates, and Mr. Lee walked away with the newspaper space. Mr. Tucker has written to Mr. Lee as follows:

Albany, N. Y., Feb. 11.

Mr. T. Frederick Lee,
White Plains.

Dear Sir: I greatly enjoyed the occasion of my recent visit to White Plains and the opportunity of meeting members of the Business and Professional Men's Association, including yourself. This, in spite of the unexpected shower of gas bombs aimed at me through you, from the enemy's trenches, and in spite of my conviction that no good purpose is ever served through methods such as you felt called upon to adopt. I am of the opinion that mud throwing and misrepresentation, while sometimes practiced, never had a legitimate place in the world of business.

The business of fire insurance, everyone concedes, is a business of the people, for the privately owned, profit seeking stock corporations are as dependent upon them as are the mutual and co-operative companies in which every policyholder is a direct beneficiary. This being so, the public is entitled to and has a right to expect that such statements as are made for its consideration shall consist of unadulterated facts.

Since my remarks at the recent meeting were confined to a statement of facts, and those of experience who assisted in your preparation having apparently decided that your common cause could be best supported by camouflage and subterfuge, I find it quite impossible to feel that my duty in White Plains has been done.

What I said, except in answer to your wrong and frivolous statements, and in answer to questions, was published in the "Argus" of February 1, and I hereby challenge you or any of your advisers to refute one single statement made.

In view of your efforts and because of a feeling that you should be given an opportunity to finish that which you have undertaken, I further challenge you to a debate before the Business and Professional Men's Association of White Plains on the question:

"Is Co-operative Fire Insurance in New York State a failure?"

I suggest this because, judging from your recent performance, you should feel well qualified to meet the issue.

The rules, dates and other matters can be arranged later, providing you desire to accept.

FRANK P. TUCKER.

Comment on Pathe Freres Case

(Continued from page 1)

the insured to surrender the same, but we anticipate that the views of the Appellate Division will clear up this misconception. Suppose a real estate broker should negotiate a lease of certain property for ten years with the privilege to the lessee to surrender the lease at any time after thirty days; now ask the real estate broker what would be the basis of his commission, and whether it would not be calculated upon the gross rental for the ten years, regardless of the fact that the tenant had the right to surrender his lease in the meantime.

Statement by G. A. Clement

William Otis Badger, Jr., and Joseph Thurlow Weed appeared for Pathe Freres. George A. Clement, who corroborated with Mr. Badger in a well-known book on fire insurance, in discussing the case, said to The Eastern Underwriter:

Mr. Clement's Views

This decision dismissing the complaint of the plaintiff to recover full commissions on cancelled policies, is of exceptional interest to the large class of brokers and to the insuring public, as well as to the companies. The action in result is naturally disappointing to the individual, and while the public may have no concern with the loss to him, all parties are quite vitally interested in the subject matter of the controversy, which does concern them.

The whole difficulty and foundation of the embarrassing questions which frequently arise and of which the Eckert case is only a type or example, is in substance the difference between theory and practice, and the twisting and distortion of legal principles of agency by custom.

Position of the Broker

The broker legally is the agent of the assured, and as a matter of fact, he may be the agent of the insurance company in the collection of the premium. He procures the insurance or policy for the assured whose servant or employe he is, but is paid for such service not by the assured, who in theory is supposed to employ him, but by the insurance company by the allowance made by it of a commission on the amount of the premium paid by the assured to the company, either directly or through the broker.

It does not take much thought or analysis to clearly perceive the effect of this confusion in reversing the legal principle of an employer being responsible for the payment of services rendered to him at his request.

The broker occupies a position very much like the old god Janus in mythology, of being two-faced, which is not said in a disparaging or criticising sense at all, but as a result of a custom of looking toward the assured for the employment on one side and on the other side, to the company for his compensation. It may be, as suggested by one writer, that this double head was originally due to the desire to look both ways for greater protection.

The Broker's Remuneration

The status and responsibility of the broker is of much importance in the business world not only to him but to his patrons and the companies. He must be honest, able and skillful, and must always use reasonable care and diligence. In fact, the law makes him responsible if he does not. It is quite reasonable and proper that he should be paid. Here we are again confronted with the custom which he has helped to establish. His right to compensation exists, but the amount therefor is limited in amount, contingent in character, and always remains subject to the right of both the insured and of the company to cancel the policy and thus, more or less, destroy the means and amount of his compensation as confined by mutually implied consent in the effect of the custom.

The brokers have completely lost sight of the very material distinction between an express and an implied contract to pay for his services. They usually bid for or solicit the business from the assured, and there is no thought or intention of making any express contract for services. As a rule they are content to depend upon the implied contract only, and the commissions they are paid by the company, while they know perfectly well they are contingent upon the right of cancellation **not** being exercised by either the assured or the company. There is nothing in the claim of the broker that while that may be true as regards the insurance company, there is a violation of the assured's obligation as to him if the assured cancels the policy. This must be apparent from the fact that it is no part of any implied contract that the assured waives his right to cancellation under the specific revision of the insurance law entirely independent of the terms of the standard policy. On the contrary, the implication of the contract, unless otherwise expressed is that the services of the broker are subject to the exercise of that right. Thus, the brokers find themselves in a mesh of their own weaving.

The only effective remedy for the loss of the compensation on cancellation of the policies is probably not practical under the existing conditions and the custom, yet it would seem possible for the brokers to protect themselves by an express contract with the assured and not depend upon the implied contract. If the assured requests the services of the broker, with specific agreement to pay a reasonable sum therefor in the event of cancellation by either the assured or the company, the result would or might be different. In that event, the commission allowed by the insurance company would cease to be the limit or the measure of compensation. So long as the brokers are dependent upon the implied contract for payment of compensation, just so long will they be confronted with the custom of their own creation.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency
of Aetna Insurance Co.

Application For Agencies Invited

REPRESENTING PATRIOTIC

Jones, Launt & Barrett, Inc., 95 William Street, New York, have been appointed general agent for the automobile department of the Patriotic. James A. Donovan, whose appointment was recently announced, will be in charge of this department.

GOES WITH RYAN AGENCY

William T. Francisco, former office manager of A. Haubold & Son, and more recently with Fred S. James & Co., has gone with the Ryan Agency, Ltd., Winnipeg, one of the leading offices of Canada.

TWENTY YEARS OLD

McGowan & Richardson, of Ilion, N. Y., is celebrating its twentieth anniversary as an insurance agency.

OFFICERS ELECTED

At the Northern Underwriting Agency, Inc., of 56 Beaver Street, New York, the following officers were elected: C. Steendal, president; J. F. Murphy, vice-president and secretary; D. L. Webster, treasurer; J. H. Michaelis, assistant treasurer; Charles P. Dorff, assistant treasurer.

NEW STATE AGENT

The Michigan Fire & Marine Insurance Company has appointed Osborn A. Campbell State agent for the lower peninsula of Michigan, effective March 1.

Mr. Campbell has for the past two years been a member of the local agency of Macomber & Campbell, Flint, Mich., and prior to that was chief clerk for the Michigan Inspection Bureau at Detroit.

General Agent Benallack will visit the more important spots in Michigan with Mr. Campbell during the next two months.

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

Agricultural Insurance Company, of Watertown, N. Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1917, to New York Insurance Department
LIABILITIES

Capital Stock, All Cash	$2,000,000.00
Funds Reserve to Meet All Liabilities, Re-Insurance Reserve, Legal Standard	9,913,715.84
Unsettled Losses and Other Claims	1,878,398.32
Net Surplus over Capital and Liabilities	3,743,747.60
Total assets January 1, 1917	$17,534,861.76

H. A. Smith, President — F. D Layton, Ass't Sec'y — F. B. Seymour, Treas.
G. H. Tryon, Secretary — S. T. Maxwell, Ass't Sec'y — C. B. Roulet, Gen. Agt.
SURPLUS TO POLICY HOLDERS, - - $5,743,747.60

F. H. HAWLEY, Pres. ORGANIZED 1848 W. E. HAINES, Secy.



The Farmers Insurance Co.
LE ROY, OHIO.

Ohio's Oldest and Strongest Company
Net Surplus Over $1,293,741.00
AN AGENTS COMPANY
E. K. SCHULTZ & CO.
PHILADELPHIA
GENERAL AGENT
Pennsylvania, New Jersey and New York

MARINE DEPARTMENT

Marine Policy Terms Explained By Winter

PAYMENT OF MONEY ABROAD

Large Increases in Values Create Additional Problems for Underwriters

Why marine losses are made payable at the port of destination rather than at the place of issuance of the policy was among the policy conditions explained by William D. Winter, a vice-president of the Atlantic Mutual Insurance Company, in his lecture on marine insurance last week in New York.

The practice is very old, dating from what might be termed the beginning of modern marine insurance. For example, suppose A & Co. of New York sell 100 bales of cotton goods to a firm in Hong Kong at cost insurance rates. By cost insurance rates is meant that the cost of the goods, cost of insurance and the freight are all included in the policy and when the draft is honored, all expenses of laying down the property at its ultimate destination are paid.

The sale value, we will say, is $25,000. The documents pass through the banks in the usual way and reach the correspondent in Hong Kong where they are inspected to see if they agree in all necessary particulars. It is assumed that the documents have arrived in Hong Kong and have been accepted, but the goods have not arrived and in due course it is learned that the ship has been lost.

Saves Time and Money

If the loss were payable in New York the consignee would have to go to the underwriters' representatives in Hong Kong. It is decided what the loss is and the proofs of loss are sent to New York, where the underwriters there consume more time looking them over, after which a remittance is sent to Hong Kong. But it is necessary to consider what has happened to the merchant in Hong Kong in the meantime. He has had the amount of this loss tied up in the interim. It may be two months from the time he made his claim until he receives the money. It is to avoid all this delay and additional loss that insurance on policies issued in New York is made payable in foreign ports.

Underwriter's Remedy

Another point brought out was in relation to the amount of insurance. The exact amount is not necessarily stated but rather the approximate amount. This accounts for the use of the word "about" in the policy. This sometimes causes the underwriter considerable inconvenience. Insurance may be asked for in the sum of about $5,000 and later it may be found that the amount is nearer $25,000. The underwriter may then find that he is full on the line and he cannot take this additional. His remedy lies in using the words "not exceeding." The same thing holds true in connection with the open or floating policy, where the amount is not declared. The habit of writing without any set limit is dangerous.

Increase in Values

This danger is illustrated in the case of wharfs and warehouses, the capacity of which cannot be increased but the value of the goods may enhance materially. Cotton at ten cents and at thirty cents furnishes an example. In fire insurance this is not the case, but in marine insurance, when an underwriter goes on a risk for a year, he may have several losses on the same risk and obtain but one premium.

Blanket policies are issued sometimes to carriers and on these policies there is a limit of liability on any one steamer in any one place at one time.

The valued or expressed value policy is peculiar to marine insurance. The non-value policy is rare. The effect of the valued policy is to establish an agreement between the assured and the underwriter as to the value of the goods rather than in case of loss, have the matter come before a jury.

Insuring Freight

Since freight rates have become so high and that item of cost is now so important, it has become necessary to insure the freight value as well as that of the goods.

In floating policies covering imports provision has to be made for conversion of foreign money into United States money. This has been rendered more difficult of late because of the rapid fluctuations in exchange.

The valued policy for so much on goods valued at so much is also peculiar to marine insurance. It is found in but few other forms of underwriting. It often happens that insurance is for either too much or too little. When the insurance is taken it is under the control of the person who engaged the protection, but the subject of the insurance may pass out of his custody and control. He could not cause a loss except by collusion. The question of time necessary to complete the transaction also enters into the risk. The goods may enhance in value and the underwriter may ask that the insurance be increased to meet the increase in value. At any rate it is considered that the moral hazard is reduced to a minimum.

Goods on Deck

The practice of placing goods on deck produces problems of underwriting, the deck being no proper place for perishable merchandise. The owner's consent should be obtained before placing goods on deck. The term "goods and merchandise" does not cover valuables and live stock. Refrigerated goods are in a class by themselves.

Old Whaling Policies

The old whaler insurance was explained. A certain amount of insurance was placed on a whaling vessel, covering all the supplies and tackle and it was understood that this insurance ran off automatically as the supplies were used up. It should be recalled that whaling voyages occupied a year or two In the meantime, while the supplie were running down, the value of the catch was increasing and it was so arranged that the insurance which had applied on the supplies transferred to the oil and bone as it was placed in the vessel.

EASTERN MARINE UNDERWRITERS, Inc.

GEORGE A. EVALENKO, President
C. RUSSELL EBERT, Secretary

MANAGERS
OF THE
MARINE DEPARTMENT
OF THE
EQUITABLE UNDERWRITERS
OF
NEW YORK

FOR WHICH WE ARE NOW PREPARED TO BIND ALL LINES OF MARINE AND WAR, ON CARGO AND HULL INSURANCE AT OUR TEMPORARY OFFICE

50 Broad Street, New York City—Suite 620
TELEPHONE 263-264 BROAD

Importers & Exporters Ready for Business

COMPANY'S STRONG BACKING

Some of the Men who Are Interested —Jesse Spier Is Underwriter

Men of large affairs are behind the Importers & Exporters Insurance Company of New York which began writing business Wednesday of this week. Its offices are at 56 Beaver Street. Jesse Spier, of Despard & Co., will be the underwriter.

The Company has complied with all requirements of the New York Insurance Department and is capitalized at $200,000. It will write marine and war risk insurance until such time as it may be deemed advisable to take on fire lines also.

Some of the largest tobacco and import and export houses in the world are directly interested in the company. Ery Kehaya is president. He is also president of the Standard Commercial Tobacco Company and the Standard Commercial Steamship Company, two of the largest companies of their kind in the world and worth many millions of dollars.

Jesse Spier Underwriter

Mr. Spier fills the office of vice-president besides being the underwriter for the Company. He has an extensive acquaintance in all the principal marine insurance centers, was a member of Despard & Company, New York, which connection he relinquishes to engage in this new enterprise. He has given fourteen years to the marine business.

The other vice-president of the Company is Leon Schinasi of Schinasi Brothers, whose tobacco wares are known the world over. This firm has valuable connections throughout the world and its wealth is enormous.

The treasurer of the Company is Lyman Whitaker of The R. J. Reynolds Tobacco Company, another of the leaders in that line of business.

Among the directors is C. W. MacBride, treasurer of Arkell & Douglass, Inc., one of the largest import and export houses in the world.

These connections give the new company financial backing of the best possible kind and business in gratifying volume has already begun to flow to the eighth floor of the Merchant Marine House, which building has become important as a marine insurance center.

S. D. McCOMB & CO.

INCORPORATED

56 Beaver Street - - - - New York

Marine Underwriters

Managers Marine Department

AMERICAN INSURANCE CO., OF NEWARK, N. J.
FIREMEN'S INSURANCE CO., OF NEWARK, N. J.
GLENS FALLS INSURANCE CO., OF GLENS FALLS, N. Y.
HANOVER FIRE INSURANCE CO., OF NEW YORK, N. Y.

Marine Agents

GLOBE & RUTGERS FIRE INSURANCE CO., OF NEW YORK, N. Y.

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

BROKERS ACTIVITIES

SCANDINAVIAN RE-INSURANCE

Norske Lloyd's London Manager Comments on a Danish Re-Insurance Co. Rumor

In discussing a report that the Norske Lloyd had purchased or acquired a controlling interest in the Danish Re-Insurance Company, A. Rendtorff, manager in London of the Norske Lloyd, said:

"Immediately I saw the original article I wired to my head office asking for full particulars, quoting the gist of the article in question. The Norske Lloyd telegraphed, stating definitely that they had had nothing to do with the share transaction of the Danish, and are not, consequently, interested in the affairs of that company.

"One of my head office directors has personally assisted the Danish by procuring the preference capital, as (as he stated in his telegram) he could not see a big Scandinavian re-insurance company, which the Danish is, should fail, which surely would be used by German competitors in their competition after the war."

* * *

Caldwell's Insurance Manager

C. F. Burden, who is insurance manager for Caldwell & Co., foreign freight contractors, forwarders and custom house and marine insurance brokers, came to this country from London where he was associated with brokers for London Lloyds. In 1912 he went with the Standard Marine in its underwriting department, and later with Caldwell & Co., whose offices are at 50 Broad Street, and who have branches in Philadelphia, Detroit, Chicago, Boston, San Francisco, Milwaukee and Seattle.

* * *

Walter I. Harring, of Catskill, N. Y., has removed into larger quarters in the Betts Building. He does a general insurance business.

CASUALTY AND SURETY NEWS

Coming Hearings on Compensation

SITUATION IN MASSACHUSETTS

Two Obnoxious Bills Companies and Employers Should Give More Attention to

There is danger that stock casualty companies will not sufficiently concern themselves with certain dangerous legislation in Massachusetts affecting workmen's compensation. This appearance of lethargy is the result of unfavorable compensation experience of the companies during several years. Because of this experience they are not inclined to oppose pending legislation as they have similar propositions in the past. This is a bad sign. Monopolistic mutual and State insurance schemes are not only bad for the workmen's compensation insurance business but other lines of insurance as well. The companies should not allow the entering wedge to be driven and then hope to succeed in having it withdrawn before it affects lines in which they are more keenly interested than in compensation.

Two Measures Up

There are now before the Massachusetts Legislature two bills, either of which, if enacted, would prohibit stock companies from writing compensation business in that State. They are Senate Bill 91, Cavanagh, and House Bill 969, Reardon. Cavanagh was chairman of the Joint Recess Committee to investigate workmen's compensation insurance and chairman of the Joint Judiciary Committee. His bill was carried over from last year and creates a monopoly for mutual insurance companies and provides for self-insurance.

House Bill 969 is the State Federation of Labor bill, which creates a monopolistic State-managed fund. Both bills are before the Joint Judiciary Committee and hearings will be given on them in the State House, Boston, February 25 and 26.

Prospects of Passage

As to the possibility of the bills passing this year, it would appear that the legislative session will be relatively short and that the House leader, at least, is opposed to the enactment of any radical measurements at present. On the other hand, the State Federation of Labor is a unit in favor of its monopolistic State insurance bill and has engaged a capable man to further the measure.

As might be expected, the Cavanagh bill has behind it powerful mutual insurance interests. Here another feature enters. Supporters of the Cavanagh bill will be strongly opposed to monopolistic State insurance, while the supporters of the monopolistic State insurance measure will be strenu-

(Continued on page 18)

New Automobile Rates Announced

BIG ADVANCE IN NEW YORK CITY

Revised Rules and Tariffs Affecting All Five Territorial Divisions

Illustrations of the new automobile liability and property-damage premiums, effective April 1, are given below:

Greater New York

H. P.	Public liability	Prop. damage excl. loss of use.
15	$50.00	$12.50
20	72.00	18.00
25	92.00	23.00
30	101.00	25.30
35	110.00	27.50
40	117.50	29.40
44	123.50	30.90
Over 44	125.00	31.25
New York Suburban		
16	$30.00	$7.50
20	41.00	10.25
25	53.00	13.25
30	60.50	15.15
35	68.00	17.00
40	73.00	18.25
44	77.00	19.25
Over 44	78.00	19.50
Surrounding Territory		
16	$20.50	$5.65
20	26.25	7.65
25	33.50	10.15
30	40.50	12.65
35	45.25	13.90
40	50.25	15.15
44	54.00	16.15
Over 44	55.00	16.40

For loss of use add 10 per cent. to property damage rates.

Collision Premiums, $100 Deductible
All Territories

Class	Premium	Class	Premium
A-1	$15.00	L	$60.00
A-2	15.00	M	63.75
A-3	15.00	N	67.50
A-4	15.00	O	71.25
A-5	17.50	P	75.00
B	20.00	Q	82.50
C	22.50	R	90.00
D	25.00	S	97.50
E	28.00	T	105.00
F	31.25	U	112.50
G	41.25	V	120.00
H	45.00	W	127.50
I	48.75	X	135.00
J	52.50	Y	142.50
K	56.25	Z	150.00
Full Cover, Collision			
A-1	$50.00	L	$148.00
A-2	59.00	M	152.00
A-3	67.00	N	156.00
A-4	75.00	O	159.00
A-5	83.00	P	162.00
B	90.00	Q	168.00
C	96.00	R	174.00
D	102.00	S	179.00
E	109.00	T	184.00
F	116.00	U	188.00
G	122.00	V	192.00
H	128.00	W	195.00
I	134.00	X	197.00
J	139.00	Y	199.00
K	144.00	Z	200.00

Commercial Automobiles

Greater New York

	Public liability	Prop. damage excl. loss of use.
Special	$450	$180
1	325	134
2	285	114
3	245	98
4	205	82
5	175	70
6	145	58
New York Suburban		
Special	$300	$120
1	205	82
2	165	66
3	135	54
4	110	44
5	90	36
6	75	30
Surrounding Territory		
Special	$215	$86
1	135	54
2	110	44
3	90	36
4	70	28
5	55	22
6	50	20

Rate of Increase

In large cities like New York the public liability increase is about 40 per cent., New York suburban territory 25 per cent., Boston 35 per cent., Providence 35 per cent., Philadelphia 40 per cent., St. Louis 35 per cent.

Other cities in Group 4 are rated up 20 to 35 per cent. For the country at large a 10 per cent. increase is made except in Alabama, Kentucky and Tennessee.

Property damage experience showed increases almost identical with liability.

Commercial cars are now in six groupings instead of five and the experience bears out the increasing cost in large cities. Many new classifications are added. Property damage experience for commercial cars shows a cost equal to 40 per cent. of the public liability premiums. Livery and other public cars were modified almost exactly as were the rates for private pleasure cars. The differential between electric and gasoline cars was removed.

Additional Assured

The most important change in liability and property damage is the inclusion of additional assured. The excess limits percentages for both classes were considerably reduced. There is no longer any differential in collision rates between commercial cars and pleasure cars but livery cars still carry higher rates.

The Essence

of workmen's compensation insurance: correct classification; accurate rate-making; expert safety-first inspections; prompt payment of claims.

In the workmen's compensation department of the Maryland Casualty Company, Baltimore, there are two hundred and four people specializing on these various essential features of complete compensation insurance.

Vice-President F. Highlands Burns, directing this organization, has had eighteen years' experience as an underwriter of employer's liability insurance, and was one of the pioneers in the workmen's compensation field.

Agents able to offer insurance of this quality have a very considerable advantage.

MARYLAND CASUALTY COMPANY
MERITS COMPLETE CONFIDENCE

Something New

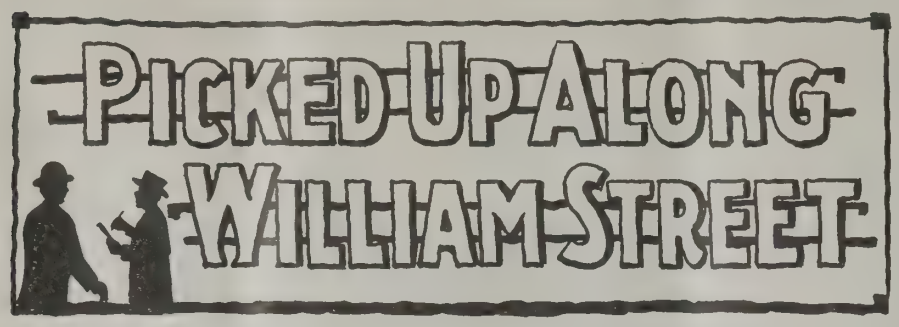
Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

The Fidelity and Casualty Company of New York
92 LIBERTY STREET, NEW YORK, N. Y.
Metropolitan Office—92 William St.
ANNUAL STATEMENT DECEMBER 31, 1917

Assets	$15,077,330.62
Liabilities	10,785,343.53
Capital	1,000,000.00
Surplus over all liabilities	3,291,987.09
Losses paid to December 31, 1917	60,740,294.97

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation, Steam Boiler Insurance; Fly-Wheel Insurance.



Liberalizing New York Act

It is proposed to amend Section 12 of the Workmen's Compensation Law of New York by providing that compensation, including money allowances and benefits provided for in Section 10, shall be allowed from date of injury instead of 14 days thereafter, as now provided. It is also proposed to add a new section (16-A) to the act providing as follows: "Compensation to be paid where the workman receives ten dollars a week or less in wages. Notwithstanding the foregoing provisions of this chapter, if any workman who receives wages at the rate of ten dollars a week or less shall have been injured the compensation to be allowed for disability or death resulting therefrom shall be equal to the full amount of such wages during the number of weeks that such compensation shall be payable under this chapter."

* * *

Aetna's Roll of Honor

In the Aetna office at 100 William Street, New York, a handsome roll of honor has been placed, the work of Prosper V. Beneville of the liability underwriting department. Following are the names of New York branch office men enrolled, listed under their departments:

Inspection: Robert J. Bell, Jr., Infantry; F. J. Donnelly, Coast Defense; William B. McIntosh, Machine Gun; Robert K. Lemcke, Infantry; Joseph A. Schopper, Aviation; N. Howell Topping, Aviation.

Fire: Barnard O'Neill, Engineer.

Bonding: John A. Ingersoll, Officers Reserve; Leo R. Logan, Artillery; Thomas Riordan, Infantry; Harold C. Megrew, Infantry.

Claim: Charles F. Murphy, Artillery; Joseph L. Beliveau, Infantry; John R. Hannon, Ambulance; F. F. Sutherland, Quartermaster; John J. Duggan, Artillery; E. E. Meyers, Officers' Training Camp; Harold E. Howe, Infantry; Charles E. Kean, Signal Corps; Arnold Thompson, Infantry; John B. Bennett, Quartermaster; Harold Mellen, Coast Defense; Bennett B. Kirk, Ambulance; James E. Robertson, Navy; H. F. Bruger, Artillery.

Burglary: Andrew J. Schmitz, Machine Gun; Henry G. Ritz, Navy.

Automobile: W. W. Smith, Artillery; Elwood B. Spang, Military Police; J. D. Rowan, Machine Gun.

Cashier's Department: A. G. Clarke, Royal Flying Corps; Robert P. Hutton, Artillery; F. C. Gabby, Navy; C. H. Bogert, Navy.

Marine: E. Jutz, Medical Corps.

Brooklyn Branch: Albert K. Barnes, Machine Gun; George Murphy, Navy; Julius Kurzman, Machine Gun.

Liability: Thomas O'Neill, Naval Reserve; Rufus Williams, Infantry; John J. McCool, Infantry; William J. Conors, Naval Reserve; Harold J. Ritchey, Naval Reserve.

Agents: Miss Vera C. McKenna, Y. M. C. A.; Frank Murray, Infantry; Joseph L. Weiss, Marines; Henry L. Miller, Artillery; C. R. Schroeder, Navy; F. E. Liddey, Artillery; Cornelius Cullen, Naval Reserve; Julian Bermas, Coast Defense.

Payroll Department: M. E. Bill and John F. Shea, Depot Brigade.

* * *

Burglary Insurance

A policy insuring plaintiff against direct loss by burglary, theft or larceny, and for direct loss by damage to property and premises caused by burglars and thieves, provided that defendant company should not be liable for any loss from explosion, except when caused by burglars, nor from any loss from or contributed to by fire, water, invasion, riot, war, strike or civil commotion. Plaintiff, who occupied an apartment on the third floor of an apartment building, detected smoke in the afternoon, and, discovering the building to be on fire below, fled to the street. Firemen soon arrived and took charge of the building, allowing no one to enter until about half past six, when plaintiff was allowed to return to his apartment. The fire was a serious one, but did not enter plaintiff's apartment. Plaintiff sued for the loss of jewelry, alleged to have been lost between the time he left the apartment and was allowed to re-enter it. The New York Appellate Division holds, Sloan v. Massachusetts Bonding & Ins. Co., 164 N. Y. Supp., 206, that there could be no recovery, if the fire contributed to the loss by making the work of the thief easy, though the mere occurrence of the fire would not relieve defendant, and hence an instruction that, if the loss occurred, the fact that there was a fire in the building did not relieve defendant, was erroneous.

* * *

Board Vacancy Filled

Sydney R. Taber has been elected a trustee of the United States Casualty to fill a vacancy on the board. The following five trustees were re-elected at the annual meeting last week: Forrest F. Dryden, Silas H. Hinkley, E. Covert Hulst, Carl S. Petrasch and Richard Prosser.

* * *

Double Indemnity—"Public Conveyance"

Under an accident policy providing for the payment of a double indemnity for a bodily injury while "on a public conveyance provided by a common carrier for passenger service," it was held, Anderson v. Fidelity & Casualty Co., 166 N. Y. Supp., 640; 109 Misc., 411, that the insured, injured while alighting from a taxicab owned and operated by a taxi service company, which he and another had hired and had the exclusive right to occupy for a certain trip, could not recover such indemnity, notwithstanding an ordinance imposing a penalty upon the owner of a cab used in carrying passengers for hire for a refusal to do so, but not requiring the company to carry all persons applying for hire, or providing any damages for its refusal to do so.

The distinction between a public or common carrier of passengers and a special or private carrier is that the former must receive all applying for passage, so long as there is room and no legal excuse for refusing passage, while the latter is not so bound.

* * *

William J. Johnson Hurt

William J. Johnson, liability department superintendent at the home office of the Fidelity & Casualty, New York, slipped on the ice a few days ago and broke his wrist.

* * *

Another New Director

The United States Fidelity and Guaranty Company has elected another director. This makes eleven new members added to the board since January first. The latest addition is A. W. Calloway, president of the Davis Coal and Coke Company. Mr. Calloway is also a member of the executive committee of the Union Trust Company, of Baltimore. He succeeded Carl R. Gray as president of the coal company about two years ago. Mr. Gray is president of the Western Maryland Railway Company.

* * *

Provides for State Fund

A bill is now before the New Jersey legislature which provides for the establishment of a State insurance fund to write compensation insurance under the supervision of the insurance department and in competition with the stock and mutual companies.

* * *

Combination Auto Policy

The Home of New York and the Standard Accident of Detroit have arranged to issue jointly a combination automobile policy furnishing all forms of cover. The Home and the Fidelity & Deposit used to issue a contract of this kind before the Fidelity & Deposit retired from the casualty field.

* * *

More Coal Mine Fatalities

During 1917, 2,695 men were killed in coal mines, an increase of 470 over the previous year. The increase is attributed to the disorganized conditions in that business.

Better Days in Canada

Apparently the particularly trying competitive conditions which existed in the casualty business in Canada during 1916, have not been repeated in 1917. The return to saner methods of underwriting are reflected in the business of American companies writing there.

* * *

Guarding Valuable Data

In order not to be caught napping the National Workmen's Compensation Service Bureau has invested considerable money in steel safes in which to keep its statistics which have been difficult to obtain and would cost many thousands of dollars to replace, if indeed, they could be replaced in as good and complete condition as they now are. It is a wise move on the part of the Bureau. The cost of the safes, about $1,200, is quite an item, but it is as nothing compared with the value of the statistics and the cost of having to replace them, should such an unfortunate necessity arise.

* * *

General Accident Does Well

The General Accident has made the following statement of financial condition of its United States Branch for 1917: Assets $3,392,911, reserve liability for losses and claims $1,163,539, reserve for unearned premiums $1,372,155, taxes and all other liabilities $250,166, surplus as regards policyholders $607,049, net writings $3,956,685, an increase of $430,840 over 1916. There is an increase in claim reserve of $244,467, which includes $169,551 set aside voluntarily for compensation losses. The Company has set aside a full reserve for outstanding losses based upon individual estimates instead of the sixty per cent. of earned premium required by law. In spite of the reduction in value of securities the admitted assets have increased by $184,833.

* * *

Youngstown Agency With Globe

The General Insurance Agency Company of Youngstown, Ohio, a former Fidelity & Deposit connection, had been appointed general agent for the Globe, for all lines.

The Health & Old Age Insurance Commission of Ohio has recommended to the people of that State independent study of the subject by labor organizations, business men and associations engaged in charitable and philanthropic enterprises.

C. A. TIMEWELL, Resident Manager
123 WILLIAM STREET

The Greatest Selling Help
for the accident insurance agent is
Prompt and Liberal Claim Service
WE GIVE IT

STANDARD SERVICE SATISFIES

There are Great Opportunities
for agents in unoccupied territory
Write us to-day

The Standard Accident Insurance Co.
of Detroit, Mich.

NEW YORK CITY

Coming Hearings on Compensation

(Continued from page 17)

ously opposed to the monopolistic mutual insurance as well as self-insurance.

Employers Apathetic

There then remains the danger of a compromise being reached between the two extremes, but predicated upon the elimination of the stock companies. There is the possibility that the labor interests might accept monopolistic mutual insurance temporarily, with the expectation that they would be able subsequently to eliminate that too and establish a monopolistic State fund.

Barring the condition of the times, it is the employers who must be depended upon to defeat these bills. And just here is the rub. Employers are so beset trying to overcome the present unusual difficulties of doing business that they will not interest themselves in insurance legislation. In fact they have said, in some instances, that they have all they can do to attend to their own business, let alone going to Boston to fight the battles of the liability companies. Under the circumstances it is of vital importance that every stock company use all its influence through its agents and also communicate with representatives in the legislature to prevent the enactment of these bills.

CASUALTY AND SURETY POINTERS

Views On Standard Provisions

Evidently Thomas P. Nelson, of the Wisconsin Insurance Department does not regard highly the Standard Provisions Law as an aid to improving the health and accident business. In an address before the Health and Accident Underwriters' Conference in Chicago, Mr. Nelson regretted that he could not say the law has made a decided change for the better in that business. But, he continued:

It is a wonderful product, for it contains the plans and specifications for the complete structure of health and accident insurance. Perhaps too much has been expected of the Standard Provisions Law. I think I can honestly say that I know there is a general desire to improve the business and to get it on a sounder and more stable basis, and that there is an increasing determination to study and understand the relations of the various elements of the business to each other.

Even where there is the determination, there is a general failure to appreciate the purpose and understand the effect of the law on the business. The law is remedial in its purpose. It enables the insurer who desires to do a square business, not only to carry on such a business himself, but it enables him to force his competitors to do likewise. I am sorry to say that the Wisconsin Department has never been requested to refuse approval of a policy, or a provision of a policy of a competitor, because it did not afford real insurance and the insurance authorized by law. On the contrary, time and again we have been urged to approve because some other company was issuing an objectionable policy or provision. Again and again we have been requested to approve because a certain policy or provision has been used for years; the person making the argument was ignoring completely the remedial purpose of the law. We have ben asked to approve provisions dealing solely with the amount of insurance, the amount of the premium, the classification of risks, and the nature of the proofs of loss, which are not matters subject to approval. These requests show clearly that the nature and the purpose of the law were not appreciated. In discussing objectionable features of policies we have been asked if the insurer might not make any kind of a contract with the insured; a question which evinced a desire and a purpose to evade the law.

Two years ago, at Cincinnati, you adopted a code of ethics. It dealt entirely with your relations with one another. At your conferences the subjects for discussion concerned your relations with one another to the exclusion of your duties and obligations to the insured. If the future is to be commensurate with the potentialities of the business, your work and activities must be based on your appreciation of the fact that the prime interests in health and accident insurance are those of the insured, and that you are entitled to and will receive compensation as you give service. I believe you should prepare a code of ethics covering your relations, duties and obligations to the insured.

* * *

Selecting Physician Risks

In underwriting physicians' and dentists' liability business, it has been found most desirable that the subject of insurance belong to some well established medical society—either local or general. A doctor or dentist who belongs to such societies or associations has the support of his fellow members when he gets into trouble, and seems to have a better standing in every way than the doctor who for some reason or other fails to "join up." The younger members of the medical and dental professions are the better risks. Most of the reasons for this are obvious, but it will do no harm to enumerate some of them: A young practitioner has very few patients, hence the exposure is low; he is so anxious to please and to succeed that he is extra careful and attentive, not daring to give snap-judgment and creates a good impression upon his patients. Presenting little evidence of a lucrative practice he is unlikely to be the prey of people who make a practice of mulcting physicians and dentists by threatening them with law suits for pretended malpractice.

We think well of the woman doctor and for that matter the woman dentist and other things being equal, we are very glad to accept them for liability insurance.

We refuse to write liability insurance for any doctor of known low principles, character and morals; any doctor who stoops at any time to perform an illegal operation; any doctor or dentist residing in such a district as to attract patients from amongst the ignorant, or to attract classes of patients who by virtue of their race or circumstances are inclined to be hysterical and to suffer mentally from imaginary wrongs done to them by others; any quack, which means one who is not a graduate of an established school of medicine, and yet manages to practice in a community without getting into jail; any dentist who advertises in such a manner as to attract passers-by into his office by the wholesale—we refer to the man who has as a sign in front of his office a set of wooden teeth 5 feet in length and employs a man in uniform to distribute cards at his office door.—"The General's Review."

* * *

Story Told by File Room

The file rooms of a large casualty company carry a message which is interesting and indicative of the trend of this business. Following is the record of the Maryland Casualty:

Received During 1917

	Applications	Claims
Automobile	39,092	10,632
Liability	39,802	34,473
Workmen's Compensation	53,410	76,562
Accident and Health	18,281	8,123
Boiler and Fly-Wheel	5,211	133
Sprinkler and Water Damage	4,091	570
Burglary	14,894	956
Plate Glass	28,312	6,010
Bonding	46,319	541

BANK BURGLARY LOSSES

Increased activities of bank burglars in 1917 are shown by the Maryland Casualty's experience as follows:

	1916	1917
Number of bank losses reported	21	49
Number successful	13	38
Number of attempts	8	4
Number dropped—no loss	1	7
Number states attacked	9	17
Approximate payments	$23,000	$47,000

FIDELITY & DEPOSIT RE-INSURANCES

In the majority of cases to date, the Fidelity & Deposit has re-insured its casualty business in the companies with which its former casualty agents have gone. There are a few exceptions to this where the parties could not get together on commissions. The entire plate glass business went to the New York Plate Glass. The Oklahoma, St. Louis, California, Mississippi, Syracuse, Kansas City branch office, Seattle, Indiana, Wisconsin and St. Paul accident and health and liability business went to the Maryland Casualty. The New York City, Massachusetts and Rochester accident and health business is in the Massachusetts Accident. The Houston, Dallas, Chicago, Oregon, Minnesota, Lancaster, Pa., and El Paso liability and accident and health business and Michigan liability business is in the Continental Casualty Company; Michigan accident and health business in the Globe Indemnity; Raleigh, N. C., Baltimore and Akron, Ohio, liability and accident and health in the Standard Accident; Frederick, Md., liability and accident and health business in the London Guarantee & Accident; Nashville and Memphis, Tenn., liability and accident and health business in the General Accident, and the Buffalo accident and health and liability in the Commercial Casualty.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE
CHICAGO

F. W. LAWSON
General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers
New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

Service of Quality to Policy Holders

Contracts of Superiority to Representatives

THE NATIONAL of DETROIT

Eastern Dept.
100 William St.
New York

Western Dept.
Pacific Bldg.
San Francisco

Northwestern Dept.
Palace Bldg.
Minneapolis

New Amsterdam Casualty Company

A Progressive

SURETY AND CASUALTY

Company

THROW AWAY THAT CUMBERSOME RATE MANUAL

Can you find no better use for your time than to spend the best part of it turning 362 pages every time you want to quote an automobile rate?

Compare the Simplicity of These Rates!

The *"Definite Value"* Automobile Policy

A clearly defined policy protecting an automobile owner—indemnifying for loss by fire, theft, explosion and other hazards.

It is simple in language, and definite in terms—it positively fixes the value of a car, during the life of the policy, on a basis determined by the men who made and sold the car.

In the event of a total loss, it pays the amount of fixed value shown in the policy contract, thereby avoiding any controversy in settling and paying the loss.

In the event of a partial loss, it pays for the repair or replacement of all parts, to the full extent of the damage.

Compare the protection and the cost of this policy with other forms of automobile insurance.

PREMIUM RATES

All premiums are based on list price of car. Rates quoted are for each one hundred dollars of list price. The rate is not increased on renewal. Freight charges and war tax may be added to amount of insurance.

Pleasure and Commercial Cars

	Full Cover	Full Cover Excluding Theft
Models Listing $2,500 or Over	$1.00	.80 cents
Models Listing $1,000 to $2,500	$1.50	.80 cents
Models Listing Under $1,000	$2.00	.80 cents

Extra Equipment, Including Theft— Twice the rate charged for car.

Extra Equipment Excluding Theft— Same rate as charged for car.

Electric Cars—All Models
.75 cents for fire and theft.

Collision Insurance

Covers all loss or damage above twenty-five dollars in any one accident.
(For full cover add thirty-five dollars to all premiums.)

Pleasure Cars
In Cities under one hundred thousand population.
1½% of list price — $15.00 minimum premium
In Cities over one hundred thousand population.
2% of list price — $25.00 minimum premium

Commercial Cars
Regardless of size of city.
2¼% of list price — $30.00 minimum premium

Property Damage

Indemnity to extent of one thousand dollars for damage done to property of others.

Pleasure Cars
In Cities under one hundred thousand population.
Ten Dollars Premium
In Cities over one hundred thousand population.
Fifteen Dollars Premium

Commercial Cars—Decline property damage.

TERM POLICIES

Two Years Insurance—One and three-quarter times annual rate.
Three Years Insurance—Two and one-half times annual rate.
Pro rata cancellation allowed on old insurance when new car purchased and insured.

Taxi Cabs, "Jitneys," Rented, Livery, Second-Hand Cars and Dealers' Cars WILL NOT BE INSURED UNDER THIS FORM OF POLICY

THIS POLICY IS WRITTEN ONLY BY

THE NEW BRUNSWICK FIRE INSURANCE CO.
Capital $500,000
NEW BRUNSWICK, NEW JERSEY

THE NEW JERSEY INSURANCE COMPANY
Capital $1,000,000
NEWARK, NEW JERSEY

UNIVERSITY OF ILLINOIS LIBRARY

OCT 23 1918

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 9 | NEW YORK, FRIDAY, MARCH 1, 1918 | $3.00 a Year; 25c. per Copy

AGENTS' CLUB IDEA GAINING CONVERTS

A Development in Local Field Which Draws Agents Together, Reducing Representation

FINES FOR SHARP PRACTICES

High Initiation Fee and Stringent Regulation of Brokers—Originated in South

Much of the discussion at the midwinter conference of the National Association of Insurance Agents hinged about the Southern and Western local agents' clubs or exchanges which have been organized in several cities and which are greatly reducing the number of multiple agents and side-line solicitors, and which also are bringing the local business up to a higher standard. The idea, originating in Missouri and Louisiana, has taken a firm hold on the imagination of agents and some of the association leaders think that it will sweep the country and do much to correct the problems with which agents are wrestling.

$1,000 to Join in Kansas City

The principal clubs or exchanges are in Kansas City, New Orleans, Louisville and Helena, Ark.

The Kansas City exchange is an airtight proposition. The initiation fee is $1,000. Only agents of good repute can belong. It owns Liberty bonds. Recently, it fined one of its members, who had written a chain of railroad eating houses, one of which was located in Kansas City, $500.

The New Orleans Exchange costs $175 to join. Dues are $25 a year. A share of stock in the Exchange costs $25. Solicitors pay $20 a piece to the Exchange, and agents are responsible for their actions. The Exchange owns $3,000 of Liberty bonds and $2,000 of levee bonds. Before the Exchange was formed there were 800 agents in New Orleans and wild practices; now there are 66 agents and good practices prevail.

Close Corporation in Helena

Helena, Ark., has an exchange of six agents. Specials recognize the Exchange and if they want to plant a company they see the Exchange members, who draw lots for it. The man who loses gets the agency.

President Allen told of several exchanges that he had formed in Missouri towns where agents didn't speak to

(Continued on page 20)

"The Largest Fire Insurance Company in America."

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE.

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

SPRINGFIELD Fire & Marine Insurance Co.

Cash Capital $2,500,000.00

THE SPRINGFIELD for two-thirds of a century has transacted business solely under its own corporate name, without annexes, underwriting agencies or subsidiary companies. An agent of the SPRINGFIELD is not a half, a quarter or any other fraction of an agent, but is vested with the rights and dignity of an undivided representative of an undivided and independent company. The SPRINGFIELD stands today pre-eminent among American fire insurance companies.

SPRINGFIELD MASSACHUSETTS

THE GAUVIN AGENCY

UPHOLDS PHILLIPS ON CHILD INSURANCE

Attorney General Says Fraternals Can't Be Licensed Here If Writing Infantile Elsewhere

DEFINES FRATERNALS' POWERS

Society Which Writes "Whole Family Protection" Not a Fraternal In This State

Merton E. Lewis, Attorney General of New York State, has given a ruling to Superintendent of Insurance Phillips, of New York State, upholding the position that the Superintendent has taken regarding fraternals writing infantile insurance in other States which Mr. Phillips has ruled bars them from being licensed in this State. The opinion of the Attorney General follows:

Hon. Jesse S. Phillips,
Superintendent of Insurance,
Albany, N. Y.

Dear Sir: Insurance on the lives of persons under sixteen years of age is prohibited in this State to fraternal benefit societies. In many States legislation has approved the plan of "Whole Family Protection" under which fraternal benefit societies insure the lives of children between the ages of two and eighteen years for whose support and maintenance a member of such society is responsible.

The Question Submitted

In accordance with your advice to certain of these societies you have submitted to me the question whether such societies are permitted under our law to write insurance in any form in this State if such societies are exercising without the State the power to write "Whole Family Insurance," or, as you have stated the inquiry,

> Please advise me if a foreign fraternal society applying for admission in this State is entitled to a certificate of authority from the Superintendent of Insurance authorizing it to transact business in this State, where it writes in territory outside the State of New York infantile insurance in the manner set forth in the so-called "Whole Family Protection Bill," such society in all other respects meeting the requirements of our statute, or if a foreign society now authorized to do business in this State is entitled to have its certificate of authority renewed under the conditions above mentioned.

I understand that you have firmly

THE PILOT POLICY

taken the position that the laws of this State do not authorize you to issue or renew any certificate to do business here if a fraternal benefit society is writing infantile insurance in other States. In your determination I fully concur, and briefly for these reasons.

Concurs With Superintendent

A fraternal benefit society which writes "Whole Family Protection" is not a fraternal benefit society as defined by the statutes of New York State. It no longer possesses the powers and characteristics which mark out and limit the activities of such a society as recognized by our laws. Under Section 230 of the Insurance Law a fraternal benefit society is one which is "organized and carried on solely for the mutual benefit of its members and their beneficiaries" and making provision for payment of benefits in accordance with Section 231. We fail to find in Section 231 any mention of infantile insurance. On the contrary, that section confines all benefits to members, who must be over sixteen years of age. General or social members may be admitted but insurance cannot be extended to them.

In answer to a possible assertion that infantile insurance is virtually for the benefit of members because they are responsible for the support of the children under sixteen who are insured, it is enough to say that if such a power were inherent in fraternal benefit societies under the present laws of this State, there would be no need of an amendment such as is now sought by legislation to incorporate a power to write "Whole Family Protection." "Whole Family Protection" is not a mere internal optional change in the constitution or by-laws of a society. It is a fundamental change in the nature of the society, the same as if a fraternal benefit society were given a new power to write fire insurance on the buildings owned by its members or marine or automobile insurance on their property.

Powers of a Fraternal

A fraternal benefit society organized in New York may have only the powers "defined by this article" (Section 234 Insurance Law). The charter of such a society "shall not include more liberal powers than are granted by this article" (Section 234 [b]); and infantile insurance finds no place in the list of powers recited in the statute. Likewise, a foreign society must have the "qualifications required of domestic societies organized under this article" (Section 237). To such a foreign society the Superintendent may issue a license and a "duly certified copy or duplicate of such license shall be prima facie evidence that the licensee is a fraternal benefit society within the meaning of this article." (Section 237).

With regard to foreign corporations in general, we may state it as a principle of comity that unless there has been a design to evade our laws, corporations organized in other States where broader powers can be acquired than in our own State, are not looked upon with disfavor here, and may be permitted to do business in this State by confining themselves to the business permitted domestic corporations in this State. This is not so with respect to insurance corporations. The business of insurance has been specialized in fact and by law and certain forms thereof have been limited to certain specific classes of insurance corporations. Retaliatory legislation throughout the United States has been exercised to such an extent that insurance companies quite generally have been forced to confine themselves to a line of insurance which can be written in every State. New York has decided to let in foreign fraternal benefit societies which do business along the lines long established for some companies, and

(Continued on page 8)

THE TRAVELERS
INSURANCE COMPANY | INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

73d ANNUAL REPORT

NEW YORK LIFE

INSURANCE COMPANY

346 & 348 BROADWAY - - NEW YORK CITY

Income for the year 1917:

Premiums	$100,279,122.00	
Interest and Rents	39,957,422.00	
Other Income	5,881,618.00	$146,118,162

Paid Policy-holders, 1917 (Exclusive of Disability Benefits):

Death Losses	$30,599,371.00	
Matured Endowments	13,566,409.00	
Surrender Values	18,527,170.00	
Dividends	22,807,762.00	
Annuities	1,387,241.00	$86,887,953

Loaned Policy-holders during 1917 ..... $23,722,213

New Paid-for Insurance in 1917 (Exclusive of over $16,000,000 increase by Policies revived and increased, and Additions by Dividends) $315,994,500

Paid-for Insurance in Force Dec. 31 ..... $2,673,334,336
Number of Policies in Force Dec. 31 1,301,969

Admitted Assets, Dec. 31, 1917 ..... $934,929,381

These assets are the property of over 1,000,000 people with their dependents (in accordance with their contractual rights). The Company is purely mutual; it has no capital stock.

Legal Liabilities $760,742,335

Reserved for dividends payable in 1918	$26,561,063.64	
Reserved for dividends on deferred dividend policies maturing subsequent to 1918	107,041,778.00	
Reserved for Contingencies	40,584,204.36	$174,187,046
Total		$934,929,381

THE ANNUAL DIVIDEND RATE OF 1917 WILL BE MAINTAINED IN 1918

For the year 1917 the Company's mortality rate was the lowest in its history

Average earning power of total Ledger Assets { Dec. 31, 1917, 4.59% / Dec. 31, 1916, 4.54%

A detailed statement will be sent to any person asking for it.

January 14, 1918 DARWIN P. KINGSLEY, *President*

The OLD LINE LIFE Insurance Company of America

MILWAUKEE, WIS.

THIS COMPANY ANNOUNCES

That on December 31st, 1917, it had outstanding insurance amounting to

Over Twelve Million Dollars

which is an increase of over Two and Three Quarter Millions

That its Assets Amount to

Over One and Three Quarter Million Dollars

That its Total Income for the year 1917 was

Over Five Hundred Thousand Dollars

That During the year 1917

The Old Line Life Insurance Company of America

Paid its Policyholders

Over Seventy-five Thousand Dollars

That it has paid its Policyholders since its charter was secured

Over TWO HUNDRED FORTY THOUSAND DOLLARS

Increase in Insurance in Force—30%
Increase in New Business 1917 over 1916—40%

Leads furnished to whole-time men in Wisconsin, Illinois and Michigan

LIFE, ACCIDENT and HEALTH INSURANCE
Operating in Wisconsin, Illinois and Michigan

RUPERT F. FRY, President
JNO. E. REILLY, Secretary
F. J. THARINGER, Assistant Secretary

Questions Asked in New Group Blank

PRELIMINARY INSPECTION

Interesting Queries in Travelers Form Where Factory Owners Buy Coverage on Employes

The Travelers Insurance Company's latest preliminary inspection blank for insurance on the group form reads thus:

Name of establishment.....
Business .....
Location of plant.....
Give number of employees in each occupation.
Occupation:
1.....
2.....
3.....
Average age (a) male, (b) female.

State approximately the number of each nationality represented among the employees when more than 10 per cent. of the whole.

Describe the buildings of the plant. State provision made for protection against fire; the location from a sanitary and moral standpoint.

Describe the condition of the toilet room and wash rooms; are they clean, well lighted and sanitary; are the wash rooms well provided with soap and clean towels.

Give full information in regard to the drinking water. Is it filtered; how often is it analyzed; are the general provisions for providing employees with drinking water of a sanitary character.

Has there been any outbreak of any infectious or contagious disease in the plant within the last five years. If so give particulars.

What provision is made to care for any employee meeting with an accident or taken temporarily ill. Is there a separate room for such cases; is there a competent person in charge; is it light and clean and sanitary.

Is there any examination of employees before they enter the employ of the company in order to determine their physical condition; is there any kind of an examination in regard to the health of the employees after they have once become employed. If so give particulars.

What is the company doing beyond legal requirements for the safe-guarding of its employees and in specific forms of welfare work?

What is the product manufactured? Describe briefly the industrial operations involved.

About what is the average salary paid per year.

What proportion of the employees have a yearly vacation with continuance of salary during the vacation.

If there is any special hazard or any unfavorable feature connected with the work or any unusual condition bearing upon the health and longevity of the employees give full information.

If any employees are classed as common laborers give a definite idea of just what sort of work the different ones do.

Give the schedule for the working hours of the employees.

What is the number (approximately) of employees under 18 years of age? Over 60 years of age?

Have there been any strikes during the last five years. If so give cause and particulars in each case.

Add any further information that will be of help in enabling one to judge of the general character of the employees as life risks.

Does the company employ a physician or a trained nurse who is in attendance during working hours and who may be consulted by the employees.

Do you class the employees as life risks as first-class, good, fair, poor or very poor as compared with employees of other plants engaged in this or similar business: (a) As regards their occupation. (b) As regards their morals. (c) As regards their general physical condition.

State the general character of the home conditions of the majority of the employees.

State the name of the insurance organization carrying this company's Workmen's Compensation Insurance.

Does the company desire rates for group life insurance? Group accident? Group health?

State the form of life insurance coverage desired, whether a level amount of insurance to all; one or two years' wage or salary; or an initial amount increasing by a certain increment for each year of service.

Are employees now receiving benefits in case of accidental injury occurring away from occupation or sickness either through a benefit association or directly from the employer? If so, kindly give outline of benefits and all other information obtainable.

Does the employer intend to pay the entire premium?

Is it desired to pay premiums yearly, semi-annually, quarterly or monthly?

Vermont Joins the National Association

ALL STATES NOW ENLISTED

New York Association After 1,500 Members—Tremendous Increase in Enrollment

Never in the history of the National Association of Insurance Agents have new members been coming in so rapidly and in such numbers as at the present time. President Priddy has been receiving as many as 150 applications for membership a day.

A great coup last week was the joining of the Vermont association in a body. Heretofore this association has held aloof from the national organization, the only State association to do this. President Priddy went to Montpelier to address the association, determined to gather it into the National, and he was not only successful but obtained more than twenty members at the dinner.

The National Association is making plans to participate actively in the next big Liberty Loan drive.

ROYAL ARCANUM SOLVENT

The Royal Arcanum Society of Massachusetts, which has been a subject of litigation during the past few years, is declared 99 per cent. solvent by the insurance commissioners of Massachusetts, New York and Connecticut, in a report issued in Boston by Frank H. Hardison, commissioner of Massachusetts. The report is also signed by Burton Mansfield, insurance commissioner of Connecticut, and Jesse S. Phillips, superintendent of New York. The report says there is no justification for proceedings for dissolution of the society, or justifiable grounds for an application for the appointment of a receiver. The commissioners find no grounds for charges against the society of mismanagement and dissipation of the reserves.

COST OF NEW BUSINESS

The annual report of the Australian Provincial Assurance Assn. shows new ordinary business in 1917 of $6,300,000. The cost of procuring the business was 88 per cent. of the first year's premiums. J. P. Doyle has been appointed actuary.

O. S. Rogers Heads New York Association

STANDS WELL IN THIS CITY

Associate Manager of Phoenix Mutual and Writer of Large Policies—Other Officers

Orra S. Rogers, of Rogers & Andrews, managers of the Phoenix Mutual Life, New York, was elected president of the Life Underwriters' Association of New York at the annual meeting on Tuesday of this week. The association has chosen as its head a high grade man of a type that adds distinction to the life insurance fraternity.

Mr. Rogers was born in New York and graduated from Albert University up-State. His first life insurance ex-



ORRA S. ROGERS

perience was with the late M. V. B. Bull, manager of the Phoenix Mutual Life in Albany. Before that Mr. Rogers had four years' experience as teacher and as principal of a school.

In 1899 Mr. Rogers went with the Mutual Benefit and in January, 1911, returned to the Phoenix Mutual being made manager in New York City.

Mr. Rogers is a large personal producer, specializing in income insurance. It was only a few weeks ago that he and George Pick, of Chicago, wrote a million dollar case. He has written several policies for more than $500,000 each. Mr. Rogers for some years was secretary and treasurer of the local association.

Other officers elected were Sheppard Homans, Equitable, first vice-president; R. W. Goslin, Prudential, second vice-president; B. F. Reinmund, Aetna, third vice-president; Sigourney Mellor, Provident L. & T., secretary-treasurer (a re-election). The executive committee is S. S. Voshell, Metropolitan; Le Roy Bowers, Mutual; R. L. Jones, State Mutual; George A. Kederich, New York Life; E. J. Sisley, Travelers; George A. Smith, New England Mutual.

The association is to take an active part in the Liberty Loan Drive, later part of March, with W. F. Atkinson as chairman of the committee.

De Forrest Weld, for twenty years a successful agent for the Home Life of New York, died February 19 at his home in Pittsburgh. He was ninety years old. During the Civil War and for fifteen years afterward, he was the leading drygoods merchant in Western New York and was widely known in commercial circles. He was one of the organizers of the First National Bank of Jamestown, N. Y., nearly sixty years ago.

$5,000 WHOLE LIFE POLICY

Metropolitan Makes an Important Dividend Announcement—Albany Attack on Company Recalled

The Metropolitan Life Insurance Company has declared a dividend on its whole life policies issued in 1916 equal to the difference in premiums charged during the years 1916, 1917 and 1918, after the legislature passed the amendment to Section 97 consequent upon the mutualization of the Metropolitan Life, and the premiums charged on that plan of insurance by the Company while it was a non-participating stock company.

This is the famous policy which was attacked by the Association of Life Underwriters of New York.

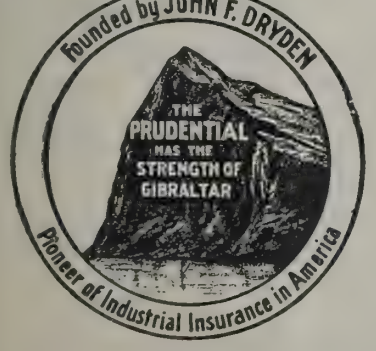
At the office of the Company it was said this week: "The ability to pay this dividend justifies the position taken by the Company before the legislature during the attacks made upon it by the other companies through the Life Underwriters' Association."

THAT VIRGINIA LAW

New Code Has Many Important Changes Affecting All Insurance Branches

What is happening to the laws of Virginia as they affect insurance companies and corporations generally has been quite successfully kept in the background. The new code embraces 2177 pages. It includes all laws now in the statute and a number of important changes which are carefully tucked away in obscure paragraphs.

The legislature adjourns about March 15 and it has been found to be particularly difficult to get copies of the new code in order to discover the new portions of the law and study them. There is no distinguishing mark to indicate what is new and what isn't. Highly important changes have been made affecting all branches of insurance. A New York attorney, who of all persons interested in insurance matters, should have found it easy to obtain a copy of the new code, could only borrow a copy for a limited time. Now that he has it he is still quite helpless, as he has to read the entire 2177 pages and compare with the old law, a difficult task indeed.



Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years.

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

How A Dollar Has Shrunk Since 1914

PROFESSORS TELL THE STORY

Food Price Has Risen 57 Per Cent.—Wholesale Prices Increase 2 Per Cent. a Month

Under the caption "The Shrinking Dollar" the Treasury Department has issued a most interesting report, prepared by a committee of the American Economic Association, appointed to study the question. It is signed by six of the ablest economists and college professors in the country and reads in part as follows:

We are undergoing a national readjustment to war conditions—a great shift from a peace to a war footing, the growing pains of which are acute just now, though they have been experienced, less acutely, for the last three years.

This war, the greatest of all, is greatest especially in its cost. It is estimated that the money cost alone, for all nations, is upward of $100,000,000,000. Each week it costs as much as did the entire Boer War; each month as much as the entire Russo-Japanese War; each two months as much as the entire Civil War, which heretofore had held the record.

"Business as Usual" a Delusion

Never before in history has an understanding of the simple principles of economics been so sorely needed. Although much is being done to supply this need, we find the public confused and vacillating between two economic philosophies—the simple, direct, old-fashioned, correct philosophy of saving and working and the fallacious philosophy, perhaps best epitomized as "business as usual."

So far as we let our "business as usual" impulses prevent the needed saving and economic shifting we shall pay a terrific penalty in higher cost of living, as well as in national inefficiency and maladjustment.

The living cost and the level of commodity prices in general are now, as we are all aware, extremely high. The average wholesale prices in the United States last month were 81 per cent. above those of July, 1914; that is, the purchasing power of money over goods in the wholesale markets has been almost cut in half.

The rise in retail prices of foods in the same period has been 57 per cent. This means a reduction to less than two-thirds in the purchasing power of money over foods in the retail markets. Abroad the rise of prices has been even greater.

Between 1896 and 1914 wholesale prices in the United States were rising at the average rate of only one-fifth of 1 per cent. per month; but even that small rate, long continued, was enough to make the "H. C. L." a very painful fact.

Rate of Rise Phenomenal

Since the war wholesale prices in the United States have been rising at the rate of nearly 2 per cent. per month, or nearly ten times as fast as before the war. In some countries in Europe the rise in prices has been two or three times as rapid as in the United States.

While the war lasts the commodity price level will inevitably mount by leaps and bounds, unless we adopt rigorous preventive measures. In particular, we must avoid, so far as possible, lending by borrowing. Loans to the Government made not from savings but from borrowings will tend to increase bank credit. Further extension of bank credit will chiefly bring about a rise in commodity prices.

It is therefore desirable that further loans to the Government should be made out of current savings.

There are two ways for us to lend money to our country. The right way is the frank and honest way of saving, by spending less or earning more. The other and wrong way is the, at first cheap and easy, although ultimately costly and painful, way of lending the Government what we borrow from the bank. Even that species of robbing Peter to pay Paul is, of course, better than paying Paul nothing; for Paul, i. e., the United States Treasury, must have the cash. But it can be justified only when unavoidable or when used as a temporary expedient, and the debts so contracted are soon repaid out of savings.

T. B. LOVE TO TALK

American Life Convention, Medical Section, to Hear Assistant Secretary of Treasury

The eighth annual convention of the medical section of the American Life Convention will be held in Richmond, Va., on March 27, 28 and 29. Thomas B. Love, Assistant Secretary of the Treasury, paying particular attention to the War Risk Bureau, will deliver an address on March 28.

Dr. J. P. Turner, medical director of the Jefferson Standard Life, will be chairman of the meeting. Subjects to be discussed are: "What the Medical Director Should Know About Tuberculosis," "How Shall We Rate Underweight Applicants, With Family History of Tuberculosis, Especially Women Applicants During the Child-bearing Period?" "Urinary Findings," "Sub-Standard Risks," "Arterio Sclerosis" and "Goitre."

Among those who will make addresses are: H. L. Seay, president American Life Convention; Dr. G. E. Decker, Register Life; Dr. Henry Jacobson, Central States Life; Dr. W. A. Boyce, Southland Life; Dr. Andrew Crotti, Columbus, O.; Dr. Frank P. Righter, Home Life Insurance Company of America; Dr. P. Maxwell Forshay, Mutual Life; Edward M. Veatch, Southern States Life, and Dr. M. T. McCarty, Peoples Life.

NO GENERAL AGENTS

One of the insurance papers recently printed a story to the effect that a Newark man had organized an insurance agency and that he would represent the Metropolitan Life. The Company says in its "Intelligencer":

"The Metropolitan does not employ general agents nor accept business from them or from brokers."

State Mutual Life Assurance Company of WORCESTER, MASS.

Incorporated 1844

SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.

Our motto is SERVICE to policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

ELECT TRIPP PRESIDENT

Meeting of Capital District Life Underwriters' Association—W. A. Baker Secretary

Charles R. Tripp, manager of the Fidelity Mutual Life, in Albany, N. Y., has been elected president of the Capital District Life Underwriters' Association. E. L. Post, Prudential, is first vice-president; W. J. Reed, Mutual Life, second vice-president; W. A. Baker, Massachusetts Mutual, secretary; E. L. Marsters, Connecticut General, treasurer. The executive committee consists of S. C. Coffin, Provident Life and Trust; H. H. Bennet, Mutual Life, and E. B. Cantine, Home Life.

At the recent annual meeting addresses were delivered by Lawrence Priddy, W. C. Johnson, Equitable Life Assurance Society, and Dr. E. E. Hinman. About one hundred were present from Albany, Troy, Schenectady and Glens Falls. Mr. Priddy secured twenty-three new applications.

GOES TO MT. McGREGOR

Deputy Jacob Schwartz, Metropolitan Life, Rochester, With Company Twenty Years

Rochester, N. Y., Feb. 22—A farewell luncheon in honor of Jacob Schwartz, deputy superintendent, Metropolitan Life, tendered by fifty of his associates was held Saturday in Hotel Rochester. Mr. Schwartz had been connected with this company for more than twenty years, twelve of which had been spent in Rochester. He has been advised to take a complete rest for an indefinite period and will go to the sanitarium at Mount McGregor.

Brief addresses at the luncheon were made by Superintendent Wood and Deputy Superintendents McDonnell, Roth and Dorn, all of whom expressed appreciation of what Mr. Schwartz had done for them personally as well as in a business way. Special guests were Miss Celia Staub, the company's visiting nurse; Frank L. Palmer, chief clerk, and General Deputy Sisca. Agent Arthur Becker acted as toastmaster. On the committee of arrangements were Messrs. Becker, Schutte, Redmond and O'Neil.

Build Your Own Business
under our direct general agency contract

Our Policies provide for:
Double Indemnity,
Disability Benefits,
Reducing Premiums

See the new low Rates

JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

BANKERS BLC LIFE COMPANY DES MOINES
PAYS GOOD PAY TO GOOD MEN

Excerpts from the Financial Statement of December 31, 1917, of the
Northwestern National Life Insurance Company
MINNEAPOLIS, MINNESOTA

Assets, $6,186,694.37, increase 17% over 1916.
Liabilities, $5,602,162.72. Surplus and contingent fund, $548,531.65.
Apportioned for dividends, $263,206.57, increase 23% over 1917.
Insurance in force, $54,193,728.00, increase 28% over 1916.
Paid to beneficiaries and policyholders to December 31, 1917, $16,966,562.65.

A western, mutual, annual dividend, old line company

THE COMPANY for policyholders and agents

Women as Prospects, A British View

BREADWINNERS' PROTECTION

Breakdown in Health Grave a Risk to Business Woman as to Man's Dependants

Turning to the wider question of whether life insurance is actually a necessity to women workers there is one fact patent—and potent, says a writer in a British paper. The primary function of life insurance is to enable one to make provision for one's dependants, and in practice this has meant up to the present that in the overwhelming preponderance of cases, a husband and father effects a policy to protect his wife and children. Speaking generally—for there are, of course, notable exceptions—women are not called upon to provide for dependants. It cannot even be said that women, now that they are wage-earners, are ceasing to be dependent on men; indeed, the very opposite is the case. The position is largely this, that the struggle for existence is intensified and where men in the old days used almost to monopolize business and professional work in their efforts to protect women and children from want, they now have to fight to protect them from the foe—and women have perforce to do the work.

Thinks Women Will Always Be Dependants

It might be urged that, having learned to do this and having proved that they are able successfully to take a place in the business world, women will be independent after the war, but this brings us to the greater reason, obvious, indeed, as it is, why women as a body will always be dependants and not have dependants, and why, consequently, life insurance is not an absolute essential to them. The reason is nature's reason—marriage! The matter is not even arguable, for unless women have children, in tending whom they must become dependent on the father, the world could not go on. Marriage, in the case of a man, is the incentive to life insurance, but marriage, or the prospect of marriage, makes the great army of women more or less indifferent to it. This is not to be taken as implying that marriage is a reason why they should not assure: it merely accentuates that it is the chief reason why they do not. (Incidentally, the growing popularity of joint assurances on the lives of husband and wife is not without its significance, but it illuminates a rather different phase of the matter.)

We have confined these remarks to the chief function of life assurance of affording protection against death. Nowadays its secondary function of making provision for old age is recognized as of only less importance, and it is not too much to say that it is usually of more importance to the woman worker. Even so, however, it is not use blinking the fact that, at any rate until her vision of marriage begins to grow faint—as to which perhaps the least said soonest mended—there is no disposition on her part to jump at insurance in any of its present shapes or forms. To those to whom this time does come a policy has many points. It provides in the automatic arrival of the renewal notice a spur to that regular and systematic saving, which is the keynote of insurance, and without which human endeavor is only too apt to fall away from grace in such a matter as saving. Then, when the premiums are once entrusted to the safe custody of the insurance office, they are earmarked and secure for the purpose for which they are intended: beyond the reach, at any rate, of an impulsive moment. The absolute safety of a life policy, as compared with most other investments, and the impossibility of depreciation in its capital value, are further very real advantages, and perhaps more especially so to the woman worker.

Less Appeal to Women Than to Men

It must be admitted, however, that life insurance is not calculated to appeal to women as it does to men. Yet women are taking a new place in the order of things and the potentialities are great. It may be that we are on the eve of some revolutionary adaptation of assurance that will bring women, as a class, into the fold. A suggestion will illustrate this point. Although the risk of death is not one which they wish to assure against, the risk of becoming incapacitated from working is one which every woman who expects to be dependent on her own efforts for her livelihood would be glad to cover. A permanent breakdown in health is as grave a risk to the woman who is her own breadwinner as the death of the head of a family is to his wife and children, and if it were possible to offer a policy on terms which were not prohibitive providing for the payment of an annuity on attaining a certain age, or on previous total and permanent incapacitation from accident or illness, her attitude to assurance would quickly alter. This suggestion may be impracticable—though in these days he is a bold man who talks about impracticability—but it ought not to be impossible to invest insurance with attractions which would make it appeal much more widely to women than it does now.

INSURANCE AS SEEN BY A BANKER

The public recognizes that the man who sells a life insurance policy at a fair and honest profit is a useful business man. The value of life insurance as an addition to the banking credit of the insurer has long been recognized both privately and publicly by bankers. But the war has disclosed the very important new possibilities for public service which lie in the Life Underwriters' Association. In the Liberty Loan campaign life insurance men took orders for Liberty bonds from more than 475,000 people for no less than $125,000,000 of bonds and this work was done after the regular bond selling agencies had thoroughly covered the field. The particular value of the service lay in the fact that so many as 475,000 citizens were induced to take a financial interest in helping their Government. In the War Savings Stamp campaign one single company has now undertaken to sell through its 13,000 agents $65,000,000 of stamps and I should not care to estimate how many the agencies represented in this Association will sell. This is the finest kind of public service. It adds dignity to the business of life insurance. The best that I can hope for to-day is that I may say something that will lead any or all of the men who can do such work to enlist under Red Cross Finance Committees when the second Red Cross War Fund is called for.

AVIATORS AVERAGE $10,000

Secretary McAdoo has announced that every officer and cadet at the Ground School at Princeton, N. J., has taken out the maximum amount of insurance permitted under the War Risk Insurance Act, or insurance of $10,000 apiece. The total amount of insurance subscribed for by the officers and cadets at the Ground School is $1,864,000.

THE AVERAGE EARNINGS OF THE AGENTS
OF THE
Standard Life Insurance Company
∴ ∴ OF PITTSBURGH ∴ ∴
are higher this year than ever before. Our attractive Accident and Health Policies have helped them to make more money.
Write for a LIFE, ACCIDENT AND HEALTH Contract to
FRANK A. WESLEY
Vice-President and Director of Agencies

Great Southern Life Insurance Company
HOUSTON, TEXAS.



For Agency Contracts address
O. S. CARLTON
PRESIDENT

In addition to the ordinary forms of life insurance
THE EQUITABLE
makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.
2. The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.
3. Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.

(See the policy for conditions and details.)

For Agency Openings Address
WILLIAM E. TAYLOR,
Superintendent of Agencies

THE EQUITABLE
LIFE ASSURANCE SOCIETY OF THE U. S.
120 BROADWAY, NEW YORK

Penn Mutual Life's Modes of Settlement

WHEN THE POLICY MATURES

Company not Named Trustee in Holding Proceeds for Interest—It Pays Instalments

In a paper on the Penn Mutual's contract, read by Oliver W. Perrin, assistant actuary of that company, Mr. Perrin made a few remarks regarding modes of settlement under the interest privilege and instalment sections of the contract, illustrating how the company handles these provisions. He said, in part:

"We follow what may be called the 'contract method.' When the insured desires to provide that at maturity the proceeds shall be held at interest or paid out in instalments by the company, it is not our practice to name the company as trustee, but to enlarge the regular form of beneficiary provision, keeping the same language but adding such additional provisions as may be necessary to cover the new contingencies. The usual form of beneficiary provision may stipulate, for example, that the proceeds will be paid to Hannah Penn, wife, if she survive the insured, otherwise to insured's executors, but if the proceeds are to be held at interest for the benefit of Hannah Penn then the new condition of paying interest on the proceeds and of the death of the beneficiary while receiving such interest payments is introduced, and a new provision is added to the regular form to cover this new condition. There is no necessity for naming the company trustee; the proceeds are simply held by the company as a matter of contract. Moreover, to make the company trustee would raise serious questions as to whether the fact of trusteeship would open the way to segregation or separation of this class of assets from other assets of the company and therefore create unforeseen responsibilities. It is only desired to point out that by using the contract method we are able to offer the insured as great a variety of settlements as the trust method, without incurring trusteeship responsibilities, and what is equally to the point, we avoid the danger of segregation and back up our beneficiary provisions with our entire assets.

Trend of Court Decisions

"In this connection it may be stated that the trend of court decisions seems to be in the direction of interpreting the language of a life insurance policy according to the principles of law that are applicable to contracts and not to wills or trusts. The company's point of view in using the contract method is therefore consistent with the point of view of the courts. In the case of wills, in the drawing of which the intent of the testator is sought to be expressed, greater liberality is allowed by the courts in order to prevent the testator's purpose from being defeated, but in the case of policy contracts containing special beneficiary provisions whih are entered into as a rule after much consideration of their terms by the parties interested, and where the language used is presumed to have been chosen because it aptly and correctly describes the rights and liabilities of the parties, greater strictness is required.

"Beneficiary provisions that are exceptionally complicated are also exceptionally difficult to express in language that is free from omissions or ambiguities, and where these provisions are strictly construed, as they would be under the contract method, it is especially advisable that they be simplified as much as possible. In this way difficulties of interpretation would be avoided which, as you know, lead to disputes between the beneficiaries, delay the settlement of claims and involve the company in actions in court. Our agents can perform a genuine service to the insured as well as to the company by persuading the insured not to request unreasonably complicated provisions nor to attempt to reach too far into the future by taking into account remote and improbable contingencies."

HELPS SALVATION ARMY

Aetna Life Puts Publicity into Great Drive for Charity in Hartford

A most active advertising drive was waged in Hartford, on behalf of the Salvation Army Million Dollar War Fund, from Lincoln's to Washington's birthday. Through the energetic endeavors of Senator Bulkeley and the generosity of the Aetna Life Insurance Company, of which Mr. Bulkeley is president, a half-page in every newspaper was devoted daily to the campaign and the "smokeless day"—a new idea for raising funds.

Posters, placards, half-page newspaper spreads and a big theater rally all counted in the publicity campaign. The patriotic rally was an immense affair attended by all the State officials and many other distinguished visitors. A half page a night for about four preceding nights devoted to this rally was the result of turning thousands away from the theater.

One of the most effective advertising stunts in connection with this drive was the distribution of "bull's eyes." The "bull's eyes" were given to various merchants, brokers and bankers in electrotype form together with a courteous letter from ex-Governor Bulkeley asking a donation of their daily space for this purpose. The result was an appearance of fifteen to twenty "bull's eyes" a day in the various newspapers. The financial pages had about ten of them displayed each day which proved very attractive and no doubt aided in the ultimate result of the drive. The idea of using the "bull's eyes" cuts in this way emanates from Mr. Charles H. Remington, the assistant treasurer of the affiliated Aetna Companies.

Printed matter was also distributed from house to house through the instrumentality of the Boy Scouts and the mail carriers.

Some of the slogans used in the campaign fitted nicely in the smaller displays. Here are a few of them:

If you can't give a helping hand give a helping dollar.

Give as much as you can as soon as you can.

Don't be satisfied to "do your bit"—do your best.

Help the soldiers—they are helping you.

The daily returns were illustrated by a huge bill board erected near the "Liberty Cottage" where contributions were received. The bill board was marked off into dollars and a metal Salvation Army Lass, with an arm extended, pointed the progress by a gradual forward march each day.

METROPOLITAN LEADERS

David Cahn, Detroit, Heads Ordinary Writers—L. S. Bruenn, New York, Leads Districts

David Cahn, of Detroit, wrote more than $205,000 ordinary business for the Metropolitan last year. He led the Company. The next four were Gabriel Dunkleman, Chicago; Levy Goldberg, San Francisco; S. B. Fuller, Hamilton, Can., and Frank Nemeth, St. Clair, Mich.

The Knickerbocker district, New York, Louis S. Bruenn, superintendent, led the districts; Superintendent Monahan, of Chicago, being second.

D. G. C. Sinclair, Murray Hill District, New York, led in personal paid-for ordinary among the superintendents.

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

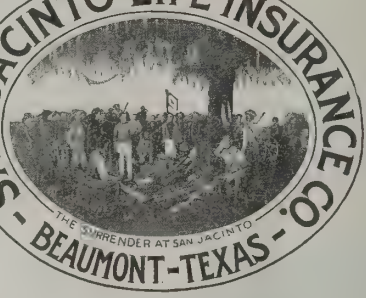
BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.
Home Office, United Life Building Concord, New Hampshire

To the Man Who is Willing—and Will

SAN JACINTO LIFE INSURANCE CO. - BEAUMONT-TEXAS -



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

Pan-American Life Insurance Company
NEW ORLEANS, U. S. A.
CRAWFORD H. ELLIS, President
Capital.....$1,000,000.00

OUR 1916 STATEMENT SHOWS

Insurance in force	(over)	$42,400,000
Resources	(over)	5,600,000
New Insurance paid for		10,000,000

The High Scores in the Life Insurance Profession are won by Trained Men. We will train you in the Profession and locate you in Productive Territory either North or South. Your Opportunity is Here.

Further information on request. Address:

E. G. SIMMONS, Vice-President and General Manager
Whitney Central Bank Building
NEW ORLEANS, U. S. A.

American Central Life
Insurance Company
INDIANAPOLIS, INDIANA
Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

The LIFE INSURANCE SALESMAN Bears an UNUSUAL RESPONSIBILITY

The SERVICE he sells often continues for many years
Provident service sells so readily today, because of the value and satisfaction Provident policy holders have derived from the service of Provident Agents.

Write for information

The Provident Life and Trust Company
OF PHILADELPHIA
Founded 1865

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President

A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY

Edward D. Field, Superintendent of Agencies

Policy Should Be Paid to Estate

HURRELL ON INHERITANCE TAX

A Golden Opportunity for Insurance Agents—New Field for Life Insurance

The most interesting articles being published by the life insurance company organs nowadays are those relating to the inheritance tax. As a rule the authors are from the legal departments of the companies. In the Prudential "Record" Alfred Hurrell, the newly elected general solicitor of the company gives his views as to how the estate tax helps the agents. He says:

The man in the field hadn't awakened fully to the flock of prospects the Federal Government had sent flying in his direction recently. He meant that you weren't writing enough new insurance on the citizens who must pay Uncle Sam for the privilege of dying—and he was sure a lot were going to die who hadn't died before. And he said that where they did die the Government was going to take so much ready money from their estates before their wives or children or favorite charities got a look in that if you would only bring the situation forcibly to their attention, you would swamp the home office with applications.

Not an Income Tax

By way of introduction and informally, let me say that an inheritance tax—or an estate tax, as it is sometimes called—is one which the Government exacts or takes or levies on the estate of one who at his death was a citizen or resident, and which is a first lien on the assets of the estate and which must be paid in cash at once. It isn't an income tax. That tax is paid by a man in his lifetime on what he received or earned the previous year. And he pays the income tax every year. The inheritance tax is paid just once, but it is figured on the whole of the decedent's property. So the richer a man is, the more property he has, the larger the tax his executor or administrator will have to pay as soon as the man is dead and before the legacies are paid or the family receive anything from the estate.

"And because we have two Governments to protect us and ours—the Federal and the State—it often happens that there are two inheritance taxes to come out of the estate before any of it can be distributed to the heirs or next of kin. It depends what State the deceased citizen lived in as to whether his estate pays one or two inheritance taxes. If you don't know whether the State you live in has an inheritance tax law, write to us and we'll try to tell you.

Will Far Exceed Ready Money

"Now, this tax will far exceed in the majority of cases the ready money on hand unless ready money has been provided by the deceased in anticipation of death, and securities will have to be sold to raise money to pay the tax. Show me property or securities that must be sold, and I will show you property and securities that will be sacrificed.

"So herein is the golden opportunity. No man wants his investments slaughtered in a market that is away below normal; he might not be satisfied to have them sold if the market was steady and promising; while if it was soaring his judgment in picking winners would be so confirmed that he would probably want his estate to retain such well-behaved securities. If his estate consisted of much real property and stocks not readily marketable, your opportunity is still more marked. And every taxable estate, therefore, will need ready money soon after the death of him who left it.

Where Field Man Comes in

"This is where Prudential field men come in. You know the rest, in the books you have read—as Longfellow once remarked. Life insurance is the answer. Enough to cover the tax. So go to it! Sign them up! The sky is the limit, and remember there is no suggestion of tax dodging about this. It is legitimate business and every prudent man will be a sympathetic listener, as no person will wish the estate he has carefully husbanded in his lifetime man-handled as soon as he is gone in order to raise money to pay inheritance taxes. In writing this kind of insurance you help the Government because you provide the ready money for the Government's use and save the economic losses which result from sacrifice sales, the taxes are paid more promptly and more cheerfully, and the Government, just as much as the Lord, loveth a cheerful giver.

"And just one more word—to provide for this tax with absolute certainty the policy should be made payable to the estate of the insured. This will itself enlarge the estate and the tax, so the policy should be large enough to cover the tax on both. It may be made payable to an individual beneficiary, in which case it would not swell the estate or the tax. This is a good plan when the chief beneficiary of the estate is also the beneficiary named in the policy. Where the estate, however, goes to several beneficiaries, the first plan should be followed. In any event, the Legal Department is at your service to advise you in reference to particular situations which you may get in hand.

"The covering of the liability for inheritance or estate taxes is a comparatively new field for life insurance. If any one thought his business was going to suffer this year because of the war, let him revise his thinking. The war tax laws have created new problems for our citizens which Prudential life insurance can solve. So here is your opportunity for 1918."

QUIZ OF PENN MUTUAL

Answers Given by Company to Questions Asked by the Field Force

Some answers to questions asked by agents of the Penn Mutual Life in a recent quiz follow:

In general, it is desirable for an applicant to reserve the right to change the beneficiary, but when it is so reserved it should be explained to the applicant that by a recent decision in the case of Cohen, trustee in bankruptcy, vs. Samuels, the Supreme Court of the United States has finally determined that the cash value of a life insurance policy, payable to a named beneficiary with right reserved by the insured to change the beneficiary, passes to the trustee in bankruptcy, subject of course to the right given the bankrupt to redeem the policy by paying the cash equity to the trustee within the time specified in the bankruptcy act. When the right is not reserved, it should be explained to the applicant that no loan, change or other disposition of the policy can be made without the consent of the beneficiary.

Where the insured has not reserved the right of revocation, in order to change the beneficiary, borrow, or surrender the policy for cash, the signatures of the beneficiary or beneficiaries, provided the latter are of legal age (in the latter event, if beneficiary is not of age, it will be necessary for the court to appoint a guardian and obtain his or her consent) as well as the insured's signature is required, the necessary papers to be prepared at the home office and to be executed strictly in accordance with instructions, which will accompany them.

The company will not write a policy payable to the insured's heirs, as it will not take upon itself the responsibility of determining who are the heirs of the insured, but will permit the insured's estate or executors, administrators or assigns to be named as beneficiaries.

If insurance is payable to the wife named if living, otherwise to the named children (or to the survivors) share and share alike, it is important to state if the children are her children, his children or their children.

Insurable interest exists in all cases where the beneficiary is dependent for support on the party insured, or his creditors, or is in danger of pecuniary loss or injury as a result of his death. Partners in business have an insurable interest in each other's lives, and a corporation has an insurable interest in the lives of its officers and employes, if the death of the insured would mean a financial loss to them.

GROUP APPOINTMENT

The Equitable Life Assurance Society announces the appointment of John T. Wagner as special representative of the group department in the metropolitan district of Chicago. Mr. Wagner was manager of the group department of the Continental Casualty.

A Year of Splendid Achievement

It is not difficult to see why the MASSACHUSETTS MUTUAL in 1917 wrote a larger amount of paid-for business than in any other year in its history. Sixty-six years of Service efficiently and promptly rendered have won the confidence of its representatives and of the public. Co-operation with a Home Office that has the right spirit, policies which are not excelled, and a company with a sterling reputation ensure success for the Field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts
Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Deception in the Dollar

Prospect—Why, I'm already carrying $5,000 life insurance.

Agent—But, is that enough?

Prospect—Enough! I should say it is. Why, when my dad died back in 1895, when I was a little boy, and left us a $5,000 policy, I tell you it looked pretty big to our family.

Agent—How much did he make a year when he was living?

Prospect—Well, I suppose dad never made more than $1,200 in his life in any one year. But he educated us children and I guess that's why I'm getting twice as much now.

Agent—Oh, you're making over $5,000 a year, are you?

Prospect—Who, me? How do you get that? I said I was getting twice as much—$2,500, to be exact.

Agent—Then you're not making as much as you father did!

Prospect—Say, is this any relation to "How old is Ann?"

Agent—Not at all. I see by financial statistics that a dollar to-day will buy just about what 38 cents used to buy in 1895. In other words, you handle twice as much green paper as your father did, but you don't get as much—not as much food, not as much clothing, not as much coal.

Prospect—By George, that's so! Things are awful. I guess my old dad really was making more than I am. But say, that makes my policy all the better. He was making more than I did—a little more—but I'm carrying just as much insurance.

Agent—No, you are carrying only just a little more than a third as much.

Prospect—What?

Agent—Yes, indeed. Your policy will buy for your family, in case you die, a little more than one-third what your father's did for his family—just 38 per cent., to be exact. Or put it this way. You admit that you cannot buy with your salary quite as much as your father could with his income, although your salary is more than twice that income. Yet your father kept up life insurance equal to five years of his income. You are carrying a policy which represents only two years of yours—and yours buys less than his did. In other words, your father carried two and a half times as much insurance as you do.

Prospect—Great Scott, that's so!—"Fidelity Field Man."

* * *

On Being in Debt

We all remember how much pleasure we derived in our school days from coasting down hill at this particular season of the year, and how much of the joy was taken out of the pastime through having to climb up the hill just as many times as we coasted down. It would be a nice thing indeed if we could throughout life take the course of least resistance and avoid climbing the hill; but it was not intended that any of us should have things so easy.

We can compare this experience of our boyhood with our financial affairs throughout life—the pleasure of riding down and the trouble of climbing back. It is much easier to run in debt than it is to get out. How nice it would be if we could borrow money all the time with no obligation to return it; but this would not be at all in accordance with the law of compensation.

Every dollar we get, if it is not earned and we are honest with our fellow man, we must expect sooner or later to repay; and getting out of debt sometimes is a slow and discouraging process. The thing to do is to avoid getting in debt, even if one has to deny himself some of the good things of life. How much better to do that than to mortgage our future income, because one does not know what the future will bring forth.

In our opinion, the life insurance man who anticipates renewal commissions and spends money which is not yet due him is making a very serious mistake. It is a "hand to mouth" process like buying a term policy. He is building up nothing for the future; rather is he placing a handicap on his future success.

To the honest man an indebtedness of this kind is a depressing factor in his work, and reduces his efficiency. Then, too, the man who draws money on the strength of future commission is not as valuable a man as he who lives within his current income, for the reason that the chap who has sold out his equity in future commissions naturally does not have the same interest in his policyholders, his agency or his company as he who is building for the future and living within his means. The successful, independent life insurance man does not borrow; at least, if he is compelled to go in debt he gets out just as soon as he possibly can.—The "Organizer."

* * *

The Will and the Income Policy

When the State's appraisers, looking for the inheritance tax, turn the official X-ray on the securities of a rich man, they frequently find that all along his career he had been putting away some striking samples of his costly mistaken judgments in investments.

Current money market reports show how greatly multiplied are the opportunities to make mistakes in investment judgments, even for an expert, and the man immersed in business-building finds it increasingly difficult to distinguish the solid worth among the bewildering claims of old and new investment projects; to know the false from the true when they look so much alike. No man can know infallibly.

War makes and breaks; so do clashing interests, and changing zones of trade; new and cheaper ways push out the old, crush competition and carry business death and wreckage far and wide. Business, estate and life are equally vulnerable.

Prudential policies, the incomparable monthly income policy particularly, furnish the impregnable bulwarks to fend off the freaks of fortune. Here is no experiment, no gamble, no loophole for mistakes, no shrinkage in value. In buying the protection for each individual of his family out of his current income, the father can make and execute his will with no fees to be paid, no waiting for cash at maturity, no inheritance tax, no litigation, and extravagance made impossible. Thus the family can wait calmly for the slow disposal of business and estate.

Disputed meanings, unfavorable markets for real and personal property, litigation by creditors and partners in the absence of life insurance contests by relatives or disinherited children, can delay for many years the partition of an estate devised by will, generally at great expense and shrinkage.

The monthly income policy presented with these arguments wins speedily with the father who recognizes his problems, the savings possible and the value of quick financial relief in steadying the confused and grief-stricken household when death stops the machinery of life.

The monthly income does greater good and gives greater protection to the beneficiary than any other form of payment.—The Prudential "Record."

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

Upholds Phillips

(Continued from page 2)

to keep out companies offering innovations in the fraternal field.

I conclude that a fraternal benefit society having a power to write "Whole Family Insurance" is not a fraternal benefit society as defined by the laws of New York State and a license cannot be issued to it or renewed.

It therefore matters not that the funds of the infantile insurance branch of any foreign society are segregated and are not to be diverted to the adult insurance claims. If a society is not a fraternal benefit society as we classify them in this State, it cannot receive a license regardless of the safeguards under which it writes infantile insurance in other States.

MERTON E. LEWIS,
Attorney General.

TO WAR ON PHILLIPS

Fraternals in Convention at Chicago Make Plans for Struggle With Superintendent

The fraternals met in Chicago last week and the most interesting subject discussed was the attitude of Superintendent Phillips in refusing to renew licenses in New York State of fraternals which write infantile insurance elsewhere. The fraternals in executive session decided to make the "Whole Family Protection" bill an issue, thus backing up one of the Western orders which has engineered a New York State fight on the Superintendent. The atmosphere of the convention seemed to be "Now, let's get Phillips."

Another important feature of the convention was the paper on the necessity of adequate rates read by D. P. Markey.

A patriotic luncheon was given by the Pittsburgh Life Underwriters' Association on February 27.

Clearing House For Prospects

FIDELITY MUTUAL'S NEW PLAN

Vast New Field Made Easily Available Through Co-Operation of Agents

With every new policy that is sent to the agent for delivery, the head office of the Fidelity Mutual from now on will enclose a form sheet upon which may be entered the names of relatives and friends of the insured who may be possible prospects.

There will be spaces for the address, the occupation, and other data opposite each name. At the top of the sheet will be a notice which may be detached by the agent by tearing along a perforated line beneath. Then the form, which is of a convenient size, may be used by the agent without unnecessary display while talking with the new policyholder.

The object is to systematize and make more complete the working of a field of prospects which is too often neglected by agents—that is the relatives and friends of the policyholder. With each policy to be delivered there will be sent sufficient data to begin conversation with the man visited. His near relatives will be listed there and their ages given.

Some May Object

From these as a starting point it is possible in many cases to learn the address and the business of each one of them, whether married or single, how many children, etc. Some policyholders may not be willing to supply this information—that is a matter for the tact and the judgment of the agent.

It is needless to say that the names so gathered are as valuable a set of leads as can be obtained in life insurance. They are bona fide names upon which the agent has intimate data befor the interview and one's introduction to them is the fact that a near relative has shown in a practical way his belief in the value of insurance and the particular kind of insurance which the company affords.

To this list may be added more distant relatives and friends not in the first list. The number of these depends upon two things—the personality of the man to whom the new policy is delivered and the personality of the agent who delivers it. In nine cases out of ten the personality of the agent is the deciding factor. Few men properly handled, will be unwilling to recommend for their near relatives and friends the protection which they have regarded as necessary for themselves and their own homes.

Helping the Other Fellow

Now, some of the addresses will disclose the fact that the relative or friend does not live in the agent's territory. In such a case, the agent is to take all the data just as carefully as though he lived in the next block and send the prospect's name and all the facts acquired to the head office. That will be sent as a lead to the agent who covers the territory where the prospect resides. In this way a policyholder in Albany may give the address, the age, the home conditions and the business standing of a prospect whom the Missouri agent may write for a good sized policy; and, vice versa, the agent in Albany may get in his mail some morning full data concerning a resident of his town concerning whom he never heard nor knew, but whose brother out in Missouri has taken on protection.

Of course, it requires a spirit of cordial co-operation to make this latter feature of the plan a success. In fact, nothing less than this can make it so. But if it is followed in a broad spirit of give-and-receive, it opens up one of the biggest fields for good leads that can be imagined. It means that as the custom of turning in names for other territories grows, the head office will become a great clearing house for information that will be reciprocally advantageous to the entire field.

It might be a good thing to remember that the men who grasp a thing like this and make it real are the men who make big things go. So it is up to every field man to make use of this form sheet every time he delivers a new policy, so that he may have in neatly assembled order the data required to interview new prospects in his own territory, and to be faithful in sending into the head office the names and addresses he may thus secure which will be valuable leads for field men in other territories.

ORGANIZER-AT-LARGE

Samuel L. Joseph's New Position With New York Life—Began With Company in 1898

Samuel L. Joseph, for years with the Park Row branch of the New York Life, and a prominent Club man with that company, has been made organizer-at-large. Formerly a prominent jeweler on State Street, Chicago, he came with the New York Life in February, 1898. In the twenty years he has paid for over six millions of business, an annual average of more than $300,000 in each of the twenty years. Every year since 1899 has seen him a member of the $200,000 club with a large volume of paid insurance. In 1908 he won its presidency with a paid total of $703,500. He is one of the attractions at the conferences of the $100,000 and $200,000 clubs as a witty speaker and an entertaining performer. For many years he has contributed to the upbuilding of the Park Row branch, New York City. In his new post as organizer-at-large he will continue to assist in construction and new organization work there and elsewhere as delegated by the company.

THE MOST VALUABLE POLICY FOR YOU,
Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the
John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS
WILLIAM N. COMPTON, General Agent
METROPOLITAN DISTRICT, ST. PAUL BLDG., 220 BROADWAY, NEW YORK, N. Y.

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

15,000 PEOPLE
Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life."
This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.
AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day
FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA
Insurance in force over $142,000,000
Walter LeMar Talbot, President

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915
"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."
Home Office, DALLAS, TEXAS

The Connecticut Mutual Life Insurance Company
PRESIDENT JOHN M. TAYLOR, HARTFORD, CT.
Insurance in force, 113,918 Policies for $270,243,227.37
WHAT NO OTHER COMPANY HAS DONE
To repay to its Policy-holders in Death Claims, Endowments, Dividends, Surrender Values, Annuities and other credits more than they have paid to it in premiums. It stands alone in that result.

Total premiums received, Dec. 1, 1846, to Dec. 31, 1917	$318,299,060.36
Total returned to Policy-holders, as above noted, in same period	326,786,585.46
Excess of amount returned	8,487,525.10

PURELY MUTUAL **THE** CHARTERED 1857
Northwestern Mutual Life Insurance Co.
MILWAUKEE, WISCONSIN
GEO. C. MARKHAM, President
Insurance in Force, $1,505,464,984
SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued.
POLICIES MOST FLEXIBLE AND EASY TO SELL
Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules
Investigate before selecting your Company
Write GEO. E. COPELAND, Supt. of Agencies, Milwaukee, Wis.

PENNSYLVANIA OPPORTUNITY
If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.
Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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HENRY H. PUTNAM'S RESIGNATION

The retirement of Henry H. Putnam as secretary of the National Association of Insurance Agents after service extending over a long period of years, and the removal of the headquarters of that association from Boston to New York, came as a surprise to most fire insurance men who had regarded Mr. Putnam as a fixture for life. To those, however, who attended the last annual convention of the association in St. Louis, and saw a complete change in the executive direction of the association, Mr. Putnam's resignation was regarded as only a question of time.

The unusual abilities, the mental capacity, the knowledge of fire insurance conditions, and the integrity of Mr. Putnam have for years been recognized. Always an ardent propagandist, his loyalty to the cause of the agents has never been disputed, while his relations with the newspapers have been marked invariably by courtesy. For some years, however, there has been growing a barrier between Mr. Putnam and both agents and companies. The estrangement of the underwriters is partly the natural consequence of the difference in viewpoint; he was at one end of a controversy, they were at the other. The so-called "unfair list," or list of preferential companies, has caused some ill feeling. A few companies objected to the tone of editorials or news articles, calling them unjust or one-sided.

There were companies, too, which thought they detected too much concentration of power in the organization, centered in Boston. And always when the association came in for criticism the head of the secretary was the closest at hand to punch because it was the shining target and his was the signature affixed to the association's correspondence. In short, the secretaryship of the National Association of Insurance Agents is not a popular job.

It is more difficult to diagnose the situation so far as the agents themselves are concerned. Some have felt that the association had fallen into a rut; others that instead of cementing relations between companies and agents the producers and the underwriters were spreading away from each other. And all the time the shadow of State insurance has taken on a darker tinge and hovered nearer and nearer, warning the insurance interests of all kinds to amalgamate and to fight the common enemy.

There has been some criticism of the "Bulletin," the agents' paper edited by Mr. Putnam, in that it frequently has not been interesting, pertinent and timely, a hard requirement for a man not exclusively an editor, while another faction, the breezy, Western type, has objected to the office being in Boston.

These are only a few elements in a situation which Mr. Putnam sensed and then gracefully retired. He is succeeded by Chauncey S. S. Miller, who combines with editorial and secretarial abilities, characteristics of bonhomie which have already proven invaluable in organization work.

The change in the personnel of the National Association of Insurance Agents—the coming to the saddle of the younger men who are diplomats, every one of them—does not mean that the association has made changes in its program so radical that the old platform planks are to be ripped apart and all the sentiment against multiple agencies and jumbo lines, created by the veterans of the association in the past quarter of a century, will go for naught. Far from it. The association at its mid-year conference last week reiterated its position against the practices complained of by agents for so many years. The change that accompanies the new administration is a desire for harmony with the companies to the end that the so-called agency evils can be remedied amicably by conference instead of by the threats of reprisals that have not been productive of results. Other plans are to present the dollars-and-cents value of association membership; improvement of the "Bulletin," and of great importance, the extension of the exchange or club idea described elsewhere.

As for Mr. Putnam, it is hoped that he will continue in the insurance newspaper business where his long experience in insurance, his literary ability and his wide acquaintance will quickly build up for him a desirable and influential clientele.

THE NATIONAL LIBERTY

The Germania Fire Insurance Company, of New York, which has changed its name to the National Liberty Insurance Company of America, has never been a company of German affiliations. It was founded in 1859 entirely by Americans and some of the noted men who have served upon its board of directors at various times include the late Joseph H. Choate, C. Godfrey Gunther, once Mayor of New York City; Richard M. Hoe, Marcus L. Ward, former Governor of New Jersey; Ernest Hall, former Judge of the Supreme Court, and many more of equal prominence. The officers and directors are native Americans, and the funds of the company are invested entirely in American securities. George B. Edwards is president, Gustav Kehr vice-president and L. F. Goule, secretary. The Company took its original name, "Germania," as a result of the large immigration to America, from 1848 until the outbreak of the Civil War, of Germans, who took part in the revolution against autocratic rule in their own country, and came to the United States to secure political freedom, among them being such men as Carl Schurz. It is announced by officials of the Company that all policies issued prior to the change of name, will continue in force until their expiration. The Company's last financial statement gives its capital as $1,000,000, with a reserve for liabilities of $4,222,485.60, a net surplus to policyholders of $3,381,100.27, and total assets of $8,603,585.87. Since the outbreak of the war, the Company has been active in securing recruits for the United States Navy and Marine Corps, through the medium of posters distributed through its agencies, and it recently contributed $10,000 to the American Red Cross.

THE HUMAN SIDE OF INSURANCE



WADE FETZER

Wade Fetzer, of W. A. Alexander & Co., Chicago, general agents for the Fidelity & Casualty, enjoys the enviable reputation of being the largest personal producer of casualty business. Kipling says that there are three places in the world where, if you will only wait long enough, you can surely meet sooner or later anyone you wish—namely, the head of the Suez Canal, the Charing Cross Railway Station in London and the Nyanza Docks. There is one place in the world—in any part of the world—where Wade Fetzer can be found (you can stake your last dollar on that proposition), namely, on the spot where any large piece of insurance business is to be allotted. And you won't have to wait long, either. In fact, if you are a competitor and are after the same quarry, you are likely yourself to reach the spot just after the papers have been signed and the mutual felicitations are proceeding.

Just as the old Roman dramatist found interesting anything whatever that pertained to human kind, so Fetzer covers with confident stride the entire field of casualty insurance and suretyship. More brilliant, however, perhaps than in most other lines have been his achievements in accident and health protection. A two-fold principle of conduct has ever controlled his activity—service to the assured and loyalty to the company.

Joseph Gilbert, secretary and organization manager of the National Non-Partisan League, the State insurance propagandist, charged with holding an unlawful assemblage, was found guilty by a jury in the District Court at Lakefield, Minn., last week and sentenced to three months in the county jail. A warrant has been issued for the arrest of **A. C. Townley,** president of the league, charging him with conspiracy to discourage enlistments. Townley now is in Thief River Falls.

* * *

Lee K. Frankel has been nominated a member of the New York State Board of Charities, to take the place of Dr. Stephen Smith, resigned. As founder and first president of the American Public Health Association (of which Dr. Frankel is now treasurer), he took an active part in the public health movement at a time when physicians generally little understood that movement. Dr. Frankel, since 1909, has been connected with the Metropolitan Life Insurance Company, being now its third vice-president. From 1899 to 1908 he was manager of the United Hebrew Charities in New York City; from 1910-12 he was president of the National Conference of Jewish Charities. Though a layman, he, like Dr. Smith has been particularly interested in public health, as well as in the welfare of industrial employes. He has been a member of the National Council of Survey Associates, Inc., for many years. Dr. Frankel's nomination was confirmed by the Senate on Wednesday.

* * *

George H. Tryon, who has been elected vice-president of the National of Hartford, as announced last week, came to Hartford from Buffalo in 1900. He was chosen assistant secretary in 1905 and secretary in 1912.

* * *

Charles Ambler, insurance commissioner of Pennsylvania, has announced his candidacy for State senator.

WHY POTTS WAS SELECTED

Made Honorary President of Educational League When He Headed Insurance Department

The announcement in Chicago of an insurance educational league, with Rufus M. Potts (former insurance superintendent of Illinois, and a sharp critic of insurance companies) as honorary president, and Senator Isaac Miller Hamilton, president of the Federal Life, as active president, has attracted much attention. The choice of Senator Hamilton is a good one, but that of Mr. Potts, a leading advocate of social insurance, is rather dubious. In commenting upon Mr. Potts' appointment a prominent member of the League said to The Eastern Underwriter:

"The Educational League was conceived and promoted by H. S. Vail, of Chicago, now in Florida on a vacation He selected Mr. Potts as honorary president during the time and probably largely because he was insurance superintendent of the State of Illinois and because he was interested in and endorsed and supported the movement."

H. M. WILLET, JR., DIES

H. M. Willet, Jr., son of the former president of the National Association of Life Underwriters, died in Atlanta this week following an operation which he underwent in order to be able to pass an examination to enter the army.

FIRE INSURANCE DEPARTMENT

New York State Marine Business

LOSSES GENERALLY FAVORABLE

Line Reaches Large Proportions on Books of Many Active Companies

Marine insurance premiums and losses in New York State in 1917, as shown by company returns to the insurance department, are as follows:

	Premiums received	Losses incurred
Aetna	$3,474,822	$1,344,593
Agricultural	368,240	188,542
Alliance, Pa.	28,243	39,223
American, N. J.	210,808	52,027
American Central	44,781	27,756
American Foreign Marine	1,327,984	862,547
American Merch. Marine.	1,579,520	686,624
*Atlantic Mutual	8,152,042	2,789,211
Atlas	8,094	4,721
Boston	2,396,837	1,054,302
British & Foreign Marine	3,293,557	902,582
Caledonian	44,540	7,618
Camden	356,547	117,825
Century	.....	1,974
Citizens, Mo.	437	.....
Cologne	2,911	486
Commercial Union, Eng..	19,944	3,709
Commercial Union	136,258	12,708
Commonwealth	94,128	44,369
Connecticut	567,390	179,968
Concordia	2,817	25
Dixie	11.745	1,762
Federal Union	6,716	3,273
Fireman's Fund	2,291,189	2,755,962
Firemens, N. J.	148,798	19,792
Franklin	63,341	22,269
German Alliance	2,098	239
Germania	482,111	446,626
Glens Falls	70,420	29,066
Globe & Rutgers	286,136	42,451
Great American	112,678	95,736
Hartford	85,762	21,034
Home, New York	1,324,316	977,711
Hanover	572,837	356,841
Independence, Pa.	.....	505
Ins. Co. State of Pa.	156,618	158,174
Jefferson	173,556	153,550
Liberty Marine	338,238	24,025
L. & L. & G., L'pool	425,153	335,497
L. & L. & G.	†143,894	25,142
London & Lancashire	85,538	35,969
Maritime Marine	139,334	5,794
Mass. F. & M.	439,623	214,367
Mercantile	41,369	10,177
Merchants, New York	212,654	76,174
Michigan Commercial	123,400	49,582
Milwaukee Mechanics	11,214	840
National-Ben Franklin	23,804	9,377
National, Denmark	171,328	33,027
National Union, Pa.	489,145	46,510
Newark	84,996	48,693
New Brunswick	5,588	473
New Hampshire	56,118	5,281
New Jersey	186,625	141,480
Niagara	235,925	106,327
Norske Lloyd	5,060,123	2,790,210
North Atlantic	338,238	24,025
North China	149,166	71,340
North British & M.	126,978	47,317
Northwestern National	293,137	165,081
Norwich Union	†152,891	27,376
Ocean Marine	725,462	869,390
Old Colony	327,402	182,572
Orient	88,925	27,393
Peoples National	21,648	.....
Phoenix Assurance	28,081	13,196
Phoenix, Hartford	771.386	315,060
Prov.-Wash.	1,623,209	1,138,567
Queen	1,565,007	530,547
Reliance Marine	697,716	869,797
Rossia	2,420,709	.....
Royal Exchange	1,948,234	716,200
Royal	141.971	65,573
Union, China	124,755	45,731
Union Hisp.-Am.	83,114	12,610
United States	671,618	365,534
Safeguard	1,614	905
Scandinavian-American	1,061,910	327,410
Scottish U. & N.	8,545	4,548
Second Russian	1,082,964	197,853
Skandinavia	229,512	164,528
Springeld F. & M.	9,747	.....
Standard Marine	1,139,128	604,916
Sterling	264	.....
St. Paul F. & M.	2,036,435	1,001,780
Stuyvesant	103,897	173,683
Switzerland General	419,090	182,560
Thames & Mersey	814,035	300,690
Westchester	266,069	112,753
Western Assurance	1,606,901	642,016
Yang-Tsze	1,084,804	.....
Yorkshire	4,392	927

*Estimated. †Ocean Marine.

MADE RESIDENT MANAGER

T. McGill Patterson has been made resident manager in Philadelphia of the North British, Pennsylvania, Mercantile and Commonwealth. John Boniface succeeds him in the field—special agent for the Pennsylvania Fire in Western Pennsylvania.

MAKE FLINDELL MANAGER

National Union Brokerage Department —Company Offers Brokers Facilities for U. S. and Cuba

E. F. Flindell has been appointed manager of the brokerage department in New York City of the National Union Fire Insurance Co., of Pittsburgh. The appointment is already effective and Mr. Flindell is now binding business for the Company throughout the United States and Cuba.

In addition to the National Union, Mr. Flindell represents for the writing of business in like territory the Scottish Union & National, of England, and the Yorkshire, of England.

The National Union has maintained a brokerage department in New York City for several years which was until recently in charge of William A. Page, now special agent of the Phoenix of London in the suburban field.

Mr. Flindell has had an underwriting experience covering twenty-five years. He started in the Manchester, England, office of the North British & Mercantile, coming to the United States four years later when he entered the New York office of the Commercial Union. In addition to his representations for general territory, Mr. Flindell maintains agencies in Newark, Jersey City and Brooklyn. He is also manager of the New York City automobile department of the Yorkshire.

R. R. TOE LAER HERE

Robert R. toe Laer, of Amsterdam and Copenhagen, one of the leading re-insurance men of Europe, and also manager in Holland of the Equitable Life, is in the city. He is president of the American Chamber of Commerce, Amsterdam.

COEYMAN RESIGNS

Howard O. Coeyman, former special agent of the First National Fire, who has been with E. F. Flindell since that Company re-insured, has resigned. He has announced no new connection as yet.

MESSENGER PROBLEM SOLVED

To take the place of office boys that are no longer, several of the companies have adopted the expedient of calling in A. D. T. messengers to deliver policies, etc.

George W. Swartwout, of Catskill, N. Y., has given up the grocery business and the town clerkship and has entered the insurance field.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
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NEW YORK

C. B. G. GAILLARD
Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

New York State 1917 Premiums and Losses

Presented here are the premium and loss records on fire business in New York State in 1917 as shown by reports filed with the department:

	Premiums received	Losses incurred
Aetna	$1,426,972	$921,022
Abeille, Paris	52,361	40,281
Agricultural	468,490	281,211
Albany	117,112	95,805
Allemannia	163,905	96,202
Alliance, Pa.	166,663	83,717
Allied Underwriters	6,883	576
American Central	194,101	131,196
American Druggists	13,655	9,304
American Exch. Und.	35,412	337
American Mutual, R. I.	86,357	22,906
American, N. J.	455,019	198,371
Arkwright Mutual	94,453	37,560
Assurance Underwriters	2	.....
Atlas	270,781	157,301
Baltimore Mutual	14,809	768
Berkshire Mutual	13,242	6,975
Blackstone Mutual, R. I.	172,226	30,954
Boston	463,279	274,057
Boston Mfrs. Mutual	122,382	11,530
British-America	208,121	139,553
Buffalo	200,731	82,910
Caledonian	339,104	209,038
Caledonian American	4,718	2,260
California	63,715	32,646
Camden	304,483	148,502
Capital, N. H.	106,663	52,271
Century	.....	53,320
Citzens, Mo.	154,382	70,460
City of New York	226,443	99,370
Cleveland National	54,766	33,972
Cologne	159,636	157,077
Commercial Union, N. Y.	113,481	67,928
Commercial Union, Lon.	980,192	541,539
Commerce	58,334	23,274
Commonwealth	219,843	124,362
Concordia	204,930	117,635
Connecticut	411,513	169,425
Cot. & Woolen Mfrs. Mut.	11,156	17,096
County, Pa.	33,457	15,352
Detroit National	60,089	36,163
Dixie	71,947	38,367
Dubuque F. & M.	179,834	84,589
Eagle & British Dom.	83,936	25,715
Enterprise Mutual, R. I.	86,290	22,906
Equitable Underwriters	14,002	44
Fall River Mfrs. Mut.	112,079	20,735
Farmers, York	98,870	62,171
Federal Union	44,002	14,517
Fire Association	647,157	386,922
Fireman's Fund	1,052,471	511,572
Firemens Mutual, R. I.	240,124	48,000
Firemens, D. of C.	34,545	10,487
Firemens, N. J.	514,745	348,980
Fire Re-insurance	261,484	162,273
First Russian	436,389	261,851
Fitchburg Mutual	8,823	6,440
Franklin	412,784	189,871
General, Paris	120,797	83,065
Georgia Home	28,971	8,389
German, Pa.	93,393	61,279
German, W. Va.	20,824	8,548
German Alliance	147,842	60,342
German Am., Md.	67,430	48,446
German-American, Pa.	79,387	48,285
Germania	611,809	263,169
Girard	127,994	62,476
Glen Cove Mutual	51,281	27,364
Glens Falls	501,910	286,046
Globe & Rutgers	917,463	553,118
Grain Dealers	9,701	5,270
Granite State	74,811	44,607
Great American	1,549,206	764,814
Hamilton	39,893	28,469
Hanover	418,102	235,674
Hardw. Dlrs. Mut., Wis.	14,786	7,762
Harmonia, Buffalo	5,568	.....
Hartford	1,849,925	877,939
Home, New York	3,597,211	1,909,147
Hope Mutual	103,859	11,105
Humboldt, Pa.	125,310	60,789
Independence, Pa.	50,340	25,593
Indiana Lumber Mut.	41,105	16,329
Industrial Mut., Mass.	6,313	10,703
Industrial, Ohio	69,482	91,874
Imperial	66,722	36,970
Ins. Co. State of Pa.	223,804	201,718
Inter-State, Mich.	41,955	12,101
Keystone Mutual	15,601	6,806
Knickerbocker	131,707	47,402
Law Union & Rock	120,617	83,410
Liberty Underwriters	6,552	3,284
L. & L. & G., L'pool	1,575,734	939,341
L. & L. & G., N. Y.	9,480	722
London Assurance	367,774	183,941
London & Lancashire	376,503	176,820
Lumber Underwriters	11,388	.....
Lumber Mutual, Mass.	81,480	16,304
Lumbermens, Pa.	46,738	24,835
Lumbermens Mutual, O.	46,831	11,313
Manton Mutual	11,621	6,780
Mfrs. Mutual, R. I.	151,990	30,224
Marquette National	22,992	8,352
Maryland Motor	46,210	15,642
Mass. F. & M.	114,655	56,250
Merchants, Colo.	28,901	15,930
Merchants Mut., R. I.	93,546	15,738
Mercantile Mut., R. I.	44,008	5,611
Mercantile	234,790	101,489
Mechanics Mut., R. I.	105,686	23,031
Mechanics, Pa.	107,879	51,414
Merchants, New York	167,270	88,098
Michigan Commercial	133,454	77,723
Michigan Millers Mut.	131,510	68,427
Millers Nat. Mut., Ill.	169,818	78,659
Millers Mutual, Ill.	12,550	26,529
Mill Owners Mut., Ill.	5,958	813
Mill Owners Mut., Ia.	10,804	8,029
Milwaukee Mechanics	276,556	150,964
Minneapolis F. & M.	30,604	34,007
Moscow	626,484	342,391
Mutual Fire, Albany	35,507	23,786
Narragansett Mutual	18,712	900
Natfonal-Ben Franklin	250,330	107,235
National, Denmark	85,491	19,950
National Mutual, Pa.	6,031	2,423
National Trades	13,811	212
National Union, Pa.	163,490	89,642
Nationale, Paris	78,544	60,422
Newark	229,058	97,717
New Brunswick	175,672	91,994
New Hampshire	356,964	196,235
New Jersey	169,397	82,370
N. Y. Fire Lloyds	13	.....
New York National	113,526	20,354
N. Y. Reciprocal Und.	104,755	3,737
Niagara	876,169	443,001
North America. Int. Ins.	47,548	.....
North British & M.	1,019,468	647,788
North Carolina Home	17,903	1,009
North River	589,371	279,778
Northern, New York	138,388	87,602
Northern, Russia	207,259	108,292
Northwestern National	271,544	120,193
Norwich Union	240,561	106,960
Ohio Farmers Mutual	190,228	101,813
Ohio Mutual	1,852	2,507
Old Colony	114,265	52,890
Orient	207,698	90,830
Pacific	134,447	104,750
Palatine	257,208	123,447
Pa. Lumbermens Mut.	83,361	19,735
Paper Mill Mutual	30,605	844
Patriotic	37,598	15,699
Pawtucket Mutual	14,249	7,049
Pennsylvania	483,842	271,967
Penna Mutual	34,680	13,644
Peoples National	217,328	81,286
Phenix, Paris	78,541	60,422
Phoenix Assurance	453,754	225,817
Phoenix, Hartford	749,891	341,168
Pittsburgh	22,039	24,275
Potomac	48,979	22,332
Protection Mutual, Ill.	12,442	1,130
Prov.-Wash.	436,233	185,531
Queen	487,035	211,913
Reliance	149,076	79,686
Retail Hdw. Mut., Minn.	34,995	15,256
Rhode Island	192,357	147,713
Richmond	237,623	59,439
Rhode Island Mut.	202,249	38,746
Rocky Mountain	1,970	.....
Rossia	901,057	513,728
Royal	1,143,110	513,804
Royal Exchange	317,784	193,148
Rubber Mfrs. Mutual	10,744	17,075
Russian Re-insurance	470,070	252,887
Safeguard	57,397	13,092
Scottish U. & N.	400,705	172,150
Seneca	57,471	37,426
Skandia	185,886	91,132
Skandinavia	187,773	88,587
Springfield F. & M.	547,709	257,407
State Assurance	64,115	49,743
Standard	95,191	65,439
Standard, Conn.	98,256	59,005
Standard Mutual, Pa.	7,556	3,805
State Mutual, R. I.	272,330	62,801
Sterling	32,497	15,589
Stuyvesant	74,410	123,342
St. Paul F. & M.	351,313	223,633
Subscribers, Ind. Und.	68,529	349
Suffolk County Mutual	9,868	7,164
Sun	396,181	199,402
Svea	145,625	84,183
Swiss National	324,719	214,970
Swiss Re-insurance	199,256	112,747
Teutonia, Pa.	101,899	56,204
Teutonia, Ohio	13,890	8,253
Union, Buffalo	63,554	28,725
Union, Paris	104,771	89,211
Union Assurance	158,295	67,042
Union & Phenix Esp.	263,948	103,042
Urbaine, Paris	82,963	56,161
United Firemens	96,797	48,745
United States	716,104	348,956
Vulcan	27,792	22,067
Virginia F. & M.	106,481	67,056
Warsaw	109,711	40,755
Western Assurance	315,839	134,062
Western, Pa.	88,578	54,278
Westchester	651,966	316,032
What Cheer Mutual	105,083	11,257
Worcester Mfrs. Mut.	34,182	3,425
Yorkshire	140,469	82,523

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The Local Agents' Big Conference In Chicago

C. S. S. Miller Succeeds H. H. Putnam as Secretary-Treasurer; Association Headquarters to Be in New York; a "Bulletin" Editor in Every State; Company-Agency Conferences Endorsed; Old Planks Regarding Annexes and Multiple Agencies Reiterated

In reporting the annual convention of the National Association of Insurance Agents last summer in St. Louis, The Eastern Underwriter said that there had been a complete change in the "management" of the Association; that the men who had been running the Association for almost a quarter of a century had given way to younger men, and that this change would reflect in some manner in the relations between companies and agents. Within a short time the Association's new officers and committees met in New York and arranged for the re-organization of the secretary's office and for the appointment of a conference committee of five to meet with a similar committee from the companies in order to thresh out common fire insurance problems in a sympathetic spirit of co-operation. It began to be recognized throughout fire insurance that a new era was dawning and that the companies and agents were drawing closer together. This was reflected in the meeting of several State associations addressed by President E. M. Allen.

The Chicago Meeting Last Week

As time for the mid-year meeting of the Association drew near, there was keen interest as to what would happen. Among other rumors there was one that Henry H. Putnam, for years secretary of the Association, would resign. The meetings were held in the La Salle Hotel, Chicago, last week, and they were of the greatest significance. Mr. Putnam resigned; he was succeeded by C. S. S. Miller, a well known newspaper man, who had been appointed field secretary of the Association in December, and who, making an initial drive for membership in New Jersey, drove that State from seventh to third place in total membership of State associations.

Headquarters Moved to New York

A few other radical changes made were thus outlined by F. J. Cox in his report as chairman of the executive committee, which report was adopted without a dissenting voice:

1. The National office will be immediately moved to New York. Most of us go to New York oftener from all over the country than to Boston. With "welcome" on the doormat, a cordial employe of the National Association to offer the hospitality of the office to visiting members, our prestige will be at once increased with our own rank and file, most of whom have never entered the Boston office. Our New England members are willing to sacrifice this for the common good.

Again, New York is becoming more and more the center of all the insurance interests of the country. The National Association will have greater weight and power, more chance of protecting our agency interests if our National office is known and recognized in this great home office city. Recently, a minor employe of Mr. Putnam's office made a trip from Boston as far as Baltimore, Maryland, spending time also at Newark, New Jersey, New York and Hartford, the trip taking about a week, soliciting company advertising for "The Bulletin." A great deal of this expense could have been saved had our office been in New York and the results accomplished more quickly. In time we may find it necessary to have another office in Chicago or in some other Middle West point as we increase in influence and membership, but we hardly need discuss this at the present time, as the moving of the office from Boston to New York is considerable improvement geographically over present conditions.

Miller Succeeds Putnam

2. Due to Mr. Putnam's resignation C. S. S. Miller has been elected secretary-treasurer to fill the vacancy, and will devote his entire time to National Association work, under the direction and control of the president and executive committee.

3. An assistant to the secretary-treasurer will be secured at once who will be able and competent to publish the "Bulletin" under Mr. Miller's direction and attend to the running of the New York office in Mr. Miller's absence on the road doing organization work. In this way our trade paper, the "Bulletin," will give to the field work articles sent in constantly by Mr. Miller as he travels through a State the proper co-operation and publicity to secure the best membership campaign results.

The "Bulletin" should be published once per week on a certain day each and every week, not irregularly and spasmodically. It should contain more interesting reading matter and become a live trade journal of vital interest to members. With the proper stimulus applied to each of us by the National office from time to time, county and State organization officers, national committee members and officers should contribute real news of our agency business and doings which will compel its constant reading.

Company Advertising

Until we can get along without company advertising at all, enough additional advertising can be secured by the co-operation of our members with the secretary-treasurer to pay a handsome profit to the "Bulletin," and this without sacrificing one iota of our editorial independence as a purely agents, for agents, by agents' publication.

As long as our editorials are based on facts and are truthful, no company advertisers would dare to attempt to influence or interfere with a strong, fearless editorial policy for the protection of our interests as agents.

Putnam Resolution

The first news of Mr. Putnam's retirement came to the meeting in Mr. Cox's report. It was a complete surprise.

Mr. Putnam was at the Hotel La Salle the day before the meeting, but left the next day for Boston. He will remain with the association until some routine matters are cleaned up. The conference passed the following resolution about the former secretary-treasurer:

Resolved, That this conference desires to express its appreciation of the valuable services of ex-Secretary-Treasurer Henry H. Putnam during the many years that he has labored for this Association and all agents of the country, and wishes for him a full measure of success in his future plans.

Mr. Putnam has not announced his future plans, but he will probably remain in the insurance newspaper business, as he is a good writer and has a sweeping command of fire insurance subjects.

The Largest Conference

The conference was the largest ever held by the Association, and a surprising feature was the number of new faces and the absence of many of the old ones. For instance, there were twenty members of the Wisconsin Association present, while representatives from as distant points as Tulsa, Okla., and Salt Lake City were there. C. H. Woodworth, of Buffalo, did not attend. E. C. Roth, of Buffalo, former president, was invited the first day to sit with President Allen. In the various discussions no part was taken by Mr. Roth or George D. Markham. Clarence Pellett, of Chicago, made a short talk on the tax situation. From the East came the following delegation:

New York: John L. Tiernon, E. C. Roth, Richard L. Wood, John A. Murphy, Ward H. McPherson, P. S. Humphrey, Buffalo.

Connecticut: James L. Case, Norwich; William L. Hatch, New Britain; George E. Boyd, Waterbury; T. B. Warren, Bridgeport; Charles L. McNeil, Torrington; E. W. Beardsley, Hartford.

New Hampshire: Louis C. Merrill, Concord.

New Jersey: Fred L. Cox, Perth Amboy; T. C. Moffatt, Newark; Meredith Dickinson, Trenton.

An interested spectator was T. E. Gallagher of the Aetna. No fire insurance special agents attended. A life insurance man who dropped in to look the agents over was L. Brackett Bishop, manager of Massachusetts Mutual Life in Chicago. Mr. Gallagher made a talk endorsing the conference idea.

Old Planks Stand

The conference ran along on greased wheels. It was perfectly managed. Again and again President Allen demonstrated that he is a master at accomplishment and of tact. He gave free rein to discussion and everyone was offered the opportunity to speak. If there is any impression that because the Association is in new and younger hands it has surrendered any of the points of view for which it has been battling for years, it should immediately be dissipated. President Allen said that the new officers would always respect the traditions of the Association, and extend a listening ear to the members of the old guard. Furthermore, the conference wasted no time in passing the following resolution to place its position once more before the insurance community:

The conference of the National Association of Insurance Agents sends greetings to its members in every State in the Union and pledges its wholehearted and undivided support in furtherance of the principles and good practices to which as heretofore it has been committed, and again decries as unethical and vicious the practices known as multiple agency representation, underwriters' annexes and jumbo lines; and promises to continue with unabated zeal our efforts in eradicating them from the business of insurance; and we urge upon our members increased aid and support of our officers in the campaign now being waged to increase our membership, until it embraces all those agents who are legitimate and honorable and solely engaged in the local agency business.



As an asset to any agency, by every test that counts, the NATIONAL UNION is unquestionably a company whose representation good agents should seek. Extending always a full measure of co-operation, its facilities and service have given it a conspicuous place in 5000 offices throughout the United States. To experienced and properly qualified agents the NATIONAL UNION can prove its worth in numerous ways. Are you willing to be convinced of facts already proven to others who have gained satisfaction and profit in a pleasant business relationship? Shall we send a Special Agent to discuss the subject with you?

"OPPORTUNITY IS KNOCKING"

Other Resolutions

Two other resolutions passed follow:

We urge upon our casualty section the importance of working towards the end that the same good practices that now prevail in the fire insurance field—the recognition of the agents' ownership of expirations and the respect of agents' territorial rights—shall be recognized by the casualty companies.

In this hour of stress and peril we stand unitedly in giving to the public our best professional skill in the prevention of the fire waste, thereby conserving our National resources.

Newspaper Editors Attend By Invitation

One interesting feature of the conference was the presence of a number of newspaper editors, invited to meet the agents and to advise with them. These editors included Young E. Allison, Louisville; Cyrus King Drew, Denver; C. M. Cartwright, William Crawford and T. R. Weddell, Chicago, and the editor of The Eastern Underwriter. This conference is reported in another article.

One of the big new agency movements—the organization of local clubs, or exchanges, is also commented upon in a separate story. The other important new movement—the conference committee—will be reviewed later.

After 10,000 Members

The organization campaign is going right ahead now; and prospects are bright for 10,000 members. The first campaign will be made in Kentucky, with probably New York second. The conference was a success in every way.

SEPARATE UNDERWRITERS

Continental Group Changes—How They Affect Messrs. Swinnerton, Kennedy and Robertson

A number of changes in the Continental, American Eagle and Fidelity-Phenix have been made in order to separate the underwriting officers of the three companies so that with the exception of President Evans, Vice-President Koeckert and Second Vice-President and Secretary J. E. Lopez the underwriting heads of the three companies will be entirely independent of each other. Secretary F. R. Millard in the loss department and Secretary Ernest Sturm in the financial end will remain for all three companies. The changes follow:

James A. Swinnerton, who has been secretary of all three companies, resigns as secretary of the American Eagle and Fidelity-Phenix. He will hereafter devote all his time and attention to the Continental, for which Company as secretary he supervises the New England field, as well as New York State.

Sidney R. Kennedy and Norman T. Robertson, who have been assistant secretaries for the Fidelity-Phenix, have been appointed secretaries, effective immediately. Mr. Kennedy has charge of the New England, Middle and Eastern States for the Fidelity-Phenix. Mr. Robertson has charge of Southern territory for the Fidelity-Phenix.

Horace I. Congdon, in the insurance business, of Englewood, N. J., died a few days ago.

THE AGENTS' BULLETIN

Divisional Editors Appointed in All the States—Will Make Drive for Cards

A conference between editors of trade papers and representatives of the National Association of Insurance Agents was held in Chicago last week. The agents assured the editors that they wanted to improve the "Bulletin" and at the same time they did not want to be placed in the position of having the "Bulletin" a competitor of the trade papers.

It was decided to have the "Bulletin" feature agents' problems and the agents' propaganda. The president of each association was given responsibility for furnishing matter from his particular State. A drive for display cards will be made.

Agents had complained that the "Bulletin" was largely a rehash of the insurance papers, and many left the papers in the wrappers unopened.

GOT 100 NEW MEMBERS

President Allen and Chairman Cox, of the executive committee of the National Association of Insurance Agents, went to the Twin Cities after the Chicago conference of insurance agents and addressed the Minnesota Association, which has been languishing. The speakers aroused so much enthusiasm that one hundred new members for the State association resulted.

DECKER'S NEW POSITION

James Decker has been appointed manager of the parcels post and tourist baggage departments of the Automobile Insurance Company.

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CHICAGO BONDING & INSURANCE COMPANY
GREAT EASTERN CASUALTY COMPANY
THAMES & MERSEY MARINE INSURANCE CO., Ltd.
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PREMIUMS LESS COMMISSIONS

$33,000 Insurance on 24,000 Feet of Film—Story With Real Human Interest

Investigation of a fire which occurred in a Brooklyn warehouse in 1916, in which 24,000 feet of moving picture film were said to have been destroyed, has led to the apprehension of the assured who it appears blew up a steamer on its way from South America to New York. He is now in jail.

The Brooklyn loss was disposed of by the payment of the premiums received by the companies, less the broker's commission.

The insurance reported was $33,000, in five companies, on films said to be in a metal case, in a metal lined trunk. The exact location of the trunk was not made clear, although it was supposed to have been in the cellar. The ruins were searched for a trace of the films, but without success.

Said He Bought Films

Shortly after the fire the manager of the warehouse disappeared and has not yet been found. The bureau of fire investigation became interested mainly because the alleged films were stored in a non-fireproof warehouse.

In the fire marshal's questioning of the assured it developed that he was born in London, from where he went to Australia and later to South America. He came to this country with $35,000, so he said, and purchased the films for $30,000. He produced a bill of sale for the films, attested by a notary public. The whole story is believed to be absolutely false.

During the investigation it was said that the assured was in an hospital, out of town, and that he was suffering with a contagious disease and that he was in the incurable ward. It developed that the hospital in question does not take contagious cases and has no incurable ward. The investigation developed that the assured had arrived in South America as a sailor. He had worked as a newspaper reporter and a writer of fiction. Once he cabled New York papers that he had been killed by Indians while on an exploration trip to the interior of South America.

Blew Up Steamer

It was also shown that he went to South America in 1914 with a moving-picture camera and 24,000 feet of film. It was learned that in 1916 he shipped a box labeled "mineral specimens" on a steamer from South America and obtained $80,000 insurance on them, claiming that the box contained 24,000 feet of film of considerable value. The ship was about a day out when an explosion occurred which was clearly traceable to this box of alleged films. There was no other cargo on the ship except hides. The result of the explosion was so disastrous that the ship had to make port.

The assured was arrested in New York, wearing the uniform of a British army officer. He had again changed his name. Numerous confidential papers were found on him showing that he was closely connected with the German government. Insurance papers were also found. His bail was fixed at $50,000. A laboratory investigator issued an affidavit that he had seen the alleged films and knew their value. Later, he admitted that the affidavit was false.

MERCHANTS PROTEST

Lax Prosecution of Truck and Warehouse Thieves Charged Against City

Casualty companies have found it impossible to write burglary insurance on goods being carried from place to place on trucks in New York City because of the heavy losses. Such protection of this kind as is now written can be obtained through private associations of merchants, the insurance companies having given it up sometime ago.

The Merchants' Association has always been active in urging the prosecution of thieves who take merchandise from trucks and warehouses, but the courts have been so lenient with this class of criminal that the Merchants' Association has felt it necessary to call attention to an apparent miscarriage of justice through laxity. These thefts amount to a large sum annually, and lax prosecution encourages their repetition.

A Case in Point

The Merchants' Association has sent the following letter to District Attorney Swann:

In July last a man named Jacob Goldberg, having stolen a parcel of silks, was arrested with the property in his possession and identified on the spot by the clerk from whom the property was stolen. He was held by the Grand Jury under bail of $500. The case was on the calendar of Judge Rosalsky's Court. Several of the witnesses, having been summoned, were in attendance, but the essential witness, namely, the police officer who made the arrest, was not there. The case was accordingly adjourned to January 21. No cases were heard by Judge Rosalsky that day, all of them being adjourned to the 22, for which date several witnesses were summoned. The defendant, however, was not present in court and his attorney secured an adjournment to the following day. Again the defendant was not present and an adjournment was taken to January 24, on which date neither the defendant, his attorney nor the police officer witness were present.

Gets Off With a Fine

In all of these varied proceedings the civil witnesses made their successive appearances at much inconvenience. At a later hearing Mr. Bruno, a member of the firm of Watts, Franken & Bruno, who had suffered by the theft, protested to Assistant District Attorney Markowitz, who had charge of the case, complaining of the failure to produce the defendant in court and proceed with the trial. Mr. Markowitz stated that as the result of the proceedings thus far the defendant's bail would be forfeited.

It is manifest that this case has not been pressed with proper vigor. The result appears to be that the defendant, who could and should have been convicted of a felony and sentenced to imprisonment, will escape proper punishment practically by the forfeiture of $500, apparently by reason of the failure of the Assistant District Attorney properly to perform his duty.

GOES WITH BETTINGER CO.

The A. A. Bettinger Co., Buffalo, announces that R. R. Brockett is now associated with the agency. He has been in the fire business for twelve years. N. F. Roesser is president of the A. A. Bettinger Co.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

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Application For Agencies Invited

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ADJUSTER
FOR INSURANCE COMPANIES
105 William Street, New York City

BRITISH AMERICA
ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918

Assets	$2,192,173.14
Surplus in United States	772,927.35
Total losses paid in United States from 1874 to 1917, inclusive	25,298,472.00

W. B. MEIKLE, Pres. & Gen. Mgr.

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
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N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

GERMANIA
FIRE INSURANCE COMPANY
NEW YORK.
ORGANIZED 1859
STATEMENT, JANUARY 1, 1917

Cash Capital	$1,000,000.00
Assets	8,553,704.22
Liabilities	4,222,485.60
Net Surplus	3,331,218.62
Surplus for Policy Holders	4,331,218.62

HEAD OFFICE
Cor. William and Cedar Streets

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $105,000,000
Losses Paid in U. S. - $38,000,000
Eastern and Southern Departments
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NEW YORK CITY

COLONIAL INSURANCE AGENCY
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AUTOMOBILE AND ALL FIRE AND CASUALTY LINES
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THE CONTINENTAL (FIRE) INSURANCE COMPANY
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332 So. LaSalle St.

HENRY EVANS, President

MARINE DEPARTMENT

Insurance On Hulls

By Benjamin Rush, President Insurance Co. North America

Read Before Insurance Society of New York

It will clarify my remarks, which I am about to make, which on account of the limited time at my disposal must necessarily be brief, if I recite certain peculiar unwritten understandings which, although they do not appear anywhere on the face of a marine policy, are nevertheless well known and thoroughly understood in the mercantile business, and are enforced by the courts.

The first is that the insurance contract being a contract of good faith will fall to the ground, in whole or in part, in the event of fraudulent practices by either party to the contract; therefore, it is an implied condition in every contract of marine insurance that the person who proposes the risk to an underwriter shall communicate every material fact, which is within his exclusive knowledge, to that underwriter, unless the terms of the policy are such as to render such communication superfluous.

Must be no Concealment

He must tell everything he knows which he thinks might influence the underwriter's judgment either to accept or decline the risk, or even to increase or diminish the premium charges; furthermore, he must not conceal anything which might induce the underwriter to decline the risk, or which, were it known, might influence the underwriter's judgment in any of the above particulars, and it makes no difference whether this concealment results from ignorance or design, it will be equally fatal to the contract.

Another understood necessity of the contract of insurance is that the insured shall have an interest in the subject at risk; he cannot simply bet or wager on the safe arrival of this or that ship if he has no interest in her.

Wager policies, as they are called, have long since been pronounced illegal, and they cannot now be enforced in any court in this country or in England.

Another implied warranty, as it is called, is that every vessel shall be seaworthy, and that she shall pursue her voyage without any undue delay or deviation from any of the established usages of trade or navigation, and finally that the adventure must be a legal one both as regards its business nature, and the mode in which it is prosecuted.

What Constitutes Seaworthiness

A great many cases have come before the courts, and a great many books have been written to define just what constitutes seaworthiness; a brief definition is thorough fitness in all respects of the vessel named to pursue her voyage to its destination, and to encounter the ordinary perils, which must be met with in so doing.

Neither the ignorance nor innocence of the assured will avail to relieve him from a breach of this warranty.

As regards voyage insurance on hull, it is to be noted that the warranty of seaworthiness may be subdivided, thus the degree of seaworthiness required of a vessel lying safe in port is less than would be necessary for navigating the ocean. As regards the hull underwriters, the warranty of seaworthiness is satisfied if a vessel is seaworthy for that portion of the voyage which she is about to undertake.

While lying in port she must be seaworthy for the risks of the port, and be in condition to move to and fro in that port for the purpose of outfitting or loading cargo.

When she leaves such port a higher degree of seaworthiness attaches.

If the voyage contemplates a river or lake transit prior to reaching the ocean, she must be sufficiently seaworthy to encounter the ordinary risks of such river or inland body of water, and when she finally goes to sea, she must be fully seaworthy in every respect to encounter the ordinary risks and perils of the sea.

Time Policy on Hull

As regards a time policy on hull, it is an old axiom that there is no warranty of seaworthiness in a time policy. This is because in a time policy a vessel is or may be out of the control of the owner at the time the policy may attach, and the owner may be, and frequently is, in entire ignorance of her physical condition at that time.

The only exception to the rule is that unseaworthiness known to the owner, and allowed to continue by him after he has an opportunity to remedy it, will void the policy.

It should also be remembered that the very essence of the contract of marine insurance is indemnity. Its sole and exclusive object is to procure for the assured indemnity in the strictest sense of that word, and consequently its whole spirit would be violated if the assured were to make the occurrence of any casualty insured against a means of gain, for this would be to give him an interest in procuring sea losses, which would be opposed to every principle of commercial policy.

To consider the elements of the contract, marine insurance may briefly be said to be a contract whereby one party for a specified consideration agrees to indemnify another who is interested in property exposed to marine risk against loss incidental thereto.

The Terms

The instrument by which the contract is made is called the "policy."

The person who undertakes to indemnify the other is called the "insurer," or "underwriter," and the consideration which he receives for so doing is called the "premium"; the person protected by the policy is called the "insured" or "assured"; the thing covered by insurance is called the "subject," and the substantial concern which the insured person has, in the preservation of the subject, is called his "interest."

The obligation assumed by the underwriter, regarded as a whole, is termed the "risk," and the specified danger is the "perils insured against."

A policy of sea insurance is not valid unless it specifies a particular risk or adventure, the names of the underwriters, and the sum or sums insured.

Policies on hull may be either valued or unvalued.

A valued policy is described as a policy which specifies the agreed value of the subject matter insured, and an unvalued policy is the opposite. It does not specify the value of the subject matter insured, but leaves this to be subsequently ascertained.

As the value of a ship is a more difficult thing to prove than the value of other kinds of merchandise or property, ships are almost invariably insured under valued policies.

A ship may be insured for a specified voyage or for a period of time; if the former, the place where the voyage begins is called the "terminus a quo," and that at which it is to end is called the "terminus ad quem."

Combination of Policies

A time policy covers a ship for a specified period of time, say from the 1st of January, 1918, to the 1st of January, 1919, and as time varies in different parts of the world, it is usually specified either as Greenwich or Washington time.

There may also be combinations of these two policies, such, for instance, as a voyage from New York to Buenos Aires, and for thirty days thereafter.

The forms of policies on hulls are so extremely varied that I shall confine myself to the recital of the general law of marine insurance as applicable to the regular form of hull policy, known as Lloyd's policy, and shall then give a few leading illustrations as to how these principles may be modified by special contract.

Specifying Insured

(Mr. Rush then read the common form of Lloyd's policy, and commented

EASTERN MARINE UNDERWRITERS, Inc.

GEORGE A. EVALENKO, President
C. RUSSELL EBERT, Secretary

MANAGERS
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MARINE DEPARTMENT
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OF
NEW YORK

FOR WHICH WE ARE NOW PREPARED TO BIND ALL LINES OF MARINE AND WAR, ON CARGO AND HULL INSURANCE AT OUR TEMPORARY OFFICE

50 Broad Street, New York City—Suite 620
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Marine and War Risk Insurance

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56 BEAVER ST., Telephone Broad 2612 2613 2614

upon it clause for clause in so far as it is applicable to hull insurance.)

The first clause reads as follows:

Be it known that ..... as well in ..... own name as for and in the name and names of all and every other person or persons, to whom the same doth, may or shall appertain, in part or in all, doth make assurance and cause ..... and then and every of them to be insured, lost or not lost, at and from .....

The purpose of this clause is to specify the person who is insured, so that the insurer may know to whom he is granting indemnity, or shall at least be put on inquiry upon that point, for the clause as drawn protects the nominal assured and any other person who can prove that he was interested in the subject matter of the insurance during the risk and at the time of loss, and who is the person upon whose account the insurance was bona fide intended to be made.

As policies are frequently effected on ships believed to be in foreign ports or at sea, the words "Lost or not lost" are inserted in the contract for the purpose of protection, and their effect is that even though the loss has occurred before the contract is concluded the risk attaches unless at such time the assured was aware of the loss and the insurer was not.

As a corollary, should a ship have arrived in safety before the time when the contract was concluded, the premium is not returnable unless at such time the insurer knew of her safe arrival.

"At and From"

Now follow the words "at and from." These are adapted either to a voyage policy or a time policy.

Let us consider their application to a voyage policy.

In voyage policies the "terminus a quo," the place at which the risk commences is usually the port of departure --the "terminus ad quem" is the port of the ship's destination.

That which is limited or described in the policy by these termini is the voyage insured, which may be described as a transit at sea from the terminus a quo to the terminus ad quem in a prescribed course of navigation, which is never set out in any policy, but virtually forms part of all policies, and is as binding on the parties thereto as though it were minutely detailed.

If the ship without entirely abandoning the prosecution of the voyage described in the policy, yet voluntarily and without justifying cause departs from the prescribed course of that voyage, this is called a deviation, and the underwriter is not liable for any loss occurring after the point at which the ship first quits the prescribed course.

If the ship originally sail on a different voyage from that described in the policy, the latter never attaches. If, although she sail on the voyage insured, she afterwards entirely abandons all intention of prosecuting the voyage described in the policy, this is an abandonment or change of voyage, which voids the policy from the moment the intention of so abandoning it is definitely formed, though in the United States courts the policy is not voided until the vessel actually deviates.

These two violations of the contract of insurance are named respectively, "deviation" and "change of voyage."

Deviation

Let us consider first "Deviation."

It is an implied condition of the policy that there shall be no deviation. In every contract of insurance by a voyage policy the law decides that the assured shall enjoy the protection of the policy only as long as he strictly pursues the regular course of the voyage insured, and carries it on to its termination with all safe, convenient and practical expedition. It is only upon this condition, never expressed, but universally implied, that the underwriter agrees to indemnify the assured. Therefore, any failure to comply alters the nature of the risk, which the underwriter has assumed, and frees him from liability for subsequent loss.

This implied condition extends as well to the time in which the voyage insured ought to be completed, as to the track or course of navigation by which it ought to be pursued.

Briefly summarized, where a ship without lawful excuse deviates from the voyage contemplated by the policy, the insurer is discharged from liability as from the time of deviation, and it is immaterial that the ship may have regained her route before the loss occur. There is a deviation from the voyage contemplated by the policy:

1. Where the course of the voyage is specifically designated by the policy, and that course is departed from, or
2. Where the course of her voyage is not specifically designated by the policy, but the usual and customary course is departed from.
3. The intention to deviate is immaterial—there must be a deviation in fact to discharge the insurer from his liability under the contract.

The adventure must be prosecuted throughout its course with reasonable dispatch, and if without lawful excuse it is not so prosecuted, the insurer is discharged from the liability as of the time when the delay became unreasonable.

Where the subject matter is insured by a voyage policy, at and from, or from a particular place, it is not necessary that the ship should be at that place when the contract is concluded, but there is an implied condition that the adventure should be commenced within a reasonable time, and that if the adventure be not so commenced, the insurer may avoid the contract.

This implied condition may be negatived by showing that the delay was caused by circumstances known to the assurer before the contract was concluded, or by showing that he waived the condition.

Unreasonable Delay May Void Policy

Particular care is necessary in describing the "terminus a quo" and "ad quem," because if there is an error in this respect, the policy never attaches at all. Thus, if on a voyage policy of insurance on a ship from New York to London, and the ship did not sail from New York, but let us say from Boston, the policy would never attach, although the risk of the voyage from Boston to London is no greater than from New York to London. Similarly, if she was to sail from New York to Liverpool, instead of London, the policy would not attach.

A policy may be voided by any unreasonable delay that takes place between the time when the policy attaches on the ship, and when she sails on her voyage. As long, indeed, as she is bona fide preparing for her voyage, the delay will be excused, but if all thoughts of the voyage be laid aside and the ship kept lying in port, the underwriter is discharged. Also an unreasonable delay in performing the voyage insured is equivalent to a deviation, as is unexcused and unreasonable delay at the termination.

The test of what is or what is not a delay, within the meaning of the law, is a clear imputation of waste of time.

Of course, a deviation caused by the operation of a peril insured against, such as a vessel putting into port to repair sea damage, does not avoid the policy.

Change of Voyage

The distinction between deviation and change of or abandonment of voyage is that in the former the original voyage as described in the policy is not given up or lost sight of, while in the latter it is.

Deviation discharges the obligation of the underwriter as soon as such deviation actually takes place.

Change of voyage discharges the underwriter from the moment the intention of so abandoning the voyage is made.

As you can readily see that this is a very drastic obligation on the part of the assured, a clause is usually inserted in hull policies by which the underwriter agrees to hold the assured covered in case of deviation or change of voyage at an extra premium.

It is, therefore, much more common now-a-days, to insure ships for a specified period of time.

Whole Corpus of Ship Insured

Then follow the words:

"Upon the body, tackle, apparel, ordnance, munition, artillery, boat and other furniture of and in the good ship or vessel called ....."

This means the whole corpus of the ship insured, whether of sail, steam, motor or other description of vessel, and it covers all the necessary fittings and furniture and supplies of the ship insured, such, for instance, as refrigerating machinery of a ship engaged in carrying frozen meat.

Whereof is Master under God for the Present voyage ..... or whoever else shall go for master in the said ship, or whatsoever other name or names the same ship or the master thereof is or shall be named or called.

The effect of this is to identify the master, although as a matter of fact, provided the master be competent and legally qualified to command a ship, his name is immaterial, and as a rule the name of the master is never inserted in the hull policies at the present time.

Now follow the words:

Beginning the adventure upon the said ship (.....) etc., (at and from .....) and so shall continue and endure during her abode there on the said ship, etc., and further until the said ship, with all her ordnance, tackle, apparel, etc., shall be arrived at ..... upon the said ship, etc., until she hath moored at anchor twenty-four hours in good safety.

The blank above mentioned is filled up in the case of voyage insurance with the terminus a quo and ad quem. In the case of a time risk with the period covered.

Twenty-four Hours in Good Safety

Coming now to the words "Moored at anchor twenty-four hours in good safety," this is to prevent the underwriter from escaping from a loss which had its beginning before the arrival of the vessel, but which is not consummated until the vessel has arrived at her port. For instance, a ship may be in a leaking condition at sea, but nevertheless able to make port, where subsequently she sinks, in such a case the policy on hull would still continue because the vessel had never been moored twenty-four hours in good safety, as provided for by the policy.

A vessel is not considered to have been moored for twenty-four hours in good safety unless she has been moored for that space of time in the harbor of her port of discharge:

First: In such a state of physical safety that she can keep afloat while her cargo is being unloaded.

Second: In such a state of political safety that she shall not have been subjected during that time to any embargo, seizure or capture on the part of the Government of the port or of strangers.

Third: Under such circumstances as to have had an opportunity of unloading and/or discharging.

The next clause reads:

Where Ship May Call

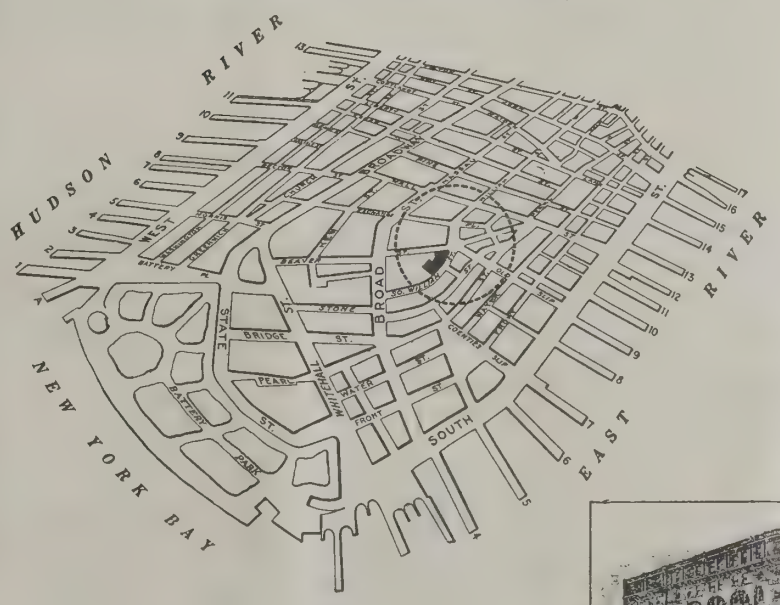
And it shall be lawful for the said ship, etc., in this voyage to proceed and sail to and touch and stay at, any ports or places whatsoever ..... without prejudice to this insurance.

The blank which is left is for the purpose of specifying the particular ports and places to which it is intended this liberty shall be exercised.

This at first sight would appear to give the ship insured permission to go anywhere irrespective of the contemplated voyage. Such, however, is not the case.

Where the policy is to port or ports of discharge within a given area, which are not named, the ship, must in the absence of any usage or sufficient cause to the contrary proceed to them or such of them as she goes to in their geographical order. If she does not there is a deviation. Where several ports of discharge are specified in a policy, a ship may proceed to all or

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

any of them, but in the absence of any usage or sufficient cause to the contrary, she must proceed to them or such of them as she goes to, in the order designated by the policy. If she does not there is a deviation.

If, however, long and uniform usage have established a different order, the geographical order may be disregarded and the other observed, unless the policy specifies to the contrary.

Valuation Clause

Generally speaking, it will be a deviation, after having once touched at one of such ports to revisit it, or to sail backwards or forwards from one to the other, unless express liberty for that purpose be inserted in the policy.

Now follows the valuation clause, i. e.:

The said ship for so much as concerns the assured by agreement between the assured and the assurers in this policy, are and shall be valued at .....

When this blank is filled in with the proper valuation, the figures therein agreed to are final and binding between the assured and his underwriter, in the absence of fraud, misrepresentation or concealment.

It obviates all question of dispute as to what was or was not the value of the ship in the event of loss.

Protection

The clause which follows is one of the most important in the policy, as it enumerates the risks and perils against which the underwriter agrees to protect the assured, they are as follows:

They are of the seas, men-of-war, fire, enemies, pirates, rovers, thieves, jettisons, letters of mart and counter-mart, surprisals, takings at sea, arrests, restraints, and detainments of all kings, princes and people, of what nation, condition or quality soever, barratry of the master and mariners, and of all other perils, losses and misfortunes that have or shall come to the hurt, detriment or damage of the said goods and merchandise, and ship, etc., or any part thereof.

We shall have to take this up word by word, but before doing so it will be necessary to state the rule which is to be followed in determining when a loss which happens in consequence of any specified peril is attributable thereto within the meaning of the policy. It is a settled principle of insurance law that the proximate and not the remote cause of loss is to be looked to in order to determine the underwriter's liability. The words "proximate" and "remote" with reference to causation, are expressive of the different degrees of relationship which obtain between cause and effect. The term "proximate cause" is applied to that agency by which an affect is directly produced as, for instance, if a vessel founder in a tempest, the immediate cause of her loss is a peril of the sea.

A Remote Cause

A "remote cause" is one which operates indirectly, i. e., through the intervention of some other agency to produce an effect, as, for instance, if a vessel was driven by a gale of wind alongside another vessel which was on fire and was burnt, the remote cause of her loss would be a peril of the seas, and the proximate cause fire.

The liability of underwriters for a loss depends, as I already stated, upon whether the proximate cause was a peril insured against. To give an illustration: A vessel which was insured against capture only was driven ashore by tempestuous weather, upon a hostile coast, where having sustained only slight injury by the stranding, she was captured by the enemy. This was held to be a loss, not by perils of the sea, but by capture, and as such recoverable under the policy. From the operation of the rule it follows that it is no answer to a claim for loss which has been approximately caused by perils insured against to show that it was remotely caused by negligence or some other contingency not covered by the policy. If a loss is sustained directly by a peril insured against, the underwriter is liable.

Perils of the Sea

Coming now to the words "Perils of the seas"; what do these comprise? In brief, the term "perils of the seas" is expressive of the extraordinary dangers which are peculiar to that element. It includes all marine hazards and casualties resulting from the violent or fortuitous action of the sea as distinguished from their silent, gradual influence upon the vessel.

There must be some casualty, something which could not be foreseen as one of the necessary incidents of the adventure.

The purpose of the policy is to secure an indemnity against accidents which may happen—not against events which must happen.

The term embraces many kinds of marine casualties, such, for instance, as shipwreck, foundering, stranding, sinking by coming into collision with another vessel, and every similar species of damage to a ship by the violent or fortuitous action of the winds or waves, not comprehended in the ordinary wear and tear of the voyage, or directly referable to the acts and negligence of the assured, as its proximate cause, such, for instance, as overloading, defect or inherent weakness, which condition would violate the implied warranty of seaworthiness. Grounding and stranding falls under the same designation if extraordinary, nor is it necessary for the grounding or stranding to be occasioned by a tempest. For if a vessel accidentally strikes upon a sunken rock, and in fair weather sinks, this is a loss by "perils of the seas."

Per contra, grounding and stranding, if it takes place during the ordinary course of navigation as when vessels are sent to a tidal harbor, where it is expected that they will lie ashore during the time the tide is out, would not be considered a grounding or stranding, but if while the vessel lay ashore as expected she was turned over by a tempest and damaged, such a loss would be covered.

Peril of Fire

The next peril, which we will consider is that of fire, which practically explains itself. It also covers loss by lightning or by the enemy (provided the risks of war are not excluded by endorsement). It would also cover ships' stores, temporarily placed on shore in accordance with the custom of the trade, and burned while so stored.

A loss by the explosion of steam, however, is not covered under the term "Fire."

Risks of War

Now follow the words:

Men-of-war, enemies, pirates, rovers, thieves, jettisons, letters of mart and countermart, surprisals, takings at sea, arrests, restraints, and detainments of all kings, princes and people of what nation, condition or quality soever.

These constitute the risks of war which are assumed by the underwriter, and its peculiar feature may be said to be "violence at the hand of man," in contradistinction to violence of the elements, and the underwriter takes upon himself the burden of all loss or damage thus occasioned, whether it consists of injury to the vessel's hull, spars and riggings by an enemy's shot or shell, or by other hostile acts, or the total destruction of the property insured by the operation of the same causes.

Capture

"Capture," properly so called, is the taking by the enemy as prize in time of open war or by way of reprisals, with intent to deprive the owner of all dominion or right over the property so taken.

Capture is deemed lawful when made by a declared enemy, lawfully commissioned and according to the laws of war; unlawful when it is made otherwise. Whether it be legal or illegal, however, does not affect the underwriter's liability. He is liable for illegal as well as legal capture.

Capture has been defined as the forcible appropriation of property by an enemy or belligerent with the intent to keep it. Consequently it would cover capture by mutinous passengers or slaves.

The words "Men of War" and "Enemies," refer to those who are authorized by a prince or sovereign State, and who make war in accordance with the law of nations, as distinguished from "pirates," "rovers" and "thieves," who are unauthorized depredators.

The words "pirates," "rovers" and "thieves" refer to unauthorized persons who take by violence in contradistinction to petty pilferage, which latter is not covered by the clause.

Capture is prima facie a case of total loss, which gives the assured an immediate right to give notice of abandonment. If the underwriter accept the abandonment, the rights of the parties are thereby fixed, but if not the right of the assured to collect for a total loss depends upon the point whether the ship be restored before action is brought. If it be then the assured will recover in proportion to the actual damage done, if not, then the whole sum insured.

The Prize Court

It is, however, the law that property is not changed by capture in favor of a vendee or recaptor so as to bar the original owner until there has been a regular sentence of condemnation pronounced by a Prize Court of the Government of the captor, sitting either in the country of the captor or of his ally, and apart from all questions as to abandonment, the underwriter is liable for any damage the ship may have actually sustained, and also for all necessary expenses, such as salvage, etc., which the owner has sustained in the release of his property.

Jettison

"Jettison": This word signifies the throwing overboard of part of the cargo or any article on the ship, or the cutting away or casting away of masts, spars, riggings, or other ship's furniture, for the purpose of lightening or relieving the ship, in case of necessity or emergency.

When a jettison is effected to save the ship and/or cargo from a common danger, the value of the property sacrificed is made good to the owner in general average, but the assured may, however, elect to claim direct upon his underwriters for the insured value of the jettisoned property, and the underwriters having settled his claim, will be entitled to receive whatever is ultimately recovered by the assured from the third parties, in diminution of the loss.

Loss, which is the necessary and immediate consequence of a jettison, is reimbursed in the same way as a jettison itself; such, for instance, as cutting the halliards, which results in the prompt blowing away of a sail, or the cutting away of the ship's mast, which results in the loss of others of her spars.

"Letters of Mart and Countermart" are commissions granted to privateers, either to prey upon an enemy's commerce or to enable merchants who have suffered from the depredations of an enemy, to recoup their losses by preying upon that enemy's commerce.

"Surprisals, takings at sea, arrests, restraints and detainments of all kings, princes and people of what condition or quality soever." The terms "arrests" and "restraints" should be carefully distinguished from "capture." "Capture" is an intention to change the ownership of the property. "Arrests" is taking with intent ultimately to restore to the owner.

Restraint

"Restraint" is the prevention of a ship's sailing. The detention of ships in port after declaration of war against the country to which they belong is a capture, and not an arrest. So is the taking into port of a ship by a belligerent cruiser under suspicion of having

GLOBE & RUTGERS
Fire Insurance Company

111 WILLIAM STREET, NEW YORK

JANUARY 1, 1918

ASSETS		LIABILITIES	
Real Estate	$78,975.00	Capital	$700,000.00
Bond and Mortgages	280,900.00	Surplus	7,426,114.26
City, Railroad and other Bonds and Stocks	17,036,342.60	Re-Insurance Reserve	8,299,781.67
Cash in Banks and Office	1,075,492.40	Losses in Course of Adjustment	2,852,721.27
Premiums in Course of Collection	3,343,326.07	Commissions and other items	2,743,609.99
Interest Accrued ...	131,629.85		
Due on account Re-Insurance Loss Account	75,561.27		
	$22,022,227.19		$22,022,227.19

SURPLUS TO POLICY HOLDERS, $8,126,114.26

E. C. JAMESON, President
LYMAN CANDEE, Vice-President — W. H. PAULISON, Vice-Pres't
J. H. MULVEHILL, Secretary — A. H. WITTHOHN, Assist. Secretary
W. L. LINDSAY, Secretary — J. D. LESTER, Assistant Secretary

M. J. VOLKMANN, Local Secretary Metropolitan Department

enemy goods on board in direct violation of the laws of war.

An embargo is the most common cause of "arrest, restraint or detainment of princes." It is a decree issued by the Government of a State to prohibit the departure of vessels lying within its jurisdiction. An embargo laid on any vessel entitles the assured to give notice of abandonment, and if the embargo continues to the time action is brought, to recover as for a total loss, subject, however, to the following exceptions, in which the right to abandon does not exist, viz., when the arrest is only temporary causing momentary interruption of the voyage but without occasioning any permanent loss or control over the ship.

Finally, the word "people" is to be understood, not in the sense of a mob or multitude, but as the ruling power of the nation, however, it may be composed.

Now follow the words: "Barratry of the Master and Mariners:" This may be defined as any act with criminal intent, committed by the master or crew of a vessel, in violation of their duty to the shipowner, and without the connivance of the latter. Its essential feature is conscious misdoing, without which, no error or omission, however great, will amount to that offense. It is an unlawful act, wilfully done.

It comprehends not only every specific or fraudulent knavery covinously committed by the master with the intention of benefiting himself at the expense of his owners, but every wilful act, on his part of known illegality, gross malversation or criminal negligence by whatever motive induced, whereby the owners or charterers of the ship (in cases where the latter are considered owners pro tempore) are in fact damnified.

The term includes every wrongful act wilfully committed by the master or crew to the prejudice of the owner, or as the case may be the charterer.

The most atrocious forms of this offense occur when a ship is scuttled, burnt, run ashore, or fraudently diverted from her course, and sold by the master or crew.

Minor, but not less decided instances of the kind occur, as for instance when a ship-master engages in smuggling or any other illegal trade, or attempts to enter a port in intentional violation of any blockade, sailing out of port without paying port dues, whereby a ship is subjected to forfeiture, is barratrous, as is resistance of the right to search, or an attempt to rescue a ship which is rightfully detained by a belligerent cruiser.

It must, however, be carefully borne in mind that in the absence of fraud nothing but acts of known criminality, gross malversation or the like can amount to barratry. Loss arising from the ignorance or incompetence of the captain, from a mistake as to the meaning of his instructions, or misapprehension of the best mode of carrying them into effect, can never amount to barratry.

Another principle, clearly flowing from the true notion of barratry as a criminal act committed by the master against the interest of the owners, whether fraudulently or not, is that no act can be barratrous to which the owners can in any way be shown to have been consenting parties, for no man can take advantage of his own wrong.

Criminal delay of such a degree as to discharge the underwriter if occasioned by the captain for the purpose of committing an act of barratry is a barratrous act. Needless to say if the master himself is owner of the ship he cannot commit barratry. The losses resulting from barratry, which are claimable from the underwriters are not limited to the direct physical results of the barratrous act, but comprehend all losses or damage sustained during the currency of the policy, which follows therefrom in the ordinary and natural course of events.

Now follows a clause reading as follows:

And of all other perils, losses and misfortunes that have or shall come to the hurt, detriment or damage of the said ship or of any part thereof.

The terms of this clause are so comprehensive as at first sight to convey the impression that they embrace every kind of mishap, not already particularized, to which property at sea can be subjected. Such, however, is not the case, for here the rule of construction applies that general terms following particular ones apply only to matters which are of the same kind as those specified. Consequently this clause includes only perils similar in kind to the perils specifically mentioned in the policy, or which are of ejusdem generis, such for instance as damage to a ship which was heeled over by the wind, in a graving dock, and thereby damaged, for while the loss was not caused directly by a peril of the sea, the vessel being on land at the time, it was held to be close enough to come within the "all other perils" clause. The loss of dollars thrown overboard from a vessel on the point of capture, in order that they might not be taken possession of by the enemy, was held to be akin to capture; the wrecking of a steamer through the bursting of a boiler was held to be akin to fire. It may clarify this "all other risks and perils" clause, if I recite as an illustration certain losses which are not comprehended by it, such for instance as loss by deterioration, and ordinary delay in navigation, wear and tear of tackle, corrosion, damage by rats or worms, and such like deterioration or damage to materials, loss remotely, and not directly caused by the perils insured against, such as loss arising from compulsory abandonment of the voyage consequent upon blockade, unless the risks of war are assumed, loss of interest on capital, owing to the protraction of the voyage by bad weather; the liability of shipowners for loss or injury caused by persons or property through the default of their servants, loss directly attributable to the misconduct of the assured or his agent; theft which when unaccompanied by overpowering force, might have been prevented by the exercise of ordinary vigilance on the part of those in charge of the vessel, loss through defects in the ship's tackle, etc., etc.

NOW WRITING MARINE

The London & Provincial Assurance Company, Limited, proposes to change its name to the London General Assurance Company, Limited. The Company recently began to write marine insurance, and, as there was already in existence an old-established company of a very similar name, it has been felt that some confusion might arise.

ALLOW PETITION

The petition by the Danske Gen-forsikring Aktieselkat (the Danish Re-Insurance Company) for the winding up of the London County Commercial Re-Insurance Office, Limited, has been allowed to stand over. Counsel said a summons had now been taken out asking that a proper creditor's meeting should be convened to consider the scheme.

Underwriters see in the formation of a protective society among British insurance companies, a plan similar to that being made operative among business men generally to care for the needs of their lines of business after the war. The question is asked: could not the British and American companies work to advantage through a joint organization of this kind?

THE "BROKE" SEA POLICY

Insurance Society of New York Receives Copy of Oldest British Underwriting Policy

The Insurance Society of New York has received a copy of the oldest insurance policy on record, the John Broke sea insurance policy. A copy of it follows:

+ In London 20 of September 1547.

[John Broke causes himself to be assured from Cadiz] unto this towne in his owne name or of [whomsoever other upon Malvaises] or any other thinge attayninge to him [or to whomsoever other] they mighte attayne laden by Richard [Kyng or by whomsoever] other in the haven of Fraschea or in [any other place in] the islande of Candia in the shippe [called the Santa Maria] of Venice, or how so otherwise it mighte [be called governor of] it Francis Fidely or how he might be [otherwise called] and by whome els it might be governed [the adventure] beginnethe from the daye and howre that the saide [ship with] the saide Malvasies or anny other thinge sett up [sail] in the porte or haven of Cadiz; and that it may dure untill the tyme that they be discharged or unladen in this citty of London on lande, at good saffty. As for the aventure that the assurers shall stande at, it is to be understoode that this preasente writinge hathe as muche forse as the beste made or dicted byll of surance which is used to be made in this Lombarde Streete of London. And to observe as muche as is aforesaide the assurers shall subscribe undernethe with there onwe hande.

[I] William Maynard mercer am content to assewyr uppon
25 this good shippe in maner and forme above writtin ffor twenty and fyve pounds. Writtin the xxij daye September 1547.

[I] Thomas Lodge am content
25 to a sewre a pon thys good shype the som of twenty fyve pounds starlyng the xxij day of Septembre 1547. I say 25li.

Memorandum that I William Maynard have paid upon the assewrans off my xxvli abovesayd to John Browke as a parte off payment of a more some so to be hit be so fownd and otherwise hit be not so moche found as the said xli then he shall restorre [that] shalbe found lesser agayne.

Written the 24 Marche anno 1547.

I Thomas Lodge have paide upon the asseurance of my 25li above saide to John Broke as a party payment of a more som so be yt so founde and other wysee hyt be not somoche as the saide xiijli vjs 8d then to restore the rest againe.

Wrytten the 24 Marche 1547.* Payd more the 8 day of February be me Richard Webb for the use of my master Thomas Lodge in full payment of this sorance a bove sayd vijli xviijs iiijd so was there saved of the sayd assirance for his parte iijli xvs.

NEW REPORT MADE ON SEA

Old Impairment of $50,477 Removed and Surplus of $612,657 Accumulated

A supplement report by the New York Department on an examination of the United States branch of the Sea Insurance Company of Liverpool, shows that the impairment reported in the previous examination has been removed and a surplus of $612,657 accumulated.

The first report was made as of May 31 and the later examination extends to August 31. The impairment reported amounted to $50,477. As to the means by which the impairment was removed, the new report states:

"The transactions between the home office and the United States branch are considerable. The home office pays a large amount of losses incurred by the United States branch and it is customary for the branch to remit funds in payment thereof. During July and August no reimbursement was made for losses paid by the home office, which fact materially increased the resources of the branch and partly accounts for the increase in surplus reported above. Other items in the financial statement also provide for part of the surplus shown, such as the reduction in the amount due for losses from unauthorized companies, an unadmitted asset.

"No credit was allowed in the original report for $228,128 representing such re-insurance, while in the new financial statement a deduction of $160,360 was made, a difference of $67,768 to the advantage of the Company. The estimated amount of unpaid losses on the date of this examination was also found to be approximately $95,000 less than charged in the original report."

Between January 1 and August 31, the report shows premiums $6,590,465, less re-insurance and return premiums $4,448,879, net $2,141,585. Net losses $1,052,594, admitted assets $2,602,583, net unpaid losses $1,291,510, liabilities $2,602,583, deposit capital $200,000, surplus to policyholders $812,657.

E. H. LUEBBERS DEAD

E. H. Luebbers, who was a leading broker in New York City when some of the present generation of famous marine underwriters and brokers were office boys, passed away Wednesday. He retired about three months ago, because of poor health.

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $152,000,000.00

Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus, .. - - - - -	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - -	1,051,543.00

NEW YORK OFFICE
80 William Street

Cut Insurance to Save Freight Expenses

ACTION OF COASTWISE LINES

Put It up to Shipper—Merchants & Miners' Action and Developments

A Philadelphia daily newspaper prints the following story:

"The lead taken by the Merchants' and Miners' Transportation Company when, on January 8, it discontinued insurance liability on goods carried by it to coastwise points, is expected to be followed by other steamship companies in the coastwise trade.

"The report of this contemplated move has been received at the Chamber of Commerce, and officials of that body admit that while the discontinuance of insurance liability by the carrying companies forces shippers to pay additional fees for insurance protection, nothing can be done. The steamship companies are acting wholly within their rights.

"Officials of the Merchants' and Miners' Company refused to discuss the new order, but it is generally understood the coastwise lines maintain that freight rates are not high enough, and that therefore the elimination of the insurance liability expense is necessary.

View of Local Shippers

"Local shippers point out that the elimination of the insurance liability (or the insured bill of lading, as it is known), not only burdens shippers with additional expense, but causes much annoyance in the performance of extra work which previously was entrusted to the steamship agents.

"That local shippers are at the mercy of the steamship companies in the present crisis was pointed out in the case of the Clyde Line, which attempted to abandon its Philadelphia-New York service. Local trade bodies finally prevailed upon the Clyde Line to continue the New York service, after the shippers had consented to an increase in tariffs.

"While no new increase in freight rates is threatened now, the elimination of the insurance feature will mean a vast saving to the steamship companies, which formerly protected its cargoes under a special policy, and will mean a greatly increased cost to shippers, who must insure their goods in the regular way.

M. & M. Co.'s Statement

"In the Merchants' and Miners' Company's statement to shippers, the following statements are set forth:

" 'Marine insurance and fire insurance as indicated below, if desired by the shippers, may be placed under the open policies of this company by applying direct to our agent at the forwarding port at or before the time of delivery of the property to this company, or by arrangement with the water carrier delivering the property to this company, to specify on their waybills to this company the amount of such insurance desired; but this company does not obligate itself to assume any loss due to the failure of such connecting carriers to notify their company's agent that said insurance is to be placed.

" 'Under the open policies of this company, upon the request and at the expense of shippers, on freight moving over our lines via all water routes only, we will place marine and fire insurance covering the property from time of receipt.' "

CHAIRMAN EXECUTIVE COMMITTEE

W. R. Adams, special agent of the Commercial Union, has been made chairman of the executive committee of the Underwriters' Association of the middle department.

HENRY EVANS ON W. S. S.

Recommends that Agents Support this Movement by Joining War Savings Club

Henry Evans, president of the Continental, has mailed the following letter to Continental agents:

The Government of the United States is asking every American to aid in the War Savings Stamp campaign. Each individual who regularly buys War Savings or Thrift Stamps is thus directly aiding the Government by responding to its call.

Through the purchase of these stamps three purposes will be achieved: (1) Accumulation of funds for carrying on the war; (2) Inculcation of thrift among the American people; (3) Assurance to the Government that each person buying such stamps is helping his or her country.

This Company regards the War Savings Stamp campaign as a most worthy movement. Its Employes' Club has already put in operation a plan of investing in the stamps all dues and other income not necessary to take care of current expenses. This Company has appointed an agent to sell the stamps to employes. Nearly $350 worth were disposed of in the first two weeks under this arrangement.

It is recommended to agents that they support this movement, either by organizing War Savings Stamp clubs among their employes, or by urging their employes to join such voluntary clubs in their own communities.

This American movement is one meriting the support of all Americans.

PATRIOTIC CIRCULAR

Sent to Policyholders by Central National Fire Insurance Company of Des Moines

President George J. Delmege, of the Central National Fire Insurance Company of Des Moines, Ia., a company new in the field and with assets of $883,735, has sent the following circular to policyholders:

"This is a time when personal preferences are laid aside; when the desire of every lover of mankind is centered upon the one thought—how best can I serve my country in this hour of stress?

"The Central National Fire Insurance Company is new in the field and, therefore, in common with any new undertaking, it is seeking strenuously for business. Notwithstanding this, the first thought of its management in this hour of the world when horror is being piled upon horror is how best can we contribute of our energies and our means to bring this awful thing that has come upon the world to an end. Let no man's voice be raised in this hour with any thought or purpose of saying or doing the slightest thing that would contribute in the smallest way to weaken or hamper the Government in its activities to bring this war to a successful end. A successful end can only be reached by destroying those forces in Government that pervert the uses of Government to enthrone the few by bringing the many into subjective obedience to their autocratic will. The thought of every nation that believes in the rule of the people through a democratic form of government instead of through an autocratic form of government, should be to center the powers of these governments in the one purpose to overthrow this force that has brought this awful thing upon the world. While carrying forward our own individual activities, let us not for a moment forget or relax in our duty and aid to our Government in this extreme hour."

Resolution to Investigate Advance

INTRODUCED AT ALBANY

New York Real Estate Men Had Complained of 10 Per Cent. Increase

A resolution providing for the appointment of a commission to investigate the recent rate advance in New York State has been introduced in the Senate and referred to the Finance Committee. Senator Martin is the author. He says that he is moved by complaints of New York City real estate interests.

There are several bills at Albany of interest to insurance men. Glen H. Johnson of Syracuse, representing the New York State Association of Local Insurance Agents, was in Albany recently in the interest of the bill to correct rebating practices.

The New York Association, by the way, will have its annual meeting in June, probably at Syracuse.

TO INSURE CHURCHES

Fire Insurance Company Being Organized at Toronto, Ont., By The Methodist Church

Toronto, Ont., Feb. 22—Canada soon is to have a "$30,000,000 church fire insurance company."

It is to be established by the Methodists who have demonstrated their financial and commercial power by establishing the largest religious publishing house in the world, which annually pays over large profits to certain beneficiary Methodist general conference funds and which constructed the million dollar publishing house here on West Queen Street.

ORGANIZE CALVERT MUTUAL

Interests allied with the Distillers' Mutual Fire, of Baltimore, have organized in that city the Calvert Mutual Insurance Company, to write fire, tornado, windstorm, hail, burglary and theft on the mutual plan. It was incorporated October 24, 1917, and began business January 1, of this year. John Holt Richardson is president; Charles Goldsborough, vice-president and treasurer, and Thomas C. Crowe, secretary and manager.

NEW CALEDONIAN SPECIAL

C. M. Limpert, formerly with the Western of Pittsburgh as executive special agent, has been appointed special agent of the Caledonian for Western Pennsylvania and West Virginia.

The Glens Falls at its last meeting declared a 25 per cent. dividend.

The Club Idea

(Continued from page 1)

each other and split commissions with real estate men. Good men joined; others were weeded out, and the real estate men were turned down and told that they could not have commissions.

Louisville's Exchange

Louisville's Exchange has a membership fee of $500. Solicitors pay $20. A decided stand against multiple agencies is successfully taken. Members must have an office of their own and no other business but insurance. There are about forty members—everybody in town. Premiums are more than $1,000,000. There is no division of commissions with persons outside of the board.

The conference recommended that the word "club" be dropped, and "Exchange" used in its place.

Annual Report of Superintendent Phillips

REASON FOR 10% ADVANCE

Largely Due to Fire Waste—Powerless to Regulate Rates—Discusses Compensation

Superintendent Phillips has made his annual report to the Legislature.

Considerable space is devoted to the question of fire insurance rates, on account of the numerous rate increases which have been effected during the past year, culminating recently in an additional general advance of 10 per cent. on all fire insurance rates throughout the State. Superintendent Phillips believes that the entire rate question is and always will be a troublesome one, but that there is little hope of appreciable improvement in the situation for the present year, because of the great volume of fire losses, largely due to the ever-present fire waste which has come to be regarded as a trait of the American people. He believes also that statutory reduction of rates or State rate-making will not solve this perplexing problem, for, if fire losses are to be paid, it is essential that sufficient premiums in the aggregate be collected for that purpose, as well as to provide against the ever-existing conflagration hazard, which can never be entirely eliminated. Attention is again called by him to the fact that he is powerless to regulate rates under the law, and can only act where unfair discrimination is shown within the meaning of section 141 of the Insurance Law.

Workmen's Compensation

Workmen's compensation insurance is also given much space in the report, Superintendent Phillips believing that the need of a rate readjustment to which he has previously referred has been confirmed by the experience of the past year. A statement derived from returns submitted to the Department during the past year by the stock and mutual carriers is printed as illustrative of this fact. The Superintendent refers to his report of last year upon this subject, in which he suggested that the State should undertake to regulate the remuneration paid to the agents or brokers of stock casualty companies writing compensation insurance, but doubts whether public sentiment is yet sufficiently strong to support any legislation to bring this about, in view of the opposition of the stock casualty companies. Furthermore, Mr. Phillips believes that the situation demands a broadening of the scope of the State Fund, that it may become in fact, as well as in theory, a worthy competitor of the private companies, by furnishing, in addition to workmen's compensation insurance, incidental employers' liability coverage, and also that it should be permitted to incur and meet legitimate expenses from its own resources. On the other hand, he reiterates his opinion expressed in previous reports that the rates of the State Fund should be subject to the same supervision as to adequacy as are the rates of stock and mutual carriers, in order to avoid the grave danger that at some future time a condition of insolvency will arise, such that the security of benefits thereunder will be defeated and the workingmen be deprived of their protection.

TRENTON RE-ORGANIZATION

Meredith Dickinson, of Trenton, returned home this week from the mid-winter conference of the National Association of Insurance Agents. He has started a movement to re-organize the Trenton local board.

CASUALTY AND SURETY NEWS

Low Auto Rates for Adequate Limits

QUOTED BY AETNA COMPANIES

Puts in Effect Idea Advanced By Liability Insurance Underwriters

In its new, condensed combination automobile rate manual, the Aetna companies prove what has often been said by progressive automobile liability men; that it costs but little more to be properly covered for an adequate amount. By comparing the following rates and limits with the usual rates for $5,000-$10,000 limits it will be seen how little more it requires to buy the additional insurance necessary to be protected against the unusually heavy verdicts which are so easily obtainable now.

Public Liability Premiums

(1) Greater New York territory. (2) Suburban New York, Jersey City, Hoboken and Newark territories. (3) Rest of New York State (except Buffalo, Rochester, Syracuse and Albany); rest of New Jersey, and entire State of Connecticut.

$10,000-$20,000 LIMITS

H.P.	(1)	(2)	(3)
16	$60.00	$36.00	$24.60
20	86.40	49.20	31.50
25	110.40	63.60	40.20
30	121.20	72.60	48.60
35	132.00	81.60	54.30
40	141.00	87.60	60.30
44	148.20	92.40	64.80
Over 44	150.00	93.60	66.00
Electric	27.00	21.00	21.00

$100,000-$300,000 LIMITS

H.P.	(1)	(2)	(3)
16	$76.00	$45.60	$31.16
20	109.44	62.32	39.90
25	139.84	80.56	50.92
30	153.52	91.96	61.56
35	167.20	103.36	68.78
40	178.60	110.96	76.38
44	187.72	117.04	82.08
Over 44	190.00	118.56	83.60
Electric	34.20	26.60	26.60

Property Damage Premiums

Including Loss of Use

No $1,000 limits are quoted, only the rates for $2,000 and $10,000. Examples follow:

$2,000 LIMIT

H.P.	(1)	(2)	(3)
16	$15.81	$9.49	$7.15
20	22.77	12.97	9.68
25	29.10	16.76	12.84
30	32.00	19.16	16.00
35	34.79	21.51	17.58
40	37.19	23.09	19.16
44	39.09	24.35	20.43
Over 44	39.53	24.67	20.75
Electric	7.15	6.33	6.33

$10,000 LIMIT

H.P.	(1)	(2)	(3)
16	$20.63	$12.38	$9.32
20	29.70	16.91	12.62
25	37.95	21.86	16.75
30	41.75	25.00	20.87
35	45.38	28.05	22.94
40	48.51	30.11	25.00
44	50.99	31.76	26.65
Over 44	51.56	32.18	27.06
Electric	9.32	8.25	8.25

New Manual is Handy

As long as automobile insurance has been written there has been complaint of the unwieldy rate manuals and rate sheets which it has been considered necessary to use. To overcome this difficulty the automobile department of the Aetna in New York prepared this condensed manual which is embraced in six pages of about the same size as the regular manual.

Throughout the Aetna's manual an

(Continued on page 22)

Employment of Women Not Yet Extensive

AFFECTS HAZARD AND PAYROLL

Results of Inquiry Among Manufacturers—Need for Safeguards on Machinery

Greater liability of women to accident, owing to style of dress, as well as to physical causes, is engaging the earnest attention of employers. Changed conditions in factories and workshops, owing to the influx of female labor, will also result in many changes in classifications used by casualty insurance companies. The effect upon payrolls is also worthy of consideration.

Opinion prevails that women have already largely replaced men. This is true in some lines, but it appears that in 160 replies to a questionnaire sent to large employers of labor in New York and vicinity, only thirty-five admitted that they are now using female workers more extensively than formerly. Of these, only nine have substituted a large number of women in positions formerly occupied by men exclusively; fifteen, while using women more extensively than in the past, are doing so only in positions which have always been filled by women to some extent and the remaining eleven are substituting women to only a slight extent.

It has been demonstrated that there exists a strong tendency to increase the employment of females, irrespective of the situation created by the war. The present situation has hastened rather than caused employment of females by many concerns. Furthermore, women have been found so satisfactory that employers are planning to use an even greater proportion of them than the present labor stringency necessitates. It is generally considered impracticable to employ women where it is necessary to lift heavy weights, but one manufacturer says that Hungarian, Polish and Swedish women will perform any kind of manual labor for which they are well paid.

Paid Same as Men

As to the probable effect on payrolls where women are extensively employed, there seems to be an unanimity of opinion that if women can fill men's positions they are entitled to the same pay as men. Not all employers are doing this but it is believed that in time the difference in the wage rate of men and women will show little difference.

To guard against accidents women are often required to wear sleeve holders and caps to cover the hair. Additional safety appliances must be installed upon machines. This is held to be of prime importance, as, if female labor is to be satisfactory, one accident might effect the morale of all the female operatives in a plant.

Women are machine operators, not mechanics, and therefore it becomes

Continued on page 22)

FIDELITY and SURETY BONDS

BURGLARY INSURANCE

FIDELITY & DEPOSIT CO.
OF MARYLAND
EDWIN WARFIELD, President

Premiums Based Solely on Income

NEW NORTH AMERICAN POLICY

Change of Occupation Does Not Affect Insurance—Hazardous Risks

Ignoring occupation entirely and basing the premium solely on income, the North American Accident of Chicago has issued what it styles a "Security Income Defense Policy." The age limits are 16 to 50 years and there is no principal sum mentioned. Permanent, temporary or partial disability is covered from one day to one year. This policy can be used to advantage in connection with insurance on many risks bordering on the hazardous class. The table of rates follows:

Monthly earnings	Cost Per Annum to Insure 1/4 earnings	1/3 earnings	1/2 earnings	4/5 earnings
$20	$3.00	$4	$6.00	$9.60
25	3.75	5	7.50	12.00
30	4.50	6	9.00	14.40
35	5.25	7	10.50	16.80
40	6.00	8	12.00	19.20
45	6.75	9	13.50	21.60
50	7.50	10	15.00	24.00
55	8.25	11	16.50	26.40
60	9.00	12	18.00	28.80
65	9.75	13	19.50	31.20
70	10.50	14	21.00	33.60
75	11.25	15	22.50	36.00
80	12.00	16	24.00	38.40
85	12.75	17	25.50	40.80
90	13.50	18	27.00	43.20
95	14.25	19	28.50	45.60
100	15.00	20	30.00	48.00
110	16.50	22	33.00	52.80
120	18.00	24	36.00	57.60
130	19.50	26	39.00	62.40
140	21.00	28	42.00	67.20
150	22.50	30	45.00	72.00
160	24.00	32	48.00	76.80
170	25.50	34	51.00	81.60
180	27.00	36	54.00	86.40
190	28.50	38	57.00	91.20
200	30.00	40	60.00	96.00

Premiums exceeding $12 may be paid quarterly or semi-annually.

May Change Occupation

This policy covers all accidents and diseases except venerial and there is no waiting period. As the premium is not based upon occupation, change of occupation does not effect the insurance. Nor does engaging in any game, sport or exercise for profit or pleasure, or because of doing any act or thing pertaining to any other occupation, except-

ing only while engaged in military or naval service in a foreign country outside the continental limits of the United States.

Hospital charges are paid in addition to other benefits and the policy pays full benefit for every day disabled because of boils, felons or carbuncles. A sum equal to two years' benefits is paid for loss of sight resulting from any accident or sickness, loss of use of any two limbs by paralysis or loss of hands or feet by accident.

The premium for the term the policy is to be written for is payable in advance and must be remitted for with the application. The insuring clause follows:

In consideration of the premium and of the statements which are set forth in the application herefor, a copy of which application is endorsed hereon and made a part of this contract, and subject to the conditions, limitations, and provisions herein contained, does hereby insure the person (herein called the insured), whose name appears after the words "Signature of Applicant" at the foot of said copy of application, in the sum of.....Dollars a month (herein called the monthly indemnity) against

(1) Bodily injury sustained during the term of this policy through accidental means, and resulting directly, independently and exclusively of all other causes, in (a) immediate, continuous, and total disability that prevents the insured from performing any and every kind of duty pertaining to his occupation; (b) immediate (as respects the injury or as respects preceding total disability) and continuous partial disability that prevents the insured from performing fully work essential to the duties of his occupation.

(2) Sickness, as hereinafter defined: contracted by the insured after the fifteenth day this policy is dated and for which the insured is treated by a licensed physician, and during the term hereof * * *:

Risks not insurable: Persons who suffer with deafness, apoplexy, cancer, fits, insanity, paralysis, tuberculosis, total blindness or any permanent physical or mental infirmity; who have lost a foot or are compelled to use a cane or crutch; who have lost an arm above the elbow; who are under 16 or over 50 years of age at time of making application.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

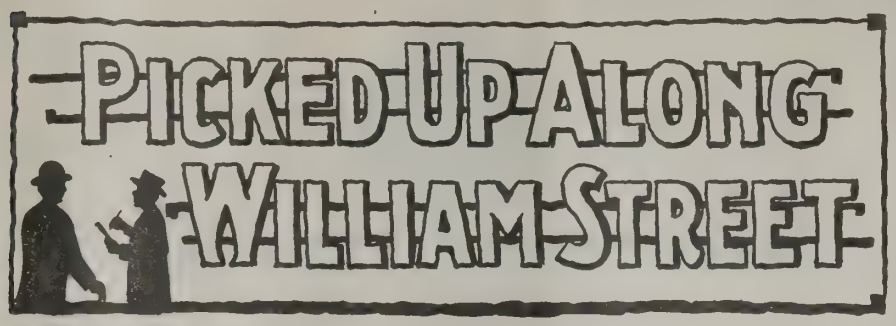
General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

AETNA WRITING FARMERS

Reports that Company Refuses Compensation Risks Proves to Be Untimely

Considerable publicity was given last week to a news item in which it was made to appear that the Aetna Life has placed farmers on a prohibited list of workmen's compensation risks. In reply to an inquiry the company has advised The Eastern Underwriter that no such action has been taken and that the item is incorrect.

It is generally conceded in compensation writing offices that farmer business has not proved attractive. Generally speaking it would appear that the farmer's loose methods of doing business are not conducive to the best results in anything so complex as compensation insurance.



To Elect a Vice-President

Directors of the United States Fidelity & Guaranty Company will shortly elect a vice-president to fill the vacancy caused by the death of Herbert L. Price, who had been with the company since its organization. Mr. Price died not quite a month after he had been made a vice-president by the board.

When the United States Fidelity was organized, Mr. Price was assigned the important task of forming the guaranteed attorneys department. This department was successful from the start and he continued as its manager until his death.

Mr. Price's death recalls the fact that it was the original intention of the organizers of the United States Fidelity & Guaranty Company to confine the business of the company to the bonding of guaranteed attorneys throughout the country. The company grew so rapidly, however, that President Bland and his associates later decided to enlarge its field of activity.

* * *

Affected by the War

Bonding men say that contract business is being seriously affected by war conditions. Material is high and labor is scarce and this has resulted in a situation which makes it almost prohibitive for contractors to undertake new building operations. Because of the unprecedented conditions, building activity has slackened all over the United States.

Other business, however, is showing up well; in fact, it is better than many bonding men anticipated this early in the year.

* * *

"Home Office Folks"

In order that home employes may know what is going on in the insurance world and may also keep fully acquainted with the activities of the company, the Maryland Casualty Company has decided to issue a monthly publication exclusively for its employes. The publication will be known as "Home Office Folks" and will make its appearance within the next week.

This will make two publications issued by the Maryland Casualty. "The Budget," a monthly bulletin, has been published for years and has a wide circulation among the company's agents.

The Maryland Assurance Corporation has also decided to start a publication for the benefit of its agents. This will be known as "Protection" and the first edition will be issued in a few days.

* * *

Not an Insurance Company

Inquiries have been made of the New York department concerning the New York Automobile Owners' Protective Association, Incorporated, in reply to which the department says:

"This company is not an insurance corporation nor it is organized under the insurance laws. Its certificate of incorporation sets forth its objects as follows: 'To voluntarily furnish to its members reliable information concerning the origin, nature and effect of any and all legislation affecting owners of commercial and pleasure automobiles and to voluntarily render every possible aid and assistance to its members, individually and collectively for their mutual guidance, protection and benefit.'"

Status of Common Carrier

The New York Supreme Court, at the Trial Term at Albany, has decided that the insured under a personal accident policy cannot recover under the double indemnity clause for injuries received while alighting from a taxicab which the insured and another had hired and had the exclusive right to occupy for a certain trip. The distinction between a public or common carrier and a special or private carrier is held to be that the former must receive all applying for passage as long as there is room, and there is no legal excuse for refusing passage, while the latter is not bound to do so. The case was that of Harry B. Anderson against the Fidelity & Casualty.

* * *

Branch for Kansas City

Authorization has been given the National Workmen's Compensation Service Bureau to establish a branch at Kansas City. Just how soon this will be done or who may be in charge has not been decided.

* * *

Bulletin for Health Men

Bulletin No. 7 of the Insurance Economics Society of America, Detroit, presents some vital facts and considerations in respect to compulsory health insurance by Marcus W. Alexander of West Lynn, Mass. Many of the points which are the worst stumbling blocks to those who would succesfully combat this propaganda are fully explained.

* * *

Aetna Has an Artist

That handsome roll of honor displayed in the New York office of the Aetna, at 100 William Street, is the work of Prosper V. Beneville, of the liability underwriting department. Mr. Beneville's work is particularly good, although he has never done engrossing as a profession. He has also done a roll of honor for the home office which he says is much finer than the one in New York. About the office are numerous other evidences of his skill, in the form of striking posters. One depicts infantry going "over the top." The action is there good and plenty and the suggestive line is "Strengthen your first line of defense." Another poster of the burglary department is in colors with the head line, "More burglaries occur in buildings than there do fires." Mr. Beneville is a field man of the company who came inside to assist in the work of the office.

* * *

Mutual Management Changes

W. B. Renton has retired from the management of the National Automobile Mutual at 80 Maiden Lane, N. Y. For the present Herbert R. Sommer is in charge.

* * *

Has Heinz Beaten

M. I. Polansky & Co., of Brooklyn, have got the Fifty-Seven Varieties beaten in numerous ways. Besides handling every known kind of insurance this firm announces on its letter head that it will do the following: Buy and sell animal skins for export. Commercial loans arranged. Sell coal and wood by ton or carload. Clothing contracting, men's, women's and children's. For sale, cottages and apartment houses. Buy and sell dry goods and notions at auction up to $200,000 cash. Buy and sell old and new metals. Motion picture theatres equipped; open air, etc. Printing, wholesale only. Plumbing and steamfitting, contracting only. For sale, poultry farms.

INTERESTING STORY OF A NEW TRIAL

How a presiding judge can cause an insurance company again to go through an expensive trial is discussed in the opinion of the Supreme Court of Missouri in the case of Lamport vs. Aetna Life just published. After the evidence and the arguments of counsel had been completed and after the jury had been for some two hours or more on a hot Saturday afternoon in July deliberating upon their verdict, the Trial Judge sent the sheriff to the jury room to inquire whether the status of their deliberations was such as to make advisable the excusing of them till Monday. The jury, through the sheriff, advised the judge that they desired to see him about matters and owing to the lateness of the hour and the heat, and to avoid having the jury brought into the courtroom, the judge went with the sheriff to the jury room and told them he had no desire to hasten their deliberations, but merely wished to know if there was a possibility of their being able to agree upon a verdict within a half hour or so. If there were he would wait and if not he would excuse them until the following Monday. The jury told him they thought they could reach a verdict in five or six minutes. He then answered a question upon his instructions and made some reply.

The higher court held the proceeding improper and reversed the verdict of the lower court and sent the case back for a new trial.

The case was one in which the company alleged intentional injuries. The insured had his hand cut off by being run over by a trolley car in Kansas City August 10, 1911. The amount involved was ten thousand dollars and the case was very bitterly fought. M. J. O'Donnell, of Kansas City, appeared as attorney for plaintiff and J C. Rosenberger, of Kansas City, represented the defendant company.

William H. Drapier, Jr., vice-president and superintendent of agencies of the National Surety, has seen very many angles in the surety business. He has been an insurance and surety man for thirty-one years, which covers practically his entire business life. To be sure he did "stick pi" in a newspaper office on several occasions but this was probably because he comes of a journalistic family and he would work about the shop. But after he left school he went right into the insurance work in Indianapolis, where he was born in 1869.

While the surety bond business had its beginning in 1851, its real development dates from 1904. No appreciable progress had been made up to that time and Mr. Drapier's experience covers the period of its greatest progress, during which co-operation has replaced antagonism and standardization of rates and underwriting conditions have become realities. When Mr. Drapier engaged with the National Surety in 1899, it was as resident assistant secretary, after a year spent in the Spanish-American War. He was general agent in Indianapolis for several years during which he also did claim adjusting and organization work. He was then made superintendent of agents and assistant general manager.

Mr Drapier has installed many of the company's agencies and this work has taken him to the tropics where he has had some exciting experiences during times of political unrest and revolution. Equally unusual have been his experiences in the Dominion of Canada, with the temperature sixty-eight below and trains buried in snow for days. When he was made superintendent of agencies, in 1908, the Company had only half a million of capital and about 1,500 agents. Now it has nearly 11,000 agents, four millions of capital and four millions of surplus. At that time the Company was not admitted to more than three-quarters of the United States but it now operates in practically the entire North American continent.

Like many other Western men, Mr. Drapier retains a love of early rising and takes a keen delight in work done during the morning hours before most persons in a big city like New York have started the day. Looking into the future Mr. Drapier sees the greatest dangers to the surety business in the organization of co-operative associations and mutual schemes to take the place of thoroughly experienced and strong financial companies. It is not possible, he says, for a mere association of a mutual type, or even a heavily capitalized body with inexperienced direction, to accomplish the best results. Another great danger lies in ideas for government control.

BUILDING AND LOAN PRESIDENT

Clarence W. Cronk, of New Brunswick, N. J., vice-president of the United States Brokerage Company, has been elected president of the Homestead Building & Loan Association, the largest organization of its kind in New Jersey. The brokerage company will likely move its offices into the same building with the building and loan association and expects to increase its premium income about $3,000 per annum.

Charles F. Wilson, a prominent fire insurance agent of Fitchburg, Mass., started his career as a ticket agent in a railroad station. His first insurance experience was in selling accident tickets at the railroad ticket window. He made such a success of it that the insurance company hired him.

COSTELLO WITH CONTINENTAL

Michael Costello, who for a number of years was adjuster for the Fidelity & Deposit for the State of Rhode Island, with headquarters in Providence, has become identified with the Continental Casualty in like capacity and will continue to operate from Providence.

Employment of Women

(Continued from page 21)

necessary to create special occupations for men as helpers, machine repairers and adjusters. In some cases the usual occupations are divided and women do the lighter portion of a process formerly performed entirely by men, who are now left only the heavier part.

The necessity has arisen for special machinery or machine parts adapted for use by women. One manufacturer of paper bags is installing lighter spindles so that women can be used on these machines.

There is also a well directed movement to improve working conditions for women, which has followed close upon the tendency toward their more extensive employment. Among these is a recommendation that sickness insurance be provided for them.

Auto Rates

(Continued from page 21)

effort has been made to make the work of the agent and broker as easy as possible. Wherever possible premiums are quoted for complete cover in the various lines. Instead of having to add or deduct certain percentages the broker is given the figures complete for submission to the assured. It is believed that the use of this new rate manual will result in brokers being able to sell higher limits with less trouble than ever before and that by having easily available quotations on covers containing all the desirable clauses a greater number of assured will be provided with insurance which fully protects them against every emergency.

CASUALTY AND SURETY POINTERS

Putting it up to Employers

When making investigation of plants having a bad accident record, safety experts have found it a good rule to begin at the top, because in many cases it has been found that what appeared to have been carelessness on the part of the employes was, in fact, the existence of a bad moral hazard, which was partly or wholly chargeable to negligence on the part of those in authority, whose lack of concern in the prevention of accidents was such that reasonable precautions had not been taken in the matter of providing safe protection or giving warning against existing dangers, which had resulted in needless injuries. Employers should themselves set the example of carefulness, because they have the means, power and authority to establish safety in their plants; to guard dangerous machinery and employ careful workmen.—The Texas "Employer."

* * *

Results of Inadequate Protection

What happens when liability insurance is too little and when it is enough, is shown by the files of the Aetna Life. What inadequate protection meant to some policyholders:

A painter suffered permanent paralysis as the result of a broken back caused by falling thirty feet when the scaffold on which he was working collapsed. He won a verdict of $30,000, which the court reduced to $22,000. The assured paid $17,000.

An iron worker was knocked into an elevator shaft by a falling girder and dropped ten stories, suffering a broken neck. He received a verdict of $25,000, but later compromised for $15,000. The assured paid $10,000.

A workman carrying a heavy block of wood over a trench in which a plumber was working slipped and the wood hit the plumber, causing permanent paralysis. The plumber won a verdict of $15,000. The assured paid $10,000.

One of the employes of a tenant in a loft building in New York was burned to death, and suit was brought against the assured, the owner of the building. A verdict of $17,000 was rendered. The assured paid $12,000.

What adequate protection meant to some policyholders:

The wife of a Brooklyn grocer suffered partial blindness of one eye, two broken ribs and several minor bruises, when the automobile in which she and her husband were riding collided with a heavy truck. A jury gave her a verdict of $15,000 and the company paid the full amount.

The operator of a stamping machine in a New York factory tried to put the belt which ran his machine back on the pulley from which it had slipped and lost his right arm when his clothing became tangled in the countershaft. He won a verdict of $16,000 and the company paid the full amount.

A school girl's hand was permanently crippled when she picked up a live wire that had fallen from a telegraph pole. A verdict of $10,000 was rendered in her favor and the company paid the full amount.

* * *

Care in Small Things

Many details (little things) are often considered unimportant and neglected regardless of the fact that they are really the seeds of success. Neglect of details is an undermining element and any business proposition where little details are not taken into account cannot maintain a healthy, progressive existence. Were it possible to make an intensive examination into the history of the very many failures of business undertakings it would no doubt be ascertained that in a majority of cases the provocative cause was the neglect of looking after and attending to little details. And this applies to the business of insurance agents even more forcibly than to other vocations because of its being peculiarly an individually conducted business. The agent who fails of success is apt to put the blame on "hard luck," whereas luck plays no part in the matter. It is the haphazard method, the inattention to little things that has stamped failure on his efforts. Some of the "little things" are apparently of slight significance yet are important factors. If there is any vocation in the world where first impressions count largely it is in that of an insurance agent. The first impression in the mind of the prospect made by agent is either a great help or a great detriment. A clean shaven face, or neatly kept beard, clean shirt, clean collar, cravat neatly tied, polished shoes, well-brushed, well fitting clothes, a pleasant, courteous manner, a smiling fact, each of these while in itself a little thing is an important aid and factor. Do not disdain the little things. All successes are the composite of little things that are seemingly unimportant yet it is the little things that make possible the attainment of great results. You wish to succeed, to get beyond the half-way station (mediocrity)—long to arrive at the city of success, but if you neglect details, the little things, you will find yourself side-tracked in the Land of Failure.—"Preferred Pilot."

* * *

What Property Owners Require

To avoid the dissatisfaction which arises from incomplete liability insurance protection, agents should consider the following suggestions as applicable to owners and tenants of buildings. Mercantile or manufacturing concerns (whether owner or tenant of the premises) require compensation, general liability (or public) and elevator insurance when they occupy the entire premises. But if such concerns (either as owner or tenant) sublet any portion of the premises to others they should carry compensation and public policies on their own operations, as well as insurance on the elevators, if any, and in addition general liability insurance on that portion of the premises sublet.

Furthermore, when an individual holds title to or rents premises in his own name apart and distinct from the business which he conducts thereon as a corporation, he should protect his own separate interest by general liability and elevator policies, and by a workmen's compensation policy if the employes engaged in the care of the premises and elevators are on his individual payroll distinct from the corporation's payroll. This regardless of any insurance carried by the corporation. Also, part tenants in buildings with elevators are frequently held liable for elevator accidents when their employes on some occasion or other operate or interfere with the elevators, and they can, therefore, make themselves secure only by carrying elevator insurance, even though the elevators may not be under their direct control. When additions or alterations (not ordinary repair and maintenance) are to be made, these require a special endorsement providing the proper protection. Teams and automobile insurance is always necessary when such vehicles are owned or hired by the assured.

General Liability Neglected

General liability business is practically unlimited when one considers that private residences and estates, apartments and office buildings, hotels, club houses and grounds, retail stores and other small buildings occupied by various mercantile establishments all come within this classification. General liability premiums are not large as in compensation lines, but the business pays a higher commission and requires less attention than compensation. Besides, these general lines are not of the target variety and when one loses a line it does not act as a "knock out."

Use of Revenue Stamps

Agents of the Maryland Casualty are being advised as follows regarding revenue stamps on public official and depository bonds: "Public official bonds running in favor of a State, county, or municipality are not subject to the tax. The bond of a deputy running in favor of any public official is subject to the tax unless the bond of such deputy is required by statute or ordinance, in which event no stamp is required. Depository bonds running in favor of a State, county or municipality, or any public official thereof are not taxed. Such bonds guaranteeing deposits of private individuals, organizations and concerns, are taxed, and likewise those running in favor of the United States Government."

Statement By Utica Mutual

In its fourth annual statement the Utica (N. Y.) Mutual Compensation Insurance Company, reports total income $584,494; claims, $175,571; total disbursements $248,788; admitted assets, $628,608; surplus, $127,216; expense ratio, 14.5 per cent. of written premiums; loss ratio, 59.4 per cent.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE CHICAGO

F. W. LAWSON General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS Resident Manager 55 JOHN STREET New York

Elmer A. Lord & Co. 145 Milk St., Boston Resident Managers New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

BUSINESS=BUILDERS

DEVELOPING

Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE

APPRECIATE THE CO-OPERATION OF THE

Massachusetts Bonding and Insurance Company

BOSTON T. J. FALVEY, President

Paid-In Capital $1,500,000 Write For Territory

The Employers' Liability Assurance Corporation, Ltd.

The original and leading Liability Insurance Company in the World

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE

United States Branch

SAMUEL APPLETON, United States Mgr.

Employers' Liability Building

33 BROAD STREET, BOSTON, MASS.

AGENTS WANTED

THROW AWAY THAT CUMBERSOME RATE MANUAL

Can you find no better use for your time than to spend the best part of it turning 362 pages every time you want to quote an automobile rate?

Compare the Simplicity of These Rates!

The "*Definite Value*" Automobile Policy

A clearly defined policy protecting an automobile owner—indemnifying for loss by fire, theft, explosion and other hazards.

It is simple in language, and definite in terms—it positively fixes the value of a car, during the life of the policy, on a basis determined by the men who made and sold the car.

In the event of a total loss, it pays the amount of fixed value shown in the policy contract, thereby avoiding any controversy in settling and paying the loss.

In the event of a partial loss, it pays for the repair or replacement of all parts, to the full extent of the damage.

Compare the protection and the cost of this policy with other forms of automobile insurance.

PREMIUM RATES

All premiums are based on list price of car. Rates quoted are for each one hundred dollars of list price. The rate is not increased on renewal. Freight charges and war tax may be added to amount of insurance.

Pleasure and Commercial Cars

	Full Cover	Full Cover Excluding Theft
Models Listing $2,500 or Over	$1.00	.80 cents
Models Listing $1,000 to $2,500	$1.50	.80 cents
Models Listing Under $1,000	$2.00	.80 cents

Extra Equipment, Including Theft— Twice the rate charged for car.

Extra Equipment Excluding Theft— Same rate as charged for car.

Electric Cars—All Models
.75 cents for fire and theft.

Collision Insurance

Covers all loss or damage above twenty-five dollars in any one accident.
(For full cover add thirty-five dollars to all premiums.)

Pleasure Cars
In Cities under one hundred thousand population.
1½% of list price — $15.00 minimum premium
In Cities over one hundred thousand population.
2% of list price — $25.00 minimum premium

Commercial Cars
Regardless of size of city.
2¼% of list price — $30.00 minimum premium

Property Damage

Indemnity to extent of one thousand dollars for damage done to property of others.

Pleasure Cars
In Cities under one hundred thousand population.
Ten Dollars Premium
In Cities over one hundred thousand population.
Fifteen Dollars Premium

Commercial Cars—Decline property damage.

TERM POLICIES

Two Years Insurance—One and three-quarter times annual rate.
Three Years Insurance—Two and one-half times annual rate.
Pro rata cancellation allowed on old insurance when new car purchased and insured.

Taxi Cabs, "Jitneys," Rented, Livery, Second-Hand Cars and Dealers' Cars WILL NOT BE INSURED UNDER THIS FORM OF POLICY

THIS POLICY IS WRITTEN ONLY BY

THE NEW BRUNSWICK FIRE INSURANCE CO.
Capital $500,000
NEW BRUNSWICK, NEW JERSEY

THE NEW JERSEY INSURANCE COMPANY
Capital $1,000,000
NEWARK, NEW JERSEY

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OCT 23 1918

WAR SAVINGS STAMPS NUMBER

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 10 | NEW YORK, FRIDAY, MARCH 8, 1918 | $3.00 a Year; 25c. per Copy

CLOSER SCRUTINY OF BROKERAGE LINES

Companies See Need of Guarding Letter and Spirit of Trading-With-Enemy Act

VIEWS OF LAWRENCE KNEELAND

Well-Known Lawyer Discusses Black List—Assured Must Not Be Under Suspicion

Underwriters are scrutinizing lines from brokers who have large accounts, particularly those with international accounts, with more care than at any time since the beginning of the war. Under the Trading-With-the-Enemy Act it is unlawful to trade, or to attempt to trade, directly or indirectly, with, to or from, or on account of, or for the benefit of a person known to be an enemy or ally of enemy, or whom there is reasonable cause to believe to be such, the entering into, carrying on or performance of any contract of insurance upon property destined or intended for an enemy or ally of enemy, or coming from enemy or ally of enemy territory, is unlawful.

Must Exercise Caution

Recently, Lawrence Kneeland, a well-known lawyer in Cedar Street, this city, delivered an address before the Marine Insurance Club, in which he made a statement which has attracted a great deal of attention among fire as well as marine underwriters. In this talk Mr. Kneeland said:

"Caution should be exercised in connection with insurance for account of whom it may concern during the war. Underwriters should endeavor to know for whose account they are insuring. Insurance brokers should endeavor to know for whose account they are placing insurance. An insurance for A for account of whom it may concern, loss if any payable to A presents no difficulty in time of peace, but now an enemy or ally of enemy might be the one concerned. Under such a policy underwriters should require full and satisfactory information as to the person for whose account the insurance was effected before paying the loss. Reasonable diligence in ascertaining the status of all persons with whom you deal, or those having an interest in the subject matter should be used, since reasonable cause to believe implies reasonable inquiry to ascertain. All persons, firms and corporations on the so-called American Black List are

(Continued on page 23)

"The Largest Fire Insurance Company in America."

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

Equal Protection for ALL Policyholders.

FIRE AND ALLIED BRANCHES OF INSURANCE.

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,-972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

McADOO RESENTS IDE'S ARTICLE

If There's "Propaganda Against War Risk Bureau Beginning" He Will Meet It

SECRETARY'S PUBLIC LETTER

President of Home Life Had Commented on Insurance Obligations Incurred By Government

An article in the New York "Times" of last Sunday, bearing the heading, "Much Confusion in War Insurance Plan," written by George E. Ide, who was chairman of the insurance men's committee named by Secretary McAdoo after he had called the life company representatives to Washington at the inception of the soldiers' and sailors' insurance measure, is made the subject of an open letter by the Secretary, in which he resents the criticism, regards it as a propaganda against the War Risk Bureau, and says if there is such propaganda he is ready to meet it.

Mr. McAdoo's Letter

The Secretary's letter, printed by the "Times" on Wednesday morning, follows:

Treasury Department,
Washington, D. C.

My dear Mr. Ide: I observe an article in the New York "Times" of March 3, 1918, by yourself and in which you are described as "Chairman of Committee of Insurance Men appointed by Treasury Department." I have no objection to any propaganda you may engage in nor any criticisms you may make of the work of the War Risk Insurance Bureau, but I cannot permit you to represent yourself as "Chairman of a committee of insurance men appointed by Treasury Department," because it is not the fact. The committee I appointed and of which you were made chairman was for the specific purpose of submitting your views about the legislation at the time it was pending. This committee is functus officio and has no status whatever in connection with the Treasury. I shall be obliged to make a public announcement to this effect.

It is not necessary for me to comment upon the erroneous state-

THE PILOT POLICY

ments and observations of your article. If a propaganda against the War Risk Insurance Bureau is beginning I shall be very happy to meet it. Such a propaganda may produce many beneficial effects in widening the field of the War Risk Insurance Bureau's activities.

Sincerely yours,

W. G. McADOO.

Mr. Ide's Article

In h's Sunday "Times" article Mr. Ide said, in part, of the Government's soldiers' and sailors' insurance plan:

How is the plan working out?

The original plan was to have all applications from men now enlisted made before Feb. 12. This time has been extended to April 12. We are told that more than $9,000,000,000 insurance has already been applied for, and the average amount is about $8,000 per individual. The estimate of the promoters of the measure was that 25 per cent. of the fighting force (on a basis of 1,500,000 men this would be 375,000) would apply for insurance averaging about $2,500 each. This would make a total of $937,500,000 (about one-tenth of the result already attained). The appropriations made in the bill were based upon the above estimate.

Changes of departmental rulings or vagueness in the rulings have led to confusion. The beneficiary under the policy is fixed by law and limited to certain relations of the insured. Most premiums will be paid by deduction from pay. In some instances outsiders have desired to pay the premiums, the beneficiary being selected as prescribed by law. In the Treasury Department's first bulletin, Oct. 15, there is no limit made as to who may be allowed to pay the premiums.

Premium Payments

In a letter of Jan. 31, from the Soldiers' and Sailors' Campaign Council, Bureau of War Risk Insurance, John L. Way, chairman, the following clause occurs: "When the application is filed by a third party, a certified check, draft or money order covering premiums for at least three months must accompany the application." Nothing is said here as to any limitation as to who may be allowed to pay the premiums.

In a later communication from the Treasury Department, the following occurs: "The insurance can be paid for either by deductions from the soldier's pay or by a member of his family." This introduces a new limitation.

In another bulletin from the Treasury Department, No. 4, entitled "Uncle Sam's Insurance for Soldiers and Sailors," in a questionnaire the following occurs: Q. How can my premiums be paid? A. By deductions from any deposit with the Government or paid direct to the bureau by yourself or some one for you. Here there is no limitation.

In one case an attempt was made to secure insurance for $10,000 on the life of a sailor who signed the application with the understanding that premiums would be paid by an outsider, the beneficiary being the mother of the sailor. Naval authorities here stated that such a transaction could not be allowed because it had been ruled that outsiders could not pay the premium upon a soldier's or sailor's insurance.

In a dispatch to the "Evening Sun" of Feb. 18, Mr. Delanoy of the War Insurance Bureau is quoted as having said: "Attempts have been made by persons not in the army to take out insurance on men in the service, but the Attorney General has ruled that no other person can take out insurance except a wife, child or widowed mother of the applicant."

Says There Is Confusion

It will be readily seen from this brief summary that confusion and dissatisfaction are sure to arise from such indefinite and shifting regulations. Clear rulings should be made, should be widely published, and having been published should be adhered to.

In the dispatch above alluded to the testimony before the House Appropriations Committee by Mr. Delanoy is interesting as indicating the complexities arising under the present insurance plan. "We may therefore have to send out later on from 500,000 to 1,250,000 checks each month. We have not now the mechanical equipment to do this, and we are sending out checks by old-fashioned hand methods."

It was further stated that, as the insurance under these policies was really only good for one month, the profit to the Government on lapsed policies—that is, in cases where a soldier failed to keep up his insurance—would be large. The fact seems to be entirely lost sight of that this insurance is term insurance and that the lapse of a term policy can never be a source of profit to the insurer, as there is no reserve or deposit on term insurance policies, and consequently no forfeiture of any such reserve to the company or the nation issuing such a policy.

Further, Mr. Delanoy is quoted, although we think there must have been an error in this quotation, as saying, "The percentage of lapsed policies was carefully considered in the American Experience Table of Mortality upon which the insurance is based."

The original bill provides for "allotments" by the soldier and "allowances" by the Government to the families, both of which call for intimate knowledge of the dependents of each soldier, and these dependents may change from month to month. Compensation for death or disability is also given gratuitously by the Government. This calls for similar facts in regard to the family, and, further, a periodical re-examination of all disabled fighting men. The payments under the insurance part of the bill are to be made in monthly installments, and any changes which may arise in the beneficiaries under these policies will call for immediate changes which may occur in any month. The fact that the premium on these term policies changes every year necessitates an accurate record of the exact date of birth of every fighting man, in order that these premium changes may be properly made.

Wants Congress to Review Law

The above is a simple and plain statement of what is being done and what must be done under the law. It is no exaggeration to say that in the various units and departments the men charged with its administration find it almost impossible to keep their accounts, even now, and that in the Central Bureau itself confusion reigns. Checks for allotments, allowances, etc., are not being promptly sent out, duplication of payments has been made, and the fact is that it is well nigh impossible to devise a system which will meet the requirements connected with a plan so full of kaleidoscopic change. The worst feature is that this plan for relief to the soldier is bound to result in delay in the monthly payments of the balance due him. In many instances salary payments to the soldiers have been too long postponed even before these new complications were introduced.

To criticise a plan so noble and patriotic in its aims is an unpleasant duty, but the dangers have been apparent from its inception and the recommendations of experts were disregarded in framing the measure. Is it too late for Congress to review the law? Is it possible, without impairing existing contracts, to do something to simplify its operation and eliminate some of the administrative expense which, although it will be hidden by Governmental methods of bookkeeping, must eventually be paid by the nation at large?

1860 1918

ANNOUNCEMENT

In conformity with a resolution passed unanimously by the Board of Directors of **The Germania Life Insurance Company** on December 5th, 1917, and with the approval of the Superintendent of Insurance of the State of New York, the company on March 1st, 1918, assumed the new corporate name of

The Guardian Life Insurance Company of America

1917—the last year under the old name was the most successful during the company's existence of fifty-eight years. The new business paid for amounted to $24,800,000.00 representing a gain of more than $3,700,000.00 over its best previous year while the business in force showed an increase of $10,222,000.00.

Assets over $54,500,000.00

Total Insurance in Force over $169,000,000.00

Guarantee and Dividend Fund over $5,800,000.00

The John Hancock Leaders Meet

LIST OF SUBJECTS DISCUSSED

New Disability Clause—War Clause Altered—Overweight Risks—Wischmeyer at Home Office

The "Standard" of Boston says that at the recent meeting of John Hancock agency leaders the following subjects were discussed:

A new disability clause, now in preparation, providing for the waiver of premiums in case of total and permanent disability as defined in the contract, and if the disability occurs before the insured reaches sixty for the payment annually (or in semi-annual, quarterly or monthly equivalents) of a sum equal to one-tenth of the face of the policy, during disability, and at death, the full sum insured, without deductions for payments made during disability. The benefit beginning at age 60 is confined to waiver of premiums. It is intended to make the new clause operative at an early date.

A slight alteration, which is to be made in the war clause, to make clear the rights and duties of both parties where the insured goes into war service without paying the extra war premium.

Increase in certain of the commission schedules.

A plan for the acceptance of overweight risks on rated-up premiums, now in effect.

A change in method of operation and increase of compensation on the intermediate policies.

The adoption of a new war clause for intermediate policies similar to the ordinary clause, but providing for an extra premium of 2 per cent. of sum insured, or $10 on each $500 unit.

Plans for increasing the opportunity of the forces under the superintendents to write ordinary, and the removal of certain restrictive rules in connection therewith. Hereafter, until further notice, lapses of weekly premium policies occurring within six months of the issue of the ordinary or intermediate will not be charged against the agents or assistants.

The appointment of Mr. Henry G. Wischmeyer, for several years the Company's general agent, for Eastern Iowa, to be connected with the home office in an especial capacity in relation to the more aggressive development of the ordinary business of the superintendents.

NATIONAL SERVICE LIFE

Rochester, N. Y., Feb. 20.—The National Service Life Society with headquarters here in the Ellwanger & Barry Building since it was chartered by the State Insurance Department on January 11, 1917, will move on March 1 to the second floor of the new building here at 104 East Avenue. It will operate under a long-time lease looking eventually to the ownership of the property. On February 20 the Society opened its accident and health departments.

DINNER TO WILLIAM RICE

About one hundred persons, many of them connected with Watson & Wadsworth, managers of Aetna Life in Syracuse, attended a dinner given to William Rice who leaves that office to go with the Philadelphia branch. He had been with the Syracuse agency eleven years.

Godfrey B. Moore, of the Equitable Life in New York, and a member of the Life Underwriters' Association of New York, is back of a movement to amend the income tax law by exempting premiums paid for business and group life insurance.

Metropolitan Life's $5,000 Policy

LOCAL MEN PASS RESOLUTIONS

Deny that Company Competitors of Metropolitan Inspired Criticism by Underwriters' Association

At a meeting of the executive committee of the Life Underwriters Association of New York on Tuesday afternoon the following resolutions were adopted:

Whereas an article appeared in The Eastern Underwriter, under date of March 1, 1918, which contains the following statement:

The Metropolitan Life Insurance Company has declared a dividend on its whole life policies issued in 1916 equal to the difference in premiums charged during the years 1916, 1917 and 1918, after the legislature passed the amendment to Section 97 consequent upon the mutualization of the Metropolitan Life, and the premiums charged on that plan of insurance by the Company while it was a non-participating stock company.

This is the famous policy which was attacked by the Association of Life Underwriters of New York.

At the office of the Company it was said this week: "The ability to pay this dividend justifies the position taken by the Company before the legislature during the attacks made upon it by the other companies through the Life Underwriters' Association."

Whereas, the executive committee of the Life Underwriters' Association of New York must specifically deny the statement that it acted "for the other life insurance companies" as companies and we must be recorded as having acted entirely upon our own initiative for good and sufficient reasons, and

Whereas, at a meeting of this association, held at the Hotel Astor on March 26, 1915, the following resolutions, having previously been approved by its executive committee on March 15, 1915, were endorsed:

Resolutions

Whereas, Several companies, namely, the Metropolitan, Aetna, New York Life and Travelers have seen fit to put upon the market policies carrying an inadequate loading, and

Whereas, It would be impossible to support a company paying a living commission to its agents, or give sound protection to its policyholders, if such policies alone were issued, and

Whereas, This association believes that every company should fix its loading and pay such commissions to its agents as it sees fit; yet this association thinks that the loading fixed, or commissions paid by any company should be uniform; be it

Resolved, That this association goes on record protesting to the Metropolitan, Aetna, New York Life and the Travelers against the continued issuance of such competitive policies as they now issue, and be it

Resolved, That this association does appeal to other companies doing business in the State against the proposed issuance of such competitive policies as mentioned above, and be it

Resolved, That a copy of these resolutions be sent by the secretary of this association to all companies doing business in this State, to the National Association of Life Underwriters and to the other underwriters associations of this State, asking for their support and co-operation.

Be It Resolved, that the executive committee of the Life Underwriters' Association of New York again restates its position as being opposed to any special form of insurance upon which a company could not be maintained should that form of insurance alone be issued.

Be It Further Resolved, that the executive committee take this occasion to express its appreciation to those companies who did issue such policies, but who have withdrawn them from the market and to hope that no company in the future will see fit to violate this principle.

Be It Further Resolved, that the secretary of this association is hereby instructed to send a copy of these resolutions to all life insurance companies doing business in this State; the superintendent of insurance, the National Association of Life Underwriters and to the other underwriters associations in this State for their information.

Hubert Cillis, president of the Guardian Life Insurance Company of America (formerly the Germania Life), is seventy years old. In commemoration of his birthday the Company's field men submitted two hundred and four applications, for a total of $600,500 of new insurance, establishing a new high record for a single day's record. In 1917 the Germania Life, the last year under the old name, paid for new business of $24,800,000, a gain of insurance in force of more than $10,000,000. Its total insurance in force is $169,000,000. Its assets are nearly $55,000,000. It has a guarantee and dividend fund of more than $5,000,000.

Plans of Abstainers and General Life

NEW COMPANY IN DES MOINES

For Low Rates Insured Must Pledge Abstinence For Year Before Signing App.

Des Moines, Ia.—Frederick S. Withington has been elected vice-president of the Abstainers & General Life Insurance Company, a new organization in this city. The development of the Company is progressing satisfactorily. It will appeal to practical temperance people on account of the guaranteed reduction in rates to total abstainers.

Rate Plan

The plan is to require from those who wish to secure this reduction in rates a declaration that they have been total abstainers from alcoholic liquors during the twelve months prior to their application, and that they will continue to abstain for the twelve months following. A similar declaration is required each year from the insured, in order to maintain the policy at the reduced rate.

A guaranteed reduction of 10 per cent. of the regular whole life non-participating rate will be allowed and a somewhat reduced percentage of reduction for higher premium forms.

$500,000 Capital

The Company is capitalized at $500,000 and will have reputable and substantial support.

The general manager of the Abstainers & General Life is J. G. Moncrieff, who is president. The agency manager is Charles L. Gould.

Mr. Withington will continue in his practice of consulting actuary, in addition to his new work as vice-president of the Abstainers & General.

"The MARYLAND ASSURANCE CORPORATION is the first life company of another State, organized since the Armstrong investigation, to be admitted to New York State."

Step Out

of the rut and start fresh with a Strong New Company, captained by a notably successful insurance executive with a carefully chosen staff of insurance specialists. Maryland Assurance agents are able to offer prospects very desirable contracts of Complete Personal Protection—Life Insurance, Health and Accident Insurance. Valuable agencies in productive territory for energetic ambitious men.

Maryland Assurance Corporation

Seven South Gay Street

Baltimore

"LIVE AND DIE WITH ASSURANCE"

Wants Business Premiums Exempted

LETTERS GO TO WASHINGTON

Senators and Congressmen Asked to Amend Income Tax Law—Copy of the Letter

The following letter is being sent generally to United States Senators and to Congressmen:

My Dear Sir: I take the liberty to enlist your kind services and interest in favor of the amendment to Title XII, Section 32, of the bill approved October 3, 1917, which will be proposed on behalf of the National Association of Life Underwriters.

This amendment will provide that premiums paid for a reasonable amount of life insurance for business purposes and premiums paid for group insurance —within limitations—shall be exempt from taxation.

It is, I am sure, unnecessary for me to suggest to you, particularly in these abnormal times, the importance of conserving the nation's industries, be they large or small, and in that regard there can be no greater safeguard to a business, be it a corporation or co-partnership, than reasonable provision, by way of life insurance against loss of services through the death of those who may be the mainstay of the concern either on account of personal activity or through ability to obtain credit or both.

And I respectfully submit, in the premises, that such life insurance premiums as aforesaid are as legitimately entitled to be charged as a business expense as are premiums for fire, liability or compensation insurance.

Present Act Discourages Carrying of Business Life Insurance

The act in its present form, making life premiums taxable, would seem to tend to discourage the carrying of business life insurance which I submit is contrary to the policy of the Government in fostering the country's business interests; moreover, fire and/or other similar losses may never materialize, but death, sooner or later is a certain eventuality and is a risk that according to the absence or presence of life insurance may result, on the other hand, in the winding up of a concern engaged perhaps in the manufacture of important war supplies and the consequent throwing out of employment of a large number of workers, or, on the other hand, in the continuance of that business in a condition of solvency and prosperity with increased Liberty Loan subscriptions and added ability to pay taxes in other directions.

Thanking you in anticipation for your favorable consideration and action in this matter.

Respectfully yours,

COMMISSIONERS' MEETING

The executive committee of the National Conference of Insurance Commissioners will meet here next week. It has not yet been decided whether the April meeting of the commissioners will be held. There is some sentiment not to hold the April meeting because of the transportation and hotel limitations.

A. L. Farmer, of Tulsa, Okla., former president of the New York Life's $200,000 Club, recently got all the newsboys of Tulsa together, gave each one of them a Thrift Card, and agreed that when they had secured twelve twenty-five cent Thrift Stamps he would give them the last four. He did this because he believes that never before has there been such a splendid opportunity to teach thrift and habits of savings to the general run of people.

Says Fraternals Must Toe Rate Mark

SUPERINTENDENT IS EMPHATIC

No Excuse for Writing New Business at Inadequate Rates, Says Phillips

In his annual report to the legislature, Superintendent Phillips of New York says the most serious problem now confronting the entire fraternal system is the failure on the part of many societies transacting business in this State to charge their members adequate rates. There are fifty-three fraternals licensed by this State. They show the following percentages of actuarial solvency within the standards prescribed by law for the formation and authorization of new societies:

No. of societies.	Percentageof actuarial solvency.
19	100% or over
11	80% to 100%
11	60% to 80%
7	40% to 60%
5	30% to 40%

With one or two exceptions, the fraternal societies now operating in this State were organized prior to the enactment of the so-called New York Conference Bill, and by far the greater number were organized upon the mistaken theory that mortuary losses should be paid as they occur by assessments upon the members. The assessments were sufficient only to meet such losses. The by-laws of not a few of these institutions fixed in advance the amount of assessments to be paid by each member and provided that same could not be increased during the continuance of the certificate.

Collect 40 Cents; Need a Dollar

The Superintendent says: "It is true they could levy extra assessments, but as soon as this practice was enforced members forfeited their membership in such large numbers that the orders could not meet their death benefit obligations. Legislation was finally enacted requiring all new societies to collect from their members a rate, based upon a scientific calculation, which if paid during the period of expectancy of each member, together with the interest earning, would in the aggregate produce an amount sufficient to meet all of the certificate obligations upon maturity. Many of the old societies, realizing the necessity for action, took immediate steps to readjust the rates of their entire membership so as to attain solvency and have succeeded. Several were forced into liquidation by the attempt and a few were restrained by court proceedings instituted by the older members, who naturally resented the increase in their rates, apparently ignoring the fact that they had paid an insufficient amount for the protection which had been furnished them. Other societies have made no honest effort to readjust their rates and still continue to write new business at a rate which they know is absolutely inadequate. They rely, however, upon a large increase in membership, and use the contributions of the new members to pay present death benefit claims. It requires no argument to convince a reasonable person that a society only collecting 40 cents from its members, when it should collect one dollar, cannot long survive.

"The continuance of these methods by the low rate societies, without the slightest effort to correct them, constitutes not only an unfair competition with the adequate rate societies but a fraud upon the insuring public, and is injurious to the entire fraternal insurance system. * * *

Must Insure Actuarial Solvency

"There is, to my mind, no good excuse why all societies should not be compelled by law to write their new business upon a rate which will insure actuarial solvency, with a further requirement that the income from the new members should be segregated and used for their benefit. If the societies themselves are unwilling to meet the situation, the time has arrived for legislative action. The people should no longer be deceived by the management of these societies that the rate which is being collected is sufficient to secure the payment of their benefit certificate obligations. During the past fifteen years twenty-five fraternal societies and orders operating in this State have been compelled to cease business and liquidate because of their inability to meet their death claims. With possibly two exceptions, all of them were forced into liquidation for the sole reason that they had not written their insurance upon an adequate rate basis.

"Recognizing the necessity for some action, there was presented to the Legislature last year Assembly Bill, Introductory No. 1442, known as the Mitchell bill, which provided, in substance, that after January 1, 1919, no fraternal society, subject to the valuation provisions of section 242 of the Insurance Law, should be permitted to transact business in this State unless its new certificates of membership were issued upon an adequate rate basis.

"The Superintendent of Insurance was directed to refuse a renewal license to any society failing to comply with this requirement. A similar bill has been introduced by the same author at the present session. The principles embodied in the Mitchell bill are conceded by a great majority of the representatives of fraternal societies to be absolutely essential, if such societies are to maintain their existence for any definite period of time. The opposition to the measure last year was inspired principally by several of the large societies transacting their business upon a wholly inadequate rate basis. A hearing was recently given by me to a committee representing the New York State Fraternal Congress, and the majority of the members thereof are in hearty accord with the principles contained in the Mitchell bill. They recognize the necessity for some action, but point out that these societies are operating in nearly every State under a law, the fundamental principles of which are similar to Article VII of our Insurance Law. These men have pointed out to me, and I have the greatest faith in their sincerity, that in view of the action recently taken by the National Convention of Insurance Commissioners, directing the fraternal committee of that body to consider the entire subject of rate adequacy and to recommend to the next annual meeting of the Convention such legislation as may be necessary to compel the societies to write their new business upon an adequate rate, it might be better to await the action of the Convention before attempting to act independently in the State of New York. They feel that more could be accomplished by the concerted action of the Insurance Commissioners, whereby all of the States would be practically forced to adopt the legislation proposed in the Mitchell bill. They also pledge their active co-operation in any effort which will require the inadequate rate societies to conduct their business upon a basis which will insure ultimate solvency."

ADDITIONAL 1917 FIGURES

The Public Savings, of Indianapolis, wrote $10,668,463 in 1917, a gain of insurance in force for 1917 of $2,158,235. Its assets are $671,493.

The Register Life of Davenport wrote $1,838,271 paid for; its assets are $2,129,571.

The Scranton Life has assets of $2,776,200; its paid for is $17,704,883.

The United Life & Accident paid for $2,094,500 in 1917; its assets are $1,287,522.

SCOPE OF "COMMON CARRIER"

What Term Means in New Double Indemnity Clause of Mutual Life

Inquiry has been made of the Mutual Life as to the scope of the term "common carrier" in the new double indemnity clause, in respect of vehicles other than those specifically mentioned in the clause.

The Company says in "Points":

"As generally established by the courts, 'common carrier' includes practically all railways, steamboats, steamships, street car lines, and, in all probability, city taxicabs and busses run under municipal license. It does not, however, include private vehicles, whether hired or not, although it might at times be difficult to draw the line between taxicabs which are common carriers and vehicles which are rented privately and which would not be common carriers. Neither does the term include elevators in buildings, nor some boats, such as launches or sailboats, which take people out for hire, but which are not common carriers."

The Company has also been asked to define the procedure necessary to the granting of the double indemnity clause on existing contracts (issued subsequent to January, 1917).

In order to grant the feature in such cases, a proper request for same is required on Declaration 6C, together with a statement from the insured as to his present occupation. If the same medical requirements which are required for new insurance, namely, certificate of health or full medical examination, are fulfilled, it will be sufficient.

Difference of premium from original date, plus interest, will be charged in all such cases.

NEW GENERAL COUNSEL

Buffalo, N. Y., Feb. 22—At the annual meeting of the Niagara Life Insurance Company of Buffalo, attorney Thomas D. Powell, formerly connected with the law firm of Hoyt & Spratt, was elected to the board of directors and was appointed general counsel of the company.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

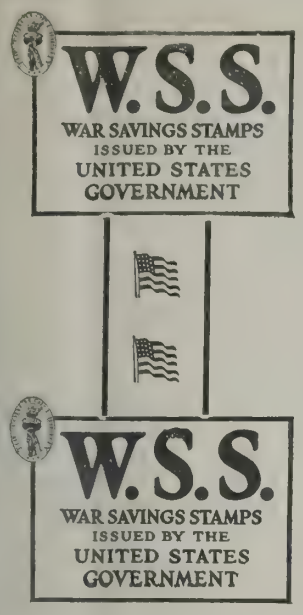
HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

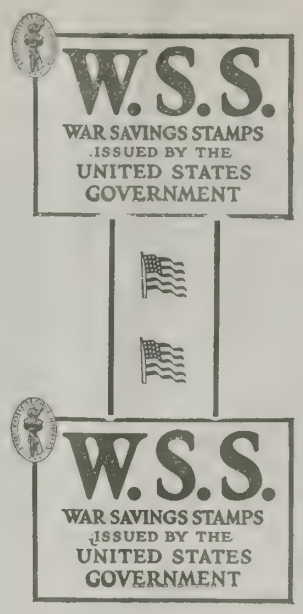
B PAYS GOOD PAY TO GOOD MEN
BANKERS
BLCo
LIFE
DES MOINES
COMPANY

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.
THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA
On January 1, 1909, rates were reduced and values increased to full 3% reserve



The Remarkable Campaign Being Waged by The Life Insurance Companies and Their Representatives for the Sale of War Savings Stamps

How the Government Is Being Assisted in its Drive for Two Billion Dollars Among the Great Mass of the People



AMERICAN CENTRAL LIFE

This Company originated a unique and somewhat elaborate campaign with regard to War Savings Stamps. It is described by Agency Secretary Roy A. Hunt as follows:

"Just prior to February 3, we instituted what we call a Thrift Stamp Contest, wherein the Company agrees to offer as a bonus to the lady suggested by the agent two Thrift Stamps for each $1,000 of paid business produced during the months of February, March, April and May, and, in addition to this, to redeem the Stamp cards when sixteen stamps are affixed and give the holder a War Savings Stamp. Further, we are offering a prize of ten Thrift War Savings Stamps to each of the ten leading producers during that period: that is, the period of the Thrift Stamp Contest. The Company forecasts that it will donate about two thousand Thrift Stamps a month and will purchase five hundred dollars' worth of the War Savings Stamps as prizes.

"In common with practically all other life insurance companies, we instructed our men to devote the entire day of February 8, which was Thrift Day for insurance, to co-operating with the Y. M. C. A., and in practically every department one or more men talked to groups of working men or to other assemblages, speaking of the necessity for saving by all of the people and incidentally mentioning the fact that life insurance had and still does provide the ideal method for thrift.

"Our country agents were also instructed to carry the same methods to the farmers, and in each agency manager's territory his representatives went out on February 8 and sold Thrift Stamps to their patrons and carried the message of President Wilson to the rural communities wherever they were working.

"We have been notified also by A. L. Davis, superintendent of our Southwestern department, Judd Lowrey, superintendent of our Pacific department, as well as M. F. Belisle, fourth vice-president and superintendent of our Western department, that they are carrying on an active canvass among their men for the daily purchase of Thrift Stamps and War Savings Stamps. We confidently believe that the American Central will very likely exceed in its purchases of the so-called Baby Bonds and Thrift Stamps the purchases of any of the Western companies."

AETNA LIFE

To begin with the Company organized a society known as the War Savings Society of the affiliated Aetna Companies. A president and secretary were elected. A lieutenant was appointed for each floor of the Company's home office building, these lieutenants being chosen from a list of active men in the Aetna Life Insurance Club. Then for each room there was appointed a captain responsible for that department only. He canvassed the sales, received the orders and watched the progress in general, also keeping record of the orders. If a clerk in the room desired ten dollars' worth of stamps for a sale made to a neighbor the captain was given the order. The actual stamps each captain secured from the cashiers' offices situated about the building. This prevented confusion.

The lieutenant on each floor made daily visits to the captains and ascertained the progress of the sales also taking this opportunity to distribute fresh printed matter on the topic and any new plans or suggestions. Once a week the lieutenants met with the officers and directors of the Society to compare results and make reports.

On each floor the Company arranged national posters provided by the State director of War Savings Societies. These posters are backed with firm cardboard so that their good appearance may be preserved. Additional posters were distributed to the various departments.

In accordance with the ruling of the National War Savings Committee the Company had each member sign a membership pledge. Every effort was made to encourage the members to solicit new outside members and thus further the sale of stamps.

At the outset to introduce the plan the Company included in each pay envelope an announcement of the necessity for making the W. S. S. campaign a success. Then the Company also supplemented the campaign from time to time with advertisements in the Aetna Magazine and the Aetna-izer and included on all of its publicity matter the W. S. S. advertisement in the form of a circle and seal.

The Company feels that the plan will meet with the success that attended its past Liberty Loan campaigns and Salvation Army War Fund Campaign.

ATLANTIC LIFE

This Company has called upon its agency organization in every way within its power to further the sale of War Savings Stamps. It had distributed to all agents the literature published by the National War Savings Committee and expects from time to time to address communications to agents or boost the sale of these stamps through the Company's agency bulletin. The Company has established an agency for the sale of Stamps in its home office and is pushing the sale through its employes.

BANKERS' LIFE OF IOWA

The work of this Company on the War Savings Stamp campaign began in the home office, and every member of the home office force, numbering over three hundred, owns at least one War Savings Certificate. The Company is using copy furnished by the government in its agency publications, and in that way helping the campaign to sell Thrift Stamps and War Savings Certificates. This publicity reaches all agents and is educational work which the Company believes will prove of value.

BERKSHIRE LIFE

Every agent of the Company has signified to President Wyman a desire to do everything possible to assist in the sale of these stamps. Undoubtedly a great many of them will be sold.

BOSTON MUTUAL LIFE

This Company has placed an outfit for the sale of the stamps throughout its field department and also through the cashier's department of the home office.

CONTINENTAL LIFE

The agency force of this Company has received from President Burnet the following letter relating to the W. S. S.:

To the Agency Force: The Treasury Department requests the co-operation of every life insurance man in the country in the sale of the War Savings Stamps and Thrift Stamps described in the enclosed circular. It is suggested that every man in the field should dispose of at least $5,000 of these stamps, without particular effort, before the close of the present year, through the use of the enclosed post card, which is simply an order on the local postmaster for the delivery of the stamps to the buyer by the letter carrier, who will collect the money for them on delivery. Your only province is to take the order and drop it in the letter box; no postage is required. At the same time, make a duplicate card and enclose it in an envelope addressed to the Company at the home office, on which postage must, of course, be paid. This will enable us to keep a record of your sales here as a check against the record which will be kept in the local post-offices. A statement will be issued to the agency force from time to time showing the sales of each representative. A supply of the post cards goes to you today, and an additional supply will be furnished on request.

COLUMBIA LIFE, FREMONT, NEB.

Secretary Mason said to The Eastern Underwriter: "We are using our best efforts to encourage and assist our agents in selling War Saving Stamps. The little that we can do in this matter is as nothing compared with the risks the boys are taking in crossing over to the other side and getting into the trenches. We should willingly do our part here."

COLUMBIAN NATIONAL LIFE

This Company has organized an agency in its office for War Savings Stamps Stamps. Secretary William H. Brown said to The Eastern Underwriter: "To encourage the sale of these stamps, we gave to each of our employes a twenty-five cent stamp attached to a thrift card, and at the same time established three agencies at the home office for the sale of War Savings Stamps. A Thrift Club has been formed of employes of the home office. Our general agents throughout the country have been urged to co-operate with their local organizations in forwarding the sale of these stamps, and we believe they are doing their part to make this form of subscription a success."

CONNECTICUT GENERAL

This Company is making a good drive to increase the sale of War Savings Stamps and has encouraged its clerks to invest.

DAKOTA GENERAL

This Company, through Secretary F. L. Bramble, advises The Eastern Underwriter: "We expect to turn our men loose for a week on this work of selling War Savings Stamps, and will give them every possible assistance that we can."

DETROIT LIFE

In addition to urging its agency force through its bulletin to do everything it can to assist in the sale of these stamps it is sending out postal cards and circulars issued by the Government with premium notices mailed by the home office.

(Continued on page 9.)

Metropolitan Life's W. S. S. Activities

DRIVE ON WAY TO $65,000,000

Every Agent Enlists in Service—Agencies Appointed in Business Houses, Too

When the Metropolitan Life Insurance Company announced to superintendents of that Company, gathered from all parts of the United States at the home office in January, that the Company would sell $65,000,000 of War Savings Stamps for the National War Savings Committee, the superintendents immediately agreed to do their share and promised that during 1918 every agent of the Company would regard the sale of War Savings Stamps as part of his duties.

"We shall not fail; we must not fail," said Vice-President Haley Fiske with all the emphasis of which he is famous. Continuing, he said: "The Metropolitan has given its word. We have always made good. And this time we have not only a duty to ourselves but to the nation. Now, go to it and show what the Metropolitan can do."

The vice-president had already given a demonstration of what could be accomplished prior to making that speech. A few days before he had addressed more than 4,000 Metropolitan employes in the same assembly room, and more clerks had purchased stamps than had attended the meeting, as, upon leaving, his auditors had communicated the news to porters, elevator operators and others, and they had come across and invested in stamps.

Early In Campaign

The Metropolitan was active in the War Savings movement from the start. In fact, Haley Fiske was one of the country's business leaders who had been called to the Treasury Department at the original conference between the country's master selling directors, Secretary of the Treasury McAdoo and Frank A. Vanderlip, chairman of the National War Savings Committee. After that conference the Government decided to use similar machinery to that operated by the industrial life insurance companies, and the Metropolitan was asked to loan James E. Kavanagh to organize the field for the W.S.S. campaign, and did so.

The first step was to acquaint all the superintendents with the W.S.S. idea, which was done in January, when Fourth Vice-President Kavanagh told them just why the Government had decided to call upon the working forces of the nation to invest two billions in this Government security; how the field was being organized; how the stamps should be sold; and a number of other points of great value. They returned to the field and before the end of February more than $1,000,000 of stamps had been sold.

When the organization finally gets into full swing the necessary $5,000,000 a month pace will be followed.

Metropolitan War Savings Societies

A large number of Metropolitan Life War Savings Societies were organized. It is anticipated that practically the entire field force of the Metropolitan will become members of such societies. As soon as organized a report is made to the superintendent of agencies at the home office. The organization plan is as follows:

1. Ten or more persons may organize a War Savings Society. In a district, or in the local section of a district, where there are ten or more, and less than twenty, company representatives, we suggest the organization of one society. If there be more than twenty, and less than thirty, representatives, we suggest the organization of two societies. If more than thirty, and less than forty, three societies, etc.

2. At the preliminary organization meeting, a form of application for membership and pledge for Thrift service should be signed by all the members, each society to elect its own president, treasurer and secretary.

3. (a) The president should follow up the returns made through his society, encourage weekly or monthly savings by each of its members and stimulate friendly rivalry between his own and other societies.

(b) The treasurer can fill requests for stamps and keep a record of their sales and pay over the proceeds to the superintendent of the district, or, if in a detached section, to the deputy superintendent in charge.

(c) The secretary will keep the minutes of the meetings of the society and conduct such correspondence, if any, as grows out of its activities.

(d) Members ought to give pledges of the amount they personally agree to purchase and pay over the money to the treasurer on its due dates.

4. Meetings of the Society should be held at least twice each month, at such times and places as the society, by the vote of its members, shall determine. It should be agreed that five or more members shall constitute a quorum for the transaction of business.

5. Members of Metropolitan Life Insurance Company War Savings Societies should encourage the organization of other (Governmental) Societies in their churches, with the pastors back of the movement; in schools where they should keep the teachers interested; among large employers of labor; in clubs, fraternal or other organizations with which they may be identified, and in every case practicable arrange it so that credit for sales made by or through societies which they are instrumental in bringing into existence, shall be given to the Metropolitan men to whom such credit belongs.

Thrift Battalions

At the home office there has been organized seven Thrift Battalions. They are as follows:

The Lincoln Thrift Battalion.—Commander E. O. Weiters, comprising the following divisions:

Agency and Audit Divisions, Filing Division, Medical Division, Stenographic Section, Stenographic Copyists, Stenographic Agency.

The Cleveland Thrift Battalion.—Commander Jacob Chadeayne, comprising the following divisions:

Intermediate Branch, Investigation Division, Claim Division, Comptroller's Division, Disability Division, Executive Secretary Stenographic, Inquiry Office, Law Division, Library, Mail Division, Publication Division, Purchasing Division, Staff Savings Fund.

The Wilson Thrift Battalion.—Commander John C. Knight, comprising the following divisions:

Electrical Force, Engineers' Force, Commissary Department, Superintendent of Building.

The McAdoo Thrift Battalion.—Commander O. D. Safford, comprising the following divisions:

Printing Department, Provident Installation Division, Statistical Division, Supply Division, Reduced Premium Division, Telephone Division, Examining Section, Welfare Division, Duplicate Policy Division, Home Office Account, Ordinary Renewal Division.

The Vanderlip Thrift Battalion.—Commander Raymond V. Carpenter, comprising the following divisions:

Actuarial Division, Cashier's Division, Dividend Division, Policy Surrender Division.

The Kavanagh Thrift Battalion.—Commander T. B. Graham, comprising

The Ordinary Department (except Renewal Division.)

The Tully Thrift Battalion.—Commander Herbert Rawson, comprising

The Industrial Policy Division—17 Sections.

Will Give Medals

A bronze medal designed by Tiffany will be awarded for permanent ownership to any member of the home office staff as soon as he or she shall have sold $5,000 worth of War Savings Stamps. This medal will testify to patriotic work performed for the Government.

Some other announcements about the W.S.S. by the Metropolitan follow:

There will be presented a framed certificate suitably engraved by Tiffany & Company, signed by the Secretary of the Treasury, testifying to the winner's patriotic services to the Government, to that member of the field force in each district who, having won his medal, has to his or her credit at the end of the year the largest total sales of War Savings Stamps.

A complimentary territorial dinner will be given by the vice-president to the leaders in each district in total amount of sales to and including the month of September, 1918.

The number of invitations to be extended will be in ratio to the size of the district staff on the basis of one leader for each 15 agents. Where the district numbers less than 15, there will be one leader in attendance.

There will be presented to the agent or deputy superintendent immediately upon the securing by him of his apportionment of War Savings Stamp sales to date (i. e., $100 per week for the expired portion of the year) an attractive enameled pin suitably inscribed, to be worn by the receipient during the period that he remains abreast of the apportionment, and to be returned to the superintendent should he fall below, until he shall win it again.

A territorial banner will be offered for competition beginning with the month of March, to the leading district for that month on an average per man basis, the banner to be retained by the winner for the succeeding month.

A distinctive city banner for district supremacy in cities having two or more districts will be competed for. The ownership month by month will be determined on the same basis as above outlined.

Appoint Agents in Stores

Agents of the Company are active in appointing agencies for the stamps among business concerns in their communities. For instance, W. R. McLaughlin has been appointed chairman of the Poughkeepsie (N. Y.) committee to establish stamp agencies in that city. He has designated members of the committee to call upon the various business houses of the town, explain the methods of selling, answer questions in regard to stamps and to secure applications for agencies to be sent to the Secretary of the Treasury. Representatives of the Metropolitan in Jamestown, N. Y., have established more than one hundred agencies in stores of the city.

These are only a few of the Metropolitan's activities in helping to make the great W.S.S. campaign a success.

W. S. S. SUPPLEMENT TO THE INTELLIGENCER

PUBLISHED BY THE METROPOLITAN LIFE INSURANCE COMPANY OF NEW YORK.
"The Company OF the People, BY the People, FOR the People."

OUR WATCHWORD: "First, Last, and all the Time, a Business in every Respect beyond Reproach"

VOLUME XII. FEBRUARY 9, 1918. NUMBER 1

"What Will Be Your Answer?"

"The Tuscania lies at the bottom of the ocean, a victim of German ruthlessness. With her are some of our boys who have given their lives that you and I here at home may be safe.

"These hundred odd lives have gone forever—nothing that *we* can give can in any way atone for what *they* have given.

"But we can do *something*. It may not be much, but what we *can* do we *must* do. Germany has slapped our face. She has said to us, 'You cannot cross the ocean with your men! You cannot fight us, because you cannot reach us!' And now she is waiting for our answer. What will it be? Are we going to sit here and simply sigh and say how sorry we are or are we going to act?

★ ★ ★ ★ ★

"Let this be our answer—let every man, woman and child in this great land of ours go out today and buy as many Thrift Stamps and War Savings Stamps as he or she can possibly afford. Let's show German autocracy that instead of undermining our morale, a catastrophe like this only stirs us to action.

★ ★ ★ ★ ★

"If every one of the hundred million Americans buys only one Thrift Stamp today, the Government will have 25 million dollars tomorrow—and 25 million dollars, while it won't bring back a single life, will buy five Tuscanias, to take the place of the one that is lost.

★ ★ ★ ★ ★

"Show your American spirit! Show the boys over there that we here at home are *worth* fighting for—that we're willing to do our bit too; and show the Kaiser that we're aroused! Don't go to bed tonight unless you have at least one more Thrift Stamp or one more War Savings Stamp in your pocket. Buy as many as you can! Remember the boys that have died for us.

"Let this be our answer to the Tuscania."

NATIONAL WAR SAVINGS COMMITTEE

TAXATION RULING

The publicity committee of the Boston Life Underwriters has secured the following information of recent Treasury Department rulings which it has issued for the information of life men and other interested:

The Treasury Department has ruled (Article X, Regulations No. 37):

"Insurance passing to the estate is to be returned on Form 706. If the contract of insurance has named a definite beneficiary and the insurance is paid directly to such beneficiary it is not a part of the gross estate. If insurance, which by the terms of the contract is payable to the executor, is transferred to another beneficiary, or trustees for another beneficiary, and the transfer is made in contemplation of death, the value of such insurance is taxable."

Treasury Decision No. 2480: "Proceeds of life insurance policies payable to the estate of a decedent, when received by an executor or administrator, are, in the amount by which such proceeds exceed the premium or premiums paid by the decedent, income of the estate to be accounted for by the executor or administrator, under the provisions of section 2 (b), act of September 8, 1916. This return is to be made on income-tax Form 1040 or 1040 A."

Working for U. S. War Savings Committee

INSURANCE MEN GIVE TIME

Kavanagh Organizes Field—Activities of Messrs. Duffield, Fleming, Howland, Lindsay and Tully

So many life insurance men are engaged in the War Savings Stamp campaign that the statement might well be made that all life insurance men are either directly interested or are giving it at least their sympathetic co-operation. However, there are a number of men who are in direct association with and working under the direction of the National War Savings Committee.

The field organizer is J. E. Kavanagh, fourth vice-president of the Metropolitan Life. Associated with him are:

Col. Fred W. Fleming, of the Kansas City Life, as Federal Director in charge



J. E. KAVANAGH

of Arkansas, Colorado, Kansas, Missouri, Nebraska, New Mexico, Oklahoma, Texas and Wyoming.

Edward D. Duffield, vice-president of the Prudential, associated with Dwight Morrow on the New Jersey committee.

Senator William J. Tully, General Solicitor of the Metropolitan Life, State Director of New York State outside of Greater New York.

L. Seton Lindsay, superintendent of agencies of the New York Life, associated with Frederick W. Allen in looking after the campaign in Greater New York.

Fred A. Howland, of Montpelier, president of National Life, State Director for Vermont.

The State Organizer

As the right hand of Mr. Vanderlip, and the actual chief organizer of the States, Mr. Kavanagh has done remarkable work in this campaign, as will be recognized by the fact that for the drive to be a success each family in America must average a $100 certificate, and there are 20,000,000 families. There will be more than a million selling agencies. Mr. Vanderlip called upon the life insurance companies for assistance at the inception of the campaign. He recognized that they have the greatest selling agencies in the world, and the truth is that the methods of the life insurance companies have been applied to the W. S. S. campaign by Washington. The manner of organizing different territories, the plan of appointing agents, the get-together meetings for instruction and inspiration, the ramifications—all

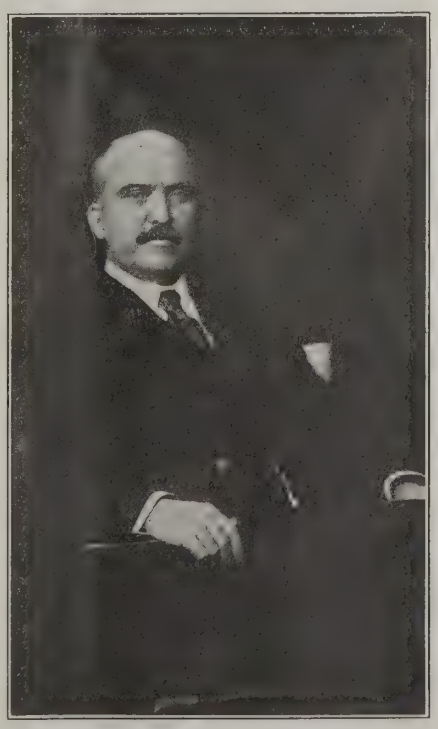


L. SETON LINDSAY

are borrowed from the life insurance companies.

How Kavanagh Was Chosen

It is rather interesting to know how Mr. Kavanagh was appointed. The Metropolitan Life official is a Canadian whose success with the company had been so great and the affection he inspired so genuine that when he was made a vice-president of the company about fourteen months ago the appointment won widespread and immediate popularity among the field force. At the same time, Mr. Kavanagh was made head of the company's group department—a position which he still retains, by the way. Mr. Vanderlip went to Haley Fiske, vice-president of the Metropolitan, and told him that he appreciated that the industrial life companies came into the closest contact with the public of all the great selling agencies, and that he wanted to borrow Mr. Kavanagh for the War Savings Committee. The Metropolitan



COL. FRED W. FLEMING

loaned Mr. Kavanagh to the Government. When Mr. Kavanagh arrived in Washington he found that twenty-five other men, each connected with a great selling organization, such as the S. & H. Trading Stamps, International Harvester, etc., had also been called to Washington. The president of the National City Bank then announced that he would look over the twenty-five, would spend three days at the job; and at the end of that time would announce the appointment. After a day and a half's inspection of these men—all stars in dealing with large bodies of people—Mr. Vanderlip said: "I think I'll go no farther with this investigation. Kavanagh's the man I want."

The new organizer got right to work and he has shown that as an organizer he is a master. Right at the start he took the position: "We are going to sell these two billions of stamps in a year; there is no such word as failure."

At the start there was the work of organization before any stamps were sold; then the campaign of publicity to acquaint the public with the stamps; and then the beginning of the drive to sell the stamps. Enough has developed to indicate that the drive will be a success. But it's a titanic job, and everybody must do his share.

Mr. Duffield's Activities

It was largely due to Mr. Duffield's efforts that the New Jersey State War Savings campaign was one of the first in the country to get under way, and



E. D. DUFFIELD

it was entirely due to Mr. Duffield, who is a resident of South Orange, that South Orange inaugurated the house to house plan for selling War Savings Stamps and established the record in this country up to that time for the largest proportion of sales per population. Scarcely had the War Savings idea been advanced before Mr. Duffield called the 5,000 employes of the Prudential together and explained the movement to them and organized a War Savings Society on the spot. This was on December 4 and is undoubtedly the first War Savings Society that was established in the country.

The Prudential Insurance Company has thrown its entire organization wholeheartedly into the War Savings campaign, its solicitors being instructed to sell War Savings Stamps and the company itself contributing approximately $60,000 worth of its contract advertising for the use of the War Savings Committee. Among officials of other insurance companies asked by Mr. Duffield to address Prudential Thrift meetings was Henry L. Rosenfeld, fourth vice-president of the Equitable.

Colonel Fleming's Big Task

Colonel Fleming, of the Kansas City Life, who is one of the six national directors, and who has the Southwest division, says that he does not think there will be any trouble in filling his allotment, $350,000,000 for the district, a per capita of $20. A campaign was inaugurated on December 3, continuing throughout December and January. It was conducted in every township, every city, every county. In a statement made by him he said recently:

One feature of these certificates is that they may be bought at all of the 30,000 banks in the United States, at every postoffice, express office and the majority of the retail stores. They may be redeemed at any postoffice at any time that the holder desires.

This is advantageous to the small investor,



FRED A. HOWLAND

because nobody can own more than $1,000 worth of certificates and stamps, and is a plan for systematic saving. It is an important undertaking, because it interests men and women of small incomes and furnishes them the premier security of the world. The certificates are exempt from taxation and draw a higher rate of interest than any Government bond. It is a matter of vital concern to the Government to be supplied with adequate revenue, and the slogan throughout the campaign will be "save your money and help win the war."

A similar campaign was instituted in England three years ago, and $700,000,000 was raised. Figures show that the saving there to-day is 30 per cent. greater than it was before the plan was inaugurated. In France more than $20,000,000 was invested in Government bonds out of a population of 40,000,000. Statistics show that at the beginning of the present war there was a total of little more than 300,000 investors in Government bonds in this country out of a population of 100,000,000. It is also a lamentable fact in this country that out of its $35,000,000,000 in resources only $9,000,000,000 is saved by the people. There is no earthly excuse for this, because there never was a time in the history of the world



W. J. TULLY

that wages were higher, and the production in agriculture, lumber and mining has been more than doubled since the beginning of the war.

This is the most democratic form of investment ever known, and the certificates are not transferable. The name of every investor is written on the certificate, and there is no possible chance for them to be bought by speculators. I consider that it is the patriotic duty of every citizen of the United States to buy

one of them and help in the great world crisis that now confronts us.

W. J. Tully's Up-State Activities

W. J. Tully, State director for New York (outside of New York City) established State headquarters in Syracuse about December 1, and since that time has been for five or six days a week either at Syracuse or in some one of the fifty-seven counties under his jurisdiction. Each one of these counties has been organized by the appointment of a county chairman who in turn appoints various sub-committees. Each county chairman established sales agencies for the sale of stamps, and has secured almost unlimited amount of advertising space in the newspapers, by means of



LAWRENCE PRIDDY

inducing local people to pay for it. He has organized schools, factories, lodges and granges, in short, has attempted by the use of existing organizations to line up all the people in the Government's great Thrift Campaign.

After the hard work of the organization was over, Mr. Tully has been compelled to spend a great deal of time in appearing before meetings arranged in the various counties. On one day he made as high as fourteen speeches.

The office at Syracuse has been completely organized for nearly two months, and the literature and posters go out from there. A publicity bureau has been established which has been guiding the advertising end of the campaign, and has supplied page advertisements in the form of mats and plates and feature stories to the weeklies,—cartoons, verses and the like. The publicity bureau also instructed the various publicity men in the several counties how to give out the kind of news that the newspapers print.

In general the plan in Mr. Tully's mind was to construct an organization which should keep constantly on the job for a year, because the quota of $20 per capita is so large it will take at least a year to dispose of it all, and the success of the campaign depends on how good an organization is created at the beginning.

The two main forces which could be put into the War Savings campaign seem to him to be publicity and organization. The advertising campaign, of course, comes first. It is rather in the form of a very heavy barrage fire preceding an attack by infantry—the organization being the infantry. He already has had a week's campaign of nearly a thousand pages of newspaper advertising in the State, and expects to have five thousand or more before the six weeks' heavy fire campaign is completed.

The idea has been to make every man woman and child in the State familiar, not only in a general way, with War Savings, but familiar in a detailed way.

L. Seton Lindsay Tells Why Drive Will Succeed

L. Seton Lindsay, superintendent of agencies of the New York Life, has been devoting practically all of his time since the end of November, 1917, to the War Savings Committee of New York. His special charge has been to establish and organize selling agencies throughout the city. In a talk with The Eastern Underwriter Mr. Lindsay said:

"There can be no question but that life insurance companies, and life insurance agents, can be of immense help to the Government in the War Savings campaign, and from the experience that I have already had with the life insurance companies and life insurance agents of New York City, I am sure they will all do their utmost, appreciating that our Government is faced with the problem of building, as it were over-night, one of the greatest selling organizations in the history of the country.

Life Companies Have Been Leaders in Public Movements

"Our Government in the past has refrained from entering into business, leaving all forms of business to private endeavor; therefore, there was no organization, and no machinery through which the Government could act in disposing of these stamps, and it has had to call upon all corporations to turn over to the Government, in so far as they were equipped to, and were able to, the organizations which these private corporations had built up. I believe that the managers of all the great corporations of the country appreciate this situation and fully realize that it is a patriotic war service to turn over their organizations to the Government.

"The life insurance companies have always taken a pride in leading any public movement of this kind, and I know they may be depended upon to come to the aid of the Treasury Department in this great work of teaching practical thrift and war savings to the hundred millions of people who form the great army behind the lines.

"Certain it is that this war never can be won, unless every man, woman and child in the country does his or her part; and here is a way by which every man, woman and child can do something to help, by cutting down on personal



WARREN M. HORNER

expenditures and turning the money over to the Government to help maintain our boys in France."

Mr. Howland's Vermont Organization

Fred A. Howland, president of the National Life of Montpelier, has done splendid work as State Director of War Savings. There are several novel features of the Vermont campaign, which is described by Mr. Howland, a member of the committee, in a statement to The Eastern Underwriter:

The War Savings movement in Vermont is striking, as it should, a responsive chord, as the savings banks of the State have for years been stimulating the savings doctrine and have drawn large deposits to their vaults, the average deposit per capita in such institutions in this State being $274.27, the largest in any State in the Union. The fact that so many of the towns have been and still are snow and ice bound has seriously retarded the work in the greater part of the State but there is no doubt that the response will be general when the conditions of travel permit a systematic canvass to be made.

The work in the schools has already met with marked success. Dr. Milo B. Hillegas, the able and patriotic Commissioner of Education, at once perceiving that the war savings movement afforded an opportunity he had for some time cherished to check through instruction in the schools the growing tendency of Young America in Vermont to develop the spendthrift habit, earnestly co-operated in the sale of stamps in the schools utilizing the plan to inculcate thrift and patriotism. As the entire school system of the State and the direction of supervisory school superintendents are under his immediate charge the work has reached every corner of the State and has been most efficiently done. A carefully prepared plan of thrift instruction, in connection with the sale of stamps was outlined and will be followed throughout the year. Following a stirring public exercise inaugurating the plan, practical sales schemes have been adopted and from time to time thrift stories prepared by an experienced writer of children's books are being sent to all the schools. Just now, the Vermont "War Book" is being distributed in the schools, a volume of 106 pages, attractively bound in cloth, prepared under Dr. Hillegas' direction, to instruct Vermont boys and girls in the causes and problems of the war, how our armies and navies are raised and cared for, why food and fuel should be conserved, and with special chapters on thrift, war savings and Government financing. This unique book, valuable for adults as well as school children, is already in great demand and will be of much service in teaching patriotism and the doctrine of thrift. Already 100 per cent. of the pupils in some grades are purchasing thrift stamps and in some of the larger schools the purchasers of stamps run over 70 per cent. of the enrollment.

The most notable War Savings Society in the State is the "Vermont Thrift Club," of which Governor Graham is President and the State officers, all the members of the Supreme Court and the Senators and Representatives in Congress are active members. This club will include in its membership all the State and Federal officers and employes in Vermont.

No activity for raising war funds has met with more general approval in the State than the War Savings movement as the combined elements of patriotism and thrift seem to appeal to all classes.

Priddy and Horner Do Good Work

Lawrence Priddy, president of the National Association of Life Underwriters, has made the W. S. S. the leading subject of his speeches throughout the country before life underwriters. Warren N. Horner, of Minneapolis, is another life man who is devoting a large part of his time to the W. S. S.

Prudential's Model Savings Societies

BOTH HOME OFFICE AND FIELD

Plans of Organization and Types of Cards Used—How Societies Are Operated

Soon after the Secretary of the Treasury made his announcement about the War Savings Stamps campaign the great insurance companies, with their genius for organization, began forming war savings societies.

The Prudential societies—two in number, one for the home office, the other for the districts—are regarded as models of their kind.

E. D. Duffield President of Societies

Vice-President Duffield, of The Prudential, is president of the Prudential home office war savings society; Fred W. Tasney is chairman; John H. Birkett, R. L. Riker and W. W. Van Nalts are vice chairmen; I. W. Faulks is treasurer; W. Sillbereysen auditor and J. H. Banta, secretary.

The departments of the home office have been arranged into twelve groups covering the clerical staff. Two separate groups are shown, one embracing the printing and binder departments and the other the real estate department. One group comprises the officers of the Company. There are fifteen groups in all. Each group has its chairman and a number of vice chairmen. There will also be a group secretary and department secretary for each department comprising the group. Groups are near enough in size to promote competition.

The Plans

The plan calls for the following forms, records, etc.:

1. Application for membership. 2. Membership card. 3. Record card. 4. Report to be made up by the secretary of the society, Mr. Banta.

The application for membership follows:

Each applicant will sign one of these forms, pledging to save and pay into the Society every week a stipulated amount. The actual payments any week may be larger than the amount pledged, provided it is a multiple of twenty-five cents. No pledge of less than twenty-five cents a week will be accepted. There must be a payment of at least the amount pledged, every week, even though larger payments are made for certain weeks.

To the Prudential Home Office War Savings Society:

I hereby apply for membership in the Prudential Home Office War Savings Society, and agree to save $..... per week, to be invested, through the Society, in United States War Savings Certificate Stamps.

It is understood that I have the privilege of saving and paying into the Society any week or weeks a sum greater than that pledged above, provided the amount so paid is a multiple of twenty-five cents.

It is further understood that as frequently as I shall have paid the amount necessary to purchase a United States War Savings (interest-bearing) Stamp, such stamp shall be purchased and delivered to me, at the price paid therefor by the Society.

This application is accompanied by the first week's payment of the amount pledged.

.....Applicant.

.....Department.

.....19.....

Above is the wording of the application for membership. This will be printed on a card five inches by three inches.

No. 2—Membership Card (Receipt)

When application has been made, accompanied by the first week's payment, a membership card is issued.

The investor retains this card and presents it each week with his or her payment.

The department secretary will receipt for the amount paid on the membership card.

Record Cards

There is also a record card for department secretaries, group secretaries, group chairman, general secretary, Mr. Tasney and others. Each department secretary will have one of these cards for each investor. They may be kept conveniently with an elastic band around them, and such a card record will facilitate matters in all departments where several secretaries are necessary. When a clerk is transferred to another department the record card should be given to the secretary of the new department (practically a loose-leaf ledger). The department secretary uses one of the cards to report weekly to the group secretary the result for the entire department. He enters the "department" and "group" at the top and shows the total amount received for the week. Under a memorandum is indicated the number of employes in the department for the particular week to the department secretary for new figures.

The group secretary uses one of the cards to summarize the results for the group chairman. He enters the "group" at the top and shows the total amount received in the group, taken from the department reports for the particular week. He also indicates in the memorandum column for the week the total number of employes in the group and the number enrolled as investors. This summary card, when

(Continued on page 12)

W. S. S. Activities of the Life Insurance Companies

(Continued from Page 5.)

EQUITABLE LIFE ASSURANCE SOCIETY

This Society is pushing the sale of W. S. S. through both its field force and the home office. The Society has appointed a State representative styled "State Colonel," who will be the medium through which the necessary sales blanks will be distributed throughout the State, and he will be the one to whom reports of sales will be made. While the plan does not necessarily so provide, yet one or more captains will be appointed for each agency, who will directly aid and assist the State Colonel in the administration of this campaign.

John B. Lunger in a letter to the managerial staff of the Society, said on January 26: "I am personally deeply interested in the success of this movement, and to aid in its furtherance I have designated Albert G. Borden, who is secretary of the Equitable War Service Committee, to act as my adjutant. He will receive periodical reports of your sales and will keep both the home office and the field acquainted with the success of your efforts. As has been repeatedly proven, the sales force of the Equitable is always responsive to every national call, and you will, therefore, need no promptings from the home office as to your responsibility in this work. You have already made substantial sales of the two previous issues of Liberty bonds, etc., but the purpose of this movement is to enlist your efforts in a better organized and systematic campaign than was practicable heretofore. We can all cheerfully respond to this appeal, for the least we can do—those of us who stay at home—is to back up with the mere use of a portion of our time those who are jeojardizing their lives and futures on the actual field of battle."

The Society has already made an excellent start at the home office. A War Savings Society, 100 per cent. strong, has been formed. This in itself should have a far-reaching effect for it is no little undertaking to enlist the co-operation of 1,200 employes in a campaign of this kind. In addition to the War Savings Society the Equitable is at the present time in a very active campaign throughout the home office for the sale of W. S. S. and Thrift stamps, there being twenty teams of approximately ten each, prizes having been offered by the officers to the successful contenders. By February 28, approximately $18,000 of stamps had been sold by the teams, and there is much rivalry on the part of the different teams as to which will be the winner. This particular contest closes March 31.

EQUITABLE LIFE OF IOWA

Vice-President H. S. Nollen advises The Eastern Underwriter: "Through our agencies we have to advise you that, in accordance with the request received from the National War Savings Committee at Washington, about a month ago, our president sent a list of State agents who are nominated as State chairmen to receive supplies and distribute them to the various agents in other States. The list was acknowledged by the committee's office in Washington and letters were also written to all general agents urging them to aid in the sale of War Savings Stamps, and advising them of the channels through which supplies could be procured, but it appears that they have not been sent, at least to all of the distributing agents nominated by this Company and the matter has again been brought to the attention of the national committee."

EQUITABLE LIFE OF WASHINGTON

The field organization of this Company throughout the several States in which it does business is actively co-operating with the State committees in pushing the sale of War Savings Stamps and in spreading the thrift idea. In each branch office of sufficient size, formal organization of War Savings Stamp societies has been perfected to promote the sale of stamps in a systematic way. In this, the home office division, the "Equitable Life of D. C. War Savings Stamp Society," M. A. Skinner, president, and Harry Moreland, secretary, was recently organized. Already large sales have been made.

"Equitable boys have pledged themselves to do their part in this great work," said Manager William A. Bennett. "That they will make good goes without saying."

FEDERAL LIFE

Both the management and the leading salesmen of the Company are doing all they can to encourage their friends and acquaintances to purchase War Savings Stamps. Just before Christmas the Company's management took the initiative, with the unanimous approval of its board of directors, by distributing its "merit bonus" to home office employes in War Savings Stamps and in Thrift Stamps. This action on the part of the management met with the enthusiastic approval of the home office employes and proved to be a great impetus to the movement in persuading others to purchase.

FIDELITY MUTUAL

This Company is co-operating in both office and field with the W. S. S. campaign. President Talbot has issued the following letter to the field managers:

To Managers: Once more we are called upon to render our Government a service. So long as this war continues, those of us who cannot go into the firing line should be willing and glad to do our bit wherever we are shown the way.

We are called upon, not to go into the trenches or suffer the hardships of warfare, but merely to give a portion of our time and our salesmanship ability to the sale of War Savings Stamps and Thrift Stamps. The sale of these stamps accomplishes two very definite things in which we are intensely interested—the promotion of thrift in this country and the raising of the necessary funds to enable the Government to carry on the war.

A very simple plan has been worked out which places life insurance agents in a position to take orders for War Savings Stamps and Thrift Stamps through what is known as the "Blue Post Card." This card bears the Government's frank, and all that is required of the agent is to take the order and mail the card without postage, leaving the delivery of stamps and the collection of money to the letter carrier.

A short sheet of instructions and a little primer that answers all questions will give the agent complete information. After that it is merely a matter of getting signatures to the "Blue Post Card" as he comes in contact with people on his daily rounds.

It is my earnest desire that every agent connected with your office shall do all he can in the sale of these stamps. The suggestion has been made to the Treasury Department that $5,000 per agent during the year 1918 would not be too much to expect. I merely pass this suggestion along without attempting to fix a mark for our own men, fully confident of their ability and patriotic desire to serve the cause.

A supply of post cards, primers and instruction slips will be sent to you by the War Savings Directors of your State. This has been provided for. Please keep a record of all sales made through your office and make a report to the head office on the last day of each month of the number of sales and the amount.

FORT WORTH LIFE

This Company has co-operated with Lewis Lipsitz, Texas State director in charge of the sale of the stamps, by furnishing him with a list of its representatives and, at the same time, encouraging its representatives from the home office to take an active part in the sale of War Savings Stamps in so far as they are able to do so.

FARMERS & BANKERS, WICHITA

This Company is equipping its representatives with the Blue postcards to be used in selling Thrift Stamps and War Savings Certificates. Already results have been good.

FRANKLIN LIFE

This Company, with its agency force, is co-operating with the national committee in charge of the War Savings Certificates in the manner suggested from time to time

GREAT REPUBLIC LIFE

The Great Republic Life Insurance Company's home office employes, numbering twenty-one, have each contributed liberally to the purchase of Thrift Stamps, and will continue to do so. It seems to be the consensus of opinion of all the home office employes that they wish to obtain as many of the $5 stamps as will be possible for them to acquire during the length of time when these stamps will be on sale. Most of the agents have purchased Thrift Stamps, and are doing all that is in their power to promote the sale of the Thrift Stamps.

GREAT SOUTHERN LIFE

O. S. Carlton, president, is chairman of the Harris County thrift campaign and is devoting practically his entire time in furthering the sale of Thrift Stamps and War Savings Certificates in this county. The home office employes have organized a 100 Per Cent Thrift Society and are furthering the good work in this way. The agents of the home office are applying their personal effort in this work and the field men are being requested to assist by letter and circular.

GULF COAST LIFE

This Company has instructed all of its agents to follow such directions as might be issued to them by the various State agents whose names were listed as per intructions of the Washington committee having this matter in charge.

IDAHO STATE LIFE, BOISE

The Idaho State Life has in every way possible encouraged its home office employees to purchase W. S. S. and keep purchasing them. It has flooded its agency organization with literature on the subject and, from the very inception of the campaign, encouraged its representatives in the thrift habits inculcated by this work. It has equipped its entire agency force with green cards and encouraged its men in working among insurance prospects for the good of W. S. S.

We had a February Thrift Contest on, in which all of the prizes are War Savings Stamps, with a special prize for business written on Insurance Thrift Day—February 8th. All of our bulletins contain inspirational matter on this subject. The contest in question is proving an immense success.

As in all other patriotic matters, we are giving the Government every bit of co-operation in the W. S. S. campaign.

KANSAS CITY LIFE

Colonel Fred W. Fleming, of the Kansas City Life, is federal director for the Southwest division in the national organization formed to market the W. S. S. At the beginning of the year the Kansas City Life purchased $5,000 of baby bonds and since that time a thrift club has been organized in which every employe—100 per cent. strong—has become a monthly investor in Thrift Stamps or baby bonds.

The Company's management has taken up the matter of the sale of the W. S. S. with its agency force and has made the State agency in each of the States in which it is doing business a central depot through which all the sub-agents of said agency will take orders for W. S. S. on the blue cards furnished by the National W. S. S. Committee. It has suggested to agents that a minimum of $5,000 in W. S. S. should be sold by each agent of the Company during the year 1918.

THE JOHN HANCOCK MUTUAL LIFE

Activities of the John Hancock Mutual Life in the matter of War Savings Stamps are thus described by Elbert H. Brock, superintendent of agencies, to The Eastern Underwriter.

"We are encouraging the purchase of War Savings Stamps both at the home office and in the field. Our agents have not, however, been supplied with sufficient material to conduct the work properly. We are daily expecting supplies from Washington. Most of our four thousand weekly premium employes will devote a part of each day to urging the purchase of these War Stamps, and we feel that they are particularly well qualified to approach the people on this important subject.

"Our men were particularly successful in selling Liberty bonds. We believe they will be even more successful in selling War Savings Stamps, due to the fact that there are so many individuals and families able to save through either Thrift Stamps or War Stamps

"It is the intent of the Company to push a vigorous campaign during the entire year 1918. We believe a man helps his own business by encouraging saving and the purchase of War Savings Stamps. It is a splendid opportunity for the man who stays at home to do work just as essential for the support of the Government as that of the man with the gun."

MASSACHUSETTS MUTUAL LIFE

Agents of this Company are urged to aid the Government in pushing certificates and Thrift Stamps. The position of the Company is described in the following editorial, which was printed in its publication, "The Radiator," going to the field force:

"The primary intent of Congress in authorizing the issue of War Savings Certificates and Thrift Stamps was to secure money to carry the war to a successful termination. The effect of the scheme, however, will without doubt prove more far-reaching than this, and the indirect results achieved will be fully as important as those directly sought.

"First, it will divert to a savings fund a vast amount of money hitherto expended on luxuries, the result being that the production of articles not strictly necessary will be effectively curtailed, leaving enormous stores of raw materials and great forces of labor free for the manufacture of necessities. At the same time a whole nation will be taught the important lesson of thrift.

"Second, it will be a means of storing up capital for carrying on new manufacturing enterprises and for the development of our national resources. The result should be an era of prosperity such as even our prosperous country has

W. S. S. Activities of the Life Insurance Companies

never before seen. Wealth will be distributed more widely than ever before, and all classes of people and every section of the country will share in the benefit.

"The winning of the war is the supreme task of the people of America. They owe it to the men in trench and ship and sky to strain every nerve and sinew, to put aside every selfish wish, to suffer any privation, that the sacrifice of those devoted Americans who have crossed the sea may not be in vain. There are many ways in which we can help, but when we have done our utmost here at home, our work and sacrifices will still be insignificant beside theirs. Only if we have done all in our power to back them up can we look the boys in the face when they come back. To them is the glory and honor and praise; to us the satisfaction of having done what little we could to help them. And they must come home to a land truly prepared to meet them, a land that has saved its best and can offer them an opportunity to take up again the successful and happy life which they left to defend us and which, now more than ever before, is their due.

"Buy certificates and stamps. Persuade others to do the same. Be unceasing and persistent in your efforts. When it comes hard, think of what the boys are doing out there—FOR YOU."

MISSOURI STATE LIFE

We have no organized system for the sale of War Savings Stamps, but many of our St. Louis agency men have been devoting quite a lot of time to this work, and the Company is co-operating wherever possible.

MUTUAL BENEFIT LIFE

The Mutual Benefit has mapped out an extensive and vigorous campaign, has sent out considerable literature to the field about the W. S. S., in which agents are given the details of its plans for co-operation by which the Mutual Benefit agents as well as the home office employes are assisting the Government. Secretary Johnson said to The Eastern Underwriter: "We have tried to emphasize that the essential thing is for the Company's agents and employes to bring this unique plan of saving through the purchase of War Savings Stamps to the attention of as many persons as possible. The tremendous magnitude of the Government's undertaking calls for the co-operation of everybody. In the 'Pelican No. 3' we reprinted almost the entire address by Frank A. Vanderlip, chairman of the United States War Savings Committee, before the Association of Life Insurance Presidents. It has seemed to us that the most feasible way in which agents generally could co-operate in this splendid work is by the use of the special W. S. S. postal cards. Some of the men have gone further, however, and have taken agencies for the sale of the stamps and have been instrumental in organizing thrift clubs. Here in the home office we have a thrift club on each floor.

"The important thing to realize, it seems to us, is that the War Savings Stamps are intended for all of us, rich as well as poor. The sale of two billions of these securities during the year 1918 means the sale of $167,000,000 each month, which represents a per capita almost of $1.67 per month for every man, woman and child in the country, assuming a population of 100,000,000. We have emphasized that the required average can be secured if each of us will do his part. Just how each Mutual Benefit agent individually can render a greater service in this cause has been left largely to the man himself. Much depends upon local conditions. The important thing is that Mutual Benefit men and women are alive to the needs of the hour and are lending assistance in many ways."

On December 24 President Frelinghuysen sent the following letter to Frank A. Vanderlip, chairman of the National War Savings Committee:

My Dear Sir:

Referring further to your circular letter of the 4th instant, I send you herewith a list of this Company's general agents, upon which you will find noted the number of soliciting agents employed by them. If you will forward to the general agents a supply of franked postcards to be used by their solicitors in canvassing for applications for War Savings Stamps, and supplies of the Primer referred to in your circular letter, we shall be very glad to communicate with our general agents and endeavor to secure their co-operation.

FREDERICK FRELINGHUYSEN, President.

On January 31, President Frelinghuysen sent the following circular to the office force:

To the Office Force of the Mutual Benefit Life Insurance Company:

The Company is very desirous that the office force should take up liberally and unselfishly, in fact with a spirit of self-sacrifice, the campaign now being carried on in the matter of Thrift Stamps and War Savings Stamps.

1—Because our country calls for it. It is a plan by which every one may do something to help—and every loyal citizen should do his or her utmost.

2—Because investing in these Government obligations is a means of not only joining in a great patriotic move, but also of saving money and putting it at four per cent. interest.

The campaign is general throughout the country, and we are anxious that the Company should appear as an efficient factor with the Government.

Every one should feel the obligation to do as much as possible. Decide on some weekly or monthly amount you will save in this way and you will not only eventually be gratified with the amount you have laid by but will be proud to feel you are a contributor to your country's cause.

The Company has in 1917 invested several millions in Government bonds and stands ready to take very many more. It is our patriotic duty and it is yours to take as many Government bonds as possible. This is a serious time and calls for serious action.

May I take this opportunity to say I hope the war work in the office may receive renewed attention and that the knitting of socks or other articles for our soldiers may be industriously and energetically carried on. The cause is superior to any other matters and must be held supreme with patriotic enthusiasm.

Sincerely yours,
FREDERICK FRELINGHUYSEN,
President.

NOTE—The Welfare and War Work Committee have formulated a plan, whereby all members of the home office force may have the opportunity of systematically saving through the medium of War Savings Stamps and Thrift Stamps. Each employe who expresses a desire to save by this plan will receive a supply of envelopes into which he or she will place money for the purchase of stamps. The committee suggests that the minimum amount deposited in the envelopes should be not less than 25 cents (which will purchase one Thrift Stamp) each week, with everybody participating. In order to raise the desired two billions this year through the sale of W. S. S. the per capita allotment is approximately $1.67 per month.

THE MUTUAL LIFE

Some weeks ago the Mutual Life took steps to extend active support to the W. S. S. campaign. With the co-operation of the Treasury Department at Washington all managers of the Company have been supplied with large quantities of literature and subscription blanks, which in turn have been redistributed to the some ten thousand agents which the Company has under contract. The results of their efforts have not yet been recorded, but the Company fully anticipates a response of which it may be proud.

NATIONAL LIFE OF THE U. S. A.

The activities of this Company in reference to the W. S. S. campaign are thus outlined by Robert D. Lay, secretary, in a letter to The Eastern Underwriter:

"It behooves every one of us to expend every effort to further any campaign in the assistance of our Government at this time and I have taken a particular interest in the Thrift Stamp Campaign because of the opportunity it affords to the man of modest means to easily save money. In fact, I have made it a point personally to explain the idea and the possibilities of the scheme to every employe that we have in the home office. Practically every National employe has at least one card and I find a growing interest in the plan and a determination to avail themselves of it.

"The war has placed considerable hardship on our shoulders, but I believe that W. S. S. is one of the consolations, since it undoubtedly will mean that a great number of people will save money who otherwise and in other times would accumulate nothing.

"I have urged every field-man to do his part in any local campaign and have offered to send each of them a very excellent book on life insurance if they will purchase a thrift stamp each and send it to me. This offer has also borne fruit in a most gratifying way.

"The National is living up to its name and taking a very active interest in every Government enterprise and I personally have been more than happy to extend myself in the present instance."

THE NATIONAL LIFE & ACCIDENT, NASHVILLE

L. K. Arrington, Insurance Commissioner of Tennessee, is in charge of the insurance organizations in Tennessee in their efforts to sell War Savings Stamps. This Company is co-operating to the extent of its ability with Commissioner Arrington, and is rendering much assistance.

NEW ENGLAND MUTUAL LIFE

This Company's representatives, both in the home office and in the field, have been much interested in the War Savings Stamps project, and the stamps are being sold over the counter in its home office and both agency offices in Boston. The Company has instructed all of its general agents to give their hearty and active co-operation in the matter. The officers and employes in the home office are buying the stamps every week and the total sales have been very gratifying.

NEW YORK LIFE

All the officers, from the president down, are in hearty accord with the Government, and are desirous that all New York Life agents should do all they can to help the sale of War Savings Stamps. Vice-President Thomas A. Buckner has arranged that all New York Life agents throughout the country should co-operate with the War Savings Committee in selling stamps, and more particularly, in taking orders on the blue post card, which is a method of ordering stamps to be paid for on delivery by the postman.

All agents have taken up this matter enthusiastically. In New York the company has gone further, and each agent has been given the opportunity—actually carry the stamps themselves with him and dispose of them for cash. A contest is running among New York City agents to see which one will sell the most stamps, and a great deal of enthusiasm has been created by this method.

In the home office the company is selling a great many stamps to its employes and to the public; in fact, the New York Life's home office is one of the leading selling agents in New York City. In January the War Savings Committee showed the New York Life to be second on the list of all selling agents in Greater New York. The company has organized in the home office War Savings Societies, which have almost 100 per cent. membership.

THE NORTHWESTERN MUTUAL LIFE

This Company is co-operating with the Government and many of its general agents report a large sale of stamps and certificates.

OLD LINE LIFE, MILWAUKEE

This Company sells the stamps at its cashier's window and advertises that fact. The field force in both departments—life and accident and health—has been circularized several times upon the subject. President Fry said in a letter to The Eastern Underwriter: "Recently the officers proposed to the finance committee that we buy the limit of War Savings Stamps. We propose to help all we can."

OLD LINE BANKERS' LIFE, LINCOLN

This Company has mailed to every man holding an agency contract with the Company a circular explaining what the War Savings Stamps are, how they may be applied toward the purchase of War Savings Certificates, and it has furnished them with several of the blue cards with instructions to take orders for the delivery through the letter-carrier of either Thrift Stamps or War Savings Certificates. The Company has also furnished this literature and blue cards to the cashiers of its branch offices.

During the war savings campaign week in Lincoln, the Company sold in the Bankers' Life Building a little over $5,000 worth of War Savings Certificates and in the district No. 43, which comprised the block in which its building is located, it sold over $14,000 worth of stamps.

PACIFIC MUTUAL LIFE

The Pacific Mutual is earnestly co-operating with the national committee in the Thrift Stamp campaign. On January 22, the employes of the home office were organized into a War Savings society and during the period ending January 31, the membership of 375 succeeded in disposing of stamps of the value of $19,527.50. Steps have been taken to organize the agency forces of the Company throughout the United States for the stamp-selling campaign. When this organization is perfected it expects to be able to show a substantial contribution to the work of pushing the thrift campaign to a complete success.

PHILADELPHIA LIFE

This Company has mailed to its representatives the following letter, signed by President A. J. Maloney:

Gentlemen: Kindly give special attention and read carefully this page and the three following pages, regarding the sale of U. S. War Savings and Thrift Stamps. In selling life insurance you have always encouraged thrift and saving so that you are in a position to further promote thrift in this country by co-operating in the sale of these stamps, while at the same time, raising funds for the Government.

Your name and address have been forwarded by the Company to the National War Savings Committee, so that the War Savings Director of your State may forward you supply of the blue postcards and literature. You will note on the back of the postcard there is space for the solicitor to write the name of the solicitor's organization, and in the case of our representatives, we request that they put the Philadelphia Life Insurance Company.

We ask each and every one of our representatives to enter into this campaign

actively and trust that each agent will strive to sell the amount suggested, *i. e.*, $5,000 per agent during the entire year 1918.

PHOENIX MUTUAL LIFE

This Company, through a letter sent out to all the agents, signed by the president, urged its representatives outside of Hartford to ally themselves with the committee having the thrift movement in charge in their home town or city, and to do what they could in furthering the sale of Thrift Stamps.

"We did this," said Vice-President Welch, "for the reason that we believed organized effort in a locality would be more productive of good than efforts of many individuals working along plans made outside the locality and without reference to any of the plans made in the locality.

"In our home office we did not start selling any stamps until some time after the first of the year and sold up to the first of February something over $500 worth."

PURITAN LIFE, PROVIDENCE

The views of the Puritan Life are expressed in this interesting letter from Secretary White:

"Entirely apart from the excellent service which the purchase of these Savings Stamps will accomplish, it seems to me that there is a tremendous economic force back of it all. The various issues of Liberty bonds are open to the larger investor and the smaller investor has very generally done his part in purchasing Liberty bonds, also. The small wage earner, however, finds it very embarrassing to say 'no' when requested to invest in Liberty bonds and to this class the War Savings Stamps offer a most excellent opportunity for investment.

"The average American is well trained in earning money but when it comes to saving some of his income he is not so well trained. Life is a matter of habit and one can form good habits as well as bad ones. The Thrift Stamp idea provides just the medium. In my mind it is one of the greatest opportunities that the small wage earner has ever had to save systematically in small amounts in an absolutely safe investment and at the same time by so doing render service to his Government."

PAN-AMERICAN LIFE

This Company has written special letters to its representatives asking for their assistance in W. S. S. work, and has received many responses of assured assistance.

It expects to report to the local board monthly as to the sales made by its representatives.

President Ellis is one of the leaders of the movement in Louisiana and at the Pan-American Convention held in January, considerable time was devoted to this subject by both President Ellis and Vice-President Simmons. The Company also gave a $5 War Savings Stamp to all contributors to its Konvenshun Kontribushun as a special reward for their extra efforts in writing new business for the occasion.

The Pan-American and its representatives are enthusiastic in this and other work of assisting the Government.

THE PRUDENTIAL

The president has organized the entire home office force 100 per cent. membership in a War Savings Society, the number of members being 4,545, who have pledged themselves to save every week during 1918 not less than $1,779.75 per week. Included in this list are approximately 150 inspectors of the Company, operating in all parts of the country, who buy stamps every week, reporting at the end of each month to the chairman of the committee the total of their purchases. The total savings of the home office society to date (middle of February) is $20,842.13.

In addition to the home office society the Company has organized a War Savings society in every district throughout the country, a total in all of 269. The total number of members in these societies is over 13,322, and the minimum weekly pledge which they have made, to continue throughout the year, is over $4,400 per week. The total savings of the 270 Prudential socities is over $55,000.

In addition to the societies through which Prudential employes make their own savings, the field staff is conducting a systematic canvass through the medium of the franked Government postal card for the purchase of Thrift and War Stamps by policyholders and the general public with whom they come in touch. This work they expect to continue throughout the year, the actual results of which it would be impossible at this time to estimate, but which will, of course, run into many millions.

"The Prudential Home Office War Savings Society" has the distinction of being the first society formed in the United States, a letter from the National War Savings Association at Washington being in possession of the Company at its home office giving this information. Prudential War Savings societies were the first formed in at least a dozen additional States, and probably more when final reports are received.

Once a month each district reports to the committee at the home office the total savings for the month of the total members of the Prudential staff, and on a separate form the total sales of stamps to the public induced by Prudential representatives.

PEORIA LIFE

A characteristic letter from President May, of the Peoria Life, tells succinctly what that Company is doing. It reads:

"Our agents are selling W. S. S. Our office force are selling W. S. S. Our officers are selling W. S. S. In fact everybody is doing all they can in a united effort."

RESERVE LOAN LIFE

This Company has placed the general agents in its service in direct communication with the committee at Washington in charge of this campaign, and it has instructed its general agents to co-operate actively with this committee in its good work.

ROYAL UNION MUTUAL LIFE

The management of this Company early realized the immeasurable advantage of complete co-operation between Government and citizen in the matter of the War Saving Stamp issue of $2,000,000,000, and took immediate steps to bring the opportunity home to its policyholders and clientele.

The entire issue of the January publication of the Company paper to policyholders—"The Chronicle"—was devoted to the subject, and thousands of copies distributed. The monthly edition of the agents' paper—"The Bulletin"—was also largely devoted to the propaganda of the subject by each Royal Union agent, all urged to utmost endeavor, and a race among the Royal Union agency force "put on" for the entire year.

Then, with the annual statement of the Company, sent to all policyholders, there was mailed a copy of a letter from President Frank D. Jackson, on the advantages accruing and the patriotism displayed in a nation-wide ownership of the bonds.

A careful check is being kept at the home office on the results secured by each Royal Union agent, and an honor roll is to be established in the monthly agency reports.

STATE MUTUAL LIFE

President Wright addressed a letter to the agency force outlining a plan to

(Continued on page 15)

We don't contract with poor men.
We give a new man our attention until he is started.
We make our men make good.
Why don't you work for us?

Peoria Life Insurance Company
PEORIA, ILLINOIS

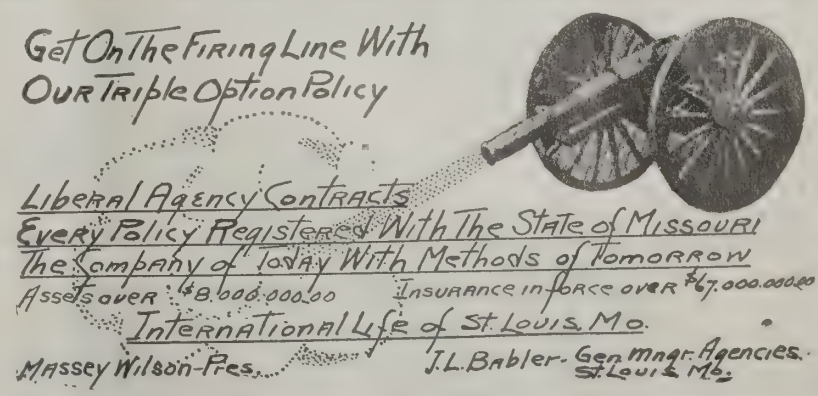
Are You Permanently Established?
Write for Territory
Pennsylvania—Ohio—West Virginia
PHILADELPHIA LIFE INSURANCE CO.
PHILADELPHIA

THE WESTERN AND SOUTHERN LIFE INS. CO.
W. J. WILLIAMS, President CINCINNATI, OHIO
The Largest Industrial Company West of The Alleghenies
Also Issues All Standard Forms of Ordinary $500 to $10,000
Organized 1888
COMPARATIVE RECORD—SEVEN YEAR PERIODS

	Assets	Insurance in Force		Income	Policies Issued
Dec. 31, 1888	$ 104,307	$ 889,073	1889-1895	$ 1,085,087	265,931
1895	155,640	5,294,381	1896-1902	3,930,883	638,659
1902	876,007	22,374,980	1903-1909	11,312,912	839,426
1909	4,867,379	44,780,907	1910-1916	22,670,340	1,426,752
1916	11,943,640	104,989,362			

AGENTS WANTED IN THE PRINCIPAL CITIES OF OHIO, KENTUCKY, MICHIGAN, INDIANA, WEST VIRGINIA and WESTERN PENNSYLVANIA

Security Mutual Life Insurance Company
Binghamton, N. Y.
Offers to men able to produce business first class territory, with direct contract providing liberal compensation.
For particulars, address
C. H. JACKSON, Supt. of Agencies

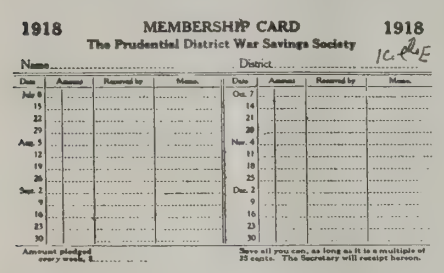


THE UNITED STATES LIFE INSURANCE COMPANY
1850 IN THE CITY OF NEW YORK 1914
ISSUES GUARANTEED CONTRACTS
Good men, whether experienced in life insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, 277 Broadway, New York City.
JOHN P. MUNN, M. D., President
FINANCE COMMITTEE { CLARENCE H. KELSEY, Pres. Title Guarantee and Trust Co. / WILLIAM H. PORTER, Banker / EDWARD TOWNSEND, Pres. Importers and Traders Nat. Bank

Savings Societies of The Prudential

(Continued from page 6)

sent to the group chairman may, if desired, be accompanied by the department summary cards so the chairman may see when special effort is needed. The group chairman renders a report on one of the cards each week to the secretary of the society, Mr Banta. He enters the "group" at the top show-



1918 MEMBERSHIP CARD 1918
The Prudential District War Savings Society
Name..... District.....

Date	Amount	Reserved by	Memo.	Date	Amount	Reserved by	Memo.
July 6				Oct. 7			
13				14			
22				21			
29				28			
Aug. 5				Nov. 4			
12				11			
19				18			
26				25			
Sept. 2				Dec. 2			
9				9			
16				16			
23				23			
30				30			

Amount pledged every week, $..... Save all you can, as long as it is a multiple of 25 cents. The Secretary will receipt hereon.

ing the total amount received for the week, and under "memorandum" indicates the number of employes in the group for the particular week and the number enrolled as investors.

The department secretaries, group

The Prudential District War Savings Society
SUPERINTENDENT'S MONTHLY REPORT

Mr Fred W Tasney,
Assistant Secretary.

Dear Sir:

I have the following report to make for the month of....., including the last official week of the month.

Number of Employees in District (including every one)		
Number enrolled as savers		
Savings previously reported	$	
Savings for this month		
Total savings for the year, to date		
Average per saver		

Respectfully submitted,

.....
District Chairman

.....
District

Date.....19.....

This report is to be sent to the Home Office as soon as possible after the close of the last official week of each month.

secretary and group chairman are constantly striving to secure and maintain 100 per cent. of investors to total enrollment. Typewritten bulletins show the standing of the groups. These bulletins contain helpful suggestions.

District Societies Organization

The plan of organization of the Prudential District War Savings Society follows in part:

District chairman, the superintendent; district vice chairmen, each assistant superintendent; secretary, an assistant superintendent; treasurer, an assistant superintendent; auditor, district cashier; members, district staff, including clerks.

Two assistants will serve in a dual capacity; one as vice chairman and secretary, the other as vice chairman and treasurer.

The plan calls for the following forms:

1. Application for membership.
2. Membership card (receipt).
3. Record card.
4. Requisition for stamps.
5. Report to the home office.

To Start the Plan

1. The superintendent and nine members of the staff should make application for and secure authority to form the society. This application is to be sent to the State Director, War Savings Committee, of the State in which the district office is located. As soon as the application has been submitted operations begin.

2. The vice chairmen, secretary, treasurer and auditor are selected and notified of their appointment, in writing, by the chairman. These officers are, of course, included among the ten who sign the application for authority to transact the business of the society.

Application for Membership

Each member of the staff signs an application for membership, in which he will pledge himself to save and pay into the society every week during 1918 a stipulated amount. No pledge of less than 25 cents a week is accepted, but the amount saved any week may be more than the amount pledged, provided the payment is a multiple of 25 cents. There must be a payment every week of at least the amount pledged, even though larger payments are made for certain weeks.

Bair & Lane, of Greensburg, Pa., have opened a branch in Pittsburgh. A. E. McCloskey, formerly of the Travelers, is in charge. The Bair & Lane office is 35 years old.

The LIFE INSURANCE SALESMAN Bears an UNUSUAL RESPONSIBILITY

The SERVICE he sells often continues for many years
Provident service sells so readily today, because of the value and satisfaction Provident policy holders have derived from the service of Provident Agents.

Write for information

The Provident Life and Trust Company
OF PHILADELPHIA

Founded 1865

CAPTAIN GIROUX ON JOB

Mutual Man, Back from Front, In Montreal Writes 14 Applications in Three Weeks

On January 5, the Montreal Agency made a contract with Captain J. R. Giroux, a returned and discharged soldier of the Canadian Expeditionary Army. From Jan. 5 to Jan. 26, inclusive, a matter of three weeks, Captain Giroux produced fourteen applications, amounting to $30,500, of which amount $25,500 was reported paid in the January account of the agency. This is a remarkable record for a new man, and it is evident that military experience is greatly aiding rather than hindering his progress. Mr. Giroux enlisted as a private at Valcartier Camp, on the outbreak of the war in 1914. His military career was highly successful—from private he advanced to corporal, then to sergeant, then to lieutenant and finally obtained a captaincy. After 22 months on the French front he was invalided home

ROSEN'S INDEX CARD

This is a copy of the H. B. Rosen index card, with names changed:

Name—George R. Baxter.

Address—192 Broadway.

Position—General Manager, The Smith Products Co.

Rating—A1.

Income—$50,000. Personal—$85,000. Real—$75,000.

Family—Wife, 2 children (boy and girl), 8 and 6 years.

Associations—Influential in carbon products circles.

Hobbies—Polo, golf.

Friends—Carmody, of Pittsburgh steel; Black, of Johnson Oil.

Remarks, Incidents, etc.—Home interests strongest, appeal through affection. Met him at Atlantic City convention of J. C. S. Co.

ROCHESTER BULLETIN

The Life Underwriters' Association of Rochester, N. Y., is issuing an attractive monthly bulletin. Warren S. Parks is president of the association; E. C. MacDowell, vice-president; W. P. Howard, vice-president; J. B. Barbour, secretary; Frank Walters, treasurer.

Chorn to Head Missouri State Life

PRESIDENT HOYT RESIGNS

Missouri Superintendent of Insurance a Young Man of Force, Character and Ability

Following the resignation of John G. Hoyt as president and director of the Missouri State Life of St. Louis, the board of directors has offered the presidency to Walter K. Chorn,, superintendent of insurance for the State of Missouri and vice-president of the National Convention of Insurance Commissioners. He has also been elected a director of the company. Mr. Chorn will probably accept the presidency although he has not yet made known his decision.

Few insurance commissioners have attracted so much favorable attention as has Mr. Chorn since his induction into office. He is a young man of great abilities and his administration has been one of the best in the country. Always he has been fair, recognizing his responsibilities to the public and to the insurance companies and agents. At a convention of insurance agents in St. Louis last summer he made a talk against the reduction of acquisition cost in compensation insurance. In the commissioners' convention he has served on important committees.

Officers Who Remain

The officers of the Company who remain are:

T. F. Lawrence, vice-president; George Graham, actuary; S. B. Scholz, Jr., medical director; F. H. Morgan, H. V. Donnelly, M. W. Donnelly, J. J. Moriarty, L. E. Stern, assistant secretaries; C. O. Shepherd, assistant actuary; L. D. Fox, auditor; B. Y. Jaudon, assistant medical director; E. H. Snyder, medical referee; C. H. Hempel, cashier.

PRESIDENT HUNT'S REPORT

Cleveland Life Had a Good Year—Outstanding Now Aggregates $13,825,434

The Cleveland Life, which has in force in its ordinary department $13,825,434, earned 6.24 per cent. last year on its mortgage loans, and 6 per cent. on its collateral trust first mortgage real estate bonds. Its average earnings upon all investments were 5.76 per cent. The Company has $3,448,944 in force upon the lives of citizens of Cleveland.

Its admitted assets showed an increase of $202,987 over 1916, and now aggregate $1,530,252. Its income over disbursements last year was $200,282. President Hunt's annual report, attractively printed is one of the most carefully prepared and interestingly written of those which have reached this office.

A Year of Splendid Achievement

It is not difficult to see why the MASSACHUSETTS MUTUAL in 1917 wrote a larger amount of paid-for business than in any other year in its history. Sixty-six years of Service efficiently and promptly rendered have won the confidence of its representatives and of the public. Co-operation with a Home Office that has the right spirit, policies which are not excelled, and a company with a sterling reputation ensure success for the Field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

Risk Limitation Under War Rulings

CURTAILMENT PERCENTAGES

Figures of Home Life Insurance Company—Effect of Revisions on Normal Basis

By W. A. R. Bruehl, Jr., Home Life, Cincinnati

A problem of vital importance to the insuring public as well as life insurance companies and life underwriters, developed since the entrance of this country into the world conflict, is the maintaining of that delicate balance between the acceptance of risks that might on the one hand prove extra hazardous on account of war service, and, on the other, offer the least curtailment of the high standard of normal service to that great host of our citizenship entitled to life insurance protection.

The passage of the Selective Military Service Act, requiring registration of all males between ages 21 and 30, inclusive, gave the companies some tangible basis for the solution of that problem, with the result that the majority of companies limited amounts of insurance on lives under 31 years of age, with gradually increasing limits from ages 32 to 35.

Analysis of Business Before War Rulings

What was the effect of these limitations?

An analysis of what might be termed normal business, i. e., that written prior to the war rulings of limitations of amounts, is interesting. The following table is based upon an annual issue of over a million dollars of a typical agency:

NORMAL BUSINESS OF 1917
Prior to War Rulings

	Single men.	Married men.	Totals.	
Under age 31	20.3%	28.0%	48.3%	
Ages 32 to 35	.6%	13.1%	13.7%	62%
Over age 35	.9%	37.1%		38%
	21.8%	78.2%		100%

Thus we find that 62 per cent. of normal business was issued on ages on which life insurance companies had placed stringent limitations, although under the Selective Military Service Act only those under age 31 were registered for further classification; is there not, therefore, an unnecessary restriction placed upon 13.7 per cent. of normal business, written on ages 32 to 35?

Furthermore, of the 48.3 per cent. under age 31, 28 per cent. of such normal business was on married men with dependents, a class never desired by Government officials for military service. This then leaves but 30.3 per cent. of the normal business that should have been properly discontinued, even admitting there might be but a small percentage of physical disqualifications and exemptions from military service.

How Agency Business is Affected

And yet, the majority of companies, even with the basis of other facts before them and through, no doubt, an over anxiety to safeguard posterity's inheritance, placed limitations on almost two-thirds of normal business when the actual conditions according to the above analysis seemed to require limitations on but one-fifth or less.

What was the result upon agency business?

An analysis was made of the business written after the Rulings of Limitations went into effect.

It is true that one object of the companies was attained for the normal business on men without dependents under age 31, most likely to be called to the colors was decreased from 20.3 to 9.8 per cent. by the war rulings; but in so doing and owing to other limitations on classes not likely to be called, namely those under age 31, married and with dependents and on those between ages 32 and 35 a greater decrease was caused, as the normal business on this class was 41.7 per cent. (62.0%—20.3%), whereas under war rulings this item was reduced to 27.6 per cent. (37.4%—9.8%). Totally then, whereas the normal business on ages limited was 62 per cent. of the total, the war rulings reduced this business to 37.4 per cent.

BUSINESS OF 1917
Under War Rulings

	Single.	Married.	Totals.	
Under age 31	9.8%	18.5%	28.3%	
Ages 32 to 35	.7%	8.4%	9.1%	37.4%
Over age 35	.8%	61.8%		62.6%
	11.3%	88.7%		100.0%

Unnecessary Curtailment of Normal Life Insurance

Not only did this cause what appears to be an unnecessary curtailment of normal life insurance, but it has worked much hardship upon that class of policyholders which looks to the agent to keep its insurance apace with increased obligations and responsibilities. 45.4 per cent. of the normal business above referred to was on former policyholders. Had these stringent rulings been in effect during this normal period, three-fifths of such business could not have been placed, whereas had the rulings of limitations of amounts only applied to those under age 31 who had no dependents, but 3.4 per cent. of such normal business would have been lost.

If this analysis of the business of a specific agency applies to the life insurance business in general, is it not time to change these rulings of limitations? The new Draft Classifications, based upon the Questionnaire seems to make it an opportunity and a duty as well to revise these limitations.

Under this Questionnaire, five classes are formed, in brief as follows:

Class 1—Comprising single men without dependent relatives or married men who have failed to support family.

Class II—Married men whose removal will not deprive dependents of support and necessary skilled farm and industrial labor in necessary enterprises.

Class III—Men with dependent children not his own or with dependents, aged or infirm parents, helpless brothers and sisters; country or municipal officers, highly trained and necessary experts of necessary agricultural or industrial enterprises.

Class IV—Men whose wife or children are mainly dependent; necessary sole executive of necessary agricultural or industrial enterprises.

Class V—Legislative executive or judicial officers, ministers, etc.

Class I might almost be termed as automatically selected for military service. These, together with those who will enter that class on attaining their majority, would be subject to the most rigid restrictions and limitations.

Classes II and III in only exceptional instances would see any service other than industrial—and could be granted insurance with limited restrictions.

Classes IV and V may be practically eliminated so far as military service is concerned, and could be taken under liberal forms.

Normal Restriction Should be 10 Per Cent.

Consider for a moment the effect of such revisions on the basis of normal business. Single men in draft age comprised 20.3 per cent. of such total normal business—these policyholders would be properly distributed as follows in three classes:

In Class I	10.0%
In Class II	2.8%
In Class III	7.5%
	20.3%

On married men with dependents, Class IV and most of Class V, the proportion was 28 per cent. of the total business.

Therefore, under the revision as suggested but 10.0 per cent. of normal business would be restricted and limited, with minor restrictions on another 10.3 per cent. instead of 62 per cent. as at present.

The many hopeful aspects of the situation and a brisk cheerful sense of things present and things to come, leads me to believe that life insurance companies will banish obsolete rulings and adjust life insurance service to the public, on the basis of governmental classifications.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON
PRESIDENT

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. **Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.**
2. **The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.**
3. **Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.**

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,
Superintendent of Agencies

THE EQUITABLE
LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

The Security of Life Insurance

A young man of talent desired to purchase a membership in the New York Stock Exchange. They cost now about $55,000. They must be free from any other claims than those of the Exchange, therefore they are not good collateral for an outside loan. The young man appreciated the situation and offered a Home Life and other policies as the security for the advance he desired, and the loan was made. Of course a large ingredient of the security offered was the young man's character—but that being deemed good, the loan was largely lubricated by the policy.

* * *

Bonus for New Agents

The Illinois Life has told each man in its service that he should be able between now and May 1 to secure one or more new agents in his home town or territory. As a special inducement to line up some producers during March and April, the Company will pay a cash bonus of $1 per $1,000 on all the new paid for insurance secured during the year 1918 by new agents with whom you make contract during March and April, subject to the following terms and conditions:

1st. Each new bonus-producing agent appointed must make the cash deposit of $5 for the portfolio and soliciting equipment.

2nd. Bonus will be paid on policies only that are paid for in cash on an annual basis. Semi-annual or quarterly settlements will not be counted.

3rd. No bonus on term insurance. On XX policies bonus will be paid on basic amount only. On income policies bonus will be paid on commuted value.

4th. The name of the new agent must appear as sole agent on applications which are to count for bonus. Joint business will not count for bonus.

* * *

Point of View

All problems of business and life generally, are relative—that is, they are relatively small or large according to the vision, mental attitude, habit of mind or contrast of the men who view them. A problem that is a mountain to one man is but a mole hill to another man. For instance, the head of a large business comes home at night to find his wife upset over a broken dish, the chicken the cook has burned in the oven, or to find his wife quarreling over the telephone about a lost laundry item. The husband pays no attention to these, save to console his wife; for the problems of the household and its losses are too trivial as compared to those of the business which he faces every day. The handling of large problems renders the handling of smaller ones easy—that is, if the contrast is not so strong as to render them too trivial in the mind of the one handling them. A sales manager of authority can, in a moment, stop a controversy between a prospect and a salesman, adjust a difference and retain the good will of the customer that would otherwise cost the salesman an hour in argument and the loss of temper. The difference may appear as a mountain to the prospect and salesman, but only a mole hill to the salesman's chief.

Words from Widows

The Life Insurance Company of Virginia tells a life insurance agent stated that it was one of his methods to go to every life insurance widow he could hear of and ask her opinion of life insurance. After he left the house he would jot down the crisp points from each widow's remarks, and these he would include in a four page circular, along with the widow's name and address, headed by the question, "Will your widow talk like these widows do?" He would mail this circular to every business man in town, taking care to use the residence address.

He said he cleaned up about $100,000 worth of business by following up these circulars.

That was a live man, and he deserves his reward.

His system could be used by any agent, with modifications. That is, it might not suit most communities to scatter a circular of this kind broadcast, but the idea of getting the opinions of widows and listing them, and using them with prospects, without the publicity of printing, would be a decided aid. His field would be wide owing to the fact that he would not have to confine his inquiries to the beneficiaries of any one insurance company.

N. A. L. & C. FIGURES

The North American Life and Casualty, of Minneapolis, in its life department last year paid for business of $152,000.00. Total life business in force, $600,000. Total assets, $277,702.35.

The casualty department is the principal business of this company now.

The Forest City Life of Rockford, Ill., paid for $861,143 last year; and has assets of $378,447.



THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

THRIFT TALKS

1. *What is Thrift?*

The prudent man looks ahead and gets ready. The frugal man lives carefully and saves persistently. The economical man spends judiciously, buys wisely, and wastes nothing. The industrious man works hard. The miser hoards. But the man of thrift spends wisely, plans carefully, manages economically, and saves consistently. Thrift should be all of prudence, economy, frugality, industry—and more. Thrift is conservation. Thrift is discrimination. Thrift is self-discipline, self-control, self-respect. Thrift is a foundation stone of character—individual and national. Thrift is practical patriotism.

2. *America the Spendthrift.*

We are the richest nation in the world, our resources are perhaps the vastest, yet our per capita savings are far below those of most other civilized peoples. They say abroad that the European shopkeeper has three prices for his wares—the lowest for the natives of his town, the next for native millionaires, and the third and highest for Americans. To the thrifty people of France, Americans are the embodiment of expansive extravagance and wastefulness. The daily contents of the American garbage can are said to be sufficient to support the average French family for a week. Don't waste that food; save the money it cost, save the labor that produced it. Save, because by saving you release energy and materials.

3. *Have a Thrift Pocket and a Thrift Coin.*

A Thrift Pocket is a character builder—it tests your capacity to resist. You will find it as alluring as the Penny Bank you once had on the mantelpiece. Select the pocket—any one will do—and then select the coin. Suppose your "Thrift Coin" is a nickel. Every nickel you get goes into the thrift pocket. You can not borrow from the thrift pocket nor lend from it. Experience proves that it isn't wise even to make change from it, and that it is a failure if you are not honest, scrupulously honest, with it. Every time it gets overheavy, go to the post office or a bank. Thrift Stamps are light,

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

Life Companies and W. S. S.

(Continued from page 11)

be followed by State Mutual men to assist in selling this two billion issue. Its agency offices have supplies of stamps for general distribution.

The field force is co-operating in the work and will from time to time report to the home office the amount of their sales. It expects that a very large number of stamps will be sold by the agency force.

SOUTHERN STATES LIFE

President Wilmer L. Moore said to The Eastern Underwriter:

"We have given the names of members of our agency organization to the national committee and this committee has forwarded direct to them such supplies as were used. We have from time to time sent notices in a weekly letter which we issue to our agents requesting that they use their best influence towards the sale of stamps and that they co-operate with their local organization. We have not required or requested that they furnish the home office with the results of their efforts."

STANDARD LIFE, PITTSBURGH

The Standard Life Insurance Company has purchased a supply of Thrift Stamps and War Savings Certificates to be resold by its agency force. The salesman's interest in the sale of these stamps is kept alive by meetings and through circular letters. The Company places more stress upon the value of starting a man on his first Thrift Stamp rather than upon re-selling him, its aim being to get Thrift Stamps in as many homes as possible.

UNION CENTRAL LIFE

This Company has organized the home office for the sale of War Savings Stamps, the employes being divided into teams and engaged in a contest to determine which team shall purchase the largest amount of stamps. The Company's agents are urged to co-operate as fully as possible with local committees in their own communities.

UNITED LIFE AND ACCIDENT

This Company is a duly authorized agency for the sale of these stamps and has disposed of a large amount. It is also using its advertising space in the Concord newpapers for giving publicity to the movement.

WESTERN AND SOUTHERN LIFE

This Company has interested its whole field in the matter of War Savings and Thrift Stamps. Three of the officers of the committee visited the various districts, outlining to the men the general nature of the work. Besides this, it offered bonuses in all districts for results accomplished. It inaugurated this campaign, making same effective for the week commencing Sunday, February 3, using that particular week in view of the fact that the International Association of Y. M. C. A.'s was making a special drive for the week in question, designated as "Thrift Week." The results accomplished that particular week were as follows:

	War Savings Stamps	Thrift Stamps
State of Ohio	1,571	11,529
State of Indiana	83	1,821
State of Pennsylvania	8	1,650
State of Kentucky	259	1,045
State of Michigan	1	700
State of West Virginia	10	682
Total	1,932	17,427

While the full force of the field men was undoubtedly entered for a big effort for that particular week, yet they will undoubtedly continue soliciting the sale of War Savings and Thrift Stamps, in accordance with the Company's instructions, until the Government issues orders discontinuing the plan. And, while the succeeding weeks may not show such large figures, from the enthusiastic manner in which it was taken hold by the entire field force the Company believes that it will continue to give a good account systematically each week in the future.

THE TRAVELERS

Acting under instructions from President Butler the Travelers announced to its representatives a thrift campaign to increase the sale of Thrift Stamps and War Savings Certificate Stamps, and for the purposes of the campaign and the award of prizes to those making the best records, the Company divided the field into nine classes, arranged according to population, offering a prize to the three leading agents in each class, or twenty-seven agents' prizes in all.

In order to introduce competition between branch offices the Company separated these offices, making four divisions, offering a prize to the manager in each division standing first in sale of stamps, and to the special agents working under a manager winning a prize—from eight to twelve managers' and special agents' prizes in all.

It is also announced that the customary prizes and bonuses for new accident and health business produced during the first six months of the year would be paid in War Savings Stamps. This offer went direct to five thousand contract agents of the Company.

While the campaign may be said to be hardly under way, as it takes time to organize and make plans for a systematic canvass to insure a maximum of results, President Butler's request that Travelers agents co-operate in the Government's drive for the sale of stamps has met with a cordial response from the field. As far back as February 8 sales had already been effected equal to one hundred and fifty thousand, two hundred and seventeen of the Thrift Stamps, and there is every indication that as the campaign gets fully under way the returns will be large.

In a letter to the field President Butler said in part:

A great opportunity is presented to the Travelers men to serve their country. The Company has indicated its purpose to assist you by the announcement of the Thrift Campaign. However, it must not be overlooked that Thrift education has been in progress in this country for a great many years of which the volume of insurance premiums paid each year is indisputable evidence. The timely help of the benefits accruing from such saving has been appreciated, and has also emphasized the lesson of thrift.

Representatives of the insurance companies have a wide acquaintance among those whose habit it is to save. The value of the Government's plan will appeal to such people, who will be glad to co-operate and will welcome your assistance. To bring it to the attention of others is in keeping with the usual day's work of a Travelers man. Therefore, I believe that we can do much to assist the committee and thereby establish a record for helpfulness of which the Company and its representatives will be proud.

The announcement of the Travelers Thrift Campaign, which can be obtained at any branch office, states the Company's plan in detail.

Your attention is called to the fact we intend to keep a record of the good work done in order that at the proper time, the Company may announce the names of the most successful representatives and the accumulated result of the campaign throughout the country.

Do not forget that the motive which induces a man to do his part in helping to win the war is the same as that which impels him to provide protection for his family and himself by means of insurance.

THE MOST VALUABLE POLICY FOR YOU,
Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the
John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS
WILLIAM N. COMPTON, General Agent
METROPOLITAN DISTRICT, ST. PAUL BLDG., 220 BROADWAY, NEW YORK, N. Y.

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

LIFE INSURANCE COMPANY OF VIRGINIA

The Company has sent out a strong circular to its field force, telling the need of the W. S. S. campaign, and explaining why it should be successful. Further than this the Company has an agency in Richmond for the sale of the stamps, which is making satisfactory progress. The circular, signed by Vice-president Rogerson, reads:

To the Company's representatives: The Company wishes to call your attention and, through you, the attention of those working under you to the War Savings Certificates and the War Savings Thrift Stamps now being offered for sale by the Government.

These Certificates and Stamps are offered not only for the purpose of raising money with which to feed, clothe and equip our boys now at the front or in training camps, as well as those who will follow them; but also in order to enable all men, women and children in the United States to assume their proportionate part of the general burden incident to the great war in which our country is now engaged.

The people of this country have not been asked, nor are they now being asked, to give their money to this most worthy cause. All the Government asks of you is to lend it what you can with the privilege of calling your loan, be it large or small, at any time, paying you for the use of your funds a liberal rate of interest. Your funds thus invested will not only become a tower of strength in this our country's hour of need, but a lesson of thrift will have been taught Americans which, if heeded, will convert us into the greatest nation of savers in the world.

We are enclosing Government literature covering this whole matter, and urge upon you the importance of buying these certificates and stamps for yourselves, for your wives, and for your children, and by so doing help win the war, make the world safe for democracy, and last, but not least, learn well the lesson of thrift.

The Company's large number of employes, who are constantly coming in contact with the general public, can undoubtedly render great assistance to the Government in many ways in connection with the sale of these certificates and stamps, both of which can be purchased from the post offices, banks and authorized agencies.

We would, therefore, strongly recommend that you get in touch with your local committee, and that you and each one of your force aid them as much as possible in forwarding this most worthy and patriotic movement.

MARYLAND ASSURANCE

Four New General Agents Appointed—Providence, Tacoma, Spokane and Beaver Dam

Four new general agents were announced during the week by the life insurance department of the Maryland Assurance Corporation. They are: Clifford D. Paige, Providence, R. I.; Fowler and Whitehouse, Inc., Tacoma, Wash.; Guernsey-Newton Company, Spokane, Wash.; and C. A. Markham, Beaver Dam, Wis.

Five general agents were also named by the accident and health department of the same Company, as follows:

V. Wankowski & Company, Inc., San Diego, Cal.; Silviera, Linares & Company, Havana, Cuba; Thomas F. Cavanaugh, Woonsocket, R. I.; Fowler and Whitehouse, Inc., Tacoma, Wash., and W. J. Perry Corporation, Staunton, Va.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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THE W.S.S. CAMPAIGN

Insurance men—men trained in dealing directly with the public on vital questions of life, have found a real opportunity for service with Uncle Sam in the launching of the great War Savings Stamp campaign. The successful insurance man is a ready-made organizer, eager, alert, enthusiastic. His business is to get into contact with people and he has had to deal with human nature in all its complexities. He sees perhaps more than the average man the necessity for a campaign of this kind and what it means to the future welfare of the nation. For this reason his desire to have a part in the great war, suggests his enlistment in the work, where his training can be most effectively utilized by the Government.

Early in the campaign—in its very infancy, in fact, when the only tangible things were the authority to go ahead, and 100,000,000 American people waiting for the message, Chairman Frank A. Vanderlip, of the War Savings Committee, searched the business world for a capable organizer, one who could summon great experience for the gigantic task in hand. It did not take him long to pick his man. He drew James E. Kavanagh, fourth vice-president of the Metropolitan Life Insurance Company of New York, who had come up through the ranks from an industrial solicitor twenty years ago and whose judgment, energy and ability had already singled him out in the insurance world. Mr. Vanderlip brought Mr. Kavanagh into his organization as a sort of supervising architect to help build the War Savings structure. The Metropolitan Life Insurance Company released Mr. Kavanagh for the work, and he immediately moved to Washington, where he has been since the latter part of October, "head over heels" in the work. Other well-known insurance men also joined the work.

The National War Savings Committee has been especially appreciative of this effective co-operation of insurance men in the work. The campaign differs to some extent from the Liberty Loan and Red Cross drives in that it "carries on" for the whole year, instead of for a single week or two weeks. The oars do not dip so deep or so fast at first, but their sweep is a long one and the momentum is gradually increasing. With every insurance man in the boat pulling at his oar, Uncle Sam has reason to be proud of the work of his insurance crew.

When every man, woman and child in America has learned the habit of thrift, then misery, distress and pitiful conditions of life will disappear. The science of economics is a high sounding phrase, but its meaning is simple enough—it means the science of making food and money the servants of man to promote his health and happiness. The insurance man looks upon every contribution of his time to the great National thrift movement as hours well spent. He knows the great underlying principle to be obtained and sees the "vision" of his country on a thrift basis.

THE GANS BILL

Secretary McAdoo, who is doing superhuman and amazingly competent work in running the office of Secretary of the Treasury, financing the Allied side of the most terrible war in history, operating the railroads, administering the soldiers' and sailors' Government insurance (it's more than ten billions so far), raising two billion dollars of revenue through War Savings Stamps, would have still more burdens on his shoulders if a bill prepared by Howard S Gans became a law. Mr. Gans, who is a New York lawyer of good reputation, who was an efficient assistant district attorney, and who is now with the Treasury Department, has framed a measure providing for the creation of a Federal bureau to insure inspected properties, which would authorize taking over company rating and inspection machinery. It is said the inspiration for the bill was the belief that the fire insurance companies are in possession of information through their inspectors and other employes which would prove dangerous if it came into possession of the enemy.

This bill has not been introduced in Congress and may never be, but a premature publication about it in a Southern insurance paper has aroused agents to feel that they may be put out of business. It is time enough to worry about a matter of this kind after a bill is presented. The fire insurance companies have been behind the Government in every step it has taken; they have co-operated in every way, and there is no evidence that this co-operation is not appreciated. Undoubtedly public sentiment would be against a movement for Government control of insurance inspections. As an index of this sentiment Superintendent Phillips, of New York, said this week: "Personally, I see no necessity for such legislation; and I think it would be a dangerous and unwise proposal."

DISAPPROVES INCREASE

The New Jersey insurance department has refused to approve the proposed 5 per cent. increase in compensation rates, which was to apply to new business and renewals dated on and after January 1, 1918.

THE HUMAN SIDE OF INSURANCE



FREDERICK J. COX

Frederick J. Cox, chairman of the executive committee of the National Association of Insurance Agents and former president of the New Jersey Association of Underwriters has taken his place in the last few months as one of the most important influences in fire insurance. Clear vision and a capacity for getting things accomplished are two of his principal characteristics, and, in association with President Allen, of the National Association, he has demonstrated that there is no reason why the agents and the companies cannot work in harmony. The smoothness with which the mid winter conference of the agents in Chicago ran is a tribute to the diplomacy and abilities of both these men.

Mr. Cox first attracted attention in company circles by the intelligence and skill of the administration of the New Jersey association. It is said of this association that it has not yet made a mistake. For some years Mr. Cox has been one of the principal figures in the association. Mr. Cox was born in Haverhill, Mass., in 1880; graduated from Brown University in 1903 where he was manager of the football team and a member of the Phi Delta Theta Fraternity. He showed at Brown that when he set out to get a thing he accomplished his purposes and this get-there quality has been his all through life. After leaving Brown he became secretary and treasurer of Boynton Bros. & Co., a large agency at Perth Amboy, Middlesex County, New Jersey, doing real estate, general insurance and mortgage investment business. He was president of the board of trustees of the Perth Amboy Public Library, 1911-1912; was secretary of the New Jersey Association of Fire Underwriters for three years and president for two years. Among other activities are the following: secretary Perth Amboy Liberty Loan Committee, Red Cross, member of executive committee of State organization of New Jersey Four Minute Men; thirty-second degree Mason and Shriner, chairman and Governor New Jersey Real Estate League and member of its executive committee.

Boynton Brothers were formed in 1900 by the senior member of the firm, C. D. Boynton, who purchased the business of Coleman & Boynton, at which time Ernest H. Boynton became connected with the firm. In 1903 Mr. Cox became a co-partner in the business. In 1909 the firms of Boynton Brothers and Pierce & Watson amalgamated and became Boynton Brothers & Company. The officers are Clancy D. Boynton, president; Ernest H. Boynton, vice-president; Fred J. Cox, secretary and treasurer. Clancy D. Boynton is a graduate of Lawrenceville. Ernest H. Boynton is a graduate of Brown University. The companies represented are the Aetna, Continental, Fire Association, Fidelity-Phenix, National of Hartford, Newark, Phoenix of London, Springfield, Royal, Great American, Hanover, Hartford, Liverpool & London & Globe and Commercial Union.

* * *

Edward C. Jessup, special agent of the American Eagle, who has enlisted as a Chief Yeoman in the Navy, was given a farewell dinner in Albany on Monday night by Albany special agents, about twenty attending. W. W. Lennox, of the General Adjustment Bureau, was toastmaster. Mr. Jessup was presented with a handsome wrist watch as a token of esteem. Impromptu remarks and singing of patriotic songs formed part of the evening's program. Mr. Jessup reports to League Island Navy Yard.

* * *

C. A. Ludlum, vice-president of the Home of New York, has gone to Porto Rico for a few weeks.

IDE DENIES PROPAGANDA

President of Home Life Answers McAdoo's Letter—Tells Why He Wrote Article

On March 6, G. E. Ide replied to Secretary McAdoo's letter printed on the first page:

My dear Mr. McAdoo: I have your letter of the 4th instant.

I regret that there has been created in your mind any impression that I desire to describe myself as chairman of any committee now connected with the Treasury Department or the War Insurance Bureau. As chairman of the Advisory Committee of Insurance Men appointed by you, I became familiar with the provisions of the War Insurance Bill. That Committee, it is true, finished its work and its duties are now ended. I desire to claim no present connection with the Treasury Department.

The object of the article was to call attention to the vast activities called for under the law, to point out its complexities and difficulties of administration and to emphasize the fact that the administrative expenses would never be wholly segregated as expenses under this measure, and that consequently the nation would never know what the real cost of its operation had been. Favoring, as I always have, the measure as a whole, I have hoped that it could be made less complex and expensive in its operation.

My article in the "Times" was not new "propaganda." It was a reference to conditions predicted months ago by your Advisory Committee. Care was taken to verify the facts and I believe they are correctly stated. My conclusions, for which I alone am responsible, were based upon my experience of years in the business of life insurance.

GEO. E. IDE.

FIRE INSURANCE DEPARTMENT

Bush Terminal Risk Not Taken Over

DAILY PAPER STORY UNTRUE

This Property not to Remain Permanently Under Government Control

New York daily newspapers this week published reports that the Government proposed to take over the insurance of the Bush Terminal Co., of Brooklyn, in conjunction with its assumption of control of the various properties of that corporation. The Push Terminal insurance for years has been handled through a direct arrangement with the National Fire Insurance Co. of Hartford, and a representative of that Company informed The Eastern Underwriter on Tuesday that it had not yet been advised by the Government to cancel its policies and it did not anticipate that such advices would be received, daily newspaper reports to the contrary.

The Bush Terminal Co. is one of the largest storage warehouses and terminal transportation companies in the world and the insurance on its properties, which include piers. warehouses. tugs, transports and other buildings and appurtenances, runs into millions.

The reason given as to why the Government did not intend to take over the insurance was that the Bush plant would not remain permanently under Government control and since the Government had not yet ordered the general cancellation of all policies covering railroad property. it was improbable that it would take such action in this specific instance.

PAID LOSS ON CORPSES

"No Salvage"—Never Can Tell What an Adjuster Will Encounter

One of the companies which has a large line on Fordham University sent its adjuster last week to settle a claim for $360. The adjuster journeyed to Westchester County, not knowing what the loss was on. He was ushered into the operating room where it appears an explosion of some kind had destroyed two corpses which had been used for instruction in operations. The adjuster was home ill for two days and has adopted the expedient of finding cut conclusively before going to view a loss what the policy covers. His report advised the settlement of the loss and stated that there was no salvage.

Five Companies Join the F. I. A.

THE HARTFORD DROPS OUT

New Members Are Queen, Commercial Union, Palatine, State and Orient Insurance Companies

Five companies have joined the Factory Insurance Association. They are the Queen, Commercial Union, Palatine, Orient and State of Liverpool.

The association has lost one member, the Hartford. In discussing the resignation of the Hartford the "Journal of Commerce" said:

"While it did not assign a reason, members of the association infer that it withdraws because of the recently adopted rule permitting subsidiary companies, but not underwriters' agencies, to become members of the association."

The Factory Insurance Association is making splendid progress, and has even made the 10 per cent. advance. Underwriters are watching the mutuals closely and while the latter say that they have not made a rate advance it is a fallacy to assume that they will be able to escape the increased operating costs any more than the stock companies have done.

KENTNER VICE-PRESIDENT

Young Executive Has Made Many Friends—Had Long Experience in Eastern Field

When Fred W. Kentner went with the City of New York Fire Insurance Company less than two years ago his friends in the New York field predicted that he would make good and he did, his election to the vice-presidency of the company being announced last week.

Mr. Kentner's earliest insurance experience was with the Queen where he was made an assistant special agent in 1903. He traveled in the Middle Department. New York State and New England. After a few months he was made special agent in Western New York. Four years later he went with the old Phenix, being later with the Fidelity-Phenix. In 1910 he joined the field force of the North British & Mercantile, first as a special agent and then as assistant general agent. He has shown that he is a good underwriter, a capable executive and is the fortunate possessor of many friends.

POUGHKEEPSIE CHANGE

Ernest R. Hatfield has taken over the fire insurance business of Townsend H. Lee in Poughkeepsie.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK
AACHEN & MUNICH FIRE INS. CO., ORGANIZED 1825

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE COMPANY OF LONDON, ENGLAND
NORWICH UNION ASSURANCE CO. OF NORWICH, ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.

NIAGARA
Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Large Business in Specialties

ADDITIONAL RETURNS FILED

Few Losses Experienced on Explosion Lines—Motor Transactions Heavy

Presented here are additional returns filed by fire companies, showing 1917 premium and loss results on various special lines:

Explosion

	Premiums Received	Losses Incurred
Alliance, Pa.	$15,543	$92
American Central	926	.....
†Boston	14,354	.....
Century	7,089	.....
Commercial Union	34,809	375
Commercial Union	190	.....
Commonwealth	42,314	230
Connecticut	33,445	642
Eagle & British Dom.	5,668	.....
Fire Re-insurance	2,150	.....
First Russian	48,338	100
Germania	10,679	69
Glens Falls	10,189	.....
Globe & Rutgers	721,115	72,423
Hartford	452,777	2,740
Imperial	7,402	75
Independence, Pa.	2,658	.....
Ins. Co. North America	136,285	334
Ins. Co. State of Pa.	6,547	.....
L. & L. & G., New York	5,169	268
London Assurance (a)	788	.....
Mercantile	48,591	603
Merchants, New York	19,269	247
Moscow	60,044	.....
National, Denmark	1,865	.....
National Union, Pa.	17,209	229
Niagara	18,565	.....
North British & M.	114,000	1,532
North River	90,457	.....
Norwich Union	21,593	95
Old Colony	2,139	.....
Pacific	32,154	.....
Palatine	4,467	.....
Patriotic	115	.....
Pennsylvania	51,422	.....
Phoenix, Hartford	91,646	36
Richmond	12,578	40
Rossia	15,540	.....
Royal	7,747	.....
Russian Re-insurance	37,510	.....
Skandia	1,778	.....
Skandinavia	6,383	.....
Sun	3,835	.....
Swiss Re-insurance	14,457	.....
Union Assurance	2,194	.....
United States	88,351	674
Westchester	3,846	.....
Yorkshire	36,725	.....

† Includes bombardment. (a) Credit.

Earthquake

Alliance, Pa.	148	.....
Globe & Rutgers	5,033	.....
Imperial	52	.....
Ins. Co. North America	1,389	.....
L. & L. & G., Liverpool.	397	.....
Niagara	558	.....

Hail

Cologne	37,269	22,102
Connecticut	291,879	139,979
Globe & Rutgers	73,198	72,611
Hartford	2,017,888	1,168,874
First Russian	13,230	5,894
L. & L. & G., Liverpool.	120,799	62,566
Merchants, New York	34,135	12,183
Moscow	21,169	9,430
National Union, Pa.	174,532	66,134
Norwich Union	34,112	9,561
Old Colony	61	.....
Phoenix, Hartford	.....	187
‡Rocky Mountain	94,735	22,888
Rossia	117,660	67,005
Russian Re-insurance	13,230	5,893
Royal	34,813	64,706
Westchester	452,023	175,053

‡ Full liability re-insured.

Motor Vehicles

Alliance, Pa.	226,939	59,960
American Central	168,789	89,965
American Foreign Marine	51,486	8,538
Boston	720,808	332,207
British & Foreign Marine	85,715	53,727
California	155,766	63,932
Century	8,629	4,111
Cologne	9,440	3,380
Commercial Union	87,624	36,985
Commercial Union	463,677	265,752
Commonwealth	455,957	286,939
Connecticut	187,158	22,104
Fireman's Fund	1,199,345	603,209
Germania	776,047	528,258
Glens Falls	290,772	141,498
Globe & Rutgers	343,606	190,568
Hanover	190,560	105,110
Hartford	1,048,704	378,502
Independence, Pa.	389	786
Ins. Co. North America	636,798	304,942
Ins. Co. State of Pa.	329,609	2,873
L. & L. & G., Liverpool.	709,209	383,548
L. & L. & G., New York	30,846	24,331
Maryland Motor	354,979	116,465
Mercantile	384,866	228,417
Merchants, New York	120,479	30,691
National-Ben Franklin	366,042	219,775
National Union, Pa.	3,644	1,089
Newark	133,222	139,627
New Jersey	78,668	21,798
Niagara	677,652	233,409
North British & M.	520,756	550,005
North River	311,138	123,760
Norwich Union	260,387	149,789
Ocean Marine	19,941	12,133
Old Colony	101,850	45,306
Palatine	185,051	118,488
Patriotic	5,081	2,473
Pennsylvania	183,908	107,586
Phoenix Assurance	295,100	124,792
Phoenix, Hartford	396,358	189,063
Reliance Marine	19,941	12,134
Royal	1,187,027	558,114
Sterling	100	.....
Stuyvesant	73,015	72,606
Sun	35,521	15,430
Thames & Mersey Marine	135,193	74,196
Union Assurance	61,683	33,457
United States	420,269	221,261
Westchester	268,242	116,854
Yorkshire	35,188	3,261

Registered Mail

Am. Foreign Marine	138,461	2,662
Atlantic Mutual	11,398	1,794
Boston	1,249	.....
British & Foreign Marine	8,538	512
Commercial Union, Eng.	154,150	97,232
Commercial Union	17,793	.....
Connecticut	111	.....
Fireman's Fund	76,654	8,136
Hartford	18,230	148
Ins. Co. North America	2,845	.....
La Fonciere	409	.....
L. & L. & G., Liverpool.	16,396	8,525
L. & L. & G., New York	1,473	542
Mercantile	3,346	.....
Ocean Marine	1,406	76
Old Colony	882	36
Phoenix Assurance	2,418	.....
Phoenix, Hartford	333	.....
Reliance Marine	1,407	75
Royal	20,018	138
Thames & Mersey Marine	2,726	.....
United States	9	.....
Westchester	357	.....
Yang-Tsze	6,156	160

Sprinkler Leakage

Alliance, Pa.	1,015	2
Boston	11,303	15,939
Cologne	584	217
Commercial Union	.....	7
Commercial Union	850	675
Commonwealth	14,454	9,206
Connecticut	7,151	1,455
First Russian	5,785	2,086
Germania	14,818	2,550
Globe & Rutgers	5,183	877
Hanover	1,041	.....
Hartford	153,432	68,211
Imperial	9,262	1,684
Ins. Co. North America	7,636	.....
Inter-State, Mich.	285	118
L. & L. & G., Liverpool.	14,992	14,366
L. & L. & G., New York.	1,692	1,304
London Assurance	509	3
Mercantile	11,933	4,284
Merchants, New York	5,203	18,961
Moscow	7,123	2,358
National Union, Pa.	237	100
New Jersey	1,416	672
Niagara	12,752	4,264
North British & M.	34,125	21,356
Norwich Union	5,021	1,745
Old Colony	1,012	1,205
Palatine	898	303
Pennsylvania	764	.....
Phoenix, Hartford	6,820	2,438
Royal	33,973	39,264
Russian Re-insurance	4,452	1,473
Sun	418	278
Swiss Re-insurance	19,732	10,166
Union Assurance	161	11
United States	3,640	.....
Westchester	10,351	11,082
Yorkshire	60	.....

Tornado and Windstorm

Albany	80	.....
Alliance, Pa.	6,680	1,209
American Central	66,817	25,138
Boston	47,016	17,422
California	1,851	1,425
City of New York	3,783	76
Cleveland National	2,943	1,813
Cologne	17,450	1,905
Commercial Union	183,282	87,787
Commercial Union	18,478	6,272
Commonwealth	19,764	8,060
Connecticut	353,024	138,988
Dubuque F. & M.	38,326	3,973
Eagle & British Dom.	4,708	97
Federal Union	678	3
Fireman's Fund	524,560	120,650
Firemens, N. J.	85,236	20,727
Fire Re-insurance	22,999	7,944
First Russian	13,346	4,159
Germania	95,254	15,361
Girard	20,522	3,139
Glens Falls	67,672	24,965
Globe & Rutgers	138,549	28,185
Hanover	119,573	36,790
Hartford	779,503	198,005
Imperial	14,822	2,933
Ins. Co. North America	292,308	154,575

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FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

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NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
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THE GERMANIA FIRE INS. CO.
For Automobiles
Special facilities for out-of-town business.

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BROOKLYN, N. Y. 153 Remsen St. Tel. 2504 Main
NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

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ESTABLISHED 1824
The "Yorkshire" is the Oldest and Strongest of the English Fire Companies not heretofore represented in the United States
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Frank & Du Bois, United States Managers Ernest B. Boyd, Underwriting Manager
Harry F. Wanvig, Branch Secretary Frank B. Martin, Supt. of Agencies
NO. 80 MAIDEN LANE, NEW YORK
New York Life Insurance and Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENTS—METROPOLITAN, Willard S. Brown & Co., Managers, New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Manager, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Managers, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, Manager, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, Manager, McClure Kelly and McKee Sherrard, Assistant Managers, San Francisco, Cal.

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Royal Exchange Assurance
LONDON, ENGLAND
United States Branch
92 William Street, New York
RICHARD D. HARVEY
United States Manager

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— *FIRE and WAR RISKS* —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Issues Standards for Airplane Hangars

QUEEN'S CONSTRUCTION IDEAS

Buildings Should be Separated Not Less Than 75 Feet, Says Company

The first standards of construction, fire hazard and fire protection for airplanes and seaplane hangars have been issued by the Queen Insurance Company of America. These standards contemplate the hangar and shop equipment of a modern flying field, but they may be applied with good effect in the construction and equipment of a private hangar so far as the needs of the private owner may extend. The most important recommendation is in relation to sufficient spacing of buildings. The construction standards follow:

Construction

Walls: Structural steel framing, panelled with metal lath, or expanded metal, and cement plaster, or other type of non-combustible materials, and finished with similar non-combustible sheathing and air space where climatic conditions require reliable economical heating.

Roof: Structural steel trusses with steel purlins and panelled with approved asbestos slab or other approved fire resistive roofing. Trusses should not be less than 25 feet minimum height above floor.

Windows and Skylights should be of metal frame and sash and screened with small mesh heavy gauge wire, or preferably, glazed with wire glass.

Doors: Main doors should be located in that side of hangar not facing neighboring buildings and should be of "quarter door" overlapping sliding type with extension rails beyond each side of hangar so as to permit clear opening the full width of the building. Doors should be of non-combustible material such as angle iron frame with corrugated steel covering. Such doors might well be installed also at rear end of hangar, not only to give easy access to repair shop desirably so located but also to increase the facility with which machines may be removed in the event of fire.

Floor: Concrete on earth.

General: It will be noted that the foregoing standards aim to secure non-combustible construction. The further object of fire resistive construction is of course desirable. Either type, however will minimize the seriousness of fire hazards within or without, for the protection of the machines themselves. At the occasional sacrifice of some facility in construction, non-combustible materials can always be used in place of convenient combustible substitutes.

Spacing Of Buildings

Without adequate outside fire protection buildings, especially hangars, should be separated not less than 75 feet if of non-combustible construction, and not less than 150 feet if of combustible roof or wall construction. If there is good outside fire protection these distances may be reduced, say one-third. This spacing may seem excessive, but it is deemed highly desirable in order to reduce the exposure to which the combustible surfaces of airplanes would be subjected when being removed to safety from a hangar of ordinary construction in the event of fire in a neighboring building; or, in the case of non-combustible construction, to prevent congestion of machines in front of hangars too close together. Attention is called to the importance of distributing machines among the several hangars of a group so as to avoid congested housing of costly machines subject to a single fire.

"AMERICA FORE"

FIDELITY-PHENIX FIRE INSURANCE COMPANY OF NEW YORK

Famous for Fair Dealing

January 1, 1918

Cash Capital $2,500,000.00
Assets $20,900,233.78
Liabilities $13,797,797.41

POLICYHOLDERS' SURPLUS $9,602,436.37

A STRONG AMERICAN COMPANY
BACKED
BY STRONG AMERICAN ASSETS

FIDELITY-PHENIX FIRE INSURANCE COMPANY OF NEW YORK

HENRY EVANS, President

Home Office:
80 MAIDEN LANE
NEW YORK

Managing Branch Offices:
CHICAGO, MONTREAL
SAN FRANCISCO

FORM TRENTON ORGANIZATION

Meredith Dickinson, the well known Trenton agent, has been elected president of the Insurance and Real Estate Board of Trenton formed a few days ago. C. A. Worthington, insurance man, and F. R. Pidcock, real estate man, are vice-presidents; E. F. Craig is secretary, Charles B. Case, treasurer.

$5,000 AIRPLANE LOSS

The first loss under the new airplane policy of the Queen Insurance Company is for $5,000. The machine caught fire in the air. The loss was at Tampa, Fla.

BROWN ON COMMITTEE

Atlee Brown, New Jersey rating expert, is a member of the State of New Jersey's committee on explosion, which is doing good work in educating the public regarding that subject.

TO PROTEST RATE ADVANCE

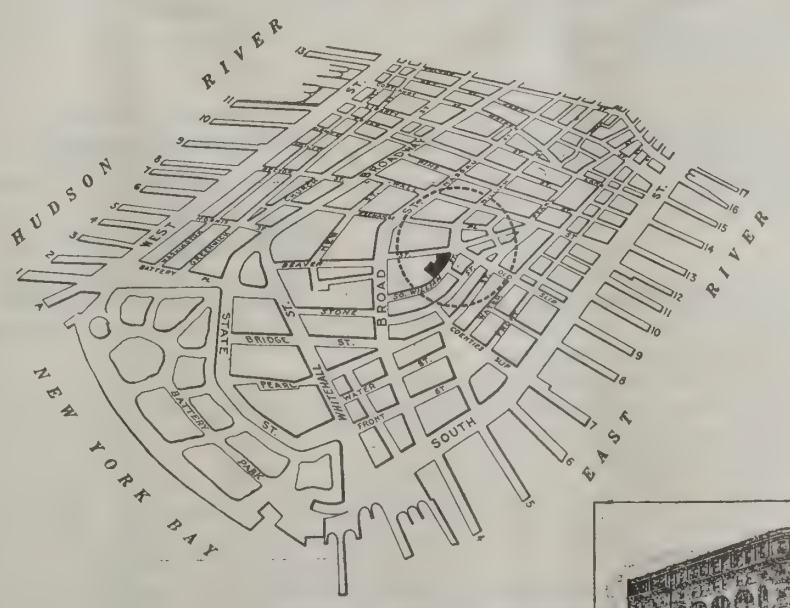
A meeting of Maryland insurance men will be held at the Hotel Hamilton, Hagerstown, Md., on March 5 to protest a rate advance.

Robert Taylor Wilson, a well known Brooklyn insurance man, died recently.

AMERICAN MERCHANT MARINE INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House — New York City

South William and Beaver Streets

Latest Version of a Newark Fire

PORT NEWARK SHIPYARD BLAZE

Drying Cinders on Dock Said to Have Caused Shipyard Loss— How Fire Grew

After all that has been said and conjectured regarding the origin of the Port Newark ship yard fire, the situation resolves itself into this: The fire was caused by cinders.

On the dock on which the fire occurred was piled from two to three feet of cinders used in construction work. These cinders had been rained upon and became thoroughly soaked. They then froze solid.

Thawing the Cinders

The next thing was, how to thaw the cinders. There was at hand about twenty feet of smoke funnel, two feet in diameter, and somebody conceived the idea of laying it upon the cinders and building a fire in it, following the same plan as one often sees utilized on the streets to dry sand and gravel.

As the cinders thawed and were shoveled away, the smoke funnel sank until it reached the timbers of the dock. Meanwhile more cinders were piled about the funnel to dry them. On the night of the fire the workmen left considerable fire in the funnel, and the dock had become sufficiently dried out to take fire. The fire worked its way through the dock and coming into contact with a brisk wind was fanned into flame, which spread underneath the structure.

A PITTSBURGH QUIZ

Chamber of Commerce Wants Data Regarding Premiums and Losses in Eight Large Cities

The Chamber of Commerce of Pittsburgh has written to fire insurance companies asking for information about premiums, losses and amount of insurance in Pittsburgh, Buffalo, Cincinnati, Baltimore, Detroit, Cleveland, Kansas City and St. Louis for 1914, 1915, 1916 and 1917. The information wanted follows:

Total fire losses.
Fire losses, paid by board companies.
Fire losses paid by non-board companies.
Total premiums paid.
Premiums paid to board companies.
Premiums paid to non-board companies.
Total amount of insurance carried.
Amount of insurance carried by board companies.
Amount of insurance carried by non-board companies.

CITY CLUB GROWING

Although the City Insurance Club of New York is only a year old, that organization has had a rapid growth and now has enrolled one hundred members. Eight new members were elected at the last monthly meeting. Membership is open to brokers and underwriting department heads in any branch of insurance. Those who are joining the club are among the most energetic and capable men in the business and the outlook for a large and influential organization was never better. The annual meeting will be held later this month. The club holds monthly meetings which are preceded with a dinner. Last year the club held a successful outing and it has been decided to have another this coming season. The City Insurance Club furnishes the best possible means by which those in this business may know each other better and the cordial friendships which are being made through this intermingling are realized by all to be something the insurance business in New York has needed for a long time.

BROKERS ACTIVITIES

PURDY & CO. TO CHANGE NAME

Will Shortly Be Dillon & Co.—Former Police Inspector Dillon Now a Partner

Following the admittance to membership in the firm of former Chief Police Inspector Dillon, of New York City, the marine brokerage office of Purdy & Co., will shortly assume the name of Dillon & Co. Dillon & Co. will take larger quarters and will also expand their business to include all fire and casualty lines as well as marine.

Mr. Dillon, who has been attached to the New York Police Department for thirty-three years, had previous to that been connected with a life insurance company as agent for a short time, and his work in the Police Department has brought him into intimate contact with all branches of insurance.

Mr. Dillon's three sons will be associated with him in Dillon & Co. R. A. Dillon has been head of the firm of Purdy & Co., for some time, and W. E. and Joseph have also been connected with that office. Joseph Dillon is now in the army.

* * *

Van Hemert & Allen Formed

The marine brokerage firm of Van Hemert & Allen was formed this week superseding the firm of Van Hemert & Gaudesaboos which was organized about two years ago. Mr. Van Hemert was formerly in the marine department of Fred S. James & Co.

* * *

J. L. Van Brunt Dead

J. L. Van Brunt, who has been with Tynberg & Co., Inc., for twenty-five years and was well and favorably known on William Street, died suddenly last Friday of pneumonia after an illness of but three days. His funeral was held from his home in Westwood, N. J., on Sunday. Mr. van Brunt was forty-six years old. He leaves a wife, two sons and a daughter.

* * *

W. H. Fleisch & Co. Move

Wm. H. Fleisch & Co. this week announced the removal of their main office from 1 Liberty St. to 49 John St. Wm. H. Fleisch & Co. was recently formed from the old firm of Friend & Fleisch and S. L. Bear & Co. The firm also maintains offices at 200 Fifth Ave.

* * *

Has Uptown Office

E. W. DeLeon, Inc., 55 John Street, has established an uptown office at 1790 Broadway, corner of 58th Street. The firm will act as branch managers for the Stuyvesant for automobile fire, theft, collision and property damage, and the Manufacturers Liability for automobile public liability. M. W. Williams, assistant secretary of the corporation will be in charge uptown.

* * *

New Brooklyn Members

Eleven new members were admitted to the Brooklyn Insurance Brokers Association at the last meeting. The next meeting will be held March 14 and Ira G. Hoagland, manager of the Automatic Sprinkler Leakage Association will speak.

MARINE BROKERS LICENSES

Bill Advocated by Marine Insurance Club Introduced in New York Legislature

The bill which has been advocated by the Marine Insurance Club calling for the licensing by the New York Insurance Department of marine insurance brokers, has been introduced in the Assembly. The bill provides for the licensing of marine brokers and agents by removing from the law the clauses according them exemption heretofore.

Section 142 and Section 143 of the insurance law are the portions amended. Section 142 provides for the licensing of agents and in the portion thereof quoted below, that part in parentheses will be removed if the bill is passed:

"This section shall not apply to any contract of life insurance nor to any contract of health and accident insurance (nor to any contract of insurance upon or in connection with marine and transportation risks or hazards other than contracts for automobile insurance) nor to contracts of insurance upon property located without this State, nor to contracts made by persons, partnerships, associations or corporations authorized to do business under articles five, six, seven and nine of this chapter."

Section 143 deals with the licensing of brokers and is identical to the part quoted above with the same words removed.

Harold Lichtenthaler, son of the late G. H. Lichtenthaler, will continue the Lichtenthaler insurance agency in Phillipsburg, Pa.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

Caledonian Insurance Co. of Scotland
FOUNDED 1805
"THE OLDEST SCOTTISH INSURANCE OFFICE"
UNITED STATES HEAD OFFICE
Caledonian Building, 50-52 Pine Street, New York
CHAS. H. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York



125th Anniversary
Insurance Company of
NORTH AMERICA
PHILADELPHIA
FIRE, MARINE, AUTOMOBILE, Rent, Leasehold, Tornado, Explosion, Use and Occupancy, Sprinkler Leakage, Travelers' Baggage, Parcel Post
The Oldest American Stock Insurance Company

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
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WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
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NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

1853 Sixty-Fourth Year 1917
FARMERS' Fire Insurance Company
YORK, PENNSYLVANIA
Assets (Dec. 31, 1916) $1,116,968.00
Net Surplus (Dec. 31, 1916)..... 514,025.00
W. H. MILLER, President
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Just say:
"Insurance Man"—
the open sesame to every courtesy within our power.
Room with detached bath $1.50 and $2.00
Private bath $2.50 and $3.00
BREVOORT Hotel
Insurance Headquarters
MADISON ST.—East of LaSalle
CHICAGO
LAURENCE R. ADAMS, Sec'y & Mgr.

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

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ALL LINES

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CHICAGO BONDING & INSURANCE COMPANY
GREAT EASTERN CASUALTY COMPANY
THAMES & MERSEY MARINE INSURANCE CO., Ltd.
SECURITY MUTUAL FIRE INSURANCE CO. of MINN.
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NEW YORK OFFICE: 95 William Street, NEW YORK CITY

Auto Situation Much Unsettled

BELIEF THAT IT WILL CLEAR

Fire and Casualty Men Meet—Brokers to Act—Continental Casualty's Position

By the middle of this week it was thought in New York that the worst of the unsettlement in automobile lines is over and that a gradual improvement would result from now on toward April 1, the effective date of the new liability schedules for all business, new and renewal.

Continental Casualty Out

Wednesday the Continental Casualty of Chicago notified the bureau that it would not be bound by the new rates in so far that it will consider it has the right to quote renewals, or the former prevailing rates, on risks which are renewals of other company bureau members. The Company entered the automobile field last April.

Tuesday a joint meeting of the Casualty Insurance Exchange Committee and the executive committee of the Eastern Automobile Underwriters' Conference was held at the request of the casualty men who wished to know what position the fire companies would take on collision and property damage renewals.

No Action Taken

According to a committee member it was decided to do nothing now but let the situation clear itself. It was claimed that there would be no wholesale cancellation of business, as feared by the casualty companies and that April renewals would be written positively at the new rates. It was pointed out that as to renewals the fire business is quite different from the casualty business, the fire companies not liking to draw a distinction between new and renewal business. Besides, some companies had not received their new manuals at the time of the meeting, were using old rates and will likely continue to do so until the new manuals are furnished.

Much Confusion Results

There has been a great deal of confusion ever since the new automobile casualty rates were announced February 21. That was a Thursday, followed by a holiday. While it had been known for a long time that the new rates were on the way, the news broke so suddenly that most persons were carried off their feet. The new rates were announced as effective for new and renewal business dated on and after April 1, but it was seen at once, February 21, that it would be necessary to put them into effect at once for all new business to prevent cancellation and rewriting.

Then there followed immediately the Bureau's announcement that the new rates were to be made effective at once on new business in eight cities where the advance was heaviest. It was realized that in other territory where the advances were small the inducement to cancel and rewrite would be immaterial.

The brokers are much perturbed by the advances and take the position that they have never been able to see the experience upon which the advances are based. They purpose giving the entire subject close study and will endeavor to become possessed of the information which they claim is necessary for them to have to substantiate the claims for more premium. The casualty companies claim to be quite generally adhering to the new rates, but there are numerous reports of specific defections from the manual. The companies also report a wide variety of inducements offered to them by brokers to break away from the schedule.

RE-INSURANCE DEDUCTION

Not Permitted In New Mexico—Insurance Commissioner Quotes From Attorney General's Ruling

Superintendent Romero, of the New Mexico Insurance Department, in discussing Section 2810 of the 1915 Codification of New Mexico:

> All insurance companies, partnerships or associations engaged in the transaction of the business of insurance in this State shall annually, on or before the 1st day of February in each year, pay to the Superintendent of Insurance two per centum on the gross amount of premiums received, less returned premiums within this State, during the year ending the previous 31st day of December; and insurance companies shall be subject to no other taxation than herein provided, except upon real estate.

Says: "The Attorney General has given it as his opinion that under the foregoing section, companies are only permitted to deduct 'return premiums' and that as there is no mention made anywhere in the statute of deduction for re-insurance, an insurance company should not be permitted to deduct either the amount it may pay or the amount it may collect for re-insurance.

"Companies having made such deductions in the payment of their taxes will be required to pay accordingly."

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

[of Liverpool, England]

ROYAL INSURANCE COMPANY LIMITED

THE LEADING FIRE COMPANY OF THE WORLD

The Gamewell Fire Alarm Telegraph Co.

Fire Alarm and Police Telegraphs for Municipal and Private Plants

OVER 1500 PLANTS IN ACTUAL SERVICE

GENERAL OFFICES AND WORKS
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AGENCIES

5708 Grand Central Terminal, New York
448 John Hancock Building, Boston, Mass.
1216 Lytton Building, Chicago, Ill.
335 Wabash Building, Pittsburgh, Pa.
915 Postal Building, San Francisco, Cal.
304 Central Building, Seattle, Wash.
Utica Fire Alarm Telegraph Co., Utica, N. Y.
Northern Electric Company Limited, Montreal, Canada.
General Fire Appliances Co., Ltd., Johannesburg, South Africa
Colonial Trading Co., Ancon; Canal Zone, Panama
F. P. Danforth, 1060 Calle Rioja, Rosario de Santa Fe, Argentine Republic

95 William St. New York

WALTER F. ERRICKSON AGENT

38-40 Clinton St. Newark, N. J.

Great American Insurance Company New York

INCORPORATED ~ 1872

STATEMENT JANUARY 1, 1917

CAPITAL
$2,000,000
RESERVE FOR ALL OTHER LIABILITIES
10,954,055
NET SURPLUS
10,759,422
ASSETS
23,713,477

HOME OFFICE No. 1 LIBERTY ST. NEW YORK CITY

CHARLES G. SMITH, PRESIDENT — JESSE E. WHITE, VICE PRESIDENT
EDWIN M. CRAGIN, SECRETARY — ALEXANDER R. PHILLIPS, ASST. SECRETARY

Agricultural Insurance Company, of Watertown, N.Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1918, to New York Insurance Department

LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President — F. D. Layton, Secretary — F. B. Seymour, Treasurer
G. H. Tryon, Vice-President — S. T. Maxwell, Ass't Secretary — C. B. Roulet, General Agent

SURPLUS TO POLICYHOLDERS.....$5,980,020.79

WESTERN ASSURANCE CO.
OF TORONTO, CANADA

Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918

Assets	$4,194,579.34
Surplus in United States	1,667,691.69
Total Losses Paid in United States from 1874 to 1917, inclusive	43,294,154.63

W. B. MEIKLE, President

F. H. HAWLEY, Pres. ORGANIZED 1848 W. E. HAINES, Secy.



Ohio's Oldest and Strongest Company

Net Surplus Over $1,293,741.00

AN AGENTS COMPANY

E. K. SCHULTZ & CO.
PHILADELPHIA
GENERAL AGENT
Pennsylvania, New Jersey and New York

MARINE DEPARTMENT

War Risk Stories Told by Australian

COMPLICATIONS IRONED OUT

Underwriters Puzzled for a Time Regarding Steamers Detained in British Ports

J. T. Woods, of the London & Lancashire in Sydney, Australia, recently delivered an interesting paper on war risks. He told of the chaos in the South Seas following the start of the war and then told how the difficulties were ironed out, and complications settled. He said in part:

Foolish Rates

Some complications arose, as might have been expected, consequent upon the war, more particularly in regard to hull policies, owing to the very great increase in the value of vessels. Underwriters have been asked to issue, and have issued, policies covering excess of general average and salvage charges at a rate of premium equal only to that for total loss. That this was somewhat of a foolish procedure on the part of the underwriters has been proved by a case reported where a vessel insured for £55,000 got ashore. Negotiations were in progress at the time for her purchase. The new owners, in anticipation thereof, took out insurance on a value of £105,000. The claim for general average and salvage charges will fall on the policy where the insured value was £55,000. The underwriters who cover the excess general average and salvage charges will probably have to pay as much as 50 per cent. of the claim on hull policies, and for which they have only obtained a total loss rate of premium.

The very considerable increased cost of repairs is another cause of deep concern to underwriters.

Owing to the cheaper war rates quoted by the Government and Lloyd's from time to time, a custom has arisen of insuring war risks separately and specially. There is an element of danger of serious dispute in this procedure, as it may be sometimes quite impossible to prove loss through war or otherwise, and the question naturally arises which underwriter is liable.

The position is accentuated when each of the assurers inserts a clause in policies, "warranted no claim in event of vessel not being heard of."

Risks under F.P.A. and F.C. and S. policies have been materially increased by war conditions in several ways, more particularly by lights out, etc., and for which at present we are not obtaining any additional premium.

Interned Vessel Complications

Companies on this side have been greatly troubled in the matter of dealing with the large interests involved in German and enemy vessels bound for Australia sheltering or interned at different ports since the commencement of the war.

Many meetings have been held both by underwriters and Chambers of Commerce to try and thresh out the difficult questions raised. At first the assured were very much inclined to think that they are being badly and unjustly dealt with by not having their claims met as constructive total losses, etc., but as the legal position became more clearly defined they settled down to the inevitable.

As time went on, and many of the cargoes were delivered, and for which the merchants obtained in most cases greatly enhanced prices, besides securing from their underwriters extraordinary expenses incurred, it was realized that, for once, at any rate, delays were not dangerous, but profitable.

To quote an instance: A friend of mine told me that he had eight hundred pounds worth of bulky goods in the "Roon" at Java; it cost him six hundred pounds extraordinary expenses to obtain possession, and then he made five hundred pounds profit, and he was not insured against war risk.

No doubt some experienced regret at being so aggressive at the start, especially when legal opinion obtained was afterwards upheld, as in the "Kattenturn" case.

How Claims Were Adjudicated

For your information, I will now state as briefly as possible the conclusions arrived at here by underwriters after obtaining legal opinion from several quarters as to dealing with claims per steamers under arrest in British ports, or sheltering in neutral ports.

Under Policies Including War Risks

A. Under arrest at British ports.

(a) Not to admit claims for total or constructive total loss.
(b) Policies to continue to port of destination as originally covered, either by captured vessel or transshipping without extra premium.
(c) To admit responsibility for extraordinary expenses incurred in obtaining release and delivery of cargo insured.

B. Sheltering in neutral ports.

(a) Not to admit claims for total or constructive total loss.
(b) Original policies to remain operative without extra premium if vessel herself brings on her cargo to destination.
(c) Fresh insurance arrangements necessary if cargo discharged or transhipped into other steamers at the neutral port of destination.
(d) Underwriters and assured to act together without prejudice in endeavoring to obtain delivery of goods. General average guarantees to be given if possible.

Provisions of Marine Policies Explained

LECTURE BY WILLIAM D. WINTER

Congestion of Ports and Acts of Government Contribute Toward Losses

In the course of his lecture on marine insurance given last Friday night in New York William D. Winter, of the Atlantic Mutual Insurance Company referred to many provisions of the policy and explained their meaning.

For example, a risk attaches on a cargo risk when the slings go over the side and begin taking up the goods. If the vessel is loaded from a lighter the risk attaches when the goods are placed on the lighter. Customary lighterage means where the shore line makes it necessary to carry the goods to or from the vessel moored outside. A risk attaches when the vessel breaks ground. That is, when she is ready to proceed and actively does do something to enable her to proceed on a voyage. For instance, in New York a vessel might leave her pier and proceed to some other point in the harbor to take on explosives. The risk would attach from the time she left her pier. The only question is whether the risk attaches from the time the inward insurance attaches or from the time the ship is ready to receive her outward cargo.

Termination of Risk

Furthermore, the insurance attaches only while the ship proceeds over the customary route and until the goods shall have been safely landed. The same conditions apply at the terminus as at the point of shipment. A risk can terminate by accidental or voluntary means. A voluntary termination might result, as by act of the master or the master at the behest of the owner, as when a vessel turns away from the insured route. This latter act is called deviation.

What Constitutes Deviation

Deviation terminates the risk absolutely unless it is excusable. The mere intention to deviate would not in itself cause termination, but the moment that the master actually did deviate, termination would result, or only when the intention to deviate becomes an act. Suppose a ship receives a wireless message and goes out of her way to save life. That is not a deviation that would avoid the policy; it is excusable. Deviation to save cargo only, where no question of human life is involved, would avoid the policy.

Making Ports in Order

In most cargo policies there is a deviation clause and the underwriter may require an additional premium. Such clauses are put in policies to overcome some legal decision that has been made.

An insurance may be made to several ports; but it might be customary in the trade not to make the ports in the geographical order, but rather in the customary order. In South African trade it might be customary to overrun a port because of unfavorable market conditions in that port.

A risk terminates when a voyage is intercepted. Cargo might be laden on a boat under Government permit and the Government might revoke the permit, the goods be taken off and the permit not renewed. There was a case like this in New York. A permit was given to ship cotton to Spain. The Government put on an embargo and revoked the permit. The goods were on board only one day when they were taken out and put on a lighter.

Time Should Be Limited

A policy reading "until discharged from lighters" may involve a long time risk. In Genoa, for example, there was no place to land cotton. The lighters were used for storehouses. It might be claimed that the cotton was in due course of transit. Where there is congestion in a port the underwriters should make sure that the risk cannot continue indefinitely.

In a vessel policy the insurance may be made for a specified time as for a trip to last eight months. An underwriter does not wish to take on a trip risk for eight months and find that he is on for twelve months or more. That is why he makes this specification. Cases of this kind arose at Archangel. Vessels arriving there could not discharge and the port was closed to navigation. A vessel sailed from New York in October of one year and arrived back in New York the following summer. The underwriter was not protected by a time limit and was therefore saddled with a year's risk.

Better to Insure Direct

In time hull insurance, if the ship is at sea at the time the policy expires the insured has the right to have it extended. It is also customary to make the policy read "direct or otherwise." The excuse is given at the present time that the admiralty may order the boat to another port. Under a broad interpretation of that form the vessel can go anywhere and the underwriter might be saddled with a risk scattered all over. Therefore, it seems better not to insure "direct or otherwise," but "direct" with a proper deviation clause.

EASTERN MARINE UNDERWRITERS, Inc.

GEORGE A. EVALENKO, President
C. RUSSELL EBERT, Secretary

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MARINE DEPARTMENT
OF THE
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GLENS FALLS INSURANCE CO., OF GLENS FALLS, N. Y.
HANOVER FIRE INSURANCE CO., OF NEW YORK, N. Y.

Marine Agents

GLOBE & RUTGERS FIRE INSURANCE CO., OF NEW YORK, N. Y.

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Trading With the Enemy

(Continued from page 1)

to be considered as enemies for the purpose of trade with them."

List Not Complete

In an interview with The Eastern Underwriter this week, Mr. Kneeland said:

"The official Black List is prefaced by certain notes, one of which reads substantially as follows:

> This is a list of enemies and allies of enemies and other persons, firms and corporations whom there is reason to believe have acted directly or indirectly for, or on account of, in behalf of or for the benefit of enemies and allies of enemies.

"The list does not purport to be a complete list. Any person, firm or corporation trading with any firm or corporation whom there is reasonable cause to believe is an enemy or ally of enemy, or who trades or acts for, in behalf of or for the benefit of the enemy or ally of enemy is not relieved from penalties of the Trading-with-the-Enemy Act by reason of the fact that the name of any other person, firm or corporation does not appear upon this list. There will probably be a supplemental list published. There are some names on the original list that have since been stricken off.

"However, the list already published is official notice from the Government of the fact that the concerns mentioned are enemies or allies of enemies, or are dealing for or on behalf of enemies or their allies, and any broker who knowingly deals with such persons—it seems to me—is entering into business communication with them within the provisions of the statute. To my way of thinking, since the statute prohibits trading of any kind or commercial intercourse not only with persons who are known to be enemies or allied enemies, or with any persons of whom there is reasonable cause to believe to be such, it is not safe for any one to shut his eyes and go blindly, because it there is this reasonable doubt, there should be exercised all reasonable and ordinary care in dealings.

Brokers' Responsibility

"If a broker goes ahead and places insurance for a concern of that kind he is doing this in violation of the act. The trade itself is unlawful and anybody who aids in placing insurance knowingly, or with reasonable cause to believe there is ground for suspicion, is violating the act. Then, too, the forms which are issued by the Alien Property Custodian require every person to report to the Alien Property Custodian any policy which he may have in his possession in which an enemy or allied enemy is the insured or the beneficiary. You can readily see that as the broker is the agent of the insured if a broker acts as the agent of these enemies or allied enemies, or has reasonable cause to believe that they are in that class, he is trading within the meaning of the statute."

New Underwriters' Marine Theories

INCLUDES TAKING ALL LINES

Younger Generation Has It Within Its Power to Establish New Underwriting Principles

The Eastern Underwriter has arranged for a weekly unbiased comment on marine insurance affairs in New York City by a competent authority. The first deals with the new generation of marine underwriters and is as follows:

The demand for marine insurance having increased since the outbreak of the war, many companies have entered this branch of the insurance business who never had any experience prior to that time. As it was impossible to get trained and competent underwriters, it was necessary for the newcomers to take the best material available. This state of affairs naturally upset a great many precedents and theories which trained marine underwriters have followed for generations past. It also gave clever marine brokers an opportunity to expound a new theory as far as marine underwriting is concerned.

It is claimed, and most likely the theory has been accepted, that if an underwriter accepts all the business which is offered from time to time at what the brokers offering the business deem fair and adequate rates, that after all is done and said the underwriter is bound to make a profit and strike an average. To follow a theory of this kind an old and tried underwriter would hesitate and ponder, as from his past experience he knows that if he attempts to underwrite a risk, which from all appearances is not first class, he invariably is called upon to pay a heavy or a total loss, as well as from time to time being called upon to pay losses that were least expected and unknown in underwriting history prior to his being called upon to pay such a loss. Therefore, it can readily be seen that any new practice would not appeal to an underwriter of the old school.

This new theory may be correct, no one knows, as it has never been given a very fair trial because the underwriters for the past generation have been most conservative and careful in their undertakings and have worked on a different theory entirely and have shown successful results. Therefore, it is up to the present generation of marine underwriting talent to take one of two courses—either to try a new theory and see if they are successful, or to follow the old theory which has been tried and found successful.

STRENGTH INTEGRITY SERVICE

Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries

JAMES H. BREWSTER, Mgr.
Hartford, Conn.

A Broad Underwriting Service to Agents
Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.
Works in Harmony with American Agency Principles and Practices

WAGNER-TAYLOR-EDSON CO., INC.

Wagner-Taylor-Edson Co., Inc., of Philadelphia, this week announced the opening of their New York office at 44 Wall Street. The office is under the management of William D. Lee who has been in the marine brokerage business for seventeen years.

RECALLED TO THE COLORS

Special Agent George W. Smith, who has held an assignment in Connecticut under the Hartford office of the Fidelity & Casualty, was formerly a naval engineer and was recalled to the colors recently. His rank of lieutenant has been revived and he expects to be assigned to a ship at any time.

Wade Fetzer, of W. A. Alexander & Co., Chicago, left New York last week and will visit his son in Asheville, N. C., before returning to Chicago.

James M. Gleason, of Albany, N. Y., has died. He was sixty and was in the insurance and real estate business.

JAMES J. BOLAND COMPANY, Inc.

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NEW YORK NATIONAL INS. CO.
THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.

Rossia Insurance Company
OF PETROGRAD
Statement December 31st, 1917

ASSETS

Securities Deposited with Insurance Departments, States of Connecticut, Ohio and New York	$ 728,800.00
Securities in hands of Trustees	4,751,720.00
Real Estate	285,000.00
Cash in Bank	3,215,620.09
Other Assets	674,973.18
	$9,656,113.27

LIABILITIES

Reserve for Unexpired Reinsurance	$5,002,639.63
Reserve for Losses	2,257,379.00
Other Liabilities	114,500.00
Surplus	2,281,594.64
	$9,656,113.27

U. S. Treasury Certificates (Purchased since Dec. 31, 1917)	$1,250,000.00
U. S. Liberty Bonds	650,000.00
Anglo-French Loan	362,000.00

U. S. TRUSTEES
Mr. GEORGE B. EDWARDS, NEW YORK
Col. SAMUEL McROBERTS, NEW YORK
Hon. THEODORE E. BURTON, NEW YORK

United States Departments, Hartford, Conn.

Fire Reassurance Company
OF PARIS
Statement December 31st, 1917

ASSETS

Securities, Deposited with Insurance Departments, States of Connecticut, Ohio and New York	$ 517,650.00
Securities in hands of Trustees	1,109,250.00
Cash in Banks	554,676.58
Other Assets	175,854.34
	$2,357,430.92

LIABILITIES

Reserve for Unexpired Reinsurance	$1,447,291.94
Reserve for Losses	308,206.00
Other Liabilities	20,250.00
Surplus	581,682.98
	$2,357,430.92

U. S. Treasury Certificates (Purchased since Dec. 31, 1917)	$250,000.00
U. S. Liberty Bonds	200,000.00
Anglo-French Loan	100,000.00

U. S. TRUSTEE
CONNECTICUT TRUST AND SAFE DEPOSIT COMPANY, HARTFORD, CONN.

C. F. STURHAHN, Mgr. and Gen'l Atty. T. B. BOSS, Treasurer
B. N. CARVALHO, Sec. and Res. Mgr.

CASUALTY AND SURETY NEWS

Adjustment Bureau Versus Local Agent

SUGGESTION OF ACCIDENT MAN

Another Casualty Underwriter Sees Local Agent as Ideal Adjuster—W. W. Dark's Ideas

W. W. Dark, secretary-treasurer of the Business Men's Indemnity Association, Indianapolis, has suggested that some action looking toward the appointment in the larger cities of claim adjusters who would attend to all the claims of conference companies in a given territory, would be economical for the companies. He believes that it would also prevent the dissatisfaction which he finds occurs frequently at present, where two or more companies are on the same risk, and from one cause or another make settlements to the detriment of one or more of the companies concerned.

Requires Rate Uniformity

Mr. Dark explained his plan to a representative of The Eastern Underwriter, as follows:

"The adjustment bureau plan as conducted by the fire companies is certainly highly beneficial and produces immense savings. I think it will require some time before the accident and health companies have a sufficient uniformity of rates and policy conditions to warrant the establishment of adjustment bureaus, but I believe it would certainly be beneficial and would save the companies a great deal of money now expended in the maintenance of their individual claim departments. I can see no reason why the claims on monthly premium policies, as well as commercial lines, could not be handled by the same bureaus."

Says Risks Too Small

Another view of this subject, by a casualty man connected with a large stock company, is in effect that while fire risks are large; involve many companies on one risk and economies can be effected through adjustment bureaus, the health and accident business is too small, as to individual risks, to be thus handled. This underwriter also looks upon the agent as the logical adjuster. Here is his idea:

"Are we not now inviting or inducing our agents to help the insured to pay claims? Is there not every advantage to the agent in inveigling the company to pay with over liberality as an advertisement in the agent's behalf? What chance has the little $30 a week adjuster representing his company's claim department, to know or learn the character or condition surrounding the claimants and does he care ignore the 'advice' of the $30,000 general agent? Why not make it the agent's duty to adjust the loss and cut out the directly employed adjuster? It would cost no more and the agent knows his claimant. He knows the conditions and he is on the ground where he can give immediate attention, which is half the battle. If he has a contract calling for quality of business rather than for volume, would he not be the ideal adjuster?"

RICHARDSON TO SPEAK

Frederick Richardson, United States manager of the General Accident, will address the Insurance Society of New York on March 26. His subject will be "Twenty-Five Years of Casualty Insurance." This will be the 150th meeting of the Society.

Try Re-Insurance Case in Columbus

OLD CHICAGO BANK LITIGATION

Re-Insurer Claims Liability Limited by Custom Rather Than Contract

Columbus, Ohio, March 6.—An interesting case to surety underwriters is that of the American Fidelity of Montpelier vs. the American Guaranty of Columbus, Ohio, tried in the United States Court at Columbus last week.

The suit arises out of the claim of the American Fidelity for $25,000, with interest and costs on account of re-insurance given by the American Guaranty, on a depository bond written in the fall of 1913 by the Chicago agents of the American Fidelity, covering deposits in the La Salle Street Trust & Savings Bank, of which ex-Senator Lorimer was president.

The American Fidelity re-insured the entire risk with the American Guaranty, the Lion Bonding and the American Indemnity giving one-third to each. When the bank failed in the following spring and claim was made upon the American Fidelity, it in turn made claim upon its re-insurers, but at the instigation of the re-insurer denied liability and stood suit by the City of Chicago, the American Guaranty co-operating in the defence.

Judgment was rendered against the Vermont institution and it paid the full amount of its bond, with interest, but was never able to obtain re-imbursement for its share from the American Guaranty. The Lion Bonding settled after some litigation and the American Indemnity also settled.

Universal Custom

Defendant denied liability because the American Fidelity had re-insured its entire risk, claiming that it was customary for the company placing the business to retain at least as much of the risk as it gave to the company re-insuring and that this was not a matter of contract but one of universal custom, while the plaintiff claimed the matter was solely one of contract.

A great deal of evidence was introduced, and officers and agents of various surety companies testified, among others, President Hamilton of the American Guaranty who stated that as early as 1900 he was president of the American Bankers' Association, which, about that time, in conjunction with all of the surety companies in the United states, agreed upon a uniform fidelity bond and re-insurance contract obligating the original company to carry as much as the company re-insuring it. The Court took the case under consideration and decision will probably be rendered next month.

CUBAN APPOINTMENT

The Maryland Assurance has appointed Silviera, Linares & Co. agents in Havana, Cuba.

New Amsterdam Casualty Company

A Progressive

SURETY AND CASUALTY

Company

Abuses as Seen by Liability Manager

WANTS BETTER UNDERWRITING

Irregularities Which Result only in Unfavorable Experience for Companies

Nineteen-eighteen is still young and the results of casualty underwritings of last year are fresh in the minds of managers. If one is to profit by one's own and others' mistakes now is the time to do it. Mistakes and failures of 1917 should be used to good purpose in avoiding a repetition of blunders now only too obvious. Take the liability business as a case in point.

Perhaps the management conceives the idea that the Manual is the underwriter and that anybody who sufficiently understands that document to quote rates is a suitable person to bind the company on risks. This is obviously not correct. In fact, underwriting requires highly trained men and they demand high pay, but they are not necessarily expensive. The highest priced man, if well chosen, will most surely be the cheapest in the end.

Not Inspector's Work

Claim agents and inspectors may understand their respective branches of the business, but they are not underwriters and many there are who hold that they cannot be educated as such.

While it may be true that the margin of profit is small, or even minus, yet companies are their own pall bearers by reason of numerous irregular methods which smack of underhandedness. Small salaries beget inexperienced and incompetent help—a loss before starting. Here is an example. A so styled underwriter accepts a public utility risk waiving conditions re payroll audit and permits the assured to settle claims up to $250. The result is $14,000 losses in three months against $10,000 premium for a year.

Inexperienced or untrained underwriters take many chances, believing they can handle propositions that

(Continued on page 25)

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building PHILADELPHIA

Action Needed in Accident Field

PRACTISES ARE UNBUSINESSLIKE

Views of Underwriter Who Deplores Lack of Co-Operation Among Companies

Ever since the health and accident company executives met in New York last fall and discussed the subject of increasing rates to meet extraordinarily heavy expenses and taxes, there has been much disappointment among underwriters that it should have been found so utterly impossible to secure united action. Committees were authorized, but not appointed and the health and accident men have had to stand by and see other casualty lines receive rate increases while health and accident goes without.

"Dog Eat Dog"

As one underwriter puts it: "Are accident underwriters good business men?" He then proceeds to answer the question in the following manner:

The accident and health lines, and more particularly the health, have been underwritten by the companies for some time at a considerable loss. There is not only no profit in the business, but the claims are paid out so rapidly that in handling the premium the banking end of it is hardly worth mentioning. There is no other line of business, either insurance or mercantile, where corporations are willing to consistently lose money year in and year out simply for the purpose of doing the business or endeavoring to squeeze the weaker competitor. In all other insurance lines, if it is found necessary to increase the premiums or change the policy forms for the purpose of placing the business upon a sound basis, the companies with hardly an exception co-operate. For some unknown reason, this does not hold true in the accident and health lines. It seems to be a case of dog eat dog. Some of the larger companies evidently believe that in time "fly by night" competition will be eliminated. Our experience has been that such is not the case; as one of these companies fail, another mushroom springs up over night.

Be Businesslike.

If weak companies cannot be eliminated by the so-called cut throat methods of writing business at a loss, why don't the companies look at the matter in a sane and businessike way. Issue contracts that give the public the necessary protection free from so-called frills, accumulations, etc., and charge an adequate premium. The haberdasher will not continue indefinitely to sell

(Continued on page 27)

Costly Changes in Fidelity Bond Schedules Caused by the War.

By Upton Slingluff, Assistant Secretary and Superintendent, Fidelity Department, National Surety Company

The World War is causing a remarkable number of changes, these days, among employes of large corporations.

Particularly exact and complete data on this interesting and wide spread economic situation is to be found in the somewhat trying and perplexing experience which this nation's surety companies are having with their big corporation schedule bonds.

Under these big corporation schedule bonds the surety companies agree to protect corporations against dishonesty by employes in various specified positions of trust. The corporation is required, however, to notify the surety company every time a new employe is put in one of the bonded positions.

These notifications of changes in bonded positions of our nation's large corporations are today pouring into the registration departments of the surety companies with machine-gun rapidity and ceaselessness.

A 150 Per Cent. Increase

Before this country declared war on the Central Powers, the number of changes, yearly, under the average schedule was approximately 10 per cent. Since war was declared, due to enlistments, the draft, Government work and other causes, the labor market has been so demoralized that the number of changes under schedule bonds has increased to approximately 150 per cent. The normal 10 per cent. is based on a full year's experience. The present increased percentage is figured on actual changes that took place between June 1 and December 1, 1917, on National Surety Company schedules.

One railroad, bonding some 3,000 men and women under its schedule, formerly had an average turn-over of about 20 per cent. a year. By actual count in the six months from June 1 to December 1, there were over 4,200 changes.

This means an enormously increased volume of work for the surety companies with no additional compensation. The surety companies have been forced to make substantial additions to their clerical force handling these change notices. This has added very materially to the cost of operation and has brought about a realization of the fact that something must be done to offset this expense, as rates are based on a fixed cost of operation and an estimated percentage of the loss ratio based on actual normal experience.

Higher Loss Ratio

Moreover the loss ratio has increased owing to the inability to keep the best class of employes. The surety companies have found it necessary to increase rates on certain lines of business because of these facts and to charge a minimum earned premium per employe covered, to take care of the cost of the extra investigations and the added work necessary, due to the abnormal number of changes.

These changes are increasing proportionately all the time because the Government is calling for additional men for service and is extending its activities in many lines of business, building ships, food and fuel control, etc., which all take additional help. The consequence is that the labor market is called on to supply those necessary for the Government work, creating positions which must be filled by others. The new employes are less experienced, cannot be selected as previously, but employers must take the best of what is procurable. This not only gives the surety companies increased work in keeping matters straight, but increases enormously the chances for loss as well as the operating expense.

Incompetency

There are more changes because of incompetency. Many of those taken on to fill vacancies are found incompetent and in some lines of business it is not



UPTON SLINGLUFF

a case of getting the best for the work but of taking what is available. The Surety Company examines and approves only as to honesty, as it has no means of judging as to capabilities, not knowing personally the employes. If the present situation is any indication of what is to come in the future, these troubles will grow worse until the war is over, the armies mustered out and the world settles down again to its paths of peace and contentment. Trouble will continue to increase in the way of changes rather than decrease, as the labor supply gets smaller and the call of the Government grows. There will be additional competition for employes when the summer season opens up, as then the agricultural interests will be competing for help with the merchantile lines and labor will go to the highest bidder, thereby causing still more changes.

It is hard even for those who are in touch with the situation, to realize conditions and the tremendous turnover of help on all lines. Under present conditions every employer of labor of any kind handling money or valuables, must be careful to investigate all such employes, as there is an interval between employment and final examination and approval by the surety companies during which period the greatest danger exists on account of the number of individuals who get positions and abscond before the surety company, in many cases, get notice of their employment and application to start their examination and see that they are bonded in sufficient amounts to protect against loss. The present condition is such that employers are not examining closely the personal records of those applying for positions and are taking any one they can get, knowing nothing about them and putting them in positions of more or less trust, sooner or later causing trouble and leading to financial loss.

Lose Money in Changing Jobs

Every employer loses money every time he changes his employes, the salary question does not show the loss if he rerplaces the employe who leaves with one at the same salary, which is hard to do. But, the loss incurred is in the time taken to break in the new employe, the salary of the old employe who is teaching the new one, the loss of effectiveness in the work done by the new employe compared with the old one, the loss caused by errors of the new employe and numerous other elements that enter into all this. It is safe to say that every new employe taken on costs the employer at least a month's or two months' salary, although it does not show up in the statement of the year's work.

It behooves the employer, therefore, to use every endeavor to keep in his service, if possible, all old employes who are conversant with the business, excepting, of course, those leaving to enter the service of the Government, rather than let them go and take on new ones in their places, and at the same time not forgetting when new ones are employed, that they must be carefully investigated and bonded not only for the employer's protection, but for the moral effect which the bonding company has toward keeping employes in the straight and narrow path of honesty and uprightness.



Liability Abuses

(Continued from page 24)

others would shun. A case in point: A large steamship risk was written under a special form and cancelled within three months after losses had amounted to several times the premium. It is still too often a case of anything for the volume.

Hits Automobile Line

The taint is also found in the automobile liability lines. For instance, the formation of automobile and team clubs, so called, and the writing of business at half rates. Fictitious or misleading addresses have been used for the sole purpose of writing business in one territory at rates applying to another section. Others accept risks based upon agreed figures and write letters waiving payroll audits.

Improper commissions are also paid. One company offering reinsurance has admitted that the business of one branch office cost 24 per cent. for general liability and 25 per cent. for automobile. Another company official admits paying one general agency commissions in excess of those authorized by the bureau.

These are just a few of the things department heads complain of and hope to see rectified before another year rolls around.

STATE FUND'S CONDITION

Manager Baldwin Makes Report and Draws Comparison in Expense Ratios

Reporting on the condition of the New York State Insurance Fund, as of December 31, 1917, Manager F. Spencer Baldwin says: The premium income is over $2,500,000, reserves and surplus, $3,500,000; policies in force, 10,000, covering 200,000 employes. It is estimated that one-fifth of the compensation insurance in the State is in the fund, exclusive of so called self insured employers. In 1917 the premiums written increased over $600,000, about 30 per cent, increase in reserve over $1,000,000 and surplus about $150,000. The ratio of management expense to earned premiums is placed at less than eight per cent. last year. The fund's assets now amount to $3,754,262, reserve for losses $3,020,862, reserve for deferred claim expense $90,626, reserve for unearned premium $108,109, reserve for expenses $135,982, total liabilities $3,355,579, surplus $398,682.

Speaking of the expense ratio Manager Baldwin places mutual company expense at 20 per cent. and the stock company expense at 40 per cent.

Manager Collins, of the Casualty Insurance Exchange, New York, has had mounted two large maps, one of Bronx borough and one of Brooklyn, upon which to chart the experience with general liability lines, the same as was done in Manhattan, with such good results.

Edward H. Warner, who died in Hartford a few days ago, was formerly special agent in Western Massachusetts for the Hartford Steam Boiler.

The Fidelity and Casualty Company of New York

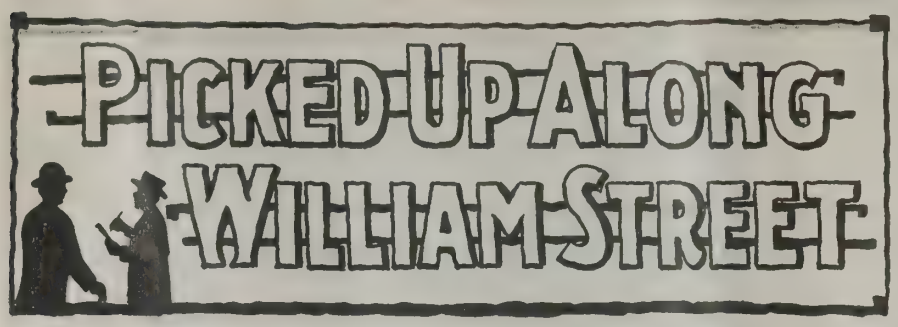
92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

ANNUAL STATEMENT DECEMBER 31, 1917

Assets	$15,077.330.62
Liabilities	10,785,343.53
Capital	1,000 000.00
Surplus over all liabilities	3,291,987.09
Losses paid to December 31, 1917	60,740,294.97

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation, Steam Boiler Insurance; Fly-Wheel Insurance.



Will Teach Auditors

C. E. McDonnell, of the chief pay-roll audit division of the accident and liability department of the Aetna Life, at New York, has been transferred to the home office in charge of a training school for pay-roll auditors. Mr. McDonnell will be succeeded at New York by G. P. Le Crenier, Jr., who is qualified for this work by many years' experience.

* * *

Terms of Karlin Bill

The Karlin bill introduced in the New York Legislature would amend the workmen's compensation act. Under the present law the insurance carrier shall include the State Fund, stock corporations or mutual associations and employers are permitted to pay compensation directly. The Karlin bill strikes out all reference to any method of insuring other than in the State Fund. Therefore, the bill would have the effect of creating an absolute monopoly for the fund.

* * *

Drive for Hold-Up Risks

In several casualty offices in New York a drive is being made for pay-roll and messenger hold-up insurance. Owing to a wave of crime many retailers have become alarmed and have applied for revolver permits.

* * *

Bureau's Latest Publication

Those interested in workmen's compensation will find a wealth of information in a book just issued and now being sold by the National Workmen's Compensation Service Bureau. This work is divided into three parts; the history and theory of rate making, report of the 1917 conference on rates and appendices. It is thought to be the most complete presentation yet made of this subject. Companies and large agencies are preparing to place one of the books in the hands of each of their large insurers.

* * *

Charles S. Warren Makes Change

Charles S. Warren, who for the past year has been statistician for the Fidelity & Casualty at the home office, has left the insurance business and gone to St. Louis with the Busch-Diesel Engine Company as accounting expert and assistant to one of the secretaries of that firm, which is working on important Government marine engine contracts. L. A. Nicholas, who has been with the Fidelity & Casualty for twenty-three years, most of that time in the health and accident branch statistical department will take up Mr. Warren's former work.

* * *

Unlevel Premium Principle

In principle the unlevel premium disability policy is one of small death benefits and large weekly indemnities. It can be used to advantage by brokers who have a large life insurance clientele. The man who is well provided with life insurance is not attracted by large death benefits under an accident policy as is one with a small amount of life insurance. The man with a large life insurance is likely to turn down the accident proposition on the plea that he has all the insurance he needs—and he thoroughly believes what he says. The broker can only argue: "Well, you know what you are going to get—or what your family will get if you die—but what will you get if you live?" The insured probably has a small weekly indemnity feature with whatever accident insurance he may have—so small that it would not cover his expenses if he were disabled. When he took the accident policy he probably did not have as much life insurance as at present and he was attracted by the large death benefit in the accident policy. Another argument used by brokers applies to professional and business men who are under large expense and who would need to have their income guaranteed, not only to cover ordinary expense but to protect their large life insurance holdings, the premiums on which might fall due during a protracted disability. The ordinary accident policy provides $7,500 principal and $25 a week for a $25 a year premium. The unlevel policy may be written to provide $1,000 and $25 for $13.20, or with $50 a week, $26.40. Likewise, the usual full disability policy provides $7,500 principal and $25 a week for $60 annually. The unlevel premium proposition can be arranged to provide $1,000 and $25 for $48.20; or $50 a week for $96.40.

* * *

Mutual Rates to Move Up

Of course, the automobile mutuals have been visibly cheered by the substantial increase in liability rates made by the stock companies. The mutuals claim to be deriving much benefit from the changed conditions. It may be confidently expected that some of the mutuals will take advantage of the situation and advance rates themselves. Certainly some of the rates quoted are surprisingly low, even for a mutual. The question arises also, how can they keep it up and pay twenty per cent. commission, as some are credited with doing? Twenty per cent. cut and twenty per cent. commission, that's what it amounts to in some cases. Talk to a mutual man and one receives the impression that he gets all his business direct. Talk to a stock man and it becomes apparent that mutuals openly advertise twenty per cent. commission, so there you are. Time alone will prove who is right.

* * *

An Unique Explosion

Victor A. Reynolds, general agent of the U. S. Fidelity & Guaranty Co. in Walton, N. Y., tells The Eastern Underwriter of an unique explosion there.

"Heating boiler explosions are a rarity in this county and I am wondering if you would care for a line on one that happened in Walton recently," he said.

"The hot water boiler used to heat the Royal Cafe exploded on a Sunday morning at seven o'clock, blowing out the bottom of the water jacket and making the boiler worthless. The explosion was caused by the overflow pipe of the expansion tank freezing where it stuck through the side of the building, the cold that night being extreme as the mercury went down to 22 degrees below zero. The damage done will amount to about $100 and the force of the explosion was sufficient to shake the entire building."

* * *

New Jersey Legislation

The New Jersey legislature adjourned February 28. No action was taken on the State fund proposition, but there will be several amendments to the compensation law.

Monopolistic Health Insurance Bill

PERMITS INTERSTATE COVER

Insured and Family "Protected" Against Everything—New York Medical Society in Opposition

The monopolistic health insurance bill introduced in the New York Senate by Senator Nicoli will probably be acted upon by that body in the near future. It is ready to be reported by the Senate Committee on Labor and Industry, to which it was referred on introduction.

The New York County Medical Society, in session last week, ordered its delegates to the state convention to oppose favorable action on this bill by that body.

The details of the bill, as finally drafted by the labor committee, are here published for the first time.

Anticipates Federal Bill

Article 1 of the Nicoli bill excludes from coverage any person already covered by the compensation law or "by any act of Congress." It also sets the date of application of the law which is April 1, 1919, and further provides that persons moving out of the jurisdiction of this State may continue their insurance on application. No provision is made as to payment or medical attendance in such instances.

Article 2 states that the minimum benefits shall be "medical, surgical and nursing attendance and treatment, medicines and medical and surgical supplies for himself and dependent members of his family; hospital and sanatorium treatment and maintenance; dental service; cash sickness benefit for himself or for dependent members of his family; cash maternity benefit; funeral benefit." This article also permits the assured to procure dental, medical, hospital and sanatorium treatment from any "competent person," same to be paid by the "fund" at a rate to be determined by the industrial commission. The manner in which physicians and other practitioners are arbitrarily required to give treatment and accept in payment whatever the industrial commission is pleased to allot is one of the principal points objected to at the meeting of the New York County Medical Society.

The assured and his family are permitted to go to the hospital, engage nurses, purchase medical and surgical supplies and to procure dental treatment at their pleasure, same to be paid for by the "fund." Dependents receive a cash disability benefit as well. While twenty-six weeks is given as the maximum disability benefit early in the bill, provision is made in Chapter 2 for extensions to 52 weeks.

Cost Equally Divided

Article 3 is the financing instrument. It is here provided that the employer shall pay one-half of the cost of such insurance and the employe the other half in instances where the income of the employe is in excess of $9 per week. Where the income of the employe is less than $5 per week, the employer pays the entire cost. It is also stipulated that the employer shall pay his contributions monthly and deduct the employe's share from the pay-roll. Provision is also made for increased charges in hazardous occupations. Contributions of an employer to the "fund" constitute a first lien under law on his assets and the penalty for non-payment of contributions promptly is that the employer shall pay the entire amount and make no deductions from the salary of his employes.

Article 4 divides the State into districts and provides for the formation of local and trade "funds" which are to be corporations subject to the approval and authority of the industrial commission. The board of directors is divided equally between representatives of the employes and of the employer with the deciding member elected by a majority, the board to have supreme authority in the administration of the "funds." All officers of the "funds" are to be bonded. Insurance is also provided for former employes. The books of the "funds" are not to be open to anyone but the industrial commission and penalty is provided for the disclosure to other persons.

Cannot Sue "Funds"

Article 5 defines the duties of the industrial commission as respects the "funds" and provides for the settlement of all disputes. The law also provides that no suits can be brought against the "funds" unless first passed upon by the industrial commission and appealed from that body.

Article 6 makes the law effective immediately upon enactment with the first contributions to be made April 1, 1919, and the first benefits to go into effect three months thereafter.

TRAVELERS CHANGES

C. E. Lee, special agent of the Travelers who has been attached to the Des Moines, Iowa, office of the company for some time, has been transferred to the Albany, N. Y., branch office of the Company.

The Travelers also announced this week the promotion of Arnold S. Helmbold to the position of acting manager of the Pittsburgh branch. Mr. Helmbold has been in charge of the Pittsburgh office since the resignation of Major Harry A. Purcell.

John G. Oglesby, special agent attached to the Buffalo branch office has been made manager of the accident department of that office succeeding F. B. Smith, recently commissioned a second lieutenant in the National Army.

The Company also announced four new special agency appointments. They are S. M. Rule, attached to the Des Moines, Iowa, branch; John M. Griffin, attached to the Pittsburgh branch; R. H. Hicks, attached to the Madison Square, N. Y. City branch, and Albert A. Knox, attached to the Albany, N. Y., branch.

BROKERS!

KEEP POSTED BY READING

THE EASTERN UNDERWRITER

Subscription $3 a Year

C. A. CRAIG, President W. R. WILLS, Vice-Pres. C. R. CLEMENTS, Sec. & Treas.

The National Life and Accident Insurance Company

NASHVILLE, TENNESSEE

Industrial, Life, Health and Accident Insurance in ONE policy

CASUALTY AND SURETY POINTERS

Must Face Automobile Situation

Because of the Government's war demands the General Accident is inclined to accept the belief shared by not a few other companies, that the production of passenger cars will be largely curtailed. However, the Company does not regard the situation as hopeless but it does call for intensive effort. Agents are advised to turn to the old sources of business and examine closely for evidence of lack of intensive cultivation. Circumstances place the issue squarely up to the agent and it rests with him alone whether the result of the season's drive for automobile business is to be satisfactory to all concerned. There is no doubt, says the General, that many automobile owners do not carry insurance. This condition is not confined to any particular section of the country. It is not altogether the fault of the agent but rather to a reluctance on the part of some motorists to accept the agent's arguments. The agent's task now is to keep persistently after these reluctant ones. They are prospects in spite of their attitude and can be won over. Look carefully after renewals. Keeping these up to the maximum is another way to circumvent the handicap of a curtailed field. In conclusion the General predicts that this year is going to tax one's ability and courage to the utmost. Nothing which ever so faintly resembles an opportunity should be allowed to escape attention or to go unheeded. The situation with respect to automobile insurance demands constant alertness and continual endeavor.

* * *

Excessive Commissions Illusive

A casualty company which has made its success by straightforward, honorable dealing with agents and the public, gives some good advice to agents, in which appears this:

"Often the agents of established companies are offered extreme commission contracts by some company just starting in business. Naturally, the agent wants to do the best he can for himself, but why jump without carefully studying the matter? Those who do have ample reason to regret the change.

"A few months ago an agent wrote us that he had been offered 35 per cent. flat commission, with higher classification of risks and more liberal policy than we were issuing. He acknowledged the new company would lose money on his business, but decided to take a chance. The result? After four months he asked us to take him back because he was unable to get any new business. He learned that our established reputation for fair, prompt settlement of claims enabled him to make much more income at fair commission than where claims were rejected on technicalities in the effort to come out even.

"Fortunately, most agents are blessed with good 'horse sense.' They take as a basis the percentage of premium receipts paid to policyholders in claims; then add the commission the 'twister' offers them; then add the taxes which must be paid to the State; also the cost of operating home office, supplying all literature, keeping all records, etc. They thus find the total exceeds the premium receipts, which convinces any reasonable man there is something wrong. Either the management is not experienced, and has no idea of the cost of carrying the risk, or is deliberately trying to deceive the agent, for it stands to reason that no company will long continue to operate at a loss. If the offer results from ignorance, what has the future in store for the agent? The company either goes out of business or is forced to change policies and agents' contracts to a reasonable basis. If claims are scaled to enable them to pay excessive commission, where will agents get patronage so as to have any income?

"Remember, that everything must be paid out of the premium receipts. Very often the 'twister' makes extreme contract until it gets what business the agent can transfer and then his services are dispensed with. Extreme commissions excite suspicion in the mind of an intelligent man."

* * *

Accidents at Home

Reference by the solicitor to the hazard of accidents at home is generally met with the remark that they amount to nothing, and if they occur, the accident is a trivial one. The facts are different, as is shown by the experience of the Travelers of Hartford. They caused 27.8 per cent. in numbers and 20.7 per cent. of the amount paid under accident policies. They do not strike the public imagination because they happen to the individual. The following accident suffered by one policyholder is illustrative:

A policyholder in Philadelphia, on February 2 heard a tapping noise in the cellar of his home. He went to investigate and found a hot water boiler which was lighted, with the pipe frozen between the burner and the boiler. He called to his wife that he thought the boiler was going to burst, and simultaneously a loud explosion occurred. When the insured was reached he was found with his left leg and three fingers of the left hand nearly blown off. The amputation of the leg above the knee and of the thumb and fingers resulted.

* * *

Source of Prospects Suggested

For the accident and health insurance salesman who has run short of prospects, one company suggests that an examination of files be made to list the name of every assured who carries automobile insurance. From this list eliminate the names of all who carry accident and health. The remainder would comprise fully two-thirds of the list and all of them are prospects for accident and health. Then work this list thoroughly instead of rushing out pell-mell in an effort to break the record for making calls. Frame a good strong circular letter, making the message personal and mentioning that you will call within a short time. Have these letter typed instead of printed or processed. Go over the list and study wherever possible the condition and possible need of each individual. Card index each prospect, noting such information as is at hand which will furnish a means of approach and assist in talking the right policy to the right man. In arranging to make calls it is a good plan to divide the territory into sections. With persistence and determination such a prospect list should yield a profitable return.

Accident Practices

(Continued from page 24)

clothing at a loss simply for the purpose of having his competitor watch the procession file in and out of his place of business.

Most of the companies writing accident and health business also write other casualty lines. If they can cooperate in these other lines, why should not the same hold true with the accident and health lines. Through the medium of a personal accident and health bureau, the companies endeavored to take the necessary step that would protect them against the Missouri suicide law. For some reason, which has never been satisfactorily explained, nothing was accomplished. More recently, through the same medium, they endeavored to raise the premium rate ten per cent., but this, like all other matters intended for placing the business on an adequate basis, fell through.

During these war times of high taxes and increase on all commodities, the accident companies still persist underwriting business at a greater loss, although further burdened with increased acquisition cost and heavier taxes. Instead of absorbing the taxes, when will the companies wake up, act as agents for the Government, and charge the taxes to the buyer the same as done in all other lines of business, including the moving picture shows.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE CHICAGO

F. W. LAWSON
General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers New England

London Guarantee & Accident Co., Ltd.
OF LONDON, ENGLAND

Service Counts

Our Metropolitan District is managed by

Service Men

who

Insure Service

on

Accident and Health, Automobile Workmen's Compensation and General Liability Coverage

CONTINENTAL CASUALTY Co
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J. N. S. BREWSTER & CO., Inc.
General Agents
55 LIBERTY STREET
'Phone Cortlandt 8730 NEW YORK CITY

American Surety Company *of* New York

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Fidelity and Surety Bonds

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Pan-American Life Insurance Company

NEW ORLEANS, U. S. A.

CRAWFORD H. ELLIS, President

Capital.....$1,000,000.00

OUR 1916 STATEMENT SHOWS

Insurance in force	(over)....	$42,400,000
Resources	(over)....	5,600,000
New Insurance paid for		10,000,000

The High Scores in the Life Insurance Profession are won by Trained Men. We will train you in the Profession and locate you in Productive Territory either North or South. Your Opportunity is Here.

Further information on request. Address:

E. G. SIMMONS, Vice-President and General Manager

Whitney Central Bank Building

NEW ORLEANS, U. S. A.

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

CO-OPERATION No. 9

OUR effective plans of co-operation with new representatives (1) attract the best type of men to the business and (2) enable them to secure a substantial production during their training period.

A group of twenty-five new representatives who contracted with us in 1916 or early in 1917 have reported $83,418.46 in new premiums during the first nine months of 1917.

Phoenix Mutual Life Insurance Company

of Hartford, Conn.

JOHN M. HOLCOMBE, President

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.

Home Office, United Life Building Concord, New Hampshire

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SAN JACINTO LIFE INSURANCE CO. - BEAUMONT-TEXAS -



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FOR CONTRACTS AND TERRITORY, ADDRESS

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VALUABLE article from the Life Insurance Salesmanship Edition of The Eastern Underwriter has been published in canvassing document form and is proving very popular with life underwriters. -:- -:- -:- -:- -:- -:- -:- -:-

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THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 11 | NEW YORK, FRIDAY, MARCH 15, 1918 | $3.00 a Year; 25c. per Copy

HODGKINS RESIGNS FROM AUTO CONFERENCE

To Become Secretary of the Masonic Protective Association of Worcester, Mass.

FORMER DEPUTY OF HARDISON

W. C. Johnson, of Equitable, Prominent Life Man, Also to Join Masonic Protective

L. G. Hodgkins, manager of the National Automobile Underwriters' Conference, and a notable figure in the insurance business, has resigned.

At the same time the resignation from the Equitable Life Assurance Society of William C. Johnson, inspector of agencies for New England, is announced. Both Messrs. Hodgkins and Johnson will go with the Masonic Protective Association of Worcester, Mass. Mr. Johnson will be vice-president, Mr. Hodgkins secretary.

Trained in Hardison School

Mr. Hodgkins had his insurance training under Frank H. Hardison, the distinguished insurance commissioner of Massachusetts. He practically "grew up" in that department, and became Commissioner Hardison's right hand man. There he became an authority on compensation and other matters. When the National automobile conference wanted a man as manager they looked the field over with the greatest care and finally chose Mr. Hodgkins. It was no small man's job that fell to his lot, but one requiring the exercise of qualities of tact, judgment and ability of high order. That Mr. Hodgkins made good is generally recognized, so his resignation comes as a surprise.

Mr. Johnson is also a high-grade insurance man of unusual talents and the Masonic Protective Association is to be congratulated upon securing the services of these gentlemen. It is the largest and most successful company of the type in the country.

WATERBURY MEN TO MEET

The Waterbury, Conn., Fire Underwriters' Association will meet on March 28. C. S. S. Miller, secretary of the National Association of Insurance Agents; James L. Case of Norwich and others will speak. There will also be a dinner.

THE GAUVIN AGENCY

1863 THE 1918

FIREMAN'S FUND
INSURANCE COMPANY
OF SAN FRANCISCO

(CALIFORNIA STANDARD)

Assets	$16,719,842.62
Premium Income	14,177,744.68
Paid-up Capital	1,500,000.00
Liabilities	11,387,917.88
Reserve Fund	7,665,291.91
Surplus Fund	3,831,924.74

Policyholders' Surplus $5,331,924.74

COMPARATIVE CONDITION

January 1st	Assets	Reserve	Net Surplus
1880	$ 741,487.72	$ 244,603.64	$ 153,172.13
1890	2,431,717.79	797,618.97	484,438.25
1900	3,884,381.08	1,316,823.19	1,312,720.64
1910	7,431,401.75	3,180,066.25	2,014,856.91
1915	10,175,434.49	5,244,797.20	2,275,058.51
1917	13,445,953.99	6,155,238.71	3,676,192.50
1918	16,719,842.62	7,665,291.91	3,831,924.74

EASTERN DEPARTMENT

A. K. SIMPSON, Manager
J. W. LITTLE, Assistant Manager
Mason Building, Boston, Massachusetts

SHOULD AN AGENT SOLICIT RIGHT TO INSPECT POLICIES

Prominent Insurance Men Give Their Views on This Subject to This Paper

IT ALL DEPENDS, IS CONSENSUS

If Policies are Examined, Give Both Sides a Chance, Says George T. Dexter

No magazine article in years has attracted so much attention as the March issue of the "American Magazine," describing the selling methods of George H. Beach, a large writer of New York and Detroit, who, by the way, has just placed a $1,000,000 insurance on Gerrish Milliken, of New York City. What particularly interested insurance men was the publication in this article of a letter written by Mr. Beach to a man he had never met in which was solicited the privilege of examining his policies for the purpose of giving expert advice about his insurance.

Insurance Specialists

There has gradually grown up in New York City and other communities a class of producers who call themselves "insurance specialists," and who take the position that they can be of value to the public by making suggestions in reference to an insured's policies. These insurance specialists have not always conducted themselves in the insured's office, after once obtaining possession of his policies, as they should, and in some quarters the practice has been condemned.

A number of prominent insurance men were asked this week to discuss the question of inspecting policies. The Eastern Underwriter's question was:

> Is such practice legitimate, ethical and in the best interest of life insurance?

Here are a few of the replies:

George T. Dexter, Second Vice-President Mutual Life

You ask whether I deem it "legitimate, ethical and for the best interests of life insurance" for an agent to write

THE PILOT POLICY

to a business man and ask him for the privilege of inspecting his policies, giving as his reason that he may be of benefit to him by making suggestions regarding his insurance. Your reference is to letters going to men who are unknown to the agent making the proposition.

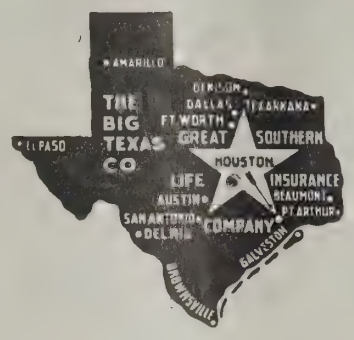
I must undertake to answer that question as an abstract proposition, rather than by passing judgment upon any particular instance, as to the facts of which I may not be fully informed. To come to the point directly, I can see no objection to such a course on the part of an agent provided he happens to be an infallible guide, free from bias and prejudice, incapable of giving injudicious advice; in other words, virtually an angel of light.

Presumably, the agent asking such privilege believes, or suspects, that he may be able to render good service to the policyholder by advising certain changes in his contract, or possibly by substituting new policies for those he now holds. The agent may be conscientious in this, but even conscientious and unbiased **experts** will often differ as to just what would be the better policy in a given case.

Let us suppose now that the agent, who is anxious to advise policyholders of other companies than his own as to the insurance they are carrying, is really capable and honest. We cannot assume that he is infallible but we may assume that he is thoroughly conscientious and that he would not intentionally give improper counsel to anyone. Grant also that he believes it to be his duty to advise the insured exactly as the matter appears to him. There yet remains one thing for him to do. Knowing that he himself is not infallible and being sincerely desirous that no mistake shall be made he should advise the insured to consult also with the company which issued the policies in the first place, or with its representatives, before acting in the matter himself. If the agent is really working in the interest of the policyholder, he will advise the latter to hear both sides.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

L. Seton Lindsay, Superintendent of Agencies, New York Life

I find it difficult to give a concise answer to your question, as to whether or not I "consider it ethical and for the best interests of life insurance for an agent to write to a business man and ask him for the privilege of inspecting his policies."

There is no question but that the honest life insurance man can do his clients a great service by going over his clients' policies and explaining to his clients just what they have. So often men buy life insurance in a careless way, and collect a lot of insurance during ten or fifteen years, without knowing what they have got.

On the other hand, I fully appreciate how much this service to policyholders has been abused by unreliable and unfaithful agents, and what should be a sacred duty has been turned into a cloak for lapsing and twisting insurance.

I am not familiar with the circumstances surrounding the particular case which you refer to; but on the broad ground of an agent writing as a general practice to the public indiscriminately, offering to look over their policies, I agree with you that it is a bad practice. It would be much the same as a doctor circularizing all sorts of people and suggesting that he be allowed to examine them and give his opinion, as to the kind of treatment they have been receiving from their own physicians.

There can be no argument but that it is a good thing for an individual to be examined by his physician frequently, and yet it would be far-fetched to make out of this fact an excuse for some doctor to try and obtain patients from other doctors through a general circular.

William H. Sargeant, Vice-President Massachusetts Mutual Life

I cannot say that, as a general proposition, I approve of the practice to which you refer, although there are probably instances where the purpose is honest and above-board and where no criticism would attach. When the information gained is improperly used, however, I consider that the procedure becomes unethical and most harmful to the interests of our business. It is, of course, the prevailing suspicion that the object at times sought, and occasionally attained, is the unsettling of the business, which is both dishonest and unlawful.

W. E. Taylor, Superintendent of Agencies, Equitable Life Assurance Society.

I have your letter of March 4 in which you ask for an expression of my opinion as to whether I think it legitimate, ethical and for the best interests of life insurance for an agent to write to a man, to whom he is presumably unknown, asking to be allowed to inspect the policies of life insurance he is already carrying for the purpose of making any suggestions which may occur to him regarding them.

I would say in reply that in my opinion danger lies in the abuse of the privilege thus extended; self interest is a powerful motive, and I fear that in many instances suggested changes to the advantage (?) of the insured from one form of policy to another would be prompted by the compensation to be derived by the agent, but what is a greater danger is the temptation to suggest replacing an existing policy by another in a different company, and upon an apparently more attractive or an up-to-date form, which in the last analysis cannot be done without cost to the insured.

Those agents who are today most

(Continued on page 6)

1860 1918

ANNOUNCEMENT

In conformity with a resolution passed unanimously by the Board of Directors of **The Germania Life Insurance Company** on December 5th, 1917, and with the approval of the Superintendent of Insurance of the State of New York, the company on March 1st, 1918, assumed the new corporate name of

The Guardian Life Insurance Company of America

1917—the last year under the old name was the most successful during the company's existence of fifty-eight years. The new business paid for amounted to $24,800,000.00 representing a gain of more than $3,700,000.00 over its best previous year while the business in force showed an increase of $10,222,000.00

Assets over $54,500,000.00 **Total Insurance in Force over $169,000,000.00**

Guarantee and Dividend Fund over $5,800,0000.00

New York Life's New Double Indemnity

CONTRACT BEGINS APRIL 1

Continues Through Policy's Lifetime—Can't Be Terminated at Company's Option

Beginning with April 1 the New York Life will begin to issue policies on all plans containing a new and more liberal double indemnity benefit. The extra premium for policies containing this benefit on all plans of insurance except limited payment policies is $1 per thousand at all ages at which the policy will be issued. The extra premium for limited payment policies depends upon the number of premiums to be paid.

The new double indemnity benefit will continue during the entire lifetime of the policy and cannot be terminated at the option of the Company. For the present the Company will continue to issue policies containing the travel couble indemnity benefit as heretofore.

Regarding the new policy the Company says:

The occupation of the insured will constitute an important factor to determine whether the Company can grant the new double indemnity benefit; therefore, great care should be exercised in stating in the application the exact duties of the applicant. Speaking generally, the Company will be governed by the following rules in issuing policies of insurance containing indemnity benefits:

(1) Persons to whom standard insurance is granted providing for disability benefits can have the new double indemnity benefit. There will be a few exceptions, however, to this rule, the exceptions applying to those occupations which have a higher accident rate than the normal, such, for example, as electricians, mining engineers, officers on steamships, railroad employes (not clerical), smelter and steel workers, lumbermen, etc.

(2) Applicants who are rated for causes other than occupation, and to whom disability benefits are granted, can have either form of double indemnity.

(3) Cases rated 5 years or less for occupation may or may not be entitled to double indemnity benefits. Each case coming within this category will be treated on its merits.

(4) Cases rated over 5 years for occupation will not be entitled to disability benefits or either form of double indemnity.

The maximum amount of insurance the Company will issue on any individual life containing a double indemnity benefit remains the same as heretofore.

MADE ASSISTANT SECRETARY

Promotion for a Prudential Man—Started with Company in St. Louis in 1892

John H. Birkett has been made an assistant secretary of The Prudential. He started as a clerk in the St. Louis office in 1892. In 1897 he was made an inspector. In 1909 he was called to the home office and installed as assistant manager of Division E. Later he became manager of Division K. In 1912 he was promoted to supervisor.

The Prudential "Weekly Record" prints pictures of Henry B. Sutphen and George H. Chace who have been promoted. Mr. Sutphen has been made an acting supervisor, Mr. Chace an acting division manager.

Job E. Hedges Counsel For Life Presidents

A FAMOUS NEW YORK LAWYER

Owner of Many College Degrees, Distinguished in Politics and Notable Banquet Speaker

Job E. Hedges, of Hedges, Ely & Frankel, New York, has been selected as counsel for the Association of Life Insurance Presidents. He is one of the most famous lawyers in New York, a prominent figure for years in the Republican party, and one of the greatest of after-dinner speakers.

Mr. Hedges was graduated from Princeton University in 1884 with the degree of A. B. and was given the A. M. degree in 1887 by his Alma Mater. In 1886 he was graduated from the Columbia University Law School with the degree LL. B. In 1914 the degree of LL. D. was conferred upon him by the St. Lawrence University and the University of Pittsburgh.

Was Once a Magistrate

In 1886 he engaged in the practice of law in New York City. He was secretary to Mayor Strong from 1895 to 1897, inclusive; city magistrate from May to December, 1897, and deputy attorney general of the State of New York in 1900.

Mr. Hedges is a member of the American Bar Association, New York State Bar Association, New York County Lawyers' Association, Association of the Bar of the City of New York, Sons of Veterans, Sons of the Revolution, Union League, University, Princeton, Lawyers, Republican and The Players' Club.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President — Home Office: NEWARK, N. J.

Great Southern Buys Wichita Southern

IMPORTANT DEAL IN TEXAS

E. P. Greenwood Made Vice-President of Great Southern—Busch Building in Dallas Purchased

(*By Tel. to The Eastern Underwriter.*)

Houston, Tex., March 13.—At the annual meeting of the stockholders of the Great Southern Life Insurance Company, held yesterday at the home office, the purchase of the Busch Building, Dallas, was ratified. At the same time the directors ratified the purchase of the Wichita Southern Life Insurance Company of Wichita Falls.

Elect Greenwood Vice-President

New directors elected were J. A. Kemp, president of the Wichita Southern, and E. P. Greenwood, vice-president and general manager of the Wichita Southern; R. H. Stewart, J. C. Duke and E. L. Flippen, of Dallas.

Mr. Greenwood was elected vice-president of the Great Southern, succeeding James A. Stephenson. All other officers were re-elected. Mr. Greenwood was at one time agency director of the Southland Life, and before that was with the Northwestern Mutual Life and the Equitable Life Assurance Society.

The Wichita Southern wrote non-participating only. It was incorporated in March, 1911, and has a surplus of about $150,000.

On January 1, 1917, it had admitted assets of $610,000; net reserve of $270,000, and had written about $8,500,000 of insurance.

New Policy of Penn Mutual Life

BRIEF SYNOPSIS AND RATES

Automatic Conversion to O. L. at End of Two, Three or Four Years—Rate Guaranteed

The Penn Mutual announces that it has in preparation a policy specially adapted to present conditions, which will be issued shortly upon approval by the several State insurance departments.

This policy provides for automatic conversion to O.L. at the end of two, three or four years, as issued, the O.L. rate being guaranteed. No question of raise of rate can therefore affect this contract. It is designed to cover present conditions giving insurance at a very low rate for the first two, three or four years, as selected and at the O.L. rate thereafter. However, at any time during the two, three or four years it can be converted to a limited life or endowment form either as if so issued or at attained age.

No Re-Solicitation at End of Term Period

At the end of the term period, no re-solicitation of the insured, no papers to be signed or rewriting of the policy are necessary. The payment of the O.L. premium for which notice will be sent will act as a conversion to the O.L. form. If that premium is not paid before the end of the days of grace, the agent can then get on the job.

The policy contains the No. 4 war clause and the premium rates are slightly lower than the rates for the Five O.T. Form.

The disability feature is not applicable to this policy during the period of the term insurance; but will be added at the date of conversion if satisfactory evidence of insurability is then furnished and a request so to do is made.

Rates

Rates per thousand for several ages follow:

Age	2-Year Term	3-Year Term	4-Year Term
21	$10.72	$10.75	$10.78
30	11.51	11.56	11.63
40	13.45	13.61	13.78
50	19.24	19.77	20.34

VIRGINIA CODE ADOPTED

Little Known by Insurance Men Regarding Possible Effect of Changes

The new Virginia Code has been adopted. There are over 1,500 changes in the law and many of them affect corporations in such a way as to be of interest to insurance companies. The various insurance branches are also directly affected in numerous ways. Insurance men have been unable to follow this legislation. The new code was prepared and copies of it bound but they were not readily available for inspection and insurance attorneys now know little about the general effect of the law. The code contains over 2,000 pages.

SELLS WAR INSURANCE

Lieutenant W. F. Winterble, now stationed at Camp Grant, near Rockford, Ill., and formerly the junior member of the general agency of Winterble & Winterble at Primghar, Iowa, for the Bankers' Life of Des Moines, is playing a prominent part in the war insurance work at Camp Grant. He has personally written applications for $455,000 of Government insurance among the members of his own battery, and he is at the same time helping in the general war insurance work by giving talks on life insurance at the various Y. M. C. A. meetings of his brigade.

Dividends on Metropolitan Life's Industrial Policies

Dividends payable in 1918 have been declared on all premium-paying industrial policies issued by the Metropolitan prior to January 1, 1914, and on certain paid-up policies which shall be in force January 1, 1918, as follows:

Premium Credit Dividends

To every holder of an industrial whole life or $500 endowment at age 80 policy, issued prior to 1907, where the insured will pass the 75th birthday in 1918, on the next subsequent anniversity date of the policy, if then in force, and premiums are paid to that date, a dividend credit equal to premiums for 52 weeks.

To every holder of an industrial whole life or $500 endowment at age 80 policy, issued prior to 1907, where the insured has passed the 75th birtnday prior to January 1, 1918, on the anniversary date of the policy in 1918, if then in force, and premiums are paid to that date, a dividend credit equal to premiums for 52 weeks.

Except, on whole life policies where the 80th birthday of the insured is subsequent to and within 52 weeks of the anniversary date of the policy in 1918, the dividend will be for such number of weeks as will credit the weekly premium from the anniversary date of the policy in 1918 to the date when the insured will be entitled to the face of the policy as an endowment under the special option "endowment at age 80." If, however, these policies are not surrendered under the special option, they will be entitled to a dividend credit equal to premiums for 52 weeks.

To every holder of an industrial policy issued prior to January 1, 1914, a dividend according to the year of issue as follows:

1879.....26 weeks	1886.....18 weeks	1893-1894.....9 weeks
1880.....26 weeks	1887.....16 weeks	1895-1896.....8 weeks
1881.....26 weeks	1888.....14 weeks	1897-1898.....7 weeks
1882.....26 weeks	1889.....13 weeks	1899-1900.....6 weeks
1883.....26 weeks	1890.....12 weeks	1901-1906.....5 weeks
1884.....22 weeks	1891.....11 weeks	1907-1913.....4 weeks
1885.....20 weeks	1892.....10 weeks	

These dividends are thus for percentages varying from about eight to one hundred per cent. of the amount of weekly premiums for a year.

All dividends are due and payable on January 1, 1918, except the 52 weeks' dividends on whole life and $500 endowment at age 80 policies, which are payable on the anniversary dates of the policies.

Mortuary and Maturity Dividends

Mortuary and maturity dividends have been declared payable on claims on all industrial policies issued or assumed by this Company bearing date prior to January 1, 1907—except even $500 to $1,000 life and $500 endowment at age 80 policies—where the date of death of insured or date of maturity of policy is in 1918.

First.—On premium-paying policies where death of insured occurs in 1918, the dividends granted will be a certain per cent. of the death benefits called for by the policies, the per cent. depending upon the year the policies were issued, as follows:

1879-1883.....26 per cent.	1888.....14 per cent.	1893-1894.....9 per cent.
1884.....22 per cent.	1889.....13 per cent.	1895-1896.....8 per cent.
1885.....20 per cent.	1890.....12 per cent.	1897-1898.....7 per cent.
1886.....18 per cent.	1891.....11 per cent.	1899-1900.....6 per cent.
1887.....16 per cent.	1892.....10 per cent.	1901-1906.....5 per cent.

Second.—On paid-up or free policies or insurance in force under paid-up automatic concession, granted in lieu of premium-paying policies issued prior to January 1, 1907, where death occurs in 1918, the dividends will be based on the period for which premiums were paid on the original premium-paying policies.

If paid 5 to 11 years inclusive dividends of 4% of the Paid-up Insurance.
If paid 12 to 17 years inclusive, dividends of 5% of the Paid-up Insurance.
If paid 18 to 19 years inclusive, dividends of 6% of the Paid-up Insurance.
If paid 20 to 21 years inclusive, dividends of 7% of the Paid-up Insurance.
If paid 22 to 23 years inclusive, dividends of 8% of the Paid-up Insurance.
If paid 24 to 25 years inclusive, dividends of 9% of the Paid-up Insurance.
If paid 26 years, dividends of 10% of the Paid-up Insurance.
If paid 27 years, dividends of 11% of the Paid-up Insurance.
If paid 28 years, dividends of 12% of the Paid-up Insurance. Etc., etc.

Third.—On premium-paying policies maturing as endowments in 1918—except $500 endowments at age 80 and whole life policies paid as endowments under our special option "endowment at age 80"—the dividends will be the same per cent. of the face of the policy as would have been granted if the policy had been surrendered as a death claim.

Fourth.—On every paid-up or free policy or insurance in force under paid-up automatic concession, granted in lieu of a premium-paying policy issued prior to January 1, 1907, maturing as an endowment in 1918, the dividend will be the same as would have been paid if the policy had been surrendered as a death claim.

Special Option "Endowment at Age 80"

During the year 1918 the insured under a premium-paying industrial whole life policy, who has reached the age of 80 and whose policy has been in force 15 years or more, may surrender the policy and receive as an endowment the amount stated in the policy as a death benefit.

Assumed Policies

All industrial policies assumed by the Metropolitan bearing date prior to January 1, 1914, will be entitled to premium credit dividends equal to those paid on similar Metropolitan policies of the same date, except dividend life endowment policies issued by the Sun Life Insurance Company of Louisville, Ky., which are entitled to dividend credits according to their contracts.

Some of the assumed policies contain clauses providing for the payment of dividends in cash. If the insured under these policies insist upon cash dividends, the policies must be forwarded to the industrial dividend division in the Home Office, and they will return the policies with receipts for cash dividends.

Pacific Mutual policies issued on and after July 1, 1899, are increasing insurance contracts, and the life policies are not entitled to 52 weeks' dividends nor are they included in our offer special option "endowment at age 80."

$1,000 POLICIES

Surprising the Number That Pass Through, Says Equitable Life of Iowa

It is surprising to note the number of $1,000 policies which pass through the office during a single month, and they are welcome. At the same time, we have wondered whether those agents who are prone to write $1,000 policies have considered seriously the possibility of increasing the amounts, says "Equiowa."

Let us take a hypothetical case. A man is canvassed for insurance. The agent tries to write him for $2,000, but the prospect says nay, nay. The best he will do is an application for $1,000. What does the applicant have in mind in that case? He thinks that by this act he will leave to his wife, to his family, to his parents, or other dependents, the sum of $1,000 at his death. He may do so, but the chances are that he will fall far short of this amount if that is all the insurance he takes.

The greater percentage of deaths follow periods of illness. That means doctor bills and other expenses. It may mean the services of a trained nurse, and when death occurs, there are funeral expenses and a little green spot on the hillside. It needs no stretch of the imagination to count a cut in the $1,000 estate of approximately fifty per cent., and there is left to the family the sum of $500 after the payment of expenses, instead of $1,000 as was anticipated by the applicant for insurance.

Why not point out the possible contingencies which may enter into the transaction, and we venture to say that in a goodly percentage of cases the applicant would at least be willing to stretch the application to include an extra $500 for possible expenses incident to sickness, death and burial.

WALKER'S INSURANCE

The recent death of James S. Walker, a Provident Life & Trust special agent in Pittsburgh, illustrates the value of life insurance protection. Suddenly stricken with illness he died a few days later. He had a Provident policy only seventy-four days old.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

BANKERS BLC LIFE DES MOINES COMPANY
PAYS GOOD PAY TO GOOD MEN

15,000 PEOPLE
Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life."
This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.
AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day
FIDELITY MUTUAL LIFE INSURANCE COMPANY, PHILADELPHIA
Insurance in force over $142,000,000
Walter LeMar Talbot, President

Northwestern Protests But Pays $546,497

MUST COLLECT, SAYS CLEARY

Then the Commissioner and Representative of Company Go to Lunch Together

(*From the Milwaukee "Sentinel"*)

Madison, Wis., March 2 (Special).—"Mike" and "Hank" are pals. They have been "sidekicks" for, lo, these many years. "Mike" is Commissioner of Insurance M. J. Cleary. "Hank" is Henry Tyrrell, special representative of the Northwestern Mutual Life Insurance Company of Milwaukee.

On or about the first day of March in each year, Mr. Tyrrell enters the office of the insurance commissioner at Madison, and after formally greeting the commissioner says:

Mr. Tyrrell's Formal Speech

"Mr. Commissioner, I am filing with your office today an application for a license to do business in Wisconsin. I am also filing our annual statement and other statements showing certain items of receipts for the year. I understand, Mr. Commissioner, that you are of the opinion that a certain statute of Wisconsin imposes a license fee upon the company for the privilege of doing business in the State. I am handing you now a letter from Mr. Markham, president of our company, in which it is contended that if there is any such statute it is unconstitutional, for reasons stated, and even if it is constitutional, under your interpretation, altogether too many items are included.

"You will note that Mr. Markham inquires whether in case of the refusal to pay the amount you claim the company ought to pay, you will cancel or withhold the license."

Commissioner Cleary's Formal Reply

Commissioner Cleary, deeply attentive and greatly interested in what Mr. Tyrrell has to say, replies: "Mr. Tyrrell, unless your company pays today the license fee or tax referred to in the statute in question or refuses to do so. I will withhold your license and refuse to permit your company to transact business in this State."

"Will you please reduce that to writing, Mr. Commissioner?" queries Mr. Tyrrell.

"I will," says Mr. Cleary, and promptly does so.

Thereafter, Mr. Cleary and Mr. Tyrrell proceed to the office of Henry Johnson, State treasurer, where Mr. Tyrrell makes another formal statement of his position, but finally succumbs to the threat of the insurance commissioner, and lays down a check for the so-called license fee, accompanied by a formal protest.

Pays $546,497.27

On Friday, Mr. Tyrrell paid into the State treasury $546,497.27 as the company's tax for the year.

Immediately after the formalities, this conversion took place.

"Well, Hank, where are we going to lunch?"

"O, let's go over to the club."

"No, let's go to Bens."

"All right, Mike."

And out they go—"Mike" and "Hank"—for Bens. The State has got its money and the Company has preserved it's rights, with "everybody happy."

ATTEND FUNERAL IN BODY

Life Underwriters' Association of Rochester Pays Last Tribute to Andrew V. Smith

All members of the Life Underwriters' Association of Rochester, N. Y., attended the funeral of Andrew V. Smith, one of the most distinguished life insurance men up-State, and who had represented the Northwestern Mutual Life for years. When President Lincoln issued his call for volunteers, Mr. Smith was one of the first to enlist. The Life Underwriters' Association adopted the following memoriam:

"It is with keen regret that the Life Underwriters' Association of Rochester have learned of the death of Mr. Andrew V. Smith, who for more than twenty-five years has represented the life insurance business in this city.

"Mr. Smith has been a loyal friend these many years. His has been a joyful life and his cheerful face revealed the happiness within. In a rare degree, he had the faculty of making other people happy. As a result of his kindliness and cheer, few men in Rochester have had a larger number of loyal, true friends.

"His was a life of service. He was constantly planning and doing for the welfare of his fellowmen. Interested in all good enterprises, he gave generously of time and money for their success. Young at heart, he was always ready to do his part in every good work, in spite of advanced years. Activity characterized him until, seven weeks before his death, disease forced him into retirement.

"As an enthusiastic member of this Association, he was a large contributor to its success and development. In every possible way he furthered its interests and, as president, efficiently administered its affairs during the year 1915. The members will greatly miss his counsel and fellowship.

"This heartfelt expression of our esteem and affection will be conveyed to his family, published in the daily press and recorded on the minutes of this organization."

THE AVERAGE EARNINGS OF THE AGENTS
OF THE
Standard Life Insurance Company
∴ ∴ OF PITTSBURGH ∴ ∴
are higher this year than ever before. Our attractive Accident and Health Policies have helped them to make more money.
Write for a LIFE, ACCIDENT AND HEALTH Contract to
FRANK A. WESLEY
Vice-President and Director of Agencies

Policy Plan Comparisons of Phoenix Mutual

The following comparison of paid-for business during the last five years classified according to the various plans shows a material increase in the amount issued on the annual premium life plan in 1917 over the preceding years and a corresponding decrease in the life disability plan which it was necessary to withdraw early in the year. The steadily increased percentage after the item "Other Limited Premium Life" is due to the growing popularity of the 30-premium life contract.

In 1916 the amount issued on the life, limited premium life, life-disability and protective plans was 77.2 per cent. of the total, and for 1917 this percentage is 80.7 per cent.

Paid-For Business	1917.	1916.	1915.	1914.	1913.
Annual premium life	34.0%	31.9%	28.7%	34.3%	35.6%
20-premium life	24.3	22.3	22.9	37.4	37.1
Other limited premium life	4.9	4.5	3.6	3.4	2.8
Life-disability	1.5	13.2	17.5		
20-year endowment	3.4	4.9	4.9	6.0	6.7
Other endowment	2.3	1.8	1.7	2.1	1.6
Term	12.2	13.2	12.5	12.7	12.9
Protective	4.6	5.3	4.7		
Miscellaneous	1.4	2.9	3.5	4.1	3.3
	100.	100.	100.	100.	100.

Total Insurance in Force December 31, 1917	
Annual premium life	34.0%
20-premium life	33.0
Other limited premium life	5.7
Life-disability	3.2
20-year endowment	8.2
Other endowment	4.7
Term	8.9
Protective	1.6
Miscellaneous	.7

ADDITIONAL FIGURES

The Peninsular Casualty, Detroit, paid for $1,753,249 insurance up to December 31, 1917, and its assets are $309,682.

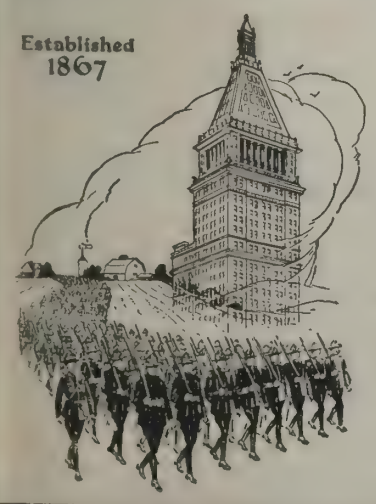
The Provident Life, of Des Moines, paid for $1,467,936 in 1917. Its assets are $290,619.

The American Bankers, of Chicago, has in force over $14,000,000. Its admitted assets are $1,184,375.

George R. Douthit, who entered the service of the Equitable Life Assurance Society fifteen years ago, has won many honors with the Society. In a territory averaging only eight persons to the square mile his agency last year produced $814,327 of insurance.

The Merchants' Mutual Automobile Liability, Buffalo, began business March 5.

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and United States Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

The Union Central Life Insurance Company, of Cincinnati, O.

JESSE R. CLARK, President. ALLAN WATERS, Second Vice-President

The Ethics of Asking to See Policies

(Continued from page 2)

successful are those who have learned by experience that lasting and gratifying success in life insurance work is based upon the idea of creation rather than tearing down or correcting (?) the work of the former fellow agent.

E. A. Woods, General Agent, Pittsburgh

I consider the practice of which you speak as very dangerous and unethical and would not in any way recommend such action as being to the best interests of the life insurance business.

Day & Cornish, General Agents, Newark

We can see nothing inherently unethical for an agent to ask a business man for the privilege of inspecting his policies. There have of recent years been great improvements in life insurance service of which many men are ignorant, and we have found that by calling the attention of policyholders to provisions in their present contracts, by means of which their insurance estate can be conserved, we are doing them a real service, while at the same time we are able, in a very practical way, to convince men that they are under-insured. It is needless to say that no effort is ever made by us to dissatisfy a man with his present contracts, or to twist his insurance. No such purpose is contemplated in the suggestion that we may be able to render a man a service by inspecting his policies.

The twister can take advantage of any method pursued by an honest agent to get the attention and interest of a prospective client. If all such methods were tabooed the insurance agent might as well get out of business.

Robert J. Mix, Manager, New York

In reply to your question I would say that in my judgment "it all depends."

There is no doubt that an experienced agent can often secure business if he is able to persuade the man who is carrying life insurance to submit his policies for inspection. Such an inspection, for instance, often develops the fact that the insured is not carrying sufficient insurance for a man in his position, or it may develop the fact that he has a limited payment policy about to mature, in either case making it strictly legitimate for the agent to undertake the placing of more insurance.

On the other hand, the agent, after securing access to the policies, may proceed to make the effort to undermine the insured's confidence in one or more of the companies in which his insurance is carried or may try to induce him to give up some of his old policies and take new ones, in which event it is evident that he is guilty of a very unethical and illegitimate act.

So I get back to my original statement that it all depends upon the spirit which animates the agent and what he does when he has been allowed to inspect the policies. In other words, it may be a perfectly legitimate and proper thing to request an opportunity to inspect an insured's policies, but we must admit that such an opportunity, when granted, is apt to result in subjecting the agent to a great temptation to do some twisting. If he resists that temptation, well and good—if he doesn't, it's all wrong—and there you are.

It is easy to see how an experienced life insurance man, possessing an extensive knowledge of his business, can really be of great service to holders of policies if he is called as a specialist or life insurance advisor. On the other hand, there is no doubt but what there have been many cases in which life insurance men, with limber consciences, have abused this privilege.

Mellor & Allen, General Agents, New York City

The question which you bring up is such a borderline one that it would be a very difficult thing to lay down a general rule. We personally believe it is a very bad thing to canvass for insurance on the plea of going over all the man's policies, which, of course, brings up the point indirectly of changing these same policies. This, of course, is always bad business practice.

On the other hand, after canvassing a man for life insurance and having written him in your own company, or are about to write him in your company, there is certainly no harm in going over the other policies in order that premium dates, beneficiaries, etc., may be arranged satisfactorily.

We hope that from this two-sided point of view you may be able to see our position clearly.

Walton L. Crocker, vice-president, John Hancock.

You ask me to give you my opinion upon the merits of the question of whether it is legitimate, ethical and for the best interests of life insurance for an agent to write to a business man and ask him for the privilege of inspecting his policies on the plea that the agent may be of benefit in making suggestions.

It seems to me that this question is so involved with a multitude of varying circumstances that it would be difficult to give an offhand answer. None of us has any use for the operations of the abstracter, or the twister, or the professional "inspector." They are all birds of a feather. It is a pity that there are no means of putting a stop to the activities of these "advisers," whose business it appears to unsettle, dissatisfy and destroy, for their own advantage.

NEW WORLD LIFE

Increased Insurance in Force $11,000,000 in 1917—President Cadigan Wins Litigation

The New World Life on December 31, 1917, had more than $17,000,000 of insurance in force and more than $2,625,000 assets. It increased its insurance in force more than $11,000,000 in 1917. Recently Judge Zent, of the Supreme Court of Spokane County, found a verdict for John J. Cadigan, president, and E. J. O'Shea, secretary and treasurer of the New World Life.

The moving spirit of this action was Thomas A. E. Lally, former vice-president of the Company, who sought through introduction of a resolution to restrict Mr. Cadigan, the president, in voting proxies that had been given to him by the stockholders. The resolution restricted the president to voting for certain changes in the by-laws, and for the re-election of three trustees whose terms were expiring, thus insuring the perpetuation of Mr. Lally and his associates in office. Mr. Cadigan acted properly, the court ruled, in voting the proxies according to his best judgment.

APPOINTS J. W. DAY

The Columbian National Life announces the appointment of J. W. Day as general agent for Kentucky with headquarters in the Starks Building, Louisville. Mr. Day is well known throughout the State as a successful insurance man, having been associated with the Mutual Benefit at Louisville as superintendent of agents.

Excerpts from the Financial Statement of December 31, 1917, of the

Northwestern National Life Insurance Company

MINNEAPOLIS, MINNESOTA

Assets, $6,186,694.37, increase 17% over 1916.
Liabilities, $5,602,162.72. Surplus and contingent fund, $548,531.65.
Apportioned for dividends, $263,206.57, increase 23% over 1917.
Insurance in force, $54,193,728.00, increase 28% over 1916.
Paid to beneficiaries and policyholders to December 31, 1917, $16,966,562.65.

A western, mutual, annual dividend, old line company

THE COMPANY for policyholders and agents

Extracts from Report of Examination of

SOUTHWESTERN LIFE INSURANCE CO.

By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

73d ANNUAL REPORT

NEW YORK LIFE

INSURANCE COMPANY

346 & 348 BROADWAY - - NEW YORK CITY

Income for the year 1917:

Premiums	$100,279,122.00	
Interest and Rents	39,957,422.00	
Other Income	5,881,618.00	$146,118,162

Paid Policy-holders, 1917 (Exclusive of Disability Benefits):

Death Losses	$30,599,371.00	
Matured Endowments	13,566,409.00	
Surrender Values	18,527,170.00	
Dividends	22,807,762.00	
Annuities	1,387,241.00	$86,887,953

Loaned Policy-holders during 1917 ..... $23,722,213

New Paid-for Insurance in 1917 (Exclusive of over $16,000,000 increase by Policies revived and increased, and Additions by Dividends) $315,994,500

Paid-for Insurance in Force Dec. 31 ..... $2,673,334,336
Number of Policies in Force Dec. 31 1,301,969

Admitted Assets, Dec. 31, 1917 ..... $934,929,381

These assets are the property of over 1,000,000 people with their dependents (in accordance with their contractual rights). The Company is purely mutual; it has no capital stock.

Legal Liabilities $760,742,335

Reserved for dividends payable in 1918	$26,561,063.64	
Reserved for dividends on deferred dividend policies maturing subsequent to 1918	107,041,778.00	
Reserved for Contingencies	40,584,204.36	$174,187,046
Total		$934,929,381

THE ANNUAL DIVIDEND RATE OF 1917 WILL BE MAINTAINED IN 1918

For the year 1917 the Company's mortality rate was the lowest in its history

Average earning power of total Ledger Assets { Dec. 31, 1917, 4.59% / Dec. 31, 1916, 4.54%

A detailed statement will be sent to any person asking for it.

January 14, 1918 DARWIN P. KINGSLEY, *President*

The LIFE INSURANCE SALESMAN
Bears an UNUSUAL RESPONSIBILITY

The SERVICE he sells often continues for many years
Provident service sells so readily today, because of the value and satisfaction Provident policy holders have derived from the service of Provident Agents.

Write for information

The Provident Life and Trust Company
OF PHILADELPHIA
Founded 1865

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President

A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY

Edward D. Field, Superintendent of Agencies

Pennsylvania Figures for 1917

Penn. companies	Insurance in force Dec. 31, 1916	Issued during the year	Ceased during the year	In force Dec. 31, 1917	Losses incurred	Premiums
Fidelity Mutual Life....	$ 23,894,618	$ 3,294,059	$ 2,139,333	$ 25,049,344	$ 397,190	$ 960,442
Girard Life	5,106,779	1,050,801	632,583	5,524,997	65,508	212,544
Penna. Mut. Life.....	114,722,729	14,575,420	7,738,370	121,559,779	1,779,433	4,064,715
Philadelphia Life	17,829,992	6,805,030	2,138,288	22,496,734	247,546	610,384
Presbyterian Ministers..	3,890,350	346,900	265,465	3,971,785	38,000	148,889
Provident Life and Trust	102,437,277	15,851,595	9,897,786	108,391,086	930,135	3,410,238
Reliance Life	14,201,495	3,568,080	660,875	16,108,700	156,849	509,697
Scranton Life	15,940,629	3,943,606	4,351,032	15,533,203	96,589	562,866
Standard Life	11,737,537	3,277,950	1,896,242	13,119,245	99,825	407,922
Other States						
Aetna Life	39,509,714	16,344,208	5,374,898	50,479,024	955,159	1,347,791
American Bankers	Not in			Not in		
American Central	1,831,832	138,090	234,665	1,735,257	10,587	49,264
Bankers Life, Iowa.....	Not in			Not in		
Bankers Life, Nev.....	1,301,650	231,663	127,000	1,406,313	12,000	55,954
Berkshire Life	19,876,052	2,368,866	2,003,191	20,241,727	362,451	673,103
Columbian Nat'l Life...	4,372,377	693,110	233,264	4,832,223	26,988	143,147
Conn. General	10,688,637	3,610,663	874,100	13,425,200	71,266	395,290
Conn. Mutual	20,264,077	3,343,812	2,010,440	21,597,449	456,646	675,683
Equitable Life, N. Y....	181,190,442	24,326,777	12,073,909	193,443,310	2,996,299	6,885,525
Equitable Life, Iowa....	11,858,637	4,138,502	932,809	59,206	431,977	.....
Guardian Life	5,483,136	1,383,230	610,306	6,256,061	91,750	217,570
Home Life	8,845,342	1,178,376	663,695	9,360,023	175,376	315,410
Illinois Life	4,898,443	421,797	810,954	4,509,286	68,741	124,650
Jno. Hancock (Ord.).....	36,918,542	7,362,262	3,567,014	40,713,790	550,023	1,373,057
Lincoln Nat'l Life.....	497,240	149,469	45,017	601,692	.....	18,888
Manhattan Life	3,775,981	223,750	574,572	3,425,159	153,493	102,414
Mass. Mutual Life.....	22,765,854	3,449,545	1,915,305	24,300,094	368,481	763,646
Metropolitan (Ord.)	146,768,347	59,092,623	1,314,552	194,546,418	2,199,230	6,134,780
Mutual Benefit	63,709,783	8,700,051	2,906,386	69,503,448	1,120,111	1,958,160
Mutual Life	118,138,661	14,872,106	6,786,297	126,224,470	2,785,364	4,394,378
National Life, Vt.....	15,945,802	1,525,665	1,246,471	16,224,997	433,371	532,664
National Life, Chicago.	2,328,352	473,004	214,773	2,586,584	32,779	87,568
New Eng. Mutual	30,791,339	3,707,034	1,984,186	32,514,187	617,375	1,060,498
New York Life	136,915,095	16,669,876	7,440,000	146,144,971	2,414,955	5,491,692
Niagara Life	Not in			Not in		
Northwestern Mut.	91,327,830	10,984,440	3,697,296	98,614,974	1,709,744	3,127,049
Pacific Mut. Life.....	3,278,829	600,569	444,127	3,735,271	33,614	130,302
Phoenix Mut. Life.....	11,400,911	1,899,587	939,114	12,361,385	244,075	439,657
Prudential (Ord.)	183,381,159	39,509,560	14,601,016	208,289,703	2,036,254	6,079,152
Royal Union Mut.....	4,543,312	1,237,170	612,278	5,168,204	71,301	206,225
Security Mut. Life.....	5,249,887	727,204	702,539	5,274,553	71,399	189,299
*State Mutual Life.....	12,926,431	1,967,685	1,122,262	13,771,854	274,737	432,774
Sun Life of Canada.....	5,813,421	574,142	265,072	6,122,491	117,864	218,091
Travelers	38,559,656	12,281,130	2,740,026	48,100,760	841,554	1,338,159
Union Central	26,369,570	4,537,504	2,102,529	28,804,545	589,864	1,048,511
Union Mutual	Not in			Not in		
United States Life.....	3,293,097	311,692	390,040	3,214,749	50,741	85,549
*State Life of Indpls....	5,689,731	1,073,286	462,093	6,300,924	72,865	141,864

REMARKABLE SETTLEMENT RECORD

Associate Manager Arthur D. Young, of the Guardian Life at Tulsa, Okla., is one of the few life insurance men who always secures a settlement with the application. At the close of 1917 every policy which had been issued on applications submitted by him had been paid for. In his fifteen years with the Mutual Benefit he did not have a "not taken" policy.

GROUP RELATIONS

Superintendent Phillips' bill regulating group insurance, in accordance with the provisions outlined at the commissioners' conference, is in the New York legislature.

JOSEPH ASHBROOK RECOVERING

Joseph Ashbrook, of Philadelphia, who is seventysix years old, is recovering from a severe illness. Mr. Ashbrook was formerly manager of the insurance branch of the Provident Life & Trust.

W. C. Johnson With Masonic Protective

WILL SUPERVISE DEVELOPMENT

A Well Known Life Insurance Man Who Has Done Fine Work in Educating Agents

William C. Johnson, inspector of agencies of the Equitable Life Assurance Society for New England, has resigned to become vice-president of the Masonic Protective Association of Worcester. He assumes his new duties on March 15.

The Masonic Protective Association is the largest and most successful company of the type in the country, i. e., of the companies doing business among a special class of the community only. Mr. Johnson's duties will be to plan and supervise the association's future development.

Has Educated Many Agents

Mr. Johnson has been an active figure in the life insurance business for years, and is a speaker of force and convinciveness. He has been at his best as an educator of agents. He has done much for the elevation of ethics in life insurance, and his work as an adviser in the Armstrong insurance investigation resulted in good for insurance. Before going with the Equitable he was vice-president of the Columbian National.

NOT A PENNY LOST

In more than forty years of farm mortgage experience during which the Phoenix Mutual has invested and reinvested more than $100,000,000 not a penny of loss either of principal or interest has been suffered, a record to make any company proud.

INSURANCE IN SCHOOLS

The Department of Education for Ontario has inserted extra questions and matter regarding life insurance in the arithmetics for use in high schools.

FARMERS' NATIONAL OUTING

Grant Pyle Elected President of $100,000 Club at French Lick Springs

Thursday, March 7, George Barmore, agency manager, Homer D. Warrick, J. E. Kenney, Grant Pyle, L. L. Heffner, B. E. Chatten, F. B. Homsher, Joseph Stout, Bert Yocom and Harry J. Smith, all members of the Farmers' National Life $100,000 Club, met at French Lick Springs for a two days convention.

Grant Pyle, by virtue of having written and paid for the largest amount of business of any man in the agency during 1917, was declared president for 1918.

Homer D. Warrick was elected vice-president and Bert E. Chatten secretary-treasurer.

ADMIT INDUSTRIAL AGENTS

Industrial insurance agents may now be admitted to membership into the Life Underwriters' Association of New York.

NEW ALBANY SUPERINTENDENT

Michael T. Donahue, of Newburgh, has been appointed superintendent of the Albany district of the Metropolitan Life, succeeding David Bariadale, who has retired.

Life insurance has never had such widespread advertisement of its proper functions since the beginning than it has at the present time. The publicity which the Federal Government has given to the soldiers' and sailors' insurance plan, has meant a lot to the life insurance business.

John I. D. Bristol, general agent of the Northwestern Mutual Life in New York City, reports a phenomenal business this year.

Be a man of affairs in your community. Take an active interest in what concerns the public doings whether you live in a large city or a small town, it is all the same. This will not only help you to increase the circle of your acquaintances, but will also give people an opportunity of knowing you.

A Year of Splendid Achievement

It is not difficult to see why the MASSACHUSETTS MUTUAL in 1917 wrote a larger amount of paid-for business than in any other year in its history. Sixty-six years of Service efficiently and promptly rendered have won the confidence of its representatives and of the public. Co-operation with a Home Office that has the right spirit, policies which are not excelled, and a company with a sterling reputation ensure success for the Field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts
Incorporated 1851

54 Millions from 42 Agencies
38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

Old-Maid Insurance

So many girls and young women in Germany now face a future of single blessedness that a scheme for insuring them against spinsterhood is being considered. It originates with a mathematician named Dr. Karl Luttenberger, and is fully described in the semi-official "Cologne Gazette." A surplus of women has always been one of Germany's embarrassing social problems.

According to the census of 1910 (says Frederic William Wile) there were 800,000 more females than males within the Empire's borders. All authorities admit that the danger of permanent spinsterhood for many German women has been vastly aggravated by the war, so that the insurance project (according to the "Cologne Gazette") is sure to arouse widespread attention and calm many anxious hearts. Dr. Luttenberger thinks the project will be commercially profitable on the "mathematical" basis he has worked out.

The underlying motive of the scheme is to guarantee girls against the possible poverty of husbandless days, Girls may take out the insurance themselves, or it may be taken for them by their parents. It is intended that premiums shall be paid when a girl is still in her babyhood or at the backfisch (flapper) stage, so that this extra cost of bringing her up may fall upon her parents at a period when educational costs are at the lowest point. Premiums are payable up to the insured's twentieth year. If the young woman has not married by the time she is 37 she will thenceforward be entitled to draw an annuity, which will be paid in quarterly instalments. She will continue to derive this income even if she finds a husband after passing her 37th birthday.

If the insured weds before reaching 37 she cannot claim an annuity, but may recover, with interest, the total amount of premiums paid on her behalf. If the insured dies before becoming 37 the accumulated "cash value" of her policy will go to her legal heirs. Dr. Luttenberger points out that his plan not only guarantees spinsters against economic distress, but also increases their matrimonial prospects. It will also prevent girls, he thinks, from marrying in haste, because their future is assured whether they take husbands or not.

VIRGINIA LAW PASSED

Compensation Law Will Cover All Employers of Ten or More Persons

March 10 the Virginia legislature adjourned after passing the compensation bill in its original form, as introduced in the House, but with the exception that the law will apply only to employers having ten or more employes instead of to three or more. There are many small employers in that State, such as traveling sawmill owners. This will result in the bill being rather loose in its application. The measure is patterned after the law of Indiana, with features of the Kentucky and Louisiana laws injected.

PRUDENTIAL GROUPS

Group policies in the Prudential have been taken out by the La Crosse Plow Company, La Crosse, Wis.; First & Old Detroit National Bank, Detroit, Mich.; Herman Behr & Co., Inc., New York, sand paper manufacturers; West Woodworking Co., Chicago, Ill.

TRIBUTE TO HUBERT CILLIS

As a tribute to President Hubert Cillis, of the Guardian Life, the field force sent in 204 applications for $600,500 on his seventieth birthday anniversary.

REAL SATISFACTION

Working with **William N. Compton** and the **John Hancock Mutual Life Insurance Company** in New York City forms the happiest combination imaginable for the life insurance salesman.

If you have any doubt in your mind have it dispelled by calling at

220 BROADWAY

Phone 6030 Cortlandt

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.

Home Office, United Life Building Concord, New Hampshire

CO-OPERATION No. 12

LIFE ANNUITIES

Revised Annuity rates and co-operation with our representatives in the placing of these contracts led to an increase of 500% in Annuity premiums last year over the volume for 1916.

Phoenix Mutual Life Insurance Company

of Hartford, Conn.

JOHN M. HOLCOMBE, President

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.
2. The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.
3. Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,

Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

How to Plan A Thrift Talk

Topics in a Nutshell for Speakers

4. *How Large Should Your Thrift Coin Be?*

For one week make a list of your every single expenditure. Be honest with yourself, put the little ones down as well as the big; the foolish as well as the wise. Then be your own judge and jury. Submit that expense account to the audit of your own conscience. Check every item against these two questions: "Could I have gone without?" "If I had, would it have impaired my health or efficiency?" Put the acknowledged waste in one column and the necessary expenditures in another. The sum of the first column divided by seven will give you your daily thrift coin. Honor it, whether it be a dollar or a penny. And keep up that expense account.

5. *Thrift and the Appetites.*

Thirty men of moderate income recently tried this experiment. The week's total of acknowledged waste averaged $1.31 per man. This is at the rate of over seven billion dollars a year for the nation. An analysis of articles listed as acknowledged waste showed that more than two-thirds of them were purchased for the gratification of the appetites!

6. *Thrift and the Doctrine of Labor and Materials.*

All the dollars in the world could not buy victory. Because victory is not purchasable—it is won. Dollars can work for victory only in so far as they are converted into labor and materials. A dollar hoarded is a slacker; a dollar wasted is a traitor; a dollar saved is a patriot. For a hoarded dollar represents idle power; a wasted dollar represents wasted power; a dollar saved represents power saved, labor saved, materials saved—it represents power, labor and materials in action, on the firing line, over the top. And more—it represents reserve power, energy stored, purchasing power conserved, for its owner.

7. *Thrift is Construction and Reconstruction.*

Wherever there is destruction of property, thrift must replace it. Waste is waste and can not be recovered. Insurance does not replace loss, it simply distributes it. The house burned down is gone. The owner may build another from the proceeds of his fire insurance policy, but the loss is there, just the same, borne by the many instead of one. War, like fire, destroys. Thrift alone can build up what war tears down. Whatever of good can be gleaned from a disaster, it is the duty of everyone to glean. Thrift is this thing.

8. *Thrift and the Other Fellow.*

Some things are so big they are impossible to comprehend. Who can picture a hundred billion dollars? How trivial a penny, a nickel, a dollar, a thousand dollars even, when measured against a billion, five billion, a hundred billion. But remember that if you are a nickel short of a billion dollars nothing in the world but a nickel will fill up the hole. The success of the thrift campaign depends upon whether or not you have the same respect for your pennies that your Government has. If you despise your little, the burden of that little will have to be shouldered by those who know its value. Don't shift the burden to the other fellow.

9. *Thrift and To-morrow.*

Some day peace will come. Thousands—millions of men—will suddenly be thrown back again into civil life. Consider the vastness of the readjustment that will be necessary. Look back at the period of reconstruction after our own Civil War. Prepare for this new period of reconstruction. The day of reckoning is bound to come. Begin to save now. Thrift is the need of the present, the hope of the future.

10. *Thrift is the Beginning of Profit.*

The practical question for the young men and women of today is: Does your labor, which is perhaps your only capital, yield a profit? Are you the best clerk in the store? The best mechanic in the shop? The best hand on the farm? Capital and labor must both produce profit if they are wisely expended. Does that profit show in savings to your credit?

11. *Thrifty Children Make Good Citizens.*

No parents are more solicitous, more indulgent, more anxious to do well by their children than American parents. "Our little ones shall have every opportunity we can give them, if it takes all we have." That is the American attitude. Well intentioned, splendidly human, overgenerous American parent—how often does your attitude breed disaster? How often does it implant in the very fiber of your offspring that utter disregard of values for which your sacrifices were all made? If a child is not taught to know values how can he possibly appreciate the priceless treasure of your love and care? How can he properly use, if he does not appreciate, the opportunities you place before him? The first value a child should learn is the value of the proper use of money. Through this lesson he will learn other values—the value of self-reliance, self-control, self-respect. He will learn the value of education, citizenship, democracy, freedom. Greatness often has its roots in a penny bank.

12. *Thrift of Money Means Thrift of Lives.*

Imagine the inhabitants—men, women, and children—of the largest city in your vicinity suddenly and completely wiped out. Suppose that city were Halifax, where between one and two thousand lives were recently lost. Then try to think of six thousand more cities of like size blotted out of existence, and you will have a vague picture of the cost of this war in men killed and permanently disabled by wounds. In the beginning of the war the losses among the Allies were appalling. Why? Because Germany had better means of protecting her troops—better machine guns and more of them, better howitzers and more of them. It was like opposing with a dagger a man armed with a sword. He can reach you first, no matter how brave you are. Let us give our men, not an even chance, but the best chance. Let us see to it that they have in abundance the best means of protection that American ingenuity can devise—the best equipment, better than the Germans'; the best machine guns, better than the Germans', and more of them; the best artillery, better than the Germans', and more of it. They will have it if, and only if, through thrift you place the means with which to purchase it at the disposal of your Government.

13. *A Thrift Plan for Your Children.*

Were you ever in possession at the age of six of a penny that you earned? Do you recall what a sacred coin it was? How much more valuable than the penny that was given you? Pass the lesson along. While your children learn thrift, let them earn it. Make it a game. Offer a bonus to the biggest saver every month. Offer to double savings that reach a given amount in a given time. Print the rules on a sheet of paper and post it by the banks. Suggest ways of earning pennies. If your children have allowances, offer to add a specific amount to the sum saved each week—5 cents for the 10 cents saved, 10 cents for 20 cents saved, 15 cents for 30 cents saved, and so on. Keep it up.

14. *Thrift Teaches the Value of Money.*

A dime to many an American child does not mean two nickels, or ten pennies—but two sodas. Money to Young America has value only as it buys something—right away. To earn simply to spend is not so wholesome by far as to earn to have. Earn a living and learn to live.

15. *Thrift as an Automatic Self-Pension.*

Most of us Americans are change scatterers—we are dollar wise and penny foolish. The change we scatter is our pension dissipated. Save a quarter a day and it amounts to nearly $100 a year. Put by as little as $50 a year (that means less than 14 cents a day) and, at the end of 20 years, it will amount to:

$1,383.38 at 3 per cent.
1,463.42 at 3½ per cent.
1,548.46 at 4 per cent.

Remember that money earns money, but that the only way to reap the result of money's labor is to save, and save systematically. A fourth of your income saved at 4 per cent. will enable you to retire on full pay at the end of 41 years; a fifth of your income, 46 years; a tenth of your income, 60 years. You can retire on half income in 24 years by saving a third of your income each month; in 28 years by saving a fourth; in 32 years by saving a fifth; in 45 years by saving a tenth. As Benjamin Franklin put it: "Money can beget money, and its offspring can beget more."

16. *Thrift as Insurance Against Hard Times.*

There are two ways to meet the money costs of the war. You can pay for war through an inflation of credit, or you can pay for it out of the savings of the present. By the former method

(Continued on page 11)



State Mutual Life Assurance Company of WORCESTER, MASS.

Incorporated 1844

SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.

Our motto is SERVICE to policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

GOOD TERRITORY
still available for development by the
RIGHT AGENTS

..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.

Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

American Central Life
Insurance Company
INDIANAPOLIS, INDIANA
Established 1899
All agency contracts direct with the company
Address:
HERBERT M. WOOLLEN, President

PURELY MUTUAL **THE** CHARTERED 1857
Northwestern Mutual Life Insurance Co.
MILWAUKEE, WISCONSIN
GEO. C. MARKHAM, President
Insurance in Force, $1,505,464,984
SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued.
POLICIES MOST FLEXIBLE AND EASY TO SELL
Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules
Investigate before selecting your Company
Write GEO. E. COPELAND, Supt. of Agencies, Milwaukee, Wis.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Life Income Selling Points

The census of 1910 shows that there are in the United States 3,176,228 widows and only 1,471,390 widowers. Thus the chances are nearly 2 to 1 that you will die before your wife does. If you do a life income policy will provide for her sure support—and if you outlive her it will prove a valuable asset in your own declining years.

If a large proportion of experienced business men lose their savings, can widows and orphans be expected to do better?

You say you have all the insurance you can conveniently pay for. But will your family have enought to live on conveniently, or even enough to keep the wolf from the door?

Your wife may not know how much insurance you carry, but your widow will.

Ask your husband whether he has arranged with the Equitable to pay your monthly allowance when he is no longer here to provide it.

How large an income would your present capital earn for the support of your wife and children if you should be taken away?

You believe in giving your family all the comforts you can buy them. But you sometimes lie awake at night because you are not saving money to protect their future. Make the premium on an Equitable Life income policy a part of your fixed charges, and you may spend your surplus income free from anxiety.

If your wife and children were without food today, what would you not do to supply their needs?

If your landlord were threatening today to evict your family, how strenuous would be your efforts to prevent it?

Have you seen to it that such disasters will not overtake them in the future when you are no longer here to protect them?

When you buy a life income you are simply making a wise investment for your wife—perhaps the best investment you will ever make for her because she will reap its benefits when you can no longer aid her in person.

Lump sum insurance frequently means abundance for a season and then want. Life income insurance provides a monthly income as long as life lasts.—"Equitable Agency Items."

* * *

What Two Years Have Taught Byrne

Although John H. Byrne, of the Penn Mutual Life in Cleveland, has been in life insurance only two years, he has made a success. He recently analyzed his work before the Ohio State Penn Mutual Agents at Cleveland, and it may be that his experience will be of assistance to others. Mr. Byrne said:

"My first mistake was to aim too much for large policies. I had been a success in the line of selling that I left. The development of the smaller business could not arouse my energy. Aiming for big game would not have been so disastrous if enough calls had been made to create an average.

"Then I reversed my tactics. I went to another extreme. I made too many calls and did not carefully analyze them. One of the most discouraging features of the business for a long time was the necessity of a large number of calls on new people. I did not desire to shirk the work. But it was a terrible drudgery to call continuously without apparent progress. The constant calling blunted my initiative and sapped aggressiveness. All of my ideas were knocked into a cocked hat.

"Let me tell you of a few more mistakes. For several years I traveled almost continuously. While Cleveland was my home, I did not have an opportunity to become acquainted with many people until I went into this business. The opportunity of developing an active interest in the civic life of the community was too tempting. I found that I was giving too much time to various civic organizations. What benefits a man will receive from points of contact in the early years of his business are small, unless he wants to jeopardize his future standing in the community by trying to cash in too early on what I call the by-products of his time. Armour & Co. and the Standard Oil Company were strong institutions and were making money on their primary products before they branched out in their by-products, which to-day overwhelm their original business. I did not try to merchandise my by-products but I did neglect to put concentrated energy on the primary products of my business, which are interviews with men of brains and capital, wherever you can find them and whether you know them or not on your first call. I have read of life insurance salesmen who claim that they never call on a man unless they have met him or have a means of introduction to him. I never want the time to come when I shall not call upon men that I do not know. Interviews with strangers not only develop but maintain an alertness of mind.

"Then I discovered that several good cases were lost or stunted in their development by too much activity on my part. Why did I make that mistake? Not having enough cases to round an average, the concentration on a few cases was too intense. If I had more prospects, I would not have rushed what I did."

* * *

Sold Himself First

Henry Crozen Wallen, of the Penn Mutual Life, tells the Penn Mutual's "News Letter" of the methods of a man 26 years old, who is making $10,000 a year selling life insurance.

"I asked him if he wrote fire insurance and accident insurance as well," relates Mr. Wallen.

"He laughed, 'Not much,' said he, 'let others do that; a man may have a fire, he may meet with an accident; he must die. I am "crazy" over life insurance (intelligently crazy I call it). I have succeeded in doing what many have failed to do; I have sold myself.

"'Consider this: Some life insurance agents do not carry insurance themselves; others who can well afford the money own just enough to scrape by on. What a joke! Good for others, but not good enough for the agent who sells it.

"'I carry all I can lug. I pity the man who can't afford it, but I deplore his small vision and am genuinely sorry for his family.

"As for myself, I sleep, eat and dream life insurance. The money I make in commissions is useful, but it's actually a by-product of ceaseless, active, planning, Fanaticism. When I fail to interest a man in my policy, I am never sorry for myself; I am sorry for him.'"

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York

34 NASSAU STREET, NEW YORK CITY

SOLICITS PHYSICIANS

A. E. Marr, Mutual Benefit, Finds Many Reasons Why They Are Very Good Prospects

A. E. Marr, of the Newark agency, Mutual Benefit, has been quite successful recently in soliciting physicians. The fact that many doctors have entered military service means that those who stay at home will be busier than ever, and in consequence will earn more money. If the doctor suggests that he cannot afford to increase his life insurance, Mr. Marr asks him whether he would suffer financially if he made one less call a day or if one less patient visited his office each day. The answer being "no," Mr. Marr presents his proposition on the basis of returning to the doctor in his old age the price of two calls for the investment by the doctor now in life insurance of the price of one call, having in mind the guaranteed returns under Special Privilege No. 3 (twenty annual instalments) and assuming an ordinary life premium at age 40, accelerative endowment plan.

NEW DIVIDEND RULING

Sending of Check to Be Delayed Thirty Days After Date of Expiration

Instead of sending out its check for the final dividend on or before the date of expiration of the term policy as its practice has been heretofore, the Penn Mutual Life will, in the future, delay sending the check until about thirty days after the date of the expiration.

The new ruling, it is believed, will save considerable confusion in cases where the agent has effected a conversion on or just before the expiration date; it will enable the Company to credit the final surplus on the first receipt of the new policy in accordance with its general practice.

This change, says the Company "should not be construed as modifying in any way the Company's order as to evidences of health which apply to conversions of term policies not actually consummated before the term period has expired."

Talks on Thrift

(Continued from page 9)

you have what would amount to a nation-wide tax on expenditure through enormously inflated prices—and afterwards hard times. By the latter method you maintain prices at comparatively a reasonable level, and you insure yourself and your country against the days of reconstruction, which are sure to come. This is the Government's plan—the thrift plan. It is practical only if the people are thrifty. It is a matter of voluntary saving versus exaction.

17. *All in the Same Thrift Boat.*

The success of the thrift plan depends upon whether everybody comes aboard or not. If the boat is wrecked it will not be by a German submarine. No; it will be by those who refuse to make the voyage. When thousands upon thousands of men are making the real voyage out across the Atlantic on to the battlefields of France, how much courage does it require to make one whose only discomfort is saving—at 4 per cent. interest, compounded quarterly?

18. *Thrift and America's Contribution.*

The money cost of our Civil War was about $8,000,000,000. The Great War has already cost over a hundred billion. Those of us in America who imagine we have felt the pinch of war should remember that for every dollar we have spent for war purposes (including loans to our Allies), Great Britain has spent seven, France five, and Germany six. Nor should it be forgotten that both our population and national wealth greatly exceed those of any of the three.

19. *Thrift in Relation to Income.*

If all the incomes throughout the country were precisely the same size, if everybody's earning capacity were identical, the amount each of us should save would practically be the same. But there are inequalities of income, of earning capacity, of obligation and responsibility. A good third of the incomes of America are roughly $1,000 a year or less; another third between $1,000 and $2,000; the final third are $2,000 and upward. Obviously those whose earnings fall in the first group can not afford to contribute as much, or even proportionately as much, as those in the second and third groups. The obligation is therefore progressive. The larger your income, the greater the proportion you are under obligation to contribute.

20. *Thrift and Your Private Obligations.*

Those whose incomes are small but who have less than the usual private obligations—single men and women, childless couples, families whose every member is a breadwinner—have a larger contributing power than those of identical income with heavier private obligations. Remember in determining the amount you personally will contribute, that your contribution to be most effective must represent money saved out of your current income. Remember, too, that a special obligation rests with those whose income has increased on account of the war, or even coincident with it. And finally, remember that there will be slackers, that every patriot must assume a share of the burden thrust aside by the slacker.

21. *Thrift and a Double Victory.*

Every time you forego something you do not need, you release labor and materials the nation does need. And more—you save the money the unnecessary article would have cost. Still more—you weave a thread of strength into the most profitable habit you can possibly acquire, the habit of thrift. Thus you contribute toward a double victory—one for yourself and one for the nation.

22. *Set the Thrift Pace Yourself.*

Emulation—the desire to keep up or to excel the standard of living of another—is one of the great inducements to needless spending. You want this because he has it. You can't do without that because she won't. Now is the time to lead. Let it be said of you, "He has done without, so can I." The force of example, which has done so much to make us thriftless, is the same force now that will make us thrifty. Be the example.

The president of one of the world's largest shoe manufacturing firms appeared the other day with patches on his old shoes. He pointed out that by not wearing a pair of new shoes he made it possible for the factory to deliver one more pair to the Government, which urgently needs shoes for the armies in France.

23. *The Nature of Thrift.*

Thrift is twofold—it is wise spending and intelligent saving. The man who starves that he may save is not thrifty; he is foolhardy, for he destroys his capacity to earn and hence to save.. The thrifty man spends wisely and thereby increases his capacity to earn—and save.

24. *A Thrifty Loan is Not a Gift.*

When you buy a War Savings Stamp what you do is to forego for the present the use of the money it costs. That money comes back to you in five years with interest at 4 per cent., compounded quarterly. You do not give your money away; you simply place it at the disposal of your Government in an hour of need. And remember, these stamps when attached to a War Savings Certificate are precisely like the bonds of biggest denomination—they are secured by the whole resources of the United States. There is no safer security in the world.

25. *Thrift Dollars will Take Care of Themselves.*

It takes pennies to make dollars. If everyone in the country were to save a penny a day the total would exceed a million dollars. A million a day means 365 millions a year. Ten pennies a day means nearly four billions a year—almost the amount of the Second Liberty Loan. When next you are tempted to say to yourself, "My mite is so small that it couldn't count," remember these figures. Remember that the might of the nation depends upon your mite, and that every needless expenditure you resist makes it so much easier for you—and someone else—to resist the next time.

26. *Thrift and Your Capacity to Earn.*

Thriftlessness and poverty go hand in hand. Thrift creates in the person who practices it the qualities of character that make for earning. It is a subtle thing, but certain. Think of the most thriftless person you know. Has he self-confidence? Would you trust him with your money? Is he reliable? Does he hold his job? Would you hire him? Is his counsel sought by his associates? Does he inspire others? The man who earns is self-confident, reliable, steady, wise, inspiring. Thrift develops the qualities that win.

27. *A Good Thrift Resolution.*

"Daddy," said a little girl of ten, "I'm sorry, but I didn't get my Thrift Stamp today. And it's the first day I've missed."

"What did you get instead?" said the father.

"A chocolate sundae and a new hair ribbon."

"I'm afraid we're both in the same boat, daughter. I missed out today, too. It's the second time for me. And mother and I went to the theater last night, besides."

"What shall we do about it, daddy?"

"I'll tell you what we'll do, both of us. Every time we go on a bust and get hair ribbons and theater tickets and things, let's promise to pay up. We'll save and save and put the same amount into stamps that we spent for the things we could have gone without."

"I guess it's the only fair way, daddy."

"All right, let's shake."

28. *Thrift and Saying "No"!*

The man who can not say "No" to himself can seldom say "No" to anyone else. It's a very good thing to be able to say "No." The ability to do so reveals self-control, discrimination, firmness and the courage of one's own convictions. Try saying "No" to yourself when next you are tempted to spend needlessly. Try it when you want badly, something you are well aware you can do without. One good "No" earns another.

29. *Thrift and the United States.*

The number of Government security holders in the United States before the first Liberty Loan was about one in three hundred. It is now about thirty in three hundred. If the War Savings plan is to succeed, and succeed it must, the number must be increased to ninety in three hundred. That means that almost one American out of every three will hold some form of security backed by the entire resources of his country. These States will then be United in a new sense. They will be united in the conviction that thrift pays in war and in peace.

30. *Thrift and Consistency.*

With the firmest intentions in the world you promise yourself to save. You start gallantly; you purchase a War Savings Stamp at one fell swoop—and four Thrift Stamps for good measure. Next week you buy two more Thrift Stamps. The third week you hail the postman and buy another. The fourth week you remember, but put it off. The fifth week you forget. The sixth week you have forgotten. That kind of saving won't win the war. Start right! Devise a plan; make every day, or one special day each week, your Thrift Day; set aside a given sum; live up to your schedule; don't miss a single appointment with yourself. And remember, when the task seems hard, thousands of others also are struggling, even harder than you perhaps, to be faithful to themselves and to their country.

"This above all: to thine own self be true,
"And it must follow, as the night the day,
"Thou canst not then be false to any man."

THE MOST VALUABLE POLICY FOR YOU,
Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the
John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS
WILLIAM N. COMPTON, General Agent
METROPOLITAN DISTRICT, ST. PAUL BLDG., 220 BROADWAY, NEW YORK, N. Y.

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

PENNSYLVANIA OPPORTUNITY
If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.
Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

INCOME TAX RULING

Corporations Can't Deduct Dividends From Total Income on Which State Tax Is Payable

Hartford, March 11.—Dividends may not be deducted from the total income of corporations on which the State corporation tax is payable, although the amount of excess profits tax, if any, is properly deductible, according to an opinion of Attorney General George E. Hinman, as contained in a letter to Tax Commissioner William H. Corbin.

This decision was in answer to questions of the tax commissioner as to whether these items, which are deductible from the total net income tax in computing the normal tax under the United States corporation income tax should likewise be deducted from total net income in assessing the Connecticut corporation income tax.

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HYSTERIA

The "Insurance Field" isn't scaring the agents of the country to death by its articles about the Gans Government fire insurance inspection bill, which hasn't been introduced in Congress yet, which never may be introduced and, even if introduced, might never get beyond a committee, but it is frightening them a whole lot, judging from the letters reaching this office. Tell an agent that he is in danger of losing his livelihood and, naturally, he will show evidences of distress. It's lots of fun for the editor, but it's hard on the victims. A lot of commissioners have been put on record, too, telling what they think of a bill still in the desk of its author. Somebody has opened the hysteria faucet wide.

STAMP RATE ON CERTIFICATE!

Ever since the war started there have been rumors of great fortunes being made by transactions in provisional marine insurance covers. Possessed of inside information about shippers or sailings or both, the conditions and traditions of the marine insurance market are such that speculators, sometimes insurance brokers but not necessarily such, can easily bind large lines on cargoes, so that late comers will be crowded out. As a result the market is so tight the rate goes up; and the demand for the coverage is so pressing that the exporter will pay very high prices indeed for protection. The market has even been cornered on a sailing vessel.

The abuses of the system have become so flagrant that finally a complaint was made to the Insurance Department in a case where the rate was actually boosted from 1¼ to 5 per cent., not by insurance companies, but by passing through successive hands each broker or other trader making a profit, one of them of $1,000, and all of this, of course, at the expense of the shipper, which means the public.

When the facts in the case were presented to Mr. Phillips by W. H. Hotchkiss and others it took him only a few minutes to see that here was a practice that should be given publicity, even if not against the law—by no means a certainty, though statute says there must be an insurable interest. Anyway, a lot of subpoenas were issued and the different knots in the skein unraveled and a mighty interesting yarn it makes. There is no telling where the inquiry will stop. Undoubtedly the Federal Government officials have already read of the hearing and made a note that there are leaks in the steamship offices, which if they go to brokers can also reach alien enemies.

The marine insurance men have talked a lot about the honor and high ethics of their business, and have even been a little Pecksniffian about underwriters in other divisions of insurance, but undoubtedly there is need of a closer curb on insurance practices. It is positively amazing how loose and unbusiness-like some of these practices are.

If speculating in binders is not illegal there is at least one way in which the insured can get a run for his money and that is by stamping the rate in the provisional cover. Let him see what it is at least. Give him a sporting chance!

WESTERN FIELD MEN HERE

Special Agents of New York Underwriters' Agency Hold Annual Conference at Home Office

The annual conference of the Western field men of the New York Underwriters' Agency was held at the home office of the Company on Tuesday, Wednesday and Thursday of last week. Twenty-two of the Company's specials came east for the meeting. They were C. E. Monroe, Western Ohio; Walter R. Fogg, Central Ohio; R. U. Momberger, Eastern Ohio; E. J. Hicks, Michigan; H. C. McMaryin, Michigan; Robert MacHatton, Indiana; Richard Creifields, Jr., Indiana; S. P. Coffman, Central Illinois; Milton H. Grannatt, Northern Illinois; Gerard H. De Vries, Southern Illinois; R. L. Tanner, special risk department in Chicago; John P. Young, Kentucky; Roy W. Smith, Eastern Missouri; B. F. Westfall, Western Missouri; W. M. Palmer, Iowa; Frederick N. Elder, Wisconsin; B. C. Carpenter, Wisconsin; Geo. C. Mott, Minnesota; Arthur A. Knopp, N. Dakota; J. D. Dux, S. Dakota; E. D. Marr, Kansas; R. F. Howe, Nebraska, and John C. Jamieson, Colorado, New Mexico and Wyoming.

NEW AUTOMOBILE RATES

New Jersey Fidelity & Plate Glass Schedule Is Still Under Bureau

New rates have been issued for Manhattan, Kings, Queens and Bronx by the New Jersey Fidelity & Plate Glass for automobile liability, which are approximately 20 per cent. below the new rates announced by the bureau. The New Jersey's rate for a 22 h. p. car is $63 against the bureau's rate of $80. The property damage rate is the same as that of the bureau, $20 a thousand.

In suburban territory the company's present rates are the old bureau rates.

The Company quotes collision rates using the $100 deductible and the full cover forms which are the same as those of the bureau.

UNIFORM RULES

The new uniform rules and clauses are being generally adopted throughout the east. There are two large cities, however, where the rules and clauses have not yet been adopted.

THE HUMAN SIDE OF INSURANCE



WILLIAM G. McADOO FRANK A. VANDERLIP

Secretary of the Treasury McAdoo and Frank A. Vanderlip, president of the National City Bank, are the heads of the War Savings Stamp movement, which has the undivided support of the life insurance companies, as was demonstrated in last week's issue of The Eastern Underwriter which described in detail the co-operation of the life companies. Mr. Vanderlip is on the Pacific Coast for a rest from his arduous duties at Washington.

William M. Tomlins, Jr., who is to supervise the new burglary department of the American Surety Company, and who is now New York Metropolitan manager for that Company, is a man of many and diversified interests. He has been in the insurance business for twenty-two years, first with the Brooklyn agency of the Lawyers Surety, which was re-insured by the National Surety. From there he went to the old Empire State Surety, in 1901, as assistant secretary. He was made vice-president and secretary and in 1906 became president, which position he held for six years. In 1912 he engaged with the American Surety and has been manager of the Metropolitan department since May, 1913. Mr. Tomlins is president of the Casualty & Surety Club of New York, the Surety Underwriters' Association of New York and vice-president of the Insurance Clerks' Mutual Benefit Association. He is a member of the Bankers' Club, the Brooklyn League of Elks, Adytum Lodge, 640, F. & A. M., Auro Grata Consistory, Thirty-second Degree Masons, board of governors St. Albans Golf & Country Club, vice-president Prospect Home Building & Loan Association and the Brooklyn Chamber of Commerce. He is also on the "Big Four" Committee of the International Association of Casualty & Surety Underwriters. This committee was appointed to deal with agency matters. Samuel B. Brewster will act in an executive capacity in connection with the new burglary department. He is at present secretary of the Burglary Insurance Underwriters' Association which position he has filled with much success for a number of years. He leaves that connection April 1 to go to the American Surety.

Charles A. Hewitt, who still flings as graceful a pen as can be found in any editorial office in America, again has the full swing which permits him to write anything that strikes his fancy and stirs his fertile imagination. He is editor of the "American Exchange and Review," of Philadelphia, and once a month there comes from him those characteristic prose and poetry effusions which show his familiarity with the classics and that literature which should be classic and which made him a striking figure in Western insurance journalism. It is quite remarkable the way in which he can illuminate such a prosy through important paragraph, as the story of the increasing fire waste. For instance:

> When the late Ben King stood on
> Longfellow's bridge at midnight,
> The moon rose o'er the city,
> Behind the dark church spire;
> The moon rose o'er the city
> And kept on rising higher.

"Rising higher" is a confirmed habit of rising moons—and a confirmed habit of property fire losses in the United States.

It is when he is writing about individuals, however, that Mr. Hewitt is at his best. To him a fire insurance career is romantic, and any man who can find romance in fire insurance or its personalities has never stopped dipping in the fountain of youth.

* * *

J. E. Moyler, who was Petersburg manager of the Provident Life & Trust, and recently was transferred to the Richmond offices of the Company, is now with the Bureau of War Risk Insurance in Washington.

FIRE INSURANCE DEPARTMENT

British Insurance Association Formed

ALL INTERESTS REPRESENTED

E. Roger Owen, Commercial Union, Chairman—Merges all Factions to Guard Against Attack

London, February 16.—At a meeting of officials of insurance companies in London this week, an association, to be known as the British Insurance Association, was formed. This body—the gradual evolution of which has been traced in the "Times" since its creation was mooted more than a year ago—has a membership of 123 companies, and will be representative of offices established in the United Kingdom and the British Empire.

Protection of Insurance Business

The chief objects are the "protection, promotion and advancement of all classes of insurance business," including the "taking of such concerted measures as may be deemed expedient whenever the business transacted by members of the association may be affected by the action or proposed action of any government or other authority at home or abroad." The powers of the association are subject to the restriction that it shall not speak for or take action binding any particular section of insurance business until the right to speak has been confirmed or the proposed action has been authorized by the committee or association representing such section. Such bodies will be known in the constitution of the British Insurance Association as Sectional Committees, and the following old-established associations are already recognized as Sectional Committees: The Fire Officers' Committee, the Life Officers' Association, and the Associated Scottish Life Offices now federated therewith, the Association of Industrial Insurance Companies and Collecting Friendly Societies, the Accident Offices' Association, the Institute of London Underwriters, and the Liverpool Underwriters' Association.

The chairman of the new association is Mr. E. Roger Owen, general manager of the Commercial Union Assurance Company, and the deputy-chairman is Mr. A. C. Thompson, general manager of the Prudential Assurance Company. The following, all of whom are general managers, actuaries, or marine underwriters of leading companies, form the General Purposes Committee:

Messrs. O. Morgan Owen (Alliance), George Chappell (Royal), and G. E. Mead (Sun), Sir E. M. Mountain (Eagle, Star and British Dominions), Messrs. W. P. Phelps (Equity and Law Life), L. F. Hovil (National Provident), Leonard W. Dickson (Standard Life), Horace Duffell (Royal London Mutual), E. F. Nicholls (London Assurance), H. T. Hines (Royal Exchange), T. H. Harper (Thames and Mersey Marine), W. E. Gray (Employers' Liability), Arthur Worley (Railway Passengers'), and E. G. Hiller (National Boiler and General).

DUTTON IN GEORGIA

Percy B. Dutton, manager of the New York State Department of the Georgia Home, has been spending several days with President Browne at the home office of the Company in Columbus, Ga. Mr. Dutton has already established the Company at many desirable agency points and expects to develop its business considerably this year.

PLANS FOR WOMEN'S CLASSES

Insurance Society of New York List of Speakers and Topics—Begin on April 1

The Insurance Society of New York has completed its plans for the second series of lectures for women to be held under its auspices. There will be two courses to be held each Monday and Thursday evening starting with April 1 and 4 respectively. The speakers and topics for the Monday classes are as follows: April 1, W. N. Bament, general adjuster of the Home Insurance Co., on "Fire Insurance"; April 8, C. R. Perkins, general agent of the North British & Mercantile, on "The Agent"; April 15, Julian Lucas, Jr., of Davis, Dorland & Co., on "The Broker"; April 22, E. R. Hardy, of the New York Fire Insurance Exchange, on "Rating"; April 29, F. W. Day, assistant manager of the Royal, on "Correspondence"; May 6, J. W. Gaukroger, chief accountant of the Commercial Union, on "Accountancy," and May 13, W. O. Robb, manager of the New York Fire Insurance Exchange, on "Co-Insurance."

The program for the Thursday evening classes includes on April 4, R. P. Barbour, general agent of the North British & Mercantile, on "Fire Insurance"; April 10, C. R. Pitcher, branch secretary of the Royal Insurance Co., on "The New Standard Policy"; April 17, H. S. Pool, agency supervisor of the Home Insurance Co., on "General Office Work"; April 24, W. R. Crane, secretary of the United States Fire, on "The Workings of a Local Department"; May 7, E. W. Dart, of Johnson & Higgins, on "Surveys," and May 8, R. P. Barbour, general agent of the North British & Mercantile, will answer questions.

No person will be permitted to attend both series. Tickets for either series may be obtained at the library of the society.

RE-INSURANCE BUREAU

F. A. Hubbard, Wilfred Kurth and A. H. Wray Elected to Board of Governors

At the recent annual meeting of the Re-Insurance Bureau, which now has a membership of sixty-two companies, and which is most capably managed by Howard De Mott, three members of the Board of Governors were elected to serve in the stead of members retiring under the rule, the new governors being F. A. Hubbard, vice-president of the Hanover; Wilfred Kurth, secretary of the Franklin, and A. H. Wray, manager of the Commercial Union.

CHARLES H. BARRY DEAD

President of Pennsylvania Fire Passes Away Suddenly in Philadelphia

Charles H. Barry, president of the Pennsylvania Fire, died suddenly in Philadelphia, March 11. His former home was in Evanston, Ill. He had resigned as of March 15 and had intended going back to his old home.

John Marshall, Jr., president of the Western Union, has appointed the following committee to prepare a memorial to Mr. Barry: D. W. Redfield, for many years Mr. Barry's assistant, Walter H. Sage, E. G. Richards, A. F. Dean and P. D. McGregor.

ROSS AGENCY TO MOVE

The F. H. Ross Agency, 100 William Street, New York, will move April 15 to 58 John Street.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK
AACHEN & MUNICH FIRE INS. CO., ORGANIZED 1825

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE COMPANY OF LONDON, ENGLAND
NORWICH UNION ASSURANCE CO. OF NORWICH, ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Object to Middle Department Rules

WEST VIRGINIA AGENTS MEET

After Passing Resolutions They Give Full Information to the Daily Newspapers

At a meeting of the agents of Fulton and Franklin counties, Pennsylvania, Frederick, Washington and Carroll counties, of Maryland, Berkeley, Jefferson and Morgan counties, West Virginia, held in Hagerstown, Maryland, the organization was effected by adopting the name "Tri-State Fire Insurance Agents' Association," and elected the following officers: President, Edward E. Cooke, Charles Town, W. Va.; secretary Ernest Helferstein, of Frederick, and treasurer, N. Bruce Armstrong, Hagerstown. An executive committee was chosen composed of the following: C. Harry Keller, Hagerstown; H. L. Alexander, Martinsburg; Charles E. Goodwin, Westminster; K. G. Porter, Waynesboro, and W. Harry Haller, Frederick.

After a long and earnest discussion of the contemplated rates and regulations, ordered by the Middle Department to take effect on April 1 next, the following resolution was passed, not only passed, but the agents gave out the information in full to daily papers:

Whereas, It is the desire of the fire insurance agents herein represented to co-operate with the companies and with the Underwriters' Association of the Middle Department in carrying out of all reasonable rates, rules and regulations which may be promulgated for the best interests of the business, and

Whereas, The new rule book which has been published by the Middle Department to become effective April 1, 1918, has at this meeting been taken up by us and its provisions gone over in detail, and

Whereas, It is the sense of the undersigned agents that a great many of the new rules proposed are most radical in their changes from those in force at present, and that

Whereas, It is impossible to cover in this resolution all the various objections, and

Whereas, We believe that the new rules in numerous instances are impossible in their application as governing our local conditions and that the enforcement of them will not only greatly injure our business, but cause endless litigation and losses and eventually get the insurance business in bad repute and cause adverse legislation, and

Whereas, The general upset condition of the people throughout the country, owing to the war, we believe it is an inexpedient time in which to make any radical changes, now, therefore, be it

Resolved, That we do most earnestly and emphatically protest against all of the provisions of said rule book, and that we do request the Middle Department and the fire insurance companies represented throughout said association, that the said rule book be not adopted, and that we be allowed to continue as at present, and it is further.

Resolved, That, realizing, as we do, the impossibility of our complying with the provisions of this new rule book, we do continue to operate under the same rules, rates and regulations as heretofore, and be it further resolved that we ask for relief.

Sprinkler Conference Committee Named

BRINK HEADS RATE COMMITTEE

Collins Chairman of "No Common Interest" Committee—Members of Executive Committee

A meeting of the Sprinkler Leakage Conference was held on Wednesday at the Downtown Association. E. W. Nourse, of the Northern of London, who was elected chairman at the annual meeting on February 12, presided for the first time. Mr. Nourse announced the appointment by him of the following committees:

Finance Committee: Robe Bird, New York Underwriters' Agency, chairman; F. P. Walther, Continental; J. E. Curtis, Phoenix, of London.

Rate Committee: P. M. Brink, Westchester, chairman; A. Hepp, Home; Robe Bird; F. C. Moore, Hartford; D. G. Stone, Aetna Casualty & Surety; C. Richters, Niagara; W. R. Crane, U. S. Fire.

No Common Interest Committee: J. W. Collins, Queen; F. J. McFadden, Home; George P. Davis, North British.

Arbitration Committee: F. P. Walther, J. E. Curtis; Charles A. Trowbridge, American Lloyds.

Policy Forms Committee: George P. Davis, chairman; P. M. Brink, F. J. McFadden.

J. E. Curtis is the only new member of the executive committee. He was chairman for two years and declined re-nomination. Other members of the executive committee are Messrs. Davis, Richters, Moore, Brink, McFadden, Bird. The meeting on Wednesday was an innovation in the plans of the conference in that the executive committee decided to adopt the Western plan upholding monthly meetings of the conference in the form of luncheons.

SCHAEFER & SHEVLIN
103-5 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

Firemen's Insurance Co., Newark, N. J.
January 1, 1917
Cash Capital $1,250,000.00
Net Surplus $2,449,322.25
SURPLUS TO POLICYHOLDERS...$3,699,322.25
DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President J. K. MELDRUM, Assistant Secretary

Authorized Capital $500,000
Detroit National Fire Insurance Co.
DETROIT, MICHIGAN
A Company to be built gradually and along the indicated lines of permanence
AGENCY CONNECTIONS SOLICITED

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

Associated Mutual Agency Incorporated
B. J. ALLEY, Manager
68 William St., New York
Exceptional Facilities for Writing Business Throughout the United States

BRITISH AMERICA ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918
Assets $2,192,173.14
Surplus in United States..... 772,927.35
Total losses paid in United States from 1874 to 1917, inclusive..... 25,298,472.00
W. B. MEIKLE, Pres. & Gen. Mgr.

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— *FIRE and WAR RISKS* —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Fire Results in Pennsylvania

HARTFORD AND HOME LEADERS

Generally Speaking Losses Appear Favorable as Compared with Other Years

Fire companies operating in Pennsylvania have reported 1917 premiums and losses to the Department which have been compiled for The Eastern Underwriter as follows:

	Premiums Received	Losses Incurred
L. & L. & G.	$24,471	$9,939
Mechanics & Traders	31,648	13,915
New York National	32,953	13,746
Security	161,093	67,842
L. & L. & G., Eng.	594,953	411,971
Northern, Russia	133,561	52,188
Union & Phenix, Spain	157,576	79,543
National Union	286,782	86,671
Assur. Co. of Am.	27,825	16,078
City of New York	91,900	59,682
Globe & Rutgers	286,218	137,041
Lond. & Lanc., L. & G.	10,004	19,055
Michigan Commercial	127,104	61,443
Patriotic	9,153	861
Skandinavia	79,293	17,359
Sun	182,371	88,001
Yorkshire	71,792	36,791
Michigan Millers	72,742	53,497
Humboldt	308,290	120,020
Colonial	22,089	16,932
Detroit F. & M.	60,377	27,966
First Re-insurance	19,227	50,083
Glens Falls	206,457	86,211
Seneca	19,888	11,399
Stuyvesant	6,392	29,883
Norwich Union	157,752	58,363
National, Denmark	23,933	1,559
New Jersey	43,887	11,517
Michigan F. & M.	48,818	34,004
Northwestern F. & M.	1,869	.....
Svea	63,130	33,847
Girard	223,275	45,746
Independence	11,542	8,974
Ins. Co. State of Pa.	170,571	79,001
Pennsylvania	621,975	229,607
Inter State	60,153	5,033
Maryland Motor Car	18,169	6,249
Merchants National	666	.....
Vulcan, Cal.	8,925	7,901
Fire Association	656,537	286,897
Firemen's, N. J.	249,525	127,673
Merchants, N. Y.	80,329	34,769
Niagara	267,547	108,590
Royal Exchange	138,588	75,411
United Firemen's	86,431	53,132
Commonwealth	111,666	38,168
Mercantile	89,599	34,456
North River	188,905	89,618
Peoples National	108,372	44,269
London Assur.	192,312	73,415
North British & M.	348,909	115,699
Atlas	163,714	72,339
Henry Clay	53,145	6,680
Milwaukee Mech.	176,882	84,835
Alliance, Penn.	109,108	41,328
Ins. Co., North America	941,190	351,213
Boston	260,936	104,306
Automobile	240,805	93,863
Cleveland National	39,899	28,477
Jakor	301,386	183,198
International	352,515	232,779
Georgia Home	11,664	1,191
Merchants, Colo.	13,541	4,078
Century	33,726	24,976
British America	61,646	25,330
First Russian	148,509	68,150
Moscow	169,536	98,637
Russian Re-Insurance	144,634	92,841
Potomac	22,207	10,459
Citizens	172,626	64,200
Swiss National	173,571	102,974
National, Conn.	578,248	213,933
Marquette National	63,925	22,146
Liberty National	347,330	176,152
Eagle Fire	46,358	18,111
Commercial Union, N. Y.	63,941	28,533
Commercial Union, Eng.	467,896	195,393
Palatine, Eng.	141,934	64,350
Newark	126,584	63,032
New Brunswick	64,862	27,595
Petersburg Savings, Va.	13,933	12,869
United States	252,218	101,299
Westchester	412,882	172,738
Fire Re-insurance, France	190,288	82,790
Rossia	442,113	245,681
Union, Eng.	66,739	24,838
Hanover	212,540	83,554
Franklin	427,031	201,021
State Assurance	33,343	16,152
Reliance	49,267	19,247
Prov.-Wash.	184,146	111,158
Law Union & Rock	84,161	39,342
Caledonian American	1,611	1,225
Allemannia	229,130	86,469
Mass. F. & M.	36,665	24,817
Phoenix Assurance	207,127	71,048
Agricultural	166,187	73,140
German, W. Va.	27,623	17,126
German, Ill.	11,954	14,981
Concordia	163,993	76,642
Imperial	47,446	15,937
Capital, Cal.	40,637	18,622
Hamilton	15,996	9,636
Granite State	57,642	24,493
American, N. J.	212,819	85,787
German-American, Md.	40,328	18,267
Virginia F. & M.	143,844	65,583
Buffalo	40,198	15,292
Dubuque F. & M.	147,396	76,617
Urbaine	65,332	34,790
General, Paris	85,471	43,463
Caledonian	105,873	57,655
Queen	266,173	102,575
Northwestern Natl.	159,381	64,018
New Hampshire	236,252	83,370
Great American	714,620	310,834
American Alliance	47,795	20,912
American-Eagle	37,030	20,947
Continental	584,280	235,301
Fidelity-Phenix	408,491	184,345
Western, Pa.	114,457	50,984
Pittsburgh	85,895	48,162
County	75,855	36,069
Northern, N. Y.	96,978	56,446
American Central	114,927	49,749
German, Penn.	142,699	53,217
German-American, Penn.	88,424	46,273
Old Colony	47,879	19,995
Orient	93,099	26,906
Pacific	75,887	43,673
Safeguard	16,931	4,133
Lond. & Lanc.	124,090	50,873
Minn. F. & M.	5,322	18,219
Royal	522,685	246,319
Skandia	74,924	39,709
St. Paul F. & M.	210,141	98,192
Standard, N. J.	105,130	56,353
Cologne Re-insurance	104,320	88,560
Eagle & British Dom.	71,114	18,261
Richmond, N. Y.	44,937	30,342
Scottish U. & N.	248,622	106,959
Swiss Re-insurance	92,526	54,519
Albany	34,243	22,545
Capital, N. H.	40,379	22,759
National-Ben Frank.	317,149	123,941
Mechanics, Pa.	127,929	51,266
Teutonia, Pa.	215,893	91,322
Home	1,058,869	455,230
Fireman's Fund	301,736	128,484
Teutonia, O.	14,955	7,957
Union Fire	18,266	7,607
American Druggists	17,056	4,167
Camden	260,747	113,854
Commerce	29,068	18,228
Detroit National	29,431	16,403
Dixie	13,983	4,722
Rhode Island	76,993	41,261
Sterling	36,727	27,446
Abeille	23,577	9,617
Union	61,190	24,650
Western, Canada	107,369	26,048
California	13,143	2,715
National Traders	4,088	1,782
Netherlands F. & L.	25,888	10,362
Hartford	1,134,040	395,755

"AMERICA FORE"



Thoroughly AMERICAN

January 1, 1918

CASH CAPITAL, ONE MILLION DOLLARS

Assets $3,007,714.32
Liabilities 1,904,131.59
Policyholders' Surplus 2,103,582.73

ITS MANAGEMENT A WARRANTY OF SOUND RELATIONS WITH AGENT AND ASSURED

THE AMERICAN EAGLE Fire Insurance Company of New York

HENRY EVANS, President

Home Office
80 MAIDEN LANE
NEW YORK

Pacific Coast Dept.,
INSURANCE EXCH. BLDG.,
SAN FRANCISCO

AMERICAN MERCHANT MARINE INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House — New York City

South William and Beaver Streets

NOT VISITS FROM DEITY

New Hampshire's Comment on Suspicious Fires in Grain Elevators and Stock Yards

In the current issue of "Whittlings," the bright, breezy and cleverly illustrated paper published by the New Hampshire Fire, there is plain speaking about suspicious fires. "Whittlings" says:

Since the United States entered the war we have had a great many fires in grain elevators, stock yards and storage houses, resulting in the destruction of vast quantities of food products and immense stores of ammunition intended for war purposes.

The fact that these fires have been of mysterious origin has not impressed the public seriously because we have been accustomed to regard such occurrences as visitations of the Deity and not to be lightly investigated, but the daily record does not make pleasant reading now-a-days to the man who has been celebrating wheatless and meatless days in the hope of saving a few ounces each week for the cause.

When he is told that one fire has consumed in a few minutes, enough wheat to furnish ten army divisions with bread for twelve months, he goes on saving, but his heart weakens and his brain grows weary.

For he knows that many of these fires are either due to criminal carelessness or to the work of enemies of the Government, and that they could, in either case, have been prevented.

And way down deep in his heart, he begins to wonder whether the American people will wake up to the fact that we are at war before the helmeted Hun is hammering on the doors of our homes.

SUES FOR LOSS ON T. B. COWS

R. Hayes Dutton, of Colmar, Pa., has brought suit against the Farmers and Breeders' Mutual Reserve Fund Live Stock Insurance Company of Philadelphia to recover $500, the value of two cows killed by the State Live Stock Sanitary Board agents as being affected with tuberculosis and a menace to the public health.

The insurance company holds it is not liable under the conditions and has refused payment of the claim.

SERENE IN PHILADELPHIA

The settlement of the membership question by the Philadelphia association is welcomed by all underwriters and by Philadelphia agencies. The question of representation was adjusted for Philadelphia only, however, and leaves the controversy over underwriters agencies in other parts of the country exactly where it was before the adoption of the new Philadelphia constitution and by-laws.

CRITICISED BY A MAYOR

Mayor Simon, of Schenectady, has given interviews to daily papers criticising the increased charge for electrical inspection of a newly re-wired building.

BROKERS ACTIVITIES

Sidelights at the Coccaro Hearing

SOME PERSONALITIES IN CASE

Mystery Over Real Assured—First Big Investigation for New Counsel, Mr. Drake

Fire insurance brokers have been following the Coccaro-McAndrews marine cover speculation inquiry at the Insurance Department with as great interest as the marine brokers. The hearings are described elsewhere in this paper. Here are some sidelights on the hearing:

Coccaro & Co. are New York freight and customs brokers and exporters.

McAndrews, who has an office with them—no one seems to know his exact job—when pinned down says he placed insurance from Coccaro's office for a man named Eastwood. But no one can find Eastwood.

James Polito, who also telephoned insurance orders from the Cocarro office, has likewise disappeared. He is a nephew of Coccaro.

Richard Arthur, a broker who bought the cover from Cocarro for 2.65 and sold it for more than 2.80 and who never received anything on the transaction but a check for $20 from Chubb & Son, worked for Coccaro for three months, not in the insurance but in the freight end.

Hayes, of Hayes & Burgomaster, is an earnest, florid faced young man, with spectacles, and integrity written all over him.

Kane, the regular insurance manager for Coccaro & Co., is a young man who wears a green suit, a green soft collar, a green shirt and a green necktie.

Alberti, of Alberti & Carleton, a broker in the transaction, is an exceedingly wellgroomed, intelligent and prosperous looking individual.

Hervey J. Drake, the new counsel for the insurance department, is a boyish looking cross-examiner, who is entering this case with tremendous zeal, not only because it is his first big case for the department, but it affords unlimited opportunities to open that book of mysteries—marine insurance, its practices and rates.

W. H. Hotchkiss, former superintendent, also is cross-examining witnesses. Scholarly, thorough, unusually able, he lets little escape him.

Mr. Phillips, the superintendent, wastes no words, but comes right out and calls a spade, a spade. He thinks the public is being robbed in these cover speculations and he says so.

* * *

Brokers Helping W.S.S.

R. C. Rathbone, 2d., R. Henry Depew and Alex. M. Silvey constitute the committee in charge of the W.S.S. campaign of the Fire Brokers' Association of New York City. This committee will co-operate with the General Insurance Division of the National War Savings Committee.

BUSINESS BEFORE BROKERS

Applications for Membership from T. B. M. Terhune & Co. and B. F. Sadler & Co. Received

For the annual meeting of the Fire Brokers' Association of New York, to be held March 20, the association has besides routine business the election of five directors for a term of three years. The following nominations have been made: J. C. Ammermuller, Frank C. Carr, R. Henry Depew, Reuben E. Kipp and Frank E. Mendes. Alexander M. Silvey was also nominated, to serve for one year until the annual meeting in March, 1919, to fill the unexpired term of Clarence G. Friend, who resigned. Applications for resident membership have been received from T. B. M. Terhune & Co., and B. F. Sadler & Co.

* * *

Lost Money on Gold

Recently, a broker arranged with the Irving National Bank to place insurance for them on a gold shipment for a rate of 6 per cent. At about the same time gold shipments were so heavy that the insurance companies jacked up the rate, so when the broker got his closing cover the rate was 8 per cent. He had to pocket the 2 per cent. loss himself.

* * *

Montgomery Visits Companies

John Montgomery, of Wilmington, Del., whose firm places the du Pont insurance, has returned home after visiting company offices in New York and Hartford.

SYRACUSE MEETING

Discuss Agency Matters—War Conservation Committee to Extend Its Operations

The Underwriters' Association of New York State held its meeting on Tuesday in Syracuse, and among other matters discussed the question of a new assistant secretary to succeed F. E. Jenkins, who went with the Queen. No appointment was made, however. The work of the conservation committee was threshed out, and it was decided that its activities should be increased. The situation at Wellsville was discussed. Considerable attention was paid agency situations in several cities.

R. I. CATLIN WITH AETNA

R. I. Catlin has been appointed assistant automobile superintendent of the Aetna companies. He was formerly liability underwriter in the home office of the Fidelity & Deposit.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

"The Largest Fire Insurance Company in America."
THE HOME INSURANCE COMPANY NEW YORK
ELBRIDGE G. SNOW, President
Underwriting Capacity Second to None.
FIRE AND ALLIED BRANCHES OF INSURANCE.
Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm.
STRENGTH REPUTATION SERVICE

Capacity For Local Agents
You can use our capacity as your own to take care of additional business beyond the capacity of admitted Companies.
Our capacity is as high as $150,000 on a single risk with immediate binders and 10% commission to brokers. Guaranteed Underwriters. Use our special Surplus Line Department. Special liberal policies for Baggage Insurance.
MARSH & McLENNAN
Insurance Exchange, Chicago
19 Cedar St. NEW YORK
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314 Superior St. DULUTH
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THESE OFFICES GIVE YOU THE BEST THERE IS IN INSURANCE SERVICE

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
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PHILADELPHIA
ADEQUATE FACILITIES
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CAPITAL FIRE INSURANCE COMPANY of CAL.
CHICAGO BONDING & INSURANCE COMPANY
GREAT EASTERN CASUALTY COMPANY
THAMES & MERSEY MARINE INSURANCE CO., Ltd.
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BOSTON NEW YORK LONDON CHICAGO BALTIMORE
We are strictly an Agency Office, and can offer service and facilities anywhere in the United States.
HEAD OFFICES: 411-13 Walnut Street, PHILADELPHIA
NEW YORK OFFICE: 95 William Street, NEW YORK CITY

Elect E. G. Richards Pennsylvania President

NINTH MAN TO HOLD OFFICE

History of Distinguished Company Which Began Operations Nearly a Century Ago

E. G. Richards has been elected president of the Pennsylvania Fire Insurance Company in place of the late Charles H. Barry, who had resigned to take effect as of March 15. An interesting feature of Mr. Richards' election is that this is not his first connection with the Pennsylvania, for he served the Company as special agent in New England from 1877 to 1881.

History of Pennsylvania Fire

The present occasion seems a fitting time for a brief sketch of this institution which has seen nearly one hundred years of corporate existence:

The Pennsylvania Fire Insurance Company was born on January 26, 1825, with a capital stock of $200,000 subscribed in equal shares by 100 men, among them being many whose names are well known in the annals of Philadelphia.

The charter was perpetual and contained certain restrictions which are interesting as a reflection of conditions then existing:

Real Estate Ownership

It was provided that real estate might be owned only to the extent necessary to accommodate the Company's business, or that which might be taken and held as security for the payment of debts due the corporation, and the clear yearly income which might be derived from such real estate was restricted to not exceed $10,000. Evidently the great increase in value and earning power which real estate was later to enjoy was not appreciated at the time.

The president and directors were permitted to divide so much of the profits as to them might appear advisable, but they might not declare any dividends if an impairment of the capital seemed to exist!

Never Moved Location

The office of the Corporation was established at No. 134 Walnut Street and has remained there ever since, being now known as 508-10 Walnut Street.

A limited number of applications for insurance, signed by the insured, were entered in an application book prior to the formal opening for business which occurred on the first day of April, 1825: Perpetual Policy No. 1, dated March 7, 1825, was issued to James Y. Humphreys and covered on a brick house and card factory at 86 South Front Street, Philadelphia, for $2,000 at 2½ per cent. Ordinary Policy No. 1, dated February 18, 1825, was issued to James Wood for one year to cover stock of an auction store at 32 South Front Street, Philadelphia, for $10,000 at 40 cents per annum.

The First Loss

The first loss which occurred of record was on June 30, 1825, under Policy No. 22, the Company paying $1,350 on a $2,000 policy.

The first dividend declared was one of 5 per cent. on March 3, 1828.

On January 11, 1838, the property on Walnut Street was purchased and a white marble front in the Egyptian style of architecture was authorized.

Early Rates

On April 9, 1842, the board of directors resolved "that 30 cents be hereafter the minimum premium on merchandise in Philadelphia" and later a committee was appointed to confer with other offices on the subject of uniform policies, thus indicating a trend toward associated work by the companies.

On February 2, 1846, a revised tariff of minimum rates on merchandise in the city of Philadelphia and adjoining districts was adopted.

Two rather quaint resolutions appear on the directors' records, reading as follows:

> Resolved, that a roof of tin be placed on the building occupied by the corporation;
>
> Resolved, that the front of the house occupied by this Company be cleaned.

On October 2, 1854, William G. Crowell, father of Vice-President Crowell, was employed as clerk, and December 4, 1854, finds a record that a very satisfactory trial of Mr. Crowell's suitableness having been made, his salary was raised to $1,000 per annum.

Increase Capital Stock

On March 11, 1863, the capital stock was increased to $400,000, and a $200,000 dividend declared to be applied to the payment of subscriptions.

All through the period of the war various amounts of money were subscribed by the Company to different military organizations, and on June 5, 1865, $100 was appropriated to insure $5,000 on General U. S. Grant's house, No. 2009 Chestnut Street, Philadelphia.

The record is somewhat obscure as to the agencies which the Pennsylvania had during the first forty years of its existence. On February 12, 1825, the secretary was directed to write to certain gentlemen in Lancaster, Pittsburgh, Reading and Easton, asking if they were willing to become agents of the Company, but no further record appears until 1867, except for a brief notation in 1840 when the directors authorized the balance of the account of Owen Rice, agent at Bethlehem, Pennsylvania, to be charged to profit and loss.

On September 2, 1867, the famous firm of Frame & Hare was formally appointed the representative of the corporation in New York City.

Four years later it was resolved "that the officers of this Company be hereby authorized to appoint agents wherever in their judgment they may approve," and it appears that in the autumn of that year and the winter of 1872 the secretary traveled through the country establishing agencies at important points, hence, it was apparently at this time that the corporation first entered into the general agency business in an organized way.

Mr. Richards Ninth President

The Pennsylvania has had but eight presidents during the ninety-three years of its existence and the period of their services is as follows:

Robert A. Caldcleugh, elected February, 1825, served to September, 1835; Jonathan Smith, elected September, 1835, served to December, 1839; Quintin Campbell, elected December, 1839, served to June, 1853; Jonathan Patterson, elected June, 1853, served to July,

(Continued on page 18)

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

COLONIAL INSURANCE AGENCY

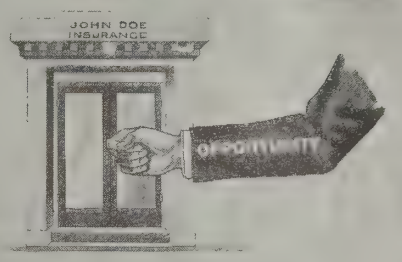
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AUTOMOBILE AND ALL FIRE AND CASUALTY LINES

"SECOND TO NONE IN SERVICE"

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NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURGH, PA.



As an asset to any agency, by every test that counts, the NATIONAL UNION is unquestionably a company whose representation good agents should seek. Extending always a full measure of co-operation, its facilities and service have given it a conspicuous place in 5000 offices throughout the United States. To experienced and properly qualified agents the NATIONAL UNION can prove its worth in numerous ways. Are you willing to be convinced of facts already proven to others who have gained satisfaction and profit in a pleasant business relationship? Shall we send a Special Agent to discuss the subject with you?

"OPPORTUNITY IS KNOCKING"

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FRED S. JAMES & CO.

123 WILLIAM STREET

NEW YORK

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GENERAL FIRE ASSURANCE CO. of Paris, France

URBAINE FIRE INSURANCE CO. of Paris, France

EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England

C. B. G. GAILLARD Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

The Effect of Sprinkler Protection Upon Loss Ratio

A summary of the sprinkler experience of the Boston Manufacturers' Mutual Fire Insurance Company is given in its annual report under the title of "The Effect of Sprinkler Protection Upon the Loss Ratio." The report states:

Early in the seventies of the last century the need of increasing the speed of the machinery in our textile plants, in order to increase the product and also the convenience of having manufacturing buildings of large area, were beginning to be felt. Volatile oils were also coming into use. Without the protection afforded by the automatic sprinkler, these improvements in manufacturing operations would have been nearly, if not quite, impossible, due to the great addition to the fire hazard.

That the automatic sprinkler did more than take care of the increased hazard of fire, due to the above changes, is clearly demonstrated by the figures given in the column of the table below which show the "ratio of loss to amount written per hundred dollars." The figures in this column should be divided into three sections—the first section covering a period from 1850 to 1875, inclusive, during which time the mills were unequipped with automatic sprinklers. The average loss ratio during this period was twenty-five and twenty-nine hundredths (25.29) cents per hundred dollars of insurance carried. The second section—from 1876 to 1895, inclusive—covers a period during which our manufacturing plants were being equipped with automatic sprinklers; in other words, some of them were fully equipped, others partially, and others not at all, the result being that the average yearly loss ratio during this period was eighteen and ten hundredths (18.10) cents per hundred dollars of insurance. The third section—from 1896 to 1917, inclusive—covers a period when our mills were fully equipped with automatic sprinklers. In the early part of this period, some of the storehouses connected with the mills were unequipped, but later on these were fully equipped, the result being that the average yearly loss during this period was reduced to five and eight hundredths (5.08) cents per hundred dollars of insurance.

Fire Loss Experience From 1850 to 1917

Period (years inclusive)	Amount of insurances for period	Amount of losses for period	Rate of loss to amount written (cents per $100).
1850-1875	$406,284,084	$1,027,536.98	$0.2529
1876-1895	1,551,259,471	2,809,203.32	0.1810
1896-1917	6,142,755,045	3,121,505.42	0.0508
Totals, 67 yrs..	$8,100,298,600	$6,958,245.72	$0.0859

Elect E. G. Richards Pennsylvania President

(Continued from page 17)

1865; Daniel Smith, Jr., elected July, 1865, served to February, 1873; John Devereux, elected February, 1873, served to July, 1890; Dale F. Benson, elected August, 1890, served to March, 1915; Charles H. Barry, elected March, 1915, served to March, 1918.

During the same time it has had but five secretaries:

Jonathan Smith, elected February, 1825, served to September, 1835; Beaton Smith, elected September, 1835, served to June, 1861; W. G. Crowell, elected June, 1861, served to January, 1881; John L. Thomson, elected January, 1881, served to September, 1890; W. Gardner Crowell, elected September, 1890.

Mr. Crowell is still in active service as vice-president and secretary, being also a director of the Company.

Present Officers and Directors

The present officers and directors are as follows:

E. G. Richards, president; W. Gardner Crowell, vice-president and secretary; T. Magill Patterson, assistant secretary.

Directors—Joseph Wayne, Jr., president Girard National Bank; T. De Witt Cuyler, president Commercial Trust Co.; Samuel T. Bodine, president The United Gas Improvement Co.; J. R. McAllister, president Franklin National Bank; Henry I. Brown, Henry W. Brown & Co.; W. Gardner Crowell, vice-president and secretary; E. G. Richards, president; J. F. Hastings, treasurer.

HOWARD O. COEYMAN'S CHANGE

Howard O. Coeyman, formerly special agent for the First National Fire, has resigned from the E. F. Flindell office in New York, and has been made examiner at the head office of the Liverpool & London & Globe.

RATE MEETING

Western and Eastern men met in this city yesterday and discussed the Dean schedule, which is being applied in New England.

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.



125th Anniversary

Insurance Company of NORTH AMERICA

PHILADELPHIA

FIRE, MARINE, AUTOMOBILE, Rent, Leasehold, Tornado, Explosion, Use and Occupancy, Sprinkler Leakage, Travelers' Baggage, Parcel Post

The Oldest American Stock Insurance Company

CRUM & FORSTER

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United States Fire Ins. Co., N. Y. — The North River Ins. Co., N. Y.
Richmond Ins. Co., N. Y. — Union Fire Ins. Co., Buffalo, N. Y.
Potomac Ins. Co., Washington, D. C. — Seneca Fire Ins. Co., Buffalo, N. Y.
United States Underwriters' Policy, N. Y.

F. M. GUND, Mgr. Western Dept. Freeport, Illinois

W. W. ALVERSON, Mgr. Pacific Coast Dept. San Francisco, California

207th Year

SUN INSURANCE OFFICE OF LONDON

FOUNDED 1710

UNITED STATES BRANCH:
54 Pine Street - New York

WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.

PACIFIC DEPARTMENT:
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San Francisco, Cal.

"STRONG AS THE STRONGEST"

The Northern Assurance Co.

(LTD., OF LONDON)

Organized 1836
Entered United States 1876

Losses Paid - - - $105,000,000
Losses Paid in U. S. - $38,000,000

Eastern and Southern Departments

55 JOHN STREET
NEW YORK CITY

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

Liverpool and London and Globe Insurance Co. LIMITED

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus, .. - - - - -	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - -	1,051,543.00

Over $152,000,000.00

Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

MARINE DEPARTMENT

Coccaro Scandal May Start Rate Query

RESUME COVER HEARING TODAY

Superintendent Phillips Amazed at Speculation in Binders—Supply and Demand Fix Rates

At the end of a two days' hearing in the Insurance Department, relative to insurance placed by J. J. McAndrew, of A. J. Coccaro & Co. on shipments to go on the S.S. "Navahoe," during which hearing amazing practices were disclosed of speculating with provisional marine insurance certificates, Superintendent Phillips turned to former Superintendent Hotchkiss, counsel for the Northern Underwriters' Agency (the complainant in the proceedings), and said:

"I have to leave for Albany and will stop this hearing until Friday morning. We seemed to have proved that the gambling in these covers exists, that the shippers are being held up for abnormal rates and that something is rotten somewhere. Now as to whether to extend the scope of the inquiry I do not know."

"You are right," said Mr. Hotchkiss. "You haven't scratched the surface yet."

For months there have been rumors that certain brokers have been obtaining binders on cargoes and then selling the binders, or provisional covers, as they are called. This practice has grown until it has reached the gambling state. Finally, a definite case was put up to the superintendent by the Northern Underwriters' Underwriting Agency and the investigation started. In this case a provisional certificate went through a number of hands of intermediaries until the rate had jumped from 1¼ to 5 per cent., and, it is reported, one broker made $5,000 on the transaction. As a result of the disclosures there may be a sweeping inquiry into marine insurance rates.

Here are some facts brought out in the hearing:

1. Steamship companies, or representatives on the "inside," tip off to favored brokers' dates of sailing, or names of shippers, so that these brokers can get an early start in placing provisional covers. Sometimes they get a corner in the ship's insurance.

2. These covers are often not taken out in the name of the real shipper and after being obtained they are frequently sold to other brokers. The name in the cover may be of someone who has no insurable interest.

3. There are said to be some men who make a living by speculating in these transactions, and one bit of gossip in the department is that a certain broker has cleaned up $500,000 through his influence in being on the inside track in knowing where he can place insurance and who has got it to sell after getting provisional covers from insurance companies and then not using them.

4. Brokers haven't the faintest idea how rates are made and why they keep on going up except that it is the law of supply and demand. One witness said they are made on the racetrack principle. At the start the odds are long, but as the horse becomes popular in the betting the odds tighten until a 100 to 1 shot gets down to even money. Nor can brokers explain why in one hour rates will vary anywhere from ½ to 2½ per cent. in the different office for the same risk. The brokers themselves really boost the rate, but what is the explanation of the boosting?

5. The insured is often deceived by the broker who lies about the rate, billing him at a higher figure than he himself pays. The public also loses heavily by having to pay the higher rates caused by the speculation in provisional covers.

6. Greeks have shown a particular aptitude for "speculating" in insurance covers.

7. It is possible to place marine insurance without having an insurable interest.

The chances are that underwriters themselves will be called to give their views of the situation.

The different stages of the "Navahoe" line of insurance under investigation by Mr. Phillips follow:

1. January 8-11, from Alberti & Carleton and Hayes & Burgomaster to A. J. Coccaro & Co., at the rate originally fixed, 1¼ per cent.

2. January 15-17, from A. J. Coccaro & Co. to Richard Arthur at 2.68 per cent.

3. January 17, from Richard Arthur to G. W. Gallie Company at 2.87½ per cent.

4. January 29 (?), from G. W. Gallie Company to R. A. Corroon & Co. at 5 per cent. less 5, or approximately 4.75 per cent.

5. January 30, from R. A. Corroon & Co. to Donnelly Marine Brokerage at 5 per cent. less 2½, or approximately 4.87½ per cent.

6. January 30, from Donnelly Marine Brokerage to World Shipping Company at 5 per cent.

The difference between the final rate and the rate on the transfer from Corroon & Co. to Donnelly Marine Brokerage apparently represented the latter's commission as the broker of the real shipper's agent.

It will be noted that, until January 30, the provisional insurance, which was either on merchandise or on caustic soda, etc., remained unchanged, and that not until the last mentioned date was such insurance closed, and then not only for a different amount than that represented by the provisional insurance, but also on different property entirely.

In this connection, further, it will be noted that the Donnelly Marine Brokerage demurred to accepting the certificate issued in the name of J. J. McAndrews, but, being unable to secure the insurance needed by its client in any other way, finally accepted such certificate,

NEW FRENCH COMPANY

A French composite insurance office has been constituted under the name of La Polaire with a capital of 3,000,000 f. (£120,000). The office of the Company is at 37, Rue Vivienne, Paris, and the board includes M. Elie Reumaux, president; M. Robert Le Bret, president of La Minerve Insurance Company, vice-president, and Vicomte du Peloux, vice-president of La Minerve. The intention is that La Polaire should transact all the principal forms of insurance, with the exception of life, concentrating at first on marine insurance.

EASTERN MARINE UNDERWRITERS, Inc.

GEORGE A. EVALENKO, President
C. RUSSELL EBERT, Secretary

MANAGERS
OF THE
MARINE DEPARTMENT
OF THE
EQUITABLE UNDERWRITERS
OF
NEW YORK

FOR WHICH WE ARE NOW PREPARED TO BIND ALL LINES OF MARINE AND WAR, ON CARGO AND HULL INSURANCE AT OUR TEMPORARY OFFICE

50 Broad Street, New York City—Suite 620
TELEPHONE 263-264 BROAD

109 COMPANIES

That Number Writing Ocean Marine in this State, Compared with 48 in 1914

Superintendent Phillips, of New York State, made the following reference to the marine insurance business in his recent report to the legislature:

"A conspicuous feature in the insurance field is the large increase in the ocean marine business. While in the absence of annual statements which the department has not yet received, I am unable to state accurately the volume of premiums written, some idea of the growth of business may be gained from the department records, which show that previous to the breaking out of the European War there were on January 1, 1914, 48 companies or associations authorized by this State to carry on the business of marine insurance, while on January 1, 1918, there were 109 companies or associations so authorized. War risk insurance is an important contributing factor to the increased business, but the additional volume likewise reflects an extension of domestic trade to foreign countries."

English Rates

Rates are quoted in England at shillings per cent. A pound or twenty shillings per cent. is the same as one per cent. here. The English practice is for the broker to keep a running charge account with his client, only paying balances. The moment a risk attaches the underwriter has earned his premium and can sue and get it. The exception is when the risk is divisible, when part of the premium may be for the outward trip and part for the homeward trip.

S. D. McCOMB & CO.
INCORPORATED

56 Beaver Street - - - New York

MANAGERS MARINE DEPARTMENT

American Insurance Co., of Newark, N. J.
Firemen's Insurance Co., of Newark, N. J.
Glens Falls Insurance Co., of Glens Falls, N. Y.
Hanover Fire Insurance Co., of New York, N. Y.

MARINE AGENTS

Globe & Rutgers Fire Insurance Co., of New York, N. Y.

MARINE AND WAR RISK INSURANCE

Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

Pennsylvania Marine Results

NORTH AMERICAN LARGE WRITER

Few Companies Show Heavy Loss Ratios Among Increased Transactions

Companies transacting marine business in Pennsylvania in 1917 have made returns to the department which have been compiled for The Eastern Underwriter as follows:

	Premiums Received	Losses Incurred
Niagara	$30,717	$7,578
Indemnity Mut. Marine	19,104	10,114
Royal Exchange	53,058	27,704
Commonwealth, N. Y.	62,915	39,892
Mercantile, N. Y.	64,460	44,648
London Assurance	250,063	80,581
North British & M.	106,498	106,947
Standard Marine	7,943	1,517
Atlas	11,517	6,435
Milwaukee Mechanics	3,161	683
Alliance, Pa.	374,305	354,269
Ins. Co., North America	2,230,440	1,075,123
Boston	144,085	44,071
Automobile	375,769	116,994
Citizens, Mo.	11,134	10,742
United States Lloyds	128,362	46,884
National, Conn.	2,596	.....
Liberty National	67,517	37,986
Commercial Union, Eng.	795,839	349,499
Newark	24,728	17,871
New Brunswick	743	.....
United States	11,451	918
Westchester	72,570	38,272
Rossia	162,053	.....
Hanover	20,341	16,833
L. & L. & G.	83,236	64,181
National Union	3,358	.....
Michigan Commercial	4,994	3,237
Skandinavia	4,629	3,759
Tokio Marine	15,112	6,189
Yorkshire	3,186	.....
Glens Falls	43,455	21,667
Stuyvesant	11,101	13,634
Norwich Union	20,552	12,689
New Jersey	3,414	863
Franklin	59,418	46,775
Union, Me.	7,888	.....
Providence-Washington	138,383	93,321
Union Marine	4,847	2,839
Thames & Mersey M.	13,794	7,920
Mass. Fire & Marine	23,846	18,316
Phoenix Assurance	7,517	4,614
Agricultural	743	.....
Columbia	27,002	14,245
American, N. J.	12,457	7,081
Queen, N. Y.	161,124	88,803
Caledonian	6,431	1,839
Northwestern Natl.	2,341	5,739
New Hampshire	856	.....
Great American	29,454	28,057
American Alliance	163	183
American Eagle	3,792	2,070
Continental	35,705	23,323
Fidelity-Phenix	35,633	24,443
American Central	8,178	7,932
Reliance Marine	1,408	269
Old Colony	9,147	6,500
Orient	33,489	25,479
Safeguard	6,949	5,760
London & Lancashire	39,938	32,140
Royal, Eng.	109,232	62,445
St. Paul F. & M.	179,838	87,918
Reliance Marine	556,416	281,674
Cologne	465	347
Scottish Union & Natl.	222	2,655
Natl.-Ben Franklin	51,350	43,521
Atlantic Mutual	509,704	165,736
Home	131,928	99,118
Fireman's Fund	184,454	12,695
Camden Fire	15,710	2,779
Western, Canada	157,061	96,359
Ins. Co., State of Pa.	43,937	54,208
Firemen's, N. J.	969	.....
Merchants	10,900	1,914
Sea	152,171	218,307
Hartford	112,762	49,287
Mannheim	24,955	11,391

A Review of February's Marine Losses

Underwriters Have Not Had Encouraging Start This Year In View of Low Rates

The month of February has produced some very heavy marine losses for New York underwriters. A rather interesting loss reported in maritime papers recently was a vessel called the "Fillippo de Negri," which was an old iron vessel used as a coal hulk in the harbor of Bermuda and was sold to Philadelphia parties who wanted her for use in the States. This vessel was towed by an iron steamer of 505 gross tons, 381 net tons, built in 1891 with 49 N. H. P. The hulk was 835 tons net register. How the owners expected that a little tramp steamer of this horse-power could successfully tow a vessel of this size past Cape Hatteras in midwinter is beyond the comprehension of persons well versed on matters of this kind.

Losses in a Nutshell

Russian bark "Finland"—reported wrecked on a voyage from New Orleans to France carried a general cargo, a considerable amount of which must have been placed in the local market.

Canadian Pacific steamer "Montreal"—reported sunk by collision. The hull of this vessel was probably largely placed in London, although a considerable amount must have been placed in the New York market.

Steamer "Miguel de Larrinaga"—New York via Norfolk to Europe, foundered 900 miles from Norfolk. This vessel had a full cargo of grain probably owned by the British Government, which was loaded in New York and was going to Norfolk for coal.

Steamer "Minsk"—Norwegian steamer which had been laying in the harbor for some time past, took fire on February 17, and the damage to vessel and cargo is reported at $500,000.

Steamer "Florizel"—St. John, New Foundland, via Halifax, wrecked near Cape Race, February 24th; undoubtedly carried quite a valuable cargo, which was insured with New York underwriters.

Cargo of Flaxseed on Fire

Schooner "Jane Palmer"—Buenos Ayres to New York, with a cargo of flaxseed, reported on fire. Will probably mean the loss of about $200,000 on cargo, about half of which was placed with American underwriters, and the other half with foreign underwriters.

Steamer "Kentra"—ashore off the coast of Chili, reported in a bad position. Vessel probably a total loss. The cargo may be salved at considerable expense and large damage and might run up to a considerable figure, although the largest part of cargo had already been discharged prior to vessel being wrecked.

Bark "Paposo"—1580 tons of manganese ore from Philadelphia, reported abandoned at sea. Cargo insured for about $190,000, probably placed in New York market. Vessels of this age and type carrying a cargo of this kind along the Atlantic coast in Winter months are apt to be called upon to withstand very heavy weather, and when the test becomes too severe they are unable to go through.

Steamer "Venturia"—Reported a total loss on Diamond Shoals, probably on a voyage from New York to United Kingdom with British Government property.

A Ferryboat Loss

Ferryboat "Castleton"—Valued at about $100,000, reported a total loss by fire at Norfolk and insured with New York market.

Steamer "Edmonton"—New York to France, is reported in distress in Atlantic Ocean and we believe has since been towed into Halifax and will undoubtedly incur heavy salvage and particular average charges against the underwriters.

Bark "John H. Kerby"—Sailed last August from New York to South Africa and has been overdue for the past three months. It has just been reported from London the vessel is probably destroyed by a German sea raider. Will fall heavily on New York underwriters as a war loss. There has been about $500,000 placed on the cargo and about $160,000 on the hull.

Bark "Normandy"—Sailed August 30 from Mobile to Buenos Ayres. This vessel was reported overdue and missing, but has just been reported as having arrived at South America probably with a full cargo of lumber. The insured value of the cargo would probably run into a considerable figure on account of the freight having to be prepaid. The vessel is now under the British flag and was formerly an old American bark which in her prime days was considered to be one of the best vessels of her class afloat, having been built in 1877 at Damariscotta, Maine, and is of 1,209 gross tons register, but it is quite evident that her days of usefulness are not over, although on the last trip which she undertook under the American flag, prior to her present voyage, which was to carry a full cargo of the product manufactured by the gentleman who made the name of Detroit known in every civilized spot in the world, from Nova Scotia to Australia, she got as far as the Barbados in distress, discharged and sold her cargo, was condemned and sold at auction and bought by local interests, refitted and put in condition for her present voyage.

Losses from Ice

In addition to these losses there have been exceptionally heavy claims for losses from ice in New York Harbor and during the high storm of last month a large number of lighters were sunk and destroyed and those that were not sunk or destroyed have been libeled by tugboat owners for heavy salvage claims.

In view of the low rates prevailing for both marine and war risk at the present time it appears that the underwriters have not had a very encouraging start for the year 1918.

OBSERVER

New Bill of Lading To Be Adopted Soon

F. H. PRICE ON CARRIERS' RISK

Tells Marine Insurance Club what Features Should Be Noted by Underwriters and Brokers

At the March meeting on Tuesday of the Marine Insurance Club, F. H. Price, of F. H. Price & Co., spoke on the uniform bill of lading in relation to marine insurance.

Mr. Price told of his work in conference with shippers, carriers and the Interstate Commerce Commission in drafting a uniform bill of lading and stated that the draft was now in final form and would soon be adopted. One of the principal points of difference in the new bill of lading over the one now in general use, he said, is that it will state that the carrier "shall be liable for damages as follows," instead of stating that the carrier "shall not be liable except as follows." The last clause of the new bill of lading waives all claim on the part of the carrier to participation in the shipper's insurance.

The two Cummins amendments as affecting the bill of lading and marine insurance were analyzed by Mr. Price. He also enumerated at some length the many hazards which are not covered by the present bill of lading and will not be covered in the one to be adopted. He told of the workings of the four months' notice of loss provision of the bill of lading particularly when applied to goods being shipped abroad.

It was announced at the meeting that definite plans were being taken to procure a building suitable for a club house and that steps had been taken towards the incorporation of the club. Its membership is now 456. It was also announced that the speaker at the next meeting would be Attorney Little, of the Norfolk firm of Hughes, Little & Sewall. The subject will be chosen later. The Welfare Committee reported that $507 had been collected for the purchase of comforts for those members now in the service.

Following Mr. Price, the Rev. J. H. Shephard and Corporal F. A. H. Street, of the Canadian Army, both now identified with the National Service Section of the Emergency Fleet Corporation of the United States Shipping Board, aroused the enthusiasm of the members by their descriptions of conditions "over there."

INSTITUTE CHAIRMEN

At the annual meeting of the Institute of London Underwriters, Edward F. Nicholls, underwriter of the London Assurance Corporation, and E. L. Jacobs, underwriter of the Alliance Assurance Co., Ltd., marine department, were elected chairman and deputy-chairman respectively for 1918.

THE
Importers and Exporters
Insurance Company
OF NEW YORK

Marine and War Risk Insurance

JESSE SPIER, Underwriter

56 BEAVER ST., Telephone Broad { 2612 2613 2614

BRITISH AND SOUTH AFRICAN

New Company in Marine Field—Plans Outlined at Banquet in London

H. G. Hobday & Co., general managers of the British & South African Insurance Corporation, Ltd., entertained directors and shareholders of this new company at the Carlton. Mr. Hobday, in the course of some remarks as to the inception of the Company, said: "The chief thing to consider when proposing to launch an enterprise of this kind is whether there is a real need for it, and I claim that there is a need for yet another marine insurance company, with an all-British board of directors, and financed by all-British capital. Although the war at the present time does assist the Company to the extent that it gives it a greater opportunity of becoming established in the good will of marine insurance brokers, and whose good will and support were absolutely necessary for its success, yet it is not on the war that we are relying to make the shares of the Company a profitable investment. I think I can claim that the fact that the Government takes 80 per cent. of the Company's profits after a fixed return on the capital invested is provided for, disposes of the suggestion that this is only a war-time enterprise. Shipping values have increased during the war at least 100 per cent., but capital available for insurance purposes has increased very little—not more than 20 per cent. For the next few years it is very unlikely that shipping values will get back to anything like their pre-war standard, and these facts satisfy me that the Company has a great future before it."

OPPOSE AFTER-WAR PLANS

Liverpool Association Against Proposal for Resisting German Insurance Organization

One section of the 116th annual report of the committee of the Liverpool Underwriters' Association deals with the proposed Inter-Allied Marine Insurance Union.

This states that an International Parliamentary Conference of the Commercial Committees of the Allies was held in Rome in May, under the presidency of Signor Tittoni. Among the recommendations adopted was a modified one to the effect that an Inter-Allied Union of Marine Insurance Interests should be constituted as the best means of resisting German organization. The original recommendation, while in draft form, being strongly dissented from by the committee, they duly made this known to those responsible for it, and to "The Marine Insurance Committee" referred to in the report. The committee placed on record the following resolutions in regard to the recommendation as originally put forward:

1. That it would be contrary to the interests of British Marine Underwriters for the Commercial Committee of the House of Commons to make any recommendation at the Rome Conference regarding the carrying on of marine insurance business after the war.

2. That the Commercial Committee of the House of Commons be, however, informed that the formation by Underwriters or Underwriting Associations of an Inter-Allied Marine Insurance Union, with London as its chief center, for the purpose of exchange of views and information, would meet with the approval and support of British Underwriters.

3. Further, that the Commercial Committee of the House of Commons would be doing useful service in pointing out, both in Paris and in Rome, the undesirability and danger of passing laws which would place difficulties and restrictions in the way of British Underwriters participating in French or Italian business.

WAR RISK

In its report to the New York Insurance Department on war risk, other than marine, the Atlantic Mutual gave as its figures: Premiums, $4,958,921; losses, $633,719.

CASUALTY AND SURETY NEWS

Meeting Opposition To Rate Increases

AN INSTANCE IN KANSAS CITY

Shows What Can Be Accomplished When Agent Is Well Informed

Insurance men everywhere are having no end of trouble explaining increases in rates. That is but natural and is to be expected. There is just one reason for higher insurance rates —higher costs. An explanation of these higher costs will make any fair-minded policyholder realize that the protection given him by his insurance must in some instances cost him more because it costs the company quite a bit more to provide that protection. Here are some letters from a file in the office of Laurence Phister, Kansas City, which show how sensibly and well he is meeting this issue:

Phister Insurance Agency Company
Gentlemen:

We have received liability policies from the Maryland Casualty Company; also your letters. We find that under the modified rates endorsed on the policy that this insurance will cost us close to forty per cent. more than it did a year ago; and it appears that had it not been for your strenuous endeavors to keep the rates down, it would have cost us more than double. We had no notice that any such thing was contemplated, and we can see no justification for any increase in the rates, as our risk is better today than it has ever been. We shall take steps to relieve ourselves of such burdensome charges.

Yours very truly,
.....Dry Goods Company.

Twenty Years Experience

.....Dry Goods Company
Gentlemen:

I hasten to acknowledge receipt of your letter relative to liability and public liability policies.

As to the rate increase on the employers' policy, at first blush it would seem that the two rate advances were uncalled for but there has been established in the State of Missouri a Rating Bureau used by all standard companies on liability risks. This Bureau takes into consideration the special experience, the physical conditions and the general experience in the State on similar classes. We are, of course, different from most companies in having our own inspection department in addition to the inspectors employed by the Bureau and we feel that after having been in the business for twenty years we ought to know something about the game ourselves.

For your information I will say that the following companies have discontinued the writing of employers' liability insurance in the State of Missouri even at the increased rates, due to the unsatisfactory conditions prevailing in this State (names of nine companies), and some other companies that I do not recall at this writing. Yet other companies have greatly curtailed their liability underwriting, we being one of the few left in the field. I want to ask that you bear in mind also that this Company, and we presume others, now pay in taxes of various kinds over three per cent. of gross income, which is no small item.

We have no workmen's compensation law in Missouri but in effect we have one as all of our neighboring States operate under compensation laws and as we have tried to pass a similar law in Missouri several times, our juries and working classes virtually expect an employer to settle with an employe on the basis of workmen's compensation provisions; in other words, we have all the disadvantages of a workmen's compensation act and none of the advantages as the law now stands. My judgment is that unless conditions improve in Missouri there will be even fewer companies writing liability insurance in this State and the rates may be further advanced.

If you feel there is any way in which we can serve you or any suggestions you would like to offer, we will be glad to have your ideas.

Yours very truly,
Phister Insurance Agency Company.

Assured's Reply

Phister Insurance Agency Company
Gentlemen:

We are under obligations to you for your kind favor, giving us more explicit information regarding the recent increase in rates on liability risks.

Our view, of course, is somewhat narrow and governed chiefly by our experience with our own risk, and we are pleased to have the wider view, the general experience, so graphically outlined in your letter. We certainly appreciated it very much.

Yours very truly,
.....Dry Goods Company.

There Are Teeth In This Measure

AFFECTS LIABILITY COMPANIES

Goes Much Further Than Present Insolvency and Bankruptcy Statute

Should a bill introduced in the New York Legislature by Senator Walters, of Syracuse, become law, it will be just about twice as easy as at present to collect claims from liability insurance companies.

In the absence of a clause giving a claimant the right to sue the insurance company there is no privity of contract and therefore the claimant cannot maintain any action against the company.

The authorized rider at present in use reads:

> The insolvency or bankruptcy of the assured shall not release the company from the payment of damages for injuries or loss occasioned during the term of the policy. In case of such insolvency or bankruptcy an action may be maintained by the claimant against the company, subject to the terms of the policy, for an amount not exceeding the amount of the policy.
>
> No action shall lie against the company to recover for any loss under the policy until the amount of such loss is made certain, either by judgment against the assured after final termination of the litigation or by agreement between the parties with the written consent of the company.
>
> Subject otherwise to all the terms, limits and conditions of the policy.

Under the present law the claimant is given the right to sue the company directly after the insolvency or bankruptcy of the assured is proved and a judgment is rendered against the assured, after final termination of the litigation.

The proposed bill now before the legislature would amend Section 109 of the insurance law by requiring liability insurance policies to contain a clause to the effect that in case execution against the assured is returned unsatisfied, and in the absence of suitable bond, the injured person, or the personal representative, in case of death, may maintain an action against the insurance company for the amount of such judgment, not exceeding the amount of the policy.

This bill does not require the claimant to prove that the assured is either insolvent or bankrupt, nor is it incumbent on the part of the claimant that there shall be a final termination of the litigation. Under the rule laid down in the proposed bill the claimant would be in position to much more readily sue the insurance company than is the case at present.

THE TRAVELERS
INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

Would Tighten New York Law

COMPENSATION BILLS IN ALBANY

Proposal to Broaden Application of Statute Alone Appears in Favor

Most of the proposed amendments to the New York compensation law have been introduced by Assemblyman Karlin, Socialist, and a Russian by birth. In the majority of cases his measures are opposed.

One of the bills proposes to cover employments where four or more persons are employed. This is one of the bills which are favorably regarded. The present New York law is decidedly loose in that there is much question as to just who is covered by it. Litigation is therefore made possible.

As to covering farm laborers and domestic servants, the farmers will hardly let this become law, for they now exert a powerful political influence and they have always been bitterly opposed to this principle when introduced in other States. If domestic servants should be covered, as is proposed in another bill, the hazard would be regarded as light and the premium would not fall heavily on the employer, but he would not be able to pass the added expense along as in other employments. The farmer also complains that he is less able to pass this expense than is the manufacturer.

The principle of compensation is that industry distributes the cost and that the cover is practically universal. The small employer needs compensation as a protection to himself, for one liability claim decided against him might put him out of business.

The companies are not anxious to write farm business for it has been found to be highly unprofitable.

Mutual and Stock Plans Compared

LITTLE PREMIUM LEFT FOR LOSS

What an Assessment Would Mean Under Clause in One Mutual Policy

Some mutual casualty automobile companies are not a bit delicate about letting it be known that they are cutting Bureau rates twenty per cent. and paying twenty per cent. commission to brokers besides. A proposition of this kind certainly has attractions for an agent who has his mind solely on "cleaning up." From the standpoint of permanency it takes on a different color. The question is, how do they do it?

As an illustration of how this method of underwriting works out, consider a twenty-two horse power passenger car. The new stock rate is $80 for liability; the mutual rate in use by one New York company is $54.50, the old stock rate. Taking off twenty per cent. it becomes $43.60. Less twenty per cent. more for commission, the amount the company receives to carry the risk shrinks to $34.88 and if fifteen per cent. is allowed for expenses there is but $28.34 left.

Where Calculations Differ

After all the care and study given to the rate subject by the stock companies it was estimated that the new rates just announced would yield a loss ratio of forty-seven per cent.—say fifty per cent. for easy computation. Half of $80 being $40, the mutual rate illustrated above provides $28.34 with which to pay a loss of $80, according to stock company calculations assuming that the experience is the same in both classes of companies.

Now, as to possible assessments, the policy of the mutual provides as follows:

"The liability of any member to assessment, in any one policy year or part thereof, shall be at least, but in no event greater than, an amount equal to twice the amount of and in addition to his premium as computed for the policy term. But no member shall be assessed or assessable except on account of losses and expenses incurred while he is a member, or unless he is notified of such assessment within one year after the expiration of his policy."

This would mean, in event of an assessment, that the assured's premium of $43.60 would be doubled ($87.20), and the premium of $43.60 paid in addition, a total of $130.80, as compared with the stock rate of $80 against which there can be no assessment.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

PICKED UP ALONG WILLIAM STREET

Wins Decoration

Major H. A. Stewart of Lukis Stewart & Co., Montreal, has won the Distinguished Service Order, next to the Victoria Cross the most coveted decoration in the British Army.

* * *

Gets Safe Insurance

Some agents think they can't write mercantile safe burglary, but Edward Prideaux, of Elgin, Ill., says he can. He wrote eleven risks in Elgin.

* * *

After Paymaster Hold-Up

This is a good time for paymaster hold-up insurance. A Winston-Salem, N. C., agent who went after this business got ten risks in a short time.

* * *

What Energy Will Do

When a California agent can get about in three counties with poor railroad facilities and produce $5,700 premiums in a year for one company, some of the fellows here in the East, where the stuff is bunched, might do better without getting nervous prostration.

* * *

Cleaning Up in Bronx

E. B. McConnell of the Maryland Casualty in New York, is cutting a figure in the Bronx. He has placed bonds on the sheriff of Bronx County and his deputies, the register of Bronx County and his deputies, the county clerk and his deputies, and the public administrator of Bronx County.

* * *

Seeking Information

Whether the following re-insured liability risks of the Fidelity & Deposit are new business to the re-insuring company is being asked in some New York offices. The Globe Indemnity took the business on the Brinkerhoff, Jordan account as of February 28; the Continental Casualty took all the other Metropolitan business, exclusive of Brooklyn, as of March 1, and the Great Eastern took the Brooklyn risks as of March 5. Other companies which took over business as of various dates in February and March have been writing their own policies at the prevailing rates.

* * *

New York vs. Philadelphia

Arrangements have been made for the New York Insurance Golf Association and the Insurance Golf Association of Philadelphia to take part in team matches for an intercity cup. The metropolitan golfers will play in Philadelphia for the first contest and a return match will be decided in New York later. Sydney Sharwood is secretary of the Quaker City association, which will hold its spring tournament at the Whitemarsh Valley Country Club May 21 and the fall event Aronomink links September 24. Oswald Kirkby won the Metropolitan and New Jersey titles last time they were played for. Frank W. Dyer, of Montclair, and Clifford A. Dunning, of Nassau, are strong players. Gardner White would be another certainty on an insurance team, but he is now in service. James G. Batterson, Darwin P. Kingsley, George Armstrong and J. A. Janin will also figure prominently as team timber.

* * *

Will Move Uptown

M. Green, industrial manager for the General Accident in New York, is arranging to move his office from 45 John Street to some convenient point uptown below Forty-second Street.

Hazard of New Men

Some surety men are not inclined to agree with those who claim that there is a severe fidelity hazard in the interval between final examination and approval by the surety company, during which period danger exists because of the number of individuals who get positions and abscond before the surety company gets notice of their employment and starts the investigation. Of course, if the examination is long delayed this danger exists, but ordinarily a green hand requires a reasonable time in which to become sufficiently familiar with the new place to become a serious hazard to the surety company.

* * *

Want Self-Insurance

The bill in the New York Legislature which proposes to abolish the self-insurance feature in compensation, is opposed by employers generally on the ground that this feature of the present law provides a powerful incentive to adopt safety devices and promotes prompt settlements with injured workmen.

* * *

Position on Health Bill

New York employers are only indirectly opposing the health insurance bill of Senator Nicoll. They opposed a bill similar to this a year ago on the ground that the laws of New York impose upon employers a heavy burden of expense for the benefit of employes, which burden greatly exceeds that imposed in neighboring States and places New York at a disadvantage. The employers take the position that no further social legislation should be enacted in New York "until the disparity of costs created by laws between New York and other States shall have been reduced by the adoption of similar legislation in other States." Insurance men will note that the employers appear against the measure only as it affects the costs. If the costs in other States are made equal the employers would, apparently, be satisfied.

* * *

Rating Decisions Given

The Compensation Inspection Rating Board has made decisions affecting certain occupations in the following plants: Ballofet Baszanger Die Company, New York; Macrea & Rose, Staten Island; John J. Gillon, New York; Fred Brockman, New York; Ludwig Saarbach, New York; Smith-Lee Company, New York; N. London, New York; Felis Kornicker, New York; Paines Manhattan Beach Fireworks, Staten Island; Rochester Folding Box Company, Corn Products Refining Company, Oswego; James Shewan & Sons, Brooklyn.

* * *

British Rates Go Up

Following an order of the British Government that all weekly payments under the compensation act be increased 25 per cent. on account of increased cost of living, British underwriters of such risks hape raised their rates 10 per cent.

* * *

Compensated for Pain

Pain as sufficient reason for workman's compensation is the basis of a decision of the Kansas Supreme Court in awarding additional compensation to workmen suffering pain on returning to work after injury.

Larger Field for Thomas J. Grahame

GLOBE METROPOLITAN MANAGER

Company Makes Plans to Co-Ordinate All Casualty Departments at 19 Liberty Street

Thomas J. Grahame, superintendent of agencies of the Globe Indemnity, New York, has also been made Metropolitan manager for all casualty lines and his headquarters have been moved from 45 William Street to 19 Liberty Street where the Metropolitan Department has been located for some time. Mr. Grahame's department will handle the State of New Jersey north of Trenton, New York State south of Poughkeepsie and Fairfield County, Conn.

Large New York Business

The Globe's business in New York and vicinity has reached large proportions and now stands at approximately $2,000,000 in premiums annually. With the business growing so rapidly it became necessary to enlarge the facilities of the Metropolitan Department. This rearrangement will enable the company to greatly improve its service. Aside from Mr. Grahame's enlarged duties no changes have been made in the staff.

In Business Many Years

Mr. Grahame has been in the casualty business for many years, holding a number of important positions. He is a man of capacity, ability and tireless energy, who may be confidently expected to win fresh laurels for the Globe.

The New York business has been largely increased by the re-insurance of the following individual liability accounts: Brinkerhoff-Jordan Company, Fox & Pier, DeWitt & Stern, Lewis & Boardman, J. Rosenthal.

MAY INCREASE BUSINESS

New York Bill to Bond Automobile Owners so Regarded by Underwriters

Possibilities of increased automobile liability business are seen, should a bill before the New York legislature become law. It proposes to bond all owners of motor vehicles who do not carry liability insurance. It adds a new clause to Section 262 of the Highway Law, requiring applications for the registration of a motor vehicle to be accompanied by a $5,000 bond, executed by the owner, conditioned upon the payment of any judgment recovered against him or any other person lawfully operating the vehicle registered, for damage to the person or property of others unless the owner states in his application for registration that he is insured against such liability in an authorized company in an amount equal to the penalty of the bond.

It is believed that surety companies could not afford to issue the bonds for much, if any, less than the owner can now obtain liability insurance for in $5,000-$10,000 limits. An owner giving a bond for $5,000 would not have much protection against possible heavy damages such as are now awarded and would have to carry liability insurance to obtain adequate protection. Therefore it is believed that this bill could have no other effect than to increase the demand for liability insurance.

Goes to Philadelphia

I. Foster Hale, of the American Surety, at Detroit, has been placed in charge of the soliciting force in Philadelphia.

* * *

Old Bill Up Again

In Washington that hardy perennial has bobbed up again—the Government surety bonding measure—which was introduced in the House and referred to the Post Office Committee. It is thought possible that with all the Government now has on its hands this bill may be allowed to die in committee.

* * *

Preferred's Service Flag

The Preferred Accident's service flag, displayed in the New York office, contains 18 stars.

AUTO SITUATION QUIET

Some Delay Reported in Writing April Renewals of Liability Business

In the automobile liability situation this week there was evidence of a tendency to mark time. Some notices appeared announcing that March business would be issued at the old rates. There were reports of slowing up in writing April renewals and brokerage offices claimed to see in this possibility of a break on the part of the companies. Not until April business has been got out of the way, they say, will the situation clear. Others who take a longer range view profess to believe that if there is to be real trouble in the automobile liability field it will not come to a head for a couple of months.

Announcement by E. B. Quackenbush

E. B. Quackenbush, automobile general agent in Greater New York for the Commercial Union, announced that he is accepting risks up to April 1 at the old rates. This applies to property damage and collision and carries with it the proviso that the company be given the fire risk also.

The Continental Casualty, which has announced that it would not be bound by the new liability rates because it has practically no renewal business, is permitted by the bureau to regard other companies' renewals as its own. This agrees with the company's view.

So far the casualty companies have maintained a firmer attitude as to new collision and property damage rates than have the fire companies writing those lines.

EXPERIENCE RATING PLAN

As The Eastern Underwriter goes to press a meeting of actuaries and underwriters is being held in the offices of the Compensation Inspection Rating Board, New York, to complete the new plan of experience rating. Wednesday the actuaries and engineers met. The National Reference Committee represents stock companies, mutuals and the insurance departments, and any system of experience rating which may be adopted must meet the views of these various interests. Last week two important meetings were held on the same subject. While the basis of the new experience rating plan has been formulated and the principle adopted, the details have not been completely worked out. The various committees in charge of this work believe that they have a plan which will meet the views of the various interests and overcome practically all the numerous objections to experience rating and not conflict with the anti-discrimination law.

J. C. KEMP WITH EMPLOYERS

John C. Kemp, who has been with the New York office of the Travelers for three years, of late as counterman in the liability department, has resigned and is now underwriter and counterman in the liability department of the Employers Liability.

C. E. KIDD MAKES CHANGE

C. E. Kidd, for eight years counterman in the New York office of the Standard Accident, is now with the Employers Liability as a counterman in the liability department.

J. H. GOULD RESIGNS

J. H. Gould, head of the purchasing department of the U. S. head office of the General Accident, resigned this week and is now in New York City. He has not announced his future plans.

CASUALTY AND SURETY POINTERS

Plan for Selling Group

Very often the employer is requested to permit a committee of his workmen to circulate a petition to raise funds for a workman who has been unable to work for several months on account of illness or injuries not covered by the compensation law. The employer hesitates to refuse a request of this kind, but he has learned from experience that this creates factions among the workmen who contribute, as against those who do not. This has a tendency to disorganize the plant and reduce the efficiency. This condition would never arise if the employers were protected by a health and accident policy. Many of the States have appointed committees to investigate conditions and report to the next meeting of the legislators the advisability of enacting a compulsory health insurance law, the employer to pay about nine-tenths of the premium. We do not believe the employer is ready or willing to assume this additional burden at this time, but unless a remedy is found he will certainly have to do it. We believe the "Group Plan" is the remedy, and if all employers would adopt it the politician would be deprived of this particular brand of fireworks. Recently an employer gave an agent a franchise but predicted that the agent would not secure more than 10 per cent. of the employes' signatures to the schedule. In two days' time he had more than 50 per cent., which proves that the plan is popular, and that there is a big demand for health and accident insurance among the wage earners when they can buy it with the assurance that they will not be obliged to look after the payment of the premiums each month, and also when they are convinced that they are protected by the most liberal policy ever issued for the premium charged.—"The Fieldman."

* * *

Over-Payments on Claims

It is never profitable to buy new business by paying more than is really due on claims, says the "Federal Record." In fact, over-payment educates the public to believe the terms of the policy will be disregarded and that they will be paid more than it calls for. Then they are never quite satisfied, because they never feel sure that they might not have gotten just a little bit more, if they had bulldozed a little stronger. If a man is permitted to get a claim through for a longer time than disability actually exists, then he says to his friend: "Take a policy with John Doe's Company. Both agent and company are easy, and you can get indemnity whether you are disabled or not." Where a man is paid all to which he is fairly entitled, and no more than that, he is much more likely to respect the company and continue his policy than otherwise. We have had policyholders write that they permitted their policies to lapse simply because we had paid some man a claim when no disability existed and they felt if we were doing that kind of thing the company was not being safely operated and they did not want to insure with us.

The kind of business the grafters or excessive claim-makers bring to you is the unprofitable or trouble-making variety. It is better for an agent to have fifty per cent. as much business and have it clean and profitable, because it gives him more money than though the volume were twice as large and composed of undesirable risks and chronic claim-makers. We can invariably tell by the claim percentage whether the agent is trying to buy new business by excessive claim allowance, or whether he is conscientious in his recommendations.

Reason for Optimism

The demand and opportunities for trained men in the surety and casualty business are greater today than ever before. Why do not more high-grade young men enter this line of business? They can master the fundamentals in half the time it takes to learn a profession, and can earn a livelihood while so doing, rather than being an expense to their parents or friends for three or four years of studying and for several years thereafter while establishing a practice. The old theory that a man becomes an insurance agent after trying everything else is now a very much exploded one. The day of "has beens" in the insurance business has passed forever. A survey shows that today the markedly successful insurance men in the field, and in the home office also are educated, intelligent, energetic and honest. The chief phases of the business, including the financial, the producing, the underwriting and the legal and claim, afford unlimited study to the student. The production end especially offers ample opportunity for the natural salesman and solicitor. Then why is it that more young men graduating from the colleges and high schools do not enter this vocation? The compensation is good, the opportunity unlimited, the vocation honorable and intensely interesting. Home offices are constantly seeking high-grade men. The agency department is constantly importuned to recommend experienced young men or men likely to develop for various positions in the field. It is truly a vocation where many desirable jobs are seeking the man, rather than the usual situation of the man seeking the job.—"Fidelity Journal."

MAY PRODUCE NEW LINE

Certain business concerns may, in a limited way, be placed in the insurance business, should a bill before the New York legislature become law. It would require that all those engaged in furnishing messengers for hire, assume liability for the delivery of property entrusted to messengers supplied by them. The person engaging such messenger may declare the value of the property or money and a receipt therefor must be issued. The concern furnishing the messenger to be allowed to charge a fee for the insuring safe delivery, liability not to exceed $300. This bill would conflict with the insurance law and if this sort of protection is demanded, a new line may be opened for the insurance companies, similar to registered mail insurance.

DECEPTIVE FIDELITY CONDITIONS

In the fidelity business there may be no serious defalcations for a considerable time and one begins to believe that conditions are improving. It is just about that time that there is an outbreak of losses. This is explained in this way. Some fellow who has been stealing for years gets nervous and skips out, believing that he had better go while the going is good. The fear overtakes him that before long he will be found out. When the story appears in the newspapers, other fellows who have also been stealing begin to worry and more resignations follow, with the result that more defalcations come to light. Then it begins to look as if defalcations had suddenly taken a big jump, whereas in reality the seeming increase is nothing more than a culmination of old cases.

The New York department has filed reports on examinations, as of June 30, 1917, of the Allied Mutuals' Liability and the Metropolitan Mutual Liability.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

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F. W. LAWSON
General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers
New England

London Guarantee & Accident Co., Ltd.
OF LONDON, ENGLAND

BUSINESS=BUILDERS

DEVELOPING

Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE

APPRECIATE THE CO-OPERATION OF THE

Massachusetts Bonding and Insurance Company

BOSTON T. J. FALVEY, President

Paid-In Capital $1,500,000 Write For Territory

Keep Your Pluck!

When you acknowledge you're down and out, you're licked.
But so long as you swear that you won't give in—
That you'll hang on and hang on until you win,
No matter how hard you were cuffed and kicked,
No matter how sadly your faith was tricked—
If you just remember what brought you low
And keep away from the undertow,
It's only a matter of holding tight
Before you're back in the big world fight!
But the man who pines and the man who whines,
Who skulks away from the skirmish lines,
Who hasn't the grit to swing and hit,
And slug his way, never counts a bit.
He isn't worth bothering over a minute—
He's out of the game and never was in it,
A man who is really a man keeps his luck,
So long as he keeps a good chest full of pluck.—"Federal Record."

The Employers' Liability Assurance Corporation, Ltd.

The original and leading Liability Insurance Company in the World

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE

United States Branch

SAMUEL APPLETON, United States Mgr.
Employers' Liability Building
33 BROAD STREET, BOSTON, MASS.

AGENTS WANTED

BIG WRITERS

READ

THE EASTERN UNDERWRITER

Each Week for New Ideas

DO YOU?

Subscription $3 a Year

THROW AWAY THAT CUMBERSOME RATE MANUAL

Can you find no better use for your time than to spend the best part of it turning 362 pages every time you want to quote an automobile rate?

Compare the Simplicity of These Rates!

The *"Definite Value"* Automobile Policy

A clearly defined policy protecting an automobile owner—indemnifying for loss by fire, theft, explosion and other hazards.

It is simple in language, and definite in terms—it positively fixes the value of a car, during the life of the policy, on a basis determined by the men who made and sold the car.

In the event of a total loss, it pays the amount of fixed value shown in the policy contract, thereby avoiding any controversy in settling and paying the loss.

In the event of a partial loss, it pays for the repair or replacement of all parts, to the full extent of the damage.

Compare the protection and the cost of this policy with other forms of automobile insurance.

PREMIUM RATES

All premiums are based on list price of car. Rates quoted are for each one hundred dollars of list price. The rate is not increased on renewal. Freight charges and war tax may be added to amount of insurance.

Pleasure and Commercial Cars

	Full Cover	Full Cover Excluding Theft
Models Listing $2,500 or Over	$1.00	.80 cents
Models Listing $1,000 to $2,500	$1.50	.80 cents
Models Listing Under $1,000	$2.00	.80 cents

Extra Equipment, Including Theft— Twice the rate charged for car.

Extra Equipment Excluding Theft— Same rate as charged for car.

Electric Cars—All Models
.75 cents for fire and theft.

Collision Insurance

Covers all loss or damage above twenty-five dollars in any one accident.
(For full cover add thirty-five dollars to all premiums.)

Pleasure Cars
In Cities under one hundred thousand population.
1½% of list price — $15.00 minimum premium
In Cities over one hundred thousand population.
2% of list price — $25.00 minimum premium

Commercial Cars
Regardless of size of city.
2¼% of list price — $30.00 minimum premium

Property Damage

Indemnity to extent of one thousand dollars for damage done to property of others.

Pleasure Cars
In Cities under one hundred thousand population.
Ten Dollars Premium
In Cities over one hundred thousand population.
Fifteen Dollars Premium

Commercial Cars—Decline property damage.

TERM POLICIES

Two Years Insurance—One and three-quarter times annual rate.
Three Years Insurance—Two and one-half times annual rate.
Pro rata cancellation allowed on old insurance when new car purchased and insured.

Taxi Cabs, "Jitneys," Rented, Livery, Second-Hand Cars and Dealers' Cars WILL NOT BE INSURED UNDER THIS FORM OF POLICY

THIS POLICY IS WRITTEN ONLY BY

THE NEW BRUNSWICK FIRE INSURANCE CO.
Capital $500,000
NEW BRUNSWICK, NEW JERSEY

THE NEW JERSEY INSURANCE COMPANY
Capital $1,000,000
NEWARK, NEW JERSEY

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OCT 23 1918

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 12 | NEW YORK, FRIDAY, MARCH 22, 1918 | $3.00 a Year; 25c. per Copy

SPECIALS ARBITRATE FLOOD LOSSES

City Officials of Lock Haven, Pa., Call Insurance Men To Help Estimate Damage

BANK ON THEIR JUDGMENT

Fine Tribute To Insurance Fraternity in a Stricken Pennsylvania City Is Given

Because they believed that insurance men are unbiased and can aid them in estimating the extent of the flood losses in Lock Haven, Pa., the city officials there called on the insurance fraternity for help and have received it. Local agents, special agents and adjusters responded and refused compensation for their work. The situation rather novel and interesting is described as follows by Gearhart & Company, agents for the Great American and other companies, in a letter to The Eastern Underwriter:

"Following heavy rains at the headwaters of the West Branch of the Susquehanna River on February 18th and 19th, the waters of this stream rose steadily until it overflowed the city of Lock Haven on Wednesday, February 21st. Doubtless the city would have experienced little trouble had not the ice that had passed out of the river jammed at a point below this city between McElhattan and Jersey Shore. Bald Eagle Creek which flows into the river also overflowed its banks and back water from both streams inundated approximately three-fourths of the town with over 5,000 of the population affected.

Caught People Unawares

"The suddenness of the rise caught many people unawares with the result that property owners were unable to prepare for high water and thus lost heavily in many instances. The waters did not recede until Thursday, February 22nd. Zero weather on Wednesday night and Thursday morning added to the suffering and ice froze over the flood waters, in some places thick enough to bear the weight of a man. This ice together with large masses which floated over the city from the river covering the entire flooded zone and filled streets in some cases as high as twelve feet. Volunteers from surrounding towns removed this ice so as to make the streets passable.

"Prompt measures were taken by the

(Continued on page 14)

HELP WIN THE WAR

BUY

LIBERTY BONDS

This Space Contributed by
The Home Insurance Company, New York
Elbridge G. Snow, President

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents
EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

THE PILOT POLICY

CONNECTICUT MUTUAL DISABILITY CONTRACT

One Per Cent. of Policy Paid Every Month Until Contract Matures

SAMPLE RATES FOR AGREEMENT

Text of This New Form Given In Full From Company's Rate Book—How It Reads

The Connecticut Mutual Life has begun to issue a new disability agreement, which it calls Form C, in which the Company agrees to pay every month until maturity of policy one per cent. of the amount of the insurance. The form reads as follows:

* * * hereby agrees

That if said policy shall then be in force and if there shall have been no failure to pay premiums as provided therein, upon receipt at the home office of the company of due proof that the insured prior to his attaining the age of sixty years and prior to the maturity of said policy shall have become totally disabled by bodily injury or by disease so that he then is and will be thereby permanently and continuously prevented from engaging in any occupation whatsoever for remuneration or profit, and that such disability has existed continuously for not less than sixty days.

(A) Payment of each subsequent full annual premium on said policy and on this agreement shall be waived as it becomes due during the said disability of the insured, and any premium so waived shall not be deducted in any settlement under said policy and any values and benefits provided for in said policy shall be the same as if said premium had been duly paid to the company, except that any dividends apportioned to said policy during said disability shall be payable in cash; and

(B) In addition that if after one year from the date of receipt of proof as aforesaid due proof of the continuance of such total and permanent disability be furnished the company will pay to said insured each month, during the said disability of the insured, until the maturity of said policy, an amount equal to one per centum of the amount insured by said policy (exclusive of any paid-up additions), the first of such monthly payments to be made one month after receipt as aforesaid of due proof of the continuance of such total

and permanent disability; the amount payable under said policy at its maturity not to be reduced on account of any such monthly payments made.

Notwithstanding that proofs of such disability shall have been accepted, the company may thereafter, at its pleasure, but not oftener than once a year, demand of the insured due proof of the continuance of such disability; and upon failure to furnish such proof, or if it appears to the company that the insured has become able to engage in any occupation whatsoever for remuneration or profit, no further premiums will be waived, and no further payments under paragraph "(B)" above.

Without prejudice to any other cause of disability, the total and irrecoverable loss of sight of both eyes, loss of both hands at or above the wrist, loss of both feet at or above the ankle, or similar loss of one hand and one foot, shall be considered to constitute total and permanent disability within the meaning of this agreement.

The additional annual premium hereon, with an addition of two per centum thereof if paid in semi-annual instalments or three per centum thereof if paid in quarterly instalments, may, on written request, be paid in such instalments beginning with the due date of the additional annual premium.

The payment of the additional premiums as herein provided is the consideration for the additional risk incurred under the provisions hereof, and does not entitle the insured or any beneficiary under said policy to any additional participation in any division of the company's surplus, or to any additional cash, loan or paid-up value thereunder; and failure to pay any additional premium hereon when due as herein provided or within thirty-one days thereafter, or to pay any premium or instalment thereof as provided in said policy or the termination of said policy prior to the receipt of proof of disability as aforesaid, will forthwith terminate all liability of the company hereunder or on account of any payments made hereon; provided, however, that this agreement may be reinstated at any time upon receipt of evidence of insurability satisfactory to the company and payment of all arrears of premiums on said policy and on this agreement with interest at a rate to be determined by the company not exceeding 6 per centum per annum.

This agreement shall become null and void if the insured shall engage in military service out of the United States in time of war, or military service involving aeronautics or naval service whether in or out of the United States in time of war; provided that, upon presentation after the termination of such service of evidence of insurability satisfactory to the company and payment of the additional premium aforesaid, this agreement shall again become operative.

The Rates in Part Follow

Annual Premium per $1,000 Insurance For Waiver of Premium Disability Agreement in Connection with Annual Life and Limited Premium Life Policies

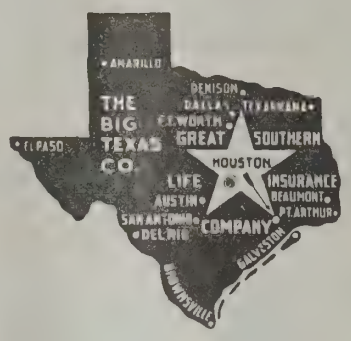
Age	An. Life	10 Pre. Life	15 Pre. Life	19 Pre. Life	20 Pre. Life	25 Pre. Life	30 Pre. Life
20....	$.20	.$15	$.15	$.15	$.15	$.15	$.15
25....	.20	.15	.15	.15	.15	.15	.15
30....	.24	.15	.15	.15	.15	.17	.19
35....	.33	.18	.19	.21	.22	.25	.30
40....	.46	.26	.30	.35	.35	.43	.44
45....	.66	.41	.50	.59	.62	.65	.65
50....	1.01	.74	.98	.99	.99	.98	

Annual Premium per $1,000 Insurance For Waiver of Premium Disability Agreement in Connection with Endowment Policies, Payable at End of Terms Stated, or on Prior Death

Age	10 Yrs.	15 Yrs.	20 Yrs.	25 Yrs.	30 Yrs.	35 Yrs.
20....	$.19	$.17	$.15	$.15	$.15	$.15
25....	.22	.19	.18	.18	.18	.18
30....	.26	.23	.23	.23	.23	.25
35....	.32	.32	.32	.32	.35	.35
40....	.44	.44	.46	.50	.48	.47

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

WHEN TIMES ARE BAD

Two Reasons Given Why It Works to Advantage of Life Insurance Agents

Experienced agents know that there are many advantages to them in conditions adverse to a large commercial prosperity, says Frank L. Jones, agency manager of the Equitable Life Assurance Society at Indianapolis.

Here are the reasons: (1) Adversity in commercial business brings the family together in a close sympathy and economy which is unknown to many of them in prosperity—many of the finer qualities of man are handmaidens of poverty and distress, and they disappear often in prosperity. (2) When a man's business is in a slump he places a lower value on it and thus he thinks of it as a smaller estate for his family. These two conditions make his mind a fertile field for life insurance suggestions, and though his ability to pay is less, his needs seem so great that he will manage to meet the premiums. Men will listen with keener attention and a more sympathetic response to a life insurance talk then, than in days of prosperity—they are then more in harmony with the very spirit of life insurance as an institution.

SECURITY'S STATEMENT

The thirty-first annual statement of the Security Mutual Life, of Binghamton, N. Y., shows that this company, which is making a most creditable showing, has since organization paid policyholders and beneficiaries $15,296,507. It made a gain of insurance in force in 1917 of $2,830,059. Its insurance in force is about $55,000,000. Its income last year was $2,269,778.

1860 1918

ANNOUNCEMENT

In conformity with a resolution passed unanimously by the Board of Directors of **The Germania Life Insurance Company** on December 5th, 1917, and with the approval of the Superintendent of Insurance of the State of New York, the company on March 1st, 1918, assumed the new corporate name of

The Guardian Life Insurance Company of America

1917—the last year under the old name was the most successful during the company's existence of fifty-eight years. The new business paid for amounted to $24,800,000.00 representing a gain of more than $3,700,000.00 over its best previous year while the business in force showed an increase of $10,222,000.00.

Assets over $54,500,000.00

Total Insurance in Force over $169,000,000.00

Guarantee and Dividend Fund over $5,800,000.00

DIVIDEND ANNOUNCEMENTS

Fifth Consecutive Increase in Scale of Missouri State Life, of St. Louis

In announcing new dividends the Missouri State Life says:

"In 1914 we adopted a new dividend scale for policies issued on and after January 1st, 1908, which could be made to provide for a steady annual increase in the scale and, consequently, in the amount of dividends to policyholders as the experience of the company would warrant.

"Every succeeding year we have made the dividend just a little better than the promise of the year before.

"Using the twenty-payment life policy at age thirty-five for illustration, the following table shows concisely what we have done:

Twenty-Payment Life Plan—$1,000—Age 35—Annual Premium $38.28

Dividend Year	Year of Issue 1912	1913	1914	1915	1916	1917
1st	$2.27	$5.33	$5.45	$5.58	$5.70	$5.76
2nd	5.67	5.79	5.92	6.04	6.10	....
3rd	6.14	6.27	6.39	6.45	....	....
4th	6.62	6.74	6.80	....	....	....
5th	7.11	7.17	....	....	....	....
6th	7.56	....	....	....	....	....

"The dividends which we will pay in 1918, commencing with the policies of anniversary date on April 1st and subsequently, will be larger than we have ever paid before. This makes the fifth successive year in which we have increased our sale, and it is a record surpassed by none."

INVESTMENTS

Report of Fidelity Mutual Life—$14,967,087 First Mortgages on Real Estate

In its annual statement just issued the Fidelity Mutual Life reports to policyholders that it invested $1,000,000 in Liberty Bonds.

This Company's investments are yielding a good interest on both bonds and mortgages. The Company says:

In the listed assets the largest item, it will be seen, is first mortgages on real estate. This item now approximates $15,000,000. Our investments in Government, municipal, railroad and other corporation bonds now amount to $8,899,781.99. The interest yield in 1917 on mortgage investments was 5 per cent. on investments in bonds, 4.61 per cent.

The following items from the detailed report show the Company's principal investment holdings:

First mortgages on real estate	$14,967,087.69
Increase over previous year	987,008.61
U. S. Government, municipal, railroad and other corporation bonds	8,899,781.99
Increase over previous year	1,218,749.79
Loans on policies having loan values	6,857,399.50
Decrease from previous year	153,227.30

A clearer idea of the character of the security back of your insurance protection will be gained from a study of the relative proportions of the Company's assets, as shown by these percentages:

	Per Cent.
First mortgage on real estate	43.44
Bonds	25.83
Loans on policies	19.91
Real estate (including Head Office and adjacent properties)	4.59
Stocks	.54
Cash in banks and in office	1.73
Premiums in course of collection	2.51

NOW WITH EDWARD A. WOODS

Henry S. Terbell, for many years transportation agent at the home office of the Equitable, and closely identified with the agency department since 1894, when he entered the company's employ, has transferred his activities to Pittsburgh as personal secretary to Edward A. Woods.

E. E. Rhodes on Modes of Settlement

ARE PROCEEDS A "TRUST"?

Business of Making and Executing Trusts Foreign to Transaction of Life Insurance

In a recent discussion before the Actuarial Society of America, E. E. Rhodes, of the Mutual Benefit, said he was inclined to take issue with the statement that there are two distinct lines of development, the contract method and the trust method, in the handling of the various modes of settlement at a maturity. He said he did not see wherein there was sufficient ground for the opinion that some companies follow a "trust" method, if by that is meant that the proceeds become a trust, of which the company is the trustee and the beneficiary cestui que trust.

There are certain earmarks, which are necessary to distinguish a trust, he added.

"There must be the specific holding of securities for specific beneficiaries, the accounting to such beneficiaries for the entire income earned from such securities, less legal charges, and the payment of the increased value which the specific security may have attained, or the lessened value which a falling market may occasion. * *

"In Connecticut, Chapter 72, Laws of 1913, provides that:

> "Any life insurance company chartered by and doing business in this State shall have power to hold the proceeds of any life insurance policy issued by it, in trust, upon such terms, and subject to such limitations as to revocation by the policyholder and control by the beneficiaries thereunder, as shall have been agreed to in writing by such company and the policyholder."

Connecticut Contracts

"Two questions arise in connection therewith. One is whether the Connecticut law would govern if the policy had been issued and delivered in another State, and the other is as to the effect of the statute quoted upon other provisions of the Connecticut law regarding trustees and trust funds. The contracts of one Connecticut company provide that the proceeds may be placed in trust with the company to pay an annual income limited to a period of years, or an annual life income, or to pay interest during the continuance of the trust. If the insured desires to place the proceeds beyond the reach of the creditors of the beneficiary another Connecticut company will insert in the policy a provision that the proceeds shall be treated as a trust fund to be mingled with the company's general funds and to be governed by the laws of the State of Connecticut. In the first place, the fund is not treated as a trust when it is so mingled, and in the second place, within certain limitations trust funds are subject under the laws of Connecticut to claims of creditors. * *

"The New York law (Section 15 of the New York Personal Property Law) provides:

> "When the proceeds of a life insurance policy becoming a claim by death of the insured, are left with the insurance company under a trust or other agreement the benefits accruing thereunder after the death of the insured shall not be transferable, nor subject to commutation or incumbrance, nor to legal process except in an action to recover for necessaries, if the parties to the trust or other agreement so agree.

"It seems clear that under this law there is, under the contract method and the trust method, the same degree of protection to a beneficiary against the claims of creditors. It is very doubtful whether outside of New York, California (under Sec. 2767, Civil Code, as amended in 1917), and possibly Minnesota, the doctrine of spendthrift trusts would be extended by the courts so as to embrace a fund which was not in all its legal essentials a trust. Spendthrift trusts have been upheld, but whether a provision in a contract of life insurance which sought to accomplish the same purpose as a spendthrift trust would be upheld by the courts, is a question which cannot be answered at this time. A speaker has very clearly pointed out the difference between the American and the English rule with regard to the disposition of trusts, but in considering the application of the American rule to the matter under discussion we come back to the fundamental question with which we started and to which we have as yet no affirmative answer, viz., are we dealing with a trust?

The Real Business of an Insurance Company

"The business of a life insurance company is to make contracts of life insurance. Such contracts need not necessarily provide for the immediate settlement of the proceeds in one sum. The business of making and executing trusts is as foreign to the business of life insurance as is the business of banking, and a life insurance company should, in my opinion, confine its activities to those powers which are granted by its charter or by the general laws of the State of its domicile which are applicable thereto. If we are without power to do a trust business, we should not attempt it, nor should we represent ourselves as so doing, when, as a matter of fact, such is not the case."

B. V. Von Senden, of Globe, Ariz., paid for $353,000 in the New York Life last year.

Equitable W. S. S. Sales Record

The War Service Committee of the Equitable Life Assurance Society has furnished to its representatives a book of blanks for convenience in selling W. S. S. and Thrift Stamps. A sample page is printed in this column.

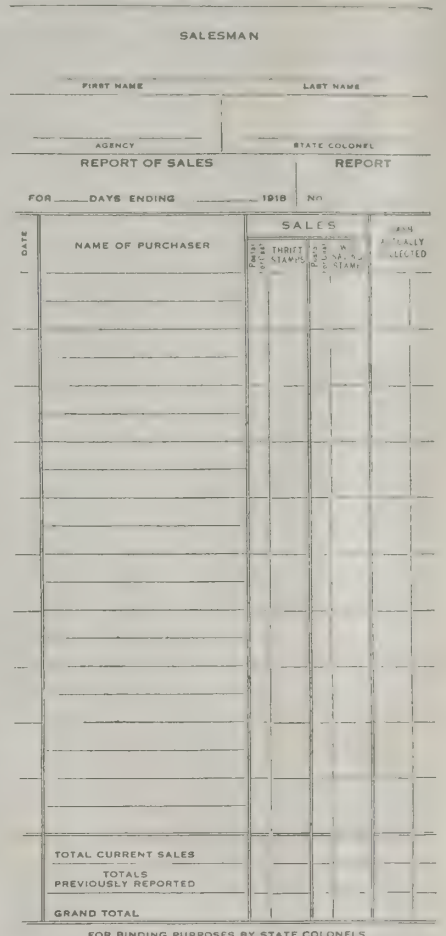
The book is designed for use in connection with sales made both under the Treasury Post Card plan, and for cash sales where Equitable representatives have received authority from the U. S. Treasury Department to make such sales.

All sales should be entered as made, according to number of stamps sold.

Where sold on the post card plan, the cards should be mailed by the salesman, not the purchaser, the entries being made as soon as the card is signed. The letter "P" should be entered in the appropriate column. In such cases cash is not to be collected; collection being made by the postman when delivering the stamps.

Where cash sales are made by Equitable representatives who are authorized agents of the Treasury Department, the letter "C" should be entered in the appropriate column beside the number of stamps sold, and the amount of cash collected entered in the last column. (That column is left blank where sales are made on the Treasury post card plan.)

Where cash sales are made by Equitable representatives, the stamps being secured from Equitable cashiers or other Equitable representatives, who will themselves report the sale to the State Colonel or Society, no entry therefor should be made as it would in effect represent a duplication.


SALESMAN

FIRST NAME LAST NAME

AGENCY STATE COLONEL

REPORT OF SALES REPORT

FOR ____ DAYS ENDING ____ 1918 No.

DATE	NAME OF PURCHASER	SALES: THRIFT STAMPS	SALES: WAR SAVINGS STAMPS	AMOUNT ACTUALLY COLLECTED
	TOTAL CURRENT SALES			
	TOTALS PREVIOUSLY REPORTED			
	GRAND TOTAL			

FOR BINDING PURPOSES BY STATE COLONELS

CHECK HERE

WHEN ENTERED ON STATE COLONEL'S SEMI MONTHLY REPORT

One or more of these white sheets should be signed by the salesman and mailed to his State colonel on Saturday night of each week and on the last day of each month. Begin a new sheet on the 1st of each month. The State colonel makes his reports on the basis of the calendar month.

NINE INCOME POLICIES ON ONE LIFE

The possibilities of writing monthly income insurance were recently demonstrated by Agent F. H. Acker, of The Prudential, in Columbus, Ind., who secured no fewer than nine applications, for an amount of $18,486, on the life of one person.

The prospect was approached while at lunch one day and was in a receptive mood to listen to the many arguments advanced by Agent Acker concerning the attractiveness of this particular contract, on the strength of which the business was written, delivered and paid for.

NEW SUPERINTENDENT

Albany, N. Y., March 15.—Michael T. Donohue, of Newburgh, N. Y., has been appointed superintendent of the Albany district of the Metropolitan Insurance Company, succeeding David Bariadale, who recently retired. Mr. Donohue has been superintendent of the Newburgh district of the company for thirteen years. He will assume his duties in Albany immediately. The Newburgh district of the company is now to be divided into three with new headquarters at Nyack, N. Y., and Middletown, N. Y.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Extracts From Report of President Dryden of Prudential

Combined Results of Industrial Staff

	1917. No. Pols.	1917. Amount.	1916. No. Pols.	1916. Amount.
Industrial issued and ordinary paid-for new business	2,285,595	$521,603,875	2,239,542	$456,078,353
Industrial and ordinary revived and increased	303,375	84,396,104	312,316	83,798,178
Total	2,588,970	$605,999,979	2,551,858	$539,876,531

Business Paid for by the Ordinary Agencies

	1917. No. Pols.	1917. Amount.	1916. No. Pols.	1916. Amount.	Gain. No. Pols.	Gain. Amount.
Ordinary new bus	23,738	$65,929,249	21,139	$48,306,992	2,599	$17,622,257
Ordinary business revived and increased	1,136	3,589,582	985	2,888,323	151	701,259
Total for the ordinary agencies	24,874	$69,518,831	22,124	$51,195,315	2,750	$18,323,516

Company Total of Industrial and Ordinary Business Paid For
(Including the Home Office and Collection Accounts)

	1917. No. Pols.	1917. Amount.	1916. No. Pols.	1916. Amount.	Gain. No. Pols.	Gain. Amount.
New business	2,309,871	$587,839,973	2,260,708	$504,418,195	49,163	$83,421,778
Revived and inc..	305,042	88,709,095	313,829	87,365,752	—8,787*	1,343,343
Total	2,614,913	$676,549,068	2,574,537	$591,783,947	40,376	$84,765,121

*Loss.

Payments to Policyholders, the Largest Single Item Among the Disbursements

1917.	Industrial.	Ordinary.	Total.
Death claims, matured endowments and disability claims	$21,320,074.12	$12,348,598.34	$33,668,672.46
Annuities	1,119.00	234,377.68	235,496.68
Dividends	*8,345,271.07	3,925,269.95	12,270,541.02
Surrendered policies	964,723.55	3,330,809.52	4,295,533.07
Total payments to policyholders	$30,631,187.74	$19,839,055.49	$50,470,243.23

*Exclusive of $1,003,533.03 mortuary dividend additions included in industrial death claims.

1916.	Industrial.	Ordinary.	Total.
Death claims, matured endowments and disability claims	$18,784,720.60	$10,740,324.76	$29,525,045.36
Annuities	1,244.00	213,690.04	214,934.04
Dividends	9,182,618.57	3,775,813.84	12,958,432.41
Surrendered policies	1,020,426.23	3,559,258.10	4,579,684.33
Total payments to policyholders	$28,989,009.40	$18,289,086.74	$47,278,096.14

Increase in Total Payments to Policyholders in 1917

Industrial.	Ordinary.	Total.
$1,642,178.34	$1,549,968.75	$3,192,147.09

Industrial Death Claims
(Including Mortuary Dividend Additions)

1917. Number.	1917. Amount.	1916. Number.	1916. Amount.	Increase. Number.	Increase. Amount.
166,059	$21,137,101.86	155,324	$19,389,962.55	10,735	$1,747,139.31

Claims on Account of the European War

	1917. Number.	1917. Amount.	1916. Number.	1916. Amount.	Increase. Number.	Increase. Amount.
Industrial	1,470	$317,874.58	891	$201,236.83	579	$116,637.75
Ordinary	165	153,562.55	84	93,906.69	81	59,655.86
Total	1,635	$471,437.13	975	$295,143.52	660	$176,293.61

Loans on Ordinary Policies

	1917.	1916.	
Number of loans made	66,380	69,416	3,036 (Decrease)
Amount of loans (net)	$7,371,434	$6,945,774	$425,660 (Increase)

(The total number of loans on policies is 196,665, for $38,928,405.38)

Dividends to Policyholders, Provided for in the Policies, and Extra Dividends as a Result of Mutualization
(Including Mortuary Dividend Additions on Industrial Policies)

	1917.	1916.	Increase.
Industrial	$9,348,804.10	$9,182,618.57	$166,185.53
Ordinary	3,925,269.95	3,775,813.84	149,456.11
Total	$13,274,074.05	$12,958,432.41	$315,641.64

Estimated Dividends for 1918

Industrial policies	$9,917,438
Ordinary policies	4,557,324
Total	$14,474,762

Bond Investments During the Year

	1917.	1916.
Railroad	$15,601,605.48	$31,948,325.30
State, county, municipal and other bonds	30,973,364.95	16,394,948.91
Total	$46,574,970.38	$48,343,274.21

Real Estate Loans Made During the Year

	1917.	1916.
City loans	$16,458,000	$5,290,800
Farm loans	20,021,435	18,749,050
Total	$36,479,435	$24,039,850

"BROOKLYN LIFE" NUMBER

Many Distinguished Life Insurance Men Contribute Articles to Publication—Print Pictures

The "Brooklyn Life" issued a life insurance number on March 16. The contributors of articles were Asa S. Wing, Provident Life & Trust; George E. Ide, Home Life; William A. Hutcheson, Mutual Life; Walton L. Crocker, John Hancock; William J. Graham and Charles Jerome Edwards, Equitable; Lee K. Frankel, Metropolitan; Lawrence Priddy, National Association; and Everett M. Ensign, National Association.

Pictures of most of the general agents of Brooklyn were published.

THE MERCURY

Extracts from the annual statement of the Mercury Reinsurance Co. show $8,669,095 in force; admitted assets of $574,214; surplus and special funds of $102,257; new premiums of $69,218; insurance written of $7,621,095.

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Buy Liberty Bonds

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

BANKERS BLCo LIFE DES MOINES COMPANY
PAYS GOOD PAY TO GOOD MEN

Security Mutual Life Insurance Company
Binghamton, N. Y.
Offers to men able to produce business first class territory, with direct contract providing liberal compensation.
For particulars, address
C. H. JACKSON, Supt. of Agencies

Discusses Long Term Endowment

VIEWS OF AN IOWA AGENT

Sees Many Advantages in This Contract—Saving, Old Age Provision, Fund Accumulation

The advantages of long-term endowment were discussed at a recent meeting of Equitable Life of Iowa agents by R. C. Gauch, an agent of that Company. In discussing the real functions of the contract Mr. Gauch sees four. They are:

"First. The incentive to save, or the saving instinct. And in this particularly extravagant era and with this particularly extravagant American nation, or people, an endowment policy generally turns out to be a means of forcing thrift, since it compels them to do that which, if left entirely to their own option, would remain undone, and no sum worth while would be saved. Unlike insurance, saving institutions have the shortcoming that they permit the depositor to withdraw all or nearly all of the funds after giving notice of a certain number of weeks, with the result that a resolution to save over a long period may be broken when the depositor for one reason or another sees fit to withdraw the amount deposited.

The Contingencies that Comfort a Man

"Second advantage. Endowment insurance provides for old age, if the term is so selected as to make the policy mature at an age like sixty, sixty-five or seventy. At this age a man's earning capacity usually ceases and when he naturally expects to retire from actual work. Statistics show that less than one man in ten succeeds in laying up a competence by the time this age is reached. Most men are, therefore, confronted with two contingencies: (a) an untimely death may leave their families unprotected, and (b) in case of survival until old age, they may lack the means of proper support. But both of these contingencies may conveniently be provided against by a long term endowment, for if death should occur at any time during the term, the insurance proceeds revert to the family; but should the insured survive to old age, when the need of insurance for family protection has largely, or altogether, passed away, he will, himself, receive the proceeds of the fund which his prudence and foresight enable him to accumulate, to be used for his own support and comfort.

"In this connection it should be remembered that a whole life policy, based on the American Table of Mortality, is an endowment at age ninety-six, and this age, according to that table is considered the extreme limit of life. At age twenty-five a whole life policy is, therefore, an endowment policy for a term of seventy-one years.

Saving Period Cut Short by Death

"Third advantage. It is a means of hedging against the possibility of the saving period being cut short by death were it not for the uncertainty of life and the inability of most people to carry out their resolutions to adhere to a definite plan of saving, the accumulation of an estate could readily be accomplished by the deposit of certain sums at regular intervals. Endowment insurance seeks to protect the individual from both of these dangers. Thus, let us assume that it is the purpose of a person aged twenty-five to accumulate $20,000 during the next forty years. He might accomplish this in several ways, but it is clear that the result can definitely be accomplished by the purchase of a $20,000, forty year endowment maturing at age sixty-five, and it hedges the insured's savings fund against premature death.

Fund for a Specific Purpose

"Fourth advantage. It is a means of accumulating a fund for specific purposes. To illustrate: the credit and successful operation of many business forms desiring to negotiate a bond issue may be dependent chiefly upon the life of one man whose unexpected death may so jeopardize the success of the business as to preclude the redemption of the bonds upon maturity. But this contingency may be averted if the head of the business insures his life for an amount equal to the bond issue under endowment policy, which will become payable at the same time that the bonds mature. The same principle might also be applied to the liquidation of a mortgage or a home. In addition to such business uses, endowment policies may often serve some special family purposes, especially as regards the making of proper and certain provision for starting children in life.

"Consequently, the large sum that may be secured through the long term endowment insurance may, therefore, deduct—odds and ends—that may not be regarded as the utilization of a by-product otherwise have been saved for a noble purpose."

ERIE BANQUET

Erie, Pa., March 20.—Agents of the Connecticut Mutual Life Insurance Company in Northwestern Pennsylvania were banqueted here in the Shrine Club by Walter L. Blossom, general agent here for that company. The Erie division, led the Connecticut agencies during February and it was in appreciation of their work that the banquet was given. Speakers were G. M. Lovelace, superintendent of agencies; E. W. Salvage, associate general agent at Buffalo, N. Y.

We don't contract with poor men.
We give a new man our attention until he is started.
We make our men make good.
Why don't you work for us?

Peoria Life Insurance Company
PEORIA, ILLINOIS

Acknowledgment of Premium's Receipt

ILL HEALTH DIDN'T VOID POLICY

An Interesting Decision of Supreme Court of North Dakota—Donohue vs. Mutual Life

In Donohue vs. Mutual Life (a recent North Dakota Supreme Court decision involving acknowledgement of receipt of premium and reported by the Actuarial Society of America), the Company made the defense that the insured was not in good health when the premium was paid and the policy delivered. The application contained an agreement that the policy should not take effect until the first premium should have been paid during the applicant's continuance in good health. The policy issued contained an acknowledgement of the receipt of the premium. The premium was paid by the husband of the insured, and the policy delivered to him on June 6, the policy itself bearing date of April 30. It was acknowledged that on June 7 the insured became ill and on June 8 a physician was called to attend her. In North Dakota, there is a special statute relating to an acknowledgment in the policy of the receipt of premium, reading as follows:

"Receipt for Premium—Effect of.—An acknowledgment in a policy of the receipt of premium is conclusive evidence of its payment so far as to make the policy binding, notwithstanding any stipulation therein that it was not to be binding until the premium is actually paid."

Good Health Irrelevant

The Court held that, in view of this statute, the question of whether the insured was in good health on June 6 was immaterial and irrelevant, since the policy bore the date of April 30, and the policy, read in the light of the statute, acknowledged the receipt of the premium of April 30 so that the only question was whether any defense to invalidate the policy had been made, assuming the premium to have been actually paid April 30. An extract from the opinion is:

"Keeping in mind the date of the policy, to wit, April 30, 1913, the receipt in the policy acknowledging receipt of the first premium on such day, and the statute, section 6515, which provides that such an acknowledgment of the premium in the policy is conclusive evidence of the payment of such premium so far as making the policy binding, we cannot otherwise hold than that the policy of insurance under consideration, having been after the date thereof delivered, became effective and binding upon all parties to the contract on the 30th of April, 1913."

It would seem that, even with the peculiar statute of North Dakota, the decision of the Court was extreme.

EXPECTS 1,200 MEMBERS

Plans of Life Underwriters' Association of New York—Association Reiterates Platform

The annual report of the president and secretary and treasurer of the Life Underwriters' Association of New York has been made. The association expects 1,200 members by the time of the annual convention here of the National Association of Life Underwriters.

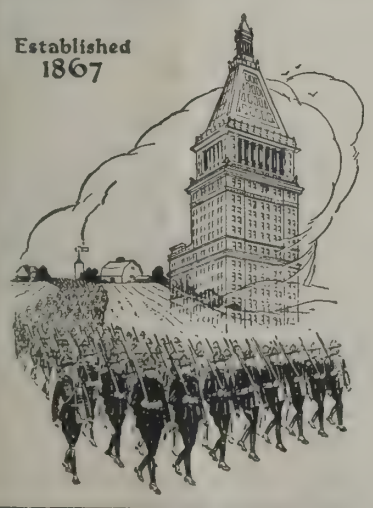
In the report, which outlines activities for the year, the association briefly outlines its platform to be:

1. To foster a feeling of good fellowship and friendship among life insurance agents, in order that a vigorous spirit of co-operation may result.

2. To enforce the insurance laws of the State of New York, so far as they relate to the business of life insurance agents. These relate particularly to (a) rebates, (b) twisting, (c) soliciting without a certificate of authority.

3. To exercise a leadership for a high standard of ethics in life insurance soliciting and agency management. This must be accomplished by a continuous campaign of education and by a sense of personal responsibility on the part of each member,—not only as to his own conduct but to report to the officers of this association all cases of conduct detrimental to our business.

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and United States Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

The Union Central Life Insurance Company, of Cincinnati, O.
JESSE R. CLARK, President. ALLAN WATERS, Second Vice-President

Thinks Superior Life Will Be Rehabilitated

STATEMENT BY THE RECEIVER

Receiver Schmidt, Former Secretary and Treasurer, Issues Statement to Stockholders

H. L. Schmidt, receiver for the Superior Life of Chicago, and former secretary-treasurer of the company, has mailed a letter to stockholders, saying:

"On the first day of October, 1917, all the officers of the company believed it would be only a short time before it would be in a position to write life insurance. At that time the books of the company showed assets of over $93,000 against a stock liability of $72,060. Among the assets were notes receivable of about $50,000—cash in Pittsburgh Banks of about $13,000—cash in Chicago Banks and Liberty Bonds on hand to the amount of about $15,000, and an overdraft of Mr. L. O. V. Everhard (which at that time was considered perfectly good) of $13,-277.59.

"Shortly after this I was sent on the road and from that time until December 20th, 1917, I was away practically all of the time.

Tendered His Resignation

"Upon my return to Chicago on the 20th of December, 1917, I found the condition of the company in very much different shape from what it was on the first of October, and decided to sever my connection with it. At the first directors' meeting after that date, which was held on January 10th, 1918, I tendered my resignation as Secretary, Treasurer and a Director, to take effect on February 1st, 1918. However, on January 30th Mr. Everhard decided to have a receiver appointed. I was induced to accept this position, realizing that he was going to leave and that the stockholders should have some one in charge who was thoroughly conversant with the methods and plans of the organization. I had also in times past interested many of my personal friends in the enterprise and I felt that it would be cowardly on my part to leave until the stockholders could arrange to save the company.

What Receiver Found

"After being appointed receiver by the Circuit Court, I found the following condition existing:

Total sale of stock, 7,502 shares for	$226,300.00
Notes receivable on hand	49,330.50
Leaving a balance of cash collected	176,969.50
Total expenditures to January 30th, 1918...	154,842.79
Balance on hand in cash and securities	22,126.71

"While Mr. Everhard was the directing head of the company, the constructive work of building the organization was done by others. Those who really built this magnificent organization are at the present time assisting the reorganization committee, and I have no doubt but what this committee will be successful in rehabilitating the company and putting it on a sound financial basis."

BANKRUPTCY DECISION

In Cohen vs. Samuels, U. S. Supreme Court, 245 U. S., 50, the bankrupt had several policies on his life in favor of named beneficiaries, but had the right to change the beneficiary. The Supreme Court held that the right to change the beneficiary vested in the trustee, which placed the policies in practically the same position as if they were on their face payable to the insured's estate.

Crocker Writes of John Hancock Plans

LETTER TO COMPANY'S AGENTS

New Rules Regarding Lapses of Weekly Premium Policies—Discusses Commission Changes

In discussing new plans of the John Hancock for field men, Walton L. Crocker, vice-president of the Company, said in a letter to the field force:

"Among other things it is our desire to interest you more actively in writing ordinary and intermediate business, and so we have made increases in certain commissions, where we could do so lawfully, and we will do away with the one-half medical-fee charge in case you have to return your ordinary policy as not taken. Also, we have modified the present rule regarding lapse of weekly premium policies displaced by ordinary, so as to relieve you of such lapse within a certain period. The changing of these rules will help you in your work in the ordinary.

"We have also changed the method of handling the A. F. business from March 1 on, so as to make less detail work for all of us as well as to pay more commissions on it—that is, you will receive in three years what it would take you twice that number of years or more to get, under the present system—and although it is necessary to make a new war clause for that form of policy and to charge a nominal war premium, so that those who go to war will have to pay extra on each policy as is the usual practice, still, this will affect only a very few persons and there remains a great advantage to you in these new things. We expect you will like the plans and especially the commissions, and we hope you will be encouraged to new exertions to place this class of policies.

Good Contracts to Sell

"So, too, with the ordinary. Here the commission increases are naturally not so sweeping, for they cannot be, but they will help, especially those on the long-term endowment— 25-year endowments up. These are good contracts to sell, as they are very useful, giving a sum of money while the insured is living and is likely to need it most (at 65 or 70) and also the same benefit in case of death before that. This makes it appeal to many people, and as the premiums are not very much larger than ordinary life, the policies ought to sell well and give you a good addition to your income.

"Then we are also to give you a new disability clause in the ordinary policies—something which will enable you to compete with the best. That also should be a help, when it comes, which will be as soon as we can construct it and get it approved by the State insurance departments. While we are to change the war clause a very little, simply to clear up a point now in some doubt, there will be nothing in it, we feel sure, to handicap you in selling these policies.

"Now, a word of caution. In developing our new plans we shall have to depend upon you more than ever before, upon your loyalty, your business honor, and your intelligence. We must have no raiding of debits for the purpose of writing ordinary. We must not have a great mass of not-taken policies (ordinary policies will average to cost not less than five dollars each to issue) for those things would be abuses of the new rules which none of us would like to see. It is to your own interest that you canvass your prospects well, and be sure as possible they will take their policies when issued, and that they are reasonably able to continue their premium payments thereafter. We want you to get nearer to our understanding of what good risks are—and bad ones—so you will not waste your time and ours with men and women applicants who cannot be accepted. This will help, too. And we shall try to help to make it help.

Company Acts with Care

"Just one other thought before closing, of interest to you all, and especially to those of you who have not clearly understood our problems. The Company which you and I and all our associates represent, is a corporation in outward form only. Most corporations are owned by stockholders and are operated for profits on the capital owned by these stockholders. Not so with us. As you know, there is with us no capital stock, and there are no profits. Our Company exists for the purpose of providing the people with life insurance. The property of the Company is the property of all the policyholders in proportion to the form, size and age of their policies. It is a good and necessary thing that the number of these policyholders increase every year. And so it is a good thing for you to persuade new people to take policies with us, for this not only brings you compensation, but strengthens the Company. Always, every year, the Company must be conducted so that the money taken in is more than the money going out (which must include the additions to the policy reserves required by law), otherwise there would soon be no company. Now, every time something new is done, either by way of increase in benefits to the policyholders or increase in compensation to the workers, in field or office, or other changes of plans, it affects this question of whether the outgo shall equal or exceed the income. Hence the Company must go slowly on the important moves which it makes, and it takes time to observe their effect.

"In 1912 the new policy benefits were granted in the weekly premium policies, and since that time all the policies in that branch have been given the same proportionate amount of money as a death benefit. This was a great work and a just one. Five years have gone by and we are now in a position where we can begin our study of that business, to see if anything further can be done or what changes ought to be

(Continued on page 8)

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.

PHILADELPHIA

"The MARYLAND ASSURANCE CORPORATION is the first life company of another State, organized since the Armstrong investigation, to be admitted to New York State."

Step Out

of the rut and start fresh with a Strong New Company, captained by a notably successful insurance executive with a carefully chosen staff of insurance specialists. Maryland Assurance agents are able to offer prospects very desirable contracts of Complete Personal Protection—Life Insurance, Health and Accident Insurance. Valuable agencies in productive territory for energetic ambitious men.

Maryland Assurance Corporation

Seven South Gay Street

Baltimore

"LIVE AND DIE WITH ASSURANCE"

Business Associations

Help men to success.

Provident agents are associated with a business organization whose reputation for integrity, fair dealing and financial security extends over half a century.

Write for information

The Provident Life and Trust Company

of Philadelphia

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Comes Out for Participating Insurance

POSITION OF DETROIT LIFE

President of Detroit Life Discusses Contracts with Agents—What He Says

M. E. O'Brien, of the Detroit Life, has written a letter to his field force, in which he discusses the question of participating and non-participating insurance. He says in part:

"Regarding participating insurance, we are convinced that participating insurance is better for the company, the agent and the policyholder. It is better for the company because there is a better loading on each $1,000 of insurance to cover expenses, such as commissions, medical fees, etc. It is better for the agent because in writing participating insurance, the company is simply in line with the large and successful companies, such as the New York Life, Mutual Life, Equitable, Metropolitan, Prudential, Mutual Benefit, Union Central, etc., and it also is better for the agent because on account of the larger expense loading the company is able to pay better commissions than on the non-participating policies. It is better for the policyholders, because, while at the beginning the premiums are higher, yet it is an absolute certainty that as the dividends increase, the application of the dividends toward the payment of the premiums would make the net cost smaller on participating policies.

Persistent Policyholder Will Benefit

"It will take a few years before the participating rate is lower than the non-participating rate, but eventually the persistent policyholder will benefit by buying a participating policy, and when you write insurance you expect that the policyholder is going to persist in carrying the policy through. If it is a twenty-year endowment, both you and the applicant assume that he is going to live out the twenty years and mature the policy. On the twenty-payment life policy, he expects that he will make the twenty payments and either surrender the policy or take paid-up insurance, and as the majority of policyholders do persist in keeping their insurance, it is certain that the majority of policyholders, if they take participating insurance, will find that the insurance has cost them less than if they were to take the non-participating policies.

Twenty Per Cent. More Credit for Participating

"In the five months' contest, which is now under way, agents will be given 20 per cent. more credit for writing participating insurance than writing non-participating insurance; therefore, the agents who write non-participating insurance have a handicap of 20 per cent. at the start, and this is absolutely unnecessary. Contrary to what the agents generally suppose, it is better for the company to write the ordinary life policy than either the twenty-payment life or the endowment; that is, for the same amount of premium. To illustrate: If an applicant is going to invest $50.00 for insurance, it is better for the company that this $50.00 is used to purchase from $2,500 to $3,000 ordinary life insurance, than to purchase $1,000 twenty-year endowment, and of course in event of death it is certainly better for the beneficiaries of the policyholders. It is a mistaken idea on the part of the agent that the endowment policies are better for the company than the ordinary life or twenty-payment life. The best policy for the company to write is the ordinary life; the next best is the twenty-payment life, and after that the twenty-year endowment.

"I am simply stating this for your information. When it comes to any particular case, you are to write the policy which best fits the circumstances of the prospect. In other words, if you are certain that a twenty-year endowment would be the best policy for your prospect, that is the policy you should write him, but if you write the twenty-year endowment, thinking that this is the best policy for the company, you are mistaken, and we would much prefer that the same money be applied toward purchasing a greater amount of insurance, either on the ordinary life or twenty-payment participating plan, preferably the ordinary life participating."

Resisted Claims of Northwestern Mutual

HISTORY OF FIFTEEN POLICIES

Company Paid Death Claims of $14,406,641 in 1917—Paid $218,486,042 to Date

It is always interesting to note reasons for contested claims and one company which tells agents why the few claims were resisted during the year is the Northwestern Mutual Life. Since organization this company has paid to its representatives of deceased policyholders $218,486,042. Its total death claims in 1917 were $14,406,641. As the company does not contest except for the best of reasons protection of all policyholders—its reasons in the fifteen policies cited herewith are worth reading:

Policy 195,908, $976.10. Suit for alleged balance to make up agent's estimate.

Validity of Assignment

Policy No. 793,497, $50,000. This was a corporation policy. It was assigned in August, 1910, by the proper officers of the corporation to the wife of the insured. After death of insured in December, 1910, the Company paid the policy to wife as assignee. The beneficiary corporation was adjudged bankrupt February 28, 1911. The trustee in bankruptcy questions the validity of the assignment of the policy to insured's wife and sues to recover, attempting to make the Company pay the policy a second time.

Policies 163,616 and 186,216, $6,502.33. A suit for alleged balance claimed under an agent's estimate.

Policy 249,795, $2,531.68. Amount claimed by insured over and above actual tontine dividends.

Policy 213,320, $1,000. Policy surrendered by insured and beneficiary. Wife as beneficiary claims her signature was a forgery. Insured alleged incompetent on date of surrender, of which alleged fact Company had no knowledge.

Policy 719,285, $993.82. Insured changed beneficiary from wife to estate, a right retained by him. He then made a loan and policy lapsed January 4, 1916, with cash value of $6.18. Insured died in April, 1916. Company admits a liability of $6.18.

Case of Disappearance

Policies 438,888 and 471,588, $10,000. This is a case of disappearance. Company contends insured disappeared because of his fraudulent and criminal acts and that it has proof he was alive years after disappearance and after policies lapsed. Plaintiff sues for about $14,000. These policies were up as collateral at a bank and Company paid the bank the full surrender value, $2,632.46.

Policy 779,884, $1,000. Convertible term policy with no cash value. Premium not paid in 1912. Policy lapsed. Death claimed in 1914.

Policies 727,351 and 727,352, $10,000. Policies on the Renewable Term plan issued in 1907. In 1914 they were surrendered and two ordinary life policies issued in lieu thereof. Insured defaulted in payment of premiums on new policies and died in 1916. His widow claims surrender of term policies was procured by fraud.

Policy 330,414, $4,000. Renewable term plan. Policy lapsed August 26, 1911. Insured was defaulter in January, 1911, when he disappeared. Company is not satisfied that, if dead, he deceased prior to lapse of policy.

Policy 346,929, $2,531.68. Amount claimed by insured over and above actual tontine dividend.

Signature Forged?

Policy 585,102. Plaintiff as beneficiary claims her signatures to policy loans were forged by her husband, who received proceeds of loans and is now deceased. Amount claimed $2,260.42, is the amount of the policy loans.

Policy 446,691, $1,000. Insured has disappeared but no proof of death was furnished before suit was brought.

Policy 589,985. Policy lapsed in 1914 for non-payment of premiums. Company cancelled the policy loan then outstanding and changed to term insurance for $337.00 according to terms of contract. This amount was tendered plaintiffs and refused. They allege the right to reinstate policy, pay off the policy loan and then receive the difference between face of policy and the loan, viz., $5,840.94. Company admits liability for $337.00.

A Year of Splendid Achievement

It is not difficult to see why the MASSACHUSETTS MUTUAL in 1917 wrote a larger amount of paid-for business than in any other year in its history. Sixty-six years of Service efficiently and promptly rendered have won the confidence of its representatives and of the public. Co-operation with a Home Office that has the right spirit, policies which are not excelled, and a company with a sterling reputation ensure success for the Field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

A Talk to Banker Agents

Advice to banker agents was recently given by E. W. Hillweg, agency director of the Northwestern National Life. He said in part: "Life insurance is or should be the basis of credit at the bank and in all financial transactions in which credit is an element, and it is the foundation of most partnership agreements.

"No conservative banker would extend credit to any great amount to a business man whose buildings or merchandise were not insured against loss by fire, although in case of a fire loss the borrower would be there and might in time liquidate his obligations. But in the event of the death of the borrower, who would pay his obligations? The business which he had promoted and conducted, would most likely under other management deteriorate or fail entirely, and court's actions to wind up a business are slow and expensive; but a life insurance policy issued by a legal reserve company is a quick asset, an estate immediately convertible into cash without legal action or costs.

"Can you, Mr. Banker, jeopardize the funds of your bank by making loans to a man whose greatest asset, his life, is uninsured? You carefully inspect the fire insurance policies held by the man who asks credit, and file them away as collateral with his note. The risk of loss by fire is small, very small. You overlook the major risk, the life of the man who borrows. He will surely die. There are no exemptions—and his death may occur soon—tomorrow, perhaps.

"As life insurance is the protector of business, credit and family, and as the general public depends upon the bankers for advice and information on matters financial, it is the duty—and it should be a pleasant one—of every banker to advise every insurable customer to protect, not only his family, but also his financial obligations by carrying a sufficient amount of old line insurance. And the banker should be in a position to take the applications of all who realize the need of life insurance. It is up to you to create a demand for life insurance and to then fill the demand.

"If you, Mr. Banker, have not as yet availed yourself of the opportunities afforded by your contract with this company to advise your patrons to invest in one of the best securities in the world—an estate that can be bought on the instalment plan, worth its full face in the event of death at any time—an old line life insurance policy—will you not begin now to protect the interests of your customers and your bank, and at the same time increase your income by personally taking their applications or assisting general agents who may visit you?

"Begin now and give us the pleasure of acknowledging receipt of at least one personally written application before the close of this month."

SELF-HELP BOOKLETS

Found of Value to Agents of Northwesterrn National —Daily Reports of Progress

A number of general agents of the Northwestern National Life, of Minneapolis, are having their agents systematically use the daily report or self-help booklets of the Company and they are reporting satisfactory results.

Many of the field men find it a means of materially increasing their production. All of the full time reports of the Blackledge Agency have kept daily, weekly and monthly reports of all their hours invested, which have been forwarded to the home office for compilation. These reports indicated that these men invested 751 hours during January and these hours resulted in $50,500 of business.

GOVERNMENT INSURANCE DATA

Amount written to date..	$12,000,000,000
Number of insured	1,500,000
Average amount of insurance applied for.....	8,085
Amount written in February	5,000,000,000
Lowest amount received during any day in February	71,000,000
Highest amount received during any day in February	501,602,000
Average of insurance...	90 per cent.

Charlie Ward's method of explaining the endowment at 70 illustrations is to show approximately the income the beneficiary would receive in the event of the death of the insured before reaching 70, and if he survives to age 70, then the proposition is to show the annuity which can be purchased by using the proceeds of the policy as a single premium. Mr. Ward represents the Mutual Life in Chicago.

INSURANCE LAWYER DIES

Ralph Farnsworth Smith, an attorney in the law department of the Mutual Life, died last week. He was 34 years old. Originally he was from Poughkeepsie.

"It is not the $5,000 or $10,000 policy you are going to take, but the $1,000 or $2,000 policy you actually have that counts up when you die," says the United States Life.

THE

METROPOLITAN LIFE

Insurance Company

(Incorporated by the State of New York)



Metropolitan Life Insurance Company Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898

It is greater than any other company in America in the number of its policies 18,262,933

It stood first in the world in amount of insurance placed in 1917 .....$791,060,002

It stood first in the world in gain in insurance in force in 1917 .....$453,749,902

It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

KEEP UP AGENTS' STANDARD

Commissioner Hardison of Massachusetts has caused a bill to be introduced in the Legislature of that State to restrict the solicitation of insurance to men of experience and to those who intend to devote practically their full time to the business. Mr. Hardison contends that insurance should be handled only by men who understand it.

OTT INSPECTOR OF AGENCIES

George E. Ott has been promoted to inspector of agencies for Eastern Pennsylvania and Delaware of the Equitable

Walter T. Batchelder has been appointed manager of agencies headquarters in the Commonwealth Building, Philadelphia.

The Security Mutual has opened an office in Newburgh, N. Y., which will have jurisdiction over Poughkeepsie, Haverstraw, Beacon and Walden. James H. Bennett will be in charge.

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company

of New York

34 NASSAU STREET, NEW YORK CITY

The editor of

THE EASTERN UNDERWRITER

knows of

A Splendid General Agency Opening

with a progressive and old-established New England company in one of the largest and most progressive cities in the Mid-West, with a large country territory.

Crocker Writes on Hancock Changes

(Continued from page 6)

made. Especially are we studying the death cost and other factors on the endowment policies, to see whether the money going out on these policies is too great, or whether we are safe to continue and perhaps, make some different terms later. We cannot make any promises. But we can say that whenever it is possible through any right and reasonable means, to help you in your work and life, the Company may be counted on to act in due time. In this wey we shall make progress, safely, and thus well perform our service to the people, at whose hands the Company holds the charter which enables us to do business."

The Standard Life of Atlanta paid for $2,577,293 in 1917, and its assets are $34,892.

Perez F. Huff, of the Travelers, wrote $2,000,000 of personal production in 1917.

Loan Subscriptions Through Endowments

NOT GOOD IDEA, SAYS CANADIAN

A. N. Mitchell, Assistant Superintendent of Canadian Life, Toronto, Against a Suggestion.

Writing to the "Economic World," A. N. Mitchell, assistant superintendent of the Canada Life, goes on record against the use of endowment insurance in connection with the Government war loans. He says in part:

"Is it not possible that a canvass by the life companies for subscriptions to Government bonds covered by endowment policies would decrease proportionately the number of subscriptions which would otherwise have been made to the Government? This would appear to be so, since the subscriptions to the recent Liberty Loans in the United States and the Victory Loans in Canada were of an exceedingly popular nature and it would appear as if almost all available subscribers had been reached to a more or less extent.

"A subscriber through an endowment policy would have his payments spread over a long term of years. Would this not result in the fact that the immediate available funds for the Government would be less than if he had made even a much smaller subscription direct to the Government? Is it not a fact that it is immediate money the Governments need in this crisis?

"If the life companies are subscribing their 'current surplus income to gether with the proceeds of such of their older investments as may mature during the war,' would their ability to subscribe because of the plan proposed be very much increased? In view of the expenses involved would not the immediate ability be increased only by a small proportion of the amount of the first year's premiums on such business as developed from this means, and this probably at the expense to the Government of the larger immediate amounts which would have come by direct subscription from the same parties?

"Is it not possible, therefore, that the interference with the present direct methods of selling which the proposed plan would involve would be a detriment to the Government, rather than a help?"

GETS DIAMOND SERVICE BADGE

Binghamton, N. Y., March 12.—W. E. Ralph, superintendent of the Binghamton district of the Prudential Insurance Company was honored by officials and employes of the company at a dinner Saturday afternoon here in Arlington Hotel. Mr. Ralph was presented the company's diamond-studded service badge in recognition of his thirty years of service. The diners seated at the fern-decorated tables numbered 80. The principal speaker was F. W. Tassney, third vice-president of the company, who discussed loyalty to the company and to the country. He urged every employee to exert every effort to assist the Government in the sale of war stamps.

On this point he stated that there are 18,500 Prudential employees making weekly contributions to the national war fund by purchasing war stamps. The menu card was a four-page booklet with a photograph of Mr. Ralph on the cover. Music was furnished by the Arlington Orchestra. Out-of-town officials present were William R. Konow, assistant secretary; George W. Kirk, division manager; W. P. Howard, superintendent of the Rochester office, and W. S. Barnes, superintendent of the Elmira office.

BANKER TALKS TO AGENTS

Man Unwilling or Unable to Protect His Family Not a Responsible Person.

"Presuming the necessity for life insurance, a man unwilling or unable to protect his family, is apt to be unwilling or unable to show greater responsibility."

That assertion was made by George L. Tickner, vice-president of the National Bank of Syracuse in an address before the Life Underwriters of Syracuse on the occasion of their annual banquet here in the University Club.

"Borrowing Money and the Value of Life Insurance," was the subject of Mr. Tickner's talk. Analysing a loan risk and the value of life insurance he said in part:

"In a general way, outside of obtaining answers to the usual and necessary questions, and a statement of assets and liabilities, I would consider a man's ability and capacity, as to whether he is cautious and orderly in his business arrangements; as to whether he has initiative, is able to bear up under such responsibilities as attach to operating his business; as to whether he is apt to be prepared to meet emergencies or sudden changes affecting his line of trade.

"Corroboration of the possession of the foregoing qualities is suggested quite definitely in the matter of life insurance carried—kind, quality, who payable to, etc. It senses clearly the person's notion of his general sense of responsibility. Life insurance, of course, is not a cure-all or answer-all. But considering the business and family responsibilities of an individual, the question is, are they insured and protected? Could death jeopardize a business life work or starve a family? It is my notion that all business success is because of special aptitude in individuals, and the chance of its loss (death) should be guarded against. Insurance is the best answer."

GROUP BILL

How Assemblyman Gardner's Measure in New York Legislature Reads

The bill of Assemblyman Gardner (New York Legislature) amends the insurance law in relation to group life insurance.

Adds four new sections, 101-a to 101-d, providing for group life insurance covering not less than fifty employees, with or without medical examination. Policies are to be issued to employers and the cost thereof may be paid by the employer or jointly by the employer and the employees; the insurance to cover all employees, or all of any class of employees determined by conditions pertaining to the employment. The amounts of such insurance to be based upon some plan precluding individual selection, and must be for the benefit of persons other than the employer. Where such insurance is to be paid for jointly by employer and employees and the benefits of the policy are offered to all eligible employees, at least 75 per cent. of such employees must be so insured.

No group insurance policy may be issued until the form of the policy has been approved by the Superintendent of Insurance. Such policies must contain certain standard provisions specified in the Act, in relation to incontestability, contract, representations, adjustments, the issuance of individual certificates to insured employees and the covering of new employees added to groups already insured.

The proceeds of group life insurance policies are exempt from attachment, garnishment or other process, for any liability of the employee or his beneficiary.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST—LARGEST—STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

GREAT SOUTHERN PLANS

Will Locate Home Office in Dallas—To Enter Kansas and Missouri

The Great Southern Life, of Houston, which this month insured the Wichita Falls Life, adding $15,000,000 to its outstanding insurance, will locate its home office in Dallas, where, as stated last week, it has purchased the Busch Building for $1,600,000.

The Company will enter Kansas and Missouri. The capital stock has been increased from $500,000 to $600,000. The earnings of the Company last year enabled the Company to pay a dividend to stockholders of $50,000, and to pass $36,000 into surplus account.

The business of the Wichita Southern is largely in north, northwest Texas and in Oklahoma. Of E. P. Greenwood, vice-president of the Wichita Southern, who goes with the Great Southern, President Carlton says: "In the organization of the Wichita Southern and the building up of its business, the guiding hand has been that of E. P. Greenwood. To him is principally due credit for the Company's success."

In discussing the Busch Building, Mr. Carlton said: "This is the finest office building in Texas. It is sixteen stories in height and has the best location in Dallas. It will earn about 7 per cent. on the purchase price, and when certain leases expire it will earn another 1 per cent. annually."



THE EASTERN UNDERWRITER

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THE LOCK HAVEN FLOOD

In Lock Haven, Pa., where there has been a disastrous flood and many people are homeless and helpless the city officials desiring to ascertain the real extent of the damage and suffering decided to call upon the fire agents of the community to furnish arbitrators, and to advise where succor should be extended. In a way this is one of the best tributes to the respect with which the insurance agent is held in his community that has come to the notice of this paper. The agents realizing their trust, and anxious to meet it, called upon special agents and adjusters who came to Lock Haven and did fine work for the community. They refused, of course, to accept any remuneration. Altogether it was an incident that the fire insurance fraternity can contemplate with considerable satisfaction.

BROOKLYN GENERAL AGENTS

Brooklyn general agents showed a commendable piece of enterprise in coperating with the "Brooklyn Life," a society paper across the bridge in devoting a large part of its issue of March 16, to life insurance.

A number of prominent men in the business contributed articles and life insurance was presented in an effective manner before thousands of people who can afford to carry a large amount of protection.

This is popularizing life insurance in the right sense, and the example of the Brooklyn managers should be followed in other cities.

BECOME A FIRE FIGHTER

The great European conflagration is still blazing. The firemen of that portion of the world which has not gone insane are still battling to quench the most destructive flame that has ever been known. They have kept it under control; they have protected America from its scorching. But the torch of the incendiaries who started the blast is still alight, ready to set the flame roaring through this country if they can burn their way through the lines of fire fighters that the National Government has sent to the assistance of the European nations.

Our men are in the midst of the flames fighting to confine them to the European continent and eventually subdue them altogether. They have done their part well, but to continue they need more equipment, more fire fighting machinery. They call upon America to send them what they need. To purchase the apparatus more money is needed, billions of dollars, and the National Government asks the people to lend this money. That is the purpose of the Third Liberty Loan—to buy the apparatus necessary to enable the khaki-clad fire fighters to smother this frightful conflagration.

RANK OF BOSTON AGENCIES

In commenting upon the premium returns for the last six months of 1917 the Boston "Advertiser" analyzes the returns by agencies as follows:

An analysis of these returns to the protective department shows the relative standing of the Boston agencies, insofar as premium receipts in Boston are concerned, although where agencies of the companies are transferred from one office to another throughout the year, it is sometimes difficult to credit the proper proportion to each.

But for the year 1917, the leading agency is shown to be John C. Paige & Co., with $562,024, with their friendly rivals, Field & Cowles, a close second, with $539,380. These two offices, with possibly one addition in Providence, R. I., that of Starkweather & Shepley, are unquestionably the largest general agencies in New England, their ramifications extending not only throughout this country, but to Europe as well.

The remainder of the Big Boston agencies ranks as follows: Robert A. Bolt & Co., $381,719; Gilmour, Rothery & Co., $369,552, and Cyrus Brewer & Co., $237,954.

MITCHILL IN PROVIDENCE

Herbert C. Mitchill, formerly special agent of the Fidelity & Casualty in New York City, resigned last week and is now associated with the G. L. and H. J. Gross general agency of the Fidelity & Casualty at Providence.

R. J. Hollingsworth, who will soon leave the Hartford Accident & Indemnity to enter the brokerage field, will have his office in the special agents' department of the Globe Indemnity at 19 Liberty Street. He will handle all lines, including life. Mr. Hollingsworth is manager of the burglary department of the Hartford in New York and has had a long and successful career in the insurance business. He entered it in 1903 with the United States Fidelity & Guaranty and has steadily advanced through several company connections.

* * *

Jalo W. Lehti, who is leaving the burglary department of the Ocean Accident & Guarantee in New York to go to the American Surety, has had an extensive experience in the business. He began his insurance career with the Ocean Accident & Guarantee in 1906, and until 1909 was in the claim department, where he handled a large portion of the burglary claims. In that year he was transferred to the fidelity department and in 1911 entered the burglary department where the situation has been such that he has been practically in charge of that work for the past three years. In his new connection with the American Surety he will act as underwriter, assisting Samuel B. Brewster, who will have charge of the burglary department, a branch the American Surety is now entering.

THE HUMAN SIDE OF INSURANCE



THOMAS J. GRAHAME

Thomas J. Grahame is not an Oliver Twist nor a Bolshevik—he is not all the time crying for more—but he gets it without asking, that is, more work. He has been superintendent of agencies for the Globe Indemnity—a man's job in itself—but now has also the management of the New York Metropolitan Department for casualty lines. He has seen many years of active service in the casualty insurance field, starting with the United States Fidelity & Guaranty in August of 1904. There he remained for eight years in the surety department, afterwards being transferred to the casualty branch as assistant to Raymond D. Steele who was general superintendent of the casualty department. Mr. Grahame resigned December 14, 1912, to engage with the Maryland Casualty as special agent in the surety department and was subsequently transferred temporarily to New York as acting resident manager of the fidelity and surety department. In December, 1913, he was transferred to the home office of the Maryland Casualty as superintendent of agents. Resigning from that connection April 1, 1915, he engaged with the Globe Indemnity as superintendent of agents, in which position he has since remained.

* * *

Julius Bohm, a well-known life insurance man who retired from the business three years ago, is back again, and is now writing personal business for the Travelers. In two weeks he wrote sixteen applications for $191,500. One $100,000 and one $50,000 case were included.

* * *

Charles H. Barry, late president of the Pennsylvania Fire, left an estate of $108,000, his widow being named as executrix.

TAKES ADDED TERRITORY

Gale Hutchison Is Special Agent of Globe Indemnity in Large Suburban Section

Gale W. Hutchison is now travelling Northern New Jersey, Suburban New York and Eastern Connecticut as special agent of the Globe Indemnity. Mr. Hutchison has been producing for the Globe in New York City for some time and he was for several years special agent in this territory for the Casualty Company of America.

John G. Wickser, of Buffalo, president of the Buffalo German Insurance Company, member of the District Military Draft Board No. 3 of that city, and former State Treasurer, and Mrs. Josephine Wilhelm Hard, also of Buffalo, were married at the Hotel Plaza in New York City, a week ago. The Rev. Edwin H. Dickinson, of Auburn, N. Y. Theological Seminary, former pastor of North Presbyterian Church, Buffalo, officiated. Lieut. Karl E. Wilhelm, of Camp Upton, presented his sister in marriage. Miss Isabel Walbridge, of Deland, Fla., was the bride's only attendant. Philip J. Wickser, of Buffalo, brother of the groom, was best man. Mr. and Mrs. Wickser went to the Marlborough-Blenheim in Atlantic City on their honeymoon. Mrs. Hard gave her age as 44, saying she was born in Germany. Mrs. Hard was appointed to the Buffalo School Board early this year by Mayor Buck of Buffalo, but at the time of appointment she asked for shortest possible term, which will expire in May.

* * *

Lieut. Frederick A. Peterson, former district manager of the New England Mutual Life at Pittsfield, Mass., is doing some interesting penal reform work at Camp Devens, Mass. His work is made the subject of the following breezy little story in the Boston "Globe":

"Lieut. Peterson is known to the world of college athletes as 'Pete' Peterson, captain of the Colgate football team of 1914, one of that string of Colgate teams that went tripping through the big leagues, trimming the life out of university elevens that condescended to play Colgate. He is husky and knows something about prankishness. It developed in this regiment, as in others, that too many of the new soldiers were getting into the guardhouse. And the War Department didn't want its new army to be wasting time with prisoners and court martials, losing man power and training time. So Lieut. Peterson and Lieut. L. C. Beebe went into the guardhouse. For a starter Lieut. Peterson took out a few men and said: 'Come on over and live in barracks. Forget you are prisoners; buck up and get into this game; keep on drilling; keep on studying; keep on semaphoring and signaling; you can beat out these other men who never saw the inside of a guardhouse; we all make mistakes!' So they're out drilling, hiking with the regiment, and working with horses. They live in a barracks by themselves, no different from other barracks, unless they're a little neater. Few prisoners in Camp Devens overwork themselves. But when one of them was told by Lieut. Peterson to take a squad of other prisoners along with him, and tackle a job on an embankment, in his own way, he came back to barracks wringing with sweat."

* * *

S. L. Crabbe, manager for the Connecticut General Life, at Rochester, N. Y., sailed from New York for Miami, Florida, on the Clyde Line steamer "Mohawk" Friday. Mr. Crabbe was accompanied by Mrs. Crabbe and their sixteen-months-old son, Bruce Graham Crabbe.

* * *

Wilbert E. Clark, president of the Aetna Life Club, of Hartford, has become a yeoman in the Naval Reserve. He is private secretary to one of the company's officers.

* * *

E. E. Cole, Jr., son of the president of the National Union Fire of Pittsburgh, has entered the aviation service.

FIRE INSURANCE DEPARTMENT

John E. Smith with Great American

FORMERLY WITH FIRST NATIONAL

Began His Career in Hartford and Came to New York with Continental

John E. Smith, former managing underwriter of the First National Fire Insurance Company of Washington, D. C., has gone with the Great American in the underwriting department.

Mr. Smith was originally from Hartford where he had his first insurance experience and where he was also in public life. Coming to New York he went with the Continental, being examiner for New York State business. He made a good record with that company, but resigned to become managing underwriter and an officer of the First National.

First National Experience

In Washington he inaugurated some innovations, but a man would have had to be superhuman to have mastered the difficulties under which that Company was laboring. It is generally acknowledged that Mr. Smith did as well as any underwriter could have done in the same position, as there was internal friction, court actions and undesirable newspaper notoriety to combat. He goes to the Great American with the best wishes of many friends.

TALKS ON LOSSES

H. S. Gardner Addresses Baltimore Society—List of Other Speakers to Make Addresses.

H. S. Gardner, an independent adjuster of Baltimore delivered a paper on fire loss settlements on March 15 before the Insurance Society of Baltimore. Today a paper on supervisory sprinkler service will be delivered by L. T. Haugh, of the American District Telegraph Co. Other talks follow: March 29, J. L. Gandy, of the Baltimore board, on "Comparison of the Universal Mercantile and the Analytic Rating System"; April 5, C. A. Hexamer, secretary of the Philadelphia Fire Underwriters' Association on "Chemical Fire Hazards"; April 12, Henry D. Rogers, special agent of the Continental, Baltimore, on "Agency Law"; April 19, P. T. Leary, of the Baltimore board, on "Garages."

The date and the lecturer for the subject of "Textiles" is still open, and the date upon which Hazelton A. Joyce, examiner of the Maryland insurance department, will speak on "Legal Requirements, has not been definitely settled.

WITH CONTINENTAL GROUP

Gerald M. Crosthwaite, Jr., to Manage Automobile Departments of Companies—Young Man of Ability

Gerald M. Crosthwaite, Jr., has resigned his connection with B. M. Crosthwaite & Co. to become manager of the automobile departments of the Continental, Fidelity-Phenix and American Eagle. Mr. Crosthwaite, who is only twenty-six years old, has had an all-around experience in the automobile insurance business, his entire career since leaving college having been with the Crosthwaite office. There he showed abilities of marked order. He is a graduate of Amherst, and before that went to Cutler School. He is a brother of B. M. Crosthwaite, who is a member of the War Trade Board. Another brother, J. L., Jr., formerly of the same office, and a Yale man, class of '01, is a captain of ordnance.

VIEW OF SHERIDAN BILL

Company Official Says Additional Restrictions Will Have Disastrous Effect on Policyholders

An official of one of the New York City fire companies comments on the bill introduced in the Legislature by Senator Sheridan as follows:

"Vesting the superintendent of insurance with power to fix fire insurance rates would necessarily mean a large staff of employees and a corresponding large payroll. This means an additional burden to the alre dy overtaxed property owners of the State.

"Kansas and Texas are the only States, as far as I know, that have vested this power in the superintendent of insurance. The result has been unsatisfactory. Political expediency rather than the merits of the proposition was very often the determining factor in the fixing of the rates of insurance.

"Taxation, supervision and regulation of insurance companies by the Federal and State Governments has almost reached a point where confiscation and strangulation are terms that more fittingly describe the system. Any additional restrictions placed upon the companies will have a disastrous effect, not only on the stockholders of the companies, but on the policyholders as well."

WARSAW'S EXPERIENCE

The Warsaw Fire Insurance Company had a profitable experience during 1917, the business of the company in Great Britain having met with a loss ratio of 37%, while in the United States the losses incurred were 47.4% of the net premiums written.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

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FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK
AACHEN & MUNICH FIRE INS. CO., ORGANIZED 1825

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE COMPANY OF LONDON, ENGLAND
NORWICH UNION ASSURANCE CO. OF NORWICH, ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.

NIAGARA
Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Joint Policy Valid Despite Single Title

DECISION IN WILKES-BARRE, PA.

Contract in Name of Husband and Wife —Wife Had Sole Title to Property

An insurance company defended an action in Wilkes-Barre, Pa., alleging misrepresentation as the policy was made out in the names of both husband and wife, while the property was owned solely by the wife. The case was decided last week for the plaintiffs, the Court saying in his opinion:

"It hinges entirely and absolutely upon the naked question of law whether on the face of the policy, the proofs of loss and the pleadings, this joint action by husband and wife on the joint policy is defeated by proof of title in her name alone.

Insurable Interest by Courtesy

"But in the case of a joint policy on a sole title as here, we think that in view of the relationship and in view of his insurable interest by the courtesy, it would be a harsh construction of the contract to say that the interest of the insured is not truly stated within the real purpose of the condition.

"In a proper sense, husband and wife together present the entire subject of insurance. The names of all connected with the property by any kind of claim or interest are disclosed without concealment or misrepresentation.

"It is easy to understand why an insurer would not care to insure anybody on any property without knowing who else has an interest, but it would be extremely difficult to understand why the insurer would not be willing to insure husband and wife on the property of either. What possible difference could it make? Would the insurer refuse to write a policy for husband and wife if it knew that the title stood in the sole name of either? Could the risk be possibly affected?

Policy not Voided

"In the one case the less does not include the greater, and the breach of conditions is plain, but in the other the greater does not include the less, and no breach should be declared. Under general canons of construction applicable to insurance policies, we do not think that the fact of sole title in this case can be reasonably held to avoid this policy."

Closing, the Court holds: "The judges who heard the argument of this case are all agreed that the trial judge rightly directed a verdict in favor of the plaintiffs, and accordingly the motion for judgment n. o. v. is denied, with exception granted to the defendant in this regard."

WILL MOVE TO NEW YORK

Former Rochester German Underwriters Now Rochester Department of Great American

The former Rochester German Underwriters—now the Rochester Department of the Great American Insurance Company—will be moved to the New York office building of the parent company, the Great American, in May. This action takes from Rochester its only fire insurance company and one which has been identified with the city's financial life for a half century. J. P. Dye is assistant manager of the Rochester department.

The Rochester German Insurance Company was organized in 1871 by a former mayor of the city and other prominent citizens of whom only one, Hobart F. Atwood, is now alive. Under shrewd management the company grew and prospered and the Egbert F. Ashley Company, which became local representative of the Rochester German, developed the largest fire insurance agency in Rochester. In the San Francisco conflagration the Rochester German suffered a gross loss of more than $900,000, which was large in comparison with surplus. Stockholders came to the aid of the impaired company to the tune of one million dollars and a few years later, in 1911, the German-American Insurance Company absorbed the old Rochester German.

A musty book, containing the first minutes of the meetings of the organizers of the company in 1871-72, shows that at one meeting Alexander Martin, secretary of the old Buffalo German Insurance Company, was made agent for the Rochester company in Buffalo territory on condition that Rudolph Vay, secretary of the Rochester German, be appointed the Buffalo company's representative here. Another condition of the appointment was: "Neither company shall insure any risks for the other company that it would not be ready and willing to take for itself."

Bell & Welch succeed Bell, Harrison & Welch, Mount Union, Pa. O. E. Harrison has retired.

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103-5 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

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95 William St. New York
38-40 Clinton St. Newark, N. J.

Agricultural Insurance Company, of Watertown, N. Y.

65th Annual Statement	
Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1918, to New York Insurance Department
LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer
G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent
SURPLUS TO POLICYHOLDERS.....$5,980,020.79

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The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
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FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
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NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

INCORPORATED 1720
Royal Exchange Assurance
LONDON, ENGLAND
United States Branch
92 William Street, New York
RICHARD D. HARVEY
United States Manager

National Liberty INSURANCE COMPANY OF AMERICA
NEW YORK
ORGANIZED 1859
Statement January 1, 1917

Cash Capital	$1,000,000.00
Assets	8,553,704.22
Liabilities	4,222,485.60
Net Surplus	3,331,218.62
Surplus for policyholders	4,331,218.62

HEAD OFFICE
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105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Fostering American Marine Facilities

A Suggestion as to how the Marine Insurance Market here can be Most Highly Developed

Editor's Note:—The following is intended, and we believe is, a constructive contribution to marine insurance data under war conditions and is presented with this only in mind.

The United States Shipping Act became a law on September 7th, 1917, for the sole purpose of building up an American Merchant Marine in addition to a naval auxiliary and reserve. It is quite evident that the framers of this Act had in mind, in addition to the foregoing object, the facilities for marine insurance in American companies to be developed and encouraged, as clearly expressed in Section 12, reading as follows:

"Sec. 12. That the board shall investigate the relative cost of building merchant vessels in the United States and in foreign maritime countries, and the relative cost, advantages, and disadvantags of operating in the foreign trade vessels under United States registry and under foreign registry. It shall examine the rules under which vessels are constructed abroad and the methods of classifying and rating same, and it shall examine into the subject of marine insurance, the number of companies in the United States, domestic and foreign, engaging in marine insurance, the extent of the insurance on hulls and cargoes placed or written in the United States and the extent of reinsurance of American maritime risks in foreign companies, and asertain what steps may be necessary to develop an ample marine insurance system as an aid in the development of an American merchant marine. It shall examine the navigation laws of the United States and the rulesand regulations thereunder, and make such recommendations to the Congress as it deems proper for the amendment, improvement and revision of such laws, and for the development of the American merchant marine. It shall investigate the legal status of mortgage loans on vessel property, with a view to means of improving the security of such loans and of encouraging investment in Amerian shipping."

It is quite evident that if the United States wishes to maintain her position as a power in international commerce she must first develop her shipbuilding, secondly, international banking facilities and thirdly the link which binds the first two together and joins them as one—marine insurance.

Before the outbreak of the present war marine insurance was principally conducted by foreign companies. Very few American companies were engaged in this class of business compared to the number of American companies engaged in other classes of insurance. But now it is entirely different. One can safely state that there are comparatively few large American companies engaged in writing fire insurance who have not extended their writings to the marine field, and these companies should be developed and encouraged along these lines by the Government so that they will be willing to continue to do this class of business after the war and help the United States maintain her present facilities for the world's oversea trade.

When the Emergency Fleet Corporation first started its operation they selected W. H. LaBoyteaux, president of Johnson & Higgins, one of the largest marine insurance brokerage houses in New York, to take care of the insurance question. I believe he offered his services without compensation and also the entire facilities of his New York office for the placing of builders' risk, which the Emergency Fleet Corporation required, without compensation for his company, and also succeeded in inducing a concession in rate from marine underwriters for the Emergency Fleet Corporation. Some of this insurance was placed for the corporation and immediately some local insurance agents got busy with State authorities and invoked some of the resident agent laws against the companies for writing the business through their New York offices; and some of the companies in trying to help the Government get insurance at minimum cost found themselves in serious difficulties with State authorities. Several changes have occurred since the inception of the Emergency Fleet Corporation. The present management appointed G. A. Hays as the insurance expert.

Mr. Hays is a very efficient and capable insurance man, having had the management of the United States Steel Corporation Insurance Fund under his charge. He has now put into effect a similar fund for the Emergency Fleet Corporation, and unless steps are immediately taken to develop an American market for the class of business it is feared when it becomes absolutely necessary for the Emergency Fleet Corporation to seek insurance there will be no available market for the same with American companies. Section 13, reading as follows provides:

"Section 13. That for the purpose of carrying out the provisions of sections five and eleven no liability shall be incurred exceeding a total of $50,000,000, and the Secretary of the Treasury, upon the request of the board, approved by the President, shall from time to time issue and sell or use any of the bonds of the United States now available in the Treasury under the Acts of August 15, 1909; February 4, 1910, and March 2, 1911, relating to the issue of bonds for the construction of the Panama Canal, to a total amount not to exceed $50,000,000; provided, that any bonds issued and sold or used under the provisions of this section may be made payable at such time within fifty years after issue as the Secretary of the Treasury may fix, instead of fifty years after the date of issue, as prescribed in the Act of August 5, 1909."

This section clearly states that there should be no liability incurred exceeding a total of $50,000,000. It therefore, can be readily seen that this sum will be greatly exceeded in the near future as far as insurance liability is concerned. In order not to give any any information to our enemies we will not mention the name of the plant that this sum will be at risk in the near future, if the number of vessels is correctly reported to us which would be building at one time.

Without taking into consideration the numerous number of vessels building throughout the United States, it might be stated that if this business was placed entirely with insurance companies the premium for the same might find its way into the hands of our enemies by the way of reinsurance treaties possibly through Scandinavian and Danish reinsurance companies. This danger could be avoided by making every American company give a pledge guaranteeing that under no circumstances would they write or accept a line more than their net retained line and if they have local reinsurance facilities that their treaty is not a foreign treaty and also that the American branch of a neutral or allied company should only be allowed to participate to the extent of their net retained line; as to all intent and purpose in law any foreign company that has a United States branch and is entered in the State that requires a deposit capital, such as New York, Massachusetts and Ohio, is to be considered as an American Company in law. Or, the Government could go one step further and put the supervision of all insurance under Federal control, which step, I believe, would be welcomed by the management of all American companies, who would welcome such arrangement as legislation of this character would be impossible in times of peace on account of opposition from State politicians, which in war times would not be impossible; and at the same time it would be a source of income to the Federal Government, which ought to be an inducement to give the same consideration.

The State rights should be protected by allowing them to collect taxes for the business written in their State. If this could be accomplished then the Government could say to all American insurance companies that it is necessary for them to assist the Government in building its vessels and it would be in order for them to subscribe to an undertaking to take care of this business. I am quite sure that every American insurance company, regardless of what class of business they were writing heretofore, would be willing to take its share of any such risk. If the business should turn out unprofitable no company would suffer any material hardship. Furthermore, if the business should show a profit to the company, undoubtedly every company writing this class of business would be willing to invest such profits in Liberty Bonds, so that the money expended for this class of insurance would remain in the country.

If such conditions could be brought about it would be the foundation or the cornerstone for the erection of facilities for taking care of marine insurance by American companies so that when peace comes all American insurance companies would be bound in one solid, compact mass, and they would be in a position to work in harmony, fix minimum rates for the assured, and underwrite each class of business would pay a proper rate and the profitable class of business would pay a proper rate for its character, and not as the business is conducted a the present time where in a great many instances some classes of business are written on entirely too low a basis and the good classes of business are compelled to pay a higher rate to make up for the unprofitable class.

It might be of interest to know how matters of this kind have been handled during the present war by other Governments. At the outbreak of the war the South faced financial ruin on account of the fact that it could not ship its cotton to Germany, which was a very large consumer of this product. Through diplomatic channels arrangements were made with the English Government to allow us to ship a certain amount of cotton to Germany. This relieved the Southern States of a very serious situation. The first difficulty which confronted the shippers of this cotton was that it was necessary to find American vessels to transport the same. This difficulty was overcome, banking arrangements were easily overcome, but the most serious difficulty was encountered in procuring marine insurance. Very few American companies were writing this class of business at that time. Most of the companies that were writing this business had treaties with English underwriters and English underwriters being prohibited by the laws of their country from accepting such risk either direct or otherwise, the American companies were compelled to accept only their net retained lines, which in many cases as a patriotic duty they quadrupled to help the situation along. Notwithstanding this there was not sufficient insurance market, even taking into consideration other neutral markets to take care of the combined hull and cargo lines. It was at this time that the German Government stepped in and dcompelle every insurance company in Germany to subscribe to a reinsurance fund to take care of any hull or cargo lines in order that the shipments of cotton could be made. These facilities were given to two German companies that were entered in the United States to do the business. After the cotton shipments this reinsurance fund was developed into one large fund and the two companies in question were able to write lines unheard of before in marine circles, so it can readily be seen that if the Government will take steps to build up facilities for American marine insurance that in case the occasion arises whereby it is absolutely necessary to have such facilities, the American market will be fully organized and prepared for the emergency. Therefore, it appears that it should be the duty of Government officials wherever possible to give any marine insurance business to American facilities in order that they may properly be developed.

CITY CLUB ELECTS

J. J. Hartnett is Again President—Plans Made for Annual Outing on June 15

The annual meeting of the City Insurance Club was held Tuesday evening at Davidson's restaurant.

J. J. Hartnett, of George R. Hess & Co., was re-elected president of the club. The other officers are George Shevlin, of Schaeffer & Shevlin, vice-president; James Hylind, of Gibson & Wesson, secretary; George Hodson, of Newman & McBain, treasurer; William Morsel, of Fred S. James & Co., financial secretary, and John Tusick, of Gibson & Wesson, recording secretary.

The membership committee is composed of Frank Gibson, of Fred S. James & Co.; George J. Hodson, of Farmer & Ochs; George McKay, of See & Depew, and John Scanlon, of John A. Eckert & Co.

There were twenty-two new members accepted at the meeting on Tuesday, which brings the total up to 135. There were seventy-six members present at the meeting. Plans were discussed for the annual outing of the club. It was decided that the time of the outing should be June 15 and the place, College Point, L. I., as last year.

A gentleman was trying to tell a New York insurance broker how much trouble the broker was going to have with the automobile business before the present unsettlement is over. The broker replied that it gave him no concern. "Haven't I," he said, "been in this business for twenty years, and what did I ever have but trouble?"

EXPLOSION CONFERENCE

Special Meeting on March 27—Plate Glass to Be One Subject Discussed

A special meeting of the Explosion Conference will be held on March 27, the last big meeting having taken place about a year ago. Among the important subjects to be discussed is that by glass damage. On February 1 a change in the conference form took place, in which plate glass damage was eliminated from the contract. The reason for this action was the fact that many factories have recently been erected, largely constructed of glass, and an outside explosion may cause a conflagration loss. The companies' experience in the Black Tom disaster showed them the possibilities of glass loss. It was also pointed out that many of the assured already carry plate glass insurance, and the explosion coverage would result in double liability.

Some complaint has been made by agents that they have not been generally advised by the companies of the action of the conference in eliminating the plate glass liability, and, a story about this appears in the "Bulletin" of the National Association of Insurance agents, this week. The agents say that they had been embarrased with their assureds in not knowing that the change was made in the form.

BROKERS ACTIVITIES

$14,000,000 U. & O. Line

One of the biggest use and occupancy lines in the country is that of the Viscose Co., a Pennsylvania risk. The U. & O. is $14,000,000. The risk is now in the market for more insurance. It is an F. I. A. risk, placed by H. Mosenthal & Son.

* * *

R. S. Hoffman & Co.'s Claim

R. S. Hoffman & Co. of Boston, who have just been appointed general agents for the Central National Fire of Des Moines for Massachusetts make the following claim in "The Standard," of Boston: "This agency offers brokers the largest writing capacity of any office in the State for standard surplus lines located anywhere in Massachusetts. The agency represents the Milwaukee Mechanics, City of Pennsylvania; Dubuque and German, of West Virginia.

* * *

Larger Offices Taken

E. W. DeLeon, Inc., insurance broker at 55 John street, has removed from the sixth to the fourth floor and now has larger quarters, having taken half the space in the office of the Armstrong Agency, Inc.

* * *

Webber Joins Brokerage Firm

Samuel Webber is now with Ream, Ives & Wrightson. For a number of years Mr. Webber has been superintendent of the burglary department of the Globe Indemnity.

* * *

Ackerman With Mather & Co.

H. G. Ackerman, for some time past a local agent at Jamacia, L. I., and formerly for a number of years with John E. King & Co., started this week with Mather & Co. as placer.

Lock Haven Flood

(Continued from page 1)

local city officials and a general relief committee to relieve the suffering and within a comparatively short time conditions rapidly assumed the normal. Almost all traces of the flood have been removed at the present time so that visitors would scarcely note the recent visitation of the ice and water. The city has never experienced an ice flood.

Serve Without Compensation

"In order to arrive at the approximate loss the local insurance agencies were requested to furnish special agents from their companies for the purpose of determining what each individual had lost either in real estate or personal property. The idea was to reimburse persons who could not bear their own losses. A survey of the town had been made previously to ascertain the actual living conditions following the flood. Insurance adjusters were looked upon as impartial judges of the damage and any disbursements of funds will be made in accordance with their recommendations. The city has determined to work out its own salvation and no funds will be received except those sent from relatives or friends to their own people. Offers of assistance were received from all over Pennsylvania but will not be accepted unless absolutely necessary. Early reports of the flood were greatly exaggerated.

"The adjusters from the various companies were of great assistance to the local committee and absolutely refused to accept any remuneration whatever for their work."

The sympathy of a large number of insurance men is extended to Berthold M. Harris, secretary of the Insurance Brokers' Association of New York, whose father died last week as the result of an accident.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
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CHAS. H. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

JAMES J. BOLAND COMPANY, Inc.
GENERAL AGENTS
HOME OFFICE SCRANTON, PA. — 68 WILLIAM STREET NEW YORK CITY, N. Y.
NEW YORK NATIONAL INS. CO.
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Agents' Balances—Can German Companies Collect Money Due From Agents In This Country?

That millions of dollars in premiums due German insurance companies from agents in this country cannot be collected until the war is over is the conclusion of many lawyers based on a decision just rendered in the case of **Nord-Deutsche Insurance Co. v. King,** in the Appellate Division, Supreme Court, New York.

The court holds that in spite of the fact that the Federal Government has licensed these companies, "it is inconceivable that our courts would permit a German subject, resident in Germany, to prosecute an action in our courts during the war."

John Bassett Moore's Opinion

This case is particularly interesting from many angles. Superintendent Phillips, of New York, just after the declaration of war was made granted special permission to all German companies to continue the business of insurance after the declaration of war, and it is also interesting in view of the opinion of John Bassett Moore, published very widely, who advised the United States Branch Managers of Insurance Companies Incorporated Abroad:

> For the reasons above explained, it is my opinion that your powers as managers would not be suspended; that the force of your policies would not be impaired, and that the continuance of your business, which has been conducted in full faith as to its permanency, would not be rendered unlawful by the fact of the existence of a state of war between the United States and the country of original incorporation.

He also quoted from the case of **Clark v. Moray** as follows:

> Lawful residence implies protection and a capacity to sue and be sued.

It will be remembered that Mr. Moore was for a time counselor for the Department of State, and is an authority on international law; also, that his conception of the foreign company conveyed the distinction that while a German company may be incorporated in Germany by entering a State in this country and subjecting itself to our laws, it thereby establishes a residence here, and the American branch may be considered an American company. He phrases it as follows:

> But it is evident that the branch establishments now in question have an American character * * * and that they are to all intents and purposes domestic concerns.

Views of Judge Hasbrouck and Mr. Phillips

This view had the approval of Superintendent of Insurance Hasbrouck, of New York, who made the statement:

> These branches (United States branches of foreign insurance companies) are to all intent and purposes American companies, amply protected by funds in the hands of American trustees and designed to protect American risks.

Mr. Phillips, the present Superintendent of Insurance, held similar views which appear in a statement published on the occasion of the severance of diplomatic relations between the United States and Germany as follows:

> These United States branches are subject to the same supervision as American companies. Their funds in this country are designed to be maintained exclusively for the protection of policyholders and creditors in the United States, and investments are required to be of a character prescribed by statute for that purpose.

Secretary McAdoo's License Ruling

On November 26, 1917, the Secretary of the Treasury announced that "enemy and ally of enemy marine, fire and casualty insurance and re-insurance companies heretofore doing business in the United States must forthwith liquidate their business, 'under certain direction of their American management and subject to such regulations as the Secretary of the Treasury may from time to time prescribe.'" Later, most of the companies received licenses. Among these was the Nord-Deutsche Insurance Company of Hamburg, Germany, which received a license provision, No. 6, reading as follows:

(6) To receive money, security, or other property due in respect of insurance or re-insurance business or other obligations entered into prior to the date of this license.

The Dudley-King Case

In 1916 the Nord-Deutsche Insurance Company of Hamburg began an action in the Supreme Court of New York, declaring that the John L. Dudley, Jr., Co. had collected as its agent large sums of money as premiums on policies of insurance, and that the same were due and payable to the company. One of the officers of the defendant Dudley Co., John E. King, applied to the Court for an order staying the trial of the action during the state of war between Germany and the United States, upon the ground that the Nord-Deutsche Insurance Company of Hamburg was an alien enemy residing in the enemy's country.

The insurance company pointed to the opinion of Mr. Moore, and especially to the license of the Secretary of the Treasury permitting it to receive payment of agents' balances, premiums, re-insurance premiums, return premiums, re-insurance claims, salvages and other accounts due. Its counsel urged that to receive agents' balances necessarily implied the right to collect. With this point the Court did not agree.

Justice Gavegan's Opinion

Mr. Justice Gavegan of the Supreme Court in staying the action wrote the following opinion:

"If unhampered by statutes or precedents, my inclination would be to deny this motion for an order staying the prosecution of this action If it be true, as claimed, that plaintiff's moneys have been converted by the defendants a long delay may greatly impair the remedy. But the application must be governed by the precedents. If plaintiff is entitled to judgment the moneys collected must be placed at once within the plaintiff's control, and that means within the potential control of the German Empire. It is not the policy of this Government to directly or indirectly furnish funds or any other means for prosecuting the war to any of its enemies. The following quotations are taken from a recent opinion handed down by the Appellate Division: 'It is inconceivable that our courts would permit a German subject, resident in Germany, to prosecute an action in our courts during the war. The rule in question has its origin in the law of nations; it is for the benefit of the nation designed to assist the nation in a successful prosecution of the war, and cannot be modified in the interest of individual citizens who happen to be affected.' An alien property custodian has been appointed by the President under the Trading With the Enemy Act. Upon the situation being called to his attention, that official may intervene, take over and continue the prosecution of the action, but it certainly cannot be further prosecuted in the interest of this plaintiff (Rothbart vs. Herzfeld, N. Y. "Law Journal," November 15, 1917). The motion must be granted."

When the company appealed to the Appellate Division, that court unanimously affirmed Mr. Justice Gavegan.

"This decision would seem to disregard the doctrine advanced by Mr. Moore that the foreign companies are really domestic concerns," said William Otis Badger, Jr., who with J. T. Weed appeared for John E. King. "It certainly deprives the companies and their managers from seeking any redress in the courts."

Hartwell Cabell, of Cabell & Breckenridge, appeared for the Nord-Deutsche Insurance Co.

Brief of Hartwell Cabell, for Nord-Deutsche

Point 1

Under the provisions of the "Trading With the Enemy Act" and of the license granted by the Secretary of the Treasury, the plaintiff is authorized to prosecute this action.

The court below entirely ignored the distinction recognized by both English and American courts, and the Act of Congress, between alien enemies living in the enemy country and subjects or citizens of enemy countries who are domesticated among us, and who have acquired a business domicile here entirely cut off from the enemy country and whose assets therefore form no part of the common mass of property rights of such enemy country.

As early as 1813, Chief Justice, afterwards Chancellor Kent, in a case involving the right of an Englishman residing here to sue in the courts of New York while a state of war existed between the United States and England (Clarke vs. Morey, 10 Johns. 69), stated the English Common Law rule to be that:

> If the plaintiff came to England in time of peace, and remained there quietly, it amounted to a license, and if he came over in time of war, and continued without disturbance, a license would be intended.

The learned Chief Justice then declared that the American Common Law was the same, and that the plaintiff would be regarded as having permission to remain in the United States until ordered away. He defined this permitted residence as follows:

> A lawful residence implies protection, and a capacity to sue and be sued. A contrary doctrine would be repugnant to sound policy, no less than to justice and humanity.
>
> The right to sue in such a case rests on still broader ground than that of a mere municipal provision, for it has been frequently held that the law of nations is part of the common law. By the law of nations, an alien who comes to reside in a foreign country, is entitled, so long as he conducts himself peaceably, to continue to reside there under the public protection; and it requires the express will of the sovereign power to order him away.

To the same effect is Janson vs. Driefontein Consolidated Mines, Ltd., L. R. (1902), A. C. 484-505.

In a very recent English case (Ingle vs. Mannheim Insurance Company, L. R. [1915], 1 K. B. 227), it was held that the English branch of the Mannheim Insurance Company (organized along similar lines with the American branch of the plaintiff here) was not an alien enemy in respect of business transacted by it in England. The court said:

> In the case of individuals and at common law the question whether a man is to be treated as an alien enemy for the purpose of his contracts, rights of suit and the like, does not depend upon his nationality or even upon his true domicile, but upon whether he carries on business in this country or not. If he does, it is not illegal, even during war, to have business dealings with him in respect of the business which he carries on here. He is not in respect of that business divided by the war line, but has what is sometimes called a commercial domicile here. The same thing is true of the companies whose head office is in Germany but which have a branch office here, in respect of business transactions with such branch office.

This being the common law rule, the question is what, if any, modification was intended and effected by the "Trading with the Enemy Act," and the Treasury Department license issued thereunder to plaintiff.

The purpose of the "Trading With the Enemy Act" as disclosed by the report of the Senate Committee on Commerce, was, "to mitigate the rules of law which prohibit all intercourse between the citizens of warring nations, and to permit under careful safeguard and restrictions, certain kinds of business to be carried on."

That report further states:

> It also provides for the care and administration of the property and property rights of enemies and their allies in this country, pending the war. The spirit of the act is to permit such business intercourse as may be beneficial to citizens of this country, under rules and regulations of the Secretary of Commerce, which will prevent our enemies and their allies from receiving any benefits therefrom until after the war closes, leaving to the courts and future action of Congress the adjustment of rights and claims arising from such transaction. Under the old rule warring nations do not respect the property rights of their enemies, but a more enlightened opinion prevails at the present time, and it is now thought to be entirely proper to use the property of enemies without confiscating it; also to allow such business as fire insurance, issuance and use of patents, etc., to be carried on with our enemies, and their allies, provided that none of the profits arising therefrom shall be sent out of this country until the war ends.

At the Senate hearing on the bill, Assistant Attorney General Warren of the Department of Justice, who had prepared the original draft, said:

> It was my intent in drafting this bill to make it as little restrictive of American commerce and as liberal toward the enemy private person as was compatible with the safety of the United States and with justice to American interests.

The purpose of the Act is therefore to mitigate the rule of common law so far as consistent with the best interests of the country, not to increase the severity which shall govern intercourse with the enemy.

The Act itself, Section 2, defines the term "enemy." Sub-section (a) of Section 2, reads:

> Any individual, partnership or other body of individuals, of any nationality, resident within the territory (including that occupied by the military and naval forces) of any nation with which the United States is at war, or resident outside the United States and doing business within such territory, and any corporation incorporated within such territory of any nation with which the United States is at war or incorporated within any country other than the United States and doing business within such territory.

In the same section the word "person" as used in the act is defined to

(Continued on page 18)

Farmers' Mutual Fire Insurance

VIEWS OF U. S. INVESTIGATOR

Blanket Insurance an Evil—Maximum Risk Should Be $2,000—Liability of Company

"The Organization and Management of a Farmers' Mutual Fire Insurance Company" is the title of a bulletin issued by the Department of Agriculture and written by A. N. Valgren, the Government's "investigator" in agricultural insurance. Mr. Valgren says a mutual should not write blanket insurance, but should be as specific as possible. He says no recently organized mutual should attempt to write more than $2,000 on a single risk.

Liability of Company and of Insured

Regarding the question of liability of the Company and of the insured Mr. Valgren says:

"A few farmers' mutuals limit their liability for indemnity in case of all losses, whether total or partial, to three-fourths of the value of the property. Where the insurance written is limited to three-fourths of the value of the property. Where the insurance written is limited to three-fourths of the actual value of each risk, as is here advocated, the member suffering a total loss bears one-fourth of the loss himself. A part of a partial loss can be borne by the insured with even less hardship. Prevailing practice requires full indemnity in the case of partial losses, however, up to the amount of the insurance carried, and this practice has been recognized in the accompanying by-laws.

"The main reason for not embodying in the accompanying bylaws the more logical practice of three-fourths indemnity in all cases is the danger that unfair competition might result. In spite of its reasonableness, the practice offers an opportunity for agents of competing companies to alienate members who have suffered partial loss, by pointing out to them the greater indemnity that would have been paid by another company. A recent loser is likely to over look the lessened cost of insurance resulting from the three-fourths provision, in his contemplation of the greater indemnity that he would have received under the full indemnity plan for partial losses which another company offers. He is not reminded, and may himself forget, that as a total loser he would be required to bear part of his own loss in either company. Hence, until insurance companies in general agree to adopt a better practice, it may be disadvantageous for a local mutual to adopt the three-fourths plan. Where a company already has adopted such a plan, however, and where the members understand and appreciate the closer approach to justice given thereby, it should be continued.

"The liability of the insured is either limited or unlimited. Unlimited liability in this case means that a member binds himself to pay his pro rata share of all losses and legitimate expenses of the company. Many persons have objected to this unlimited liability feature in farmers' mutuals, although about seven-tenths of the companies are doing business successfully under this plan. It is argued that the apparently impossible might yet come to pass, that is, that losses in such number and amount might be experienced by a company that the necessary assessments would bankrupt the members who had not suffered fire losses. The fact is that in a farmers' mutual company with a reasonable number of risks, located on separate farms, anything corresponding to a conflagration loss is inconceivable. The only exception would seem to be a frontier community in which extensive prairie or forest fires were still possible."



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FAIR DEALING has won it a leading place among agents and the insuring public.

CONSTRUCTIVE management has assured its growth in the past and assures a continuation of progress in the future.

FINANCIAL strength insures stability and guards against any conflagration danger.

[FIRE]

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Cash Capital - - TEN MILLION DOLLARS

HENRY EVANS, President

Home Office: 80 MAIDEN LANE NEW YORK

Managing Branch Offices: CHICAGO, MONTREAL SAN FRANCISCO

CONTINENTAL COMMANDS CONFIDENCE

CONFERENCE SECRETARY RESIGNS

C. S. Pearson, secretary of the Pacific Coast Automobile Underwriters' Conference, has resigned. He has entered the United States Naval Training Station at San Pedro, Cal., having enlisted a few weeks ago. T. S. A. Tiedemann succeeds him.

KENTNER IN THE SOUTH

Fred W. Kentner, vice-president of the City of New York Insurance Company, has left on an extended tour, visiting Southern agencies.

TRANSFERRED TO NEWARK

Eugene L. Breen, who has been assistant special agent of the Automobile Insurance Co. in Western Pennsylvania for some time, has been transferred by the Company to its Newark office as special agent for Northern New Jersey.

FLOCK GROWS FAST

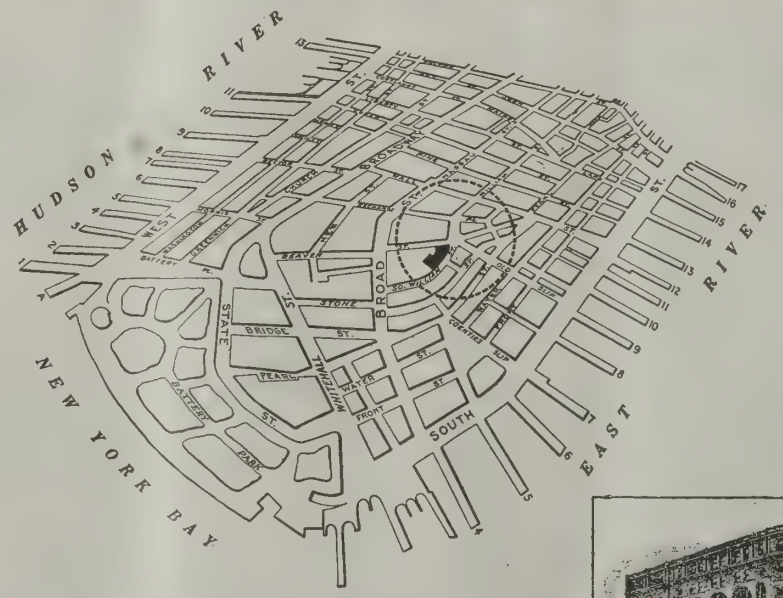
Twenty-one ganders received the obligation at the initiation ceremonies and dinner of the Blue Goose, in Chicago, March 16.

AMERICAN MERCHANT MARINE

INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House New York City

South William and Beaver Streets

Want Same Rights As Marine Companies

MASSACHUSETTS MOTOR CAR BILL

Liability Companies Talk in Favor of Dunkle Bill—Marine Companies Oppose

Representative Horace E. Dunkle appeared before the insurance committee at the Massachusetts State House recently in support of his bill to extend the powers of the liability insurance companies to write insurance against damage to owners of motor vehicles. He explained that the present law allowed liability companies to insure an automobile owner against personal injury and against responsibility for damage to another's car, but limited to marine companies the right to insure a car owner against injury or damages to his own car in case of collision. He asked that liability companies be empowered to write the latter class of business, as well as the marine companies.

He was supported in his contention by Andrew F. Gates, of Hartford, representing the Aetna and Travelers, stating the bill was in the interests of the car owners who desired the privilege of including personal injury and damage to their own cars in one policy. H. C. Sawyer also spoke in favor of the bill as creating a new coverage for accident hazards.

President William R. Hedge of Boston voiced his objection to the bill, inasmuch as it was in violation of an agreement made some eight years back with the liability companies and the marine companies whereby the former agreed to accept personal liability and damage to another's car, leaving to the marine companies the insuring of the owner's car. He felt that if the liability companies were to be given the privilege of writing this new class that the marine companies should be allowed to write personal liability and the cars of other than owner's concerned in collision cases.

No objection was offered by Representative Dunkle and both sides agreed to get together and offer a joint bill to the committee.

TO PROVIDE FIRE WALLS

A bill introduced in Albany, N. Y., proposes to amend Section 79-a of the Labor Law in relation to the construction of factory buildings hereafter erected by adding a new clause to subdivision 2, Section 79-a, providing as follows:

In every building more than six stories in height and more than five thousand square feet in area there shall be at least one dividing fire wall conforming to the requirements hereinafter described and providing horizontal exits conforming to the requirements hereinafter described.

Under existing law, fire walls must be constructed of brick, concrete, terra-cotta blocks or reinforced concrete, and have at each floor level one or more openings, each protected by fire doors which close automatically on each side of the wall, and so constructed as to prevent the spread of fire or smoke through the openings but no opening shall exceed 66 inches in width or 60 square feet in area; and no two openings in the same wall and at the same floor level shall be nearer than forty feet from the center of one opening to the center of another. Such fire walls are required to be continuous from the cellar floor to the under side of the fireproof roof in fireproof buildings, and in non-fireproof buildings to at least three feet over the roof.

E. M. Allen, president of the National Association of Insurance Agents, in addition to running a large agency in Helena, Ark., owns a cotton plantation.

Too Much Stress on Saving in Rate

A VIEW OF SPRINKLER PROBLEM

Address of Ira G. Hoagland Before Brooklyn Brokers' Association—A Wrong Attitude

The wrong attitude toward automatic sprinkler protection is in a large measure responsible for the impairment of this protection, especially in cold weather, declared Ira G. Hoagland, secretary, National Automatic Sprinkler Association, speaking before the Brooklyn Brokers' Association, March 14.

The wrong attitude, he explained, is due to the confinement of interest in automatic sprinkler protection to the investment feature, which returns the cost of the system in insurance savings in a comparatively short period, and though this is a practical and reasonable condition of mind, it does have the effect of impairing interest in the protection value of the equipment.

"The wrong attitude," said Mr. Hoagland, "is aptly and comprehensively summarized in what an assured whose plant was to be sprinklered told me some years ago when I was preparing specifications for the character and extent of equipment the underwriters would expect for a certain rate: 'Young man, I don't care what is put in; they can put in rosettes if the insurance companies will reduce the rates.'"

Shift Burden of Responsibility

After a sprinkler system is installed and the assurred obtains the reduced rate of insurance there is an unfortunate tendency to shift the burden of responsibility of maintaining the protection to the insurance companies. And a "we should worry" attitude prevails instead of an earnest desire to maintain the sprinklers for the protection for which they were intended.

This attitude is neither just to insurance companies nor square as between men mutually interested in each other's welfare, nor patriotic in conserving public wealth and resources, and demonstrates a disregard of lofty citizenship. Where reduced insurance cost counts for more than honorable co-operation in reducing the fire waste and when personal profit is a larger incentive than public safety then it is time for reform. Policyholders bear the cost of fire loss, and anyone who increases this loss by indifference or carelessness in maintaining private fire protection apparatus by not keeping it in good working order is deficient at least in reciprocity and fair dealing with his fellows.

Business men have need of communing with one another in this matter and inculcating a sense of responsibility for the efficient maintenance of private fire protection equipment.

Views of an Underwriter

This wrong attitude was disclosed more vividly than ever before this winter when unprecedented numbers of automatic sprinkler systems were impaired by freezing. In commenting on losses in properties where sprinkler protection had been thus impaired a fire underwriter said:

"The reports reaching us on recent losses on sprinklered properties are interesting and disclose two important facts: First, that some of the plans, while paying large sums for this protection, seem to have fallen down entirely, in keeping it in working order; sprinkler systems can't be neglected or indifferently maintained simply to hold rates down; second, in an emergency situation such as the recent cold spell and freeze the plant management becomes demoralized and allows itself to get out of coal and then proceeds to shut off the water supply, and does everything else necessary to invite a heavy fire loss."

Also pertinent is this comment of the manager of an underwriters' inspection bureau concerning the difficulties he experienced in interesting the assured in maintaining their sprinkler protection:

"Apparently each year there is a certain number who must go through the experience of paying for repairs before it is appreciated that it is better to take the necessary precaution than to pay for the repairs. Our reference now is to newly sprinklered properties. There are a certain number of what might be called 'rounders,' where trouble is looked for every year. They are like the people spoken of in Revelation, who never will reform."

Reasons for Unsatisfactory Control

This wrong attitude is responsible for fully 35 per cent. of the so-called "unsatisfactory sprinkler fires," according to the record compiled by the National Fire Protection Association, for this is the total of the unsatisfactory results due to defects of maintenance and that this is not a decreasing quantity is shown by the N. F. P. A.'s summary of unsatisfactory sprinkler fires, which discloses the interesting comparison that in 1915 the faults of maintenance cases were 56.4 per cent. of the total, while the proportion for the period 1897-1915 is about 35.7 per cent.

Most of the increase is 1917's aggregation of unsatisfactory controls is due to but two things. "Water shut off sprinklers" and "obstruction to distribution." A recent quarterly report of the sprinkler supervisory service of the American District Telegraph Company shows that 77 per cent. of 13,237 signals received were signals of distress, because gate valves were closed and water supplies not up to the mark; and that 35 per cent. of the 77 per cent. were notifications about gate valves.

MUTUAL OF ALBANY

Albany, N. Y., Feb. 22.—The board of directors of the Mutual Fire Insurance Company, this city, elected these officers: President, A. Page Smith; vice-president, Donald McDonald; secretary, Russell M. Johnston; manager, F. A. Van Duzer; treasurer, Edgar C. Leonard; directors, E. C. Leonard, R. M. Johnston, George C. Van Tuyl, Jr., A. P. Smith, Gardner C. Leonard, Donald McDonald, William G. Van Loon; Noel S. Bennett, Carl H. Graf, James R. Watt, Oscar J. Kinney, H. J. Ackroyd and J. Allen Warner.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

PREMIUM COLLECTIONS

Being Considered by Rochester Board of Fire Underwriters—Some Rules Adopted

The "American Agency Bulletin" prints the following story about Rochester collections:

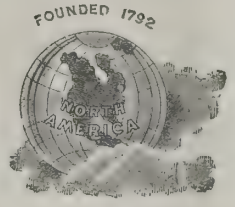
"The matter of premium collections has been considered by the Rochester Board of Underwriters, one of the most efficient organizations of this kind in the country. The matter was thoroughly gone into by a special committee which considered the matter of establishing a 'bureau' organized somewhat after a commercial agency.

"The committee concluded that the bureau basis was the only real effective way that would be unquestionably legal, but owing to the expense of operation no action has yet been taken.

"The Rochester Board, however, has adopted several rules concerning collections that have helped considerably. In the first place, invoices accompanying policies have conspicuously displayed a notation calling attention to the fact that 'premiums are due at date of policy.'"

Robert N. Cherry, Inc., Bayonne, N. J., has been incorporated with $125,000 capital by Harry M. Flint and Margaret Colman, of Jersey City, and Anna M. Cherry, of Westfield.

FOUNDED 1792



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The Oldest American Stock Insurance Company

THE YORKSHIRE INSURANCE COMPANY, LTD., OF YORK, ENGLAND

ESTABLISHED 1824

The "Yorkshire" is the Oldest and Strongest of the English Fire Companies not heretofore represented in the United States

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Frank & Du Bois, United States Managers — Ernest B. Boyd, Underwriting Manager
Harry F. Wanvig, Branch Secretary — Frank B. Martin, Supt. of Agencies

NO. 80 MAIDEN LANE, NEW YORK

New York Life Insurance and Trust Co., U. S. Trustee, No. 52 Wall St., New York

DEPARTMENTS—METROPOLITAN, Willard S. Brown & Co., Managers, New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Manager, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Managers, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, Manager, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, Manager, McClure Kelly and McKee Sherrard, Assistant Managers, San Francisco, Cal.

WESTERN ASSURANCE CO.

OF TORONTO, CANADA

Fire, Marine, Explosion and Tornado Insurance

UNITED STATES BRANCH

January 1, 1918

Assets	$4,194,579.34
Surplus in United States	1,667,691.69
Total Losses Paid in United States from 1874 to 1917, inclusive	43,294,154.63

W. B. MEIKLE, President

STRENGTH INTEGRITY SERVICE

Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND, Assistant Secretaries — JAMES H. BREWSTER, Mgr. Hartford, Conn.

A Broad Underwriting Service to Agents

Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.

Works in Harmony with American Agency Principles and Practices



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Ohio's Oldest and Strongest Company

Net Surplus Over $1,293,741.00

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E. K. SCHULTZ & CO.

PHILADELPHIA

GENERAL AGENT

Pennsylvania, New Jersey and New York

New Form Needed For Profits Insurance

BROKERS TO OFFER SUGGESTIONS

Medium Sought Between Exchange Form and that Used by New York Brokers

A brand new form for the writing of profits insurance is needed in New York City and the New York Fire Insurance Exchange has invited the Fire Brokers' Association of New York to submit recommendations to this end. The Brokers' Association committee is expected to take action in this direction in the near future and in the mean time individual brokers are offering their views to the rate committee of the Exchange.

It is held that the profits insurance form adopted by the Exchange works an injustice on the assured whereas the form used by brokers favors the assured. Previous to February 9, companies were in the habit of accepting the brokers' form with an additional charge of fifty per cent. On that date the exchange issued a bulletin to the effect that the charge thereafter for the use of the brokers' form was to be 150 per cent. of the fire rate.

Penalty Was too Heavy

Since February 9, brokers generally have been using the Exchange form in preference to paying the additional charge.

The action of the Exchange on February 9 was taken with a view to bringing forth a substitute form which would be acceptable alike to the companies and the brokers and equitable to the assured.

The exchange form is in effect a valued policy which is not equitable to the assured mainly because of the fact that it provides for the settlement of a loss on the basis of a percentage of the fire loss on merchandise, which may or may not be correct. It frequently happens that the loss on merchandise is small while the loss of profits is large.

The brokers' form is equally unjust to the companies in that it forces them to take the statement of the assured as to his profits whereas an inventory and appraisal might show them to be materially less. In spite of the fact that the companies have recourse to legal decisions forcing the assured to prove his loss to be as stated, this form is held undesirable by the companies as encouraging suits at law.

The main point of variance between the two forms is the right of demanding proof of loss of profits and the right of inventory and appraisal.

Exchange Form

The form prescribed by the Exchange is as follows:

$.....On the profits and/or commissions of the insured on merchandise, sold or unsold, contained in ..If during the term of this policy such merchandise, or any portion thereof, shall be destroyed or damaged by fire, this company shall be liable for its pro rata share of any ascertained loss of profits and/or commission on such merchandise which may result from such fire, not exceeding, however, its pro rata share of (*)..... per cent. of the damage sustained by such merchandise, which damage shall be determined by the final outcome of the adjustment of the loss on merchandise by companies insuring same, including result of any salvage handling operations, whether completed before or after such adjustment; or, if there be no insurance on said merchandise, then by such ascertainment and estimate by the parties hereto as is provided for in the printed portion of this policy.

It is understood and agreed that the words "the property described" and "the actual cash value of said property," in the average clause hereto attached are to be interpreted as meaning (*).....per cent. of the actual cash value of the merchandise described.

Other insurance permitted without notice until required.

Attached to and forming part of Policy No. .....Insurance Co.

(*) These two blanks must both be filled with the same figure.

Brokers' Form

The following is typical of the forms used by brokers:

"$.....On profits and/or commissions on stock and merchandise manufactured, unmanufactured and in all stages and processes; property of assured or held in trust or in commission, or on consignment, or sold but not delivered or removed, or in joint account with others, while contained in, on, under and about building, additions and extensions situate....., Borough of Manhattan, City of New York.

"It is understood and agreed that the profits and/or commissions insured hereunder for the purpose of this insurance are valued, fixed and mutually agreed to be thirty per cent. of the actual cash value of the property referred to above.

"If during the term of this insurance said property or any part thereof, as a result of fire and/or lightning, be rendered unsalable, and/or non-acceptable to customers, and/or unfit for use in their business, this company shall pay an amount equal to thirty per cent. of the actual cash value of the property so rendered unsalable, and/or non-acceptable and/or unfit, irrespective of whether the said property is or is not surrendered to the insurers, and without deduction for any salvage that may be recovered.

"It is understood and agreed that wherever reference is made to 'property' in the New York Standard Average Clause attached to this policy, it shall be understood to apply to profits and commissions."

The English form for profits insurance is a non-valued policy and specifically accords the company the privilege to determine the actual profit lost. A form along similar lines has been suggested for relief in New York City.

FOUND—On William St.!

Bright ideas used by successful Casualty men

Each week in

THE EASTERN UNDERWRITER

Subscription $3 a Year

Agents' Balances

(Continued from page 15)

mean "an individual, partnership, association, company, or other unincorporated body of individuals, or corporation or body politic."

A notice issued by the Post Office Department under date of October 29, 1917, reads:

Some misapprehension seems to exist relative to the status under the "Trading With the Enemy Act," of citizens or subjects of Germany and its Allies resident within this country. Such persons are not included within the term "enemy" or "ally" of enemy, as employed in the Act.

Section 4 of the Act authorizes the President to grant enemy insurance companies a license to do business, which license, if granted, may be temporary or otherwise, and for such period of time and may contain such provisions and conditions regulating the business, agencies, managers and trustees, and the control and disposition of the funds of the company, or of such enemy or ally of enemy, as the President shall deem necessary for the safety of the United States.

In Section 7 it is provided:

Nothing in this Act shall be deemed to authorize the prosecution of any suit or action at law or in eqity in any court within the United States by an enemy or ally of enemy, prior to the end of the war, except as provided in Section 10 hereof; provided, however, that an enemy or ally of enemy licensed to do business under this Act may prosecute and maintain any such suit or action so far as the same arises solely out of the business transacted within the United States under such license, and so long as such license remains in full force and effect.

Acting by the order of the President and under the authority conferred by the Act, the Secretary of the Treasury issued the license under which the plaintiff is now liquidating and winding up its American business. This license, printed in full on pages 48 to 50 of the papers on appeal, authorizes a company:

(4) To receive payment of agents' balances, premiums, re-insurance premiums, return premiums, re-insurance claims, salvages and other accounts due.

(6) To receive money, security or other property due in respect of insurance or re-insurance business or other obligations entered into prior to the date of this license.

The terms of the license carefully regulate the payments of the company and are so framed as to make it impossible for any of the American funds of the plaintiff company to reach the enemy country during the war (see provisions, fols. 146-147-148).

The Court below in its opinion, said (fol. 157):

If plaintiff is entitled to judgment, moneys collected must be placed at once within the plaintiff's control and that means within the potential control of the German Empire. It is not the policy of this Government to directly or indirectly furnish funds or any other means for prosecuting the war to any of its enemies.

It is submitted that the court below entirely misconceived the scope of the "Trading With the Enemy Act," and the provisions of the license under which the Nord Deutsche Insurance Company is at present engaged in liquidating its American business.

It is impossible to separate a power to collect agency balances and to receive moneys and accounts due it from the right to forcibly collect such balances and exact such payments by suit instituted in the domestic courts. The two rights are inseparable and the one right is worthless without the other.

The only authority cited by the learned Justice is Rothbart vs. Herzfeld (179 App. Div. 865), a recent decision of this court. In deciding that case the court was careful to place its decision upon the ground that the suit was not being prosecuted by alien enemies as such, but in a large part for the benefit of alien enemies. Two of the plaintiffs were subjects of the German Empire and resided therein at the commencement of the action and at the time this court rendered its decision and the third was a subject of the German Empire, although apparently a resident of the City of London and sued as a member of the German parties. The case is in no sense a precedent for the case at bar.

The suggestion of the court below that the custodian appointed under the "Trading With the Enemy Act" may intervene here and take over and continue the prosecution of the action, points out a proceeding which is in no way contemplated with the "Trading With the Enemy Act," and the custodian under the provisions of that Act has no such power. Under Section 6, he is authorized:

To receive all money and property in the United States due or belonging to an enemy or ally of enemy which may be paid, conveyed, transferred assigned or delivered to said custodian under the provisions of this Act.

By Section 12, he is vested:

With all the powers of a common law trustee in respect of all property other than money which shall come into his possession in pursuance of the provisions of this Act, etc.

The act gives him no other authority, and it is quite clear that the proceeding suggested by the learned Court is entirely without the contemplation of Congress in passing the law. Nowhere is he authorized to collect, but merely to receive, and no provision is made for the payment of his expenses, for instance—in the event he should fail to recover judgment.

CHANGES IN JOURNALISM

Charles E. Miner Leaves "Insurance Field"—George A. Watson With "National Underwriter"

Charles E. Miner, Eastern vice-president of the "Insurance Field," has resigned to go into the lithographing business. He was formerly with "Collier's Weekly."

George A. Watson, formerly with The Eastern Underwriter, has returned to insurance journalism, and will represent the "National Underwriter" in the East, where he has many friends who will be glad to see that he is back in the game again.

ELECT J. H. WARD PRESIDENT

Annual Meeting of Fire Underwriters' Association of Hudson County—P. W. Limouze Vice-President

The Fire Underwriters' Association of Hudson County, N. J., has elected John H. Ward president; Percy W. Limouze, vice-president; Walter G. Muirhead, secretary; Frank Stevens, treasurer.

President Ward gave out a statement to the local newspapers saying that the association is growing rapidly, and expects to correct the evils of wholesale representation.

JERSEY ELECTRICAL FIRES

At a meeting of the executive committee of the Fire Insurance Society of Newark recently, largely devoted to the electrical inspection situation, the statement was made that electricity caused more than $600,000 fire insurance loss in 1916 in the State of New Jersey.

HANDS MEET, CAUSING FIRE

An unusual fire developed in a leather dressing establishment caused by frictional electricity produced by workmen. Two men were working at a table on which a dry hide was stretched. They were rubbing dressing into the leather with their bare hands. After they had been rubbing for some time their hands met in the center of the table and a spark was produced which ignited naphtha which was also used in the process. A fire causing about $1,000 damage resulted.

MARINE DEPARTMENT

Big Stir Over Public Hearing

ECHOES OF COCCARO CASE

Objection to Notoriety—"Public Duty to Let Facts Be Known"—Mr. Phillips

Threats of libel suits, indignant denials of rate manipulation and irregular provisional cover transactions have been in the air ever since the newspapers began publishing reports of the hearing on marine insurance practices being conducted by the Insurance Department. Some of the shippers and forwarders think the newspaper notoriety has damaged their interests with their clients. Some think the testimony has been printed in a way to misinterpret motives and conduct. The attitude of Mr. Phillips is the correct one; here is a situation on which light should be thrown. With William H. Hotchkiss he is casting the light.

The first people to complain of the publicity were Coccaro & Co. They got little satisfaction.

La Boyteaux & Co. Statement

On Tuesday morning La Boyteaux & Co., Inc., prominent brokers, the president of which concern is G. B. La Boyteaux, Jr., issued the following statement to their clients and the public:

A news item appearing in The Journal of Commerce, issue of March 16th, covering the investigation now being conducted by the Superintendent of Insurance into alleged irregular, scandalous and fraudulent practices on the part of insurance brokers, states that in the testimony of Mr. Thomas H. Allen of Chubb & Son, the name of La Boyteaux & Co., Inc., was mentioned. The mention of our name (though purely incidental and without any suggestion of misconduct), connected with the manner in which the story of the hearing is published, might be construed into a reflection on the integrity and good standing of this Company and we deem it inexpedient to permit such a construction to stand unrefuted. The letters published below have resulted and it is hoped may serve to correct false impressions, if any have arisen:

Mr. Thomas H. Allen,
Messrs. Chubb & Son, Mgrs.,
New York City.
Dear Sir:—
The Journal of Commerce of this date in a news item relating to the investigation being conducted by the Superintendent of Insurance states that in the course of your testimony the name of this Company was mentioned. The manner in which this story is published leaves your mention of our name open to misconstruction and creates an impression reflecting on the integrity and good standing of this Company which we cannot permit to go unchallenged.
The purpose of the present is to request your co-operation in correcting any erroneous impression resulting from the mention of or name.

LA BOYTEAUX & CO., Inc.,
G. B. La Boyteax, Jr.,
President.

Messrs. La Boyteaux & Company,
82 Beaver Street,
New York City.
Dear Sirs:—
Your favor of the 16th received. The mention of your Company's name in my testimony was in response to a question as to whether we had accepted lines on the SS "Ioannina" and through what firm of brokers, and implied no suggestion of improper practices on the part of your Company.
On the contrary, based on business relations with your Company covering a period of more than seventeen years, we have pleasure in certifying that no brokerage concern is more careful and correct in its practices, or conducts its business on a higher ethical plane.
Your Company has our highest respect and confidence.

CHUBB & SON.

Mr. Jesse S. Phillips,
Superintendent of Insurance,
New York.
Dear Sir:—
A news item, appearing in The Journal of Commerce, issue of March 16, covering the hearing being conducted by you, states that in the testimony of Mr. Thomas H. Allen of Messrs. Chubbb & Son, the name of La Boyteaux & Co., Inc., was mentioned.
Owing to the inferences which may be drawn from the manner in which this story was published we deem it expedient to notify you that our books and all records of our office are open to the inspection of your authorized representatives and that the writer is ready at your convenience for an examination under oath in respect to any matters pertaining to the conduct of our business.

LA BOYTEAUX & CO., Inc.,
G. B. La Boyteaux, Jr.,
President.

The facts developed by the investigation of the Insurance Commissioner just begun, being already sufficient to create a public scandal; with rumors of speculation through contracting and resale of insurance and other misconduct on an extensive scale current: We deem this an opportune time for reputable brokers to clear the atmosphere by a declaration as to their past practices and the principles controlling their conduct of the brokerage business:

We therefore declare that La Boyteaux & Co., Inc., has:

(1) Never made binding an insurance for which they did not have a bona fide order from either principal or agent of the insured, or speculated in insurance rates.

(2) Never charged an insured a higher rate than that at which the insurance was actually made binding with the insurer.

(3) Never contracted insurance as a principal and/or resold same.

(4) Never represented that insurance was effected or issued a binder for which we did not, at the time of issuance, hold corresponding cover notes or binding advices from insurers or their agents, and we challenge anyone to show to the contrary.

Pursuant to this declaration our books and all office records are, of course, open to the Superintendent of Insurance and to the authorized representative of any assured.

LA BOYTEAUX & COMPANY, INC.
C. B. La Boyteaux, Jr., President.

Castriotis-Kontos Co.'s Statement

A. C. Castriotis-Kontos Co. have written the following letter to the "Journal of Commerce":

"Mr. Kontos testified that no credit whatever was arranged for with the Irving National Bank, and that none was contemplated. He testified that pursuant to cable instruction from the shipper, he deposited the insurance documents with the Irving Bank and gave the Irving Bank instructions to advise the Greek National Bank concerning its receipt of these documents."

"We regret," they add, "that this article has given the erroneous impression that our firm attempted to obtain a bank credit by the conscious use of invalid documents. * * * It must be quite plain from the inquiries we made of M. Levard and Joseph Hadley & Co., with a view to ascertaining the validity of the insurance, that we could have had no possible connection with the scheme of any persons to practice a deception by means of invalid insurance documents."

EASTERN MARINE UNDERWRITERS, Inc.

GEORGE A. EVALENKO, President
C. RUSSELL EBERT, Secretary

MANAGERS
OF THE
MARINE DEPARTMENT
OF THE
EQUITABLE UNDERWRITERS
OF
NEW YORK

FOR WHICH WE ARE NOW PREPARED TO BIND ALL LINES OF MARINE AND WAR, ON CARGO AND HULL INSURANCE AT OUR TEMPORARY OFFICE

50 Broad Street, New York City—Suite 620
TELEPHONE 263-264 BROAD

TO CORRECT COVER EVILS

A bill to prohibit the companies from writing marine insurance for any one not having a bona fide interest, also compelling brokers to have a bona fide interest is in the Legislature of New York.

NATIONAL MARINE BOARD MEETS

The National Board of Marine Underwriterrs met in New York on Tuesday.

PLAY UP EXPLOSION

Both the New York "World" and New York "Sun played up explosion insurance stories this week. The "World" story was based on the fact that the Consolidated Gas Co. and New York Edison have taken millions of dollars of explosion and war risk.

Major Francis R. Stoddard, of the New York Insurance Department, will make six addresses next week about conditions he saw during his trip to Great Britain.

The National Surety eagle has spread its wings over most of the big window at the brokers' branch at 71 William Street.

The recent convention of the Massachusetts Accident was addressed by the Mayor of the city.

S. D. McComb & Co.
INCORPORATED

56 Beaver Street - - - New York

MANAGERS MARINE DEPARTMENT
American Insurance Co., of Newark, N. J.
Firemen's Insurance Co., of Newark, N. J.
Glens Falls Insurance Co., of Glens Falls, N. Y.
Hanover Fire Insurance Co., of New York, N. Y.

MARINE AGENTS
Globe & Rutgers Fire Insurance Co., of New York, N. Y.

MARINE AND WAR RISK INSURANCE
Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

BREAKDOWN DECISION

Insurance Company Wins a Case that Has Attracted Much Attention Abroad

The dismissal in London of the appeal in Vestey Bros. v. The Union Insurance Society of Canton is a satisfactory outcome of a case which has aroused considerable interest. The claim concerned was in respect of damage to refrigerated cargo said to have been occasioned by breakdown of machinery within the meaning of the "F P. A. and Breakdown" clause, and the dispute was merely one of fact—as to whether there was a breakdown or not.

Briefly, the cause of the trouble was the shortage of gas used to work the refrigerating machinery, caused by an escape from the glands of one of the two compressors, which resulted in the low-pressure compressor having to be disconnected, the work being continued by the other. It appeared, however, that the machine, which was of the duplex order, was intended to be worked with only one compressor which should have been sufficient. It was held, therefore, that the reason that the machinery was not effective was not because of a breakdown, but because it was in a bad condition, and did not do the work which it was designed to do.

THE NORSKE LLOYD

The Norske Lloyd has increased its paid up capital of £500,000. This has been effected by the issue of a series of new shares at a premium of 85 per cent. All the shares have been taken up by the old shareholders. The premium realized has been added to the general reserve fund.

This is the fifth increase in the Norske Lloyd's capital since its establishment in 1905, and the second increase during the war. The previous issue was taken up at 35 per cent. above par.

EXAMINING RE-INSURERS

The New York Department is examining the re-insurance companies in the office of Fester & Folsom, New York.

48 PER CENT. LOSS RATIO

In 1917 the Michigan Fire & Marine had a net premium volume of $1,016,897 and a loss ratio of 48 per cent. Its assets are $1,871,931. Its net surplus is $400,192.

Maurice E. Smith, manager of the automobile department of the North British & Mercantile and affiliated companies, is on a Southern trip and will be away from New York for several weeks.

CASUALTY AND SURETY NEWS

New Jersey 1917 Casualty Figures

Total New Jersey Business

Name	Premiums on risks written	Losses paid
Commercial Casualty ...	$750,941.37	$200,150.72
International Fidelity ..	239,700.76	159,136.09
Manufacturers' Liability	326,144.23	133,940.45
N. J. Plate Glass.....	180,113.82	43,780.16
N. J. Mfrs. Cas.....	327,518.98	153,274.68
Aetna Cas. & Sur.....	173,265.75	58,360.45
Aetna Life	538,544.03	140,096.83
American Casualty	49,911.34	38,363.05
American Credit	13,460.46	52.22
American Indemnity ...	2,307.62	.....
American Mut. Lia.....	235,184.74	64,203.91
American Surety	153,097.44	11,217.16
Brotherhood Accident ..	15,184.50	7,894.22
Chicago Bond'g & Ins..	1,916.65	8,511.01
Columbian Nat. Life...	3,789.23	2,424.12
Commonwealth Cas.	78,615.54	15,421.32
Connecticut Gen. L.....	25,326.83	3,288.14
Continental Casualty ...	77,766.31	30,489.71
Contractors' Mut. Lia..	26.97	16.00
Eastern Casualty	339.95	82.99
Employers' Indem. Corp.	14,479.58	778.32
Employers' Liability ...	438,258.52	172,857.75
Equitable Accident	2,284.09	1,097.78
Federal Casualty	1,061.82	620.68
Fidelity & Casualty.....	466,260.88	156,253.68
Fidelity & Deposit.....	195,149.99	110,226.35
Gen. Acci., F. & L.....	82,788.46	26,359.12
Georgia Casualty	136,810.47	120,092.38
Globe Indemnity	420,959.51	127,586.91
Great Eastern Cas.....	36,881.89	14,331.34
Guar. Co. of N. A.....	660.66	.....
Hartford Acci. & Indem.	221,184.89	63,811.90
Hartford S. B.....	54,622.33	8,722.04
Lloyds Plate Glass.....	15,423.86	6,275.18
Lon. Guar. & Acci.....	273,571.32	80,817.16
Lon. & Lanc. Indem...	37,598.10	21,644.86
Loyal Protective	9,725.92	5,405.49
Manufacturers' Cas.	20,546.02	2,630.68
Maryland Cas.	368,551.78	143,805.32
Masonic Protective	28,973.91	10,216.42
Massachusetts Acci.	851.65	540.32
Massachusetts Bond'g ..	125,972.25	46,566.65
Metropolitan Cas.	28,343.09	11,247.15
Metropolitan Life	26,560.63	16,749.64
National Casualty	9,165.26	3,018.99
National Relief	23,610.97	6,477.22
National Surety	220,738.54	31,715.40
New Amsterdam Cas...	122,730.28	38,206.73
New York Plate Glass.	21,739.67	9,731.52
North American Acci...	7,809.60	4,195.67
Ocean Acci. & Guar.....	576,128.59	217,964.68
Pacific Mut. Life.....	39,264.14	11,936.33
Preferred Accident	133,265.50	38,539.95
Red Men's Fra. Acci....	6,990.45	3,788.77
Republic Casualty	91,661.06	9,584.88
Ridgley Protective	3,812.63	2,856.41
Royal Indemnity	226,581.41	62,804.45
Security Mut. Cas.....	19,443.24	225.66
Standard Accident	91,439.65	25,484.00
Travelers' Indemnity ..	122,769.67	36,707.51
Travelers	1,115,579.82	436,905.52
U. S. Casualty	168,380.01	52,302.32
U. S. Fid. & Guar.....	440,424.47	123,823.94
U. S. Guarantee.....	11,195.46	191.74
World Life & Acci....	4,082.83	1,563.63
Zurich Gen. Acci. & Lia.	186,387.64	60,286.29
	$9,843,879.03	$3,397,547.57

Sprinkler

Aetna Cas. & Surety...	$2,833.53	$198.46
Maryland Casualty	4,272.97	957.35
	$7,106.50	$1,155.81

Steam Boiler

Employers' Liability	$3,253.59	.....
Fidelity & Casualty.....	16,835.82	$15.00
Globe Indemnity	6,120.63	435.98
Hartford Steam Boiler..	49,440.83	7,441.38
Lon. Guar. & Acci.....	1,536.76	.....
Maryland Casualty	7,703.38	.....
Ocean Acci. & Guar.....	10,350.05	948.31
Royal Indemnity	751.12	.....
Travelers' Indemnity ..	19,636.79	72.76
United States Cas.....	49.94	.....
	$1,115,579.03	$8,913.43

Surety

Aetna Cas. & Sur.....	$9,634.48	$1,212.31
American Indemnity Co.	2,072.03	.....
American Surety	73,192.52	4,859.42
Chic. Bond. & Ins.....	2,615.85	.....
Employers' Liability	196.66	.....
Fidelity & Casualty....	8,169.96	42.16
Fidelity & Deposit.....	47,867.85	992.06
Globe Indemnity	24,756.54	800.00
Hartford Acci. & Ind...	3,696.87	.....
International Fidelity ..	92,415.87	108,153.10
Lon. Lanc. Ind.....	7,472.14	.....
Maryland Casualty	10,665.07	55,769.35
Massachusetts Bonding..	20,484.50	496.75
National Surety	130,460.27	9,550.87
New Amsterdam Cas....	5,582.74	.....
Preferred Accident	803.40	.....
Republic Casualty	53.76	.....
Royal Indemnity	6,098.65	.....
U. S. Fid. & Guar.....	64,256.29	22,174.03
U. S. Guarantee.....	10,312.33	.....
	$520,807.78	$202,450.05

Workmen's Compensation

Aetna Cas. & Sur.....	$1,319.06	.....
Aetna Life	336,051.37	$95,053.81
American Casualty	100.51	.....
American Mut. Lia.....	190,784.61	55,548.79
Chicago Bond. & Ins....	1,255.74	4,547.86
Commercial Casualty ..	243,532.11	76,346.07
Continental Casualty ..	3,311.45	327.12
Contractors Mut. Lia..	20.82	16.00
Employers' Ind. Corp...	13,233.66	754.07
Employers' Liability ...	235,101.03	129,723.71
Fidelity & Casualty....	133,019.93	55,155.40
Fidelity & Deposit.....	9,399.31	20,814.66
General Accident	4,948.99	5,523.87
Georgia Casualty	29,156.14	15,026.27
Globe Indemnity	178,748.67	74,767.89
Hartford Acci. & Indem.	73,344.02	30,546.61
Lon. Guar. & Acci.....	155,890.88	48,319.97
Lon. & Lanc. Indem....	1,096.63	4,544.12
Manufacturers Casualty.	299.04	356.00
Manufacturers Liability.	243,698.92	109,611.01
Maryland Casualty	225,857.87	59,149.03
Massachusetts Bonding..	16,628.31	16,837.03
New Amsterdam Cas....	39,295.66	16,680.50
New Jersey Fid. & P. G.	669.48	.....
New Jersey Mfrs. Cas..	305,068.38	151,607.31
Ocean Accident & Guarantee Corp.	346,007.02	148,044.58
Preferred Accident	1,260.53	.....
Republic Casualty	56,530.98	5,153.07
Royal Indemnity	92,271.34	27,188.57
Security Mut. Cas.....	17,891.34	225.66
Standard Accident	42,247.32	16,840.51
Travelers	568,108.35	279,251.77
U. S. Casualty.....	111,915.18	13,968.27
U. S. Fid. & Guar.....	174,823.66	67,290.09
Zurich General	61,234.32	19,660.01
	$3,914,122.63	$1,548,879.63

Health

Aetna Life	$15,846.49	$6,829.37
Chicago Bonding	2.20	25.00
Columbian Nat. Life....	1,943.51	1,088.27
Commercial Casualty ..	30,769.16	10,260.20
Connecticut General	6,040.44	1,597.83
Continental Casualty ..	21,537.67	13,807.27
Employers' Liability ...	4,540.08	2,631.03
Fidelity & Casualty....	50,929.04	41,386.03
Fidelity & Deposit.....	5,766.52	2,797.89
General Accident	13,264.51	6,433.60
Georgia Casualty	4.45	9.32
Globe Indemnity	9,856.31	3,036.53
Great Eastern Casualty.	12,549.04	3,520.38
Hartford Acci. & Indem.	4,192.61	1,190.29
Lon. Guar. & Acci.....	3,539.48	1,748.81
Lon. & Lanc. Indem....	1,135.86	105.36
Maryland Casualty	7,857.65	2,058.87
Metropolitan Casualty ..	235.00	.....
New Amsterdam Cas...	3,347.82	1,925.11
Ocean Acci. & Guar....	5,270.46	1,879.68
Pacific Mut. Life.....	15,623.22	6,275.93
Preferred Accident	4,275.68	3,263.95
Republic Casualty	7.50	.....
Royal Indemnity	4,008.56	1,586.13
Standard Accident	6,814.91	1,327.06
Travelers' Indemnity ..	984.41	644.64
Travelers	50,814.53	19,417.89
U. S. Casualty.....	3,011.60	5,911.22
U. S. Fid. & Guar.....	2,050.45	596.06
	$286,210.26	$141,353.72

Liability

Aetna Cas. & Sur.....	$56,544.16	$16,071.30
Aetna Life	141,133.37	29,546.41
American Casualty	23,588.40	11,765.00
American Indemnity ...	179.75	.....
American Mut. Lia.....	39,293.10	4,577.05
Chicago Bonding	2,079.14	789.71
Commercial Casualty ...	315,188.28	59,511.11
Commonwealth Cas.	52,286.19	8,316.72
Continental Cas.	6,303.52	955.00
Contractors Mut. Lia...	6.15	.....
Employers Indem. Corp.	802.95	.....
Employers' Liability ..	134,791.75	22,694.19
Fidelity & Casualty....	104,469.49	26,735.26
Fidelity & Deposit.....	53,884.41	49,792.87
General Accident	35,134.60	4,242.89
Georgia Casualty	92,050.56	92,063.97
Globe Indemnity	111,688.17	21,094.09
Great Eastern Cas.....	1,751.99	25.00
Hartford Acci. & Indem	75,277.48	13,948.25
Lon. Guar. & Acci.....	72,045.80	21,013.83
Lon. & Lanc. Indem....	13,467.16	6,108.64
Manufacturers' Cas.	19,954.45	2,274.68
Manufacturers' Lia.	81,691.95	24,066.12
Maryland Casualty	57,728.97	10,714.10
Massachusetts Bonding.	30,596.42	9,485.24
New Amsterdam Cas....	27,998.83	5,877.89

THE TRAVELERS
INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

Name	Premiums on risks written	Losses paid
N. J. Fid. & P. G.....	96,035.99	18,405.79
N. J. Mfrs.' Cas.....	22,450.60	1,667.37
Ocean Acci. & Guar.....	127,190.85	41,538.95
Preferred Accident	56,094.26	13,899.68
Republic Cas.	22,543.10	3,515.49
Royal Indemnity	62,552.92	19,570.54
Security Mut. Cas.....	1,551.90	.....
Standard Accident	23,094.98	3,801.85
Travelers' Indemnity ..	64.29	.....
Travelers	293,834.70	90,722.11
U. S. State Cas.....	25,114.12	11,894.76
U. S. Fid. & Guar.....	109,776.61	14,939.56
Zurich General	95,054.42	26,630.12
	$2,481,137.50	$688,255.54

Live Stock

Hartford Acci. & Indem.	$11,175.47	$1,650.00

Plate Glass

Aetna Cas. & Sur.....	$5,495.25	$1,818.00
American Cas.	4,459.76	3,251.17
Chic. Bond'g & Ins.....	187.04	2,842.36
Commercial Cas.	25,429.29	12,044.66
Employers' Liability ...	1,766.09	3,480.81
Fidelity & Casualty.....	8,720.80	3,733.15
Fidelity & Deposit.....	5,571.72	3,189.48
Georgia Casualty	4,181.02	5,713.25
Globe Indemnity	9,267.93	4,389.88
Great East. Cas.....	5,907.22	3,446.00
Hartford Acci. & Indem.	1,220.11	260.51
Lloyds Plate Glass.....	15,423.86	6,275.18
Lon. & Lanc. Indem....	5,392.85	6,722.91
Maryland Casualty	6,350.94	2,546.87
Mass. Bonding	7,114.67	5,421.41
Metropolitan Cas.	26,613.77	10,913.25
New Amsterdam Cas...	13,682.01	5,878.04
N. J. Fid. & P. G.....	41,746.97	15,324.11
New York Plate Glass ..	21,739.67	9,731.52
Ocean Acci. & Guar.....	6,656.40	2,265.42
Republic Cas.	9,908.38	665.77
Royal Indemnity	3,135.90	1,980.04
Travelers Indemnity ..	4,012.88	1,365.30
U. S. Casualty.....	5,025.19	2,077.16
U. S. Fid. & Guar.....	6,348.04	2,907.30
	$245,357.76	$118,243.55

Burglary and Theft

Aetna Cas. & Sur.....	$25,865.03	$6,002.46
American Casualty	1,553.76	220.00
Chic. Bond'g & Ins.....	219.84	.....
Employers' Liability ...	13,676.92	2,581.87
Fidelity & Casualty.....	38,981.57	9,214.21
Fidelity & Deposit.....	16,356.35	5,810.86
General Accident	1,528.66	522.88
Georgia Casualty	140.17	48.50
Globe Indemnity	26,067.01	7,086.89
Great Eastern Cas.....	69.99	.....
Hartford Acci. & Indem	15,425.21	4,579.50
Lon. Guar. & Acci.....	12,091.63	2,514.12
Lon. & Lanc. Indem....	925.82	1,733.02
Maryland Casualty	11,619.91	1,781.05
Massachusetts Bond'g...	8,656.27	1,910.15
Metropolitan Casualty .	564.99	174.10
National Surety	30,252.43	6,787.19
New Amsterdam Cas....	13,252.73	4,586.59
N. J. Fid. & P. G.....	15,621.05	1,816.23

Name	Premiums on risks written	Losses paid
Ocean Acci. & Guar.....	19,945.62	4,534.08
Preferred Accident	19,952.25	9,675.42
Republic Casualty	174.25	.....
Royal Indemnity	21,169.18	6,188.54
Travelers Indemnity ...	20,253.03	3,250.06
U. S. Cas.....	8,751.92	6,385.40
U. S. Fid. & Guar.....	19,199.36	3,306.76
	$342.314.95	$90.709.88

Credit

American Credit Indem.	$13,460.46	$52.22
Lon. Guar. & Acci.....	4,611.65	31.22
Ocean Acci. & Guar.....	9,875.00	148.86
	$27,947.11	$169.86

Fidelity

Aetna Cas. & Sur.....	$9,164.18	$25.13
American Indem. Co.....	27.09	.....
American Surety	79,904.92	6,357.74
Chicago Bond'g & Ins..	55.41	.....
Employers' Liability ...	708.07	.....
Fidelity & Casualty...	14,955.49	2,488.58
Fidelity & Deposit.....	32,581.39	11,366.06
Globe Indemnity	4,298.15	167.50
Guar. Co. of N. A.....	660.66	.....
Hartford Acci. & Indem	11,309.00	2,409.12
International Fidelity..	147,284.89	50,982.99
Lon. & Lanc. Indem....	1,035.92	72.60
Maryland Casualty	4,963.32	1,775.00
Massachusetts Bond'g...	3,852.32	565.74
National Surety	60,025.84	15,377.34
New Amsterdam Cas....	3,165.42	.....
Ocean Acci. & Guar....	1,030.09	.....
Preferred Accident	1,170.65	.....
Republic Casualty	31.25	.....
Royal Indemnity	8,314.86	240.64
U. S. Fid. & Guar.....	33,717.80	4,253.76
U. S. Guarantee.....	883.13	191.74
	$419,139.85	$96,273.94

Fly Wheel

Aetna Cas. & Sur.....	$151.91	.....
Employers' Liability ..	499.80	.....
Fidelity & Casualty....	7,785.67	.....
Globe Indemnity	408.50	.....
Hartford Steam Boiler..	5,181.50	$1,280.66
Maryland Casualty	3,249.23	.....
Ocean Acci. & Guar....	908.45	.....
Royal Indemnity	443.75	.....
Travelers' Indemnity ...	780.71	.....
	$19,409.52	$1,280.66

Accident Business

Aetna Cas. & Sur. Co..	$183.59	.....
Aetna Life	45,512.80	$8,667.24
American Casualty	11,289.74	17,141.40
Brotherhood Accident ..	15,184.50	7,894.22
Chicago Bond'g	193.21	20.00
Columbian Nat. Life....	1,845.72	1,335.85
Commercial Cas.	42,517.15	11,260.12
Commonwealth Cas.	23,098.82	6,982.65
Connecticut Gen.	19,286.39	1,690.31
Continental Casualty ..	45,652.08	15,235.02
Eastern Casualty	339.95	82.99
Employers' Indem. Corp	187.50	.....
Employers' Liability ..	11,400.79	1,196.77
Equitable Accident	2,284.09	1,097.78
Federal Casualty	1,061.82	620.68
Fidelity & Casualty.....	59,025.96	7,353.51
Fidelity & Deposit.....	9,622.51	7,463.44
General Accident	16,732.41	5,643.20
Georgia Casualty	3.25	3.94
Globe Indemnity	17,529.08	2,801.96
Great Eastern Cas.....	15,238.67	6,939.81
Hartford Acci. & Indem	5,861.58	662.83
Lon. Guar. & Acci.....	9,699.79	1,611.84
Lon. & Lanc. Indem....	3,377.43	584.12
Loyal Protective	9,725.92	5,405.49
Maryland Casualty	11,983.68	2,231.74
Masonic Protective	28,973.91	10,216.42
Massachusetts Acci.	851.65	540.32
Massachusetts Bond'g ..	34,673.74	10,679.74
Metropolitan Casualty ..	929.33	159.80
Metropolitan Life	26,560.63	16,749.64

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

(Continued on page 21)

PICKED UP ALONG WILLIAM STREET

To Keep Records in New York

Arrangements are being made by the North American Accident of Chicago to keep the records of its group department in New York instead of Chicago. George Manzelmann, auditor at the home office, is now in New York putting the necessary system in the office of H. A. Luther in Liberty Street.

* * *

An Eastern Man's View

Some surprise has been expressed that when automobile liability rates were boosted the New York City schedule was advanced approximately forty per cent. and those in the Loop district of Chicago were actually lowered. Persons going from the East to Chicago generally come away with the idea that traffic conditions in the Loop are even worse than in Manhattan. That appears to be only a layman's view, however, for underwriters say that their loss records prove to the contrary; that it is not in the Loop that their heavy losses occur but in the territory on the outskirts of Chicago. Besides, as one manager puts it, the claim situation, even in Chicago, is not as bad as in New York. Chicago people, in common with Westerners, are, to use an Eastern man's view, better sports in settling their differences. This is said to be true also of Western attorneys. In other words, it is easier there to make some sort of a trade.

* * *

Decision in Compensation

The Appellate Division of the Supreme Court of New York has decided that in making alterations or repairs upon ocean-going ships, to fit them for carrying particular cargoes, contracts of employment are maritime in their nature and claims for injuries suffered in the course of such work are within the jurisdiction of admiralty and that the Industrial Commission is without jurisdiction to grant compensation.

* * *

For the Men "Over There"

In behalf of members of the Aetna companies' producing forces, who have been called to the colors, the Hartford office has supplied its branches with announcement cards which bear not only a timely message, but a patriotic thought and a kindly sentiment. The cards, which are beautifully executed, bear a group of allied country standards in colors and this text:

THAT FREEDOM SHALL NOT PERISH FROM THE EARTH.
The
Aetna Life Insurance Company
Aetna Casualty & Surety Company
Automobile Insurance Company of Hartford
have the honor to announce that Mr.

through whom you have placed business with the above-named companies, has answered his country's call by enlisting. We ask, and would appreciate, the continuance of your business in his absence while he is doing his bit, with our assurances to furnish the best of service.

* * *

Against Health Insurance

The Merchants' Association of New York has made the following report on Senator Nicolls' health insurance for workers bill:

"Senator Nicolls' Int. 496, Pr. 544, establishes a system of health insurance for industrial workers and their dependents. The laws of the State of New York now impose upon employers a heavy burden of expense for the benefit of employees which burden greatly exceeds that of adjoining States, and therefore puts employers in this State under a heavy disadvantage. Moreover, owing to the prevailing war, industrial conditions throughout the country are in a very disturbed state and it would seem undesirable to urge at the present time social legislation of such far-reaching effect as that contemplated by this bill. We believe that the subject should be postponed until more normal economic conditions have been restored and until the disparity of costs created by war, between New York and other States shall have been reduced by the adoption of similar legislation in competing States."

* * *

James S. Byrne Lost

Coxswain James Sylvester Byrne, of the U. S. S. Artemus, formerly an investigator attached to the New York claim division of the Maryland Casualty, was swept overboard and lost at sea during a gale off the coast of France. Honor to his memory.

* * *

Good Town, Chicago

According to the records of the police department, which, of course, include only those losses actually reported and take no account of the large number of losses of which no mention is made to the police, there were in the Windy City last year approximately fourteen thousand burglaries, payroll robberies, bank robberies, hold-ups, safe robberies, etc., on which the aggregate loss was two million two hundred and fifty thousand dollars. That makes Chicago a good town for burglary insurance.

* * *

More Development

The Fidelity & Deposit plans to establish in the fidelity, contract, judicial, public official and depository and burglary departments, development divisions which will work in conjunction with the agency department for the increase of the business of each department along profitable underwriting lines. This plan has been tried in the fidelity department for some time with good results.

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

ANNUAL STATEMENT DECEMBER 31, 1917

Assets	$15,077,330.62
Liabilities	10,785,343.53
Capital	1,000 000.00
Surplus over all liabilities	3,291,987.09
Losses paid to December 31, 1917	60,740,294.97

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage), Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation, Steam Boiler Insurance; Fly-Wheel Insurance.

An Accident Decision

Because an insured was not a resident of Missouri, his beneficiary cannot recover under an accident policy in that State according to a verdict which has just been handed down in St. Louis in the case of Mrs. Josephine Zimmerman vs. Travelers' Insurance Co.

The insured carried two accident policies amounting to $13,000 with the defendant company. He was found dead in a room at the Planter's Hotel, St. Louis, November 23rd, 1915, under circumstances which indicated he had killed himself. The company was permitted to offer evidence of suicide, notwithstanding a statute denying insurance companies the right to plead death by suicide on accident policies issued to citizens of that State. This was done when it was shown that Zimmerman, who was born in Germany, never had perfected his citizenship. Zimmerman and his wife resided in St. Louis and he was engaged in the buying and selling of farm lands and mortgages. In opposing the claim, the company offered evidence to show that Zimmerman was despondent because the European war had prevented him from receiving remittances from investments in Germany and that he was in need of money.

* * *

State Insurance Hit

Lukis, Stewart & Company of Montreal have this to say regarding State insurance: "No more convincing argument against State insurance has ever been provided than the experience of Nova Scotia with regard to workmen's compensation. Almost as soon as the Province took this over, there was a serious explosion in the pits of the Dominion Coal Company which we are told cost $200,000 to settle. We are informed now that the claims against the State fund in connection with the Halifax disaster totalled over $1.500,000, which the manufacturers and other contributors state they will absolutely decline to pay."

* * *

Over 4,000,000 square feet of broken glass were replaced by the insurance companies in 1916.

J. L. Mautner, who in a short time will take up his new duties as superintendent of the Eastern division of the General Accident, with headquarters in New York or Newark, has seen many changes in the business since he entered it. He is one of those who came into the field when not much more than a boy and who has progressed steadily step by step. In 1898 he began his insurance work with Edward W. DeLeon, who was then New York resident manager for the Maryland Casualty. Mr. Mautner continued his association with Mr. DeLeon when the Casualty Company of America was organized and there Mr. Mautner became superintendent of the city liability department. After a year there he went to the American Fidelity as superintendent of the liability department. His connection with the General Accident dates from December, 1913, when he was appointed superintendent of the liability department and in 1916 he was made manager of the New York office following the removal of the home office back to Philadelphia. Mr. Mautner is a member of the Casualty & Surety Club and the Underwriters' Club. He was on the Committee of Nine of the Casualty Exchange, which contributed to the work of arranging the new general liability rates. This is one of the most constructive pieces of work accomplished by New York casualty men in a long time.

New Amsterdam Casualty Company

A Progressive

SURETY AND CASUALTY

Company

New Jersey 1917 Figures

(Continued from page 20)

National Casualty	9,165.26	3,018.99
National Relief	23,610.97	6,477.22
New Amsterdam Cas.	9,338.20	803.95
North American Acci.	7,809.60	4,195.67
Ocean Acci. & Guar.	18,038.12	8,165.13
Pacific Mut. Life	23,640.92	5,660.40
Preferred Accident	23,683.98	4,751.36
Red Men's Fra. Ac.	6,990.45	3,788.77
Republic Casualty	7.75	.....
Ridgely Protective	3,812.63	2,856.41
Royal Indemnity	11,776.42	1,885.02
Standard Accident	13,333.31	1,032.52
Travelers' Indemnity	2,814.39	68.17
Travelers	202,822.24	47,513.75
U. S. Casualty	6,082.36	4,500.40
U. S. Fid. & Guar.	4,496.10	889.61
World Life & Accident	4,082.83	1,563.68
	$842,333.22	$249,436.00

Auto and Teams	Property Damage	
Aetna Cas. & Sur.	$62,074.56	$33,032.79
American Casualty	8,919.17	5,985.48
American Indemnity	28.705	.....
American Mut. Lia.	5,107.03	4,078.07
Chicago Bonding	533.50	286.08
Commercial Casualty	93,505.38	30,728.56
Commonwealth Cas.	3.230.53	121.95
Continental Cas.	961.59	165.30
Employers' Indem. Corp.	255.47	24.25
Employers' Lia.	32,323.74	10,549.37
Fidelity & Casualty	23,367.15	10,130.38
Fidelity & Deposit	14,099.93	7,999.03
General Accident	11,179.29	3,992.68
Georgia Casualty	11,283.78	7,235.01
Globe Indemnity	32,218.52	14,606.19
Great Eastern Cas.	1,364.98	400.15
Hartford Acci. & Indem	19,682.54	8,564.79
Lon. Guar. & Acci.	14,155.33	5,577.37
Lon. & Lanc. Indem.	3,694.29	1,774.09
Manufacturers' Cas.	292.53	.....
Manufacturers' Lia.	753.36	263.32
Marvland Casualty	16,298.79	6,821.96
Massachusetts Bond'g	3,966.02	1,170.59
New Amsterdam Cas.	7,066.87	2,454.65
N. J. Fid. & P. G.	26,040.33	8,234.03
Ocean Acci. & Guar.	30,855.53	10,737.39
Preferred Accident	26,024.75	6,949.54
Republic Casualty	2,404.09	250.55
Royal Indemnity	16,058.71	4,164.97
Standard Accident	5,949.13	2,482.06
Travelers' Indemnity	74,223.17	31,306.58
U. S. Cas.	8,529.58	7,565.11
U. S. Fid. & Guar.	25,756.16	7,466.77
Zurich General	30,098.90	13,996.16
	$611,237.45	$249,115.22

Disability Policy Issued to Women

EMPLOYERS' LIABILITY CONTRACT

Premium Ranges from $13 to $30 a Year According to Hazard

To provide insurance for employed women the Employers' Liability is issuing a new accident and health policy which sells at the following annual rates for each $1,000 principal sum and $5 weekly indemnity:

Ages 18 to 50 inclusive

Class	Premium
Select	$13.00
Preferred	14.00
Extra Preferred	15.00
Ordinary	18.00
Medium	20.50
Hazardous	28.00

Ages 51 to 60 Inclusive

Class	Premium
Select	$15.00
Preferred	16.00
Extra Preferred	17.00
Ordinary	20.00
Medium	22.50
Hazardous	30.00

Policy Benefits

No medical examination is required and rates for different combinations of principal sum and weekly indemnity can be furnished.

This policy pays $1,000 for loss of life, both feet, both hands, sight of both eyes, one hand and one foot, one hand and sight of one eye, one foot and sight of one eye. $500 for one hand or one foot. $333.33 for thumb and index finger and $250 for sight of one eye.

Double indemnity is payable if injuries are suffered while a passenger in or on a public conveyance provided by a common carrier for passenger service, including the platform, steps or running-board of railway or street railway cars, or while in a passenger elevator (elevators in mines excepted), or caused by the burning of a building in which the insured shall be at the beginning of the fire.

If disability exists from the date of accident to date of loss, the weekly indemnity for the period of disability will be paid in addition to the amount provided for the loss.

Accident Weekly Indemnity

Total disability, weekly indemnity $5; partial disability, weekly indemnity $2.50; for loss of time while totally disabled, life indemnity $10; for loss of time if prevented from attending to one important daily duty of occupation, payable 26 weeks, $5.

Indemnity as shown below will be paid for 52 weeks for any disease, excepting diseases peculiar to women: $5 a week for total disability and confinement to the house; $2.50 a week following period of confinement to house.

For blindneess or paralysis from disease the policy will pay a sum equal to 100 weeks' indemnity.

If injury or illness makes necessary confinement in a hospital or when not confined in a hospital is necessarily attended by a graduate nurse, the policy will pay for hospital expenses or nurses' fees a sum not exceeding half the single weekly indemnity for a period not in excess of 10 weeks. * * *

GOULDEN & COOK TO MOVE

Goulden & Cook, of 220 Broadway, New York, general agents for the accident and health department of the Connecticut General Life, will remove May 1 to 63 Maiden Lane, where they will occupy three times the space they now have in the St. Paul Building. They will have the entire tenth floor. Goulden & Millar, managers for the life department, will also remove to the Maiden Lane location.

THE THIRD LOAN

A. Duncan Reid Chairman of Insurance Executive Committee—Nineteen Will Serve

The coming campaign for the third Liberty Loan will require the earnest effort of all loyal citizens, and as the insurance interests during the last campaign in a very limited time were successful in securing subscriptions for several millions of bonds, the Metropolitan Canvass Committee has again called upon the insurance interests to organize in order to obtain the best results.

The chief officials of insurance companies other than life, together with a number of leading brokers, at the invitation of A. B. Leach, chairman of the Metropolitan Canvass Committee, held a meeting last Thursday for the purpose of organization, and an executive committee has been selected with A. Duncan Reid, general manager of the Globe Indemnity, as chairman. The members of the committee are as follows:

E. C. Jameson, president Globe & Rutgers.

Elbridge G. Snow, president, Home Insurance Co.

George W. Babb, United States manager, Northern Assurance.

R. R. Brown, vice-president, American Surety.

Joel Rathbone, second vice-president and general manager, National Surety.

Joseph A. Flynn, vice-president, Fidelity & Deposit.

Edward Griffith, E. E. Clapp & Co.

W. C. Potter, secretary, Preferred Accident.

D. G. Luckett, secretary, United States Casualty.

Edmund Dwight, Dwight & Hilles.

H. L. Herrington, manager liability department, Travelers.

C. H. Neely, United States general manager, Ocean Accident & Guarantee.

Douglas F. Cox, Appleton & Cox.

Henry W. Lowe, Johnson & Higgins.

W. H. McGee, W. H. McGee & Co.

F. S. Little, Goffe & Little.

John A. Eckert, John A. Eckert & Co.

Alex. M. Silvey, Coe & Silvey.

Major A. White, president, New York Plate Glass.

The brokers are actively organizing and co-operating with the General Insurance Committee and it is expected that when the final results are compiled that all persons interested in the insurance business will be proud of their associates.

TOURIST'S BAGGAGE RESULTS

The following reports of tourist's baggae insurance in the United States have been filed.

Alliance, Pa.	7,361	469
Am. Foreign Marine	364	2
Boston	4,292	212
British & For. M.	364	2
Commercial Union	564	70
Commercial Union, Eng.	499	25
Commercial Union	135	.....
Connecticut	13	.....
Fireman's Fund	7,276	4,266
Germania	2,127	1,633
Hartford	11,066	3,496
L. & L. & G., New York	2,487	489
L. & L. & G., Liverpool	21,787	15,908
Old Colony	349	10
Ins. Co. North America	56,501	29,151
Ocean Marine	156	1
Palatine	464	.....
Phoenix Assurance	1,019	.....
Phoenix, Hartford	41	.....
Reliance Marine	156	1
Royal	14,172	12,123
Thames & Mersey Marine	90,104	298
Union Assurance	96	.....
United States	901	229
Yang-Tsze	41	.....

George A. Leyonmark, who has been in the home office of the Globe Indemnity for five years, prior to which he was head counterman in the Metropolitan department, coming to it from the Aetna where he was also counterman, returns to the metropolitan department of the Globe to assist in the compensation and public liability underwriting. He is well acquainted among the brokers and his experience extends over the entire period in which compensation insurance has been written in New York State.

National Surety Company

115 BROADWAY, NEW YORK

Financial Statement,—December 31, 1917

ASSETS

Current Assets:		
Cash on Hand	$ 796,843.18	
Accounts Receivable	505,077.31	
Outstanding Premiums less than 90 days overdue	1,039,086.01	$ 2,341,006.50
(Past due premiums $221,755.23 not included)		
Invested Assets:		
Stocks, Bonds:		
Collateral Loans and Mortgages	11,661,835.39	
Real Estate	114,827.92	11,776,663.31
Deferred Assets:		
Accrued Interest		137,461.67
TOTAL ASSETS		$14,255,131.48

LIABILITIES

Capital and Surplus:		
Capital Stock	$4,000,000.00	
Surplus	4,584,352.09	$ 8,584,352.09
Current Liabilities:		
Expenses Incurred, Not Due	12,791.22	
Accounts Payable, Not Due	212,616.51	
Dividends Declared Payable January 2, 1918	120,000.00	
*Balance on Liberty Bonds, Not Due	120,600.00	466,007.73
Deferred Liabilities:		
Accrued Commissions, Not Due		251,458.81
Reserves:		
For War and Income Taxes (Estimated)	150,000.00	
For Premium Tax	98,842.88	
For Contingent Claims	1,465,189.63	
For Unearned Premiums (Pro Rata)	3,239,280.34	$ 4,953,312.85
TOTAL LIABILITIES		$14,255,131.48

*Paid January, 1918.

NOTE—No deduction for so-called "Special Deposits." Securities valued by Insurance Department. The Company owns Salvage and other Assets estimated to be worth over $500,000, which are not included in determining Surplus.

"The World's Largest Surety Company"

Globe Indemnity Men Honor Grahame

NEW METROPOLITAN MANAGER

Dinner at Fraunces' Tavern—Plans For Extension of City Business

On Tuesday evening the metropolitan department of the Globe Indemnity gave a dinner to T. J. Grahame, who, as announced in the last week's issue of The Eastern Underwriter, has assumed the management of that department.

Present at the dinner, which was held at Fraunces' Tavern, were the department heads of the metropolitan office, and a number of guests of note. They were: A. Duncan Reid, manager of the Globe; S. H. Kingsbury, agency superintendent; Harry Furze, comptroller, W. J. McCaffrey, Kennedy Owen, Robert W. McCormick, Dr. J. C Fisher, Dr. J. B. Galloway, E. G. Bogart, G. T. Coar, P. H. Guilfiol, Robert Pearson, T. L. Bean, Samuel Weber, C. F. Hebard, Geo. W. Yuengling, G. D. Williamson, J. H. Maloy, R. J. Hollingsworth, Anthony Schulmerich, R. C. Evarts, Lieut. Edgar Tracey, Ensign Curtis Acevedo, G. A. Leyonmark, T. C. Carey.

The metropolitan department was represented by Supt. W. S. Barton, W. C. Smith, F. B. Cassidy, R. B. Hotchkiss, F. W. Macdonald, Nat W. Troutman, J. L. Heather, Gale W. Hutchison, H. B. Morris, C. J. Gilfert, E. J. Duffy, F. E. Murphy, Charles Quentin and F. W. Keller.

The dinner was a complete surprise to Mr. Grahame. He was introduced to the company by Mr. Reid, following which he expressed his surprise and pleasure at the honor which his associates had tendered him. Then Mr. Barton told of the work which had been accomplished by the metropolitan staff and spoke with confidence of the work which was to be accomplished with Mr. Grahame.

Mr. McCafferty and Mr. McCormick told the Globe men there something of the plans of the Company for the future.

Lieut. Tracey described some of his experiences at Camp Dix.

One of the surprises of the evening was Frank E. Murphy. Mr. Murphy, who was formerly special agent for the Casualty Company of America, but recently joined the staff of the Globe as a special agent, and his exceptional powers of oratory were refreshing.

The dinner was conceived by Toastmaster Troutman, and enthusiasm was maintained on the highest pitch under his clever direction. Mr. Troutman had prepared a unique menu, one of the features of which was the reproduction of the poem quoted "It Can be Done," and the sentiment of this poem was the sentiment of the dinner.

It was announced at the dinner that in conjunction with the general expansion of the metropolitan office of the Company, Mr. Leyonmark had been transferred from the home office to the metropolitan staff as compensation underwriter in New York City, and Mr. Heather, who had been in charge of compensation in the metropolitan office, has been transferred to the home office where he will now have charge of compensation underwriting for New York State outside of New York City.

What would the Health & Accident Underwriters Conference do without the Mutual Section to liven things up every now and then?

CASUALTY AND SURETY POINTERS

Liability on Guardian's Bond

A guardian had an individual account with a bank and on March 20, 1911, his balance was $6.80. On that day he presented to the cashier of the bank for deposit to his individual account a check for $1,250, payable to the guardian as such and endorsed by him as guardian. The cashier took note of the fact that the check was payable to the guardian and of the form of the endorsement and credited the amount of the check to the guardian's individual account. The money represented by the check belonged to the ward of the guardian. The guardian at that time was indebted to the bank on a note of $700 and he drew his check on his individual account and paid the note. These transactions all took place with the cashier of the bank and immediately after the deposit of the $1,250 check. The surety upon the guardian's bond, who was responsible for the default of the guardian, contended that the bank was liable for participating in a breach of trust. The Court held that the cashier in this case was chargeable with notice; that the payee in the check held the funds in a fiduciary capacity and the bank was not permitted to receive any portion of the fund in payment of the personal obligation of the guardian, and it was immaterial that the bank did not know who the ward was, as the word "guardian" on the check is a well understood word of common knowledge and implies to the average lay mind that a fund held in the capacity of a guardian belongs to someone else.—"Fidelity Journal."

* * *

No Cause for Gloom

R. Perry Shorts, first vice-president of the Massachusetts Bonding, dispels gloom in a message to his agents, in which he says: "Some of our old-time agents will recall the worry which proposed State compensation laws caused us all. It was almost conceded at that time that the effect upon the accident and health business would be ruinous. Instead, an immense amount of free and favorable advertising has resulted. The war and conscription supplied the same kind of a dark and formidable cloud ten months ago, but like the compensation cloud it has since proved to have had a silver lining. Better wages, plenty of work and insurance for women give our agents more good prospects than ever. It will be good news to you to learn that the number of applications received during February exceeded December and January business by over 25 per cent. Any agent who will solicit intelligently and industriously will earn more money than ever before."

* * *

Getting Doctors Interested

One of the enterprising agents of the Massachusetts Bonding & Insurance recently made a unique experiment, the story of which contains real "meat" for every accident and health salesman. This man is located in a city of medium size, not much different in most respects from others. Our man has made no special "drive" for any particular class of business, preferring instead to write all the desirable business he could in every class. He wondered how well and favorably known his company might be, and to find out instructed his office girl to call the various local doctors on the phone. After stating that she was a stenographer and wanted some accident insurance, she asked each doctor which company he would recommend. She reached in all twenty-two doctors and nine recommended the M. B. & I., seven suggested other companies, and six could not name any company. Writing to the company, this agent says: "You may be sure of one thing: I am going to make those thirteen who didn't recommend us say 'Massachusetts Bonding & Insurance Company' in one breath." Interest the local physicians in your company. Insure them if you can, but in any event, make them connect "accident and health insurance" in their minds with your company. Make that connection as positive as is the case with "It Floats" and "Ivory Soap." "Boosting" doctors will do you a whole lot of good in holding established business and obtaining prospects. You can throw a lot of business to the doctors and they will be glad to help you in appreciation.

* * *

Fly-Wheel Rupture Frequency

J. W. Rausch of the Maryland Casualty has this to say regarding the frequency of fly-wheel ruptures as compared with boiler explosions:

"Comparing the explosion hazard of fly-wheels with that of steam boilers it can safely be said that all things being equal as to care and management, the factor of safety at which both engines and boilers are being operated, the condition of the safety valve of the boiler as compared to the governing mechanism of the engine, etc., there is greater danger of a fly-wheel explosion than of a boiler explosion, for the reason that if the emergency should arise whereby the steam from the boilers must be suddenly shut off, and if, under this condition, the safety valves are inoperative, the engineer if competent can by taking proper action bring the fires and the amount of steam under control, and thereby prevent disaster. But this is nearly always impossible with the engine; that is, should the emergency arise whereby the entire load is taken from the engine and the governor fails to act, then it would only be a matter of a few seconds when the engine would race at a terrific speed, resulting in a fly-wheel explosion. In other words, with the boiler under the conditions named, there would at least be an appreciable amount of time which would permit the engineer to take the necessary action to prevent disaster, but with the engine the disaster is brought about almost instantly. Time and again engineers have been killed while trying to shut off the steam of a racing engine."

* * *

Effect of Losing Control

Many a man has lost a perfectly good business by allowing the control to pass out of his hands. Many an inventor has died poor for just the same reason. Many an agent has lost a splendid prospect somewhere on that same road.

A field man recently visited the head office bringing with him a remarkable record—of its kind. He held high score on the number of applications in complete form upon which no medical examination had ever been made. In short, he had a large and interesting collection of waste paper.

Conversation, of course, centered immediately on his method of arranging for a medical examination. It developed that he almost invariably asked his applicant, "When can you see the doctor?"

Bill Aids Brokers

Governor Whitman of New York has signed the bill authorizing the superintendent of insurance to relicense brokers who are in military service and who are unable to make personal application for renewal of authority.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE
CHICAGO

F. W. LAWSON
General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers
New England

Established 1869

London Guarantee & Accident Co., Ltd.
OF LONDON, ENGLAND

NEW MINIMUM PREMIUMS

Alleged Unfair Discrimination Against Small Employers Believed to Be Removed

The minimum premium rule for workmen's compensation risks, becomes effective midnight, March 31, and is based upon the theory that the overhead cost of writing a compensation contract is in the neighborhood of $10. In approving the new minimum premium scale Superintendent of Insurance Philips of New York says he believes the questions of unfair discrimination which have been raised by small employers have been satisfactorily disposed of.

To the overhead cost of $10 is added the premium obtained by applying the manual rate to an assumed minimum payroll of $500. This rule is in line with the opinion that the purpose of a minimum premium is to cover the overhead expenses on a small risk, which, under prevailing methods of rate-making are disproportionately high compared with the premium realized at the manual rate.

The rule also gives recognition to the fact that many small employers keep unsatisfactory records of payroll so that unless some assumption is introduced with regard to the minimum exposure insurance carriers generally will seek to avoid placing insurance on the small risk. The new minimums vary in accordance with the rates. The lowest minimum is $11 and the highest is $229. Certain exceptions to this occur in vessel risks and other special classifications which require special treatment.

The new minimum premium for private residence compensation policies will be $10, while that for a farm will be $19 per annum.

Service of Quality to Policy Holders

Contracts of Superiority to Representatives

THE NATIONAL of DETROIT

Eastern Dept.
100 William St.
New York

Western Dept.
Pacific Bldg.
San Francisco

Northwestern Dept.
Palace Bldg.
Minneapolis

Promoting Safety

March 1 the National Safety Council began a six months' intensive public safety campaign in Rochester under the auspices of its Rochester Safety Council, and with the co-operation of all civic organizations, the police department and the schools. Rochester's public accident record has been carefully compiled; the plan for activities has been minutely mapped out, and the best available public safety organizer has been engaged to supervise the campaign. The results of this campaign will form the basis for similar campaigns in other cities. A full report will be made at the annual congress.

Oppose Health Bill

The Schenectady County Medical Society (this State) has passed resolutions opposing health insurance.

Pan-American Life Insurance Company

NEW ORLEANS, U. S. A.

CRAWFORD H. ELLIS, President

Capital.....$1,000,000.00

OUR 1916 STATEMENT SHOWS

Insurance in force	(over)....	$42,400,000
Resources	(over)....	5,600,000
New Insurance paid for		10,000,000

The High Scores in the Life Insurance Profession are won by Trained Men. We will train you in the Profession and locate you in Productive Territory either North or South. Your Opportunity is Here.

Further information on request. Address:

E. G. SIMMONS, Vice-President and General Manager

Whitney Central Bank Building

NEW ORLEANS, U. S. A.

To the Man Who is Willing—and Will



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

CO-OPERATION No. 12

LIFE ANNUITIES

Revised Annuity rates and co-operation with our representatives in the placing of these contracts led to an increase of 500% in Annuity premiums last year over the volume for 1916.

Phoenix Mutual Life Insurance Company

of Hartford, Conn.

JOHN M. HOLCOMBE, President

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.
2. The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.
3. Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,

Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

Liverpool and London and Globe Insurance Co. LIMITED

Over $152,000,000.00

Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus, .. - - - - -	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - - -	1,051,543.00

NEW YORK OFFICE
80 William Street

OCT 23 1918

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 13 | NEW YORK, FRIDAY, MARCH 29, 1918 | $3.00 a Year; 25c. per Copy

ASKS ABOUT NON-ADMITTED COMPANIES

Witnesses in Marine Insurance Hearing Queried by Phillips Regarding Volume of Premiums

NO SUPERVISION OR TAXES

Company Presidents Say Situation Difficult to Handle Because of Short Market

Underwriters, both fire and marine, were greatly interested in learning that Superintendent Phillips, at the marine hearing last week, asked a number of witnesses for their views about non-admitted insurance companies. The Superintendent did not explain just what he had in his mind, but judging from his questions he wanted opinions of witnesses on the amount of insurance written in unauthorized companies, and was after suggestions as to whether the practice could be checked or not; whether it was advisable to check it; whether there was not some plan which could be evolved to have these premiums taxed.

One question asked was whether these premiums did not amount to $50,000,000 a year? At the present time there is no method of ascertaining specific information on the subject.

A Delicate Subject

A number of insurance presidents were asked this week if they had any views they desired to express on the subject of insurance in non-admitted companies. It is generally admitted that in view of the limited market the subject is a ticklish one. One underwriter said that many American companies have treaties with non-admitted foreign companies to enable them to carry large lines, but if American companies were deprived of this facility they would be unable to accept the business offered them.

Says There Are Many Restrictions

One of America's greatest underwriters said this week to The Eastern Underwriter:

"It seems to me it would be infinitely more difficult to prevent the seeker after marine insurance from securing or accepting non-admitted cover than it is in the fire branch, and even there it has been found impossible. Marine insurance has been and must continue to be almost as free from restrictions as is the air we breathe; efforts to

(Continued on page 16)

"The Largest Fire Insurance Company in America."

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

FULL WAR COVER

INCLUDING

BOMBARDMENT and EXPLOSION

Liberal Contracts Reasonable Rates

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

SECURITY MUTUAL TO WRITE GROUP

Harry A. Rosenberg, Formerly With Travelers, Made Manager, With Headquarters in New York

WILL WRITE NO TERM CONTRACTS

No Fraternals to be Considered Unless Members Agree to Full Medical Examination

The Security Mutual Life Insurance Company, of Binghamton, N. Y., has inaugurated a group insurance department. The department will be under the direction of Harry A. Rosenberg, who, with headquarters in New York, will individually specialize in group business in New York, New Jersey and Pennsylvania.

No Term

The Company will write no term insurance. All contracts will be written on the following plans: ordinary life and endowment maturing at ages 60, 65, 70 or 80. Policies will be written on a monthly, quarterly, semi-annual or annual basis. No fraternal associations will be considered for life insurance unless the members agree to a full medical examination, and then only upon an ordinary life basis. No associations of employes in a factory will be written unless said associations comprise at least 75 per cent. of the employes in the factory, and the employer pays the premium. Groups of fifty and over will be considered, only after a preliminary inspection has been made and the inspection has been approved by the Company.

Mr. Rosenberg's Career

Mr. Rosenberg's life insurance experience has been with the Travelers. He started with the ticket department and after the war began he went into the group department, working in the metropolitan branch at 76 William Street under the personal supervision of Manager E. F. Holmes, to whose tutelage and training he attributes his success. In 1916, Mr. Rosenberg's first year in New York, he produced $500,000 of personal business in addition to his group writings, which approximate millions of group life now in force.

Mr. Rosenberg has also been made local resident manager of the North American Accident, of Chicago, and specializes in group health and accident insurance, thereby covering all three features when soliciting a mercantile prospect.

THE PILOT POLICY

War Meeting of Local Underwriters

H. B. Rosen Offers Diamond Medals for Best Records in Selling Liberty Bonds

WILL SELL $5,000,000 HIMSELF

Walton L. Crocker, of John Hancock, Deprecates Criticism of Government Insurance—Other Speakers

The Life Underwriters' Association of New York at its meeting on Tuesday night passed resolutions advocating universal military training, mapped out plans for the Liberty Loan, accepted an offer of Harry B. Rosen, of the New York Life, of two diamond medals for its members who lead in bond sales and number of bond buyers, and heard patriotic talks by Walton L. Crocker, vice-president of the John Hancock Mutual Life, and Dr. Thomas Travis, of the Y. M. C. A., popularly known as "The Fighting Parson of Montclair."

The resolution was offered by Julian S. Myrick, of Ives & Myrick, former president of the association, after the Y. M. C. A. man had said:

"We do a lot of boastfulness in this country, but what we have in reality accomplished in this greatest of all world conflicts is shameful and humiliating. The entire front is seven hundred miles long. On all that bathed-in-blood line we are holding just eight miles."

Resolutions

The resolutions follow:

Whereas it has become a proven fact that on account of this country's unpreparedness up to the time of our entering the European War, that it will unnecessarily cost us thousands of lives and millions of money, and

Whereas this Nation, through its President, has taken a leading position in the family of Nations, and

Whereas the intent of this position should never be one of aggression but defence of the principles upon which this country was founded and built, and to co-operate with every nation which believes in the freedom of mankind,

Be It Resolved, therefore, that in order to uphold these fundamental principles, it is necessary for the Government of the United States to adopt some policy of universal military training for all its male citizens after they have reached a certain age, so that they may be well trained and equipped to do their full share in the event of military necessity.

Be It Further Resolved, that a copy of these resolutions be sent to the President of the United States and to the committees in Congress having this bill in charge as a unanimous expression of the opinion of the Life Underwriters' Association of New York.

Rosen's Talk

Harry B. Rosen has been a member of the Life Underwriters' Association of New York for some years, but never attended a meeting until Tuesday night. He said he was sorry he had not done so, as he had become a convert to the Life Underwriters' Association idea. It had been announced by Lawrence Priddy that Mr. Rosen had offered the medals in competition—one for the largest bond; the other for the largest number of subscriptions. The medals will cost about $1,000 apiece, and Mr. Rosen declared that he would not be eligible for the competition. He said that the medals should be open only to members of the association, and were offered simply as a stimulative. Personally, he had purchased $480,000 of the last loan and in the coming drive he expects to sell $5,000,000 of bonds. As long as the campaign lasts he will be in it.

Appreciates this Country

"There will be no Harry B. Rosen, the life insurance man," he said, "only Harry B. Rosen, the Liberty Bond man. During the drive I shall not sell a dollar's worth of life insurance. I came to this country and to it I am indebted for everything that I have become. It has offered me all of its opportunities on the same plane as it has to others and I wo ld be the deepest ingrate if I did not appreciate what this country has done for me. And every other man not born under this flag but who comes to this glorious county and becomes a citizen should feel the same as I do. I would rather sell a $1,000 Liberty Bond than a $100,000 life insurance policy. We talk a lot about sacrifice and think that we are doing our share when we don't eat meat one day in the week, but substitute turkey or fish instead, but we are only fooling ourselves. The only way to display appreciation of this country is to drop our personal business for a time and work with all our energies on the only business worth while—helping the nation to wage war."

President Rogers said that the association will do remarkable work in this drive. He announced that William F. Atkinson, Northwestern Mutual Life, Brooklyn, will be in charge of the War Activities Committee. The life men will call upon thousands of people in the financial district. They will comb the skyscrapers of the metropolis with the greatest of all salesmen—life insurance men—who will be selling bonds instead of policies.

Time for Sacrifice, Says Mr. Crocker

Walton L. Crocker said he had been so much impressed by the meeting that he had a new consciousness of his duty. "I feel that I have done nothing," he said. "We must all make more sacrifices for the boys who are offering their lives in the sacred cause for which they are fighting."

Mr. Crocker said that when he left Boston he had intended making a life insurance speech, but he had been so stirred by the talk of "The Fighting Parson of Montclair" that he hardly felt as if he could indulge in "shop talk." He made a plea to agents to stand behind the Government and he deprecated criticism of Government measures and policies. It is not the time to criticise, he added, but to co-operate. He concluded with an eloquent tribute to the agents of America and pointed out their responsibilities in upholding the best traditions of life insurance in their relations with the public. The corporation is a bloodless thing; the agent comes into direct contact with the people, and by him and his standards life insurance is judged. He concluded with a tribute to the life underwriters' associations of America. "Your associations have done a greater work than you imagine," he said.

Mr. Dryden Praises Associations

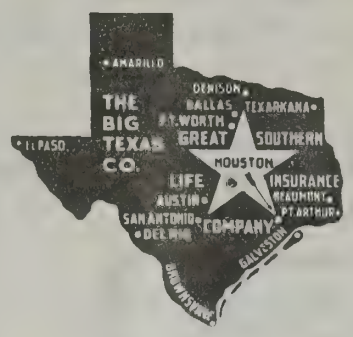
Lawrence Priddy read letters from Superintendent Phillips, of New York, and from Forrest F. Dryden, of The Prudential, endorsing the National Association of Life Underwriters.

Among committee chairmen announced by President Rogers were: Business practices, Lawrence Priddy; legislation and taxation, Julian S. Myrick; membership, George A. Kedrich; topics and speakers, L. A. Cerf; National Convention Committee, C. J. Edwards.

The meeting concluded with a Liberty Loan talk by Robert Tinsman, one of the leading advertising men in America.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

MAKING UP LOST PROSPECTS

Suggestions to Agents of an Ohio Company for Work Outside of Draft Ages

Representatives of the Columbus Mutual advise agents to make up for handicaps imposed by war conditions by adopting these suggestions:

1st. The high cost of living which prospects regard as a reason, or use as an excuse for not taking insurance, is really an argument for more insurance. A policy for $10,000 now gives no more protection than a $4,000 policy five years ago, or $6,000 policy three years ago. Make your prospects realize this fact.

2nd. To make up for the loss of prospects within the draft ages, work among other classes of prospects, among whom may be mentioned the following:

A. Women.

B. Older men.

C. Firms, both large and small, which should have partnership or corporation insurance.

D. Old policyholders who are not in Government service and who do not expect to enter it.

3rd. Take advantage of the Government recognition of the value of insurance and its recommendation as to amount. If a soldier without dependents carries $10,000 insurance, his father with several dependents should be ashamed to carry $2,000 or $3,000. Write him for the difference.

Mr. H. King, late provincial manager of the Crown Life, and now with the Imperial Life, has been made president of the New Brunswick Life Underwriters' Association.

H. B. Rosen Passes Four Million Mark

ON WAY TO A NEW RECORD

Writes $200,000 on an Attending Physician at Two O'clock in the Morning

Harry B. Rosen, who paid for $12,000,000 last year, is hitting up the same sort of a clip this year. Up to this week he has written about $4,000,000 and he expects to write another million next week.

One of his accomplishments this year was to write a $200,000 policy on a celebrated New York physician who was attending him at 2 o'clock in the morning. Mr. Rosen was in extreme physical pain at the time, but he had called at the doctor's office several times and finding long the place crowded left. Late one night while extremely ill he had the doctor called up; the latter came, and after being treated Mr. Rosen couldn't resist the temptation to talk insurance with the usual result.

What Really Happened Last Year

In talking to friends this week Mr. Rosen confessed that he had written more than $14,000,000 last year, but he had only turned in $12,000,000, keeping the other two odd million "in case I needed it early in 1918." When he is on loan or charity drives he does not solicit life insurance. He said that he had written the record-breaking figure of last year in nine months' actual work.

One of his cases this year is a million dollar policy on a Canadian.

Buying a Man's Time For Spot Cash

Since that Lincoln's Birthday gathering, which took place in Hartford in honor of Harry Rosen, there have been many stories going the rounds among his old-time friends of his early struggles there and of how he became rich and famous. They recall the time when Harry was "one of us boys" in Hartford and tell with friendly pride of his success. One of the stories which have been heard is especially interesting. It is about one of the ingenious methods Harry used when he was selling life insurance. The story may or may not be exactly true, but it is told by his friends and so may be related here.

Harry'd walk into a busy man's place of business, as the story goes, and ask for an interview and perhaps in nine cases out of ten the man would say, "I haven't any time to listen to an insurance agent; my time is too valuable." That was Harry's cue to say something like this: "Mr. Blank, I want ten minutes of your time. How much is ten minutes of your time worth?" The man would say, "Oh-er, about $25."

"All right," Harry would say, just as nonchalantly as if he was drinking his breakfast coffee, and he'd pull out his checkbook and make out a check for $25. He'd hand it over to the man and say, "Now listen to me for ten minutes."

BIG WRITERS

READ

THE EASTERN UNDERWRITER

Each Week for New Ideas

DO YOU?

Subscription $3 a Year

Dividends of Life Companies in Canada

SHOULD NOT CAUSE SURPRISE

Superintendent of Insurance on Subject—All Depends on War's Duration

If the war continues for another two years it will be entirely reasonable for life insurance companies of the Dominion of Canada to reduce their dividends in the opinion of G. D. Finlayson, Superintendent of Insurance, Ottawa, in a letter to J. H. Castle Graham, secretary of the Life Underwriters' Association of Canada. Superintendent Finlayson's letter follows:
Dear Mr. Graham:

With reference to the possibility of reduced dividends during the current year and for the duration of the war to which I referred briefly at the meeting of the association, it appears to me that if the war mortality which has been experienced during the last two years continues for another two years or even for another year it would be unreasonable to expect a continuance of the present rate of dividends.

$7,000,000 in War Claims

The life insurance companies in Canada paid during the first three years of the war approximately $7,000,000 in war claims, the amount of such claims incurred in 1916 being over $5,000,000. In 1917 the war claims incurred exceeded the 1916 claims and while the 1918 figures are of course unknown, it would, I think, be unwise to anticipate a reduction in the amount of war claims as compared with the figures of last year.

At the same time the volume of new business being transacted is increasing and this means an increasing strain on the companies' surplus. There is also a tendency towards a reduction in the rate of interest earned on the companies' funds while at the same time expenses continue high. With this combination of factors a reduction in the rate of dividends would appear to be inevitable unless the margin of surplus over dividend declarations is to be very materially reduced.

Such action as indicated above if taken by the companies during the present year should cause no surprise. It has indeed been a matter of surprise to those unfamiliar with the exceedingly sound position occupied by the life insurance companies in Canada that the strain of war has continued so long without reducing the dividends declared to policyholders. A reduction in the rate of dividends will not indicate an impairment in the stability of the insurance companies, but rather a determination on the part of life insurance executives to maintain the life insurance business on the solid basis on which it has been gradually built up.

A TIP FROM W. C. FLYNN

Warren C. Flynn, manager of the Massachusetts Mutual Life in St. Louis, in discussing the bright side of the present situation, says:

"There are two things essential for present day success, in my opinion—first, look for the doughnut rather than the hole; and second, be normal and natural. Sometimes it is a struggle to be normal. A given individual when normal possesses the qualities which fit him for success in the sale of life insurance; the same individual when abnormal may lack the essentials."

MANHATTAN AGENTS' FORUM

The Manhattan Life henceforth in issues of "The Manhattan," published by that Company, will run an agents' forum in which will be given new ideas for selling policies.

Mass Meeting of Baltimore Agents

SET DAY FOR LIBERTY LOAN

Addressed by Former Governor of State —Will Make Drive for Loan

Baltimore, March 25.—A call for a mass meeting of life insurance men was printed in the Baltimore newspapers last week, signed by Charles R. Posey, manager of the Mutual Life, and head of the Baltimore Underwriters' Association. The call asked "every man with a rate-book" to attend.

The meeting, which was to fix a life insurance day for the next Liberty Loan, was a spirited one. Phillips Lee Goldsborough, former Governor of the State, made the principal address, and the association pledged itself to make a big success not only of Life Insurance Day, but of Maryland's part in the next Liberty Loan.

Why Meeting Was Called

In explaining the reasons for the mass meeting Mr. Posey said to The Eastern Underwriter:

"The committee in charge of the 'Over There' celebration, to be held at Fifth Regiment Armory, commencing March 30 for the purpose of boosting the next Liberty Loan, had offered the institution of life insurance a day to be set apart and called Life Insurance Day. The Baltimore Underwriters' Association had accepted the offer and the mass meeting was called together for the purpose of having the entire procedure ratified."

New Liberal Double Indemnity Clause

TO BE ISSUED BY MUTUAL LIFE

Covers Accidental Deaths From All Causes—Extra Charge of $1 a Thousand

The Mutual Life announces a new general double indemnity clause, covering, with few exceptions, accidental death from all causes. The extra premium charge will be $1 a thousand on all forms with the exception of the limited payment. The new clause reads as follows:

The premium stated on the face of Policy No. 0000000 (to which this agreement is attached and of which it forms a part) includes an additional premium of ten dollars and....cents.

In consideration of the payment of such additional premium, the Mutual Life Insurance Company of New York promises to pay upon receipt of due proof at the home office of the Company in the City of New York, of the death of the insured occurring while no premium is in default and while the policy is in full force, and of due proof that such death was the result of an accident coming within the stipulations hereinafter set forth in the paragraph below entitled "Conditions" in addition to the face amount and dividends payable under the terms of said policy, one but not both, of the following described double indemnity benefits:

Double Indemnity Benefit No. 1

Twelve thousand dollars payable as follows:

(a) One hundred dollars a month for five years, first payment to be made upon receipt of said proof of the death of the insured, and

(b) Fifty dollars a month for the period of five years next succeeding the five-year period mentioned in (a), and

(c) Twenty-five dollars a month for the period of ten years next succeeding the five-year period mentioned in (b).

(The payments under (a), (b) and (c) do not terminate at the death of any payee but are payments certain for the periods mentioned.)

Double Indemnity Benefit No. 2

Ten thousand dollars in one sum.

(Election may be made to have this sum settled in accordance with one of the three "Modes of Settlement" provided for in said policy in accordance with the conditions thereof.)

Election of double indemnity benefit No. 1 or No. 2 above shall be made in the same manner as is specified in the "Modes of Settlement" clause in said policy. If double indemnity benefit No. 1 is elected, the conditions of said "Modes of Settlement" clause as to participation, supplementary contract, right to surrender and surrender value, and right to assign shall be effective as to the payments to be made under said double indemnity benefit No. 1.

Conditions: (a) The double indemnity benefit provided for herein shall be payable only if the death of the insured shall result directly from bodily injury independently and exclusively of all other causes, such bodily injury being effected solely through external, violent and accidental means, and such death occur within sixty days from the date of such bodily injury.

(b) This double indemnity benefit shall not apply in the event of the insured's death as a result of military or naval service in time of war, nor shall it apply at any time in the event of the insured's death by his own act, whether sane or insane, or if such death is caused directly or indirectly, wholly or partly, by riot, insurrection or war or any act incident thereto or as a result of participation in aeronautics or submarine operations, nor if such death results from any violation of law or from police duty in any military, naval or police organization, or directly or indirectly from bodily or mental infirmity or disease of any sort. The double indemnity benefit shall not apply to the paid-up policy or the extended insurance provided for in the "Options on Surrender or Lapse" clause in said policy.

(c) The Company shall have the right and opportunity to examine the body and to make an autopsy.

The insured may at any time terminate the provision for this double indemnity benefit by filing written notice thereof at the home office of the Company, together with said policy for cancellation of such benefit; after such cancellation no further premiums shall be payable for this benefit.

CELEBRITIES WILL TALK

President, Canada's Governor General and New York's Governor to Address Life Underwriters

The annual convention of the National Association of Life Underwriters is to be held at the Hotel Astor in New York and not at the Hotel Commodore, which had been leased entirely, for the reason that the Commodore will not be completed when the convention is held. The Astor can't accommodate the crowd of insurance men who will be in town then—it will be convention-time for the Canadian association and many company field organizations, as well, but the Astor is in the hotel zone and there will be no trouble in getting accommodations.

The convention will be opened with addresses by President Wilson, the Governor General of Canada and the Governor of New York.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

BILLS PASS ASSEMBLY

No Policy to Be Forfeited Unless Notice Is Sent to Assured

Albany, March 27.—The Assembly has passed the following bills:

Assemblyman Gardner's amending section 92 of the insurance law by providing that notice required by the section to be mailed to the insured before forfeiture of policy shall be sent to the employer in the case of group insurance. (The Senate also has passed this measure.)

Assemblyman Gardner's amending the Stock Corporation Law by requiring every domestic stock life insurance corporation to file with the Superintendent of Insurance by May 1, 1918, a list of stockholders, with their place of residence and the number of shares held by each. No transfer of stock in such corporation is valid until ten days after written notice thereof has been filed with the Insurance Superintendent.

Assemblyman Gardner's amending section 33 of the insurance law by authorizing the Superintendent of Insurance to refund to foreign corporations doing business in the State, any excess taxes, fines, penalties or license fees chargeable under the section by reason of overcharge by other States of similar corporations, from this State, upon satisfactory proof of refund by such other States.

GOVERNOR A LIFE MAN

Eduardo dela Guardia, brother of Enrique dela Guardia, Associate General Agent in Panama of the Pan-American Life, has resigned as Alcalde (Governor) of Panama, and will now devote his entire time to the Pan-American. Previous to Mr. Guardia's election as Alcalde, he was one of the leading representatives in Panama and knowing what he can accomplish makes us doubly glad that he is to be with us again.

CANCEL WASHINGTON MEETING

The adjourned meeting of the National Convention of Insurance Commissioners which was to have been held in Washington on April 9, has been cancelled. The annual meeting will be held in Denver, Colorado, early in September.

Additional Facts From Pres. Dryden's Report

Number of Cases Considered for Service Disability Allowances

	1917.	1916.	Increase.
Field	3,369	3,197	172
Home office	3,794	3,336	458
Total	7,163	6,533	630

Amount Paid in Service Disability Allowances

	1917.	1916.
Field	$142,031.72	$128,071.49
Home office	82,287.53	83,985.58
Total	$224,319.25	$212,057.07

Number of Deaths Under the Plan of Service Disability Allowances

	1917.	1916.
Field	60	59
Home office	14	9
Total	74	68

Service Retirement Allowances

	1917.	1916.
Number of field employes added to the list	5	4
Number of home office employes added to the list	4	1
Total	9	5

(There are now 46 receiving Service Retirement allowance.)

	1917.	1916.
Service retirement allowances paid to field employes	$15,444.89	$14,663.53
Service retirement allowances paid to home office employes	3,504.36	1,442.36
Total	$18,949.25	$16,105.89

Payments During 1917 to Beneficiaries of Deceased Employes, Under the Company's Plan of Free Insurance

	No. of claims.	Amount.
Field employes	76	$85,794.63
Home office employes	14	11,448.37
Total	90	$97,243.00

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President
A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY
Edward D. Field, Superintendent of Agencies

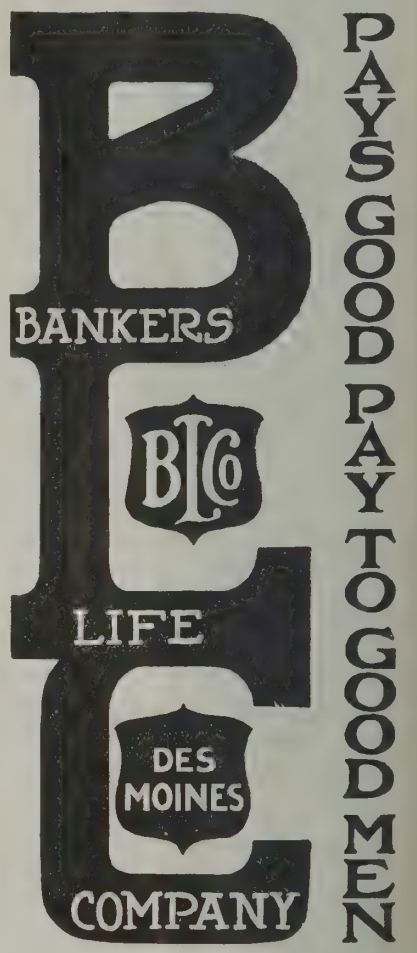
PENNSYLVANIA OPPORTUNITY
If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.
Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

State Mutual Life Assurance Company of WORCESTER, MASS.
Incorporated 1844
SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.
Our motto is SERVICE to policyholders, beneficiaries and agents.
Additions are made to our agency force when the right men are found.
B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

GOOD TERRITORY
still available for development by the
RIGHT AGENTS
..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.
Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity,
Disability Benefits,
Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President
The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.
For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.



15,000 PEOPLE
Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life."
This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.
AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day
FIDELITY MUTUAL LIFE INSURANCE COMPANY, PHILADELPHIA
Insurance in force over $142,000,000
Walter LeMar Talbot, President

An Argument for the Small Merchant

PRESENTED BY GEORGIA AGENT

Interview Mapped Out by Massachusetts Mutual Man for Selling of Endowments

Insurance costs real money and the prospect wants to be shown very definitely how it is going to be worth real money to him. If you can show him this, you have done the hardest part of your work. Forest A. Kiger, general agent of the Massachusetts Mutual Life, at Marietta, shows how to present the argument to a small merchant on such a clear, forceful form that he cannot help but appreciate the value of a policy that provides not only protection for his family but also profit in the form of real money from his business. "The Radiator," published by the Massachusetts Mutual, quotes Mr. Kiger's interview as follows:

The Approach.

The small merchant is, if properly handled, good material for an endowment policy. I have closed a $5,000 twenty-year endowment policy by putting it up to my prospect about as follows:

"Mr. R., you have a splendid business here, haven't you?"

"Yes."

"Making money, too, eh?"

"Oh, yes! My profits are around $1,200 or $1,500 each year and the business is growing."

"That is fine. How much money have you in the bank, Mr. R.? You have been in business a good many years now and must have a good bank balance as your profits are so satisfactory."

"Well, you see it is this way. We just keep putting the profits back into the business, and—well, our bank balance isn't so very large, come to think of it, that way. It does seem as if I ought to be getting some real money out of this business."

"Now, Mr. R., I know just where the trouble is. You have not kept your stock down where it should be and have allowed the business to absorb the profits instead of getting your profits out of the business in cool cash. Would you be willing to put a five dollar a week clerk on the pay-roll if I could show you how that clerk would not only make a profit for you but actually return that profit in the 'coin of the realm?' "

"Well, I'm from Missouri—show me."

Separate Savings Accounts.

"All right, Mr. R. Let's see, your age is 42. We will put up a cash investment for this clerk of $264.10 in a company I represent, the business of which is to keep your resources in liquid assets and not in merchandise. Put her right on the payroll at $5 a week. Every Monday morning, instead of paying her the salary as you do your other clerks, take it down to your bank and put it in a separate savings account. (Mind you, I want her wages taken out every week and deposited in a separate account.) A year from now you will have $260, plus interest, to her credit. All right, that is about the same amount we started with, you see. Now then, invest her wages for the year in my company and don't fire the clerk. Start her in for the next year, at the same salary, too. You don't have to raise her wages as she becomes more valuable. At the end of seventeen years, you will have paid her in wages $4,489.70. Now, let's see what she has earned for you. If our present dividend schedule and interest rate is maintained, her earnings amount to $5,000, payable in actual cash. From the minute that the original $264.10 was invested, your estate has had the benefit of $5,000 as protection to your business in the event of your death. And besides all this, my company writes into the contract a clause waiving the annual deposit in case you become totally or permanently disabled by disease or accident and returns to you the full $5,000 just the same as if you had been paying all the while. Now, sir, this is a proposition to you, backed by a company which has been engaged in business for sixty-six years, with assets of $100,000,000—a company which has never once failed to carry out a contract to the very last cent. Shall we put the extra clerk to work? Here is an application for a $5,000 twenty-year endowment life insurance, with the annual dividends left to accumulate, which, if our present schedule and interest rate is maintained, will mature the contract in about seventeen years. Sign right here, please."

On the Road to "Real Money."

Mr. R. signed and is now on the road to real money for his years of toil behind the counter. I believe that this proposition figured out and properly presented will not merely aid many a seemingly prosperous small merchant to have real money for his declining years but put good premium-paying business on our books. Reference to Dun or Bradstreet will verify the statement that there are comparatively few small merchants who have made actual money out of their business. They are looking for a way out. Suggest this plan.

McCOMB WITH ATLAS LIFE

The Atlas Life Insurance Company, Organizing, of Tulsa, Oklahoma, announces that a year's contract as consulting actuary has been made with T. J. McComb, of Oklahoma City. Mr. McComb was former Insurance Commissioner of the State of Oklahoma and for the past ten years consulting actuary for various companies in that section.

Tells About the Masonic Protective

AN INCOME OF OVER A MILLION

Association, Which Gets Johnson and Hodgkins, Has 80,000 Policyholders

Since it became known that the Masonic Protective Association of Worcester, Mass., was to have the services of William C. Johnson, formerly of the Equitable Life, and L. G. Hodgkins, manager of the National Automobile Underwriters' Conference, there has been a great deal of curiosity evinced by life insurance men regarding this association.

It's Twenty-three Years Old

On its letter-head after the name, "The Masonic Protective Association," appears the words "Sickness and Accident Benefits." Charles A. Harrington is general manager. In telling The Eastern Underwriter something about the association, he said this week:

"This association has substantial business and most excellent prospects for the future; otherwise, there would have been no possibility of our interesting Messrs. Johnson and Hodgkins.

"There is little to say of our association. It commenced business twenty-three years ago and is the largest and most successful company of its type in the country, having now some 80,000 policyholders and a premium income of more than a million. This, you will realize, is a substantial business for a company operating only in a limited field, i. e., only among the members of a fraternal order.

To Extend Service

"It will be generally understood from the calibre of our new associates that we mean to maintain the present sound reputation of our Company, and further extend its service and influence in its chosen field."

GROUPS IN NORTHWEST

Northwestern National Life of Minneapolis has recently issued group insurance covering the employes of the Northland Rye Mills Company, Commander Elevator Company, W. J. Jennison Company, Empire Milling Company, Big Diamond Mills Company and the Commander Mills Company.

GO INTO LIFE INSURANCE

Northwestern National Life of Minneapolis has appointed Cravens & Cage, Houston, its managers for Southeastern and Southwestern Texas. The Cravens & Cage agency transacts a general insurance business and has fifteen hundred agents. The life department just installed is under the direction of Ralph L. Colby, an experienced life insurance man.

INCOME TAX RULING

Amount of Proceeds Exceeding Premiums Subject to Tax if Paid to Estate

Deputy Commissioner Speer, of the Internal Revenue Department, has written to The Eastern Underwriter in reply to a question asked by a subscriber of this paper:

"You are advised that proceeds of life insurance policies payable to the estate of a decedent, when received by an executor or administrator, are, in the amount by which such proceeds exceed the premium or premiums paid by the decedent, income of the estate subject to income tax to be accounted for by the executor or administrator under the provisions of Section 2(b), Act of September 8, 1916, as amended.

"If received by an executor for the benefit of individual beneficiaries, the entire proceeds of the life insurance policy of the decedent forms part of the corpus of his estate and are not, therefore, subject to income tax."

LIFE INSURANCE ENOUGH

Few Requests for Mothers' Pensions in Wisconsin when Fathers Provided Protection

Judge A. C. Hoppmann, who has charge of the Mothers' Pension Law appropriations in Wisconsin, recently stated that in not more than 5 per cent. of the cases where the father had life insurance did the mother ask for a pension under the law.

The growing appreciation of the monthly income as the wisest way of paying life insurance money was also shown by Judge Hoppmann's statement that a widow who recently applied for a pension, had asked to be permitted to place with the court the proceeds of her husband's life insurance, $1,000 and to receive such sums monthly as the court thought necessary for the proper maintenance of the family, the balance to be placed in the bank at interest, says the Northwestern Mutual Life's "Field Notes."

CANDIDATE FOR GOVERNOR

Denny O'Neil, former insurance superintendent of Pennsylvania, is a candidate for Governor of Pennsylvania. He is a banker and newspaper owner in McKeesport.

QUITS "SPECTATOR"

Harold Waterbury, of the editorial department of the "Spectator," has resigned to go with an association of drug men. Mr. Waterbury, who is a Columbia University man, has won many friends by his pleasing personality and his writings on life insurance and other topics.



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and United States Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

The Union Central Life Insurance Company, of Cincinnati, O.

JESSE R. CLARK, President. ALLAN WATERS, Second Vice-President

How W. M. Horner Agency Operates

FORTY PLANKS IN PLATFORM

How Departments Are Divided—Code of Ethics—Probity, Frankness, Courage Standards

The W. M. Horner Agency of the Provident Life & Trust Co., Minneapolis, has reduced to writing forty planks in its platform. Here they are, as furnished by Mr. Horner:

One. Everybody is on duty promptly at nine A. M.

Two. The office force work intensively during the day, excepting one hour for luncheon.

Three. The agents conform to the same hours, only exercising their own judgment as to employing time, keeping in touch with the office by keeping their whereabouts known and approximate time of return.

Four. Agents work any time night or day when advantageous circumstances exist or can be created.

Five. New agents report calls weekly.

Six. All agents record prime prospects with the office.

Seven. Visiting, useless conversations and the reading of newspapers are reduced to a minimum during business hours.

Eight. Service to clients, Company and each other is a cardinal principle.

Nine. Courtesy, loyalty and enthusiasm dominate our efforts.

Payments on Policies

Ten. Everyone transacts all business in regard to renewal premiums with Miss Koch, the cashier.

Eleven. Cash settlements, full or in part, are also received by Miss Koch.

Twelve. Everyone transacts all business with regard to notes for premiums with Mr. Tarbox, the auditor. He also has all auditing matters, such as agents' statements, general banking and bookkeeping matters in charge.

Thirteen. Everybody transacts all business with regard to term insurance and the converting thereof with Miss Williams.

Fourteen. All matters coming under the head of service are looked after by Miss Williams.

(a) Change of beneficiary blanks.

(b) Loan papers.

(c) Changes of any kind in regard to policies.

(d) Rates, premiums, policy conditions of our own and other companies.

Fifteen. Everybody reports all applications to Miss Burns, or in her absence, to Miss Nord.

Sixteen. Local agents post their own business as soon as completed. Business of the field men is posted by the application department upon receipt of same.

Seventeen. All questions with regard to applications, company procedure, rules, limitations, insurability, etc., go to the application department.

Department Heads

Eighteen. Miss Burns has charge of the death claims and matured endowments.

Nineteen. All matters with regard to the writing of women are referred to Blanche D. Fenton, Director of Woman's Department.

Twenty. Everything in regard to business life insurance is taken care of by John A. Bond, in charge of that department.

Twenty-one. All matters with regard to field agents are referred to Frank M. Flory, Field Superintendent.

Twenty-two. All matters in regard to young agents are referred to James A. McClain, in charge of the Junior Department.

Twenty-three. Miss Crook takes all telephone calls in the agents' room.

Collections

Twenty-four (a). Each individual watches his business carefully and keeps the renewal premiums collected and never allows notes for new premiums to run overdue.

(b) The auditor and cashier keep agents informed of maturities.

(c) Each agent exercises mental alertness in regard to his own collections independent of information given him from the cashier and auditing department.

(d) Settlement blanks contain all data in connection with any case, including specific information as to method of settlement. Nobody writes on separate stationery in regard to a risk, excepting in subsequent information.

(e) We follow the practice of getting settlements with applications all cash or part cash or note, when necessary issuing receipt printed for that purpose.

(f) We invariably have a client examined at earliest possible moment, and never leave an outside point without completed examination of cases written.

(g) Statement of agents' accounts and the previous month's business is in their hands by the tenth of the month.

Twenty-five. Everyone uses the interior telephone system of the office and avoids calling across the office from one department to another.

Dignity in the Office

Twenty-six. A quiet, dignified, determined mein is maintained, avoiding boisterous action and loud talking or laughing during business hours.

Twenty-seven. Everyone avoids remarks that are interrupting, facetious or inconsequential. A little fun now and then is welcome but not as a habit.

Twenty-eight. Members of the agency force never go behind the counter in the cashier and auditing department.

Twenty-nine. Everyone in both departments looks after clients and endeavors to secure new business when loans which cannot be avoided are made and in connection with the payment of all death losses or matured endowments.

Thirty. Each agent or member of the office force who brings in a new agent who writes $100,000 the first year receives $150. If an agent so brought into the organization does not write $100,000 the first year, but does it the second year, the $150 is paid at the end of the second year.

Thirty-one. When anybody is in doubt as to which department to consult they ask Miss Burns.

Manager Always at Service

Thirty-two. Everybody understands that Miss Burns has charge of the office in general matters and represents the manager when he is absent. A power of attorney has been given her for this purpose.

Thirty-three. Everybody goes to the manager with anything and everything that they may desire to consult about. It does not matter what time of night or day it is or where he is, they always get to him if they want any help or counsel. They go to him with personal burdens as well as business problems. They know that there is no real or imaginary fence around him at any time.

Thirty-four. They know that the manager from experience realizes all the ups and downs of the business and possesses an unlimited supply of consideration for others if they do their part.

Thirty-five. Agents are notified of approvals as soon as received from the home office.

Thirty-six. Important memoranda or messages are written and not given, direct or by proxy, orally.

Thirty-seven. Messages for the manager are given to Halsey Hall, special stenographer.

Thirty-eight. All letters are addressed to the W. M. Horner Agency or W. M. Horner, general agent, marked for attention of the department head to which subject relates.

Thirty-nine. The agency organization in its purposes, plans, systems, personnel and results is not excelled in the entire country.

Ethics

Forty (a). Everyone avoids an arrogant spirit with associates and clients and recognizes the efficacy of a spirit of friendly co-operation. That right business ethics is one of the cardinal principles of success.

(b) Clients or business associates are not called by first name unless the acquaintance is close or of long standing because "familiarity breeds contempt."

(c) We reduce personal telephone calls, personal correspondence and the attention to any matters not specifically related to the business of the agency to an absolute minimum.

(d) Everyone extends little acts of courtesy to clients and fellow members of the organization wherever possible, realizing that good breeding in business is as important as in society and pays large dividends.

(e) We believe the life insurance business is a great vocation, offering untold opportunities for business-building and service to humanity for both men and women. We think it is a business where sporadic, unsystematic procedure should give way to intensive, standardized effort. It is a business where frankness, probity and high-souled courage should crowd out intrigue, deceit and mediocrity.

AGENTS' COMMISSIONS

Need Not Be Paid to Government if Agent Has Office and Clerks

Deputy Commissioner of Internal Revenue Speer has written the following letter to Daniel J. Tompkins, President United States Guarantee Co., New York, N. Y.:

Sir: Replying to your letter of March 7, 1918, you are advised that commissions paid soliciting agents during the year 1917 are required to be reported upon forms 1096 and 1099. If, however, the agent maintains an office for the transaction of insurance business, paying expenses such as office rental, clerk hire, etc., and the amounts paid agent by the company are intended to cover expenses, then commissions or amounts paid such an agent are not required to be reported.

L. F. SPEER,
Deputy Commissioner.

73d ANNUAL REPORT

NEW YORK LIFE

INSURANCE COMPANY

346 & 348 BROADWAY - - NEW YORK CITY

Income for the year 1917:

Premiums	$100,279,122.00	
Interest and Rents	39,957,422.00	
Other Income	5,881,618.00	$146,118,162

Paid Policy-holders, 1917 (Exclusive of Disability Benefits):

Death Losses	$30,599,371.00	
Matured Endowments	13,566,409.00	
Surrender Values	18,527,170.00	
Dividends	22,807,762.00	
Annuities	1,387,241.00	$86,887,953

Loaned Policy-holders during 1917 ..... $23,722,213

New Paid-for Insurance in 1917 (Exclusive of over $16,000,000 increase by Policies revived and increased, and Additions by Dividends) $315,994,500

Paid-for Insurance in Force Dec. 31 ..... $2,673,334,336
Number of Policies in Force Dec. 31 1,301,969

Admitted Assets, Dec. 31, 1917 ..... $934,929,381

These assets are the property of over 1,000,000 people with their dependents (in accordance with their contractual rights). The Company is purely mutual; it has no capital stock.

Legal Liabilities $760,742,335

Reserved for dividends payable in 1918	$26,561,063.64	
Reserved for dividends on deferred dividend policies maturing subsequent to 1918	107,041,778.00	
Reserved for Contingencies	40,584,204.36	$174,187,046
Total		$934,929,381

THE ANNUAL DIVIDEND RATE OF 1917 WILL BE MAINTAINED IN 1918

For the year 1917 the Company's mortality rate was the lowest in its history

Average earning power of total Ledger Assets { Dec. 31, 1917, 4.59% / Dec. 31, 1916, 4.54%

A detailed statement will be sent to any person asking for it.

January 14, 1918 DARWIN P. KINGSLEY, *President*

Business Associations

Help men to success.

Provident agents are associated with a business organization whose reputation for integrity, fair dealing and financial security extends over half a century.

Write for information

The Provident Life and Trust Company

of Philadelphia

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Pension Fund in Chaotic Condition

A MUDDLE IN NEW JERSEY

State Teachers' Retirement Fund—Report of State Chamber of Commerce

New Jersey pension systems, including the State Teachers' Retirement Fund, are in a chaotic condition. They do not meet the object of a pension system, "which is, on the one hand, to protect the public servants against the contingencies of old age and disability, and on the other hand to increase the efficiency of the public service by making possible the elimination of those employes who, through old age or disability, are unable to effectively carry on their duties." These are findings contained in a review of what has been accomplished by six months of investigation of these systems under the direction of the Pension and Retirement Fund Commission created by the Legislature. This review, which has just been made public by the Bureau of State Research of the State Chamber of Commerce, declares:

Solvency

"Out of about sixty funds now in operation there is not one that could be declared solvent. It appears that their liabilities amount to many millions of dollars and their assets are quite negligible in comparison. Unless a reorganization of the existing funds on a rational basis is promptly undertaken they will have to either repudiate their obligations toward their members or to appeal to the legislators for new sources of revenue. In the first case the employes would suffer considerable hardship. In the second case the taxpayers would have to bear an ever increasing burden."

In summarizing the results of the work accomplished during the last six months of investigation of the fund, the review says that "a tremendous amount of information has been collected and analyzed, scientific principles evolved, actuarial estimates of the cost of the teachers' service pension and other actuarial estimates have been prepared, comprehensive reports have been published and a bill for the retirement of State employes—the first scientific pension bill in New Jersey—was devised. In a word, a great deal of work has been accomplished during the past six months. But this is only a beginning. The actual reorganization and establishment of a sound system, i. e., the greater part of the work, is yet to be done."

Planning to Remedy Defects.

The next step, the report continues, will be to undertake the work of preparing the conditions for the application of sound remedies for the defects discovered. "The problem of reorganization of the teachers' pension and retirement systems," the report says, "is one of the first problems to be considered by the commission, in view of the fact that their condition is exceedingly serious. The obligations to the teachers involved in the State pension amount to about $24,000,000, as shown by actuarial valuation. No adequate financial provisions have so far been made for meeting these stupendous obligations. The teachers' retirement fund, as shown by a recent investigation, is in an unsound financial condition and can live only a few years on its present basis. Next comes the problem of the police, firemen and other local employes' pension funds. Some of these funds are in an appalling situation. The commission must assist the municipalities in reorganizing them. It must prepare a basis for their sound reorganization."

A RECORD

During the year 1917 the Northwestern Mutual issued policies on the lives of 46,481 persons and 15,544, or 33.4 per cent. of these were old policyholders.

The total insurance issued amounted to $175,858,473, of which $83,022,733, or 47.2 per cent., was on the lives of old policyholders.

Commissioner Writes to Policyholders

ARTICLE OF JOHN B. SANBORN

Tells Policyholders of Northwestern National of Gratifying Record of Company

Commissioner of Insurance John B. Sanborn, of Minnesota, has written a message to policyholders of the Northwestern National, which that Company reprints in the current edition of its paper, the "Northwestern National News." Mr. Sanborn's article is reproduced in full:

The records of this department show that during the year 1917 the insurance in force of the Northwestern National Life Insurance Company increased from $42,190,750 to $54,193,728, an increase of $12,002,978; that its total admitted assets are $6,186,694.37, of which $4,076,523.09 are mortgage loans made on improved real estate in Minnesota and other States of the Northwest.

These figures speak for themselves, but it is extremely gratifying to note that during this year, which has been in all respects abnormal, such a large volume of insurance business has been written. At this time when the importance of thrift, efficiency and conservation of resources is of the utmost importance, too much emphasis cannot be given to the necessity of the protection of life and property by insurance.

No Provision Made

Statistics show that few men accumulate estates sufficient to take care of their dependents. According to the records of the surrogate court of New York 3 per cent. of the estates amount to $10,000 or over, 15 per cent. are between $2,000 and $10,000 and 82 per cent. have no tangible assets. From these figures it would appear that in the absence of life insurance 97 per cent. of all persons whose estates were probated in the surrogate court of New York had made no adequate provision for the continued maintenance of their dependents. The government of the United States, by providing insurance for its soldiers and sailors, has placed the stamp of approval upon the underlying principles of life insurance, and this ought to go a long way toward educating the people of this country to the necessity of carrying a sufficient amount of insurance upon their lives to prevent those who are dependent upon them for care and support from becoming dependent upon public or private charity.

Helping Win War

That the companies who conduct this business will contribute much toward winning the war there can be no doubt. They have already purchased Liberty bonds to a large amount and their purchase of the future issues of these bonds will undoubtedly be enormous. Their agency forces have participated in the sales of Liberty bonds, the Red Cross campaign, and in spreading the doctrine of democracy, loyalty and patriotism from coast to coast. They have released many thousands of their employes for government service, have assisted the government in notifying the soldiers and sailors of their rights under the government insurance bill, in many instances by refusing to accept applications from soldiers and sailors who had not already availed themselves of such rights. Their reward will be an ever-increasing public confidence in their business and an ever-increasing realization of the benefits to be derived from the adequate protection through life insurance of the women and children of this country.

WOULD COST $137,000,000

Mark Daly, representing the manufacturing interests, appeared at the hearing in Albany, March 26, in opposition to the proposed health insurance bill. He showed that it would cost $137,000,000 a year. Labor interests generally favored it while commercial interests and the medical profession opposed the measure. Support also came from the City Club of New York, American Association for Labor Legislation, Woman's Municipal League, Woman's Trade Union League and Consumers League. The bill is so drastic that it seems highly improbable that it could be passed.

A Year of Splendid Achievement

It is not difficult to see why the MASSACHUSETTS MUTUAL in 1917 wrote a larger amount of paid-for business than in any other year in its history. Sixty-six years of Service efficiently and promptly rendered have won the confidence of its representatives and of the public. Co-operation with a Home Office that has the right spirit, policies which are not excelled, and a company with a sterling reputation ensure success for the Field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

R. P. Burns Talks of His Selling Methods

R. P. Burns, of the Peoria Life, in a talk before agents of that Company, said recently:

"Many of the methods used 20 or more years ago in writing life insurance cannot be successfully used today. People are better read, and are 'wise' to the 'tricks' and 'schemes.' Once it was thought smart to write a 'life' policy with a 20 year settlement, or a 20 pay life as an endowment. Then, the agent who did so, received great praise from his company for his 'splendid' production, while the agent who was clean, was rated 'not much force' because his clean business had to compare with the dirty business of the other. As a result all life agents have had to bear the odious classification of 'slicker' or 'trickster.'

"But a new era has dawned. Today we consider that any agent who goes out and gets the confidence of a fellowman, whether by the introduction of a friend, or by whatever means, and deliberately violates that confidence, not only lowers the ethical standard of his profession, but he is a criminal, getting money under false pretenses. He is leaving behind him a trail of suspicion and distrust that succeeding agents must follow, and he carries off honors to which he is not entitled. Besides, he wastes time and energy in having to plan a strategic retreat. Honesty of purpose and of method is the winning principle today, for it gives to its possessor a confidence in himself which knows no defeat and enables him to more easily gain the confidence of others.

"It is getting increasingly hard to get to people nowadays, but that is one of the problems that each one must solve for himself. The man who cannot work out this problem is not a valuable man for himself, or for his company.

"I am convinced that the country banker, in most cases, is the man who can be of greatest service to us. If he is not available, or is not the right man, then perhaps the auctioneer, the stock buyer, or the grain buyer. It certainly is no less important today to have a good local man, than it has been in the past.

"How can we improve our canvess? Let us begin by preaching the advantages of life insurance on the living side, instead of talking on the dark and gloomy death side. Preach sunshine instead of gloom.

"Men are tired of having the hearse backed up to the door for them and having an old express wagon taking their family to the poor house, and few men enjoy being lectured on their duty to their family especially by a stranger.

"One may use the sentimental side, but he should first gain the attention, and build up the frame work of his canvass with business argument, and then, by the use of a few human interest stories, drive home his arguments on the sentimental side, as occasion will permit. Visualize the advantages of doing, rather than the penalty of not doing. I have no objection to a story made up entirely of blue sky, so long as it illustrates the truth.

"By being ever on the alert, reading insurance magazines, talking to other agents, attending conventions, etc., one will be able to pick up ideas, illustrations and arguments. When we meet an agent of another company, we should draw from him some good ideas if possible, instead of impressing him with what a big fellow we are.

"Try out a new argument a few times, and watch results. If it does not work well, drop it. The most valuable thing to me, in relation to my canvass, has been to write out my arguments. When we take what seems to be a good point, and reduce it to white paper, it sometimes proves to be a pretty flimsy argument. I have frequently offered this advice but I have found no one who would follow it. If each one of us were called into the office of some high class business man, and asked for a good reason why he should buy life insurance, I wonder if each of us could give three or four good, clear, intelligenet arguments, or would our reply be something like the bashful young man proposing to his sweetheart. I have found that one of my weak points has been to allow my canvass to take the form of a polite lecture at a Sunday School Convention, instead of having the fire of enthusiasm and that convincing force about it. It is a good idea to be your own critic—go over each case and determine if possible, why you succeeeded or failed. A common mistake is that our arguments and illustrations are too general, too much of a hit or miss talk. After a successful canvass, one night, an agent who was with me, said, 'That was the best canvass I ever heard you give, it was right to the point.' My reply was, 'You are responsible for that. In this case you gave me all the conditions in his business and family affairs, and I could shape my arguments accordingly.' 'In most cases, we dash along the road and suddenly turn into the yard and I have time only to learn his name.' It is mighty important to make our arguments fit his case.

"Another of my weak points has been to let down the pressure at or near the closing point, or perhaps let my steering wheel wabble, so I lost control of the trend of the canvass. At this point, of all places, it takes concentration boiled down.

"I have found that when I get into my system, that feeling that I am really going to write my man, I shape my arguments more forcefully, and my words have a more convincing ring. The mental attitude does have a great deal of bearing on the result."

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Equitable Asks Agents 22 Questions

The Equitable Life Assurance Society has asked agents twenty-two questions, the affirmative answers to which if conscientiously and correctly made, spell success. Here are the queries:

1. Do you work out a carefully prepared program for the year, month, week and day?

2. Do you hold yourself strictly to rigid regulations as to the expenditure of your time?

3. Do you add from day to day to your list the names of insurable people, eliminating from time to time those who are not promising physically, financially or otherwise?

4. Do you post yourself in advance about those you intend to interview?

5. Do you offer the policy that best fits the case?

6. Do you interview a fixed number of prospects every day?

7. Do you review your work periodically to find out what percentage of those interviewed you secure?

(Other things being equal, the greater the number of interviews the larger the average return.)

8. In addition to your work during business hours do you devote one or two or three evenings each week to interviewing prospects in their homes?

9. Do you gather prospects and selling points by studying the daily papers?

10. Do you take note of marriages, deaths, business changes, new organizations, successes and failures, as a means of procuring new and additional insurance?

11. Do you when possible close a case on the first interview? If not, on the second? And do you refuse to waste your time on those who keep putting you off?

12. Do you keep yourself in fighting trim?

13. Do you take genuine pleasure in your work?

14. Do you go in to win, like the football player or the huntsman?

15. Do you jolt yourself out of ruts? Have you abandoned arguments that are obsolete? Are you fresh, up-to-date—a leader in thought and action?

16. Do you adapt your appeals to the war conditions now prevailing?

17. Is your diligence constant, steady, uninterrupted—all day and every day—except when you are getting the rest and recreation necessary to keep you in fighting trim?

18. Do you refuse to permit disappointments to discourage you?

19. Are you constantly cheerful, courageous, confident?

20. Are you uninterruptedly optimistic and enthusiastic?

21. Have you full faith in the value of what you have to offer?

22. Do you make every prospect see that you are not asking any favors but are endeavoring to do him a great service?

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

NO NEWSPAPER CONTROVERSIES

The New York Life has called to the attention of agents the fact its agents are prohibited from entering into newspaper controversies, or publishing anything with regard to insurance or issuing circulars of any kind unless the matter has first been submitted to, approved and authorized by the company.

AVERAGE AGES

In 1917 there were 3,382 deaths among policyholders of the Northwestern Mutual Life. The average age at entry was 38.8; average age at death, 55.7; average years insured, 16.9.

How Life Men Can Help

By John M. Holcombe

The United States Government has recognized its obligations to those who are offering their lives for its protection, by a plan of life insurance which may draw large sums from the public treasury over and above the premiums received, for the mortality in war cannot be foretold. The death rate in battle has no place in the tables upon which safe premiums in peace are based. In giving pensions to those who have suffered loss by reason of public service, the people as a whole acknowledge a just indebtedness. Some plan of life insurance presents advantages over a pension system, but unless the premiums are sufficient to pay the losses and expenses, the public purse will supply the deficiency, the necessary funds coming from the same source from which pensions are paid.

How Life Insurance Can Help in the War

But with a due regard to the safety of those who own it, and without prejudicing their interests or those of their dependents, such a company can gather the premiums of its policyholders and protect family, business and public interests. With the funds which must be set aside to meet future obligations, it can help maintain and develop those lands and industries without which war cannot be carried on nor a prosperous peace be maintained. It can directly and indirectly through its organization help the Government secure money which it must have to protect the interests of its people; it can effectively aid in collecting the small sums which make the greater ones, and at the same time promote habits of thrift to the future advantage of the country; it can cooperate with those agencies which are unselfishly engaged in saving life, relieving distress and guarding the morals of young and immature manhood; it can stimulate patriotism, restrain criticism, and foster a spirit to applaud what is worthy and condemn what is false or unjust; from among its employees it can swell the army and navy, but this can only be done by adding to the ordinary labors of those who must continue the necessary duties of carrying on its affairs. Many valued men in this office and in the field have given themselves to the service of their country and the world, willingly devoting their energies, risking their future prospects, and cheerfully facing the supreme sacrifice. The men and women who remain are giving more than ever of their time and strength to supply the places of those who have gone, to the end that a broader and better field shall be created in which the institution of life insurance shall do a larger and more useful work than ever before.

A mutual life insurance company secures its members by appealing to the best sentiments of humanity, and it is not in passion or hate that its organization should be employed, but rather in the education of those who have not seen the vision of a world in which each individual shall have an equal chance to enjoy the just reward of his talents.

A Review of Business Conditions

BY NEW ENGLAND MUTUAL LIFE

National Problem Not How to Economize, But How to Be Thrifty

The New England Mutual Life, in the current issue of "The Pilot," sums up the general business conditions of the country, with particular emphasis upon the meaning of thrift. The Company says:

"The active life of the country in commerce and industry tends to broader improvements. Production at present is not limited by demand, but by the power to produce. Civilian business will be confined to goods left after military needs are fully cared for. There is not the slightest question about the financial ability of the civilian population to absorb all the goods that we can manufacture!

"But America wants positive action—she calls for promptness in daily business, a quickening of all activities. On our response to this imperative need depends largely our worth to the nation.

"Recent events have forced the country to consider the economics imposed by the war situation. The public is beginning to understand the real meaning of 'patriotism' and 'thrift.' Patriotism does not mean that the manufacturer should furnish his goods to the Government at cost, because fairly generous profits are essential to maintain prosperity.

What True Thrift Means

"'Practising thrift' is not always economy, much less parsimony. There is 'a thrift that spendeth' in order to be truly thrifty. Excessive saving means nation-wide curtailment of business—the worst possible method of waging a war whose daily bill is enormous! Thrift, on the contrary, is care and prudence in the management of resources—'thrift is the best means of thriving.' It brings prosperity through good management.

"The problem to be solved is not how to economize—a negative act, but how to be thrifty: how to prevent leaks through useless waste, and how to develop a policy of action that will speed up production—even if that process involves somewhat higher costs than peace times would tolerate.

"Thrift, then, is much more than mere saving of money. It is a positive, constructive force, more difficult and exacting than economy because it is taking care of money—in the interest of a cause.

"Today, the essence of patriotism is for us to assist the Government in slowing down non-essential industries, and in speeding up those that are vital to the needs of the war. The transition is a delicate process. No matter how skilfully handled, it must bring some hardship. But our Allies have met it so ably and courageously that an obligation is on us to give ourselves wholly to the problem, with promptness and energy. We must be prepared for sacrifice, but not for a self-denial that means ruinous stagnation. Prosperity must be sustained if we are to escape economic uncertainties.

Supreme Duty of Life Insurance Companies

"Our supreme duty lies in keeping our business and family relations on a vigorous and wholesome basis. If the drain of the war prove long, our country will require all our commercial and financial strength; and this can be drawn only from the material and spiritual potency of her people.

"Waste is an economic offense, with an enervating effect on character, while negative economy is caused by timidity if not fright. But spending money for essentials that contribute to the stability of the nation is both wisdom and patriotism.

"No higher form of this strengthening process exists than that of life insurance—which always rescues from destruction and perpetuates the economic worth of human lives!"

TO KEEP POLICIES IN FORCE

Under an arrangement with the War Risk Insurance Bureau, all policies of insurance taken out by soldiers or sailors shall be prevented from becoming invalidated because of non-payment of premiums.

Elliott B. Norris, former president of the Farmers & Traders Life Insurance Company of Syracuse, is dead.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

Excerpts from the Financial Statement of December 31, 1917, of the
Northwestern National Life Insurance Company
MINNEAPOLIS, MINNESOTA
Assets, $6,186,694.37, increase 17% over 1916.
Liabilities, $5,602,162.72. Surplus and contingent fund, $548,531.65.
Apportioned for dividends, $263,206.57, increase 23% over 1917.
Insurance in force, $54,193,728.00, increase 28% over 1916.
Paid to beneficiaries and policyholders to December 31, 1917, $16,966,562.65.
A western, mutual, annual dividend, old line company
THE COMPANY for policyholders and agents

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915
"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."
Home Office, DALLAS, TEXAS

PURELY MUTUAL THE CHARTERED 1857
Northwestern Mutual Life Insurance Co.
MILWAUKEE, WISCONSIN
GEO. C. MARKHAM, President
Insurance in Force, $1,505,464,984
SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued.
POLICIES MOST FLEXIBLE AND EASY TO SELL
Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules
Investigate before selecting your Company
Write GEO. E. COPELAND, Supt. of Agencies, Milwaukee, Wis.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone 2497 John.

Subscription Price $3.00 a year. Single copies, 25 cents.

Entered as second-class matter January 4, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

FIFTY YEARS OLD

The Metropolitan Life is fifty years old. It was just half a century ago that the New York Legislature changed the name of the National Travelers Insurance Company to the Metropolitan Life Insurance Company. What has been accomplished since then is one of the amazing, Aladdin-lamp achievements in American business life. In 1867 there were 346 policies. Now there are more than eighteen millions. The total cash income in 1868 was $118,599. Last year it was $193,691,915. One of the most felicitous features of the Metropolitan's half-century is that the principal factors in the Company's tremendous success are still at the helm.

A GEOGRAPHICAL NOTE

When The Eastern Underwriter referred to the "Insurance Field" as a Southern paper the editor came back as follows:

Sure, the "Insurance Field" is a pretty good Southern paper—also Northern, Eastern and Western, wherever, in fact, insurance is a living interest.

Righto!

POLITO AND EASTWOOD

In its report of the marine insurance hearing The Eastern Underwriter in its issue of March 15 made the statement that James Polito, who telephoned insurance orders from the office of Coccaro & Co., freight and customs forwarders, and brokers and agents, and who is a nephew of Coccaro, had disappeared; also, that Eastwood, a real assured, was also missing. On the day after The Eastern Underwriter went to press both Polito and Eastwood appeared at the Insurance Department and testified.

The Eastern Underwriter goes to press on Thursday morning, and on Wednesday afternoon W. H. Hotchkiss, counsel for the complainant insurance companies in the investigation, made the statement to Superintendent Phillips several times that both men were wanted to testify, but could not be found. Messrs. Polito and Eastwood, therefore, were missing (so far as the Insurance Department knew) on the morning that The Eastern Underwriter went to press, but on the following day showed up, after The Eastern Underwriter had reached the Street.

Thus, The Eastern Underwriter was accurate in its facts at the time of issuance. This statement is published in fairness to Messrs. Polito and Eastwood.

NORTHWESTERN MUTUAL'S RECORD

Three fundamental ratios in the operation of a life insurance company are those of mortality, interest and expense. By all of these standards the Northwestern Mutual Life measures up in a splendid fashion. The Company's rate of interest in 1908 was 4.84. By 1911 it had reached 4.96. There was a slight decline for the two following years, but by 1914 it was 4.96 again. In 1916 it was 5.03; and last year 5.06. The Company's actual to expected mortality was lower last year than at any time since 1910, being 54.23. In 1908 it was 59.46. Expenses (except taxes to income) were 10.57 last year as compared with 10.76 ten years ago.

WANT LARGER GRAIN LINES

Conference Committee Appointed with George H. Batchelder, Pennsylvania Fire, Chicago, as Chairman

The Charles W. Sexton Company and other Minneapolis insurance agencies are complaining of a shortage of insurance protection relative to grain elevators, and a conference committee have asked the companies to go to the relief of the elevator men with larger lines. A conference committee has been appointed. George H. Batchelder, of the Western Department, Pennsylvania Fire, Chicago, is chairman.

ATLAS SUES FOR PREMIUMS

John L. Dudley, Jr., Co. Named in Action Brought in New York Courts by London Co.

The Atlas Assurance Co. is the complaining company in a suit against the John L. Dudley, Jr., Co. for unpaid premiums. Suit has been started in the New York courts with Frederick T. Case representing the Atlas as counsel.

In 1915 a number of companies started actions against the John L. Dudley, Jr., Co. for unpaid balances.

PRIDDY IN THE SOUTH

Lawrence Priddy will make a long tour of the South, visiting associations of life underwriters.

NEW YORK LIFE DIVIDENDS

The New York Life to December 31, 1917, paid $229,267,981 in dividends. In 1916 it paid $26,561,064 in dividends.

Howard P. Moore, assistant secretary of the Home Insurance Company, is the author of a book, just from the press, and named "The Descendants of Ensign John Moor of Canterbury, N. H., Born 1696, died 1786." A complete list of the Moors and Moores who are descendents of Ensign John Moor is given and the book is prepared with the thorough manner which characterizes all of Mr. Moore's work. It is also written entertainingly.

The Continental's minstrel show and ball will be given on Wednesday night of next week.

H. A. Smith, president of the National of Hartford, was in the city Wednesday.

THE HUMAN SIDE OF INSURANCE



JOB E. HEDGES

Job E. Hedges, the new counsel for the Association of Life Insurance Presidents, and one of the most distinguished lawyers in New York City, in an address in Chicago last week denounced pacifists as the "illegitimate offspring of a hope and a regret" and demanded the death penalty for German-Americans who live in this country and are not against Germany.

"We didn't enter this war, in my opinion," Mr. Hedges said. "God Almighty took us by the neck and threw us into it."

* * *

Captain Emmet C. Peebles, attached to the Adjutant General's Department at Camp Sherman and formerly general agent of the Northwestern Mutual Life, Cincinnati, has received a letter from Director De Lanoy, of the War Risk Insurance Bureau, thanking him for his work at Camp Sherman where a grand total of $330,537,260 of insurance was written. This made a record, Director De Lanoy said.

* * *

George Chappel, general manager of the Royal, has been placed on the Commission of the Peace in Liverpool.

* * *

Frederick Richardson, United States manager of the General Accident, delivered a paper this week before the Insurance Society of New York, taking as his subject "Twenty-five Years of Casualty Insurance." If there is any man in insurance who has more literary ability than Mr. Richardson, or who can express his ideas with more beauty or more force, The Eastern Underwriter has never seen him.

* * *

Lemuel S. Brown, of Chicago, has issued a new edition of the Printers Insurance Inventory System, which has been completely revised. It includes general instructions for making inventory for a printing plant or any department thereof.

* * *

Hartwell Cabell, counsel for the Automobile Conference, is spending much of his time in Washington with the office of the Custodian of Enemy property.

* * *

Frank Lock, United States manager of the Atlas Assurance, is now in Texas.

H. Hackfeld & Co., the leading insurance agency in Honolulu, has been reorganized by A. Mitchell Palmer, Alien Property Custodian, by taking over the enemy-owned stock and electing new boards of directors and managers for both the holding company and the operating company. This puts the Alien Property Custodian in virtual control of business in Hawaii with assets in excess of $15,000,000. The sale of 11,000 shares of H. Hackfeld & Co. stock to American citizens living in Honolulu, which was carried through by the old management of J. F. Hackfeld, Ltd., has been rescinded by direction of Mr. Palmer. It was explained that 90 per cent. of the stock of J. F. Hackfeld, Ltd., was owned by J. F. Hackfeld, a German subject living in Bremen. The Hackfeld insurance agency is one of six agencies which control the insurance on sugar plantations and other big lines in Hawaii. It has its own building and does a steamship brokerage and other business also. The fire insurance companies in the Hackfeld agency are Guardian of London, National of Hartford, Globe & Rutgers, Phoenix of Hartford, Agricultural and Hibernia Underwriters. The interests of the American companies, of course, will be protected by the custodian, his action in taking possession of the office merely being a change in the operating management.

* * *

Roy Van Wagenen and Clarence M. Stauffer, of Allentown, Pa.—Van Wagenen & Stauffer—took the agency of the Maryland Casualty on August 19, 1915. At that time the Company's premium income from that territory averaged about $2,000 a year. After two years of campaigning they have on their books more than $60,000 in premiums for the Maryland. Messrs. Van Wagenen and Stauffer are brothers-in-law and before going with the Maryland were life insurance agents.

* * *

B. C. Scudder, of the North River, has returned to his desk after an illness of three weeks.

HIGHER INSURANCE LIMITS

Used Cars of Two Years Back to Be Covered at Present Prices

Disposition of the perplexing problem of readjusting insurance limits for fire and theft insurance on used cars is about to be made by the conference. The proposals are before the local conferences for approval, which now seems assured.

The plan is that on cars of 1917 and 1916 models insurance be allowed on the present percentage basis, calculated on the present list price instead of the price at the time the car was bought new. As price advances have been considerable the assured will be materially aided by this plan, which becomes retroactive to the time when car prices were relatively high. Prices then began to fall and recently have again turned upward at a rapid rate. Under the proposed plan depreciation is offset by a market which has had its slump and is now on the rebound.

BUSH TERMINAL JUDGMENT

The Globe & Rutgers obtained a judgment of $7,713 against the Bush Terminal Company on Saturday.

FIRE INSURANCE DEPARTMENT

Death of R. H. Folsom a Shock to Friends

DIED IN A GOLF CLUB

Started Life as a Miner—Successfully Managed Four Re-insurance Companies

After playing seven holes of golf at the Rockland County Country Club, Sparkhill, N. Y., Ralph H. Folsom, of Fester & Folsom, Inc., United States managers of four re-insurance companies, complained of feeling ill, retired to the club and died in a short time. A man of great muscular strength and apparently in the best of health, his death was a shock to his friends, who include men in all walks of insurance. He is survived by a widow and several children, and leaves a comfortable estate, the executors of which are Mrs. Folsom, Alfred M. Best and a brother, Maurice Folsom, of Folsom Bros. Co., insurance agents and bankers, Lincoln, Neb., the latter now being in the city. Theodore L. Haff, secretary of the corporation, is now in charge of the affairs of Fester & Folsom, Inc.

A Hard Worker

All his life Mr. Folsom was a hard worker. He was born in Hawley, Pa., spent his boyhood in Nyack and then went West. Eventually he started work in the office of his three brothers in Lincoln, and while in that State attended the University of Nebraska. Partly to pay back indebtedness of a brother who paid his college expenses, and partly because of his health, then frail, he took a job in an Idaho mine, where for three years he swung a pick. Then, with several other miners, he purchased and developed a small mine, which later they sold, Mr. Folsom's share being about $12,000. This he lost in another mining venture, and, coming to New York, he got a position as a supply clerk in an insurance office. Sometime later John R. Douglas came here from Nova Scotia and asked Alfred M. Best to recommend a bright young man, with the result that Mr. Folsom and Mr. Douglas formed an alliance.

Got First Company in 1910

A close student of the insurance market even at that time, Mr. Folsom went abroad to try and interest a group of foreign companies which would issue a joint policy under a Lloyds charter here. It was on this trip that Mr. Folsom met Mund & Fester. This plan fell through, but later Mund & Fester sent a representative here to establish a re-insurance business. A corporation was formed, called Fester, Douglas & Folsom. Later, the Douglas interest was purchased, and Mr. Folsom came in complete control of the business. He was successful from the start. In 1910 the representation of the Union & Phenix Espanol was secured; and in 1911 the representations of the Northern of Moscow, Warsaw and the European Accident. The volume of each of the fire companies continued to grow, but of late the casualty end showed very large growth. The headquarters of Mund & Fester are in Antwerp. In London the firm is Fester, Fothergill & Hartung. There is also a branch in Petrograd. E. C. Fester, London manager, is now in the British army.

Social Connections

Mr. Folsom was vice-president of the Casualty & Surety Club, a member of the Drug and Chemical Club, and a member of two golf clubs. He was one of the most popular men on the Street, and was thirty-eight years old.

General Theo. S. Peck of Burlington, Vt., Dies

LEADING FIRE INSURANCE AGENT

Enlisted in Civil War When a Boy—Won Many Honors in Career

Gen. Theodore S. Peck, of Burlington, Vt., a well known local agent, and one of the leading citizens of that State, died in Burlington last week of a complication of diseases. The death of his wife a few weeks before also hastened his end. His agency was established in 1869, and was incorporated in 1912 as the T. S. Peck Insurance Agency. General Peck was president, J. E. Traill, treasurer, and F. A. Rousseau, secretary of this agency, which represents Niagara, London & Lancashire, Pennsylvania, Springfield, Westchester, Fidelity-Phenix, Mercantile, Commercial Union and other companies, including Travelers, Fidelity & Casualty and American Surety.

Military Career

General Peck, who was born in 1843, enlisted as a private, eighteen years old, in the Civil War and by bravery won promotions until at the end of the war he was a captain. He refused three commissions in the regular army.

Upon his return to his home in Vermont he was appointed chief of staff with rank of colonel by Governor John W. Stewart. In July, 1866, he was appointed major and assistant adjutant-general of the First Brigade, Vermont Militia, and upon its muster-out he was elected May 10, 1868, first lieutenant of the light battery, and captain commanding February 16, 1869. September 1, 1869, he was elected lieutenant colonel commanding battalion of the 1st regiment Vermont National Guard, and colonel of the 1st regiment of the brigade of Vermont National Guard, September 19, 1870. Upon the consolidation of the brigade to one regiment, April 14, 1873, he was elected colonel of the same, and held command for eight years until appointed adjutant general of Vermont, with rank of brigadier-general in 1881 by the Governor of Vermont, Hon. Roswell Farnham. From this time to 1901 he was unanimously elected by the joint assembly of the Vermont Legislature at its several biennial sessions as adjutant general, and was promoted to the rank of major-general by brevet in 1894, for faithful and meritorious service. He served the nation and State almost continuously for forty years, and was chief of staff for the following governors of Vermont: Farnham, Barstow, Pingree, Ormsbee, Fuller, Page, Dillingham, Woodbury, Grout and Smith, until October, 1901, when he was placed upon the retired list.

In 1869 he was made assistant adjutant-general of the Grand Army of the Republic, department of Vermont, and in 1872 was elected senior vice-commander and department commander in 1876-77.

The Burlington "Free Press and Times," in its obituary notice of General Peck printed one column and a quarter.

SEND INSPECTION PLAN

The companies committee have sent to the Treasury Department a plan for inspection of properties making munitions and supplies for the Government. This was the result of a conference in Washington between Assistant Secretary Love, of the Treasury Department, and underwriters.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

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IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
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MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.

THE
Importers and Exporters Insurance Company
OF NEW YORK

Marine and War Risk Insurance

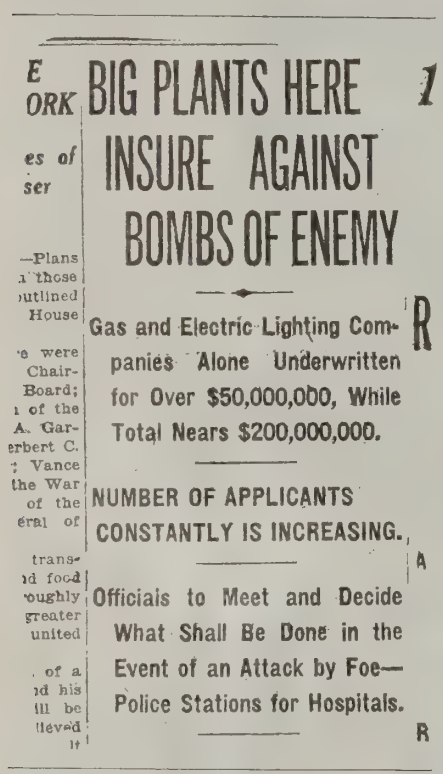
JESSE SPIER, Underwriter
56 BEAVER ST., Telephone Broad { 2612 2613 2614

Dailies Play Up War Risk Insurance

TELL OF LARGE COVERAGE

Consolidated Gas and N. Y. Edison Among Large Explosion and War Risk Insurers

Between $200,000,000 and $300,000,000 insurance on explosion and war risk has been taken out in New York City. The business has been given a decided boom by front page stories in the New York "World" and New York "Sun." In the "World" story the following statement was made:



"The big gas and electric lighting companies of New York have arranged for insurance in excess of $50,000,000 covering bombardment from the air or the sea and other forms of war risk.

"For several days representatives of a large brokerage firm have been engaged in placing these risks with various companies, the amount involved being so great no one concern would assume more than a comparatively small portion of it, leaving the field open practically to every company in the business.

"$40,000,000 worth of the total insurance has been taken by the Consolidated Gas Company, whose plant comprises one of the most valuable properties in the city. From $7,000,000 to $10,000,000 has been taken by the New York Edison Company. $3,000,000 is said to have been taken by the United Electric Light and Power Company, although the correctness of this sum could not be confirmed yesterday at the company's offices.

"It was said at the Consolidated offices the amount of premiums that company would have to pay had not yet been determined."

The accompanying cut shows how the "World" played up the story.

* * *

The Smith-Case Co., 80 Maiden Lane, has been appointed Metropolitan and New Jersey managers of the Automobile department of the Sterling Fire. J. P. Budde is manager of the New York office.

Assets to $1,000 Insurance in Force

HARRISON LAW CHART FIGURES

$6.39 for Domestic Companies—Close Race Between Home and the Hartford

Harrison Law's Fire Insurance Tables for 1913 present 1917 data in many new angles and in a form easy to grasp at a glance. One new table incorporated is the available assets to $1,000 of insurance in force. This for domestic companies is $6.35, for foreign companies $4.94, for re-insurance companies $3.69, a total for all companies of $5.85. For the re-insurance companies it is: Abeille, $9.78; Eagle, $8.24; Fire Reassurance, $4.27; First Russian, $3; International, $2.41; Jakor, $2.58; Moscow, $2.58; National of Copenhagen, $11.36; Northern of Russia, $3.38; Norwegian Assurance, $13.18; Norske Lloyds, $3.45; Paternelle, $4.19; Rossia, $4.66; Russian Re-Insurance, $3.27; Salamandra, $2.32; Second Russian, $3.23, Skandia, $6,61; Skandinavian, $7.73; Swiss National, $2.87; Swiss Re-Insurance, $4.95; Union & Phenix, $3.09; Warsaw, $5.54.

In the specific classes, motor had a loss ratio of 50.5 per cent. last year, sprinkler 54.5, explosion 3.2, tourist baggage 50.3, tornado 37.3, registered mail 26.9, hail 52. Total earthquake losses were $25 for all companies, total premiums $15,452.

There was a pretty contest for supremacy between the Home and Hartford in premiums. The gross premiums of the Home were $33,480,407; of the Hartford, $33,438,747. The net premiums of the Home were $28,876,983, of the Hartford, $28,732,987. The re-insurance of the Honme was $28,876,933, of the Hartford, $28,732,987. The insurance in force of the Home is $3,913,282,296, of the Hartford, $3,765,775,648.

Losses paid to net premiums in 1917 of the Home were 45.2 per cent., Hartford, 45.7.

SVEA PROMOTES C. O. DE WITT

J. M. Wennstrom, United States manager of the Svea Fire & Life Assurance Co., announced on Monday the promotion of Clem O. De Witt to the position of superintendent of the United States branch of the company. Mr. De Witt has been special agent of the Svea in Pennsylvania since 1911. Walter S. Bachman, who has been special agent of the Svea assisting Mr. De Witt, with headquarters at Pittsburgh, will now have charge of Pennsylvania and will move his headquarters to Harrisburg.

SCHOLZ WITH E. E. HALL & CO.

W. A. Scholz, who has been with Starkweather & Shepley for the past eight years, has resigned his position as assistant counterman of that office effective April 15 and on that date will become connected with E. E. Hall & Co. in the local department.

10% Glass Cover in Explosion Policy

CONFERENCE MEETING IS HELD

Blanket Policies With Pro Rata Distribution Clause and Fifty Per Cent. Co-Insurance

The Explosion Conference met here on Wednesday, the first meeting since June 21 of last year. The Conference adopted a new glass breakage clause. By this clause glass coverage, not exceeding 10 per cent. of the value of the buildings covered by the policy, is included. It will be recalled that sometime ago glass damage was eliminated from conference policies.

Mandatory Forms

The rating committee proposes to issue mandatory conference forms for both property damage and use and occupancy. When those forms are promulgated, all explosion and war risk policies shall be written with these mandatory forms and nothing inconsistent with the mandatory form of policy shall be added to it.

Chairman Bartow, of the rating committee, recommended that a committee of three be appointed to confer with the rating committee with power to consider whether the conference shall permit blanket policies with pro rata distribution clause and 50 per cent. co-insurance clause to cover on widely separated properties. This was approved.

The question of an allowance in rate on a war risk or explosion policy for armed guards on a plant was fully discussed, but it was decided that owing to peculiar conditions no such credit should be allowed. It was agreed that there are many circumstances in which armed guards furnish no protection. They would not be protection against aerial raids, against bombardment, against alien enemies hiding a bomb in their pocket and entering a plant, against a bomb being thrown in from the street.

One company representative argued in favor of extending the time for premium payments on war risk policies to thirty days instead of fifteen days. The proposition was turned down, the opinion prevailing that there would be just as much laxity in 30 days as for 15 days payments.

JERSEY CITY WATER PRESSURE

Although there is no water famine in Jersey City, the pressure is low, and precautions are being taken to guard against fires. The authorities have hired three shifts of men, stationed in various parts of the city, to shut off mains to increase pressure in other sections in event of fire.

HUMIDORS FOR MOFFATT

At the last annual meeting of the New Jersey State Association of Underwriters, Mr. Thos. C. Moffatt, of Newark, was elected to the presidency. In view of the great esteem in which Mr. Moffatt is held by his colleagues in the Fire Insurance Society of Newark, N. J., it was decided by the members thereof that some fitting recognition and ratification of his election to the important office which he now holds as president of the State Association should be expressed by them, and at a meeting of the said insurance society, held in Newark on Tuesday, March 26, the members of the society presented to Mr. Moffatt, after a few laudatory remarks by President Heller, of the society, a pair of very handsome mahogany humidors bound in brass with a properly inscribed plate. The humidors were of two sizes, one for cigars and the other for cigarettes.

GREAT AMERICAN PROMOTIONS

Alexander R. Phillips, formerly assistant secretary of the Great American Insurance Company, has been appointed secretary and the following have been appointed assistant secretaries: William H. Koop, E. S. Archer, R. S. Glass, L. J. Borland, G. E. Krech and H. B. Churchill.

WM. SCHIELE DIES

William Schiele, of Frenkel & Co., New York, died suddenly on Tuesday of acute indigestion in Denver where he had gone on a business trip. Mr. Schiele had long been connected with Frenkel & Co. and was well known and popular in this city.

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
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The Broker's Angle on Cover Tangle

TESTIMONY OF HENRY E. OTTO

Brokers Have Their Troubles in Meeting Conditions of Market—How Rates Fluctuate

The best angle on the broker's end of the complicated marine insurance provisional coverage situation, now being investigated by the Insurance Department, was the testimony of Henry E. Otto, president of Henry E. Otto Company, Inc. The questions of the Superintendent, the answers of Mr. Otto, and the interpolations of Francis Carmody, counsel for Mr. Otto, follow:

Mr. Phillips: Mr. Otto, are you the president of the Henry E. Otto Company, Inc.?

Mr. Otto: I am.

Mr. Phillips: And what is the business of that corporation?

Mr. Otto: Marine insurance brokers, doing some other lines of insurance for which we have a license to transact business.

Mr. Phillips: Do you recall, Mr. Otto, having placed some insurance for a shipment of leaf tobacco on the steamship "Seguranka"?

Mr. Otto: For whom?

Mr. Phillips: For Hail & Cotton.

Mr. Otto: I do.

Mr. Phillips: Through whom did you place that insurance?

Mr. Otto: From my memory, to the best of my knowledge and belief, part of that insurance was placed directly by myself and part was placed through another broker who acted as agent for me, for which I paid him compensation. The insurance, of course, was placed for account of W. O. Smith & Company, who were principals, as far as I knew. At a subsequent date—after it was bound in the name of W. O. Smith & Co.—I understood it was for account of Hail & Cotton.

Mr. Phillips: Then, W. O. Smith & Co. were the persons who applied to you for the insurance?

Mr. Otto: Absolutely.

Mr. Phillips: And did they tell you that they represented some principals?

Mr. Otto: Absolutely not.

Mr. Phillips: Did they represent themselves to be shippers?

Mr. Otto: They didn't represent themselves at all. Simply I had been doing business for them prior to that time. They handled various tobacco shipments, but they did not represent themselves as principals, shippers, or what not.

Mr. Phillips: From whom did you obtain the insurance?

Mr. Otto: Well, as I said before, part directly with some companies.

Mr. Phillips: Could you recall the companies?

Mr. Otto: I could not recall that.

Mr. Phillips: Can you tell, from your recollection, the aggregate amount that you placed for W. O. Smith?

Mr. Otto: I cannot. You see, that is a matter of such long standing. I know I have had that transaction.

Mr. Phillips: Do you recall the rate that was charged?

Mr. Oto: I don't recall the exact rate. I know it was a higher rate than I actually paid.

Mr. Phillips: You charged Smith & Co. a higher rate than you paid?

Mr. Otto: Absolutely.

Mr. Phillips: How much higher?

Mr. Otto: It was quite a bit higher, but the transaction is explained in this way. Smith called me up to procure insurance on this steamer. The market at that time was quoting about the rate that I quoted him, and he said well, I guarantee that rate to him.

Mr. Phillips: What was that rate?

Mr. Otto: I can't say off-hand. I know it was a higher rate. From this rate that I guaranteed him Smith deducted commission, so that my profit would be the difference between the rate that I paid and the rate I sold him less 10 per cent. If I had charged the rate I paid I would not receive any commission for my services.

Mr. Phillips: Of course, you don't know what Hail & Cotton paid for the insurance?

Mr. Otto: I don't know, but I assume that he paid the actual rate that I gave to W. O. Smith & Co.

Mr. Phillips: Did he pay more?

Mr. Otto: I am pretty positive he didn't.

Mr. Phillips: Well, can you give us any idea? You say you got the difference in the rate charged you by the insurance company and what you actually charged Hail & Cotton?

Mr. Otto: I could not venture an opinion on it. There was a difference. It was due to the market fluctuation at that time.

Mr. Phillips: Isn't it a fact that the rate that was charged you by the insurance company was 4 per cent and you sold it to Smith & Co. for 10 per cent?

Mr. Otto: I believe that is right. There were various rates. It was not all 4 per cent.

Mr. Phillips: Now, Mr. Otto, can you give us any idea of the amount of insurance that you placed for Smith & Co. or account of W. O. Smith & Co.?

Mr. Otto: I believe that transaction was about $15,000. It is a matter of opinion and belief.

Mr. Phillips: Isn't it a fact that the rate for that insurance was 4 per cent, charged by the company?

Mr. Otto: I believe so.

Mr. Phillips: And you charged 10 per cent for it?

Mr. Otto: I did.

Mr. Phillips: Now, is that a general practice?

Mr. Carmody: Was that the only compensation you got?

Mr. Otto: That was the only compensation I got. In other words, my rate of 10 per cent was less brokerage, so that my compensation was the difference between the rate that I actually paid the company and the rate I charged less 10 per cent commission. I didn't receive brokerage. This is a very unusual transaction; it is not typical of all others. I had a letter of guarantee and a letter of acceptance in my office.

Mr. Phillips: Well, in other words, your brokerage commission on this transaction was more than 100 per cent greater than the premium rate charged by the company?

Mr. Otto: That is the case in this particular transaction.

Mr. Phillips: You would not call that a usual brokerage?

Mr. Otto: This is not a brokerage transaction.

Mr. Carmody: Tell the Commissioner how this transaction came about.

Mr. Otto: Well, it is a long time ago. To the best of my knowledge, W. O. Smith's representative called me up about Saturday morning. He told me he had this shipment and asked me to quote him a rate. I told him I didn't know what the rate would be, owing to the fact that it would be necessary for me to go around to the companies. He was very anxious to get the matter closed; the boat was sailing in a few days. I told him it would be a physical impossibility unless I quoted at random. I said: "I think I can guarantee 10 per cent." I knew I could get the insurance The only question was what rate I would have to pay. I quoted enough to guarantee me against a loss. Now, as I said, that is not typical. The transaction has sometimes worked against me. I have charged a lower rate than I actually paid.

Mr. Carmody: Do the rates fluctuate from hour to hour?

Mr. Otto: They do.

Mr. Carmody: So that, when you quote a rate at 10 o'clock Saturday morning, you are not sure what it is going to be by noon?

Mr. Otto: That is right. Why, for South America, I have known rates to have been about 1 per cent. or ⅛ per cent. and the rates went up to 5 and 10 per cent.

Mr. Phillips: What particular harm would there be in reporting to the client the rates which the company charges you?

Mr. Otto: The question is that the client usually has someone else that will quote. At the present time. I don't believe any account entrusts its confidence in any one broker. If they ask me for a rate and I quote a rate, some other broker may say later on "I could have done that better." Then he thinks "hereafter I will have quotations from other sources." If I tell the assured "I think I can do it at a particular rate," he says "it is not a question of thinking; it is a question of knowing."

Mr. Carmody: Isn't it almost an unusual thing to have a shipper call up the broker and say "place this insurance for me at the best rate you can get"?

Mr. Otto: Yes. Not now; it is a long time since that was so.

Mr. Phillips: Isn't that due to this practice which apparently prevails—that certain people obtain insurance until the entire insurance cover is gone and then speculate, gamble, sell it from one broker to another until it finally reaches the shipper and he pays from 100 to 200 per cent. higher than the amount charged by the company?

Mr. Otto: Partially, not entirely. It is also due to the fact that ..... I will give you a typical example. The assured calls you up and asks you for a quotation. You tell him you will get him a rate; you tell him that within a specified period you will confer with him. You send out your placer to the market. The companies refuse to give you an option—they refuse sometimes to give you an option. Suppose they do offer a short period option. If you have a large amount, by the time you have options on the entire risk the option on the first part of it will have expired. Therefore, your placer comes back to you and says the companies are quoting a certain rate. This may be high in your estimation—the companies always try to quote the highest rate they can, anyway. When the placer comes back you talk to your client. The client says: "That rate is high. Are you sure you can do it?" I am not sure, because I haven't it bound. "Well," I will say, "I think I can do it. Will you give me a firm order?" He says: "I don't care what you think. Can you do it?" And so, I will guarantee it for a specific rate; I will guarantee the rate. You see, it is not a brokerage transaction; it is actual guarantee, and sometimes you have to stand the loss. If the company would say when you came to them: "The rate is so and so. I will let you have a day's option or half a day's option on the risk," then you could work tangibly. But the companies say they won't obligate themselves. In the interim they might get someone to take the insurance at a higher rate. And so, quite often the broker has got to take a loss. The broker is not in business to take losses, but there are losses, and the thing works both ways.

Mr. Phillips: Well, the losses are very rare, aren't they? As a general rule, if a broker quotes a rate and he feels that he guarantees that rate, if he deals in any considerable amount of insurance he is going to fix the rate high enough?

Mr. Otto: He ought to. But who can foretell what the rates to-morrow will be, what the rates this afternoon will be? In other words, if a person asks me to-day for a rate, I cannot tell him;. the fluctuation is very great and the competition is keen, especially at the present time.

Mr. Phillips: We are going to attend to this competition among brokers.

Mr. Otto: Well, you have got to consider the competition.

Mr. Phillips: I mean the competition in dealing in the commodity of insurance. That is not their business. It is all right for them to place the insurance legitimately and get a fair compensation. I don't expect that a broker is going to do that for nothing. But no reasonable man will say that a broker, for instance, should charge his client 5 per cent. for insurance which he actually buys at 1¼. Nor should he charge 10 per cent. when he actually buys at 4 per cent.

Mr. Carmody: There are a lot of brokers in the chain.

Mr. Phillips: Sometimes there is only one chain; sometimes there is only one link in the chain. Well, now, is this the only transaction in connection with the Hail & Cotton matter, or with William O. Smith?

Mr. Otto: No, sir.

Mr. Phillips: Do you recall now just how much you placed for W. O. Smith & Co. in addition to the $15,000 which you secured from Corroon & Company.

Mr. Otto: As I said, I cannot tell positively.

Mr. Phillips: Was there the same variance between the rates?

Mr. Otto: I know the rate that I guaranteed was 10 per cent.

Mr. Phillips: Can you furnish us the information by giving us the average?

Mr. Otto: Well, I guess 4 per cent is the average.

Mr. Phillips: What was the total amount of insurance that you placed?

Mr. Otto: I believe $40,000. I want you to understand that this is not typical of all transactions. There are unusual circumstances connected with it that are not connected with others.

Mr. Carmody: You didn't know that this Smith & Co. were agents in the transaction? You were dealing with them as principals?

Mr. Otto: Yes. And the name on the policy was W. O. Smith & Co.

Mr. Phillips: But you charged them this rate? You charged them 10 per cent.?

Mr. Otto: I did; and they were perfectly satisfied, with the knowledge that the rate was actually higher. In other words, it was a special agreement which was satisfactory to W. O. Smith & Co., with no idea of evading or not disclosing the fact that there was less paid for it than charged.

Mr. Phillips: Do you recall from whom you obtained the insurance that was not obtained through Corroon & Co.? O. G. Orr & Co.?

Mr. Otto: I believe I placed some with Orr —with Orr also. But the name of the insured in which the insurance was applied for is Smith & Co.

Mr. Phillips: Are you sure that you said to Smith & Co. that this insurance which you placed for them and for which you charged 10 per cent.—that you had obtained it from the company at 4 per cent.

Mr. Otto: Naturally, not until after the transaction. How could I tell them that I placed it at 4 per cent. until I actually did?

Mr. Phillips: Well, when you sent him the bill for it? At that time you knew what rate had been charged you, didn't you?

Mr. Otto: Yes, I did.

Mr. Phillips: Did you tell him at that time of the actual rate that had been charged by the insurance company?

Mr. Otto: I did not at that time, but he knew at that time that the rate was not the rate that I actually paid. It was apparent right from the transaction; the fact that I gave him 10 per cent. commission from the rate that I charged would lead any insurance person to understand that if I am receiving a remuneration for my services there must be a lower rate.

Mr. Phillips: Did you subsequently pay back some of this?

Mr. Otto: I did.

Mr. Phillips: How much?

Mr. Otto: The entire difference. Simply for reasons of expediency. Because Hail & Cotton represented to me at the time that he didn't know anything about the transaction and he wanted an adjustment.

Mr. Carmody: That is, the principals in the case?

Mr. Otto: Yes. He came to me, and in a very decent manner. And that was why I did it. If he had shown any antagonistic attitude, I would have taken a different attitude. A thing that also swerved me was the fact that the variance was so great.

Mr. Phillips: But, nevertheless, you knew of that variance at the time you made the charge to Smith & Co.?

Mr. Otto: I did.

Mr. Carmody: But you did not know that Smith was not the principal in the transaction?

Mr. Otto: No. If I am dealing with a principal and the principal says, with knowledge of what he says, that he is satisfied, it is far from me to make him dissatisfied.

Mr. Phillips: But, when you deal with an agent, you also know that he is acting for his principal. You place a great amount of insurance for people who, you know, are acting for some unknown principals.

Mr. Otto: But, as I have stated, I didn't know that I wasn't dealing with the principal. Hail & Cotton hadn't appeared in the transaction, and therefore I was dealing directly with Smith, not knowing that he was acting as agent.

Mr. Phillips: Is this the only instance with which you are connected where there was such a large variance between the price charged by the insurance company and what you charged for it.

Mr. Carmody: Now, I think we shouldn't go in to specific cases of his business. I object to that.

Mr. Phillips: It has been stated that, while we have succeeded by this inquiry in establishing by competent proof the existence of this practice, that it doesn't generally exist, that this is only an isolated case; and it is for that purpose that I have continued the inquiry—for the purpose of demonstrating that that practice is not confined to isolated cases, that it is quite general. For that reason, I want to know from this man whether or not there have been other cases where the variance between the amount charged by the company and the amount which he collected from his client were as great as in this instance. I want to establish the existence of this practice, and I want to convince the public that this practice exists to a greater extent than in one or two instances.

Mr. Carmody: We want to give all the information we can in order to help you, but we do not want to go into his relations with his own clients.

Mr. Phillips: Well, we won't do that. Are there other instances of transactions with which you were connected where the difference between the amount which was charged by the company and the amount that you charged your client is as great as the amount in this instance connected with W. O. Smith & Co.

Mr. Otto: There may have been a few under unusual circumstances.

Mr. Phillips: Circumstances usual or unusual? We will say under unusual circum-

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

Broker's View of Marine Cover Tangle

(Continued from page 13)

stances. Have there been other instances where the variance between the price charged your client is as great as in this instance in connection with Smith & Co.?

Mr. Otto: I don't know. I don't think as great as that.

Mr. Phillips: Well, nearly as great?

Mr. Otto: I will say this: That I have in some instances, where the facts and circumstances warranted it, charged a higher rate than I actually paid. I will also qualify that statement with a statement that, under the same circumstances and same conditions, I have also taken a loss on transactions.

Mr. Phillips: But the losses, I assume, were not so great?

Mr. Otto: The losses in some cases were quite substantial, but, as you realize, a person quoting is not quoting with the intent to stand the loss, and before I take a loss I am going to exert myself to see whether I can place it without a loss.

Mr. Phillips: Have you known, in your experience, of the insurance being auctioned in certain places to the highest bidder?

Mr. Otto: Well, would you care to be more specific?

Mr. Phillips: Where some person has bound insurance—provisional insurance—and then offered it for sale to the highest bidder.

Mr. Otto: I understand that that has been done, yes.

Mr. Phillips: But you know whether you have known of that or not?

Mr. Otto: Well, I know that I have bought insurance from other brokers—not very often, because I don't care to do that, but there are a few times I have. Now, how these brokers got the insurance I don't know. They may have purchased it before as a speculation you might say, or they may have bound it after I had given them the order. I dare say—I might say it is my belief that they bound the insurance with a possibility of procuring a market for it.

Mr. Phillips: Have you ever gone into the market and made a bid for insurance obtained in that way and found that somebody else made a higher bid than you?

Mr. Otto: No, I have not.

Mr. Phillips: Have you raised somebody's bid for insurance?

Mr. Otto: No, no. It is not an auction. It is a fact due to various conditions. It is possible that a broker takes a line on certain steamers and then, because of getting in early and getting a good rate, he has the advantage over somebody getting in a later date, and then, if the broker of the later date tries to procure insurance, realizing that, while he can place the insurance himself directly, he may have to pay a higher rate, he finds it more advantageous to purchase it indirectly from the other broker.

Mr. Phillips: Now, Mr. Otto, a large amount of this kind of insurance is placed with foreign companies, isn't it?

Mr. Otto: There is some. In other words, the American market is not sufficient to accept all the insurance offered. That is a fact.

Mr. Phillips: That is, the facilities are not sufficient to furnish the marine insurance protection that is needed for this market, so that a large portion of that insurance is obtained through non-admitted companies?

Mr. Otto: By "non-admitted" you mean the London Lloyds?

Mr. Phillips: Yes.

Mr. Otto. Yes.

Mr. Phillips: And that constitutes a considerable volume of the business, does it not?

Mr. Otto: On special risks, where the company is afraid to take its full quota on any particular vessel because of its being too old * * *

Mr. Phillips: Can you give us approximately the amount of premiums paid to non-admitted companies during the past year?

Mr. Otto: I could not venture an opinion on it. I would say it has been considerable.

Mr. Phillips: It would amount into the millions?

Mr. Otto: Oh, absolutely no question about that. You see, Mr. Phillips, we are confronted with a peculiar situation. I will explain that thing. There are certain boats, you know, that are very bad. They are sending them in from the Lakes, they are getting coastwise boats, putting them into the transatlantic service. American companies are skeptical of them. Now, probably, in some cases, they won't take only one per cent. of the insurance. That portion is taken at what we call a fancy rate—at a rate commensurate with the risk. Now, if, of a million dollars of insurance on a particular risk, the American companies are only able to write $100,000 that is where the trouble comes. If the goods are to be shipped somebody must take the insurance; it must be placed in some other market—London, Toronto, Montreal, or somewhere else. Now, when you place it in a foreign market, there are other conditions. The broker must pay his premiums on the binding of the risk. If there is a short closing—in other words, if a broker binds up some insurance, say in France or Italy, for, say, a hundred thousand dollars, and the closing is only $10,000, he must pay the full premium on the $100,000. They will allow an increase but not a decrease. If a client tells a broker "I expect to have a hundred thousand on a steamer," and if the client has only $10,000, then the broker must arrange to cancel it and you are up against a difficult proposition. You are dealing with different conditions; you are dealing with a foreign language. And all these conditions must be considered when you are trying to write at a reasonable rate for a brokerage charge. It is not like fire insurance by any means. The broker must first determine the rate, and in determining a rate he is up against the hardest proposition to-day. After he gets his rate, he must see that the assured accepts it and then that he gets his money from the assured.

Mr. Phillips: Well, these same conditions exist, to a certain extent, in reference to fire insurance.

Mr. Otto: The rate is fixed there.

Mr. Phillips: Yes, but so far as collecting from his client is concerned.

Mr. Otto: No. In fire insurance, it is an exact brokerage transaction. The principal must pay the insurance company. In other words, the broker is not liable for the payment of the premium—unless he does so of his own volition. Marine insurance is a different proposition. He must often advance the premium and then take a chance of getting it.

Mr. Phillips: Well, he can afford to advance it when he gets 100 per cent. profit.

Mr. Otto: In particular cases. But those cases are not so frequent as to make it a general proposition.

Mr. Drake: Hadn't you dealt with W. O. Smith & Co. before this transaction.

Mr. Otto: I had.

Mr. Drake: And you knew what kind of business they were in?

Mr. Otto: I don't know to-day. I know they represent themselves to be freight forwarders. That is as far as I know.

Mr. Drake: I mean, to the extent of knowing that they always act as agents and never as principals?

Mr. Otto: No, I don't know that. Freight forwarders also act as principals.

Mr. Drake: Now, the provisional insurance which was obtained, you saw it, didn't you? The provisional binders?

Mr. Otto: No, I didn't. I don't believe I did.

Mr. Drake: You don't know whether this provisional insurance was dated after the application or before?

Mr. Otto: No. I am pretty sure——

Mr. Drake: You don't think it was provisional insurance which they already had on hand?

Mr. Otto: No, because some companies put on their certificates the date on which the insurance is bound. If my recollection is right, that was the date.

Mr. Drake: And those closing certificates were all issued in the name of W. O. Smith & Co.?

Mr. Otto: Yes.

Mr. Drake: You spoke of the difficulty in cancelling insurance abroad. What about it here?

Mr. Otto: It depends. If the insurance is bona fide—as, I believe, I am not a party to any other—and the shipper has an actual shipment and the goods are prevented from being shipped through some uncontrollable reasons, with that information I am pretty sure that the company will cancel the insurance. Unless "warranted no cancellation." And even in that case * * *

Mr. Drake: Will they refund you the full amount?

Mr. Otto: Yes, they will.

Practically all the business done by the Maryland Casualty in the Canal Zone is accident and health.

SUBURBAN TERRITORY

Movement Under Way to Limit It—Too Great Freedom Given Some Agents

A memorandum showing the necessity of limiting the territory in which suburban local agents may write has been sent to companies by Henry E. Hess, manager of the Suburban Fire Insurance Exchange. A few local agents on Staten Island are being permitted by some of their companies to write risks located anywhere in suburban territory, and thereby these agents are given as great freedom in writing as if they were general agents or Manhattan suburban head agents, without incurring the expense required to maintain a department office or a local city office. Moreover, while these Staten Island agents are being allowed to extend their writings to any part of suburban Long Island, the Long Island general agents and Brooklyn suburban head agents are restricted to the writing of risks located on that island, and are not permitted to write anywhere else in suburban territory; and the Long Island local agents, while not specifically restricted to that field, do not as a matter of fact write in any other.

The old county board plan may be resurrected and other changes made to meet the situation.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

WESTERN ASSURANCE CO.
OF TORONTO, CANADA

Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918

Assets	$4,194,579.34
Surplus in United States	1,667,691.69
Total Losses Paid in United States from 1874 to 1917, inclusive	43,294,154.63

W. B. MEIKLE, President

London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $105,000,000
Losses Paid in U. S. - $38,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY

Firemen's Insurance Co., Newark, N. J.
January 1, 1917

Cash Capital	$1,250,000.00
Net Surplus	$2,449,322.25
SURPLUS TO POLICYHOLDERS	$3,699,322.25

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer — A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President — J. K. MELDRUM, Assistant Secretary

FRED. S. JAMES — GEO. W. BLOSSOM — WM. A. BLODGETT

FRED S. JAMES & CO.

123 WILLIAM STREET

NEW YORK

United States Managers
GENERAL FIRE ASSURANCE CO. of Paris, France
URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England

C. B. G. GAILLARD, Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

Say Broker's Employes Are Dummy Agents

NEW JERSEY AGENTS AROUSED

Say New Yorkers, Working on Salary, Act as Bona Fide Local Representatives

The bona fide agent situation is under discussion again in New Jersey. In the past few weeks there seems to have been an epidemic of agency appointments which are objectionable to the local agents in the vicinity of New York and Newark. These agents say that many of the companies are appointing brokers, and employes of brokers, as agents with writing power throughout the State in some instances. Also, it is stated that few of these brokers or their employes are maintaining bona fide offices in New Jersey as provided by the law of that State.

Agents assert that an employe of one brokerage office represents no less than twenty-five insurance companies; that he is working on a salary basis only, and that the entire commission on the business written by him goes to his employers. They further say that policies are written by this and other brokerage offices in New York City with no pretense of their having been countersigned in New Jersey.

According to the New Jersey agents, the New York City brokers are bringing powerful influences to bear upon the companies to make such agency appointments to permit them to collect excess commissions. Several companies and brokerage offices are specifically mentioned in their complaints.

In the meantime, the Insurance Commissioner at a banquet on Thursday night in Newark told insurance agents to get busy and try and have a resident agent's law passed.

F. HARDING LOCK ADVANCED

In Charge of Both Automobile and Brokerage Departments for Atlas Assurance

F. Harding Lock now has charge of the automobile and brokerage department of the Atlas at the United States head office, 100 William Street, New York. Mr. Lock has been connected with the automobile department ever since it was opened under H. H. Ray. Mr. Ray will continue in charge of the special risk department, which he took charge of in 1908. When the automobile department was opened in 1915 he managed it, the understanding being that in time the duties of that branch would be shifted to another man.

CENTRAL NATIONAL HERE

Schaefer & Shevlin Appointed Metropolitan Managers Including Suburban and Pennsylvania

Schaefer & Shevlin this week were appointed general agents of the Central National Fire Insurance Co., of Des Moines, Iowa. Their territory includes the metropolitan district, together with suburban and the entire State of Pennsylvania. Schaefer & Shevlin now represent, in addition to the Central National, the Dubuque Fire & Marine, and several companies for automobile business.

The Central National has assets of $883,735 and a net surplus of $352,347. Its capital is $500,000. The Company was organized in 1916.

What is Worth Owning is Worth Insuring

And in these days of War with all its possibilities for loss, property is more worth owning than ever. War prices make repairs and replacements more costly in case of fire.

Adequate Insurance is a necessity today.

American companies are second to none in strength, management, service and reliability. The

FIDELITY-PHENIX FIRE INSURANCE COMPANY OF NEW YORK

A STRONG, RELIABLE AMERICAN COMPANY

Cash Capital $2,500,000.00

HENRY EVANS, President

Home Office: 80 MAIDEN LANE NEW YORK

Managing Branch Offices: CHICAGO, MONTREAL SAN FRANCISCO

FOREIGN APPOINTMENTS

K. K. Peters, secretary at the Melbourne office of the Northern Assurance, has been appointed manager for Australia and New Zealand. He commenced his career with the Northern at the London office in 1896.

Arthur Powell, chief clerk of the Melbourne office of the Northern Assurance, has been appointed secretary of the company at Victoria.

Percy R. Agnew has been appointed manager and underwriter for the Sterling Fire in Liverpool, Eng.

W. C. Creasor has been appointed head secretary of the British Crown.

GIVE TO K. OF C. FUND

Johnson & Higgins have subscribed $3,000 to the Knights of Columbus Camp and Overseas Service; Willcox, Peck & Hughes have subscribed $2,500; Equitable Life employes, through George T. Wilson, $2,397.

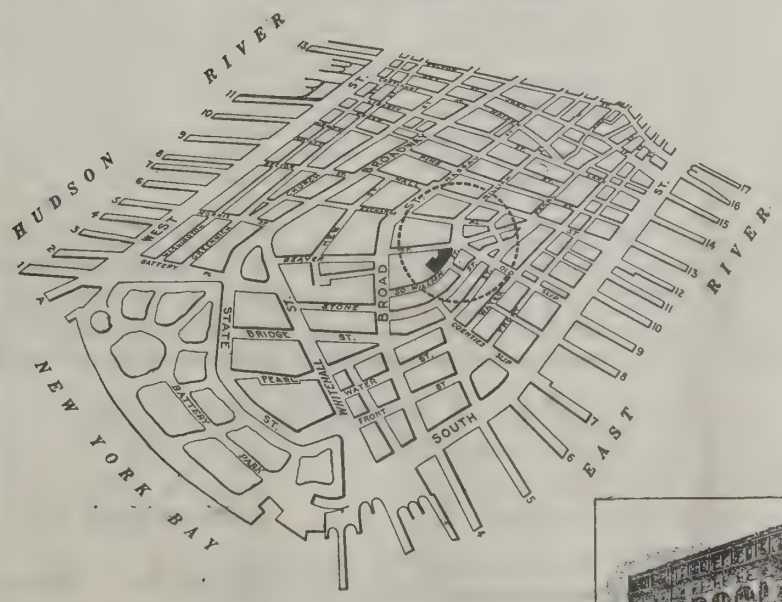
GERARD MENTIONS HOEY

In his new book, "Face to Face with the Kaiser," Former Ambassador Gerard mentions the name of James J. Hoey, second vice-president of the Continental, as one of the distinguished New Yorkers who met him when he returned from Germany.

AMERICAN MERCHANT MARINE INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House — New York City

South William and Beaver Streets

Detroit Automobile Agents' Organization

G. M. CARTER MADE PRESIDENT

Conditions There Have Been in Need of Correction—Co-Operates With Automobile Club

The officers of the new Detroit Automobile Fire and Theft Underwriters' Association are President, G. M. Carter, Detroit Insurance Agency; Secretary, Allison Crandall, Glass, Cook & Atkinson. Practically all the leading agents have joined.

In commenting upon the association the "Indicator" of Detroit says:

"Automobile underwriting conditions in Detroit have been bad, as we have before noted in the columns of 'The Indicator,' especially as regards theft insurance, and the question of improving them has been under consideration for some time. Recently letters were received from company managers at Chicago, stating that a 'gentlemen's agreement' had been entered into among the managers to write no theft insurance on autos which are not equipped with approved locks and asking for similar action in Detroit. As the outcome of this a meeting of agents was held on the 5th inst., and the Detroit Automobile Fire and Theft Underwriters' Association was organized, having for its object the adoption of measures which would secure uniformity in this respect as well as in other matters. At the second meeting held on the 12th, E. L. Richards, of the Automobile Protective and Information Bureau of Chicago, was present, and a conference was held with him regarding the situation. As the result of this conference a resolution was passed that it was the sense of the Detroit agents that they co-operate with Chicago managers in any proposition that promised relief to the theft situation in Detroit, but that any action by these managers must be unanimous. Another resolution was passed urging co-operation in obtaining drastic legislation at the next session of the legislature which would make auto thefts the subject of more severe punishment. It is quite probable that the association will co-operate with the Detroit Automobile Club also in this matter."

WRITES AN ULTIMATUM

Fire Company Hinges Its Continuance in Auto Conference on Caledonian and Sun Membership

The Eastern Automobile Underwriters' Conference last week received from one of the New York City fire companies a letter stating that if the Caledonian Insurance Co. and the Sun Fire Office were not members of the Conference within thirty days, its resignation was to be effective from that date and that the letter was to be taken as notification of such resignation. The Eastern Underwriter is also advised that several other companies either have sent or contemplate sending similar letters to the Conference.

BRITISH AMERICA ASSURANCE CO.

Incorporated 1833

(FIRE AND INLAND MARINE)

Head Office, Toronto, Canada

United States Branch

January 1, 1918

Assets	$2,192,173.14
Surplus in United States	772,927.35
Total losses paid in United States from 1874 to 1917, inclusive	25,298,472.00

W. B. MEIKLE, Pres. & Gen. Mgr.

MARINE DEPARTMENT

London Arbitrage in Marine Insurance

Lower Rates Prevailing Here Place New York Underwriters at Disadvantage

Prior to the outbreak of the war there was considerable arbitrage business conducted between the New York Stock Exchange and quotations prevailing in London on American securities. The Board of Governors, in view of the financial condition of the World, decided that it would be advisable to discontinue this class of business and so advised its members, and therefore that class of business was no longer conducted. But recently there seems to have sprung up a considerable amount of arbitrage business, which is purely London business in the American market.

The English gentlemen who follow the marine insurance business are a very able and clever body of men and it does not take them very long to find out if there are any cheap markets for marine insurance prevailing in any part of the World; and they have found that on account of the facilities in the American market they can place at times considerable business at rates under the prevailing rates in London.

Secure Advance Information

This has clearly been demonstrated in quite a number of instances. It is quite evident that the English underwriting fraternity get advanced information as to heavy losses either by raiders or submarines prior to the time that the information is made public. Before it was generally known that submarines were actively engaged in sinking a great number of vessels in the Mediterranean, New York underwriters were charging comparatively low rates compared to the rates obtained by English underwriters, and quite a number of re-insurances were sent to this market from London and some heavy losses were paid. During the period that the last German raiders were operating in the Indian, Pacific and South Atlantic Oceans, war rates in the London market ranged, from Calcutta to Frisco, at about 2 per cent.; Calcutta to the States via Cape of Good Hope, at about 5 per cent. Large amounts were freely placed in the New York market as low as ¼ per cent. and some instances 15c. from Calcutta to Frisco and from 1½ to 2½ per cent. from Calcutta to New York. In fact considerable business was sent from London on Spanish steamers from Calcutta to Spain, which were placed in this market at materially lower rates than those prevailing in the London market.

"Igotz Mendi" Case

It was quite evident that London underwriters must have known that the steamer "Igotz Mendi" was overdue and missing. There is considerable business now being sent over from the London market on English hulls at lower than the prevailing London market rate, as well as considerable business which is being sent over at the London rate on account of excessive lines. Recently there was a cargo risk which was sent over from London covering from Java to the Mediterranean, which was offered at a rate of ½ per cent. in this market and some London underwriters quoted rates ranging from 2 to 5 per cent. according to the sailing. These facts clearly demonstrate that some English underwriters must be taking advantage of the difference in rates obtainable in London and those obtainable in New York.

OBSERVER.

Emergency Fleet's Insurance Department

HOW IT IS CONDUCTED

Contract Price on Vessels Reduced by What Insurance Would Have Cost

In the current issue of the "Emergency Fleet News," published by the United States Government, the following statement is printed about the insurance department of the Emergency Fleet Corporation:

The insurance department of the Emergency Fleet Corporation, which was organized in December, 1917, was established to centralize all the insurance affairs of the corporation as a unit in the auditing division. The duties of this department embrace the administration of all matters pertaining to insurance in connection with properties in which the corporation is interested, as well as the operation of a scheme of self-insurance in connection with vessels being built throughout the country.

This plan of self-insurance, commonly referred to as fund insurance, also contemplates the assumption of insurance risks on plants and other construction and extension work undertaken by the corporation as owners, including the manufacture and transportation of materials where such interests are solely at the corporation's risk.

The principle of self-insurance, as it applies to properties and vessels owned or under construction for the Emergency Fleet Corporation, was determined upon by officials of the corporation after exhaustive study. It has always been the practice, in connection with vessels in course of construction, for an owner to require the shipbuilder to furnish insurance of the broadest nature to protect the owner for cash advances or other investments made during the process of building. This method of self-insurance constitutes a new departure in protection of shipbuilding risks.

Taken From Purchase Price

In view of the fact that builders are relieved of the necessity of placing insurance, the risks of building being assumed by the insurance fund, a deduction is to be made from the contract purchase price paid for each vessel equivalent to the sum that would otherwise have been paid for the customary insurance protection. The sums so deducted are to be held in reserve to cover any losses which might occur.

The protection afforded by the insurance fund on vessels in course of construction extends to the same risks that are covered by the form of insurance invariably carried by shipbuilders. This form of insurance or policy is known as "Institute Builders Risk Clauses," and provides security against losses of the most liberal character. The risks covered in plant properties and on materials include loss or damage caused by fire and lightning and also the customary risks of transportation where a movement of materials is made. Marine floating equipment owned by the Emergency Fleet Corporation also is subject to the arrangement of self-insurance against loss caused by the perils of the sea. Proper reserve will be made for all risks undertaken.

To Prevent Accidents

Supervision of accident prevention work has been placed under the insurance department, and every effort will be made to assist and co-operate with the shipbuilding companies in their campaign against personal injury. Safety standards for construction work and machine guarding are being prepared and expert advice will be given the plants on up-to-date methods of safety organization and educational methods to teach the employe his most important part in this work. There has never been a time in the history of the shipbuilding industry when the conservation of man power, through the prevention of accident, is of such vital importance as it is to-day, and it is hoped that all the companies will give their earnest co-operation and exert every effort in reducing injury to its workers to a minimum.

Managed by G. A. Hays

The insurance department is under the management of Gilbert A. Hays, assisted by H. L. Kress, both men of broad experience in insurance matters. H. A. Schultz, Chief Safety Engineer, is in charge of the safety work.

EASTERN MARINE UNDERWRITERS, Inc.

GEORGE A. EVALENKO, President
C. RUSSELL EBERT, Secretary

MANAGERS
OF THE
MARINE DEPARTMENT
OF THE
EQUITABLE UNDERWRITERS
OF
NEW YORK

FOR WHICH WE ARE NOW PREPARED TO BIND ALL LINES OF MARINE AND WAR, ON CARGO AND HULL INSURANCE AT OUR TEMPORARY OFFICE

50 Broad Street, New York City—Suite 620
TELEPHONE 263-264 BROAD

TWO NEW COMPANIES

La Polaire Organized in France—Albion Steamship Freight Organized in England.

Two new insurance companies are reported from abroad.

In Paris La Polaire has been organized with $600,000 capital; M. Elie Reumaux, president. It will transact all kinds of insurance, with exception of life.

The Albion Steamship Freight Insurance Association has been organized, with W. E. Parker, Newcastle-on-Tyne, as secretary.

Non-Admitted Companies

(Continued from page 1)

control it with the idea of benefiting trifling ailments would aggravate the patient's condition and result in asphyxiation.

"If less non-admitted and more admitted cover is desired, the multifarious insurance department regulations of the various States should be made uniform, their exacting requirements reduced to a broad, liberal, business-like basis, taxes made moderate, and the transaction of marine insurance under State supervision facilitated rather than hampered. The unearned premium reserve requirements should be modified and credit given to an admitted company for non-admitted re-insurance. If an admitted company doing only a re-insurance business were allowed to maintain lesser reserves than a direct-writing company is required to maintain, it would have a tendency to encourage the smaller American companies (which would have a poor chance at direct business) to get in under the cover of the larger, better established companies, and thereby assist in keeping more premiums here.

"With these things done and an attitude of sympathy and encouragement on the part of the authorities, rather than of suspicion, distrust and petty restrictions, the non-admitted companies would be likely to seek admission. I realize that all of the foregoing is Utopian."

S. D. McCOMB & CO.
INCORPORATED

56 Beaver Street - - - New York

MANAGERS MARINE DEPARTMENT
American Insurance Co., of Newark, N. J.
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San Francisco, Cal.

CASUALTY AND SURETY NEWS

Obtaining Data On Shipbuilding

HEALTH AND ACCIDENT MANUAL

Physician and Surgeon Rates too Low —Merchant and Clerk Retail Schedule

Reports are being received daily by the manual committee of the Health & Accident Underwriters' Conference, from companies and agents located in all parts of the country of their investigations of various industries. The shipbuilding industry is being investigated in San Francisco, Seattle, Detroit and Philadelphia and the committee has also received some special data from the American International Shipbuilding Corporation, giving the proper trade names of the occupations in the industry. By having these investigations made in different localities, the committee hopes to work out a standard list of occupations and classifications therefor, which may be used in any shipyard in the country.

Physicians and Surgeons

As regards "physicians and surgeons" the committee has requested about ten of the leading commercial companies, in addition to a number of industrial companies, to prepare a new schedule giving their recommendations for classifications therefor, according to their individual claim experience. These reports when received should be very valuable, as it is generally conceded that physicians and surgeons have been too favorably classified for some time.

One of the important changes made by the manual committee is a tentative adoption of the "Merchant or Clerk (retail)" schedule, on the theory that a clerk in a store is entitled to the same rating as the proprietor doing exactly the same duties, thus eliminating the present "Clerks" schedule. In connection with this new plan the question has been raised by a prominent underwriter, as to whether or not the committee should differentiate between dealers and merchants. His idea is that the descriptive duties for merchants and dealers are not the same: for instance, he points out that one who deals in monuments, steel, building material or agricultural implements is not a merchant, but a dealer. His plan is to have two headings, "Merchant and Clerk" (see also Dealers and Clerks) and "Dealers and Clerks" (see also Merchant and Clerk).

Ready January, 1919

From present indications the manual committee does not expect to have the manual completed and ready for press before January 1 next, and companies needing manuals before that date should write to Frank C. Crittenden, 29 South La Salle Street, Chicago, who has a supply of the present conference manuals on hand.

Chairman R. Perry Shorts also says that the committee's work for the next few months will be preparing new schedules on the various reports now being received, and tabulating statistics which many of the companies have been compiling for the past four or five months, showing their claim ratios by occupations on forms prepared and sent to all companies by the Conference manual committee last September.

DINNER TO MAUTNER

His associates in the metropolitan office of the General Accident are planning to tender a farewell dinner to Manager Jos. L. Mautner, who is shortly to go to the United States head office of the Company in Philadelphia. The dinner will probably be given early in April.

Made to Cover Street Hazards

CONNECTICUT GENERAL POLICY

Loss of Life or Limb May Occur Twelve Months After Accident

The new triple full cover accident policy being issued by the Connecticut General Life provides a 200 per cent. increase in indemnity for the street hazard. The policy gives $5,000 for loss of life, limbs or sight occurring in any place or manner, as provided in the contract, and instead of doubling, as is customary, it triples to $15,000, if the loss occurs on public passenger conveyances on land or water, or in elevators, burning or collapsing buildings, or by being struck by an automobile, taxi-cab, motor truck, steam or electric train, street car, motorcycle, bicycle, jitney, horse-drawn wagon, truck or carriage, or any other type of vehicle, irrespective of motive power while walking on or crossing any public street, public highway or public road anywhere.

Being Struck by Vehicles

The weekly indemnity is $25 for ordinary accidents, tripling to $75, if the injury is sustained on public passenger conveyances, or in elevators, burning or collapsing buildings, or by being struck by vehicles, as outlined in the preceding paragraph.

Loss of life, limbs or sight may occur within twelve months after the accident, whether disabled in the meantime or not, instead of being restricted to ninety days as is sometimes the rule.

The weekly indemnity for disablement is payable during its continuance, and is not limited to any specified number of weeks.

The price is $30 annually for select and preferred risks, $36.25 for extra preferred risks, and $51.25 for ordinary risks. Larger or smaller amounts may be obtained at proportionate cost.

E. B. ANDERSON SECRETARY

New Officer for Burglary Association Who Is Given Increased Authority

Edward B. Anderson has been chosen secretary of the Burglary Insurance Underwriters' Association, succeeding Samuel B. Brewster. Mr. Anderson has been superintendent of the burglary and plate glass departments of the Royal Indemnity for seven years. The entire confidence with which the association regards him is emphasized by the adoption of plans to materially extend the powers of the secretary, so that in future much of the constructive work which has heretofore been handled by committees will now be cared for by Mr. Anderson.

Warehouse Bond Rates Advanced

AFFECTS SEVERAL STATES

Considerable Increase Found Necessary to Obtain Proper Premium on This Class

Rates have been advanced on public warehouse and grain elevator bonds as follows:

United States Warehouse Act:

Cotton warehouses bonded under regulations of Federal Government, Deartment of Agriculture, $10.

Public warehouses bonded to the State, State Railroad and Warehouse Commission, or to counties, county courts, county officers or other public authorities (unless otherwise specifically rated), $10.

Louisiana:

Warehousemen bonded to the State, county, city court, $10.

Earned premium for any term, $25.

Minnesota:

Grain elevators and cold storage warehouses, $1.

Licensed warehouses other than grain or cold storage, $2.

Montana:

Public warehousemen and grain elevators, $5.

Nebraska:

Public warehouses grain or otherwise, minimum, $10 each.

North and South Dakota:

Statutory warehouse bonds and grain elevators: for applicants having head office in North or South Dakota, $4.

Two year term in advance $7 per thousand.

For applicants having head office elsewhere than in North or South Dakota and operating a chain of elevators in two or more States, $1.

Warehouses other than grain or seed, $4.

Minimum premium and minimum earned premium for any term, $5.

George G. Wetzel Hurt

George G. Wetzel, of New York, liability manager for the Massachusetts Bonding, met with an accident in front of 40 John Street which fractured his nose. About noon one day this week he was thrown violently to the sidewalk by tripping over a cellar door which was suddenly opened from below immediately in front of him.

* * *

Plate Glass Rates Up

With the expectation that plate glass prices will go to a dollar a square foot and doubt as to the ability to make replacements owing to the curtailment in product, insurance rates have been advanced in Massachusetts to Manual plus 33 1-3 per cent., in Minnesota to Manual plus 50 per cent. and in Washington to Manual flat.

Sixty per cent. of the 1917 output of passenger cars went to farmers. There are now 5,000,000 cars of all kinds registered in the United States.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building **PHILADELPHIA**

Byron Conklin Heads Jersey Association

TO SEEK QUALIFICATIONS LAW

Casualty and Surety Men Hold Largely Attended Meeting in Newark

That grand old name "Bill" had its inning at the third annual meeting and dinner of the Casualty & Surety Underwriters' Association of Northern New Jersey. The election of officers resulted in the choosing of "Bill" Berry vice-president, "Bill" Mulvey secretary, "Bill" Heard treasurer. Then the supply of "Bills" giving out, Byron Conklin was taken for president.

Mr. Conklin is associated with O'Gorman & Young, general agents for the Hartford Accident & Indemnity in Newark. He and his agency are among the leaders. His specialty has been casualty insurance for the past six or seven years, but he knows the fire end also. Byron Conklin is an "everybody's friend" man; a valiant worker for the good of the business and has always been a wheel horse in the association.

Mulvey for Secretary

Secretary Mulvey was with the F. & C. for "years and years" before he was made manager in New York for the Maryland. Now he is President John T. Stone's chief aid in Northern New Jersey. He has the experience to make a good secretary.

In William P. Berry, of John J. Berry & Brother, Inc., of the Royal Indemnity, the association has another strong executive who will impart some of the energy and good judgment he displays in his business to his office as vice-president. The same is true of William N. Heard, of Newark, manager for the Aetna, who has built up one of the most successful agencies there and who has worked for the association tooth and nail ever since its inception. The Heard office is looked for to enter the $1,000,000 class before a great while.

Insurance a Profession

At the dinner, which was held at the Robert Treat, Harry C. Mitchell, vice-president and general manager of the Commercial Casualty talked "get together" and unity of purpose with constructive effort, in other words, co-operation. He also made a strong plea for patriotism, liberty bonds, etc.

Commissioner of Insurance and Banking, Frank Smith showed his interest in the business, saying that it should be recognized as a profession rather than an ordinary business. The competent element in the insurance business should be regarded as an aggregation of specialists, he said. The commissioner is much in favor of an agent's qualifications law, but, he reminded his audience, the agents will have to work for it and work hard. He invited the casualty men to come to Trenton at the next session with a bill which would result in an effective broker's qualifications law.

The speaking was interrupted while a telegram was read from Edson S. Lott, somewhere below Mason and Dixon's Line. He had hoped to be at the feast, he said, but was too busy trying to collect agents' balances now fully five days overdue.

Governor Drops In

A. Duncan Reid, secretary and general manager of the Globe Indemnity, who is leading the new spring drive for the Third Liberty Loan among insurance men in New York, gave that work a boost, besides praising the co-operative spirit shown in the New Jersey organization. He also made a

(Continued on page 19)

PICKED UP ALONG WILLIAM STREET

With the Actuaries

S. Bruce Black has been elected treasurer of the Liberty Mutual Insurance Co.

Arthur H. Craig, formerly of the Automobile conference, is in the service.

James H. Flanigan is the actuary of the Bankers Life Co.

Herbert Hess is in the service.

Frank R. Mullaney has been appointed actuary of the American Mutual Liability Insurance Company.

* * *

Buying Used Cars

Used cars can now be sold at high prices because they cost less than new ones and it is no longer a disgrace to economize. With prices of new cars advancing as much as $500 in one jump the used car becomes a boon to the dealer instead of a nuisance as was formerly the case. It is told of one man that he tried to insure a used car and found he could get only $600 insurance. It developed that another man had bought the car for $900 and within a month had sold it to the second for $1,100. On the Pacific Coast, where cars are harder to get than in some other sections, used cars bring practically former list prices.

* * *

Farmers' Compensation

In spite of all the money the farmers have been making they are still just like ordinary folks. When the Illinois compensation law was being framed, the question arose as to whether farmers should be brought under the act and many of them strongly objected to being included. But after it had been decided that they were not under the act by compulsion, many obtained insurance voluntarily. It's the same old story; if you want to get members just announce that everybody cannot belong. Some people are so constituted that if they were told they could not have German measles they would not be satisfied until they got it.

* * *

Gloomy Outlook for Glass

Forty-five window glass plants have been closed in Pennsylvania, Ohio and West Virginia. The anticipated shortage as a result of this shut-down, which is made necessary by the action of the Government, is 5,500,000 boxes or about half the yearly output.

* * *

Ashley's New Position

Robert P. Ashley, who for the past eight years has been in the service of the Fidelity & Deposit, has been made superintendent of underwriting for the American Mutual Liability Insurance Company of Boston. Mr. Ashley's experience in the casualty business has been varied as he has served the Fidelity & Deposit of Maryland in the capacity of special agent, casualty branch manager and underwriter.

* * *

Government Safety Work

The United States Employes' Compensation Commission Central Safety Committee has given a decided impetus to the accident prevention campaigns in the navy yards and arsenals. Each yard and arsenal now has a safety engineer in active charge of the safety organization work, and A. H. Young, director of the American Museum of Safety, has rendered a valuable public service in obtaining and placing these safety engineers for the Government. Already two conferences of the Government safety engineers have been held for the formulation of safety standards; the discussion of accident report forms; the tabulation of accidents, and the consideration of other specific plant safety problems. A. H. Young presided at these conferences in his capacity as chief safety expert of the United States Employes' Compensation Commission. In making it possible for Mr. Young to undertake this Government work the American Museum of Safety has rendered a national public service to the cause of accident prevention, and the fact that National Safety Council accident prevention service is being utilized in the yards and arsenals is additional evidence of the close co-operation of the American Museum of Safety and the National Safety Council in all phases of the work in which the two organizations are interested.

* * *

Leaves Mutual Company

A. W. Parsons, general manager of the Manufacturers Liability Insurance Company, of Jersey City, has left that Company, and it is understood that he will receive a pension. The Company has been writing a large amount of stevedore, longshoreman and drydock business. Just how it has been able to do this with profit is a matter of conjecture among compensation insurance men, considering that the New York State Fund practically gave up this class of business in disgust.

* * *

With Boat Corporation

A. W. Campbell has resigned as special agent in the Newark office of the Aetna companies, to take a position with the Submarine Boat Corporation, as secretary to one of the officials. He is located at the Port Newark Terminal.

* * *

Opportunity for Competition

There is lots of automobile liability competition in New Jersey. The New Jersey Fidelity & Plate Glass has its own system of rating and to a large extent uses the old bureau rates. The American Casualty of Reading is active and also makes its own rates irrespective of bureau schedules. The Georgia Casualty which is also a non-bureau company and makes rates according to its experience is an active competitor. The Commercial Casualty which has its headquarters in Newark and is rapidly becoming a potent factor in the casualty insurance field is also outside the bureau. Besides, the American Mutual Liability of Boston operates quite extensively through an office in Jersey City.

* * *

Newark's Coming Millionaires

Out in Newark the casualty men are already talking million dollar agencies. It appears that W. B. Clarkson, of the Travelers, and William N. Heard, of the Aetna are the leaders. Just now Clarkson is said to have the edge on Heard. Yes, Newark's getting to be a real town.

BUSINESS=BUILDERS
DEVELOPING
Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE
APPRECIATE THE CO-OPERATION OF THE
Massachusetts Bonding and Insurance Company
BOSTON T. J. FALVEY, President
Paid-In Capital $1,500,000 Write For Territory

HEALTH INSURANCE COST

Hearing in Albany This Week—Expense of $136,891,000—Who Would Be Involved

A hearing on the Nicoll health insurance bill was held in Albany on Tuesday. The Insurance Economics Society has made an estimated cost of compulsory health insurance. This follows:

Costs

736,000 patients x 15 days @ $2.25 per day	$24,840,000
491,000 patients x 12 days @ $15 per week	12,626,000
245,000 patients x $20 each	4,900,000
44,100,000 visits @ 25c. each	11,025,000
1,000 carrier associations @ $15,000 each per year ..	15,000,000
150,000 x $15 each (½ of whole cost)	2,250,000
31,500,000 at average of $1	31,500,000
66,150 at $100 each	6,615,000
1,000 at $1,000 each	1,000,000
2,945,000 at $2 each	5,890,000
2,945,000 at $5 each	14,725,000
Add 5 per cent. of Nos. 4—17 inclusive	6,520,000
Total	$136,891,000

* * *

Some Men "Kid" Themselves

How some casualty agents "kid" themselves and inoculate others with their false optimism is well illustrated in the case of a man who dealt largely in health and accident insurance. This agent represented a good company. He never kept any records of what business he did from year to year, except in his head. Unfortunately his sky piece was lacking in mathematical precision. This genius for miscalculation was on a salary of $2,500 a year. In course of time another company, which was cutting a big swath in the accident and health line, came along and offered this agent a salary of $3,700 a year. Naturally, he was interested. This company was fairly burning up the road with a contract none of the other companies, even the most daring, ventured to inaugurate. But, of course, some of them did subsequently issue it just to meet competition. But while they were content "just to meet competition" the first company met disaster and had to give up the accident and health line because it was found to be "unprofitable."

Well, to get back to the agent. That $3,700 a year looked so good to him and he wanted to take the job. But before doing so he thought he would seek the advice of the company he was then with. So he hied to the home office and confided. The president told him he'd better not take the job because he couldn't earn the money. "In fact," said that official, "you're not earning what we pay you now, $2,500. What I would like to know is how did you get this offer, anyhow?" "Why," beamed the optimist, "I showed them the business my company did last year in my State, as published in the 'Green Book,' some $50,000."

"So they actually fell for it," said the president. "Didn't you tell them that you have only the Metropolitan district and that we have representatives in several other towns in the State, who really write most of our business there?"

"Why, I never thought of that," said the cheery one; "I didn't mean to deceive anybody, but I really thought those figures represented my business."

The president merely draw a long breath.

So the agent departed for home, the vision of $3,700 a year still dangling before him like a mirage. He couldn't resist the temptation and finally made the change. A year later he again met his old president and told him what he was writing. After he finished with his glowing account, the president said: "Well, what about your cancellations, have you considered them?" "Well, now, I forgot all about them," said the other. So again his calculations were all upset.

His company stood him off on a renewal of his contract and shortly after that he was left high and dry because the company quit the line. It seems strange that a company should make the mistake this one did in hiring a man without better information as to what he was able to produce; also that a salaried man should know so little about his own production and how to keep his accounts. Nevertheless, this is a case in point.

* * *

With New York Office

E. W. Gelshenen is now connected with the agency and business extension department of the Aetna companies at 100 William Street, New York. He has been home office special agent and was in charge of the Delaware workmens compensation campaign for the Aetna in January.

Apartment Rates Up

The Burglary Insurance Underwriters' Association has transferred apartment houses to the flat house classification, which will result in an advance of about twenty per cent. in apartment house rates.

* * *

Frost bite claims are still being paid by the Ohio Industrial Commission. The prickly heat claims should all be disposed of by the time the coal shortage again becomes acute.

The Employers' Liability Assurance Corporation, Ltd.
The original and leading Liability Insurance Company in the World
LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE
United States Branch
SAMUEL APPLETON, United States Mgr.
Employers' Liability Building
33 BROAD STREET, BOSTON, MASS.
AGENTS WANTED

CASUALTY AND SURETY POINTERS

A Warning For 1918

It will cost you much more this year to live than it did last year. All the money you made last year, if spent for food, will only cover your necessities a part of this year.

If your commissions last year just paid your living expenses—how are you going to get through 1918?

It is time to wake up and face facts.

If your income now is only sufficient to cover part of your living expenses, you have got to increase it; in fact, you've got to double it. You may have good credit, but the richest man in your town cannot get the grocer, the butcher and the dry goods man to agree to contract to furnish him with what he needs for six months, because these merchants cannot foretell the selling price one week ahead. They need cash. So must you have the cash every week.

What is the answer?

Your friend Jones in the hardware store gets $15 a week. He puts in eight to ten hours of honest work every day. Your time belongs to you only; it is all you have. How are you using your time; how many hours each day do you solicit? Be square with yourself in answering the question.

To meet the high cost of living this year you must put in more time. See more people—talk and sell more policies.

Every man is prospering. Each one needs insurance, and is waiting for the man who is not afraid to tell him and to sell him.

It is up to you—wake up.—"The Standard Bulletin."

* * *

Hazard of Inexperience

The records of surety companies show that the percentage of losses due to inexperience is very large, and most of the cases are where the principal has been a carpenter, sub-contractor or a foreman for a general contractor and having acquired a few hundred or a few thousand dollars decides to venture out as a general contractor. They usually start out on small contracts where they think no special skill is required, but having no reputation, they can get work only in competition with experienced contractors. In such cases where bids are asked indiscriminately, the competition is usually keen, and in order for the inexperienced man to get the contract, he must make a very low bid. He must, therefore, have the ability and experience for the economical work, otherwise he is very apt to bring a loss upon his surety. Contractors of this class are also prone to take other contracts before completing what they have on hand until they become so involved that it is impossible for them to extricate themselves.

* * *

How to Get More Money

Relative to larger incomes and the methods by which they may be obtained by agents, the National Casualty of Detroit entertains no illusions. This is what it says to its agents:

"The question of an increase in rates has had the very careful consideration of the officials of every company engaged in the accident and health insurance business, both individually and collectively, for many months, and the conclusion generally has been reached that an increase of rates to any extent at this time would be unwise. The insuring public is now carrying about all of the burden that it can stand, and an increase in insurance rates would probably have a very unhealthy influence on the business. This eliminates the first method, leaving but one way open—added efficiency.

"At the home office of the company a campaign for greater efficiency is already under way and bringing very satisfactory results. This campaign must now be extended to our field organization, and every representative of the company must take it upon himself to secure greater results through added personal efficiency. In this way only can he secure an increase in his income. He is working on commission, and as there is no margin for an increase in his percentage on each item, he must increase his volume of production. This does not necessarily mean that more time must be given to the business, although in some cases there is room for material improvement in this respect, but it does mean more must be accomplished in the same time.

"Let the people with whom you do business understand that you are busy, that your time is worth money, and that you cannot waste it. Everybody respects a hustler. There was a time when an insurance man in three or four hours each day could accomplish enough to give him the limited income necessary to make him reasonably comfortable. A limited income is not sufficient these days, and eight or ten hours a day of real work is now required to earn the money that must be had.

"In many ways the time of the field man can be conserved to enable him to increase his efficiency and get more results."

* * *

Field for Agency Material

In looking for good agency material the satisfied claimants of casualty companies have been practically overlooked. These people are in an appreciative frame of mind and have confidence in insurance. They believe in it and that is one of the first essentials to success in selling anything. It happens every now and then that a good man is picked up from among a company's policyholders. A man who recently developed into a prize winning agent became interested in selling policies through being a policyholder himself and was disabled by a severe injury. On recovery he was unable to take up his former employment and at the suggestion of the agency manager, took up the representation of the company in a small way at first and has since been very successful.

* * *

Good Source of Prospects

This suggestion for getting accident and health prospects is offered by the General Accident: Examine files carefully and make a note of every assured for whom you have written automobile insurance. From this list eliminate the names of those who already carry personal accident and health insurance with you. The remainder, which we believe it safe to say, will comprise fully two-thirds of the list, are all prospects for accident and health insurance.

After you have thus obtained a substantial working list proceed systematically to develop some good paying business from this hitherto partially cultivated source. Instead of rushing out pell-mell to try and break the record for making calls, sit down and frame a good, strong circular letter. Make your message personal. Mention in closing that you will shortly call to see Mr. So and So concerning the matter spoken of in your letter and that you hope he will listen to what you have to say since the question is one which, as you can readily prove, is extremely important to him.

After your letter is ready have a copy typed and addressed to each name on the mailing list. This method will consume extra time, but it will insure attention to your letter, whereas a printed form makes very little impression.

Now go over the list and study, wherever possible, the condition and probable need of every individual on it. Nearly all of them will doubtless be personal friends or acquaintances with whose circumstances you are familiar. Card index each prospect, noting upon each card such information as you have at hand which will enable you to discover a means of approach and will also help you to talk the right policy to the right man.

Having dispatched your letters, arrange to make your calls as soon thereafter as possible.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

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F. W. LAWSON General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS Resident Manager 55 JOHN STREET New York

Elmer A. Lord & Co. 145 Milk St., Boston Resident Managers New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

MORE CAR PRICE CHANGES

Automobile Manufacturers Continue to Announce Radical Advances in Lists

Additional price changes by automobile manufacturers have been announced as follows:

Oakland: All models advanced $60, effective at once.

United States: Effective April 15 the following prices will apply: 2½ ton chain $2,800, worm $3,250, 3½ ton chain $3,500, worm $3,950, 5 ton worm $4,850.

Jones: Effective March 15, 26 B touring $1,775, 26 A roadster $1,775, 26 C sport $1,775, 27 B touring $1,875, 27 A roadster $1,875, 27 C sport $1,875.

King: Touring $2,150 ($500 more), Foresome sport $2,350, Sedan $2,950, 3 passenger roadster discontinued.

Willys-Overland prices will be advanced after April 1.

Ford: Touring $450, roadster $435, chassis $400.

New Jersey Meeting

(Continued from page 17)

plea for simplicity in matters of compensation rating in New Jersey, which latter view was concurred in by Commissioner Smith.

Fred Cox, of Perth Amboy, telephoned regrets and warned the boys not to do anything without his authority and not to commit themselves in any way until the proposition (whatever it might be) is submitted to him for approval, etc.

Norman R. Moray, of the Hartford sent a pitifully worded wire from some health cure regretting his enforced absence, but nobody could recall the time when Moray looked in the least delicate.

Louis O. Faulhaber did a creditable job as toastmaster. The cabaret was a good one and toward the last Mr. Mulvey introduced a danseuse of charming abilities and ample dimensions, who he declared had been permitted to appear only by special arrangement with Mr. Reid.

After the dinner Governor Edge came in and held an informal reception. There were a number of guests from out of town. W. G. Falconer, of the Hartford Accident & Indemnity and W. F. Wingett came down from Hartford. New York was well represented, besides the Jersey contingent, in all about sixty persons.

FOUND—On William St.!

Bright ideas used by successful Casualty men

Each week in

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OF THE

Standard Life Insurance Company
∴ ∴ OF PITTSBURGH ∴ ∴

are higher this year than ever before. Our attractive Accident and Health Policies have helped them to make more money.

Write for a LIFE, ACCIDENT AND HEALTH Contract to

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HERBERT M. WOOLLEN, President

N U



As an asset to any agency, by every test that counts, the NATIONAL UNION is unquestionably a company whose representation good agents should seek. Extending always a full measure of co-operation, its facilities and service have given it a conspicuous place in 5000 offices throughout the United States. To experienced and properly qualified agents the NATIONAL UNION can prove its worth in numerous ways. Are you willing to be convinced of facts already proven to others who have gained satisfaction and profit in a pleasant business relationship? Shall we send a Special Agent to discuss the subject with you?

"OPPORTUNITY IS KNOCKING"

Associated Mutual Agency Incorporated

B. J. ALLEY, Manager

68 William St., New York

Exceptional Facilities for Writing Business Throughout the United States

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. **Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.**
2. **The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.**
3. **Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.**

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,
Superintendent of Agencies

THE EQUITABLE
LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

Capacity For Local Agents

You can use our capacity as your own to take care of additional business beyond the capacity of admitted Companies.

Our capacity is as high as $150,000 on a single risk with immediate binders and 10% commission to brokers. Guaranteed Underwriters. Use our special Surplus Line Department. Special liberal policies for Baggage Insurance.

MARSH & McLENNAN
Insurance Exchange, Chicago

19 Cedar St. NEW YORK	1615 California St. DENVER	314 Superior St. DULUTH	300 Nicollet Ave. MINNEAPOLIS
Ford Bldg. DETROIT	17 St. John St. MONTREAL	23 Leadenhall St LONDON	

THESE OFFICES GIVE YOU THE BEST THERE IS IN INSURANCE SERVICE

OCT 23 1918

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 14 | NEW YORK, FRIDAY, APRIL 5, 1918 | $3.00 a Year; 25c. per Copy

THE TRUTH ABOUT GRAIN ELEVATOR LINES

Insufficient Coverage Largely Due to Antiquated Construction and Poor Housekeeping

VIEWS OF MILLERS MUTUALS

Will Not Insure Old-Fashioned Terminals Because of Bad Loss Ratio

In view of the agitation in some western cities for larger insurance lines on grain, The Eastern Underwriter wired several of the large mill mutuals and asked them for their viewpoint as to the facts in the situation. One of the replies comes from the Millers Mutual Fire Association of Alton, Ill., which telegraphs:

"So far as we know here country elevators can secure all insurance needed. The loss ratio on them is favorable. Old-fashioned wooden terminals are not insured by mutuals because of bad loss ratio and may have trouble securing all the insurance that they need. Concrete, fire resistive construction terminals are acceptable."

Says Rates Should Go Up

William H. Clark, secretary of the Ohio Millers of Canton, O., wires The Eastern Underwriter:

"There is probably insufficient insurance capacity at congested grain centers. Our loss record fair, but rates should now be higher than formerly, and especially for terminal houses of the older type."

The Eastern Underwriter learns that with some carriers the loss ratio on the older type of terminal elevator has been as much as 300 per cent.

The principal reason why the average grain elevators cannot get enough insurance is not that companies won't stretch a point to meet the situation by enlarging their accommodations—they do—but it is the fault of the elevator men themselves in having such poor average risks. It is not advisable at the present time to be specific in discussing elevators, but it can be stated that many of these risks are of such old-fashioned construction that in ordinary times the insurance companies write very small lines on them. The elevator men are often careless; "housekeeping" is poor. Sprinkler systems in these structures are often ineffective. As one underwriter expressed it: "When once the blaze

(Continued on page 16)

"The Largest Fire Insurance Company in America."

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE.

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

SPRINGFIELD
Fire & Marine Insurance Co.

Cash Capital $2,500,000.00

THE SPRINGFIELD for two-thirds of a century has transacted business solely under its own corporate name, without annexes, underwriting agencies or subsidiary companies. An agent of the SPRINGFIELD is not a half, a quarter or any other fraction of an agent, but is vested with the rights and dignity of an undivided representative of an undivided and independent company. The SPRINGFIELD stands today pre-eminent among American fire insurance companies.

SPRINGFIELD MASSACHUSETTS

THE GAUVIN AGENCY

THE PILOT POLICY

ROONEY LOSES "EXPERT SERVICES" ACTION

Induced New York Woolen Manufacturer to Substitute Old Policies For New Ones

ACTUARIES PUNCTURE ANALYSES

Insurance Specialist Loses Court Action —Section 60 of Insurance Act Weak

The action brought by Hugh V. Rooney, a life insurance agent, the renewal of whose license was recently refused by the New York Insurance Department, against Robert F. Francis, a woolen manufacturer of Madison Avenue, this city, and a former president of the American Association of Woolen and Worsted Manufacturers, for compensation in payment of "expert services" rendered Francis, was recently tried before Judge La Fetra, City Court, New York City, and a jury which rendered a verdict in favor of Mr. Francis at the conclusion of a trial lasting eight days.

This case is of genuine interest to life insurance men and companies because it ventilates the whole practice of "experts" examining policies, and making a "specialty" of advising clients to substitute others to take the places of the "analyzed" policies.

Actuaries Testify

The Rooney-Francis case was tried for eight days, and among the witnesses who testified were Actuary Papps, of the Mutual Benefit; Actuary Washburn, of the Berkshire; Actuary Rydgren, of the New York Life; General Agent Fell, Massachusetts Mutual, and others. The whole case was then submitted by Judge La Fetra (after a charge explaining Section 60 of the New York Insurance Law) to the jury, which decided against Rooney on the merits.

After Mr. Francis had surrendered his old policies and after new insurance in the Mutual Life was taken out by Rooney expecting that Mr. Francis would be governed by his advice, and then after Francis had become convinced that he had made a mistake in listening to Rooney and had demanded his policies back (they were not returned), and then when later he had been sued by Rooney, Mr. Francis decided that the case was important enough for the American Association of Woolen and Worsted Manufacturers to handle, and the case was turned over to the counsel for the association,

Myers & Goldsmith, 100 Broadway. E. J. Myers and Gordon S. P. Kleeburg, of that firm, appeared in court and conducted the defense.

The insurance companies whose policies had been substituted, and the Mutual Life, in which company Rooney had placed the new insurance, worked in co-operation with Myers & Goldsmith, as did the New York and Pennsylvania Insurance Departments, which had had previous experiences with Rooney, as has been printed by the insurance newspapers.

Francis held policies in the Mutual Benefit, Berkshire, Massachusetts Mutual and New York Life.

Asked to Examine Policies

After being introduced to Francis, Rooney asked for permission to examine his policies, in order that he might give him "expert advice" respecting their conditions, and also to make suggestions as to whether Francis could not save money by taking other policies to be recommended by Rooney in place of those which Francis then held. Under representations that war conditions were going to change the forms of policies, etc., Rooney induced Francis to submit to a medical examination in the Mutual Life. Within a day or two after the examination the policies were issued by that Company and delivered to Rooney who was at that time its agent without knowledge of what Rooney was then doing. It developed that at the same time Rooney was the agent of the Berkshire Life, which had issued policies to Francis and which were to be "substituted" by Rooney for other policies.

Sends Analysis

Rooney sent his analysis of the Francis policies on March 23, 1917, but before he got possession of the Francis policies and before he had furnished any statement to Francis the Mutual Life had already issued its policies of insurance through Rooney upon the life of Francis. This transaction was effected by March 19, 1917. **It should be stated here that the Mutual Life was at the time in entire ignorance of Rooney's action with reference to the policies in the other companies, and would not have tolerated the practice had it been acquainted with the facts. Since October, 1917, Rooney has not represented the Mutual Life, that Company having canceled his license, and the entire Francis transaction took place prior to April, 1917.**

Demanded Old Policies

On March 26 Francis was advised that he was making a mistake, and, thereupon, he demanded that Rooney return to him the old policies. Then for the first time he was told by Rooney that the old policies were in the hands of a firm which makes a practice of buying such policies from agents in the business of "substitution." Rooney then informed Francis that as Francis had retained the Mutual Life's policies for several days that Francis was liable to Rooney for the amount of the premiums in the Mutual upon the new policies and claimed that Francis had authorized Rooney to sell old policies of insurance and to return the proceeds of the old policies through Rooney to Francis in completion and fulfilment of Rooney's analysis. In other words, according to Myers & Goldsmith, attorneys for Francis, Rooney claimed that the transaction was complete; that he had fulfilled his contract, and, therefore, must be paid for it. Furthermore, he refused to return the policies, saying Francis was liable to him as agent for the premium on the new policies, alleging that owing to Francis having kept the policies for the length of time the insurance had become effective and Rooney would be held responsible for the premiums and, therefore, had the right to demand payment from Francis.

By this time Francis, being advised by insurance men, began to feel that this was not an ordinary case of "substitution," and, refusing to have anything further to do with Rooney, returned the Mutual's policies and demanded the return of the old policies which Rooney did under protest, threatening to sue for the premiums. Francis refused to pay Rooney the premium. Rooney began suit against Francis, but not for the premiums payable under the new policies. His theory in court was not that Francis was liable for the premiums which Rooney would have earned out of the premium paid to the Mutual Life, but that Francis was liable to Rooney for the value of his services as an "expert analyst" in making the statement of the policies and giving his advice and recommendation to substitute, which sum, he claimed, was equal to the amount of the commissions which he (Rooney) would have earned if Francis had kept the new insurance.

Suit Brought

Suit was begun by Rooney for $1,585, the amount of the commission which Rooney claimed he had earned for his services as an "expert analyst." When the case came to trial the insurance experts, named at the beginning of this story, picked Rooney's analysis and statement to pieces, exposing the flaws in the estimates and comparisons to the jury. A sample of a Rooney letter to Francis follows:

New York, March 23, 1917.

Mr. Robert T. Francis,
25 Madison Avenue,
New York City.

My dear Sir: Appended hereto, I have the honor to forward you my analysis of the various insurance policies, which you were good enough to submit to me for my opinion. At the same time, I would like to reiterate some of the facts which I pointed out when we discussed the matter.

Your Mutual Benefit policies are all issued on what is known as the accelerative endowment plan, whereby the dividends are left with the Company until such time as the accrued dividend, together with the guaranteed cash value of the policy, equal the face value.

In the event of death prior to the completion of this indefinite period, all such dividends are forfeitable. The total of such forfeitable dividends on your policies so accrued to date, is about $1,200.

Nor does this represent the total loss of your estate, because the annual dividend on these policies, being about $120, could be used to purchase increased insurance amounting to $4,000, from which it is evident that your estate, in the event of your death, loses the amount of insurance purchasable by the annual dividends, viz.: $4,000, which is one-fifth of the present face value.

Mutual Benefit policy No. 537671 is issued on the eighteen limited payment accelerative endowment plan, under which it is assumed that the policy would become paid up, as it is called, about the year 1923.

By being paid up, it is understood that no more premiums will be payable provided the cash value of the policy is left with the Company, and this cash value will amount to $5,447.70, or over half the face value of the policy.

The actual insurance, therefore, beyond your own money, is only $4,552.30, for which you would be paying, by loss of interest if estimated at 6 per cent., $326.80 per annum, and yet this sum would purchase in the same Company, at the then attained age, practically twice that amount.

Similar conditions surround all the Mutual Benefit, Massachusetts Mutual, and other policies carried by you in like proportion.

On your Berkshire Life Insurance policy No. 3498, which is a thirty-year endowment policy, it is interesting to note the following facts, which I have set out in the schedule form hereafter:

First: The present cash value of the policy is $580, and the cash value in 1924 will be $1,000; the difference being $420.

Second: The cost to obtain this extra $420 will be $551.04; this being interest lost on present cash value, and premiums payable to 1924.

Self-evidently, therefore, it is to your interest to accept the present cash value, rather than pay $551.04 to obtain $420, especially since the same payment would purchase increased insurance of $2,400.

Similar conditions are equally applicable to all other policies held by you on the endowment form.

I fear it would be impossible to enlarge further on the subject of your insurance, without becoming tedious, and I fear also, that what I have already said may not be as clear as I would care to have it. I will, therefore, ask you for the honor of an interview, at your convenience, when I will be pleased to return your policies, and go into the items and details.

Very truly yours,

(Signed) HUGH V. ROONEY.

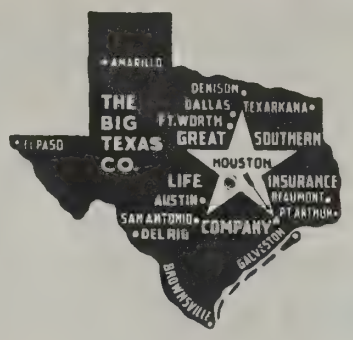
Fell's Come-Back

During the testimony of Witness T. R. Fell there was an incident paralleling the trial in the United States Court in this city of the George Graham Rice (fraudulent mail) case. Rice, it will be recalled, was dissatisfied with the cross examination by his counsel of the witnesses and dismissing his counsel, undertook to cross examine the Government's witnesses. So, too, Rooney became dissatisfied with the cross examination of his counsel, Rogers, and insisted upon conducting the cross examination of General Agent

(Continued on page 9)

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

1860 1918

ANNOUNCEMENT

In conformity with a resolution passed unanimously by the Board of Directors of **The Germania Life Insurance Company** on December 5th, 1917, and with the approval of the Superintendent of Insurance of the State of New York, the company on March 1st, 1918, assumed the new corporate name of

The Guardian Life Insurance Company of America

1917—the last year under the old name was the most successful during the company's existence of fifty-eight years. The new business paid for amounted to $24,800,000.00 representing a gain of more than $3,700,000.00 over its best previous year while the business in force showed an increase of $10,222,000.00.

Assets over $54,500,000.00

Total Insurance in Force over $169,000,000.00

Guarantee and Dividend Fund over $5,800,000.00

Want War Department to Run Risk Bureau

BILL INTRODUCED IN CONGRESS

If Enacted Would Automatically Eliminate Mr. McAdoo From War Risk Administration

(*From the New York Commercial*)

Washington.—A bill which will interest everyone in the life insurance and marine insurance business has been introduced in the House of Representatives by Medill McCormick, Representative from Chicago, and which is now in the hands of the committee on Interstate and Foreign Commerce. Mr. McCormick proposes to transfer the Bureau of War Risk Insurance from the Treasury Department to the War Department, which would automatically eliminate Mr. McAdoo from the administration of the laws governing this bureau.

Mr. Ide's Article

Considerable political significance is believed to be contained in the proposed measure, which especially concerns life insurance men. After an article by George E. Ide, president of the Home Life Insurance Co., was published recently, Secretary McAdoo wrote to Mr. Ide, a letter in which was contained a warning. Many construed his words to be a challenge on the part of the Government to the private insurance companies and as having been designed to make political capital out of the war measures of the Government at the expense of the great private insurance corporations.

Mr. McAdoo practically told Mr. Ide that the Government might be disposed to remain in the business of insuring lives even after the present war emergency is past and that it would welcome a test of strength with the private companies. There was nothing in Mr. Ide's article implying any such things as were referred to in the Secretary's letter, but advocates of Governmental life insurance hailed his letter as an indication that the Government would engage permanently in the insurance business.

Mr. McCormick's measure, if Congress should see fit to enact it into law, would end Mr. McAdoo as a director of the present bureau and would place it entirely in charge of Secretary of War Baker. It is believed that aside from the unwritten but nevertheless important political factors concerned in this bill, a good case can be made out in favor of the proposed transfer, as all of the work of the bureau is directly concerned with the carrying on of the war.

Origin of the Bureau

The bureau was originally instituted to write marine insurance upon ships entering the submarine zone. Later on, when America entered the war and the war risk bill was devised in lieu of the old and unsatisfactory pension system, it was also placed under the jurisdiction of the bureau and soon became by far the most important of its activities.

It is an open secret in Washington, according to well posted observers, that both Secretaries Baker and Daniels feel keenly that the war risk bureau should never have been placed in the Treasury Department. Inasmuch as it is exclusively a war measure and applies only to men in the army and navy, they feel that its management should not have been vested in some other department, with the friction and dissatisfaction which that move has inevitably brought.

Life insurance men who have watched with interest the course of the War Bureau also feel that it belongs in one of the military departments and believe that tremendous influence will be brought to bear on Congress to pass McCormick's bill.

WROTE $1,433,500 IN PENNSYLVANIA

The business of the Bankers Life of Des Moines in the State of Pennsylvania for the year of 1917 shows a total business written of $1,433,500, in 531 policies, as compared with $1,265,500 of business written in 1916. The total of insurance in force in Pennsylvania at the end of 1917 was $14,976,811, represented by 6,447 policies, as compared with 6,173 policies for a total of $14,206,809 at the end of 1916. The total of premiums received in the State of Pennsylvania for 1917 was $320,770, and the total of death losses paid in the State last year was $104,146.

Lawrence Priddy, president of the National Association of Life Underwriters, is on a speech-making trip in the South.

SALESMANSHIP CONGRESS

Detroit Convention to Discuss War Topics—Insurance Subjects not Slated for Consideration

Asked whether insurance topics will be featured at this year's session of the World's Salesmanship Congress, as it was last year, D. M. Barrett, of the Congress, said to The Eastern Underwriter:

"The Congress this year is called two months in advance of its usual date to discuss war problems now confronting business so that the insurance departmental for the time being is not included."

The Aetna office at 100 William Street was among those closed Good Friday afternoon.

Life Insurance Is Not an Expense

IT'S A PROCESS OF SAVING

Viewpoint of Mutual Life Insurance Company—Figures Showing Increase of Value

Life insurance is not an expense; it is a process of saving. It means the creation of an immediate estate in the event of death, or a provision for old age.

In driving home these facts the Mutual Life, in "Points," says:

Life insurance is not an expense; it is a process of saving. It means the creation of an estate—an immediate estate in the event of your death, or a provision for your own old age. When paying a premium you are not spending your money but are buying protection for your family and accumulating a fund for yourself. Look at the figures of our twenty payment life and see your investment grow.

20 Payment Life—$1,000 Policy—Age 35 Premium $38.34. Net Outlay of 11th Year ($28.82) assumed for remaining years.

No. of Pre.	Cash value end of yr.	Inc. in cash value	Net outlay	Inc. in value over net outlay
3d	$54.56	$54.56	$31.78	$22.78
4th	79.96	25.40	31.45	—6.05
5th	107.52	27.56	31.11	—3.55
6th	133.40	25.88	30.76	—4.88
7th	162.64	29.24	30.39	—1.15
8th	192.77	30.13	30.02	.11
9th	223.81	31.04	29.63	1.41
10th	255.78	31.97	29.23	2.74
11th	286.24	30.46	28.82	1.64
12th	317.68	31.44	"	2.62
13th	350.16	32.48	"	3.66
14th	383.70	33.54	"	4.72
15th	418.33	34.63	"	5.81
16th	454.11	35.78	"	6.96
17th	491.07	36.96	"	8.14
18th	529.31	38.24	"	9.42
19th	568.89	39.58	"	10.76
20th	609.92	41.03	"	12.21

At the beginning of every year for 20 years you pay a gross premium of $38.34 but receive a refund (or so-called dividend) at the end of the year. For example: at age 35, the refund at the end of the first year is $5.94 by the present scale; making the net outlay for the year $32.40. At the end of the second year, the refund (dividend) is $6.25; at the end of the third year $6.56; fourth year $6.89, etc. At the end of the eleventh year, for instance, the refund is $9.52, making the net outlay of that year $28.82.

From the foregoing, it is obvious, that if the present scale is maintained, the net outlay for each of the remaining years will be less than $28.82; but, for convenience sake, let us assume that it will be just that amount throughout the period. You will observe next that the policy has a cash value at the end of the third year of $54.56, and when you pay your fourth premium you increase that cash value at the end of the fourth year by $25.40, the increase being within $6.05 of the net outlay for the year. Your seventh premium adds $29.24 to your cash value, or within $1.15 of the net outlay of the year's insurance. From that time on you observe that your cash value is increased every year by more than the whole assumed net outlay. Does that look like spending money? Do you call a savings bank account an expense?

Now keep in mind one thing more. At the end of twenty years your insurance is paid-up for life. You have nothing more to pay, but will continue to receive a dividend at the end of each year as before, while still enjoying protection for the full face amount of your policy as long as you live. Keep in mind also that, in case of need, the amount for which you may surrender your insurance goes on increasing yearly, and this is guaranteed. Surely life insurance is anything but an expense.

COMPANIES CRITICIZED

Trade Journal Objects to Selling Methods and Urges More Advertising

"Printer's Ink" bewails the possibilities that advertising offers life insurance companies and which the companies do not avail themselves of. Then "Printer's Ink" says: "That most of the life insurance organizations are succeeding in selling their service without advertising has nothing to do with the argument. The fact is that their present selling methods are entirely too onerous and too expensive. It takes them too long to make a sale. The vast majority of applicants for insurance do not take their policies early enough in life. Hence it is costing them too much. They have to be educated to appreciate the merits of insurance. This educating has to be done through the personal solicitation of the salesman, and it too often extends over a period of years and is the work of several salesmen. Frequently the agent who writes the policy cashes in on the efforts of others. The trouble with the whole system is that it operates too slowly. Too much time is wasted in creating prospects.

"The seller of life insurance has to meet a mental resistance that the vendors of few other products encounter. Why? Why do people dislike to have their lives insured? For the same reason that they postpone making their wills. They make themselves believe that as far as they are concerned, death is many years off. It is time enough to think about it when they are getting old. Overcoming this mental attitude is distinctly an advertising job."

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE PRUDENTIAL
INSURANCE CO. OF AMERICA
Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

War Classification of George Washington

ACCEPTANCES IN DRAFT AGE

Limits Run from $1,000 to $7,500 in Draft Age—Five Classes Made

The George Washington Life, of Charleston, W. Va., has notified the agency force of new rules with reference to classifications under the draft act and the schedule of limits. The letter of Secretary E. C. Milair to the field force in part follows:

Circular to Agency Force

As forecasted in the February, 1918, issue of the "Monthly Review," the management has carefully considered the matter of deferred classification under the Government Draft Act as bearing upon the selection of life insurance risks for this Company.

Beginning March 1, 1918, we are authorized to accept insurable risks in the draft ages in accordance with the following schedule, viz.:

Under age 20, usual company limit, $10,000; age 20 and class one, $1,000; class two, $2,000; class three, $3,000; class four, $7,500; class five and over 31, if not already in draft, or enlisted or intending to enlist in war activities usual company limit, $10,000.

Insurance in the several classes I, II, III and IV for greater amounts than as shown above will under no circumstances be permitted and you positively must conduct your soliciting of applicants in the draft ages in a manner which will conform herewith. You will also please understand that when a prospect is already insured in the company to an amount at least equal to that permitted in any classification, additional insurance will not be granted and no application therefor should be taken or medical examination made. If, however, a prospect is already insured but for an amount less than the limit an application may be taken for the deficiency.

With this letter we enclose our new War Supplement Question Blank (Form No. 390). You will please immediately begin to use this form instead of any other war question form heretofore in use and now discontinued.

Supplemental Declaration to Be Signed by All Applicants

The George Washington Life Insurance Company will please accept the following declarations as part of my application for insurance dated the.....day of....., 191....

1. Are you an American citizen?....

2. Are you a member of any military or naval organization? If so, give full particulars. .....
.....

3. Have you any intention of enlisting or volunteering for any such service, or engaging in aerial locomotion or submarine service? If so, give particulars .....

4. Are you connected with or have you any intention of volunteering for Red Cross or other relief service, or engaging in work as a civilian in any capacity whatever in connection with actual warfare? If so, state details and name of country. .....
.....

5. Have you any business associations abroad which might cause you to travel to Europe, Asia, or South America, or do you contemplate a journey to any foreign country? If so, give particulars. .....
.....

6. Were you required to register June 5, 1917, under the Conscription Act? If not, give reasons. .....
.....

7. Into which class and subdivision were you classified by your local Draft Board under the new Selective Service Regulations? .....

Give address of the local Draft Board, which passed on your Questionnaire, and notified you of your classification. .....

9. Do you agree that any policy issued by the Company on this application may, if the rules of the Company so require, contain a provision for extra premiums or in default thereof, unless free permit has been granted, for limiting the liability of the Company, if you travel on the high seas; engage in Military, Naval, Red Cross or other relief service; engage in experiments with or ascensions in balloons, aeroplanes or other devices for aerial locomotion or in submarine service or work, or engage in work as a civilian in any capacity whatever in connection with actual warfare; and, if the policy contains provisions for double indemnity and disability benefits, that such benefits shall immediately terminate if you engage in any work or service of the character stated?
.....

I hereby agree that the foregoing shall form a part of my said application for insurance and I hereby renew and confirm my agreement therein.
Dated at ....., 191....

(The applicant should read this blank carefully before signing.)

.....
Signature of Applicant.

Witness:

.....
Signature of Soliciting Agent.

Mrs. Ellanora Lochner Dies of Pneumonia

A FIDELITY MUTUAL LEADER

Woman of Superior Qualities Who Was Unusually Successful in Life Insurance

Mrs. Ellanora DeGraph Lochner died at her home in Brooklyn, March 29, of pneumonia. She was head of the women representatives of the Fidelity Mutual Life in Greater New York and Long Island, with offices at 527 Fifth Avenue. Mrs. Lochner was a native of Western Pennsylvania, and after her marriage lived in Akron, Ohio, until about twenty years ago, when she located in Brooklyn. It had been her wish that she should die while still active and vigorous and while she was experiencing the full measure of her success. It so happened.

A Splendid Type of Woman

Mrs. Lochner was making a wonderful success of her work, which she loved. She was a woman who got much out of life, for she put much into it. Her interest in all that life affords was keen, as is shown by her many interests. Her sense of appreciation was acute, her personality charming and her presence commanding. Having lived her life fully and broadly she has not lost greatly, although taken from her chosen field while still at the height of her career.

The woman's department of the Fidelity Mutual had its beginning at 111 Broadway, New York, but in January, 1918, was moved uptown. Mrs. Lochner was in the insurance business for about three years. She had been a business woman practically all her life. The youngest of a family of twelve, she managed, when fifteen years old, to help her father to investigate mortgages. She married, and after her husband's death was engaged in business for some time before marrying again. A few years ago she was connected with the real estate firm which developed Brightwaters, Long Island, and established a record in selling homesites there.

(Continued on page 8)

HOME LIFE
INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,-542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

BANKERS BLC LIFE DES MOINES COMPANY
PAYS GOOD PAY TO GOOD MEN

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity,
Disability Benefits,
Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE
INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

REAL SATISFACTION

Working with William N. Compton and the John Hancock Mutual Life Insurance Company in New York City forms the happiest combination imaginable for the life insurance salesman.

If you have any doubt in your mind have it dispelled by calling at

220 BROADWAY
Phone 6030 Cortlandt

Security Mutual Life Insurance Company
Binghamton, N. Y.
Offers to men able to produce business first class territory, with direct contract providing liberal compensation.
For particulars, address
C. H. JACKSON, Supt. of Agencies

Upset Missouri Non-Forfeiture Act

Supreme Court Holds that Statute in Western State Transcends Power of State

NEW YORK LIFE WINS CASE

Non-Payment of Premiums Sufficient Reason for Forfeiting a Policy—History of Case

The Missouri non-forfeiture statute regulating insurance companies was, in effect, declared invalid by the Supreme Court Monday in reversing Federal court decrees preventing the New York Life Insurance Company from forfeiting a life insurance policy for non-payment of premiums.

The Court held that the statute "transcends the power of the State." Justices Day, Pitney, Clark and Brandeis dissented.

Relief from Fifteen Years of Unjust Treatment

The invalidation by the Supreme Court of the Missouri law governing life insurance contracts was received by leading counsel of life insurance companies in this city with a great deal of elation. They were inclined to hail the decision as "a relief from fifteen years of unjust treatment" accorded life insurance companies having branches in Missouri.

They pointed out that only last week the New York Life Company was beaten in the Missouri courts on a case which invoked the Missouri statute, and the Mutual Life Insurance Company has pending a $50,000 case under the same statute. The decision affects all policies written before March, 1903, at the time the first decision on the law was made in the Missouri courts, and involves policies aggregating millions of dollars.

History of Case

The case decided this week by the Supreme Court involved a suit brought by Mrs. Lea F. Dodge, widow of Josiah B. Dodge, of St. Louis, Mo., against the New York Life Insurance Company. The brief for the defendant was filed with the Supreme Court last October by James H. McIntosh, general counsel of the company, and James C. Jones.

The principal in the case was Josiah B. Dodge, who on October 20, 1900, took out a policy insuring his life for $5,000, naming his wife as beneficiary. About six years later he and his wife borrowed from the company $1,350 on the pledge of the policy as collateral security. The policy lapsed for the non-payment of the premium due on October 20, 1907, and thereupon, according to a provision in the policy, the indebtedness became due and the company foreclosed the pledge by satisfying the indebtedness out of the reserve held by it on the policy. This exhausted the entire reserve, and on December 17, 1907, Mr. Dodge was notified that the policy had no further value.

Nothing was done after that by Mr. Dodge or his wife, who made no offer to pay any premium or loan interest, according to the brief, although the insured lived until February 12, 1912.

The Statute

Two years after his death, counsel for Mrs. Dodge whote to the company, claiming that Mr. Dodge and his beneficiary could not dispose of their policy in the way they had done because of the non-forfeiture provisions of the Revised Statutes of Missouri, 1899, Section 7897, which provided as follows:

"No policies of life insurance hereafter issued by any life insurance company authorized to do business in this State, on and after the 1st day of August, 1899, shall, after payment on it of three annual payments, be forfeited or become void by reason of non-payment of premiums thereof, but it shall be subject to the following rules of commutation, to wit: The net value of the polcy when the premium becomes due, and is not paid, shall be computed upon the actuaries or combined experience table of mortality, with 4 per cent. interest per annum, and after deducting from three-fourths of such net value, any notes or other evidence of indebtedness to the company, given on account of past premium payments on said policies, issued to the insured, which indebtedness shall then be canceled, the balance shall be taken as a net single premium for temporary insurance for the full amount written in the policy, and the term for which said temporary insurance shall be in force shall be determined by the age of the person whose life is insured at the time of default of premium, and the assumption of mortality and interest aforesaid."

Insured Won in Lower Courts

It was claimed by counsel for Mrs. Dodge that neither she nor her husband, according to this statute, could rid themselves of the continued insurance which the reserve named in the statute. On suing the New York Life Insurance Company in the Missouri courts, Mrs. Dodge won the verdict, and judgment was rendered accordingly, but the company appealed to the highest court in Missouri, which sustained the lower court's decision. Thereupon appeal was taken to the United States Supreme Court.

It was claimed in the brief filed by the company that the case was unconstitutional because it was in violation of Section 1, Article XIV, of the amendment to the Constitution, which deprived it of its property without due process of law, and also deprived the parties to the contract of their liberty of contract without due process of law.

No Barbed Wire

put up by older agents will hold you back if you start now with the Maryland Assurance Corporation of Baltimore—a clear field before you, a powerful progressive insurance organization behind you. Life Insurance, Health and Accident Insurance, a wide variety of attractive policies guaranteeing Complete Personal Protection. Valuable openings in productive territory for energetic ambitious men.

Maryland Assurance Corporation

Seven South Gay Street

Baltimore

JOHN T. STONE
President

"LIVE AND DIE WITH ASSURANCE"

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

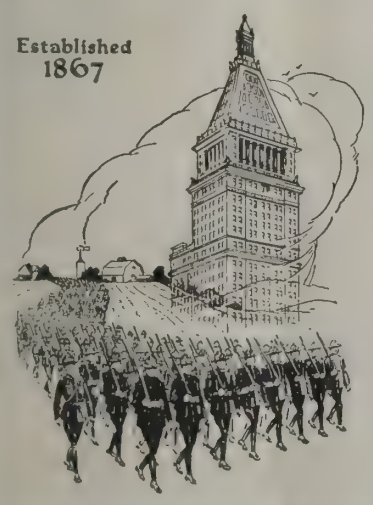
BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.

Home Office, United Life Building **Concord, New Hampshire**

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. **of Cincinnati, O.** Allan Waters, Second Vice-President

Changes in Phoenix Mutual's Income Bond

INCREASE IN CASH VALUE MADE

Premium Reductions of Five Per Cent. After Ten Years, Also After Twenty Years

Some changes have been made in the income bond of the Phoenix Mutual Life, including reduction of premium and increase in cash value. The changes follow:

At the end of ten years the Company will reduce the premium on the income bond 5 per cent. and at the end of twenty years an additional reduction of 5 per cent. of the original premium will be made. This reduction will not affect the amount payable as a death claim or cash value, both of which will be based on the amount of the original premium.

Cash Values

In the present income bond the cash value granted after 10 years is the return of all premiums paid. If the annuitant has not paid ten premiums, the Company will return 110 per cent. of all the premiums paid after the first.

The new income bond allows the same cash values, but provides that if the bond is surrendered after 10 years and before maturity, and evidence of insurability is furnished, the Company will grant an increased cash value. This increased cash value will be as follows:

(a) The sum of all premiums paid during the first 10 years without interest, plus

(b) The amount of premiums paid after 10 years, accumulated at 6 per cent. compound interest. (If the bond contains disability features the rate of interest will be 5 per cent.)

To illustrate this feature, take an income bond issued at age 25, income of $100 per month to begin at age 65, which calls for a premium of $123.50. The premium will be reduced at the end of 10 years 5 per cent. and at the end of 20 years an additional 5 per cent. The Company guarantees under this contract to pay an income of $100 a month, beginning at age 65, as long as the annuitant lives.

Should the annuitant for any reason wish to surrender the bond at age 60 (a course which the Company would not recommend inasmuch as the annuitant would have to wait only 5 years before receiving an income of $1,200 per year) the Company would pay, if evidence of insurability were furnished, a cash value of $8,417.70. This cash value consists of the amount of premiums paid during the first 10 years without interest plus the premiums paid during the succeeding 25 years, accumulated at 6 per cent. compound interest.

Illustration

To illustrate what this cash value represents in the terms of the actual premium payments which the insured has made during the entire period of 35 years. He has paid $123.50 during the first 10 years, $117.30 during the second 10 years (5 per cent. reduction) and $111.10 thereafter (5 per cent. reduction). Had he put these specified sums aside in a fund at the beginning of each year and received compound interest of 3.616 per cent. during the entire period he would have at the close of the 35 years exactly $8,417.70 in the fund.

Had these specified sums been put aside in the fund at the beginning of each year and been withdrawn at the end of 30 years instead of 35 years, the rate of compound interest received during the entire period would have been 3.227 per cent. In the same way, if they had been withdrawn at the end of 25 years, the interest rate would have been 2.671 per cent. and had they been withdrawn at the end of only 20 years the interest rate would have been 1.901 per cent.

In Event of Death

Should the bond not be surrendered and death occur before maturity, the Company would pay the beneficiary named the entire sum that had been paid in premiums, or if death occurred after maturity, the Company would return any excess of premiums paid over income received.

Standard Oil Buys Group Insurance

TAKEN OUT WITH EQUITABLE

What Provision is Made—Pension and Death Benefit Schemes as Well

In the announcement this week of the increased wages and other benefits given to workmen in the plants of the Standard Oil Company at Bayonne, life insurance, pension and sick benefits are thus announced:

Insurance Feature

Insurance of every employe with the Equitable Life, one year's service carrying a policy for a death benefit equal to three months' pay; two years' service, five months' pay, and progressively until five years' service carries the equivalent of twelve months' pay, with a minimum of $500 and a maximum of $2,000 in all cases.

Retirement on pension of employes after twenty years of service at the age of sixty-five. They will get for each year they have been in the service 2 per cent. of their yearly wage, with a minimum of $300 and a maximum of 75 per cent. of their pay. Special provisions have been made for employes less than sixty-five, who retire after twenty and twenty-five years of service.

Sick Benefits

Sick benefits, in addition to the provisions of the New Jersey workmen's compensation law, or half-pay for periods ranging from six to fifty-two weeks, depending on length of service. These benefits apply to disabilities for more than seven days.

AETNA BOND PRIVILEGE

The Aetna Life Insurance Company, and affiliated companies, will again offer to their employes and to employes of Connecticut industries the privilege of purchasing Liberty bonds on the installment plan.

The new Government bond will bear interest at the rate of 4¼ per cent. Those who have bonds now can convert them into the new issue.

PITTSBURGH LUNCHEON

The Pittsburgh Association of Life Underwriters held a special luncheon on Wednesday at which talks were made on "Pittsburgh and the War" by Colonel Thomas J. Keenan, and "A Message From the Camps" by Rev. Robert MacGowan.

W. H. CRANDALL DEAD

William H. Crandall, of Hornell, N. Y., district manager of the Equitable Life Assurance Society, is dead.

The American Life Agency Company, Inc., of Manhattan, has been formed with $50,000 capital.

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.
2. The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.
3. Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,

Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

CO-OPERATION No. 11

A full measure of agency co-operation with the real producers is responsible in part for these 1917 results as compared with 1914.

Decrease in number of licensed agents 70%

Increase in new business paid for 47%

Increase in number of representatives who paid for $3,000 or more in new premiums 200%

Phoenix Mutual Life Insurance Company

of Hartford, Conn.

JOHN M. HOLCOMBE, President

Business Associations

Help men to success.

Provident agents are associated with a business organization whose reputation for integrity, fair dealing and financial security extends over half a century.

Write for information

The Provident Life and Trust Company

of Philadelphia

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.

Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Used a Phonograph To Make Friends

HOW AN AGENT MADE START

C. M. Lord, of Chippewa Falls, Wis., Took Lumber Camp as His First Field

C. M. Lord, general agent of the Bankers Life of Des Moines in Chippewa Falls, Wis., who became a general agent at the age of twenty-three (in 1912), recently told agents of that Company how he made his start in life insurance. As the narrative is somewhat out of the ordinary, it is reproduced herewith:



My first life insurance work was taken up under my father, C. C. Lord, of Chippewa Falls, Wisconsin, who represented the Equitable Life of New York for twenty-five years. I sold insurance during my school days at vacation times.

My first actual work was done in the lumber camps of Northern Wisconsin at the age of eighteen. I took a phonograph and boxes of cigars, and went into the camps, and at night played music for the boys and passed the cigars around, thereby becoming generally acquainted.

I sold fourteen thousand of insurance by the end of the week, consisting mostly of "Twenty Pay Life" policies. I then got my first idea of what the life insurance business really was. On returning home I was given a contract directly under the Milwaukee agency.

I heard some time later that a Bankers Life man was to be in a nearby town, and I decided to see him.

I called on him in January, 1907, and through the kindness of that grand gentleman, C. A. Reed, of the Bankers Life, who is now in California, I secured a position with them.

Through his teaching and help I knew I could succeed, as he was in a class all by himself. That same gentleman has secured many good men for the Bankers Life. At the same time I started Mr. Reed also secured a position for Charles Minshall, who is now general agent at Columbus, Ohio. Sometime later Mr. Reed invited me to La Crosse, which was his home at that time to meet our general agent, E. W. Nothstine, and under his direction I covered all the small towns at first, and made good at almost every town I solicited in.

In 1909 I was appointed general agent for a number of counties in northwestern part of Wisconsin, and had my headquarters at Chippewa Falls, Wisconsin, where I have a nice business built up around this part of the country, in the land of the "golden grain and lakes of fish."

PAYS INHERITANCE TAX

Story of a $100,000 Death Claim—Beneficiary's Letter to Equitable

In November, 1917, a prominent Californian insured his life in the Equitable Life Assurance Society for $100,000 to provide for the inheritance tax on his estate. He died from an acute illness a few weeks ago. The beneficiary now writes:

"This money comes most opportunely to me, as it will enable me to promptly settle the inheritance tax on my husband's estate.

"I am thankful my husband took this insurance when he did, for it will obviate the necessity of disposing of any of his real estate or securities to realize the money necessary to pay the inheritance tax."

GETS NEWARK

Jacob A. King, of Asbury Park, who represents the Bankers' Life of Iowa in several counties, has had the Greater Newark territory added and has opened a branch in Newark.

The Metropolitan's Convertible Policy

LAPSE RATIO LOW, SAYS GASTON

Furnished 24½ Per Cent. of Company's Issue in 1917 Says Second Vice-President

Second Vice-President Gaston, of the Metropolitan Life, recently gave some interesting data as to the convertible in a talk to company field representatives. He said:

"The convertible continues to be peerless among all forms of industrial policies. Let me repeat what I have said before in regard to it, that with the exception of the twenty-payment life, it carries a higher average premium, and that without exception it admits of a wider selection of the form of insurance into which it may ultimately be converted, and of the period at which it may thus be converted, than any other industrial policy. It is the model policy for the class of people for whom it was designed.

The Lapse Record

"On December 31, 1917, of the issue of 1917, 88.1 per cent. of the convertible remained in force, as against an average of 85.6 per cent. of all other forms of policies, a difference in favor of the convertible of 2½ per cent., of the issue of 1916, 75.2 per cent., as against, for all other forms, 69 per cent., a difference of 6.2 per cent. in favor of the convertible; and of the issue of 1915, 64.8 per cent., as against, for all other forms, 55.8 per cent., a difference of 9 per cent., in favor of the convertible. The longer the convertibles remain in force the greater becomes their persistence in comparison with other forms of policies of corresponding years of issue.

Popularity of Policy

"As to the popularity of the convertible, notwithstanding the mild competition of the twenty-payment life, to which I have referred, and which was of no particular significance, the convertible constituted nearly 24½ per cent. of the total issue for 1917. It constituted in the Middle Atlantic Territory well over 29 per cent., in the Southwestern Territory, about 26½ per cent. and, going down the line, in the New England Territory, which touched the lowest level, it was 17 2-3 per cent. I began corresponding with some of the New England superintendents in February last, in regard to the convertible. That my labors with them bore some fruit is shown in the fact that from February on until the end of the year an improvement was made in the ratio of convertibles to total issue in 53 districts."

WOMEN AGENTS' OPPORTUNITIES

Endowment Policy Best for Working Women—Talks to Georgia Agents

Miss Kate Uhlfelder is a successful agent of the Massachusetts Mutual Life in Georgia. She calls attention to the fact that more than a million women have entered American industries since the war began, and more are being added constantly. There would be a very decided upheaval in industrial reorganization were it not for the foresight of women in fitting themselves for a "man's job."

"These women must be shown a way to husband their resources that they may be ready to meet emergencies as they arise," she said. "Therefore, the endowment policy for a business woman. We, agents, have a great responsibility and the greatest and most unusual opportunity for service that has come to us.

"My limited experience in Atlanta has proved that great patience is required for this end of the work now, because this avenue of investment and the whole industrial problem are very new to women, but I absolutely know that women once insured are most enthusiastic 'boosters' for us, that they are most anxious to pass on the good work, and that this class of business is very decidedly worth your while. All our interest and our pleasure in this great work lie in our ability to develop the satisfied policyholder. Here is our wonderful opportunity for doing so."

The Right Place for the Right Man

The capable and energetic man or woman who represents a company which provides an unexcelled policy at a low net cost is sure to succeed as a life underwriter. That is why our representatives everywhere are loyal, contented and enthusiastic. The reputation of their Company for prompt and efficient service gives them a confidence which wins the confidence of the insuring public.

Occasionally we have a General Agency opening.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

The Long Term Endowment

The long term endowment has become popular because it gives the insured something to look forward to during his life, as well as protection for a long period to his family or other dependents, says the John Hancock "Field." The man who reaches 65 commonly has more need for money than for insurance—in other words, his children will have grown up and gone into the world to take care of themselves. If his wife is living, she and the insured are quite as likely to gain from the payment of a matured endowment as they are from the presence of insurance protection; moreover, the annual cost of a long term endowment is comparatively little more than the annual cost of a limited payment life during its premium paying period. A great many people there are who would not mind the slight extra cost. While the net cost, counting the cash value at age 65 of a 20 payment life, might approximate that of a 40 year endowment issued at age 25, or, to put it the other way, the net return might approximate that of the long term endowment, it is by no means so satisfactory a contract for the average man, and while the premiums have to be paid for a longer period than on the limited payment life form, there is something clean-cut about the nature of an endowment contract which appeals to a great number of people. It gives the insured a chance to get the full value of his policy while he is living. This touches human nature. All these considerations make it an easy contract to sell.

* * *

Shirkers and Wasters

It is not that so many life insurance agents do not do enough business to justify the trouble and expense that the companies and general agents incur in keeping them on that counts so much as it is that the life insurance business is charged with the responsibility of getting a fair amount of efficiency and results with workers, or eliminating them entirely.

It must always be remembered that life insurance has to bear the burden of its inefficient workers, and when State legislators or public critics bring the life insurance business before them for judgment they hold it responsible for all the men within its ranks who are not doing good work and rendering service, who should be producers of one kind or another.

Life insurance cannot afford to be made the harbor of refuge for a lot of incompetent men, who use it as an excuse for not taking up the burden which society imposes upon every one who is capable of working.

Probably in every company three-fourths of the business is written by 25 per cent. of the men employed. The other 75 per cent., if they are giving their whole time to the business, are shirking to a greater or less extent. They are shirking their responsibilities to their companies who employ them; they are shirking responsibilities to their families who look to them for support, and lastly, shirking their responsibilities to society, which expects every member to do a man's work in the world.

Life insurance, for its own safety, must get rid of its shirkers and wasters, for the business is held responsible in the eyes of the public for every one of them.—Editorial, "The Insurance Salesman."

Prizes For Best Papers

The Pacific Mutual Life is offering prizes for the best paper of 1,000 words on subjects to be read at its coming convention. Here are the subjects:

Monthly Income Insurance, Its Advantages, and How and to Whom to Sell It.

Business Insurance, Its Purpose, and How and When to Sell It.

Writing Large Cases.

Finding Prospects.

Getting a Settlement with the Application.

Closing Arguments.

Selling Life Insurance—By Woman Agents.

Best Methods of Renewing Old Business.

Life Insurance and the Inheritance Tax.

War Arguments as an Aid to Business—How Government Insurance Affects the Agent.

The Accelerative Feature and How it Works.

The Qualifications of a Good Agent and How to Acquire Them.

DOUBLE INDEMNITY

Questions of Agents of Phoenix Mutual Answered by the Company

Two double indemnity questions of agents of the Phoenix Mutual are answered by that Company as follows:

Q. Whenever the premium for the double indemnity is more than $1.25 per annum there is evidently a return of premium if the double indemnity is discontinued. Will you please give us an illustration of this?

A. There is no return of premium unless the double indemnity is cancelled during a policy year, except in certain cases where a rate in excess of $1.25 per annum for $1,000 of insurance is being paid. This occurs only in limited premium life or limited premium endowment policies wherein the premiums cease before age 60. On such policies it is necessary that we charge a rate in excess of $1.25 so that the premium for the double indemnity will cease when the regular premium ceases, but that the protection may continue to age 60 or to maturity, if that occurs before age 60.

Take a 15 premium life issued at age 28. The annual extra premium is $2 and this rate is payable only for 15 years, although the double indemnity protection runs to age 60.

Let us presume that the insured cancels the double indemnity provision at the end of 15 years. He has paid 15 premiums of $2 each or a total of $30. The normal yearly charge for the double indemnity is $1.25 on a policy with premiums payable to 60. 15 times $1.25 is $18.75 and the Company would therefore refund the difference between $30 and $18.75 or $11.25.

On the other hand, let us presume that he did not cancel the double indemnity benefit until the end of 20 years. In this case the insured has paid 15 premiums of $2 each or $30. He has had 20 years protection at $1.25 or $25. The refund would consequently be $5.

Q. If a policy containing the double indemnity is to be issued on an interim, how do you determine the interim premium for the double indemnity?

A. The normal interim premium should be charged and in addition the pro rata premium for the double indemnity at the rate of $1.25 per annum per $1,000. If the interim is for 6 months, charge the regular interim and in addition collect one-half of $1.25 for the double indemnity or 63c.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

Mrs. Lochner Dies

(Continued from page 4)

This work brought her into touch with insurance and she obtained a broker's license but always sold life insurance for the Fidelity Mutual. She had, by the way, qualified for the Fidelity Mutual Club, the club year of which expires next June.

Successful From Start

Mrs. Lochner's success in the life insurance field was immediate and soon after her connection with the Fidelity Mutual Life, in 1915, she won a valuable prize. She later won other high honors for exceptional work. Mrs. Lochner was a member of the Life Underwriters' Association of New York, Fidelity Leaders' Club, Women's Press Club, of which she was treasurer, a very active office; the Forum, where she served on the board of governors; National Opera Club, of which she was a charter member; Aurora Grata Chapter, Order of the Eastern Star; Federation of Woman's Clubs, and a charter member of the Daughters of Pennsylvania. She is survived by her husband, John G. Lochner; a son, Harry J. Acker; a daughter, Mrs. Beneniece A. Graves, who was associated with her in her work, and two sisters, Mrs. Lavinia Jewell and Mrs. Matilda McElwain, of Cochranton, Pa.

ELECT DU PONT PRESIDENT

Now Heads Morris Plan of Investments as President of Industrial Finance Corporation

General Coleman du Pont, who gave up his control of the Equitable Life's capital stock in order that the Society could be mutualized, has been elected president of the Industrial Finance Corporation, the organization which operates the Morris Plan of industrial loans, and also the Morris Plan Insurance Society. Arthur J. Morris, founder of the Morris Plan, continues as president of the Morris Plan Insurance Society.

Rooney Loses "Expert Service" Case

(Continued from page 2)

Fell, which privilege was accorded him by Judge La Fetra.

Rooney wanted Mr. Fell to admit that if a man died 19 years and 364 days after taking a 20-payment life policy on his life, then the difference in premium between the 20-payment life policy and the ordinary life policy had been wasted by the insured. He continually referred to some illustration that he had used in his own testimony about as follows: At age 30 an ordinary life policy would cost in round figures $20, a 20-payment life policy $30 and the 20-year endowment policy $50 a thousand. He insisted that Fell answer a question, yes or no; the question being about as follows:

If a man took out a 20-payment life policy under the conditions above described and died at the end of 19 years and 364 days, did he get anything for the extra $10 that he had paid for the 20-payment life over what the premiums would have been on the ordinary life policy. Fell answered the question "Yes," amid a lively and unlawyer-like scene, to the great amusement of the court and all present. Fell referred to the comparison in evidence (one of the exhibits) that Rooney had given to Francis. This comparison referred to the premiums which Francis had been paying on two policies on the 20-payment life plan, the aggregate premium on the two policies being about $360 and the insurance being $10,000. Rooney had suggested (by inference) that these 20-payment life policies be dropped and the premium be used to buy ordinary life insurance. The statement of the insurance which he had furnished Francis did not call any attention to the fact that he had suggested dropping one plan of insurance and taking another plan. Fell pointed out that in the year that Rooney advised Francis to drop these policies the cash value under the existing policies increased $340 on the premium payment of $360, whereas if he spent the $360 for ordinary life there would be very little cash value to the credit of the policy at the end of the year.

After discussing the comparison which Rooney gave to Francis, the question was put to Fell: "What would you do if one of the agents in your office issued such a statement?" Answer: "Cancel his contract immediately."

Mutual Life's Position

At the trial the Mutual Life repudiated any knowledge that twisting was intended. A representative of the Mutual Life testified that the position of the Company, in common with all other companies of its standing and reputation, was that many of its policies are issued on approval and that they not only declined to admit it claimed any liability against Mr. Francis, but was in ignorance of the transaction, and always accepted the return of policies by its agents without asking any reason for the return; and, furthermore, the representative was emphatic in testifying that his Company would not have tolerated the transaction had it known the facts. The Company cooperated in every way with counsel for Mr. Francis.

Section 60 Weak

In a statement to The Eastern Underwriter Mr. Myers, of Myers & Goldsmith, said that the case disclosed a weakness of Section 60 of the New York Insurance Act. This section prohibits misleading estimates, misrepresentations and incomplete comparisons. It reads: "No life, health or casualty insurance corporation, doing business in this State, and no officer or director or agent therefor or any other person, co-partnership or corporation, shall issue or circulate, or cause or permit to be issued or circulated, any illustration, circular or statement of any sort misrepresenting the terms of any policy issued by any such corporation or the benefits or advantages promised thereby, or any misleading estimate of the dividends or share of surplus to be received thereon, * * *. Nor shall any such corporation or agent thereof or any other person * * * make any misleading representation or incomplete comparison of policies to any person insured in any such corporation for the purpose of inducing or tending to induce such person to lapse, forfeit or surrender his said insurance."

There is nothing in the statute to say that representations, estimates and comparisons shall be made in writing, and this defect in the statute should be corrected.

Rooney, to evade the statute and avoid the consequences of "incomplete comparisons" and "misleading estimates" contained in the typewritten analysis made and furnished by him to Francis, supplemented and corrected the errors by verbal representations and testified that he had so informed Francis in every instance of incomplete comparisons and misrepresentations which the actuaries pointed out existed in the analysis.

MARYLAND LIFE BUSINESS FOR 1917

Below will be found a statement of the life insurance issued by companies in Maryland and the total insurance in force in this State at the end of the year as reported to date:

	Issued in 1917.	In Force Dec. 31, 1917.
Aetna	$1,364,334	$7,471,757
Baltimore (Ind.)	2,171,475	7,173,737
Baltimore (Ord.)	171,604	892,569
Berkshire	377,846	2,236,658
Columbian National	96,612	1,021,265
Connecticut General	346,898	841,206
Connecticut Mutual	1,384,532	5,977,964
Continental	1,964,399	11,102,957
Equitable	2,812,507	20,678,729
Eureka (Ind.)	1,845,828	4,920,982
Eureka (Ord.)	35,500	119,292
Fidelity Mutual	119,407	1,719,737
Germania	234,000	1,333,046
Home, N. Y.	374,003	2,725,906
Home Mut. Society (Ind.)	161,013	134,903
Jefferson Standard	298,000	432,500
John Hancock Mut. (Ind.)	1,820,245	10,334,421
John Hancock Mut. (Ord.)	1,991,062	8,435,014
Maryland	134,617	30,836,674
Massachusetts Mutual	1,351,832	7,873,191
Metropolitan (Ind.)	6,659,972	54,831,688
Metropolitan (Ord.)	7,553,459	37,325,490
Michigan Mutual	49,711	679,042
Mutual, Md. (Ind.)	56,674	19,990,851
Mutual, N. Y.	5,187,517	29,507,847
Mutual Benefit	1,907,015	12,863,822
Mut. Ben. Soc., Md. (Ind.)	641,867	1,799,080
National, U. S. A.	43,904	56,904
National, Vermont	696,402	4,632,850
New England Mutual	838,455	7,926,418
New York	2,899,153	27,170,903
Northwestern Mutual	1,942,500	21,210,796
Pacific Mutual	3,084	98,051
Penn Mutual	1,195,966	7,162,722
Philadelphia	100,622	327,008
Phoenix Mutual	532,504	3,604,344
Provident Life & Trust	1,779,538	14,851,589
Prudential (Ind.)	5,738,191	35,094,079
Prudential (Ord.)	4,573,661	18,899,112
Reliance	793,600	1,484,244
Security, Md. (Ind.)	843,703	722,967
Southern Life, Md.	52,213	255,248
State Mutual	646,925	6,731,262
Sun, Canada	508,769	3,539,780
Sun, Md. (Ind.)	1,546,085	9,022,367
Sun, Md. (Ord.)	394,350	412,207
Travelers	2,817,874	10,301,590
Union Central	1,068,342	5,190,711
United, Md. (Ind.)	275,292	517,387
United States	80,885	675,804

MASONIC PROTECTIVE

The Masonic Protective Association of Worcester, Mass., is seeking an injunction to enjoin former representatives of the association from starting a similar association.

SAVED $400,000

The Guardian Life's mortality experience last year resulted in a saving of more than $400,000 to policyholders. This Company (then the Germania) was the first life insurance company in the New York district to subscribe to the first Liberty Loan.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST-STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

Are You Permanently Established?
Write for Territory
Pennsylvania—Ohio—West Virginia
PHILADELPHIA LIFE INSURANCE CO.
PHILADELPHIA

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.
THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA
On January 1, 1909, rates were reduced and values increased to full 3% reserve

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

The Connecticut Mutual Life Insurance Company
PRESIDENT JOHN M. TAYLOR, HARTFORD, CT.
Insurance in force, 113,918 Policies for $270,243,227.37
WHAT NO OTHER COMPANY HAS DONE
To repay to its Policy-holders in Death Claims, Endowments, Dividends, Surrender Values, Annuities and other credits more than they have paid to it in premiums. It stands alone in that result.

Total premiums received, Dec. 1, 1846, to Dec. 31, 1917	$318,963,384.44
Total returned to Policy-holders, as above noted, in same period	326,786,585.46
Excess of amount returned	7,823,201.02

SAFETY COUNCIL WORK

The Western Pennsylvania Safety Council now has a permanent salaried secretary in Pittsburgh with his own office accommodations and staff. A similar appointment will be made by the Buffalo Safety Council and other locals. The expense of maintaining these secretaries is borne by members in the districts, through a surcharge on the normal membership dues of the Council. These secretaries will keep in close touch with each member and manage the practical affairs of the Locals. Other Locals will try this plan.

PASSED OVER VETO

The Virginia legislature has promptly passed the compensation bill over the Governor's veto. The Governor wanted the law administrated by a commission composed of men already in office, whereas the legislature wanted an entirely new commission as provided for in the new law.

The Gardner group insurance bill has passed the New York Legislature.

THE EASTERN UNDERWRITER

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LIBERTY LOAN COMMITTEE

A New York City general insurance committee, which embraces in its membership "every line of insurance," has been appointed in the interest of the Third Liberty Loan. A careful study of the names on the committee discloses that there is not an insurance newspaper man on it, nor was there an insurance newspaper man on the W.S.S. insurance committee. This is probably an unintentional oversight, as the legitimate insurance newspaper is surely a part of the insurance business, its real function being to serve the interests of insurance. Furthermore, to name a committee in a great patriotic undertaking which "represents all insurance," and to ignore the insurance newspapers is not only a slight upon them, but in a sense is a reflection. This the insurance newspapers do not deserve. They have contributed their columns not only to advertising of the W.S.S. and the Liberty Loans, but have devoted a great deal of space in their news and editorial columns to these Governmental activities.

THE NEW DISCOUNT COMPANY

The naming of Wade Robinson, one of the most prominent of the marine underwriters of New York, as a director of the new Foreign Trade Banking Corporation, backed by Gaston, Williams & Wigmore, Inc., and which will deal in the purchase and sale of bankers and trade acceptances, again shows the close alliance between marine insurance and international commerce, a relationship which has been considerably discussed in newspapers since the United States entered the war. The Foreign Trade Banking Corporation will encourage and aid the export business of the country, and is modeled after the British discount companies. In England these companies make it a practice to endorse or guarantee all bills which they handle. Such endorsement strengthens the character of the bills, because some of the London discount concerns have large capital and enjoy the highest credit standing.

Manifestly the addition of a name on a prime banker's acceptance does not add much to its saleability, but the indorsement of drafts accepted by smaller institutions places them on a better basis and generally improves the instrument. Whether or not the Foreign Trade Banking Corporation will indorse the bills it will handle has not yet been determined, but the indications are that it will.

The London discount companies have arrangements with the joint stock banks by which they borrow money from the banks on their obligation, secured by the deposit of acceptances.

The bank usually reserves the right to call such loans in seven days, and to meet such demands the discount companies either arrange to sell the acceptances on deposit with the banks or else take the acceptances to the Bank of England, which discounts them.

MR. RICHARDS' APPOINTMENT

The appointment of E. U. Richards as general manager and secretary of the National Automobile Conference is a good one. His experience has been broad, his judgment good, and the executive administration of the Conference will be in good hands.

LAW DEFECTIVE

Section 60 of the New York Insurance Code relating to twisting is defective. It expressly prevents misleading representation or incomplete comparison of policies to any person insured, but is open to the interpretation that such misrepresentation or comparison is of a written nature. It should specifically prohibit oral misrepresentation or oral comparison of policies.

DAILY PAPER CAMPAIGN

Chicago Idea Inaugurated in Cincinnati —List of Cities Which Have Run Ads

The "reasons for fire insurance protection" advertisements, which created so much attention in Chicago that they were run in a number of other cities, are to be tried out on an extensive scale in Cincinnati. The Wm. H. Rankin Company, Chicago, are creators of the idea.

The campaign has been conducted in the following cities, in addition to Chicago:

Bluefield, W. Va.; Milwaukee, Wisc.; Evverett, Wash.; Hartford, Conn.; Burlington, Ia.; Pittsburgh, Kans.; Lansing, Mich.; Sault Ste. Marie, Mich.; Bemidji, Minn.; Joplin, Mo.; Helena, Mont.; Canton, O.; Dinuba, Calif.; Bridgeport, Conn.; Providence, R. I.; Schenectady, N. Y.; Tulsa, Okla.; Marshall, Minn.; Montgomery, Ala.; Clearfield, Pa.; Knoxville, Tenn.; Houston, Tex.; Seattle, Wash.; Missoula, Mont.; New York; Salem, N. C.

BROKERS HELPING LOAN

Tuesday afternoon the New York fire brokers met and put their O. K. on the Liberty Loan drive plans. The work of gathering a staff of canvassers is now well under way. There are four brokers on the General Insurance Committee, John A. Eckert, Alex. M. Silvey, F. S. Little and Henry W. Lowe. The brokers' committee is composed of J. N. S. Brewster, Jr., Frank C. Carr, R. Henry Depew, M. B. Dutcher, F. C. Gilbert, R. H. Goffe, A. C. Hegeman, Frank E. Mendes, F. W. Stillman and Walter L. Webster.

THE HUMAN SIDE OF INSURANCE



JOHN H. KENNEY

John H. Kenney is secretary and manager of the Association of Fire Underwriters of Baltimore City, having been in that city since December, 1914. The man who guides the destinies of the Association of Fire Underwriters in Baltimore is one of the best posted men on the fire insurance business in the country. Baltimore insurance men look upon him as an authority. He is appealed to daily for advice on this or that phase of the business. Mr. Kenney began his insurance career in an agency office in Northern New Jersey about thirty years ago. In 1893 he became identified with the Philadelphia Underwriters' Association, serving in various capacities and finally becoming assistant secretary in 1904. He continued with this association in that capacity until 1914. He is a member of the National Fire Protection Association, the Insurance Society of Baltimore, the New York and Philadelphia societies. In addition, he is a past president of the Philadelphia Society and the Insurance Institute of America.

* * *

A. H. French, of French & Sterling, who personally won the metropolitan Aetnaizers' contest this year, will have been connected with the Aetna for twenty-five years on the twenty-fourth of May.

* * *

William A. Wright, Long Island agent of the General Accident, with his office at Fall River, is a former racing promoter and is also at present interested with the Mineola races.

* * *

Emil F. Ellerman, a Scranton (Pa.) insurance agent, has been arrested on a charge of spreading German propoganda. He was too enthusiastic in receiving news of the German drive.

* * *

Arthur C. Edmonds, who has been supervisor of agencies of the Phoenix Mutual Life at Pittsburgh, has decided to become an agent of the Company in New York, and is now affiliated with the Rogers & Andrews agency in this city.

RESIGNS MUTUAL REPRESENTATION

E. W. DeLeon, Inc., has resigned his representation in New York of the Manufacturers' Liability of New Jersey.

E. U. Richards, who has been made general manager and secretary of the National Automobile Conference, succeeding L. G. Hodgkins, who goes with the Masonic Protective Association of Worcester, Mass., is a splendid choice for that difficult position, which requires a great deal of ability and diplomatic talent. Undoubtedly the need for a man of superior attainments to succeed Mr. Hodgkins was recognized by the National Board of Fire Underwriters in releasing Mr. Richards from his duties of assistant general manager of the National Board so that he could take the other position, as Mr. Richards had only been with the National Board a few months, coming there from the Eastern Union where he made a fine record as secretary, and he was doing good work for the National Board.

Mr. Richards, who is a college man with several degrees, has experienced a steady climb upwards throughout his insurance career which began with the Ohio Inspection Bureau as an electrical inspector. He first went with the National Board in the engineering department and at one time was in the improved risk department of the Continental.

* * *

R. J. Mier, fourth vice-president of the Pacific Mutual Life, who was in New York last week, is in Denver on his way to Los Angeles. Mr. Mier, who is one of the most popular figures in the accident and health business has spent his entire career with the Pacific Mutual. He said that he had found business conditions excellent on his trip. Asked relative to a rumor that the Pacific Mutual would enter group insurance, he said the matter was under consideration, but had not been definitely decided.

NEW ORLEANS DOCK INSURANCE

A short while ago, the Dock Board of New Orleans, which places the fire insurance on grain elevator buildings, machinery and the grain storage, heard complaints from some of its members that when bids were requested from insurance agents, the rates were invariably identical because there was no competition among the agents as regards the charges, these being fixed by the Louisiana Fire Prevention Bureau, says the "Southern Underwriter."

It is now understood that the Board is inclined to disregard the matter of rates, preferring good protection to cheap rates. The premiums on the Board's insurance amount to thousands of dollars. It is believed the Board will continue to place the coverage as heretofore, the Board having decided it best to do so and not seek outside insurance for the sake of saving a few dollars.

A TWO PAGE AD

Frank B. Hall & Co.'s two page illustrated advertisement was one of the attractive features of the shipping number of the New York "Commercial" on March 29. Others advertising were Willcox, Peck & Hughes, Block Earl & Manuel, National Union Fire, Eastern Underwriters, Inc., Importers & Exporters Insurance Co., Whist & Co., Globe & Rutgers, Despard & Co., Hagedorn & Co., La Boyteaux & Co.

HANRATTY IN THE SERVICE

F. J. Hanratty, manager of the office of Kookogey & Hook, 100 William Street, will enter the service next week.

FIRE INSURANCE DEPARTMENT

A. E. Larter Goes with Newark Fire

TO MANAGE AUTO DEPARTMENT

Co-Author of L. & L. Schedule and Once Vice-President of American

A. E. Larter, one of the best known insurance men in the East, and with W. S. Lemmon author of the L. & L. Rating Schedule, which was prepared under the direction of the Eastern Union, has been appointed manager of the automobile department of the Newark Fire Insurance Company. The appointment illustrates the importance that the automobile departments are assuming with the fire insurance companies. It is becoming recognized that the automobile insurance business is one that should be handled with the greatest care by experienced underwriters; that in these departments good judgment is especially desired.

His Career

Mr. Larter has been an active figure in fire insurance for many years. He first became known as special and later general agent of the Continental from which Company he went to the American of Newark where he was vice-president. Always a student of the business he was picked out along with Mr. Lemmon by the Eastern Union to make a new rating schedule, and for about two years worked out the details of the new rating schedule known as the L. & L. Rating System. This system is being tested in several places.

There has been considerable speculation as to Mr. Larter's plans and he will be a valuable acquisition to the Newark.

FIREMEN'S DEPARTMENTS

J. G. Maconachy to Handle Middle and Southern Business for the Company

J. G. Maconachy has been appointed manager of the underwriting for the Middle and Southern Departments of the Firemen's Insurance Company, and allied companies, and will also continue in charge of the automobile department.

Mr. Maconachy began his insurance career in the local agency business and then became a special agent. He made good in the field and before going with the Firemen's was with the Newark Fire, where he was superintendent of agents. He is an able young underwriter.

Robinson in Foreign Trade Banking Corp.

MADE ONE OF FIVE DIRECTORS

New Corporation Will Purchase and Sell Bankers and Trade Acceptances

Wade Robinson, president of Wade Robinson & Co., Inc., marine underwriters of Merchant Marine House, is one of five directors in the newly organized Foreign Trade Banking Corporation, which is to encourage and foster the export business of the United States which is backed by the firm of Gaston, Williams & Wigmore, Inc., and which is chartered with a capitalization of $2,000,000. Max May formerly vice-president of the Guaranty Trust Co., will be managing director of the Company.

Activities of New Corporation

The activities of the new corporation will be patterned after those of the National and Union Discount companies of London, and its principal business will consist of the purchase and sale of bankers and trade acceptances.

Arrangements will be made with the leading banks in foreign countries, and later on it is expected that the company will engage in the transaction of a foreign exchange business.

It is understood that eventually the corporation will apply for membership in the Federal Reserve system.

DEPENDS WHOSE OX IS GORED

Philadelphia "Bulletin" Regards With Complacence Government Insuring War Contract Plants

The Philadelphia "Bulletin" slipped a cog when it printed an editorial a few days ago under the caption of "Federal Fire Insurance," and said:

"If the Government can insure an ammunition plant, why not a clothing factory? And the question continues throughout the whole category of war contracts. And now that housing is considered an essential part of ship and munition production, and therefore a responsibility of the Government, the function of insurance may as logically extend to policies on the dwellings and possessions of the workers.

"The whole scheme of Governmental substitution for individual enterprise is much easier to start than to stop. But what may be wholly practical for the Government to undertake in a limited sphere, invites disaster when the policy is broadened."

Wonder what the "Bulletin" would say to a scheme for the Government to take over the daily papers?

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE COMPANY OF LONDON, ENGLAND
NORWICH UNION ASSURANCE CO. OF NORWICH, ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NIAGARA
Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Cut Rate Has Small Appeal to Merchants

NON-AUTHORIZED INSURANCE

View of Prominent Insurance President—Taxation Would Only Curtail Insurance Market

The Eastern Underwriter has received from the president of one of the great fire and marine insurance companies the following statement bearing upon the tentative inquiries made by the New York Insurance Department relative to the tremendous volume of business being written by non-admitted companies. The Superintendent, it will be remembered, asked if there were not some way in which a check could be placed on this business, either by taxation or otherwise.

Can't Confine Marine Insurance

The statement of the president of the insurance company follows:

"Marine insurance is international like commerce and not local like fire insurance. It cannot be confined; therefore, it is always subject to competition. A merchant in New York buys goods in India and sells them to a merchant in Chicago. The insurance follows the transaction. If New York taxed him he could move to Jersey. It is a mistake to attempt to restrict by taxation a business which cannot be confined within limits.

"The kind of facilities for American business is such that the old line merchant prefers dealing with foreign companies who understand the method of operation. Some years ago a bill was offered in the Legislature to compel all marine insurance brokers to report all of their foreign business to the State and pay a tax thereon of 5 per cent. The intent of this bill was to force all of the business to a few marine underwriting agencies in New York City, who in turn would re-insure the business in London at lower rates, as there are practically no tariffs on general marine business. This would have netted New York City underwriters handsome profits from the arbitrage.

Act Was Tabled

"The injustice of the act towards marine insurance brokers by discriminating in favor of the underwriter representing a company, and the weakness of the bill was instantly apparent. If brokers were to be licensed it would be just as well to license marine insurance companies' agents. Therefore, the bill was amended to include brokers, agents or representatives of a company, and in that state it died in committee.

"All reputable merchants will always deal with the old line reputable companies at fair rates. The advantage of a 20 per cent. cut does not attract the average responsible merchant. He may try it as an experiment, but is fearful all the time that something might happen, and returns to the responsible companies that everyone patronizes as soon as the experiment is ended."

WATCHMAN ENEMY ALIEN

Circumstances Surrounding Attempt to Burn Woolen Mills in Philadelphia

Carelessness or indifference in employing watchmen is illustrated by a case in Reading. Christian Seidel, age 54, registered as a German alien enemy, was held in $2,000 bail for court, after a hearing before Magistrate Dunn, in Philadelphia, on a charge of arson, resulting in a fire which threatened the destruction of the J. G. Leinbach Company's woolen mills, one of the largest industries in Philadelphia. That company is rushed with Government war orders.

Seidel was employed at the plant as a night watchman. Workmen coming to the plant at six o'clock in the morning discovered a fire in the drying room. They testified that they noticed Seidel's peculiar action. He obeyed an order to pull the fire whistle, but it is claimed that he made no effort to help get out the fire hose. When a member of the firm asked him why he was not helping to fight the fire he is alleged to have said, "I'm watching this fire."

It was testified that a can of kerosene was found in Seidel's closet, against the rules of the plant, and burned matches were found scattered about. The fire started in three places.

CANTONMENT INSURANCE

The cantonment insurance has been extended for the Government. This is the insurance that covers contractors' supplies from the time the supplies are unloaded at the cantonments until accepted by a Government inspector. Sometimes the liability lasts only for a few minutes. A few companies have dropped out, but most of them are covering for the extended period. There are thirty-four cantonments and camps.

The automobile department of the Continental Insurance Company has been transferred from the twenty-fifth to the ground floor at 80 Maiden Lane.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
103-5 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

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Marine and War Risk a Specialty
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FOR INSURANCE COMPANIES
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THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
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FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

BRITISH AMERICA
ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918
Assets $2,192,173.14
Surplus in United States..... 772,927.35
Total losses paid in United States from 1874 to 1917, inclusive 25,298,472.00
W. B. MEIKLE, Pres. & Gen. Mgr.

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
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National Liberty
INSURANCE COMPANY
OF AMERICA
NEW YORK
ORGANIZED 1859
Statement January 1, 1917
Cash Capital $1,000,000.00
Assets 8,553,704.22
Liabilities 4,222,485.60
Net Surplus 3,331,218.62
Surplus for policyholders 4,331,218.62
HEAD OFFICE
Corner William and Cedar Streets

EQUITABLE UNDERWRITERS of New York
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Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

More Light on Profits Insurance

VIEWS OF WILLIS O. ROBB

Risk May be Covered by Broader Use and Occupancy Form—To Protect "Going Businesses"

That the final use and occupancy form adopted in the United States may be so extended as to cover profits insurance seems probable by present indications.

Many fire underwriters have placed themselves on record as being in favor of this procedure and Willis O. Robb, manager of the New York Fire Insurance Exchange, is notably an advocate of this measure.

Mr. Robb defines use and occupancy insurance as being "insurance against loss caused by fire in the way of interruption of business in a going concern" and the phrase "going business" is looked upon as a more proper term than "manufacturing" and "non-manufacturing" to describe a use and occupancy risk. Brokers say the use and occupancy policy does not properly cover many mercantile risks which have a legitimate hazard of loss of profits through fire.

Mr. Robb gives his views on use and occupancy insurance as underwritten in the United States in the current issue of the Cyclopedia of Insurance, which are quoted, in part as follows:

U. & O. Wrongly Developed Here

"Use and occupancy insurance has had but a comparatively small development in the United States, and much of that development has apparently been in the wrong direction. There are two chief reasons for this. In the first place, in those States requiring or encouraging the use of a standard fire policy, there is no separate provision for insuring contingent interests, such as rents, profits, use and occupancy, leasehold interest, etc., although these interests cannot be properly covered under the ordinary standard fire policy, with its express exclusion of loss due to interruption of business, its requirement for the payment of any loss in one sum and at one time, and its manifold minor provisions designed only for regular property insurances and losses. And in the next place, partly because a higher rate is ordinarily charged for so-called profit insurance than for so-called use and occupancy insurance, and partly because of the failure to understand and measure the real interest sought to be covered, the forms employed have been confused, evasive or quite inadequate.

Would Establish New Court Precedent

"The first of these handicaps can be overcome only by amending or overriding the statutes enacting and establishing the standard policy; either greater liberty must be given fire underwriters by the law in the matter of insuring these contingent interests, or riders largely modifying the regular provisions of the standard policy for the sake of a clear cover for such interests must be employed and tolerated. The removal of the second handicap would appear to be mainly a question of education.

"As understood by American underwriters generally, use and occupancy insurance is a form of contract that promises to indemnify the policyholder (usually a manufacturer) at a certain rate per day, in case of total interruption, and at a pro rata of that rate in case of partial interruption, caused by a fire in his premises. Only the vaguest understanding of the proper method of fixing that per diem rate, or the total insurable value of the interest insured, is usually found among either underwriters or policyholders. That is because they do not clearly see, or (on account of the question of rate already referred to) do not wish to acknowledge, that what the applicant wants and the underwriter should furnish is simply and solely a form of profits insurance, not use and occupancy insurance at all, in the proper sense of that expression.

"In England this kind of insurance has been for more than a dozen years more correctly handled as the profit insurance it really is, on a form specially adopted throughout to its precise purpose, with great resulting advantage to the public and to the underwriters,

WALTER F. ERRICKSON AGENT
95 William St. New York
38-40 Clinton St. Newark, N. J.

Agricultural Insurance Company, of Watertown, N.Y.
65th Annual Statement
Assets $5,574,008.60
Liabilities 2,923,025.51
Capital 500,000.00
Conflagration Surplus 250,000.00
Surplus to Policyholders..... 2,650,983.09
F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1918, to New York Insurance Department
LIABILITIES
Capital Stock, all cash..... $2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard 11,073,438.19
Unsettled Losses and other Claims..... 2,168,701.64
Net Surplus over Capital and Liabilities 3,980,020.79
Total Assets January 1, 1918.....$19,222,160.62
H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer
G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent
SURPLUS TO POLICYHOLDERS.....$5,980,020.79

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NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

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U. S. BRANCH
FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager
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New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

INCORPORATED 1720
Royal Exchange Assurance
LONDON, ENGLAND
United States Branch
92 William Street, New York
RICHARD D. HARVEY
United States Manager

One Hundred and Forty-Two Years of Labor and Struggle

THE American people fought their first battles for liberty and the rights of self-government one hundred and forty-two years ago.

At that time and for many years thereafter, their realization of their national aspirations and of the goal toward which they were really striving was vague and indistinct. But step by step they struggled onward and upward toward a light which grew clearer as their eyes and minds slowly opened to its significance. Today, as a result of their struggles and their sacrifices, we possess and enjoy our priceless American institutions.

These institutions must be preserved. The structure so laboriously reared in these one hundred and forty-two years will be utterly destroyed if we do not spring to its defense with every atom of our energy and determination. This is not a situation which may be trifled with, or evaded, or put off. It is one which must be met now—today—no matter what sacrifices it may entail, or what the cost may be.

The immediate need is the investment of our money in

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LIBERTY LOAN COMMITTEE
Second Federal Reserve District
120 Broadway, New York City

so that a really important new branch of fire insurance has been developed. A recent English writer on this subject is therefore quite justified in referring to the American practice in the following curt fashion.

English View of U. & O.

"'In the United States of America, a scheme called use and occupancy is the system which is intended to compensate the insured for the loss of profits by fire. The company issuing a use and occupancy policy agrees to pay a pro rata amount of the sum insured for each day the business is entirely stopped and in proportion in the event of a partial interruption. It is unnecessary to say that such a system cannot assess the loss of profits sustained, except in businesses where the turnover does not fluctuate. Such businesses are so few that a use and occupancy policy is of little commercial value.'

"It is true that this summary dismissal of the American use and occupancy policy does a little less than justice to it through failure to perceive that, however inaccurate a measuring rod a fixed per diem may be wherewith to measure a fluctuating rate of profit, it is, after all, likely to produce a fair average of result operating through any considerable period. But certainly the English method described by this same writer (Alex B. Wright, 'Insurance Against Loss of Profits by Fire—Consequential Loss,' London, 1912, C. & E. Layton) is vastly more flexible, equitable and attractive. Under that method the applicant indicates whether he wishes to insure net profits only, or fixed charges only, or the two together under the general name of profits, and whether the basis or standard for measuring the loss is to be the 'turnover,' measured in money, or the 'output,' measured in quantity of goods produced. Then, for instance, if profits plus fixed charges are to be insured, and turnover is to be the standard, he is given insurance for the amount he declares his net profits plus fixed charges would represent, and on the occurrence of a loss the actual annual turnover is ascertained, along with the percentage which the net profits plus fixed charges have constituted of that turnover, and this percentage is applied to the reduction of loss of turnover due to the interruption by fire, thus giving the profit loss pure and simple, to which will be added the items constituting the increased cost of 'working' necessarily incurred in continuing the business. Several necessary safeguards are introduced into the contract, so that, for instance, if fixed charges were not, in fact, continued after the occurrence of the fire, a corresponding reduction would be made from the amount of the adjustment.

"Under the English practice the period of liability as distinguished from the term of the policy is limited to a definite number of months following the fire, usually, though not always, less than a year. In a given case, if it were longer than a year, instead of taking the annual turnover as the basis or standard of adjustment, the turnover for the longer period of liability is used, while, if the period of liability is a year or less, the standard or basis of adjustment is the turnover only. Usually, an audit is made once a month after the occurrence of the fire, until the full restoration of productivity, and monthly payments on account are made by the underwriters, though of course the ascertainment of the basis of entire adjustment, namely, the volume of the annual turnover represented by profits, is made immediately after the loss occurs. A number of minor checks, balances, and safeguards are introduced into the system, but this synopsis will sufficiently indicate the general character of the English handling of the subject and its manifest superiority to the practice in common use in the United States."

Changes in Form

The tendency to more clearly define the meaning of the use and occupancy form is also seen in the supplement on rules and clauses issued recently by the Eastern Union, which, under rule 68, reads as follows:

"(a) In manufacturing risks, net profits on goods the production of which is prevented, and such fixed charges and expenses as must necessarily continue during a partial or total suspension of production.

"(b) In non-manufacturing risks, net profits on sales of goods or on other operations, which are prevented, and such fixed charges and expenses as must necessarily be continued during a partial or total suspension of business."

The policy terms are made still more definite by the supplement dated March 12 which until Wednesday had not been acted upon by all rating organizations, and which adds a pro rata distribution clause to the use and occupancy policy.

MILTON BERSON IN NAVY

Milton Berson has left the Julius Finn office at 120 Broadway to enter the Navy and will be detailed to port duty. He has a wide acquaintance among insurance men.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

COLONIAL INSURANCE AGENCY

56 MAIDEN LANE Phone John 1210 NEW YORK CITY

AUTOMOBILE AND ALL FIRE AND CASUALTY LINES

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Commonwealth Ins. Co. of N. Y. — Globe & Rutgers Inc. of N. Y.
Detroit F. & M. Ins. Co. of Mich. — Employers' Lia. Assce. Corp. of London

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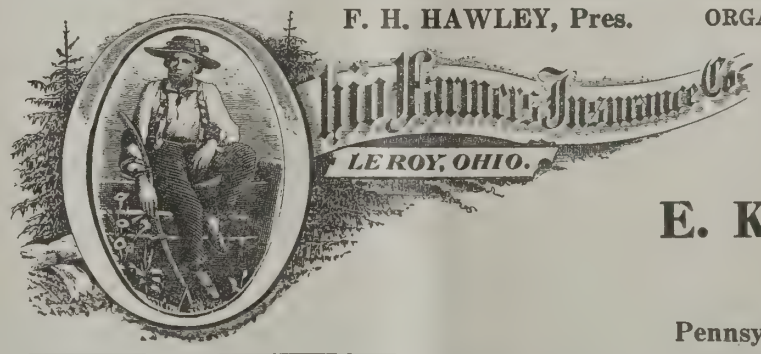
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NEW YORK CITY, N. Y.

NEW YORK NATIONAL INS. CO.

THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.



F. H. HAWLEY, Pres. ORGANIZED 1848 W. E. HAINES, Secy.

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Net Surplus Over $1,293,741.00

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GENERAL AGENT

Pennsylvania, New Jersey and New York

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JONES LAUNT BARRETT INCORPORATED

CAPITAL FIRE INSURANCE COMPANY of CAL.
CHICAGO BONDING & INSURANCE COMPANY
GREAT EASTERN CASUALTY COMPANY
THAMES & MERSEY MARINE INSURANCE CO., Ltd.
SECURITY MUTUAL FIRE INSURANCE CO. of MINN.

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NEW YORK OFFICE: 95 William Street, NEW YORK CITY

The Promotions by Great American Fire

LONG SERVICE WITH COMPANY

Insurance Experience of Messrs. Phillips, Koop, Archer, Glass, Borland, Krech and Churchill

The careers of the Great American men whose promotions were printed in The Eastern Underwriter last week are given herewith. They are Alexander R. Phillips, made secretary, and William H. Koop, E. S. Archer, R. S. Glass, L. J. Borland, G. E. Krech and H. B. Churchill made assistant secretaries. All of these men have been with the Company for a number of years and were promoted for the service they have rendered the Company.

Started in Texas

Alexander R. Phillips was born in Texas and educated in Dallas. He entered the insurance business in 1899 in the Dallas office of the Hartford Fire. In 1902 he became special agent for Texas. Oklahoma, Indian Territory and Arkansas as assistant to Thomas J. Cornelius, State agent for the Springfield Fire & Marine. In 1906 Mr. Phillips was made special agent for the Insurance Company of North America in Texas, reporting to the Southern Department at Atlanta. Six years later he joined his present company as special agent for Texas, succeeding Jesse E. White who was at that time made assistant secretary of the Company. In 1916 he was made assistant secretary at the home office and last week he was made secretary. While in Texas Mr. Phillips was a member of the Texas Fire Prevention Association, on the schedule committee and advisory committee at the time the Texas Rating Law became effective.

Koop Began as Office Boy

William H. Koop has seen every development in the metropolitan fire insurance situation in the past quarter of a century, or, to be more exact, during the past twenty-four years. He began as a boy in the city department and has remained there ever since, with the exception of three years spent in charge of the re-insurance department. When Wallace Reid left the Company twelve years ago to become a local agent Mr. Koop succeeded him as manager of the local department. Following Mr. Koop's election as assistant secretary it is announced that C. C. Dominge has been made city manager.

Archer Manager of New England Department

Eugene S. Archer has spent twenty-three years with the Company, beginning as a clerk. He was special agent in suburban territory; then special agent in Western New England where he made such a good record that he was brought into the home office and is now manager of the New England Department.

Glass Began in Philadelphia

Robert S. Glass began his insurance career with the agency of William Arrot in Philadelphia. There he had an all-around experience, including the management of the brokerage department. He joined the company with which he is now associated some years ago. He became a special agent in the Middle Department for three years, returned to the home office, and then for seven or eight years was special agent with headquarters in Rochester. Since the San Francisco fire he has been in the home office and at the present time is in charge of the southwestern States.

Borland a Stevens Institute Graduate

L. J. Borland is a Stevens Institute man, and there he got a mechanical engineering degree. He entered the insurance business as an inspector for the Middle States Inspection Bureau, with which he spent five years. His first work for the Great American was in the inspected risk department, and for nine years he has been in that Company's middle department, of which he is in charge.

Krech Chief Accountant

George E. Krech joined the Company about a month after William H. Koop did in 1894. At the start he was an accountant and he has continued in that department ever since, being made chief accountant in 1900.

Churchill's Early Experience in Boston

H. B. Churchill has been with the Company since 1904, and before that was a prominent figure in the Boston fire insurance local business. Coming to the Company with which he is now associated he became special agent in New England, and he is now in charge of the inspected risk department.

DAVID SILVER RETIRES

David Silver, the oldest local agent in Tarrytown, and whose agency was established by his father, has retired. The agency is purchased by Free & Brannigan, also an old-established local agency.



The Oldest American Stock Insurance Company

1792 **Insurance Company of** 1918

NORTH AMERICA

PHILADELPHIA

126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33

Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

STRENGTH INTEGRITY SERVICE

Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries

JAMES H. BREWSTER, Mgr.
Hartford, Conn.

A Broad Underwriting Service to Agents

Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.

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THE AIRPLANE

—is the military eagle, aptly termed the Eyes of the Army. Rising above and before the battle line, it watches for coming attacks.

FIRE gives no warning of its coming. No eye can see where it will strike next.

ADEQUATE Insurance is the airplane of protection. Use foresight instead of actual vision. Let the

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Fire Insurance Company of New York

begin today to protect you against loss by fire.

Cash Capital .....ONE MILLION DOLLARS

HENRY EVANS, President

Home Office
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Pacific Coast Dept.,
INSURANCE EXCH. BLDG.,
SAN FRANCISCO

Authorized Capital $500,000

Detroit National Fire Insurance Co.

DETROIT, MICHIGAN

A Company to be built gradually and along the indicated lines of permanence

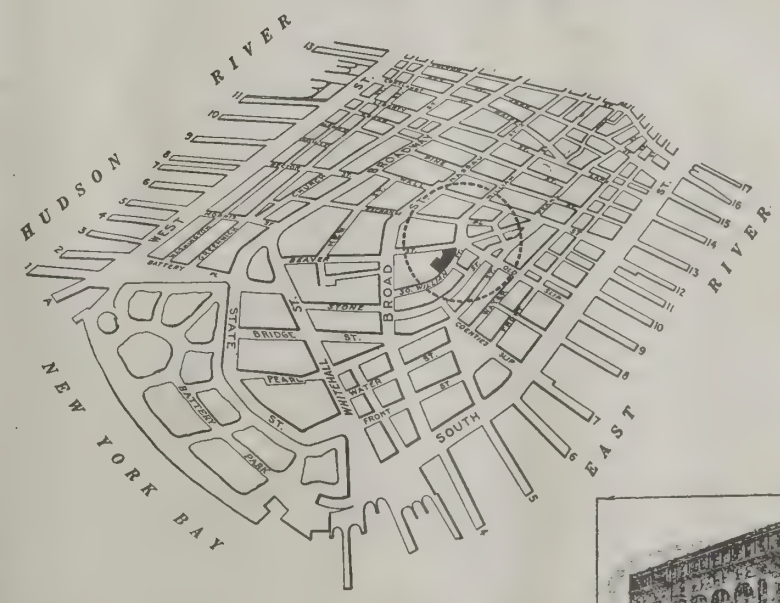
AGENCY CONNECTIONS SOLICITED

AMERICAN MERCHANT MARINE

INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House New York City

South William and Beaver Streets

MARINE DEPARTMENT

Street Comment on Marine Investigation

The way to cure an evil is to get at the root of it and apply the remedy. The recent investigation of marine insurance brokers has divulged a state of affairs which to straight, honest, fair-minded business people would seem to indicate that the marine insurance business must have drifted into a demoralized condition, compared to the high plane on which it has heretofore been conducted. To some extent in recent years this might be true. It is occasioned by the fact that ever since the present war conditions arose there has been no class of business where the rates charged for both marine and war risk have been so high as to make the business attractive and profitable to anyone who has the slightest knowledge thereof.

There has therefore been drawn to marine insurance a class of men who advertise themselves as marine insurance experts, average adjusters, etc. These men apparently have no knowledge of what the legal requirements of a broker are, be he an insurance broker or a merchandise broker, nor have they any knowledge of the technical requirements of the business of which they advertise themselves as experts.

Common Law Definition of a Broker

The common law definition of a broker is:

A broker is one who is engaged for others on a commission negotiating contracts relative to property with the custody of which he has no concern; an agent employed to make bargains and contracts between other persons in matters of trade, commerce, and navigation for a compensation commonly called brokerage. A person is not a broker who has possession and absolute control of merchandise shipped to him to sell and to collect the price; or who is a salaried agent and not acting for a fee or rate per cent. for others; or who acts for one principal to the exclusion of all others; or who transacts business, not for other party, but for himself.

If some of the newer generation of marine brokers had known what their duties were, they would not have had the audacity to take out insurance in their own names or the names of fictitious assureds, thereby cornering the market with the expectation of selling the insurance to an actual shipper at a higher rate. They must have been laboring under the impression that they had bought a ton of pig-iron at $20 a ton and were at liberty to sell it for any price over the purchase price that the law of supply and demand would permit them to obtain, at the same time forgetting that in taking out the insurance they incurred no monetary liability, for if the goods were not shipped the underwriter could not charge them an earned premium, and that they were usurping the position of a broker to make them really speculators without incurring the responsibilities of a speculator in the true sense of the word.

The Broker of Twenty Years Ago

About twenty years ago no one attempted to call himself a marine insurance broker unless he was thoroughly conversant with every detail of marine insurance. In fact, if a fire broker had a marine insurance line to place he knew that he did not have the proper knowledge of the business to effect a cover which would give his client the proper protection, so he turned the business over to a regular marine insurance brokerage firm and asked them to kindly give him the necessary protection, and in turn made some deal whereby the commissions were divided in accordance with the services rendered. All some people think they have to do is to have letterheads printed stating they are marine insurance experts, average adjusters, etc., get an order, go out on to the "street," find the lowest rate that anyone is willing to issue a policy for, take it back to the assured and say—here is your insurance—not thinking that they may be called upon to collect a loss under the document which they handed to their assured, and when they come to look into the insurance which they have furnished their assured they find that the document is not complete and they are unable to collect the loss which their assured has sustained and for which he thought he was protected. This assured very rapidly learns why it is necessary to place his business into the hands of a broker who knows what marine insurance means and what he requires from the company in order to protect his clients from a loss when they sustain one.

I have heard new marine insurance brokers state that they had a perfect right to do what is now being exposed by the New York Insurance Department. They think they have a right to deal in marine insurance the same as a cotton broker has a right to deal for a client in a thousand bales of cotton or a wheat broker for a client in one hundred thousand bushels of wheat. If they were educated along the right lines and knew what their duties were as brokers, this state of affairs and conditions would not exist today. Inasmuch as some brokers do not know what the duties of a broker are, it therefore must evolve upon the State to teach them or to prescribe what the duties of a marine broker in the insurance business should be.

What State Should Do

It would appear to be in order for the State of New York to pass a law licensing all brokers who are engaged in the business of marine insurance, and under no circumstances are they to be permitted to receive such a license unless they are duly qualified experts, and such experts to be passed upon by a committee of recognized marine insurance experts and not if a ward politician or district leader goes before the license bureau and says—This is a friend of Mr. So-and-So and is a liberal contributor to our campaign fund and we want him to receive a license, is he to receive one; and only licenses should be issued to those who have the required knowledge and who have acquired this knowledge by serving their apprenticeship in the marine insurance field, as it takes twenty years or more before a man can really say he knows the fundamental principles of the marine insurance business. This will preclude many gentlemen from following this class of business who have recently made their entrance into the field, based upon their family connections, social ties or abilities as star performers in the athletic circles. In passing such regulations the assureds of the State of New York, and the United States, would be protected so that their business will pass through the hands of experts who are qualified to handle this business, and if they have a loss which they are entitled to recover from an insurance company, they can rest assured that their insurance will be placed in such a manner that it will be recoverable. If the insurance brokers need to be taken care of, the State at the same time—if the insurance superintendent will permit a suggestion—can take steps to protect the American insurance company or the duly authorized representative of foreign insurance companies who have entered our State by making the necessary deposit capital and paying the necessary taxes yearly. There should be legislation put into effect that all business placed by brokers who are domiciled in New York, whether they have branch houses in other States or not, should pay a tax, say the equivalent of 5 per cent. of the premium on marine insurance placed in the authorized companies. This should be done in order to increase the revenues of the State of New York and also as a protection to the companies that are now entered in the State and pay taxes on all the business written in the State of New York.

Fairness to the Public

In order to be fair to the merchant and keep a check on the companies that are now doing marine business in the State of New York, there should be a law passed making it legal to place this outside insurance wherever it is absolutely necessary, but when it is necessary an affidavit should be made by the broker and placed on file, and the amount of insurance and the rate of premium paid should be shown. The State should get a revenue from such transactions and local or duly authorized companies should be protected against foreign competition and at the same time the merchants interested should not be neglected and should not be left wholly at the mercy of authorized insurance companies if they take it upon themselves to charge what may seem excessive rates. This legislation should be very stringent and should leave absolutely no loophole for subsidiary concerns domiciling themselves in Jersey City or neighboring States. It also should take care of the possibility of foreign companies which are entered in the State of New York writing risks in London and treating this business as London business, as today on a hull risk where the New York rate is 5 per cent. less 14½ per cent., a London company that is entered in the State of New York could afford to write the business in London for 4¾ per cent. less 14½ per cent. brokerage, and at the end would have a larger net rate for the company than if they wrote it in their New York agency at 5 per cent. less 14½ per cent. brokerage.

Inasmuch as merchants that are engaged in the export business must be clever and up-to-date merchants in order to compete with all the merchants of the world for this business, it seems almost incomprehensible that they should be so neglectful in employing incompetent and irresponsible parties in placing of such an important matter as marine insurance. These same merchants if they were looking for legal advice certainly would not take the first name that was presented to them with a title of attorney, or, if they were looking for medical advice they would try to ascertain if the party they consulted for such advice was an expert for that particular ailment for which they desire a cure.

OBSERVER.

EASTERN MARINE UNDERWRITERS, Inc.

GEORGE A. EVALENKO, President
C. RUSSELL EBERT, Secretary

MANAGERS
OF THE
MARINE DEPARTMENT
OF THE
EQUITABLE UNDERWRITERS
OF
NEW YORK

FOR WHICH WE ARE NOW PREPARED TO BIND ALL LINES OF MARINE AND WAR, ON CARGO AND HULL INSURANCE AT OUR TEMPORARY OFFICE

50 Broad Street, New York City—Suite 620
TELEPHONE 263-264 BROAD

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street - New York

MANAGERS MARINE DEPARTMENT
American Insurance Co., of Newark, N. J.
Firemen's Insurance Co., of Newark, N. J.
Glens Falls Insurance Co., of Glens Falls, N. Y.
Hanover Fire Insurance Co., of New York, N. Y.

MARINE AGENTS
Globe & Rutgers Fire Insurance Co., of New York, N. Y.

MARINE AND WAR RISK INSURANCE
Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

Truth About Grain

(Continued from page 1)

starts it is like a lumber yard burning high up in the air." A dust explosion is imminent in draughty elevators at any time.

In the newer elevators there are steel bins and concrete construction and in these risks lines are heavy.

Watchman service is poor. A Buffalo elevator, a good risk, had six watchmen. Underwriters wanted more: the elevator men refused. Finally on a preemptory order from the head Minneapolis office forty watchmen were employed.

CASUALTY AND SURETY NEWS

Risks of Contractors Being Investigated

WORK FOR MANUAL COMMITTEE

Health and Accident Underwriters Seeking Information for New Schedules

Contractors' risks are being taken up by the manual committee of the Health and Accident Underwriters' Conference. The following letter is in the form of a questionnaire, which has been sent to about fifteen companies, including a number of the large commercial companies, soliciting their ideas on "Contractors":

"We are now considering the classifications for contractors and attach pages 59 and 60 of our manual showing the occupations as now listed and the classifications therefor. This schedule is very important and requires serious consideration. We must bear in mind the diversity of the duties performed by such risks. We solicit your suggestions as to the following:

"1. Do you agree that when a contractor is engaged in manual labor, he should be classified the same as workman?

"2. Give any additional occupations you consider should be inserted under this caption.

"3. Do you consider the classifications now allowed as correct? If not, suggest changes and briefly state your reasons for doing so.

"4. Do you consider the qualifying and descriptive phrases correct? If not, suggest changes and briefly state your reasons therefor.

"5. If you have or can compile statistics applying to one or more of these occupations, please furnish same with such other information as may be necessary for us to intelligently make use of the information given.

"In considering this question, we cannot lose sight of the fact that the duties of a contractor in a large city may differ from the duties of a contractor in a small town, and our thought is not to have too many classifications, be as sparing as possible in the use of limiting and descriptive phrases and quote classifications low enough to cover the incidental as well as the regular duties performed by persons engaged in such occupations."

Underwriter Gives Views

One underwriter replied as follows:

"As regards the first, we do not believe that when a contractor is engaged in manual labor he should be classified as a workman. We believe that while he may be performing actual labor, he is a better risk than the workman, and is entitled to one class better than the workman. It occurs to us that he has a greater interest in being at work than his workmen, and that he will perform a part of his duties just as soon as possible, whereas the workman does not have the incentive to resume work until he is fully recovered. From such claim experience as we have had, we believe it is evident that the period of total disability claimed by working contractors is shorter than that claimed by workmen.

"We doubt if the words 'supervising duties only' really limit the company's liability as they should. Several years ago we contested a claim and the Court ruled that the words 'supervising duties only' gave the contractor the right to perform such work as he might find necessary in conducting his business."

Brokers Bid Mautner Farewell

WELCOME MANAGER RUGGINS

Associates in Metropolitan Office of General Accident Present Watch to Departing Manager

About eighty New York brokers and his associates in the Metropolitan office of the General Accident tendered a farewell dinner on Tuesday evening to Manager Joseph L. Mautner, who will leave New York shortly to become superintendent of agents of the General for New York, New Jersey, Massachusetts and Connecticut. The dinner was held at Reisenweber's.

Toastmaster A. W. Meldon, New York attorney of the General, stated that United States Manager Frederick Richardson was unable to attend and introduced H. C. Mitchell, assistant United States Manager. Mr. Mitchell said that the first time he had ever seen Joe Mautner was as a dirty faced office boy in the Maryland Casualty, with which Company Mr. Mitchell was formerly associated as secretary. He then told of the work Mr. Mautner had done both among his associates and in rendering service to the New York brokers and said that the General hoped that both his associates and the brokers would have the same confidence in and render the same co-operation to the new manager, Mr. Ruggins.

James Nooney, who has been in the claim department of the General since it entered the United States, told of his associations with Mr. Mautner, as did also Henry R. Graham, New York Comptroller of the Company. On behalf of those brokers and associates present on Tuesday, E. G. Graff, of the Metropolitan office, presented to Mr. Mautner a Waltham watch as a token of their regard. Following Mr. Mautner's acceptance of the watch, Mr. Ruggins made a short address.

APPOINTMENTS IN NEW JERSEY

D. C. Gritman, special agent in Northern New Jersey for the United States Fidelity & Guaranty, has made the following appointments: L. N. Creighton, local agent at Bayonne; Daniel Bermes, general agent at Union; Ned Cadwalader, local agent at Weehawken. Last year the company's business in New Jersey was $440,000 and Mr. Gritman has observed it climb to that figure from a modest $100,000.

LEAVING CLAIM DEPARTMENT

E. J. Darragh, who had charge of the preparation of evidence in litigation against assureds in the New York claim department of the New Jersey Fidelity & Plate Glass, has resigned as of April 8. Mr. Darragh formerly had charge of the claim department in Chicago for the old Union Casualty of Philadelphia and he closed up that company's business there.

Great Eastern Casualty Company

ORGANIZED 1892

55 John Street, New York

The New York Insurance Department in a recent examination says:

"While the business of the Company has increased, its liabilities have borne a decreasing ratio to the admitted assets and the surplus a corresponding increase in the ratio to liabilities. The growth of the Company, therefore, has been healthy.

The affairs of the Company are being efficiently and conservatively conducted. Liberal reserves have been set aside for outstanding losses and other liability items, and policyholders are being accorded fair and equitable treatment."

Over Three and a Half Million Dollars Paid in Claims

Cash Capital $350,000.00
Surplus to Policyholders $584,137.21

LINES WRITTEN

Accident-Health (Commercial and Industrial)—Burglary—Plate Glass—Automobile Teams and General Liability.

Agency applications will be considered for unoccupied territory.

HEARING IN ALBANY

Monopolistic State Insurance Bill and State Fund Supervision Measure in Decline

Last Tuesday a hearing was held in Albany on several bills of interest to casualty men. The Gilchrist measure was one. It is a monopolistic State insurance bill and would prevent both stock and mutual companies from writing compensation insurance. Manager Baldwin, of the State Fund, was for it. Mr. Train, of Utica, against; Mr. Duffy, of the Ohio Industrial Commission, for, and F. Robertson Jones, manager of the Workmen's Compensation Publicity Bureau, appeared against it. At present writing there appears no likelihood that the bill will become law.

The two Wickes bills to put the State Fund under the supervision of the Insurance Department were discussed. Mr. Baldwin appeared against it while Mr. Train was for it. Mr. Jones did not appear and manufacturers and employers did not show interest in the measure. Its passage is regarded as remote.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

"Wilful Misapplication" In Fidelity Bond

ROSEVILLE TRUST COMPANY CASE

Connivance of Official Does not Release Teller's Surety From Liability

Reversing a ruling in the Essex Circuit Court at Trenton, N. J., in the suit of the Roseville Trust Company by the insurance department against the American Surety, the Court of Errors and Appeals has ordered a new trial of as much of the case as is concerned with an item of $2,000.

Discussing the legal question thus presented Justice Trenchard, in his opinion for the Court of Errors, said:

"As used in a fidelity bond given for the protection of a trust company against the wilful misapplication of its funds by its teller, the words 'wilfully misapplied' mean a conversion of funds of the trust company to the use or benefit of the teller or of some one other than the trust company with intent to injure and defraud the company. By the term 'wilfully' is meant purposely or designedly. The intent to injure and defraud, which is essential, does not necessarily involve malice or ill-will, but merely that general intent to injure and defraud which always arises in contemplation of law, when one wilfully or intentionally does that which is illegal and fraudulent, and which, in its necessary and natural consequences, must injure another.

"The connivance on the part of the treasurer of a trust company in a wilful misapplication of the funds of the company by its teller, in order to ad-

(Continued on page 18)

PICKED UP ALONG WILLIAM STREET

John L. Tiernon, Jr., who is president of the New York State Association of Insurance Agents, and who is regarded as one of the most level headed insurance men up State—he lives in Buffalo—was featured by the Maryland Casualty Co. in the current issue of its "Bulletin."



Mr. Tiernon is active in the Insurance Federation of New York State, as well as in the fire and casualty agents' association, and he was a prominent figure in St. Louis last Summer at the annual convention of the National Association of Insurance Agents.

Mr. Tiernon was also one of the organizers of the last Liberty Loan campaign in Buffalo. He is a model citizen in addition to being a fine agent.

The Maryland Casualty's "Budget," has this to say of him:

"This picture of John Tiernon, who writes a great deal of business for himself and the Maryland under the agency name of Tiernon & Company, Buffalo, was taken in the doorway of the home office annex, John L. having been caught there and compelled to undergo a photographic operation.

"John not only looks good, but makes good. In 1916, his premium total was $77,000; at the end of 1917, he had business on the books that brought in $176,000 in premiums, an actual increase in premium volume of practically $100,000 and a comparative increase of over one hundred and twenty-five per cent."

The Maryland has a splendid collection of agencies in this State.

Leaving Insurance Business

This week the casualty insurance business will lose one of its able women workers. Miss Anna Mullin, who has been acting as assistant manager in the plate glass department of the Massachusetts Bonding in New York, leaves that place to return to Scranton, her home. Within a short time Miss Mullin will be married to Mr. Edward B. Pierce, of Scranton. He is an insurance man, of the firm Emerich & Pierce, of Scranton. He was at one time connected with the Armstrong agency in New York for several years. Miss Mullin became proficient in the plate glass line through an extensive experience gained during two years with the Pennsylvania Casualty in Scranton; two years with the Massachusetts Bonding in Boston and four years with that Company in New York.

* * *

Burglary Men Wanted

There is an urgent demand for capable burglary department managers. In Hartford there is said to be an important assistancy open and in New York there is at least one position yet unfilled.

* * *

Handling Burglary Department

Since Edward B. Anderson has become secretary of the Burglary Insurance Underwriters' Association, E. J. Surbeck, who had been his assistant in the Royal Indemnity, has taken up the work of the burglary department there.

Will Move Uptown

M. Green, of 45 John Street, manager of the weekly department of the General Accident, will remove soon to the World Tower Building, 110 West Fortieth Street.

* * *

Indemnity Period Shortened

The General Accident has issued a new form of its Simplex accident policy in which indemnity is paid for six months instead of for eight as formerly.

Beating Rate Schedules

Beating the automobile insurance rate schedules is an absorbing and profitable pastime. For instance, a man in Queens County, who has his dwelling and garage there, makes representation in his application for insurance that the car is used most of the time in Nassau County and he gets the benefit of the Nassau County rate, although the owner has no establishment of any kind in Nassau County.

* * *

Introduce "Protection"

The Travelers Insurance Co. has introduced "Protection" as the youngest Travelers publication. It is for the benefit of the liability and underwriting sales force. The initial article covers the automobile situation.

* * *

Must Be Reasonably Safe

According to the Mississippi Supreme Court municipalities are not insurers of safety on their streets, but are obliged to keep them in reasonably safe condition for persons traveling in the usual way and exercising usual care and no part of the streets should be neglected. While the size of a municipality and the amount of traffic may be considered in determining a municipality's negligence in maintaining defective streets, these circumstances will not relieve it of liability for injuries resulting from its negligence.

* * *

Baltimore Talks

Members of the Insurance Society of Baltimore at a meeting last week were told something of the origin and development of compensation insurance. The speaker was J. M. Motley, vice-president of the United States Fidelity & Guaranty Co. Mr. Motley is an authority on compensation insurance.

E. J. Bond, underwriter in the compensation department of the Maryland Casualty Company, was the speaker at the meeting a fortnight ago. He explained the figuring of rates on liability and compensation insurance.

* * *

A $15,000 Burglary Risk

Resident Manager Donahue, of the Philadelphia office of the Maryland Casualty Company, has just written a big burglary risk for his company, carrying a premium of $16,000.

* * *

Admitted to Rating Board

The Massachusetts Bonding & Insurance has been admitted to membership in the Compensation Inspection Rating Board.

* * *

"Live Topics"

"Live Articles on Special Hazards No. 9" is the ninth book in a very interesting series published by "The Weekly Underwriter." Already three books in this series are in their second editions and one more book has just recently gone out of print, thus testifying to the popularity of this series.

NEW AMSTERDAM CASUALTY COMPANY

A Progressive

SURETY AND CASUALTY

Company

"Wilful Misapplication"

(Continued from page 17)

vance the latter's outside speculations, does not release the teller's surety from liability."

Claim Loan Was Made

The surety company was made defendant in an action to recover on a $10,000 bond to A. R. Jennings, paying teller of the trust company. Jennings wanted to get $2,000 to invest in a moving picture enterprise. He suggested to Raymond Smith, the treasurer, that the company lend him the money on his note and that he would pay it back in instalments. Smith ran the whole institution and had the power to make loans for it. Anything he said went and little or no check was made on his transactions. According to the testimony Smith agreed to lend Jennings the money and Jennings went ahead and drew a check on a local bank dated June 3, 1913, drawn to Walter H. Meier, in payment of Jennings' share in the picture establishment.

In the meantime Smith had neglected to arrange for the loan, it was said, and when it was presented to the Roseville Trust Company, Jennings removed the check from the basket before it reached the bookkeeper and substituted a memorandum slip charging himself with $2,000. It transpired that the proof book of Jennings was falsified to the extent of $2,000. When the irregularity was discovered Smith denied that he had ever promised to make the loan to Jennings.

Mutual and Liberty Loan

The home office force of the Mutual Life, numbering more than 800 employes, has made individual pledges to sell a minimum of five Liberty Loan bonds, or 4,000 in all.

Statement of the Ownership, Management, Circulation, etc., Required by the Act of Congress of August 24, 1912, of THE EASTERN UNDERWRITER, published weekly, at New York, N. Y., for April 1, 1918.

State of New York,
County of New York, ss.

Before me, a Notary Public, in and for the State and county aforesaid, personally appeared Clarence Axman, who, having been duly sworn according to law, deposes and says that he is the Editor of THE EASTERN UNDERWRITER, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 443, Postal Laws and Regulations, printed on the reverse of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are:

Publisher, THE EASTERN UNDERWRITER COMPANY, 105 William Street, New York.

Editor, Clarence Axman, 105 William Street, New York.

Business Manager, William L. Hadley, Plainfield, N. J.

2. That the owners are: (Give names and addresses of individual owners, or, if a corporation, give its name and the names and addresses of stockholders owning or holding 1 per cent. or more of the total amount of stock.)

Clarence Axman, New York City.
Benjamin F. Hadley, Des Moines, Ia.
William L. Hadley, Plainfield, N. J.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent. or more of total amount of bonds, mortgages, or other securities are: (If there are none, so state.)

None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

CLARENCE AXMAN.

Sworn to and subscribed before me this 3rd day of April, 1918.

W. L. CHAPMAN,
Notary Public, Westchester Co.
(My commission expires March 30, 1919.)

CASUALTY AND SURETY POINTERS

Cutting Out Luxuries

When an objection is offered or a reason assigned for not buying, what can one do but answer? That is the big point in salesmanship—answer, but do it when you can by asking other questions and thus lead the prospect back again to the main line. For instance—one man says: "I have never been injured and my occupation is not at all dangerous. I don't need insurance, so in these days of economy I am cutting it out, as I am all luxuries." Here is a good chance to inject some new facts by asking some question. For instance, "Yes, Mr. Blank, you have thus far been very fortunate, but have you considered that 65 per cent. of the accidents reported occur to men outside of business hours and while they are away from the hazards of the occupation? In fact, only 32.8 per cent. of accidents are occupational accidents. 18.8 per cent. happen in the safety of the home, 12.3 per cent. while engaged in sports or recreation, 5.2 per cent. are travel accidents and 13.6 per cent. are street accdents. Not only is this true, but if every man were killed or injured during the year no insurance would be possible except by the payment of very large premiums. The big thing is—do you know you won't be killed, injured or disabled during the coming year? If you can't answer that question, you need insurance."—"The Standard Cog."

* * *

Better Than Life Insurance

Compared with life insurance, disability insurance is a greater necessity, says "The American." When the breadwinner is disabled by an accident or is on the sick bed, he not only has his family to care for, but he has the added expense occasioned by his disability. Even if he should die; economically the burden is lessened by the extra cost incident to the disability and the cost of his own maintenance. One of the principal arguments of life insurance is that doctor's bills and debts accumulated during the last sickness can be cleared up. Disability insurance provides for taking care of these obligations as they occur, and in case of death the estate is free and clear, and the entire amount of the life insurance is intact for the benefit of the beneficiary. Statistics show that many wage-earners who have been disabled from accident or sickness, get up from their sick beds and go to work before they are able to do so, and no doubt this is due to the absolute necessity to provide money for the many added obligations incurred during the disability. Consequently a much heavier mortality may be expected from those who do not carry disability insurance.

* * *

Where Jobs Seek Men

The demand and opportunities for trained men in the surety and casualty business are greater to-day than ever before. Why do not more high-grade young men enter this line of business? They can master the fundamentals in one-half the time it takes to learn a profession, and can earn a livelihood while so doing, rather than being an expense to their parents or friends for three or four years of studying and for several years thereafter while establishing a practice. The old theory that a man become an insurance agent after trying everything else is now a very much exploded one. The day of "has beens" in the insurance business has passed forever. A survey shows that to-day the markedly successful insurance men in the field, and in the home office also, are educated, intelligent, energetic and honest. The chief phases of the business, including the financial, the producing, the underwriting and the legal and claim, afford unlimited study to the student. The production end especially offers ample opportunity for the natural salesman and solicitor. Then why is it that more young men graduating from the colleges and high schools do not enter this vocation? The compensation is good, the opportunity unlimited, the vocation honorable and intensely interesting. Home offices are constantly seeking high-grade men. The agency department is constantly importuned to recommend experienced young men or men likely to develop for various positions in the field. It is truly a vocation where many desirable jobs are seeking the man, rather than the usual situation of the man seeking the job.—Fidelity "Journal."

* * *

Plate Glass Insurance

Plate glass will be harder and harder to get, as the summer progresses, says the Travelers. There is even a possibility that it will be classed among the non-essentials. If this comes to pass, the supply will go lower and lower—while the price goes higher and higher.

This situation affords a splendid argument for plate glass insurance. Every man's window is now worth two or three times what he paid for it, and it ought not to be difficult to convince him that it would be a decided financial hardship to have to replace it.

Every plate glass policy is an implied contract of replacement, and most policyholders regard it as such. They do not want to take cash settlements and then have to go to the trouble of buying the glass afterward. Their idea of insurance is that, when they are visited by a young hurricane, or a runaway horse kicks in their showwindow, the insurance company will be promptly on the job and get the place fixed up in the shortest possible time.

* * *

How Plate Glass Breaks

All known causes not hereinafter classified.
Articles dropped on show cases.
Awnings (breakage by).
Burglars.
Cash carriers dropping on show cases.
Defective setting glazed one year or less.
Defective setting glazed over one year.
Door slamming.
Drunken persons.
Explosion.
Fighting or street disturbance.
Frost, snow, hail or ice and weather conditions.
Persons leaning against or falling on.
Settling of building, built one year or less.
Settling of building, built over one year.
Shelves, shutters or transom falling.
Stone or missile throwing including children playing with ball, etc.
Stones or other objects thrown by automobiles.
Street vehicles (excluding stones or other objects thrown by automobiles).
Sun's rays.
Unknown.
Window dressing.
Window cleaning.
Window or show case display—articles falling.
Wind storm.
Workmen in or about premises.

Michael Powell has resigned from the editorial staff of The Weekly Underwriter to enter the Navy. He expects to be detailed to port duty in the vicinity of New York.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE
CHICAGO

F. W. LAWSON
General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers
New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

ANNUAL STATEMENT DECEMBER 31, 1917

Assets	$15,077,330.62
Liabilities	10,785,343.53
Capital	1,000,000.00
Surplus over all liabilities	3,291,987.09
Losses paid to December 31, 1917	60,740,294.97

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation, Steam Boiler Insurance; Fly-Wheel Insurance.

THE TRAVELERS

INSURANCE COMPANY INDEMNITY COMPANY

HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

THROW AWAY THAT CUMBERSOME RATE MANUAL

Can you find no better use for your time than to spend the best part of it turning 362 pages every time you want to quote an automobile rate?

Compare the Simplicity of These Rates!

The *"Definite Value"* Automobile Policy

A clearly defined policy protecting an automobile owner—indemnifying for loss by fire, theft, explosion and other hazards.

It is simple in language, and definite in terms—it positively fixes the value of a car, during the life of the policy, on a basis determined by the men who made and sold the car.

In the event of a total loss, it pays the amount of fixed value shown in the policy contract, thereby avoiding any controversy in settling and paying the loss.

In the event of a partial loss, it pays for the repair or replacement of all parts, to the full extent of the damage.

Compare the protection and the cost of this policy with other forms of automobile insurance.

PREMIUM RATES

All premiums are based on list price of car. Rates quoted are for each one hundred dollars of list price. The rate is not increased on renewal. Freight charges and war tax may be added to amount of insurance.

Pleasure and Commercial Cars

	Full Cover	Full Cover Excluding Theft
Models Listing $2,500 or Over	$1.00	.80 cents
Models Listing $1,000 to $2,500	$1.50	.80 cents
Models Listing Under $1,000	$2.00	.80 cents

Extra Equipment, Including Theft— Twice the rate charged for car.

Extra Equipment Excluding Theft— Same rate as charged for car.

Electric Cars—All Models
.75 cents for fire and theft.

Collision Insurance

Covers all loss or damage above twenty-five dollars in any one accident.
(For full cover add thirty-five dollars to all premiums.)

Pleasure Cars

In Cities under one hundred thousand population.
1½% of list price — $15.00 minimum premium

In Cities over one hundred thousand population.
2% of list price — $25.00 minimum premium

Commercial Cars

Regardless of size of city.
2¼% of list price — $30.00 minimum premium

Property Damage

Indemnity to extent of one thousand dollars for damage done to property of others.

Pleasure Cars

In Cities under one hundred thousand population.
Ten Dollars Premium

In Cities over one hundred thousand population.
Fifteen Dollars Premium

Commercial Cars—Decline property damage.

TERM POLICIES

Two Years Insurance—One and three-quarter times annual rate.
Three Years Insurance—Two and one-half times annual rate.
Pro rata cancellation allowed on old insurance when new car purchased and insured.

Taxi Cabs, "Jitneys," Rented, Livery, Second-Hand Cars and Dealers' Cars WILL NOT BE INSURED UNDER THIS FORM OF POLICY

THIS POLICY IS WRITTEN ONLY BY

THE NEW BRUNSWICK FIRE INSURANCE CO.

Capital $500,000

NEW BRUNSWICK, NEW JERSEY

THE NEW JERSEY INSURANCE COMPANY

Capital $1,000,000

NEWARK, NEW JERSEY

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OCT 22 1918

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 15 | NEW YORK, FRIDAY, APRIL 12, 1918 | $3.00 a Year; 25c. per Copy

BILL AIMED AT MOTOR THIEVES

New York Measure Requires Record of Transfer With Secretary of State

MUST ENDORSE CERTIFICATE

Unlawful to Sell Any Vehicle Without Registration Documents Duly Executed

Senate Bill 281 (Mullan), introduced in the New York Legislature, would amend the highway law in relation to the transfer of used motor vehicles. Upon sale or transfer the vendor would be required to immediately notify the Secretary of State of the name and residence of the vendee and shall endorse upon the certificate of registration of such motor vehicle the name and address of the vendee and the date of delivery and shall sign such endorsement.

Text of Bill

Following is the full text of the bill:

Section 1. Subdivision 8 of Section 282 of chapter thirty of the laws of 1909, entitled "An act relating to highways, constituting chapter twenty-five of the consolidated laws," such section having been added by chapter 374 of the laws of 1910 and amended by chapter 491 of the laws of 1911, is hereby amended to read as follows:

Records to be Filed

8. Sale and registration by vendee. Upon the sale or transfer of a motor vehicle registered in accordance with this section, the vendor shall immediately give notice thereof with the name and residence of the vendee to the Secretary of State, and shall endorse upon certificate of registration of such motor vehicle the name and address of the vendee and the date of delivery, and shall sign such endorsement. The vendee shall, within ten days after the date of such sale or transfer, notify the Secretary of State thereof upon a blank furnished promptly by him for that purpose, stating the name and business address of the previous owner, if known, the number under which such motor vehicle is registered and the name, residence, including county and business address, of the vendee. Upon filing such statement duly verified such vendee shall pay to the Secretary of State a fee of one dollar, and upon receipt of such statement and fee the Secretary of State shall file such statement in his office and note upon

(Continued on page 17)

"The Largest Fire Insurance Company in America."

THE HOME
INSURANCE COMPANY
NEW YORK

ELBRIDGE G. SNOW, President

Equal Protection for ALL Policyholders.

FIRE AND ALLIED BRANCHES OF INSURANCE.

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm.

STRENGTH REPUTATION SERVICE

(See special advertisement, page 13)

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. **Net gain** in insurance in force during 1917, $21,764,972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the **Company** and **Opportunities** by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

PROOF OF DEATH BILL FAVORABLY REPORTED

Senate Finance Committee Takes Action Relative to Senator Chamberlain's Measure

PROBLEM OF THE MISSING

Senator Chamberlain's Reasons for Recommending this Legislation—Similar to Canadian Act

Washington, D. C., April 10.—Senator Chamberlain's bill providing that the official reports of the War Department shall be accepted as satisfactory proof of death has been favorably reported by the Senate Finance Committee. In cases where a man is missing and is reported, from that evidence, as dead, and insurance is paid to his beneficiary, and the insured is later found to be alive but refuses or fails to refund the insurance paid, the amount will be refunded to the company from funds in the Treasury. This is the system now in vogue in Canada, where it has been found to work with success.

Senator Chamberlain's View

In suggesting the enactment of this legislation, the Secretary of War wrote to Senator Chamberlain, setting forth the necessity for such a measure, the letter being as follows:

"The necessity for such legislation was brought to my attention by the following cablegram from the commanding general, American Expeditionary Forces:

"'Recommend legislation be urged requiring insurance companies to accept as satisfactory proof of death official reports of death issued by War Department. Recommend certificate of death be issued by War Department for missing men believed to be dead after thorough investigation of the case.'

"In this connection it should be noted that life insurance has developed to a greater degree in the United States than in other countries, and this is an indication that we shall, in all probability, have a serious problem to face in the matter of insurance payable to the beneficiary of men whose death can not be established in the usual way acceptable to commercial insurance companies.

"This difficulty will arise from the inability to obtain complete formal records of deaths owing to the exigencies of the military service, which does not observe the usual statistical require-

((Continued on page 2)

THE PILOT POLICY

New War Rules of New York Life

GOVERNMENT INSURANCE FIRST

Men in Service Must Apply for U. S. Limit Before Company Will Write

The New York Life has decided in the interest of simplicity to change its rules regarding war clauses. The Company will not write any policy on the life of any one in the United States Army or Navy or any branch of the United States Government service where the applicant is eligible for Government insurance, unless it is clear that the applicant has applied for the limit which the Government grants, namely, $10,000.

In place of all war clauses and aviation clauses heretofore used the Company will in future use two war clauses known as War Clause A and War Clause B. The clauses follow:

War Clause A

"Conditions regarding residence, travel, occupation and military or naval service.

"If within two years after the date of issue of this policy the insured shall die as a result directly or indirectly of engaging in aeronautics; or if within five years after the date of issue of his policy the insured shall die as a result directly or indirectly of engaging outside the boundaries of Continental United States and the Dominion of Canada in any military or naval service in time of war—then, in any such case, the insurance under this policy shall be limited to either one-fifth of the face of the policy or to the premiums actually received, whichever is the larger, unless a single extra premium of ten per cent. of the face of the policy shall have been paid to the Company.

"If the insured, while not engaged in military or naval service, shall travel or reside elsewhere than in Continental United States and the Dominion of Canada, and shall die within two years after the date of issue of this policy as a result directly or indirectly of a state of war or insurrection outside the boundaries of Continental United States and the Dominion of Canada, the insurance under this policy shall be limited to one-half of the face of the policy, unless a single extra premium of two and one-half per cent. of the face of the policy shall have been paid to the Company.

"The extra premium shall be due on the day the insured first engages in aeronautics, or, if he shall not have engaged in aeronautics, on the day the insured leaves Continental United States or the Dominion of Canada, and if the insured was not engaged in military or naval service at the time he left Continental United States or the Dominion of Canada and thereafter entered military or naval service, the extra premium of ten per cent. (less the extra premium of two and one-half per cent. if already paid) shall be due on the day he entered such service. The grace provision of this policy shall apply to the payment of any extra premium.

"One year after the end of the war the Company will segregate into two groups the policies on which were paid an extra premium of ten per cent. and the policies on which were paid an extra premium of two and one-half per cent. respectively and will refund any part of such extra premium as shall not have been required to pay death losses due directly or indirectly to the cause for which the extra premium was charged.

"The boundaries of Continental United States and the Dominion of Canada include the waters within three miles of the coast line, but do not include the Panama Canal Zone."

War Clause B

"Conditions regarding residence, travel, occupation and military or naval service.

"If within two years after the date of issue of this policy the insured shall die as a result directly or indirectly of engaging in aeronautics; or as a result directly or indirectly of a state of war or insurrection outside the boundaries of Continental United States and the Dominion of Canada, or if within five years after the date of issue of this policy the insured shall die as a result directly or indirectly of engaging outside the boundaries of Continental United States and the Dominion of Canada in military or naval service in time of war—then, in any such case, the insurance under this policy shall be a sum equal to the premiums thereon which have been paid to and received by the Company and no more.

"The boundaries of Continental United States and the Dominion of Canada include the waters within three miles of the coast line, but do not include the Panama Canal Zone."

All applicants, men or women, married or single, both under thirty-one years of age and over thirty-one years of age will be considered for:

1. Amounts up to $2,500 with War Clause A (provided applicant has not already policy with War Clause 1 or 3).

2. Amounts in excess of $2,500 (including any in force with War Clause 1 or 3) with War Clause B.

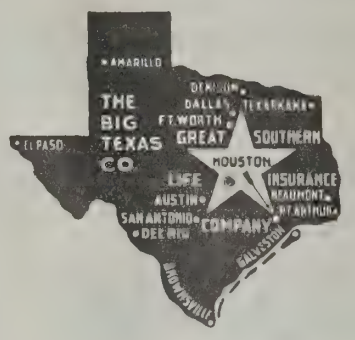
3. Where an application is for an amount in excess of $2,500 the rule of the Company will be to insert War Clause B unless special request is made in the application for $2,500 to be issued with War Clause A and balance with War Clause B.

4. If an applicant has joined the army or navy as a permanent profession or career the regular rules calling for advance in age for occupation will be applied in addition to war clause.

The absolute limit that the Company will issue to anyone engaged in aeronautics or intending to so engage will be $2,500 and no more.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.

2. The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.

3. Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,

Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

Proof of Death Bill

(Continued from page 1)

ments of peace times, as interments must be promptly attended to. There is also the inability to give any report about some men, except that they are missing. Thus, if the commercial insurance companies adhere to their usual peace rule, and wait for a period of several years after disappearance, before paying the proceeds to the beneficiary, it will result in great hardships in a number of cases.

"The Canadian system provides that all insurance companies transacting life insurance in the Dominion shall accept as satisfactory proof of death the official certificate of death or presumption of death which the war department may issue, and that if subsequently the policyholder should prove to be alive and the company should be unable to have the amount refunded by the beneficiary, the Government will reimburse the company for the payment which has been made.

"It is believed that this provision is suggested so as to make the insurance companies feel free to make payment under the proof of death furnished by official records and thereby relieve a soldier's beneficiary of the expense and delay which would be necessitated by suit in the courts to collect the insurance. In cases where the official records are to the effect that the insured is missing, to relieve the beneficiary of the necessity of delaying collection of the insurance until such time as under the general provisions of law presumption of death would arise is no doubt also one of the reasons for the Canadian system. The added protection given the soldier and his beneficiary under such provisions seem to have convinced the Canadian government that it was its duty to make refund to the insurance company in the case mentioned."

ASSURED STABBED TO DEATH

Under Accident Policy Plaintiff Must Prove Misconduct or Provocation Didn't Cause Injury

Under an accident policy it was held in the case of Newsome v. the Travelers by the Supreme Court of Georgia recently that the plaintiff must prove the injury causing a death and must further prove that the means employed in bringing about the effect were unforeseen by the insured and not the result of any misconduct or provocation on his part.

The insured was accidentally killed by being stabbed by an unknown negro who did not know the insured and was unknown to him. There had been no difficulties between the deceased and the negro, and no provocation had been given by the insured. It was proven that the negro did not intend to kill anybody but did intend to wound another person, and, mistaking the insured for such other person, ran upon and stabbed him while he was walking the streets. Upon the trial, plaintiff introduced proof showing that the death of the insured resulted from an external and violent wound in the chest which some of the witnesses described as being a stab wound. No evidence was offered relating to the circumstances under which the wound was inflicted.

At the conclusion of the evidence upon motion of the defendant the court granted a non-suit and the plaintiff carried the case to the Court of Appeals which reversed the judgment of the lower court. The Supreme Court reversed the Court of Appeals and left the rule of law where it has usually been that the plaintiff must show that the injury under an accident policy must be caused from bodily injuries effected solely through external, violent and accidental means.

Large Subscriptions to Third Loan

COMPANIES RESPOND QUICKLY

New York Life, $15,000,000; Metropolitan, $10,500,000; Prudential, $10,000,000; Mutual Life, $10,000,000

The insurance companies were the first large corporations to subscribe to the third Liberty Loan. The day before the drive opened the Metropolitan subscribed for $10,500,000, $500,000 *of which is credited to the Pacific Coast division. About the same time in Philadelphia the Penn Mutual subscribed for* $1,500,000. *The largest life insurance subscription to date is that of the New York Life,* $15,000,000. *The banks in the cities where the company has branch offices will receive aggregate credit for* $3,500,000 *of the total subscriptions. The Prudential subscribed for* $10,000,000. *The Mutual Benefit's subscription is* $3,500,000. *The John Hancock's subscription is* $4,000,000. *The Home Life has subscribed for* $600,000. *The Mutual Life subscribed* $10,000,000. *The Fidelity Mutual subscribed* $500,000.

LIFE UNDERWRITERS' ASSOCIATION OF NEW YORK HAS 500,000 PROSPECTS FOR BONDS

The Life Underwriters' Association of New York has made all preparations for the launching of its big Liberty Loan campaign, which will make a complete canvass of that section of the financial district, bounded by the Battery, Chambers Street, Nassau and Broad Streets and the North River. There is more interest being taken in it than in the other two campaigns; life men everywhere are on tip-toe ready for the drive, and that it will be a great success can already be predicted.

Group Selling

The life men learned some valuable points about campaigning for Liberty Loans as a result of previous selling of bonds. There will be group as well as individual selling. The plan is to present the Liberty Loan idea through a speaker and a closing up man in all offices where there are fifty or more to be reached. A meeting of speakers was held in L. A. Cerf's office on Tuesday morning and the arguments were gone over, methods of approach discussed, etc. The New York Life, Travelers and Equitable, which will have their own organizations, will work in co-operation with the Life Underwriters' Association of New York. The Travelers will have over 500 men on the job; the New York Life a similar number. Superintendents of office buildings have been appointed members of the Liberty Loan general committee.

The Life Underwriters' Association of New York is working directly under the Metropolitan Canvass Committee, of which A. B. Leach is chairman. W. F. Atkinson is chairman of the association's committee, and working with him on the committee are L. A. Cerf, Sigourney Mellor, J. S. Myrick and Orra S. Rogers, president of the association. The advisory committee of company officials are Thomas A. Buckner, George T. Dexter and William E. Taylor.

Population of Skyscrapers

R. L. Jones is chairman of the committee on plans, other members of that committee being Abner Brown and L. H. Andrews. This committee has charge of assignment of territory, location of buildings, checks on reports. Chairman Jones said to The Eastern Underwriter that the Life Underwriters' Association of New York expected to have its Liberty Loan representatives call at offices where there are 500,000 men and women. To illustrate, in the Woolworth Building there are 11,000 people; Hudson Terminal Buildings, about 13,000; Equitable Building, 15,000; Singer Building, 9,000; City Investment, about 8,000.

Sigourney Mellor is chairman of the headquarters committee, which has charge of printing, literature, buttons, enlistment cards, etc. Mr. Mellor is secretary.

Mr. Cerf is chairman of the committee on sales, which is mapping out selling talk, has direction of competition, prizes, enlistment of workers, entire supervision of workers, etc. In a talk with The Eastern Underwriter this week he said that unusual enthusiasm is already showing itself. The Third Liberty Loan campaign will be a tremendous success. The wonderful propaganda for the loan will make the bonds sell themselves. A meeting of the life insurance men of New York will be held in the Bankers' Club on Saturday. L. A. Cerf and Dr. Travis, "the fighting parson," will talk.

The New England Mutual Life subscribed $25,000 this week to be used in connection with the work for the Liberty Loan in the E. W. Allen general agency in this city. This is a new idea and a good one.

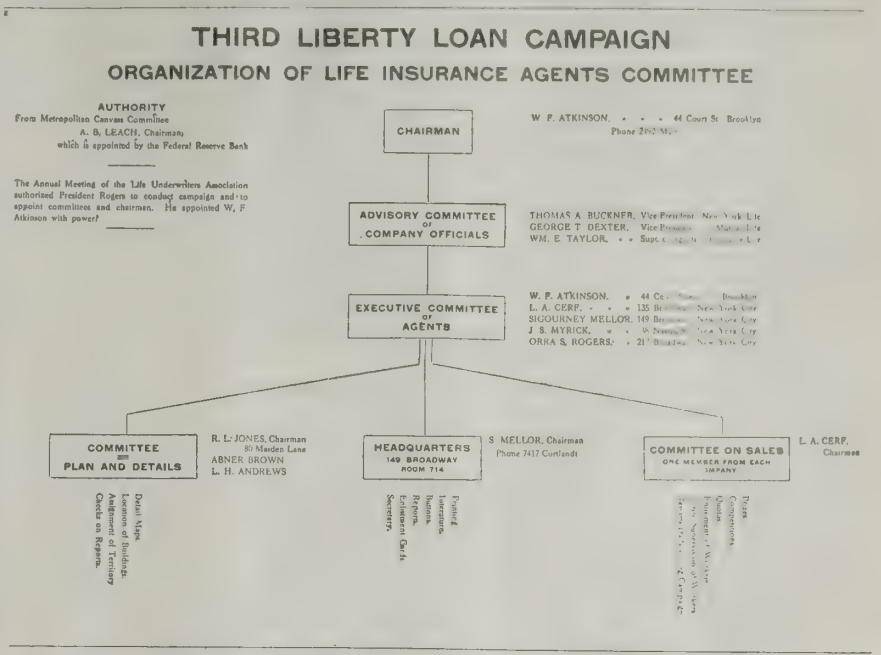
The Metropolitan Canvass Committee in its instructions to canvassers uses as the basis of a talk for canvassers some suggestions used in the Cerf agency last year. These in part follow:

In your talk you must constantly have in mind that you are representing the Government through the Federal Reserve Bank. You are asking no favors for yourself, hence are under no restraint.

Assuming your prospect states he has taken the bonds, ask him kindly to tell you through which bank.

If he resents this in any wise, explain that your instructions are specific, and if he declines to answer your questions, you have nothing to do but to report what he says.

The fact that your prospect has subscribed need not deter you. Ask him will he increase his subscription. One of our men increased a subscription three times in the last campaign.



When you go into a house or an office, see everyone before you leave, from the employer right down through all the servants or employes.

As a result of experience, if a sale can be made, it can be made easy.

Make your canvass brief and spend very little time.

A part of your task is to see every man in your territory, since a majority of people have already made up their minds.

Do not spend much time in argument.

In your talk do not fail to lay stress on the fact that you have nothing to sell.

You are offering the United States' promise to pay with interest in exchange for the United States' promise to pay without interest.

You are giving better than you get.

The man who deals with you is out nothing. He is simply saving more money than usual.

Stress the argument that Americans are proverbially poor savers, and this is what we are trying to overcome.

As a people we are wasters—not savers.

It is essential that you should have an idea of what the banks will do.

If we proffered the sale of a $100 bill a man would grin as though you were joking. There is no difference in this deal—both are United States Government obligations, both promise to pay, only the bonds bear 4¼ per cent. interest.

Remember, you meet your prospect as an equal—keep this in mind and preserve your dignity.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN
THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR
Pioneer of Industrial Insurance in America

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

ADDRESSED BY McADOO

Tells Virginia and South Carolina Insurance Men of Government Activities

William G. McAdoo, Secretary of the Treasury, addressed 150 insurance men in Richmond this week. He urged that every man help fight the Kaiser to the finish by liberal loans to Uncle Sam. The security, he said, was best on earth.

President Priddy, of the National Association, also spoke. Messrs. Priddy and McAdoo went to Columbia, S. C., from Richmond, where they both addressed life men. In Richmond the home offices of local life companies attended the meeting.

INFANTILE LIFE BILL PASSES

The Malone infantile life insurance bill has been passed by the New York Legislature. A compromise had been reached with Superintendent Phillips. He withdrew his opposition when the whole family protection bill contained the provision that no society shall be permitted to write infantile insurance unless it now has and hereafter maintains at least one class of life insurance for adult members with adequate rates, to which the juvenile members can be transferred on attaining the adult age.

Searles on Maryland Assurance Contracts

EXPLAINS DISABILITY RIDERS

Ten Year Term and Whole Life Contracts—Why Company Chose Non-Participating

In a statement to agents of the Maryland Assurance, T. M. Searles, agency superintendent, says that in addition to the regular forms of insurance the Company is offering what it terms Riders A and B.

Rider A provides for the waiver of premiums in the event of a man becoming permanently disabled before attaining the age of sixty years. This disability may be caused by bodily injury or disease; it may be caused by loss of sight of both eyes, or the severance of both hands, or of both feet, or one entire hand and one entire foot. Rider B provides for the waiver of premiums, and at the same time arranges for a monthly income to be paid the assured during the period of his disability, and at his death the entire face of the policy to be paid to his beneficiaries, no deduction whatever being made for the amounts which have been paid to him during his period of disability.

Other Forms

Mr. Searles discusses some other forms as follows:

"Now, let us discuss briefly the different forms of insurance which we are prepared to write. The ten year term policy is simply for protection. It is convertible, non-renewable. The premiums are payable for ten years. The amount of insurance is payable at the death of the assured if occurring within the ten year period. This form of insurance is not at all desirable for a man who wishes to create an estate along permanent lines, but it is principally used for the protection of some particular deal. As an example, suppose a man is carrying all of the insurance that he feels he can pay for, but he goes into some business deal which brings him to the point where he is compelled to borrow several thousand dollars in order to put through this deal. If he lives, he feels that the chances are he will succeed and make some money, but if he dies, it may take every penny in his estate to pay the losses. In a case of this kind, sell him a ten year term policy; protect his estate.

"The whole life contract, with premiums payable throughout life, offers a permanent proposition for a man of reasonable income, for it gives him the largest amount of protection at the lowest rate of premium, this premium to be paid during hs entire life. All other forms of insurance are based upon the whole life, the different variations being ten, fifteen and twenty payment life. We also write all forms of endowment insurance. An endowment contract is no more than a promissory note from the Maryland Assurance Corporation to the assured. If he lives to the maturity we pay him in cash. If he dies his beneficiary collects in full."

Why It's a Non-Participating Company

John T. Stone, in an article published by the Maryland Assurance, tells why the Company writes non-participating:

"One of the first questions we had to decide when we planned this corporation was whether we would write both participating and non-participating policies, or one or the other only. After full consideration the decision was made to write only non-participating insurance. Our agents are naturally interested to know the considerations leading to that decision, and we wish them to know. We hope their judgment will coincide with ours, because one can always best represent a cause in which he thoroughly believes, and as to which he is intelligently informed.

"We approached this problem from the points of view of each of the three participants in the transaction, namely, the corporation, the policyholder, and the agent. As to the corporation, the non-participating plan is consistent and frank. As to the policyholder, it is certain and constant. As to the agent, it offers greater competitive advantages than the participating plan.

"The corporation is frankly in business to make money for its stockholders. We make no pretense to being a mutual association. We believe that, fundamentally, in insurance as in every other business transaction, it is an economic contradiction to be both buyer and seller. We are the seller. And we frankly offer our protection as such.

"In so doing, the corporation is consistent. We do not ask the policyholder to assume any of the risk of carrying his own insurance or that of any of his fellow policyholders. We do not ask him to share any of the uncertainties of our own legitimate functions. We do not collect a penny of premium upon the gambling chance of not needing it and, therefore, paying it back in so-called dividends. We collect only the net amount needed to pay for the protection purchased. We insure by our capital and paid-in surplus. If there is a profit, it is ours. If there is a loss, we stand it. Non-participating insurance is a straightforward consistent business of purchase and sale.

"From the policyholder's viewpoint, non-participating insurance is certain. The premiums are net. The annual cost is stated in the beginning. There is no factor added with the idea of refund later, in the shape of so-called dividends, carrying no guarantee but, on the contrary, the possibility of retention in full by the insurance company. Participating premiums are higher than ours. The policyholder may get a dividend and may not. Under present world war conditions there is grave doubt. And this advantage of certainty which our policyholders have over those of participating companies is constant. An insurance policy is in most cases a contract of long duration. The premium must be paid annually through a series of years. Our policyholders know in advance exactly the net cost for every one of those years. The participating company can give no assurance but only expected deductions. We offer constant certainty over against inconstant expectancy.

From Agent's Point of View

"From the agent's point of view, the non-participating plan offers at least two outstanding competitive advantages. First, lower cost. This is an obvious selling inducement. The great advantage possessed by the non-participating form is the lower initial premium. The non-participating policyholder will never pay more and is not dependent upon the chance element which, after all, decides as to his share of profits in so-called dividend companies. Second, the great majority of life companies do business on the participating plan. This suggests at once the thought that that plan is more popular. If so, it may prove the cynical saying that humanity likes to be fooled into thinking it is getting something for nothing. On the other hand, it may simply prove that the majority of life insurance men prefer to treat their business as a gamble rather than as a scientific certainty reduced to its most definite terms. However that may be, the point for our agents to consider is that in selecting the non-participating plan, we have chosen a field in which there are only a very few companies competing, rather than one in which almost every other company would be a competitor. Purchasers of life insurance prefer either the lower non-participating premium with its certainty and constancy or the higher participating premium with its gambling element of uncertain dividends. If they divide half and half by this test, then our portion of the non-participating half, with very few competitors, is much larger than would be our portion of the participating half, with a hundred and fifty or more competitors."

$4,000,000 ON ITS BOOKS

Annual Meeting of San Jacinto Life—Old Officers Re-elected—Business Men Attend

The annual meeting of the San Jacinto Life was held in Beaumont, Tex., a few days ago. Reports of the officers were received with much satisfaction and the management was complimented on the manner in which the business has been conducted. Co-operation and unity have featured the work of the stockholders and officers during the past year and big gains in business are reported.

The meeting was attended by many prominent men from Galveston, Houston and towns near Beaumont, most of whom were stockholders. The list of officers and directors contain many names prominent in business circles of southeast Texas and Louisiana. It was reported that the company now has on its books about $4,000,000, representing business transacted by the company.

The following officers were elected: J. C. Wilson, chairman of board; H. M. Hargrove, president; W. H. Stark, vice-president; C. H. Moore, vice-president; Ed. Paggi, vice-president; I. R. Bordages, vice-president; J. S. Edwards, secretary; Oliver J. Todd, attorney; Dr. D. S. Wier, medical director; Dr. J. H. Reagan, associate medical director; Charles H. Stroeck, assistant treasurer.

HOME LIFE INSURANCE CO.

(Purely Mutual)

256 BROADWAY, NEW YORK

GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to

GEORGE W. MURRAY,
Supt. of Agents.

256 Broadway, New York, N. Y.

Build Your Own Business

under our direct general agency contract

Our Policies provide for:

Double Indemnity, Disability Benefits, Reducing Premiums

See the new low Rates

JOHN F. ROCHE, Vice-Pres't

THE MANHATTAN LIFE INSURANCE COMPANY

66 BROADWAY NEW YORK

Organized 1850

BANKERS BLCo LIFE DES MOINES COMPANY

PAYS GOOD PAY TO GOOD MEN

15,000 PEOPLE

Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.

AGENCY OPENINGS FOR THE RIGHT MEN.

Write to-day

FIDELITY MUTUAL LIFE

INSURANCE COMPANY, PHILADELPHIA

Insurance in force over $142,000,000

Walter LeMar Talbot, President

What the War Risk Insurance Bureau Has Done To Date

Total Expenditures of Bureau to April 1 Over $1,200,000—Premiums Received More Than $21,000,000

By THOMAS B. LOVE, Assistant Secretary of the Treasury

A paper read before Medical Section of American Life Convention

The War Risk Insurance Act, which became a law October 6, 1917, created three important war tasks, each of them huge in proportion and of infinite detail, and provided for their performance by the War Risk Insurance Bureau.

First it requires every enlisted man in the army and navy of the United States who has a wife or children, or both a wife and children, to make an allotment out of his monthly pay for their support, and provides that to this allotment the Government shall add a monthly family allowance ranging from $5 per month for one motherless child or $15 per month for a wife without children up to a maximum of $50 per month. The amount of the compulsory allotment required is at least $15 per month and as much more, not exceeding one-half of the enlisted man's pay, as is necessary to equal the amount of his family allowance.

The law also provides that an enlisted man, whether he may have a wife or children or neither wife nor children, may make a voluntary allotment to certain other relatives, in case they are dependent in whole or in part upon him for support, to which the Government will add an allowance according to a schedule fixed by law, which can in no case be greater than the difference between $50 per month and the amount of the allowance paid to his wife and children. The duty of making these monthly payments of allotments and allowances was imposed upon the War Risk Insurance Bureau.

Presents Tremendous Problem

The payment of these allotments and allowances presented a huge problem in efficiency engineering. It involved obtaining signed statements from approximately one million eight hundred thousand individuals scattered in the various army camps and posts in America and France and the islands of the sea and in navy yards and bases and on naval vessels throughout the world, and the assembling in Washington of these statements and their orderly classification in record form, available for use in making the disbursements. In other words, to speak the language which life insurance home office men will understand, it meant preparing approximately a million eight hundred thousand cards, after obtaining and assembling in the War Risk Bureau, from sources scattered throughout the world, the data for their preparation. It meant the immediate organization by the army and navy of a field force from among their respective personnels to procure and register and forward these statements, and the immediate selection from civilian ranks and the organization and training of a home office force to receive and classify the statements in Washington and to prepare the necessary records, make the necessary awards and write and mail month by month the checks representing the disbursements.

The sequel has shown that with the other emergency work which devolved upon the Bureau, the creation and organization of a force of more than three thousand men and women was necessary. Most of this it was necessary to do within a period of sixty days.

1,600,000 Allotment and Allowance Checks

The records of the War Risk Bureau disclose that since December 20, 1917, approximately one million six hundred thousand allotment and allowance checks have been prepared and mailed to the dependents of soldiers and sailors and army and navy nurses representing the disbursement of more than $43,206,107.78. In the month of February alone 593,029 of these checks were written and mailed representing the disbursement of $19,976,543.24. The War Risk Bureau is now mailing out more than 540,000 of these checks per month, representing a monthly disbursement of $16,000,000.

The task, difficult as it must have been under any circumstances, was also complicated by special difficulties.

No allotment or allowance check could be mailed until a statement signed by the enlisted man was received by the War Risk Bureau, affording the data necessary for making the payment. These statements were obtained from the enlisted men by the insurance organizations in the various army and navy units and were forwarded by them to the War Risk Bureau. It was not remarkable that in handling this large number of papers there should have been delays in forwarding some of them due to the dimculties of mail transportation in the severe winter weather, or that some of them should have been mislaid or wholly lost in transit, through the sinking of mail steamers or other casualties, and it was necessary that all such cases be checked up and duplicate data supplied.

Under the law no allowance can be made until an allotment which is compulsory as to wife and children and voluntary as to other dependents, has been made by the enlisted man out of his pay. Many cases have been called to the attention of the Bureau where the wives and children of enlisted men have not received allotment and allowance checks where investigation has disclosed that the enlisted man's application stated that he had no wife or children, and made no compulsory allotment. While the number of these cases is small in proportion to the whole number involved, they were considerable in number nevertheless. Many of them are doubtless due to misunderstanding of the provisions and requirements of the law on the part of the enlisted man or to inadvertence or mistake in making out his statement, and it is not surprising that such cases should arise when we consider the vast number of cases which it was necessary to handle within a few weeks, and that in the large number of enlisted men involved there are thousands who, unable to speak English, could only convey the information required in some one of a half dozen foreign languages.

A Lack of Understanding

Many cases have arisen where dependents of an enlisted man, other than wife or children, have expected to receive allotment and allowance checks where the enlisted man failed to make the voluntary allotment which the law makes indispensable to the payment of allowances in such cases. There seems to have been a considerable lack of understanding on the part of the soldiers' and sailors' dependents that under the law compulsory allotments are required only in the case of the wife or children of enlisted men, and that no payments can be made to other dependents unless the enlisted man has made them a voluntary allotment from his pay.

In mailing allotment and allowance checks the Bureau, of course, was compelled to rely upon the statements of the enlisted man for the post office address of his dependents, to which their checks should be mailed. More than 6,100 of these letters enclosing allotment and allowance checks mailed strictly in accordance with the post office address given by the enlisted men in their statements, have been returned undelivered by the Post Office Department. In all of these cases the Bureau was compelled to take the necessary steps to ascertain the correct present post office address and re-mail the checks. This can be readily accounted for when one recalls the large number of cases in which, naturally, a soldier's family would change its place of residence upon his departure from home to enter the service, and it is not surprising that in the large number of cases involved there should be in the aggregate a considerable number where no forwarding address was left.

Compulsory Allotment

The law provides that any enlisted man, for good cause shown, may be exempted by the Bureau of War Risk Insurance from the requirement to make a compulsory allotment. Of course, when such application is made, the Bureau cannot pay the allotment and allowance until the merits of the case can be investigated and the application either allowed or denied, and this necessarily involves some delay.

More than 13,000 of these applications for exemption were received and steps were promptly taken through the organization of a legal staff for that purpose to give the necessary notice to the parties involved and to adjudicate them. Failure to receive expected allotment and allowance checks in thousands of cases are attributable to this cause.

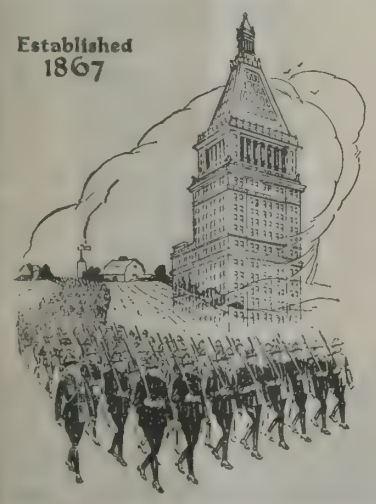
The performance of this work also involved an enormous correspondence task. More than 500,000 letters from soldiers' and sailors' dependents and others in their own behalf have been received and answered. It goes without saying that in the performance of this great volume of work, under the handicaps of limited space and a largely untrained force suddenly called to entirely new tasks, there should have been some cases of hardships and consequent complaints. Though the number of complaints were considerable and though in some cases they were peculiarly distressing, and in all cases regrettable, in view of the vast number of cases involved they have been surprisingly few.

Compensation for Death and Disability

The law also provided for the payment of compensation for death and disability of both commissioned officers and enlisted men incurred in the line of duty. When an enlisted man is injured or disabled and discharged from the service, or when he dies, the allotments and allowances automatically cease; and the compensation feature of the Act, together with the insurance feature, if application for insurance has been made, become operative.

In case of death, compensation which is paid to commissioned officers as well as enlisted men ranges from a minimum of $20 to a motherless child or $25 to a childless widow to the maximum of $75 to a widow and several children. Compensation is payable only to a wife, child or widowed mother and none is payable if a soldier or sailor dies leaving no wife or child or widowed mother.

In cases of total disability, monthly



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

compensation ranges from a minimum of $30 if the injured man has neither wife or child living, to the maximum of $75 if he has a wife and three or more children, with $10 a month if he has a widowed mother dependent upon him. If the disabled man is in constant need of a nurse or attendant, additional compensation not exceeding $20 a month may be paid. If disability is due to the loss of both feet, both hands, total blindness in both eyes, or if the man is helpless and permanently bedridden the rate of compensation is fixed at $100 a month.

In case of partial disability, the amount of compensation is determined according to a schedule to be based upon the extent to which the man's earning capacity has been impaired.

The Problem of the Bureau

The result of this compensation feature of the War Risk Insurance law was to create in the War Risk Bureau a combined life, health and accident insurance organization—probably the largest in the history of the world measured by the number of its risks. In this case the great problem of similar organizations in the private insurance world of "getting the business on the books" was eliminated as the law automatically placed in force approximately two million individual policies.

The equally burdensome problem of private companies of "keeping the business on the books" by collecting premiums and preventing lapses was likewise eliminated, as Uncle Sam paid all the premiums for this compensation insurance in advance for the full term the policy was to run, by providing that this protection should be afforded without cost to anyone but the Government.

There was presented, however, the very important problem of providing for the efficient and prompt payment of claims. It must be agreed to be of prime importance than when our soldiers and sailors are disabled and discharged from the service or when they lose their lives in the line of duty, there shall be the promptest possible payment of the compensation allowed by the law.

Up to date more than 9,000 claims for compensation have been presented of which approximately 3,000 have been rejected and the remainder are either paid or in the process of investigation.

On February 6th, when the Tuscania was sunk by a German torpedo, it will be recalled that a number of American soldiers lost their lives. The identity of 130 of these were established and their names certified by the Adjutant General's Office to the War Risk Bureau on February 21.

In all of these cases the compensation due under the law has either been paid or is ready to be paid as soon as information is received as to the identity and location of the parties entitled to receive the money.

Efficient Claim Department.

It is the earnest hope and effort of those in charge of the War Risk Bureau to make its claim department as nearly as possible the ideal in efficiency for the prompt payment of claims and in the fairness and justice of its treatment of claimants.

Last but by no means least the War Risk Insurance Act provided that all soldiers and sailors, including commissioned officers and army and navy nurses might apply for and take out not less than $1,000 nor more than $10,000 of insurance against death or total disability, for which they should pay a monthly premium which might be deducted from the pay, upon the order of the insured, or might be paid by him to the War Risk Insurance Bureau. The law provided that this insurance must be applied for within 120 days after enlistment, and under its provisions it was necessary for the large number of men in the active war service when the Act became effective to make application on or before February 12, 1918. The law provided that men in the active service when the Act became effective who failed to apply for insurance and who died or became disabled within the period above stated, should be automatically insured to the extent of $25 per month for 240 months—such automatic insurance in the event of death to be payable to the wife, child or widowed mother and only in the event he left a wife or child or widowed mother surviving living.

When the War Risk Act became effective October 6, 1917, there was, therefore, presented in addition to its other problems that of canvassing for insurance some two million men who must be canvassed and insured, if at all, by February 12, 1918, and of procuring, classifying and recording the applications and issuing the certificates of insurance. For the purpose of procuring these applications, insurance officers were detailed in each organization who presented the matter to their men and received and forwarded to the War Risk Insurance Bureau the applications of those desiring the insurance.

Too much praise cannot be bestowed upon these insurance officers in the army and navy for the splendid efficiency of their work, the insurance zeal and enthusiasm they inspired throughout the rank and file, or for the wonderful results obtained. They established new records in underwriting both for volume of insurance written and number of applications procured within a given time.

Work Piled Up Quickly

When the War Risk Insurance Act became effective on October 6, 1917, the War Risk Insurance Bureau was thus confronted, not only with the task of immediately providing for the disbursement of allotments and allowances to the families and dependents of 1,800,000 soldiers and sailors, and the additional problem of making immediate provision for the adjudication and payment of death or disability claims arising from a group of two million individual risks, but also with the additional problem of writing not less than $1,000 nor more than $10,000 life and permanent total disability insurance upon a possible two million men, all of whom must be canvassed and insured it at all within a period of four months. I think it will be agreed that this presented the largest and gravest problem of "getting the business on the books" that ever confronted an insurance organization, and it should be remembered that this emergency task was imposed by a law which became effective on October 6, 1917, upon an organization not then in existence, but which must be created and organized, and perform the enormous allotment and allowance and compensation tasks imposed by law as well as the largest life insurance underwriting task ever conceived of, all within the period of about four months.

Before the work of writing the insurance could be begun, it was necessary to determine and publish the terms and conditions of the insurance contract and promulgate premium rates. This was done on October 12, 1917, or six days after the Act became a law. Insurance organizations were then formed in all the army and navy units to canvass the men and receive and forward to the War Risk Bureau the applications of those desiring the insurance. Instructions for this purpose were sent out by telegraph to the various camps and posts in this country and by cable to those in France and to the naval bases and vessels throughout the world. Later on a special insurance section within the army was organized and dispatched to France to take up and carry out the work overseas, which had been begun upon cabled instructions.

The necessary blanks and literature were prepared and distributed and arrangements made to receive and register the applications in Washington and the greatest insurance drive in all history was on.

By November 24 a billion dollars of insurance was in force upon the lives of 120,000 men, and by December 14 two billion of dollars of insurance was in force upon the lives of 239,000 men, and on January 4 the three billion mark was reached, representing 363,000 applications.

Life Men Assist

About this time, in view of the near approach of February 12, the time limit for insuring the great body of the men, it was determined to "speed up a bit," and a group of eminent life and fraternal insurance officers and underwriters were called into consultation in Washington with the officers of the Treasury Department and the War Risk Bureau and with representatives of the army and navy and an intensive campaign for the presentation of the benefits of the insurance provisions of the law to every man who was uninsured, was mapped out and initiated.

It was determined that the actual work of procuring the applications could best be carried out by the insurance organizations within the army and navy who had it so well begun and under way, but that their efforts should be supplemented by a general campaign of publicity through which the importance of the generous provisions the Government had made should be widely and strongly impressed upon the public, and upon the friends and relatives of the men and through these media, as well as directly, upon the men themselves. Every agency which could be of assistance was called upon to assist in this publicity work, and there was a most generous response. This publicity campaign was under the direction of the Soldiers' and Sailors' Campaign Council, and it undoubtedly contributed effectively to the success of the work.

By January 18, 473,000 men were insured for more than four billions of dollars of insurance and by January 29, 604,000 men were insured for more than five billions of dollars and on February 6 more than eight billions had been written on the lives of 734,000 men. More than a billion dollars of insurance was written in one week, from January 18 to January 29.

On February 11 the seven billion mark was reached representing 872,000 applications, and on February 14, $8,300,000 was in force upon the lives of more than one million men.

This one day, February 14, is a red letter day in insurance annals, as a half billion dollars of insurance representing 54,000 applications were received, this being the largest amount of insurance and the largest number of applications which the Bureau has received on any single day.

What Has Happened Since February 12

Just before the time limit fixed by

(Continued on page 10)

To the Man Who is Willing—and Will



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

State Mutual Life Assurance Company of WORCESTER, MASS.

Incorporated 1844

SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.

Our motto is SERVICE to policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, PRESIDENT

GREATEST
ILLINOIS
COMPANY

WANTS GOOD MEN
AND
WILL PAY THEM WELL

Business Associations

Help men to success.

Provident agents are associated with a business organization whose reputation for integrity, fair dealing and financial security extends over half a century.

Write for information

The Provident Life and Trust Company

of Philadelphia

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Miss Macfarlane Is Agency Supervisor

WITH PAN-AMERICAN SINCE 1911

Also in Charge of Educational Department of Company—Her Previous Business Experience

The agency supervisor of the Pan-American Life is Miss B. B. Macfarlane. She is also in charge of the Company's educational department; in other words, she is one of the most interesting women in life insurance.

Miss Macfarlane's own story of her career follows:

"My business career began about four years previous to my entrance into insurance work. I was secretary to the manager of one of the largest overalls manufacturers in the South, which plant was purchased by Sweet-Orr & Company of New York City, and operated as their New Orleans branch, and in whose employ I continued in charge of the manufacturing office, cost department, stock, billing and pay roll.

"In April, 1911, when the Pan-American Life Insurance Company was in the course of organization, I became secretary to the fiscal agents, Boone, Simmons & Company. At the close of the stock selling period, I was retained as secretary to Dr. E. G. Simmons, vice-president, and have continued as such up to the present time, familiarizing myself with all phases of the agency department work from the securing of the agent to the delivery of the policy and the collection of the premium, including the editing of the Company "Bulletin," publicity work, special campaigns, etc.

Made Agency Superintendent on February 1

"On February 1 I was appointed agency supervisor, which position embraces all of the above, and I am also in charge of the educational department recently organized by the Pan-American Life Insurance Company, for the education and training of new agents. This course of instructions consists of twelve lessons, which I have prepared and adapted specially for the use of Pan-American representatives. They consist of a brief outline of insurance history, a story about our Company, the explanation of the principal insurance terms, pointers for beginners in the way of safety first suggestions and an explanation and illustration of the various Pan-American policy forms. The last book in the series contains a set of fifty questions which we will expect the agent to answer in order to see if he needs further instructions, which will be given as the necessity arises. There is something very fascinating about this work, and I enjoy my little visits, as I call my correspondence with our many representatives."

INSURANCE FEDERATION

A. J. Hollister Succeeds Colonel Turgeon on Executive Committee, Meeting in New York

A meeting of the executive committee of the State of New York was held at the New York offices, April 9, the following being present: President Edgar M. Griffiths of Albany, Vice-President Wilfrid C. Potter of New York City, Messrs. Frank P. Tucker of Albany, John A. Eckert, A. C. Hegeman and Edward Griffith of New York City.

A. C. Hegeman, chairman of the executive committee, announced the resignation of Treasurer N. E. Turgeon, made necessary by the increasing military activities thrown upon him at this time. Col. Turgeon assured the committee that as soon as the pressure of this work was over he would be glad to become again actively associated with the Federation movement which has accomplished so much for the insurance interests in this State. A. J. Hollister, secretary and treasurer of the M. E. Wolff Company of Rochester, was elected his successor for the unexpired term. Reports of the officers showed an increase in the membership from various sections of the State and that the interest in the Federation was never greater than at the present time.

Sudden Death of Samuel S. McCurdy

STARTED AS A STENOGRAPHER

Organized Equitable's Bureau of Insurance—In Close Touch With Insurance Commissioners

Samuel S. McCurdy, assistant secretary of the Equitable Life Assurance Society, and one of the best posted men on the technical side of life insurance died on April 6, suddenly. He entered the employ of the home office as a stenographer and was made stenographer to Secretary W. A. Alexander. In 1900 he became assistant registrar. In May, 1906, he was appointed assistant secretary.



SAMUEL S. McCURDY

Organized Bureau of Insurance

Among other things he organized and conducted the Bureau of Insurance, having a working force of four hundred. He kept in close touch with the insurance departments of the different States; had charge of the litigation in association with the Society's counsel, and aided in drawing up the policy forms, and in explaining their terms. His last work was in connection with the retirement of the Society's capital stock. Mr. Alexander in a statement to the field force paid Mr. McCurdy this tribute: "In the death of Mr. McCurdy the Equitable has sustained an irreparable loss. He was conspicuous for his loyalty to the Society. Like the soldier at the front, he was cut down while in the active performance of his official duties. He loved hard work, heavy tasks, difficult missions. And although he was sometimes persuaded to go away to recuperate, he was always back on the firing line before he had gained all the rest needed. In addition to this he always assumed a bold front, and appeared to be strong and well when perhaps he was overtaxing his powers. * * * He was not a lawyer, but was recognized as an expert in certain branches of insurance law, and aided in framing and interpreting insurance contracts. In the organization and management of the Bureau of Insurance he exhibited rare executive ability. No one ever worked harder than he, but he knew how to delegate work to others without losing control. In less than two years he would have become a member of the 30-Year Corps of the Equitable Veteran Legion. His fellow officers had absolute confidence in him and deep affection for him—from the president down. He is mourned by every one of his many associates in the home office, and by all the members of the agency force throughout the country."

All officers of the Equitable attended the funeral.

The Right Place for the Right Man

The capable and energetic man or woman who represents a company which provides an unexcelled policy at a low net cost is sure to succeed as a life underwriter. That is why our representatives everywhere are loyal, contented and enthusiastic. The reputation of their Company for prompt and efficient service gives them a confidence which wins the confidence of the insuring public.

Occasionally we have a General Agency opening.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Policy and Savings-Bank Book

Once upon a time there was a bureau drawer, and in it were two envelopes. In one was a savings-bank book, and in the other a life insurance policy. There they lay, and they were really quite well off, only by some unfortunate accident they didn't face each other. Once every three months the man who had the key to the drawer came and put a premium receipt down with the policy. At other times, but that didn't happen so often, he took the bank book out of the drawer, stuck it in his pocket and went away with it.

"I have been in the bank today," said the book one day when it came back after a little outing and was laid down in the drawer again. "Such a little excursion is really quite jolly. I am worth over $200 now."

"Indeed!" answered the policy politely.

"That, of course, is not a great deal compared with your $2,000," continued the book, who always liked to have a little chat after it had been out, "but, on the other hand, I have possibilities of growth, while it seems to me that you are a bit too satisfied with your present condition."

"That is one of my characteristics," replied the policy. "I prefer certainty and safety so that I may be ready the day they have use for me."

"Of course, of course, that is very reasonable," said the book, who was a little offended at the last remark and therefore broke off the conversation. But all night and the next day it dreamed of how long it would take before it also would be worth $2,000.

So the time passed. Now and then more money was credited to the book. Before it knew it, it was worth $500, and it began already to be snobbish and said that it would soon be time to look about for better company, the surroundings and conditions in the drawer were altogether too poor. If the policy tried to chat a little it happened nearly always that the bank book responded with a rebuff—it needed quiet, it was busy drawing interest.

But one day the bank book came home from the bank and complained of severe pains in the right side; $200 had been taken out.

"It's terrible," lamented the bank book, "and then he has bought a phonograph for that money."

"Time heals all wounds," consoled the policy, who was philosophically inclined.

"That may all be very true, but it will take a long time before I recover from this," and the book gave itself up to silent despair.

The policy, however, was right. Little by little the bank book picked up again; during a couple of months it was fed with a few large bills; that helped considerably and soon the little episode was forgotten.

But a savings-bank book doesn't know what day the key will be inserted in the lock. One day as it was lying quietly and taking it easy, it was taken out, and when it came back it was $300 poorer.

"He wanted the money so that he could take a little trip with his wife," it complained. "I will soon lose my good humor."

"A man that is fond of his wife often commits follies of that kind," replied the policy. "But, look, here; at any rate my $2,000 is secure."

"Well, why doesn't he go to you, instead of taking the poor man's only sheep?"

"Just because he is wise enough to understand that I am not here to satisfy immediate claims; I am here to help to secure this home in the future."

"I am not in need of any lecture on life insurance," said the bank book, somewhat sarcastically. "It gives me a headache to listen to you." And with that it withdrew into its envelope to be alone with its somber thoughts.

Bad times came for the bank book; almost every week money was taken out and it was not a great deal that was credited. Its proud dreams of wealth and renown were little by little shattered. Gradually the book adjusted itself to the new conditions. It began to modify its views of life and frequently had occasion to philosophize over the problem, to be or not to be.

"The thing is to get the most out of life," it observed. "I am not lying here brooding over my treasure like some others that only lie about and take up room and are of no use. When they are in a tight place and need money here in the house, then they come to me. So far I have been able to help them."

But one day it became so strangely quiet in the house. The talk ceased and the happy voices were stilled. When visitors came, they tiptoed through the room and spoke in whispers.

"What has happened?" said the books in the drawer and drew closer together. It was so weird with all this doubt.

In the morning after a long night, during which they had heard a woman sob, the drawer was finally opened and some one began to search among the papers. At last the policy was found and the drawer was about to be closed.

"That's a mistake!" shouted the bank book, "it is I they want. Look, here I am."

"No!" answered the policy earnestly, "my time has now arrived. You are of no use now; here is where I help."
—From the Norwegian in "Framtiden's" Monthly Journal.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

The Continuous Instalment Policy

The continuous instalment, or life income policy is in reality a combination of two contracts, says Darby A. Day, of the Mutual Life, Chicago, in a letter to his field force.

First, that part which provides for the payment of the income to the beneficiary for the fixed period of twenty years after the death of the insured. As the sum total of these income payments, as well as the commuted value thereof, is known in advance at the death of the insured or subsequent thereto this feature of the contract might be termed the life insurance element.

Second, that part which provides for the income to the beneficiary beyond the expiration of the twenty years certain period, if such beneficiary is still living. As this feature of the contract is contingent upon the survival of the beneficiary it can be termed the deferred survivorship annuity element.

Although no reference is made in the company's rate book to it, the fact is that the gross premiums quoted are made up of two parts. First, that which purchases the income for the first twenty-year period certain, the lump sum value of which being the commuted value at death of insured. Second, that part which compensates the company for its risk of having to pay the income beyond the twenty-year period, namely, the deferred survivorship annuity.

As any new beneficiary designated would be entitled to twenty years certain income, or the commuted value thereof, it follows if the original beneficiary dies before the death of the insured that part of the premium which the insured has been paying for the deferred survivorship annuity element is taken off. Bear in mind that the commuted value is always the value of the income for the first twenty years only, and the insurance value is the total value of both the twenty years certain element and the deferred survivorship annuity.

Only the first part of the contract, which we call the life insurance feature, is participating, and the second part, the deferred survivorship annuity element, like all other annuity contracts, is non-participating.

All policies now issued are based upon an interest earning power of 3 per cent. on the part of the company; and the income called for under continuous instalment policies is the exact amount which the company can pay where 3 per cent. interest is earned on moneys still in the hands of the company. But as 4.4 per cent. is the interest factor now used, this means that the beneficiary receives on present basis, over and above the guaranteed income, 1.4 per cent. of the amount still in the hands of the company from year to year—that is the balance remaining of the commuted value from time to time during the first twenty years only.

The surrender values available in case of lapse, like the dividends payable under these policies, are in no wise effected by the age of the beneficiary because both the dividends and surrender values are based upon the commuted value of the twenty years certain payments which is a fixed sum.

While the waiver of premium and disability income clauses can be used in connection with the continuous instalment policy, the company will not issue the double indemnity feature nor general accident indemnity feature in connection with these forms of contracts.

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

A Monthly Income Policy Questionnaire

A series of questions prepared with a view to acquainting prospects with a knowledge of The Prudential Monthly Income policy, the sale of which by every solicitor is largely a matter of better acquaintance with this sterling income-provider. Of a truth, to earn more one must learn more

Would you not yourself, during the later years of your life, prefer to rely upon a regular fixed monthly income for your support rather than be worried by the responsibilities and dangers that attend the care and investing of money or the management of property? On account of ever changing business conditions and methods, the hazard is always great, but much greater to those well along in years.

Monthly Income Policy—Ready Money on the First of Each Month

Suppose that you are employed on a salary by a large corporation and your duties necessitate your going to a foreign country, from which you will not return for one year, and that your family will require $1,200 for its support during your absence.

Your company proposes to give your wife a check for $1,200 when you leave, or $100 monthly, as you may prefer, to be charged to your account. Which do you think would be more convenient and the most practical, and in every respect best calculated to meet the requirements of the family?

Monthly Income Policy Pays the Rent

Mr. Mechanic, you say that you pay $20 per month rent. Now, listen; you can arrange with The Prudential for your family to receive this amount on the first day of every month after you are gone.

Now, what does this mean to them? It means that you have left them a home, the same standard of home that you had provided when you were with them. Wouldn't you like to know something more about this?

Monthly Income Policy Keeps Family Together

When death has taken you from your wife and children and they can no longer look to you for support or lean upon your protecting arm or be guided by your counsel and advice, would not a fixed income for twenty years or for life, payable to them monthly like a salary or pension, be the most perfect provision that any husband or father could make for his family?

To the extent that a mother is obliged to go out into the world and do men's work and shoulder men's responsibility, just to that extent is her usefulness to her children destroyed.

A regular monthly income will prevent the necessity for her doing so.

Monthly Income Policy Keeps Estate Intact

The responsibility and care of money to those without experience is fraught with great danger and many temptations.

Provide a monthly income beyond the reach of an incompetent or unfaithful executor, administrator or guardian. You yourself act in those capacities toward your estate and your family during your lifetime.

Monthly Income Policy Eases the Bread-winner's Mind

In arranging for the support of your wife and children after you are gone, you should take into consideration their training, environment and temper, as well as other conditions that may be peculiar to them. Otherwise, you might effect an arrangement that would be entirely impracticable.

Monthly Income Policy Educates the Children

If paid to her monthly, and if she knows with absolute certainty that it will come regularly, the American mother will manage to keep the family together and the children in school on a very small income.

If you have achieved success and, as a result, are able to leave to your dependents a fortune, is not the brain that accumulated it better qualified than they to invest it wisely for them?

Monthly Income Policy for Rich and Poor

An income for your wife, payable to her monthly for twenty years or for life, if you should be taken from her, or an income payable to yourself monthly for twenty years or for life, to support you in your declining years, if you live, may be provided for under the Prudential endowment monthly income policy.

Can you think of any other arrangement by which you can provide, either for your family or yourself, an income payable monthly—like a salary or pension?

You may lose your money or your property, but, with life and health, it is possible for you to retrieve a lost fortune. But not so with the wife and children when you are gone. If they have been unsuccessful in managing the property and investing the money which you had left them for their support, thereby becoming impoverished, and the wife thrown upon the world with little children to care for, it is at best an unequal struggle.

Monthly Income Policy, the Widow's Dependence

You should use as great care in selecting your life insurance as in drafting your will. In either case your purpose is to provide for those changed conditions which will follow your death.

Would it not be better for your widow to receive a monthly income to support the family than be obliged to assume the responsibility of keeping her capital, perhaps small, safely and profitably invested, collecting interests and rents, paying taxes, making repairs and worrying over losses?

Which arrangement would best enable her to devote her mind and time to the proper training and education of the children?

If you were sending your son or daughter to school at a yearly cost of $1.200, would you give him or her the whole amount at one time or in monthly instalments of $100 each?

Which do you think would be the most practical? Which could be the most safely depended upon to meet the requirements? Which would you do?

Monthly Income Policy Precludes the Worry of Investment

If you were to die to-day and leave your wife $2,000, $3,000, $5,000 or $10,000 for the support of the family and the education of the children, what would she do with the money?

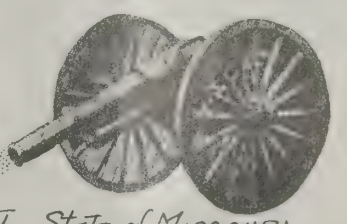
Crushed and saddened by your death, is it to be expected that she would be in a condition of mind successfully to transact business requiring great experience and keen judgment?

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

Get On The Firing Line With Our Triple Option Policy

Liberal Agency Contracts
Every Policy Registered With The State of Missouri
The Company of To-day With Methods of To-morrow
Assets over $8,000,000.00 Insurance in Force over $67,000,000.00
International Life of St. Louis, Mo.
Massey Wilson-Pres. J. L. Babler-Gen Mngr. Agencies. St. Louis Mo.

THE UNITED STATES LIFE INSURANCE COMPANY
1850 IN THE CITY OF NEW YORK 1914
ISSUES GUARANTEED CONTRACTS
Good men, whether experienced in fe insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, 277 Broadway, New York City.
JOHN P. MUNN, M. D., President
FINANCE COMMITTEE { CLARENCE H. KELSEY, Pres. Title Guarantee and Trust Co; WILLIAM H. PORTER, Banker; EDWARD TOWNSEND, Pres. Importers and Traders Nat. Bank

THE WESTERN AND SOUTHERN LIFE INS. CO.
W. J. WILLIAMS, President CINCINNATI, OHIO
The Largest Industrial Company West of The Alleghenies
Also Issues All Standard Forms of Ordinary $500 to $10,000
Organized 1888
COMPARATIVE RECORD—SEVEN YEAR PERIODS

	Assets	Insurance in Force		Income	Policies Issued
Dec. 31, 1888	$ 104,307	$ 889,073	1889-1895	$ 1,085,087	265,931
1895	155,640	5,294,381	1896-1902	3,930,883	638,659
1902	876,007	22,374,980	1903-1909	11,312,912	839,426
1909	4,867,379	44,780,907	1910-1916	22,670,340	1,426,752
1916	11,943,640	104,989,362			

AGENTS WANTED IN THE PRINCIPAL CITIES OF OHIO, KENTUCKY, MICHIGAN, INDIANA, WEST VIRGINIA and WESTERN PENNSYLVANIA

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President
A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY
Edward D. Field, Superintendent of Agencies

The War Risk Bureau

(Continued from Page 6.)

the original law, February 12, was reached, the time within which applications for insurance might be received from men in the active service at the time the Act became effective, was extended 60 days and the drive continued.

Since that time the volume of insurance in force has steadily grown, until to-day there is more than fourteen billions of insurance in force and more than 1,700,000, out of a possible two million officers and men of the army and navy and army and navy nurses are insured and the end is not yet. Applications for $94,000,000 of insurance were received in one day representing 11,000 applications and those figures are less than the daily average for the past thirty days.

This soldiers' and sailors' insurance is payable to the designated beneficiaries in the event of the death of the insured, and to the insured himself in the event of his permanent total disability. The Bureau of War Risk Insurance has determined that "any impairment of mind or body which renders it impossible for a disabled person to follow continuously any substantially gainful occupation, shall be deemed both for the purposes of the compensation and insurance provisions of the Act to be total disability" and that "total disability shall be deemed to be permanent whenever it is founded upon conditions which render it reasonably certain that it will continue throughout the life of the person suffering from it."

But this Government soldiers' and sailors' insurance indemnifies not alone against death and permanent total disability, but it also insures against uninsurability, for the Act provides that it shall continue as term insurance during the period of the war and thereafter until converted into such form of insurance as the Government may prescribe and the insured may request. This is a wise and important provision of the law which foresees the possibility that thousands of our brave fighting men will come through the war alive and not permanently disabled, but will nevertheless be in such physical condition that they will never be able to stand the physical test required to obtain life insurance. The soldier or sailor who has taken out this insurance may know that whatever his physical condition may be when the war has ended, he can always be assured of the privilege of carrying for the protection of those who may become dependent upon him, the amount of insurance he has applied for at reasonable rates throughout his life and that it is, and will always be as good as the Government itself.

The Cost

Insurance men are likely to ask, and all will be interested to know, how much this great work which has been crowded into a few short months has cost. The total expenditures of the military and naval division of the War Risk Bureau from October 6, 1917, to March 26, 1918, amounted to $1,152,406.60. This includes not only the expense of the insurance work of the Bureau but also that of the compensation work, and the necessarily large expenses of the allotment and allowance work as well, including all overhead. It is safely estimated that less than one-third of the total expense of the Bureau is chargeable to its insurance work.

The premiums on insurance received for the period named are approximately $21,217,000. The expense ratio up to date will be seen, therefore, to be less than six per cent., and it is safe to say that for the full year this percentage will be considerably reduced, as the annual premium income upon the business now in force may be safely estimated at more than ninety million dollars.

It is unnecessary to characterize this great enterprise, its facts speak for themselves. It represents at once the greatest insurance achievement recorded in the annals of time and altogether the wisest and most beneficient provision that any government has made for its fighting men in time of war, and the best thing about it is that the provision for the families of the soldiers or sailors, whether of allotments and allowances or of compensation or of insurance comes not out of charity or as a gratuity from the Government, but as a matter of right, as a part of the consideration for the soldier's or sailor's service, written by law into his contract of employment.

Extracts from Report of Examination of

SOUTHWESTERN LIFE INSURANCE CO.

By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

BLINDNESS NO HANDICAP

Record of James E. McCormack, New York Life Agent in Modesto, Cal.

In December, 1917, James E. McCormack, handicapped by the fact that he is sightless but possessed of tremendous ambition, signed a contract with the New York Life. He is attached to the Fresno branch.

In the two months from January 2 to March 2 he secured in Modesto nineteen applications for $63,000 insurance, and at the same time paid for $34,000 worth of business. His record is an inspiration, particularly as he is a new man in life insurance.

PENSION FUNDS DEFICIENT

The Chicago police pension fund has a deficiency whose present actuarial value is over $30,000,000; Chicago firemen's fund, $13,000,000, and the Chicago teachers' fund over $15,000,000.

TO INSURE JUVENILES

The Insurance Department of Iowa has granted permission to the North Star Benefit of Moline, Ill., and the Royal Neighbors, two fraternals of that State, to insure juvenile lives between the ages of two and eighteen years. This is done under a law enacted by the last legislature permitting juvenile insurance.

HOW DOLLAR SHRINKS

Five Dollars in 1916 Will Purchase Only $1.50 To-day

The shrinkage in the value of the dollar has been illustrated by C. B. Rowley, field manager of the Peoria Life, in an article written for that Company's home office publication. He says in part:

"If living expenses have taken such a remarkable increase in the past two years while a man is here to watch the corners, it is absolutely certain this living cost will not decrease after his death. No charitable institution will make up the difference between the value of his dollar in 1916 and the value as illustrated in 1918. The cost of food, clothes and various necessities of life will not decrease after his death and his family will have at that time exactly, as they have during his life time, the same fixed expense of living increasing in proportion as the purchasing power of his dollar decreases.

"It might be difficult to convince the average man that his $5,000 has to-day a value of only $1,500. The policy itself has not decreased in value, it is true, and the same $5,000 would be paid to day as would have been paid in 1916. However, his $5,000 of to-day is not as elastic and will not stretch within one-third as far as two years ago, due solely to the purchasing value of the same dollar. The conclusion to be drawn is to the point. The dollar power of to-day is about 33 1-3 per cent. of its value in 1916.

"Put your insurance back on a plane of equalization with the other necessities and commodities of life. It should not be a difficult matter to bring this point home to every man."

John L. Way, vice-president of the Travelers, has been elected a director of the Aetna Fire. Mr. Way, who is a life insurance man of the first rank, and is chairman of the committee of life insurance men who are co-operating with the Government in the soldiers' and sailors' insurance campaign, began with the Travelers as a clerk in 1878. He became a special agent in Iowa, and after filling several important positions in the field, came to the home office. He is also a director of the Travelers and of the Hartford Trust Company, and is a trustee of the Mechanics' Savings Bank.

THE AVERAGE EARNINGS OF THE AGENTS

OF THE

Standard Life Insurance Company

∴ ∴ OF PITTSBURGH ∴ ∴

are higher this year than ever before. Our attractive Accident and Health Policies have helped them to make more money.

Write for a LIFE, ACCIDENT AND HEALTH Contract to

FRANK A. WESLEY

Vice-President and Director of Agencies

LOAN SPEECH SOLD POLICY

After Hearing Travelers Man Talk Corporation Officer Called Up Company for Insurance

An example of unexpected reward for doing one's bit for Uncle Sam is told in an experience of P. D. Gold, member of the firm of Spencer & Co., general agents of the Travelers Insurance Co.

Mr. Gold was sent by the New York Liberty Loan Committee to speak at Caldwell, N. J., during the second Liberty Loan Campaign. Some months later, the metropolitan manager of the Travelers received a telephone call from an officer of a New York corporation, to the effect that he desired to increase his line of life insurance and wished to place it with the Travelers, through the man who had served his country in speaking at Caldwell. He explained that he had forgotten the gentleman's name, and was unable to give any accurate identifying information, but he was insistent upon giving the business to the man in point.

An investigation by the Company's manager disclosed the fact that Mr. Gold was the gentleman sought, with the result that Mr. Gold secured the business and in so doing made a valuable acquaintance.

Mr. Gold at one time was president of the American Life Convention and has been very active in Liberty Loan matters, and it is said that his efforts have already resulted in the sale of over $2,000,000 of bonds.

CHEAP RATES

How Situation Presents Itself to R. W. Stevens of Illinois Life, Chicago

Vice-President R. W. Stevens, Illinois Life, Chicago, a few days ago was discussing with one of the Company's leading Chicago general agents the question as to whether or not agents of low-grade selling ability would increase their insurance sales if the Company equipped them with a special low-rate policy, a policy with a rate as low or lower than is offered to-day by any competing company.

Mr. Stevens makes the following comments:

"Our general agent contended that the reason the particular class of agents under discussion did not sell more insurance is purely and solely because they do not work, and since work is the strongest factor in the success equation even though such agents were actually paid to give insurance away they would continue to be in the bread-line.

"He argued strongly against the introduction of any premium-rate which does not contain a sufficient expense loading to insure a good living-wage to the real life insurance salesman, and the next morning he sent over to me without comment the following card: 'Two hoboes met recently on a blind siding. One was a life insurance agent who could sell cheaper policies than any of his competitors. The other one didn't have any money either.'"

RAINBOW DIVISION
ADVISORY TRADES COMMITTEE
Liberty Loan Committee, Second Federal Reserve District

It is the function of the Advisory Trades Committee "Rainbow Division" to Organize the Various Business Interests of New York into compact and efficient working units to sell Liberty Bonds to themselves.

British Prudential's Annual Report

WAR CLAIMS UNUSUALLY HEAVY

Average Industrial Policy Decreases From £16 in 1916 to £11 Last Year

American life insurance men are always interested in reading the annual report of the Prudential of England, which has more policies in force than any other company—22,750,000—and the latest report takes on added interest owing to the war situation.

The total income of the Company for 1917 was about twenty millions of pounds. It issued 1,583,522 policies as compared with 1,722,646 for 1916. The average policy was for eleven pounds as compared with sixteen pounds in 1916.

National War Bond Policy

The new business in the ordinary branch shows a record increase. The new premium income, viz., £567,472, was much in excess of that for any previous year. Some considerable portion of this increase was due to the national war bond policy, under which the policyholder is enabled to purchase his war bonds by instalments on very favorable terms.

During the year the system of dealing with proposals on under-average lives has received careful consideration, and it has been decided to offer suitable terms to practically all proposers, however poor their physique or general state of health.

Since June the Company issued a number of policies to persons who would previously have been considered uninsurable on terms mutually satisfactory both to the assured and ourselves.

The Claims

On the other side of the account, the claims paid exceed £9,200,000, and the total payments to policyholders exceed £9,700,000, or more than £31,000 for each working day. The war claims for the year have again been exceedingly heavy, and as in previous years have fallen mainly on the industrial branch.

The amount paid was £1,507,625 on 70,488 claims, of which 65,665 were in the industrial branch representing claims of £1,109,240, and 4,823 were in the ordinary branch, representing claims of £398,385. The total war claims paid up to the present time amount to nearly £3,500,000.

In the general branch the large increase is mainly due to the aircraft personal insurance policies which will become still more popular when their very favorable terms are more generally known. "We all hope that we have seen the worst of the air raids," said Sir T. C. Dewey, chairman of the Prudential, "but I think any prudent person who is in any way subject to this risk will agree that the expenditure of 20s. for a policy of £1,000 is a wise expenditure."

Increase in Surplus

Turning to the results of the valuation, the surplus of the ordinary branch amounts to £1,584,540, which is an increase of £166,300 over the figure for the previous year.

For years 1915 and 1916 the directors did not distribute any surplus among the policyholders and shareholders from this branch. During the two years £1,000,000 was added to the investments reserve fund, and £1,500,000 was carried to a contingency fund. This contingency fund was set up for the purpose of safeguarding the rights of the holders of participating policies in the ordinary branch.

In order to prevent any hardship or inequity, an interim bonus of £1 per cent. was paid on those policies which became claims by death or maturity. The question which the directors have had to consider was whether the position of the ordinary branch justified them in withholding a similar bonus from the other policyholders. After taking all possible contingencies into account, the directors considered that they could with safety allocate a bonus at the same rate as the interim bonus, viz., £1 per cent. on the sums assured for each year's premium paid since the last declaration.

In order to do this the Company transferred £1,000,000 from the contingency fund, which will therefore stand at £500,000. In view of the special conditions now prevailing, the directors consider that it would be inadvisable to allow this bonus to be cashed and in these circumstances it has been decided to withhold for the present the usual cash option. In these cases, however, where it is desired to utilize the bonus for the purpose of paying the premiums on national war bond policies, facilities will be afforded wherever possible.

Unpaid Premiums

The premiums on many of the policies under the Courts (Emergency Powers) Act have been unpaid for two or three years, and this accounts in part for the large increase in the amount of outstanding premiums shown in our balance sheet. During 1918 alone we may expect that the unpaid premiums under the act will exceed £250,000; indeed, with any considerable alteration of the present conditions of employment, this figure may be greatly exceeded.

We have also to take into account the future, which includes the transition period at the close of the war, when our difficulties, if the act is still in force, are likely to be greatly increased. In these circumstances we had no option but to retain the reserve of £350,000.

Government Securities

The Company now holds £9,500,000 of Government securities. It is buying Government war bonds at the rate of £70,000 per week. This allotment will be increased.

In discussing national war bonds, Sir T. C. Dewey said:

"In spite of the protracted duration of the war, it is encouraging to note that the rate of interest paid by the Government on national war bonds is no greater than that paid on the 5 per cent. war loan when it was issued in February, 1917.

"This fact, coupled with the statement of the Chancellor of the Exchequer, made early last year, that it was not the intention of the Government to issue loans at any higher rate than that then paid has undoubtedly had the effect of steadying the prices of investments and checking depreciation.

"This in itself is of enormous importance to a company holding over £100,000,000 invested funds."

How War Claims Were Met

In discussing how war claims have been met the Chairman explained:

During August, 1914, the Government were concerned as to the probable attitude of the industrial companies and societies in respect of their peace contracts of life assurance with those of the wage-earning classes on active service, and the then President of the Local Government Board was informed in response to an inquiry that the companies and societies were desirous of meeting such claims without deduction while their resources permitted them to do so.

It was stated that the war claims in the South African Campaign, in which only one arm of the Service was largely engaged, cost the Prudential over £170,000, and it was pointed out that our loss in connection with the present war might easily approach or perhaps exceed £2,000,000.

It was observed that this would inflict a serious loss on our millions of other policyholders, and would be equivalent to enforcing a compulsory levy on the majority of our clients for the benefit of the relatives of those engaged on active service at a risk for which no premiums had been paid.

It was clearly stated that any calamity on a large scale might render necessary an immediate reconsideration of the decision arrived at, and it was intimated that we should not feel justified in meeting this strain without free title to reconsideration.

The view was expressed that the Government might not unreasonably be asked to consider the advantage of authorizing the full payment of War Claims on the understanding that the Treasury would make good to the offices the ascertained extra strain arising through the war.

War Claims To Date £3,456,220

Our war claims up to date are no less than £3,456,220.

The amount of £2,000,000 contemplated in August, 1914, has therefore been largely exceeded, and while we were anxious to afford any and every help which patriotism could suggest, especially during the period of voluntary enlistment, it was felt that the extreme limit of our capacity had been indicated in August, 1914, and that the burden must fall on the broader shoulders of the State when, or even before, this limit had been reached.

The right to undertake, voluntarily, additional risks which could only be met by the sacrifice of other interests, could be justified only if its exercises were kept within reasonable bounds, and it is certain that there could be no right to jeopardise the stability of the company in any circumstances whatever.

Our war claims have been met chiefly by the temporary suspension of our profit-sharing scheme.

You will remember that in the year 1907 the shareholders voluntarily decided that after the payment of a fixed dividend on the shares, all profit from the industrial branch, in excess of the sum so required, should in future be divided into six parts, four of which parts should go to the industrial branch policyholders and one each to the shareholders and to the outdoor staff of the company.

This action of renunciation represented a sacrifice on the part of the shareholders which I believe to be without precedent, and it gives the lie to those who would urge that commercial undertakings are necessarily devoid of heart or soul.

In my judgment it presented commerce in its highest form, inasmuch as it freely recognized and safeguarded the wider interests of our staff and our policyholders by granting them a share in the prosperity of the Prudential not contemplated in their contracts with the company.

The Prudential has once more justified its reputation by raising the business of industrial assurance to a higher plane.

During the years 1908-1915, under this scheme, no less a sum than £2,825,000 was allocated for distribution amongst the policyholders and the outdoor staff of the company, and this distribution would undoubtedly have been continued but for the burdens borne by the company in respect of the war.

Those who in normal circumstances would have continued to benefit under the scheme have therefore contributed the following sums in the proportions named:

Industrial branch policyholders	£1,400,000
Shareholders	650,000
Outdoor staff	350,000

The sum contributed by the shareholders is £300,000 in excess of that contributed by the staff, because the shareholders have not only suffered in common with the others by the suspension of the bonus but have, in addition, relinquished in respect of the three years including 1917, £100,000 in each year of their fixed dividend.

Mortality

The war claims of the Prudential, more particularly in the industrial branch, have been almost exactly proportionate to the total casualties suffered by the British navy and the British army.

Continuing, the Chairman said:

During the years 1915, 1916 and 1917, the mortality experience has been abnormal to a degree which it is difficult to realize.

Thus, for example, at about age 21 the mortality rate in 1915 was five times that of our pre-war experience, for 1916 it was nine times, and for 1917 about twelve times that of our pre-war experience. You must understand that these rates are calculated upon the whole of our experience, and thus represent an average on all policyholders whether on active service or at home on civil duties. In endeavoring to estimate the strain on the company's resources which the payment of these claims has involved it must be remembered that at the younger ages only small reserve values are held.

I am proud to think that the Prudential has so far been able to pay these claims on the lives of our brave defenders without asking for any additional premiums or making any deduction from the sum assured in the case of all policies effected before the war. You may be able to form some idea of what this means by looking at the diagram and noticing that in 1917 the rate of mortality at about age 20 was equal to that at about age 64. If you will look at the premium rates payable at age 20 and age 64 you will perhaps still more clearly realize the nature of the burden which the company has borne.

There are several other features of interest, one of which is that although the war claims have been so high at the actual fighting ages of 20 and over there is a falling off at the training ages below 20. This point is still more closely shown by a comparison of actual and expected claims.

I might also draw your attention to the fact that at the infantile ages the rates of mortality amongst children assured in the Prudential are lower than those experienced by the general population at the same ages.

Comparative Figures

Some comparative figures follow:

Industrial

	1910	1917
Premiums	£ 8,897,723	£ 9,376,858
Claims	4,005,251	4,352,031
Insurance	28,986,749	27,806,442

LIFE VS. FIRE PROTECTION

Of the 12,000,000 or so dwellings in the United States, 96 per cent. are protected, at least to some extent, by fire insurance. But of our 100,000,000 inhabitants, only 18 per cent. have taken out life insurance policies. Men seem to be more uneasy over the mere possibility of the burning of their houses than over the stern certainty that death will some day overtake them. This is a strange contradiction in human nature. To safeguard the nation's possessions is well, but how much more valuable than the homes are the human lives of the country. In this age, when the principles of life insurance are so well understood there should be no such discrepancy between the number of homes and of lives insured. In many instances the former could not be saved from foreclosure were the earners of incomes to pass away leaving their families unprovided for. It is as much the duty of every man to insure his life as to insure his property, and if he has no insurable property, there is all the more reason for insuring his life.—"Leslie's."

GOOD TERRITORY
still available for development by the
RIGHT AGENTS
..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.
Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

PENNSYLVANIA OPPORTUNITY
If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.
Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

Excerpts from the Financial Statement of December 31, 1917, of the
Northwestern National Life Insurance Company
MINNEAPOLIS, MINNESOTA
Assets, $6,186,694.37, increase 17% over 1916.
Liabilities, $5,602,162.72. Surplus and contingent fund, $548,531.65.
Apportioned for dividends, $263,206.57, increase 23% over 1917.
Insurance in force, $54,193,728.00, increase 28% over 1916.
Paid to beneficiaries and policyholders to December 31, 1917, $16,966,562.65.
A western, mutual, annual dividend, old line company
THE COMPANY for policyholders and agents

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone 2497 John.

Subscription Price $3.00 a year. Single copies, 25 cents.

Entered as second-class matter January 4, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

RAILROAD INSURANCE

A rumor in Washington a week ago that the Government would carry railroad fire insurance turned out to be incorrect, but on Tuesday Director General McAdoo took action, which is described in the following despatch to The Eastern Underwriter from its Washington representative:

Washington, D. C., April 9.—By direction of the Director General of Railroads, the railroad administration to-day was ordered not to negotiate further contracts for fire insurance on railroad property or property in railroad custody for a period of more than one year.

The Director General is giving consideration to the general practice to be followed in the matter of insurance against loss or damage by fire to such property, and pending a decision on a definite policy, the administration has been ordered not to negotiate any contracts of fire insurance covering a longer period than has heretofore been customary, or in any event covering a period of more than one year, without special authority from the office of the Director General.

That the Government will eventually go a step farther and be a self-insurer of railroad fire insurance is doubted for the reason that the remarkably effective inspection service given to many railroads by large brokers has cut down the fire loss to more than equal the fifteen per cent. expense that is entailed by railroad fire insurance, viz.: 10 per cent. to the broker and an allowance of five per cent. for underwriting profit.

ONE COMPANY'S ACTIVITIES

Some idea of the whole-souled and patriotic service that the large life insurance companies are giving to this country can be judged by the briefest epitome of activities of The Prudential and a few of its representatives.

President Dryden was executive State chairman of the Red Cross drive in New Jersey last December which ran up the membership from 220,000 to 700,000. He is executive State chairman for the division of New York, Connecticut and New Jersey for the May $100,000,000 Red Cross drive. He is also on the Liberty Loan committee for the Federal Reserve Board.

Vice-President Duffield is head of the W. S. S. in New Jersy, and is making speeches nightly, not only for the W. S. S., but for the Liberty Loan and Red Cross.

Vice-President and Secretary Hamilton heads the Four Minute men of New Jersey, and is also a nightly speaker. Third Vice-President Tasney is devoting all of his time to the W. S. S. and is the originator of the W. S. S. Saving Societies plan adopted by the Government. It will be recalled that The Prudential formed the first W. S. S. savings society. Vice-President Frederick Hoffman is on the National Counsel of Defense. His assistant, Frederick S. Crum, is putting in four days a week with the Shipping Board in statistical work. Robert Gemmel, assistant secretary, is assisting Major S. Herbert Wolfe in the War Risk Bureau. Assistant Secretary John H. Birkett is executive secretary for New Jersey in the coming Red Cross drive. When the war insurance proposition was first considered Messrs. Gore and Duffield, of the Prudential, went to Washington and did effective service in helping work out the insurance plan.

The Prudential has its own printing establishment and millions of documents have been turned out in co-operation with the Government on Government literature. At the present time 500,000 copies of "Message to Garcia," written by Elbert Hubbard, are being printed. These folders are to be sent out with leading daily papers on May 5, the anniversary of the sinking of the Lusitania, in which catastrophe Mr. Hubbard lost his life.

Every bit of advertising of The Prudential in 1918 has been placed at the disposal of the Government. Thus, in January and February all Prudential advertising was devoted to W. S. S., under the direction of the National War Savings Committee. In March and April the advertising was for the Liberty Loan, in May it will be Red Cross and all in color work. In June the advertising will be in co-operation with the Food Administration. In local advertising Prudential men have been asked to see local representatives of Government activities and to ask how they can help through the advertising.

Every publication of The Prudential that goes to agents—there are four of them—is full of suggestions to help the war. Not the least of the Company's activities are the three hundred Prudential war gardens in the State. All in all The Prudential is doing its bit.

STEP IN RIGHT DIRECTION

Governor Whitman has signed the Graves bill which will prohibit representatives or agents of the assured from placing insurance of their employers. This is good news to all legitimate agents and brokers as it will be a big help to the Insurance Superintendent in issuances of licenses where they should go, and the withholding of others. It will be remembered that a similar measure was sidetracked last year. There is every reason why such a statute should be on the books and no reason why it shouldn't. Rebating is rebating, no matter what the camouflage may be.

THE HUMAN SIDE OF INSURANCE



HERVEY J. DRAKE

Hervey J. Drake, who is making a good record as counsel for the New York Insurance Department, is one of the youngest men who have held this office. He was born at Brockport, N. Y., April 13, 1882. After graduating from the Brockport State Normal School in 1901, he entered the Cornell Law College, from which he graduated in 1904. He immediately began the practice of law in Buffalo, N. Y., becoming associated with the firm of Chester, Smith & Gratwick, which later became Chester, Smith & Drake. Mr. Drake continued with this firm until his appointment as counsel to the Insurance Department of the State of New York in January of this year. Several years ago he wrote several treatises upon legal subjects, which were published in "Bench and Bar," a law journal. In November, 1915, Mr. Drake was elected supervisor of the twenty-third ward of the City of Buffalo on the Republican ticket, and was re-elected to such office in the fall of 1917. Mr. Drake has attracted much favorable attention by his able work in assisting Superintendent Phillips in the marine insurance investigation.

* * *

Robert G. Clarke, son of George A. Clarke, assistant secretary of the Home of New York, has enlisted in the American tank service. He is a Dartmouth man and after leaving college went to work for the National Board of Fire Underwriters, and was one of the first inspectors sent to a cantonment by the National Board. On one day recently three Dartmouth men joined "the tanks."

* * *

C. P. STEWART & CO. NAMED

Made United States Managers of United British Co. for Fire and Marine

C. P. Stewart & Co., Inc., of New York, have been appointed United States managers of the United British Insurance Co., Ltd., of London, for fire and marine business. The Guaranty Trust Co. will be the depository and United States trustee of the United British, which will begin business here with $1,000,000 of admitted assets.

C. P. Stewart, president of the American Merchant Marine Insurance Co., and of Frank B. Hall & Co., is president of C. W. Stewart & Co., Inc., and George A. Viehmann, president of the New Jersey Insurance Co., and Gresham Ennis, secretary of that Company, are vice-presidents.

E. W. Stewart, the new vice-president of the American of Newark, is executor of the W. M. Trusdell estate, and is one of the most able figures in the Newark financial world.

* * *

Sam B. Stoy, manager of the "Stoy Star Sellers" aggregation, San Francisco, has returned from a month's trip to the East. The principal object of his visit was to attend the conference of the American managers of the London and Lancashire and the Orient, at Hartford. He reports having had an enjoyable time and that he found and left Mr. McIlwaine in his accustomed good health and spirits. For once in his life, Mr. Stoy was not accompanied by Mrs. Stoy. Thereby hangs a tale, which is related thus by the "Pacific Underwriter": When it was determined that he should go, a telegram was received from Spokane, Washington, informing him of the serious illness of Mrs. Stoy's mother. Mrs. Stoy promptly left for Spokane. Mr. Stoy left for the East. He was kept in constant touch with conditions of the purported patient by telegraph and it was not disclosed to him until after his return that Mrs. Stoy had arranged the entire piece of camouflage and in order to save him from anxiey and worry had gone to Spokane, ostensibly to see her mother, as it developed she placed herself in the hands of the family physician and went through an operation for appendicitis. The first news he received of this was after his return and his many friends are sharing with him the pleasure in knowing that Mrs. Stoy is now back in San Francisco and fully convalescent.

* * *

Arthur L. J. Smith, president of the Spectator Company, was appointed a member of the general insurance Liberty Loan committee on Friday of last week.

* * *

W. H. Cuthbertson, special agent for the Insurance Company of North America, traveling out to Chicago, has been in Philadelphia assisting with the underwriting. He has now returned to Chicago.

* * *

George R. Fulton, special agent of the Automobile Insurance Company in Western Pennsylvania and Western West Virginia, has been appointed executive special agent at the home office.

* * *

Harrison Law, formerly assistant secretary of the Gauvin Agency, has established himself as an independent adjuster of automobile losses for the companies and has opened an office at 95 William Street.

* * *

Wyckoff Wilson and Joseph R. Lacy have been made assistant secretaries of the accident department by the directors of the Travelers Insurance Company. Vice-President Bertrand A. Page is head of the department and John E. Ahern secretary.

Both of the new officers have been with the Travelers for eighteen years. Mr. Wilson was born in Albany on September 15, 1878. He was a Yale graduate of 1899 and went to the Travelers in July of that year.

Mr. Lacy was born in Hartford December 14, 1880, and was graduated from the high school in 1899 and went to the Travelers in February, 1899.

* * *

CHARGES CONFERENCE RATES

The Republic Casualty, of Pittsburgh, has advised agents to write automobile insurance at conference rates.

1853 — APRIL 13th — 1918

THIS day marks the Sixty-fifth Anniversary of the organization of

"THE HOME OF NEW YORK."

A few companies are older, but very few. The mortality record is a long one; many do not survive relative infancy; more fail to reach adolescence, and the attainment of maturity is surprisingly rare.

The Company has been directed by human beings, and therefore may have erred, but it has not persisted in, nor repeated, its mistakes.

It is proud of its rank and record, and duly thankful for the reputation it has been permitted to achieve.

Whatever the future may hold, it faces forward with hope, confidence and good will.

THE HOME INSURANCE COMPANY, NEW YORK

ELBRIDGE G. SNOW, President

F. C. Buswell, Vice President — *C. A. Ludlum, Vice President*

C. L. Tyner, Vice President and Secretary

H. J. Ferris, Secretary — *W. Kurth, Secretary*

H. P. Moore, Assistant Secretary — *V. P. Wyatt, Assistant Secretary*

J. A. Campbell, Assistant Secretary — *G. A. Clarke, Assistant Secretary*

W. L. Dennis, Assistant Secretary

FIRE INSURANCE DEPARTMENT

Adjusters Busy on Jersey City Loss

SPECIAL COMMITTEE ON SALVAGE

Principal Values in Sight Tobacco, Malt and Seeds—Marine Insurance Feature

Fifteen of New York's best fire adjusters are working on the Jarvis Warehouse loss in Jersey City. The fire was the result of explosions which occurred March 26. The New York Board has registered 195 claims, 122 companies being interested, with a total insurance of $3,483,667.

The special committee on salvage provided for at a meeting of the companies will consist of William R. Pitcher, George R. Branson, Eugene D. LaTourette, Edwin W. Wile, A. R. Thommasson and A. E. Clough, secretary of the committee on losses and adjustments of the New York Board.

Firms Handling Salvage

This committee is arranging for the assured with Woodrow & Lewis to handle the general and miscellaneous salvage. Arrangements have also been made with the Brooks Elevator Company of Minneapolis to handle the grain. This firm has been handling the Dow Stores elevator loss in Brooklyn in a satisfactory manner and the work there is nearly completed. They will look after any flour, oil cake, cereals, seeds, etc., that may be found in the Jersey City loss.

Stores of tobacco and malt which are plainly in sight are being taken care of as rapidly as possible. Basements are now being pumped out.

Tobacco, Malt and Seeds

The principal values yet in sight consist of tobacco, malt and seeds, but it is believed that very considerable amounts of oils, greases, rubber and wire are in the basements under water and it is hoped that the damage to such property will be much less than to the property above ground. The list of the merchandise in the stores had not been received from the Jarvis Warehouse up to Monday, but it was promised within a short time.

Freight Congestion

It has been suggested that on account of the freight congestion and the heavy demurrage charges now in force it will be advisable to bear in mind that "diverted freight" may be found in the warehouse; merchandise which had been sold for export F. O. B. the vessel and which, because of the impossibility of immediate delivery to the vessel, until when presumably a consignee would not take possession, may have been unloaded from the cars and put into the warehouse awaiting delivery on to a vessel.

Marine Insurance Feature

Under such circumstances the marine insurance might still be covering in the name of the consignor in connection with the through cover from point of origin to destination. It may be found that such merchandise when placed in the warehouse has been insured in the name of the consignee who has not legally received delivery under the original bill of sale F. O. B. the vessel.

Under the circumstances it is desirable that delivery orders be obtained at the earliest possible moment for sale of any remaining salvage "for account of the loss." Such orders, it is advised, should be taken in the name of Woodrow & Lewis for all merchandise other than cereals and as to cereals, including flour, tapioca and malt, but not cocoa beans or canned goods, in the name of the Brooks Elevator Company. Neither of these firms can remove any property from the warehouses unless delivery orders are obtained. Particular inquiry will be made as to whether there is any possible marine insurance covering with reference to all merchandise.

Specials Injured in Train Wreck

W. D. HUNTER LOSES RIGHT EYE

A. J. Bates Also Badly Cut—Five Company Men Were On Way to Meeting

William D. Hunter, of the Westchester, and Alexander J. Bates, of the New York Underwriters' Agency, were injured in the wreck of the Empire State Express near Amsterdam on Tuesday and both are now in a hospital in that city. As a result of his injuries, Mr. Hunter has lost the sight of his right eye. Mr. Bates was also badly cut about the head and face.

William A. Quigley, of the New Hampshire, was also badly injured. Leon Temple, of the North British & Mercantile, and William C. Howe, of the Great American, who were also on the train, escaped with only minor injuries.

These five men were on their way from Albany to attend a meeting of the executive committee of the Underwriters' Association of New York State which was called in regard to an assistant secretary of the association not appointed yet.

Messrs. Quigley, Howe and Temple were able to proceed to their homes and have resumed their duties.

KENTNER BACK FROM SOUTH

Fred W. Kentner, vice-president of the City of New York, has returned from the South. He visited Savannah, Atlanta, Jacksonville, Montgomery, Alabama and other cities. Mr. Kentner says the South is undergoing a period of great prosperity which is visible on every hand.

ALLEGE SPRINKLER "MONOPOLY"

A resolution that the attorney general of Massachusetts be instructed to investigate the charge of "monopoly in sprinkler insurance" has been introduced in the Massachusetts Senate.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

THE HUMBOLDT FIRE INSURANCE CO.
PITTSBURGH, PA.
Conservative -- Sound -- Progressive
Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

More Discussion of Elevator Insurance

LOSSES RUNNING THE SAME

"Real Need is Fire Prevention," Says Grain Dealers' Mutual Insurance Companies

The Eastern Underwriter has received from the Grain Dealers' Mutual Fire Insurance Companies this statement relative to the grain insurance situation, which was discussed in last week's issue of this paper:

"Our losses this year are twenty-three per cent. less than last year to



EXAMPLE OF PROPER CONSTRUCTION

date. In 1917 losses were below normal. **It is not insurance, but fire prevention that is needed to conserve grain.** The problem is one of conservation of food and not insurance.

"Elevators too hazardous to insure are questionable as storage and jeopardize food supplies."

The Millers' Mutual Fire Insurance Association of Illinois, headquarters in Alton, Ill., which wired The Eastern Underwriter last week briefly about the grain insurance situation, amplifies its wire with the following comment:

Situation in Central West

"We have no knowledge of any shortage of insurance in the Central West on country elevator risks. We have been able to take care of all our customers without any trouble whatever. So far as we know all of the mutuals are in the same position. We do not believe there can be any shortage on this class of business. It may be possible that there is a shortage or a difficulty in securing insurance on line elevators in Canada. That class of business has been written at inadequate rates, the loss ratio heavy and possibly there is a shortage there. We tried this insurance a little over a year ago, but found the rates inadequate, the experience bad, and so quit it. If they would pay adequate rates they could secure insurance.

"The old fashioned wood terminals, large elevators with city locations have not been written by the mutual companies for several years past, because the loss ratio was very unfavorable on that class. There are not many more such elevators in the country, as we understand it, for many of them have burned and replaced by concrete construction. The concrete fire resistive houses of modern construction and equipment are acceptable risks as far as we know, for all companies and freely written.

"The loss ratio on the regular country elevators in our section of the country has been very fair, with no appreciable difference the past year from former years."

In a statement this last week George H. Nettleton, Chief Assistant Fire Marshal of Minnesota, stated that in 1917 there were reported to his office nineteen fires in granaries with an aggregate damage to buildings and contents amounting to $27,481. The insurance carried on this property amounted to only $13,257, or $14,224 less than the amount of fire loss. The value of building and contents of these granaries was $22,353 more than they were insured for.

Elevator Hazards Pointed Out

In a report on the Dow's Grain Stores explosion and fire (Brooklyn) the New York Board of Fire Underwriters summed up the elevator hazard as follows:

"A grain elevator should have the bins and other portions made entirely of masonry or other approved incombustible material. All bins should be covered at top and ventilated. Elevators having high bins made of ordinary wooden cribbing are highly inflammable and difficult to equip with adequate fire protection for use of private or public fire departments. Automatic sprinklers, and a stand pipe system for public fire department use may be fairly effective if they are not deranged by dust explosions. Most wooden elevators are of excessive height and area, and have no fire walls to give the fire department an opportunity to fight a fire from any location above the bins."

The new elevators, particularly in the Middle West, are constructed of incombustible material. There is plenty of masonry and steel tanks. A picture of a country elevator, properly constructed, is printed in this article.

BALTIMORE WILDCATS QUIT

German Commercial and Lumber & Trades to Be Wound Up by Department

After a hearing conducted by Commissioner Shehan of the Maryland insurance department on March 27, the German Commercial Mutual Fire and the Lumber & Trades Mutual Fire of Baltimore, were ordered to cease business forthwith and wind up their affairs. Kent J. Kernan, as secretary-treasurer, has been in charge of the two concerns latterly, and until a recent date, R. W. Tweeddale who promoted their organization, was president. Mr. Tweeddale's official connection with the two "wildcats," it is understood, was terminated some time ago, says the "Baltimore Underwriter."

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
103-5 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

HENRY E. OTTO & CO., Inc.
Insurance Brokers — Average Adjusters
Marine and War Risk a Specialty
105 WILLIAM STREET, John 5109-5037-2171 NEW YORK

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET NEWARK Phone Market 6536 | SERVICE FIRST | 80 MAIDEN LANE NEW YORK Phone John 4560

The Gamewell Fire Alarm Telegraph Co.
Fire Alarm and Police Telegraphs for Municipal and Private Plants
OVER 1500 PLANTS IN ACTUAL SERVICE
GENERAL OFFICES AND WORKS
NEWTON UPPER FALLS, MASS.
AGENCIES
5708 Grand Central Terminal, New York
448 John Hancock Building, Boston, Mass.
1216 Lytton Building, Chicago, Ill.
335 Wabash Building, Pittsburgh, Pa.
915 Postal Building, San Francisco, Cal.
304 Central Building, Seattle, Wash.
Utica Fire Alarm Telegraph Co., Utica, N. Y.
Northern Electric Company Limited, Montreal, Canada.
General Fire Appliances Co., Ltd., Johannesburg, South Africa
Colonial Trading Co., Ancon; Canal Zone, Panama
F. P. Danforth, 1060 Calle Rioja, Rosario de Santa Fe, Argentine Republic

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Early History of Home Insurance Co.

NOW SIXTY-FIVE YEARS OLD

Its Experience in the Conflagrations—Its Greatest Growth Under President Snow

The Home Insurance Company is sixty-five years old. It sailed over some very white-capped waters before it reached the sea of prosperity. Many of the other companies organized at about the same time were shipwrecked as the tides ebbed and flowed, but from the start the Home had a good underwriting skipper and crew. When the Home made its first report there were 63 companies in the City of New York. Fifty years later forty-six of these companies had vanished. This seems a fitting time to discuss the earlier days.

Business Local at the Start

When the Home began business of insurance was largely local. There were a few companies outside of New York; a couple in Hartford, several in Philadelphia, and a few small companies in different parts of the country doing business through agencies.

There was a good deal of caution among financiers about fire insurance ventures about the time the Home was organized. Even the Comptroller of the State, in his annual report the year before the organization of the Home, had warned mutual companies that they should not go outside the bounds of their own county, or at most, the adjoining one, and advised that it was unwise for any stock company to do business outside of its own State.

For the first two years of the Home the advice of the Comptroller seemed wise. Losses were so large as to necessitate the passing of the dividend in January, 1855, and the disagreement between the officers was so great that they separated and the first president of the company retired and returned to Hartford, leaving the enterprise in the hands of New Yorkers, who reorganized the business.

Became a Million Dollar Company

In 1858 they thought it wise to increase the capital, and did so by $100,000. Despite the panic of 1857 the Company had increased its capital to $1,000,000 by the year 1859.

Along came the Civil War and cut the premium volume one-third, greatly reducing the number of agencies and retiring the Company for the time being from a large territory where it had done a reasonably profitable business.

In 1864, however, the management decided again to increase the capital, doubling it by a subscription of $1,000,000, so that its capital of $2,000,000 made it the largest of any of the fire companies.

First Great Loss

The first great loss sustained by the Home was in the Portland conflagration where its share of loss was $100,000. At Glens Falls and Vicksburg in 1866 $150,000 more loss was chalked up.

The great Chicago fire cost the Home $3,000,000, and an assessment of sixty per cent. was made on the stockholders. The loss was adjusted without a single case of litigation, without borrowing a dollar or calling a mortgage. By the next July the Company had resumed the payment of dividends.

The Home's loss in the Boston conflagration was $750,000. After the Boston fire the Home passed two dividends. In its entire career the Company only passed four dividends.

The Company's growth in recent years, particularly since E. G. Snow became president, has been phenomenal. Mr. Snow is everywhere recognized as a master underwriter and one who plays the game square. He is also largely responsible for the popularity of the Home. In him agents feel that they have a personal friend. On January 1, 1918, the Home had cash assets of $44,048,651; surplus regarding policyholders of $19,001,250. Its capital is $6,000,000.

BAIL BOND FORFEITED

Morris Lefkowitz, Charged With Arson in Paterson, N. J., Eludes Authorities

Morris Lefkowitz, president and principal stockholder of the Fairfield Silk Company of Paterson, N. J., was tried before Judge Watson for arson and March 19 was found guilty by the jury. He was to be sentenced March 28 but failed to appear and his bond was declared forfeited. It appears that he, subsequent to his conviction, transferred his property interests to his sister, Lena Lefkowitz, and fled from the county.

The building in which this company operated was owned by Rose Lefkowitz, his wife, and the loss on the building was paid prior to the trial of Lefkowitz.

The Fairfield Silk Company carried $16,000 insurance on machinery and stock. There appears to be a strong probability that the act of the president in setting this fire and his conviction therefor may have invalidated the insurance on the stock and fixtures. Rose Lefkowitz, his wife, testified at the trial that she was now the principal stockholder and secretary of the corporation. She claimed that she owned 125 of the 150 shares of stock. However, the incorporation papers show that the company was incorporated with but 76 shares of stock.

Local officers are making every effort to locate and apprehend Lefkowitz and return him to Passaic County for sentence.

N U



As an asset to any agency, by every test that counts, the NATIONAL UNION is unquestionably a company whose representation good agents should seek. Extending always a full measure of co-operation, its facilities and service have given it a conspicuous place in 5000 offices throughout the United States. To experienced and properly qualified agents the NATIONAL UNION can prove its worth in numerous ways. Are you willing to be convinced of facts already proven to others who have gained satisfaction and profit in a pleasant business relationship? Shall we send a Special Agent to discuss the subject with you?

"OPPORTUNITY IS KNOCKING"

Associated Mutual Agency Incorporated

B. J. ALLEY, Manager

68 William St., New York

Exceptional Facilities for Writing Business Throughout the United States

One Hundred and Forty-Two Years of Labor and Struggle

THE American people fought their first battles for liberty and the rights of self-government one hundred and forty-two years ago.

At that time and for many years thereafter, their realization of their national aspirations and of the goal toward which they were really striving was vague and indistinct. But step by step they struggled onward and upward toward a light which grew clearer as their eyes and minds slowly opened to its significance. Today, as a result of their struggles and their sacrifices, we possess and enjoy our priceless American institutions.

These institutions must be preserved. The structure so laboriously reared in these one hundred and forty-two years will be utterly destroyed if we do not spring to its defense with every atom of our energy and determination. This is not a situation which may be trifled with, or evaded, or put off. It is one which must be met now—today—no matter what sacrifices it may entail, or what the cost may be.

The immediate need is the investment of our money in

LIBERTY BONDS

This Space Contributed By
Liverpool & London & Globe Ins. Co.

LIBERTY LOAN COMMITTEE
Second Federal Reserve District
120 Broadway, New York City

Foreign Manager's Idea of Sprinklers

WATER DAMAGE NOT FIRE LOSS

Does Not Believe Any Reduction in Rate Is Warranted—Is Only Granted Here

Commenting on a sprinkler equipment article which appeared in The Eastern Underwriter of March 22, a foreign company manager now in New York states that he does not believe any reduction in rate at all should be granted for sprinkler equipment.

"On the contrary," he said, "while sprinkler equipment no doubt tends to stop a fire from spreading, my observation has been that the bulk of the losses on stock in the United States are from water damage resulting from sprinkler equipment operation."

According to his view, the conflagration hazard here is over-emphasized and undue importance placed on fire stopping apparatus. In Europe, where the congestion is much greater, the conflagration hazard does not begin to play the part in fire underwriting that it does in the United States is his view.

"It is true that most of our buildings are of brick or stone construction," he said, "but on the other hand there are very few automatic sprinklered risks. We depend more on the human equation to detect the fire and extinguish it intelligently. Also, we have had fewer large conflagrations in proportion to territory and population.

"This may be due to a number of reasons. In many European countries, a tenant through whose negligence a fire damages property of a neighbor, is held liable by law for the loss thereto. This materially reduces the moral hazard. Another point of great importance is the fact that there are practically no frame factories and watchmen are used quite freely.

"It is my belief that damage done by water should not be covered in the fire insurance policy, particularly in respect to factories. I believe it should be an independent branch of the business for which a separate rate should be charged. As Mr. Hoagland said in the article in your paper, factory owners are apt to install an automatic sprinkler equipment and then lose all interest in its maintenance and in other fire prevention measures."

How Auto Hazard Grows

The death rate from automobile accidents in 1915 was 2.3 per hundred thousand; in 1916, 7.4 per hundred thousand. Increase in death rate for 1916 over 1915, 37 per cent.

Bill Aimed at Motor Thieves

(Continued from page 1)

the registration book or index such change in ownership.

The vendee may operate such motor vehicle under the registration certificate issued to the vendor for a period of ten days from the date endorsed thereon by the vendor. At the expiration of said period of ten days, the said registration shall be suspended and the operation of such motor vehicle thereunder is prohibited. It shall be unlawful for any person to deliver or offer to deliver or to accept or offer to accept a transfer of any motor vehicle unless there be produced and delivered to the vendee the certificate of registration issued for such vehicle endorsed as hereinbefore required. A violation of this provision shall be a misdemeanor punishable by a fine not exceeding one hundred dollars or by imprisonment not exceeding sixty days or by both, in the discretion of the court.

Section 2. This act shall take effect immediately.

Note: Words in black face type new matter.

WHILDEN WITH BEST

Former President of New Jersey to Handle Special Insurance Problems for Clients

William G. Whilden, formerly president of the New Jersey Fire, and also a member of the brokerage concern of Whilden & Hancock, has gone with the Alfred M. Best Co. Mr. Whilden has spent his entire career in the insurance business and is a valuable acquisition to the Best company. In discussing the new appointment "Best's Insurance News" says:

We take pleasure in announcing that Mr. William G. Whilden has become associated with this company as manager of its special service department, which deals with the insurance problems of business concerns which employ us to assist in their effort to make their insurance as safe and as free as possible from technical or legal errors.

Our readers are aware that we do not place insurance as brokers; we have never done so during the twenty years of our business activity, and do not contemplate any departure from this long established plan of procedure. We do, however, for a fee based upon the amount of work involved, review the entire insurance situation of those of our clients who desire this service, and to this end maintain an organization thoroughly schooled in the technique of insurance in all of its branches. All legal questions are passed upon by Mr. William Otis Badger, Jr., our general counsel, who has long specialized in insurance law.

Mr. Whilden's underwriting experience, covering a period of nearly thirty years—during which time he has discharged with fidelity and ability the duties of many positions of trust and responsibility—peculiarly fits him for the new work which he is undertaking for us.

G. W. SMITH'S NEW POSITION

Geo. W. Smith, for eight years connected with the agency department of J. S. Frelinghuysen, has been appointed special agent for the James J. Boland Company, of Scranton, Pa., for Eastern New York and the entire State of New Jersey for the New York National Insurance Company, Columbian National Fire Insurance Company and Montana Fire Insurance Company, with headquarters at 68 William Street, New York City.

DECORATE L. & L. MEN

Five of the members of the staff of the London & Lancashire have been decorated for conspicuous service according to advises received from London. They are Second Lieutenant W. C. Cambray, Lieutenant H. C. Fisher, Private F. N. Greene, Lance Corporal F. C. Gunson and Private T. G. Williams.

Insure Liberty!

Buy Liberty Bonds

"The Leading Fire Insurance Company of America"
ÆTNA INSURANCE COMPANY, HARTFORD, CONN.
WM. B. CLARK, President

[of Liverpool, England]
ROYAL INSURANCE COMPANY LIMITED
THE LEADING FIRE COMPANY OF THE WORLD

Great American Insurance Company New York
INCORPORATED – 1872
STATEMENT JANUARY 1, 1917
CAPITAL $2,000,000
RESERVE FOR ALL OTHER LIABILITIES 10,954,055
NET SURPLUS 10,759,422
ASSETS 23,713,477
HOME OFFICE No. 1 LIBERTY ST. NEW YORK CITY
CHARLES G. SMITH, PRESIDENT — JESSE E. WHITE, VICE PRESIDENT
EDWIN M. CRAGIN, SECRETARY — ALEXANDER R. PHILLIPS, ASST. SECRETARY

London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

Firemen's Insurance Co., Newark, N. J.
January 1, 1917
Cash Capital $1,250,000.00
Net Surplus $2,449,322.25
SURPLUS TO POLICYHOLDERS...$3,699,322.25
DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer — A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President — J. K. MELDRUM, Assistant Secretary

FRED. S. JAMES — GEO. W. BLOSSOM — WM. A. BLODGETT
FRED S. JAMES & CO.
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URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England
C. B. G. GAILLARD, Assistant Manager
UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

New Mortagee Clause Goes to Phillips

IN PREPARATION FOR A YEAR

Fair Contribution Provision—Subrogation Feature—Protection of All Interests

A new mortgagee clause, which has been prepared by various important company and rating organizations, has been submitted to the New York Insurance Department for approval. In discussing this clause and also the entire question of the interest of a mortgage under a policy of fire insurance, W. N. Bament, general adjuster of the Home, recently said in a talk before the Fire Insurance Society of Philadelphia:

"A new mortgagee clause is now being considered by various underwriting organizations and no doubt will soon be promulgated for use in States where the present standard form is not required by law. It contains a fair contribution provision, and expressly stipulates that the insurer shall be subrogated to the extent of any excess sum for loss or damage over and above the amount of its liability to the mortgagor or owner, thereby covering the point raised by the New Jersey Court in the Niagara case (supra).

What Absence of Agreement Means

"In the absence of an agreement, express or implied, or of a clause in the policy making the loss payable to the mortgagee, or of an assignment to the mortgagee, the mortgagee has no interest in a policy taken out by the mortgagor upon his own interest, and conversely a mortgagor has no interest in the proceeds of a policy taken out in the name of the mortgagee for the purpose of protecting his interests only.

"Where a policy is made payable to a mortgagee 'as his interest may appear,' there is a conflict of authority as to whether the mortgagee is entitled to the proceeds arising from the destruction of property included in the policy, but not covered by the mortgage. Cooley's Briefs, 3699-3700.

"In Massachusetts, Minnesota, Mississippi and North Carolina, by statute, if by an agreement with the insured or by the terms of a policy taken out by a mortgagor, the whole or any part of the loss is to be paid to mortgagees, the company may pay the mortgagees in the order of their priority of claim and that payment shall be, to the extent thereof, payment and satisfaction of the liability of the company. In Maine, by statute, the mortgagee of real estate has a lien upon any policy of insurance against loss by fire procured thereon by the mortgagor, to take effect, if the loss has not been paid, after filing of a written notice with the company. Cooley's Briefs, 3703-3704.

"A senior mortgagee whose mortgage provides for insurance has no lien on the proceeds of a policy which by the terms of the policy is made payable to a junior mortgagee, except to the extent of the excess, if any. Dunlop vs. Avery, 89, N. Y. 592.

"If a mortgagor complies with the mortgage agreement and takes out insurance for the benefit of the mortgagee and the insurance company becomes insolvent, the mortgagee has no lien against insurance taken out by the mortgagor to protect his own interest. Nordyke & Marmon Co. vs. Gery, 112, Ind. 535, 13 N. E. 683, 2 Am. St. Rep. 219.

"Loss Payable"

"The interest of a mortgagee under the mortgagee clause or 'loss payable' clause takes precedence over that of an assignee or trustee in bankruptcy, an assignee of claim or an attaching creditor. The equitable interest gained by an assignment of a policy as collateral security will prevail over the claim of an unsecured creditor garnisheeing the company. Wakefield vs. Martin, 3 Mass. 558. The lien of a mortgagee who has been promised insurance, is superior to that of an assignee of the policy after loss, who takes with knowledge of the equity of the mortgagee (Nichols vs. Baxter, 5, R. I. 491) or whose assignment is supported only by a precedent debt. An assignee of a mortgage containing a covenant to insure was held entitled to priority as to a policy taken out by the mortgagor, over an assignee in insolvency of the mortgagee. Branch vs. Milford Sav. Bk., 51 Kan. App. 246, 47 Pac. 555. The right of an attaching creditor has also been held subordinate to this lien; Providence County Bank vs. Benson, 24 Pick (Mass.) 204. But where the claim under the policy has been assigned after a loss to an innocent purchaser for value, it has been held that his equity was superior to that of the mortgagee. Swearingen vs. Hartford Fire Ins. Co., 56 S. C. 355, 34 S. E. 449. The lien of an assignee of a mortgage, who has been promised insurance by his assignor, is enforceable as to insurance taken out by his assignor after the purchase by such assignor of the mortgaged property. Hyde vs. Hartford Fire Ins. Co. (Neb.) 97 N. W. 629. Cooley's Briefs, 3706.



CONTINENTAL COMMANDS CONFIDENCE

"America Fore"

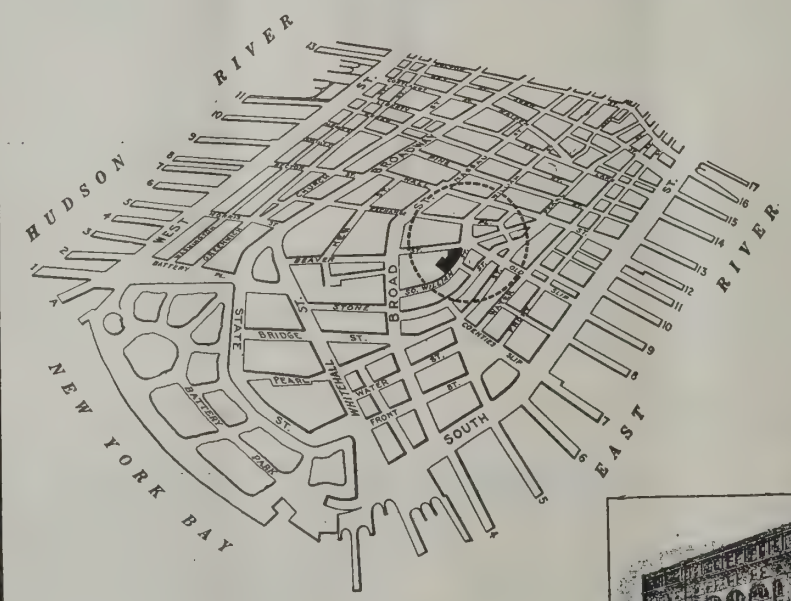
BUY LIBERTY BONDS

AMERICAN MERCHANT MARINE

INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House New York City

South William and Beaver Streets

Bar Policies and Records in German

FIRE FORMS WILL BE AFFECTED

Wisconsin Commissioner Tells Why He Makes this Decision—Federal Land Bank Complained

Insurance Commissioner Cleary of Wisconsin has promulgated an order forbidding the use of the foreign languages in fire insurance policies and in keeping the records of fire insurance companies in Wisconsin. The order, however, allows all fire insurance companies using policies written in the German or other foreign languages to use up the old policies on hand. The order, requiring the use of the English language in future fire insurance policies and in the keeping of the records of fire insurance in English comes as a result of numerous applications from many sections of the State where fire insurance policies are used as collateral security. The order does not apply to fraternal insurance companies, but is limited strictly to the fire insurance class. It applies, however, with equal force to all fire insurance companies using any foreign language in their policies.

The Complainants

One of the complaints asking for the use of the English language in fire insurance policies came from Westley Styles, of the Federal Land Bank of St. Paul.

"We are having considerable difficulty with mutual insurance companies who issue their policies in foreign languages," stated Mr. Styles in a letter to Mr. Cleary. "Since these insurance policies are public contracts and fall into our hands as part of the security for mortgage loans issued under the Federal Farm Loan Act, it is very necessary that they be printed in the language of the nation. Our Board is considering a resolution in regard to these policies which will prevent the acceptance of any foreign language polices from this time on. It is high time that foreigners coming to this country adopt as rapidly as possible the use of the language of the American people, and a law should be passed in every State forbidding the issuance of contracts of public character in other than the language of the nation."

Didn't Want to Insure Enemy of Kaiser

Another letter came from Washington County. A man complains that a certain fire insurance company in one county of this State has by-laws forbidding the company from accepting fire insurance from any person who is not German. The matter came out in a recent court proceeding. The constitutional by-laws of the fire insurance company are written in German.

"This constitution is in German language and the company adheres very closely to the rule of writing no one who is not a German," says the letter. "The court as well as all the attorneys in the case were somewhat shocked that an institution doing business in this country should have in its governing articles a provision so clearly antagonistic to the spirit of American institutions. I thought it a proper case to bring to your attention. It might be of further interest to you to know that this secretary of said insurance company wrote a letter to one of its agents, which letter was also introduced in evidence in which he instructed the said agent that a certain policy should not by rights be transferred to the new owner of the property, 'because the new owner was not a German and because he was a strong enemy of the German Kaiser and consequently an enemy of ours.'"

Necessity of Full Insurance Protection

COMMENTS ON CO-INSURANCE

Tips to Men Loaning Money on Mortgages of Tremedous Increase in Values

There never was a time in the history of the country when it was so necessary for business men generally, and for bankers and others who are loaning money on mortgages particularly, to understand clearly the operation of the co-insurance clause, which is a part of nearly all fire insurance policies.

The reason for this is the tremendous increase in the value of all building and raw materials, machinery, stock and general commodities since 1914. Roughly approximated and averaged it would seem that since the beginning of the war such increase in values has amounted to at least 100 per cent., and this fact has led the General Fire Extinguisher Co., of Providence, R. I., to make the following observations: In some industries the advance is a great deal more than this and in only a few is it less. In addition, increased labor costs and the labor shortage are important factors in any consideration of building operations.

A great many business men object to the co-insurance clause because they think that it means that the insurance company will pay only a certain proportion of any given loss. This is, of course, a mistaken idea. The clause has no effect whatever upon the adjustment of losses, if the clause is lived up to by the assured. It is only when the assured does not maintain the agreed amount of insurance in proportion to value that the clause is operative.

All business men should, if they have not already done so, ascertain accurately the present value of the property they wish to have insured, and then take steps to have their insurance amount to the agreed percentage (usually 80 per cent.) of such value. If this is done, the insured will be entitled to collect any losses he may have, just as if the clause was not attached to the policy.

The most usual co-insurance clause is based on the assured agreeing to carry 80 per cent. of the value of his property and the following three examples, worked out on the basis of varying increases in value and varying losses, will, we think, illustrate clearly the operation of the clause:

TABLE I:
EXAMPLES OF 80% CO-INSURANCE CLAUSE

Three Years Ago—	
Value of building and contents	$50,000
Insurance carried	40,000
Loss by fire	10,000
Paid by insurance company	$10,000
Now—	
Value of building and contents	$75,000
Assured should carry 80% of value, or	60,000
*Insurance carried	45,000*
Loss by fire	10,000
Paid by insurance company—75% of loss or	$ 7,500
Assured must bear 25% of the loss, or	2,500

*Insurance carried is only 75% of what assured should carry to comply with the requirements of the 80% clause.

TABLE II:
EXAMPLES OF 80% CO-INSURANCE CLAUSE

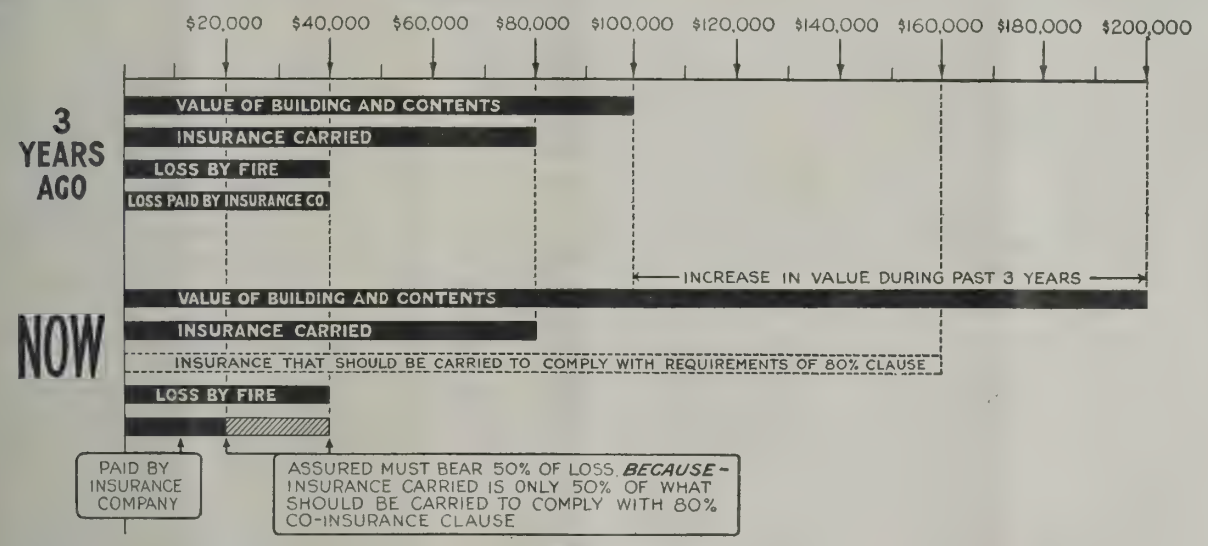
Three Years Ago—	
Value of building and contents	$100,000
Insurance carried	80,000
Loss by fire	40,000
Paid by insurance company	$40,000
Now—	
Value of building and contents	$200,000
Assured should carry 80% of value, or	160,000
*Insurance carried	80,000*
Loss by fire	40,000
Paid by insurance company—50% of value, or	$20,000
Assured must bear 50% of the loss, or	$20,000

*Insurance carried is only 50% of what assured should carry to comply with the requirements of the 80% clause.

TABLE III:
EXAMPLES OF 80% CO-INSURANCE CLAUSE

Three Years Ago—	
Value of building and contents	$500,000
Insurance carried	400,000
Loss by fire	50,000
Paid by insurance company	$50,000
Now—	
Value of bldg. and contents	$1,500,000
Assured should carry 80% of value, or	1,200,000
*Insurance carried	800,000*
Loss by fire	50,000
Paid by insurance company 66 2/3% of value, or	$33.333
Assured must bear 33 1/3% of the loss, or	16,667

*Insurance carried is only 66 2/3% of what assured should carry to comply with the requirements of the 80% clause.



Co-insurance Principle Fair

That the co-insurance principle is essentially a fair one is demonstrated by the following example of what might happen if some such clause were not in effect:

Jones and Brown are owners of adjacent buildings. Three years ago these buildings were worth $50,000 each. At that time both Jones and Brown insured their buildings for 80 per cent. of their value, or $40,000 on each building. Each paid an annual insurance premium of $400.

Three years passed. Values in both buildings doubled. Jones, in compliance with the 80 per cent. clause in his policy, increased his insurance in direct proportion to his increased values. His building having increased in value to $100,000 he accordingly carried $80,000 insurance and his annual premium was consequently $800.

Brown's property increased in value in the same proportion. But Brown disregarded the co-insurance principle and on his $100,000 of value carried only $40,000 insurance. His annual premium at the same old rate was still $400 per year.

A fire occurs and damages each building to the extent of $30,000.

Without the application of the co-insurance principle Jones and Brown would each receive $30,000 from the insurance companies. Brown would receive just as much as Jones, although the latter had been paying to the insurance companies $800 a year for his protection, while Brown had been paying only $400 a year.

Obviously, any such adjustment as this would seriously mulct Jones to pay Brown's losses. Since the insurance companies must obtain premiums sufficient on the average to pay losses, expenses and a profit, they must devise some method, either of rate making or adjustment of losses, to guard against such flagrant injustice to policyholders as would have been present in the case of Jones and Brown.

Logic of Clause

The co-insurance clause, or reduced

(Continued on page 20)

THE
Importers and Exporters Insurance Company
OF NEW YORK
Marine and War Risk Insurance
JESSE SPIER, Underwriter
56 BEAVER ST., Telephone Broad { 2612 2613 2614



Just say:
"Insurance Man"—
the open sesame to every courtesy within our power.
Room with detached bath $1.50 and $2.00
Private bath $2.50 and $3.00
BREVOORT Hotel
Insurance Headquarters
MADISON ST.—East of LaSalle
CHICAGO
LAURENCE R. ADAMS, Sec'y & Mgr.

WESTERN ASSURANCE CO.
OF TORONTO, CANADA
Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918

Assets	$4,194,579.34
Surplus in United States	1,667,691.69
Total Losses Paid in United States from 1874 to 1917, inclusive	43,294,154.63

W. B. MEIKLE, President

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $105,000,000
Losses Paid in U. S. - $38,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

MARINE DEPARTMENT

Central Scheme to Settle Lloyd's Claims

FORTY SYNDICATES COME IN

Only One Claim Department—Do Away With Old Scheme of Initialing

London, April 1.—For some time past the question of setting up some central scheme to facilitate the settlement of claims has been before Lloyd's underwriters, and it is now understood that arrangements have been made which will shortly be put into practice to carry out this idea. The control of the department, which will be installed at 53, Cornhill, is to be under Mr. A. C. Gordon, from the Alliance Assurance Company, and about forty syndicates have so far signified their support.

Complaint has frequently been made regarding the delay experienced in collecting claims on policies where the number of syndicates is considerable, there being, mostly, less inclination to follow a lead in claim settling than in underwriting and for obvious reasons. As regards the underwriters supporting this scheme, there will now, of course, only be one claims department to pass, and the consequent saving of time and labor will be considerable.

Uniformity

This centralizing principle has now enveloped policy signing, returns of premium, additional premiums, and claims, so that there appears to be no way in which it can be further extended. From all accounts, the idea has worked extremely well, and certainly, as regards the policy signing, the appearance of the documents issued has benefited greatly. The old system, by which each syndicate appended its own initial, led to the perpetration of some terrible jumblings, each signing clerk sticking his stamp and initial wherever fancy dictated, with the result that it took some time to check off the signatures and amounts written. The new style is a model of neatness.

LOWNDES & DUNAHUE APPOINTED

Made General Agents of Automobile Departments of Georgia Casualty and Niagara Fire

Lowndes & Dunahue, Inc., of Baltimore and Philadelphia, have opened an office at 95 William St., New York, and at 76 Montgomery St., Jersey City. Lowndes & Dunahue, Inc., are general agents of the automobile departments of the Georgia Casualty and the Niagara Fire. The territory covered by Lowndes & Dunahue, Inc., for these two companies includes New Jersey, Pennsylvania, Delaware, Maryland, West Virginia and the District of Columbia.

TO MOVE MARINE DEPARTMENT

The marine department of the Royal, now at 84 William Street, New York, has taken over the lease of the Fidelity & Deposit on the floor below and will remove to that location when the burglary department of the Fidelity & Deposit is transferred to new quarters in 80 Maiden Lane.

MARINE CLUBHOUSE

The Marine Insurance Club of New York is to have a clubhouse, probably at No. 81-3 Beaver Street. William M. Young is chairman of a building committee. At the monthly meeting of the club today, Henry H. Little, counsel for the U. S. Shipping Board, will speak on "Shipping Board Risks."

Benj. Rush On American Facilities

LOCAL MARKET SUFFICIENT

Marine Underwriters Do Not Knowingly Write any Classes at a Loss and Charge Others

Benjamin Rush, president of the Insurance Company of North America, replies as follows to a request by The Eastern Underwriter for his views on an article headed "Fostering American Marine Facilities," which appeared in a recent issue of this paper:

"Replying to your letter of the 4th, I have read with interest the article on 'Fostering American Marine Facilities,' and agree with it in the main.

"I think there are at present abundant facilities in the United States to take care of the marine insurance business of the United States.

"Regarding the paragraph where you say that many classes of business are written at too low a rate, and the good classes are charged a high rate to make up for the unprofitable classes, I think you are in error.

"At least as far as marine underwriters are concerned, they never in my experience write business at a loss, if they know about it.

"It is impossible to fix minimum or maximum rates for anything, for the reason that there are always two ends to a marine transaction, one in this country and the other in some other country, and if you disregard the competition of the foreign market, it is always possible, and in fact it usually happens, that if the shipper in this country is dissatisfied with the rate here, he merely instructs his consignee abroad to effect the insurance—hence the great scarcity of tariffs in the marine business."

EASTERN MARINE UNDERWRITERS, Inc.

GEORGE A. EVALENKO, President
C. RUSSELL EBERT, Secretary

MANAGERS
OF THE
MARINE DEPARTMENT
OF THE
EQUITABLE UNDERWRITERS
OF
NEW YORK

FOR WHICH WE ARE NOW PREPARED TO BIND ALL LINES OF MARINE AND WAR, ON CARGO AND HULL INSURANCE AT OUR TEMPORARY OFFICE

50 Broad Street, New York City—Suite 620
TELEPHONE 263-264 BROAD

American Equitable Plans Complete

$400,000 CAPITAL; $600,000 SURPLUS

R. A. Corroon President—Robert Van Iderstine Manager of Fire Re-Insurance Department

The American Equitable Assr. Co., N. Y., has been formed with $400,000 capital and $600,000 surplus. It will do a fire re-insurance business, through the International Fire & Marine Agency Corporation, of which Robert Van Iderstine, of 3 South William Street, is president. He will manage the fire re-insurance department.

The American Equitable Assurance will do a direct marine insurance business. The managers of the marine department will be the Eastern Marine Underwriters, Inc.

R. A. Corroon is president of the American Equitable Assurance Co., Mr. Van Iderstine is vice-president. T. A. Duffey is secretary. George A. Evalenko is one of the directors.

Necessity of Full Sprinkler Protection

(Continued from page 19)

rate clause, as it is sometimes called, is the method the insurance companies have adopted to overcome this difficulty. The operation of that clause in the case of Jones and Brown would have given to Brown $15,000 and to Jones $30,000.

For the insurance companies to make a rate on all properties without taking into consideration the percentage of value that is to be insured would be something like making an arbitrary tax rate and leaving the determination of the valuations on which it was to be assessed up to the individual property owners.

The co insurance clause has no effect whatever on the adjustment of any loss where the amount of insurance carried equals or exceeds 80 per cent. of the present value of the property insured. The clause has no effect when the amount of the loss sustained equals or exceeds 80 per cent. of the value of the property insured.

In other words, the 80 per cent. clause operates after a fire only when the amount of loss and the amount of insurance carried are less than the agreed percentage of co-insurance, which agreed percentage is a considerable factor in the rate which the assured pays. The importance of the clause becomes more apparent when it is realized that only about five per cent. of all losses exceed 80 per cent. of the total value of the property insured. That is to say, that if a hundred business men who are not living up to the co-insurance agreement in their policies, each has a loss, ninety-five of them will find when they come to have their loss adjusted that they are co-insurers for a part of their own losses. The company will pay them only that proportion of any given loss under eighty per cent. of full value that the insurance carried bears to eighty per cent. of the actual value at the time the fire occurred.

The operation of the co-insurance clause is clearly of the most vital importance to bankers and to others loaning money on mortgages covering burnable property. For instance, it is not enough that the face value of the insurance policy equals or exceeds the amount loaned, because, as is illustrated in the foregoing examples, the face value of the policy is, where the clause is in effect, practically nothing but the basis on which losses are to be adjusted. It might well happen that the abrogation of the co-insurance clause would, in case of loss, result in a payment from the insurance company insufficient to cover the loan. More important, the concern would be left with no money to rehabilitate its business.

The importance of automatic sprinkler protection in reference to this co-insurance matter is clear. With sprinkler protection a man who is now courting financial disaster by being underinsured on account of his high rates, may more than quadruple the amount of his insurance without increasing its cost, by installing automatic sprinklers. Bankers and lenders of money generally, can further protect themselves, save their clients money and at the same time perform a valuable public benefaction, in helping to conserve the nation's products, by insisting on sprinkler protection, which means lowest cost insurance and therefore lowest possible fire danger.

There is another factor in the present industrial situation which is closely allied to this. Numerous concerns now undertaking Government work are borrowing money for the raw materials and plant equipment which they need to undertake such contracts. In a great many cases bankers are safeguarding themselves on such loans by requiring borrowers to take out use and occupancy insurance policies. But the insurance companies are extremely reticent to write such use and occupancy insurance on concerns unequipped with automatic sprinklers. But bankers should realize that sprinkler protection reduces the cost of use and occupancy insurance in practically the same ratio that it reduces the cost of fire insurance.

S. D. McCOMB & CO.
INCORPORATED

56 Beaver Street - New York

MANAGERS MARINE DEPARTMENT

American Insurance Co., of Newark, N. J.
Firemen's Insurance Co., of Newark, N. J.
Glens Falls Insurance Co., of Glens Falls, N. Y.
Hanover Fire Insurance Co., of New York, N. Y.

MARINE AGENTS

Globe & Rutgers Fire Insurance Co., of New York, N. Y.

MARINE AND WAR RISK INSURANCE

Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

CASUALTY AND SURETY NEWS

Stock Mutual Results in 1917

TWO COMPANIES IN NEW JERSEY

Transactions in Liability and Compensation Lines Reach Large Proportions

New Jersey has two stock mutual casualty companies which write compensation lines almost exclusively. Following are abstracts of their annual statements filed with the New Jersey Department, as of December 31, 1917.

NEW JERSEY MANUFACTURERS' CASUALTY

Net premiums, liability, $22,659; compensation, $306,217; total, $328,876; other income, $9,332; total income, $338,207.

Disbursements: Losses, liability, $1,867; compensation, $151,935; total losses, $153,802. Investigation and adjustment of claims, compensation, $1,072; salaries of officers and other home office employes $11,828; salaries and expenses of agents $9,155; inspections other than medical and claim $2,325; dividends to stockholders $9,000. Other items of expense bring the total disbursements to $194,388.

Ledger assets: Book value of bonds, $287,435; cash in office, $13,899; deposits in bank, $18,338; uncollected premiums, liability, $4,994; workmen's compensation, $89,684; total uncollected premiums, $94,678; total ledger assets, $416,090; total admitted assets, $416,823.

Liabilities

Liabilities: Special reserve for unpaid liability and compensation losses, $69,438; unearned premiums, $133,502; re-insurance, $4,184; all other reserves, $7,000; total liabilities, except capital, $214,125. Cash capital, $100,000; surplus over all liabilities, $102,698; surplus to policyholders, $202,698.

Exhibit of premiums, liability: In force December 31, 1916, $8,777, written during 1917, $24,882; expired and cancelled $14,418; re-insured, $632; net premiums in force, $18,608.

Compensation: In force December 31, 1916, $116,764; written in 1917, $333,324; expired and canceled, $188,600; reinsured, $13,092; net premiums in force, $248,396.

Results Since Organization

Net premiums received, $688,073; losses paid, $334,680; dividends paid, $31,500.

The company does practically all its business in New Jersey.

MANUFACTURERS' LIABILITY

The Manufacturers' Liability of Trenton has filed these figures:

Income: Net premiums, liability, $277,492; compensation, $725,926; auto and teams, $1,504; total net premiums, $1,004,922; total income, $1,031,043.

Disbursements: Losses, liability, $37,062; compensation, $396,293; auto and teams, $844; total losses, $434,199. Investigation and adjustment of claims, liability, $8,051; compensation, $86,176; auto and teams, $50; total, $94,278.

Other Disbursements

Commissions or brokerage, liability, $14,846; compensation, $26,481; salaries of officers and home office employes, $41,792; salaries and expenses of agents, $19,653; inspections other than medical and claim, $4,762; other licenses, fees and taxes, $11,045; dividends to stockholders, $25,000; total disbursements, $711,264.

Assets: Loans on real estate, $16,-

(Continued on page 23)

Bill for Relief of Contractors

MIGHT HELP SURETY COMPANIES

Public Work Contracts Signed Prior to War Declaration Might Be Cancelled

Contracts for public works may be cancelled during the war if a bill now in the New York Legislature is enacted.

This measure provides that any State, county or municipal agency may cancel any contract made prior to the declaration of war upon Germany upon stipulation filed by the contractor, assented to by his surety, agreeing to such cancellation.

Such public works may be entirely suspended, or the contractors may be employed to complete all or any needed portion of the work under an agreement providing for payment of actual cost and expense. Where cost of the work performed under contract since beginning of the war and up to date of cancellation of contract exceeds the contract price therefor, the contractor may be paid for the actual cost and expense of the work as well as for costs and expenses arising after cancellation of the contract by reason of any liability which accrued in connection with such work prior to the cancellation of his contract.

Provision is made for investigating and determining costs and expenses, but the terms "cost and expense" are not to include any profit to the contractor.

Surety Companies Might Benefit

Such a law might be of benefit to surety companies in some cases. At any rate it could do no harm. Matters might easily reach the breaking point with contractors on some of the biggest jobs, which were entered into several years ago. Most smaller jobs in process when the war started have been entirely or nearly cleared up. In order for a surety company to lose it is necessary for the contractor to go under, then his material men and finally any retained percentage due the contractor must be exhausted.

WORSE THAN BATTLEFIELD

New York Claim Men Are Told What Causes Accidents in Manhattan

Chief City Magistrate William McAdoo was the speaker at the monthly meeting of the New York Claim Association held April 5. His subject was "Traffic Conditions in New York City." He has made an extensive study of traffic conditions both here and abroad and declared that more persons were killed on New York streets in March than the total casualties reported for the American Army in France. He said in part:

"One cannot enlarge New York. It is the same size today that it was when purchased from the Indians. The streets cannot be widened, but the drivers of automobile trucks, public taxi-cabs and even private owners can and must be shown that speed in driving vehicles through our streets is one of the worst menaces the public has to contend with.

"The majority of the accidents and collisions happen, I believe, between the hours of four and seven at night. It is at this time that the large office buildings, the stores and the factories are letting out their employes and the streets naturally become congested. At the same time, freight and express bundles which have been collected at assorting stations throughout the day are being shipped to railroads and piers. The instructions are to 'make a boat' and regardless of traffic conditions the large auto trucks plow their way through the army of home going pedestrians.

"The traffic squad and the safety zone has done much to relieve the accident and death record resulting from vehicles, but much more must still be done. The traffic court hears hundreds of cases a week, resulting from violations of the city ordinances. Employers both commercial and private must give their chauffeurs more time in which to make deliveries or keep appointments."

LATEST LICENSE BOND RATES

Cover Risks in Jamestown, Mount Vernon, White Plains and New York City

The most recent rulings of the Towner Rating Bureau on license and permit bonds are as follows:

Jamestown, N. Y.: Plumbers' bonds $500 each. Premium $2.50 each for year or part of year.

Mount Vernon, N. Y.: Plumbers' bonds: Each bond of $1,000, $2.50. (Plumbers in Mt. Vernon give two bonds of $1,000 each—one to the city and one to the Water Co.)

White Plains, N. Y.: Fireworks licenses and permits, junk dealers, plumbers, $5.00 per M. per annum.

New York City: Plumbers' bonds $1,000 each. $3.00 each. This is the rate for each borough, regardless of the number of bonds given.

Employment agencies, express wagons, junk dealers, second-hand dealers, steamship runners, $5.00 per M. per annum and $5 minimum.

Hoistway bonds: Bond, $3,000, premium $10.00 each per annum.

Bond, $500 or $1,000, premium $5.00 each per annum.

Applicable to both special and general permits, which expire within the calendar year. For short term, charge pro rata monthly premium subject to minimum earned premium of $5.00.

Pawnbrokers: $10,000, premium $10.00 each per annum.

Auctioneers: City bond, $2,000. On bond given after January 1st, expiring June 15th same year, $7.50. Bond given any time during year, expiring June 15th of following year, $10.00.

EXPERIENCE RATING NEAR

Regarded as Practically Assured That Meeting This Week Will Establish Change

As this paper goes to press an important meeting is being held in New York at which it is confidently predicted that a plan of experience rating for compensation risks will be adopted.

This subject first came into prominence in New York when last spring the New York Department rejected the plan on the ground that, as used then, it was discriminatory, was competitive and unscientific.

The subject was then taken up by the New York committee of the Compensation Inspection Rating Board. It was discovered that the Massachusetts Rating Committee was at work on the same subject. The committees attempted to get together and solve the problem.

The Massachusetts plan was found to be practically the original New York plan which automatically went out of existence last June. There were one or two modifications. The subject was not satisfactorily disposed of by that joint committee.

In view of the requirement of the New York Department that experience rating should be developed mathematically and from a fundamental point of view, the problem was then referred to the National Reference Committee and it naturally referred the subject to the Actuarial Section in recognition of the fact that the subject was essentially actuarial. At the meeting this week the National Reference Committee heard the report of the Actuarial Section, which report unanimously recommended a plan.

On the "Street" opinion appears as much as ever divided as to the merits and demerits of experience rating. In some offices the prospect of a change is hailed with joy, as a relief from what are now considered arbitrary ratings. Other offices say that the probable change can result only in the under rating of all good risks, and with the average experience based upon the poorer lines, the ultimate necessity for advances in rates.

WOULD ABOLISH BUREAU

A bill has been introduced in the New York Legislature to abolish the Tenement House Department and the Bureau of Fire Prevention and transfer the duties and powers now conferred or imposed upon that department and bureau to the superintendent of buildings.

NEW ADJUSTERS' ASSOCIATION

A movement has been started to form an association of accident and health adjusters. The first meeting was to have been held last week at the office of the United States Casualty but was necessarily postponed. It is expected that the organization will be completed at a meeting to be held during the coming week.

LABOR MEN INTERESTED

Compensation writing offices in some instances see a decided danger in the growing attitude of Labor to demand that certain lines be written by a designated carrier, notably the State Fund. Stock company men are curious to know why certain spokesmen of Labor are so deeply interested where the insurance shall be placed.

W. F. MURPHY & CO., Inc.
RESIDENT MANAGERS
Chicago Bonding & Insurance Company
FOR NORTHERN NEW JERSEY
34 Pine St., NEW YORK Union Trust Co. Bldg., JERSEY CITY

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

PICKED UP ALONG WILLIAM STREET

Close 80 Maiden Lane Office

The American of Newark has closed its brokerage office at 80 Maiden Lane. H. L. Denny is special agent, and has been in charge since the resignation of Paul Clarke.

* * *

Associated Companies' Manager

The Associated Companies have selected as manager of their central accounting office Francis W. Lloyd, formerly of Liverpool, England. He received his education in England, and served five years in the Travelers office, three of which as cashier. He assumed his new duties on March 15. This office is handling compensation risks formerly prohibited, such as coal mines.

* * *

Get the Payroll Business

The number and size of contracts now being let increase the importance of payroll insurance one hundred fold.

* * *

Corporal Sporrer Honored

Corporal Thomas W. Sporrer, a member of the 117th Trench Mortar Battery, Rainbow Division, has been awarded the Croix de Guerre by the French Government and commended in War Department Orders for "continuing his fire under heavy bombardment." Corporal Sporrer has been for a number of years in the fidelity department of the Fidelity & Deposit and is the first home office member to gain marked distinction on the field of battle.

* * *

A Colored Agent's Activities

The Amsterdam "News," a news paper in the Bronx for colored people, prints this notice about J. T. Smith, an agent, with "It's Time to Insure" as the caption:

"The importance of insuring is a subject many people fail to value until a crucial period arrives. Why this is is a question. Indifference to safety or one's life or property in times of seeming security and safety might answer the question, though often many are thoughtless of impending dangers and frequently forget to secure themselves in advance.

"Stop that now and get the benefit the Great Eastern Casualty Company offers and have an agent of your own in the person of J. T. Smith, of 79 Old Broadway, call and explain the advantages of an insurance. Why not phone him at 9217 Morningside and the delightful results will be far fetched. It is better by far to have one of your own you understand and who understands you. Since the same legal process follows and the policy equally binding, it is only right and just that we deal with each other.

"Mr. Smith has had many years of experience in the insurance business and has proven himself to be reliably evinced by the number of clients he has to-day. A postcard or a phone call at the above will bring him to your door. If you range in age from 16 to 70, now is your time. Mr. Smith issues a supreme policy in the North American Company securing it three months in advance for $3."

Liberty Loan Luncheon

Edward Griffith will give a luncheon next Saturday to about forty Fidelity & Casualty men and their friends at Farrish's Chop House. It will be a Liberty Loan booster meeting. Alva E. Stern is team captain.

* * *

Commercial Casualty's Building

About May 1 the New York office of the Commercial Casualty hopes to be located at 128 William Street where the Company is having a four story brown stone building completely renovated. Manager F. E. Wilkins will have much more space there. The building is next to one of New York's land marks—the house in which Washington Irving lived when a boy. The Commercial Casualty didn't mean to put anything over on anybody, but a few days ago a removal sign was sent to the new location and by mistake was placed on a new twelve story building next door. It stayed there for several days until the owners of the new building discovered the error. It stated that the Commercial would occupy the whole building.

* * *

Burglary Department to Move

By May 1 the New York burglary department of the Fidelity & Deposit, now at 84 William Street, will be located in rooms 1609-10, 80 Maiden Lane. A. L. Dietrick will be in charge.

* * *

Loan Committee Active

Secretary R. R. Gilkey of the General Insurance Committee on Liberty Loan, at 80 Maiden Lane, is receiving great handfulls of cards from insurance offices giving the names of those who will act as solicitors. The campaign is on in full swing and will begin officially next Saturday. The committee's territory embraces Chambers Street east of Nassau, south to the Battery and east to the East River. There are 80 office buildings to be canvassed in the district, which will be thoroughly culled for applications.

* * *

Mysterious Disappearance

A good illustration of a mysterious disappearance burglary case is provided in the experience of the General Accident. Mrs. George W. Yard, wife of the pastor of the Woodstown, N. J., Methodist Church, did not relish the idea of moving when her husband told her he had been transferred, but that was before she began packing and found a diamond ring she lost four years ago. It was in the bottom of a barrel in which part of their household goods were packed when they reached Woodstown.

Gone to Camp Upton

Four more men of the Aetna office in New York have gone to Camp Upton. They are W. A. Bergimini, of the cashier's department; J. K. Egerton, general liability; W. T. Key, plate glass; Jack Pleu, claim department.

* * *

Effects of War

The old argument that the draft has made it hard to write accident and health on the younger men crops out every now and then. Naturally a large number of young men are not on hand to be solicited but that does not alter the situation much, for the young men never were very good prospects for commercial health and accident lines. The opinion prevails among most managers that the effects of the war have stimulated a desire for protection among the older men which more than offsets any possible losses among the younger ages.

* * *

Booster Meeting Friday

At the Bankers' Club, Friday, at 3:30 o'clock, a big booster meeting will be held in the interest of the Liberty Loan. Insurance men are urged to attend. Former Governor Strong and other notable public men will speak.

* * *

Talk of Excess Commissions

Interest in the compensation commission subject has been revived by the announcement that a special meeting will be held next week to consider it. The question has arisen whether member companies were exacting proper pledges from general agents that excess commissions would not be paid to sub-agents. It would appear that some laxity exists and that in some instances company representatives who attended the previous meeting were not in position to speak authoritatively for their companies. In view of this a special meeting of executives has been arranged, at which it is hoped that more definite information may be obtained.

* * *

C. A. Timewell to Speak

C. A. Timewell, New York manager of the Standard Accident, was the speaker at the last meeting of the Brooklyn Brokers' Association.

* * *

Representing Chicago Bonding

Charles R. Cuyler & Co. is now representing the Chicago Bonding & Insurance in Philadelphia as resident manager, at 428 Walnut Street.

* * *

The new burglary department of the American Surety is being installed across the hall from the Metropolitan Department at 100 Broadway.

C. A. CRAIG, President W. R. WILLS, Vice-Pres. C. R. CLEMENTS, Sec. & Treas.

The National Life and Accident Insurance Company

NASHVILLE, TENNESSEE

Industrial, Life, Health and Accident Insurance in ONE policy

W. F. MURPHY & CO. FORMED

Appointed Resident Manager of the Chicago Bonding & Insurance Co. in New Jersey

W. F. Murphy & Co., Inc., has been formed in Jersey City and has been appointed resident manager for Northern New Jersey of the Chicago Bonding & Insurance Co. The agency has taken offices in the Union Trust Co. building, Jersey City, and at 34 Pine Street, New York.

William F. Murphy, who is president of W. F. Murphy & Co., Inc., was for a number of years special agent of the Casualty Company of America, leaving that Company to go with the London & Lancashire Indemnity in like capacity. Later he joined the staff of the New York office of the Travelers, which position he left to become a special agent of the Globe Indemnity.

Mr. Murphy has specialized in bonding lines, as well as in all casualty branches, and his experience will enable his firm to highly develop the Chicago Bonding in Northern New Jersey.

Statement of the Ownership, Management, Circulation, etc., Required by the Act of Congress of August 24, 1912, of THE EASTERN UNDERWRITER, published weekly, at New York, N. Y., for April 1, 1918.

State of New York,
County of New York, ss.

Before me, a Notary Public, in and for the State and county aforesaid, personally appeared Clarence Axman, who, having been duly sworn according to law, deposes and says that he is the Editor of THE EASTERN UNDERWRITER, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 443, Postal Laws and Regulations, printed on the reverse of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are:

Publisher, THE EASTERN UNDERWRITER COMPANY, 105 William Street, New York.

Editor, Clarence Axman, 105 William Street, New York.

Managing Editor, Clarence Axman, 105 William Street, New York.

Business Manager, William L. Hadley, Plainfield, N. J.

2. That the owners are: (Give names and addresses of individual owners, or, if a corporation, give its name and the names and addresses of stockholders owning or holding 1 per cent. or more of the total amount of stock.)

Clarence Axman, New York City.
Benjamin F. Hadley, Des Moines, Ia.
William L. Hadley, Plainfield, N. J.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent. or more of total amount of bonds, mortgages, or other securities are: (If there are none, so state.)

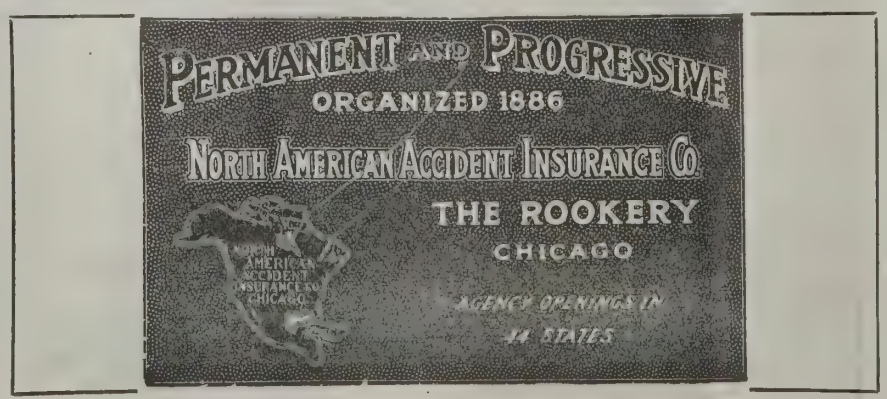
None.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

CLARENCE AXMAN.

Sworn to and subscribed before me this 3rd day of April, 1918.

W. L. CHAPMAN,
Notary Public, Westchester Co.
(My commission expires March 30, 1919.)



CASUALTY AND SURETY POINTERS

New Jersey Law Requirements

The New Jersey legislature has passed a bill which makes the surety on a bond guaranteeing performance of a contract for the construction, erection, alteration or repair of public buildings, public works' improvements of a State, county, city, township, village, borough, municipality, school district, etc., directly liable for the payment of material bills incurred in performing the work. Heretofore the surety was liable only for the performance of the contract work undertaken and not for the payment of the contractors' bills, either directly or indirectly, as no lien could lie on public work in New Jersey. This law means that companies must change their methods of underwriting construction contract bonds covering public work in New Jersey to the extent of requiring the contractor to show a larger amount of good liquid assets in proportion to the work undertaken than they have required in the past, and they must also be more careful to see that all contractors for whom they issue bonds have first-class credit and the reputation of promptly taking care of their material bills, otherwise companies must safeguard their risks by requiring good collateral or indemnity.

* * *

Developing Government Business

The Chamber of Commerce of the Borough of Queens, New York, has recently organized a war industries committee, the duty of which is to keep before the members of the Chamber of Commerce, government contracts which are offering and might be of interest to them. Here is an opportunity to develop government business, which is the most desirable class of contract business at the present time. Through the secretary of the Chamber, John T. Harrison, of the Fidelity & Deposit, was able to get a complete list numbering about 160 firms and corporations which have received or are bidding on government work or willing to convert their plants for government work. To these concerns he wrote a letter, setting forth his company's facilities for service, etc. These will be followed up. The company has also taken the front inside cover of the Queens Borough Chamber of Commerce March publication for advertising purposes.

Mr. Harrison believes this same plan could be used by other agents in the larger cities, many of whom are no doubt members of the local chambers of commerce, and if such chambers of commerce are not assisting their manufacturers along these lines, the agents might suggest their doing so, and put the same plan in operation which has proved successful and in which the manufacturers have been greatly interested through the Queens Borough Chamber of Commerce. The agent, of course, where such work is not being carried on by his local chamber of commerce could interest them in organizing a war industries committee and could get in touch with manufacturers who are working on government orders or would be interested in same. These are all live prospects for surety bonds.

* * *

One Per Cent. Extra

One will find the fellow who says: "My salary goes on, even if I am away." Ask him: "Who pays the doctor, the druggist, the nurse, the hospital and all the other extras that come with the disability? In case of a long disability, wouldn't that salary for no work feel like charity after a while? If you are killed, how long will your salary go on to keep the family?" Then you will find the man who has just purchased a home and he says he can't afford the price of accident and health insurance. Try this on that fellow: "Wouldn't it be worth 1 per cent. extra interest to know that those payments will be kept up even if accident or illness does come and prevent work? Wouldn't it be worth that little 1 per cent. to know that if you were killed coming home tonight that your little wife would have a home all paid for and free and clear of all debts? Well, that is just what a disability policy will do." All these cases are built to show that an objection can best be handled by a question to bring out a new train of thought, and to drive a new fact home.—"The Standard Cog."

* * *

Robbery Furnishes Good Field

There is a growing demand for insurance against robbery. If one could judge from the number of robberies, the term "one born every minute" should be applied to the highwayman instead of the sucker. Two highwaymen were hanged in Chicago recently, and three more will probably be hanged in the near future, but in spite of that they keep coming. It is a lot easier to hold up a store than to break into one and Mr. Crook is taking full advantage of the fact. It is likewise a lot easier to hold up a paymaster than it is to blow a safe, though it should not be forgotten that the "yeggman," or professional safe blower, likes his own game best. Please understand that we speak not from actual experience, but from loss experience. Not to mention the possibilities of securing a large volume of business from big department stores, factories and banks, there is a golden field for the agent in the small stores in his territory. For a five spot, and in some cases for $4, you can secure the average merchant against robbery to the extent of $1,000, except in Cook County, where, for obvious reasons, the same premium would only cover to the extent of $500. Let us suggest that without any further delay you select the busiest street in your town and start at one end and see how many robbery insurance policies you can write. If you will take the time to give this scheme a trial your efforts will be more than repaid. It is so easy you will be surprised. In soliciting this class of business, use form B-18, or in cases where a storekeeper wants messenger robbery insurance in addition to interior robbery, form B-13.—"The Fieldman."

COMPLAINT AGAINST MINIMUMS

Some offices are complaining about the reductions in compensation minimum premiums. For example, clothing manufacturers were reduced from $25 to $12; garages, $50 to $18; truckmen, $50 to $23, and contractors (building private residences, flats or apartments), $50 to $38. Painters—exterior and interior—now take the same rate, $7.62. It is argued that at these rates there are a large number of risks which do not bring the broker sufficient revenue to induce him to solicit the lines. It is feared that much of this business will not be solicited and that—as one man put it—the State Fund, "which has no solicitors," will "solicit."

B. H. HOLMES RESIGNS

Bertram H. Holmes, who for a number of years has been manager of the collision claims department of the Metropolitan office of the General Accident, has resigned and is now associated with the Trauss Garage Co., of this city.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE CHICAGO

F. W. LAWSON
General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co
145 Milk St., Boston
Resident Managers
New England

Established 1869.

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

Stock Mutual Results in Year 1917

(Continued from page 21)

200; collateral loans, $20,000; book value of bonds, $436,812; stocks, $81,756; in bank, $72,755; uncollected premiums, liability, $187,070; compensation, $198,643; auto and teams, $780; total ledger assets, $1,018,366; total admitted assets, $981,324.

Liabilities and Surplus

Liabilities: Special reserve for unpaid liability and compensation losses, $206,581; total unpaid claims, $206,721; unearned premiums, $287,495; total liabilities except capital, $598,733.

Cash capital, $250,000; surplus over all liabilities, $132 591; surplus to policyholders, $382,591.

Premium Exhibit

Premiums in force December 31, 1916, liability, $46,396; written in 1917, $361,913; expired and cancelled, $292,833; net premiums in force, $115,477.

Compensation premiums in force December 31, 1916, $277,401; written in 1917, $1,103,850; expired and cancelled, $1,008,344; net in force, $372,907.

Auto and teams premiums in force December 31, 1916, $917; written in 1917, $1,746; expired and cancelled, $1,419; net in force, $1,244.

Results Since Organization

Net premiums received since organization, $1,923,790; net losses, $839,680; dividends declared, $46,250.

BROKERS!

KEEP POSTED BY READING

THE EASTERN UNDERWRITER

Subscription $3 a Year

American Surety Company of New York

100 BROADWAY

Fidelity and Surety Bonds

The Employers' Liability Assurance Corporation, Ltd.

The original and leading Liability Insurance Company in the World

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE

United States Branch

SAMUEL APPLETON, United States Mgr.

Employers' Liability Building

33 BROAD STREET, BOSTON, MASS.

AGENTS WANTED

PURELY MUTUAL **THE** CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, $1,604,426,324

SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued

POLICIES MOST FLEXIBLE AND EASY TO SELL

Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

GEO. E. COPELAND,
Supt. of Agencies,
Milwaukee, Wis.

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

Capacity For Local Agents

You can use our capacity as your own to take care of additional business beyond the capacity of admitted Companies.

Our capacity is as high as $150,000 on a single risk with immediate binders and 10% commission to brokers. Guaranteed Underwriters. Use our special Surplus Line Department. Special liberal policies for Baggage Insurance.

MARSH & McLENNAN

Insurance Exchange, Chicago

19 Cedar St. NEW YORK
1615 California St. DENVER
314 Superior St. DULUTH
300 Nicollet Ave. MINNEAPOLIS
Ford Bldg. DETROIT
17 St. John St. MONTREAL
23 Leadenhall St LONDON

THESE OFFICES GIVE YOU THE BEST THERE IS IN INSURANCE SERVICE

New Amsterdam Casualty Company

A Progressive

SURETY AND CASUALTY

Company

THE TRAVELERS

INSURANCE COMPANY | INDEMNITY COMPANY

HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

73d ANNUAL REPORT

NEW YORK LIFE

INSURANCE COMPANY

346 & 348 BROADWAY - - NEW YORK CITY

Income for the year 1917:

Premiums	$100,279,122.00	
Interest and Rents	39,957,422.00	
Other Income	5,881,618.00	$146,118,162

Paid Policy-holders, 1917 (Exclusive of Disability Benefits):

Death Losses	$30,599,371.00	
Matured Endowments	13,566,409.00	
Surrender Values	18,527,170.00	
Dividends	22,807,762.00	
Annuities	1,387,241.00	$86,887,953

Loaned Policy-holders during 1917 ..... **$23,722,213**

New Paid-for Insurance in 1917 (Exclusive of over $16,000,000 increase by Policies revived and increased, and Additions by Dividends) **$315,994,500**

Paid-for Insurance in Force Dec. 31 ..... $2,673,334,336
Number of Policies in Force Dec. 31 1,301,969

Admitted Assets, Dec. 31, 1917 ..... **$934,929,381**

These assets are the property of over 1,000,000 people with their dependents (in accordance with their contractual rights). The Company is purely mutual; it has no capital stock.

Legal Liabilities **$760,742,335**

Reserved for dividends payable in 1918	$26,561,063.64	
Reserved for dividends on deferred dividend policies maturing subsequent to 1918	107,041,778.00	
Reserved for Contingencies	40,584,204.36	$174,187,046
Total		**$934,929,381**

THE ANNUAL DIVIDEND RATE OF 1917 WILL BE MAINTAINED IN 1918

For the year 1917 the Company's mortality rate was the lowest in its history.

Average earning power of total Ledger Assets { Dec. 31, 1917, 4.59% / Dec. 31, 1916, 4.54%

A detailed statement will be sent to any person asking for it.

January 14, 1918 DARWIN P. KINGSLEY, *President*

UNIVERSITY OF ILLINOIS LIBRARY

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 16 | NEW YORK, FRIDAY, APRIL 19, 1918 | $3.00 a Year; 25c. per Copy

INSURANCE ADVISERS OF THE RED CROSS

Robert C. Rathbone, Director of Bureau of Insurance, Stationed in Washington

HUNTER COMMITTEE CHAIRMAN

Milligan, Chubb, Henderson, Welch, Woodward, Moir, Strong, Flynn, Other Members

Since the United States entered the war the insurance of the Red Cross has naturally presented a number of interesting insurance problems. These include fire, marine, life, compensation, accident and health. Fire insurance covers buildings and equipment, including ambulances, not only here but abroad. Questions of forms, coverage, rates, etc., had to be decided.

The life insurance questions are especially important.

The American Red Cross called upon insurance men in all branches for advice with the result that a committee was appointed of which Arthur Hunter, actuary of the New York Life, one of the leading members of the Actuarial Society of America, and chairman of the Advisory Board of the soldiers' and sailors' insurance division of the War Risk Bureau was made chairman. Edward Milligan, president of the Phoenix and Connecticut, is the fire insurance member of the committee; Hendon Chubb, of the War Risk Bureau, represents marine insurance; Benedict D. Flynn, assistant secretary of the Travelers, represents accident and health; J. H. Woodward, actuary of the State Industrial Commission, represents compensation, and the following represent life insurance:

Robert Henderson, actuary, Equitable Life Assurance Society; A. A. Welch, vice-president, Phoenix Mutual Life; Geo. B. Woodward, second vice-president, Metropolitan Life; Henry Moir, actuary, Home Life; Wendell M. Strong, associate actuary Mutual Life.

Work of the Committee

Robert C. Rathbone, of R. C. Rathbone & Son, an old-established concern of New York brokers, is director of the Bureau of Insurance at National headquarters, Washington, and is also secretary of the Advisory Committee. Mr. Rathbone said this week:

"The functions of the committee are advisory when called upon by the War Council of the Red Cross, of which

(Continued on page 14)

"The Largest Fire Insurance Company in America."

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

Underwriting Capacity Second to None.

FIRE AND ALLIED BRANCHES OF INSURANCE.

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

AT THE OLD STAND

Farrish's Chop House

THE LOBSTER SEASON IS NOW OPEN

Whole cold lobster 65c.

Whole broiled lobster 75c.

YOU KNOW THE LOCATION

Corner John and William Streets, New York City

OPEN EVENINGS—LADIES WELCOME

BUY LIBERTY BONDS

STANDARD OIL GROUP MORE THAN $12,000,000

Equitable Life Assurance Society's Contract Covers Fully 30,000 Employes of Company

JUDGE DAY ON SIGNIFICANCE

Insurance Graded for Service—Minimum $500, Maximum $2,000—Letter to Field

The Equitable Life announces completion of a group insurance contract covering all employes of the Standard Oil Company of New Jersey who have been one year or more in the service. This is one of the largest insurance contracts ever written, as it will affect fully 30,000 employes. No medical examinations are required and the entire cost of the insurance is paid by the Standard Oil. The placing of this contract with the Equitable Life is in pursuance of the recent announcement of the Standard Oil increasing the wages of the men and providing for an annuity and pension plan, which includes old age pensions, disability allowances and voluntary supplements to workmen's compensation laws. President Day, of the Equitable, stated that while this Standard Oil contract ranked as one of the largest single life insurance transactions in history, that the transaction gathered increased importance from the manner in which the plan was worked out at a meeting between the officers and directors of the Standard Oil and seventy-five delegates of the employes elected by the workers' ballot.

Judge Day's Statement

"The broad basis of good industrial relationships established by this meeting," said President Day, "points the way for general improvement in industrial relationships. That this action should be taken by one of the largest employers in America adds to its importance. As the originators of group insurance it is gratifying to the Society to have this further and highly significant evidence that an insurance policy, with the freedom which it brings from worry, to the employe and to the employe's beneficiary is an important part in any comprehensive wage and benefit plans for better industrial conditions."

Fourth Vice-President's Letter

The following letter to the field has been mailed to the agency force of the Society by Fourth Vice-President Rosenfeld:

"It is my pleasant privilege to acquaint you with the fact that the

BUY LIBERTY BONDS

Equitable has insured the employes of the Standard Oil Company of New Jersey effective as of this date.

"This is one of the record cases of group insurance and adds emphasis to this plan of protecting the wage envelope for the benefit of the employe and his family and by so doing to further improve industrial relationships.

"The amount of this insurance is graded for service, the minimum policy being for $500 and the maximum $2,000, fixed according to the following scale:

After one year's service—the amount of three months' full pay.
After two years' service—the amount of five months' full pay.
After three years' service—the amount of seven months' full pay.
After four years' service—the amount of nine months' full pay.
After five years' service—the amount of twelve months' full pay.

"The total volume of the insurance is not known as yet. The case has been closed upon a binding receipt and the employes are now completing their individual forms of application, which will determine how many are insurable under the rules of the Company and for how much. It is estimated that the total volume will be not less than $12,000,000 insurance.

"The Standard Oil has taken advanced grounds in elaborating annuity and benefit plans for its employes and includes Equitable group insurance as an important feature of the whole. The placing of this large policy with the Equitable is another evidence of Equitable superiority in the group field and serves to remind our agency force that all the larger policies for group insurance have been written by your Society, which has continuously held the record for big cases from the beginning of this kind of insurance.

"It is a strong endorsement of the group plan as well as of Equitable group service and we know that every insurance man will rejoice in the fact surance man will rejoice in the fact that by the action of this great organization—Standard Oil—group insurance benefits are brought home to thousands of additional lives."

STATE MUTUAL'S RIDER

If Insured Engages in War Service Payments Limited to Return of Premiums

The State Mutual Life is using the following rider:

Rider issued as a part of and attached to policy No. .....on the life of .....

The provision on the first page hereof which refers to incontestability is amended to read as follows:

This policy shall be incontestable after one year from the date of its issue, except for non-payment of premiums and except for violation of the conditions of the policy relating to military or naval service in time of war.

The provision on the second page hereof under the caption "War Risk" is amended to read as follows:

If within ten years from the date of this policy the insured shall engage, voluntarily or otherwise, in any military or naval service in time of war, the liability of the Company in event of the death of the insured while so engaged, or within six months thereafter, will be limited to the return of the premiums paid, less any indebtedness to the Company hereon.

CONVERSION OF TERM

The Union Central has sent to agents through its "Bulletin" a table showing conversion of term policies during 1917. The percentage of number of policies and amount of insurance converted is somewhat larger than last year.

No Barbed Wire

put up by older agents will hold you back if you start now with the Maryland Assurance Corporation of Baltimore—a clear field before you, a powerful progressive insurance organization behind you. Life Insurance, Health and Accident Insurance, a wide variety of attractive policies guaranteeing Complete Personal Protection. Valuable openings in productive territory for energetic ambitious men.

Maryland Assurance Corporation

Seven South Gay Street

Baltimore

JOHN T. STONE
President

"LIVE AND DIE WITH ASSURANCE"

The Fieldmen of

The Guardian Life Insurance Company of America

in March, 1918, the first month under the Company's new name, produced new business amounting to

$4,820,210.00

$460,000.00 in excess of the largest amount ever written in any other month since the Company was organized in 1860.

The new business paid for in 1917 amounted to $24,816,657.00 and exceeded by $3,751,129.00, the best previous year in the Company's history.

Assets	**$54,664,135.11**
Guarantee & Dividend Fund	**5,880,822.73**
Insurance in Force	**169,043,316.00**

For a Direct Agency Connection with

A GROWING COMPANY FOR GROWING MEN

address

T. LOUIS HANSEN, Superintendent of Agencies
50 Union Square, New York, N. Y.

POSTAL LIFE FIGURES, 1917

The following figures of the Postal Life, showing results for 1917, are from the New York State report:

Assets (in part)	
Real estate	$4,059,844
Mortgage loans	1,420,707
Loans on policies	2,153,201
Bonds and stocks	1,166,718
Cash in office	197,111
Total assets	9,597,381
Liabilities (in part)	
Re-insurance reserve	$8,911,186
Unpaid claims	131,205
Unpaid dividends	54,733
Income (in part)	
Total new premiums	$ 122,743
Renewal premiums	1,279,770
Interest	328,058
Rent	268,212
Total income	2,022,419
Disbursements (in part)	
Death claims	$ 826,039
Endowments	116,407
Annuities	7,161
Lapsed, etc.	341,484
Dividend to policyholders	75,567
Commissions	18,087
Total disbursements	1,905,123
Insurance Exhibit (in part)	
In force 1916	$39,588,936
Issued in 1917	8,644,622
Revivals	319,321
In force December 31, 1917	40,281,757

WITH NEW ENGLAND MUTUAL

J. L. Mogford, Formerly with the "Progressive Farmer," Made a District Manager

The New England Mutual Life announces the appointment of James L. Mogford as district manager for that Company for twelve counties in Western North Carolina, with headquarters at 508 Trust Building, Charlotte, N. C.

Mr. Mogford was connected with "Progressive Farmer," the well-known and widely circulated farm paper of the South for more than eight years. He was also associated with the Cecil Advertising Co. of Richmond, Va., for more than a year. Mr. Mogford will apply the intensive farming methods to the development of the territory under his supervision.

DETROIT LIFE CHANGES

A. J. McAndless Made Actuary—E. W. Hennee Made Registrar—Lawrence Schleicher in Service

A. J. McAndless, of Lansing, former actuary for the Grange Life, has been appointed actuary of the Detroit Life succeeding E. C. Wightman. Mr. McAndless is a graduate of the actuarial course in the University of Michigan.

E. W. Hennee, a graduate of the University of Michigan, and formerly with the Peninsular-Guardian as actuary, has been made registrar of the Detroit Life, succeeding Lawrence Schleicher in charge of the policy department of the Company.

HEAR FROM EMPEY

In connection with the Liberty Loan campaign being conducted by its field forces, the Fidelity Mutual has just received the following telegram from Arthur Guy Empey, celebrated lecturer and author of "Over the Top":

Frank H. Sykes,
Fidelity Mutual Life Ins. Co.

The Fidelity Mutual Life Insurance Company is to be congratulated for their contemplated work in the Third Liberty Loan Drive. Please tell the insurance men for me that every bond they sell means that they are actually punching Kaiser Bill in the nose. So up and at 'em, insurance men, and bust up the firm of Me and Gott. Sincere regards to each one of you.

ARTHUR GUY EMPEY.

Sergeant Empey delivered an address at the last convention of the Fidelity Leaders' Club, and made a tremendous hit.

New York Agents Start Bond Drive

PASS MILLION ON TUESDAY

Wonderfully Enthusiastic Meeting at the Bankers' Club—Equitable's $15,000,000 Subscription

Promptly at 12.30 o'clock on Monday morning 2,500 life insurance agents, including forty women, began a canvass of the lower end of Manhattan Island on a Liberty Loan drive, the goal which is $10,000,000 in subscriptions. The agents had attended a meeting at the Bankers' Club on Saturday morning that equalled any gathering in point of enthusiasm ever seen in this city.

Crowd at Bankers' Club

Nearly every general agent and manager in town was at the meeting, which was opened by W. F. Atkinson, chairman of the Liberty Loan Committee, and was addressed by L. A. Cerf, chairman of the Libery Loan sales committee of the Life Underwriters' Association of New York, and by the Rev. Dr. Travis, the "Fighting Parson," who spent three years on and near Messines Ridge.

Mr. Cerf gave the tips on how to sell bonds. They were positive selling arguments; he said he would not waste time on negative ones. He further stated that anybody could sell bonds as it did not require any particular skilful type of salesmanship.

Two $50,000 Bonds

By Wednesday morning the agents had topped $1,000,000 including a $50,000 bond sold by Lawrence Kederich, New York Life, a $50,000 bond sold by F. B. Wenger. Five of the life insurance men making large personal subscriptions were L. A. Cerf, Charles Jerome Edwards, Charles E. Ives, J. S. Myrick and J. G. Batterson.

Nearly every life office in the city held meetings. Five hundred Travelers men working under J. G. Batterson, resident manager; E. J. Sisley, having charge of the life and accident end, and John Thomas, in charge of the liability, were turning in bond subscriptions at an average of $60,000 a day when The Eastern Underwriter went to press. After a meeting in the general agency of E. W. Allen, of the New England Mutual, one of the women office employes went out and sold $1,300 worth of bonds. A meeting at the office of J. D. Bookstaver, addressed by E. J. Sisley, J. Carleton Ward and others, resulted in the sale of $5,200 of bonds. A meeting in the office of T. R. Fell was attended by both men and women agents. The Mutual Life home office employes each pledged the sale of five bonds.

Women Agents Active

The women agents after a meeting in the office of Mary Johns Hopper, Provident Life & Trust, appointed captains consisting of Evelyn H. Edwards, Union Central; Anne Russell, Equitable; Elizabeth Myers, Provident; and Constance Noyes, Fidelity Mutual.

Companies all through the country continued to make large Liberty Loan subscriptions during the week, the largest being the Equitable's $15,000,000. The New England Mutual sent from $2,000 to $25,000 to its offices in different parts of the country for the purchase of Liberty bonds.

INTERESTS MAURERTOWN MAN

From W. D. Shaver, district manager of the Mutual Life of Maurertown, Va., The Eastern Underwriter has received the following letter:

"Enclosed find check to pay for a year's subscription of The Eastern Underwriter. I have had the privilege of reading several of your issues and I consider it one of the most valuable magazines that an insurance man can have."

IMPORTANT WAR DATA

Actual to Expected War Mortality of Three Prominent Canadian Life Companies

The actual to expected mortality of life insurance companies, on account of the world war, is a most interesting subject to life underwriters and company executives. The Eastern Underwriter presents below the results in connection with three Canadian life insurance companies for the year 1917:

Company No. 1, 54 per cent. regular, 27 per cent. war, total 81 per cent.

Company No. 2, 48 per cent. regular, 31 per cent. war, total 79 per cent.

Company No. 3, 47 per cent. regular, 27 per cent. war, total 74 per cent.

LIBERTY BOND POLICIES

House bill number 1187, Massachusetts, that "nothing in the present laws shall be construed to prevent the sale or agreement for sale of bonds or other securities of the United States by life insurance companies transacting business in this Commonwealth, or to prevent the inclusion by such companies in their policies of agreements for the sale or such bonds on the instalment plan, where the proceeds of the policies are to be applied, in whole or in part, to the cancellation of any unpaid instalments on the bonds in the event of the purchaser's death," has special reference to Liberty bonds.

Miss Nora E. Talbot, a home office employe of the Peoria Life, recently wrote $51,000 worth of business.

Rates of Excess Interest Increased

ACTION OF FIDELITY MUTUAL

Funds Left with Company Draw 4½ Per Cent. for Dividend Year Commencing April 1, 1918

The rate of interest allowed on funds left with the Fidelity Mutual has been increased to 4½ per cent. for the dividend year commencing April 1, 1918. The ruling will affect the following features of new policies:

(1) Dividends left to accumulate at interest.

(2) Optional modes of settlement, including trust funds, instalment and continuous instalment settlements.

Dividends Left to Accumulate at Interest

The policy provides that dividends may be left with the Company to accumulate at not less than 3 per cent. interest. The additional 1½ per cent. will give the insured a substantial return on his money for the coming year.

One interesting effect will be on dividends left to accumulate for a specific purpose, such as to make the policy full paid at an earlier date or to increase the income at maturity on an "Income for Life" policy.

For example, take an "Income for Life" contract for $10,000, issued at age 25, to mature at 65. Assuming for purposes of illustration only that the 4½ per cent. rate will continue until maturity, and the present dividend scale will hold for the first five years of the new policy. The first five dividends alone would add $61.45 annually to the regular maturity income of $850. In all similar cases where the dividends will accumulate for a long term of years it will be found that the extra interest rate materially increases the income at maturity.

Optional Modes of Settlement

On the fourth page of the policy, and also on pages 430, 431 of the rate book there are described three ways in which the proceeds of a policy at death or maturity may be left with the Company to produce an income on a guaranteed 3 per cent. basis. The 1½ per cent. excess interest return if continued would add greatly to the attractiveness of these options as the following comments point out.

Trust Funds (Option 1)

Under this option the proceeds of the policy are kept intact as principal, on which the Company pays interest annually. An interest return of 4½ per cent. would produce an income of $450 per year on a $10,000 policy. This would combine a thoroughly safe investment with an interest rate better than that of most first class bonds in ordinary times.

Instalments Certain (Option 2)

There are sometimes instances where the income derived from the trust fund would be insufficient. There are also cases where it is not so important to keep the proceeds of the policy intact. Under such circumstances the income may be increased by drawing scientifically on the principal through Option 2, which provides for the payment of the proceeds in a number of instalments certain varying from two to twenty-five, as desired. This option is very useful where the beneficiary is, say, a boy five years old. Under a $10,000 policy it would be difficult to feed, clothe and properly educate him for the above mentioned $450 per year income under the trust fund option.

If, however, the Company proceeds on the theory that the $10,000 should be used up in his maintenance during his dependent years, and that when he reaches manhood it would be just as well for him to stand on his own feet rather than to have $10,000 principal to spend, possibly in a reckless way, then the instalment certain option exactly meets the situation. For, if the proceeds be made payable in twenty annual instalments certain until he is 25 years of age, then the minimum income according to the table in the rate book would be $652.60 annually, plus excess interest earnings.

Continuous Instalments (Option 3)

This option provides for a smaller return during the twenty years certain period and for the continuance of the income thereafter during the lifetime of the beneficiary. This type of settlement is particularly fitted for the dependent wife who needs a larger income than the trust fund provides, but who dares not avail herself of Option 2 because she might outlive the instalment certain period and find herself without an income.

If she were aged 50 at the death of the insured, the income purchased under Option 3 by the proceeds of a $10,000 policy would be $565.90 annually for twenty years certain and continuous thereafter during her lifetime, in accordance with the table in the rate book. This income during the twenty years certain period only would be increased by excess interest earnings if the 4½ per cent. interest rate be continued throughout that period.

GOES WITH COLUMBIAN NATIONAL

Everett G. Brown, of the Metropolitan Life's Actuarial Division has been appointed Actuary of the Columbian National Life Insurance Company of Boston. Mr. Brown is an associate member of the Actuarial Society of America and has been connected with the Metropolitan Company for seven years.

AETNA'S WAR RISKS

The war risks assumed by the Company on Canadian soldiers amounted on December 31, 1917, to $3,752,350 and similar risks in the United States to $663,000.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — A Pioneer of Industrial Insurance in America

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President — Home Office: NEWARK, N. J.

Building and Loan Ass'n Insurance

New Plan of Insurance for Borrowing Members Told to an Indiana League

A DIMINISHING TERM POLICY

Also Suggested that Building and Loan Associations Act as Insurance Agents

Life insurance men are considerably interested in an address delivered by J. F. Cellarius, of Cincinnati, before the Savings and Loan Association League of Indiana, in which he outlined a life insurance scheme for borrowing members of building and loan associations. Mr. Cellarius said his plan was in effect a diminishing term policy, divested of all investment features, and which gives the borrower the needed protection at the lowest possible cost for such insurance only as is actually required to pay off the mortgage debt during the period of the loan. The policy automatically decreases in amount monthly as the payments are made on the loan. In this manner the borrower is not required to pay the premium upon any amount of insurance in excess of the sum which is required at any time to pay off his loan, provided he continues making his payments regularly on his loan. In other words, the principal sum of the policy is decreasing constantly in the same proportion as the loan decreases until the end of the period. This insures a sufficient sum to pay off the mortgage, should the unexpected happen at any time, and the member pays a premium only for the actual protection. This is the latest form of policy which has been arranged for with one of the solid old line companies for special use in connection with building association loans.

Special Features

It will be of interest to call attention to some of the special features of this policy, because many of them are new and designed to make them especially applicable for building and loan association borrowers.

The policy is convertible, non-participating, and contains a total disability clause. The building and loan association is made the beneficiary, and it cannot be changed without its consent. It provides for a single premium for the entire term of the loan, to be paid in advance. In case the borrower is not able, or if it is inconvenient for the borrower to pay this premium the building and loan association advances just that much more to him and includes the amount in the mortgage. Naturally, the board of directors consider a life insurance policy, made payable to them direct, an additional security.

Should the policyholder die, the unearned premium, on account of it having been paid in advance, is returned. This is also done in case the borrower sells his property.

Should the borrower become in arrears to the association in his payments, the conditions of the policy are not changed, likewise in case the borrower should advance payments on account of his loan, this, too, doesn't change the condition of the policy. The insurance company is obliged to pay just what the policy calls for.

If a borrower wishes to take only part of the life insurance he can do so. For instance, if the borrower makes a loan for $10,000 and only wishes to take a policy of this kind for $5,000, he can do so. In this event only half the loan would be repaid in case of death.

Issued from Five Years to 1,000 Weeks

These policies are issued for various times from five years to 1,000 weeks according to the length of time required to repay the loan to the building association.

For example, the total premium required to be paid on a policy issued for a term of ten years on the life of a borrower at the age of 30 years is $47.78 for $1,000 insurance for the full term. This is certainly bringing the cost down to a point where it seems possible for the ordinary borrower to avail himself of the benefits and protection which such a policy of insurance will afford.

"Life insurance protection of this character is a distinct benefit for both the association and the borrower in this, that in the event of death, it makes the loan doubly safe for the association, and also protects the home for the family of the borrower," said Mr. Cellarius. "It involves the association in no expense or risk, and in case of death avoids a disagreeable foreclosure, while the widow is relieved from further payments on the load and has the home turned over to her free from debt. The home-owner who is thus insured, has the satisfaction of knowing this his family will be fully protected in the event of his death, and the modest sum which will accomplish this result will be cheerfully provided for this purpose. In fact, it will be worth while making an additional sacrifice to secure this protection and satisfaction.

"I believe that the plan of insurance herein outlined for the borrowing member will prove popular because of its simplicity and cheapness, and the further fact that it avoids the annoyance of any accounting by being completely paid for by one payment, should commend it to the favorable consideration of building association officials everywhere. It is well worth looking into.

Life Insurance for Depositing Members

"Life insurance for the depositing members is a much simpler proposition for the reason that with him it is only a question of using the building association as a means of accumulating enough money to pay the premiums on a policy of insurance as the same become due. He has assumed no obligations which require protection in the case of his debt, and he can select any one of the many attractive forms of policies which the insurance company offers. It is with him only a question of what kind of a policy he can afford to carry and in what amount. It is generally conceded that every man of family, who has dependents, and who can afford the protection of life insurance, should carry a certain amount for the benefit of his wife or children, or both, to be paid to them in case the bread-winner is taken by death.

"It is a notable fact that the national banks in cities of less than 5,000 population have recently been authorized by Federal legislation to act as agents of life insurance companies in selling insurance and collecting premiums thereon.

"Under the authority conferred by this act a number of national banks are now acting as agents for insurance companies and are collecting for them premiums on policies issued by them.

"There is no reason why building associations should not act in a similar capacity. Indeed, it would seem that their methods of doing business are more nearly adapted for the receiving of such sums, than are those of a bank. It is simply a matter of accommodation and convenience for the members. They make weekly or monthly payments to the association in a special insurance pass book and the accumulated sums are either qquarterly or annually withdrawn and paid over to the insurance company in payment of the members' premium.

"The method of caring for this business is largely a matter of bookkeeping which can be arranged for by the association in such manner as best fits into its system of accounting and method of doing business. The advantage to the building association of taking care of this business for the depositing member is that it will develop business along regular channels and will be an additional means of promoting the saving habit."

T. Louis Hansen, superintendent of agents of the Guardian Life, is on the Pacific Coast.

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GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,-542,304.08.

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Supt. of Agents.

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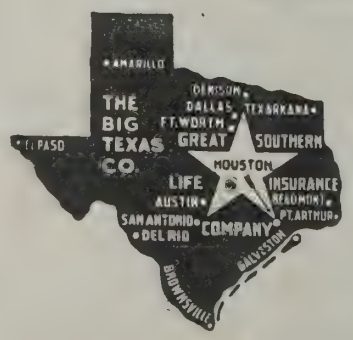
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PHILADELPHIA

Life Funds and Other Investments

A CLEVELAND LAWYER'S VIEWS

Women are not Familiar with Securities or in Management of Property

By MARK L. THOMSEN
of Cleveland Bar

The question of relative advantage to the dependents of a deceased husband and father of securities and property, or life insurance, must often be met by life insurance solicitors. From a lawyer's standpoint and experience the following points may be noted:

First. That with very few exceptions, women as a class are not familiar with securities and are not skilled in the management of property. An estate that yields a fair income from securities and real estate when handled by the man who has accumulated the property and who often helped the income by judicious additions from personal earnings, may in many cases prove a liability to the dependents and not only seriously shrink in value, but be a load to carry at a time when ready money is the immediate and pressing need until the family has adjusted itself to the new circumstances.

To illustrate: A man may have put his money into vacant lots and from his income carried with ease the taxes, assessments and other burdens which come with the ownership of land. When he dies the property, even though of substantial value, is an expense to the family and of no immediate help. Or he may have purchased or built a good home, which the family, deprived of the husband's regular income, finds too expensive to carry. Or he may have built or purchased improved property, such as apartment house or certain classes of business property, which under his own careful management has yielded a fair revenue, but which, in the hands of inexperienced owners, yields nothing, and if the management is entrusted to the usual renting agencies or trust companies, it seldom yields anything.

Time Spent in Settling Estates

Second. The time consumed in the settlement of estates is considerable. The law is different in different States for the settlement of estates, but there are certain general underlying principles governing all, so that the Ohio law may serve as an example. In the first place all property of the deceased, whether he died testate or intestate is subject to the rights of his creditors, with the exception of the dower right of the wife, where such right has not been waived, and the further right of the widow's support for one year. In order that creditors may be satisfied, the law provides for not passing title to any property without a chance for creditors to intervene. This takes the form of an administration on the estate. Where the deceased dies testate, the person handling the estate is usually named in the will and is called an "executor." Where there is no will an "administrator" is appointed. This is done in courts of various names. In New York, it is called the Surrogate Court; in some States, the Orphans Court, and in Ohio it is known as the Probate Court.

The first step is an application for probating the will or for the administration of the estate. The person appointed has to file a bond for the honest administration of the estate. The amount of the bond depends upon the size of the estate to be administrated. The administrator or executor, when appointed and qualified, then must, within a certain time, file an inventory, and his appointment must be legally advertised. Later, if the estate is of any considerable size, and if there are lands to be sold in order to satisfy debts, there must be an appraisal of the estate, for which the Court usually appoints three disinterested persons. These appraisers must also determine the amount to be allotted the wife for her year's support, and this amount is usually based largely upon the size of the estate and the amount of income enjoyed by the deceased. If there is a sufficient amount in the estate so that the administrator is sure that the debts of the deceased can be paid with the remainder, then this sum fixed for the widow's support, after being formally allotted by the Court, may be paid. This seldom takes place until from three to five months after the appointment of the administrator and sometimes not for a year or a year and a half, if the property is in the shape of real estate. Creditors are usually allotted one year in which to file their claims, and a will may be contested any time within a year. For this reason it is difficult and unsafe for the administrator or executor to file a final report until one year after his appointment.

The final settlement of an estate therefore is necessarily postponed for more than twelve months aftr the appointment, and if the appointment is not made for a month or two after the death of the husband, the final account is sometimes not filed until a year or a year and a half has gone by. With the final account comes the distribution of the property under proper approval of the Court. If there are minor children in the family, a guardian or guardians must be appointed for them, and this makes the proceedings just that much more complicated.

Expense

Third. The expense of administrating an estate is considerable. The regular statutory allowance in the State of Ohio is 6 per cent. on the first $2,000 handled by the administrator, 4 per cent. on the next $2,000, and 2 per cent. on everything thereafter, but, in addition to that, the administrator is allowed extra fees for any unusual services and is also allotted attorney fees for legal advice and other legal services that may be required. It is seldom that an estate is settled for less than 6 per cent. on the gross amount handled, and in many cases the expense will run as high as 25 per cent.

This whole proceeding may be better illustrated if we take a concrete example of an estate of which the writer was administrator.

In September, 1916, Mr. S. died. He was about fifty years old, of German descent, of thrifty habits and of some shrewdness in investments. His salary was about $3,000 a year, which, with a certain bonus allowed by the company for which he worked, increased his income to about $4,000. He left a widow and a minor son. There were at the time of his death moneys in bank amounting to about $26,000, and other perfectly good securities, mostly preferred stocks in Ohio companies of good standing, amounting to about $19,000, and he also left a home conservatively valued at $10,000. Among his assets was an insurance policy of $3,000 made payable to his estate and one for $2,000 to his mother. The policy made payable to his mother was cashed at once without delay. The widow and son, however, were automatically by his death deprived of income from his salary and of all income from his property, and also of all use of the property except the home. The policy payable to the estate was also cashed at once, but the proceeds had to go through the hands of the administrator. In spite of the fact that this estate was in very liquid form, it took approximately fourteen months from the time of the death of the husband before the widow in her own right, and further, as guardian of the only child, was able to get control of the estate and really enjoy the income thereof. The expense of administering this estate, without counsel fees of any kind, amounted to $1,127.38, for administrator's fees, and $16.54 for costs to the Probate Court.

Life Insurance Contrast

From personal knowledge of the settlement of many estates, I can say that this estate was settled far quicker than ninety per cent. of the cases that go through the Probate Court and at less than half of the expense that ordinarily attends such settlement.

Contrast this with the following life insurance case:

Mr. G, a well-known Cleveland business man about forty-five years old, was insured in The Penn Mutual Life Insurance Company for $50,000. The date of the policy was March 20, 1912. He died on June 9, 1916. Within a week of his death the entire amount of the policy was paid and subject to the control and order of the widow. There was not a cent of expense connected with this and the money was paid at the time when money is most needed, namely, at the period when the family expense was abnormally high due to illness and funeral expenses, when income from other sources was cut off, and when cash was imperative for the actual needs of the family until a re-adjustment of the mode of living had been perfected. Then, too, the widow was saved any embarrassment in appearing in court, which for most women is a hard ordeal to go through, particularly so immediately after the death of a husband.

The writer has had considerable experience in settling estates and in the probating of wills. There has never been an estate handled at our office equal to the estate of Mr. S, as cited above, so entirely free from the ordinary "wildcat" investments in mining stocks, oil stocks and other schemes, the great bulk of which are fantastic and leave for the investor and for the estate nothing but handsomely engraved stock certificates.

As a rule we attorneys find that the most substantial investment that the deceased has made, and the one upon which we can surely realize quickly and without embarrassment to the widow, is an insurance policy in some standard life insurance company.

Interpretation of Income Tax Ruling

PROCEEDS OF A LIFE POLICY

Deputy Commissioner Explains Scope of Payments in Trust for Industrial Beneficiaries

The Eastern Underwriter has received a letter from Deputy Commissioner of Internal Revenue L. F. Speer amplifying a ruling he made at the request of this paper. His letter follows:

"This office is in receipt of information which indicates that the scope of its ruling to the effect that

> 'If received by an executor for the benefit of individual beneficiaries, the entire proceeds of the life insurance policy of the decedent forms part of the corpus of his estate and is not, therefore, subject to income tax'

is not fully understood by life insurance men, and as this ruling was embodied in a letter addressed to you under date of March 19, 1918, you are now advised as follows:

"The ruling set forth above was intended to apply only to the proceeds of a life insurance policy which, under the terms of the policy, are payable to the executor or administrator of the insured's estate, in trust for distribution to individual beneficiaries. It was not intended to apply to the proceeds of a policy made payable to the estate itself as beneficiary, even though such proceeds were not needed to meet the obligations of the estate and were later distributed, together with other assets of the estate, to the beneficiary."

ANDERSON WITH SAN JACINTO

Former Actuary of American National Becomes Actuary and Assistant Secretary of Beaumont Co.

Ralph M. Anderson has just taken up his duties as actuary and assistant secretary of the San Jacinto, of Beaumont, Tex. Mr. Anderson recently resigned his position as actuary and manager of the Ordinary Department of the American National Insurance Company of Galveston, which he had held some two or three years.

RAINBOW DIVISION
ADVISORY TRADES COMMITTEE
Liberty Loan Committee, Second Federal Reserve District

It is the function of the Advisory Trades Committee "Rainbow Division" to Organize the Various Business Interests of New York into compact and efficient working units to sell Liberty Bonds to themselves.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

Security Mutual Life Insurance Company
Binghamton, N. Y.

Offers to men able to produce business first class territory, with direct contract providing liberal compensation.

For particulars, address

C. H. JACKSON, Supt. of Agencies

Y. M. C. A. RISKS

Millions of Dollars of New Insurance to Agents "Who Get There First"

In regard to Y. M. C. A. workers, the Union Central in a statement to field men, printed in its "Bulletin," says in part:

"Announcement appeared in our last issue of change in the extra premium on Y. M. C. A. war workers of $25 per $1,000 for the duration of the war.

"The rule was thus amended to conform to the action of the War Work Council which provides that the Y. M. C. A. will pay the extra war risk premium as specified above on a maximum of $5,000 insurance.

"The insurance can be taken through any agency anywhere. Therefore, agents everywhere are free to solicit this business. As five thousand additional secretaries are expected to be sent abroad in the near future, there is approximately $25,000,000 of new insurance in sight for the agents who get there first.

"The Company's limit, it will be remembered, is $25,000. The extra premium on any excess of $5,000, however, must be paid personally by the insured."

FIRST YEAR NON-FORFEITURE

Mutual Benefit Prints List of Examples —Story of a Soldier's Insurance

The Mutual Benefit in its March "Pelican" prints a list of examples of lapsed policies paid in full by reason of that Company's non-forfeiture system. Three of these policies were on the lives of soldiers. One case is of unusual interest, that of Donald E. Campbell, Island Falls, Me. He held policy No. 672,290, a twenty year endowment, issued at age 17 for $1,000 on April 27, 1914, for the benefit of the young man's father and mother. The first annual premium, amounting to $47.75, was paid. The premium due April 27, 1915, was not paid. Under the Mutual Benefit's first year non-forfeiture system, however, although only one premium had been paid, the insurance was extended for three years and 110 days to August 15, 1918. Upon the declaration of war last April Mr. Campbell left college and enlisted in the Naval Reserve, reporting to the Boston Navy Yard, where he passed a perfect physical examination and was sent to a training school, later being assigned to duty on the U. S. S. Commodore, a patrol boat. He contracted a severe cold last fall, resulting in pleurisy attacks, and died on January 20, 1918.

The C. B. Knight Agency, New York City, sent in applications for $1,063,000 in March, 1918.

NEW DISTRICT MANAGERS

Hibler & Thorne With Equitable Life of Iowa—Former a Minister For Years

St. Clair & Golden, general agents of the Equitable Life of Iowa, in Western Pennsylvania, have appointed Hibler & Thorne as district agents in the Pittsburgh agency, effective May 1. Mr. Hibler, a former clergyman, has had considerable experience in the life insurance business, and was formerly in charge of one of the large churches in Western Pennsylvania. Mr. Thorne has resigned from an important position which he has held for many years with a large railroad system.

St. Clair & Golden to date are 30 per cent. ahead of their business of last year.

BYRLEY GOES TO CHICAGO

To Be Manager of Chicago Territory of Fidelity Mutual Life Insurance Company

John H. Byrley has resigned as second vice-president of the Fidelity Mutual to go to Chicago as manager. A. V. Weil, who has been manager there for some years, will continue as associate manager. Mr. Byrley has been with the Company for sixteen years. The Company says in its "Field Man":

> After a day-to-day association with him since his coming to Philadelphia two years ago, the official family regrets very much not only to lose his services as an agency organizer, but also to lose this close and friendly relationship. At the same time the management is unwilling to stand in the way of Mr. Byrley's personal preference. He has a firm conviction that he is best fitted for active work in the field, that this kind of work is altogether congenial to him and that it offers broader scope for the employment of his talents. The building of a general agency commensurate with the size of a city like Chicago will give him an opportunity to carry out a long-cherished ambition.

ACTUARY PATTISON MARRIED

The marriage is announced of George B. Pattison, actuary of the Peoria Life, and Miss Evangeline Kirk. Mr. Pattison has been with the Company for seven years, coming to Peoria from Canada.

CAN PAY PREMIUMS IN BONDS

The Union Central will continue to accept Liberty bonds in payment of premium, either first year or renewal; also, in interest on mortgage or policy loans, but at their market value instead of par.

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.
2. The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.
3. Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,
Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

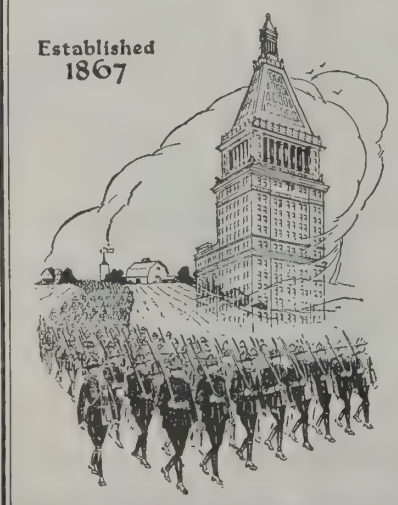
SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.
Home Office, United Life Building Concord, New Hampshire



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

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Help men to success.

Provident agents are associated with a business organization whose reputation for integrity, fair dealing and financial security extends over half a century.

Write for information

The Provident Life and Trust Company

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THE MOST VALUABLE POLICY FOR YOU

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Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Partnership Insurance a Phase of Good Will

By Joel Hunter, C. P. A.

From "The Journal of Accountancy"

The good will of a business is an intangible something that we all recognize, yet find it difficult to express in figures. If a concern buys out another concern and pays for it more than its assets are worth, this excess amount is considered to be paid for the good will. This much is easy because we get it by elimination. But let us suppose the case of a concern depending largely upon the favor of the public, a concern which has spent thousands of dollars, extending over a period of several years, introducing and ceaselessly recommending its product to the public. We know that there is a good will value there, and we are told of various methods by which to compute it. One is to estimate, or attempt to estimate, how much of the amount expended has exhausted itself to date and to value the remainder similarly to deferred charges to operations. Thus if $300,000 had been expended in the previous four years, and on account of that amount having been disbursed for publicity, business was coming in at a rate equivalent to, say, 8 per cent. on $75,000, then a similar amount, $75,000, might be set up on the balance-sheet asset values under such a head, viz.: deferred charges to operations.

Public Demand Overplus

Another way of ascertaining the existence of good will may be illustrated by determining the value of the property and equipment of a concern constituting its capital investment and if the returns, net profits, are unusually large, considering that the overplus is created by great public demand. As an example, say that the Blank Company has wrapped up in its plant, distributed perhaps over many States, some $3,000,000. Say the net profits are $1,000,000 per annum, or 33 1-3 per cent. A fair return on an investment of three million would seem to be covered by 15 per cent., or even 20 per cent. Then the difference between these percentages, say 18 per cent. or $540,000, might be considered due to the favor the company enjoys from the public.

If the business had been continuously successful and large amounts had been disbursed for publicity, an ever increasing value would be built up which would eventually crystalize into what we call good will. Now two questions arise. First, shall we give expression to the existence of good will by raising a ledger account for it? And, second, if we decide to open such an account, how shall we estimate it? An important point bearing on the first question is brought out in the excess profits tax law which recites that no good will asset value will be allowed (in determining the net capital investment) unless it was paid for specifically in cash or its equivalent. Again, there is a strong current of thought which believes that if the profits are so large as to predicate the existence of good will (unusually large returns on an investment continued over a long period of years) the very existence of such profits, proven by the payment of dividends or the accumulation of surplus, is, in itself, sufficient evidence of the existence of good will without the raising of a ledger account.

While I have never seen an official expression of its opinion, I believe that the consensus of opinion among the members of the American Institute of Accountants is that no account of good will should ever be raised unless paid for in money or its equivalent and, even when raised, should be gradually written off.

Smaller Corporations

Among the smaller corporations and partnerships there is generally one man, sometimes two men, whose personality has made the business a success—a man, or men, whose passing away would seriously embarrass the business for a while if not permanently. At such a crisis in its affairs, a breathing spell is urgently needed to give sufficient time for a new comer to get in touch with the duties of his predecessor and familiarize himself with the responsibilities he has undertaken. The business must not stop nor should its financial machinery be clogged. Here is where the continuance of personality is needed. In some respects, good will is made up of personality. Expressed simply, good will means the probability of old customers returning. The man who causes the world to "make a path to his door" creates good will.

A policy of insurance, payable to the firm, written on the life of a man who has been instrumental in building such a business is, in a measure, capitalizing or preparing to capitalize such a personality. Under present conditions and for many firms this is a particularly favorable time for such an investment. The demand on the vitality and the strain on the nerves of executives was perhaps never greater than it now is. Every safeguard, every form of relief and promise of ease under pressure is a pleasing prospect to the "tired business man," and from a disinterested viewpoint I commend this thought to careful attention. Not that the subject is new, but perhaps it has not been considered from the angle of good will. Roosevelt, I believe it was, who defined personality as the "guiding intelligence." The financial world recognizes personality by backing the successful executive with its money power.

An "Insurable Interest" Defined

As I understand it, an insurable interest is one where the relation of the insured to the beneficiary is such that it is, or should be, more profitable to the beneficiary for the insured to live than to die, but where in case of death the strain is relieved in part by this pecuniary assistance. The expression of this phase of good will by partnership insurance is widely recognized in actual practice, if not under that name. In the new income tax regulations, the first interpretation was that the premiums on such policies were allowed to be charged with the regular expenses of the business; but on August 30, 1917, the revenue bureau made a ruling whereby the premiums charged upon insurance carried by a firm or corporation on one of its members must not be deducted from income or treated as an expense. In case, though, the policy becomes a claim, all of the premiums paid up to that time can be deducted and income tax will only apply on the difference between the total premiums paid and the total amount of policy.

Recently, in Atlanta, the president of a corporation died. This company was one in which the personality—the guiding intelligence—of the executive was especially valuable. He was a man with a national reputation. The company insured his life, policy payable to the company, for some $50,000. At his death this money put the company on easy street.

An Atlanta Story

Only a few years ago three young men started a dry goods store in Atlanta. They were experienced in their respective lines and for this reason were relatively valuable. Each man's life was insured, I am informed, for $12,000. Quite soon one died. Quick settlements were made, his estate satisfied and the business proceeded without interruption. The successors to this firm are now conducting one of the most prominent stores in Atlanta, and it is very unlikely, indeed, that they would have been able to continue business without this outside aid.

Partnership insurance is, I think, an interesting phase of good will. I said that this was a particularly favorable time to make an investment in partnership insurance. This statement, of course, applies only to those firms whose net income is of such proportions that it would not feel the additional cost of the annual charge for the insurance premiums. I do not mean by this that only rich concerns enjoying a plethora of war profits should take out such insurance, but also firms and corporations having a legitimate insurable interest and whose incomes are sufficiently large for them not to feel the additional burden of the insurance premiums.

At times like these, times of tremendous governmental financial activity, when we must rally to the support of our country not only with our young men, but with our money, the mind naturally reverts to the thought of additionally safeguarding the interests of one's firm. And where the conditions are as described and the purse will allow, I am of the opinion that an investment in partnership insurance is an excellent one.

The Right Place for the Right Man

The capable and energetic man or woman who represents a company which provides an unexcelled policy at a low net cost is sure to succeed as a life underwriter. That is why our representatives everywhere are loyal, contented and enthusiastic. The reputation of their Company for prompt and efficient service gives them a confidence which wins the confidence of the insuring public.

Occasionally we have a General Agency opening.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Policy Should Balance the Mortgage on the Farm

To the farmer whose property is mortgaged, a life insurance policy for the amount of the mortgage should be considered an absolute necessity. It is his duty to himself, his family and the community in which he lives, to take a policy in a reliable company for the amount of the incumbrance. Should he die, his family will not only be deprived of his services in carrying on the farm, but they will be obliged to keep up the interest upon the mortgage and finally pay the principal at maturity in order to save the homestead. This they may be unable to do unless the farmer, by taking a life insurance policy equal to the amount of the mortgage, guards against the possible loss of the farm at his death, and enables his family to pay off the mortgage and own the farm unincumbered.

A farmer may find it difficult to accumulate sufficient money to meet a mortgage at its maturity, but he should be able to save enough to pay the premium on an endowment policy for an amount equal to the loan and thus create a fund which will pay off the mortgage at the maturity of the endowment or at his death, if earlier. Thus he can lay up in small annual installments an amount sufficient to pay off the incumbrance, with the additional advantage that should he die before the expiration of the endowment period, the payments cease and the whole amount becomes immediately available.

Every farmer insures his house, his machinery and his grain against fire, and his crops against cyclone or hail. These disasters may not happen, but his death is inevitable. If the house is burned, the man can rebuild it with the fire insurance money; if his crops are lost, he can begin over again, but if the farmer himself dies uninsured, the main support is gone and the loss to his family can be neither repaired nor even partially alleviated, says the "Mutual Life Quarterly."

* * *

Converting at Attained Age

Messrs. Branch & Powell, of the Penn Mutual, having been warmly congratulated upon a recent increase in the volume of new product, have written to that Company respecting the means employed by them as follows:

"A large percentage of our increase is the result of term policies converted at attained age. We realized that we would have unusual difficulties this year, and arranged to make a special drive in January for the conversion of term policies, and for this purpose collected all our policy cards at a given point, securing from the actuary transfers for the conversion of each one, and going personally to all these points to interview the member. So far the scheme has worked out very well, and we expect to extend it to other points of our large territory. Aside from effecting conversions we have on these special trips on several occasions secured additional insurance from the term policyholders.

"Another method which we are pursuing has given us much additional business. When the actuary sends us a statement of an accumulated surplus settlement under a full-paid policy, we endeavor to see the insured in person, submitting a proposition about as follows:

"1st (assuming the amount of surplus to be $360 and the age of the insured 45), the company will pay you in cash $275.84 and give you an additional standard ordinary life policy for $2,000, with the first year's premium paid, and continue your old policy in force full-paid and participating, providing, of course, a satisfactory examination is furnished, without expense to yourself.

"2nd: If we cannot see the insured in person, a written proposition calls for option 1-B, and during the correspondence in connection with it we frequently have the opportunity for a personal visit, which is usually attended with new business if the insured is in good health."

* * *

Canadian Bank Advertises Life Insurance

The Bank of Hamilton, Hamilton, Ont., is running a series of advertisements asking the public to patronize life insurance. The ads follow:

The Beginning of Saving

Just as in everything else, there is a right and a wrong way to save. Saving should be above all systematic and purposeful.

Systematic in that you set aside a definite sum at definite intervals.

Purposeful in that you save for a definite object.

The advice of this bank is to adopt as your first purpose the initial premium on a life insurance policy.

Talk to a life insurance man about this plan.

Do You Know How Much Life Insurance You Ought to Carry?

Any good life insurance man will help you decide this question in the light of your own position and circumstances. His assistance is conscientious and confidential.

Ask his advice. You will probably find you are not carrying enough. Then he will explain our plan by means of which you can spread the cost of your insurance over the entire year.

Buy Insurance by the Month—Pay the Yearly Rate

That is, save one-twelfth the annual premium monthly, putting the money in a savings account, where it earns interest until used. Then as each annual premium comes due you will be ready for it, without worry or embarrassment.

But here is the real advantage of the plan—you will find it so easy to pay your insurance this way that you will buy more insurance, as much as you ought to take, because you know that the payment of the premium by this plan will always be within your means.

Talk to any life insurance agent about this plan.

Buy Life Insurance This Way

Consider first—the maximum proportion of your salary available for the purchase of life insurance; second, the minimum income that in decency and self-respect, you would provide for your wife when you are gone.

Necessarily, the older a man is when he buys life insurance the smaller the income his family will receive from the life insurance he can afford to buy.

Young men especially, between the ages of 20 and 30, should consider this most carefully. Buy life insurance big, right now, when the proportion of your income available for the purchase of life insurance is large, and the premium rate is low.

A premium savings account makes life insurance easy to buy.

Talk to a life insurance man about this today.

Protect Your Business with Monthly Payments

Corporation insurance on the lives of its executives has furnished the capital which assured the success of many a business. Heavy indebtedness means heavy overhead expense. Heavy overhead expense may mean loss when values are fluctuating.

Corporation insurance paid for from a fund built up by monthly deposits in a premium savings account is the least expensive and most valuable safeguard that can be set about a business.

Talk to a life insurance man about this plan.

Big Business Men Buy Life Insurance Big

A few years ago the death of a man leaving $100,000 life insurance occasioned considerable comment.

But now big business and professional men buy even larger amounts of both personal and corporation life insurance.

It is because they realize that some definite substitute for a part, at least, of their productive ability must remain after they are gone.

Is the ratio of your life insurance to your present income large enough? Probably not. But a premium savings account enables you to carry as much as you should, without embarrassment.

Any life insurance man in Winnipeg will gladly tell you more about this.

FIFTEEN CENT PIECES

Washington, D. C.—Congressman George F. O'Shaunessy, of Rhode Island, has introduced a bill to authorize the coinage of fifteen cent pieces. Introduced primarily for the benefit of the motion picture industry, the bill will, however, prove advantageous to many lines of business. It will have its value to the life insurance collectors in dealing with ten and fifteen cent premium payments. The measure has been referred to the Committee on Coinage, Weights and Measures of the House of Representatives for its consideration.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

The Continuous Instalment Policy

ADVANTAGES OF THIS CONTRACT

Even After Fifty-five a Wealthy Man Can Lose His Entire Fortune

By E. W. Marshall, Assistant Actuary Fidelity Mutual Life

Occasionally you meet a prospect who says, "Yes, Mr. Agent, your 'Income for Life' contract is splendid for the average man, but my case is exceptional. I am confident that I will save enough in the next thirty years to provide for my old age without your assistance. All I am interested in is plain insurance protection for my wife and nothing else."

You know this type of man, usually self-sufficient, cocksure of himself and for this reason an "easy mark" after he passes fifty-five years of age with a head full of out-of-date business methods and ideas to which he stubbornly clings. We have seen just such men with comfortable fortunes—not far short of millionaires—stake everything on their supposedly invincible financial ability, almost over night lose all they have, and face old age dependent upon the support of a close relative.

Nevertheless, you can seldom induce such a man to buy an "Income for Life" policy, so you prepare to offer him a life policy as an alternative. Here is the opportunity to suggest a continuous instalment contract. Your prospect is already saturated with the old age income idea after listening to your description of the "Income for Life" policy and you can make an effective appeal by suggesting that he take out a policy to pay his wife an income at his death.

Contracts Compared

Suppose your prospect and his wife are both aged 35, and that he would like the amount of the income to the wife to be about $1,000 per year. According to your rate book, the premium for a $20,000 continuous instalment policy would be:

Ordinary life, 20 instalment certain and continuous to beneficiary	$451.60
20-Payment life, 20 instalment certain and continuous to beneficiary	587 20

In many cases this proposition will meet with the prospect's approval and you can obtain an application and settlement at once. But sometimes the prospect will be enthusiastic over the entire contract except that he is unable to pay the premium for the 20-payment plan, which he prefers, and is about to drop the whole matter or consider a smaller income to the beneficiary.

However, you have not used all your ammunition. Say to him, "Mr. Jones, this proposition provides for twenty instalments certain of $1,000 each, whether your wife lives or not. If the number of instalments certain be reduced to ten, the premium for the policy would also be considerably lowered as follows:

Ordinary life, 10 instalment certain and continuous to beneficiary	$337.70
20-Payment life, 10 instalment certain and continuous to beneficiary	436 50

In other words, the 20-payment life rate on the ten instalments certain basis is less than the ordinary life rate on the twenty instalment certain basis."

Mr. Jones cares little whether the number of instalments certain be ten or twenty, and signs the application.

In general, the rate for a continuous instalment policy to provide a given income to the beneficiary, is less on the ten instalment certain plan than on the twenty instalment basis, and in some cases the 20-payment life ten instalment certain rate is less than the ordinary life twenty instalment certain premium, although this latter relation upsually does not hold if the beneficiary's age is under 25.

The following comparison shows the reason for the above facts, using the ordinary life continuous instalment policy as an example:

	20 inst. ctn.	10 inst. ctn.
Commuted value of 20 instalment certain of $1,000 each..=	$15,324	
Commuted value of 10 instalment certain of $1,000 each..=		8,786
Premium for above commuted value.....	$415.80	$238.40
Extra premium for continuous instalment feature	35.80	99.30
Total premiums.....	$451.60	$337.70

The difference between the twenty and ten instalment certain premiums is due to the fact that the latter commuted value is less, although the extra premium for the continuous instalment feature is greater on the ten instalment certain basis.

The surrender values and dividends would of course be larger for the twenty instalment certain policy, as they are based on an amount of insurance equal to the commuted value.

The Cost

The premiums for continuous instalment policies contained in the rate book are for twenty instalment certain as this number of instalments is usually considered the most satisfactory for the average insured. There are cases, however, where it would be unnecessary to provide for more than ten instalments certain. In such instances the prospect might well be quoted rates on this basis and thus be given the opportunity to purchase a larger income to the beneficiary for the same outlay in premium.

Whenever a ten instalment certain policy is presented in comparison with a twenty instalment certain contract, the prospect should be made to understand that the number of instalments certain is less.

The continuous instalment policy is made very attractive by the addition of the disability clause. The amount of the disability annuity is the same as that of the instalments to the beneficiary.

Rates for the ten instalment certain contracts at individual ages may be obtained from the head office upon request. The dates of birth of both the insured and beneficiary should be stated in such requests. Values for these policies, on the $1,000 basis to provide for ten instalments of $100 each, may be obtained by multiplying the regular values by .8786 as shown on page 407 of the rate book.

The continuous instalment policy, while not in such demand as the "Income for Life," is an attractive proposion to present in certain cases.

THIRTY-THREE YEARS OLD

Pittsburgh Life Underwriters Celebrate Anniversary—Now One of Best Organizations

After thirty-three years the Pittsburgh Life Underwriters Association is second only to the Boston association in point of age, and to the New York association in point of membership. The thirty-third anniversary was celebrated last week.

W. C. Lyne of the Union Central Life presided. He is the second and oldest living former president of the association. Mr. Lyne called attention to the notable part the association has played in stamping out the two great evils of the business—rebating and twisting. Graham C. Wells spoke on the insurance lecture course.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST-LARGEST STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

COUNTRY BANKER-AGENTS

C. W. Soesbe, of Alabama, Whose Bank Has $400,000 Deposits, Tells of Opportunities

C. W. Soesbe, a country banker in Alabama, recently addressed the agency force of Branch & Powell, Penn Mutual Life, Montgomery, Ala. This is a summary of his talk:

"I live in a country town of 1,500 inhabitants; our bank has a capital of $50,000 and deposits of about $400,000. We now have in force nearly one million and a half of life insurance in our vicinity. Please look down into the future a few years, from the standpoint of the stockholders of the bank. This million and a half of life insurance will become payable at some time. Where will the banking business connected with the settlements go? I was instrumental in putting the insurance in force; I have been somewhat instrumental in keeping it in force; I expect to make the settlements—will it not be the most natural thing in the world for the proceeds of the policies to be left in my care? Can anyone conceive of any scheme that would be more successful and far-reaching in bringing to the bank a large amount of the most desirable deposits?

"The writing of life insurance by a country banker follows the trend of the times to cover a general field of activities, in the country districts. The writing of life insurance opens up a large opportunity to increase his income in a manner that is in keeping with the nature of his other business. In the writing of life insurance, the country banker renders a great and useful service to his community, and in so doing, starts a stream of business toward his bank that may exceed his fondest hopes and continue for many years.

"Therefore, the country banker is warranted in being an active life insurance solicitor."

BANK BUYS GROUP

The First State Bank of Detroit, Michigan, has purchased Prudential group life insurance to cover fifty employes. The individual amounts range from $500 to $3,000 depending upon the length of service of each employe.

GERMANY'S FINANCIAL PLIGHT

By Congressman Hull, Tennessee

Germany, as stated, has piled credit on credit, issued fiat money, and so inflated both credit and currency that she does not now receive from her bond issues a net amount of real money equal to more than one-half of the subscriptions on account of currency depreciation. Germany allows no open trading in bonds, in order to keep secret their real, depreciated values. Both Germany and Austria are vainly striving to detect large numbers of persons smuggling gold out of the respective countries, and inflicting the severest penalties. The German interest rate ranged from 3 per cent at the beginning of the war to 3½ per cent., then to 4 per cent., and finally to 5 per cent. and over as the war has progressed. Reference must be had to the discount at which her loans have been floated in order to ascertain the exact interest yield. Germany's interest difficulties have not given serious concern under her methods of war finance, which involve wholesale fiat money issues for all needed purposes. Austria carries an interest rate of virtually 6 per cent. or nearly her entire indebtedness, which has now risen from $95 per capita before the war to $520 per capita at present. The Austrian Government authorized the Austro-Hungarian Bank to increase its note circulation from $600,000,000 before the war to $3,540,000 000 in December, 1917. This note credit was placed at the disposal of the Government with the result that the Government has deposited treasury bills bearing 5 per cent. interest with the bank, receiving the bank's note issue and other money therefor until the amount thus derived by the Government aggregated $2 640,000,000 in December last. It is most difficult to reckon actual net values of paper in Germany and Austria on account of inflation and their abandonment of the gold standard.

The Bankers' Life of Nebraska has increased its assets from September of last year by $1,000,000.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone 2497 John.

Subscription Price $3.00 a year. Single copies, 25 cents.

Entered as second-class matter January 4, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

JOHN HANCOCK NOW A BILLION DOLLAR COMPANY

Fifty-six years after its incorporation, or, to be more, exact, early in the month of April, 1918, the John Hancock Mutual Life Insurance Company came into the record as the seventh in the list of American life companies having more than one billion dollars life insurance in force.

It was on April 21, 1862, during the first throes of the Civil War, that John A. Andrew, then Governor of the Bay State, signed the charter incorporating the Company "for the purposes of making insurance upon lives."

A year before that, or on April 10, 1861, as the result of the agitation by Elizur Wright, the first Commissioner of the first insurance department known on this side of the Atlantic, there had been passed by Massachusetts the first non-forfeiture statute relating to life insurance in this country, and it seems to have been in connection with the study of that subject that a citizen of Boston, Albert L. Murdock, convinced of the justice of the principle, was led to the formation of a company which should be the first company avowedly to stand for that principle. This resulted in the creation of the John Hancock Mutual Life Insurance Co. as the first company chartered under any non-forfeiture law in the Western Hemisphere.

Its first policy was issued to Mr. Murdock under date of December 24, 1862.

The first report, issued as of January 1, 1864, showed outstanding 287 policies insuring $526,950, on which there had been no deaths, and assets of $125,536.05, including the $100,000 of original guaranty capital, which capital was retired in 1872, since when the Company has proceeded upon a strictly mutual basis.

The early history of the Company was made strenuous by the difficult and exciting events of the war during which it had its origin, and by the depression of the following years. In 1879, one of the most notable events of the Company's history occurred in the election of Stephen H. Rhodes, the then insurance commissioner of the commonwealth, to be the president. The Company's entry into the field of industrial insurance followed shortly thereafter.

The year preceding the accession of Mr. Rhodes to the presidency showed the Company holding assets of $2,748,668, liabilities of $2,517,263 and a surplus of $231,405. The insurance in force amounted to but $12,904,660. Mr. Rhodes died in 1909 and was succeeded by the then vice-president, Roland O. Lamb, who still heads the Company. At the close of 1909, the year President Lamb assumed office, the Company showed assets of $64,945,610; liabilities, $58,786,457; unassigned funds, $6,159,153; insurance in force, $526,945,925, and the impetus of the growing power is graphically illustrated by the statement for the year ending December 31, 1917, which shows assets $156,466,359; liabilities, $147,735,472; unassigned funds, $8,730,887, and with a total amount of insurance in force on a paid for basis of $975,296,293.

The Company having doubled in size in less than ten years, will reach its fifty-sixth anniversary on April 21, 1918, with well over a clean billion of outstanding insurance as witness of its success as an institution devoted to an important phase of the public welfare.

STATEN ISLANDERS SAD

New Rules of Suburban Exchange Adopted—A. G. Martin Elected President

By the slighest of slight margins the Suburban Exchange at its meeting this week, adopted amendments to its rules confining local agents to one of three group territories: mainland, Long Island and Staten Island. The location of the agent's office assigns him automatically to a group. Certain Staten Island agents who had close affiliation with William Street brokers, and have been writing everywhere, feel that their activities will be crimped. The Staten Island territory is 45 square miles.

A. G. Martin of the Northern, former president of the Underwriters' Association of New York State, is the Surburban's new president; Frank D. Layton, National, is vice-president.

TWO NEW APPOINTMENTS

Frank E. Carpenter has been appointed general agent of the Equitable Life of Iowa for the Southern half of South Dakota with headquarters at Sioux Falls. For the past three years he has been identified with the Surety Fund Life of Minneapolis, covering the same territory.

Another recent appointment by the Company is that of Daniel Masterson as general agent for Southwestern Iowa, headquarters at Shenandoah. For four years he was general agent of the American Life of Des Moines.

WAR SERVICE BULLETIN

The Equitable Life Assurance Society has begun to issue a War Service Bulletin. The first issue is called "Carry On," and begins with an introduction by President Day.

P. L. & T. MEETING

Field men of the Provident Life & Trust are attending a three days' meeting at the home office this week.

THE HUMAN SIDE OF INSURANCE



EARL E. LEYDA

Earl E. Leyda, of Pittsburgh, has been appointed special agent of the Automobile Insurance Company of Hartford for Western Pennsylvania and West Virginia. For fourteen years Mr. Leyda has been in the fire insurance business, and during that time he has had experience in many of its different branches. For seven years he was special agent for the Virginia Fire and Marine, and he has also done excellent work in the agency and brokerage end in connection with large lines. He has a host of friends in his field and will be a good man for the Automobile. Mr. Leyda succeeds George R. Fulton who goes to the home office as executive special.

* * *

J. Jefferson Tyndall, manager of the Fidelity Mutual Life, is to leave for France for the National War Work Council of the Y. M. C. A. He has been given a six months' leave of absence by the Company.

* * *

James H. Blagg, of Kansas City, is the only auctioneer whose picture has been printed by the "Hartford Agent," that live publication of the Two Hartfords, and probably the only auctioneer whose picture ever will appear in that paper, but there was good reason for printing it as the following chronicle says:

"Immediately following the big fire at the Kansas City Stock Yards, a hastily recruited but almost perfectly organized army of yardmen and salesmen, bank presidents, commission merchants, stock yard officials and live stock traders went to work to help the 'Hartford' straighten out the tangle of affairs resulting from the fire. The Company had taken over thousands of head of cattle, so mixed that individual ownership could not be established, and three days after the fire 10,900 head of live stock were sold at public auction. This was an undertaking which, in its magnitude was a radical departure from the usual course of live stock trading. James H. Blagg, live stock auctioneer, mounted the stand at 10:30 o'clock in the morning and cried the sale without interruption until 4:30 in the afternoon, when the last animal was sold. Counting delays in keeping cattle moving, the animals were sold at an average rate of more than thirty head per minute, or about fifty car-loads per hour. Mr. Blagg, we believe, became the champion live stock auctioneer of the world."

H. L. A. Bates, who is the peaceful and modest manager of the Standard Forms Bureau in San Francisco, has four sons who are wearing their country's uniform. Captain Norman Bates, of the marines, has seen active service and is now stationed "somewhere," whether over there or here is not known. Richard Bates is a lieutenant in the United States Navy, graduated from Annapolis in the class of 1915, and is at sea. Edward Bates is now at Camp Kearny at the Officers' Training Camp. Leslie Bates is a member of the Aviation School at Berkeley. There is one other son, Jocelyn, who expects to enlist as soon as he has recovered from injuries incurred in a football game.

* * *

W. N. Van Alstine, president of Rogers & Ashe, Inc., a well known insurance agency at Little Falls, N. Y., is now a part-timer. The event is chronicled as follows in a local newspaper: "At a meeting of the stockholders of the Little Falls Fibre Company yesterday, William N. Van Alstine was elected secretary and treasurer of this prosperous and growing local industry. Mr. Van Alstine is a very active young man and has been associated with Rogers & Ashe in the insurance business. He will still maintain his connection with that firm in an advisory capacity. Mr. Van Alstine intends to learn the manufacturing business and his friends are certain that he will make good and will be a valuable asset to the Fibre Company. Workmen have just started a two-story addition to the plant, which will greatly enlarge its capacity."

* * *

William D. Hunter, special agent of the Westchester, who lost his eye in the Empire State Express wreck on April 8, is rapidly recovering. At the St. Mary's Hospital in Amsterdam, N. Y., the house physician said he called for a cigar as soon as he came out of the ether, and his good spirits became contagious. Agency Manager Roome, of the Westchester, has mailed a bulletin to agents about Mr. Hunter's condition.

* * *

Henry L. Rosenfeld, fourth vice-president of the Equitable, has returned from a two weeks' speaking trip for the Liberty Loan. In Missouri he travelled with **Assistant Secretary of the Treasury T. B. Love,** who made seventeen talks for the Liberty Loan.

* * *

J. B. Moody, Jr., formerly with the Travelers and then with the New England Mutual Life in Connecticut, has been promoted from first lieutenant to captain. He got his commission as second lieutenant at Plattsburg and is now in the Quartermasters' Corps.

* * *

Thomas B. Smith, Mayor of Philadelphia and owner of 80 per cent. of the stock of the Thomas B. Smith Co., agent of the National Surety Co., testified at a council committee investigation that his firm once had 17 per cent. of the official bonding of the city, and now has 75 per cent. "This may be indelicate, but it isn't wrong," he told the city probers.

* * *

Philip Burnet, president of the Continental Life, has issued an interesting chart showing the trend of life insurance production during and after the Civil War, with a parallel of present production. He predicts a great increase in business following the war.

* * *

Dr. J. W. Kirgan, manager for the Fidelity Mutual at Cincinnati, has been granted a leave of absence to go to France in the interests of the Y. M. C. A.

FIRE INSURANCE DEPARTMENT

Federal Crime to Destroy War Supply

WHAT "WAR MATERIALS" MEAN

$10,000 Fine and Long Term Imprisonment—Prosecution Taken from Local Courts

Washington, D. C.—With the adoption by Congress of the report of the conferees on the bill to punish the destruction or injuring of war material and war transportation facilities by fire, explosives, or other violent means, and the signing of the measure by President Wilson, offenses of this nature become Federal crimes, with authority placed with the Federal courts to mete out justice and punishment, rather than leaving such matters to State and local courts.

The words "war materials" include arms, armament, ammunition, live stock, stores of clothing, food, foodstuffs or fuel and also supplies, munitions and all other articles of whatever description, and any part or ingredients thereof, intended for, adapted to or suitable for the use of the United States or any associate nation in connection with the conduct of the war.

The words "war premises" include all buildings, grounds, mines or other places wherein such war material is being produced, manufactured, repaired, stored, mined, extracted, distributed, loaded, unloaded or transported, together with all machinery and appliances therein contained, and all forts, arsenals, navy yards, camps, prisons or other military or naval stations of the United States, or any associate nation.

The words "war utilities" take in railroads, electric lines, ship lines and structures maintained incident thereto, water and gas mains, electric lights, telephone and telegraph plants, and all things incident thereto, etc.

Violation of the provisions of the law carries a penalty of a fine of not more than $10,000, imprisonment for not more than 30 years, or both, such fine and imprisonment in the discretion of the Court.

THE STUYVESANT

Extract of Report on Examination of Company by New York Insurance Department

The Stuyvesant Insurance Company is authorized in the States of Arkansas, California, Colorado, Illinois, Louisiana, Maryland, Minnesota, Mississippi, Missouri, Montana, New Jersey, New York, Ohio, Oregon, Pennsylvania, Tennessee, Utah, Washington and Georgia, the Territory of Alaska and the Dominion of Canada. Business, however, is written on risks located in practically every State and territory of the United States as well as in Canada, Cuba and Mexico. A report from the New York Insurance Department says:

"The net premium income of the year 1917 shows a marked decrease from the previous year. This is due in a measure to the June 30, 1917, reinsurance of approximately $400,000, and to the fact that the underwriting methods have been changed, the operations of the company being now on a more conservative basis.

"Under a contract dated February 28, 1913, J. S. Frelinghuysen was appointed general agent for the Company. This contract was amended in November, 1915, upon Mr. Frelinghuysen's election as vice-president and general manager, changing his compensation from a commission to a salary. In addition, the Company is to pay the expenses incurred by the general agent in conducting the business.

"The Company re-insured as of June 30, 1917, one-half of all of its outstanding risks in the Globe & Rutgers Fire Insurance Company, of New York, the unearned premiums thereon amounting to $406,915.26."

MOFFATT INCORPORATES

Ralph B. Parsons Elected President of Newark Agency—H. S. Niemitz Made Treasurer

Thomas C. Moffatt, the well known Newark agent and president of the New Jersey Association, has incorporated his business under the name of T. C. Moffatt & Co., with himself as president, Henry S. Niemitz as treasurer and Ralph B. Parsons as secretary.

Mr. Parsons was formerly with Atlee Brown's office, having occupied the position of Superintendant of the Special Hazard Department, and is particularly well versed in schedule and fire hazard work. He was before that connected with one of the large brokerage houses of New York, as a solicitor.

Mr. Niemitz was with the Automatic Sprinkler Company of America for fifteen years, having represented them in Jersey for the last six years, and is an expert practical engineer on sprinkler work. He is also a good salesman.

A COLONEL CUNNINGHAM STORY

A local pawnbroker's shop was burning, and among the crowd of lookers-on was a woman who attracted attention by her sobs and tears.

"What is the matter?" a fireman asked. "Do you own the building?"

"No," she replied, "but my man's suit is pawned there, and he don't know it."

One Hundred Million Americans Must Enlist to Win the War

Be one of the hundred million Americans to help win the war. Plan to buy all the bonds you can. This is your part and no one else can do it for you.

Get into the fight! Join the crowd! Do it Now!

Invest in LIBERTY BONDS!

This space contributed by
NIAGARA FIRE INS. CO., NEW YORK

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1918, to New York Insurance Department
LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer
G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent
SURPLUS TO POLICYHOLDERS.....$5,980,020.79

LINES SOLICITED AND BOUND THROUGHOUT UNITED STATES AND CUBA
E. F. FLINDELL
INSURANCE
1 LIBERTY STREET Telephone John 2612 NEW YORK
LOCAL OFFICES
JERSEY CITY, N. J. 1 Montgomery St. Tel. 216 Montgomery
BROOKLYN, N. Y. 153 Remsen St. Tel. 2504 Main
NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

INCORPORATED 1720
Royal Exchange Assurance
LONDON, ENGLAND
United States Branch
92 William Street, New York
RICHARD D. HARVEY
United States Manager

U. S. Board May Insure New Ships

SAYS SHIPPING BOARD LAWYER

Several Changes in Precedent Now Being Considered by Emergency Fleet Corporation

Henry H. Little, New York counsel of the United States Shipping Board, stated on Friday that the insurance on the vessels now being built by the Emergency Fleet Corporation, which will be owned and operated by the Government, may be given to the marine insurance companies. Mr. Little made this statement at the April meeting of the Marine Insurance Club at the Waldorf in an address on "Shipping Board Risks." He did not give any specific reason why this action was contemplated other than to say that the Shipping Board officials were now considering this with other changes.

When Ships Were Taken Over

Mr. Little prefaced his statement with a description of the early disorganization of the Shipping Board and how its scope had been and was now being daily expanded. In telling of how the Government commandeered, requisitioned and purchased the vessels now being operated through the Emergency Fleet Corporation, Mr. Little outlined the two methods of procedure pursued. In taking over a vessel owned by a private corporation, the Government offered two options—the time form of charter, which gives to the insurance companies the business on the crews and cargoes, and the bare-boat form of charter under which the Government carries the entire risk and supplies the crew.

Mr. Little said that one of the plans under consideration by the Shipping Board included the operation of a large percentage of the ships now being built by agents. He ended his talk by eulogizing the work of the crews of the merchant ships in saving property.

Will Be Addressed by Chubb

Preceding Mr. Little, the club had been addressed by Walter W. Price on patriotic topics. The club appropriated $1,500 for the purchase of bonds of the Third Liberty Loan.

A telegram was read at the meeting from Assemblyman Braum to the effect that the marine brokers' license bill which he had introduced had passed the Senate and lacked only the Governor's signature to become a law effective July 1.

The welfare committee reported it had contributions to the amount of $662.10 for the comforts of the members of the club who are in the service. The lecture committee reported that Henry Chubb had tentatively accepted an invitation to address the next meeting on war risk insurance if he is able to get away from his duties at Washington.

The principal item of business handled at the meeting was the making of arrangements for a clubhouse.

ELECT PELTON PRESIDENT

Olean Agent Has Been With Mandeville Company for Nearly Thirty Years

William L. Pelton has been elected president of the W. H. Mandeville Company, Inc., Olean, N. Y., succeeding the late John M. Larkin. Frances E. Larkin has been elected secretary and treasurer. Mr. Larkin had been with the agency since 1890. It was incorporated in 1905.

Mr. Pelton has been with the agency twenty-nine years. The agency is a prominent one, and has a branch in Port Allegheny, Pa. Mr. Pelton is a member of the executive committee of the Agents' Association in New York State.

BUFFALO ASSOCIATION MEETING

The annual meeting of the Buffalo Association of Fire Underwriters resulted in the re-election of its officers as follows: President, E. B. Eggert; vice-president, R. H. Mason; secretary, W. H. McPherson; treasurer, L. G. Morgan.

INSURANCE TAXES

Washington, D. C.—Figures compiled by the Commissioner of Internal Revenue show that taxes collected under the war revenue act on insurance policies during the month of February amounted to $872,894.32. Total collections on policies since the law became operative last November amount to $2,343,459.74.

FIRE MEN LEAD

Warren S. Parks is chairman of the Insurance Men's Liberty Loan committee, Rochester, N. Y. Clay Babcock is in charge of the life campaign there. Ezra J. Boller and W. W. Dake are in charge of the casualty men. The fire men are leading so far with about $50,000 of bond sales.

JERSEY RATE ADVANCE

Atlee Brown, New Jersey rating expert, announces a 10 per cent. advance in rates to take the place of the 5 per cent. advance recently made. Accordingly, the 5 per cent. advance is revoked and the old rates are increased 10 per cent.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
103-5 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

HENRY E. OTTO & CO., Inc.
Insurance Brokers — Average Adjusters
Marine and War Risk a Specialty
105 WILLIAM STREET, John 5109-5037-2171 NEW YORK

WILLIAM C. SCHEIDE & CO., Inc.
HARTFORD, CONN.
Re-Insurance in All Branches

1853 Sixty-Fourth Year 1917
FARMERS' Fire Insurance Company
YORK, PENNSYLVANIA
Assets (Dec. 31, 1916) $1,116,968.00
Net Surplus (Dec. 31, 1916)..... 514,025.00
W. H. MILLER, President
A. S. McCONKEY, Sec. and Treas.

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

National Liberty
INSURANCE COMPANY OF AMERICA
NEW YORK
ORGANIZED 1859
Statement January 1, 1917
Cash Capital $1,000,000.00
Assets 8,553,704.22
Liabilities 4,222,485.60
Net Surplus 3,331,218.62
Surplus for policyholders 4,331,218.62
HEAD OFFICE
Corner William and Cedar Streets

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

BROKERS ACTIVITIES

Calf Insured for $25,000

Some idea of the amount of insurance being carried on live stock can be judged by the fact that "King Ormsby Jane Rag Apple," a calf, is insured in the Hartford for $25,000, and that's less than half of its value, as it was sold recently for $53 200. The Hartford, which has made the writing of livestock insurance one of the interesting features of its business, writes several forms of mortality insurance for live stock. An agent can insure them in transit, the cost based on the distance. He can insure dairies at an average price per head. It is possible to insure a farmer's horses, driving and racing horses, and some agents will soon be called to insure all valuable registered stock, for the trend is fast turning that way.

* * *

Zeitlin With Tynberg & Co.

Samuel Zeitlin, for a number of years with Jos. S. Blume & Co., is now with Tynberg & Co., succeeding the late John Van Brunt.

* * *

Leary With Stanford, Hine & Fish

J. P. Leary, who has been with H. C. Albright, of this city, for several years, and was formerly with Pate & Robb, resigned last week and started on Monday with Stanford, Hine & Fish, as placer.

* * *

Joins the Navy

William Benedict, of Rollins, Burdick & Hunter, left last week to join the navy.

* * *

C. C. Robinson & Co. Move

C. C. Robinson & Co. and Charles Huethwohl will move from their offices at 91 William Street on May 1 to 80 Maiden Lane.

* * *

J. C. Ammermuller's New Address

On May 1, J. C. Ammermuller will locate at 80 Maiden Lane. His office for some years past has been at 91 William Street.

Rent Insurance

Rent insurance is proportionately as important as insurance of buildings, says the Glens Falls. Even partial destruction of buildings, under usual leases, is sure to involve a loss of rent. Rent stops, but taxes and mortgage interest do not. No doubt many owners of buildings, the rents from which are an important part of their income, do not know that rents can be insured, and this because of the neglect of local agents to cultivate this item of fire insurance.

* * *

Hess Under Operation

Arthur Hess, vice-president of the Brooklyn Brokers' Association, and liability underwriter of the Metropolitan office of the General Accident, underwent an operation for appendicitis on Monday.

* * *

Estabrook with Remington Arms

George G. Estabrook, secretary of C. B. Squire & Co., has been appointed manager of the insurance department of the Remington Arms Union Metallic Cartridge Co. and will commence his duties with that Company on Monday. Mr. Estabrook will continue to be located in New York with offices in the Woolworth Building.

* * *

Brokers' Bond Sales

The Fire Brokers' Association of New York is taking an active part in the Liberty Loan drive. The association has three booths, two of them at 80 Maiden Lane. In one of these booths $15,000 of bonds were sold.

FIRE CHIEFS TO MEET

The International Association of Fire Engineers will meet in Chicago, June 4, 5 and 6. This is the Fire Chiefs' Association of the United States and Canada. There was no meeting last year and now the members believe that was a mistake and a big meeting is planned for 1918.

CONROW WITH WESTCHESTER

E. J. Conrow will start on Monday with the Westchester Fire Insurance Co. as an examiner in the local department. Mr. Conrow has been with Crum & Forster for the past ten years and leaves his position in the local department of that office this week.



The Oldest American Stock Insurance Company

1792 Insurance Company of 1918
NORTH AMERICA
PHILADELPHIA

126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33

Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

STRENGTH INTEGRITY SERVICE

Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries

JAMES H. BREWSTER, Mgr.
Hartford, Conn.

A Broad Underwriting Service to Agents
Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.
Works in Harmony with American Agency Principles and Practices

CRUM & FORSTER
GENERAL AGENTS
95 WILLIAM STREET NEW YORK CITY

United States Fire Ins. Co., N. Y. — The North River Ins. Co., N. Y.
Richmond Ins. Co., N. Y. — Union Fire Ins. Co., Buffalo, N. Y.
Potomac Ins. Co., Washington, D. C. — Seneca Fire Ins. Co., Buffalo, N. Y.
United States Underwriters' Policy, N. Y.

F. M. GUND, Mgr. Western Dept.
Freeport, Illinois

W. W. ALVERSON, Mgr. Pacific Coast Dept.
San Francisco, California

Authorized Capital $500,000
Detroit National Fire Insurance Co.
DETROIT, MICHIGAN
A Company to be built gradually and along the indicated lines of permanence
AGENCY CONNECTIONS SOLICITED

95 William St. New York
WALTER F. ERRICKSON
AGENT
38-40 Clinton St. Newark, N. J.

Agricultural Insurance Company, of Watertown, N. Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent. MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent. NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent. NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent. NEW YORK STATE

One Hundred and Forty-Two Years of Labor and Struggle

THE American people fought their first battles for liberty and the rights of self-government one hundred and forty-two years ago.

At that time and for many years thereafter, their realization of their national aspirations and of the goal toward which they were really striving was vague and indistinct. But step by step they struggled onward and upward toward a light which grew clearer as their eyes and minds slowly opened to its significance. Today, as a result of their struggles and their sacrifices, we possess and enjoy our priceless American institutions.

These institutions must be preserved. The structure so laboriously reared in these one hundred and forty-two years will be utterly destroyed if we do not spring to its defense with every atom of our energy and determination. This is not a situation which may be trifled with, or evaded, or put off. It is one which must be met now—today—no matter what sacrifices it may entail, or what the cost may be.

The immediate need is the investment of our money in

LIBERTY BONDS

This Space Contributed By
Liverpool & London & Globe Ins. Co.

LIBERTY LOAN COMMITTEE
Second Federal Reserve District
120 Broadway, New York City

Greater New York Fire Selling Stock

LICENSED BY N. Y. DEPARTMENT

Authorized Capital of Bronx Company Is $200,000 with Surplus of $400,000

The New York Insurance Department has licensed the Greater New York Fire Insurance Co. to sell its stock in New York State. The authorized capital of the Company is $200,000 and its surplus $400,000.

The organizers of the Company plan to have no preferred stock and the shares will be sold at $30. The Company has the endorsement and support of the Taxpayers' Alliance of the Borough of the Bronx and its directors are mainly men prominent in the affairs of that Borough. It is an outgrowth of the recent rate agitation in the Bronx. They are J. G. Borgstede, president of the North Side Savings Bank; T. J. Chabot, of Lyons & Chabot; J. E. King, director, Richmond Insurance Co.; G. N. Reinhardt, of the G. N. Reinhardt Hay, Grain & Feed Co.; M. Just, president of the Taxpayers' Alliance; F. D. Krumdiek, real estate broker; Constantin Wagner, of the Wagner Glass Works; W. F. Krumdiek, wholesale grocer; C. S. Levy, attorney; W. C. Bergen, builder; Anthony Cuneo, real estate dealer; A. F. Schwartzler, builder; Hon. Harry Robitzek, municipal court judge; Herman Wiebke, real estate dealer, and H. B. Chambers, attorney.

The officers of the Company are Mr. Borgstede, president; Mr. Chabot, vice-president; Mr. King, second vice-president and general manager; Mr. Reinhardt, treasurer; Mr. Just, secretary; F. C. Krumdiek, assistant secretary, and C. W. Schmidtke, assistant secretary.

The prospectus of the Greater New York describes its organization as follows:

"The plan of operation is broad and comprehensive, combining the scope and financial responsibility of the capital stock company with the economic and co-operative features of the mutual company * * * the company's charter to permit it to issue policies, providing that a percentage of the net premium profit may be returned to the policyholder."

GEORGE E. KLINE BACK

George E. Kline, former vice-president of the Continental, has returned from the Pacific Coast.

Red Cross Committee

(Continued from page 1)

Henry P. Davison is chairman. All administrative work is done by the Bureau of Insurance. The Advisory Committee passes upon all general principles of insurance and special questions."

The insurance committee was appointed by the War Council.

LIEUT. CREHOVE TALKS

Former Automobile Manager of Merchants' Fire Has Brought Down an Aeroplane

At the meeting of the City Insurance Club Tuesday, loan subscriptions of $1,950 were taken in less than three minutes after the blanks were distributed. A committee was appointed to see all members of the club not present at the meeting and secure their subscriptions.

Austin Crehore, formerly manager of the automobile department of the Merchants Fire, and a lieutenant of the Lafayette Esquadrille, told those present of his experiences in France. He has already downed one German plane, and has been awarded the Croix le Guerre.

CHUBB TALKS IN CINCINNATI

Hendon Chubb, of the War Risk Bureau will discuss marine insurance questions in a Cincinnati speech today.

BALTIMORE LOAN DRIVE

On April 3rd the Baltimore underwriters set apart a day to make a drive for Liberty Loan bonds at the "Over There Cantonment" at the Fifth Regiment Armory. Manager Bond, of the Travelers, rallied his men in a great drive and as a result, the Travelers agents of Baltimore sold $25,000 of Liberty Loan bonds.

BRITISH AMERICA ASSURANCE CO.

Incorporated 1833

(FIRE AND INLAND MARINE)

Head Office, Toronto, Canada

United States Branch

January 1, 1918

Assets	$2,192,173.14
Surplus in United States	772,927.35
Total losses paid in United States from 1874 to 1917, inclusive	25,298,472.00

W. B. MEIKLE, Pres. & Gen. Mgr.

Insure Liberty!

Buy Liberty Bonds

"The Leading Fire Insurance Company of America"

ÆTNA INSURANCE COMPANY, HARTFORD, CONN.

WM. B. CLARK, President

Caledonian Insurance Co. of Scotland

FOUNDED 1805

"THE OLDEST SCOTTISH INSURANCE OFFICE"

UNITED STATES HEAD OFFICE

Caledonian Building, 50-52 Pine Street, New York

CHAS. E. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.

NEW YORK CITY OFFICE

Golden Hill Building, 59 John Street, New York

THE YORKSHIRE INSURANCE CO., LTD., OF YORK, ENGLAND

Established 1824

FIRE, LIGHTNING, SPRINKLER LEAKAGE, AUTOMOBILE, WAR AND EXPLOSION INSURANCE

U. S. BRANCH

FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager

No. 80 Maiden Lane, New York

New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York

DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

COLONIAL INSURANCE AGENCY

54 MAIDEN LANE Phone John 1210 NEW YORK CITY

AUTOMOBILE AND ALL FIRE AND CASUALTY LINES

"SECOND TO NONE IN SERVICE"

JAMES J. BOLAND COMPANY, Inc.

GENERAL AGENTS

HOME OFFICE SCRANTON, PA.

68 WILLIAM STREET NEW YORK CITY, N. Y.

NEW YORK NATIONAL INS. CO.

THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.



F. H. HAWLEY, Pres. ORGANIZED 1848 W. E. HAINES, Secy.

The Farmers Insurance Co.

LE ROY, OHIO.

Ohio's Oldest and Strongest Company

Net Surplus Over $1,293,741.00

AN AGENTS COMPANY

E. K. SCHULTZ & CO.

PHILADELPHIA

GENERAL AGENT

Pennsylvania, New Jersey and New York

JONES, LAUNT & BARRETT, Inc., GENERAL AGENTS

JONES LAUNT INCORPORATED BARRETT

Head Offices:

411-13 Walnut Street, PHILADELPHIA, PA.

We can offer to Agents and Brokers special facilities on surplus lines throughout the United States and Canada.

O. E. Lane Returns From Pacific Coast

ENTHUSIASM FOR THE WAR

Shipbuilding Program on Northwest Coast Being Carried Through on Large Scale

O. E. Lane, president of the Niagara Fire Insurance Company, returned this week from California. While away, he visited San Francisco, Spokane, Seattle, Butte, Denver, Chicago and some other cities.

Mr. Lane said that despite the great distance of the coast from the European conflict, the interest in the war is great, the people are thoroughly aroused to the necessity of the most vigorous prosecution of the campaign, and that the sale of Liberty bonds is large. The same enthusiasm for the war he found in the Middle West.

On the Northwest Coast there is tremendous interest in shipbuilding. The men to build the ships and the material are available, nothing can stop a great shipbuilding program from being carried through. The fact that labor can be employed on ships all the year around is an important economic factor.

Mr. Lane said that the people on the Coast and in the West are unusually prosperous, and in California there are tremendous sales of food products. Insurance agents are sharing in the prosperity.

When Mr. Lane returned he found on his desk a large vase of roses given by the home office staff.

PERCENTAGE LIMITS RAISED

Ten Per Cent. Added on Cars of Last Year and Year Before

By resolution of the executive committee of the National Conference, the percentage limits of fire and theft insurance allowable upon last year's cars (that is cars bought new more than six but not more than eighteen months prior to insurance) columns C, D and E, and year before last cars (that is, cars bought new more than eighteen but not more than thirty months prior to insurance) columns B, C, D and E are increased by adding ten per cent. to the percentage limits of insurance shown on the present rate sheet.

This makes the percentage limits of insurance read as follows: Last year's cars—Column A, no limit; Column B, 80 per cent.; Column C, 80 per cent.; Column D, 70 per cent.; Column E, 70 per cent. Year before last cars—Column A, no limit; Column B, 60 per cent.; Column C, 60 per cent.; Column D, 50 per cent.; Column E, 50 per cent.

These changes apply to both passenger and commercial type cars and are effective immediately.

It was the intention of the Conference to effect this change by allowing cars of the last two years to be written at the present list price. The Southern Conference had already issued a circular announcing that change but it is understood that it will be withdrawn in favor of the percentage basis of increase which it is recognized is easier to handle with the present rate sheets. The latest plan works out about the same as the original plan, except in such cases as the Cadillac, which advanced its price so materially. The Western and Pacific Coast conferences have not yet acted on the change.

Erie Meeting Postponed

The April meeting of the Erie County Bureau of Underwriters has been postponed until the third Wednesday in May.



"America Fore"

BUY LIBERTY BONDS

AUTOMOBILE RATES DEFERRED

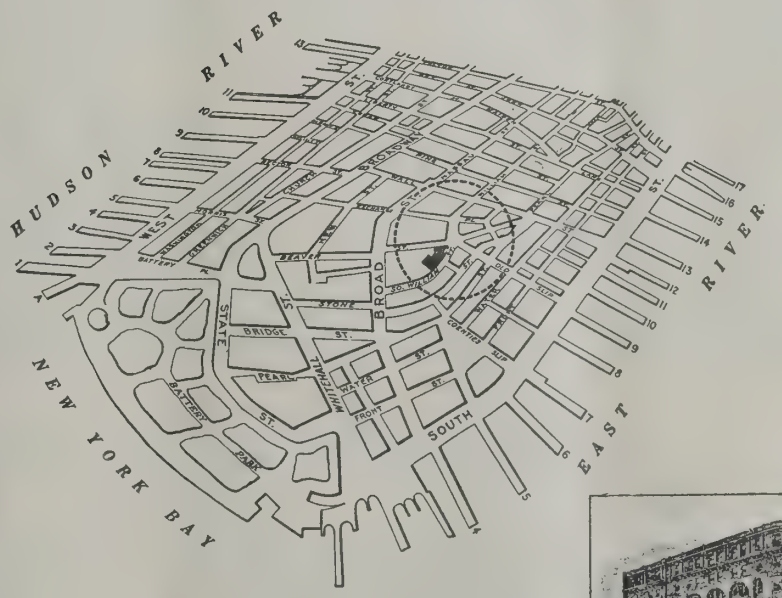
Tariffs for District of Columbia Will Be Reconsidered Following Agents' Representations

Following representations made by agents in the District of Columbia, application of the new automobile casualty rates has been indefinitely deferred. While a consideration of the claims of the agents is under way, full collision, liability and property damage rates will be written at the old rates, but the $100 deductible collision form with its new rates stands.

Similar action was taken by Providence agents regarding the new rates there and after re-investigation of the data covering that territory it was decided that the bureau rates should stand.

Lieut. Lionel de Jersey Harvard, a descendent of the founder of Harvard University, and who was graduated from that university in 1915, has been killed in action. Before going to Cambridge he was with a marine insurance brokerage office in London.

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

Insurance Funds of Railroad Companies

INTEREST IN McADOO PLAN

Pennsylvania Fund $9,000,000, Reading $1,000,000—If U. S. Insures Railroads What Become of Funds?

Washington newspaper correspondents continue to send out stories to the effect that the Government is contemplating establishing a fund to cover fire insurance losses sustained by the railroads.

An interesting sidelight on the situation was printed this week by the Philadelphia "Public Ledger" which said:

The Pennsylvania and Reading

"So far as the Pennsylvania and Reading lines are concerned, each of these roads has maintained its own insurance department for a number of years. The Pennsylvania started a fund in 1879. In the meantime this fund has grown to $9,000,000. The Reading's fund approximates $1,000,000.

"The question the railroads are seeking to settle is what the disposition of this fund is to be in the event of the Government including all roads in the national plan. Should these roads be taken into the Federal program, the money, it is contended, should revert to the general funds of the roads to be credited to the surplus account. On the other hand, belief is expressed that an exception may be made where roads do their own insuring.

"The Pennsylvania carries liability of $1,000,000,000, divided into $400,000,000 for physical property and $600,000,000 for the risk of injury to passengers and employes. The insurance fund applies to the entire Pennsylvania system, and the liability entirely covers the property of lines owned completely. On lines where the company has only a part ownership the insurance carried is in proportion to the degree of ownership.

"For the year 1917 the Pennsylvania deducted $5,003,700 from operating receipts for the insurance fund. The company's payments aggregated $6,067,285, of which $2,039,833 was paid for passenger injuries and others and $2,303,448 for loss and damage of freight.

"In contrast to the Pennsylvania's method of carrying all its own insurance, the Reading divides its responsibility by maintaining a fund of $1,000,000 and using stock companies to carry about $4,700,000."

THE BROKERS' ORGANIZATION

To Change Name to Fire, Marine & Liability Brokers' Association of New York

Plans are under way to change the name of the Fire Brokers' Association to the Fire, Marine and Liability Brokers' Association of the City of New York. Formal application has been made for through attorneys to effect the change and to obtain the necessary votes and proxies. A special meeting has been called for April 24 to vote upon the amendment.

The brokers' association now has 200 members and there is a large number of marine and liability brokers, who will become eligible to membership as soon as the necessary formalities have been complied with. The change should add materially to the strength and prestige of the association and is a decided advance in that it will bring together in close union a large body of representative men in the business who have much in common but who are now compelled to act through separate organizations, while, in fact, their interests are too closely interwoven to be effectively handled in that manner.

MARINE DEPARTMENT

Heavy Marine Insurance Losses Continue

Since The Eastern Underwriter's last report on marine insurance losses there seems to be no actual decrease in them and the underwriters are again called upon to pay some very heavy losses, in addition to having their income materially reduced by the Government commandeering any number of steamers on bare form of charter, which means that the Government assumes responsibility for the hulls while in their possession and the underwriters are either called upon to suspend their policies during that period or cancel the risk from a certain date and pay a return premium.

The "Costa Rica"

The most serious loss reported seems to be the American steamer "Costa Rica," bound from Calcutta to San Francisco with a cargo of burlaps valued at about $500,000 and an additional cargo consisting of pigtin, which is probably valued at the same amount. This vessel is reported by wireless in distress in a gale, ship's provisions and fuel are exhausted. It is rather unfortunate that shippers should use a vessel of this type to carry such a valuable cargo, and it is more regretable that underwriters can be found who are willing to assume risks of this character, for a vessel which was originally built in 1891 at Chester, Pa., of 1,783 tons gross, 1,161 tons net, for the coastwise trade, and having been discarded by the former owners apparently, should not be used on a long voyage carrying so valuable and perishable cargo as burlaps and/or bagging.

The "Philadelphian" and "Admiral Evans"

The steamer "Philadelphian," reported torpedoed and sunk, was bound from United States port to United Kingdom, undoubtedly had a very valuable cargo and the loss falls heavily upon war risk underwriters in the New York market.

Steamer "Admiral Evans," wrecked March 9 on the Alaska coast, will probably fall heavily on west coast and London hull underwriters. Vessel probably valued at about $400,000.

Heavy Salvage on "Susquehanna"

Steamer "Susquehanna," from a European port to New York, went ashore March 2 at Toms River. Vessel was valued at $750,000, with $250,000 on disbursements. This vessel, after being ashore for seventeen days and withstanding some very heavy storms, was eventually floated and brought into port. It is interesting to note that Lake vessels can be rebuilt so that they can withstand an accident of this kind. The "Susquehanna" was built in 1886 and is of 2,781 tons gross register, having been built by the Union Dry Dock Company at Buffalo, N. Y. A very large amount of money was spent in reconstructing this boat at Buffalo. The vessel was towed in sections to Quebec and there put together. The reconstruction of this vessel was considered one of the best pieces of work done on Lake vessels for ocean service. and the result of her experience at the beach at Toms River justifies that the work must have been of exceptional character. Nevertheless, the underwriters will be called upon to pay a heavy salvage and particular average claim.

The steamer "Batiscan," from New Brunswick to a provincial port, is reported a total loss, probably with a cargo of steel products or coal and will fall heavily on New York and London underwriters. Vessel probably valued at $750,000.

"Kershaw" and "Halifax"

The steamer "Kershaw," Norfolk to Boston, Merchants and Miners Line, with a valuable cargo of general merchandise, went ashore March 14, and has recently been floated with heavy damage to cargo. Will fall probably on American underwriters, on hull as well as cargo.

Steamer "Halifax," British steamer sailed from United States port to Bordeaux, has been posted in Lloyd's on February 20 as missing. This vessel sailed with a valuable cargo and it is reported that she sailed with a considerable deck load. It is also rumored that one or two binders had been given on cargo by this vessel of questionable security. It is remarkable what class of vessels can be passed and insured at low rates for a North Atlantic passage during winter months.

The steamer "Atlantic Sun," owned by the Sun Oil Company, is reported as having sunk off the coast of England March 24, after being torpedoed. This loss will partially fall on American war risk underwriters.

American schooner "Carrie A. Lane," reported wrecked on the west coast of Africa. Hull and cargo probably placed in the New York market.

Steamer "Friedland," United States Atlantic port, torpedoed February 7, carried a cargo for the Belgian Relief to Rotterdam, and a very large amount on profits on charter, was placed in American market.

Steamer "Wegadesk," Baltimore to Italy, reported sunk by submarine, probably had a full cargo of grain insured with local war risk underwriters.

Steamer "Etonian," Liverpool to Boston, reported torpedoed and sunk, undoubtedly carried general cargo bound for Boston merchants. Loss will partially fall on American war risk underwriters.

Loss for Standard Oil Insurance Fund

Steamer "O. B. Jennings," vessel of 10,290 tons gross, 7,890 tons net, owned by the Standard Oil Company of New York, beached on the coast of England as a result of collision and fire at sea; ought to be a heavy loss. The cargo was valued at $1,500,000 and was insured in England.

Motor schooner "Grays Harbor," west coast of South America to New York, carrying a very valuable cargo of tin ore, nitrate and other west coast cargo, is ashore at New Providence Island near Bluefield, Nicaragua. United States Canal authorities are sending assistance and vessel is expected to be salved, although considerable cargo is being thrown overboard. This hull is valued at $250,000, disbursements $150,000 and cargo is valued in the neighborhood of $750,000.

Taking all of these losses into consideration it seems that the New York market will have to be favored with some exceptionally good results for the next six months at least.

The latest wireless report on the "Costa Rica" is to the effect that the storm has let up and she has made Honolulu and will proceed to San Francisco.

The "Cyclops"

The loss of the steamer "Cyclops," bound from Brazil to United States with a cargo of manganese ore, will be another heavy loss for American underwriters. Her cargo with prepaid freight will be in the neighborhood of $500,000. It will undoubtedly develop after investigation that this vessel was lost through structural weakness, considering the size of the vessel and the number of hatches which the vessel had. Her decks were materially cut up to facilitate the loading and unloading of cargo. We consider that this vessel was built as a collier and undoubtedly she was properly built for that trade, but when a vessel is put to the task of carrying a very heavy cargo like manganese ore, she must be specially constructed for such trade. Undoubtedly the Government was very anxious to get the manganese ore to this country for war purposes and this vessel was probably loaded down to her marks. In that event she must have had about 10,000 tons of this cargo on board at the time she sailed from Brazil. If the vessel ran into any heavy weather at all, she probably had the same experience that the steamer "Oklahoma" had when she went into a storm off the Jersey Coast and got on the crest of two waves and broke in half. It is most unfortunate that a vessel of this type should be lost to the Government at this time and more regretable as it entailed an enormous loss of life.

The "City of Wilmington"

The steamer "City of Wilmington," South Atlantic port to Havre. This vessel is reported on fire and being abandoned off the Nova Scotia coast. This loss is the most serious loss that American Marine Underwriters have been called upon to pay this year. A cargo of cotton valued at about $2,000,000 in addition to which she must have had about $50,000 worth of flour. The total valuation of hull, disbursements and earnings must have run into the neighborhood of about $2,000,000, making the total loss falling on American underwriters to the extent of $4,050,000. The cause of this loss at the present time is not definitely known, but undoubtedly it either originated in the vessel's fuel tanks or was communicated there by a fire originating in the cargo.

The steamer "Hermod," Cuba to Philadelphia, full cargo of sugar. Vessel wrecked and lost off Delaware. Had a cargo which was valued at about $500,000 and placed in New York market.

The last three losses have been reported in the past week, which is apparently the worst aggregation of losses that have come to New York marine underwriters in some time.

Proximate Cause

A ship may be lost as the result of two perils, one of which is insured against and the other not. It is the dominating and ultimate cause of the damage to which the loss must be assigned. If the insured can show that the all sufficient and dominating peril is the one insured against, then the underwriter is liable. Fraud voids a policy. When a master has done something he should not he has committed barretry. Errors of judgment by a master do not work a forfeiture of the insurance. Negligence by a pilot whom the master is compelled by law to employ does not constitute barretry by the master.

OBSERVER.

RATE INCREASE UP AGAIN

Again the question of advancing rates on automobile fire and theft insurance is a subject of discussion among Conference companies. It is felt that some recognition should be taken of the increased cost of transacting that line, in common with all others. When the subject was up for discussion last winter it was decided to drop it for the time being.

American Equitable Assurance Co.
OF NEW YORK
Cash Capital and Surplus $1,000,000

Equitable Underwriters of New York
Surplus $793,852.75
Marine and War Risk Insurance
Losses made payable in all parts of the World

EASTERN MARINE UNDERWRITERS, Inc.
AGENTS
50 Broad Street New York

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street - New York
MANAGERS MARINE DEPARTMENT
American Insurance Co., of Newark, N. J.
Firemen's Insurance Co., of Newark, N. J.
Glens Falls Insurance Co., of Glens Falls, N. Y.
Hanover Fire Insurance Co., of New York, N. Y.
MARINE AGENTS
Globe & Rutgers Fire Insurance Co., of New York, N. Y.
MARINE AND WAR RISK INSURANCE
Losses made payable in all parts of the World
CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

CASUALTY AND SURETY NEWS

Another Insurance Milestone Reached

COMPENSATION RATING PROBLEM

How Various Industrial Hazards Are Given Weight in Scheme of New Plan

Having unanimously reported a plan of experience rating for compensation risks, the work of the Actuarial Section of the National Reference Committee cannot be regarded as other than an epoch making event in the broad realm of insurance. The report was adopted by the committee, with slight amendments.

This problem resolves itself into one of weighing the evidence which is available, namely, the manual rate and the rate based upon the individual risk's experience, which evidence is usually conflicting; and, determining in the face of contradictory evidence what the most probable value of the rate for the individual risk should be.

The weight of evidence, or, say, the weight of importance assigned to the Manual rate depends upon the degree to which the risks within the classification present substantially the same hazard. If the risks within the classification are concentrated around the Manual rate—as would be the case in watch manufacturing where the equipment, processes, etc., are well standardized—the Manual rate will be assumed to have heavy weight in the determination of the adjusted rate. In this case, if a risk should be found which presents a hazard considerably at variance with the Manual rate, the Manual rate will nevertheless be given considerable weight in the determination of the adjusted rate.

Case of Greater Hazard

On the other hand, in the case of a steel erecting operation, it is to be expected that the risks within the classification will present a far greater variation of hazard. There will be no marked concentration of risks about the average or Manual rate. On the other hand the risks will be widely distributed, ranging from perfect risks at one extreme to the worst risks in the industry, at the other. In this case the Manual rate will have relatively less weight and the fact that a risk is found which deviates widely from the Manual rate will be considered to be less of an abnormal, or a chance circumstance.

In the present adopted plan of experience rating the weight which is assigned to risk experience depends upon two elements; first, the exposure of the risk. Naturally, if the risk experience is to be used for rating purposes, care must be taken that the experience of the risk shall be properly weighted in accordance with its dependability. All things being equal, the dependability of a risk experience is governed by the size of the payroll exposure. If the exposure is limited, violent fluctuations and the injection of a large element of chance would be expected and the weight assigned to the risk experience would be small.

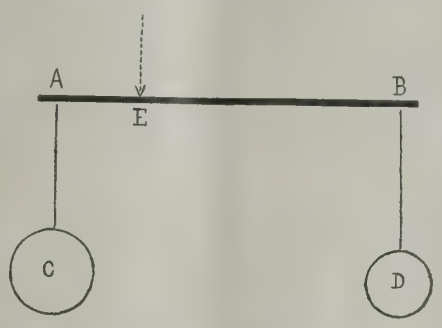
Degree of Hazard

On the other hand, if the exposure is large the individual risk experience becomes more reliable and greater dependence can be placed upon it. This being the case, the weight assigned to the risk experience can be made relatively greater.

The second element to be considered is the degree of hazard presented by the risk. An increase in the hazard is equivalent, to a certain degree, to an increase in the exposure. If more accidents are expected because of the greater possibility of their occurrence, a smaller exposure is necessary to determine the law of averages than in the case where the hazard is low and but few accidents are expected.

As the hazard increases, therefore, greater credence can be placed upon the individual risk experience, and where this is true greater weight can be given the risk experience in comparison with the Manual rate.

Vice versa, where the hazard involved is low and few accidents are expected, it is impossible to attach as much reliability to the risk experience and the weight assigned to this experience is consequently less.



This principle is illustrated in the accompanying diagram in which

A represents rate based upon individual risk experience;

B, Manual rate;

C and D, the weight or degree of evidence assigned to A and B;

E, the point at which the adjusted rate would fall in a case valued as shown in the diagram. It becomes apparent that the more weight assigned to A at the expense of B the nearer the adjusted rate must move toward A.

In other words, where the risks are widely distributed within the classification, from the standpoint of hazard, and where the volume of exposure represented by the risk experience is large and there is a considerable degree of hazard the adjusted rate tends more and more to approach the rate based upon the risk's own experience.

On the other hand, where there is a high degree of concentration of risks within the classification according to hazard, and where the exposure represented by the risk's experience is limited, and the hazard is low, the adjusted rate will tend more and more nearly to approach the Manual rate.

The report of the Actuarial Section will now be submitted to the various boards and bureaus, after which it will be placed before the State supervising authorities. In New York it will come before the Compensation Rating Board and the New York Department. There are certain features of the plan which must be determined by the Rating Board in co-operation with the Actuarial Section.

Harmonizing Views

Adoption of an experience rating plan for compensation risks is the most for-

(Continued on Page 18)

BUSINESS=BUILDERS
DEVELOPING
Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE
APPRECIATE THE CO-OPERATION OF THE
Massachusetts Bonding and Insurance Company
BOSTON
T. J. FALVEY, President
Paid-In Capital $1,500,000
Write For Territory

Trend Towards Bureau Rates

AUTOMOBILE LIABILITY ACTION

Outside Companies Get Together to Avoid Further Rate Cutting and Retaliation

At last the non-Bureau automobile casualty companies have decided to put at least one foot in the Bureau tent. With rates as much as fifty per cent. under those designated by the Bureau as truthfully reflecting the hazard, it was but natural that non-Bureau companies must sooner or later take some action to stabilize the situation or else suffer consequences which would be more or less serious, according as the various organizations were able to stand the strain of rising costs of operation coupled with the ever present tendency to further rate cutting and excess commissions, to say nothing of a wide open break in rates by Bureau and Conference companies, in view of numerous complaints from agents regarding rate cutting.

The results of the meeting of non-Bureau companies in St. Louis last week indicates that the companies participating will adopt the Bureau property damage and collision rates and a system of differentials for liability business varying from $2.50 to $7.50 under the Bureau rates, based on territory and horsepower. Committees to handle the various sectional and other problems have been appointed by the non-Bureau companies, most of which are domiciled in the West.

Fears of Rate War

Action has come closely following the completion of annual statements and the growing belief that if something was not speedily done to stabilize the business the whole structure of rate regulation might be tossed overboard and a veritable rate war ensue, joined in by the Bureau companies.

Therefore, the turn of events in St. Louis takes on every appearance of an approach by the non-Bureau companies toward the Bureau rates and this is of course most welcome to those in the Bureau camp. The Bureau believes that its rates are correct, but, as heretofore, holds itself open to conviction as to the propriety of revision downward.

First Attempt Unsuccessful

The St. Louis meeting was repre-

(Continued on Page 18)

Supervision and Compensation Cost

MEDICAL AND SURGICAL CARE

Light on Probable Expense of Keeping a Working Force Well

One of the things most keenly sought for in all compensation insurance practice is prompt and efficient aid in cases of injury and proper medical and surgical attention during disability. Inasmuch as the law requires that the employer shall pay the injured employe during the period of disability, it becomes of vital importance that the period of incapacity be reduced to the minimum. So many influences tend to operate in the opposite direction that anything which throws any light on how the present system of handling disability cases may be improved upon finds a ready hearing.

Compensation laws do not yet embrace sickness as well as injury, but their scope may be extended. As an accident was formerly costly to the employe, it is now costly to the employer. The question is, can employers by any system of medical and surgical supervision so reduce the disability period that the saving in payments will materially reduce the compensation premium? Employers naturally feel the heavy burden of the compensation law and they are reluctant to add the burden of a medical staff, the cost and benefits of which they know nothing.

Trautschold's Computations

Reginald Trautschold, a consulting engineer, has computed the cost of industrial health supervision from the records of 47 metal working plants, 300,000 employes and 2,000,000 cases, at an average of 27 cents per case.

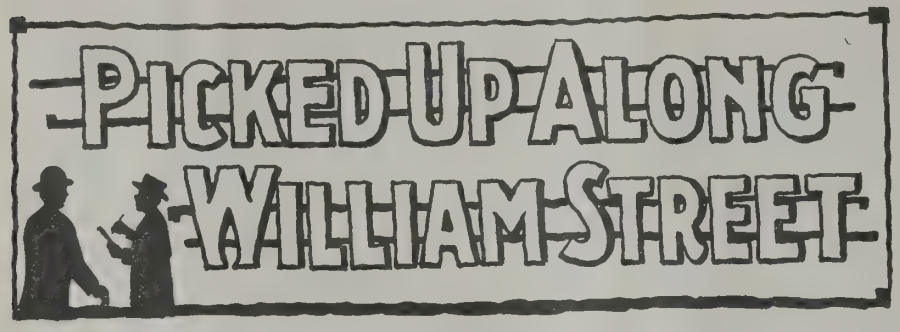
A sum equivalent to the wages of the average worker for but half a minute each working hour of the year would be more than sufficient to cover the total average medical and surgical cost (the entire cost of health supervision) per annum per employe in an establishment suffering from aggravated ill health and unusually frequent accidents, while the wages of the average worker for but ten seconds per working hour a year would more than cover the usual cost of proper health supervision.

Scope of Supervision

The entire cost of health supervision includes the salaries of physicians and nurses, cost of any outside medical or surgical service which might be required and the cost of all medical and surgical supplies. It excludes all compensation for injuries, wages paid employes while off duty and overhead expenses, as such expenses, should they arise in an establishment making proper supervision for the health supervision, would be borne by the insurance companies as part of the insurance contract, which, by the way, would command a much lower premium in an establishment providing proper attention to the health of employes than in one in which the employer attempts to

(Continued on page 19)

Something New
Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.
General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA



A Liberty Loan Lunch

"If we can sell a million and a half of accident and health insurance in a year we can sell the same amount of Liberty bonds during the present campaign."

That was the spirit in which ninety members and friends of the E. E. Clapp agency met at the invitation of E. E. Clapp & Co. last Saturday at Farrish's Chop House for luncheon and to get primed for the loan drive. Nearly every casualty office in New York was represented. Alva E. Stern, the team's chairman, introduced E. E. Clapp, who has seen four American wars. He sat at the head of the table, which was as long as a Pullman.

A. B. Leach, chairman of the Metropolitan Canvass Committee, showed in his remarks that he knows the value of the insurance men's co-operation in this battle for war dollars. The proprietor of the chop house came forward with an application for a $1,000 bond and the bond booth rang up a cash sale. A. Duncan Reid asked the boys all to crowd up close because he can't speak very loud. Then he told them, so he was heard down on Pearl Street, that there are 180 insurance offices or units and in the last campaign the casualty men beat the life men in final results, although the life men are credited with being the better organizers. He proposed a challenge to the life men, which was sanctioned. Host Griffith declared that the F. & C. can beat the rest of the general staff. Mr. Reid shouted that every male member of the Globe staff was enrolled and Mr. Griffith came back with the retort that he can beat that—he has all the men and the women too. Mr. Leach said to let it be a good scrap and to win on number of subscriptions and amount, both. Major F. R. Stoddard, deputy superintendent of insurance left a sick-bed to come in his trench clothes and give to the meeting the proper atmosphere of war. Frank E. Law, vice-president of the F. & C. showed how autocracy is a condition of status while democracy is one of contract. Toasts were started with President Wilson and graduated down to just ordinary folks. David Taylor, vice-president of the Coal & Iron Bank, explained how the banks will handle the subscriptions and help subscribers. A sure enough Liberty bond booth was ready to do business at the speakers' table and was presided over by Miss Margaret Condon. A. H. Johnson, of the General Committee, explained the coupon books and told of the organization of associated banks to handle the bonds sold on deferred payment plan. He held up a book and a dozen men laid claim to it, but Mr. Clapp got it. Edward C. Lunt upheld his reputation as a speaker and Alva Stern sold some more books with the assurance that there is no physical examination, no warranties, merely a clear promise to pay. Mr. Griffith ran downstairs after one man who slipped out. The chief didn't bring him back, but got his five dollars for a book. The various team captains then reported what they had done so far, the amounts running as high as $10,000 by J. S. Hirsh who does $70,000 of premiums a year. Every day during the campaign a $50 and a $100 bond will be raffled at the E. E. Clapp office and four prizes have been offered for best results. Mr. Stern anchored in the doorway with his two hundred avoirdupois and Mr. Griffith stood hard by with $100 in dollar bills to make change. Was it a success? It was.

* * *

Schedule Rating Next

Having come to an understanding on experience rating for compensation risks, the actuarial section of the National Reference Committee will now take up schedule rating. This will be studied from the structural and statistical basis, a committee composed of underwriters, actuaries and engineers having been appointed for that purpose. Another committee has under consideration the safety organization and welfare item in the compensation rating schedule for 1918.

* * *

Leaving Auto Department

H. E. Giegler, of the automobile underwriting department of the General Accident in New York, has given up that position and has not announced a new connection.

* * *

Distinctly Agent's Work

Associations and bureaus may bend their efforts toward the extension of Safety First propaganda with all the ardor and sincerity of purpose which the subject very well deserves, but the agent by reason of his personal relationship to his risks is the real connecting link whereby Safety First will not only be brought to industry, but assimilated and practiced by it. As an agent you are expected to fulfill the responsibility which your participation in workmen's compensation underwriting creates. The question is not alone the company's but yours as well. Co-operation and team work will solve the problem. It is a combination which has stood insurance in good stead often in the past and it has today lost none of its strength and effectiveness.—"General's Review."

* * *

How Accidents Grow

The report of the State Industrial Commission shows that the number of industrial accidents in Wisconsin increased from 11,006 in the industrial year 1914-15 to 16,015 in 1915-16, and 20,560 in 1916-17. This increase in accidents was much more rapid than the increase in the number of employes, which is about 20 per cent.

* * *

No Action on Commissions

Wednesday a meeting to discuss commissions was held by the National Workmen's Compensation Service Bureau, but no action was taken.

Another Insurance Milestone Reached

(Continued from page 17)

ward step the National Reference Committee has taken. Of course, it does not mean that the controversy over the merits and demerits of experience rating is forever ended nor that its opponents have all been converted. It is the fact that so many different viewpoints were harmonized that speaks well for the present solution of the problem. As developed, the plan demonstrates the advantages of an analytical solution as opposed to a solution based purely upon judgment and common sense reasoning.

Prior to the reference of this question to the Actuarial Section there had been experience rating plans in use, but the form of experience rating and the details had never been developed from the mathematical point of view. Consequently, inasmuch as these matters were based largely upon individual judgment there was considerable difference of opinion. Meetings at which experience rating was discussed usually resulted in lengthy arguments which, because of the very nature of the development of the problem, it was impossible to decide.

The solution of the experience rating problem may be described as a by-product of that good spirit of co-operation that has sprung up in workmen's compensation insurance. It is really remarkable that common ground could have been reached by the various elements composing the National Reference Committee, in view of their widely divergent views. This support and co-operation has done much to bring about national treatment of the problem of rating. It has standardized underwriting procedure and placed it upon a scientific basis. In the National Reference Committee the basis of an actuarial theory of workmen's compensation insurance has been established. This is the first problem of large importance in workmen's compensation insurance that has been studied fundamentally from the actuarial standpoint.

Unlike Other Lines

The new plan looks at the problem of experience rating as one of determining the most probable hazard of the risk in the face of contradictory evidence. The Manual rate is a rate based upon the industry. It is therefore representative of the average risk of the classification and fails to be more than an approximation to the proper rate for the individual risk, which may vary in point of hazard from the average or typical risk.

The first evidence of the hazard of the risk is the Manual rate. In other words the Manual rate is the first approximation to the true hazard of the individual risk. In life and fire insurance the Manual rate is the best approximation that can be obtained, because in these two forms of insurance the only evidence concerning the hazard is necessarily based upon experience with large number of risks. There is no evidence concerning the hazards of an individual life risk because there is but one event that can occur—the death of the insured—and in the case of fire insurance, in the destruction of the property.

In workmen's compensation insurance, on the other hand, accidents occur with greater frequency. It is possible, therefore, in any risk, to accumulate a certain amount of evidence which more intimately concerns the hazard of the risk and which may be used in comparison with the Manual rate to produce a rate for the risk which will reflect its individual characteristics.

Non-Bureau Companies

(Continued from page 17)

sentative of non-Bureau interests. It was called by President Charles W. Disbrow, of the American Automobile after an unsuccessful attempt had been made to hold a similar meeting in Chicago.

The automobile liability situation has been up in the air for some time and has now come to a head. The non-Bureau companies were not only ignoring, in various degrees, the principles of rate making and commissions as approved by the Bureau, but they were in addition conducting a spirited competition among themselves which was seriously aggravating the situation within the non-Bureau ranks, besides making it increasingly unpleasant for the Bureau companies.

No Joint Agreement

Among the non-Bureau companies there are many schools of rate making. Some non-Bureau companies are such only in name, as their rates are close to those of the Bureau. Others deviate widely from Bureau practices. Some cut on one class and not on another. Bureau companies have not shown any inclination to deviate from their recent decisions as to rates and there can be no joint working agreement between the Bureau and any aggregation of non-Bureau companies. The Bureau simply welcomes any change of heart by those outside the organization.

If the non-Bureau companies could not have arrived at some understanding among themselves by which the increasing demoralization in rates and commission practices might be lessened, a change of policy was to be expected by which the non-Bureau companies might not only experience the competition which has been rife in their own camp, but also a decidedly increased pressure from outside.

The East was represented by the Great Eastern, Commercial Casualty and the General Accident.

SPECIAL AUTO COMMITTEE

A special committee will be appointed by the National Workmen's Compensation Service Bureau to study and formulate a comprehensive policy for dealing with the problems of automobile insurance of all kinds, with the understanding that conferences will be held with existing organizations of fire marine and surety companies having charge of automobile insurance, as well as with the non-Bureau casualty companies.

HAS $8,104,251 IN FORCE

The Niagara Life has $8,104,125 in force. Its assets are $1,800,000. It paid for $775,689 last year.

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

ANNUAL STATEMENT DECEMBER 31, 1917

Assets	$15,077,330.62
Liabilities	10,785,343.53
Capital	1,000,000.00
Surplus over all liabilities	3,291,987.09
Losses paid to December 31, 1917	60,740,294.97

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation, Steam Boiler Insurance; Fly-Wheel Insurance.

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Whole cold lobster 65c.

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CASUALTY AND SURETY POINTERS

Growing Liability Hazards

The increased risks which are being imposed upon liability insurance carriers in different States, either by statute or legal construction, is a matter deserving of the most earnest attention of both underwriters and claim men. A study of these shows that, in spite of the terms of the policy, additional burdens are placed upon the insurance carrier, and in effect a new contract is created between the parties by the construction placed upon the policy by the courts of last resort in some of the States.

It has always been the intention in drawing a liability policy that it is a contract of indemnity. This is clearly indicated in the insuring clauses of the standard policies and in the condition of the policy that no action will lie against the company to recover for any loss or expense under the policy, unless it shall be brought by the assured for loss or expense actually sustained and paid in money by him after trial of the issue. Heretofore, and even yet, in States where the policy is construed in accordance with the language and intent of the same, the insolvency of an assured is a means of protection to the insurance carrier. By statute, in some States, and in others by construction, this defense is removed and recovery can be had directly against the insurance company, and the policy is to all intents and purposes a contract for the benefit of third parties up to the limits mentioned in the policy.

While in some aspects this development may be beneficial in giving a measure of protection, for example, to an injured pedestrian against an insolvent automobile owner, it is not altogether an unmixed blessing. It places upon the conscientious liability underwriter the necessity of giving greater consideration to the moral hazard of his risk, and as there are many owners of small cars who are financially irresponsible and inclined to be reckless in their driving, the careful insurance company will decline to assume the risk and the public will be absolutely unprotected as to them, for as yet the procuring of insurance is not a condition precedent to securing a license to own and operate an automobile.—The "Fieldman."

* * *

Solicitor's View of Confidence

Fifteen years ago L. J. Shifflette, of the Massachusetts Bonding, lost a foot in a railroad accident. A few years later, after working up a successful laundry business, he saw his laundry burn to the ground within a day after he had, through carelessness, allowed his fire insurance policy to lapse. These incidents convinced him that insurance was a necessity, and as he was formerly a railroad man, he has for the past ten years devoted his energies to building up a very successful volume of railroad installment business. He has frequently had the honor of leading the Company's producers.

"I do not solicit by any set rule," says Mr. Shifflette. "The most important thing to my way of thinking is to understand your policy and be able to explain it so clearly that the prospect will listen to you.

"I once knew a young man who was neither the handsomest nor best dressed fellow in the town. He was, however, a business getter. He tackled every man or boy who looked like a railway employe. He would say, 'Let me show you my policy.' He was laughed at by some and was repulsed by others but by interviewing at least twenty men a day he wrote a large volume of business.

"The average beginner in the accident and health insurance business has to overcome timidity. It seems strange that an agent should be timid about presenting his proposition to a prospect since he has something that the prospect needs and should have. The more successful the new agent is in overcoming this wrong feeling of timidity, the more applications he will secure.

"Approach your man with a feeling of confidence. You have something to offer him which he vitally needs. You are engaged in the finest business in the world. You are actually doing every man whom you insure a favor. I don't mean to display this attitude in an offensive way to the prospect. Nevertheless your mental attitude should be one of confidence in yourself and in the nobility of your profession.

'The man who will earnestly and conscientiously interview twenty railroad men a day will write not less than two thousand dollars worth of new business each month. Intensive solicitation is the only sure road to success."

* * *

Becoming One of the Firm

The personal accident and disability portion of the insurance business is one which is dependent almost entirely upon the personality of the procurer of the business; remove that personality and you remove the business and scatter it to the four winds. It is very obvious, says the "Standard Cog," that if an individual builds a business upon his individual ability, and his own personality, that ability and that personality is a very distinct asset to his firm, and eventually the only way in which that firm can retain that ability and retain that personality is to make it a part of the firm itself. A partnership, or an association with a corporation, does not always mean that one must share the benefit of his personal operations without benefit. This life is made up of parts, which are complements one of another. No one part is complete without the others, and we have seen men in our experience fail in the insurance business simply because they did not have the right kind of a partner, or did not have a partner at all. We have recently been called upon to deal with one of the large agencies of the company and personally we have been convinced that if at the beginning of this young man's career he had associated himself with someone with ability to steer and to guide and to manage, that his career might have been one of wondrous success, and he might to-day have been in possession of an agency, which we have found it necessary to transfer.

TOWNER BILL PASSES

Senator Towner's bill has passed the New York Senate, adding new section 28-a to the insurance law. This provides for the organization of domestic insurance corporations to transact business in the place of foreign companies whose property has been taken over by the United States Government under the Trading With the Enemy Act.

Health Supervision Cost

(Continued from page 17)

shift his responsibilities to the shoulders of the insurance company.

Costs in Various Trades

Presented here is an exhibit prepared by Mr. Trautschold and published in "Industrial Management":

AVERAGE COST OF HEALTH SUPERVISION

Industry	Employes	Average cases per employe	Average cost per case
Metal trades	294,646	6.75	$0.27
Rubber	27,462	8.52	.32
Textiles	8,939	7.53	.36
Roll'g mills (brass)	49,317	7.28	.38
*Chemicals	10,572	7.45	.44
Publishing	3,358	1.03	.52
*Gold mining	2,500	24.80	.57
Food	13,650	5.10	.57
Leather	3,026	3.12	.65
Transportation	35,795	2.28	.85
*Coal & iron min'g	11,000	12.00	.99
Coal mining	2,454	1.16	1.63
Light & power.....	24,921	1.97	1.89
Smelting & refining	1,270	2.23	2.44
Paint	2,023	2.55	2.89

*Includes establishment at which treatment is extended to the families of employes at their homes.

Another Compilation

Mangus W. Alexander, managing director of the National Industrial Conference Board has compiled a report covering 99 establishments, in which he shows the average annual cost of proper health supervision to be $2.50 per employe. Excluding four plants in which medical and surgical attention was extended to families of employes, the cost was $2.21.

It is estimated that for establishments employing less than 3,000 hands, one physician and one nurse are necessary; 3,000 to 4,000 employes, one physician and two nurses; 5,000 to 6,000 employes, two physicians and two nurses, and so on.

Would be Acceptable

Mr. Alexander argues that there are few industrial establishments which would not willingly consider a regular system of health supervision if they could be assured that such precautionary measures could be undertaken for a nominal outlay. The healthy worker is far less liable to meet with a serious accident—one for which the law stipulates that the employer must pay—than one with a headache or a clumsily bound up finger.

J. C. Henafelt & Co., Buffalo, have been incorporated with $25,000 capital.

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MANAGERS

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3 South William Street - New York

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THE EASTERN UNDERWRITER

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Statement, January 1, 1918

Assets .....$13,422,862.51 Surplus $4,232,068.87
Liabilities (except capital) ... 7,190,793.64 Capital 2,000,000.00
Capital and Surplus.....$6,232,068.87

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AUTOMOBILE HOME INSURANCE

THE HOME INSURANCE COMPANY NEW YORK

"The Largest Fire Insurance Company in America"

Statement, January 1, 1918

Cash Assets	$44,048,651.58
Cash Capital	6,000,000.00*
Liabilities	25,047,401.00
Surplus Over Liabilities	13,001,250.58*
***Surplus as Regards Policyholders**	**$19,001,250.58**

The Company With the Largest Loss-Paying Power of Any Fire Insurance Company in America

Complete Coverage in Combination Policy

"You may delay, but Time will not."—**Benjamin Franklin**

Statement, January 1, 1918

Cash Assets	$2,953,110.66
Cash Capital	500,000.00*
Liabilities	1,940,966.77
Net Surplus	512,143.89*
*Surplus as Regards Policyholders	$1,012,143.89

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COMBINATION POLICY
JOINT AUTOMOBILE DEPARTMENT

THE HOME INSURANCE COMPANY NEW YORK

AND

THE STANDARD ACCIDENT INSURANCE COMPANY DETROIT-MICHIGAN

COMBINATION POLICY

Written Jointly By

The Home Insurance Company, New York

and

The Standard Accident Insurance Company, Michigan

Also By

The Franklin Fire Insurance Company, Philadelphia

and

The Standard Accident Insurance Company, Michigan

Putting the Automobile Thief Behind the Bars

By ROBERT M. McCORMICK, Counsel Globe Indemnity Co.

On the day after New York detectives, working in co-operation with the automobile insurance companies, arrested five members of a gang of automobile thieves who had been operating in the Forty-second Street district, there was not an automobile stolen in New York City. To the companies the significance of this was recognized; the "lighthouses" had been extinguished. The rest of the gang, frightened for the moment, suspended "work" while they awaited developments.

The automobile theft problem is no picayune matter. Investigation leads to the sure conclusion that the man who is stealing cars and doing it successfully is a systematic, intelligent crook.



Owner Trying to Identify His Car in Thieves' Garage

Many times he is the old, skilful larceny thief, who has turned to the automobile because it is readily marketable for the price at which he can afford to sell. The only investment that a thief has to make in order to transport his stolen car to several marketable points is in a few gallons of gasoline.

Thus, in New York the majority of cars which come into possession of thieves are ferried across the North River to New Jersey. New England also is not far away. Towns "up the Hudson" offer havens for cars, also. All that the thief has to do under present conditions is to change the license number, or the motor number, or both.

"Fence" the Master Mind

A study of the question of automobile thieving demonstrates conclusively that these men operate in gangs in the different cities throughout the country. The master mind of each group of automobile thieves is the fence, whose part in the transaction is to dispose of the car to the innocent purchaser in some locality foreign to the place from where the car was originally stolen.

An automobile is stolen usually by one or two men of a gang; they deliver it to a garage. In many instances they put the car there under an assumed name, the garage man as a rule acting with them. Under cover of the garage they change the license number and motor number of the car.

Next, the fence selects a man to drive the car to the place of sale, but goes there himself or delegates a representative to sell it. Not infrequently the first purchaser of the car knows that it is stolen. Certainly, the low price of the car is enough to give sufficient tip to the purchaser that all is not exactly on the level. The money derived from the sale of the car passes through various hands, the fence generally taking care of its distribution.

Automobile thieves work in groups—in the different cities. In New York, for instance, we were able in the recent investigation to nab the leaders of five different gangs who had their principal places of business in different parts of the city, but had dealings with one another. Their operative co-ordination was most interesting. If one gang finds it inconvenient to dispose of a car it may turn it over to another gang which would experience less trouble, or mayhaps have more audacity.

The business man leaves his automobile in the street, in front of a hotel, in front of his place of business or his house. If the owner attaches some of the modern improvements, such as electric parts or locking the parts of the car so he thinks it cannot be moved without difficulty, the thief has mastered all of that, having made a study of it.

The man, or the men, selected to take the car know just what they are up against. They watch the chauffeur drive up; and no matter what he does to the car for its protection, when the thieves get ready to act they jump in and nothing stops them from driving away. Once the car is in their possession they arrange for its re-incarnation in their own garage. A little paint, a few other changes and the disguise is complete.



"Garage" on Water Front Used by Thieves

Business Highly Profitable

It is so easy for thieves to get cars that the car has become the prey of the expert thief. If his haul is a valuable car, such as a Simplex or Cadillac, no matter at how great a reduction he disposes of the car he has made a pretty fair day's pay. Then, again, the clever thief has learned that most cars are insured; and that the owner, even if honest, doesn't waste much time trying to locate the car, but prefers to report the loss to the police and the insurance company and to let the latter pay the loss and do the worrying. The insurance is generally sufficient to reimburse the owner for the loss of the car, so he's satisfied. The insurance company, on the other hand, settles the loss quickly and in such a way that there remains a satisfied customer. The insurance adjusters (not speaking of the general adjusters of the companies, but of their subordinates, whose duty it is to look after the matters) are not experienced men of affairs and although they perform their routine duty, at the same time experience shows that they have not gone after these matters in the way they should.

It may be that this is the fault of the companies in that the adjuster has too much to do, and perhaps, under the circumstances, too much should not be expected of him. The thief knows from experience that most adjusters in the event of locating a thief are satisfied simply by getting the car back so that their companies will not lose any money. The thief is a heartless, unconscionable creature, who is perfectly willing to turn up the car if he is let go. So we find that in most cases we have insurance adjusters locating cars for their companies, but the thief is rarely prosecuted, but is permitted to continue stealing and to profit by such thefts because the adjuster feels he has done his full duty when he locates the car.

Getting back the car and letting the thief go is like walking around in a circle. The only way to impress a car thief with the fear that auto thievery is not a safe, sound and legitimate business is to arrest and put him into a cell. The practice of putting thieves in cells, however, must be general, as the gangs are migratory; if it gets too hot for them in one city they go to another. In the recent New York investigation we located a car stolen in Toledo. It had been insured there by its owner, and the claim was satisfied. This car was delivered to thieves in New York by the crooks who stole it in



Sol Webberman, Brains of the Automobile Thief Gangs

Toledo, and who had driven the car from Toledo to New York, greatly enjoying the journey. Their co-workers in New York disposed of the car here. This car was located, and its history learned through the confession of the thief, one of the members of the gang now serving time in Sing Sing.

Problem Thief, Not Car

The only way to solve the automobile problem is through the root, and that's the thief; not the car. As long as the insurance companies are satisfied to permit these crooks to get away with what they are now doing, just so long will there be automobile thieves, and the losses will gradually increase. To-day the losses on automobile theft have assumed such a large proportion



Walter Krokel, Who Stole Cars Under Webberman's Instructions

that the larger insurance companies, whose interests are more vitally affected, are asking, "What are we going to do? Can we continue to do an automobile theft insurance business, or is it of such a tremendous hazard that we cannot handle it with safety."

If the problem can be solved in New York—and apparently it can, as the investigation disclosed—why not in the larger cities throughout the country?

It is said that Chicago and Philadelphia have losses proportionally the equal of New York, and it is really astonishing the number of cars which the insurance companies have paid for on account of automobile theft during the year 1917 and previous years, and have never located the cars; and so far as the prosecutions are concerned in total they are practically nil. My idea is that after the thief learns that he is being actively and intelligently pursued he is just the sort of white-livered individual to take cognizance and act accordingly. He will take fewer chances; and if the game gets too hot for him he will go into some

(Continued on page 24)

WHAT HARTFORD SERVICE MEANS

THE building of a big volume of automobile business means service at both ends of the line—liberal, puncture proof policies, carefully written by thousands of local agents to owners of motor cars at the producing end, and large facilities and capable underwriters at the other end for handling the business and to pay the inevitable losses.

The Hartford Fire Insurance Company has thousands of producing agents and is looking for more. To facilitate the handling of the business of these agents department managers have been located in the established channels, assuring promptness in booking offerings and in the adjustment of losses.

Correspondence addressed to the nearest of the following offices will have prompt and careful attention.

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Whether you buy or sell insurance be sure it is a HARTFORD FIRE INSURANCE COMPANY Policy

The New Automobile Insurance Rates

BY AMBROSE RYDER, Superintendent of the Bureau's Automobile Department

The new automobile liability, property damage and collision rates, forms of coverage and rules were prepared during the fall and winter of 1917. All liability questions were passed on by the automobile committee of the National Workmen's Compensation Service Bureau, while all matters pertaining



AMBROSE RYDER

to property damage or collision insurance were passed on by a joint committee composed of the members of this automobile committee and the members of the interim executive committee of the National Automobile Underwriters' Conference, an association of practically all the fire and marine companies doing a nationwide business in automobile insurance.

Call for Experience

The National Workmen's Compensation Service Bureau and the National Automobile Underwriters' Conference had submitted last summer a call to all of the casualty, fire and marine member companies for experience of policy writing years 1914, 1915 and 1916, on automobile liability, property damage and collision insurance for the entire United States. This experience showed losses paid and losses outstanding against earned car-years.

For private pleasure cars, the experience was separated according to location and horsepower and for electrics, gasoline cars and motorcycles. A similar separation was made for the commercial cars, except that commercial car classifications were shown instead of horsepowers. The requirements for property damage experience were the same as for public liability experience. Collision experience was shown separated in a similar manner with loss cards grouped in accordance with list prices of cars insured.

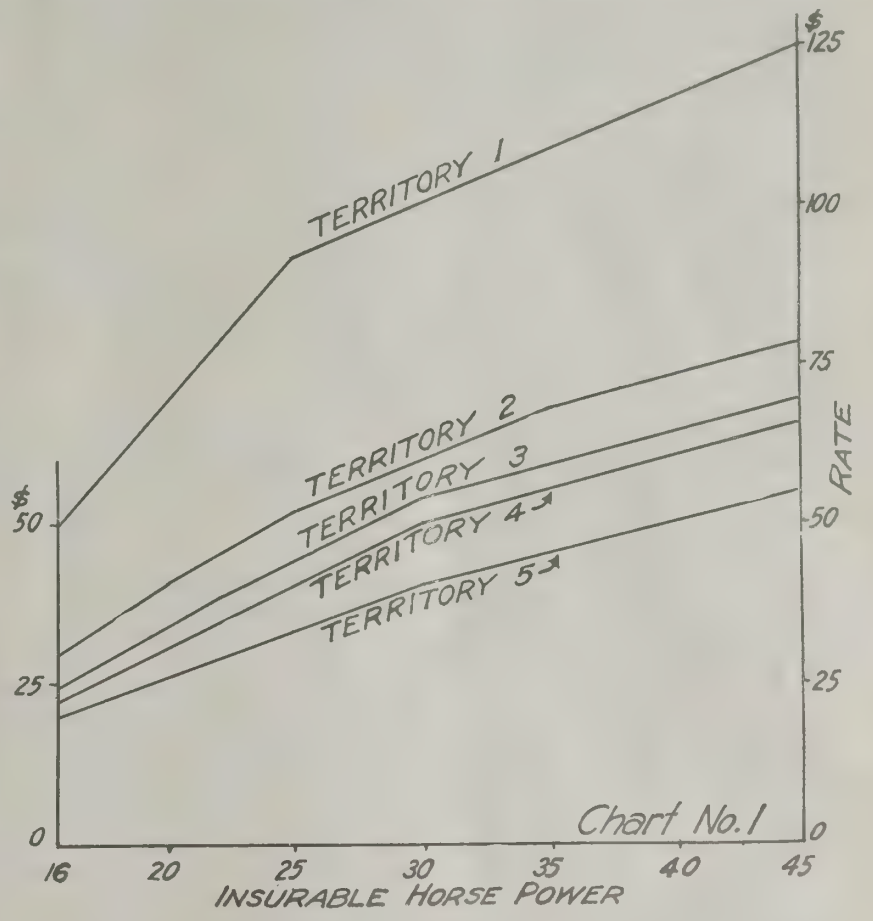
When the figures were received, they were first developed and collated by the actuarial committee, then classified and grouped for the underwriters.

The Territorial Groupings

Considerable importance is attached to this grouping of experience figures. For the great majority of country districts and smaller cities, local experience is not of sufficient volume by itself to be thoroughly dependable. It is, therefore, necessary to group figures for territories of like exposure in order to avoid excessive rates for those localities where heavy losses happen to have occurred, and likewise to avoid inadequate rates for other localities that have not yet developed their share of heavy losses. All possible groupings that could reasonably be made were tabulated for submission to the committee. When these various groupings were studied and compared, they finally shaped themselves into five clearly defined territories, as follows:

1. New York City.
2. Boston, Providence and New York City Suburban.
3. Chicago, St. Louis, Philadelphia.
4. Twenty-three Middle Class Cities.
5. Country-wide (remainder of United States).

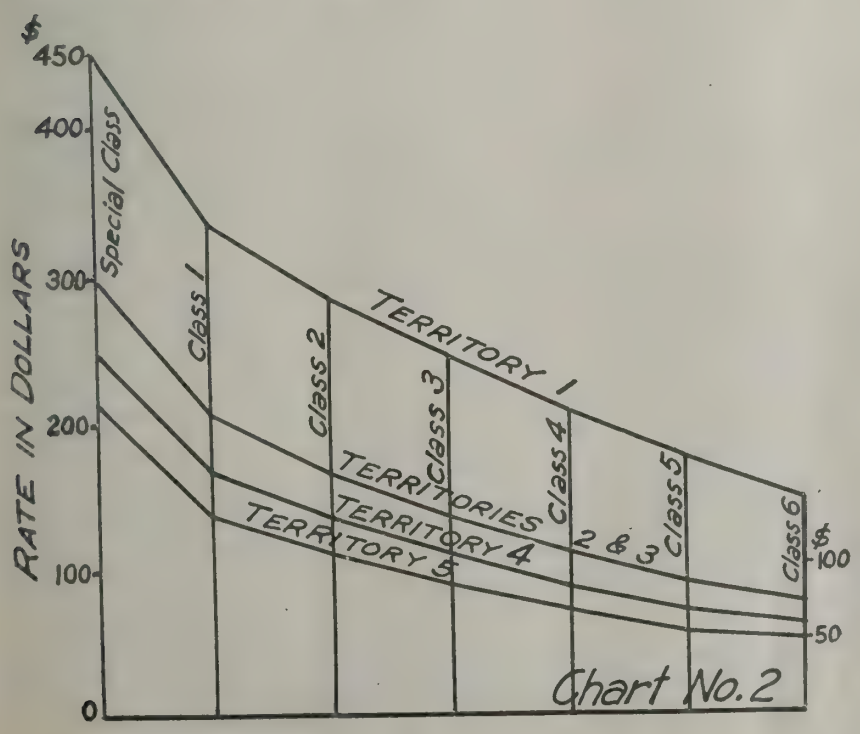
These same territorial groupings were found to hold good, not only for private pleasure cars but also for commercial cars, thereby confirming the soundness of the groupings.



Private Pleasure Car Experience

The private pleasure car experience was next plotted against insurable horsepower. These curves developed the fact that for the larger cities, the cost of automobile insurance increases very rapidly at first, as the horsepower increases and less rapidly for the higher horsepower cars, while for the country-wide territory the increase is gradual throughout the entire range of horsepower. Chart No. 1 shows curves of private pleasure car rates in the five different territories. It will be noted that all cars over forty-four insurable horsepower are charged the same rate, while heretofore separate rates have been shown for horsepowers up to sixty.

The experience for property damage coverage on private pleasure cars developed a definite relationship between property damage hazard and public liability hazard, both as to territories and insurable horsepower. This ratio was one to four for the larger cities, establishing property damage rates therein equal to 25 per cent. of the public liability rates, while for the country-wide territory a higher percentage was developed. The property damage experience on trucks was much worse, developing P. D. rates country-wide for all classes of commercial cars equal to forty per cent. of the P. L. rates. One explanation of this higher percentage is that trucks are heavier than private pleasure cars, thereby doing more damage in collisions with other vehicles. Another explanation is that trucks are constantly being steered in and out of narrow places and through rough narrow streets past and around other vehicles. The very nature of their work calls for an excessive "property damage" exposure. The fact that commercial car chauffeurs are less apt to be careful may be a contributing factor.



The Commercial Car Classification

The studying and grouping of commercial car classifications was an intricate problem in itself. Classifications of like hazard had to be grouped and arranged in order. Six regular classes were finally developed instead of the five as heretofore. (See Chart No. 2). Many refinements were made. A clear distinction was drawn between

retail stores and wholesale stores. Contractors doing construction work, who had heretofore been unclassified, were given a definite classification. Some of the classifications involving extra heavy hauling were reduced to a lower rated class, while other classifications involving quick deliveries were raised to higher rated classes.

Collision

Collision insurance was accorded more attention in this revision than ever before. The experience first showed that the twenty per cent. added charge for collision insurance on commercial cars was no longer needed. There is an interesting deduction to be made in connection with this. The average property damage hazard for a truck is more than twice that for a private pleasure car, while the collision hazards are about equal. One explanation is that the truck, being heavier and sturdier, inflicts more damage upon the other object or vehicle with which it may collide, and suffers less damage itself than a private pleasure car does. A second explanation is that more care is required in touching up a damaged private pleasure car than in repairing a commercial car.

In plotting collision losses against list prices of the cars insured, it was at once evident that there was no longer a uniform increase in collision cost as the list price of the car increased. Chart No. 3 shows how the cost for full coverage collision insurance rises rapidly for increases in list price of the lower priced cars and less rapidly for the higher priced cars. This chart also shows the curve for the old full coverage collision prices which were arrived at by adding $35 to the rates for $25 deductible collision coverage. In the new schedule, however, the full coverage rates are the basic rates.

The $100 Deductible

When making rates for the new $100 deductible collision coverage, there was no developed experience at hand. It was, therefore, necessary for the statisticians and actuaries to first make a thorough study of claim losses. Their data showed for the lower priced cars that about one-fourth of the full coverage rate was needed for $100 deductible coverage. A larger percentage was needed for higher priced cars. About one and one-quarter per cent. of the list price has been charged for lower priced cars and one and one-half per cent. for the higher priced cars.

Considerable comment has been made because of the removal of the $25 deductible collision coverage. By way of explanation, it should be first borne in mind that this form of coverage has always been popular in the past, largely because of its popular price. In reviewing the collision experience, it was soon ascertained that the cost for the $25 deductible collision insurance would have to be increased to such an extent that it could no longer be sold at a popular price. This meant that if it were retained, the companies would have two forms of collision insurance selling at rate levels very close to each other. It was thought advisable, therefore to issue two entirely new forms this year, one a full coverage in every sense of the word, and another form that would be a real deductible coverage, because the average assured either wants full protection from every kind of loss or else a protection from the serious losses at a substantial reduction in premium.

Revision of Automobile Manual of Rules

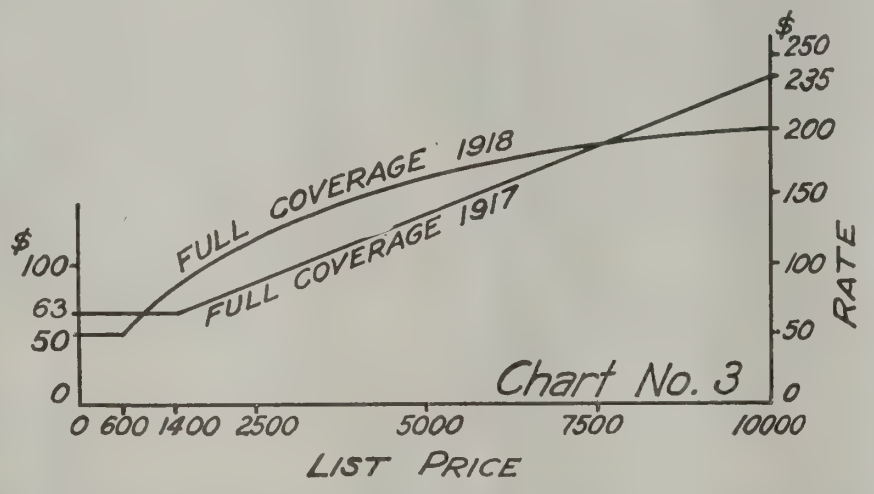
This completes the story of the revision of automobile casualty rates. An equally important task was the revision of the Automobile Manual of Rules. Quite a few of the rules were amended and some new ones were added. Most of the preliminary work was finished before the experience was ready but the final touches of the work were made simultaneously with the rate revision. The more important features are the omnibus coverage for private pleasure cars (extension of family rider coverage), reduction in charges for excess limits coverage, reduction in charges for additional assured, reduction in additional charge for "Loss of Use" in the P. D. coverage, and the elimination of any charge for occasional pleasure use of commercial cars.

Omnibus coverage for private pleasure cars has been a much mooted question among underwriters for many years. Its advocates have claimed that the purchaser of insurance should be fully protected not only for his own personal driving, but also for the driving of his wife, son, other relatives or friends, on the supposition that he never can tell in advance just whom he may permit to drive the car and, therefore, it is not reasonable to require him to name in advance the persons who might need protection. In opposition to the extension of coverage is the very able argument that an insurance company should know what hazards it is assuming and whom it is insuring for every policy that is issues.

The Toll of the Larger Centers

Before closing it is appropriate to mention some of the reasons that have been advanced for the increasing cost of automobile liability insurance in the larger centers. A great majority of personal injuries in these cities, although due in part to the extreme traffic congestion, are very largely attributable to the hordes of pedestrians. It is safe to say that the average city driver is far more skillful than the average country driver, but this is more than offset by the added responsibilities of city driving. Alertness is demanded almost every second of the car's operation. The penalty for even a moment's negligence may be a life lost and a big claim for damages.

In the rush of the city, few pay sufficient attention to the coming car or the traffic policeman, but insist on dodging in and out of the congested traffic; moreover, people in the city often act like sheep and follow a daring pedestrian in his flight across the street. In the country, this hazard is nowhere near so noticeable. The driver is given the right of way in the smaller towns and pedestrians watch out for the car. They see a car coming and do not take chances with their lives.



Automobile Insurance Still in Formative Stage

There is perhaps another contributing cause to the greater cost of liability insurance for the larger cities. The people are more familiar with insurance possibilities and are quicker to grasp damage suit opportunities than the people in the smaller towns and country.

Although it is gratifying to note the progress that has been made in the writing and rating of automobile insurance, and the general acceptance of the standards developed, this cannot be taken to mean that the underwriters are by any means disposed to sit still. Automobile insurance is still in the formative stage and many improvements will be made as more and better experience becomes available.

EXPORT RECORDS SMASHED

More Than $140,000,000 Worth of American Cars Shipped Abroad Last Year

More passenger automobiles were exported from the United States during the year 1917 than in any previous year, despite import prohibitions by the countries that were formerly the largest buyers of American motor cars and scarcity of ocean cargo space, with consequent greatly increased shipping rates. The report of the Department of Commerce shows that there were exported during the twelve months ended December 31 last 65,792 passenger cars, valued at $51,982,966 wholesale. This is almost double the value of the combined exports of passenger and commercial cars in 1913 or 1914, and an increase of 48 per cent. in exports of passenger automobiles over 1915 and nearly 19 per cent. over 1916.

These figures are significant of the appreciation of the utility of the American motor car in all the countries of the world.

Excess Automobile Fire Coverage

REASONS FOR ITS NECESSITY

Impossible to Tell Invariable Limit of Liability in a Single Fire

At the request of The Eastern Underwriter Dee A. Stoker, of Chicago, has furnished the following information with reference to excess automobile fire insurance coverage:

Blanket protection from loss above any desired net retention in any line of insurance is desirable where a company exposes itself to a hazard known or unknown or issues policies for larger amounts than they care to lose net, or where the amount of loss cannot easily be distributed during any calendar year.

Excess coverage protects reserves, protects surplus and surplus earnings, protects ability to pay dividends. It is altogether desirable, but not easily obtainable in all lines. So desirable is excess coverage that re-insurance has become quite general in many lines of business.

Difficult to Determine Losses

With the growth of the automobile industry there has developed the automobile fire insurance business. The limit of loss in any one fire to any company writing automobile fire insurance is impossible to determine because of the peculiar nature of the risk assumed whereby machines may be bunched time and again. For this reason a number of such companies are carrying this form of protection on their entire business.

When a show comes to town the garages are packed to the doors; other buildings more or less suitable for storage space are pressed into service, streets are congested and sometimes we wonder that more fires do not occur destroying dozens of machines at a time. Likewise picnics, parties, dances, theaters, parades and all large public gatherings bring together many machines from many places where usually kept.

When winter comes many cars usually kept in private garages are kept in heated public garages during the winter months and in many of these smoking is permitted, and, where not permitted, often occurs.

A company might attempt to limit its liability by not writing more than a given amount on any one car, by not writing more than that amount on one or more cars usually kept at the same location, might write pleasure cars only, refusing all cars usually kept in a public garage and yet the limit of their liability in any one fire cannot be so determined.

The Shelbyville Fire

Early in January this year, in the town of Shelbyville, Illinois, there was a fire in which 64 automobiles were burned; 22 of these were insured in one exchange, and it is quite possible that no two of these cars were usually kept at the same location.

One fire company wrote excess automobile fire coverage for a mutual automobile fire insurance company in Ohio, 95 per cent. of whose business was written on automobiles usually kept in private garages of owners; the average amount of their policies is about $700. Just nine days later a fire occurred causing a loss large enough for the excess to be covered by this re-insurance; the loss was due to the burning of automobiles, no one of which was usually kept at the location where the fire occurred.

Even the known hazards should be well protected by excess re-insurance and by carrying excess coverage. The desirable part of this class of business may be written when otherwise it would violate all principles of good underwriting to accept any of it.

(Continued on page 26)

The Reasonableness of the New Automobile Rates

By HERBERT L. KIDDER, Agency Superintendent Liability Department, United States Casualty Company

When a retail merchant raises the price of goods which may have been on the shelves for some time he informs one, with disarming frankness, that the advance is not resultant upon an increase by the manufacturer, but upon an increased cost of conducting his own establishment. So the jobber or wholesaler in turn must load his prices and finally, when the retailer raises prices on goods most recently purchased, the burden is laid upon higher manufacturing, as well as merchandising, costs. The manufacturer bases his action on increased cost of raw materials, higher wages earned by workmen and an augmentation of "overhead" common to all.

Position of the Casualty Companies

Although the fact has not been recognized universally, the casualty insurance companies stand in the treble position of manufacturer, wholesaler and retailer—having indirect contact with the insuring public through advertising—and are subjected not only to the rising scale of costs of all three, but also to ever-mounting outlay in settlement of losses. The raw material of the casualty insurance company is financial stability and consequent protection of the policyholder, the product of manufacture being service under policy contracts. Virtually 50 per cent. has been added to postage charges, costs of supplies of all kinds, especially paper and printed matter, have about doubled in less than two years; salaries and wages have been moved upward to keep pace with the cost of living; additional taxes have been levied; altogether, the cost of conducting an insurance company is far greater than even a year ago.

The political economists tell us that the price of any commodity—and automobile liability insurance may be assumed to be such—cannot permanently to any considerable extent exceed or fall short of the price of production. Now for a period of several years the casualty companies have been unable to secure a profit from underwriting of liability business, even the most conservative having been dependent upon interest earnings to fill the gap caused by the underwriting loss. An authority on statistics says that not only was the percentage of loss to underwriting income of the casualty companies greater in 1916 than in the previous year, but as a matter of fact, it was the highest shown in the past 14 years, except in 1914. The fourth annual edition (1917-1918) of Best's Insurance Reports contains the following: "We are of the opinion that there is room for doubt whether the liability business will work out at lower loss ratios than the compensation business. There has been a wonderful expansion in the automobile business, but the automobile suits, on the average, will cost more money than the ordinary public liability suits, and already some underwriters are questioning whether the automobile liability business is turning out to be as desirable as was expected some time ago."

Increasing Liability

During the entire period over which the casualty companies were unable to show underwriting profits on liability business, the tendency of rates, including automobile rates, was downward rather than upward, so that, notwithstanding an enormous increase in premium income, the added liability assumed more than kept pace with premium receipts. The average cost per settlement, too, continued to show the persistent rate of progression upward, giving concern to underwriters having an eye to the relation between earned premiums and the number of accidents. Greater traffic congestion due in large part to the notable increase in the number of automobiles in service and in some measure to geographical conditions, most emphasized in the larger cities, contributed to the automobile situation factors of importance at least equal to those already injected into other liability lines by war conditions in industry.

In the workmen's compensation field, the new aspects of the situation were recognized quickly. In 1916 it became evident that compensation rates were inadequate for the payment of losses and expenses of conducting the business, the Insurance Department of the State of New York calling the matter to the attention of the companies in December of that year. The Augmented Standing Committee on workmen's compensation rates thereupon proceeded to revise rules, classifications and rates, revision of the latter being based upon completed loss experience up to and including December 31, 1914. As a result of the work of this national committee, compensation rates were advanced on an average 39 per cent., the minimum raise being 10 per cent. and the maximum 55 per cent., in most cases effective May 1, 1917.

Increasing Cost of Doing Business

Later in the same year the increasing cost of doing business resulting from war conditions and additional tax burdens upon insurance companies necessitated a flat increase of five per cent. on compensation rates in most States and 10 per cent. on all other liability lines except automobile, as of the first day of 1918. A new automobile manual was then in preparation, so that it was deemed best not to change automobile liability rates until the new manual could be promulgated. This was delayed by circumstances beyond human control, but was finally accomplished on the first of April.

The automobile committee of the National Workmen's Compensation Bureau spent several months in close study of the pooled loss experience of the member and co-operating companies brought down to the end of 1916. Careful consideration was also given to the causes underlying the expansion of practically all items in the loss record. Not only are accidents more frequent, but a larger percentage of accidents reported to insurance companies result in claims for damages, in many cases for larger amounts than formerly, contributing factors being greater activity of "negligence" lawyers, education of the general public in presenting and pressing claims, and the shrinkage in the purchasing power of money as measured in dollars and cents. Higher costs of conducting the business, serious traffic problems in large cities and progressive broadening of policy coverage make up the bulk of the remainder of the reasons for revising rates upward.

The pleasure type car experience tabulations showing a marked relation between loss cost and density of population, 28 of the larger cities, exclusive of the six largest, where peculiar traffic conditions constitute an added factor directly reflected in loss ratios, were placed in a single territory or zone for rating puposes and a single set of rates was devised for all these cities. Greater New York City had a sufficient volume of premiums to warrant individual rating; Boston, Providence and suburban New York showed similar conditions and loss experience, so were grouped for identical rating; Chicago, Philadelphia and St. Louis, for the same reasons, were constituted another rating group; the remainder of the United States being treated as a whole and assigned the lowest set of ratings.

In the Big Cities

In the largest cities a material increase in actual loss costs made necessary corresponding raises in rates. Greater New York and Philadelphia rates were boosted about 40 per cent., Boston, Providence, St. Louis, Baltimore, Washington and Pittsburgh, 35 per cent.; suburban New York (including two counties of New Jersey), 25 per cent., and Detroit, Milwaukee, St. Paul, Minneapolis and Indianapolis, 20 per cent., while no change was made for Cleveland, Buffalo and Atlanta. Elsewhere, except in the States of Alabama, Kentucky and Tennessee, where previous ratings proved adequate, there was effected an increase of but 10 per cent., about equal to the allowance for the abnormal cost of conducting the business.

Study of the detailed experience revealed a very rapid rise in costs in the larger cities as respects cars of from 16 to 30 insurable horse-power, but a much less rapid rise above, while in the districts outside the larger cities the cost increase was at about the same rate for the higher as for the lower horse-powers. The result of this was a flat rating for all pleasure type cars of over 44 insurable horse-power, compared with a flat rating above 59 horse-power previously.

Most remarkable was the discovery that the five territory groupings established for pleasure cars were also applicable to commercial truck experience and that approximately the same degree of increase in loss costs also applied as between the various territories. To put the cost where it belonged, however, within each rating territory, it was necessary to readjust many classifications, trucks being rated according to the kind of business in which used, and not, as in the case of pleasure cars, on the insurable horsepower.

The entire proceedings of the committee which established the new rules and rates were marked by a distinct effort to materially broaden the policy coverage and at the same time to hold the price of the increased protection at a minimum. The latter object was accomplished in part by so extending the zone system of rate groupings as to equitably spread the accident cost of the few among the premiums of the many.

Broadening the Coverage

Most important of the moves toward broadening the coverage was the elimination of the 10 to 15 per cent. additional premium charges for additional assureds in connection with pleasure cars. The new policy coverage, as respects private pleasure type automobiles, includes, in addition to the assured named in the policy, any person riding in or legally operating the insured automobile with the permission of the named assured or of an adult member of his household not a chauffeur or domestic servant. The added liability thus created was considered in the revision of rates, as were also the other main points of broadened coverage—elimination of the additional premium charge for occasional pleasure use of a truck and for additional named assureds in connection with commercial truck operation.

Concerns which have habitually cut automobile liability rates have followed the leading standard companies, thus admitting that they were incorrect in their previous contentions regarding the propriety of the rates from which they saw fit to depart by rule-of-thumb methods of competition. The loss costs appear to show no improvement; in fact, a tendency the other way. According to the official records, in St. Louis alone ten persons were killed by automobiles during January of this year, while one person was killed and 100 injured in 92 serious automobile accidents which occurred in but three days of February, during unusual congestion due to a street railway strike. In New York City, during March of this year, automobiles killed 53 persons, compared with 12 killed by trolleys and five by wagons in the same month.

Rates Are Reasonable and Just

It therefore appears, from the evidence available and regardless of theory, that the new automobile liability rates are not only reasonable but just. How long they will continue adequate, if they are adequate at present, is wholly a matter of conjecture. In my contribution to last season's automobile number of The Eastern Underwriter, I questioned the correctness of the method of computing pleasure automobile rates on horse-power. Practical underwriters have been studying this problem for some time and at present are still working upon it, seeking to find some solution which may be at once scientific and practical, safe from an underwriting standpoint and fair to the insuring public, accurate and yet free from hampering restrictions, and finally admitting of economical operation. It is earnestly hoped that before another year has rolled by these minds will have devised such a plan as will fully meet the requirements.

OWNER IN CAR LIABLE

Magistrate Cobb in the New York Traffic Court has found guilty three owners of automobiles who were in their cars when their chauffeurs were caught speeding by traffic policemen. Each chauffeur was fined $30 and each owner $25.

In fining the owners as well as the chauffeurs guilty of speeding, Magistrate Cobb says, in an opinion given out recently, that an owner is liable if in the car, whether or not he consciously permits the driver to exceed the speed limit.

RAINBOW DIVISION
ADVISORY
TRADES COMMITTEE
Liberty Loan Committee, Second Federal Reserve District

It is the function of the Advisory Trades Committee "Rainbow Division" to Organize the Various Business Interests of New York into compact and efficient working units to sell Liberty Bonds to themselves.

The Embezzlement of Automobiles

HAZARD ONE OF SURETY ONLY

Fidelity Risks of Cars Sold on Instalment Plan Handled by Bonding Companies

By R. H. Towner, of Towner Rating Bureau

Automobiles are usually sold on the installment or partial payment plan under which the purchaser pays part of the purchase price down and gives notes usually maturing at monthly intervals for the remainder. The automobile itself remains the property of the vendor until all the notes are paid. As the automobile stands as security for the unpaid balance of the purchase price, dealers must insure themselves against loss or destruction of the car. Automobile insurance for such dealers, therefore, embraces loss by fire, collision, theft, conversion, etc. But the automobile is delivered to the possession of the purchaser and used by him while the purchase price is still unpaid. Where the purchaser sells the automobile, or makes way with it, he is guilty of a fraudulent conversion of property entrusted to him; and this is "embezzlement" under the law.

Until about a year ago, embezzlement by the purchaser was covered by the fire insurance companies by a rider attached to their fire policies. Its peculiarity was that, whereas insurance against fire, collision or theft by third parties ran in favor of both the dealer and the purchaser; insurance against embezzlement by the purchaser ran in favor of the dealer only.

Line for Surety Companies

Early in 1917, the insurance departments of several States ruled that "embezzlement" of automobiles was a fidelity risk which could not be lawfully written by fire insurance companies. Under the statutes of all States, "fire" insurance and "fidelity" insurance cannot be written by the same company, or combined in one policy. By this ruling, therefore, the "fidelity" risk for automobiles sold on the installment plan was turned over to the bonding companies. And the "automobile embezzlement" line for surety companies began.

Experience on this line carried separately by the bonding companies is too short to allow of any final conclusions as to the losses on risks of this nature. The surety companies Rating Bureau began with an estimated premium of $5 per car. Soon afterward one of the automobile insurance companies procured from the State of Washington a license to combine "embezzlement" with its other coverage on automobiles and filed with the insurance department of that State an "embezzlement" rate of "$1 for each new car and $2 for each second-hand car." For the time being, this rate upset the surety companies' calculations. The discrepancy was so great that the surety companies' premium for separate coverage practically shut them out of this line. To meet this situation, the Towner Rating Bureau preserved the minimum of $5 per car for schedules up to twenty cars only; made a schedule minimum of $100 for twenty to fifty cars; and on schedules exceeding fifty cars a minimum of $2 per car. That is the present surety companies' rate.

Source of Best Risks

While it is too soon to assert definite conclusions, the experience of the past year points in certain directions which may be tentatively accepted as indicating general laws. The first is that the better quality of this business comes from the big institutions which have been formed to finance on a large scale the purchase of automobiles on the installment plan. These institutions automatically insure each car against embezzlement, as well as other risks. Surety companies, therefore, on these schedules obtain an average on all cars whose purchase is financed. There is no selection against the surety. The number of cars is large and purchasers of automobile trucks and business cars are included within the average. This raises the quality as well as the volume of the schedule, and the most successful underwriting of the past year has been on such schedules. Another conclusion which may be tentatively accepted is, that the rate of "$1 for new cars, $2 for old" is inadequate.

Reason for Higher Rates

One of the companies insuring several thousand automobiles at this rate showed annual premium earnings of $6,922.87, and losses of $6,746.11. The losses were incurred in less than a year. When all these policies are finally matured it is very probable that the loss ratio will be over one hundred per cent. This indicates the necessity of higher rates, even for an average which is unimpaired. Automobile embezzlement written for local dealers carries a somewhat worse average of risks than for the great finance companies. The best customers of the local dealers may finance their purchases through a bank, or through one of the automobile finance companies; or they may pay for the car in full; or the dealer may feel such confidence in them that he does not care to insure. All these things operate as a selection against the surety company, taking out of the local dealers' schedules the best class of risks.

Local Dealers' Schedule

Wherever the dealer is in doubt about a customer he is sure to put him in the schedule; so that the local dealer's schedule, as a whole, is apt to contain all the poor risks that he has and not all the good ones. It is with this in view that the minimum of $5 per car has been retained for all small schedules. Experience, as far as reported, seems to indicate that even with this minimum, the results to the companies are far less profitable on local dealers than on the large schedules where the minimum rate is less. Underwriters are watching all the figures with great interest and looking for a future development of "automobile embezzlement" which will put the insurance on a sound and enduring basis for a satisfactory volume of risks.

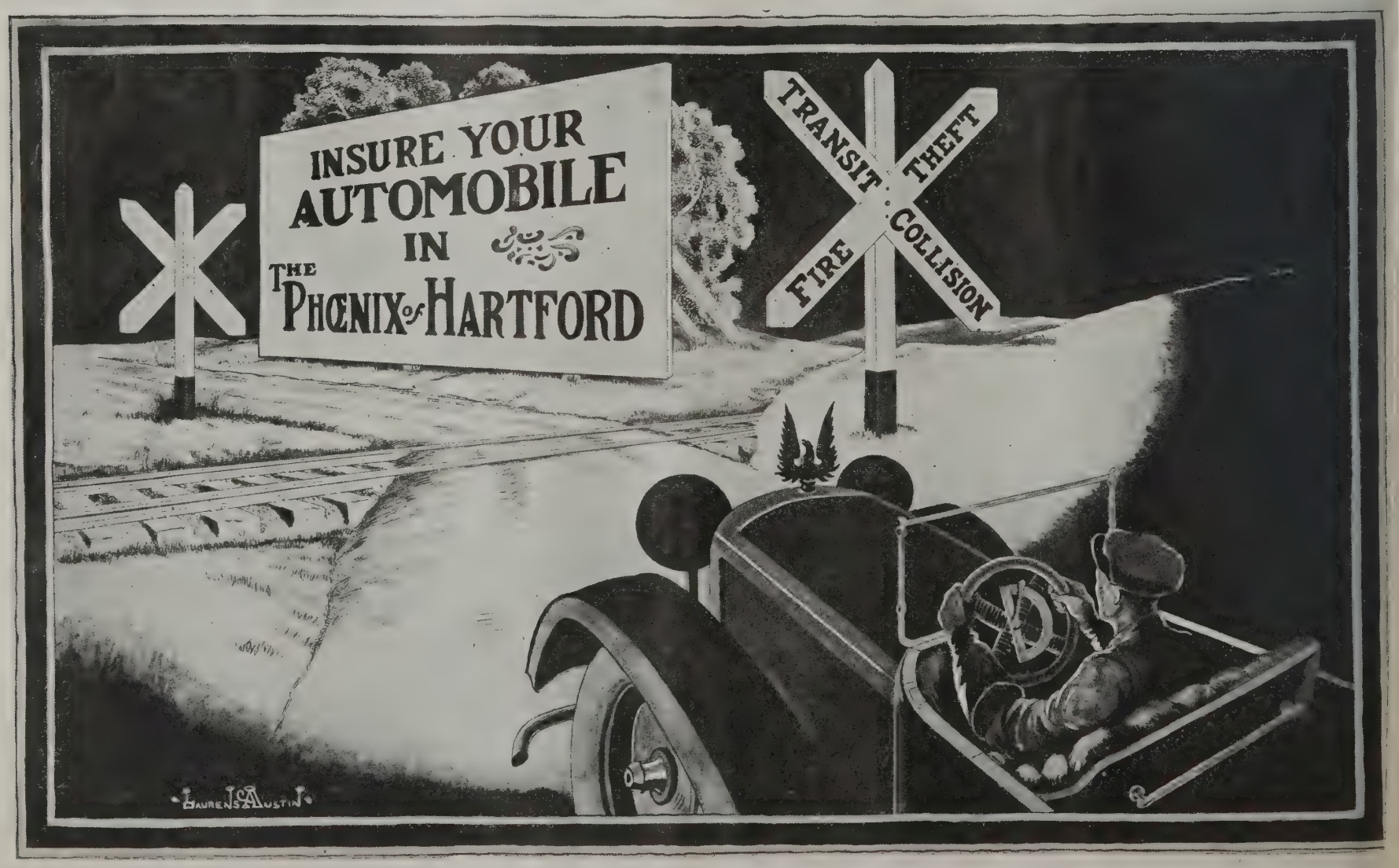
CHARGES CONFERENCE RATES

Action of Republic Casualty Company —Comment on Its "Fleet" Insurance

In discussing automobile fleets of the Republic Casualty of Pittsburgh, "Best's Insurance News," after an examination of the company, said:

"We found that in a few cases 'fleets' of automobile trucks had been written at from 10 per cent. to 20 per cent. less than manual. In such cases the company either paid no commission or a much reduced rate, so that it received net the equivalent of the full manual rates, less the customary commission. The company advised all its agents on February 27, 1918, that from April 1, 1918, it would charge the new conference rates for automobile business, and instructed its agents not to issue April renewals until they had received, and become familiar with the new automobile manual.

"In Seattle, Washington, the company has written a considerable volume of jitney business, which is showing a satisfactory loss ratio. On this business the company pays a very low commission."



Why the Automobile Situation Changes

By CARROLL E. ROBB, National Automobile Underwriters' Conference

What is the matter with the automobile fire business? Why do rates change bewilderingly, forms multiply, commission troubles cause wrangling, Conference rules succeed each other past counting?

One trouble with it (as with some whiskey) is its newness. Of course, this was once the trouble with other branches of the business, too (newness, that is, not whiskey; whiskey is nowadays more of a rarity than a trouble, some people will tell you regretfully). Fire insurance did not come to its present estate at a moment's thought; since the days when the special agents journeyed on horse back like Methodist circuit riders more changes than one have come and changed again. The National Board attempted and then relinquished the control of rates; underwriters' annexes arose to vex the soul; minimum class rates gave way before the universal schedule; and the universal schedule was challenged by experience, grading and rating which went part way back to minimum class rates. Glancing gaily over the epochs, the business of fire insurance has not been without certain disturbances. Marine business, too, the oldest of insurances, which has left behind its beginnings years without counting, has known stages in its evolution.



And now comes automobile business, newer than wet paint and varnish.

Difference Between Marine and Fire

Those who examined it first said: It is a branch of the fire business, or of marine, or of a cross partaking of the nature of both. Fire forms and marine forms, fire agency methods and marine agency methods, were tried and insisted upon. Automobile business (like Benjamin Franklin, the youngest of thirteen children) might not have new clothes of its own, but must wear the baggy ones of its elders.

Now, the fact is that the marine and fire costumes are not especially good fits. Take the policy form: The marine companies were first at the business, and used a marine form. As the fire companies came in one after another, thicker and thicker, like boys dropping into a swimming hole after one has tried it first, sundry and diverse provisions of the standard fire policy were taken bodily and attached to the automobile contract. Between these two sets of underwriters, as was natural, certain disputes arose. The marine men had been schooled in the valued form; the fire men had been schooled to believe the valued form the sum of iniquity; each set was guided, not by experience of the automobile business, of which as yet there was little, but by the memories of old customs and hard won conclusions in the older branches.

As with all disputes, so with this; compromises were made, successive policy forms were drafted, rules were altered accordingly. Then problems arose which had not even an apparent precedent in earlier practices. The peculiar and special problems of dealers risks, manufacturers' outputs, the interest of corporations financing the purchase of cars, were met as they arose, in successive struggles. Always, necessity forced, after many changes, the invention of forms undreamed of in the older philosophies, and evolved policies less and less fire or marine, but distinctively automobile.

The Rate Question

Or take the question of rates. In the fine days before the flood, a flat rate of 2½ per cent. was charged on each and every car, regardless of age, race, color or previous condition of servitude. It soon appeared, however, that all automobiles were not cut out of the same block and pattern (this was before the day of Mr. Ford's triumphs); and an attempt was made to draw up a graded and scientific schedule.

The first one was very much graded indeed. It looked like the playing schedule of the National League, or the "alphabet square" cipher which muddles the Germans so. It was arranged in twelve columns and eighteen rows, with a great broad belt of figures like the Milky Way or the Sea of Sargasso running diagonally across it from the upper left to the lower right hand corner. You read across the top and down the side; and where the two rays converged, like hope in a deep cellar, there you found your rate. These rates were graded by eights and quarters, and country agents usually wrote 1⅜ as 1.34, to the great burdening of the United States mail. It was a very reasonable and logical schedule; in decency, the hazard ought to have been divided in just this way, by age, cost and insurance, evenly and with decorum—only nobody knew whether it was or not, because available experience was very much in the lump and in no way so finely divided as was the schedule.

This baseball score has vanished quite away, and so has its successor and its successor's successor. From the agent's point of view, simplicity is the thing, and the demand of the man who sells the policy for a rate sheet from which he can quote with speed and accuracy is an element of weight. At one time, many a good piece of business was taken by non-conference companies for no other reason that the brevity of their rate instructions.

The Swing Back and Forth

The underwriter's eye, however, is not quite so single to this aim. For example, the fire and theft rate was once lumped together, which is simplicity; but the two hazards do not go together at all, varying in very different degree. Two separate schedules are needed. Too great simplicity dumps together the good and the bad, which admits injustice and discrimination, and invites competition upon portions of the risk which have been unduly charged. In short, while it is not possible to apportion the hazards with great minuteness nor to let each portion of the business bear its exact charge, because experience does not yet exist to support it nor the practice of business permit so fine a complication; yet it is necessary to separate out the great elements, and to make division upon broad lines.

Needless to say, the swing back and forth between these two principles involved many compromises and changes. Moreover, the hazards themselves have varied with engineering progress and the huge growth of the automobile as a factor in life and in the merchandise markets. And again, even fundamental features, which every one can now see existed from the first, were not at once so apparent; but were first ignored, then discovered, then allowed for, and so brought changes. This same thing happened in the early days of all other branches of the business; it took the pioneer fire companies some time to discover that the famous "green tree" did not really cut an appreciable figure; and the assurers of lives did not at first grasp even so staring a fact as that the age of a man made quite a little difference in his expectation of life—at least, they made the same rates for young and old.

Why Forms Change

In short, as with forms, so with rates; the automobile business is new and so must change. Added to this, while it draws to itself the advantages of long experience in general underwriting principles, it likewise draws the great disadvantage that it is at first laden with the details of experience from other branches which do not apply to it at all.

More than in form or in rate this disadvantage takes it upon the side of commission and agency methods—that is, the methods of acquiring the business. Marine and fire companies alike have from the first attempted to use the machinery of the fire agency system. The Conference commission and agency rules were drawn in the supposition that the fire agency system alone was concerned, and that the experience of commission troubles (for, of course, it was not hoped to avoid all trouble) would follow that of the fire business.

General Agencies

Yes, troubles came. They came and they stayed. They seemed to be worse than in the fire business, and to be intractible to the old appliances of harmony. This was set down, not without plausibility, upon the mixed nature of the Conference; the marine companies, having no local agency plant, were compelled to set down general agencies of one sort or another which complicated matters, and the one casualty member made use of its casualty branch office system. Time went on, and more and more fire companies entered the field, late comers. Then it was noted that it was not the marine companies alone who set down general agencies. Fire companies with local agency plants half a century old, who in their fire business had long ago abandoned the general agency system, in their automobile business found themselves compelled to revert to that very method, and companies who had lived together in the fire business in peace for a generation, as soon as they touched automobiles, began to quarrel.

When it was seen that the general agencies were multiplying, and in so doing were upsetting the whole basis of the commission rules, it was attempted to object to them on the ground that they were not "legitimate." If a "legitimate" general agency was one which also so functioned for fire business as well as for automobile, many indeed failed to qualify. But if a company did not have general fire agents, yet must have general automobile agents, what was to be done? A solution was attempted by condoning existing appointments, while forbidding future transgressions of the same sort, but the doctrine of existing appointments may be applied (if the co-operation of all companies is to be expected) only after every company has set down as many "existing appointments" as it finds necessary—which time is still somewhere on the off side of tomorrow.

In short, the regulation of automobile agencies on the basis of fire arrangements cannot succeed, for the fact is, the rules of the fire business do not suit the automobile. The fire agency system has grown with the fire business (not without certain tribulations), and fits it as his shell fits a crab, but it fits the automobile busi-

ness as the shell of a crab fits a mock turtle.

One Company Enough For One Agent

In the first place, the number of agencies is proportioned to the needs of the fire writing companies. Now, in the fire business each agent needs and can feed several companies, but in the automobile business one company is enough for one agent. More (like paint on the lily) are a needless addition, so that when the companies who were late comers in the field went to their old and faithful connections they found to their pained surprise that they were not wanted. As Jim Crow argued not unreasonably to Tom Sawyer, you can't put four gallons in a one gallon jug without straining the jug, and perhaps not then. Thereupon the companies began to bid for the agent, and to grant general agency appointments to such large offices as had facilities for sale.

Again, in the fire business two companies may live side by side in the same agency, one on a general and one on a local basis, so that nobody cares which system is followed by their neighbors. But for automobile business, the general agency company at once shuts out all others, unless they too can pay (for no service rendered) as high a commission. And yet again, the agents in a given city, though long accustomed to differing fire arrangements, looked upon automobile business as being all of a piece, and demanded of their companies as high a compensation as any other agent in that city received, whatever his title—and in the conditions of the market, they usually managed to get it somewhere.

As may be imagined, a very turbulent situation developed. Staid old fire companies, entering the automobile field, seemed immediately possessed of the devil. A ravenous competition was enjoyed by all present, as the society reporters say.

It is no good branding this competition as illegitimate. If companies cannot get business in one way, they must be permitted to get it in another, otherwise, of what use to them is a Conference, and why should they join it? In short, if all companies entering the automobile field find themselves compelled to violate the accepted notions of good practices, something is wrong with the accepted notions, and with the rules which have been drawn at their dictation.

What Will Happen

It is not yet possible to say precisely what form automobile writing will eventually take. Perhaps a wholly new set of agents will spring up; perhaps the floating nature of the business will break down the time honored contract of exclusive territory and place the producing function in the hands of special solicitors somewhat on the lines of life or personal accident solicitors—or again, perhaps not. But this much is certain: It will be cast in a form determined by its own nature, and not by the nature of the fire or marine business. Until such natural form is reached, the fire agency system will pinch like a tight pair of shoes. And the Conference rules must be drawn to fit automobile and not fire business.

In the meanwhile, say companies and agents and public, in the meanwhile rates change, forms multiply, commission troubles cause wrangling, and Conference rules succeed each other past counting. To be sure, and no wonder.

Detroit and Milwaukee Have Auto Associations

REASONS FOR FORMING THEM

Milwaukee Wants to "Professionalize the Business"—Activities of Detroit Body

There are two cities in this country where the agents have organized automobile insurance associations of representatives of insurance companies. They are Detroit and Milwaukee.

The Eastern Underwriter has asked A. G. Crandall, secretary of the Detroit Automobile Fire and Theft Insurance Agents' Association, and an officer in the local agency of Glass, Cook & Atkinson, for a statement regarding the Detroit association, and he has written to this paper as follows:

"We believe our association has filled a definite place in local insurance matters, and we are pleased to give you any information which may be of interest.

"From time to time there are rules and regulations passed by various underwriting conferences which affect local agents and their business very materially, and it was for the purpose of discussing these conditions that our local association was formed. As a rule it is only called together when necessary to discuss matters of mutual interest, as we do not aim to maintain any social features other than the luncheon which precedes the business meeting.

Action on Locks

"At the present time you are, of course, familiar with the desire of certain companies to limit the insurance on automobiles costing less than $2,500 to those which are equipped with locks approved by the Underwriters' Laboratories. We called a meeting of the local association, of which Charles E. Freese is president, for the purpose of recommending to the companies we represent some uniform action. At this meeting it was proposed to ask the Western Conference to have one of its members address us the following week on the lock situation. This program was followed through, and it created a better understanding of the underwriting problems of our companies, and also created a desire on the part of our local association to co-operate with the companies in not only reducing theft losses but in improving local conditions generally.

"It is evident that the purposes of this association are for the mutual advancement of the companies' and agents' interests in the writing of automobile insurance in this territory. The association includes the representatives of all the important automobile companies, and we are very pleased to state that any action we take or recommendations which we make receive prompt attention from our companies who, we have no doubt, feel that their interests as well as ours are being served by our association."

The Milwaukee Exchange

The secretary of the Wisconsin organization, which is called the Milwaukee Automobile Insurance Exchange, is Frank Fassold.

"We are trying to professionalize the business," he said to The Eastern Underwriter, "by eliminating the automobile salesman, garage owner and banker and placing it in the hands of insurance men where it rightfully belongs."

Allan Roberts is president; Allan Calhoun, vice-president; and Robert Pieper, treasurer.

In Sympathy With Milwaukee Board

The organization of the Exchange has been under consideration for some time, and originated in the Milwaukee Board of Fire Underwriters. It was first thought that it could be supervised by the Board, but as the Board is a corporation authorized by a State law, enacted long before automobiles were made, it was found that this could not be done, because a great many insurance companies, other than stock fire insurance companies, are writing this class of insurance, and agents representing same are therefore not qualified for membership in the Board.

No mention of rates, forms of coverage, representation or agency limitation is mentioned in the by-laws, which deals more particularly with the qualification of its members and solicitors.

"On The Spot Service"

Binders effected on Business Throughout the United States and Canada in the

PHOENIX INSURANCE CO., of Hartford

CONNECTICUT FIRE INSURANCE CO., of Hartford

EQUITABLE FIRE & MARINE INSURANCE CO., of Providence

FRE'K C. SMITH

I Liberty Street - - NEW YORK

JACKSON-SMITH AGENCY

General Agents

PREFERRED ACCIDENT INSURANCE CO., of New York

Agent Automobile Department

INSURANCE CO. OF NORTH AMERICA, of Philadelphia

City Surety Agent

HARTFORD ACCIDENT & INDEMNITY CO., of Hartford

Brokers' Accounts Solicited

THE NEW AUTO CHANGES

Most Important Is Omnibus Coverage, Says General Accident—Commercial Car Schedule Important

The omnibus coverage is the most important change made in the new rules, says the General Accident, in a statement to its agents. That Company, in discussing the new rates and changes, says:

The most important change and one which will be a great help to you in selling automobile insurance is what has been termed the Ominbus coverage. Under this feature automobile liability policies henceforth cover, in addition to the liability for the assured named in the policy, that for any person or persons riding in or operating the insured automobile with the permission of the assured or any adult member of the assured's family, excepting chauffeurs or domestic servants.

Another important change is with respect to coverage for tire damage when other damage is caused in the same accident; this is a decided advantage over the old $200 limit.

The $25 deductible average clause heretofore part of the collision insurance feature has been superseded by $100 deductible average clause. Full coverage collision, however, will still be sold.

Percentage rates for excess limits have been reduced.

It is especially important to study the new commercial car schedule as the classifications have nearly all been changed which means, of course, different rates in every case for this class of business.

The omnibus coverage referred to above does not apply, of course, to commercial cars, but the rates for additional insurance under the commercial car schedule have been materially lowered.

The new rate sheets and rules have already been distributed and we have no doubt that you are all by this time pretty familiar with the new conditions. Taking them all in all, we believe that the changes effect a decided improvement and offer to the prospective assured many additional advantages over the old automobile insurance plan.

MASSACHUSETTS COLLISION

It is cause for rejoicing that the Massachusetts legislature has just amended the law in such a way as to enable companies like the Travelers to write collision insurance in that State, says that Company.

Governor McCall has signed the act, and it goes into effect on April 26. By this time the automobile season will be in full swing, and every agent will have an exceptional opportunity to make his abilities felt, in competition with those who have enjoyed a clear field in the collision business for so long.

MOTOR TRUCK PRODUCTION

During 1916, 90,576 motor trucks were manufactured, with a value of $202,250,572. The 1917 production is not definitely known, but is placed at 200,000, valued at $350,000,000.

Underwriting Treatment of Motor Trucks

By RICHARD J. RICE, Jr.,
Assistant Manager Automobile Department Globe & Rutgers

Conditions appear to be conspiring to boom the manufacture of automobile trucks on an unprecedented scale during the present year. Never has the need for motor transportation been so keenly felt as at the present period. This is true alike with the small merchants and retailers as with the larger concerns who cannot possibly get along without motor trucks. Of course, as everybody realizes, the principal contributing cause for the need of more automobile trucks has been the congested railroad conditions, and as it has been demonstrated that the railroads have more than they can cope with, it looks as though it is up to the automobile truck, and notwithstanding the enormous output of trucks planned for the next year, it is hardly expected that they will meet the demand.

Already motor transportation service has been opened between cities hundreds of miles apart, and in some cases it is planned to operate the trucks practically continuously during the day and night, and even now it is not an uncommon sight to see a train of motor trucks involving from ten to twenty-five and more machines upon the highways making exceptionally long hauls, and this is particularly true of trucks in the Government service. Isn't it safe, therefore, to look forward to the establishment of permanent motor transportation between the different cities many miles apart when conditions again return to normal, especially after the motor truck has proven itself (and it is certainly doing this) to be uniquely adaptable for such service from an economical, as well as practical, standpoint?

The present uncertainty of railroad transportation has a great deal to do with the smaller merchants and retail dealers realizing more than ever the need of motor delivery cars. If it were not for this the horse and wagon might survive for a longer period, but nowadays the smaller merchants have got to be on the alert and as there is so much occasion to rush hither and thither to get merchandise and make prompt deliveries, the motor delivery truck seems to be the only practical solution of the problem.

Look Forward to Harvest

On account of the big increase in the manufacture of trucks and the very considerable curtailment of the manufacture of private pleasure automobiles, it is but natural to expect that the automobile truck will attract a much more lively interest on the part of insurance underwriters than ever before. This is where the companies writing automobile insurance are going to look for their harvest, and it is sure to manifest itself in the drive that the companies will make for the commercial car business and the amount of time spent in stimulating their agents to be continually on the lookout for commercial truck business.

Needless to say, the automobile solicitor will realize the fertile field that has opened up by this influx of motor trucks and will not lose any opportunities for increasing his business, and consequently his commissions.

The treatment of automobile trucks and private passenger cars by the underwriter is very similar in its essential details in so far as forms of cover and method of rating is concerned. The characteristics attendant to the two different classes, however, in the underwriter's mind are not by any means identical; in other words, in considering insurance on a pleasure car and a truck they are not looked at from exactly the same angle.

In the case of a pleasure car the person owning the machine is just as much to be considered as the car itself—in fact, a great deal more so, and it practically means that the owner is the principal consideration and the car a secondary consideration. There is that personal element in connection with the pleasure car which is absent with the truck—in other words, the pleasure car is constantly in the owner's mind and under his care and supervision, whereas with a truck the machine is just simply a part of the owner's business, the same as his other equipment and fixtures used in connection therewith and the use and care of the truck is left to his employes.

The uses made of the trucks are also very different, the pleasure car being used for private touring, and incidental business purposes, and generally speaking, the machines are used a major portion of the time on country roads, whereas the truck and light delivery automobile are rushed about most of the time in the city streets and congested districts.

The kind and type of truck receives more consideration from the underwriter than the kind and type of pleasure car, and it is doubtless true that most underwriters from their experience have a better knowledge of the trucks that stand up the best and are most adaptable to the various classes of business; in any event more so than they are acquainted with the type and style of pleasure car best suited to the needs of any private owner.

Ownership Prime Factor

To briefly sum up, the private pleasure car is judged principally from the ownership of the car, whereas with the truck the proposition must be looked at from many more different angles. The ownership, of course, plays a prominent part, but consideration also must be given to the nature of the business, the kind of loads carried, the speed with which they are operated and the portion of time spent out in the roads and the time that they are out of use in garage; also the class of chauffeurs operating and in charge of trucks is important. A feature that is of very little worry to underwriters in considering truck business is the theft risk, whereas on private pleasure automobiles the theft is the principal source of worry.

A great diversity of opinion exists among underwriters on the question of insuring automobile fleets and schedules—by which is meant a large number of commercial automobiles under the same ownership. This class of business seems to be more stabilized at the present time than ever before. This is no doubt due to the companies, generally speaking, being a little afraid of this class, especially at the low rates that they have obtained in the past, as it is a fact that the companies' eagerness for this class of business heretofore has hammered the rates down to such a point that large fleets were written at rates that were ridiculous; reason seems to have been thrown to the winds and it was a question of merely quoting a rate low enough to beat the other fellow. The reason for the so-called "change of heart" on the part of the underwriters towards fleet business has been due to the lesson learned from the old teacher "experience." The garage losses consequently involving considerable losses to automobile fleets covered under schedules during the past couple of seasons have been much too numerous for the underwriter's peace of mind and while no doubt the principal attraction of this business was that it produced big premiums, it is now realized by everybody associated with the business that this class also produced big losses.

Special Rates for Fleets

In view of the companies' attitude, and there are not a few of them that decline to write large commercial fleets and schedules, the opinion is very much divided as to whether the Conference should not have applied their formula for making special rates on these fleets so as to produce higher rates than the present formula in use, as it is the belief of many that the present rates authorized by the Conference are much too low. In any case, it is evident that they are low enough in most cases not to attract only the conservative underwriter, but also the plunger, who a short time ago was writing this class at very low rates. It is confidently looked forward, therefore, in some quarters that the Conference will recognize the changed conditions to a greater extent and revise the formula, which will make this class of business more attractive to all the companies, especially as there is going to be such a very increased demand for special rates on fleet business in the future.

In order to be eligible for a special fleet rate the values on commercial cars must aggregate $15,000 or else there must be ten commercial cars, and the rates promulgated do not apply to passenger type of cars unless such cars are painted distinctly with the owner's name or advertisement on each side; otherwise the private type machines must carry the regular tariff rate. This condition is a very sensible one because the theft risk in connection with passenger cars does not warrant any lower rate than the regular tariff, particularly on cars used by salesmen and employes of large firms, which from experience seem to be very susceptible to theft. The idea of painting the cars, of course, reduces the theft risk to a great extent, as it is easy to trace the machine and these marked cars do not attract the thieves as readily as the machine without such prominent identification marks.

Green Operators and Women

The old time pleasure car dealers are now paying more attention to the truck business, and it is now a proposition of trying to sell a prospect the truck best suited to his needs, rather than just simply being a question of trying to sell a prospect an automobile truck. This should improve the companies' experience too because it seems to be recognized by underwriters that in the past trucks would be sold before the purchaser had really definitely decided to purchase an automobile truck, which resulted in throwing too great a burden on the purchaser and this had some effect on the companies' experience from a fire loss standpoint.

As to the collision insurance on trucks: If it improves at all it will be due to the recent action of the Conference in substituting a $100 deductible clause (which means that no claim under $100 is collectable, and when the damage exceeds $100 this amount is deducted from the total claim) for the $25 deductible clause, and also increasing the premium for the full coverage form, which covers all damage whether large or small without deduction. This readjustment of collision rates appeared to be a very needy one. There will be more green operators on account of the large number of absentees in the service and it is natural to expect that during this period of development the collision accidents will probably be a little more numerous. As a matter of fact, ere long we might see our automobile trucks on the highways being operated by the fairer sex—who knows?

RUNNING GREATER RISK

Thieves Taking Parts of Cars in Transit Now Force Federal Law

Pilfering of parts and accessories from automobiles in transit over the railroads, or thievery of any kind from goods in the hands of the railroads now is done at much more risk than formerly, and automobile makers and dealers who have heard of the fact are rejoicing accordingly. There has just been established by the Director General of Railroads a Division of Law, to deal with such matters and thieves now face a maximum sentence of 10 years in jail. Under the present operation of the railroads, goods in transit are in the custody of the United States, and the Federal law provides the 10-year penalty for those who appropriate Government property.

TRAFFIC COURT FOR BALTIMORE

An important change in the existing motor vehicle law of Maryland is the creation of a traffic court in Baltimore. It provides for a justice of the peace in a special traffic court, who shall be a member of the bar of the Supreme Bench of Baltimore. All violations of the motor vehicle law, or traffic regulations within the city limits, will be tried before this court and it will have concurrent jurisdiction in the State, outside of the city, to hear all complaints, where it is inconvenient for the accused to be brought to Baltimore.

APPRAISAL PLAN IN TOLEDO

The Toledo Automobile Dealers Association is meeting with success in a used-car appraisal plan it recently adopted. Cars are appraised at an appraisal station and the buyer is given a certificate of value good for ten days. The appraisal plan is based upon a percentage of value shrinkage for each year of use.

The Doctor of Insurance

By Edward H. Morrill, Jr., Superintendent, Brokerage and Agency Department, New York Branch Office, Aetna Life, Aetna Casualty & Surety, Automobile Insurance Companies of Hartford

The insurance broker who has travelled the road of experience; who has studied well the business, its rules and conditions, who has observed and profited by his observations, who has kept up with changes, news and progress, who has sought for and found the secret of always selling a customer what he needs—not sometimes what he may think he wants—in short, who has been a good insurance advisor, sold good insurance and given good service—that insurance broker has earned and should be given a degree. He should be privileged to sign his name with "Doctor of Insurance" after it. The physician who cures human ills, the lawyer whose advice sells for a fee higher than many brokerage commissions; the engineer whose ability plans bridges, none is more deserving of the few capital letters which, following his name, indicate the specialist.

The insured should be furnished with policies of the kinds and amounts that protect him from loss. Today, as our country is spending its billions in a war that affects us all, there should be little of the waste that is created by under insurance. Surely every loss that falls wholly on an insurance company under its policy has met the needs of today for saving. Every underinsured or under insured loss produces an individual item that cannot be absorbed in the average on which the business of insurance is conducted.

Perhaps in no one line is there a greater opportunity at this time for constructive efforts to sell "full cover" than in automobile insurance. Properly handled there is no line promising a greater reward for the broker's work.

May Lose Business

For practical purposes we must consider in this article the broker's automobile customer who is financially responsible, and who can easily afford the expense of a car, or who uses a car as a necessary part of his business equipment. Fire and theft insurance is generally written, of course, but how many policies include the additional cover of tornado, earthquake, explosion and external discharge or leakage of water? A great many more would be sold if the broker quoted the rate with the ten cents for such cover added, explaining, if necessary that a reduction of ten cents would be allowed if certain parts of the insured's protection were eliminated. During one of the recent high winds, by the way, the owner of a car in Haverstraw suffered loss of $250 which ten cents more in rate would have brought within his policy. Another car was badly damaged while standing for a few moments near a hydrant which burst. Still another was damaged while standing in a garage all night under a leaking steam pipe. No broker should allow his customer to run such chances in order to save ten cents in the rate of his fire and theft policy. If he does some doctor of insurance may take the customer away from him.

Collision, full cover, or collision with $100 deducted from each loss tells its own story. If the insurance company can sell the latter so much cheaper than the former the automobile owner knows that the full cover is what he needs, and on that basis of argument the broker should have little trouble with his good pleasure-car customer.

Insurance on Trucks

Collision insurance on commercial trucks requires a little different treatment. If the assured operates a fleet he probably has his own repair shop for upkeep, wear and tear and minor repair work. If he can handle the small collision loss with his own equipment the $100 deductible form of cover might best suit his case and the interests of good insurance would not suffer thereby.

If one considers the traffic conditions and congestion at many points in all large cities, together with replacement by inexperienced men of thousands of chauffeurs and drivers of teams who have answered their country's call, the main cause of a heavy loss experience in collision insurance will be found. In those conditions will be seen at once justification for the new collision rates and a sound business argument for the sale of the insurance. He would indeed by an optimist who expects any decrease in the immediate future of the number of automobiles damaged by collision.

The insurance broker will never qualify as a doctor of insurance, nor will his duty to his customers be discharged until he makes an individual study of the needs of each as applying to public liability insurance. I never heard of a fire broker who sold a $5,000 fire policy to each of his customers, regardless of the property to be insured or of its value. Yet there are automobile insurance brokers who sell the same $5,000-$10,000 limits of liability insurance to the millionaire customer and to the one whose total assets are in his car, on which there may be a mortgage. There is neither good service nor good sense in that habit. A financially responsible man will have personal injury claims in larger amounts pressed against him than will the man who is possessed of little here below. The reduced percentages for higher limits, as provided by the rates recently put in effect, make it comparatively easy for the broker to place policies with safer limits for his wealthy customers. Limits of $100,000-$300,000 (which might be considered reasonably safe) can now be purchased for an increase of but 52 per cent. over the unsafe $5,000-$10,000 limits—twenty times the protection for half the premium added. A doctor of insurance would never lose his customer for whom a $100,000-$300,000 policy had been issued because some broker offered to sell one-twentieth of the protection at a saving of one-third of the premium. On the other hand many more customers can be gained by the offer to furnish protection rather than by the offer to furnish a "rate." And don't forget that the only absolutely safe protection is that furnished by a policy which is unlimited as to the company's loss-paying obligations. While compensation insurance now provides such indemnity, public liability insurance is not yet furnished in that form. Sometime it may be.

While the range of high losses from claims on account of damaging the property of others is less pronounced than in personal injury cases, still $2,000 limit, including loss of use, is becoming the standard with many prominent brokers, as replacing the $1,000 limit formerly considered adequate. The loss of use cover should be included in the interests of proper protection to the client, whatever limit may be sold.

Our doctor of insurance would be falling short of a specialist's service if he did not advise his customer

(Continued on page 17)

LOGUE BROS. & CO., Inc.
307 FOURTH AVENUE PITTSBURGH, PA.

FIRE CASUALTY AUTOMOBILE
INSURANCE

Improved Risk Specialists
Expert Engineering Service

MEMBERS OF
Pennsylvania Association of Insurance Agents and National Association of Insurance Agents

Changes Among the Automobile Insurance Managers

The Men Handling Departments of the Continental Group, Newark, Northern, Fireman's Fund, Sun, Norwich Union, and Some Other Companies

During the past year there have been a number of changes in managers ot automobile departments, and managers appointed to new departments. These managers are able insurance men and good underwriters.

The Newark's Manager

A. E. Larter, who became automobile manager of the Newark Fire in April, has been a prominent figure in underwriting for many years. Mr. Larter was at one time general agent of the Continental and later was vice-president of the American of Newark. He came to the Newark Fire from the Eastern Union where W. S. Lemmon and Mr. Larter prepared the L. & L. Rating Schedule for fire insurance.

Manager of Fireman's Fund

B. G. Wills, who is superintendent of the automobile department of the Fireman's Fund, was educated at the Oregon Agricultural College. He became claims adjuster for the Atchison, Topeka and Santa Fe in Los Angeles, and in 1910 opened offices in that city as an independent adjuster. He was made branch manager of the Royal Indemnity at Los Angeles in 1912 and five years later became head of the Fireman's Fund's automobile department.

Northwestern National's Superintendent

The automobile department manager of the Northwestern National is R. G. Cotton, who began his career with the old Rockford Insurance Company of Rockford, Ill., and was with them and the American of Newark under Charles E. Sheldon, for thirteen years. The last ten and a half years he had charge of the Western automobile department of the Boston Insurance Co. at Lansing, Mich.

Head of Northern's Department

A. E. White, manager of the Northern's automobile department for the Eastern and Southern territories, began with the Royal Indemnity, where he had charge of the automobile loss department for six years. Previous to that he had spent thirteen years in the automobile business in various capacities, and in different parts of the country. On March 1 when the Northern's automobile department was organized he became its manager. The Company really began writing automobile business on April 1 and wound up the year with a premium volume of $55,000 in the Eastern and Southern department. That this is a splendid record will be seen from the fact that the average first year's writings of all companies transacting automobile business in the United States for the first year is $32,000. The Northern, by the way, joined the Conference before it had written a single automobile policy.

O'Connor's Experience

Roderick O'Connor, manager of the Caledonian's department, has had a great deal of experience in this division of the business, not only in the East and New England, but in other parts of the country, as he traveled in nine States for the National. Mr. O'Connor began with the Automobile Insurance Company in Hartford, and was transferred by that Company to its New York offices at 100 William Street. In June last he joined the Caledonian.

Mays From the South

Whiteford S. Mays, manager of the Niagara Fire's automobile department, is an Atlanta man. His first experience was with the Royal, under Milton Dargan, manager of the Southern department of that Company. He came to the Niagara some months ago to become superintendent of the automobile department. Mr. Mays is one of the youngest of the automobile managers and one of the ablest.

Handles Auto Departments of Continental Group

Gerald Crosthwaite, manager of the Continental, Fidelity-Phenix and American Eagle automobile departments, is a Yale man who began his insurance career with B. M. Crosthwaite & Co., who do a large automobile local business. In that office he had experience in all ends of automobile insurance, including the adjustment of losses, inspection, production and underwriting.

New Manager of Norwich Union

Frank Keller, Jr., recently came to the Norwich Union and is now general agent for the automobile department, located at 100 William Street, New York. Mr. Keller has been in the automobile insurance business since 1908, when he entered the service of the Home in New York, under W. Kurth, who then had charge of the automobile department. Mr. Kurth and Mr. Keller developed that branch which afterward was placed in charge of S. K. Crawford in 1915. In 1917 C. M. Martindale, who had been with the Fidelity & Deposit, took charge of the department and Mr. Keller became special agent traveling out of the home office and covering the Eastern and Middle States.

Edwards in Charge

George C. Edwards, manager of the automobile department of the National Liberty, is a graduate of Lehigh University; and is one of the most intelligent young men in the insurance business.

P. R. Wilbur resigned in January as general agent for the automobile department of the Norwich Union in New York and became automobile general agent for the Sun and the Patriotic. He has been in the automobile insurance business for fourteen years, during a large portion of which he was with George H. Smith & Hicks. He is now rapidly developing the automobile business for the Sun and the Patriotic, with which this branch of underwriting is comparatively new. He is a close student of the theft hazard and has devised a plan to remedy conditions which is explained elsewhere in this issue.



A. E. LARTER



GERALD CROSTHWAITE



A. E. WHITE



B. G. WILLS



P. R. WILBUR



FRANK KELLER, Jr.

Protection of Insurers' Subrogated Rights

By CHARLES J. KIRBY, Jr.

Shortly after my initial efforts to establish an independent automobile adjustment office, I attempted to secure the co-operation of several companies in certain suggested improvements that my experience seemed to point as imperative corrections in methods made necessary by the outstanding evils which had crept into this rapidly growing field. A letter containing a rough draft of my plan was addressed to practically all of the fire underwriters and later at their suggestion, to the local automobile conference.

My plans aimed to control, first the alarming increase in theft losses. Second, by concerted effort to inject practical methods into the rather promiscuous handling of salvages. And, third, closer association between adjustment and recovery from the responsible party as fixed by dual and careful investigation of the facts surrounding collision losses. Included within the scope of organization as I had tentatively arranged were minor features, chief of which perhaps was the wish to establish credit for and appreciation of the high standards of our business in the organizations of the motor car manufacturers, in order to secure their essential co-operation.

Insurer's Subrogated Rights

I do not know if my letter was considered, as it was then, that the National Auto Insurers Conference was formed. Shortly thereafter J. J. Windle decided to put his plans into co-operation and I joined his association. Looking back over our experience since these suggestions were addressed to the Conference, the self evident crudity of my plans leaves only the satisfaction of having had then a germ of an idea.

We have put into practical operation a plan of co-operation for protection of the insurer's subrogated rights and their prosecution with signal success. I venture that the statistics of our department demonstrate conclusively how essential this feature has become, and coupled as we have it with the handling of the property damage cases, has shown a really remarkable return.

The theft of automobiles would almost seem to have grown into an organized business. We have not developed any really constructive plans other than to co-operate wih the Conference who have seriously considered this element of loss. Of this, therefore, it is proper that they alone should speak.

Salvage

As to the handling of salvage we are far from the final solution of this problem, but are doing our best to secure for our companies adequate returns. The valued policy coupled with the nature of the commodity insured makes the salvage problem a greater element of loss adjustment than in general fire insurance. Perhaps this field has been influenced more by marine than fire methods, but in any case a prime problem does exist, and I shall adhere to the original conclusion reached and indicated in my proposals to the Conference, that complete co-operation is the most practical solution. We are compelled to dispose of wrecks for small sums, which if disassembled would bring returns for parts more nearly what the purchaser now actually profits. Why shouldn't we have an outlet such as the manufacturers develop for their second hand cars, when we realize that our combined operations rival those of the largest manufacturer.

Perhaps our greatest accomplishment in line with my original idea has been in the relations established with the manufacturers and their service stations. It has not been simple to secure their co-operation. The men in charge of repair departments and garages are as human as any other contractor who estimates repairs with knowledge that the insurer is to foot the bill. It seems superfluous to say that we have had to demonstrate our ability to measure loss, that the garage men might appreciate first that we were worthy of their respect, and second that we were likewise willing to pay for all proper repairs, but unwilling to more than nominally improve the car. I must give credit to most of the manufacturers' service stations by stating that ultimately we have secured their hearty co-operation.

The Human Equation

Speaking generally, we have found it increasingly necessary to bring to this work expert knowledge of the mechanics of automobiles, the usual and ever present necessity for correct handling of the inevitable human equation, and finally a sufficient force to give almost the same instant attention that is more generally recognized as a necessity in connection with the large public service utilities. We are convinced that our work is a specialty and can only be handled successfully by a specialist, there being fundamental differences between automobile adjustments and the regular loss adjustments of the fire insurance companies.

THE 1918 OUTPUT

Curtailment in Manufacture Will Run Between 30 and 40 Per Cent.

What is the curtailment in the automobile output for 1918? The truth is that nobody but Government officials and the manufacturers of cars know, and they will not tell; what is going on in some of the plants is a war trade secret. Even the editors of the automobile trade papers do not know. The managing editor of one of the great automobile papers, E. S. Foljambe, writes The Eastern Underwriter:

We have yours of the 26th, and note what you say regarding an article on the 1918 output. Would say that any article of this nature would be but a guess.

We have been corresponding with the passenger car manufacturers, and less than 30 per cent. have given us any kind of a statement as to 1918 intentions, let alone a statement of what they are actually doing now.

The National Automobile Chamber of Commerce notified the Government that their members would curtail their output 30 per cent., but their membership represents about 80 car makers out of a total of 175, including electrics.

What the rest of the car makers are doing really nobody knows, but it is understood, that the total output is curtailed in the neighborhood of 40 per cent.

This is the first year that we have not put out estimates on the production, the reason being that we thought it would be a rank guess, owing to the fact of present curtailment, and the use of factories for Government work.

Under the circumstances we do not feel that any such article would be at all authoritative, and therefore, would not care to prepare one.

AUTOMOBILE IN COURT

Right to Settle Excess Liability

Two cases in the Supreme Court of New York, one in the Special Term, New York County (166 N. Y. S., 36) and the other in the Appellate Division, First Department (166 N. Y. S., 184), are of special interest as to insured's right to settle under public liability policies without the consent of insurer. Both cases turned on questions of pleading, but in passing upon them the courts had to decide as to insured's right to settle without insurer's consent.

In the first of these cases a judgment was obtained against the insured for $8,000. He was insured up to $5,000, and prior to suit he had an offer of settlement for that amount. This he had communicated to the insurer with an offer on his part to contribute on-half of the amount. Insurer refused to consent to the arrangement, and after judgment insured brought suit against the company for the $3,000 excess he had to pay. The question came up as to the sufficiency of the complaint, alleging the foregoing facts, and the Court held that it sufficiently alleged defendant's bad faith in permitting such judgment. In reviewing the law applicable to the case, Justice Greenbaum said:

It seems to be fairly well recognized by the courts of this State and of other jurisdictions that, notwithstanding a policy of indemnity like the one under consideration confers upon the insurer the exclusive power to control the defense of the action brought against the insured, there nevertheless—

"is a contractual obligation of universal force which underlies all written agreements. It is the obligation of good faith in carrying out what is written." Brassil v. Maryland Casualty Co., 104 N. E. (N. Y.) 622.

In the case just cited it was said that:

"The defendant's failure to observe this requirement of the contract is the thing upon which its liability may be safely predicated."

In Wisconsin Zinc Company v. Fidelity and Deposit Co., 155 N. W. (Wis.) 1081, the court significantly said:

"The power of settlement given the insurer cannot be used for the purposes of fraud or oppression, and the courts, in so far as they have passed upon the question, hold that the power conferred must not be exercised in bad faith. * * * While the defendant had the right to consult what it deemed to be its own interest in making a settlement, it could not abuse the power vested in it and recklessly and contumaciously refuse to settle if it was apparent that in all reasonable probability its conduct would not only result in damage to the plaintiff, but also in loss to itself. Neither could it exercise the right conferred for the purpose of perpetrating a fraud on the plaintiff."

GLOBE & RUTGERS
Fire Insurance Company

111 WILLIAM STREET, NEW YORK

JANUARY 1, 1918

ASSETS		LIABILITIES	
Real Estate	$78,975.00	Capital	$700,000.00
Bond and Mortgages	280,900.00	Surplus	7,426,114.26
City, Railroad and other Bonds and Stocks	17,036,342.60	Re-Insurance Reserve	8,299,781.67
Cash in Banks and Office	1,075,492.40	Losses in Course of Adjustment	2,852,721.27
Premiums in Course of Collection	3,343,326.07	Commissions and other items	2,743,609.99
Interest Accrued ...	131,629.85		
Due on account Re-Insurance Loss Account	75,561.27		
	$22,022,227.19		$22,022,227.19

SURPLUS TO POLICY HOLDERS, $8,126,114.26

E. C. JAMESON, President

LYMAN CANDEE, Vice-President — W. H. PAULISON, Vice-Pres't

J. H. MULVEHILL, Secretary — A. H. WITTHOHN, Assist. Secretary

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Automobile Department

L. R. BOWDEN, Manager

The Automobile Situation As Seen in the South

By JOHN M. HARRISON, Assistant Secretary, Southern Automobile Underwriters' Conference

Five years ago the writing of automobile insurance throughout the South, as a whole, was looked upon by underwriters generally as a venture to be undertaken only by those possessed of unusual courage and loss paying power. The companies who had blazed the way, or rather who had permitted themselves to be blazed, had suffered almost inconceivable losses under the fire cover, notwithstanding the fact that the rates were relatively high.

At that time, however, there were many handicaps. The automobile itself was in a period of structural development, and a large number of fires can well be ascribed to mechanical defects, the most common of which were back-firing due to imperfect carburetion, short circuits and other electrical imperfections. Models and types had not become standardized and, therefore, went quickly out of date. The general road conditions were fearful, cross-country touring being at that time almost unheard of. The lack of trained automobile mechanics, the great difficulty encountered in replacing broken and worn parts, the discouraging experiences which the automobile owner faced when he had a breakdown away from help, all combined to stimulate the rapidity of depreciation, and to develop to an alarming degree the one cause which produced more fires than all others combined, namely, the moral hazard. Adjustments were extremely difficult due to the trouble in securing extra parts and proper mechanical service, and to the further fact that almost every car which caught on fire became a total loss.

Assured Had to Be Educated

Perhaps the reader will feel that a gloomy picture is being painted and that the skeleton should be allowed to rest, but no better conception of the present conditions can be obtained than by comparing them with those of five years ago.

The theft, collision and property damage covers, and even the liability risk, were not so extensively written in those days because the insuring public which, already familiar with fire insurance, had yet to be educated to the importance of the other covers and, therefore, a consideration of the conditions pertaining in these lines at that time would be of no value.

Theft the Big Problem

The great problem which confronts automobile underwriters in the South and throughout the entire nation for that matter, and the one which causes them the most concern, is the theft situation. Theft insurance cannot be regarded as a scientific underwriting subject, for the reason that there are no averages nor experience tables for past years which may be taken as proper criterions for the future. Indeed the present outlook would appear to foretell a heavy and continuous increase in automobile stealing throughout the length and breadth of the land which may possibly absorb entirely whatever underwriting profit may be reasonably looked for in the fire cover. The curtailment of production by the manufacturers, the growing demand for cars and the natural conditions which favor the education and growth of a distinct class of automobile thieves are apparently just grounds for the belief that radical and widespread measures calling for the co-operation of manufacturers, dealers, underwriters, police departments, garages, service stations, officials of all ranks and classes, automobile clubs and the general public, will be absolutely necessary in order to check the increase of this crime. Automobile stealing itself can never be absolutely stopped, but effective measures can be taken to appreciably reduce the theft hazard. That the underwriters in the South are alive to the situation is shown by the fact that they have established a bureau for the recovery of stolen automobiles and for general work along the line of reducing the theft hazard. Co-operating vigorously with this bureau are the State automobile clubs, the police authorities of the larger cities and towns, and what is particularly pleasing to note, the active interest and assistance rendered by the prosecuting attorneys in the various judicial circuits where the bureau has been active, have been noted with pleasure and appreciation.

The Situation

The situation to-day shows an improvement in the automobile fire hazard that is nothing short of marvelous and the fire cover has come to be, in the opinion of many leading underwriters, the best end of the risk. For while theft losses have become monotonously regular and disastrously heavy, and traffic congestion in the larger cities has made the collision, property damage and liability losses conspicuous, at the same time the elimination of mechanical defects, the standardization of types and models, the increasing popularity of motor driven vehicles and the consequent stability that has been given the market for new cars and second-hand cars of popular make, coupled with the betterment of highway conditions, and, last but not least, the increasing prosperity of the Southern people generally, have all combined to eliminate not only the inherent hazard but likewise the moral hazard, thereby making the automobile fire risk a most attractive underwriting proposition, and permitting the rates to be greatly lowered over those of former years.

The Southern Automobile Underwriters' Conference has recognized the trend of conditions and has voluntarily reduced the rates for the fire cover.

Auto No Longer a Luxury

The automobile is no longer looked upon as a luxury but as a necessity by the business man, by the home lover



JOHN M. HARRISON

and by the farmer, and it is fast becoming a most potent factor in the educational advancement of the Southern States by affording the people of the rural and mountain districts an opportunity to come into the cities, to broaden their views, to take back to their homes the comforts of life to which they have not heretofore been accustomed, and to deriving therefrom the basis for the better education of the coming generation.

Partial Cover

The possibilities of the automobile in the South from an underwriting standpoint have not yet been fully developed, because it is estimated that less than one-half the machines in daily use are insured, those which are insured being for the most part owned in the larger cities and towns, and covered only partially. The theft cover does not appear to have been extensively marketed except in the centers where thefts are numerous, and yet it is a known fact that the theft hazard on the car owned in the smaller towns within a radius of fifty miles of a large city is a greater risk than that of the city-owned car, because of the fact that the automobile thieves make a specialty of seeking out the man who comes to the city from a nearby small town and leaves his car unprotected with the same confidence that he displays in leaving it unguarded in his home town, where the entire population knows his particular car and instantly becomes a vigilance committee when a stranger steps into it.

The sale of collision, liability and property damage covers has developed much along the same line as the theft cover, since it appears to require many local object lessons to convince the car owners that they should purchase these covers.

Another reason for this partial coverage situation lies in the fact that a full cover policy sometimes costs from 6 to 10 per cent. of the value of the car,

(Continued on page 26)

Service to Brokers

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COMMERCIAL CASUALTY INSURANCE COMPANY STRENGTH SERVICE

Some Observations on Deductible

By B. M. CROSTHWAITE, New York City

It is probably too early to determine as yet the results, I believe far reaching, of the comparatively new auto rates and rules, with especial reference to the $100 deductible average clause recently published by the Automobile Conference, and it may not be especially the time to discuss it from any side but its advantageous one. Without doubt something had to be done with the collision rates, as cars are becoming more numerous every year, especially on the busy streets of our large cities, and the experience of collision insurance at the old rates I think has been bad with all companies. The fact that the Conference has lowered the deductible average rate and attached such a high deductible average clause on the new forms proves, I think, conclusively that there are not very many large claims in the large cities. The large claims from our experience we have found to occur in the suburbs or in small towns in the country, or more especially out in the open country, and it is these large claims that the cheap automobile rate covers. But, after all, this is not the protection sought for by an automobile owner, especially one who lives in the large cities. What he desires is protection for the hazard that he runs. I do not know what other companies' experience has been, but I do not think that we have had a larger percentage than one in ten losses that have amounted to $100, and I do not think that one in twenty-five losses reported amount to $200. So that it is pretty hard to ask an assured to pay a high premium and then take $100 from his loss.

Arguments Against Small Deductible

It would seem from watching these adjustments carefully that a small deductible average is almost useless from the standpoint of the companies, and there are probably several reasons for this. One of the main reasons is that a company is most always willing (if not obliged) on account of competition to allow ten or fifteen dollars more, at least on a loss, than it knows an assured is justly entitled to. This, of course, should not be a fact, but on account of competition for brokers' business, I believe it to be a fact. You will see from this that the assured gets back in this way through the efforts of his broker, and sometimes direct, at least one half of his deductible average which would have cost him, and which it was intended should cost him $35 to have taken off his policy.

There are many other arguments against the small deductible average. For instance, it is very hard in collision losses to know exactly how far the damage has extended, and when you try to take $25 from the assured's opinion of the amount of his real damage, it immediately puts him on the aggressive and within a short time he has found numerous other little things that it is necessary to do to the car, and which it is difficult to prove was not caused indirectly by the collision. To cite an example, we have found that a slight collision to the starting crank and possible bending of mudguard and damaging the radiator might have thrown the entire motor out of alignment, even slightly damaging the rear construction, and in several cases have found that it might have bent the crank-shaft. When a company adjusts with this assured, if he knows the crank-shaft to have been bent or the rear construction damaged, the company would, of course, be desirous of paying for this damage, but there is no possible way to know whether a slight defect in the motor or in the rear construction has been done by that jar to the front end of the car and not due to ordinary wear and tear, and we believe that if you paid the man the actual cost of the damage that is plain to see, without asking him to take $25 from the small amount of damage to his radiator, mudguard and starting crank, he would be entirely satisfied with the settlement. But where you make him aggressive by charging him a premium for collision, and then making deductions, I believe you put the companies to further doubtful claims which always cause trouble.

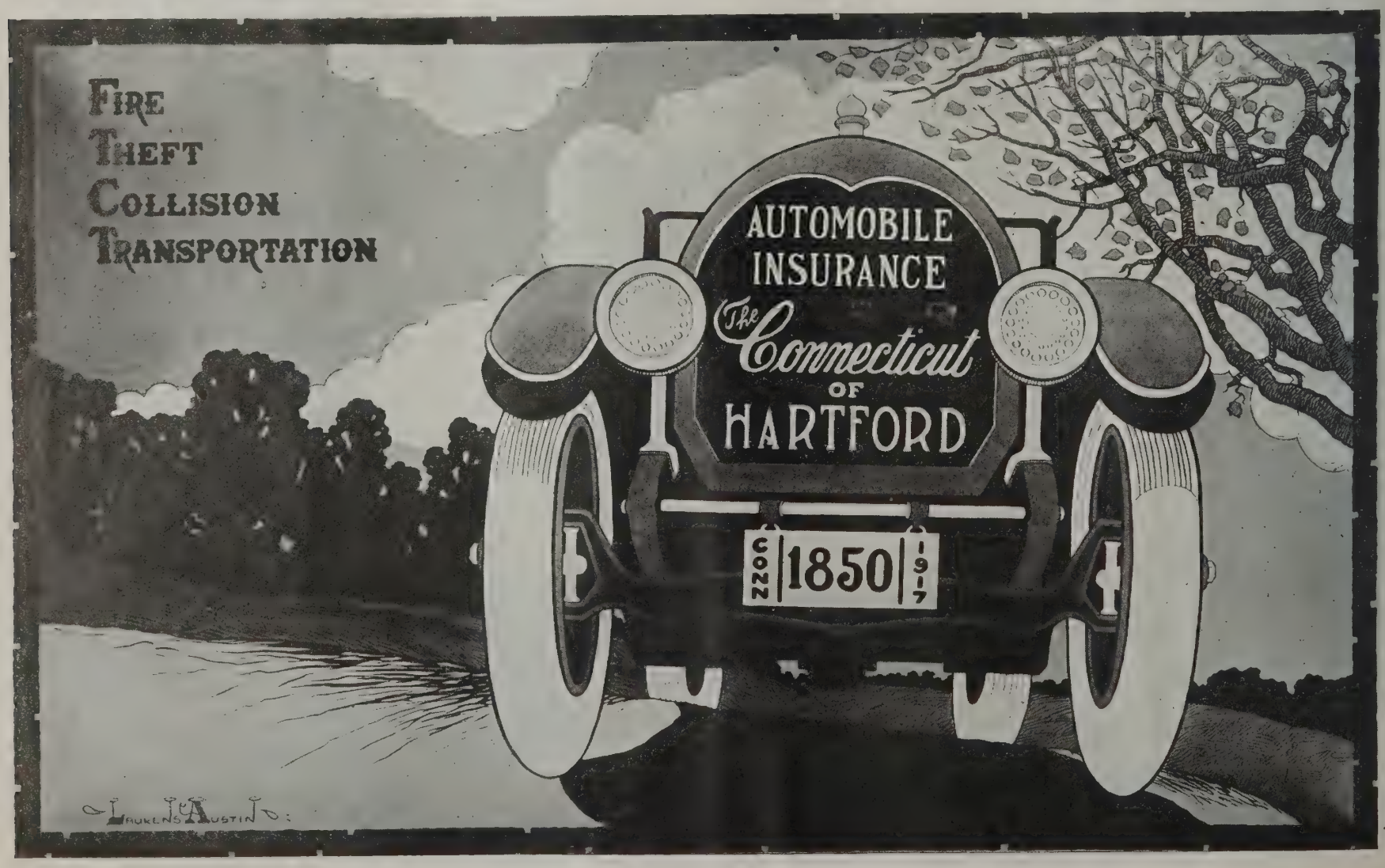
Painting

The same might be said of painting. I believe there is no definite rule as to what a company should do in case of damage to side panel or hood, etc., of an automobile. Where you have made a fair adjustment with the assured, in the majority of cases one can either repaint the mudguard or hood, possibly repaint from door to door which would take in the damaged panel, or in some cases revarnish the entire car; but where you tell the man that he stands $25, under the present rules, $100 of the amount of his claim, I believe you will have considerable difficulty in making the settlement.. In giving my opinion that this present deductible average would drive business away from the companies, I have heard the manager of a company reply that he was glad of it, as he would rather not get a dollar's worth of collision insurance. This would undoubtedly be all right for his company, but the assured and the broker (who at the present time, at least, are the life of the automobile insurance business) are put in the position that they cannot obtain the coverage that they desire.

His Suggestion

Personally, I believe that if the companies intend to cover against collision they should do so without an average and charge an adequate rate, no matter what it is, for the insurance or else give the assured a policy with a particular average (one where a loss must amount to so much, and then the companies pay the entire amount without deduction). By offering the assured either of the above policies the assured could accept it or not, as he sees fit, and if he did accept it, he would be covered against collision.

In connection also with a large number of collision claims, there are property damage claims. If an assured collects the damage to his car that has been caused by collision, without the company deducting $100, he is going to be a much better assured and give more unbiased opinions as to whether he was liable for the accident or not. If he is a dissatisfied customer, he is of very little use to a company in its effort to recover against the third party or defend a suit brought by a third party.



Stimulating Automobile Production

By NELSON D. STERLING, Vice-President Fidelity & Casualty Co.

The man who devotes his time to the big work of stimulating production in the field of insurance finds his purpose set forth in the Standard Dictionary definition of the word produce, namely, "to exhibit or bring to view; yield or bring forth." Not only is the objective clearly stated, to yield or bring forth, but that to attain ultimate results the possibilities of production must also be exhibited or brought to view.

A system must be employed to enable the producer to visualize those possibilities. It must be a system that provides a clear exposition of the subject matter under development. It must bring into view in an intelligent manner the scope of production that can be obtained. It must furnish to the worker in the selected field the equipment for producing maximum results.

Must Transmit Enthusiasm

The home office man back of the system must have a definite idea of his plan. He must be an enthusiastic believer in the certainty of ultimately successful results. He must infuse into the system that enthusiasm so that it will be assimilated by the man in the field. He must endow it with a personality that will make an appeal to the producer. He must bring to the system and make a part of it an energy that will make it a vital agency.

The success of an insurance agent is, in the main, dependent upon his ambition. The average agent sells many kinds of insurance. His ambition to sell automobile liability insurance may be dormant. He should be made the object of a system of stimulation. He is the channel through which the automobile insurance company must reach the consumer. He must be made to realize the benefits derived from systematic effort at production; that only through him can his company inform the automobile owner in his community of the necessity of automobile insurance.

There are two kinds of producers who must be reached through such a system—one who, because of a wide field of solicitation, have had exceptional opportunities for developing principles of salesmanship peculiar to automobile insurance; the other who, because of soliciting in towns of small population, have had little or no opportunity to specialize in this class of insurance.

It may be concluded that the most fertile field of the system lies in the towns of small population. If it succeeds there, it will succeed in the large cities. The agent in the small town has to combat arguments of the self insurer that are the result of narrow experience in accident frequency. He himself being a resident may share the prospect's point of view. He will not be equipped to sell if he is not furnished with answers to those arguments.

Educational Campaign

The man behind the gun at the home office should devise and put into effect an educational campaign which will finally make real salesmen for automobile insurance of those who were at the beginning indifferent. A campaign of this kind must be carried on by correspondence in a systematic manner.

Letters of stimulation bearing on big commission returns and dealing in generalities will not get results. Instead, the letters should inform the agents in simple, clear and direct manner regarding ways of meeting arguments advanced by the town skeptic who does not believe in this kind of insurance. The writer of such letters should bear in mind that he lives in the atmosphere of his one subject. The agent to whom he writes deals with a variety of subjects. The letters should be free of the use of technical language familiar only to the expert. Such letters reach many who have never read an automobile policy, much less sold one. Clear and understandable English is effective in impressing the average man. Obscure and ambiguous expression makes no impression upon him.

It is safe to start an educational campaign of this kind from the premise that the large majority are willing to learn all that can be taught them. Some letters may touch on familiar points. They will serve their purpose by emphasizing those points. Many agents may never have heard of those points and will find them helpful.

Must Know Policy

The first letter should present an analysis of the policy contract. This letter, particularly, should be free of all legal phraseology and ambiguity. It must be borne in mind that the agent cannot sell the goods on the shelves if he does not know their texture. He should be informed as fully regarding exemptions as he is about coverage. Many agents are relied upon to get their knowledge of the policy from circular matter issued by the company. Circulars, as a rule, disregard advertising what the assured does not get. The agent should know exactly what the policy stands for.

Then should follow a series of letters outlining hazards well known to the underwriter, but unfamiliar to the agent. The agent may have had no experience, local or otherwise, in the matter of accident frequency. The development of distant touring affords a wide opportunity for emphasizing the hazards of congested districts, perhaps unknown to the local agent. There are an unlimited number of exposures familiar to the home office man that may be a revelation to the man who has not made a study of the subject.

Tell Selling Points

Nothing should be taken for granted as respects the agent's knowledge of the subject. As before stated, he will willingly read a letter that has for its purpose the widening of his field of solicitation. Start with the "A. B. C." selling points. He should be well grounded in the fundamentals in order to secure the greatest results.

An educational campaign of this kind, if systematically conducted brings the agent to a realization of the breadth and depth of this subject. It causes an awakening interest that is productive of gratifying returns. It brings to his attention that there is a real live interest in his welfare. It promotes a relationship between company and agent of a more personal character. It makes for the higher development of co-operative interest in other classes of insurance.

Assuming that such a plan has been carried out in a manner that will enable the local agent to gain an intelligent comprehension of the fundamentals of automobile liability insurance, the system of education should be continued with an exposition of the broader values of the protection. Stress should be laid upon the relation that this kind of insurance bears to economic conditions.

It has been lightly said that an automobile is a liability and not an asset. There is such a slight margin on some occasions that this statement can almost be regarded as a truth.

Effect Upon Credit

It is conceded that a large part, if not nearly all of our commercial business is conducted on the basis of credit of the individual. A bank official, in reviewing the statement of the applicant for a loan, carefully examines the stated assets and liabilities and if a sufficient margin of surplus exists, he grants the loan. How often would that credit be impaired if the banker stopped to consider the hazard to it through a possible law suit against the borrower arising out of an automobile accident.

The wide-awake agent will find some prospects responsive to an argument of this kind if the said agent has had it brought to his attention as a selling point by a wide-awake home office man. The latter should make a study of the relation of automobile insurance to business interests. If he does not, he cannot tell his salesman of the serious effect that large verdicts have had upon the financial stability of individuals engaged in business pursuits.

He must be prepared to inform the solicitor of the far reaching effect of a serious accident, perhaps wholly beyond the control of the automobilist, and its relation to domestic and personal interests. There are many arguments to prove that automobile insurance often forestalls a mortgage which would have been necessary to pay the unexpected verdict awarded by a prejudiced jury.

Effect of Compensation Law

He should study the trend of negligence cases in the latter regard. He can show that workmen's compensation laws have driven the ambulance chaser to the lucrative field of automobile accident cases; that these pernicious mulcters of clients and companies have greater opportunity of recovery against the individual who carries no insurance than against the company who acts for the individual it has insured under an automobile liability policy.

Again, the home office man may go up a little higher in the scale of selling arguments that have relation to society at large. Some prospects may be impressed with the duty they owe society in providing a form of indemnity which will not touch their private resources. There has been some agitation in the last year or two to bring about legislation which would require that the licensee shall furnish a bond or insurance policy to the State as a guarantee of indemnification to the injured person for injuries sustained in an automobile accident. The fact that movements of this kind are in progress and that some editorial writers are endeavoring to formulate public opinion to that end serves as a selling argument. It emphasizes the fact that automobile liability insurance is regarded as an absolute necessity. * *

Enlarging Salesman's Knowledge

In the final analysis this system of education must be so comprehensive as to enlarge the salesman's knowledge of what he is trying to sell. The system must be reduced to a plane of simplicity of expression that will enable the average man to understand. It must include a well defined plan of educating each salesman so that he acquires a complete knowledge of the subject. The only successful basis from which business promotion may attain its highest development is that in which the promoter and the salesman share an equal knowledge of the subject. The broader the knowledge possessed by the educator to pass to the salesman, the greater the results secured by the salesman.

[Editor's note: Since this article was written a bill along these lines was introduced in Albany.]

The Doctor in Insurance

(Continued from page 12)

whose cars are used in connection with business that indemnity for loss of use of the assured's car is worth consideration. Factories are largely occupied with work for the Government, transportation service is not at its best, and metals are being conserved for other purposes than manufacturing a large surplus stock of automobile parts. If a part from the factory is necessary in the repair of a damaged car, it is safe to say that the owner will wait much longer than in previous years for the repair work to be completed. If he becomes at any time obliged to hire a car to take the place of the damaged one, and to pay rental for it, he would find the daily indemnity furnished by loss of use insurance quite acceptable as a war time saving. Of course, the conditions outlined argue just as strongly also for the other loss of use cover mentioned previously as a part of property damage insurance.

While the broker can no more make his client buy all that he advises in the way of insurance than can a physician make his patient take the medicine he prescribes, he can at least avoid the grave mistake of failure to furnish all the information which tends to influence the average sound business man to fully protect himself. And by the constant avoidance of such mistake is the doctor of insurance known.

CINCINNATI'S LOSS RECORD

Neare, Gibbs & Lent Tell Why Thefts Are Kept at a Minimum

Cincinnati enjoys the distinction of having an unusually fine record with regard to automobile thefts. Neare, Gibbs & Lent, important general agents there, were asked by The Eastern Underwriter how they accounted for this city's good luck and their answer follows:

"In reference to the low theft loss ratio in Cincinnati, the police department here is efficiently handled and is considered one of the finest and best-managed departments in the country, and it is also ably supported by the police departments of neighboring cities. The result is that but few stolen cars get out of the jurisdiction of our police, provided theft be promptly reported.

"Furthermore, and most important, is the fact that known thieves and suspicious characters are immediately taken into custody and deported if no charge can be established against them. In other words, it is an unhealthy community for that class."

BRITISH CAR RATING

H. J. Whitcomb, of Motor Union, Suggests an Automobile Central Rating Office

H. J. Whitcomb, general manager of the Motor Union of London, in a paper on "Motor Insurance in Theory and Practice," delivered in London recently, advocated a central rating bureau for British companies. He said the present system of rating in Great Britain is wrong, and discussing it he said:

"For the past twelve years average in motor insurance has been principally applied as a whole," says Mr. Whitcomb. "That is to say, whilst rates have varied according to use, and horsepower and value, they have remained fixed for practically all makes of cars, irrespective of the fact that different cars have characteristics which greatly affect the cost of claims. We know that those of us who have made ends meet or have secured a margin of profit have only done so by the numbers of cars and risks rated above their true value equalling or outweighing those where we are hopelessly under-rated. We know that the good cars and risks of to-day may be the bad ones of to-morrow. Unless new blood keeps coming in we shall get worse results. It is bad underwriting to rely upon uncertain elements. We should therefore deal logically with the question and realize firstly what the public wants, and secondly make our charges commensurate with the individual risk so that an average of any one class should work out correctly by itself. Underwriting of motor car risks can be divided into four categories: (1) The type of car; (2) its use; (3) locality; (4) moral hazard.

"The first three can be standardized: No. (1) according to the type of car, i. e., its age, its value, its weight, its power, its cost of repair, its life as applied to wear and tear; No. (2) by the results of experience of class of use; No. (3) by the results of experience in different localities; No. (4) is and must always be left to the individual discretion of the underwriter. This latter may however be obtained by adoption of a standard for Nos. 1, 2 and 3 for first class risks, and then rating up those of impaired moral hazard. The expression moral hazard covers a multitude of circumstances, the principal of which are: Integrity and honesty of the insured; supervision; temperamental qualities; existence of blemishes upon record in form of fines and endorsements of license for dangerous driving; verdicts against the driver in civil actions for damages.

"It would indeed be difficult to fix increased ratings for these various disabilities as rarely do people take the same view either of offence or of the effect thereof upon future events.

"No. 1 is really the basis from which true and sound underwriting must commence, because Nos. 2 and 3 are more questions of application as a result of experience of a different nature. Moreover, we most of us from our experience of general accident insurance know the difference in hazards of various occupations, and the conditions affecting road traffic in the different localities, as well as the proneness to give excessive damages peculiar to certain communities. It is this knowledge of many years' experience which has assisted in the formation of very useful tables of rating by the Accident Offices' Association for the insurance of commercial vehicles. As an experiment they are sound and in the right direction. Accumulation of experience will no doubt cause amendment in some of the classes, but for accumulation of experience to be really beneficial we must bring the element of physical construction, design and cost of repair into consideration, because it may be that more of one type of car or one make of car being used in a particular locality or in a particular occupation will by reason of its greater or lesser cost of repair, liability to accident, etc., upset our results as application to occupation and locality."

Scottish Union & National Insurance Company

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Surplus $3,932,502.85

Established 1824

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JAMES H. BREWSTER, Manager

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QUICK ADJUSTMENTS—FAIR DEALING—CASH PAYMENT OF LOSSES

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Why the Automobile Policy Should Be A Fire Insurance Policy and Not A Marine Policy

By GEORGE A. VIEHMANN, President of New Jersey Fire

Probably the first argument in favor of this question is that practically all of the automobile insurance business is transacted by fire insurance agents, very few of whom have any knowledge of marine insurance or are conversant with the difference in the method adopted by marine underwriters, from those adopted by fire underwriters. It seems very illogical for fire insurance executives to protest against the adoption of valued policy laws in different States and, at the same time, issue a valued policy on automobiles covering not only liability against fire, but liability against theft as well. The main difference between fire underwriters and marine underwriters, in the issuance of automobile policies, all centers on the issuance of a valued policy.

The insurance of automobiles against fire covers the hazard of insuring them as contents of the place where they are usually stored, as well as the hazard of places where they are temporarily stored either for repair or over night while traveling. It also covers the hazard incident to fire originating in the automobile itself, because of back fire, short circuit and other like causes.

Encourages Carelessness

The theft hazard, which is giving underwriters great concern at the present time, is one which primarily involves the moral hazard of the community as well as the moral hazard of the individual insured. If we look upon the insurance business as one which should furnish fair protection to the assured against loss on the same general principles as the fire insurance business has always been conducted, it would seem that underwriters should not encourage practices which would enable the assured to recover more in case of loss than the amount of damage actually sustained by him. Insurance indemnity was never calculated to hand out new lamps for old. The experience covering automobile insurance has been for so short a period that no general study of results can indicate what are sound underwriting principles in this business, but insurance against theft does seem to encourage carelessness and neglect on the part of automobile owners so far as any provision looking to the safety of the cars, when they are left without protection, is concerned, and insurance of extra equipment does seem to produce an enormous number of claims which appear very unreasonable.

Loose Methods of Paying Claims

The proof concerning loss by theft, when received by the company, is generally very unsatisfactory, and when a car is stolen and recovered the majority of claims for damage indicate a desire on the part of the assured to have the company pay to overhaul and completely renovate the car.

The looseness with which practically all companies pay claims for damage by theft seems to be increasing the number of claims and the question arises as to whether, in fairness to the general public and because of necessity for their own protection, it will not become necessary for the companies to decline to insure extra equipment.

The majority of people who insure their buildings and personal property do not carry one hundred per cent. of protection and it would seem very unreasonable to assume that if owners of automobiles could not insure the extra tires and other equipment which they carry on their car, they would be more careful concerning them, or if an epidemic of theft of tires prevailed they would at least make the ears of the police department of their community hear a great many complaints. As it is, the ease with which tires are stolen and disposed of encourages an increase of such thefts.

The Conference has recently increased the amount of damage by collision which the owner must sustain, before a claim will be considered, from $25 to $100 and the same logic which brought about this action would appear to apply to the theft situation.

Moral Atmosphere

One of the features concerning theft insurance of automobiles, which is very vital, is this—as long as companies are willing to quickly and easily pay theft claims of any kind or character, overhaul cars which are taken from one block and recovered a short distance away, the moral atmosphere of a community will be blunted. Police officers and police courts deal very lightly with offenders when they are caught and voice their sentiment with the remark that "the owner will not lose anything because he is insured."

Then, again, to deal with the automobile policy on a marine basis is going to have its effect on the general fire insurance business in other respects. People who find companies paying automobile losses in an easy and careless manner are going to expect them to be just as easy and careless in the settlement of fire losses, under fire policies covering buildings and contents. All that any owner of an automobile should ever seek in the way of insurance is a sufficient amount of indemnity to furnish fair protection in case of loss. There are not connected with the use and ownership of automobiles and loss by fire and theft the features which are connected with vessels and ships and their cargoes.

Says Valued Policy Should be Eliminated

The experience which companies have had and which they will have in the next few years will give more knowledge on this subject, but underwriters, who seek to have the public approve their methods and who want to be consistent in their practice, will undoubtedly reach a conclusion, at some future date, that the valued policy on automobiles should be eliminated and because of the impossibility of determining the exact condition of a car before the loss occurred, adopt some method which will cover the adjustment in case of loss by fixing the limit of loss gradually, according to the age of the car. They will eliminate coverage against theft of extra equipment and in all probability limit the amount of loss in case no recovery of a stolen car is made to a certain percentage of a value fixed according to age, and underwriters will have to study the question of claims for repairs alleged to be necessary because of theft and adopt some principle which will be just to the assured, but eliminate the present prevailing tendency to turn the theft of the car into a benefit to the owner.

Favors Limited Coverage

Every endeavor by insurance agents and companies to induce over insurance has always, in the past, brought about a condition of public feeling very detrimental to the companies, and the practice should not be continued with respect to the insurance of automobiles. A limited coverage would produce better results and would have the effect of arousing public opinion and decreasing the present outrageous number of thefts and the fire insurance executive who issues a valued automobile policy would find himself in a very hard predicament if he ever rises to protest in any State against the enactment of a valued policy law covering insurance of buildings or personal property, because no one can sing "tweedle dum" and "tweedle dee" at the same time.

Freak Ideas of Auto Company Promotions That Never Materialize

By ROBERT W. SWAYNE

The magnitude of the automobile industry has caused men from the outside and from the inside to see in the insuring of automobiles get-rich-quick possibilities and they have evolved a great number of queer proposals—with four of these the writer has come into intimate contact.

Wanted to Imitate Woolworth

One in particular reads like a dime novel. Its creator was a great admirer of the business genius of F. W. Woolworth. He was an insurance man of some prominence and his grand idea was to combine the five and ten cent principle with what he thought were the needs of the automobile insurance business generally and Ford owners particularly.

"A Ford owner," he said, "will drive five miles to save a nickel on a bargain. I propose to offer him that bargain."

He had spent quite some time and money working out the details of his idea. He discovered that one of the casualty companies which had offered complete coverage a few years ago at $50 had made a fair profit on the business. He reckoned that the increase which had brought the rates for Fords to over $100 would make a great number of Ford owners either seek cheaper insurance or discontinue their insurance altogether.

Worked Out a Zone System

Then he visited several of the larger cities and worked out a zone system. He went to Ford dealers and offered them contracts which ostensibly would net them considerable additional income. In fact, he actually showed me several such contracts duly signed and sealed.

Under his plan of insurance the gross cost of full coverage on Fords was to be about $69. That the amount sounds like a bargain, was his basis of determining the rate. Of this $69 he proposed to pay the Ford dealer in the large cities $10 on every policy written in consideration of which the dealer agreed to send a truck with all Ford parts to any point within thirty miles of the center of the city and repair the car on the road. The owner was to telephone the dealer as soon as the accident occurred, give his policy number and receive service, sometimes, within an hour or so, this also saving the expense of being towed in.

With these contracts signed, he looked around for the proper place to open his office in New York City. He selected the neighborhood of Seventy-Second Street and Broadway and prepared to do a land office business. He was to deal direct with the assured; no brokerage commission and no agent's commission. There was to be no advertising. The word passed from one Ford owner to another was sufficient.

Of the $69 gross premiums, deducting the $10 going to the dealer and figuring 50 per cent. of the balance to take care of all other losses and expenses, he counted on a net profit of about $29.50 per Ford insured. Estimating the total number of Fords and then taking a very small percentage thereof, he expected to insure about 5,000 cars the first year with a paper underwriting profit of $147,500.

After he had looked in the future a few years and had seen his company the mightiest of insurance organizations with its own 100-story building where the Post Office now stands, our captain of Fords bethought himself of the fact that he had not made provision for the organization of this company. The company has not been or-

ganized as yet and any enterprising capitalist desiring to spend some money in this direction can do so by communicating with The Eastern Underwriter.

Would Write Compensation

Another company plan which also depended for its success on volume is even more of a burlesque. Some time ago, the editor of an automobile magazine invited the writer to compose for his publication an article about automobile insurance. His corporation also published road maps of the entire country in addition to sundry other automobile handbooks, the total cost of which was something in the neighborhood of $30.

The president of the corporation owned an automobile which he insured and he, therefore, looked upon himself as knowing all about automobile insurance. He had listened to the mutual company propaganda about how much money the stock companies were making and on this basis he had conceived his wonderful vision.

With 20 per cent. off the rate to start with, 50 per cent. to be paid by the assured and the balance of the premium to be taken out of the profits of the increased sale of his books, this man had drawn up a set of figures which for apparent profits would stagger an elephant. He proposed to give free fire and theft insurance with every new subscription to his books.

He then sought some free legal advice and asked his editor if the latter knew of anyone who could tell him the requirements to form an insurance company. His editor 'phoned the writer and made an appointment.

When the capital, surplus, State deposits, resident agency and brokerage license laws of the various States were explained to the president, his ardor cooled somewhat, but he still had a second line of trenches. He explained that his publications had a circulation of 90,000 and that it ought to be easy for him, by advertising which would cost him nothing if the plan failed, to form a mutual company in very short order. When he was informed that to do business in New York State alone he must procure the bona fide signatures of 1,000 resident automobile owners and that he must go through similar red tape in each State before he would be able to write a policy or collect a premium, he took it out in expressing his opinion of the insurance business.

Brewers Planned to Save Money

A motor truck owners association a while ago enthusiastically originated the scheme of saving each other a lot of money by forming an insurance company and procuring the profits for themselves. The cost of manufacturing beverages and near beverages was constantly increasing and they deemed it necessary to find some way to reduce expenses. The secretary of the association, who happened to be personally known to me, was instructed to write an insurance man known to several of the members and get his ideas on the subject. The insurance man in question submitted a proposal that he form, manage and operate their insurance company. After receiving this letter with the details how the insurance man proposed to go about it, the secretary showed it to me and asked my opinion.

While this man's name and address were attached to the letter and he was supposedly well-known to several members of the association as a prominent insurance man, I could not discover his connection in any of the agency, brokerage or company records available. From his letter, however, I judge him to be a broker somewhere who has a compensation line of considerable proportions which none of the stock companies will write.

The reason for this deduction is apparent. After explaining at some length that the minimum requirements for a company to write all forms of casualty automobile insurance coverage were $250,000 capital and $125,000 surplus, naively stated that if the association cared to write compensation insurance there would be an additional requirement of $50,000 more capital and $25,000 more surplus.

I suggested to my friend the secretary that he have each one of his members compile a table showing how much they had paid out to insurance companies and how much the insurance companies had paid them in return. The result was astounding. These truck owners had received a little less than three times as much as they had paid out. With these statistics and the figures showing just how much money the stock automobile insurance companies had made last year on their and all other business, the truck owners association decided that they would make more of a percentage on their investment and save more money if they put a like amount in more breweries and let the insurance companies continue to lose money insuring their trucks.

Finance Companies' Plans

Another plan of company which nearly went through and has not yet been dropped is not so much of a freak. This was proposed by a group of automobile finance corporations in order to get the automobile insurance coverage they wanted and which the stock companies had refused. These corporations proposed to form a gigantic company, engage a competent automobile inurance underwriter and go after a big volume of business. Because of their connections in the automobile business and their hold on 50 per cent. of the automobile buyers in the United States, this plan bid well for success. Their main play for premiums, however, was to have been on the basis of cut rates.

When talking to an official of one of the interested corporation, he told me what they planned to do and I suggested that he, also, might do wisely to see how much some of the largest automobile writing insurance companies had profited on their business at tariff rates before his company decided to put up any considerable amount to operate a cut rate company. At his request, I furnished him with the figures. As a result, these finance corporations decided not to do anything on the matter until they found out whether they would be able to get coverage among the stock companies on their policies which expire shortly.

AUTOMOBILE IN COURT

The case of Newton Creek Towing Co. v. Aetna Insurance Co., 57 N. E. (N. Y.), 302, was a case in which a boat was lashed to the side of a tugboat and forced through a heavy ice flow, thereby being injured. The court held that, while the injury was undoubtedly caused by collision with the ice, still the injury was not within a contract for insurance against accident caused by collision.

We agree with appellant that a policy of insurance will be construed most strongly against the company. However, we do not believe that a forced construction and one clearly not within the intention of either party should be placed upon the language used in the policy. We do not believe, in the case at bar, that there was a "collision" within the ordinary meaning of that term, and we are of the opinion that appellant should not be permitted to recover upon said policy in the instant case.

196 S. W., 575.

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Automobile Insurance

Indemnity Mutual Marine Assurance Co.
Ltd., of London, England
Surplus United States Statement..... $670,373
Surplus Home Office Statement..... 11,628,876

United States "Lloyds," New York, N. Y.
Surplus $1,086,356

The Royal Exchange Assurance
(Marine Dept.) of London, England
Surplus United States Statement..... $1,346,284

The Tokio Marine Insurance Company
Ltd., of Tokio, Japan
Surplus United States Statement..... $782,078
Surplus Home Office Statement..... 15,463,894

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GENERAL AGENTS WANTED

Adjustments in Automobile Insurance

By F. A. HARLEY, Automobile Adjuster of the Royal

In treating this subject in this article I purpose taking up the general methods used in dealing with an assured and not discussing the various forms of automobile insurance and the different claims arising thereunder.

There are two outstanding and equally important factors to be considered, the car and its owner, which I will deal with in this order.

Identity First Step

In the investigation of automobile claims the first step is to definitely determine the identity of the car and its ownership. The car should be checked with the description appearing on the policy, and from the technical knowledge of the adjuster it should be determined that the car actually is as represented, and not of different model or an assembled proposition, and that all the conditions of the contract have been complied with. Having arrived at this point it is in order to examine the bill of sale, which will assist in establishing the ownership.

An investigation conducted along the foregoing lines will greatly aid in the prevention of payment of fraudulent claims. I recall a case which illustrates this point. An application was presented and a policy issued on a car of expensive make. The policy had been in force about six months when the company was notified of a total loss by fire. The loss was reported to have been the result of a backfire and occurred on a country road. The place where the fire occurred did not occasion any suspicion as the owner lived nearby, and the chauffeur was supposed to be driving from the city to the owner's residence. On a careful examination of the wreck it was found that certain parts were of older model, while others were as represented. A bill of sale was then asked for, which the owner produced. On the face of it everything seemed in good order, although when the address of the party it was purchased from was asked, it was explained that the car was bought at an automobile show of foreign cars, through one of their representatives who was no longer in this country. An automobile expert familiar with this make of car was found and he made affidavit to the effect that the car was not as represented; that certain essential parts were of a considerably older model, while others were made by a different manufacturer. On further investigation it was found that this particular car had previously been in a garage fire, and was subsequently purchased for a small sum of money. In repairing, parts of other cars were used with suitable body and equipment acquired in the same manner, the result being an assembled car. It is needless to add that when the assured was confronted with some of these facts he did not press his claim against the company.

Clear Title

It does not seem to be generally understood that in the purchase of an automobile a clear title is necessary. This is especially true in the case of second hand cars, where the question of age, model and ownership may be doubtful. Human nature is fond of a bargain and many stolen cars are readily sold to parties who do not ask too many questions, resulting frequently in companies being called upon to pay for the loss or damage to a car which by a previous loss payment had become their own property. Owing to the great number of thefts at the present time in which all companies are so vitally interested, it is obvious that too much attention cannot be paid to this question of identity. From the number of cars stolen is it not reasonable to suppose that there is a market for their disposal and that they will be bought and subsequently insured?

Private Car Often a Necessity

While on the subject of stolen cars, it may be well to call attention to the fact that the average owner of today considers his private automobile a necessity in his business, and not simply a pleasure vehicle; the theft of his car interrupts his business and it should, therefore, be to the interest of an owner to take every precaution to protect his property from theft, and if stolen to exhaust every means to effect its recovery. This should be the attitude of an owner and should not be discouraged by companies through the payment of theft claims, except in accordance with the terms and conditions of the policy contract. In this procedure the adjuster may greatly assist by impressing upon the automobile owning public the fact that the stealing of a car is a serious offense, and that the excuse usually offered by the "joy rider" that he "merely took the car for a ride" does not remove the act from the "theft" category, that it is a menace to society and should be prosecuted accordingly.

We now come to the owner himself. There are as many types of owners as there are cars with as many ideas as to condition, value, etc., of their particular car. This is largely due to the personal interest of the owner in the car, and not infrequently the idea is encouraged by dealer, agent or garage man, who follows the course of least resistance and assures him that his car is the exceptional and superior one of its kind and when an accident occurs caters to this sentiment, agreeing with the owner that his car will never be the same again, and that it cannot be put in as good condition as before the accident. This exaggeration often forces an appraisal which companies prefer to avoid, but are obliged to resort to in order that a fair adjustment may be reached.

A Case that Caused Annoyance

A case of this kind with which I had lately to deal, causing considerable annoyance was as follows:

An accident occurred considerably damaging a car, but as is usual in cases of this kind the car looked much worse than it really was. The insured communicated with the automobile agents and obtained from them their opinion of the damage. They advised the assured that it was practically impossible to repair and suggested the purchase of a new car with an allowance (not large by any means) for the damaged one. This I did not consider satisfactory and took the matter up with the agents, pointing out that the damage could be repaired and as the insurance company was interested only in the actual damage it would be unfortunate if we could not come to some agreement, and should it be proved that their attitude was wrong it would be embarrassing for them. They then stated they were willing to estimate the damage with a view to making repairs and when this came to hand the figures certainly did not show any considerable difference between repairing and their original proposal. The company was forced to an appraisal as the assured, notwithstanding the opinions of several other repair men, agreed with the agents. The assured appointed as his appraiser a representative of the manufacturer of the car in question, and the award was given at less than one-half the original estimate. By a peculiar coincidence the assured's appraiser agreed and signed the award. In the meantime the assured had bought a new car from the agents and it can easily be imagined what he thought of their judgment.

When the "sentimental" point is passed, the adjuster has a comparatively simple task to perform as actual repairs necessary and the cost thereof may be readily ascertained. This, however, is one of the most difficult conditions to overcome, although from an insurance point of view the "sentimental" owner is probably the most desirable risk, the physical and moral hazard being reduced to a minimum.

The Older Models

Before closing this article I wish to point out what I deem a very important phase in adjustments, particularly in older models. It should be borne in mind that all metals have a "life" and that this "life" is constantly wasting away, due largely to the extraordinary vibrations to which a car is subjected even under most careful usage. A process of crystallization is constantly taking place resulting in brittleness in the metal without outward indication. Very frequently a company is called upon to pay for a loss which is due entirely to what is nothing more than breakage or a result of the foregoing process, which loss is not contemplated in an automobile policy, but obviously it is most difficult to convince assured of this condition. Failure to make this distinction results in companies replacing worn out parts with new, which is the duty of the owner and not the insurance company.

The insurance community has a public duty to perform, to see that the public is not overcharged for insurance and if undercharged the security of the public is impaired. How often have we heard the charge made of the high cost of automobile insurance and as the adjuster comes in direct contact with the public he is in a position to educate it not to expect nor to make excessive demands, for insurance companies represent the public and have been instrumental in securing improved treatment of the individual owner because what affects the cost of repairs must more or less affect the cost of general maintenance.

MAKING NEW FORD LOCK

The United States Auto Lock Company of Chicago, has perfected a locking device which embodies a fifteen inch steering wheel equipped with a Yale tumbler lock. A single turn of the key either secures or releases the lock, no lifting or pulling being necessary.

MOTOR SHORTAGE PREDICTED

The Hudson Motor Car Company says that from present indications it seems certain that by July 1 all stocks of the most popular cars will have been exhausted, and that from that date on dealers and buyers will have to depend upon limited productions to meet their wants.

STUDEBAKER PRICES INCREASED

The Studebaker Corporation has increased the factory prices of its models as follows:

Model	New Price	Old Price
4-cylinder:		
Touring	$995	$895
6-cylinder:		
Light touring	1,395	1,295
Big Six touring	1,795	1,695
4-pass. roadster	1,550	1,450
Chassis	1,295	1,200

OVERLAND PRICES REVISED

Out of the 35 models of passenger and commercial cars offered by Willys-Overland, Inc., the prices of all but eight have been increased, the amounts ranging downward from a maximum of $100. The complete new price list follows:

Model "90"—	Old Price	New Price
Touring	$795	$850
Roadster	780	835
Country Club	840	875
Sedan	1,240	1,340
Chassis	710	800

NEW DODGE BUSINESS CAR

Dodge Brothers is putting out a new panel business car which will sell for $935.

Must Eliminate Stolen Car Market

PLAN OFFERED BY P. R. WILBUR

Secretaries of State Also Have Plan of Registration to Follow Car

There is a decided crystallization of opinion as to how the automobile theft hazard may be reduced by destroying the market for used cars of questionable ownership and establishing a workable method by which the rightful owner shall always be in possession of documentary evidence that he has legally come into possession of any car he may offer for sale.

P. R. Wilbur, of New York, general automobile agent for the Sun Insurance office and the Patriotic Assurance Company has had under preparation for some time a comprehensive plan along these lines. Mr. Wilbur's idea is that the owner shall obtain from the State, in addition to the usual owner's license and number plate, a certificate which shall in effect be a deed of ownership, fully describing the car for all purposes of identification.

This certificate the owner would preserve safely as he would the deed to a parcel of realty. Whenever he might sell the car the deed must go with it and the new ownership be recorded with the Secretary of State. Severe penalties of fine and imprisonment would be imposed upon anybody having in their possession, or offering for sale, any car for which he did not possess the original deed.

Might Combine Plans

This deed-certificate would bear the signature of the original owner and any person who might subsequently purchase the car, with dates of purchase and transfer and other information useful for identification.

Various features of the proposed uniform bill along similar lines, drawn by the Association of American Secretaries of State, might be embodied in Mr. Wilbur's plan. He believes that the State authorities would favor his plan, if for no other reason, that it is simple and would bring much added revenue to the State. In New York, assuming that the fee for this "deed" were two dollars, and one dollar for a transfer, the State would derive an added revenue of approximately $1,000,000 from the automobile business. After deducting the cost of recording deeds and transfer, even if extravagantly managed, it would yield a handsome profit to the State.

Furthermore, if the existing inducements to trade in stolen cars be removed and the present wholesale thievery of machines be successfully broken up, the additional fee paid to the State would be more than offset by the reduction in theft premiums which would ensue. Present insurance rates, particularly on the older and cheaper car models, are greatly increased because of excessive theft losses and the additional fees would bear a relatively small proportion to the amount which might be safely deducted were the theft hazard materially reduced.

Secretaries' Plan Cumbersome

The secretaries' bill omits any provision, such as now exists in some States, giving manufacturers and dealers the privilege of obtaining a blanket license number to cover all cars at a flat registration fee. It would require every dealer or manufacturer to obtain a separate license number for each car. This feature would undoubtedly meet with strenuous opposition from the dealers and manufacturers.

All owners must apply to the Secretary of State for registration. They must describe the vehicle fully and give their name and address. Apparently the license is to be perpetual, without necessity for paying any fee other than that paid at the time of original registration, and that to be paid for recording any transfer of ownership.

Number Follows Car

It is provided that upon sale or transfer of a registered motor vehicle the number plates shall remain on it and that the seller shall immediately, and in writing, notify the Secretary of State of the sale, giving the registered number, the name and address of the purchaser and the description of the machine as in applying for the original registration. The purchaser must immediately apply for a transfer of ownership on the State records and a certificate showing the right to operate the vehicle.

Manufacturers and dealers are required to make monthly reports of cars sold to persons other than dealers, giving the information described above. This will also surely meet with opposition. Violation of this provision by dealers is punishable by a fine of from $25 to $100 for each offense.

Notice of Thefts

The Secretary of State is required to keep a card index of the engine numbers of all registered vehicles. On receiving reports of thefts of cars, whether registered or not, the secretary would index the information on cards and notify the secretaries of all other States.

It should be remembered that the first thing a crook does when he steals a car is to change the numbers and then re-register. If it were possible to get from manufacturers each year, the serial numbers they are to put on their cars for that year, it would be much easier to tell if any change or duplication has been made in a car number. Thieves always try to change a number with as little trouble as possible, merely tampering certain figures instead of changing the entire number. For instance, 8811 might be changed to 6677, and so on.

The proposed system of reporting thefts to all State secretaries is slow and cumbersome and expensive. If that must be done a central bureau plan would appear better.

The bill also provides that upon being advised of the recovery of a stolen car the secretary receiving the information is to notify all other secretaries. Applications to register cars reported as stolen are to be received and the registered owner notified in the case of domestic thefts. If the car be one reported as stolen in another State the secretary of each such other State is to be notified.

The bill is regarded as faulty in that it does not provide that notification shall be by telegraph or telephone with the proper police department or sheriff's office, if not for the detention of the applicant, for registration of a car reported as stolen. The question is asked, "Will it always be efficacious to write to the owner, or the secretary in a distant State, advising that someone else has applied for registration of a stolen car, even if the name and address of the suspected registrant be given?" In the bill, as drawn, it is only assumed that the secretary would notify the authorities in proper cases.

Alteration of Numbers

Another section makes it a felony punishable by imprisonment of from two to five years to cause destruction or alteration of an engine number or to give a wrong description in applying for registration. It would also be a misdemeanor punishable by a fine of from $200 to $500, or imprisonment of from thirty to ninety days, to sell or offer for sale a car the original engine number of which has been destroyed or altered, or which bears no engine number. But the owner or lawful custodian of a car whose number has been destroyed or altered may apply to the secretary for a permit to stamp a special number on the engine.

Owners or custodians of cars, the engine numbers of which were destroyed or altered before the enactment of the proposed law, would be bound within ten days of such enactment to apply for a special engine number. Persons owning or becoming the owner custodian of a vehicle bearing no engine number after the passage of the law, would be bound within ten days to make similar application. For non-observance the same penalty is provided as named in the preceding paragraph.

This section would appear to place the burden of obtaining special engine numbers on garage keepers and repair men who might have only temporary custody of cars. While there is a drastic penalty for failure to apply for a permit to stamp a special engine number, the language of the bill appears not to be sufficiently broad to provide any penalty for failing to actually stamp the special number.

Bill in New York

Another evidence of the trend of thought is seen in the Mullan bill introduced in the closing days of the last New York legislature. It provides among other things that upon the sale or transfer of a motor vehicle registered in accordance with this section, the vendor shall immediately give notice thereof with the name and residence of the vendee to the Secretary of State, and shall endorse upon certificate of registration of such motor vehicle the name and address of the vendee

(Continued on page 23)

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Automobile Department--Fire, Theft, Collision and Property Damage

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H. M. SCHMITT, Secretary and General Manager

Is Automobile Insurance a Sound and Profitable Business For the Agent and Broker?

By Z. L. HOOVER, Manager Automobile Department, Great American

Is automobile insurance worth soliciting?

This question would seem to be an idle one were it not for the fact that automobile underwriters are still meeting the statement on the part of some agents that they find the business so complicated and unstable that it takes more of their time and effort to solicit it successfully than it is worth

In the pioneer days of the business it was regarded by many company officials as more or less of a fad or side line, and was generally considered a dangerous form of underwriting because of its uncontrolled or floating liability with its consequent possibilities of congestion of values. Likewise the average agent, especially the fire insurance agent, was prone to look upon it in much the same fashion as he did upon plate glass, steam boiler, burglary and other casualty lines. These he was accustomed to solicit only when some home office "special" came out to visit his agency and to conduct a brief, high pressure campaign for business, on which the local agent was allowed a commission with the hope that he would succeed in renewing the business at expiration, but which he frequently lost because of the assured having no losses during the year, and thus reaching the conclusion that it was only some fancy frill which he did not really need, or, more likely, due to some competitor having followed over the same ground later with his particular company representative, who could generally convince the assured that he had made a great mistake in buying his protection from the first mentioned company, or agent, when company number two stood ready to offer him something so much better for his money.

5,000,000 Licensed Motor Vehicles

It must be admitted that there was some justification for this attitude on the part of the agent in those days, and that there is still much room for improvement in the matter of simplifying rate schedules, and other underwriting details in connection with the business, but in view of the extraordinary development of the automobile industry and the tremendous insurable values now covered by this branch of the business, it seems inconceivable that a wide-awake progressive agent should fail to grasp the opportunity to increase his premium income and the profit to his business which the active canvass for automobile lines presents.

The latest statistics available show that there are over five million licensed motor vehicles in the United States today, and while the average value is not definitely known, it is estimated that the aggregate value is materially above three billion dollars. These values appear conservative when taken into consideration with the known fact that for the fiscal year ending June 30, 1917, there were produced by the manufacturers of this country alone 1,806,194 motor vehicles of a gross wholesale value of $917,470,938 (see statistics published by the National Automobile Chamber of Commerce), of which about $90,000,000 worth were exported.

A little calculation will show that if this vast value were insured against the hazards of fire and theft only at a rate of 2 per cent., which is admittedly less than the average rate now current for such protection, it would result in a premium of over $60,000,000 annually, but this is only a minor portion of the total available income, since it does not include the premiums to be derived from the more costly forms of protection involved under the classes of collision, public liability and property damage coverage, each of which is rapidly becoming more and more necessary as the congestion of traffic grows apace on our streets and highways.

$55,000,000 of Premiums

It is admitted that many motor car owners do not wish to carry all the different forms of protection enumerated and that a very large number of them at present do not even carry any, but this would seem to be the best evidence that the agent and broker have not utilized their opportunities to the fullest extent, as every automobile in service to day represents a potential source of premium income to the underwriter and solicitor, and it is largely a matter of energy, perseverance and salesmanship on the part of the agent, whether it becomes such a product, or remains barren so far as insurance is concerned.

Carefully compiled statistics for the calendar year 1917 give the combined aggregate automobile insurance premiums for all classes of protection; that is, fire, theft, collision, property damage and public liability, for the United States as approximately $55,000,000 of which about one half was written by fire and marine companies and the balance by liability and casualty companies.

This represents a gain of about 50 per cent. over the year 1916, and is almost double the income for 1915, which further emphasizes the extraordinary growth of this branch of underwriting.

The Side Lines

Much has been said recently concerning the growth of the so-called "side lines" as related to the older and more generally practiced forms of underwriting, and during the past two years, fire company managers and officials have been much interested in the particular items of tornado, hail and war risks, but it is interesting to note that the volume of automobile premiums written by fire and marine companies in 1917, exceeded the combined premium written on the first three classes mentioned.

Size of Motor Car Combinations

As a further evidence of the importance of the automobile industry and the volume of business derived from it, it is worth while to note that the estimated income of the General Motors Company, a corporation embracing five subsidiary automobile companies, was greater for the past year than the combined gross revenue of the New York Central and Lake Shore Railroad companies, two of the largest and most important railway systems in the country.

These figures are highly significant and when considered in their relation to underwriting, they show clearly that neither the company nor the agent can remain indifferent to the future development of this rapidly growing branch of the business.

It is a fact that while there are a great many more insurers of dwellings, household furniture and similar classes of property, than there are of automobiles, it is equally true that many automobile owners pay out more for insurance on their cars in one year than they do on other property in three, and, therefore, the agent who ignores the automobile line and solicits the ordinary fire line frequently loses the most profitable portion of his patron's business.

Effect of the War

While the war is likely to have a somewhat disturbing and more or less depressing effect on the automobile industry, which will naturally be reflected in the underwriting results for the next year or two, it is certain that the volume of premiums to be written will remain very large, if not actually increase, and when peace finally comes once more, it is safe to predict a far greater development than ever before.

Another fertile source of income which up to the present has remained but slightly developed lies in the insurance of goods and merchandise being transported in or on commercial automobiles. The over-congestion of railroad traffic during the past year since the entry of this country into the war has resulted in an extraordinary increase in the use of automobiles for commercial transportation and it is certain that an energetic campaign for insurance on such merchandise while in transit will result in a very large volume of premiums.

Opportunities for City and Country Brokers

While the volume of business to be written in this branch of insurance is extraordinary, as has been shown above, the agent in the small town or community may feel that it is confined largely to the big city, where the brokers are in close touch with the automobile distributors and also the company underwriters, and are, therefore, able to specialize on it to the disadvantage of the man more remotely situated. This is true to some extent, but like most questions, it is open to more than one viewpoint:

While the city broker may have a much larger volume of business to solicit from than the small town agent, it is also true that he is obliged to meet much keener competition for the business and to perform more gratuitous service in order to retain it, hence from the standpoint of net profit to himself, he does not enjoy any material advantage.

The Profit in Writing Automobile

The real question at stake, however, is not one of comparative profits as between the city broker and the small town agent, but rather the profit to be derived from solicitation of automobile insurance as compared to ordinary fire or other lines, and if an agent will take the trouble to compare the time and expense (clerical and otherwise) incident to each class of risk which he solicits, he will almost surely find that he can make more profit on a stated volume of automobile premiums written annually than he can on a similar volume on dwellings or household goods, etc., written on a term basis.

There is much which might be said in reference to the opportunities presented through the solicitation of automobile insurance for the agent to solicit other and perhaps more valuable lines from his patron, and, indeed, some wide awake agents have used the automobile line as a stepping stone to solicit employers' liability and other highly profitable lines from patrons engaged in business or manufacturing.

Can't Be Ignored by Progressive Agents

While such opportunities are frequently incidental to automobile solicitation and as such prove highly valuable, it would seem that this branch of insurance has now developed to such important proportions in itself that the progressive agent of today must give it the same consideration and attention as he would any other feature of his business from which he might justly expect to derive a reasonable profit.

Since time and tide wait for no man, let every agent arm himself with rate book and application pad and set forth to secure his full share of business during the active season now upon us after the long and restrictive winter.

Stolen Car Market

(Continued from page 22)

and the date of delivery and shall sign such endorsement. The vendee shall, within ten days after the date of such sale or transfer, notify the Secretary of State thereof upon a blank furnished promptly by him for that purpose, stating the name and business address of the previous owner, if known, the number under which such motor vehicle is registered and the name, residence, including county and business address, of the vendee. Upon filing such statement duly verified such vendee shall pay to the Secretary of State a fee of one dollar, and upon receipt of such statement and fee the Secretary of State shall file such statement in his office and note upon the registration book or index such change in ownership.

The vendee may operate such motor vehicle under the registration certificate issued to the vendor for a period of ten days from the date endorsed thereon by the vendor. At the expiration of said period of ten days, the said registration shall be suspended and the operation of such motor vehicle thereunder is prohibited. It shall be unlawful for any person to deliver or offer to deliver or to accept or offer to accept a transfer of any motor vehicle unless there be produced and delivered to the vendee the certificate of registration issued for such vehicle endorsed as hereinbefore required. A violation of this provision shall be a misdemeanor punishable by a fine not exceeding one hundred dollars or by imprisonment not exceeding sixty days or by both, in the discretion of the court.

FORD OWNERS

Their Owners' Protective Association Must Obey Insurance Laws, Says Commissioner

The Ford Car Owners' Protective Association has submitted to Honorable Harvey Wells, Insurance Commissioner of Oregon, forms of application, certificate of protection and advertisements of the association. Mr. Wells promptly submitted the matter to the attorney general and raised the question as to whether the Ford Car Owners' Protective Association was to be construed as coming under the laws of Oregon and under the jurisdiction of Chapter 203, Laws of 1917. The attorney general in an extensive brief on the case, after quoting numerous authorities, rendered an opinion to the effect that:

"I, therefore, have to advise that, so far as shown by the papers enclosed with your letter and above enumerated, the business covered by such application and certificate is the business of insurance and that within the provisions of chapter 203, Laws of 1917, you are not exceeding your authority in attempting to require it to be conducted in the manner provided by law for the conduct of the insurance business."

Putting the Automobile Thief Behind the Bars

(Continued from page 3)

other line where the returns are more sure and the danger less.

It is a fact, however, that an automobile thief will cling to the business just as long as he thinks he can do so safely, and as a general practice when an automobile crook does get out of jail the first thought he has is whether he can continue to operate in the same line of business but in some other locality where his face is not known to the detectives. Soon he is again preying upon insurance companies.

Safety in Migration

These migrations are successfully carried out for the reason that there is no one organization whose chief business in life would be to run him down, if he persisted in continuing to be an automobile thief. Now, he knows that despite the fact that the police known him in New York they do not know him in San Francisco, and no one from New York will keep track of him, and, if he operates in San Francisco, cause his arrest.

The thief knows that companies do not like to prosecute if they get the car back, while in cases where the insurance companies do not get the car their prosecutions have been pushed in such a luke-warm manner that the crooks do not fear the insurance companies. They know that attempts are made to bring them to justice only spasmodically; once in a while a few men are prosecuted; then interest wanes, but if the automobile crooks knew there was a thief catching organization after them such as there would be if they were robbing banks instead of insurance companies, what a change there would be! Expert crooks know if they rob a bank in Chicago and they are suspected they might as well figure spending the rest of their lives hiding from the detective organization that protects the banks. Whether they flee to Buenos Aires or to Cape Town the fear of capture is always in their hearts; and experience shows that their fears are realized. In view of the size of the automobile thieves' haul during the course of a year one would think that an organization to track him down, wherever he is, would become effective. It is true that here and there is a detective bureau which does good work within its limitation for the amount of cost involved, but it cannot be expected that the ordinary adjuster or detective can handle such cases.

I find that where the prosecutor on behalf of the companies is on the level and works intelligently and in the proper spirit he gets splendid co-operation from the police. In other words, the police shrewdly measure up the prosecuting official, and if he's "on the square" they treat the case seriously and do the best they know how.

There has been some misunderstanding in insurance offices as to the duties of civil authorities. Some people seem to think it their duty to look after the insurance companies. That's true, but district attorneys and other officials cannot be expected to come down to the insurance companies and say, "What can we do for you?" The prosecutors are in office to serve the whole people; the insurance companies are privileged only so far as is every corporation and individual in that particular locality or State is concerned. Perhaps that's the reason why certain admitted transactions have not been successful because the companies expected that the civil authorities would take hold of them and do all the work.

I have yet to find where a civil authority in matters properly laid before them have not been properly handled. Where there has been laxity or indifference you are apt to find that it has been the fault of the representative of the complainant who went before these authorities (with exceptions, of course).

Cases must be thoroughly prepared. Evidence must be sure and complete. Do not indict unless you can convict.

Webberman, when he was brought in after being indicted, confessed to the charge in the indictment, because he knew we had all the facts and that he would get the maximum sentence if he didn't tell all that he knew. I never have had a man indicted until he was practically convicted.

[Editor's note: Mr. McCormick has been the instrument of the companies in preparing the cases against various gangs of automobile thieves. The insurance companies have had splendid co-operation from the Police Department (notably Inspector John F. Cray, in charge of the Detective Bureau of New York City, and Detectives Horan and Fitzpatrick) and from the District Attorney's office (notably Assistant District Attorney Donohue). In his own office Hugh F. McGann has been of much assistance.

In this article appear pictures of two of the principal gangsters—Sol Webberman and "Buster" Krokel; also of the garage to which the cars were taken and dismantled.

Webberman, who is an international crook, has been receiving automobiles for fourteen years and this is the first time that he has been arrested. In fact, he regarded conviction as impossible, and, when sentenced, he was the most surprised man in town. A soldier of fortune, he had been a captain in Nicarauga's army at $5 a day. He had operated in Paris and London.

In this city he advertised cars for sale. If a buyer, responding to an ad of a Buick, said he wanted a Hudson, for instance, he would send "Buster" out to steal it, and "Buster" always came back with the car.

In the final round-up of the gang (which had just before been operating near the Hotel Biltmore), eighteen men were arrested. Through clever work internal dissension was started in the gang and the members, becoming angry, told on each other.

Both Webberman and "Buster" are in the penitentiary now.]

5,000,000 AUTOMOBILES

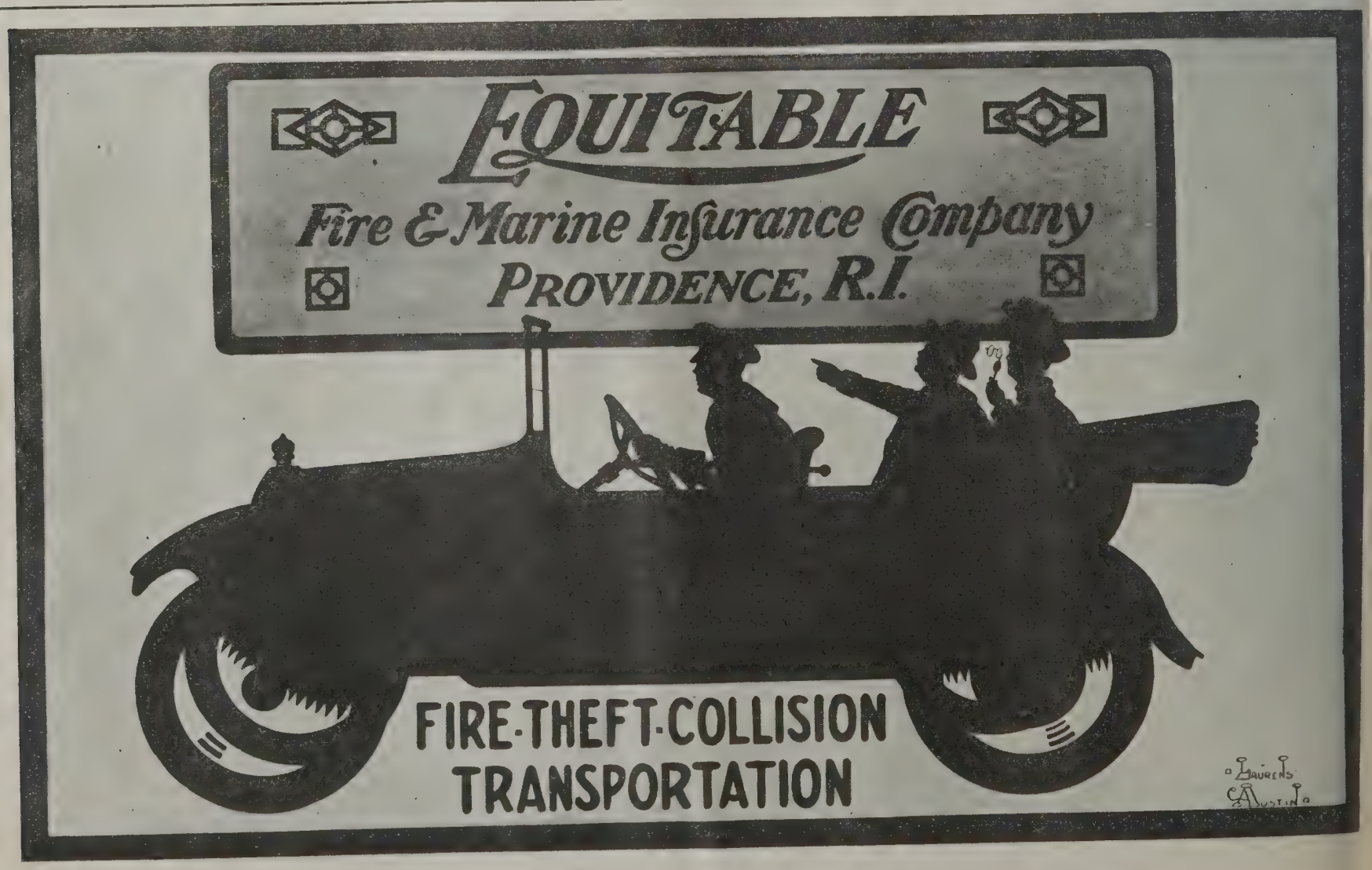
There are 5,000,000 automobiles in the United States according to the Travelers. This is an increase of 1,000,000 over last year. The Travelers uses this fact in an interesting story on automobile insurance opportunities for agents in "Protection," its new paper.

OLDS EIGHT TO COST MORE

The Olds Motor Works will, May 1, increase the price of its eight-cylinder open models. The present price is $1,495; this will be increased to $1,550. Prices of six-cylinder models probably will remain unchanged, the open models listing at $1,195, the coupe at $1,595 and the sedan at $1,695.

MAY EFFECT LOSS ADJUSTMENTS

War work is calling so heavily for automobile repairmen and mechanics that the shortage of this kind of help is expected to cause quite a problem



The Motor Vehicle in Court

By GEORGE H. MURDOCH, of National Association of Insurance Agents

An automobile delivery truck belonging to Sage & Gaffey, of Troy, New York, having become disabled, was left on the road between Troy and Ballston Spa, and while so abandoned a fire occurred, and the machine was badly damaged.

A proof of loss was filed under a policy for $2,500 in the St. Paul Fire and Marine Insurance Company. After making an inspection, the company, through its general agents, made a proposition to settle the claim by paying $2,000, or by having the car shipped to New York for repairs, calling insured's attention at the same time to certain parts that had been removed before the fire. To this proposition insured replied:

If you make the car as good as it was before the fire and not delay us too long, that will be all right. As far as the missing parts are concerned, the only parts taken after we discovered the fire were the chains. We have located them. The rest of the stuff we look to you for.

Six days later the company's agents wrote insured that they had made arrangements to have the truck shipped to New York and would at once proceed with the repairs. They also said that they estimated that it would take about four weeks to repair it in, and requested insured to forward by express at once any parts they might have which were not with the truck. Eight days later the company again wrote insured that the repairs had been started, but that they had not heard from them in regard to shipping the chains, and asked them to ship them so as not to delay the work. Two months later the company wrote informing them that the truck had been fully repaired and made as good as before, and offering to deliver it to them free of expense at Troy or any place they might name. Insured replied to none of these letters and subsequently commenced an action on the policy.

In the trial court the case was decided in favor of the company, but this was reversed on appeal to the Appellate Division. From this the company appealed to the Court of Appeals in which the Appellate Division was reversed and the judgment of the trial court sustained. In its opinion the Court said:

Upon receipt of that proposition (the proposition from the company to pay $2,000 or make repairs) the plaintiffs had the right: (1) To reject both propositions, and seek a recovery as for a total loss, for which they had filed proofs of loss; had they done so, the defendant, under the fourteenth clause of the policy, would be entitled, if so advised, to have the amount of loss ascertained by appraisers; (2) accept the sum of $2,000 in cash; (3) allow defendant to have the car shipped to New York for repairs. Their letter to defendant was tantamount to saying: We accept your proposition to have the car shipped to New York for repairs, but you must make it as good as new and not delay us too long.

The election of plaintiffs to have the car repaired, and the undertaking of defendant to make the repairs within a reasonable time, created a contractural relation between the parties, which terminated all rights of both parties under the policy. Such substituted contract deprived defendant of ascerting any rights or option under it, and deprived plaintiffs under the circumstances of this case of any right to assert a claim under the policy. The only remedy, if any, either party thereafter had, was for a breach of the new or substituted contract.

116 N. E. 778.

Collision—Collapse of Garage

Insured had a policy of ordinary collision insurance, containing the usual exceptions for the amount of $750. While the machine was in the garage of an automobile company for the purpose of being repaired, a severe storm came up causing the building to collapse, so that the second floor of the building fell upon the car and damaged it. Insurer denied liability and a suit was brought to enforce the claim. Losing the suit in the trial court he appealed. The proposition involved in the case and set up by the plaintiff was as follows:

The word "collision" includes within its meaning—when it is used in a policy of insurance on a vehicle, which policy expressly provided that it shall not be considered a collision when the vehicle is damaged by striking any portion of the roadbed, or the rails, or ties of street, steam or electric railroads—the falling of any object upon the vehicle while the vehicle is stationary.

The Texas Court of Civil Appeals upheld the judgment for defendant rendered in the lower court. We quote from the opinion:

We have read the clause of the policy carefully, and have arrived at the conclusion that the contention of appellant is not sound, and that this court would not be justified in holding that the alleged collision in which the automobile was damaged, was such as was contemplated by the terms of the policy. The car was in a garage. The second floor of the building or garage falling upon the car caused the damage. Surely it cannot be said that it was the intention of the parties, as ascertained from the terms of the policy, that the word "collision" was broad enough to cover such damage as occurred in the instant case, and that appellee would be called upon to pay a loss caused by the falling of a building upon the car while the car was being left in the same.

The case of Harris v. American Casualty Co., 85 A. (N. J.) 194, cited by appellant, was a case in which the automobile, while being operated, ran off the bridge, and struck the water and ground underneath. We are of the opinion that that case is easily distinguished from the instant case.

Theft by Employe—Extent of Loss

That the caretaker of a building in which was located a garage, though employed by the garage proprietor, was not such an employe as referred to in a policy insuring against loss by theft and excepting liability for theft by those in the employment, service or household of insured, is decided in the case of Callahan v. London and Lancashire Insurance Company (163 N. Y. S., 322). The evidence showed that another acted as chauffeur for plaintiff, and that the caretaker, who took the car out had no license to drive and did not understand operating an automobile. Through his operating the car it was wrecked and totally destroyed.

Several attempts were made by plaintiff to adjust the loss, but on a statement by a representative of the company that it "would not do a damn thing," suit was brought. The Court held that the attitude of the company as expressed in the words quoted amounted to a waiver of appraisal, and also as a waiver of a policy provision requiring sixty days to elapse after notice of loss before bringing suit.

The Court also held that under the policy the insurer was liable for the total value of the car wrecked after being stolen. On this point the Court said:

It is also contended, and this is the main issue presented on this appeal, that the policy only insured the plaintiff against damages directly resulting from theft, robbery or pilferage, and that the occurrence of the accident by collision was not the direct result of a theft, and cannot be deemed to have been in contemplation of the parties entering into the contract. I am of the opinion that the proper construction of the policy is that it covers all damage resulting, or which, in the contemplation of the parties, might result, from theft, which would include damages caused by reckless driving or handling of the car and storage of the same, or any use which destroyed its value in whole or in part. If, following the theft, the car should be recovered intact, in the same condition it was before the theft, plaintiff's only damage would be expenses incurred in recovering the car, and, perhaps, in addition, the value of its use during the period between the theft and the recovery of the car. If the car were damaged or destroyed while in the custody of the thief, plaintiff's damage would include also the diminution or loss of value of the car thus stolen.

Public Liability Insurance—Driver Under Sixteen—"Bodily Injury"

A policy of insurance covering public liability through the operation of an automobile contained a clause to the effect that it did not cover while the car was being driven or manipulated by any person under the age fixed by law or under the age of sixteen years in any event.

A son of insured under sixteen years of age was driving the automobile, when his father suddenly leaned over and took the wheel from the boy, telling him to get out of the way. Almost immediately thereafter the machine collided with a pedestrian who was in the street for the purpose of taking a street car, causing injuries for which she brought suit against the insured and the insurance company.

A judgment obtained by the plaintiff has been sustained by the Supreme Judicial Court of Massachusetts (117 N. E., 189) in an opinion in part as follows:

The dominating mind in control of the operation of the automobile and regulating its movement at the moment of impact with the plaintiff, was that of the father and not of the son. Although the distance traveled after the father took manual guidance of the automobile was comparatively short, perhaps not more than fifty or seventy-five feet, and the conditions of his driving unfavorable to complete and skilful direction of its course, yet his initial choice was to drive on rather than to stop or pursue some other line of action. That the son blew the horn and had brought the machine into an improper position does not derogate from the permanent control of the father over it, nor prevent him from being, at the time of the injury to plaintiff, the one by whom it was "driven or manipulated," within the meaning of those words in the policy.

The finding that the father's position was such that he could not readily prevent the accident by stopping the car is not decisive. That is not equivalent to a finding that it was impossible in reason for him to have stopped the car after he assumed control of its movements and before the plaintiff was injured. Moreover, the fundamental fact is that he was driving and that he elected to drive under the conditions which confronted him.

The husband of plaintiff also brought action against the joint defendants for the injuries to his wife and also recovered judgment, but this was reversed as to the insurance company by the higher court, which said:

The question is whether this judgment is for the "bodily injury * * * of any person." Bodily injury imports harm arising from corporeal contact. In this connection "bodily" refers to an organism of flesh and blood. It is not satisfied by anything short of physical, and is confined to that kind of injury. It does not include damage to the financial resources of the husband arising from a bodily injury to his wife. Personal injury in other connections has been found to be of more comprehensive significance. But "bodily injury * * * of any person" cannot reasonably be held to include the kind of loss suffered by the husband.

BROKERS!
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Possibilities of Serious Shortage of Gasoline

Price to be Higher—Fifty-five Million Barrels Needed This Year—Oil Men Stimulating Production by Offering Inducements—Believe Problem One Primarily of Transportation

By W. E. SCHRAM

Basing their assumptions upon what they know of conditions in England, many American automobile insurance underwriters have concluded that their business will be seriously handicapped the coming season by a shortage of gasoline. They picture the Government commandeering large quantities of this product and placing such stringent regulations upon the operation of passenger cars for pleasure purposes that it will be practically impossible to operate that class of vehicle. About seventy-five per cent. of the gasoline in England is ordinarily for private uses but at present private consumption has practically ceased.

Eastern Stations Closed

Alarm has been accentuated here at some points by an actual difficulty in obtaining gasoline. The Gulf Refining Company has closed forty of its gasoline and kerosene distributing stations in the eastern and New England districts. Officials of the company state this action was necessitated because of the requisitioning of its coastwise tankers by the Government for foreign service. The Prudential Oil Corporation was virtually forced to close down its Baltimore refinery because of inability to obtain Mexican crude oil supply, and other eastern refineries are stated to be more or less affected.

The two outstanding factors at the moment are:

Advances in crude oil prices.

Coastwise tank vessel shortage.

Gasoline to Cost More

The trouble appears to be one of transportation rather than supply. Gasoline will undoubtedly cost more in any event. The operations of Atlantic and Gulf refineries have been curtailed by the withdrawal from the trade of a large number of tank steamers. This situation operates to unduly increase stocks and produce congestion at the Gulf ports and correspondingly reduce stocks and create scarcity of petroleum products in the East. The railroad situation as to tank cars is also bad.

A campaign will most certainly be opened to educate motorists in the saving of gasoline by better management of engines and by avoiding present needless wastes. The possible saving is known by oil men to be enormous.

Reassuring Words

An oil man said recently, after presenting statistics as to the country's needs: "If the average increase in consumption holds good we shall require an additional amount above last year's production of approximately 23,000,000 bbls. of crude oil.

It will be forthcoming, of course, from the known fields, if necessary, and perhaps in part from new discoveries—the hope of making which lures ever onward the optimistic wildcatter. We are beginning to realize, however, that our resources are not limitless. It is the consensus of opinion that the Appalachian, Lima (Indiana), and Illinois fields can add little in the way of increased production; leaving but three great known fields to meet our future requirements—Mid-Continent, Gulf and California."

Another large producer said: "The situation as I see it is that prices must be liberal enough to insure the full activity and the necessary development of the industry, but there must not be —there cannot be—any runaway prices."

Must Have 25,000 Wells

The one thing which must be done is to make prices for crude oil so attractive that more wells will be drilled in 1918 than ever before. The number should be, say, 25,000. The effect of such action has already been seen on the Gulf. An advance of 40 per cent. in the prices of crude petroleum at the wells and an increase of 10 per cent. in the wages of oil field workers has created an atmosphere of optimism there.

It becomes apparent, the more one talks with oil men, that they regard the difficulties which have led up to the fear of a shortage, as being more a problem of transportation than production. Production must be increased but the oil men believe it can be. One man said: "General advances in crude oil prices have taken place during the month. The reason is obvious to the trade, which sees in this development the economic result of a condition where demand for petroleum greatly exceeds production. This overbalancing has been apparent for more than a year, consumption having made deep inroads into stocks. But there is the added purpose in giving the producer more for his oil, i. e., that new drilling may be undertaken, and in this relation the posting of higher crude prices is a real war emergency action."

Oil Men Aroused

One thing is certain; the oil men are thoroughly aroused to the necessity for stimulating production by every possible means, even if prices have to be advanced as an incentive to greater effort. Discovery of the famous Cushing pool resulted from the extraordinarily high prices paid for oil, causing a large number of prospectors to drill wells. The oil men say there is plenty of oil in the earth, and it only takes a sufficient amount of effort and money to find it. All previous, similar situations in the oil industry have been overcome by increasing prices.

The total production of the country has increased steadily and last year stood at 341,800,000 barrels of crude, forty-two gallons to the barrel. Of course, that figure means nothing to the uninitiated, it simply shows an increase over the previous year of 41,032,842 barrels. It is estimated that this year the country will require for all purposes 55,000,000 barrels of gasoline and the only way to provide that amount is to again increase the production of crude. But as the industries and the warring nations must have fuel oil, from which gasoline is extracted, there is a good chance that the necessary crude will be produced. It should not be forgotten that gasoline is a by-product of the much more important commodity, fuel oil.

Transportation First

The doubts as to the possibility of meeting the demand rest on high cost of well supplies and labor, the difficulty in obtaining both these, and inadequate transportation. As one oil man said: "The situation resolves itself into a purely transportation and not a manufacturing problem. Relief is therefore only possible by an improvement in the transportation facilities. This must come first if the entire refining capacity is to be utilized so that the domestic, in addition to the war needs, may be fully supplied."

55,000,000 Barrels Needed

The United States requires this year 55,000,000 barrels of gasoline and it is acknowledged that to furnish that amount a further increase in the production of crude oil is necessary.

Judging by what information can be induced from persons prominent in the oil business, the underwriters are needlessly apprehensive. It may be necessary to adopt some of the many means of operation which would result in a saving of gasoline, but as to an absolute shortage, that seems highly improbable.

Now More Optimistic

Last fall the chairman of the petroleum committee of the Council of National Defense made the assertion that conservation of gasoline was absolutely necessary if a famine were to be avoided. That gentleman has recently taken a directly opposite view. This is what he says now:

"There is no shortage of gasoline for use in this country. In fact, as a result of the light domestic demand incident to the winter weather, the stocks of gasoline are increasing and will continue to increase before the heavy summer demand is encountered. Experience and inquiry make it clear that the petroleum industry in this country can and will supply all the increased demand for oil products for the war provided sufficient tank steamers can be obtained. It is estimated that in 1917 not over twenty-five per cent. of the gasoline produced in this country was exported. That fact should be reassuring to anybody who doubts this country's ability to supply the wants of our own and allied governments for this important product."

To be sure, the chairman is speaking also about war requirements, but to go back to the first part of his statement he says plainly: "There is no shortage of gasoline for use in this country." That would appear to be conclusive.

England Fares Worse

Much of the fear of a gasoline famine in the United States results from reports from England as to conditions there, where an individual is allowed but ten gallons at a time. If he accumulates gasoline and the authorities find it out, his supply is taken from him. It should be borne in mind that England produces no crude oil whatever, except an insignificant quantity of an inferior grade, in Wales. The United States, on the other hand, is the petroleum producing country. It has the great oil reservoirs of the world. The measures which non-producing countries must take, because of inability to obtain transportation, need not necessarily be adopted in the United States.

Will Have Figures Later

The question everybody interested in this subject would like to have answered is unanswerable. That is, what proportion of the gasoline produced in the United States is used in motor vehicles? Nobody in the oil trade professes to know that. The explanation is that the statistical records kept by the Standard Oil Company at the time of its dissolution by the Government have not been maintained by the separate organizations into which the Standard was divided. In this respect the dissolution was more real than the public has been wont to believe. Plans are now making to obtain reliable statistics which will show in what proportion the total production of petroleum and its products is consumed by the various leading industries. It is expected that this information will be available in sixty days. The oil men are going to get the actual figures from month to month of the production, requirements and stocks of all the petroleum products in every part of the country.

Excess Fire Auto Lines

(Continued from page 6)

The dealer business is anxiously sought after by many, fleets of automobiles are written by others, a number of machines kept at the same location are written by some.

Blanket Excess Coverage

Blanket excess coverage can be purchased at a premium so much less than pro rata coverage that a large volume of such business readily shows a margin of surplus not otherwise obtainable.

A coverage is available for those whose premiums are not too large giving blanket protection above low net retentions, and the coverage is large enough to meet the requirements of the majority of companies and exchanges writing this class of business. Perhaps the most popular net retention is $7,500, yet these coverages are written with retentions of $5,000 and even with retentions as low as $2,500.

It is much easier to obtain prompt and satisfactory coverage at a premium that companies can easily afford to pay for low limits than for large limits; for example, coverage from $7,500 to $20,000 can be obtained (1) easily, (2) promptly and (3) at a popular premium, while coverage from $20,000 to $50,000 or $100,000 cannot be obtained (1) so easily, (2) so promptly, or (3) at a correspondingly popular cost.

Southern Conditions

(Continued from page 15)

and thus appears to the prospective assured to be an undertaking greater than he can safely assume. The present unusual prosperity in the Southern States affords a splendid opportunity to automobile insurance agents to issue policies for complete coverage and to extend their operations so that the larger number of uninsured cars may be, for the most part, insured.

What the future has in store for automobile underwriting generally no one can accurately foretell, for conditions are likely to be changed suddenly due to the necessities of war. But it is the general sentiment in the South that unless there is such a restriction in the output of gasoline that the general run of cars cannot be operated and/or unless there comes too great a difficulty in securing parts and mechanical service for replacements, the companies now writing automobile insurance will enjoy a record in this territory for some time to come that has been unsurpassed heretofore.

OCT 23 1918

AUTOMOBILE INSURANCE EDITION

THE EASTERN UNDERWRITER

IN TWO PARTS

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

PART ONE

Nineteenth Year; No. 17 NEW YORK, FRIDAY, APRIL 26, 1918 $3.00 a Year; 25c. per Copy

TRICK FORM IN USE AND OCCUPANCY

Case Where Companies Cover Blanket When Their Liability Should Be Partial

ADJUSTMENT TOLD TO AGENTS

Explanation of the Word "Profits"—Facts About a Coal Mine Form

A leading fire insurance company has acquainted its entire agency force with the facts in a recent U. & O. adjustment, in which the form is analyzed.

The statement follows:

We have given careful study to your letter with reference to the adjustment under U. & O. insurance, the form for which you enclose.

We note that you contend that it is not the usual form but that it covers profits and that profits only enter into the question; second, that it is the valued policy; that the words "output" and "production" wherever they occur are controlled by the definition of U. & O. as profits and do not enter into the matter, except as they affect profits.

What Form Provided

It appears that several mines are covered blanket by the one set of policies and the wording of the form is as follows:

The conditions of this contract of insurance are that if the said buildings or structures, their contents or equipment, or any part thereof, shall be destroyed or so damaged by fire * * * that the assured are entirely prevented from operating or carrying on their business of mining coal or general merchandise, this company shall be liable at the rate of $1,166.67 per day.

Under this wording, in order that the company may recover the amount named, a fire must occur which prevents the carrying on of the business at all of the mines.

Partial Interruption

The form further provides that "in case of partial prevention, this insurance shall be liable in that proportion of $1,166.67 per day as the reduction in the output bears to the average daily output for 90 working days of full production immediately preceding the fire."

Under this wording the companies would be liable for such percentage of the $1,166.67 as the decrease in output of all the plants bears to the daily average of the normal output, without any reference to profits, fixed charges or any other item named as covered.

It transpires that instead of there

(Continued on page 14)

"The Largest Fire Insurance Company in America."

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

FULL WAR COVER

INCLUDING

BOMBARDMENT and EXPLOSION

Liberal Contracts Reasonable Rates

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets, with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES. IA.

BUY LIBERTY BONDS

WHY FEDERATION INTERESTS LIFE MEN

Prominent Insurance Men in Minnesota Point Out Dangers to Insurance Business

NECESSITY FOR UNITED ACTION

Fred L. Gray, E. A. Sherman, Byron H. Timberlake and W. M. Horner Give Their Views

By Fred. L. Gray, Former President National Council of Insurance Federations.

I have been asked to say something regarding the history and aims of the Insurance Federation movement which will be of interest to the life men. This should not be a difficult matter provided they are at all concerned over the poisonous contagion for which the Federation seems to be the only sure antidote. If they are not alarmed at the spread of the State insurance propaganda, if they have no anxiety about the growing menace of governmental activity, both State and national, in their own particular field, or if they think that no matter what may happen to the casualty or other branches of the business the great institution of life insurance is sacredly immune from political confiscation, then they will not be much interested in anything that I or anyone else may say regarding this organization. Assuming, however, that they are not entirely complacent over the outlook and that the trend of events is not entirely to their liking, I will endeavor as briefly as possible to tell them what the Federation is and what it may be able to do for them one of these days provided they immediately give it their whole-hearted support.

Movement Begun in Ohio

This movement had its inception about five years ago in Ohio, when the proposal to put that State into the business of workmen's compensation insurance was first agitated. Two years earlier the State of Washington had essayed a like experiment but that incident, revolutionary though it was, created but little alarm among the fraternity at large. It was looked upon as a wild and woolly Far West scheme, which the supposedly more sensible States of the East and Middle West would never dream of adopting. When, however, the staid old State of Ohio took up with the idea and signs began to multiply that several other equally conservative States were liable to follow suit, far sighted insurance men

BUY LIBERTY BONDS

everywhere began to sit up and take notice. They were not slow to appreciate that the peril was a grave one and that unusual methods must be employed to combat it. Those who advocated turning over to the State the insuring of the compensation hazard had many plausible arguments with which to support their contention.

The whole discussion revolved around a great sociological problem—just as some day the question of State administered life insurance may—and the plea of the agitators, camouflaged as it was with a strong humanitarian coloring, deceived a great many well meaning people. The issue raised proved quite beyond the grasp of the professional lobbyist, hence instead of depending on his outworn methods it was deemed wiser to build a back fire of informed public opinion behind the lawmakers. This involved a forceful campaign of education and publicity and an organization far broader in character, and with a much more specific program, than any of the existing insurance associations possessed.

What Happened in Ohio

Recognizing all this, the insurance workers of Ohio, under the leadership of W. S. Diggs, a prominent Cincinnati agent, began to "federate." The immediate attack of the opposition was, of course, centered on the casualty interests, but when those identified with that branch of the business came to count noses they saw that their numbers were painfully small. They realized that on an issue involving so important a question of public policy they could accomplish but little were they to tackle the job single-handed. Knowing that propagandas without people, pep and push to make them count amount to about as much as a Browning essay in Whitechapel, they ran up distress signals for reinforcements from the allied ranks of insurance. The result was that thousands of members, representing every branch of the business, were hastily enrolled under the banner of the Ohio Federation. A valiant battle was fought, but the time was short and it proved impossible to register the full strength of the fraternity before the opposition had won a partial victory. This victory later on became a walkover, but that is another story.

My only purpose in referring to what happened in Ohio is because it was there that the Federation idea was conceived and because the Ohio experience shows how absolutely necessary it is in all efforts of this kind to **organize in time.** Unquestionably, had the entire body of insurance men in that State stood shoulder to shoulder on this question two years earlier, thousands of compensation risks, representing millions of annual premiums, would to-day be handled in businesslike fashion by trained insurance experts rather than in the notoriously amateurish manner which characterizes the work of the Ohio State Funds political appointees.

Federation Movement Spreads

Since those trying days the Federation movement has spread with great rapidity throughout the country until now the organization is firmly rooted in more than forty States, with a total membership sufficient to make it by far the largest body of associated insurance workers in the world. But before it had fairly emerged from its swaddling clothes and while still unable to deliver any really telling blows, six States had already adopted laws which absolutely barred the casualty companies from writing the compensation line, while in seven other States they were allowed to operate only as competitors of State managed insurance funds. This was the condition of affairs three years ago when the organization first began to function properly. The fact that since that time there has been no further change of consequence in the size of the State insurance map, notwithstanding the tremendous efforts which have been put forth to enlarge it, is pretty good evidence of what can be accomplished by concerted and intelligent action in a movement of this kind.

Organized Locally and Nationally

The Federation's organization has been developed along both local and national lines. All of the State associations operate under substantially the same form of charter. Several of them number their members by the thousands and are on a sufficiently sound financial footing to warrant the employment of full-time secretaries. Eventually all of them will be thus equipped. Above the local federations is a supervisory body known as the National Council, whose duty it is to standardize and co-ordinate the work at large, formulate policies, prepare publicity matter, conduct an "Exchange Bureau" of information and in sundry other ways promote the welfare of existing federations and help in the organization of new ones. The officers and directors of this council come from the ranks of representative insurance agents in all sections of the country and from all branches of insurance, save only the life branch, which I regret to say has not yet seen fit to ask for a voice in our deliberations.

At its last annual convention, recently held in the City of St. Louis, the National Council adopted a new constitution under which provision was made for an auxiliary committee to be known as the National Advisory Board. When the membership of this committee is announced it will be found to contain the names of well-known company officials representing the fire, casualty and other great departments of the business, including (I hope) the greatest of them all, the life department. This new board will give the entire movement that degree of poise which otherwise, and without well balanced co-operation between home office and field brains, could scarcely be hoped for.

The Federation's Platform

The Federation's platform is at once broad and distinctive—broad enough to afford standing room for every insurance man whatever be his affiliations or predilections, distinctive enough to put the organization in a class apart from all other insurance associations and societies. The single plank which this platform contains reads as follows:

> To furnish to its members and the general public reliable information concerning the origin, nature and effect of any and all legislation, the purpose or natural consequence of which is to make the State, directly or indirectly, wholly or in part, an underwriter of insurance hazards of any description.

Nothing in this, you see, about the internal problems of the business with which other insurance organizations are already successfully dealing; nothing to conflict in any wise with their activities; nothing to which any insurance man should not unreservedly subscribe and nothing which the public could possibly object to. On the contrary I submit that the program thus announced is one which everybody, whether identified with the business or not, should cordially endorse. Practically everyone is interested in insurance, for practically everyone either buys, sells or is directly affected by it in one or another of its multitudinous forms. Hence, when a school, of marked socialistic bent, arises to proclaim that a new governmental function should be created—in peace times as well as in war—the sure conse-

(Continued on page 18)

Insure Insurance

A War Bond is an Investment;
A War Indemnity is a Tax.
Buy a Bond and the Kaiser
Will Worry about the Taxes.

This Space donated by
E. E. CLAPP & CO.
Managers Fidelity & Casualty Company
90 WILLIAM STREET
NEW YORK CITY

Red Cross Workers' Insurance Plan

$1,000 Five-Year Term at Low Rate; Arrangements For Optional to $5,000

5,000 COVERED BY END OF YEAR

Applicant Must Apply Direct to Red Cross and not Through Agents

Washington, D. C.—Life, health and accident insurance will be furnished by the American Red Cross to its own workers abroad who are not eligible for the benefits of Government war risk insurance, following the completion of a working plan by a committee of members from the Actuarial Society of America, in co-operation with Robert C. Rathbone, director of the Red Cross insurance bureau.

All foreign workers are to be given free of cost and without medical examination $1,000 life insurance on the term plan, payable in event of death, or at the end of two years in event of total and permanent disability, and, also, accident and health insurance providing for weekly indemnity payments in case of disability from sickness or injury.

Five-Year Term Plan

This group insurance for $1,000 is on the five-year term plan at a very low rate. It has been offered to all companies doing business in New York State. The form has been approved by Superintendent Phillips, of the New York Insurance Department.

The companies who are willing to take this group insurance on the term plan have divided it up in proportion to the insurance in force, each taking a share of it.

The face of the policy will be payable as a disability benefit two years after the men become disabled, provided they are then permanently and totally disabled. In the meantime, the Red Cross, after the first four weeks of sickness, will pay $20 a week up to the end of the two years; then the face of the policy will be paid after the men are disabled.

Can be Carried for One Year after the End of the War

The insurance at the option of the Red Cross can be carried for one year after the end of the war in order to pay the death losses on those persons who are then disabled, or in such shape as likely to die soon thereafter.

As it is impossible to get a list of the names except after a lapse of a considerable period (some of the workers being in Italy, Servia, Egypt, etc.), the insurance companies have accepted a definition of the people to be insured, subject to list being furnished at a later date.

Optional Insurance

All foreign workers are also to have the privilege of buying additional life insurance protection. This is with medical examination up to a total of $5,000, including the $1,000 furnished by the organization.

With regard to the optional insurance the plans have not been definitely formulated by the Red Cross, but sufficient companies have expressed their willingness to take the risks to make the plan entirely practicable. These companies have quoted the organization a single extra premium of $25 per thousand, the balance of the money not used to pay war losses to be returned one year after the end of the war. The policies are to be on ordinary life, limited payment and endowment plans, subject to regular medical examination. The premium to be paid by the applicant and the war premium to be paid by the Red Cross, but not to exceed a single premium of $25 per thousand.

Must Make Application Direct to Red Cross

The Red Cross will not discriminate against any company which wishes to carry this risk, but application must be made direct by the applicant to the Red Cross, and not through an agent or broker.

It can be readily understood that a number of details have to be arranged in connection with the optional insurance in view of the fact that so many of these men are now abroad and the forms of the applications will have to be forwarded to have arrangements made for the medical examination.

About 5,000 workers will come under this arrangement by the end of the year.

Travelers to Carry Accident and Health

The accident and health insurance is to be carried by the Travelers Insurance Company at a low rate and very favorable terms have been made to the Red Cross by the insurance company so that the profit, if any, to the insurance company, will be practically eliminated.

The plan for administration of insurance was worked out by the following members of the Actuarial Society: Arthur Hunter, New York Life, chairman; R. Henderson, of the Equitable Life; A. A. Welch, of the Phoenix Mutual Life of Hartford; George B. Woodward, Metropolitan Life; Henry Moir, of the Home Life; Wendell M. Strong, of the Mutual Life of New York; Benedict D. Flynn, of the Travelers, and Commissioner Woodward, of the New York Industrial Commission.

To Have Office in France

An adjustment office will be established in France and the general administration of the insurance will be conducted from the Red Cross Insurance Bureau at Washington.

The Red Cross workers are not eligible for the benefits of Government war risk insurance unless actually enlisted in the Army or Navy, and the free insurance plan will be of great benefit to such persons, many of whom are voluntarily serving at great personal sacrifice.

RE-INSURANCE POOL

A new re-insurance pooling arrangement has been made by some of the companies in the South to take care of excess lines.

Marie H. Roberts, of the Massachusetts Mutual Life in Columbus, delivered 138 policies in 1917 for $186,000.

The Metropolitan is doing business in Colorado.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President — Home Office: NEWARK, N. J.

Conversion of Term Policies

NORTHWESTERN MUTUAL DATA

In 1917 a Total of $20,310,500 of Term Was Converted to Permanent Plans

On January 1, 1918, the Northwestern Mutual Life had in force $19,707,320 renewable and $130,900,220 convertible term insurance. These policies were issued with the expectation that they would be converted to some permanent plan of insurance.

During 1917 a total of $20,310,500 of term insurance was converted to permanent plans, as follows:

To ordinary life	$14,825,900
To limited payment	4,932,200
To endowment	552,400
Total	$20,310,500

More than 57 per cent. of the total conversions were to ordinary life at attained age.

Mustn't Convert With Help of Loan

The Company calls attention to the following considerations:

(1) Compared with conversion as of present date, there is no financial advantage to the insured in converting an annual dividend term policy as of original date.

(2) Conversion should not be made to original date in cases where the insured is unable to pay the cost of conversion in cash. Agents are forbidden to suggest any policy changes or conversions with the help of a loan.

When a term policy is to be converted it must be forwarded to the home office with the surrender of policy on the back thereof signed by the insured and beneficiary, and with both signatures duly witnessed. If necessary an addition to the language of the surrender blank should be made so that it will read after the following form:

For value received we surrender to The Northwestern Mutual Life Insurance Company the within Policy No. 0,000,000 and all claims thereunder and request that a policy on the Ordinary Life plan, for $10,000, dated February 15, 1918, payable to Jane Doe, Beneficiary, with (or without) the right reserved to change the beneficiary, be issued in lieu thereof. Premiums payable annually (or semi-annually or quarterly).

Terms of Surrender

When a term policy converted is under assignment a release of the assignment should be furnished, if the assignee's claim has been satisfied. If the assignee's claim has not been satisfied, the following should be added to the terms of the surrender:

subject to and without prejudice to the assignment of said policy to Richard Roe. It is hereby understood and agreed that this surrender is executed for the purpose of conversion and the assignment of said policy to Richard Roe shall attach to and continue as a lien upon the new policy when issued on the Ordinary Life plan.

In this case the assignee should join in the surrender, and the signature should be duly witnessed.

The agent taking the surrendered term policy for transmission to the home office is required to execute and give to the insured a receipt on the following form:

John Doe, of Milwaukee, Wis., insured under Policy No. 0,000,000 on the Convertible Ten Year term plan, having surrendered said policy for the purpose of converting same in accordance with the policy provisions, in order to secure a new policy on the Ordinary Life plan, and having paid $000.00 in order to complete such conversion, this receipt is given for the original policy and for the amount so paid pending the delivery of the new policy as applied for.

February 15, 1918. .....Agent

Agents are required in all cases of conversion to collect the amount required in accordance with the Company's offer. The amount so collected must be entered in the receipt, as above, and given to the insured in exchange for such payment and the surrendered policy.

An Annuity Story from L. B. Bishop

USED IN A DIVIDED HOUSEHOLD

Divorced Wife Got $3,000 While Husband Lived—Also Bought a Large Single Premium Policy

The Massachusetts Mutual is now writing annuities, and L. Brackett Bishop, manager of the Company in Chicago, tells the following story of writing annuities in connection with life insurance:

A number of years ago a gentleman and his wife, in the West, found themselves unable to live together on account of incompatibility. A divorce was secured. Both of the parties were friends of Mr. John A. Hall, who was then president of the Massachusetts Mutual. At his suggestion the settlement made by the husband in favor of the divorced wife was as follows:

Assigned Annuity to Divorced Wife

The husband took out an annuity for $3,000, assigning it over to his divorced wife. This annuity, of course, was taken in another company, the Massachusetts Mutual not then writing annuities. He also took $40,000 single premium policy on his life in favor of his divorced wife. The wife, therefore, was to get $3,000 a year from the annuity while her former husband lived and in the event of his death the annuity would cease and she would receive $40,000 from the life insurance policy.

The total outlay to the husband was in the neighborhood of $50,000 for the annuity and about $20,000 for the single premium life policy, or $70,000 in all.

If the husband had made over this amount to her in cash, he could never have received it back and the wife might have spent the money quickly. As it was, the settlement by the life insurance and the annuity provided that the wife should receive the amount in installments and also provided that in the event of the death of the wife, the annuity of $3,000 a year and the single premium life policy should revert to the husband, who could convert it for practically as much cash as he gave for it.

VIRGINIA LEGISLATION

Conditions Under Which Policy Is Contestable—How War Clause Conditions Apply

The Virginia Senate has passed a bill reading in part as follows:

"That on any proceeding on a policy of life insurance issued to any person residing in this State at the time of issuance thereof, to recover for the death of such person, it shall be no defense that the insured committed suicide, or was put to death by execution under the law, unless there be in the body of the policy an express limitation or provision to the contrary, in which event such limitation or provision shall apply, nor shall such policy be contestable for any cause after one year from the date thereof, except for non-payment of premiums or the violation of the conditions of such policy requiring the payment of additional premiums in the event of naval and military service in time of war, provided, however, that in event of a misstatement of age the amount to be paid by the company shall be the amount of insurance which the premium paid would have purchased at the true age of the insured."

THREE REASONS

The Prudential "Record" gives three reasons why an industrial agent should write more ordinary insurance:

1. The confidence of the public in old-line insurance.
2. The present industrial prosperity of the country, and
3. The seriousness with which people are now taking life, due to the present war. These are three important factors in helping the insurance agent to get successful interviews.

ACTUARIES TO MEET

The annual meeting of the Actuarial Society of America will be held on the 16th and 17th of May, at the Hotel Astor, Broadway and 44th Street, New York. The first session of the meeting will convene at 11 A. M. on Thursday the 16th of May.

The fellows and associates will dine together at the Hotel Astor on Thursday evening at seven o'clock. It is expected that at the dinner some of the members of the Society who are in Government service will speak of their experiences.



HOME LIFE INSURANCE CO.

(Purely Mutual)

256 BROADWAY, NEW YORK

GEORGE E. IDE, President

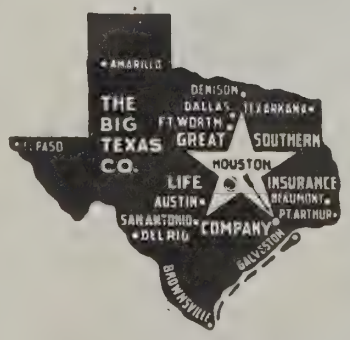
The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,-542,304.08.

For Agency apply to

GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON
PRESIDENT

Build Your Own Business

under our direct general agency contract

Our Policies provide for:

Double Indemnity, Disability Benefits, Reducing Premiums

See the new low Rates

JOHN F. ROCHE, Vice-Pres't

THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

NATIONAL LIFE INSURANCE COMPANY

MONTPELIER, VERMONT

FRED A. HOWLAND, President

A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY

Edward D. Field, Superintendent of Agencies



15,000 PEOPLE

Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.

AGENCY OPENINGS FOR THE RIGHT MEN.

Write to-day

FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA

Insurance in force over $142,000,000

Walter LeMar Talbot, President

Human Interest Liberty Loan Stories

TRAVELERS' DRIVE INCIDENTS

Make German Waiters Subscribe—Get $30,000 in New York Athletic Club

Some idea of the interesting experiences of insurance men in New York in the Liberty Loan drive can be judged by a few incidents in the Travelers campaign. This is one of the companies which has really gone in for Liberty Loan salesmanship with spirit and the enlistment of all of its forces. By last Saturday night subscriptions of $500,000 had been taken.

Resident Manager Batterson, who is directing the Travelers campaign here, told The Eastern Underwriter that there were about 800 Travelers men in the drive, who were pledged to work for the Liberty Loan either days or during the evenings. Mr. Batterson appointed E. J. Sisley in charge of the life and accident end, and John W. Thomas in charge of the liability end.

The Travelers did its own districting of the downtown section. Engineering friends of representatives of the company furnished blue prints and the drive started. After preliminary surveys, reports were made to captains on index cards and then the captains sent out squads to "clean up."

In one day, for instance, 35 squads were out. The Travelers furnished its own speakers and even addressed longshoremen and Government employment agencies.

$3,700 in "Crumbs"

Some idea of the thoroughness of the work of the Travelers men is indicated by the building at 60 Wall Street. This had been covered by the Metropolitan Trust Company, by the Mexican Petroleum Company and the electrical trade. Despite this canvass the Travelers men went into the building and took $3,700 in individual subscriptions.

Hotel Housekeeper Buys a $3,500 Bond

E. J. Donnelly, one of the most successful Liberty Loan spell-binders, decided to descend upon Haan's Restaurant in Park Row. This is a very famous restaurant, most of the waiters being German. Donnelly and his squad, secured permission to address eighty of the waiters and left the restaurant with sixty Liberty Loan applications.

Among other hotel waiters addressed were those of the Martinique on Broadway. They sold 70 per cent. of the waiters for $22,800 and capped this by taking the subscription of the housekeeper for $3,500.

Mr. Batterson was in the New York Athletic Club one night at a meeting called for another purpose, but decided it was a good time to sell Liberty bonds, and assisted by Judge Bartow S. Weeks, subscriptions for $30,000 were taken. He tried it again at the Fox Hill Golf Club. There every employe subscribed. Donnelly's team went into a shirt waist factory in Long Island City and took 400 applications. In another place where a number of girls were employed some of the girls were asked to aid in canvassing and nearly every person in the place subscribed.

The Travelers men are making speeches in English, Italian, Slavish, Russian and Yiddish. One feature of the Travelers campaign has been the large number of small subscriptions. On the first day there were 299 subscribers for $50,450, the third day 314 subscriptions for $60,000. One day 820 subscriptions were secured for $108,200.

Life Men Challenge the Casualty Men

LIBERTY LOAN COMPETITION

L. A. Cerf at E. E. Clapp & Co. Meeting—Former Assemblyman Also Speaks

Edward Griffith, of the E. E. Clapp & Co. general agency of the F. & C., sent about 200 telegrams to various insurance men in New York City, inviting them to a ginger-up meeting in the Clapp office last Friday evening. There was a good crowd on hand to hear L. A. Cerf, manager of the Mutual Benefit, challenge the casualty men in the name of the Life Underwriters' Association of New York, for the best net results for the remainder of the campaign. A. Duncan Reid accepted the challenge on behalf of the casualty men.

Use Bank's Name

It was a warlike meeting at which things and persons in Germany and America were called by their front names. The smug complacency of Americans in face of actual conditions got some pretty hard knocks. Mr. Cerf told the bond salesmen to use the name of the National Reserve Bank when they go into an office to solicit subscriptions. "That will get you in," he said, "and when you get in ask to see the boss and do not be satisfied with anybody else at the start. After seeing the boss solicit everybody in the place." He also advised salesmen not to waste time on those who want to argue. Pass them up quick, he said. There are too many others who are patriotic and will buy, if only they are approached.

A. Duncan Reid, chairman of the general insurance committee, told of how two small girls working in the Terminal Building each sold a $1,000 bond to a railroad man. The story illustrates the point that it pays to aim high. Mr. Reid announced that arrangements have been made by which co-operation of various trades has been secured so that it will be easier for bond salesmen to solicit in factories. He advised salesmen to work the buildings assigned to them first and call on their friends afterward. Attention was called to the appropriateness of the challenge, coming as it does from one of the most successful life men and being accepted by a casualty man holding a like position.

J. S. Hirsh poured hot shot into the ranks of the laggards.

C. T. McDonald, of Raleigh, N. C., delivered a fervent appeal for support, in true Southern style. He denounced slackers of all kinds, including vacillating Congressmen, specifically mentioning Claude Kitchen. He favored the lynch-law for those who are disloyal to the United States. Mr. McDonald succeeded in working up a goodly quantity of enthusiasm and he received loud applause.

Who Will be Saddest?

Joseph Carroll, a former Jersey assemblyman and a member of the Clapp agency, was introduced. He proved to be a veritable whirlwind, dropping the reminder that if we do not win this

(Continued on page 9)

GOOD TERRITORY
still available for development by the
RIGHT AGENTS
..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.
Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

THE AVERAGE EARNINGS OF THE AGENTS
OF THE
Standard Life Insurance Company
∴ ∴ OF PITTSBURGH ∴ ∴
are higher this year than ever before. Our attractive Accident and Health Policies have helped them to make more money.
Write for a LIFE, ACCIDENT AND HEALTH Contract to
FRANK A. WESLEY
Vice-President and Director of Agencies

PURELY MUTUAL THE CHARTERED 1857
Northwestern Mutual Life Insurance Co.
MILWAUKEE, WISCONSIN
GEO. C. MARKHAM, President
INSURANCE IN FORCE, $1,604,426,324
SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued
POLICIES MOST FLEXIBLE AND EASY TO SELL
Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules
Investigate before selecting your Company
GEO. E. COPELAND, Supt. of Agencies, Milwaukee, Wis.

American Central Life
Insurance Company
INDIANAPOLIS, INDIANA
Established 1899
All agency contracts direct with the company
Address:
HERBERT M. WOOLLEN, President

PENNSYLVANIA OPPORTUNITY
If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.
Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

Excerpts from the Financial Statement of December 31, 1917, of the
Northwestern National Life Insurance Company
MINNEAPOLIS, MINNESOTA
Assets, $6,186,694.37, increase 17% over 1916.
Liabilities, $5,602,162.72. Surplus and contingent fund, $548,531.65.
Apportioned for dividends, $263,206.57, increase 23% over 1917.
Insurance in force, $54,193,728.00, increase 28% over 1916.
Paid to beneficiaries and policyholders to December 31, 1917 $16,966,562.65.
A western, mutual, annual dividend, old line company
THE COMPANY for policyholders and agents

Suggestions as to Developing Territory

NEW ENGLAND MUTUAL LIFE TIPS

Experience with Men Is What Counts —Sources of Good Prospects Given

By GLOVER S. HASTINGS
Superintendent of Agencies of New England Mutual Life

The first step in agency development must be the acquiring of a right mental attitude. The agent who is charged with responsibility for the profitable use of a given territory must realize that we are living in the greatest time the world has known, and in its greatest country—great because in America there are practically no limitations except those inherent in the individual.

He must realize further and especially that, as Elizur Wright said, "The civilization of this continent has no institution of which it has a better right to be proud than that of life insurance." In no other line of social activity is man making greater progress. The scope of the business has broadened in recent years to such an extent that the future holds large rewards for those who devote themselves conscientiously to its service. But an agency leader without supreme optimism as to the future of the business, and without the spirit of organization, will find it almost impossible to enlist and retain others in the work, or even to write a satisfactory volume himself.

The agent who is entrusted with territory should also realize that his contract is a valuable franchise. It carries a definite obligation that requires a broad but conservative administration of his field. Furthermore, it necessitates the concentration of all his faculties and energies on the production of sufficient new business to satisfy not only himself but his manager.

Don't try to do more than the first stage of this organization work by advertising or mail. Do it in person.

The Experienced Man

Unreliable men, no matter what their positive qualifications, will harm both the agency and the company. Since a life insurance company is absolutely dependent upon the confidence and good will of the public, you should be as careful in investigating this point as you would be if you were about to entrust to a stranger's care a large sum of your own money. In selecting co-workers, see to it, above all things, that they are honest. Avoid the man who is heavily in debt or slow in paying his bills.

Other things being equal, the more intelligent the agent, the better, but this does not necessarily mean a college graduate. Experience with men is what counts. The combination of a trained mind and successful business experience is ideal.

When possible, select the man who has the habit of doing something every minute, one who "works on his nerves"; such a one will be neither lazy nor indifferent. Never start an agent who does not give strong evidence of a desire to learn, a willingness to work and an ambition to succeed.

There are several sources from which new agents may be drawn. One of the most fruitful is commercial travelers. Many high-grade traveling men would hail with delight a proposition that permitted greater home life, and real independence of thought and action. Most men who have successfully sold any line of goods can quickly learn to write life insurance. But remember that commercial salesmen need agency co-operation on prospect lists, because most of them have been accustomed to calling on specified individuals. Be sure that they have this help in generous measure.

Another source of new agents is teachers. The profession of teaching is among the noblest of occupations, and yet from a material standpoint it is one of the most poorly paid. Some of the very best men in life insurance, both at the home offices and in the field, were formerly teachers. You will find them and also Y. M. C. A. secretaries and secretaries of chambers of commerce well adapted for our business.

Three Productive Sources

War conditions have led to radical changes in certain lines, by which many trained men, such as advertising and traffic solicitors of railroads, have become available to us.

There are three other good sources: First, officers of small country banks, also employes of banks generally and manufacturing offices—men on small salaries and with advancement uncertain. They are better than the average in intelligence, and may be directed along lines that make for permanency.

Second, manufacturers and merchants. There are many exceptionally bright men in this class who, through lack of capital, are forced to operate on a small scale. They can easily be shown that in life insurance their activities will not be restricted by the limitations of either capital or the business itself.

Third, professional men. It is conceded that some of the so-called learned professions are overcrowded, and, therefore, at the outset the opportunities for a brilliant career are limited. The New York "Sun" stated recently that in New York City there were thirty-five hundred young lawyers who were not making a living. And this undoubtedly is true of other cities, in proportion.

Local Business Institutions

Finally, another source of agency material that is valuable to the man

(Continued on page 9)

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. **Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.**
2. **The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.**
3. **Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.**

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,
Superintendent of Agencies

THE EQUITABLE
LIFE ASSURANCE SOCIETY OF THE U. S.
120 BROADWAY, NEW YORK

Pan-American Life Insurance Company
NEW ORLEANS, U. S. A.
CRAWFORD H. ELLIS, President
Capital.....$1,000,000.00

OUR 1916 STATEMENT SHOWS

Insurance in force	(over)....	$42,400,000
Resources	(over)....	5,600,000
New Insurance paid for		10,000,000

The High Scores in the Life Insurance Profession are won by Trained Men. We will train you in the Profession and locate you in Productive Territory either North or South. Your Opportunity is Here.

Further information on request. Address:

E. G. SIMMONS, Vice-President and General Manager
Whitney Central Bank Building
NEW ORLEANS, U. S. A.

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Business Associations

Help men to success.

Provident agents are associated with a business organization whose reputation for integrity, fair dealing and financial security extends over half a century.

Write for information

The Provident Life and Trust Company

of Philadelphia

Founded 1865

Use Made of Dividend Options

FIGURES OF MUTUAL LIFE

Of Each $100 Cash Dividends Last Year $15.16 Applied Toward Premium Payments

Although most of the men in the field are familiar with the different dividend options it is not generally known in what proportion these options are employed. During the past year the total amount of $19,483,729.43 in cash dividends allotted by the Mutual Life to policyholders was applied in the following proportions:

Option 1. Received in cash $10,569,243.14, which is 54.25 per cent. of the whole amount.

Option 2. Applied toward payment of premiums $5,829,680.90 which is 29.92 per cent. of the whole amount.

Option 3. Applied to the purchase of participating paid-up dividend additions $2,954,347.91, which is 15.16 per cent. of the whole amount.

Option 4. Left to accumulate at interest $130,457.48, or .67 per cent. of the whole amount.

Resume

In other words, out of every $100 in cash dividends paid in 1917, $54.25 was accepted in cash, $29.92 was applied toward payment of premiums, $15.16 was applied to the purchase of paid-up participating dividend additions, and only 67 cents was left with the company at interest.

The proportions for each item during the previous year were nearly the same.

Policies issued prior to 1907 had no provision for leaving dividends at interest. This is one reason why so small a sum is shown under option 4. Another reason is, of course, the low interest rate of 3 per cent.

The greater part of the dividends paid last year were deferred dividends. These were paid on policies, the terms of which required a medical examination before granting paid-up additions, unless election had been made two years previously. As a result many parties who might have taken their dividends in the form of paid-up additions were unable to do so owing to impaired health. This explains the reason for so large a proportion of the dividends being allotted in cash as per option 1, and it also accounts for the relatively small amount of dividends applied to the purchase of paid-up dividend additions as per option 3.

Increase in Amount of Paid-up Additions

The total amount of paid-up dividend additions to policies in the Mutual Life has steadily increased from year to year. In fact, dividend additions have nearly doubled during the past ten years, being $18,388,625 at the end of 1907, and $32,125,534 at the end of 1917. The amount of paid-up dividend additions issued in 1917 alone was $5,216,774, which was an increase of $450,479 over the amount issued in 1916.

These increases are only in part accounted for by the increasing popularity of the paid-up dividend additions. The proportion of annual dividends as compared with deferred dividends has increased very considerably within the past ten years. As a result the opportunity to purchase paid-up dividend additions has been greatly expanded as already explained in a previous paragraph.

CORPORATION-PARTNERSHIP

Popularity of These Plans in Northwestern Mutual Life for Year 1917

The Northwestern Mutual Life in 1917 issued corporation and partnership in these amounts on the following forms:

Ordinary life	$9,449,800	
5 Pay. life	22,000	
10 Pay. life	333,500	
15 Pay. life	20,000	
20 Pay. life	1,621,500	
10 Year endt.	180,000	
15 Year endt.	139,000	
20 Year endt.	426,500	
25 Year endt.	13,000	
30 Year endt.	15,500	
40 Year endt.	40,000	
10 Year term	839,500	
5 Year term	2,351,000	
Modified life	2,000	
Total corporation and partnership.....	$15,453,300	8.79
Grand total	$175,857,473	

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.

Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Walter E. Vail, Frisco, Elected President

HEADS P. L. & T. GENERAL AGENTS

Sigourney Mellor Won Highest Individual Production Honors—Jersey Agents' Fine Showing

The Provident Life & Trust Company's general agency meeting in Philadelphia last week was a rousing affair. The Company's increase in paid for in 1917 was more than $10,000,000. A number of interesting talks were made at the meeting, but no announcement was made by the Company in reference to new policies, forms or riders.

Mellor & Allen Lead

As was predicted Mellor & Allen have gone into first place in production rank among the general agencies, their paid for last year being $4,983,000. New Jersey, under Louis F. Paret, was second; W. M. Horner, Minneapolis, third; Chicago fourth and Pittsburgh fifth. In personal production Sigourney Mellor, of New York, won highest honors, with $822,750. W. M. Horner was second with $736,000. W. T. Ferris, third, with $536,000.

Elected Vail President

At a meeting of the General Agents' Association Walter E. Vail, of San Francisco, was elected president; S. S. Safford, Cleveland, vice-president; R. H. Walker, Baltimore, secretary and treasurer; and F. E. Sheppard, Wilmington, auditor.

MUTUAL LIFE AMBULANCE

Instead of holding its usual conventions in 1918 the combined agency clubs of the Mutual Life have presented to the Government an ambulance.

In a plate on the ambulance George T. Dexter, second vice-president, says, "The donors will appreciate an occasional communication from the driver or officer in charge in order that the experiences 'over there' of the ambulance and of its crew may be published and so made a matter of record."

PRIDDY BACK SATURDAY

Got Several Hundred New Members For National Association of Life Underwriters

Lawrence Priddy, president of the National Association of Life Underwriters, will return to New York tomorrow from one of the most successful tours of the country ever taken by a president of this association. All along the line he induced men to join the association, and in Shreveport, La., he reorganized the local association, which had been moribund.

Mr. Priddy talked in St. Louis to both the local association and to New York Life men, and on Tuesday he was in Peoria.

WAIVER OF PREMIUMS

The Phoenix Mutual announces that the Company is ready to issue the waiver of premium benefit in event of total and permanent disability before 60 in connection with 5-year and 10-year term policies. The usual age and amount limits as given in the guide book for disability benefits will apply to these policies.

The "waiver of premium and income" benefit in event of total and permanent disability will not be issued in connection with 5-year and 10-year term policies.

EXTENDED INSURANCE

On the basis of the Phoenix Mutual's 1918 schedule of dividends, the payment of the first annual premium on any form of policy gives the insured from 17 to 19 months of insurance. This is due to the feature of Phoenix Mutual policies whereby the first dividend, if not taken in cash, is used to purchase extended insurance.

SUN LIFE'S YEAR

The Sun Life of Montreal increased its insurance in force last year $30,436,245; its assets were increased $7,211,178. Its income last year was nearly $19,500,000; it paid to policyholders $8,840,245.

The Right Place for the Right Man

The capable and energetic man or woman who represents a company which provides an unexcelled policy at a low net cost is sure to succeed as a life underwriter. That is why our representatives everywhere are loyal, contented and enthusiastic. The reputation of their Company for prompt and efficient service gives them a confidence which wins the confidence of the insuring public.

Occasionally we have a General Agency opening.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Inheritance Tax in State of New York

Mr. Walter J. Shepard, of the Massachusetts Mutual, says in an article in the current "Radiator":

The estate of a decedent is subject to several kinds of taxes or charges:

1. Federal estate tax.
2. State inheritance tax.
3. Income of an estate in excess of $1,000 is taxed same as income of an individual—and if the experience of the U. S. is the same as Great Britain, tax will be largely increased in the future.
4. If left to a trust company or other trustee or executor, legal fees are allowed, and these fees apply to the annual income of the estate, as well as to the principal sum.
5. Attorneys' fees and other expenses in connection with probate.

Inheritance taxes are payable in cash. In the majority of cases the total tax exceeds the ready money on hand. It is therefore highly desirable for any person leaving an estate subject to tax to provide a fund immediately available in cash for the payment of the tax, so that the estate itself may not suffer loss, and that the plans of the decedent as to its distribution may not be disturbed by the deduction of the sum necessary for the payment of the tax.

Legal Exemptions

According to the provisions of the Federal law $50,000 is exempted from taxation, but under the New York State law the maximum amount exempted (and this to direct heirs only) is $5,000. To others than direct heirs the State allows no exemptions whatever.

Time for Paying

Federal tax due in one year. If paid before, 5 per cent. per annum is allowed as a discount, but if not paid within 90 days after it is due, interest at the rate of 10 per cent. per annum from death of decedent is added to the tax. The law provides also that if not paid within 60 days after it is due, unless there is good cause for delay, legal proceedings are to be commenced to subject the property of the decedent to be sold under the judgment or decree of the court.

New York State Tax

A discount of 5 per cent. is allowed if paid within six months. If not paid before 18 months, 10 per cent. per annum is charged beginning with date of death. This means if payment is made one day after 18 months has expired, 15 per cent. would be added as a penalty. That is, the tax would be about 20 per cent. more than if it had been paid promptly, and the discount of 5 per cent. taken advantage of.

The table below shows the amount of tax upon estates, without including, for obvious reasons, tax on annual income the estate might have or attorney's fees.

Extracts from Federal Law

(Regulation No. 37 Revised May, 1917)

Article X. If the contract of insurance has named a definite beneficiary and the insurance is paid directly to said beneficiary, it is not a part of the gross estate.

Article XII. The value of loans evidenced by promissory notes is to be included in the gross estate, even though by will the decedent provides that the notes shall be cancelled.

Article XIII. Any transfer of his property, except for a valuable consideration effected by a taxable decedent at any time during his life, but in contemplation of his death, is a portion of his gross estate.

Article XIV. If any transfer of a material part of decedent's property was effected within two years prior to death, a presumption lies that it was made in contemplation of death, and its value must be shown upon the return.

Section 208. That if the tax herein imposed is not paid within 60 days after it is due, the collector shall, unless there is reasonable cause for further delay, commence appropriate proceedings in any court of the United States * * * to subject the property of decedent to be sold under the judgment or decree of the Court.

Estate	Federal Tax	State Tax	Administration	Total	
$50,000		$650	$690	$1,340	Plus probate expenses, attorney's fees.
100,000	$1,000	1,850	1,190	4,040	
200,000	5,000	5,800	2,190	12,990	
300,000	11,000	9,800	3,190	23,990	Tax on income and administration fees for income.
400,000	19,000	13,800	4,190	36,990	
500,000	27,000	17,800	5,190	49,990	
750,000	52,000	27,800	7,690	87,490	
1,000,000	77,000	37,800	10,190	124,990	

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Definite Groups of Prospects

Certain definite classes of prospects are clearly in need of life insurance and able to buy it. Here is a partial list that may be suggestive and which are furnished by the "New England Pilot":

1. Men about to enter a new business enterprise, whether for Government or private work.
2. Men who have completed a lucrative business transaction.
3. Men who have been promoted. Promotions in all lines are now frequent.
4. Men who have fallen heir to property.
5. Laboring men of the higher grades and skilled mechanics—thousands of whom have increased their incomes to undreamed of figures. The truth is that labor in large part is getting the pecuniary benefit of the war.
6. Strangers who move to your town are usually available, because their coming presupposes a new and more profitable business connection.
7. Friends of the recent policyholder. Particularly important today because so many men in Government work are unknown to the local agent, and are accessible only through a friend's introduction.

The thing that makes these seven classes important is the readjustment of the work that many are doing, says the "Pilot." Under the old conditions, they were always the source of new insurance; but at present they stand in a receptive attitude to the institution—their needs have become pressing and even imperative.

This is particularly true of the first class. Remember that not in ten years has the commercial world known so few failures in corresponding months as during the past three.

Trade is expanding rapidly—the only complaints being scarcity of goods, collections are favorable, crop news from all parts is excellent, and spring planting is on a most unusual scale. The cost of living is still high, 17 per cent. above last year at this time, but a downward movement, according to Bradstreet's weekly food index number, began March 1, and still continues. Buying by the Government dominates everything, and yet the normal requirements of civil life are expanding and urgent.

We are at war, with all its tremendous changes in our affairs. Nevertheless, our business interests are adapting themselves to new demands with a speed and energy that show real power, wholesome stability and invincible determination. To a nation, of which these statements are true, life insurance is a constantly increasing necessity.

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

Monthly Income Insurance

The Northwestern Mutual Life is preparing to print in document form two letters recently received from the recipient of income checks. She had just completed the twenty years for which the income was payable, and after thanking the Company for following her all over the United States, and mentioning the uniform courtesy and attention of the various offices with which she had dealt, she made the following comments:

"To my mind instalment insurance offers the best protection against need. I know that had this amount been paid me in a lump sum and invested in securities easily convertible into cash, there have been many times in these twenty years, while my child was being educated, when I should probably, under pressure, have made sacrifices which would have brought leanness in these later years. More than this, I have never had anxiety in regard to investments since these were being made for me and I knew that unless America herself were wiped off the map, the Northwestern would stand."

* * * * * * * *

"It is pathetic and even tragic that a man should deny himself, often through years, in order to safeguard those he loves only to have the results of such forethought swept away through ill-judged investments. From my experience there seems no comparison between a small income regularly paid and a large lump sum paid too often to a woman totally inexperienced in handling any large amount and forced through that lack of experience to rely upon the judgment of men, many of whom find it an opportunity to serve their own interests."

COMMISSIONER'S APPROVAL

Thirty Day Notice for New Endowment and Annuity Contracts in Massachusetts

House bill number 1225, Massachusetts, relative to immediate and deferred annuities and to pure endowments in connection with the provisions to be embodied in policies of life insurance, amends the first paragraph of Section 75 of Chapter 576 of the Acts of 1907 by substituting the following paragraph: "Section 75. On and after January first, nineteen hundred and eight, no policy of life or endowment insurance and no annuity or pure endowment policy shall be issued or delivered in this Commonwealth until a copy of the form thereof has been filed at least thirty days with the insurance commissioner unless before the expiration of said thirty days the insurance commissioner shall have approved the policy in writing, nor if the insurance commissioner notifies the company in writing within said thirty days that in his opinion the form of said policy does not comply with the requirements of the laws of this Commonwealth specifying his reasons for his opinion, provided, that this action of the insurance commissioner shall be subject to review by the supreme court of this Commonwealth; nor shall such policy, except policies of industrial insurance where the premiums are payable monthly or oftener and except policies for annuities and pure endowments whether or not they embody an agreement to refund upon the death of the holder to his estate or to a specified payee any sum not exceeding the premium or premiums paid thereon, be so issued or delivered unless it contains in substance the following provisions."

KILLED IN FRANCE

A gold star has been added to the service flag of the Fidelity Mutual Life Insurance Company. Clarence Salisbury Slatcher, Jr., a clerk employed at the head office of the Fidelity in Philadelphia left his desk at the time the United States entered the war a year ago and enlisted in Company B of the 6th Regiment of Engineers. He was then 18 years of age and the first Fidelity employe to enter the service. April 4, the War Department announced that young Slatcher died in France on March 30 from wounds received in action.

THE HANDY GUIDE

The Spectator Co.'s 1918 "Handy Guide of Premium Rates, Applications and Policies" has been issued.

The work this year is published several weeks in advance of previous issues and is the first complete publication dealing with policy forms, premium rates, surrender values, etc., to be placed in the hands of life insurance fieldmen in 1918.

Frank A. Fuller and R. A. Hollister have been elected vice-presidents of the Wisconsin National Life.

Life Men Challenged

(Continued from page 5)

war our money won't be much good anyway, so why not buy bonds and guarantee its safety? He spoke of his work selling $1,500 of War Savings Stamps in factories in a week. Mr. Carroll finished saying that the saddest men and women in America will be those whom, when the boys come back from the front, must look on with the full knowledge that they could have helped with their money to win the war but did not.

AGRICULTURAL'S DISABILITY

The Agricultural Life of Bay City has a new contract containing "complete protection disability benefits providing income to insured, a sum equal to 10 per cent. of the face value of the policy upon receipt of proof of disability, payable annually during the life of the insured without affecting the policy in the least."

ANOTHER FOR DES MOINES

The Merchants Life, which consolidated with the Preferred Life of Grand Rapids, is now located in its new quarters in the Register-Tribune Building at Des Moines.

H. B. Rosen has sold more than $1,000,000 in Liberty bonds in the past two weeks.

PASS $3,500,000

On Thursday morning the Liberty Loan Committee of the Life Underwriters' Association of New York, W. F. Atkinson chairman, reported that more than $3,500,000 in subscriptions had been received.. The women's committee has sold more than $100,000 in subscriptions. The Travelers' workers had reached $700,000 by Thursday morning.

Development Suggestions

(Continued from page 6)

who comes into close relations with it is composed of applicants to local business institutions. Banks, railways, manufacturing and commercial offices, and other large businesses are constantly receiving applications for inside positions. These letters give an idea of the age, education and fitness of the applicant, and to the wide-awake general agent or district manager offer excellent material for an agency force. An employer cannot give positions to all who seek them, and yet it is not the pleasantest task to refuse.

What objection could there be to referring such cases to an insurance manager? In fact, two of the best producers at a leading general agency were secured directly by following this suggestion. Try to form connections that will bring you in contact with such material. Much of it will turn out to be of the active, virile, aggressive, masculine type that needs only the inspiration of a definite opportunity to develop into forceful, keen, business men.

State Mutual Life Assurance Company of WORCESTER, MASS.

Incorporated 1844

SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.

Our motto is SERVICE to policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President

A purely mutual Company, issuing all desirable forms of life insurance.

ATTRACTIVE LITERATURE

Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.98
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

73d ANNUAL REPORT

NEW YORK LIFE

INSURANCE COMPANY

346 & 348 BROADWAY - - NEW YORK CITY

Income for the year 1917:

Premiums	$100,279,122.00	
Interest and Rents	39,957,422.00	
Other Income	5,881,618.00	$146,118,162

Paid Policy-holders, 1917 (Exclusive of Disability Benefits):

Death Losses	$30,599,371.00	
Matured Endowments	13,566,409.00	
Surrender Values	18,527,170.00	
Dividends	22,807,762.00	
Annuities	1,387,241.00	$86,887,953

Loaned Policy-holders during 1917 ..... $23,722,213

New Paid-for Insurance in 1917 (Exclusive of over $16,000,000 increase by Policies revived and increased, and Additions by Dividends) $315,994,500

Paid-for Insurance in Force Dec. 31 ..... $2,673,334,336
Number of Policies in Force Dec. 31 1,301,969

Admitted Assets, Dec. 31, 1917 ..... $934,929,381

These assets are the property of over 1,000,000 people with their dependents (in accordance with their contractual rights). The Company is purely mutual; it has no capital stock.

Legal Liabilities $760,742,335

Reserved for dividends payable in 1918	$26,561,063.64	
Reserved for dividends on deferred dividend policies maturing subsequent to 1918	107,041,778.00	
Reserved for Contingencies	40,584,204.36	$174,187,046
Total		$934,929,381

THE ANNUAL DIVIDEND RATE OF 1917 WILL BE MAINTAINED IN 1918

For the year 1917 the Company's mortality rate was the lowest in its history

Average earning power of total Ledger Assets { Dec. 31, 1917, 4.59% / Dec. 31, 1916, 4.54%

A detailed statement will be sent to any person asking for it.

January 14, 1918 DARWIN P. KINGSLEY, *President*

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

Subscription Price $3.00 *a year. Single copies,* 25 *cents.*

Entered as second-class matter January 4, 1907, *at the Post Office of New York, N. Y., under the act of Congress of March* 3, 1879.

EXPLOSION HAZARD

The "Evening Post" of New York City issued a Fire Prevention and Control Supplement on Saturday night of last week and announced its entrance into the field of fire prevention, engineering and construction. While there were valuable articles by some of the recognized experts in fire prevention and engineering world, including W. E. Mallalieu, F. J. T. Stewart and Dana Pierce, Ira G. Hoagland and E. R. Hardy, the contribution of John R. Healy, inspector of combustibles under Mayor Mitchel will attract the most attention from fire underwriters. In this article Mr. Healy makes some surprising statements regarding the city's danger from explosives and combustibles.

Under the authority of the Fire Commissioner there is a Division of Combustibles which is responsible for enforcing certain chapters of the Code or Ordinances relative to hazardous trades and to the storage and use of combustibles and explosives. The Code is strong and well-drawn; the Division of Combustibles is operated under competent supervision, but, unfortunately, the work is so extensive, the available force so inadequate that it has never been possible to accomplish all that should be done in safeguarding the city. It does not seem possible that knowing the menace to the city an owner of combustibles would secretly store dangerous explosives to wreck a large section of the town, but there are such individuals. Mr. Healy gives a few instances.

In one lower West Side warehouse about ten tons of celluloid was stored with very large quantities of calcium carbide. These had been there several months and were accidently discovered by the division. As celluloid burns with great rapidity and may give off explosive gases, and as calcium carbide gives off a very explosive gas when wet, the possibility of bad fires and explosions is evident.

In another warehouse, where there were found conditions that required some time to remedy, an impressive warning of the potential hazard was given by a small explosion that was caused by a hand truck as it crossed a floor on which chlorate of potash was stored. In another case, on the upper West Side, tons of calcium carbide were stored in the basement of a factory and in wooden stables. This condition, that had existed, apparently, for a long time, was also discovered accidently.

Here is Mr. Healy's remedy:

The Division of Combustibles should be furnished with sufficient competent inspectors to inspect all warehouses and docks at very frequent intervals, and to supervise more closely the work of technical establishments and occupancies involving hazardous processes. This work cannot be done by members of the uniformed force. At one time the Division of Combustibles was cluttered with work, and with no possibility of ever catching up by its own efforts; non-technical work was turned over to the uniformed force, and it was thought that the regular force of combustible inspectors would be sufficient to handle the technical work in the division, but the war has changed this. Unfortunately, the impression has been created that the uniformed firemen are doing all the work of the Division of Combustibles and of the Bureau of Fire Prevention. They are doing much valuable work, but much remains that can only be done by men with special training for the work, and in men of this type even the division is lacking.

THE INSURANCE FEDERATION

In the East many people regard the Insurance Federation as an organization that is fighting largely the battles of the casualty end of the business, but that other interests are taking a keen interest in the Federation is indicated by the fact that recently the Minneapolis and Duluth life underwriters' associations have affiliated their organizations with the Federation, while the St. Paul Life Underwriters' Association is considering a similar action. In the Northwest there is a real peril to stock company insurance that is extending its baneful influence, with no one able to predict where the extension will end.

The question which now confronts the insurance men of that State is that of their business existence. The issue is plain. The Socialistic Non-Partisan League has its cards on the table. It favors State insurance and is making no bones about it. To prevent the League from capturing the stakes insurance men of all divisions must get into the game.

The seriousness of the situation is outlined for The Eastern Underwriter this week by some of the most prominent insurance men in Minnesota.

N. H. HUESTED'S APPOINTMENT

Nevin N. Huested, who has been special agent of the Commonwealth for the entire State of Pennsylvania, has been made special agent for the North British & Mercantile and the Mercantile for Eastern Pennsylvania, the field formerly supervised by Special Agent Rubbert, with the exception of the Philadelphia and Philadelphia suburban territory which now comes under the supervision of the Philadelphia branch office which has just been established for these companies. Mr. Huested, in addition to being special agent for the two companies mentioned, also continues as special agent for the Commonwealth for the entire State, with the exception of Philadelphia and Philadelphia suburban.

THE HUMAN SIDE OF INSURANCE



E. D. CRYER

E. D. Cryer, former agency secretary of the Philadelphia Life, is now a full-fledged aviator. That his new environment agrees with him is demonstrated by the fact that he weighs twenty pounds more than he did when he entered the service. He has been up 10,000 feet by himself.

* * *

Edward F. Nourse retires May 1 as New York City adjuster for the Continental after a connection with the Company that has lasted nearly forty-eight years. His name will be transferred to the pension roll. In July, 1870, Mr. Nourse came with the old accounting department. Later he was made chief mail clerk and while in that capacity did some work in connection with adjusting losses in the Chicago conflagration of 1871. At the time of the big Boston fire of 1872 he was transferred to the loss department as clerk. In May, 1893, he became city adjuster for New York, his work at that time not only covering all the boroughs but also including a considerable portion of Long Island at times. Of late years the amount of work to be done has so increased that Mr. Nourse's field has been more or less confined to Manhattan alone. For more than a year Mr. Nourse has been in poor health due to nervous trouble and retires under the advice of his physician.

* * *

W. P. Massie, of the Argentine office of the Equitable Life, Buenos Aires, is at the home office.

* * *

Third Vice-President Fisher, of the Equitable Life Assurance Society, is now attached to General Goethals' office in the War Department as director in charge of storage and traffic.

W. C. Potter, secretary of the Preferred Accident, left his office last week for a month's vacation.

* * *

Major Howard A. Giddings has returned from Europe. He went there to see the war at close range with the Federal Reserve Liberty Loan Mission.

* * *

W. H. Stammers definitely commenced underwriting for the British and Australasian Insurance Company's marine department at 27 Royal Exchange, London, on Tuesday, April 2. The company was recently launched in the marine insurance market under the auspices of the British and South African Insurance Corporation, Ltd.

* * *

William J. Arnette, second vice-president and manager of agencies of the Volunteer State Life and one of the brightest insurance men of the South, has sailed for France. Mr. Arnette has been in the army about a month. Two days after joining the service as a private he was made a corporal.

* * *

Albert Dodge, who handles the accident department of the Armstrong-Roth-Cady Co., Buffalo, built that branch up from $5,000 to $50,000 in premiums. A great many years ago he was with the old Central Accident. The "Standard Cog," published by the Standard Accident Co., prints his picture this month with a little feature story.

* * *

Warren M. Horner, general agent of the Provident Life & Trust, Minneapolis, spent a few days in Atlantic City, following a recent meeting of field men of that Company.

* * *

W. G. Wilson, manager of the Aetna Life, Cleveland, O., and an active figure in the Insurance Federation, has been with that Company for twenty-five years. His general agency is the third in size in the Company in its accident department. The total writings of his office last year amounted to $2,500,000.

* * *

C. B. G. Gaillard, assistant United States manager of the Urbaine, during his recent Southern trip walked into several warehouses in Louisiana where there were large values. He was not stopped or questioned in any manner, nor did he see any watchmen. The situation struck him as so negligent in these troublesome times that he registered complaint with the result that watchmen were immediately employed.

* * *

David Darby, of Darby, Hooper & McDaniels, returned on Monday from a month's vacation at Aitken.

* * *

E. G. Turnbull, president of the Employers Indemnity, of Kansas City, was in New York this week.

SERIES OF MEETINGS PLANNED

The National Workmen's Compensation Service Bureau will be unable to hold its home office convention this year owing to war conditions. Instead it proposes to send out from time to time a group of several men; say one set would be Mr. Michelbacher, actuary of the Bureau; Mr. Duffey, consulting underwriter, and Mr. Elberty, superintendent of the inspection department. These men would spend two days at rating offices and hold during those days a series of meetings. This would be not only for the office force, but for the agents. The meetings would be taken up with discussion of the general theory and application of the manual, the schedule and experience rating plan.

FIRE INSURANCE DEPARTMENT

Would Establish a Farm Risk Bureau

BILL OF REPRESENTATIVE KING

Appropriation of $10,000,000 with Which to Pay Losses—When Bureau Would End

Washington, D. C.—Insurance of non-perishable crops by the Government is provided in a measure which has been introduced into Congress by Representative King, of Illinois. This bill would establish a Bureau of Farm Risk Insurance, similar to the Bureau of War Risk Insurance, in the Treasury Department.

The proposed bureau would be under the administration of a director, to be paid an annual salary of $5,000 and premium rates would be fixed and claims adjusted by an advisory board to consist of three members skilled in the practices of farm risk insurance, to be paid not more than $25 a day each while actually employed.

Forms and Regulations

Policy forms and regulations are to be drawn up and the bureau is to make provisions for the insurance of growing crops of non-perishable products against loss or damage by the action of the elements whenever it shall appear to the Secretary of the Treasury that the producers of such crops are unable to secure adequate farm risk insurance on reasonable terms.

An appropriation of $10,000,000 is provided with which to pay losses and one of $100,000 for the expenses of the bureau. The bureau is to begin operations as soon as the bill is passed and is to discontinue writing such insurance at the expiration of two years unless previously suspended by direction of the President. The measure has been referred to the committee on agriculture.

JACKSON-SMITH AGENCY PLANS

Fred'k C. Smith Co. and Phoenix Binding Office Will be Combined in Same Space

On May 1 the Fred'k C. Smith Co., the New York binding office of the Phoenix Fire, Connecticut Fire and Equitable Fire & Marine will be combined in the offices of the Jackson-Smith Agency, Inc., on the seventh floor of 1 Liberty Street. They have been on the fourteenth floor for a number of years.

The Jackson-Smith Agency, Inc., was formed January 1 succeeding Jackson & Potter. Fred'k C. Smith is president of the agency and Stuart W. Jackson is secretary and treasurer.

The combined agencies will occupy half of the entire seventh floor and in conjunction with the consolidation, Stanton M. Bower, who is a member of the firm of the Fred'k C. Smith Co., has been made manager of the combined office.

The Jackson-Smith Agency, Inc., is general agent for the metropolitan territory of the Preferred Accident for all casualty lines, agent of the automobile department of the Insurance Company of North America and the City Surety agents of the Hartford Accident & Indemnity.

The Fred'k C. Smith Co. represents a number of companies for New Jersey and suburban territory and also is the New York binding representative of the Phoenix of Hartford, Connecticut Fire and Equitable Fire & Marine for business throughout the United States and Canada.

United States Lloyds Corporation

CAPITAL STOCK IS $400,000

Surplus to Be that of Present Organization with Management Continuing the Same

The subscribers at United States Lloyds, one of the important marine insurance organizations of the country, have decided to incorporate the business inasmuch as it it more convenient in some States to do business as a corporation than as a Lloyds organization.

The name of the corporation will be United States Lloyds, Inc., and the business will be under the same ownership and management and conducted along the same lines as heretofore. The charter has been filed at Albany and the corporation has already begun the statutory publication of its intention to do a marine insurance business. The corporation will take over all the business of the present Lloyds association.

Began with $100,000 Capital

The present Lloyds association began business with a paid in capital of $100,000. The subscribers will now add to that amount the sum of $300,000, thus making the capital stock of the new corporation $400,000 and leaving the surplus of the new corporation at the same amount as it would be if the business were not incorporated; in other words, the surplus of the corporation will be the same as that of the present Lloyds organization. Appleton and Cox are attorneys for the United States Lloyds, Inc.

OSBORN & CO. TO EXPAND

New York Office Will Have Fire and Liability Departments—To Take Larger Space

Osborn & Co., of New York and Chicago, plan to extend the scope of the New York branch office on May 1. On that date the entire fifth floor of 45 Wall Street will be taken over and to the marine department now occupying a part of the fifth floor there will be added a fire and a liability department.

Osborn & Co. was organized in 1898. The principal office of the company is in Chicago with correspondents in all leading cities. The New York office was organized in October, 1917, by Bernard T. Nolan who had previously been with Hutchison, Rivinus & Co., and for twelve years had been with the Boston Insurance Co.

In the expansion of the New York office, J. J. Reilly will continue in charge of the marine department. J. Hyde Clain will be in charge of the fire department, and John F. Rennick of the losses.

ALBANY BOARD ELECTS

The Albany Board of Fire Underwriters has elected officers as follows: President, Charles A. Porth; vice-president, J. Edward Poole; secretary, Alexander J. Young; treasurer, Frank A. Van Duzer.

At a meeting of the Liberty Loan committee from the underwriters' board it was reported that more than $200,000 worth of bonds had been sold through members.

DROPPING TEUTONIC TITLES

The Teutonia Fire of Pittsburgh is changing its name to the Republic Fire, and the German Fire of Wheeling, W. Va., will change to the Wheeling Fire.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CB

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

New York National in Automobile

HARRISON LAW TO BE MANAGER

Methods Company Will Use in Rating Cars for Fire and Theft Cover

Arrangements have been made to actively engage in the automobile business by the New York National and the companies represented by J. J. Boland & Co., Inc., of New York and Scranton. Harrison Law has been appointed manager of the automobile department. Mr. Law is widely known through his various statistical publications. He was formerly assistant secretary of the Gauvin Agency and secretary and manager of the Fire Brokers' Association. He will now divide his time between New York and Scranton.

Its Plan

The New York National proposes, first, to issue a fire and transportation policy, the premium rate to be based upon year of manufacture, as follows: Pleasure cars built in 1918, fire only, rate 75 cents; 1917, $1.25; 1916, $1.75; 1915, $2.50; 1914, $3.50. To this will be added a charge of $15 to cover the full theft feature as now covered in the blanket rates of the Conference.

Commercial Cars Rated

Commercial cars will take the pleasure car rate plus 25 cents but the theft clause will take a charge of only $10. It is estimated that these rates will produce a premium on other than small, low priced cars of approximately $5 less than the Conference, but it is calculated to produce a premium for the theft feature of the cover, which is where the companies have lost much money.

Another feature of the New York National's plan is the method of charging for second hand cars. The method at present in use by Conference companies provides for a charge of ten cents on new cars, twenty-five cents on one year olds, etc. This method, says the New York National, does not seem reasonable and therefore the Company's method will be to charge the ten cent rate when the car is purchased second hand the same year as the model of the car. If the car was purchased the year after the model, then an extra charge of 25 cents will be made, 50 cents the second year, 75 the third and $1 the fourth. This was the original intent in making charges for second hand cars, but in some way it was sidetracked at the time the method was promulgated.

Additional equipment will be written at the rate of 2½ per cent. on the amount carried irrespective of year of manufacture. At present the company is not prepared to issue property damage or collision.

FRELINGHUYSEN'S TAX MEASURE

Washington, D. C.—Under the terms of a measure which has been introduced into Congress by Senator Frelinghuysen, of New Jersey, any insurance company subject to the income tax provided by the Act of October 3, 1913, which has been or may be compelled to pay or become liable for any additional tax imposed for a neglect to file a return as provided in the law on or before March 1 of any year may, within one year after the passage of the bill, make application to the Commissioner of Internal Revenue for a refund of such additional tax. Whenever it appears to the satisfaction of the Commissioner that the additional tax was assessed or imposed solely because of a neglect to make a return at the time specified and without any intention or design on the part of the taxpayer to hinder or delay the United States in the collection of the tax originally assessed, he may pay back all such additional taxes in excess of $100 for any single year.

Instructed to Vote for Frank Decker

COMPANIES ACT UP-STATE

Special Agent Will Be State Association's Assistant Secretary if Instructions Are Followed

If special agents follow instructions given them by their companies, Frank Decker, special agent of the National Union, will be elected assistant secretary of the Underwriters' Association of New York State in May. It will be a secret ballot.

The position has been vacant since the resignation of F. E. Jenkins to go with the Queen. Mr. Decker has been placed in a rather embarrassing position as after he had been recommended by a companies' committee the recommendation lost by four votes at a State association meeting. Then followed a meeting of companies in which it was decided to instruct their specials to vote for Mr. Decker.

Mr. Decker's Career

In Rochester Mr. Decker began his insurance career as a local agent with the Decker-Case agency, then went with Starkweather & Shepley, and before going with the National Union was a special agent of the Ohio Farmers and Millers National.

UNIFORM FORMS

Agents Complain that Forms Are not Generally Available in Middle Department

There has been some complaint on the part of agents regarding the uniform forms adopted by the Middle Department in that while the forms are supposed to be effective April 1 some companies have not a supply of forms on hand to furnish the agents. In Maryland one of the largest companies has instructed its agents to use its own farm forms, and not to use the farm form uniformly adopted. As a result there has been some friction there. In New England some uncertainty is also reported regarding uniform forms and clauses.

PREPARING FOR MEETING

The National Board will hold its annual meeting May 23. The place has not been decided upon. The executive committee met this week to discuss plans for the meeting and work for the coming year. A number of committee reports were received.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
103-5 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET NEWARK Phone Market 6536 | SERVICE FIRST | 80 MAIDEN LANE NEW YORK Phone John 4560

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

THE
NEW YORK NATIONAL INSURANCE COMPANY
INCORPORATED 1905
STATEMENT MARCH 31, 1918
Total Assets $534,758
Total Liabilities ... 282,715
Surplus to Policyholders 252,043
JAMES J. BOLAND CO., Inc.
General Agents
Home Office, SCRANTON, PA.
New York Office, 68 William St.
NEW YORK CITY

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

BROKERS ACTIVITIES

The Red Cross Insurance

In the placing of the Red Cross insurance all expenses have been eliminated as far as possible in order to bring the cost to the Red Cross down to the lowest figure. It is even reported that one company has agreed to return to the Red Cross the difference between the premium and the amount of loss which the company sustains if the premium is more than the losses.

* * *

Squire's Oil Ad

In the recent oil number of the New York "Evening Post" the only brokerage concern to have an advertisement was Squire & Co., which specializes in insurance on oil properties.

* * *

Bannon is Head Placer

James Bannon, formerly with Fred'k C. Smith & Co., has been made head placer for Bertchmann & Maloy.

* * *

Brokers Helping Loan

Two Liberty Loan booths are being maintained by the Brokers' Association, one at 55 John Street and the other at 80 Maiden Lane. For two weeks the Maiden Lane booth was in charge of Alexander M. Silvey and four girls. Now it has been turned over to J. N. S. Brewster, Inc. At 55 John Street a different team has charge every day. Among those who have been doing particularly good work are Miss M. M. Bossert and Miss M. Crager, of John A. Eckert's office. Miss V. Dunn and Miss Steinway, of Abe S. See & Depew; Miss Mildred Eckert and Mrs. Chapin. A team was also furnished by John J. Hilliard's office.

* * *

Morsel's New Position

William Morsel, who for a number of years has been placer for Fred S. James & Company, will start with Finn, Sandberg, Raynes & Lee on May 1 in a similar capacity.

* * *

William Roemer Marries

William Roemer, placer for Johnson & Higgins, and Mrs. Roemer are now on a honeymoon trip in Atlantic City.

* * *

Get $3,000,000 Line

Weed & Kennedy this week landed the $3,000,000 Caldwell line.

N. Y. NATIONAL'S STATEMENT

The New York National Insurance Company this week filed with the New York State Insurance Department its statement as of March 31. The statement of the Company shows it to have total assets of $534,758, and total liabilities of $282,715, leaving a surplus to policyholders of $252,043. This is an increase in surplus over the December 31, 1917, statement.

W. VA. COMMISSIONS

A Large Company Declares It Is Against a Fixed Remuneration There

One of the most prominent fire insurance companies has served notice that it is not in favor of fixing commissions in West Virginia, with the result that old conditions still are maintained.

PHILADELPHIA BRANCH OFFICE

Will be Opened by N. B. & M., Commonwealth and Mercantile—Personnel of Office

The announcement that the North British & Mercantile, Commonwealth and Mercantile have established a branch office in Philadelphia to which all agents in that city and suburban territory around Philadelphia will report is important, as these companies are to be an unusually influential factor there.

W. Gardner Crowell, who will be in charge of the office as local secretary, is vice-president and secretary of the Pennsylvania Fire. The assistant local secretary will be T. McGill Patterson, who has been special agent of the Pennsylvania in Western Pennsylvania. Charles Weller, Jr., has been sent from the home office to be special agent for the Philadelphia and suburban territory for the North British, Commonwealth and Mercantile.

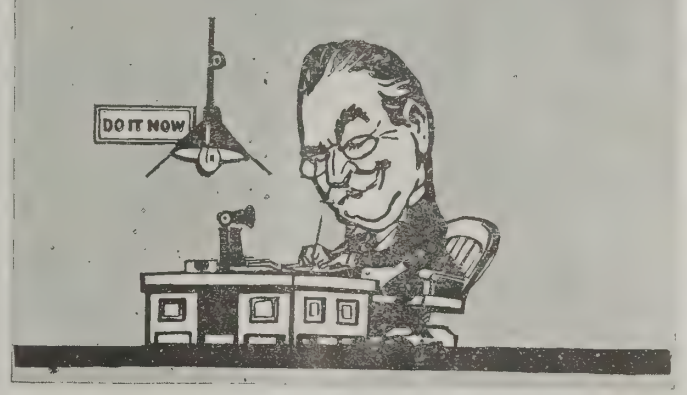
The new branch office of the North British, Commonwealth and Mercantile will be located in the office of the Pennsylvania Fire. With the prestige of these companies and the strong personnel in the management, the Philadelphia branch will set a pretty fast pace in that territory.

The Re-Insurance Bureau will hold an important meeting at the Waldorf on May 3.

N U

NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURGH, PA.

SECURITY—STABILITY—SERVICE AND FACILITIES MAKE THE NATIONAL UNION A GOOD COMPANY TO REPRESENT BY EVERY TEST THAT COUNTS. TO PROPERLY EXPERIENCED AND QUALIFIED AGENTS NATIONAL UNION SERVICE WILL SPEAK FOR ITSELF WHENEVER YOU CHOOSE TO MAKE THE TEST.



FRED. S. JAMES GEO. W. BLOSSOM WM. A. BLODGETT

FRED S. JAMES & CO.

123 WILLIAM STREET

United States Managers
GENERAL FIRE ASSURANCE CO. of Paris, France
URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England

NEW YORK

C. B. G. GAILLARD
Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

One Hundred and Forty-Two Years of Labor and Struggle

THE American people fought their first battles for liberty and the rights of self-government one hundred and forty-two years ago.

At that time and for many years thereafter, their realization of their national aspirations and of the goal toward which they were really striving was vague and indistinct. But step by step they struggled onward and upward toward a light which grew clearer as their eyes and minds slowly opened to its significance. Today, as a result of their struggles and their sacrifices, we possess and enjoy our priceless American institutions.

These institutions must be preserved. The structure so laboriously reared in these one hundred and forty-two years will be utterly destroyed if we do not spring to its defense with every atom of our energy and determination. This is not a situation which may be trifled with, or evaded, or put off. It is one which must be met now—today—no matter what sacrifices it may entail, or what the cost may be.

The immediate need is the investment of our money in

LIBERTY BONDS

This Space Contributed By
Liverpool & London & Globe Ins. Co.

LIBERTY LOAN COMMITTEE
Second Federal Reserve District
120 Broadway, New York City

NEW UNDERWRITING MANAGER

Boyd F. Maize Goes With James J. Boland Co., Inc.—Transfer R. S. Allen Here

Boyd F. Maize, who for the past eighteen years has been in the underwriting departments of the Williamsburg City and previously with the North British & Mercantile, has been made underwriting manager of the James J. Boland Co., Inc., and will start his duties in the head office of that Company next week. As executive special agent of the above mentioned companies, Mr. Maize has traveled the whole country and received his early start in the agency of his father, J. Henry Maize, at Bloomsburg, Pa., who has been an agent there for forty-five years.

The James J. Boland Co., Inc., also announced this week that R. S. Allen, who has been in charge of the underwriting of the Scranton office for four years, has been transferred to the New York office to take charge of the underwriting there, succeeding John E. King, resigned, who has secured the representation of the Atlantic City Fire for general territory.

Trick U. & O. Form

(Continued from page 1)

being a decrease there was an increase of the output because all other mines than that damaged were increasing their production.

Form Planned to Beat the Companies

The form was evidently planned to beat the insurance companies by securing from them a blanket coverage on several mining properties and the payment of premium on an amount which only partially covered the risk assumed, instead of taking out a specific amount on each plant and paying the premium hereon.

Under the wording used in the form there should be no recovery for the loss which was sustained. Should a court read into the policy an intent to pay the actual loss on the damage plant, it should reform the policy by apportioning the insurance to each plant in the ratio of its annual output and the amount of loss should then be determined in accordance with the directions in the form on the basis of the amount falling to this plant.

The mine owners, with the aid of brokers, in their efforts to beat the companies, have evidently put themselves in a bad position.

Valued Policy for Total Cessation of Operations

In the adjustment of U. & O. losses, the profit which the assured is prevented from realizing represents the loss. It is necessary to ascertain the percentage of profit only to ascertain if under a non-valued policy the assured is entitled to recover the per diem named.

In this case you have a valued policy for total cessation of operations, and no reference to profits, fixed charges, etc. The adjustment is controlled entirely by the second paragraph, which states plainly how a partial loss shall be arrived at, viz., that it shall be such proportion of the full daily liability as corresponds with the percentage of reduction in operation.

P. F. Grove Swings Deal

The Washington "Herald" prints this story: "An insurance contract was closed this week through Paul F. Grove, a broker, which gives an automobile insurance company more than $30,000 in local premiums and about $20,000 in premiums elsewhere."

Insure Liberty!

Buy Liberty Bonds

"The Leading Fire Insurance Company of America"
ÆTNA INSURANCE COMPANY, HARTFORD, CONN.
WM. B. CLARK, President

THE HUMBOLDT FIRE INSURANCE CO.
PITTSBURGH, PA.
Conservative -- Sound -- Progressive
Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

Firemen's Insurance Co., Newark, N. J.
January 1, 1917
Cash Capital $1,250,000.00
Net Surplus $2,449,322.25
SURPLUS TO POLICYHOLDERS...$3,699,322.25

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President J. K. MELDRUM, Assistant Secretary

"On The Spot Service"

Binders effected on Business Throughout the United States and Canada in the
PHOENIX INSURANCE CO., of Hartford
CONNECTICUT FIRE INSURANCE CO., of Hartford
EQUITABLE FIRE & MARINE INSURANCE CO., of Providence

FRED'K C. SMITH
I Liberty Street - - NEW YORK

JACKSON-SMITH AGENCY
General Agents
PREFERRED ACCIDENT INSURANCE CO., of New York
Metropolitan Agent Automobile Department
EQUITABLE FIRE & MARINE INSURANCE CO., of Providence
City Surety Agent
HARTFORD ACCIDENT & INDEMNITY CO., of Hartford

Brokers' Accounts Solicited

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

We can place for you as high as $150,000 on a single risk with immediate binders. Guaranteed Underwriters at Lloyds.

MARSH & McLENNAN

19 Cedar St. NEW YORK	1615 California St. DENVER	201 Sansome St. SAN FRANCISCO	107 S. Fifth St. MINNEAPOLIS
901 Ford Bldg. DETROIT	314 Superior St. DULUTH	17 St. John St. MONTREAL	23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

Associated Mutual Agency Incorporated
B. J. ALLEY, Manager
68 William St., New York

Exceptional Facilities for Writing Business Throughout the United States

G. C. Owens Promoted by Globe & Rutgers

MADE AN ASSISTANT SECRETARY

Founded Marine Department of Company in 1914—Had Previously Been Marine Agent

At the annual meeting of the board of directors of the Globe & Rutgers Fire Insurance Co. on Tuesday George Caryl Owens, manager of the marine department of the Company, was made an assistant secretary.

Mr. Owens founded and became manager of the marine department of the Globe & Rutgers on April 1, 1914. He had previously been marine agent of the Company for three years.

Mr. Owens started his business career in the fire insurance department of the J. S. Frelinghuysen office in 1906 immediately after his graduation from Columbia University. He continued in this department for five years when he took over the marine representation of the Globe & Rutgers. He has made a remarkable reputation on the Street in a short time.

GET EQUITABLE FOR AUTOS

The Equitable Fire & Marine, of Providence, this week appointed the Jackson-Smith Agency as metropolitan agents of the automobile department of the Company. The Jackson-Smith Agency now acts as general agents for all lines of the Preferred Accident and city surety agents of the Hartford Accident & Indemnity in addition to the above appointment.

HOME'S SPECIAL AGENCY CHANGE

The Home of New York this week announced several changes in its New England special agency representation. Henry C. Seydel, of New Haven, has been made State agent for Rhode Island and Connecticut, succeeding Elliott G. Beardsley, who has been appointed special agent of the London Assurance. B. H. Hegner, who has been inspector for Eastern New York, Vermont and New Hampshire, has been appointed special agent to assist Mr. Seydel.



"America Fore"

BUY
LIBERTY
BONDS

JOHN E. KING APPOINTED

Is General Agent of Atlantic City Fire —Company to Increase Capital and Enter New York

The Atlantic City Fire has appointed John E. King, who has resigned as underwriting manager of the James J. Boland Co., Inc., effective May 1, as general agent for the writing of business throughout the United States and Canada.

The Atlantic City Fire is planning to increase its capital from $100,000 to $200,000 and its surplus to $215,000, before July 1 and when this is accomplished the Company will apply for admission to New York and Pennsylvania.

The Fire Brokers' Association of New York has now changed its name to the Fire, Marine and Liability Brokers' Association of the City of New York.

MARINE ORGANIZATION PROPOSED

Notice has been filed at Albany, N. Y., of intention to organize the States Fire & Marine Insurance Company. The notice of intention is signed by Herrmann B. Washington, Joseph C. Maneely, Martin Pope, Robert Allen, Benjamin Miller, Frederick Karstens, Charles T. Pridmore, Charles M. O'Keeffe, Fred Leder, David A. Davies, Charles H. May, Joseph W. Corbet, Frank Sowers. Organization has not gotten beyond this initial stage.

Franklin Wentworth, the Boston fire prevention expert, is in town.

Criticises German Company Measure

DE ROODE WRITES McADOO

Calls Towner-Gardner Bills "Piece of Camouflage"— Assistant Secretary Love's Views

Holger de Roode, of Chicago, secretary of the Life Members of the Fire Underwriters' Association of New York, who was in New York this week to see his daughter off to Europe, where she will be with the Red Cross (his son is a lieutenant in the French Army), has written a letter to Secretary McAdoo about the Towner-Gardner German companies' liquidation measure in which he sharply criticises the legislation and also the managers of the German companies. Mr. de Roode calls the bills "a piece of camouflage, because the orderly liquidation of the outstanding matters of these enemy insurance companies can very well proceed under the existing statute, with every possibility remaining for equitable adjustment, eventually, along the lines of honest commercial procedure, in event of a resumption after the war of business relations."

Mr. de Roode has received a letter from Assistant Secretary of the Treasurer Love, giving the following as the reasons for the New York legislation:

The object of the bill is to enable the Alien Property Custodian to realize on the assets of some of the German companies in a shorter time than he would be able to if the companies continue their liquidation by running it through a period of years. The Secretary has consented to the measure, having received guarantees that the companies will be liquidated if the stock is not disposed of to bona-fide Americans within a limited period.

A hearing on the bill will be held in Albany May 1.

NORWEGIAN GLOBE INSURANCE COMPANY, Limited

REINSURANCE ONLY

Condensed Financial Statement as of December 31, 1917

ASSETS

Bonds (Insurance Department Valuation)	$1,878,040.00
Cash in Banks and in hands of Trustee	164,194.22
Premiums due (subsequent to Oct. 1st, 1917)	439,927.15
Accrued Interest	16,431.36
	$2,498,592.73

LIABILITIES

Reserve for Losses	$ 319,429.77
" " Unearned Premiums	834,790.97
" " Commissions	110,910.90
" " All other Liabilities	74,252.93
Deposit Capital	$800,000.00
Surplus	359,208.16
Surplus to policyholders	1,159,208.16
	$2,498,592.73

UNITED STATES BRANCH

Eighty Maiden Lane, New York City

ROBERT VAN IDERSTINE, Manager — A. S. BOYD, Asst. Manager — W. J. DORMER, Attorney

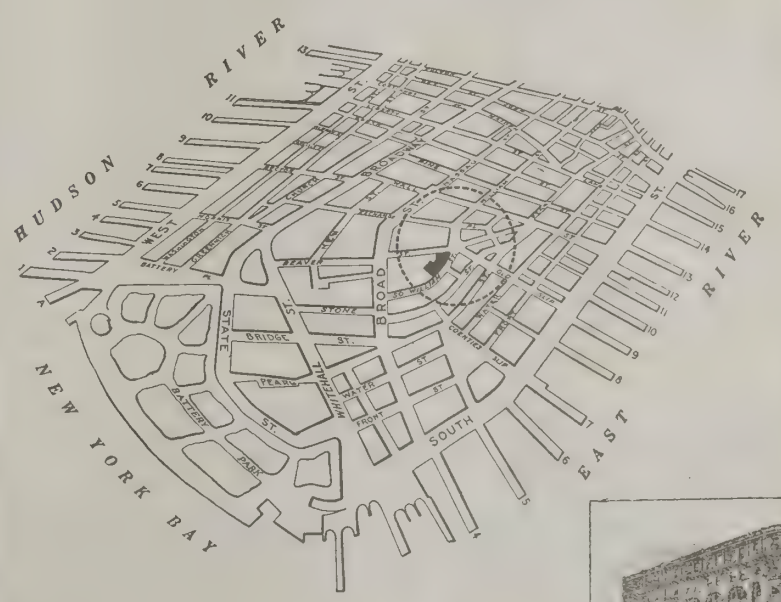
TELEPHONE—JOHN 5410-5411

AMERICAN MERCHANT MARINE

INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House — **New York City**

South William and Beaver Streets

MARINE DEPARTMENT

Chubb on Future of Marine Insurance

FALLING OFF AFTER WAR

Country Now Has Sufficient Capital for Every Need, Says Prominent Underwriter

Hendon Chubb, of Chubb & Son, and chief adviser of the War Risk Bureau, discussed the development of American merchant marine insurance before the Fifth National Foreign Trade Convention at Cincinnati last week. In discussing the disadvantages American marine insurance has, when considered in relation to the leading foreign markets, he said:

First.—Regulation and Taxation. Our principal competitors in the past were English and German; England following her traditional policy, has allowed her insurance companies to operate practically with no hampering restrictions and subjected them to a low rate of taxation. Germany, believing in Government control and regulation, yet recognized the conditions under which marine insurance must be conducted and made an exception when it came to the regulation of transport insurance and allowed companies so engaged to operate practically without restrictive regulation. This country has left this matter to the States to control and with a few exceptions the matter has been viewed from the same point as fire insurance and without recognizing the essentially different conditions under which the two classes of business are conducted. As a result American marine insurance companies who, because of the nature of the business and the fact that either shipper or consignee can insure, must be in competition with the insurance markets of the world, are not only subject to regulation, but they are subject to regulation by every State in which they do business, each State having different laws, and regulations, some contradictory, and they are subject to taxation which is higher than that their foreign competitors have to meet and in some cases, by reason of this multiple control by different States, double taxation. As an illustration: An American company insuring $100,000 on a steamer at a rate of 5 per cent. would be taxed approximately $125, whereas the tax paid on the same transaction in England would be $25. While this is a fair and usual example as an illustration of hull insurance, yet it should be noted that on cargo business the comparison does not as a rule work out nearly so unfavorably for the American company.

Second.—Volume of Business. The most staple of business in marine insurance is that of the hulls of vessels; the reasons for this are easy to understand. The insurance on the hull is a steady liability during the whole year; a vessel may carry a valuable cargo outward and return with none, or with that of a low value, but the value insured on that hull is the same going and coming; it is a constant. Now in the immediate past, the relative amount of American tonnage available for insurance has been much less than that offered to the underwriters of competing insurance markets, and it has had the added disadvantage that it has been confined to vessels engaged in limited trades and thus offering less spread of hazard.

Diversity of Hazard

Third.—Diversity of Hazard. In addition to the advantage which the foreign markets have through a stable and diversified premium income from the insurance of their vessels in foreign trades, the more important marine insurance companies of other countries have by the development of extensive agency systems established themselves in all parts of the world. In this way they have secured some share of the premium income of almost every trade.

Expansion

Fourth.—The great expansion has come suddenly and we have relatively fewer trained men to handle a form of insurance requiring very special training and knowledge.

The first of these difficulties can be met only by the recognition by the States of the interstate character of marine insurance and by either the surrender of their authority over it to the Federal Government or by their adopting uniform and intelligent laws dealing with this subject, laws drawn after consultation with experts understanding the conditions. The State of New York has under its last three Superintendents of Insurance made a considerable improvement in this particular, and could well take the lead in an attempt to have the States deal with this in a uniform and constructive way.

Assistance from Government not Needed

American marine insurance, in my opinion, does not need assistance from the Government, but it should not by action of the Government be placed at a disadvantage with the markets it competes with, nor should the American shipowner or shipper be able to place his insurance, as he can at present, in competing foreign markets without being subject to the same taxation to the State that the American insurance company would have to pay.

The second difficulty is harder to suggest a remedy for. Our merchant tonnage is increasing rapidly, but it is increasing with Government owned ships, and those not owned by the Government are mostly under requisition charter.

The United States Shipping Board has taken a broad view of the situation, and the marine insurance on requisitioned ships has not been disturbed by their action. But not only the new vessels specially constructed by the Government, but the vessels that were building for private owners are now Government owned, and on these no insurance is carried. Considering the number and uniformity of value of these vessels I can see no reason why the Government should insure them, except that thereby it will foster a marine insurance market for after the war. But as a war measure this does not seem advisable. It is one thing not to destroy an existing agency, it is another to foster one, and for my part, I believe the conduct of the war is so vital that little time should be taken from it to consider after-war effects. Following the war it is to be expected that the mercantile marine will be under operating conditions that will again require marine insurance.

Question of Foreign Agencies

The third difficulty is the question of foreign agencies. This I do not consider so important. It has been argued by many that our failure in the foreign agency field has been due to the fact that our foreign banking facilities has been limited. This is possibly in a measure true, but I do not myself consider it anything more than a contributory factor. Another reason has been that our market here has been under the first two handicaps I have referred to. Hampered in this way and engaged in competition with other markets for the insurance of the growing foreign trade of this country the American companies have given little attention to the foreign agency field.

American Equitable Assurance Co.
OF NEW YORK
Cash Capital and Surplus $1,000,000

Equitable Underwriters of New York
Surplus $793,852.75
Marine and War Risk Insurance
Losses made payable in all parts of the World

EASTERN MARINE UNDERWRITERS, Inc.
AGENTS
50 Broad Street New York

Telephone Hanover 2054 Established 1898
Marine Insurance
Local agents are invited to consult us on their marine insurance problems
OSBORN & CO.
Average Adjusters and Insurance Brokers
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HENRY E. OTTO & CO., Inc.
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Marine and War Risk a Specialty
105 WILLIAM STREET, John 5109-5037-2171 NEW YORK

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OF NEW YORK
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MANAGERS MARINE DEPARTMENT
American Insurance Co., of Newark, N. J.
Firemen's Insurance Co., of Newark, N. J.
Glens Falls Insurance Co., of Glens Falls, N. Y.
Hanover Fire Insurance Co., of New York, N. Y.
MARINE AGENTS
Globe & Rutgers Fire Insurance Co., of New York, N. Y.
MARINE AND WAR RISK INSURANCE
Losses made payable in all parts of the World
CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

CASUALTY AND SURETY NEWS

Would Placate Doctors In Rating

MANUAL COMMITTEE PROBLEM

Views of Health and Accident Underwriters on Hazards Among Physicians and Surgeons

Trouble in plenty has been given the manual committee of the Health and Accident Underwriters Conference by the Physician and Surgeon Schedule. There appears to be such variance of ideas on the proper classification for such risks that it is very difficult to decide definitely just what should be done.

Some underwriters claim that physicians are far better risks for accident insurance than surgeons because they are not exposed to the same septic poisoning hazards, and, furthermore, because many trivial injuries which cause only temporary disability to physicians result in total disability to surgeons. Other equally prominent underwriters argue exactly the other way.

Some claim that the high ratio on physicians is due more to moral hazard than occupational hazard, and that, as a rule, doctors are the biggest cowards on earth when they themselves become sick or injured and, as a result, usually suffer unusually long periods of disability.

Now Over-Classified

A majority of underwriters agree that physicians and surgeons are not entitled to a better classification than "B" Ordinary ($1,000-5 for $8.50 annual premium), but for competitive reasons many of them are willing to compromise on either an "A" classification or an "Extra Preferred" classification. One underwriter raises the unique point that we should regard the natural feelings of physicians and surgeons themselves; that they are first class risks for accident insurance, and as the companies must depend upon them to a great extent in making examinations, etc., we should avoid the possibility of offending them in fixing our classifications.

In other words, we should overclassify physicians and surgeons and consider the over-classification as a mild form of graft which must be endured. The experience of practically all companies indicates that physicians and surgeons are now grossly overclassified. In fact one large company writing over $2,000,000 accident and health business annually reports 85.7 per cent. weekly accident indemnity loss ratio on physicians and surgeons and this experience is not particularly exceptional.

As viewed by R. Perry Shorts, chairman of the manual committee, it is now a question of whether or not the companies have the nerve to take the bull by the horns and classify these risks where they belong, without fear and without favor. Personally, he considers it the rankest kind of discrimination and in direct violation of the spirit of the laws of the various States to use a different yard stick in measuring the premium for a doctor than is used in measuring the premium for any other risk or class of risks.

Conference Manual Revision

During the past two months the manual committee has spent all of its time and efforts in the direction of completing its investigations of the various industries and getting in the necessary reports from the large number of investigators throughout the country who are assisting the committee in its work. A great deal of time has also been spent to the end of getting in the statistics from the various companies showing their claim ratio experience by occupations. The idea has been to get all of this information on hand before attempting to proceed further with the actual construction of the new Conference Manual.

As all of this work is now being rapidly completed, it is expected that rapid progress will be made from this time on in the construction of the new Manual schedules and the whipping of the various new ideas into definite shape.

TOLD TO QUIT BUSINESS

Mayor Smith, of Philadelphia, Fast Obtaining Monopoly of Bonding Lines

Demand has been made upon Thomas B. Smith that he either give up the bond business or the mayorality of the City of Philadelphia. "Mayor Bondsmith," as he is called by the "North American" of that city, owns 80 per cent. of the stock of the Thomas B Smith Company, which received more than 70 per cent. of the bonding business of the city in the six months ended January 1, 1917. Mr. Smith represents the National Surety.

The demand upon the mayor was contained in the minority report filed in Common Council by the committee which heard testimony upon the mayor's activity as head of the bonding concern. The mayor says he can see nothing wrong in conducting his bonding business as he does. It is claimed that when he became mayor he had seventeen per cent. of the Philadelphia bonding business. Now it is seventy-five per cent. The mayor denies that his firm receives 35 per cent. commission and says that he does not believe it is as much as 30 per cent.

COMPANY TO HAVE HOSPITAL

Manufacturers' Liability Buys Land in Jersey City for Improvement

The Manufacturers' Liability Insurance Company of New Jersey has purchased the five-story brick building at 37 Montgomery Street, the single-story building at 107 Greene Street and the two lots at the southwest corner of Montgomery and Greene Streets, Jersey City. The two buildings sold were for years the home of The Jersey Journal.

The purchasers will alter the Montgomery Street structure and turn it into an office building for their own exclusive use. The Greene Street building will be made over into a hospital for the treatment of injured workmen.

SENATOR WEEKS TO TALK

Senator John W. Weeks will address the Insurance Society of Massachusetts at its annual dinner at the City Club, Boston, April 27.

THE TRAVELERS
INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

New York Claim Men Organize

RALPH MARDEN IS PRIME MOVER

Spirit of Co-Operation to Be Fostered Among Accident and Health Adjusters

Organization of the Accident & Health Claim Association of New York was completed at a meeting Wednesday night. The officers are Ralph Marden, of the Employers' Liability, chairman; Thomas P. Trevvett, Commercial Travelers, Utica, vice-chairman; A. A. LaDuke, Hartford Accident & Indemnity, secretary-treasurer.

The dues are $1 a year and any person is eligible who is on the claim department staff of a company operating in the Metropolitan District.

Promoted by Ralph Marden

Ralph Marden was the prime mover in organizing the claim men. The idea is to have an informal society for the purpose of becoming better acquainted and to discuss experiences and procedure in handling unusual and difficult claims, the general object being to result in increased knowledge for members, unanimity of action under new and improved conditions, and the welfare of the companies.

William B. Mann, of the Massachusetts Bonding, gave an illuminating talk on the need and good results of co-operation. Mr. Marden's remarks on the objects of the society were full of good material.

The first meeting will be held in June, when Mr. Marden will read a paper.

A. A. LaDuke, of the Hartford Accident & Indemnity is suffering from injuries received in an automobile accident.

AUTO CONSOLIDATION

Joint Committee Named—To Investigate All Phases of the Business

As at present constituted the joint committee chosen to investigate all phases of the automobile insurance situation is composed of the following divisions: Board of referees, R. S. Keelor, United States Casualty; H. G. B. Alexander, Continental Casualty; C. H. Neely, Ocean Welfare Committee; John T. Stone, Maryland Casualty; T. E. Gaty, Fidelity & Casualty; Charles H. Holland, Royal Indemnity. The automobile committee is composed of the Travelers, Aetna, Employers' Liability, Maryland Casualty and the Ocean. Numerous sub-committees will be appointed until the organization is complete, when it will embrace every branch of insurance in any way interested in the automobile business. Automobile insurance has developed to such an extent that the present facilities for handling it through bureaus is believed to be entirely too limited, and there is need for closer co-operation all around.

A Voice From the Trenches

Writing from France under date of February 22, Ernest J. Kluge, branch manager at Providence for the National Workmen's Compensation Service Bureau, says in the course of a letter to his friends in the home office: "We have progressed considerably since I last wrote, and while I have a moment, thought you'd be interested to know that the Bureau is now represented up where 'the iron apples fall,' as some of the men in my company say, and where excitement is somewhat frequently the keynote. It would be superfluous and merely repetition for me to narrate at length the things we are doing and seeing, but I might say that it is really worth while to be working with our objective in plain view. The men are certainly 'there,' every last one of them. As gas officer for my regiment, I've also had rather more opportunity than most to see the sights up here—the ruined villages, cut fruit trees, and other sights which sadden a naturally peaceful man. I think that no self-respecting American could come here and not mean to do his damndest. We do get a little recreation and are treated each day to the bickerings and squeals of our fellow boarders, the mice and rats. They are certainly bold ones. Thus far I'm glad to say I've not made the intimate acquaintance of the well-known 'white ones with big black spots.' Ernest J. Kluge, 2nd Lt., Co. F, 101st Engineers, A. E. F."

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

Life Insurance Men and the Federation

(Continued from page 2)

quence of which would be to ultimately transform this, the third greatest business in the country (and the one on which all other commercial activities are almost wholly dependent) into a political plaything, is it not vitally important to all of the people that the white light of publicity be turned on the "origin, nature and effect" of the proposal?

Conflagrations Have Small Beginnings

"But," says someone, "nobody is suggesting any such sweeping proposal. Only the casualty business is under serious attack." Yes, and once upon a time, not so long ago, little Belgium alone was receiving the full force of a blow which to-day is staggering the Allied world! Conflagrations of all kinds usually have small beginnings. Given a spark and enough combustible material, together with sufficient wind from the right quarter and things are apt to happen which necessitate sounding a general alarm. But right here let it be clearly understood that the socialist agitators for State insurance didn't pick out the workmen's compensation line for their adventure because it was the simplest or best standardized form of underwriting extant, or the one which political officeholders could most easily experiment with, for there are admittedly no more complex and puzzling actuarial problems known to the insurance world than those presented by that hazard. They hit upon it, instead, because it was the third, rather than the first, in size of the principal branches of this great business and because they believed it more poorly fortified against attack than the more important fire and life branches. They merely followed the lines of least resistance without for a moment taking their eyes from the ultimate goal.

But time and space forbid any extended argument along these lines. The purpose of this article is merely to give a rough sketch of the sort of vehicle which to-day stands ready, with steam up, for the use of the life, as well as the fire and casualty men. It is a vehicle which has been thoroughly tried out on some mighty rough roads and is still good for a lot of mileage. Why can't we all get aboard? The fare is ridiculously low—only $2 a year—and the "going" ahead is likely to be mighty poor for those who insist upon walking.

THE MINNESOTA SITUATION

By E. A. Sherman, Secretary Minnesota Federation

The insurance men of Minnesota were quick to follow the lead of their brethren in Ohio and establish an Insurance Federation organization. A meeting was held in Minneapolis September 11, 1914, being addressed by certain Ohio insurance men who had taken a leading part in bringing the Federation movement to life. They explained the plan and situation, and the result was the formal organization, on that date, of the Insurance Federation of Minnesota.

The membership, at the start, consisted largely of Minneapolis, St. Paul and Duluth insurance men, with a scattering from the smaller cities and towns of the State. The life men were well represented in the initial organization, Messrs. Horner, Timberlake, Miller, Meyers, Stevenson and other prominent life underwriters of the State from the start taking a deep interest in the Federation movement.

Membership in Every Community

In its nearly four years of existence the Insurance Federation of Minnesota has grown, until to-day its members are to be found in every county in Minnesota. The organization work now under way gives promise by January 1, 1919, of a membership in **every community** in Minnesota where insurance is written. The Federation is, in a sense, a "grass roots" organization, with a "hand picked" membership—a statement which is confirmed in part by the fact that at the present time more than eight hundred of the banks in Minnesota are loyal and enthusiastic members, and this number is being added to daily.

The Insurance Federation of Minnesota has but one plank in its platform and that is to definitely and systematically oppose any and all efforts to make the State an underwriter of insurance hazards of any description. Three measures providing for compulsory and monopolistic State insurance —one of them covering health and life insurance for certain classes of employes—were introduced in the 1917 session of the Minnesota Legislature. These bills were strongly championed by the Socialistic Labor element and it was only after a spirited contest which extended over the entire legislative period, that the measures went down in defeat. All conversant with the situation agree that **State insurance** would be the established policy in Minnesota to-day but for the systematic and successful work done by the Insurance Federation through its Statewide membership and efficient organization.

Close Touch on Legislation

As a by-product of its legislative duties, the Insurance Federation kept in close daily touch with all legislation affecting the business of insurance in any degree. In the 1917 session of the Minnesota Legislature a total of one hundred and four insurance bills were introduced—most of them being of the unsatisfactory variety. Each one of these was card indexed, and closely followed throughout the session. Copies of all insurance bills were secured within twenty-four hours of introduction and were promptly placed in the hands of the men representing the various branches of the business. The progress of each measure was promptly recorded on the proper index card, all legislative hearings on insurance bills were announced in advance to the parties at interest, and in every manner possible the Insurance Federation of Minnesota justified its existence by real, tangible, resultful service to all branches of the insurance business.

Within the past two years a new element, which threatens the entire fabric of insurance, has been rapidly acquiring headway in Minnesota and the entire Northwest. This is the Socialistic Non-Partisan League, a farmers' organization which has as its object the establishment of many State-operated, paternal-form-of-government schemes, especially calculated to benefit the agricultural classes.

The Non-Partisan League

A Non-Partisan League membership of approximately 50,000 has already been secured in Minnesota, each member paying sixteen dollars for a two years' term. These members have been secured under the promise that the League will embark on a State-ownership program and at the Non-Partisan League State Convention, held in St. Paul the last week in March, a complete State ticket was named and a platform was adopted which declares among other things for **State insurance in all branches of the business.** This plank, as originally drafted, called for "State life insurance, State health insurance and accident insurance, and State compensation insurance," in the order named; but in the final adoption all individual mention was dropped, and a general blanket **State insurance** declaration was made.

The Socialistic Laborites of the cities took part in this convention and were accorded their fair share of the nomination and platform honors. It was this Socialistic bunch that was behind the attempt to force **State insurance** legislation through the 1917 Minnesota Legislature, so there need be no question as to the genuiness of the issue now confronting the insurance fraternity in Minnesota. This same situation, in greater or less degree, applies in many of the States of the Northwest. The Non-Partisan League is in absolute control in North Dakota, and is rapidly becoming a factor in South Dakota, Nebraska, Kansas, Wyoming, Colorado, Montana, Idaho, Washington and Oregon. Organization work is also now under way in Iowa, Wisconsin and other States.

The question **which now confronts** the insurance men of Minnesota is that of **business existence.** There is nothing indefinite about it. The Non-Partisan League-Socialistic-Labor State insurance cards are on the table, and it is up to the insurance men to justify and defend their calling, or go out of business. In this contingency the insurance men of Minnesota have not been slow to act. They realize that only concerted, united action by all branches of the business, through the Federation, will make possible the necessary result. The past few months have witnessed marked activity in Insurance Federation circles in Minnesota. The life underwriters have been especially interested. Meetings have been held under the Minneapolis and Duluth Life Underwriters' organizations, resulting in affiliation of the complete membership of these two excellent organizations with the Insurance Federation. A similar meeting will undoubtedly be held in the near future with the St. Paul Life Underwriters, while the individual insurance men of all kinds in all sections of the State are being reached by personal interview as rapidly as possible.

Those interested in all forms of legitimate insurance in Minnesota—the buyers as well as the sellers of insurance, are vitally interested in our present situation and realize the necessity for united, untiring effort, if right business conditions and a genuine "greater Minnesota" are to be maintained.

(Continued on page 19)

THE OCEAN
ACCIDENT AND GUARANTEE CORPORATION, LIMITED

NEW YORK OFFICE, 59 JOHN STREET, NEW YORK CITY
CHARLES H. NEELY, Manager and Attorney

Financial Statement for the United States, January 1, 1918

Assets (Admitted by N. Y. Ins. Dept.)	$9,363,868.43
Liabilities (Required by N. Y. Ins. Dept.)	6,570,260.69
Voluntary Reserve	1,450,000.00
Surplus to Policyholders	1,343,607.74
Securities deposited with Insurance Depts. and Trustees for protection of United States Policyholders.	6,170,800.00
Premium Income (1917)	8,919,348.42

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SHOULD LIFE MEN CO-OPERATE WITH THE FEDERATION

By Byron H. Timberlake

General Hancock declared the tariff to be a local issue.

Perhaps the Federation is a local issue!

The misnamed Non-Partisan League threatens to sweep the State elections this year in Minnesota, as it did in North Dakota at the last election. The Federation, composed of insurance users and insurance sellers, is the best organization in the State to oppose the League, or to secure from candidates to the Legislature advance statements as to their position on State insurance legislation.

The objective of the League is the revenue collectible under the laws of the State. and "Insurance"—including life—was the first item named in their platform as a fit target for their first offensive in their drive for changes in existing laws.

The League proposes to give the State a monopoly of the insurance business, including a voice in the distribution of the vast reserves and other funds now held by insurance companies to redeem their outstanding contracts. Special levies on "wealth" are to be made to meet maturing obligations when required. There is no place for any insurance company now authorized to do business, under such a program.

Object of the Federation

The object of the Federation is to scientifically sift out and leave by the wayside the would-be law makers who think the State should have a monopoly of the insurance business. When the legislative sessions open the Federation will stand by, or take the desk, and see that all insurance bills are promptly carboned to the insurance division affected by each bill. It will also have at its call the largest and most diversified list of practical men, whose facts and logic cannot fail to reach some members of the insurance committee, if those members have not been pledged in advance of their election to the socialistic State insurance program.

Where are some insurance mento-day, who once thought the Federation a local issue?

Perhaps the German drive on Amiens and Paris is a local issue!

There are men who think that life insurance is in no danger from the wave of socialism, whose roar can be heard, at intervals at least, above the din of battle. They think that life insurance is immune to the dangers threatening other forms of insurance.

There are those who thought the United States was in no danger of getting into the war! That there was no danger of Russia making a separate peace! Of what value is "pride of opinion" to them now?

Need of Complete Organization

The life men have fought and won great battles, for the benefit of mankind, fighting alone; particularly the members of the National Association and of the associations of the big Eastern cities. But the work they have done, great as it was and successful as it was, has been with members of legislatures after their election.

Those men were not elected on a socialistic platform. They were more or less open minded and not bound by pre-campaign pledges. The life men of the nation have not, in organized fashion, tried to secure the election of certain men to legislatures of the several States, nor cause the defeat of others. The life men of the country are not now equipped to handle such an undertaking. The Insurance Federation of Minnesota, and some other States, is so equipped.

Now, suppose there should be general agreement, among the most experienced men and best judges, that a campaign at the polls in favor of those candidates to the State legislatures who are not pledged to the support of State insurance measures, or who are pledged against such measures, is imperative. Who will then say that the life men should stand aside and "attend to their own knitting"?

Even if one should think that policy the best way for us to curry favor with the drifting majority or a powerful minority, and thus the better enable us to "pull our own chestnuts out of the fire," would it measure up to our ideals—to the high ethical standard we profess—and would we not incur the danger of isolation later, when we ourselves might need help?

Should Join the Federation

We believe that local and State associations of life underwriters will do well to align themselves with the Federation, and co-operate with that organization by becoming members; and thus give to the cause it represents the double benefit of increased membership, with the attendant moral support, as well as a small financial stimulus. The National Association is built up from and by the local associations, and when the war is over we may be glad to have the Federation membership co-operate with us. We believe that as fast as there is need for the work the Federation is doing, in any State, the Federation will be there to do that work; and that the local associations of life underwriters will join and co-operate in that work, as soon as they understand the true mission of the Federation.

A PLEA FOR CO-OPERATION

By Warren M. Horner

The articles of Messrs. Gray, Sherman and Timberlake on the Insurance Federation movement are so logical in statement and clear indiction as to make anything from me unnecessary and superfluous.

Nevertheless, I deem it a privilege and duty to respond to your request to drive another peg.

For the benefit of life men over the United States, I will say that these men speak with the voice of authority.

Personalities of Gray, Sherman and Timberlake

Fred L. Gray, a leader in the movement, is a national figure in casualty and kindred branches of insurance, with a great field record in personal accomplishment and organization building. Moreover, he is a man of unusual intellectual attainments in economic and industrial affairs.

Whenever I talk with E. A. Sherman, State secretary of the Federation for Minnesota, I wonder how we secured so strong a man. He is one of those individuals who knows his job and possessed of a quiet, but forceful, personality, which commands respect alike from opponents and supporters. His service to allied insurance interests during the last meeting of Minnesota law makers was a great achievement.

Most all the life men know Byron H. Timberlake, college graduate, with a generation of honorable, successful agency experience; State legislative experience in both Houses, with a long line of service to the life insurance fraternity and the people at large; a man equipped in capacity and mentality to cope with National affairs.

So life men and women everywhere, officers in the home offices, agents in the field, members of national and local organizations should read, re-read and then study these three articles, then reflect and then join the Federation.

The Four Isms

The four Isms—Bolshevikism, I. W. W. Ism, socialism and anarchism—are abroad. A mere child can see that a readjustment along political and industrial lines is inevitable.

Wild radicalism must be met by co-ordinated effort with intelligent liberalism.

It is not surprising that a movement so new and ramifying as the Insurance Federation should have lost caste at the start in some quarters through statements of individuals of the loquacious flamboyant type, but this has nothing to do with the sanity and moral fibre of the whole movement, which is imperatively necessary to every "risk" individual.

The two great evils largely responsible for plunging the world into chaos are supine complacency, linked with corruptive influences on the one hand and untrustfulness (partly warranted) influenced by fanaticism on the other.

The life insurance fraternity—beware of the two extremes.

Democracy of thought and action and not aristocratic aloofness should be our program.

The Federation movement is the way out.

NEW AUTO LOCKS LISTED

During the past year a number of motor vehicle locking devices have been added to the list and approved by Underwriters' Laboratories. The list follows: Transmission locks, Paige, Detroit; steering wheel, Mueller Reliance Company, Chicago; Moss combination, General Patent Manufacturing Company, Chicago; U. S. safety, U. S. Auto Lock Company, Chicago; ignition locks, single circuit, Goodrich Lockswitch, Goodrich-Lenhart Mfg. Co., Philadelphia; Bassett, Robert N. Bassett Company, Derby, Conn.; Nydra, Nydra Bank Lock Company, Cincinnati.

Plate Glass Rules Ready

Amendments and rulings applying to the Standard 1909 Plate Glass Manual and the Gridley 1915 New Jersey Manual have been issued by W. F. Moore, 92 William Street. The rulings cover flat car sizes, show case plates set free of frames, bent glass, large sizes, plates larger than those given in manuals, wall case doors, outside show cases, replacement of a large light by smaller plates of equal area, awnings and canopies, Carrara glass.

"You can make more friends through your business than business through your friends," says an exchange.

The old age pension bill introduced by Wendell P. Thore has been killed in the Massachusetts Legislature.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary
GEORGIA CASUALTY COMPANY
HOME OFFICE: MACON, GEORGIA
"DIXIE AUTO POLICY"
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Surplus and Reserves to Policyholders.....$1,688,506.87

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Can you find no better use for your time than to spend the best part of it turning 362 pages every time you want to quote an automobile rate?

Compare the Simplicity of These Rates!

The *"Definite Value"* Automobile Policy

A clearly defined policy protecting an automobile owner—indemnifying for loss by fire, theft, explosion and other hazards.

It is simple in language, and definite in terms—it positively fixes the value of a car, during the life of the policy, on a basis determined by the men who made and sold the car.

In the event of a total loss, it pays the amount of fixed value shown in the policy contract, thereby avoiding any controversy in settling and paying the loss.

In the event of a partial loss, it pays for the repair or replacement of all parts, to the full extent of the damage.

Compare the protection and the cost of this policy with other forms of automobile insurance.

PREMIUM RATES

All premiums are based on list price of car. Rates quoted are for each one hundred dollars of list price. The rate is not increased on renewal. Freight charges and war tax may be added to amount of insurance.

Pleasure and Commercial Cars

	Full Cover	Full Cover Excluding Theft
Models Listing $2,500 or Over	$1.00	.80 cents
Models Listing $1,000 to $2,500	$1.50	.80 cents
Models Listing Under $1,000	$2.00	.80 cents

Extra Equipment, Including Theft— Twice the rate charged for car.

Extra Equipment Excluding Theft— Same rate as charged for car.

Electric Cars—All Models
.75 cents for fire and theft.

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Covers all loss or damage above twenty-five dollars in any one accident.
(For full cover add thirty-five dollars to all premiums.)

Pleasure Cars
In Cities under one hundred thousand population.
1½% of list price — $15.00 minimum premium
In Cities over one hundred thousand population.
2% of list price — $25.00 minimum premium

Commercial Cars
Regardless of size of city.
2¼% of list price — $30.00 minimum premium

Property Damage

Indemnity to extent of one thousand dollars for damage done to property of others.

Pleasure Cars
In Cities under one hundred thousand population.
Ten Dollars Premium
In Cities over one hundred thousand population.
Fifteen Dollars Premium

Commercial Cars—Decline property damage.

TERM POLICIES

Two Years Insurance—One and three-quarter times annual rate.
Three Years Insurance—Two and one-half times annual rate.
Pro rata cancellation allowed on old insurance when new car purchased and insured.

Taxi Cabs, "Jitneys," Rented, Livery, Second-Hand Cars and Dealers' Cars WILL NOT BE INSURED UNDER THIS FORM OF POLICY

THIS POLICY IS WRITTEN ONLY BY

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THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 18 | NEW YORK, FRIDAY, MAY 3, 1918 | $3.00 a Year; 25c. per Copy

INCONSISTENT STAND ON USE AND OCCUPANCY

The Fear of Excessive Loss and Engendering of Moral Hazard Analyzed

AXIOMS IN THIS BUSINESS

Use and Occupancy Loss Percentage Decreases as Extent of Fire Grows

The two reasons usually given by the insurance companies which do not write use and occupancy are: Fear of excessive loss or of engendering moral hazard. Those companies which decline on the latter ground frequently write the building or the contents yet rarely make it a practice to inquire whether use and occupancy is being carried thereon by other companies. It seems obvious that if it is carried then the moral hazard, if any, will just as vitally affect any other insurance as the use and occupancy. On this ground, therefore, there does not appear any good reason why a company should not be willing to carry use and occupancy insurance providing it is willing to write the risk at all; i. e., unless the rates are not commensurate.

Is Loss Excessive

The other feature spoken of, i. e., excessive loss, provides a somewhat different problem. Just at the present time, when industrial conditions are so upset, there are some machines and some materials that are difficult to replace within the normal time and this may lead to a loss greater than would ordinarily be anticipated. Buildings too would take longer to replace, and this is likely to become more serious if the Federal Government should decide to require that no building can be erected without a special permit. Notwithstanding these conditions, which in themselves constitute one of the reasons for the activity in the sale of this form of indemnity, it still remains true that in a bad fire the use and occupancy insurance will usually fare better than the general form. It is a fairly good axiom that in small fires use and occupancy policies pay their greatest percentage of loss in comparison with ordinary insurance, and that this percentage decreases as the extent of the fire grows. In cases of total destruction where ordinary insurance pays a total loss, the use and occupancy will frequently escape with a substantial salvage and this feature

(Continued on page 12)

Conflagration Proof

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Equal Protection for ALL Policyholders.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

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Established 1809

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Policyholders protected by the entire United States assets with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

SPRINGFIELD

Fire & Marine Insurance Co.

Cash Capital $2,500,000.00

THE SPRINGFIELD for two-thirds of a century has transacted business solely under its own corporate name, without annexes, underwriting agencies or subsidiary companies. An agent of the SPRINGFIELD is not a half, a quarter or any other fraction of an agent, but is vested with the rights and dignity of an undivided representative of an undivided and independent company. The SPRINGFIELD stands today pre-eminent among American fire insurance companies.

SPRINGFIELD MASSACHUSETTS

BUY LIBERTY BONDS

PAYS ITS RUSSIAN CLAIMS IN ROUBLES

Money Fluctuation Values No Cause for Worry, Says New York Life's Manager

CORSE BACK FROM EUROPE

Company's Russian Investments in Railroad Securities—Had Exciting Adventures on Journey

After many exciting experiences, Frederick M. Corse, manager of the New York Life for Russia, returned to this country on Sunday and is now at the Hotel Vanderbilt. Mr. and Mrs. Corse remained in Petrograd until the end of February when they were compelled to flee, along with other Americans. They had little difficulty in leaving Russia, but Finland was another story. It took them a month to cross that country. Red and White Guards were fighting everywhere, and probably Mr. and Mrs. Corse and their party would have been there yet, but they managed to get the contenders to declare a seven hour truce which was sufficient for them to break through.

Lived in Russia for Fifteen Years

Mr. Corse lived in Russia for about fifteen years and is acquainted with all the principal figures who have been making history in that tragic country. When he went to Russia he was the representative of the Singer Sewing Machine Company, but he has been the manager of the New York Life there for some years.

To a representative of The Eastern Underwriter who saw Mr. Corse at the office of Second Vice-President Walker Buckner, who formerly resided in Paris, Mr. Corse said that conditions in Russia are so chaotic that insurance companies are merely beating time. The New York Life quit writing new business there some months ago.

Investments Safe

Despite the class war being waged by the Bolsheviki Mr. Corse does not think that the assets of American companies in Russia are wiped away. He said that the New York Life's investments in Russia—the cash value of policies—are for the most part in railroad

BUY LIBERTY BONDS

securities. When the war broke out these reserves amounted to about $30,000,000.

"The railroads are still there," he said. "The country cannot get along without railroads, and some day there must be a stable government in Russia. When that time comes it will be found that the assets are intact."

How Claims Are Paid

In view of the fact that there is a turmoil in banking conditions and checks for small amounts only are legal, Mr. Corse was asked to tell something about the payments of premiums on existing policies and the payments of death claims. He said that when a check is received for premium it is credited, as everything possible is being done to protect the policyholders, but explanatory notations are made on the back of the check, so that if the check is good or will some day become valid the policy will not lapse. In case of claims the beneficiary is told to come to Petrograd, or Moscow, as the case may be, and there receive the payment.

"The depreciation of the rouble has no effect upon the resources of the Company," said Mr. Corse, "for the reason that the policies say that in case of death the payment shall be in roubles. Therefore, the fluctuation of the rouble is immaterial from the Company standpoint."

Mr. Corse tells an interesting story showing the unsettled condition of finance. When the government decided to repudiate its financial obligations he called at the office of the manager of the state bank. He waited for hours in line and finally reached that gentleman who knew little about finance and nothing about insurance.

Calling Upon a Government Official

Asking the manager about the order repudiating the state's indebtedness the life insurance man was informed that the order was authentic and meant just what it said.

"Well, how about our obligations to citizens of Russia," inquired Mr. Corse.

"Well, that's up to you," was the reply.

Conditions in Petrograd

When Mr. Corse reached Sweden en route to America he was requested by the American Minister, Mr. Morris, to give a statement outlining his view of conditions in Russia. It was recognized that Mr. Corse, not having a political standing but being a clear-sighted and successful business man, would be able to give a valuable non-partisan analysis of conditions. In this statement Mr. Corse said in part:

"We left Petrograd because of those intolerable conditions of which I have spoken. Murder, particularly at night, was so common that citizens of the peaceful element who valued their skins were only too glad to spend their evenings at home. Business was absolutely dead. Nothing could be done.

"The larger and better homes of the well to do were seized by the Bolsheviki and occupants under these orders of seizure were designated. Confiscation was the rule, not the exception. So, you see, there were many who found it difficult or impossible to stay at home, even though minded to do so.

"No, we were not molested. My wife and I lived in a large house owned by one of the insurance companies and it escaped the general seizure. Repeated threats to seize it had something to do with our leaving Petrograd, however.

Events From March, 1917

"The revolutionary government which supplanted czardom in March, 1917, was apparently never understood outside of Russia. The world was disposed to believe that because a body of conservative men well known abroad took over the various ministerial portfolios a stable Government was assured.

"The cardinal fact, however, remains that from the start not a vestige of power was ever lodged in the various governments headed by Kerensky, who was the dramatic personality in Russia from the date of the revolution to the final assumption of authority by the Bolsheviki on November 7, 1917. The Council of Workmen's and Soldiers' Deputies assumed and maintained all authority from the first day of the revolution, but did not assume the responsibility of government, or rather misgovernment, until November 7, 1917.

"The Deputies during the early period of their supremacy occupied themselves with the disorganization and disruption of the army. By June 8, 1917, at least 3,000,000 soldiers had deserted the ranks and were wandering aimlessly about the country, looting, pillaging, committing atrocities.

"At the present time practically the whole Russian army has, of its own initiative, demobilized and, if the country could voice the horrors of the present condition, the world would hear one of the most harrowing recitals of human suffering ever recorded.

"Having demobilized the army, the Deputies proceeded systematically to lay the foundation of a social revolution. Class hatred is now the dominant note in Russia. Banks and credit institutions have been nationalized, that is merged into the State Bank. Industrial plants have been taken under the control and management of the laborers, the owners thereof being deprived of their property rights without compensation.

"All equities represented by stocks or bonds in credit institutions or industrial plants are cancelled. Factories, mines, etc., under labor control and management are rapidly approaching collapse. Values in these properties have been so persistently destroyed that the stocks of private banks, whose value was chiefly represented by holdings and control of industrials, have become practically worthless.

Private Banks Bankrupt

"The private banks of Russia are bankrupt. The State Bank, into which the private banks have been merged, honors its own checks only for paying the excessive wages of labor. The ordinary depositor can realize on checks drawn up to a limited amount by paying a commission, or blackmail, to some banking official of 5 to 20 per cent. of the amount drawn.

"Wholesale confiscation of private property, real and movable, is practiced at the present time. Life is safe nowhere in the country. When I left Petrograd the intelligent and property classes were openly soliciting Germany to come and establish order. The proximity of German troops in the town was far less disquieting than the growing anarchy within.

"There is everywhere in Russia a great labor upheaval. The maximum wage and minimum work is the order of the day. The destruction of capital is going on at such a rate under Bolshevik management that if it continues during the current year, not only will the State be bankrupt but years, perhaps a decade, must elapse before the country can repair the damage done.

"It is apparent that Germany contemplates complete political and business domination in the whole country. The investments of her subjects she has protected in the peace treaty with the Bolsheviki, but should her contemplated domination of the country be realized, Germany will see to it that all Allied investments and interests are cancelled.

"Siberia is still a free field for operations. Control of it by the Allies might eventually compensate them for their losses in European Russia. After a residence in Russia of sixteen years I am compelled to agree with many Russians of light and learning whose opinion I was formerly disposed to discount, that is, that the preservation of the national integrity of the country and the establishment of a stable government within will be effected and maintained only through foreign intervention and a permanent foreign police control."

The Fieldmen of

The Guardian Life Insurance Company of America

in March, 1918, the first month under the Company's new name, produced new business amounting to

$4,820,210.00

$460,000.00 in excess of the largest amount ever written in any other month since the Company was organized in 1860.

The new business paid for in 1917 amounted to $24,816,657.00 and exceeded by $3,751,129.00, the best previous year in the Company's history.

Assets	**$54,664,135.11**
Guarantee & Dividend Fund	**5,880,822.73**
Insurance in Force	**169,043,316.00**

For a Direct Agency Connection with

A GROWING COMPANY FOR GROWING MEN

address

T. LOUIS HANSEN, Superintendent of Agencies

50 Union Square, New York, N. Y.

TO STOP WAR RISK FRAUD

Text of Sims Bill—Protection Against Creditors of Soldiers and Sailors

Washington, D. C.—Several amendments to the war risk insurance law designed further to protect the Government and the men in the military service, are included in a bill which has been introduced into Congress by Representative Sims of Tennessee. The amendments are to be made at the request of the Treasury Department, as a result of the first few months' experience under the insurance law.

The amendments provide for three new sections, to be known as sections 27, 28 and 29, reading as follows:

"Sec. 27. That whoever shall obtain or receive any money, check, allotment, family allowance, compensation, or insurance under Articles II, III or IV of this Act, without being entitled thereto, with intent to defraud the United States or any person in the military or naval forces of the United States, shall be punished by a fine of not more than $2,000, or by imprisonment for not more than one year, or both.

"Sec. 28. That the allotments and family allowances, compensation, and insurance payable under Articles II, III and IV, respectively, shall not be assignable, shall not be subject to the claims of creditors of any person to whom an award is made under Articles II, III or IV, and shall be exempt from all taxation: Provided, That such allotments and family allowances, compensation and insurance shall be subject to any claims which the United States may have, under Articles II, III and IV, against the person on whose account the allotments and family allowances, compensation or insurance is payable.

"Sec. 29. That the discharge or dismissal of any person from the military or naval forces on the ground that he is an enemy alien or a conscientious objector shall terminate any insurance granted on the life of such person under the provisions of Article IV, and shall bar all rights to any compensation under Article III or any insurance under Article IV."

It is also provided that the law is to be known as the War Risk Insurance Act.

The bill has been referred to the House Committee on Interstate and Foreign Commerce.

Fackler on Life Annuities

David Parks Fackler of New York is a strong advocate of proper development of annuity business and writes to the Phoenix Mutual Life as follows:

"There are many thousands of cases where old people, owing to the increased cost of living, are scarcely able to exist on the scanty incomes from their savings when comfort might be obtained by purchasing annuities. Life insurance agents lose large sums in commissions yearly by not looking for these opportunities. An officer of a large life insurance company, in addressing his agents, recently said: 'Last year we received a very large sum in the purchasing of annuities which came to us directly because our agents had not been sufficiently wide awake to solicit the applicants before they came to us, which would have yielded them many thousands of dollars in commissions.'

"It should be remembered that annuities are not subject to the income tax until after the entire purchase price has been returned to the annuitant through the annuity payments."

Liberty Insurance League Measure

NEW BILL IN CONGRESS

Fund to Provide Means of Dealing in Credit, Mortgages and Insurance

Washington, D. C.—A general insurance league to facilitate the increase in farm production is provided for in a measure which has been introduced into the House of Representatives by Congressman Saunders, of Virginia. The organization would be known as the "Liberty Insurance League."

The bill provides for the appointment of three persons as commissioners with power and authority to negotiate in a manner provided in the charter of the league, with any solvent and well-established life insurance company incorporated under the laws of any State, with approved assets of not less than $300,000,000, for the purpose of inducing such company to accept the terms of the charter creating the league, and agree and bind itself to operate thereunder and be governed solely by the terms and provisions thereof.

Rural Credit Society

Upon conclusion of negotiations with the insurance company and its acceptance of the offer, the Secretary of Commerce shall draw upon the Treasury of the United States for the sum of $10,000,000, to be paid into the treasury of the league, and by it held in trust and invested for the use and benefit of a contemporary organization to be created by the bill and to be known as the "Rural Credit Society." The purpose of the fund, and of the two organizations is to provide a means of dealing in credit and credit-and-mortgage instruments and insurance of every nature.

The charter of the Liberty Insurance League will provide for the sale of indemnity against any and every contingency, the negotiation of re-insurance of risks and companies receiving and executing trusts, making endowments, granting, purchasing and disposing of annuities and property, etc., operating through managers and agents in the various States.

Old-Age Pension Fund.

The league is to have and maintain a separate department for each class of business done by it, and each department is to be designated by some appropriate word or words as, for example, "life department" to designate the department through which it transacts the business of selling indemnity, endowments and annuities, "live stock department," "fire department," etc.

The league shall segregate the assets, capital, surplus, funds and receipts of each department and they shall not be liable for the debts, obligations or defaults of any other department, except that the guaranty fund shall become a common fund for all departments, and that 25 per cent. of an old-age pension fund, which is provided for, shall become a common fund for the protection of the league when the guaranty fund becomes exhausted.

Each department is to have a capital stock of $100,000 to be fully paid in cash before it begins business. The stock of each department is to be divided into 1,000 shares of $100 each, and stockholders shall be paid a dividend, if earned, of seven per cent. per annum, to be cumulative and paid semi-annually. The stock is to be non-assessable. The stock is to be retired at the end of ten years from the sinking fund of the department, but not until such retirement will not bring the sinking fund below $1,000,000.

Referred to Committee on Banking and Currency

The life of the league is to be 50 years, but Congress retains the power of amending its charter decennially after the twentieth year.

Two old-age pension funds are provided for, a special one and a general one. The special one is for the sole use and benefit of the members designated by the board of directors, and the general one is for each person who has insurance in the league, under certain conditions.

The bill has been referred to the committee on banking and currency.

FRATERNAL STATISTICS

Issued 931,516 Certificates Last Year; Compared to 1,087,508 Year Before

The Consolidated Chart, issued by the "Fraternal Monitor," of Rochester, N. Y., shows that fraternal societies had $9,634,662,126 in force at the end of 1917; and assessment associations had $330,090,679 in force.

At the end of 1917 the fraternals had in force 8,639,898 certificates. The assets of the fraternals at the end of last year were $344,619,330; their liabilities, $84,116,631. The fraternals issued 931,516 certificates during the year; the insurance companies, 2,057,170.

In 1916 the fraternals issued 1,087,508 certificates. Their amount of insurance in force at the end of 1916 was $9,601,722. Their assets at the end of 1916 were $313,779,337.

GUM KING BUYS GROUP POLICY

John A. Morrison has written a group life policy on the employes of the Wrigley Gum Company and the American Radiator Company. Mr. Morrison is general agent for the Aetna Life, specializing in group insurance, with headquarters in Chicago.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Building and Loan Insurance Scheme

OPERATED FROM CINCINNATI

Co-operative Insurance Agency Handles Proposition—Missouri State Life Policies

The Eastern Underwriter in a recent issue printed an interesting address on life insurance in connection with building and loan associations, delivered by H. F. Cellarius, of Cincinnati, before the Savings and Loan Association League of Indiana, in which Mr. Cellarius described a scheme of insurance now provided for building and loan association members. Mr. Cellarius described this scheme as "in effect a diminishing term policy, divested of all investment features, and which gives the borrower the needed protection at the lowest possible cost for such insurance only as is actually required to pay off the mortgage debt during the period of the loan. The policy automatically decreases in amount monthly as the payments are made on the loan."

Contract of Missouri State Life

This paper has been asked as to the name of the company writing the policy. Mr. Cellarius writes The Eastern Underwriter as follows:

"The agency company handling the building association insurance proposition is the Co-Operative Insurance Agency Co. of Cincinnati, of which Herman Brockman is secretary. The policies themselves are written by the Missouri State Life."

Guardian's Limits Under Age 32

FOLLOW GOVERNMENT CLASSES

Maximum Limit $25,000—Position of Company Relative to War Clauses and Permits

The Guardian Life has decided to accept an amount of insurance (existing and new insurance taken together) up to and including $25,000—for all ages under 32. Two war clauses have been adopted. Clause I limits the amount payable in case of death the first year as a result of military or naval service to one-tenth of the face amount of the policy, and in case of death the second year, to one-fifth of the face amount of the policy; thereafter the full amount would become payable. Clause II limits the amount payable to the premiums paid in case of death within five years from date of issue as a result of military or naval service.

The Company explains that for the purpose of the selective draft service the Government has placed men within the draft ages in five classes. Class I contains, generally speaking, those without dependents; Class II, married men with families partially dependent upon them and also skilled farm and industrial laborers in essential industries; Classes III, IV and V, those with wife, children or other relatives in various degrees of dependency and those engaged in an occupation necessary to the successful prosecution of the war.

Applicants in the above classes (except those ineligible for insurance and those limited in amounts by the rules of the Company) will be considered for the following amounts (existing and new insurance taken together) with War Clause I, and for such further amounts with War Clause II, as will make the total insurance (existing and new insurance taken together) not greater than $25,000.

Class I	$5,000
" II	7,500
" III	10,000
" IV	15,000
" V	20,000

Applicants under age 21 will be considered as belonging to Class I.

This change will in no way affect the issue of war service permits to such persons for amounts not to exceed $2,000 inclusive of any previous insurance.

Members of the National Guard, of any military or naval organization, or persons in the military or naval service of the United States or intending to join such organization or to enlist in such service voluntarily, will as heretofore be considered for an amount not to exceed $2,000.

W. H. STANLEY'S NEW BOOK

It's Called "Safeguarding the Future" —For Mutual Benefit Agents Only

William H. Stanley, of Buffalo, who represents the Mutual Benefit Life, has written a book entitled "Safeguarding the Future." It is a remarkably good piece of work and its circulation is being confined to agents of the Mutual Benefit Life.

At the present time Mr. Stanley is doing a great deal of speaking for the Liberty Loan. These talks have included four shop meetings a day and a country meeting at night.

Edward H. Young has been appointed manager of the ordinary department of the Public Savings Insurance Company of Indianapolis.

The Standard Oil's Group Policy

One Important Provision Permits Employe to Retain Policy After Leaving Company

The Eastern Underwriter prints on this page a facsimile of the first page of an Equitable Life Assurance Society's group insurance policy issued to an employe of the Standard Oil Company. As will be recalled the Standard Oil's group insurance contract will total at least $12,000,000. So far as this paper knows this is the first publication by an insurance newspaper of a group insurance policy.

The Standard Oil's group contract is everywhere in economic circles regarded as important. One of the British labor authorities now in this country, P. W. Wilson, a former member of Parliament, went to see the thirty-nine year old president of the Standard Oil Company (W. C. Teagle) when he read of the issuance of this insurance and there resulted a page interview with Mr. Teagle, written by Mr. Wilson and published by the New York "World."

During the course of this interview President Teagle called attention to the printed notice whereby Standard Oil men are informed that if they leave the Company's employment for any reason they can carry with them their policy and can themselves keep up the premiums if they so desire.

"This means," said the Standard Oil Co.'s president, "that without undergoing medical examination the man who leaves us may continue to be insured. You will thus see that the policy is not intended to be a device for compelling men to continue in our service. It is an unconditional gift or benefit." Additional comments along the same line were published by the Standard Oil Company in the current issue of "The Lamp," its own publication in which the Company said:

"In the past it has been urged against corporations providing insurance for their employes, this seeming benefit was later used as a lever to hold men at employment for which they were inadequately remunerated after they had passed the ordinarily insurable age. In most cases this criticism was idle, but the provision guaranteeing permanency of the insurance, contained in the policy now being issued to employes of our company, will undoubtedly give a greater sense of satisfaction and security."



The Equitable Life Assurance Society OF THE UNITED STATES

No. Insurance Amount for 1918 $1000

HEREBY CERTIFIES THAT THE

STANDARD OIL COMPANY
(NEW JERSEY)
(Hereinafter called the Employer)
HAS CONTRACTED TO INSURE

the life of Richard Roe

with THE EQUITABLE LIFE ASSURANCE SOCIETY OF THE UNITED STATES for the amount set forth in the Insurance Register kept by the Society in connection with this group and ascertained in accordance with the Standard Oil Company's life insurance plan stated on the second page hereof. The insurance is to be payable if death occurs while in the employment of said Employer and during the continuance of the policy and subject to the terms and conditions thereof as follows: $150 for funeral expenses and the remainder in twelve equal monthly payments to the beneficiary entitled thereunder to receive the same.

Upon termination of employment as shown by the Employer's records, the insurance terminates automatically, unless continued under the individual conversion option. For purposes of insurance, re-employment will be classed as new employment and will be subject to all the requirements thereof and the issuance of a new certificate.

Beneficiary his wife Jane Roe

Subject to the right of the Employee, with the consent of the Employer, to change the beneficiary to any of the preference beneficiaries designated in the Standard Oil Company's life insurance plan stated on the second page hereof and in accordance therewith; which change will be effective upon entry in said Insurance Register. If the beneficiary named as above does not survive the Employee the amount of the insurance will be payable to the first named beneficiary or class of beneficiaries designated in the Standard Oil Company's life insurance plan stated on the second page hereof, who shall survive all prior classes of designated beneficiaries.

This individual certificate is furnished in accordance with the terms of the Equitable Group Insurance policy issued and delivered to said Employer, which policy with the Employer's application therefor and the insurance register therein referred to constitutes the entire contract between the parties.

New York, April 15th 1918

W. C. Teagle President.

TRAVELERS MEN PROMOTED

Wyckoff Wilson and Joseph R. Lacy have been chosen assistant secretaries in the accident department of the Travelers. Mr. Wilson engaged with the Travelers July 20, 1899 and was first employed in the actuarial department. In February, 1901, he was transferred to the accident department and in 1906 was given title of underwriter with charge of the southern division, later given supervision of the western division. He was graduated from the Albany Academy in 1895 and from Yale in the class of 1899. Mr. Lacy entered the service in February, 1899, in the casualty actuarial department. Later he was given charge of the accident and health statistical division. In 1910 he was transferred to the accident department and placed in charge of the clerical work of the department and also given supervision of the underwriting of the Ohio district.

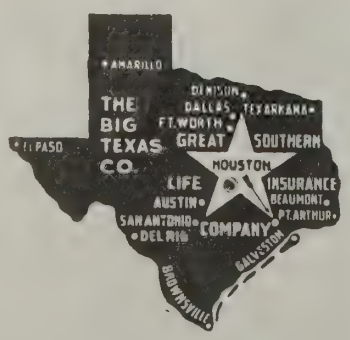
HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

Great Southern Life Insurance Company
HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON
PRESIDENT

PAYS GOOD PAY TO GOOD MEN
BANKERS LIFE COMPANY
BLCo
DES MOINES

Security Mutual Life Insurance Company
Binghamton, N. Y.
Offers to men able to produce business first class territory, with direct contract providing liberal compensation.
For particulars, address
C. H. JACKSON, Supt. of Agencies

Says Agents Will Sell Billion in Bonds

PRIDDY BACK FROM TRIP

Induced Several Hundred to Join National Association of Life Underwriters

Lawrence Priddy, president of the National Association of Life Underwriters, who returned on Saturday from a trip through the South, during the first part of which he traveled with Secretary of the Treasury McAdoo, told a representative of The Eastern Underwriter that the work of life men in successfully selling Liberty bonds was one of the most noteworthy things that he saw. He estimates that in this drive life insurance agents will sell a billion dollars worth of bonds and take 800,000 subscriptions.

Checks Accompany Applications

Another interesting feature about Mr. Priddy's trip was the number of men he induced to join the local associations. In asking men to join he told them not to hold up their hands, but to accompany an application with a check.

The first stop made by Mr. Priddy was in Raleigh, N. C., where he addressed the North Carolina Association in the Senate Chamber. Twenty-seven new applications were secured. At a banquet ninety persons attended.

At Richmond, where he first joined Secretary McAdoo, there were 64 members and 65 non-members present. Twenty-five applications for membership resulted. At Columbia the local life underwriters' association went in a body to the State legislature to hear Secretary McAdoo. A meeting of the South Carolina association was attended by sixty-two persons.

At Jacksonville the meeting was attended by twenty-six members and 52 non-members. Four left early and every one of the others joined the Jacksonville association.

In Atlanta only five applications for membership were received as that was the entire number of non-members at the banquet.

Calls at Offices

In Birmingham several prominent managers and general agents do not belong to the association. They were called upon in their offices by the National Association's president. At a meeting later attended by seventy-five life insurance men the applications for membership were received.

A bulls-eye was scored in Memphis, the dinner of the underwriters being attended by eleven non-members, each one of whom joined.

In Jackson, Miss., Mr. Priddy had a conference with the State Superintendent of Insurance with reference to the insurance laws of the State. At the banquet Vice-President Kavanagh, of the Metropolitan, made a talk in the interest of the W. S. S., of which he is in charge of field organization.

A life organization was formed in Shreveport, which has not been a good life association town.

There wasn't much time in Texarkana, Ark., but Mr. Priddy was met at the train by the officers of the local association, a luncheon had been prepared at a hotel near the station and Mr. Priddy spent an hour altogether in the town.

Two Days in St. Louis

After a visit to Little Rock Mr. Priddy went to St. Louis, where he spent the day in consultation with officers of the St. Louis Association and in calling upon managers and general agents. The meeting was attended by 152 persons, forty-eight non-members, thirty joining the association. On the second day in St. Louis Mr. Priddy attended a New York Life convention at which Vice-President Buckner made a statement advising company representatives to lend their support to the National Association movement.

A 100 per cent. record was made in Peoria, where, of 33 non-members who heard Mr. Priddy talk, all came through with applications. Indianapolis was the last stop. There fifty-seven members joined the association.

Mr. Priddy is to take a trip through the West and Northwest soon.

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.

Home Office, United Life Building Concord, New Hampshire

STATE LIFE OF IOWA

T. F. Wallace and Roy Beery Selling Stock and Gathering Agency Force

Organization of the State Life of Iowa, Des Moines, is progressing. J. P. O'Mally has been elected president. He is also president of the American Trust & Savings Bank. The majority of the stockholders of the Company are bankers. Agency development is going on simultaneously with the sale of stock, which is being placed at $150 a share. The authorized capital is $1,000,000.

President O'Mally is interested in a large number of banks throughout Iowa. John A. Elliott, vice-president of the Company, is cashier of the Commercial Savings Bank of Des Moines and a director of the Chamber of Commerce. Charles L. Snyder is secretary and counsel. John C. Kirby, the Company's treasurer, is cashier of the American Trust & Savings Bank.

The Company's financing is in the hands of T. F. Wallace and Roy Beery, who were active in organizing the Iowa Bonding & Casualty. They are selling the stock and building up an agency force, in both branches of which work they have had wide experience.

CO-OPERATION No. 13

Our effective plans of co-operation with new representatives (1) attract the best type of men to the business and (2) enable them to secure a substantial production during their training period.

A group of thirty new representatives who contracted with us in 1916 or early in 1917 reported $111,671.06 in new premiums during 1917.

Phoenix Mutual Life Insurance Company

of Hartford, Conn.

JOHN M. HOLCOMBE, President

Great Opportunities After the War

SEEN BY ALBERT W. ATWOOD

"Saturday Evening Post" Writer Does Not Expect Permanent U. S. Insurance

Writing in the "Saturday Evening Post" Albert W. Atwood, biographer of big business, looks optimistically on the lot of the insurance agent after the war. Also, he does not regard State insurance as a probability. He says:

"State insurance without aggressive canvassing has failed to achieve results in Wisconsin, and State industrial insurance has met the same fate in Massachusetts.

"It does not seem to matter how cheaply insurance is offered, people simply will not take it unless solicited. This has been proved again in a most remarkable manner in the army, where a special soliciting drive by private life-insurance agents was necessary to get the soldiers in large numbers to take the exceedingly cheap Government insurance. Policyholders in the insurance companies need not concern themselves over a possible after-the-war invasion of Government into the whole field. To meet with any success such an immense army of solicitors would be needed that the cost would probably equal that of the private companies, and if the Government failed to make a success of it the obligations to company policyholders would have to be met out of taxes. Thus the subject has only a rather remote academic interest.

New Fields for Insurance

"It is almost certain that great new fields for life insurance will open up in the reconstruction period after the war. Soldiers will have had their attention directed to its benefits, and women with full political rights and an enormously increased measure of self-reliance and self-dependence will probably insure in far larger numbers than before. Moreover, the war atmosphere of anxiety and heightened pressure has a considerable effect in inducing men above military age to take out additional policies. It is doubtful if anything could possibly demonstrate the value of life insurance more strikingly than the mortality and misery resulting from the war because they come in so wholesale a fashion.

"There was a very heavy increase in new life insurance business last year, despite the extraordinary demands upon people for money. It is thought probable there will be a further increase this year, though it may be somewhat reduced in volume. There was an enormous increase in Canada last year, and though new business fell off in England during the first few years of the war the decline is said to have stopped. In neither England nor Canada has there been any marked tendency toward surrender or lapse of policies."

TIME FOR OPTIMISTS

E. A. Woods Gives Reasons Why Business Must Go Ahead—Keep Up Morale

The morale of the country is necessary to win the war and the man discouraged by business conditions is no customer for life insurance, says E. A. Woods. Spread this gospel founded upon facts. It will help you sell life insurance and sustain the country.

It is good salesmanship and good business to encourage confidence of the commercial world generally in the prevalence of good commerce conditions throughout the country. Of course, many businesses are dislocated, but the entire experience of England shows that as soon as the commercial world accustomed itself to the new war conditions, business as a whole not only did not suffer but increased.

Penn Mutual on Under Average Risks

DISCUSS RATING UP SUBJECT

Real Service is Rendered—Presents An Obstacle Growing Out of the War

Some pertinent comments on "under-average" business are made by the Penn Mutual Life in the current issue of its "News Letter." The comments follow:

Just now an unusual degree of interest and activity is manifested in the management of several companies in the direction of maintaining normal growth. A company which has been gaining thirty or fifty or a hundred millions each year by way of addition to total insurance in force—thus broadening its base for at least a theoretical attainment of lower cost—finds itself confronted with an obstacle arising from the war.

In peace times all between the ages of 18 and 65 (in some companies 16-70) in non-hazardous occupations are the objects of solicitude and solicitation by the irrepressible and convincing solicitor. Following the declaration of war all of ages 21 to 31, inclusive, are being cared for by the Government,thus eliminating approximately 5,000,000 from those approachable, and by so much restricting the opportunities of the field worker. There are some compensations, economically and spiritually, as for instance the greater need for larger lines of protection and the growth of a higher appreciation of the duty of caring for the widow and orphan, but of these it is not intended to write.

May Write Sub-standard

Under the present stress several organizations are considering the propriety of writing under-average, or so-called sub-standard lines, being those persons having impairments of various natures and degrees which adversely affect longevity. A common method of obtaining compensation for the extra hazard as practised by quite a number of companies is by "rating-up," which consists in adding to the actual age the number of years representative of the extent of the impairment and to charge a premium corresponding to the advanced age. In many cases two or three or four years suffice in the medical, actuarial and business judgment to establish a parity as between those thus insured and the standard risks of a company. Instances are of record where an applicant has been rated seven years beyond actual age, but they are rare, and where as much as an advance of ten years in rating seems required, the risk is not accepted.

Ordinarily the rejections of companies approximate 10 to 12 per cent. of all applications submitted. It is pretty nearly established in those companies which have adopted the system of rating up that about 50 per cent. of cases which under normal standards would be unacceptable are saved to the company, and by their amounts augment the writings of the year. While the amounts thus apparently saved are considerable, deductions, however, must be made of those cases which are in the category of moral hazard, about the mortality associated with which little reliable data is obtainable.

In a company where rating-up does not obtain $14,000,000 of insurance was declined or postponed in 1917. A thorough review of these cases indicates that the application of the system would have saved at least $5,000,000.

Manifestly the underlying question in mutual organizations particularly is the probable effect of the system on the whole body of membership. Will it increase or decrease surplus, and thus favorably or unfavorably affect cost? Will it facilitate or retard the work of the field men? Will the reputation of a company improve or deteriorate? These are questions which naturally address themselves to those who have given the subject even superficial consideration. It is not possible to answer either question dogmatically, for all of them are being debated with an earnest desire to arrive at a body of fact which will sustain the different contentions. One wing earnestly contends that its influence will be helpful; the other side disputes this claim and avers that one demonstrable effect will be the classification of large lines of business as under-average which ordinarily would be accepted as standard. One group contends that the undertaking of the under-average service is a development of life insurance that will extend the service in keeping with the modern views of the proper relationship of life insurance companies to the public. This is just as vigorously and strenuously denied. There are those who contend, notwithstanding the very considerable number of companies engaged in this work, that those which now enter upon it will suffer in reputation, etc.

System Believed Warranted

It is undeniable that the pioneers in this work found in the early days a mortality rate in excess of that covered by the rating-up; but as the years passed and experience was had this undesirable effect was overcome by the application of more rigid methods of selection. It is not at all certain that any company would actually suffer by the introduction of the system any considerable loss through a series of years. One company the experience of which extended beyond ten years is firm in its belief that the adoption of the system was fully warranted by results. In the early stages the reputation, and some degree of real standing, may be adversely affected. For a while the writing of industrial insurance was regarded as a stigma upon certain companies by some of those who claimed superiority for others; but this stigma has long been effaced by the wonderful and highly useful service rendered.

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. **Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.**
2. **The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.**
3. **Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.**

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,

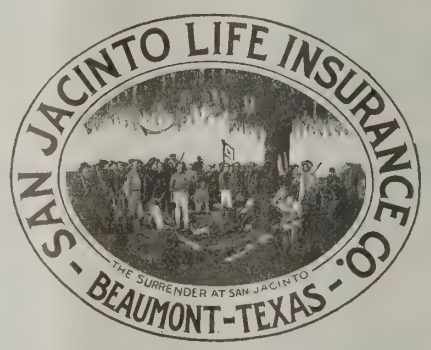
Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

To the Man Who is Willing—and Will



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. **of Cincinnati, O.** **Allan Waters, Second Vice-President**

Business Associations

Help men to success.

Provident agents are associated with a business organization whose reputation for integrity, fair dealing and financial security extends over half a century.

Write for information

The Provident Life and Trust Company

of Philadelphia

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.

Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Maximum of the State Mutual Life

READJUSTMENT OF LIMITS

Policies on the Draft Ages for Limited Amounts—President Wright's Circular

The State Mutual Life, of Worcester, Mass, has mailed the following letter to its field force:

The maximum amounts of insurance that may safely be written at various ages, under war conditions, has been given careful study by the management, and after due consideration a readjustment of the "limits of risk" was decided upon, so that hereafter applications for new insurance will be subject to the following schedule, which supersedes that sent out under date May 21, 1917:

Men who were under age 31 on June 5, 1917, married or single, $2,500, no term.

Single Men

31 (who were 31 or over on June 5, 1917) to 40, $10,000, no term.

41 and over, Company's present rate book limit.

Married Men

31 who were 31 or over on June 5, 1917) to 35, $20,000, no term.

36 to 40, $30,000.

41 and over, Company's present rate book limit.

Men at present engaged in the military or naval service of the United States, or men who shall volunteer for, or who shall have been drafted into, such service, will be limited to $1,000, twenty-year endowment, subject to the extra premium charged by the Company; except that men who have been regularly engaged, as an occupation, in the service of the army or navy for a period of six months (up to the time of proposed application for insurance) will not be considered for any amount.

The limits above specified are inclusive of the amount of insurance carried in the Company.

Men connected with the aviation branch of the army or naval service will not be accepted.

Policies on the lives of men who were under age 31 on June 5, 1917, or upon the lives of men who have been limited to $1,000, twenty-year endowment, as above set forth, will not be issued with temporary term premium, nor will the total and permanent disability provision be granted.

B. H. WRIGHT, President.

The Company has a special rider applying in cases where a man wants more insurance than prescribed in these limits. In other words, wherever an applicant is willing to assume the war risk the Company will write him for its regular rate book limits, provided he accepts it subject to the new form. The rider follows:

Rider issued as a part of and attached to policy No. .....on the life of .....

The provision on the first page hereof which refers to incontestability is amended to read as follows:

This policy shall be incontestable after one year from the date of its issue, except for non-payment of premiums and except for violation of the conditions of the policy relating to military or naval service in time of war.

The provision on the second page hereof under the caption "War Risk" is amended to read as follows:

If within ten years from the date of this policy the insured shall engage, voluntarily or otherwise, in any military or naval service in time of war, the liability of the Company in event of the death of the insured while so engaged, or within six months thereafter, will be limited to the return of the premiums paid, less any indebtedness to the Company hereon.

MAJOR GIDDINGS RETURNS

Major Howard A. Giddings, who has just returned from France, was the principal speaker at the fourth annual dinner of the Travelers' Club held in Hartford April 20. The affair was called a "war dinner." Major E. V. Preston of the Travelers was there, having entirely recovered from his recent illness. Major Giddings' trip to Europe was as a member of the Federal Reserve Liberty Loan Mission.

Pass Agent's Bill in Rhode Island

STRONG QUALIFICATION LAW

"Measure Born, Bred and Fathered by Life Insurance Interests," Says M. H. Stearns

The Governor of Rhode Island has signed the Agents' Qualification Bill, which will go a long way in eradicating unsatisfactory representation of life insurance companies.

Providence life insurance men are jubilant about this and their views are reflected by Maurice H. Stearns, a well known general agent, who said: "This bill, although of great interest to all kinds of insurance, was born, bred and fathered by the life insurance interests entirely."

The bill has had the enthusiastic backing of the Rhode Island Underwriters' Association, the president of which is Frank Donnelly; vice-president, Herbert M. Wheaton; secretary, H. Augustus Kendall, and treasurer, Albert E. Leach. Francis A. Crum is chairman of the executive committee, other members of which are Maurice H. Stearns, David J. White, Clinton C. White, Frank H. Sweet, William F. Hazelton and Lawrence F. Voreiss.

LIBERTY LOAN TALK

A Street Sign of Ives & Myrick That Draws Crowd All Day Long

Ives & Myrick, Mutual Life, New York City, have two large street signs outside their office, Nassau Street, which have sold a great many Liberty bonds. There is always a crowd about the signs, which present the following argument:

If a $1,000 clerk can buy a $50 bond a year (millions of them are doing it), it is no sacrifice for a $5,000 man to lend $500 to the United States Government.

This is what every man can do:

Income	Per Cent.	Bond Minimum
$1,000	5	$50
$2,000	7½	150
$3,000	8	250
$4,000	9	350
$5,000	10	500
$7,500	15	1,000
$10,000	25	2,500

All incomes over $7,500 can be loaned to the Government, given to the Red Cross, Y. M. C. A., Belgium, French orphans, etc., and enough for essentials will be left.

Learn the difference between essentials and non-essentials.

A soldier gives his all.

His percentage is 100 per cent.

Are the above percentages too much for you?

THE LOAN IN NEW YORK

Life Underwriters Sell More Than $8,000,000 of Bonds, Including Rosen's Subs.

When H. B. Rosen, who is out of town, turns in his subscriptions the Life Underwriters' Association of New York will have at least $8,000,000 to report as the result of its Liberty Loan campaign.

The Mutual Life has added $5,000,000 to its subscription.

The Travelers' campaign in Greater New York has gone over $1,000,000.

Employes of the New York Life have subscribed for more than $1,000,000.

NEW ARKANSAS COMPANY

The Gulf and Inter-State Life and Accident Association, a new domestic corporation, has filed a charter with the State Insurance Commissioner. The headquarters of the new company is in Little Rock. E. M. Elrod is president, Madison Jones secretary and C. P. Jones vice-president.

FARMERS OF DENVER RESUMES BUSINESS

The States of Colorado, Kansas, Nebraska and Texas have relicensed the Farmers' Life of Denver, so that business may again be resumed.

The Right Place for the Right Man

The capable and energetic man or woman who represents a company which provides an unexcelled policy at a low net cost is sure to succeed as a life underwriter. That is why our representatives everywhere are loyal, contented and enthusiastic. The reputation of their Company for prompt and efficient service gives them a confidence which wins the confidence of the insuring public.

Occasionally we have a General Agency opening.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Financial Writer's Sidelights on Business Insurance

In Philadelphia at the present minute there is a very happy jobber with a thousand dollars in his pocket that he had never really expected to get. It represents a debt incurred about ten years ago which at the time was practically given up as lost. The debtor was insolvent, his business was gone. he was not well and probably nobody would have given $10 for the claim. The case is described as follows by a gentleman familiar with it:

This jobber was discussing this debt with his counsel one day, and observed that he had charged it off with the rest of the year's losses, when the lawyer made a suggestion. It was that the jobber go to the debtor and suggest that he, the debtor, get his life insured in the creditor's favor, the creditor to keep the premiums paid. In the end there might be a chance that the debt would be paid. The debtor was an honest man and seeing no way in which he could lose anything by adopting the suggestion, he went to an insurance company and got a policy on his life with the jobber as beneficiary.

The policy was not for the flat amount of the debt, which was about $1,000, for most of that would have been eaten up by the premiums which the jobber would have had to pay. The debtor was fifty years old, and not very robust. It was nevertheless figured that he would live twenty years. At his age the premiums were about $60 a year; if I remember rightly, and enough insurance was therefore taken out to cover the debt and twenty years' premiums at $60 a year. In such a case the law allows a creditor to include in his insurance on a debtor's life all expenses of taking out and keeping it up, so that at the debtor's death, the debt will be paid in full and all expenses refunded. Interest for twenty years was also included in the amount of insurance taken.

In this case the debtor died in about ten years, and the creditor will therefore collect from the insurance company more than he has paid out and more than he is entitled to. The difference he must pay over to the debtor's estate, for the law will not permit him to gamble with a debtor's life. He can use insurance on a debtor's life to pay a debt, but he cannot use it to make any money for himself.

I have always wondered why more creditors didn't use this method of getting a bad debt paid. Almost every debtor will agree to it—why shouldn't he; it costs him nothing. There are only two small drawbacks to it—(1) you must keep track of your debtor so you will know when it is time to cash in, and (2) you must invest some money in premiums. That you will get all this back with interest, however, is just as certain as anything can be, for the debtor is bound to die some time, and if you have kept the premiums paid, the money is sure.

I know one wholesale dealer who to-day is carrying more than twenty policies on debtors' lives. They vary all the way from $300 up to over $2,000, and the combined premiums amount to quite a little sum, but he figures it a good investment, and it is. He will collect thousands of dollars that way that he would never have gotten otherwise.

There is another large dealer who makes a sort of specialty of carrying these policies on the lives of debtors who went bankrupt. He will go to a customer of his who has gone bankrupt and say: "See here, you owed me $1,000 when you went into bankruptcy. Your estate is going to pay 15 per cent., which will reduce the debt to $850. I can never collect a cent of that from you, but nevertheless it is still a moral debt and I'm going to show you a way in which you can pay it without costing you a penny. Simply let me have your life insured in my favor for enough to cover. I'll pay the premiums as long as you live, and when you die the debt will be wiped out."

This man told me that every bankrupt debtor he had ever had, with one exception, agreed to do this, with the result that he had collected several debts that would ordinarily have been lost.

Some creditors are short-sighted enough to do this thing in another way; they will let the debtor get the policy and assign it to them, or assign an interest in a policy he already had, the debtor in this case being responsible for the premiums. This is very uncertain, for the debtor will probably fall down on his payments and the insurance will lapse.

The law is clear that a creditor has an insurable interest in the life of a debtor, not only for the amount of a debt, but for all costs, expenses and interest. This is the law practically everywhere.

A variation of this law gives a partner or a business backer who advances money to somebody to put a deal through, the right to take out insurance on the life of the partner or the person on whom the success of the deal depends. Also, when you go on somebody's bond, you can take insurance on his life to protect you. (Copyright, April, 1918, by Elton J. Buckley.)—"The Financier."

* * *

"I can't Save a Cent"

A young man said the other day in complaining to a New York Life man who had induced him to take out a comfortable bunch of insurance, "it takes all my spare cash to keep up my war activities and pay the premiums on that confounded policy of mine."

"You give me a feeling of lassitude," replied the agent. "How could you normally save money any faster than by paying premiums? In your $5,000 policy you own a piece of property worth $5,000. You owned it the moment it was delivered to you, even though you had made but one payment. Furthermore, it is becoming more valuable every day as your accumulations increase. It costs you nothing for a deed or an abstract, nothing for an architect, costs nothing for repairs and upkeep, does not deteriorate in the weather, or in times of financial or business distress, and it is non-taxable. You pay for it by easy stages and if you die all future payments are canceled.

"It's different from anything else in the world.

"You spoke of your 'spare' cash. How long do you think it would take you to save $5,000 from your 'spare' cash? Furthermore, if you didn't use your 'spare' cash to pay premiums on your policy do you imagine you would save it?"

The foregoing dialogue is given circulation by the New York Life.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

THE FARMER

Must Hold His Confidence as Well as Gain It Says Agent

R. Alexander, of the Pan-American Life, in discussing the farmer, says that winning his trust is the only way to sell him. He says:

"The farmer has been the victim of more legalized robbery than any other one class on earth, the lightning rod man, the book agent, selling worthless publications, the patent churn agent, the crop insurance agent, purporting to insure, for a stipulated sum, a specific crop per acre, and a host of other leeches on the financial world, including, and I am ashamed to say it, a few unscrupulous insurance sharks have all rolled in wealth at his expense.

"As a result, they are naturally and justly prejudiced against any traveling evangelist of trade, and regard all unknown agents, no matter what their line may be, with more or less suspicion. A burnt child dreads the fire.

"That such practices ever existed is deplorable and unfortunate for the reputable insurance man entering new territory, but that they did and do exist is a fact that we must face and overcome.

"The first pre-requisite to a successful interview with the average farmer is to gain his unlimited confidence and by giving him an absolutely square deal, hold it. The rigid truth, honestly spoken, from an open countenance, will accomplish this first step in nine cases out of ten, and sufficient perseverance will ultimately convert the tenth.

"I believe you will all agree with me when I say that the only way the average farmer, or when boiled down to its last analysis, the average any-body-else can intelligently and profitably buy life insurance, is to rely on the judgment of some dependable and efficient life underwriter."

$2,500 AVAILABLE SURPLUS

Available surplus in the State life insurance fund of Wisconsin, amounting to $2,500, has been invested in Third Liberty Loan bonds, by a decision of State officers.

WROTE $92,139,685 GROUP

The Aetna Life wrote group insurance of $92,139,685 in 1917.

Prominence Given Business Insurance

VIEWS OF NEW ENGLAND MEN

Walton L. Crocker, Earl G. Manning and Glover S. Hastings Tell of Advantages

In a special business life insurance supplement issued by The Commercial Bulletin of Boston, articles are present-by Walton L. Crocker, vice-president, John Hancock Mutual Life; Earl G. Manning, supervisor of agents, Provident Life & Trust; Glover S. Hastings, superintendent of agencies, New England Mutual Life, and opinions by numerous business men.

Mr. Crocker makes the point that all business activity depends upon life. The more opulently endowed the life, the greater its possibilities in the business world. So long as the gifted men remain in control of business operations, they will very likely succeed, and credit can be readily secured upon that basis if the enterprise be otherwise sound. The mortality tables tell us how many men out of a hundred thousand will be expected to die in any given period, but they stop right there. They cannot and do not tell us who is to be the next to go, or who is to live. It is the uncertainty of the tenure of life of individuals which gives life insurance its fundamental significance. As allied with credits it stands behind personality, and assures a certain measure of financial equivalent of the life which is taken away. This return may or may not be commensurate with the prospective value of the normal expectation of the life, but it may be, nevertheless, enough to save the situation. So life insurance today for these reasons has become a factor of no mean importance in the credit fabric of business.

Another reason why life insurance is to be relied upon in a business crisis brought about by death, is the ease, speed and certainty of the settlement.

Help to Small Concern

Mr. Manning's argument is in part as follows:

It has been apparent from the working out of the excess profits taxes that the business having a small invested capital with even a reasonable net income is penalized, whereas a concern making the same income with a larger capital is favored.

The problem that confronts a business having a small capitalization compared to income, then, is to increase its invested capital as reasonably and speedily as possible, consistent with good business judgment.

Of course, the usual way would be by increasing the capital stock, and secondly, by laying aside from earnings a certain amount of money as a surplus fund which by the way is limited by the Internal Revenue Department to a certain proportion of the capital stock.

There is another method of accomplishing this, and that is by means of business life insurance, on the lives of the valuable men of the corporation.

In so taking it, the concern capitalizes the human element of the business at the same time it increases invested capital.

Business Mortality

Glover S. Hastings speaks of human mortality and business mortality. He says that for thirty-seven years the number of annual failures in business have averaged one per cent. Thus may be seen in operation in business life a great underlying law of average similar to that which governs in human life. The American Table of Mortality shows that at age 41, of 77,341 selected lives at the beginning of the year, the number dying during the year is 774, which is equivalent to one per cent. (10.01 in each 1,000 lives).

Tabulations, such as the foregoing, show clearly that the business man has just as great a chance of dying in business as of encountering the death common to all mankind.

Undoubtedly many failures are caused by the death of the experienced partner, or of the member with the largest share of the invested capital, or of the man whose brains are responsible for the success of the business. Such statistics show to every business man the importance of a quick asset, particularly in times of financial disturbance, or upon the death of the man who is the dominant factor in the business.

Bradstreet's sends out a little yellow slip announcing to its subscribers the death of an important member in a business. And at some of their offices is added the amount of business insurance carried.

There can be no reason for making such a report other than the assumption that the death of such a man is of financial importance to all interested in that particular organization. This practice undoubtedly keeps creditors from pushing many a solvent concern to the wall. Thus it is seen that corporation and partnership insurance help furnish capital and tide over the crises that so frequently occur in business experience.

WOMEN'S DISABILITY

Guardian Life Grants Same Benefits and Rates for Unmarried Women as for Men

The Guardian Life will hereafter grant disability benefits contained in its present policies to unmarried women following gainful occupations. The benefits and rates will be the same as those for men with one exception, viz., that the provision for disability benefits becomes inoperative on the insured's marriage.

The Company says:

"In granting the disability benefits to women we expect that you will co-operate with us in selling insurance to the better type of wage-earning women. Generally speaking, the disability benefits will be issued to business women, such as stenographers and office clerks, professional women such as teachers and trained nurses, excepting nurses on the staff of tubercular sanitoriums or hospitals for infectious diseases. They will not be issued to factory operatives, car conductresses, or domestic servants, etc.

"In all other respects our rules regarding women will remain in full force. For the present, the disability benefits cannot be issued to women in Illinois."

PLAN FOR CLAIM MEN

Chairman of Organization in New York Tells What Should Be Accomplished

In setting forth the aims of the Accident & Health Claim Association of New York, Ralph Marden, who fathered the organization, said:

"It must be borne in mind that we are in no sense officially representing nor will our expression of opinion be considered as binding upon our companies; in other words, we will meet and deliberate solely as individuals, deeply interested in the business in which we are bound together.

"To conduct the association in a simple manner devoid of as much formality as possible, with the object in view, always, of considering we are, so to speak, members of a family combined for a common good. To that end I suggest that the presiding officer be termed 'chairman' rather than 'president,' and that we confine ourselves solely to meetings, eliminating (for a while at least) all outside demonstrations, including dinners and banquets. We can, perhaps, call our meetings early, at say 6.30 or 7 o'clock, with the view of closing as near 9 o'clock as possible. Several of us live out of town and attendance should be not made at all burdensome to anyone. It has seemed to be fitting and practical that meetings should be held at the offices of our several companies. No doubt a stenographer would be furnished for the meetings by the company of that office where we are conferring, who shall, later, give to our secretary the typewritten minutes, and so far as can be seen now, our only outlay will be for postage, and perhaps for the cost of typewritten letters calling meetings. I think that we should each make some payment in the way of dues, and that $1 per annum will be sufficient at present for any such liability as we are likely to incur.

For Mutual Help

"As to the procedure of our gatherings, it is the thought of many who have discussed this point that a member should read a paper not too lengthy on some interesting claim topic, to be followed by general discussion, and later on an interchange of views regarding questions (as to policy terms and benefits) as they relate to claims, including, also, new and unusual experiences. All this will result in mutual help and education that ought to be invaluable."

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.
THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA
On January 1, 1909, rates were reduced and values increased to full 3% reserve

Are You Permanently Established?
Write for Territory
Pennsylvania—Ohio—West Virginia
PHILADELPHIA LIFE INSURANCE CO.
PHILADELPHIA

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

The Connecticut Mutual Life Insurance Company
PRESIDENT JOHN M. TAYLOR, HARTFORD, CT.
Insurance in force, 113,918 Policies for $270,243,227.37
WHAT NO OTHER COMPANY HAS DONE
To repay to its Policy-holders in Death Claims, Endowments, Dividends, Surrender Values, Annuities and other credits more than they have paid to it in premiums.
It stands alone in that result.

Total premiums received, Dec. 1, 1846, to Dec. 31, 1917	$318,963,384.44
Total returned to Policy-holders, as above noted, in same period	326,786,585.46
Excess of amount returned	7,823,201.02

THE EASTERN UNDERWRITER

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WOMEN AS LIFE RISKS

In the Medico-Actuarial volumes there are 149,000 entrants of spinsters, 95,000 of married women with husband beneficiary, 83,000 of married women, beneficiary other than husband, and 66,000 widows and divorcees. These entrants are sufficient in number to justify some new reflections upon the desirability of women as insurance risks. And such reflections have been presented by Henry Moir, actuary of the Home Life, in a mortality graph, published by the Actuarial Society of America. Mr. Moir took these four classes and has had prepared some interesting graphs and tables.

Bearing in mind the number of applications submitted in the different classes, and remembering that spinsters and business women are urged to take insurance by agents, also that there is an increasing tendency towards such activities, Mr. Moir offers the conviction that women risks average as good as men. It does not follow, however, in Mr. Moir's opinion, that insurance companies can afford to remove the restrictions that have been placed around the insurance of married women. These restrictions, instead of being less severe than they have been in the past, should probably be more severe, particularly at the younger ages.

The curves indicate that an endowment policy is a poor protection against the heavier mortality among married women at the younger ages. A limited payment policy does not protect, he says. Accordingly in his opinion the steps to be taken are in the first place a rigid selection with strict inquiry as to the object of the insurance, and, in the second place, a direct extra premium or a rating of the age for young married women.

It is but seldom that rules are adopted which conform strictly to theoretical requirements. In the case of married women theory would seem to demand a net extra premium of $5 per $1,000 payable during the first five years of insurance for entrants between ages 30 and 40 and during the first seven or even ten years for entrants under age 30. Otherwise, a minimum rate applicable to age 30 might be charged, with an extra for the first five years in addition. Mr. Moir thinks it probable, however, that the companies will continue their efforts to secure a good experience by an attempted strictness in selection, and doubtless agents will continue to give the same plausible reasons for accepting nearly every individual risk submitted.

With reference to widows and divorcees the ultimate mortality curve is high at the youngest ages. "They are not such good risks for insurance as the unmarried who so frequently follow a business career, but on the average they are better than the married" is one of Mr. Moir's interesting observations.

A SPLENDID PRESENTATION OF LIFE INSURANCE

Rarely has any layman writing for the press published such an intelligent article on life insurance as that from the pen of Albert W. Atwood, distinguished commentator on financial and industrial happenings, in the last edition of the "Saturday Evening Post." The article is entitled "Your Insurance Policy in Wartime." He asks the question, "How will your policy stand the strain of the war?" and the answer, straight from the shoulder, epitomizes the sentiment running throughout his contribution:

The obligation under a life insurance policy is a sacred trust if anything in this world is. It is often carried out after the policyholder is dead, and nearly always affects those who are nearest and dearest to him. More than any other institution it protects the most helpless, the widows and orphans. Naturally the prime necessity of such an obligation is that its fulfillment should be secure beyond any possibility of doubt, that it should be carried out, whatever calamities may happen, if humanly possible.

Now, I do not think it is any exaggeration to say that no other business is quite so well prepared for this great upheaval of war as the life insurance business. A policy in a well established company is the most secure promise to pay that a man can possess in a time like the present, and nothing is more sure in the commercial world than that this promise will be fulfilled, whatever may result from the war.

USE AND OCCUPANCY

During this and some succeeding weeks The Eastern Underwriter will devote considerable space to the subject of Use and Occupancy. This week the views of an intelligent local agent are printed. Next week, the situation will be presented as it appears to brokers. On the following week will be published the angle of an adjuster who has had as much experience with U. & O. as any man in the country. Necessarily, in the discussion of such an important technical subject, it is not possible to be so brief as in comments on strictly insurance news events, but there are enough students of underwriting conditions to make it imperative occasionally for a trade publication to run articles of length on these subjects, and use and occupancy happens to be one of them.

THE HUMAN SIDE OF INSURANCE



E. E. RITTENHOUSE

E. E. Rittenhouse, of the Equitable Life Assurance Society, is the author of a powerfully-written pamphlet bearing a message to the American people to arouse themselves to the necessity of waging unrelenting and vigorous war on the Kaiser. It begins with a picture of Von Hindenberg, illustrating "Brute Force," and concludes with humanity's verdict, "Germany Must Repent, Reform and Repay." This pamphlet, called "Know Your Enemy," is being circulated by the Committee for Patriotic Education. A number of the most prominent men in New York are on the committee and the brochure is being distributed by the thousands.

* * *

J. B. Levison, president of the Firemen's Fund, of San Francisco, was in New York this week.

* * *

Forbes Lindsay, formerly with the Pacific Mutual, with which Company he gave valuable talks to agents and edited that Company's agency paper, has purchased an interest in the "Life Insurance Independent."

* * *

Roderick O'Connor, manager of the automobile department of the Caledonian Insurance Co., left last week for a month's tour of the country.

* * *

C. D. Paige, representing the Maryland Casualty at Providence, R. I., has been made a special assistant to the Federal Food Administrator for Rhode Island.

* * *

William R. Hearst, who already owns twelve daily newspapers and a string of magazines of tremendous circulation, has added the Chicago "Herald" to his newspaper properties, and will merge it with the Chicago "Examiner" (owned by him for years), with Arthur Brisbane as editor.

To insurance men this announcement is of more than ordinary consequence for the reason that the Chicago "Herald" runs a bang-up insurance column every day, and has for years. Whether Hearst will continue to run the column is not known, but it is exceedingly unlikely that he will give it up, despite the fact that insurance news has had little appeal for Mr. Hearst, and one rarely sees an insurance story in any of his papers outside of Boston. In that city, however, an insurance column is being run in the "Advertiser."

The purchase by Hearst of the Chicago "Herald," with its pioneer western insurance column, recalls a great many pleasant memories, and needs the recitation of a little newspaper history to make entirely clear. The first column in the West was started by the old "Inter-Ocean" with C. I. Hitchcock, who had been with a Chicago insurance paper, as editor. Such a good reporter was Hitchcock that in time his column was read by insurance men in many States, and helped make the "Inter-Ocean" famous.

Then Hitchcock went to the "Times-Herald," where he ran an insurance column. Charles M. Cartwright, a young Princeton man, who was a reporter, took the "Inter-Ocean" column and the rivalry between Hitchcock and Cartwright became a classic in newspaper annals. Eventually, Hitchcock and Cartwright quit the dailies for weekly insurance journalism; the "Inter-Ocean" was merged into the "Herald" and the present editor of the column is Tom Weddell, of the Chicago "Post," and also affiliated in a literary way with the Western Union. Tom kept up the high standard of his predecessors and it will be a shame if the column is not continued. Mr. Hitchcock, now president of the "Field," is in New York this week.

WESTERN CLUB

The Western insurance men, now living in the East, who attended the dinner at the Waldorf on April 26 and organized a social gathering, are C. D. Dunlop, J. O. Dye, W. A. Blodgett, S. R. Holmes, R. D. Harvey, Chas. L. Case, F. B. Stabler, Fred. Sabin, E. C. Fox, Hart Darlington, Edward Meinel, A. E. Clough, J. A. Kelsey, H. N. Kelsey, Jos. J. Windle, W. J. Greer, F. C. Haselton, C. J. Holman, Geo. M. Lovejoy, Fred W. Bowers, Waite Bliven, H. R Loudon, Louis Parker, Alfred Stinson, Robe Bird, O. E. Lane, B. M. Culver, J. P. Singleton, Frank A. Mannen, W. N. Bament, Walter H. Cobban, Howard DeMott, C. S. Timberlake, Robert L. Parsons, A. C. Noble, W. O. Robb, H. W. Stephenson, L. C. Moore and F. W. Koeckert.

SUBJECT TO STAMP TAX

The Commissioner of Internal Revenue has ruled that policies of guaranty and fidelity insurance, including policies guaranteeing titles to real estate and mortgage guaranty policies, are subject to the stamp tax on bonds provided in sub-division 2 of Schedule A of Title VIII of the War Revenue Act, and not to the tax provided in section 504c of Title V, as held in previous Treasury decisions.

NEWARK FIRE'S AUTO CLAIMS

The Newark Fire has placed its automobile claim department for New York City in the hands of J. N. S. Brewster & Co. In conjunction with this and other expansions, the J. N. S. Brewster Company's claim department has been moved to 50 Pine Street.

CONVENTION DATE SET

The annual convention of the National Association of Insurance Agents will be held October 10, 11 and 12, in Cleveland.

With the approval of Commissioner of Insurance and Banking Austin, the Wichita Southern Life Insurance Company of Wichita Falls has withdrawn securities from the State Treasury amounting to $182,500, which was the amount of the capital stock of the Company.

H. L. Herrington, liability manager in the New York office of the Travelers, has been ill at his home for several days.

FIRE INSURANCE DEPARTMENT

Misconception About a Black Tom Loss

FACTS IN PILE-DRIVING CASE

Decision Against Fire Association Doesn't Mean Companies Must Pay for Explosion

Recently there was a decision in the case of Edward B. Jenks against the Fire Association, in which the plaintiff recovered full amount of his policy covering the assured's pile-driving vessels at Black Tom Island—an echo of this great explosion. There has been some misconception of the bearing of this case upon the liability of the companies for loss to merchandise in the various warehouses of the National Storage Co. The facts in the case follow:

How Litigation Started

The litigation in question was a suit brought upon a policy of insurance covering certain pile driving vessels. These wooden pile driving boats were moored to a skeleton timber pier on which there existed a wooden shanty, this pier extending out from the northerly side of the Black Tom Island peninsula. These pile drivers were within a very short distance of the railway cars in which originated the fire which started the Black Tom Island disaster. The wind was blowing from the fire toward this timber structure and the pile drivers. After the disaster traces of property, showing signs of fire, which had been in the wooden shanty were found in the mud under the water approximately beneath the position which it had occupied before the fire. These facts and others justify a fair inference that **the destroying element was fire and not the explosion** because had the property been unconsumed prior to the first tremendous explosion, not such a great distance away, it would inevitably had been blown a very great distance from where the remains were in fact found. Upon the facts being laid before the court, the jury was entirely justified in reaching the conclusion which it did.

The situation with reference to the great quantities of merchandise stored in the brick warehouses was very different. Here admittedly no fire had reached the property prior to certainly the first and perhaps the second of the two explosions, the effect of the first explosion alone being to substantially demolish the warehouses, blowing a portion of such warehouses and their contents into the river, leaving the remainder a mass of wreckage. It was this situation, namely, the damage caused by the explosion, which rendered the companies not liable for the amount of such damage, although admittedly they were liable for the subsequent fire damage if after the explosion there was any substantial value in the goods left to be damaged by the fire. In view of the magnitude of the disaster, however, the companies voluntarily assumed a substantial measure of responsibility and the claims of all policyholders were paid, less what under the circumstances must be considered a purely nominal deduction, which merely saved the principle which now must be considered as admittedly part of the contract; that under the standard fire policy the insured is not liable for damage on the insured premises occasioned originally by an explosion not caused by fire upon the insured premises.

Change in Officers of the Stuyvesant

FRELINGHUYSEN IS PRESIDENT

H. R. Chambers, President of National Fire & Marine, Elizabeth, N. J., Vice-President

At the annual meeting of the board of directors of the Stuyvesant Fire Insurance Co. on Friday, J. S. Frelinghuysen, United States Senator and head of the J. S. Frelinghuysen Co., New York, was elected president of the Company. This followed the resignation of A. R. Pierson, who has been president of the Company for a number of years and who will not now be connected with it in any way.

The board of directors also elected H. R. Chambers vice-president of the Company taking the place vacated by Mr. Frelinghuysen. Mr. Chambers is also president of the National Fire & Marine Insurance Co. of Elizabeth, N. J., and has long been a prominent stockholder of the Stuyvesant.

C. A. Garthwaite continues as vice-president of the Company and G. F. Hutchings and W. C. Kuester as secretaries.

ADJUSTS FOR BREWSTER & CO.

George S. Yale, formerly an insurance appraiser at 95 William St., is now automobile adjuster for the local automobile department of the Caledonian Insurance Co., which is operated through J. N. S. Brewster & Co. Mr. Yale was for a number of years an automobile salesman.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

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Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
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COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
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CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

One Hundred Million Americans Must Enlist to Win the War

Be one of the hundred million Americans to help win the war. Plan to buy all the bonds you can. This is your part and no one else can do it for you.

Get into the fight! Join the crowd! Do it Now!

Invest in LIBERTY BONDS!

This space contributed by
NIAGARA FIRE INS. CO., NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Want Time Limit on German Policies

TWO HEARINGS THIS WEEK

Supt. Phillips Says He Will Keep Deposits Until Insurance Liability Terminates

On May 8 there will be a hearing in Albany on the Towner bill, which provides for the transfer of the business and assets of enemy insurance companies. On Monday Richard M. Hurd, of the American Defense Society; A. E. Stevenson. of the Mayor's Committee; Julius Henry Cohen, lawyer, and Fred B. Campbell, insurance lawyer, appeared in Washington before A. Mitchell Palmer, Alien Property Custodian, in opposition to the measure. Their objections are, first, an allegation that the bill gives enemy interests the opportunity to buy back during the war their plants; second, that the measure will violate rights of trustees; third, the measure is ambiguous and impractical. It is understood that the Custodian wants the measure passed in order to hasten the liquidation of the companies, as some of the policies will not mature for several years. He wants the cash, and desires to rid his office of the detail.

A. M. Best, who calls the measure "a bad bill with big backers—a plan to preserve agency plants of enemy concerns." made this suggestion in his paper this week:

"Let the Treasury Department announce that three months hence the license to liquidate will be revoked and that thereafter policyholders can recover return premiums or loss claims only after a judgment has been secured."

This suggestion was made to the Custodian by Richard M. Hurd, who also voiced the same suggestion at a hearing given by Superintendent of Insurance Phillips on Tuesday. At the Phillips hearing were the same men who went to Washington and others, including Mr. Best. Wallace Reid, Seeleye Benedict, President Little of the Brokers' Association, Chairman Hegeman of the Laws Committee of the Brokers' Association. Julius Henry Cohen, a well known lawyer, who made the principal argument against the German companies when the question of continuing their licenses came up, made a short talk.

At the Phillips hearing Mr. Campbell made the principal argument, largely devoted to the rights of the American trustees. He said if the bill became a law there would be a breach of trust.

The Superintendent said that he intended to hang on to the deposits made by the German companies with the State until the obligations of those companies to policyholders were terminated, and he did not think the custodian had the right to demand these deposits of him. Until the custodian had such legal right he would not turn the assets over to the custodian. Asked about the position of the trustees, whether they should turn over to the custodian the assets in their keeping; Mr. Phillips said that was their concern. He admitted that he would take "a second peep," if he were a trustee and such a demand was made of him by the custodian. He added that he did not think it fair to policyholders to cancel short-rate if the cancellation suggestion of Messrs. Hurd and Best were adopted by the Treasury Department. The arguments will be resumed in Albany.

ADDITIONAL SUBSCRIPTIONS

Additional Liberty bond subscriptions have been made by the Evans companies as follows: American Eagle, $100,000; Fidelity-Phenix, $500,000; Continental, $500,000. The total subscriptions by the three companies for the three loans is now $5,320,000.

AGAINST CUT IN COMMISSIONS

West Virginia Association's Secretary Hears From State's Auditor —His Views

Auditor Darst, of West Virginia, has written to the secretary of the West Virginia Fire Underwriters' Association, saying that a reduction in agents' commissions will work a great hardship. He discusses the cost of living and calls attention to the increase made on term business and the general 10 per cent. increase. He concludes as follows: "In the event you should reduce the agents' commission I should like to inquire whether or not the insurance public will participate in the savings."

U. & O. Inconsistency

(Continued from page 1)

tends to balance the comparatively larger claims in the small fires. As extreme illustrations of these conditions, two actual losses may be cited:

Extreme Cases

A large textile worker operating day and night had a small fire in the engine room which partially destroyed the main driving belt, thus shutting down the entire plant; no duplicate was available but one was ordered by phone and shipped by express from factory. Due to storms and congestion the new belt did not arrive promptly and a week elapsed before the plant again operated, the amount of use and occupancy loss thus being very considerably in excess of that paid under general form.

The second case was a mining operation where the tipple was entirely destroyed. It happened that lumber and workmen were available so that construction was commenced the day following the fire and the new tipple was actually put in operation in 78 days.

The extreme cases cannot often be duplicated but they illustrate the possibilities spoken of. Some of the companies consider that if the rates are the same for both forms of insurance increases in proportion as total destruction may be anticipated in case of fire.

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National Liberty
INSURANCE COMPANY OF AMERICA
NEW YORK
Incorporated Under the Laws of the State of New York in 1859
Statement, January 1, 1918
Cash Capital $1,000,000.00
Assets 8,209,763.64
Liabilities 5,223,031.71
Net Surplus 1,986,731.93
Surplus for Policy Holders 2,986,731.93
HEAD OFFICE
62 WILLIAM STREET, NEW YORK

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
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An Agent's Experience With Use and Occupancy

By OSCAR A. SMITH, Memphis, Tenn.

This class of fire underwriting has caused more anxiety, worry and study since August, 1914, than possibly any other coverage that has been proposed. Managers and underwriters have grasped at every bit of information which promised in the least to help them steer their underwriting craft into safe waters where heavy losses could be avoided and the class reduced to some sort of scientific basis. Some of these have thought to be steering safely only to suddenly realize that their well laid calculations have gone away and an extremely annoying and heavy loss to settle. The uncharted sea of use and occupancy insurance will produce many more losses before experience will establish a safe route to success in this underwriting. If what is said in this attempted analysis of the class by a lay member of the insurance business is of any value or assistance in arriving at a solution, the writer will feel amply repaid.

Effect of a Casualty on Business

A casualty has two important and far reaching effects upon a business:

(a) Loss of capital due to damage or destruction of the buildings, machinery, stock or other real or personal property, and this loss to the owners is usually minimized by means of insurance.

(b) Loss of profits, i. e., use of the property through interruption or suspension of trading or manufacturing or use: this is a consequential loss and is not covered by the same policies used to cover the loss mentioned under the first class. This is now covered by use and occupancy insurance. There are times however, when this term does not imply profits. This will be seen later in forms shown.

It is not our purpose to delve into history to show the origin of this class of insurance and the reasons therefor. It is sufficient for us to realize that it has arrived and in such a form as to deserve the most serious consideration.

E. R. Hardy's Summing Up

E. R. Hardy, of the New York Fire Insurance Exchange, in his address before the Fire Underwriters' Uniformity Association meeting of May, 1917, on "Use and Occupancy Insurance: Is the present basis fundamentally 'sound'" summed up the situation about as follows:

1. The policy of fire insurance from the beginning has only covered the loss of material things.

2. It has, from the beginning or very close thereto, been one accepted principle that forms of loss flowing from destruction of material things, such as rent, leasehold and profits, could be insured, but must be insured in a separate policy or under a specific form.

3. In process of times there was developed a form of insurance called "Consequential Loss" or "Use and Occupancy" whose object seemed to be primarily to recompense the insured for forms of loss largely of the nature of standing charges which were not covered under the fire policy itself, as, rent, leasehold, and for profit insurance.

4. The tendency has been, in the United States at least, to make this form of insurance from the beginning a stated sum per day, and this has made it a valued policy, and a valued policy is immoral in its very essence.

5. That use and occupancy insurance is desirable for the insured and the insurer, and we may state, for the community as well.

6. And finally, it should be cultivated strictly as a policy of indemnity. If that is done, practically all of the difficulties in connection with its issuance can be solved, although it may take a degree of talent of higher ability than that required for handling of the normal policy of fire insurance.

A Study of Prevailing Forms

Granted then that this class of insurance is necessary in our present methods of business operations, let us then study the problem of proper coverage under some of the forms now being used.

As the matter now stands the experience which has been collected by underwriters seems to be difficult to correlate. Each has used a form of different coverage and some have included so much as to make the cover most comprehensive. One form recently examined covers the replacement of buildings, machinery and stock; another, buildings and machinery. The rates charged in each case were practically the same being based upon the fire rate.

We quote from one form: "If said building or buildings or contents or any part thereof, etc., as to render same unproductive, this policy shall be liable, etc."

"It it understood and agreed that the term 'earnings' as herein used shall be construed to mean (a) net profits, (b) taxes, (c) royalties for machinery or processes, (d) salaries under contract, (e) payroll relating to employes who must be retained in order to resume work promptly after damage is repaired, (f) lighting, (g) heating, (h) attendance and general maintenance consistent with suspension of business during time necessary for repairs."

The plant covered by this form had two large warehouses into which was accumulated immense quantities of raw stock sufficient to call for the operation of the plant twelve months of the year. The time in which this raw stock could be accumulated was limited to possibly five months of the year. We will suppose that a fire causes the destruction of the warehouses and the accumulated stock at the end of the first four months of the operating year. It is evident that if the warehouses could be immediately replaced or other warehouses rented there only remains one month in which to secure raw stock at the usual prices. If the plant should resume operations shortly there would arise a loss of seven months' "earnings" unless the raw stock could be secured at a premium. In this case the premium would be a part of the loss.

It is evident that under this cover the loss would be very much larger than it would be if only the coverage constituted the loss during the replacement of buildings and machinery. The rate was the average contents rate.

Another form recently seen reads as follows:

The conditions of this contract of insurance are, that if any of the buildings used for manufacturing purposes, or machinery therein, shall be so disabled by fire occurring during the term, etc., * * * that the assured is entirely prevented from producing finished goods * * *

The purpose of this insurance is to protect the assured against the loss of use of the premises, loss of profits, loss of all fixed charges and loss of such sums as are necessary to be paid by the assured for the purpose of retaining the employes, whether under contract or not, in order to maintain the organization.

Company Explains Terms

The company offering this form, when queried as to the meaning of such terms as "loss of use of the premises" and "loss of profits," replied:

"The meaning of loss of the use of the premises" in case a building occupied by you was so damaged by fire that you could not continue business, you would probably arrange for temporary quarters elsewhere. This would be loss of the use of the premises and the rental which you would pay for temporary quarters would be a proper item to include in use and occupancy; also the expense of making the temporary quarters useable.

"Loss of profits" if your use and occupancy insurance was written to cover gross profits, which it can properly be, there would not be anything else to cover and there might be something included which you would not want to insure; therefore, the custom has been to estimate the amount of use and occupancy insurance by using the net profits as a basis, plus salaries of those who are necessary to the organization, such as, traveling salesmen, house salesmen, head of departments and office employes; also taxes, rent of temporary quarters, heat and light and such other expense as a firm would be compelled to take care of.

The idea of the insurance is to take care of any expense necessary during the period of interruption to the business and also to make good any loss to net profits during such period.

An Oil Mill Coverage

In an oil mill coverage on use and occupancy recently examined the coverage included buildings and machinery and read as follows:

It is a condition of this contract that if the above described buildings and machinery, or either of them, or any part thereof, shall be destroyed or damaged by fire or lightning, occurring during the term of the policy, so that the assured is entirely prevented from conducting its business, this company shall pay the assured $..... for each and every working day of any year between and including September 1st to May 31st, from the date of said destruction or damage, etc.

A paragraph in the form reads as follows:

It is understood and agreed that in case of loss or damage to any structure containing cotton seed, or the contents thereof, the amount of loss shall not be limited by the time required to rebuild the structure, but shall be based upon $..... per ton profit on cotton seed in storage at the time of loss or damage, plus the overhead charges for the time which would be required in the working of the seed on hand and in the structure at the time of the loss or damage.

Look Like a Simple Valued Coverage

At first glance this form looked as if it were a simple valued U. & O. coverage. The above clause changed it into a more expensive cover.

The explanatory clause included such overhead charges as (a) rent, (b) interest, (c) taxes, (d) royalties for machinery (or processes), (e) salaries (under contract), (f) payroll relating to employes necessary to be retained, (g) cost of lighting, heating, attendence and general maintenance consistent with suspension of business during necessary time for repairs.

SPRINKLERED RISK EXPERT

WANTED at home office of New York Underwriters Agency, 100 William Street, New York City, a competent and experienced examiner of sprinklered business; must also be good correspondent. Address by letter only under personal cover, stating nationality, age, experience, reference and salary expected.

The forms heretofore mentioned have been of a complex nature, including many items in the coverage of use and occupancy. We shall now refer to a simple form of coverage including only "net profits" reading as follows:

* * * On the net profits derived from the use and occupancy of the building or buildings and plant while occupied by the assured as, etc.

It is a condition of this contract of insurance, that if said buildings and machinery therein, or either of them, or any part thereof, shall be destroyed or so damaged by fire occurring during the term of this policy as to render the same unproductive, this company shall be liable to pay an amount not exceeding the sum specified below for each working day from date of said fire to date when, with reasonable diligence said building or buildings can be repaired or rebuilt and machinery repaired or replaced therein and operations resumed.

Original Loss of Profits Intention

Originally it was not the intention of the companies writing use and occupancy insurance to make good the loss of profits or the loss of that profit which would result from a fire and the termination of the processes of manufacture or trading and the consequent gain therefrom. Only fixed charges were at first intended to be covered, such as taxes, salaries to permanent staff, interest on borrowed capital, interest on mortgages, interest on other forms of indebtedness, insurance premiums and advertising.

The contract seems to have been intended primarily to furnish indemnity for loss of estimated earnings or some part thereof which would have accrued from the business had not a fire occurred.

Plan Modified

The plan was soon modified so as to include profits which the assured would expect to make if his plant remained in operation. Later it was extended to cover interest on bonds, rent (if the assured does not own the plant), royalties for machinery or processes which must be paid even if machines or processes are not operated, salaries to millwright foremen or others who must be retained in order to resume work promptly after damage is repaired, wages of watchman, office help, firemen, engineers, cost of lighting, heating, attendance and general maintenance consistent with a condition of enforced idleness, any yearly contracts which are necessary to the plant and other consistent special items.

This manner of cover is usually cared for by this clause:

The purpose of this insurance is to protect the assured against the loss of the use of the premises (or plant), loss of profits, loss of advertising and other expenses contracted for, loss of all fixed charges and loss of such sums as are necessary to be paid by the assured for the purpose of retaining the employes (whether under contract or not) in order to maintain the organization.

Additional Extension

As time has passed an additional extension has been added in that other than manufacturing or producing buildings, warehouses, stock or store rooms for the product, either incomplete or manufactured, may be included in the coverage. This extension has been considered advisable because of the fact that the destruction, loss or injury of or to their contents may effectively shut off the output of the plant and thus result in a U. & O. loss by reason of the interruption of business activity for the time being.

U. & O. Coverage Abroad

Use and occupancy insurance has not made the headway in other countries of

AGENT'S EXPERIENCE WITH USE AND OCCUPANCY

the world that it has in Great Britain and the United States. When first originated in England, it was tried out in other countries of Europe without attracting very much attention. Where written in those countries it partook more of the nature of excess insurance.

In the opinion of some of our ablest underwriters of this country the English system of "profits insurance" is superior to our use and occupancy insurance. The reason advanced is that our system can only apply with accuracy to businesses devoid of seasonal fluctuations. Such businesses in the United States are easily numbered—the great majority showing variations or peaks and depressions.

Consequential Loss

In recent years the English have employed another term for profits insurance, being more generally spoken of now as "consequential loss," and the adjustment of a loss as "assessment of consequential loss." This insurance covers the earning loss, i. e., the loss of profits through interruption of trading or operations as a result of fire or the casualty insured against. The principle is that a standard is used for the ascertainment of the loss in an accurate manner. There are two standards under this principle: (a) turnover (sales) as represented by money, and (b) output, as represented by units of goods produced. Under this system total profits —net profits and standing charges—are covered.

These policies are written for a definite period ranging from two to three months to a term of years, though as a rule for one year. The policy usually has an express period of liability aside from the term of the policy in which the assured estimates the plant may be put in full working order.

In the event of a loss the assessor determines the percentage of profit on the turnover, and this is the percentage of the sum insured to the annual turnover, provided, of course, that this ascertained percentage does not exceed the realized percentage in the preceding financial year, to which is added a charge covering the "increased cost of working" incidental to extra expense incurred in competition and which includes the cost of temporary premises, having the work done elsewhere, employing additional labor, etc. Having ascertained the percentage of profits, the loss is figured by applying this proportion to the reduced turnover caused by the casualty insured against. A clause is used to define the total liability as meaning that the sum of the amounts so payable for the turnover shortage and for the increase in working cost shall not exceed the amount which would have been payable in the event of a total cessation of the business, i. e., a total loss.

Secrecy About Turnover

The English learned that traders and manufacturers hesitated to show in advance the details of their annual turnover, the amount of their standing charges and their net profits, so they decided to be satisfied with securing information as to the amount of insurance, the items covered (net profits or fixed charges, or both), the period of liability, as to whether it shall be for "turnover" or "output."

English Adjustments

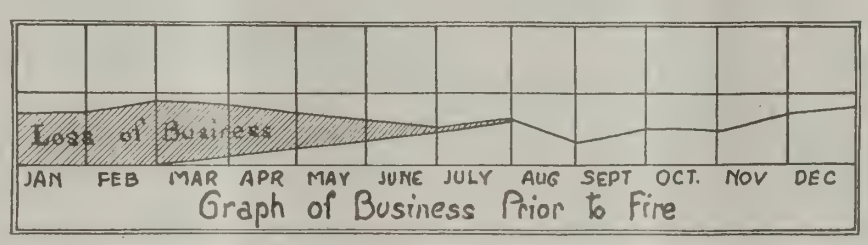
One author in speaking of the English method of assessment of consequential losses said:

When a fire occurs an "assessor" adjusts the loss on the basis above stated in the policy. This assessor is usually a professional accountant appointed by the insured and the company, and his name is generally written in the policy, thus obviating any dispute in this important particular. He first certifies what the annual turnover is, and so immediately arrives at the percentage of the sum insured to the turnover. He then lists the turnover by months for the year preceding the fire, compares the monthly turnover for the corresponding months immediately after the fire, notes the decrease (shortage) per month, applies his percentage, and so reaches the monthly loss on shortage. To this he adds the increase in cost of working, and this gives him the total amount of the claim. The only discretionary power possessed by the assessor is in the ascertainment of "any extraordinary or other circumstances of the business," for which he may figure additions or deductions; this would have to do with such unusual conditions as a breakdown in machinery, a strike, a collapse of the building, etc. Such circumstances would, of course, affect the falling off in turnover for a part of the year preceding the fire, and would work an unfairness to the insured when it came to comparisons of corresponding months' turnovers. It has been found that total losses are improbable under profits policies. Percentages of loss are higher, as a rule, under "output" than under "turnover" contracts. An excellent feature of the English method of setlement is the paying of monthly installments of the insurance; this supplies the insured with money at the time when it is most acceptable, and often enables him to proceed the more quickly with the restoration of his plant—and so works out to the advantage of the insurer as well, in shortening the cost of the period of liability.

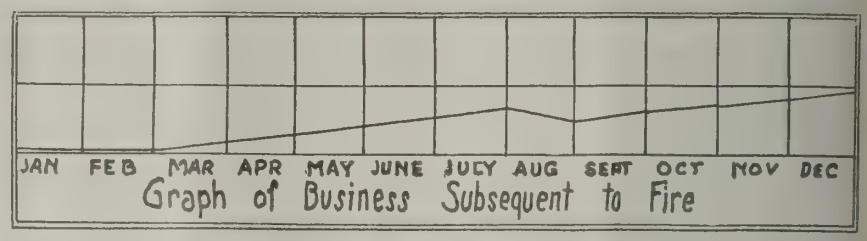
In cases where the period of liability exceeds twelve months the sum insured is directly affected; the latter must then represent the net profit plus the standing charges for the period of liability; this leads also to a graduation in the rate.

A Turnover Graph

It can be more clearly demonstrated by using a graph of the turnover prior to the loss and comparing it with a graph of the turnover subsequent to the loss. To be more specific, suppose the graph for a year prior to the loss is as follows:



Then a loss occurs on, say, December 31 with a complete suspension for January and February, and a partial resumption in March, then a gradual increase to normal in August. As the standing charges would not be eliminated, the graph would not be at zero in January and February. With this taken into consideration we deduce the following:



The loss is more clearly shown as the difference between the heavy black line and the dotted line in graph No. 1.

Certified Statement of Loss

In settling a loss of use and occupancy it will be necessary to have a certified statement of (a) the turnover in each month of the period of the indemnity and for each of the twelve months previous to the fire; (b) a statement showing the net profit, standing charges and turnover during the last financial year; (c) a statement of the monthly standing charges for the period in which indemnity is claimed.

From this the probable monthly loss may be ascertained which when added together gives the total sum to be paid. It is readily seen that a careful record of the business is very essential to a quick settlement.

A "Going" Business

A "going" business, either manufacturing or merchandising, produces an income which is first used to liquidate the cost of raw material and labor or merchandise and clerk hire, such standing charges as interest on investment, rentals, interest on bonds, interest on borrowed money, royalties, salaries of employes under contract and general maintenance, the remainder being considered net profits. These expenses are insistent and must be liquidated or the business dies. Should a fire or other casualty occur the income to provide for these is decreased or shut off entirely—but these charges may of necessity continue to a large degree. As they have been met by the income, when it ceases the proprietor must need fall back upon his principal to meet the payments. This deprives the business of its bone and sinew, and the usual result is the death of the business.

Earning Power

In a manufacturing plant the earning power depends upon:

1. Capacity to manufacture, which is affected by the efficiency of the machinery, the supply of raw material and the capital at the call of the business.

2. Opportunity to sell the manufactured article which is influenced by the market conditions and the amount of stock on hand to meet the demands.

3. Profits on each unit manufactured, and which is governed by (a) cost per unit of raw material; (b) proportionate ratio of establishment expenses (or standing charges) and cost of supplies; (c) selling price of the manufactured unit.

The extent of the output is affected by the first and second conditions and the proportion which profit bears to the turnover depends upon the third.

Definition of Terms

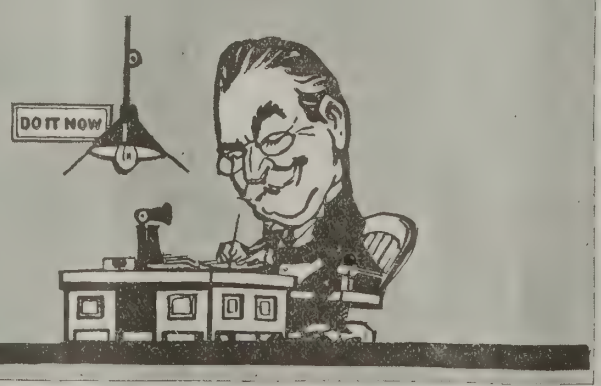
Before giving further consideration let us establish the scope of the terms "output" and "turnover." "Output" is the produce of the factory, irrespective of the sales, and "turnover" is the value of the goods sold. Turnover cannot always be considered the ideal basis for estimating damages to a manufacturing risk as a result of a casualty insured against. This is especially true in cases where the sale value is ruled by open market which from necessity fluctuates from time to time. Likewise objections may be raised against using output as a basis for adjustment. If the sales are not taken into consideration an excess loss might be assessed. This might be the case in several instances and for various reasons:

1. The factory of limited capacity produces enough goods to meet the demands of its trade which provides a steady demand.

2. The factory of larger capacity may accumulate stocks against a possibly large demand.

One can readily see that this is no the most desirable basis to be used.

To be more clear, if we should rea into turnover that its meaning is th number of units sold and not the valu

N U
NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURGH, PA.
SECURITY—STABILITY—SERVICE AND FACILITIES MAKE THE NATIONAL UNION A GOOD COMPANY TO REPRESENT BY EVERY TEST THAT COUNTS. TO PROPERLY EXPERIENCED AND QUALIFIED AGENTS NATIONAL UNION SERVICE WILL SPEAK FOR ITSELF WHENEVER YOU CHOOSE TO MAKE THE TEST.


AGENT'S VIEWS OF USE AND OCCUPANCY

f units sold it might be more satisfac-orily understood. Take as an example:

Coal mines—tons raised and sold.
Flour mills—sacks (or barrels) milled and sold, etc.

Standing Charges

Standing charges, the fixed expenses ttached to the business. These have o current relation to any fluctuation i the volume of output. Any expense oming within this scope may be con-dered a fit subject for insurance. This st embraces most of those properly in-rable:

Interest on capital and mortgages on build-gs and machinery; and on bank overdrafts he outcome of the business).
Rents on premises.
Licenses, not charged on a sliding scale;
Depreciation (other than is incidental to the rrying on of business) such as depreciation the value of leases, concessions, patents, d in certain cases, of machinery and other operty liable to deteriorate through lapse time;
Salaries (excluding commission) to em-oyes under agreement and directors' and ditors' fees.

Working Expenses

There are some working expenses hich may be considered as standing harges and may be insured as such. is preferred by some to mention ose specifically in order to avoid a ntroversy in the event of a loss:

Counting house and general office expenses. cluding salaries not insured as standing arges;
Insurance premiums;
Cost of power, light and horse keep (which y now be extended to include motors);
Wages of skilled workmen;
Traveling expenses and advertising.

Uninsurable Expenses

It must be borne in mind that there e some uninsurable expenses found most manufacturing industries, and ey form a very large proportion of e total cost of manufacture. They e such items as wages of ordinary bor, raw material, power (except un-r certain conditions when power ay be insurable).

Must Look Into Cost Accounting

These uninsurable items at times ay effect the net profits, and their nsideration as to variability must be d in the determination of a loss. ere we are led to suggest that the stem of cost accounting in use by e industry must be looked into be-re the risk is accepted. A complete stem is of vast benefit in making adjustment.

Trading Risks

Taking up the other class of busi-ss—trading risks—we find that the ofits are influenced by: 1. Turnover; Proportion of working expenses and anding charges to turnover; 3. Per-ntage of gross profits to turnover.

[Note: In the retail business the rnover is very similar to output in manufacturing risk. Turnover is easured in terms of money; output goods produced.]

Explicit Coverage

In preparing covers for this class of surance one cannot be too explicit as to what is included and what is itted. Furthermore, there must be definite agreement as to the exact aning of the coverage—otherwise e settlement will be disappointing to e two parties at interest—the as-red and the assurer.

If the coverage is to be of the nature a profits policy it should be drawn such; if a products policy, make it plain as to not be misunderstood. ost of the lawsuits arising out of ttlement of U. & O. losses have me from poorly drawn contracts hich are capable of being variously derstood. We are reminded of one rge U. & O. contract which was un-rstood by the assured as a profits licy until loss occurred, when it was veloped that it was a product policy and the loss, when finally compro-rsed without a lawsuit, was at great riance from the claim of the assured.

Determining the Insurance

In determining the amount of insur-ance to be written on a plant or busi-ness careful consideration must be given to the accounting methods in use in the assured's office, for it is by means of these records subsequent losses are to be settled. If these are such as to show a comparative state-ment of net profits, standing charges and other essentials for preceding years by months little trouble need be experienced in arriving at a conclu-sion as to what coverage should be taken. The line may be determined as being about correct when written at 90 per cent. or more of the pre-ceding twelve months' record as to net profits or net profits and standing charges. Where the business opera-tions are what might be termed sea-sonal provision must be made to care for the fluctuations by months.

Plants and establishments securing this class of insurance should be able to show by periodical audits the ex-act condition of the business, and records should show results for peri-ods extending back at least five years. Likewise where varying scales of profit earned in different depart-ments of the same premises exist they should be looked after carefully in the records and the same not lost sight of when determining the proper cover for the risk.

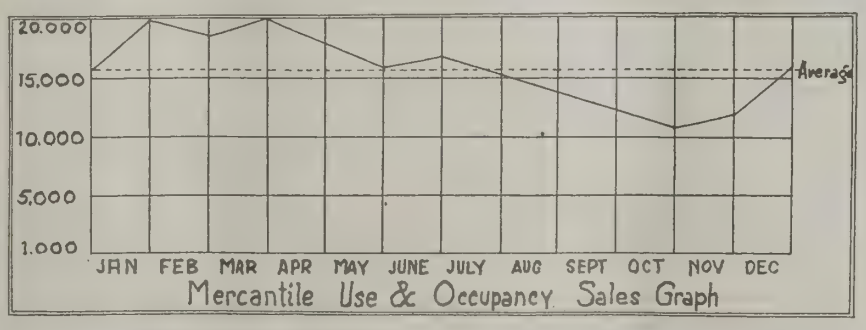
If the records of the plant are not sufficiently clear as to show the monthly comparison of net profits, it is about correct to assume that 10 per cent. of the annual business is in the line of insurance to be written. In every case it is in order to stipulate that the loss shall be ascertained by com-parison with the previous years' busi-ness modified by such seasonal vari-ations.

A risk may carry an amount equal to the fixed charges and net profits—all that would be provided by the nor-mal operation of the plant. These should be for a period of a year as it is possible under the policy to have a total loss.

In other words a Use and Occupancy policy should represent twelve months' net profit, twelve months' standing charges or twelve months' net profits and standing charges.

Doubts Expediency of Set Forms

The actuaries now engaged in work-ing out a system for estimating the cost of furnishing U. & O. indemnity appear to have the idea that a set class of forms can be furnished to fit all phases of the business—the impression that the only way to successfully un-derwrite this indemnity is to have one general form for manufacturing either to cover a level daily indemnity or a fluctuating variation by months, in either event stipulating the maximum daily indemnity. The same may be said of the form for mercantile cover-age. Then having the forms narrowed



down to four (we will say) they com-pile their estimates from the fire rate on the risk by some slight modifica-tions. In this way the latitude of cov-erage is restricted and the variation of estimates on the diverse plants is nar-rowed. The reason given is that ex-perience can only be tabulated when a restricted form is used.

We doubt the expediency of this be-cause the coverage is so entirely dis-similar from fire insurance that each individual plant must be studied, ana-lyzed and indemnified according to the conditions peculiar to itself.

Forms to Fit Coverage

As stated early in this article there are many items which may or may not be included in the coverage of Use & Occupancy. If only net profits are to be covered a form should be worked out for that alone. As the other phases of U. & O. are included let another form be used which contains that added feature. In other words, it is neces-sary that a double classification be worked out; first, as to the business or operations obtaining in the risk in question, and, second, the phases of U. & O. coverage—one is the longi-tudinal and the other the latitudinal classification.

No Rate Before a Complete Analysis

When preparing a proposal for U. & O. coverage on a plant no statement should be made as to the rate or the amount of the coverage until a com-plete analysis has been made by apply-ing the uniform Use & Occupancy re-port. After this has been taken and the percentages of net profit, standing charges and other insurable phases ascertained a graph should be made of the risk based upon the previous year's business. It would be far better to extend this graph back for three or five years to determine if there has been any variation in the business and whether the variation is progressive or retrogressive or constant.

Fluctuations of Risks

In the United States business rarely stands on a level. It rarely runs on from month to month with the same volume. It usually has peaks and de-pressions. This may be seasonal or it may be due to other causes.

In order to show that one can get a better idea as to the fluctuations of risks under consideration we give two graphs, one of a mercantile business and the other of a manufacturing plant.

Favors New Rating Plan

We have objected to the present method of estimating the cost of U. & O. indemnity. In a recent article I said:

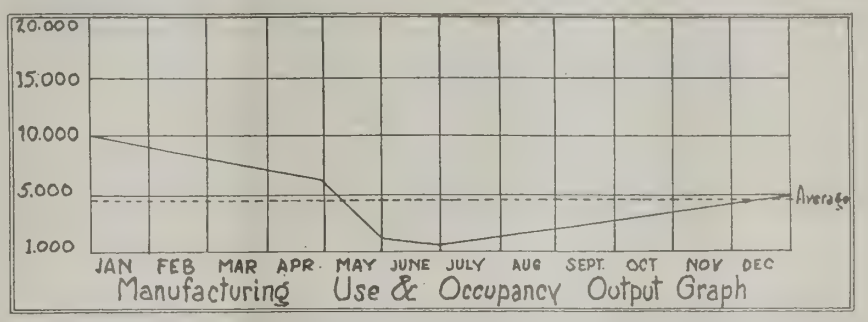
In our humble opinion, there must be a new plan evolved for the rating of this class of insurance. The fire rate on a building is not a measure of the probability of a use and oc-cupancy loss and its possibility of being total. There is far more to be considered when pre-paring estimates for this class of protection. Experience of underwriters for the past three years has shown this to be true. The fire esti-mate gives a measurement of the physical be-ing of the plant; the use and occupancy esti-mate must show the spiritual measurement, as it were.

Now what must be taken into consideration when considering the desirability of a plant or business for use and occupancy protection?

The capital resources of the business in-fluence the continuity of the business after a fire. This item may mean the life or death of the business. We should also know whether additional capital could be brought in if neces-sary. The business' reputation as a borrower must be considered, as this coverage usually cares for interest on debentures, bonds or bor-rowed capital.

Again, the amount of the output of a plant will influence a loss. Likewise, the variation of the output or seasonal business, as in cot-tonseed oil mills and vegetable oil refineries. We must know whether there is a surplus of finished stock kept on hand. Also if the busi-ness is unusual as regards profits or expenses.

One point to be considered very carefully is whether it is an old and established business



with a promising future. The method of sell-ing the product must be considered—whether direct or through jobbers.

We would be desirous of having a thorough analysis of the costs of the operations—the comparison per unit of labor with that of other plants, also profits, taxes. Then we would require a showing as to future contracts, both for finished products and of raw stock. The advertising contracts made in advance also affect the final cost.

Then a comparison of the turnover or output of the previous year with the average should be considered. Strikes and lockouts have weight.

The fact that the business owns more than one plant where the processes may be dup-licated in whole or in part makes the class more desirable and consequently would de-mand a credit in the estimates. Even the fact that it be possible for the assessor to separate the net profits and for standing charges into departments and from the unin-surable costs, would, to our mind, influence the estimates.

As to special features of a plant, we should say that they must be charged or credited as they vary. If the processes are not unusual to class, we would not vary usual class charge —but if more hazardous we would add charge commensurate—likewise a credit where better than average.

The possibility of a complete use and occu-pancy loss must be given consideration, and the time to replace any portion of risk in-fluences our estimate.

When we come to special machinery we be-lieve much importance must be attached to this item. At the present time special or im-ported machinery may greatly enhance a loss. If no duplicates are maintained a very heavy use and occupancy loss may be sustained, while only a trivial fire loss occurs.

With the prospect of a six or twelve months' delivery of some machine staring the under-writer in the face, can you blame him for declining at the estimates offered?

The power used, whether local or rented, the location of power transmission, the possibility of renting power temporarily—all should be charged for or credited in the estimate.

The office records have much to do with the expediting a settlement under use and occu-pancy policy. If they are slovenly, have a care that you add enough in the rate to pay for this trouble. In other words, efficiency in every phase has a very vital bearing on the final rate charged for use and occupancy.

Present Rates are Inadequate

In rating a plant, we would not consider the fire rate on the plant except in an accessory sort of a way. Our basis should be the irre-ducible cost of protection. This should now be secured from the experience tables of the past three years—and I am inclined to be-lieve that they will run far in excess of your present final rates. Then I would add a super-vision charge somewhat after the plan used in making sprinkler estimates. A plan carry-ing use and occupancy should be inspected often and regularly. To our mind, the secret of any success we may have in this class may largely be attributed to the idea of inspect, inspect, inspect.

The use and occupancy value of a plant is not its intrinsic or physical value—the per-centage of income to physical value indicates the true measure of it. A plant worth $10,-000 and producing a 10 per cent. net income is worth more for use and occupancy than a plant with only a 5 per cent. income.

How would I formulate a schedule for rating this risk? I am frank to say that I have not reduced these probabilities to actual nu-merical terms. That must be left to the actuaries. When they finally evolve a table of ratios I am frank to say that we will see a very material advance in the charges.

Briefly, then, we should say that the de-termination of the rate to be charged for use and occupancy should be based on many and varied conditions—the construction of the

Use and Occupancy Views

plant; the nature of the business operated; the frequency of turning the stock; the fire protective devices in use on the property in question; the separation of the plant into fire divisions; the use of domestic or foreign machinery; the use of machinery on limited lease or royalty; the possibility of purchasing like products in the open market to substitute for the plant's products while suspended; the possibility of transferring future delivery contracts to other plants for completion; the opportunity to lease a similar plant while the assured's plant is not in operation; the ratio of net profits to the values invested, all alike enter into the determination of the rate to be charged and its desirability as a use and occupancy risk.

Many Ingenious Coverage Ideas

The preparation of use and occupancy forms has given rise to many ingenious ideas as to the proper expression of this coverage. Some of them have proven very deceptive and far reaching in effect. In a number of instances companies have found that they were insuring against the loss of use and occupancy of property which prior to the loss was not known by them to be in existence. It was then too late to raise objections effectively and the result was a compromise and scorched feelings. The companies have been made to pay dearly for their experience. Some have said the brokers are to blame for all the various deceptive forms which have been used. It must be admitted that some of the most innocent forms submitted by the brokers and approved by the examiners have developed some surprising results after the loss occurs.

But the brokers have not been the only transgressors. Company officials and experts have drawn up forms which have not altogether run true to plans. We have in mind one such form which was sold to an assured in an exceedingly large amount as a profits policy. When the loss came up for settlement it developed that the coverage was a products policy instead of a profits policy. It is needless to say that there were some disappointed individuals party to that contract.

Watch the Wording of Forms

Special attention should be given the wording of U. & O. contracts lest they develop into undesirable coverages. By the omission of a few words a form may develop into a valued policy. If the indemnification is not stipulated to be to the extent of the "actual loss sustained" and "not exceeding" so much per day, the resulting settlement may be disappointing to the company. Here is a form put out by a company for use in the hands of its local agent.

It is a condition of this contract of insurance that, if the said buildings, machinery, apparatus, implements and tools therein, or either of them, or any part thereof, shall be damaged or destroyed by fire occurring during the term of this policy, so that the property is entirely prevented from producing furnished goods, this company shall be liable for any loss of production at the rate of ..... dollars per day, for each workingday of such prevention.

A Valued Policy Form

This is a valued products form. If the fire causes a suspension of the operations the company must pay the stipulated sum per day. Again, if a fire in the finishing department causes a suspension only of that department it would still be liable for the full indemnity because of the fact that the goods could not be finished. Suppose this should happen in a plant which manufactures ahead in anticipation of seasonal demands. The products may be brought to the final stage and there held up temporarily. After the repair or replacement of the finishing department if the goods should then be finished prior to the season demanding the same the assured would suffer no loss. But under this cover he could collect the daily indemnity until that department was completed and finished goods delivered.

Settlement Easy

The settlement under such a form is very simple and easy, but the company will likely suffer by paying where no indemnity was necessary or due. It will not be necessary for the assured to prove a loss—he may not have sustained one. The contract was that if the plant was prevented from producing finished goods the indemnity would be paid.

Another Form Analyzed

Let us now take another valued form for consideration a moment:

It is understood that if by reason of fire, the assured shall be wholly prevented from producing their product (or conducting their business) then this company shall be liable for $..... for each working day from date of the fire to the date, when the normal production of their product has been resumed, or could with reasonable diligence be resumed; but if the normal production is diminished, only, then this company shall be liable for that proportion of said per diem in which production is diminished.

In case the production be diminished by fire, as above specified, the average daily production for the twelve months in which the plant has been in full operation immediately preceding the fire, shall, for the purpose of this insurance, be assumed to be the normal daily production.

What Is "Normal Capacity"?

Referring to that part of the form, "shall be liable * * * to date when the normal production of product has been resumed or could, with reasonable diligence, be resumed," it will be noticed that the term of indemnity is to be determined by investigation as to the length of time elapsing when the plant is ready to operate again. If the adjuster and the assured cannot agree it must be arbitrated or appraised like any other loss. The dangerous part comes in this form when the "normal production" is to be determined. Under present conditions the plant might be running at double capacity. Suppose a fire occur and at a time when the plant was about to "slow down" on production for at least six months. The company in this case would be called upon to pay a sum in excess of the actual loss. Of course there might be other times when there would be a reversal.

Prefer a Co-Insurance Feature

Underwriters have learned that the valued U. & O. policy is not what they desire, preferring a form with some sort of a co-insurance feature, because it does not provide indemnity for a loss, being more of a gambling contract, while with the co-insurance feature it is provided that the payment of indemnity shall be in proportion to the loss. There are various methods of expressing this feature some more desirable than others. We prefer an out and out stipulation that the assured agrees to carry the stipulated percentage of the U. & O. features insured and failing to do so becomes a co-insurer for such deficit.

The 300 Days' Feature

Some offer a form providing for insurance amounting to 300 times the daily per diem amount stated in the form. This is only a fair substitute for a co-insurance clause at best.

Let us assume that a plant having made $100,000 in the preceding three hundred days carries a policy of $50,000 insurance at $166.66 per day under this form:

In case such buildings and machinery therein are so disabled by fire as to prevent the full daily profits, this company will be liable per day for that proportion of not exceeding $166.66 which the daily profits so prevented from being made bears to the average daily yield previous to the fire, which for the purposes of this insurance is agreed to be the full daily average for 300 working days immediately preceding the fire, not exceeding in either case the amount insured.

What would be the indemnity due the assured for a total of 100 days' profits? Would it be $16,666.66 or $8,333.33?

The adjuster, after determining that for the twelve months (300 days) prior to the fire the profits were $100,000, would state emphatically that the loss would be settled for $8,333.33, believing that the co-insurance feature would work in this form. The assured, if he understood his contract, would hold out for $16,666.66. Why? Because it is expressly stipulated in the form that 300 times $166.66 is the agreed profits for the three hundred days prior to the loss.

A Suggestion

Now, if that had been expressed thus: "* * * It being understood and agreed that for the purpose of this insurance the average daily profits for the twelve months (300 days) next preceding the date of the fire will be considered the full daily average profits," the adjuster would have some grounds upon which to base his offer of $8,333.33.

A Form Without Maximum Daily Indemnity

Here is a coverage clause taken from a form on U. & O. It is a pro-rata clause which some contend is equivalent to 100 per cent. co-insurance. It has, in the view of some underwriters, only one serious fault and that is there is no maximum daily indemnity provided. To our mind this form is not objectionable—especially on properties subject to variation.

It is a condition of this contract of insurance that if said building or buildings or contents or any part thereof be destroyed or so damaged by fire occuring during the life of this policy, as to render the same unproductive, this company shall be liable for such proportion of the actual loss of net earnings occasioned thereby, not exceeding the sum insured, as the amount hereby insured bears to a full twelve months net earnings, based in the case of total loss upon the daily (meaning thereby a period of twenty-four hours) average of net earnings for the corresponding season in the twelve months immediately preceding the fire, and for a proportionate amount only in the case the said building or buildings shall be rendered partially unproductive.

Said net earnings to be ascertained by deducting from the total gross receipts derived from such use and occupancy all cost of material and operating expenses of the business and disbursements incident to the use and occupancy aforesaid, and of the business so conducted during the time specified.

Stipulated Percentage of Insurance

Here is a form containing a stipulated percentage of insurance which was used for an establishment having a variable or seasonal fluctuation in business:

On the net profits and fixed charges arising from the use and occupancy of the sprinklered brick buildings while occupied by the assured as a wholesale drug house (with compounding and situate.

It is understood and agreed that the term "use and occupancy" as herein used shall be construed to mean net profits, general maintenance, to the extent of taxes, heating and lighting; and legal liability of assured for royalties and salaries and wages of employes under contract.

The conditions of this contract of insurance are, that if by fire occurring during the term and under the conditions of this policy, said buildings or equipment contained therein, or either of them or any part thereof, shall be destroyed or so damaged by fire, as to entirely prevent operating or carrying on the business of the assured, this company shall be liable for such proportion of the actual loss sustained under the terms and of the preceding paragraph, not exceeding the sum insured, as the amount hereby insured bears to 80 per cent of the total yearly net profits and fixed charges, based in case of loss upon the dai

REMOVAL NOTICE

SCHAEFER & SHEVLIN

General Agents

have removed to

100 WILLIAM STREET

Ground Floor

The additional space in these premises will enable us to give continued good service to brokers.

Telephone John 2312

Agricultural Insurance Company, of Watertown, N.Y.

65th Annual Statement

Assets	$5.574,008.60
Liabilities	2,923.025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

Use and Occupancy

verage of such net profits and fixed charges ascertained by taking into consideration the ollowing percentage of the annual sales by months of the year immediately preceding the ire, subject to such increase or diminution as hanges in the capacity of the plant or conditions of the business shall warrant, viz.:

April	9.84%	Oct.	6.00%
May	8.74%	Nov.	5.45%
June	9.30%	Dec.	6.00%
July	8.74%	Jan.	10.40%
Aug.	7.65%	Feb.	9.84%
Sept.	7.10%	Mar.	10.94%

If the ability to operate or carry on the business of the assured be impaired, but not destroyed, then shall this company be liable for actual loss sustained in such proportion as the net profits and fixed charges so impaired bear to the full daily average to be ascertained by the methods above set out.

Loss, if any, to be computed from the day of the occurrence of any fire, to the time when said premises may with the exercise of due diligence and dispatch, be repaired or rebuilt and put in condition to resume operations.

It is understood and agreed that, in the event of the assured continuing business (in whole or in part) at some other location during the time occupied in repairing or reconstructing the building named herein, the net profits earned at the new location shall be deducted from the amount which under the terms of this policy would otherwise be recoverable by the assured, etc.

Seasonable Business

While we are on the subject of seasonal business let us examine this form which was used a few years ago on a feed manufacturing plant before the underwriters began to tighten up on acceptances. Let us say that no loss occurred under this form so we do not have any idea as to how experience would have developed had one occurred:

On the use and occupancy of the buildings and machinery of the stock feed manufacturing and grain storage plant situate.

The conditions of this contract of insurance are, that if any of the buildings and/ or machinery or other movable property therein, shall be so disabled, destroyed or damaged by reason of a fire occurring during the life of this policy as to render them wholly or partially unproductive, this company shall be liable.

(a) For such proportion of the actual loss of net earnings ensuing therefrom, not exceeding the sum insured, as the amount hereby insured bears to the total yearly net earnings, based in case of loss upon the daily average of such net earnings ascertained by taking into consideration the following percentages of the annual net earnings by months of the year immediately preceding the fire, subject to such increase or diminution as changes in the capacity of the plant or conditions of the business shall warrant, viz.:

July	8.22%	Jan.	11.07%
Aug.	3.57%	Feb.	7.85%
Sept.	1.43%	Mar.	11.07%
Oct.	4.29%	Apr.	11.44%
Nov.	6.43%	May	15.35%
Dec.	6.43%	June	12.85%

(b) And upon the showing of bona-fide contracts for the sale of feed now existing or yet to be made, it being understood that if the fire should prevent the execution of these contracts either in whole or in part and the loss of net profits should be in excess of the proportionate part of the preceding year's earnings settlement shall be made according to the proportion that the present year's showing bears to the previous year. It is further understood that if the total or partial destruction of the said buildings and/or machinery and/or movable contents by fire and consequent delay in deliveries of merchandise covered by such contracts should cause their cancellation in whole or in part, the entire loss on such contracts shall be computed and not on such portion thereof as might have been filled while said buildings and/or machinery and/or movable contents are being rebuilt and/or restored.

(c) And legal liability of assured for salaries and/or wages of employes under contract, general maintenance to the extent of watchman, heating and lighting, taxes and insurance and interest at the lawful rate on the cash value of the plant during such total or partial prevention of operations, and for a proportionate amount only in case the said buildings and/or machinery and/or movable contents shall be damaged so as to render the plant partially unproductive.

Loss, if any, to be computed from the day of the occurrence of any fire to the time when the said buildings and/or machinery and/or movable property therein could, with ordinary diligence and dispatch, be rebuilt, repaired or replaced, and not limited to the day of expiration named in this policy. The assured failing, from any cause, to have the property rebuilt or restored within a reasonable time, the loss shall be computed according to the period of time necessarily required for that purpose in the judgment of competent and disinterested appraisers mutually chosen in the manner provided in this policy for the selection of appraisers.

It will be in order now to refer again to the expressions, "production U. & O." and "profits U. & O." These two methods of measuring indemnity are permissible according to the nature of the business, but trouble ensues when they get mixed in the same form. We have a plant which is entitled to U. & O. insurance at $333.33 per day based on net profits of that amount. Suppose the insurance is issued under the following form:

$100,000 on the U. & O. of the buildings and/or machinery, etc.

The conditions of this contract of insurance are that if, by financing during the period of time above named, said buildings and/or machinery or either of them or any part thereof, shall be destroyed, or so damaged by fire as to entirely prevent the output of its products, this company shall be liable for not exceeding $333 1-3 per day for each working day of such prevention, and in case of partial prevention a proportionate amount of $333 1-3, it being understood and agreed that for the purpose of this insurance the average daily output for the 300 working days next preceding date of fire will be considered the full daily output.

A Products Policy

Should a fire occur and the plant be shut down completely for 50 days and partially (say ½) for 20 days, what would be the basis of settlement. The assured will probably be much concerned in showing his loss of net profits. As this is a products policy the adjuster will not be concerned with the profits. All he will do is to work it out on the basis of output as compared with the previous 300 days. The inevitable result will be a compromise or a law suit —certainly not an amicable adjustment.

Does Plant Operate Continually?

Another item to consider carefully is whether the plant or business operates continuously or during the working days of the year. If the plant under consideration were an electric light plant or a public service corporation, such as telephone, street railway or daily newspaper, the coverage should be on the basis of 365 days in the year, and the daily coverage not exceeding 1-365th of the full amount of U. & O. If one desires to write an output policy on a cottonseed oil mill which has an average operation of 6 months in the year it might be permissible to write it with 1-150th of the total indemnity for each day's coverage, but we would prefer the annual coverage on the basis of at least 300 working days. If, however, the coverage on the oil mill were to be net profits and fixed charges it should be on the basis of at least 300 working days, preferably on basis of 365 working days because of the inclusion of the fixed charges in the coverage. Some underwriters have objected to writing U. & O. on oil mills for the reason that they claim to see no good grounds for a loss, claiming furthermore that a loss can be claimed and collected when none really occurs. It has been cited that a fire caused the shut down of an oil mill for a time possibly thirty days under which a loss was paid. Before the season was over the seed which had accumulated during the shutdown was worked out and an increased profit shown on the year's operations. If the form covering that plant were an output form, a payment of loss was in order; if a net profits and fixed charges, it was still in order because of the continuity of fixed charges, but if a net profits coverage purely it was not in order to make a payment. If the adjuster approved this payment on a pure net profits policy he erred.

War Conditions

Since the war conditions have arisen where it is very difficult to secure machinery for replacements. In fact, it is now possible for a complete U. & O. loss to occur which formerly was of only a doubtful possibility. Only recently has this condition been called to our attention. Special classes of risks evidently now realize that to be fully covered they must have insurance sufficient to care for a shutdown in excess of 300 days. This is evidenced by the placing of excess use and occupancy insurance which begins to run on the 301st day after shutdown. This is offered at rates from 50 per cent. to 90 per cent. of the straight use and occupancy rates. The rules of underwriting do not apply to this class of coverage and it depends entirely upon the view of the accepting underwriter as to what he shall charge.

In order that the form may be familiar to those interested we give it in part as follows:

It is a condition of this contract of insurance that if by fire occurring during the continuance of this policy, the buildings, structures, machinery, tools and/or other property on or in said premises, or any of them, or any part thereof, be destroyed or so damaged as to suspend in whole or in part the production of goods and work in the said buildings, this company shall be liable for the actual loss sustained, not exceeding 1/300th of the amount of this policy per day (meaning thereby a period of 24 hours) for each working day of such prevention commencing from the time the regular or prior use and occupancy is exhausted, but in no event to commence before the 301st working day after the occurrence of the fire. Loss, if any, to be computed to the time when said buildings, structures, machinery, tools and/or other property on or in said premises could with ordinary diligence and dispatch be repaired, rebuilt or replaced, and not to be limited to the day of expiration named in this policy. The basis of determining any loss hereunder shall be the average net profits and general maintenance cost and other necessary expenses for the twelve months immediately preceding the fire.

U. & O. On the Sidelines

Use and occupancy insurance may

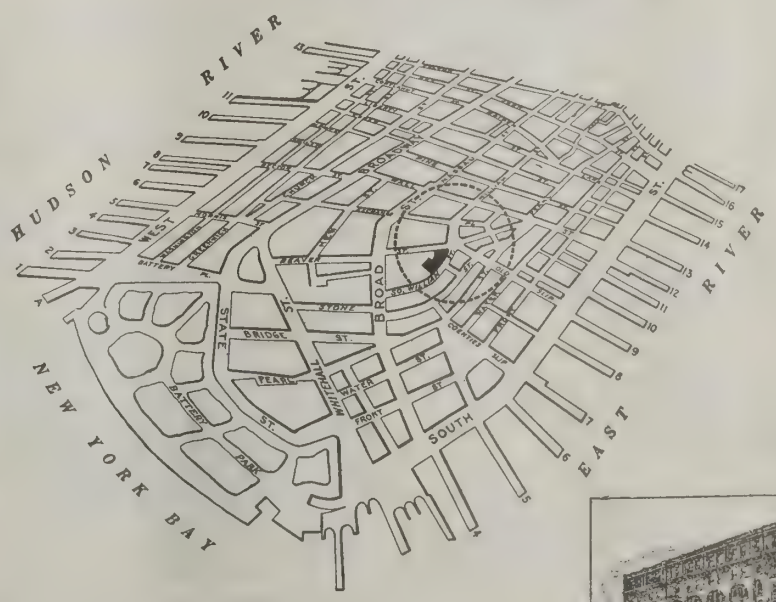


CONTINENTAL COMMANDS CONFIDENCE

"America Fore"

BUY LIBERTY BONDS

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

now be written on many casualties such as tornado, hailstorm, explosion, war risk and steam boiler. We expect at any time to hear of sprinkler leakage and refrigeration use and occupancy.

It is being written now upon the news print paper supply under contract for the newspapers. The papers find now that if a fire, explosion, tornado or civil riot or war act should shut off their supply at the mills they would be compelled to go on the open market and buy at an increased cost. If not able to find an open market they will be compelled to shut down and sustain a heavy loss.

The form under which this is written is as follows:

The conditions of this contract of insurance are such that, if the said plant or machinery therein, or either of them, or any part thereof, shall be damaged or destroyed by a fire occurring during the continuance of this policy, so the said Mill Company is entirely prevented from producing paper with which to fulfill the contract said Mill Company has with this assured, this company shall be liable to this assured for such loss or damage and net profit per diem, plus liability on rent, interest, taxes, salaries (under contract), pay-roll relating to employes who must be maintained in order to resume work promptly after the damage is repaired, cost of lighting, heating, attendance and general maintenance consistent with suspension of business during the time necessary for repairs, and up to but not exceeding the face of this policy, on the basis of $..... per day for each working day of such prevention and in event that said mill building or machinery is so damaged by fire the said plant can only partially comply with the conditions of its contract with this assured, then this company shall be liable for such proportion of such daily loss, and damage to this assured as such partial compliance with the terms and conditions of the contract between this assured and the Mill Company bears to the per diem allowance above mentioned. In determining such loss and damage, the same basis for time shall be used as the time agreed upon in adjusting the loss and damage by fire to the mill and replacement of machinery should said mill and machinery be insured. Loss by fire to be computed from the day the same occurs to such time when said mill could with ordinary diligence and dispatch be repaired or rebuilt and machinery placed therein, and not to be limited to the date of the expiration named in this policy of insurance.

It is a further condition of this contract of insurance that if by reason of any fire destroying or damaging said mill, said mill shall be wholly unable to fulfill the terms of its contract with this assured within the time limit of the contract between said assured and said mill, and this assured shall elect to go into the market and purchase such goods as the said mill had contracted to furnish said assured, then and in that event this company shall only be liable for the difference, if any, between the price at which said mill had contracted to furnish much goods, to this assured, and the price actually paid by this assured for such goods, in the same amounts and quality, and in event that this assured shall be compelled by reason of the destruction or damage by fire of such plant to thus purchase through other channels such goods as described in the contract between him and the said mill may claim for the per diem loss as set forth in this contract from the date such goods are purchased and delivered shall be and is waived and said per diem basis shall only apply to the time between the date of the forfeiture of the contract on account of fire and failure by said mill to furnish such goods and the date of the delivery of goods bought by this assured from other parties.

Any permits or forms attached to fire policies on factory not herein mentioned, shall apply to this contract.

The rate charged is the same that would be charged the paper pulp plant for use and occupancy.

B. M. CROSTHWAITE & CO. MOVE

B. M. Crosthwaite & Co. moved on Wednesday from 105 William Street to 45 John Street.

D. C. HOWIE MAKES CHANGE

David C. Howie, for a number of years in the Newark office of the Aetna Life as an agent, is now with the National Automobile Mutual Fire.

HAGERSTOWN MEETING

Maryland Field Club Members Spend Day in Inspecting City—Meet City Officials

The visit of the Maryland Field Club to Hagerstown, Md., was a success. The purpose of the members was to inspect the city from a fire prevention viewpoint. The insurance men were met by local city officials, the city was inspected and there was also a business meeting.

FOR BETTER EXPLOSIVES RULES

The United States Treasury Department has assured New York merchants that regulations will be issued in the near future making it mandatory upon owners of barges and lighters carrying high explosives to apply to the captain of the port for the necessary guards before moving such craft.

F. W. KENTNER GETS UNION

Fred W. Kentner has been appointed suburban general agent of the Union, of Paris. Mr. Kentner is also suburban general agent of the City of New York.

ROBBINS LOCATES IN MANHATTAN

Fred D. Robbins, marine agent and broker who has made his office in Brooklyn for some time, will locate at 68 William Street shortly.

WESTERN ASSURANCE CO.
OF TORONTO, CANADA

Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918

Assets	$4,194,579.34
Surplus in United States	1,667,691.69
Total Losses Paid in United States from 1874 to 1917, inclusive	43,294,154.63

W. B. MEIKLE, President

Insure Liberty!

Buy Liberty Bonds

"The Leading Fire Insurance Company of America"
ÆTNA INSURANCE COMPANY, HARTFORD, CONN.
WM. B. CLARK, President

Caledonian Insurance Co. of Scotland
FOUNDED 1805
"THE OLDEST SCOTTISH INSURANCE OFFICE"
UNITED STATES HEAD OFFICE
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CHAS. H. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

THE YORKSHIRE INSURANCE CO., LTD., OF YORK, ENGLAND
Established 1824
FIRE, LIGHTNING, SPRINKLER LEAKAGE, AUTOMOBILE, WAR AND EXPLOSION INSURANCE
U. S. BRANCH
FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager
No. 80 Maiden Lane, New York
New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

COLONIAL INSURANCE AGENCY
AUTOMOBILE AND ALL FIRE AND CASUALTY LINES
"SECOND TO NONE IN SERVICE"

JAMES J. BOLAND COMPANY, Inc.
GENERAL AGENTS
HOME OFFICE SCRANTON, PA. — 68 WILLIAM STREET NEW YORK CITY, N. Y.
NEW YORK NATIONAL INS. CO.
THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.



F. H. HAWLEY, Pres. ORGANIZED 1848 W. E. HAINES, Secy.
Ohio's Oldest and Strongest Company
Net Surplus Over $1,293,741.00
AN AGENTS COMPANY
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PHILADELPHIA
GENERAL AGENT
Pennsylvania, New Jersey and New York

JONES, LAUNT & BARRETT, Inc., GENERAL AGENTS
Head Offices:
411-13 Walnut Street, PHILADELPHIA, PA.
We can offer to Agents and Brokers special facilities on surplus lines
throughout the United States and Canada.

Meet to Discuss Auto Commissions

SITUATION IN TWO CITIES

Trying to Straighten Out Conditions in Philadelphia and Baltimore

The interim executive committee of the Automobile Underwriters' Conference will meet in New York today, Friday, with a committee of the Eastern Conference to consider the Baltimore and Philadelphia situations. The Eastern Conference has voted a commission of 25 per cent. straight for Baltimore local agents and Maryland State agents and this action must be ratified by the National Conference. The situation in Philadelphia has reached a crisis. Commissions as high as 35 per cent. are reported and in one case 27½ per cent. brokerage. Manufacturers' forms will also be considered.

Acute Commission Situation

Walter Chase, chairman of the automobile committee of Philadelphia local agents, was in New York Thursday for a joint conference with Eastern Conference and National Conference executive committeemen. The many varied agency arrangements in Philadelphia have brought about an acute commission situation. This is aggravated by those general agency interests which insist on large enough commissions to enable them to bid for business through other prominent offices.

The present rules were drafted in an attempt to hold commissions down, but in so doing certain agency connections which could not be sacrificed were disregarded. Other offices have found themselves cramped by the rule. The question now is whether the rule shall be made sufficiently broad not to shut out a number who are affected by it.

BROKERS ACTIVITIES

Easy to Be "Grab-All"

It's easy for a company to become known as a dumping ground for poor casualty business. All it has to do is start the ball rolling. Few managers realize how much poor business there is until they open the avenues for it to enter their books. Of course, brokers must find a haven for their undesirable risks and it is expected that they will give a company some good business also to sweeten the cup. But it soon becomes noised about that an office is taking certain risks and other offices welcome the news, for it makes it easier for them to say "no" to their broker, knowing that he can easily place the risk and that it is not necessary to "help him out" with it. The shrewd broker also wishes to maintain relations with companies which he knows are properly protecting themselves by good underwriting. A wise broker knows that it is not good policy to change horses too often. While it requires a good deal of nerve to advance rates—say in the accident and health line—and refuse business which is being accepted by another company; still it is not always so disastrous as at first appears. Thinking agents and brokers separate the sheep from the goats in placing their business. The company which thinks so little of its future as to be a "grab-all" will be treated accordingly, while the company which holds itself high—losing some volume of course—will have the respect of the best producers and will be saved the trouble of refusing many a ragged risk because the solicitor knows it's no use to present it.

* * *

Warren Glacel Resigns

Warren Glacel, manager of the automobile and sprinkler leakage departments of Kelly & Fuller, has resigned and these departments are now under the supervision of Harry Fuller.

* * *

Heffner With Blume & Co.

E. L. Heffner, for thirteen years with Willcox, Peck & Hughes, and Hanley & Co., has joined the staff of the New York office of Jos. S. Blume & Co.

* * *

Joins Faulkner & Simmonds

Reginald Smith, office manager of Huff, Dreyer & Co., resigned on May 1 to become a member of the firm of Faulkner, Simmonds & Co.

* * *

Arthur Hess Recuperating

Arthur Hess, underwriter for the New York office of the General Accident, is recuperating at the French Hospital from an operation for appendicitis. His duties with the General are being fulfilled by Jos. L. Mautner, executive special agent of the Company.

SCHAEFER & SHEVLIN MOVE

Schaefer & Shevlin are removing this week to 100 William Street, ground floor. This firm started in business three years ago and has had exceptional success. It is general agent for fire, liability and automobile companies. The rapid growth of Schaefer & Shevlin necessitated larger quarters to handle the increase of business.

FOUNDED 1792



The Oldest American Stock Insurance Company

1792 Insurance Company of 1918

NORTH AMERICA

PHILADELPHIA

126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33

Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

STRENGTH INTEGRITY SERVICE

Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries

JAMES H. BREWSTER, Mgr.
Hartford, Conn.

A Broad Underwriting Service to Agents

Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.

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New York City Agents

Commonwealth Insurance Co. of New York

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Commonwealth Ins. Co. of N. Y.
Detroit F. & M. Ins. Co. of Mich.
Firemen's Ins. Co. of New Jersey
Globe & Rutgers Inc. of N. Y.
Employers' Lia. Assce. Corp. of London

145 MONTAGUE STREET, BROOKLYN—NEW YORK

Telephones: Main 6370-6371-6372

207th Year

SUN

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FOUNDED 1710

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WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.

PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

Authorized Capital $500,000

Detroit National Fire Insurance Co.

DETROIT, MICHIGAN

A Company to be built gradually and along the indicated lines of permanence

AGENCY CONNECTIONS SOLICITED

"STRONG AS THE STRONGEST"

The Northern Assurance Co.

(LTD., OF LONDON)

Organized 1836
Entered United States 1876

Losses Paid - - - $105,000,000
Losses Paid in U. S. - $38,000,000

Eastern and Southern Departments

55 JOHN STREET
NEW YORK CITY

INCORPORATED 1720

Royal Exchange Assurance

LONDON, ENGLAND

United States Branch
92 William Street, New York

RICHARD D. HARVEY
United States Manager

National Fire Insurance Company

OF HARTFORD, CONN.

Statement January 1, 1918, to New York Insurance Department

LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer
G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent

SURPLUS TO POLICYHOLDERS.....$5,980,020.79

LINES SOLICITED AND BOUND THROUGHOUT UNITED STATES AND CUBA

E. F. FLINDELL INSURANCE

1 LIBERTY STREET Telephone John 2612 NEW YORK

LOCAL OFFICES

JERSEY CITY, N. J.
1 Montgomery St.
Tel. 216 Montgomery

BROOKLYN, N. Y.
153 Remsen St.
Tel. 2504 Main

NEWARK, N. J.
9-15 Clinton St.
Tel. 614 Mulberry

MARINE DEPARTMENT

U. S. May Insure Foreign Vessels

HEARINGS HELD ON SIMS' BILL

Director DeLanoy, of War Risk Bureau, Says Companies Can't Furnish Coverage

Washington, D. S.—Two rather startling announcements were made by William C. DeLanoy, director of the Bureau of War Risk Insurance, when on April 30, he appeared before the House Committee on Interstate and Foreign Commerce to urge the passage of the Sims' bill providing for the insuring of foreign vessels and the cargoes they carry as well as the members of the crew.

Mr. DeLanoy declared that the underwriters of the country were not in a position to handle this business in view of the fact that they had lost the support formerly given them by the foreign re-insurance companies, and, second, that because of the efficiency of the American convoy system it was very probable that the present rate of 3 per cent. on vessels and cargoes would undergo another reduction.

The bill provides:

That when it appears to the Secretary of the Treasury that vessels of foreign friendly flags, or their masters, officers, or crews or shippers or importers in such vessels, are unable in any trade to secure adequate war-risk insurance on reasonable terms, the Bureau of War Risk Insurance, with the approval of the Secretary, is hereby authorized to make provisions for the insurance by the United States of (1) such vessels of foreign friendly flags, their freight and passage moneys, and personal effects of the masters, officers, and crews thereof against the risks of war when such vessels are chartered or operated by the United States Shipping Board or its agent, or chartered by any person a citizen of the United States, and (2) the cargoes to be shipped in such vessels of foreign friendly flags, whether or not they are so chartered. Such insurance on the vessel, however, is authorized only when the United States Shipping Board or its agent operates the vessel or the charterers are, by the terms of the charter party or contract with the vessel owners, required to assume the war risk or provide insurance protecting the vessel owners against war risk during the term of the charter or hire of the vessel.

The Bureau of War Risk Insurance with the approval of the Secretary of the Treasury, is also hereby authorized to insure the masters, officers, and crews of vessels operated or chartered as aforesaid, against loss of life or personal injury by the risk of war and for compensation during the detention following capture by enemies of the United States, whenever it apears to the Secretary that the owners, operators, or charterers of such vessels are unable, in any trade, to secure such insurance on reasonable terms.

"There is little question but that this legislation is necessary and timely," said Mr. DeLanoy. "You are all aware of the difficulties that we are having because of insufficient tonnage and also the necessity of protecting with Governmental insurance through this bureau vessels under friendly foreign flags when used by and for us, or by and for our Allies."

Latest Figures

The speaker furnished the committee with the following statistics:

The Bureau has issued on cargoes and hulls from September 2, 1914, to April 27, 1918	15,777 policies
Amount of insurance	$1,134,297,848.00
At risk, April 27, 1918	58,000,000.00
High water mark of risk	175,000,000.00
Premiums received	41,815,620.72
Losses	24,427,570.00
Expenses, War Risk Insurance Bureau, September 2, 1914, to March 31, 1918	117,531.26

Says War Risk Bureau Will Prove Profitable

He declared that the Bureau of War Risk Insurance would prove to be a very profitable venture for the Government. He said, however, that a private organization could not do business on the same small overhead as the Bureau for the reason that there is no office rent to be paid, no taxes, and there is a difference in the number and salary of employes. The high tide on rates, as he put it, was 6½ per cent. This was reduced first to five, then four and finally three per cent. and now there is the possibility of a further reduction.

Mr. DeLanoy was asked by Congressman Sims as to the outlook for shipping without such provisions as are contemplated. "If we do not pass this bill or provide some legislation to enable the Government to do what it proposes to do by this bill," inquired Chairman Sims, "will it not be practicably impossible for these vessels of neutral countries to get such insurance as would enable them to do business with our Government?"

"You will then throw it right back on private underwriters and private underwriters today have not the requisite capital to handle this insurance," replied Director DeLanoy. "The rates will be higher than the Government rates of protection and the reason for that is that the private underwriters are without the former foreign re-insurance companies and cannot write jumbo policies, and they must write the policies they can carry net."

Continuing along this line he said, "And there would not be enough insurance to go round in the case of large shipments on a single vessel," qualifying the general statement, however, to show that the underwriters could take care of small cargoes and small boats.

Two More for McGee Office

GET CONCORDIA AND AUSTIN

Fire Companies Which Have Recently Entered Marine Field—The McGee Companies

Two more fire companies have entered the marine field. They are the Concordia of Milwaukee and the Austin of Texas. It is understood that the companies will be represented as general agent by Wm. H. McGee & Co.

The McGee office is one of the largest and best-known in the world, representing the St. Paul F. & M., Phoenix of Hartford, Providence-Washington, Great American, Massachusetts F. & M., Camden, Security of New Haven and Westchester.

The Concordia had a net premium income last year of $1,715,741; its assets are $3,114,561.

George W. Jalonick, one of the best-known insurance men in the South is president of the Austin Fire. It has assets of $840,000.

HENRY W. FARNUM DEAD

Henry W. Farnum, of Platt & Farnum, died suddenly last Saturday in New York City. His funeral was held on Tuesday at his home in Bryn Mawr, Pa. Mr. Farnum for a long term of years was prominently connected with the activities of the Insurance Company of North America in New York City and at the home office. The firm of Platt & Farnum is one of the oldest in the local inland marine, automobile and marine business.

American Equitable Assurance Co.
OF NEW YORK
Cash Capital and Surplus $1,000,000

Equitable Underwriters of New York
Surplus $793,852.75
Marine and War Risk Insurance
Losses made payable in all parts of the World

EASTERN MARINE UNDERWRITERS, Inc.
AGENTS
50 Broad Street New York

HENRY E. OTTO & CO., Inc.
Insurance Brokers — Average Adjusters
Marine and War Risk a Specialty
56-58 PINE STREET John 5109-5037-2171 NEW YORK

The Proceedings in the S. S. Frederick Case

There has appeared in the daily newspapers recently an item stating that the heirs of the crew of the steamer "Frederick" have instituted legal proceedings for damages against the owner of this vessel, which was lost on a voyage from New York to Archangel, Russia. This vessel sailed from New York during the month of December, 1915, and it was necessary for her to put in to Boston, Portland and Halifax, and after she left Halifax, there was no further trace of her found.

It seems almost a pity that a vessel of 1,873 tons gross, 1,300 tons net, built in 1874, with one-cylinder engine, 150 nominal horsepower, should have attempted to take such a perilous voyage at that season of the year. Notwithstanding the fact that it is claimed that a considerable sum of money was spent in repairing this boat and that a Government inspector passed the same, to a trained underwriter it is foregone conclusion that a vessel of this kind would never arrive at her destination, in addition to which the vessel loaded a very heavy cargo, and it is stated that in order to load some heavy cases of automobiles, part of the vessel's stanchions had to be removed, which naturally would impair her structural strength.

The result of this litigation will be watched with interest, and if the crew's heirs are successful in recovering the damages which they claim, it may prevent owners of vessels of this character from undertaking voyages which they seem physically unfit for.

There is another vessel of this type now reported loading in New York Harbor for Genoa. This vessel formerly ran between New York and Boston, and in order to enlarge her cargo capacity, her sides were extended and at this writing it is reported that she is loaded to such depth that her original main deck is actually under water. A vessel undertaking a transatlantic voyage under such circumstances naturally will come to grief. It seems almost inconceivable that any seafaring man who holds a Master's certificate can be induced to undertake to navigate vessels on voyages which, from all appearances to expert marine authorities, it seems could not successfully make a voyage of the character above mentioned. The mere fact that the owner may be held liable is not sufficient. The only positive preventative for cases of this kind would be for the Government to make it a penal offense for any owner to send a vessel to sea which is absolutely unfit to undertake the voyage which she starts out to make. If such legislation was put into effect by the Federal Government, marine underwriters would not be called upon to pay a great many losses which they have incurred in the past on vessels of this type.

This vessel with her sister ship has since been requisitioned by the Government and the freight has been turned back to the shippers. OBSERVER.

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street New York
MANAGERS MARINE DEPARTMENT
American Insurance Co., of Newark, N. J.
Firemen's Insurance Co., of Newark, N. J.
Glens Falls Insurance Co., of Glens Falls, N. Y.
Hanover Fire Insurance Co., of New York, N. Y.
MARINE AGENTS
Globe & Rutgers Fire Insurance Co., of New York, N. Y.
MARINE AND WAR RISK INSURANCE
Losses made payable in all parts of the World
CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

CASUALTY AND SURETY NEWS

Manufacturers Seek Information

PARTICIPATING STOCK PLANS

Secretary of Pennsylvania Association Gives Opinions as to System's Benefits

At the request of the National Association of Manufacturers, Harry J. Shoemaker, secretary of the Pennsylvania Manufacturers' Association Casualty Insurance Company, has given his views to that organization on the merits of participating stock insurance companies. He says:

"In presenting what we consider the advantages of participating insurance companies, we propose to do so from the attitude of basing our conclusions on our own experience, rather than those of criticising or opposing the methods of others.

"Article X of the by-laws of the Pennsylvania Manufacturers' Association Casualty Insurance Company reads:

" 'The dividends upon the capital stock shall not exceed nine per cent. (which is equivalent to 6 per cent. on the stock and subscribed surplus) payable only out of earnings. Any profits over and above the dividends on the stock shall be held for the benefit and protection of the policyholders, and after setting aside such sums as may be necessary under the law or in the judgment of the board of directors for contingency funds, shall be apportioned among the policyholders upon the mutual insurance principle, in manner as the board of directors shall from time to time direct.'

"For the twelve months ending December 31, 1916, the foregoing company paid nine per cent. stock dividends and twenty per cent. policy dividends.

"In a straight-out stock company the policyholder is free from assessment, but receives none of the profits. The stockholders take all the risk, and the insured pays for his protection.

Risk of Assessment

"In the straight mutuals the policyholder always runs the risk of assessment, but on the other hand he participates in the profits that in straight stock companies go to stockholders.

"A stock participating company saves to the policyholder the hazard of an assessment liability which all insurers in mutuals risk. It also has the advantage of the mutual principle of sharing the profits with the policyholder. In other words, it gives the insurance required at cost, without any liability of assessment.

"A participating stock company can be created and maintained only when a sufficient number of concerns band together for self-protection, with a sufficient number of unselfish members—willing to invest the required cash capital, with the income thereon limited to legal interest (as in the case of the Pennsylvania Manufacturers' Association Casualty Insurance Company), and assuming all risk of loss or assessment, while all other net earnings vest in the policyholders.

Reducing Expense and Losses

"The low overhead cost of participating stock companies is made possible because of the common interest and desire of policyholders to do part of the operating work themselves, to help see to it that the number and cost of investigations, solicitors, etc., are kept at the minimum. The low loss ratio is secured by the earnest and loyal co-operation of the insured in reducing accident cost and in accident prevention work, in getting the injured employe back to work at the earliest time possible, in looking after the payments of compensation, doctor bills, etc. The incentive for reducing expense and loss ratio is the hope of receiving annually substantial return premium dividends, and as these policy dividends materialize from year to year, co-operation among policyholders continues and increases, resulting in a still further reduction of accidents and idleness, with an increase of efficiency.

"Such a personal incentive does not exist among the insurers in non-participating stock companies, and exists, if at all, only in a limited degree where the policyholder is insured in a mutual company whose annual policy dividend is a certain fixed per cent. year after year, and is paid regardless of any efficient assistance on the part of the insured.

"Therefore, we believe that to furnish compensation insurance at cost, and making that cost a minimum one, means the best possible service, if accompanied with the maximum of safety and protection.

Mutuality of Interest

"In addition to the net cost and protection advantages enjoyed by policyholders of participating stock companies, too much emphasis cannot be given to the value of accident prevention enhanced by the correlation of casualty insurance companies and manufacturers' associations, both organizations being constantly on the alert in this direction, resulting in a mutuality of interest, effort and result not otherwise obtainable.

"In short our view is that participating stock casualty insurance companies have and give every advantage to policyholders that can be obtained, with none of the disadvantages that do or may exist in non-participating companies."

IN CHARGE OF BURGLARY

Experienced Former New York Man Takes Position With Hartford Accident & Indemnity

Herbert J. Johnston has been chosen acting superintendent of the burglary department of the Hartford Accident & Indemnity at the New York office. He succeeds Richard J. Hollingsworth who resigned to enter the brokerage field. Mr. Johnston is from Hartford, where he was assistant superintendent of the home office burglary department. Prior to that connection he was in charge of the Metropolitan burglary department of the Travelers and he also held a similar position with the Ocean.

PROVIDENCE MANAGER RESIGNS

William T. Stillman, manager at Providence for the American Surety, has resigned to enter the Naval Reserves. H. E. Davis, assistant manager, has been appointed acting manager in Mr. Stillman's place.

Guarding Profits and Production

is the function of Workmen's Compensation Insurance. By means of expert safety-first inspections that discover danger points and prevent accidents, a vast amount of time, material and money is saved for the many important American industries protected by Workmen's Compensation Insurance in the Maryland Casualty Company of Baltimore.

Where unforeseeable accidents occur, this essential protection provides prompt medical attention followed by full payment of compensation in exact accordance with the law.

Agents representing The Maryland are aided by an unusual quality of earnest co-operation from the inspectors in the field and the underwriters at the Home Office.

Maryland Casualty Company

THE TOWER

BALTIMORE

Mutual Company's New Auto Rates

SUBSTANTIAL INCREASES MADE

National Automobile Mutual Casualty Places Revised Schedule in Effect

Following are examples of the new rates of the National Automobile Mutual Casualty Company of New York.

New York City

H. P.	Liability.	P. D.
16	$38.00	$10.00
20	54.00	15.00
25	69.00	18.50
30	79.00	21.00
35	86.50	23.50
40	92.75	25.00
45	98.00	26.25
50	103.00	27.50
Electrics and Motorcycles		
—	18.00	5.00

New York Suburban

H. P.	Liability.	P. D.
16	$22.50	$6.00
20	32.00	8.40
25	41.00	11.00
30	47.00	13.00
35	52.00	14.25
40	57.00	15.50
45	62.00	16.75
50	67.00	18.00
Electrics and Motorcycles		
—	14.00	4.00

New York State

H. P.	Liability.	P. D.
16	$15.00	$4.50
20	21.00	6.40
25	27.75	8.40
30	33.00	10.20
35	38.00	11.20
40	42.25	12.20
45	46.00	13.20
50	49.75	14.20
Electrics and Motorcycles		
—	14.00	4.00

Commercial Rates

	N. Y. City		N. Y. Sub.		N. Y. State	
	Liab.	P. D.	Liab.	P. D.	Liab.	P. D.
Sp.	$375	$150	$250	$100	$180	$70
1	275	115	170	70	105	45
2	225	100	130	55	85	36
3	200	85	110	45	70	30
4	165	70	90	36	55	23
5	140	58	70	30	45	18
6	115	46	60	25	40	16
Motorcycle, 2-wheeled	55	23	35	15	28	12

Collision
All Territories
Pleasure and Commercial Cars

Manufacurer's List price		Coll. Class	$25 Deduct.	Full C'v'ge
Under	$600	A1*	$25.00	$45.00
$1,200	1,399	A5*	33.00	65.00
1,800	1,999	D	45.00	80.00
2,500	2,749	G	60.00	95.00
3,250	3,499	J	75.00	110.00
4,000	4,249	M	90.00	125.00
4,750	5,000	P	105.00	140.00
6,001	6,500	S	117.50	152.50
7,501	8,000	V	125.00	160.00
9,001	9,500	Y	132.50	167.50
9,501	10,000	Z	135.00	170.00

(Continued on page 22)

Something New

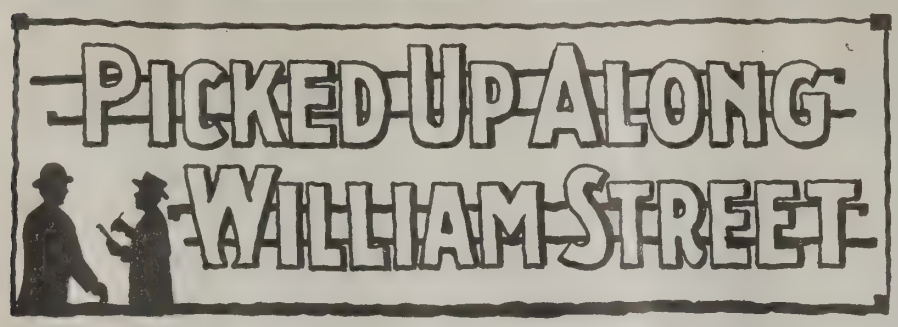
Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building **PHILADELPHIA**



Aetna Introduces "Pep"

"Pep" is the latest addition to the Aetna publications. It is to appear "reasonably often" in the interest of cash collections.

* * *

Miss Means' New Place

Miss Gertrude H. Means is now in charge of schedule rating in the compensation department of the Aetna Life in New York. Miss Means was formerly secretary to R. S. Elberty, superintendent of the inspection department of the National Workmen's Compensation Service Bureau in New York.

* * *

Selling Use & Occupancy

The steam boiler insurance business is reported to be good. If the present volume is maintained it is expected that the experience will be satisfactory at the present rates. A large business is being done in use and occupancy at satisfactory rates. The use and occupancy form takes care of any increase in the moral hazard, which may come when business slows down. The contract is virtually a valued policy as long as the insured's production keeps on the present level, or if it increases. If it falls below a certain average, indemnity is paid on a prearranged percentage basis.

* * *

Following Experience

Present conditions in the automobile insurance business resemble quite strongly the situation which obtained in surety lines some years ago. The surety companies were split at one time just as the automobile companies are now. Finally the non-Conference companies got together for very much the same reasons, as have the non-Conference automobile companies. The non-Conference surety companies gradually found that co-operation among themselves was working well, so much so, that they wanted more of it instead of less. They got so near to the Conference in rates and practices that they finally decided to swim all in the same pond. It is hoped that the same conditions will be brought about among the automobile companies.

* * *

On Vacation

Henry F. Weissenborn has gone away for a vacation. Meanwhile the duties of the assistant secretary of the Great Eastern Casualty are in the hands of his associates.

* * *

Country Looking Fine

Agency Director C. Clark Howard, of the Great Eastern Casualty, has returned from a trip which took him as far West as St. Louis. He was away three weeks and says that he never saw the country looking better than now.

* * *

Says West is Aroused

Henry D. Clarke, manager of the plate glass department of the Great Eastern Casualty, has been on a trip West as far as Omaha. He says that the Liberty Loan is going like hot cakes in the Western cities. In many instances large towns secured almost their entire allotment in the first few days of the drive. Mr. Clarke believes that the West is now thoroughly aroused to the necessity for backing up the Government to the limit, and that the loan will be oversubscribed.

* * *

"Nic" Phair Turns Artist

One of the most attractive military service honor rolls executed by an amateur is that done by "Nic" Phair of the Ocean. Mr. Phair can not only design but he can also do life admirably. He is in the publicity and supply department. The honor roll contains sixty-three names, twenty-nine of which are of claim department employes.

* * *

Collections Complained Of

A casualty man who recently covered a large portion of the country while on a business trip found but one dark spot—collections. This he attributes to no other cause than that many communities are being drained of ready money to apply on the Liberty Loan. There is nothing to do, he says, but wait until some of the funds are returned through the ordinary trade channels.

* * *

Won a Liberty Bond

William Goldbeck, of E. B. McConnell & Co., New York, won a Liberty bond raffled in the office of the Maryland Casualty. There were 100 chances at fifty cents each, one chance to each person.

* * *

General Takes Added Space

The General Accident has located its metropolitan auditing and accounting departments in the basement of 100 William Street immediately beneath its metropolitan office in that building.

* * *

Claim Men Meet To-day

H. P. Stedman, of the statistical department of the Ocean Accident & Guarantee, will be the speaker at the monthly meeting of the New York Claim Association to be held in Room 2208, Western Union Building, 195 Broadway, Friday, May 3, at 2 P. M. The topic of the lecture will be "The Various Uses of Claim Statistics." There will be a discussion, open to all, on the various methods employed by claim departments in furnishing information to the statistical department. The question of whether or not the association should hold a war supper in place of the next general meeting will be voted upon.

Bureau Force Growing

L. L. Hall, formerly in the St. Louis office of the National Workmen's Compensation Service Bureau, is now in New York as assistant to R. S. Alberty, superintendent of the inspection department. Miss Olive Outwater, a graduate of the actuarial course, University of Michigan, has been added to the force in the actuarial department in New York. J. D. Wells has been transferred from the Denver office as an assistant to Ambrose Ryder, head of the automobile department.

* * *

Government Officials to Confer

On May 8 a meeting will be held at the New York office of the National Workmen's Compensation Service Bureau with representatives of the United States Government to consider questions arising out of the insurance on various Government works.

* * *

P. F. Garnett Advanced

P. F. Garnett, who has been field secretary for the National Workmen's Compensation Service Bureau, and now manager at Chicago, has had the office of field supervisor and instructor added to his duties. In fact, Mr. Garnett has been doing this work but has not held the position officially. He has now been definitely elected to the position in accordance with the constitution.

* * *

With Field Artillery

William B. Fitcher, who had charge of the renewal department in the New York office of the Commercial Casualty, is with the 105th United States Field Artillery at Spartanburg. That unit was formerly the Second Field Artillery of New York. The office force has sent him a number of useful tokens of their regard, as he expects soon to go abroad.

* * *

L. S. Moore Metropolitan Manager

L. S. Moore, acting manager in the Metropolitan branch of the American Surety, has been appointed manager, effective May 1. Edward Sadler, who has been in that department for some time, is to be assistant manager. Mr. Moore has been with the Company for over ten years and has been assistant manager, secretary to the president and manager of the re-insurance division.

* * *

Plate Glass Changes Listed

New York City Manual amendments and rulings applying to plate glass insurance rates have been prepared by W. F. Moore in pamphlet form. This contains all the changes made to and including April 1, 1918.

* * *

New Quarters Leased

Because of the expiration of a lease the Great Eastern Casualty has given up its store room at 45 John Street and has secured another location at 26 John Street.

* * *

Iowa Association Prosperous

Thirty-eight years ago the Iowa State Traveling Men's Association was organized in Des Moines. It now has over 57,000 members. Just now when, because of the war, many traveling men have lost their business connections, the association is doing a good work in assisting them to find other employment. The association has paid over $5,000,000 in claims. In 1917 the claims paid were $460,000. J. W. Hill has been president of the association for twelve years. The other officers are active business men and devoted to the association.

* * *

Enters Wisconsin

The Iowa Bonding & Casualty, of Des Moines, recently organized, has applied to do business in Wisconsin. It is expected that the commission will be issued some time this week. The capitalization of the company is $1,000,000, and its surplus $500,000.

* * *

Corey With Pacific Mutual

Horace W. Corey, for years New York manager of the Equitable Accident, of Boston, has been made New York manager of the industrial accident and health department of the Pacific Mutual Life.

* * *

Would Change Constitution

It is proposed to change the constitution of the Casualty Actuarial and Statistical Society of America so that examinations may be waived in the case of a candidate who for a period of not less than two years has been in responsible charge of the statistical or actuarial department of a casualty insurance organization, or has had such other practical experience in casualty or social insurance as in the opinion of the council renders him qualified for associateship. The next meeting will be held May 20 and 21.

* * *

Chas. R. Culyer & Co. have been appointed resident managers at Philadelphia for Eastern Pennsylvania and Southern New Jersey, of the Chicago Bonding and Insurance Company, succeeding Jones, Launt & Barrett, Inc.

* * *

Good Results Often Are Delayed

An agent sometimes becomes discouraged and gives up effort because he has had an unfruitful day. He overlooks the fact that the seed sown that day is sure to bring a harvest later. The more he works the more prospects he has for the future. An agent built up a collection of $800 a month in a territory and worked three full weeks before he secured his first application, but the three weeks' efforts brought big results later. The fact is, this is a form of protection which does appeal to all classes of people, and there is never a time in any district when business cannot be secured. If one line of work is quiet, look around for the lines which are active. We want you to realize that the home office is sympathetic and knows full well the troubles of competition, of getting men to sign the applications, and of keeping the insurance in force after it is once written. We simply want you to believe in yourself as much as we believe in you, and keep up your courage and effort. Then your results will surely come quite satisfactorily.—"Federal Record."

FARRISH'S CHOP HOUSE
Cor. John & William Streets
THE PLACE in the Insurance District to eat lobsters
NOW IN SEASON
Whole cold lobster 65c.
Whole broiled lobster 75c.

The Fidelity and Casualty Company of New York
92 LIBERTY STREET, NEW YORK, N. Y.
Metropolitan Office—92 William St.
ANNUAL STATEMENT DECEMBER 31, 1917

Assets	$15,077,330.62
Liabilities	10,785,343.53
Capital	1,000,000.00
Surplus over all liabilities	3,291,987.09
Losses paid to December 31, 1917	60,740,294.97

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation, Steam Boiler Insurance; Fly-Wheel Insurance.

Mutual Co.'s Rates

(Continued from page 21)

Loss of use (pleasure and commercial) 10 per cent. of P. D. rate.

Trailers 25 per cent. additional of liability and P. D. rate.

Excess limits (10-10) 10 per cent. of 1918 tariff.

Excess limits (10-20) 20 per cent. of 1918 tariff.

Additional interests: one, 10 per cent.; two, 12½ per cent.; three or more, 15 per cent.

CASUALTY AND SURETY POINTERS

Liability on Contract Bonds

The importance of reading and thoroughly understanding the provisions of a contract before signing a bond is illustrated in the recent decision of the Supreme Court of Wisconsin, says the "Fidelity Journal." In that case the condition of the contract bond was that the contractor shall fully and faithfully perform all the conditions and covenants contained in the contract. In the bond there was no reference whatever made to the payment of labor and material bills. In the contract, however, the contractor agreed that he would well and duly execute and perform the contract and would pay in full for all labor employed and material used in the performance of the contract. It does not appear from the case that there was any law which required the City of Warsaw, Wisconsin, to exact from the contractor a bond conditioned to pay for labor and material. The court held that the provisions of the contract must be read into the bond and that the surety upon the contractor's bond was liable for labor and material bills and that the furnishers of labor and material could maintain a direct right of action on the bond. Builders Lumber & Supply Company vs. Chicago Bonding & Surety, 166 N. W., 320.

* * *

How Agents May Be Classified

C. W. Bradford, of the Massachusetts Bonding at Los Angeles does not believe in "hit or miss" methods in appointing agents and one of the reasons for his success in building up one of our largest monthly payment agencies is his ability to study a prospective agent, determine his needs and develop him into a permanent and prosperous insurance writer. How he classifies prospective agents is explained as follows:

Class 1. A large number of men take up insurance after having failed in several other lines. They are general failures, therefore, they will have the same experience with insurance. I believe that this is the reason for the largest class of failures in our work.

Class 2. Men who take up insurance as a means of "easy money" and "easy time" and for the purpose of being "their own boss." They fail to find the "easy money," therefore, quit. They usually have an "easy time" because, as their own boss, they fail to demand of themselves what a real boss demands of his employes—best efforts.

Class 3. Men with the sole aim to sell insurance by any means—just so long as "they get theirs." This class will create quite a stir for a time, but their race is short and disastrous.

Class 4. Men who lack confidence in themselves and their company. They may be diligent and honest, but will never succeed until they feel that the goods they are offering to the public are worth the price and that when a sale is made both the seller and buyer are benefited. There is hope for this class of agents because they can acquire the needed confidence.

Class 5. The agent who succeeds is the one who knows his line, who is endeavoring to give all a square deal, who is his own boss and is able to boss himself as well as he would expect to be bossed if he were working for a salary and who has in view a successful future rather than quick returns for the present.

In appointing an agent Mr. Bradford endeavors to classify him in one of the five classes named above at his first interview, and then uses his influence to bring out the qualities which the individual agent lacks.

Contractors' Payroll Insurance

Agents know that numbers of large contracts are being awarded at present. Herein lies an opportunity of calling to the contractor's attention the wisdom of protecting his payroll against robbery. A loss of payroll funds would seriously embarrass the average contractor and might ruin his business entirely. The payroll robbery policy form is liberal and the cost reasonable, the more protection being required the lower the rates. This insurance is sold as low as five cents per thousand per week under annual policies. Can any careful business man afford to be without it? Ask your contractor clients that question. It is a tremendous field among contractors and manufacturers and some agents are beginning to appreciate it. They are going to profit by their enterprise.—"Fidelity Journal."

* * *

Watching One's Renewals

While the writing of new business is supposed to be the principal occupation of an insurance agent, there can be no question but what his success in securing the renewal of his business upon each recurring premium due date is of most vital importance, not only to the company, but to himself. In the case of the company, the expense incident to issuing the policy, completing the home office records, etc., absorbs a considerable portion of the initial net premium. This being the case it is very essential that subsequent premiums be received by the company. In your case, it should be your constant aim to build up your business to the point at least where the renewal commission will guarantee you competency when you no longer care to actively engage in soliciting business. This you can accomplish, as hundreds have done in the past, and you are not going to admit that you are less capable of attaining what you set out to do than were any of those who have already reached the coveted goal.—"The Fieldman."

* * *

Parable of Sloathful Agent

In the country of the Americans there lived one who had followed the business of a general insurance agent for many years and had accumulated many friends, a comfortable fortune and a few Accident and Health policyholders. And most of his Accident business was carried by men who also gave the general insurance agent large lines of fire and casualty insurance.

In the same place there lived an agent of another company, and on a certain day he said to one of the general insurance agent's policyholders "Behold, the Accident policy you are carrying is out of date. You have carried it five years. It does not insure you for this and will not cover that. Let me issue you a new and up-to-date policy so that you may be fully protected, whether your days be long in the land, or you be suddenly snuffed out by accident."

And it came to pass that the man looked at the agent's policy and found it better than his old one—and took it.

And when the general insurance agent heard of it he came in great haste and said to the man, "I will give you a policy better than the one you have been carrying and better than this new one." And it was true that he could do so.

But the man said, "Out of my sight! Why did you not give me this better policy at last renewal date? I would not have heard of it except for this other agent." And he would have none of the general insurance agent's best policy.

And the general insurance agent mourned the loss of the policyholder long and deeply, fearing that he would also lose his fire and casualty business. So he immediately rewrote all his other old Accident policyholders for new and better policies, that the other agent might not induce them to lapse. —"Co-ordinator."

TEACHING SAFETY

Many Universities Expected to Include This Subject in Their Curricula

An interesting work has been begun by the National Safety Council. A committee has been appointed, of which the general manager of the National Workmen's Compensation Service Bureau is chairman, on promoting safety education in technical schools and universities. The National Safety Council has done an important work in the field of safety, but up to the present time it has dealt with the more obvious, and, in a sense, superficial phases of the problem; that is, propaganda looking toward the installation of safety devices and the awakening of interest in employers and employes in the safety movement.

A Bureau representative, speaking of this, said:

"The time has come, however, when the problem can be attacked more fundamentally and certainly we shall not get more truly at the heart of the problem than by making efforts to educate our next generation of engineers, not only in the technique of safety, but so as to make them think safety in much the same way that they are now trained to think in terms of efficiency and as architects are trained to think in terms of beauty.

"A general letter was sent out by the committee to practically all the universities of the country and elicited a gratifying response. As a result of this a conference of Eastern universities was held in New York at the close of which a committee was appointed which will co-operate with a similar committee that was appointed at a conference of the Western universities held in Chicago, in connection with the meetings of the American Railway Engineers' Association. It is the expectation of the committee that many of the universities beginning next year will introduce into their curricula a certain amount of safety work."

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary
GEORGIA CASUALTY COMPANY
HOME OFFICE: MACON, GEORGIA
"DIXIE AUTO POLICY"
THE LAST WORD IN MOTOR INSURANCE
Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY
INSURANCE CO. OF NEW YORK
HOME OFFICE, 47 CEDAR STREET
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Plate Glass, Burglary, Accident and Health Insurance
EUGENE H. WINSLOW, President
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Liability, Accident, Burglary, Boiler and Credit Insurance
Established 1869.
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APPRECIATE THE CO-OPERATION OF THE
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Paid-In Capital $1,500,000 Write For Territory

THROW AWAY THAT CUMBERSOME RATE MANUAL

Can you find no better use for your time than to spend the best part of it turning 362 pages every time you want to quote an automobile rate?

Compare the Simplicity of These Rates!

The *"Definite Value"* Automobile Policy

A clearly defined policy protecting an automobile owner—indemnifying for loss by fire, theft, explosion and other hazards.

It is simple in language, and definite in terms—it positively fixes the value of a car, during the life of the policy, on a basis determined by the men who made and sold the car.

In the event of a total loss, it pays the amount of fixed value shown in the policy contract, thereby avoiding any controversy in settling and paying the loss.

In the event of a partial loss, it pays for the repair or replacement of all parts, to the full extent of the damage.

Compare the protection and the cost of this policy with other forms of automobile insurance.

PREMIUM RATES

All premiums are based on list price of car. Rates quoted are for each one hundred dollars of list price. The rate is not increased on renewal. Freight charges and war tax may be added to amount of insurance.

Pleasure and Commercial Cars

	Full Cover	Full Cover Excluding Theft
Models Listing $2,500 or Over	$1.00	.80 cents
Models Listing $1,000 to $2,500	$1.50	.80 cents
Models Listing Under $1,000	$2.00	.80 cents

Extra Equipment, Including Theft— Twice the rate charged for car.

Extra Equipment Excluding Theft— Same rate as charged for car.

Electric Cars—All Models
.75 cents for fire and theft.

Collision Insurance

Covers all loss or damage above twenty-five dollars in any one accident.
(For full cover add thirty-five dollars to all premiums.)

Pleasure Cars
In Cities under one hundred thousand population.
1½% of list price — $15.00 minimum premium
In Cities over one hundred thousand population.
2% of list price — $25.00 minimum premium

Commercial Cars
Regardless of size of city.
2¼% of list price — $30.00 minimum premium

Property Damage

Indemnity to extent of one thousand dollars for damage done to property of others.

Pleasure Cars
In Cities under one hundred thousand population.
Ten Dollars Premium
In Cities over one hundred thousand population.
Fifteen Dollars Premium

Commercial Cars—Decline property damage.

TERM POLICIES

Two Years Insurance—One and three-quarter times annual rate.
Three Years Insurance—Two and one-half times annual rate.
Pro rata cancellation allowed on old insurance when new car purchased and insured.

Taxi Cabs, "Jitneys," Rented, Livery, Second-Hand Cars and Dealers' Cars
WILL NOT BE INSURED UNDER THIS FORM OF POLICY

THIS POLICY IS WRITTEN ONLY BY

THE NEW BRUNSWICK FIRE INSURANCE CO.

Capital $500,000

NEW BRUNSWICK, NEW JERSEY

THE NEW JERSEY INSURANCE COMPANY

Capital $1,000,000

NEWARK, NEW JERSEY

OCT 23 1918

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 19 | NEW YORK, FRIDAY, MAY 10, 1918 | $3.00 a Year; 25c. per Copy

NEW POLICY FOR U. S. OFFICERS

Automobile Insurance Company Covers Personal Effects of Army and Navy Men

TEXT OF THE CONTRACTS

Rate 1½ Per Cent., Minimum Premium $5; Covers Within Limits of U. S. and Canada

Commissioned officers of the United States Army and Navy have experienced some difficulty in obtaining insurance on their effects. To supply this demand the Automobile Insurance Company, of Hartford, has prepared a personal baggage policy which attaches from the time the property insured is taken from the residence of the insured, and continues wherever said property may accompany the insured or his family during the term of the policy, covering:

(1) Any and all risks and perils of fire, theft, lightning, navigation and transportation, except as hereinafter provided, while in transit by or in the custody of any railroad, express, transfer and/or transportation company and/or by any steamship, steamboat or craft.

(2) Loss or damage by fire or lightning while accompanying the insured on any automobile, or while in any hotel, club house, boarding house or dwelling or business building and/or other repository not hereinafter excepted.

(3) Loss or damage by stranding, sinking, burning or collision of yacht or other craft, on which the insured may be as a guest at the time of such accident.

(4) Loss by theft of any entire trunk, valise or other shipping package from rooms occupied by insured, or when checked against receipt in any hotel, club house or boarding house, provided that the local police authorities are notified immediately on discovery of loss.

The Company's Liability

The Company shall not be liable:

(1) For loss or damage to property while in the residence or regular garage of the insured, or in any theatre or other place of public amusement or entertainment.

(2) For loss or damage to any property in excess of the actual cash value at the time such loss or damage occurs.

(3) For loss or damage to automobiles, motorcycles, animals, property specifically insured or property in storage or under any circumstances for loss of accounts, bills, currency, deeds, evidence of debt, money, notes or securities.

(4) For loss by pilferage of jewelry or similar valuables, or for loss by theft of hand baggage in custody of insured on cars, steamships or other carriers, anything herein to the contrary notwithstanding.

(5) For loss or damage by breakage unless such breakage is caused by fire, collision or derailment.

(6) For loss or damage caused directly or indirectly by invasion, insurrection, riot, civil war or commotion or military or usurped power.

The rate is 1½ per cent., minimum $5, and the policy covers within the limits of the United States and Canada.

THE GAUVIN AGENCY

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

The Largest Cash Assets of any Fire Insurance Company in America are Back of Every Policy Issued by "THE HOME"

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. **Net gain** in insurance in force during 1917, $21,764,972.88, or 72% **of the amount paid for.**

MEN of CHARACTER can obtain further information as to the **Company** and **Opportunities** by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES, IA.

1917 WAR CLAIMS OF BRITISH COMPANIES

Percentage of These Claims to All Death Claims of Leading Companies

WAR CLAIM RATIO GIVEN

Industrial Offices Bearing a Heavy Burden—Generosity of the British Offices

London, Eng., April 15.—The assumption of war risks without any compensating payment in the premium has increased the mortality rate of the life insurance offices by about 15 per cent., but this conveys little to the average individual of the real effect of such claims on the finances of the companies. The chairman of the Pearl gave an illustration the other day which will bring home much better the serious extent of the obligations which have to be met.

"Consider a life aged 25 assuring for £100," he said. "The expectation of life is thirty-eight years—that is to say, we expect to pay £100 in thirty-eight years' time, and we should then have £54 in hand to meet it. If, however, through the war the claim comes in after two years from the issue of the policy we have only £2 in hand, so that we pay thirty-six years earlier and the strain on the funds is £98 after two years instead of £46 after thirty-eight years." From this it will be seen that the burden is no light one and that a solid benefit is being conferred on the community by the generosity of the offices. On the other hand, the companies, or most of them, have a shrewd eye to the future and expect to get full value in due time as they deserve to get for their present sacrifices. "This generosity on the part of all assurance companies," the Pearl chairman told the shareholders at the last annual meeting, "has gone far to popularize insurance and has been an invaluable aid to our field staffs. Both the companies and their representatives are bound to reap a rich reward as a result of that popularity deservedly following on a magnificently patriotic action."

In the table herewith is given the 1917

THE PILOT POLICY

war claims of leading companies, together with the ratio of such claims, calculated in all cases on an annual basis, to the total death payments:

War Claims and Their Relation to Other Death Payments

	1917 war claims.	Ratio of war claims to all claims, P.C.
Abstainers	£13,700	42.3
Britannic	71,000	12.4
Brit. Equit.	2,300	2.5
Brit. Legal.	33,500	20.9
Clergy	30,900	10.6
Clerical Med.	40,800	11.3
Eng. & Scot. Law.	20,400	11.3
Eq. and Law.	46,600	18.8
Legal and Gen.	132,900	20.3
Life of Scot.	32,800	8.8
Lon. & Man.	28,200	7.6
Lon. Assn.	21,400	11.2
Marine and G.	26,200	29.9
National Mut.	40,000	18.7
Nat'l Prov.	52,900	13.2
Pearl	212,400	14.7
Prov. Mut.	49,200	25.7
Prudential	1,507,000	26.1
Refuge	242,500	14
Salvation Army.	37,800	25.3
Scot. Am.	54,100	14.5
Scot. Eq.	36,800	10.6
Scot. Life.	27,300	31.6
Scot. Prov.	114,000	12.8
Scot. Widows.	176,500	14.9
U. K. Temp.	96,700	19.8
West. and Genl.	75,700	16.6

How Claims Have Grown

The payments in 1914 amounted to £473,900, equal on an annual basis to 10 per cent. of the total death claims. In the next year the figure rose to £1,557,700 and in 1916 to £2,321,000, the ratio to the aggregate mortality disbursements being 11 and 15 per cent., respectively. The war liabilities for 1917 so far announced amount to £3,377,500, equal to 18.7 per cent. of all death claims and representing an increase of 27 per cent. as compared with 1916. Not very many offices have escaped a heavier toll, but among the fortunate ones are the Friends' Provident, the British Equitable, the Legal and General, the London Assurance, the Scottish Life, the Scottish Insurance and the University. In the first year there were four companies lucky enough to be quite immune—the Scottish Temperance, the Sceptre, the General Accident and the Profits and Income. The immunity of the last persisted down to 1917, when its small death claims were virtually doubled by war risks falling in. This ratio of 50 per cent. is the highest yet recorded for last year, though beaten previously by the 52.3 per cent. of another company in 1916. The second highest in 1917 was the 42.3 per cent. of the Abstainers and the third highest the 31.6 per cent. of the Scottish Life. Other offices whose proportion has exceeded in one of the four years the 30 per cent. level are the Century, the Equity and Law, the Scottish Insurance and the Legal and General. The aggregate sum paid by the industrial offices to date is now close on £5,000,000, yet the average amount of the policy, in spite of this large figure, is only about £18. The average ordinary policy works out at considerable more. The mean amount of each war claim, for instance, met by the Friends' Provident is £840, by the Clergy Mutual £876 and by the United Kingdom Temperance £420.

Present Situation

Up to this year, in spite of the heavy burden of war claims, no question had arisen as to the wish and intention of the companies to continue the wise and generous policy on which they embarked in 1914. At the annual meeting of the Prudential, however, in February the chairman made a lengthy reference to the matter and hinted that the time might come when the decision of his company would have to be revised. The Prudential has, of course, paid far more in bulk than any other individual office, but there are numerous companies on which relatively the strain is more onerous. No office could be expected to impair its financial stability in meeting these payments, and that contingency has certainly not yet arisen. The companies, especially the industrial undertakings, have by their liberal and patriotic policy in this matter given an enormous advertisement to the benefits of insurance, as we have seen the chairman of Pearl frankly recognizes, and they would entirely throw away a good deal of this advantage if they were to suddenly reverse their decision. Whatever they may be losing now they will get back in accumulated measure as soon as peace conditions prevail. The effect upon the general community and the policyholders on active service of a right-about-face would certainly be the reverse of agreeable, and such a disastrous anti-climax should be averted even if the assistance of the Government has to be invoked. No policy of the kind should ever have been embarked on save with an inflexible determination to see it through.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

FRED E. RICHARDS DEAD

President of Union Mutual Life, of Portland, a Prominent Maine Financier

Fred E. Richards, president of the Union Mutual Life Insurance Company, of Portland, Maine, died in that city this week, following a long illness. Mr. Richards was for years a leader in financial circles.

The Fidelity & Deposit has closed its London branch.

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. **Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.**
2. **The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.**
3. **Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.**

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,

Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

Premium Savings Account

The Union Central issues an interesting statement comparing life insurance and savings bank accounts, using it as a selling point for a $5,000 endowment policy. The simile and argument follow:

Life insurance companies and savings banks each encourage the habit of saving and perform other valuable service in their particular fields. Combined they symbolize a great bank of thrift, because they accumulate, capitalize, protect and improve at interest the savings that thrift makes possible.

Thousands who to-day enjoy insurance protection, purchased their first policy by starting a savings account and many more find the savings account a great help in keeping their insurance in force.

By opening a premium savings account and depositing one-fiftieth weekly or one-twelfth monthly, of the total annual premiums on your life insurance you will find it easy to meet the premiums as they become due. In addition you will earn some interest while your premium fund is accumulating.

The exhibit that follows illustrates the advantage of starting a savings account to pay life insurance premiums.

It will be noted that a savings account was started on January 1. Monthly deposits of $15 were made regularly. One year after the account was opened the depositor had accumulated, with interest credited July and January 10, $197.93. He withdrew $152.25 on January 15 to purchase a $5,000 Union Central endowment issued at age 30, payable in 30 years, leaving a balance of $45.68 to use for future emergencies or to increase the interest earnings on his subsequent years' account. Union Central dividends, the first being $16.60, will help to reduce the cost of insurance, or increase the amount or help his bank account grow.

The depositor by saving for one year, was thus enabled to create an estate worth $5,000, establish a bank balance of $45.68 and start a plan to provide an income for his old age.

Why not start a savings account to pay your premiums or to purchase new or additional insurance?

INCOME TALK

"Whenever we give real service to a client, in the end it always means profit," says Frank L. Wesley, General Agent of Columbian National Life at Pittsburgh. "It is so in selling a man income insurance. Think what it would mean to you in your territory if every death claim that had been paid there had been on the income plan. A check coming to a woman every month is the best advertisement for life insurance you can have. A check may come to her every month for forty years and during that period she will talk to hundreds of people about the check she is receiving every month from the Columbian, and about the fact that she is free from trouble and worry. This means that you receive in your territory twelve times each year all the benefits and advertising that ordinarily arise from the payment of a death claim. On the other hand, a woman who has been left $20,000 and who has lost it through poor investments is not much of a booster for life insurance."

WRITING RED CROSS WORKERS

The Hartford "Courant" gives the following as the companies which are writing the American Red Cross workers' life insurance:

Prudential, Travelers, Conn. General, Phoenix Mutual, Penn Mutual, Equitable of New York, Home Life, Metropolitan, Guardian Life and Union Central.

Promotions By Equitable Society

CHANGES IN TITLES MADE

Fisher, Rosenfeld and Taylor, Second Vice-Presidents; Graham Third Vice-President

The Equitable Life Assurance Society announces this week that the titles of four of the officers have been changed as follows: Leon O. Fisher, Henry L. Rosenfeld and William E. Taylor, second vice-presidents; and William J. Graham, third vice-president.

Fisher's Career

Leon O. Fisher, who has been third vice-president of the Society, is the chief accounting officer and has charge of the home office with general supervision over the field force. Prior to going with the Equitable he was a member of Haskins & Sells, public accountants. He entered the Equitable service as general auditor in 1906, and was appointed third vice-president in May, 1912. At present he is in Washington on General Goethal's staff.

Rosenfeld Began as an Agent

Henry L. Rosenfeld, who was fourth vice-president, began with the Society as an agent in Georgia in 1894. Five years later he was made general agent at Cincinnati. He was appointed inspector of agents for Ohio, and became supervisor of agencies at the home office in 1903. In 1906, he was made insurance assistant to the president; in 1914 he was elected fourth vice-president. He has charge of the group insurance, home purchase, monthly premium and foreign agency departments, bureau of re-insurance and bureau of conservation. He has traveled extensively, and is almost as well known in Europe as here. Recently he has been touring the country for the Liberty Loan.

With Society for Years

William E. Taylor, second vice-president, is superintendent of agencies. He began with the Society as an agent, became a general agent and in 1896 went to the home office. He is a shrewd judge of men and a fine type of agency executive.

Started as Actuary

William J. Graham has long been regarded as one of the most brilliant young men in life insurance. Soon after leaving school he became an officer of a life insurance company in the South demonstrating unusual capabilities as an actuary. In subsequent years he had an extended experience in several divisions of life insurance, always progressing. In January, 1911, he was made Western superintendent of the Equitable in Chicago. In 1912 he was transferred to the home office and appointed superintendent of the group insurance, home purchase and monthly premium departments. His work in connection with the writing of the Montgomery, Ward & Co., Union Goodrich Rubber Co., Union Pacific and Standard Oil groups are familiar to life insurance men.

Dr. Westfall Executive Vice-President

Dr. J. V. E. Westfall, assistant to the president of the Equitable has been made executive vice-president. He won the degree of philosophy at the University of Leipzig.

Great interest is being shown in Canada in the coming New York convention of the life underwriters.

A meeting of new men to analyze policy conditions is held every Thursday by the Darby A. Day agency in Chicago.

Penn's Automatic Conversion Policy

ELASTICITY OF THE CONTRACT

Form Can Be Adapted to Trust Certificate or to Instalment Plan

Supplementing the announcement of the new automatic conversion policy of the Penn Mutual Life the Company is now able to state that it has in preparation an adaptation of this form to the trust certificate or instalment plan, and will be ready to issue the new trust certificate policy as soon as it is approved by the several State insurance departments. The term insurance period is two, three or four years, as the case may be, and at the end of the term period the policy is automatically converted to the ordinary life plan, but the sum insured during the term period, and also after conversion to the ordinary life plan, is payable in instalments over a certain period, say ten or twenty years.

This trust certificate form guarantees the rate on the ordinary life trust certificate plan, contains the options of conversion to limited payment life or endowment during the term period, and grants the other privileges of the original lump sum form; it also contains No. 4 war clause. Although the disability feature is not incorporated in this policy, it may be added at the date of conversion upon proper request, if satisfactory evidence of insurability is furnished at the time.

Term Rates

The following tabulation gives the term rates for certain ages, which are slightly lower than the corresponding rates on the 5-year optional term trust certificate plan:

Age	2-Year term, T. C. 20	3-Year term, T. C. 20	4-Year term, T. C. 20
35	$9.38	$9.46	$9.54
40	10.30	10.43	10.56
45	11.83	12.04	12.27
50	14.74	15.14	15.58

"The advantages of the automatic conversion feature in avoiding re-solicitation and the execution of conversion papers, are rapidly coming to be appreciated by our general agents, and the Company is confident that they will find the adaptation of this feature to the trust certificate plan particularly effective in securing applications in cases where income insurance is desired, but where, owing to temporary financial conditions, the insured is inclined to postpone taking out income insurance," the Company says.

CAN WRITE CHILDREN

Wisconsin Commissioner Gives Permission to the Beavers—Rates Must be Adequate

Madison, Wis., May 4.—The Beavers have been granted a license by Insurance Commissioner M. J. Cleary to write insurance upon children.

At its session in 1916-17, the legislature of this State passed the Whole Family Law. This law permits fraternal benefit societies to write insurance upon the children of their members, and the Beavers is the first Wisconsin society to get a license under the act.

The net table used is the one employed by the industrial companies. The benefits offered are the maximum permitted under the law, being from two to three times the amount paid by the industrial companies.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Travelers Tower Will Be 525 Feet Tall

SEEN FROM ALL DIRECTIONS

Tallest Structure in New England—Gives Company Much New Floor Space

On Sunday the Hartford "Courant" printed four pages, giving the first picture of the new building of the Travelers Insurance Company, showing the tower. Here are some facts about the Travelers Tower:

Height 525 feet.

Tallest building in New England and only exceeded in this part of the world by the Woolworth, Metropolitan Life, Singer, Municipal, Bankers Trust buildings in New York, and City Hall in Philadelphia.

Built under the presidency of Louis F. Butler; Donn Barber, architect; Marc Eidlitz & Sons, builders.

Granite for 34 stories, then 79 feet of metal, 24 stories usable for business.

Travelers Sole Occupant Except For Bank Space

Sixty per cent. will be added to the floor space by the new building. Except for one bank, the Travelers is the sole occupant of its building.

The tower stands on rock 35 feet below the street level and its largest dimensions are 128 by 47 feet. It rises from a nine story extension of the original building of the Travelers, which stands on Main Street, Hartford.

Work was begun in the fall of 1916 and the rest of the present year will be required to complete the task, although some of the floors in the lower half of the addition are already being occupied.

The Travelers has 2,450 employes in the City of Hartford and needs all the space in the new building. The number of employes has grown from about 900 in the past five years.

Historic Site

As Hartford is situated on low land beside the Connecticut River and is surrounded by hills, the Travelers Tower will be a conspicuous landmark for people approaching the city from whatever direction.

The tower marks the site of the old inn which made the Charter Oak famous.

The Custom House tower in Boston, hitherto the tallest shaft in New England, will now suffer eclipse, it is 505 feet to the tip. Boston has no other tall buildings.

Historical Center Church, which stands directly across from the Travelers on Main Street, and appears in the foreground of Mr. Bailey's picture, was dedicated in 1807. In the churchyard lie Thomas Hooker, the founder of Hartford, and many other earlier inhabitants and makers of the Constitution of Connecticut.

RESERVE LOAN WINS

The case of Finlay H. Mutchler vs. Reserve Loan Life Insurance Company was tried at Columbus, Ohio, last week.

Mutchler claimed over $200,000 for malicious prosecution growing out of his indictment by the Franklin County grand jury for embezzlement.

At the close of plaintiff's evidence the attorneys for the Company moved the Court to direct a verdict in favor of the Company. This motion was sustained and the jury, at the direction of the Court, brought in a verdict in favor of the defendant Company.

Insurance Bond Subs. of $75,800,000

RECORD IN THIS DISTRICT

Life Underwriters Association of New York Sold About $11,000,000 of Bonds

The insurance division completely outclassed all other divisions in the Liberty Loan drive in this Federal Reserve district. Its total for the Third Loan was $75,800,000. The hardware and metal trade was second with $61,625,000; the mining industries third with $27,950,000. In the second loan the insurance subscriptions were $23,000,000.

The Life Underwriters Association of New York reports a total of nearly $11.-000,000, exclusive of the H. B. Rosen subscriptions. Reports up to Wednesday morning of this week were $8,600,-000 for Manhattan and $2,000,000 for Brooklyn.

These. of course, are exclusive of company subscriptions. The reports of the agents in New York City (Manhattan) for upwards of $20,000 follows: Mutual Life, $2,781,000; New York Life, $1,-663,850; Travelers, $1,517,300; Equitable, $727,550; Mutual Benefit, $609,150; State Mutual, $203,150; Penn Mutual, $178,400; Provident L. & T., $171,200; New England Mutual, $134,700; John Hancock, $102,600; Union Central, $79,-600; Aetna, $71,750; Guardian, $68,550; Manhattan, $50,450; Connecticut Mutual, $47,150; Phoenix Mutual, $42,200; Massachusetts Mutual, $33,500; Fidelity Mutual, $29,100; Connecticut General, $22,500; Home Life, $21,050.

The subscriptions for New York City, exclusive of Brooklyn, are reported by the Life Underwriters Association as 45,670.

Reports through the Life Underwriters Association for Brooklyn offices: Prudential, $1,247,750; John Hancock, $274,650; Equitable, $205,450; Northwestern, $95,450; Penn Mutual, $54,-400; New York Life, $26,300; Mutual, $22,250.

The record of Harold A. Barker, of the Goslin agency, Prudential, was particularly noteworthy. He secured about 4,500 individual subscriptions.

The staff of the Jos. D. Bookstaver general agency of the Travelers sold $94,950 of Liberty bonds in 1,376 applications averaging $68 each. This is more than the amount sold in New York City by any other general agency of the Travelers. H. Teller led the other agents of the Bookstaver office with 447 applications for $25,250 and M. Angsterich was second with 160 applications for $8,500.

PENNSYLVANIA FEDERATION

Annual Meeting Being Held To-day in Philadelphia—W. M. Reid President

The annual meeting of the Insurance Federation of Pennsylvania will be held at the Bellevue-Stratford Hotel, Philadelphia, Pa., to-day.

The meeting will be called to order at 10 o'clock and will continue all day. A buffet luncheon will be served at the hotel. President Wallace M. Reid, of Pittsburgh, Pa., will preside. Prominent insurance men of national reputation have been invited to address the meeting. Officers of the National Council of Insurance Federations will also be present and make addresses. A general invitation is extended to all insurance men to attend this important meeting. Insurance Federation chairmen in most of the counties of Pennsylvania are arranging to send large delegations.

Investments of British Companies

GOVERNMENT SECURITIES GROW

Now About 40 Per Cent. of Funds Invested in State Holdings

The following table shows the holdings of British life insurance offices in British State securities and the proportion to their aggregate investments during the decade down to 1914:

Year.	Amount.	Ratio. P.C.
1905	£9,203,300	5.8
1906	7,939,800	4.9
1907	8,190,300	4.8
1908	8,019,000	4.4
1909	7,307,500	3.8
1910	6,875,000	3.0
1911	6,594,700	2.6
1912	5,757,500	2.2
1913	5,314,300	1.9
1914	6,143,800	2.1

How the Situation has Changed

During the last three years the situation has altogether altered. Now that British Government issues return 5 and 6 per cent., the objection of a low-earning capacity has disappeared, and patriotism and expediency combine to urge life offices to respond liberally to the appeals of the Chancellor of the Exchequer. When the last loan was floated, in January, 1917, Mr. Bonar Law specially addressed the life insurance companies and invited them to bring their holdings of British Government securities up to about 25 per cent. of their assets. In many instances more than this has been done. Various circumstances have facilitated the action of the offices. They had an interest in realizing most of their American investments, an operation which helped to steady exchange, as well as to furnish funds for home investment.

In 1915 the total of government security investments jumped to £43,421,-700 and in 1916 to £79,312,500, the proportions respectively being 15.6 and 26.3 per cent. All the balance sheets for the past year are not yet made up, but enough are available to show how great has been the increase since the end of 1916. The British State security holdings of the offices whose reports have been published amount to £66,-500,000, an increase of 52 per cent. as compared with 1916 and giving an average ratio of 40.1 per cent. to total investments.

The Home Mutual Life, of Topeka, has been merged with the American Life of McPherson, Kan., under the name of the American Home Life Insurance Company, headquarters at Topeka. I. S. Lewis, former insurance commissioner, was secretary of the company; J. N. Dolley, former bank commissioner, was president.

F. W. Marsh, of the Canada Life, Vancouver, and president of the local association, has been requested to assume active charge of the Rotary Club's campaign, to have a tuberculosis clinic established in Vancouver.

The total insurance in force of six billionaire American life companies on January 1, 1918, was $15,500,660,731.

C. R. Walker has been elected president of the Cleveland Life Underwriters' Association.

George Wegenast, president of the Mutual Life, of Ontario, is dead.

ELECT RODDY PRESIDENT

Equitable General Agents' Association Headed by Popular South Carolina Man

Atlantic City, May 9.—Equitable Life Assurance Society general agents met here this week. Officers of the Company who came down were Messrs. Day, Lunger, Alexander, Wilson, Rosenfeld and Taylor. The general agents presented Judge Day with a de luxe volume, bound in Equitable colors and containing a photograph of each general agent present. On the opposite page from each photograph was an autographed letter.

W. J. Roddy, of Rock Hill, S. C., was elected president of the General Agents' Association. He is one of the most popular general agents in the Society.

Lieutenant-Commander Frederick A. Savage, former general agent of the New England Mutual Life in Baltimore, is now on the armored cruiser "Seattle" in European waters, having been transferred to active service from Cape May. Mrs. Savage, who is operating the agency, has written more than $200,000 in the past year, about $175,000 of it in the New England Mutual Life.

W. G. Watt, the energetic superintendant of the London Life Insurance Co., Guelph, for the past two years, is leaving shortly to take an important position with the Continental Life Insurance Co., Toronto, as inspector of agents, and will make his home in Toronto.

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THE EASTERN UNDERWRITER
Each Week for New Ideas
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Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity,
Disability Benefits,
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THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,-542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

BANKERS BLC LIFE DES MOINES COMPANY
PAYS GOOD PAY TO GOOD MEN

THE WESTERN AND SOUTHERN LIFE INS. CO.
W. J. WILLIAMS, President CINCINNATI, OHIO
The Largest Industrial Company West of The Alleghenies
Also Issues All Standard Forms of Ordinary $500 to $10,000
Organized 1888
COMPARATIVE RECORD—SEVEN YEAR PERIODS

	Assets	Insurance in Force		Income	Policies Issued
Dec. 31, 1888	$ 104,307	$ 889,073	1889-1895	$ 1,085,087	265,931
1895	155,640	5,294,381	1896-1902	3,930,883	638,659
1902	876,007	22,374,980	1903-1909	11,312,912	839,426
1909	4,867,379	44,780,907	1910-1916	22,670,340	1,426,752
1916	11,943,640	104,989,362			

AGENTS WANTED IN THE PRINCIPAL CITIES OF OHIO, KENTUCKY, MICHIGAN, INDIANA, WEST VIRGINIA and WESTERN PENNSYLVANIA

Promotions at Aetna Home Office

NEW OFFICERS OF COMPANY

Five Men Who Have Spent Their Insurance Careers With the Aetna Life

Of the five new officers of the Aetna Life, whose election was announced after the recent annual meeting of the Company, everyone has been connected with the Company for years, some starting as office boys.

Assistant Secretary Adelbert J. Moody was educated in the South School and Hannum's Business College. He entered the Aetna office December 20,



ADELBERT J. MOODY
Assistant Secretary

1892. For eighteen years he has had charge of the policy loan division.

Charles H. Symonds, assistant secretary, entered the employ of the Company in May, 1868. He began in the policy department and went thence to



CHARLES H. SYMONDS
Assistant Secretary

renewal, and then to the tax. His next change was to the agency bookkeeping and later he was in the cashier's bookkeeping work. Mr. Symonds is a nephew of a former vice-president of the Aetna Life, J. C. Webster, who retired several years ago.

Frank W. Bidwell entered the employ of the Aetna in August, 1879, starting as a general utility boy and soon was placed at work of copying letters and after a time was put under the late Thomas J. Gill, working in the death claims department. He has five children, two of his sons being in the



FRANK W. BIDWELL
Secretary Claim Division

army, one of them, Harold F., being a first lieutenant of the infantry and attached to the Marine Corps and in France.

Robert B. English is in charge of the group division and as secretary of this has an original appointment, the



ROBERT B. ENGLISH
Secretary Group Division

title being new. He was graduated from the Hartford high school in 1904 and from Yale (academic) in 1908. He attended the Harvard and the Yale Law Schools for two years. In February, 1912, he came to the Aetna, making his start in the claims department.

Kenneth J. McAlpine was educated in the Laurel Street school and the Brewer School in Fairfield. He came to the Aetna in 1900 as office boy to Vice-President J. L. English and went into various departments, as he gained promotion. In 1913 he entered the group division of the life department



KENNETH J. McALPINE
Field Secretary, Group Division

and in this he has remained, becoming now the field secretary, his work being entirely in the field.

CAN RECOVER PREMIUMS

Madison, Wis., May 1.—The Supreme Court held in the case of Hannah White vs. the Brotherhood of Locomotive Firemen and Enginemen, that when the premiums are paid on an insurance policy to keep it in force even more than several years after the insured has disappeared (when he may be legally declared dead), that when the insured has been declared dead the premiums thus paid after the established date of death may be recovered.

CHOSEN D. OF C. REPRESENTATIVE

George A. Babcox has been appointed general agent for the Philadelphia Life in Washington, D. C. He was formerly with the Columbian National Life as general agent and also with the Atlantic Mutual of Richmond. He is getting a good share of the business in Washington.

PENSION MUTUAL LOSSES

The State Supreme Court of Pennsylvania, has dismissed the appeal of the Pension Mutual Life Insurance Company from the decision of Court of Common Pleas, under which a demurrer of Seth H. Whiteley and the Police Beneficiary Association was sustained, and the suits of the insurance company to recover upward of $50,000 insurance money on the lives of policemen was dismissed. The Supreme Court affirmed the judgment of the lower court without filing any opinion.

THE AVERAGE EARNINGS OF THE AGENTS
OF THE
Standard Life Insurance Company
∴ ∴ OF PITTSBURGH ∴ ∴
are higher this year than ever before. Our attractive Accident and Health Policies have helped them to make more money.
Write for a LIFE, ACCIDENT AND HEALTH Contract to
FRANK A. WESLEY
Vice-President and Director of Agencies

State Mutual Life Assurance Company of WORCESTER, MASS.
Incorporated 1844
SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.
Our motto is SERVICE to policyholders, beneficiaries and agents.
Additions are made to our agency force when the right men are found.
B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, PRESIDENT
GREATEST
ILLINOIS
COMPANY
WANTS GOOD MEN
AND
WILL PAY THEM WELL

Keeping Control of Conversation

AGENT MUST BE IN COMMAND

T. A. Buckner Discusses Hardest Thing to Do in Selling Insurance—Don't Be Sidetracked

"What is the hardest point in selling a policy" was discussed in a bulletin to agents of the New York Life. This discussion was based on a confession of an agent who said:

> The sticking point is to get the prospect to sign the application. I can approach them all right, it isn't hard to get them interested in what I have to say, but when it comes to putting their name in black and white at the bottom of an application, a great many of them balk.

T. A. Buckner, vice-president of the Company, then quoted a successful writer as answering the question by his own experience as follows:

"It's a mighty good sign when a man hesitates to sign his name. If a prospect signs without any trouble you want to look out for him. He may have some ulterior motive for wanting the insurance. He may want it worse than the company will want to give it. He may know something about himself that leads him to want to get in quick—and you find out later after spending time and effort on the case that his application is turned down. At any rate it is safe to be skittish of the signature that comes too easy. A man who agrees in writing to pay out annually $50 or $100 or more for many years without being thoroughly convinced that he is getting a good bargain is either a fool or a knave. I never like to find a fellow who is too easy to sell.

"It's usually hard to get a responsible man to sign and I hope it always will be. Every one of us has enough cancellations and enough bother over irresponsible signatures. And if all one had to do was to ask a man to sign an application 'twould be so easy there'd be no fun in it—and no money. But I have a few suggestions which may help you to bring the good, hard-headed business man up to the point of application.

Talk Right on Past Signing Point

"I believe too many talk right on past the signing point. I began to get more applications signed when I began to assume and take for granted, after having accumulated enough facts to make what I had to say worth while, that the man would sign the application if given the opportunity. And they do.

"A great many writers lose applications by not keeping command of the conversations themselves.

Losing Run of Argument

"'Do all companies have this clause about dividends, or this one about disability benefits?' a possible buyer may ask, when you are in the midst of your argument.

"If you stop to answer that or any other similar question, then the prospect will lose the run of your argument and most of its force. The thing to do when a man breaks in with almost any question is to say, 'Yes, Mr. Smith, I'll tell you about that in just a moment, as soon as I finish explaining this point. I'll give the full details about every clause to be in your policy.'

"Then keep right on with your regular talk and ten to one before you finish he will have entirely forgotten the question. The fact is that it is hard for any man to keep his mind concentrated on any one subject, and for some men it is almost impossible. It is the business of the insurance writer not only to keep his own mind concentrated on the question in hand, but to force the man he is trying to insure to also concentrate his mind.

"A writer who cannot dominate and direct the conversation on a subject which he is supposed to know all about will not succeed in getting many applications signed.

"A great many signatures are lost by doing too much talking. It is the greatest art of the salesman to know when to seize what the scientists call the psychological moment for presenting the contract for signature. The psychological moment is that moment when the possible customer, influenced and moved by the salesman's arguments, has reached the point where all possible objections have been met or overbalanced by the weight of advantages presented to him. There is no rule for telling when that moment arrives. The insurance writer must determine it by study and by experience.

"Once the application has been signed, have the medical examination take place if possible within an hour, or with the least delay possible, while the case is warm. Make it a rule that examinations do not go over to the next day. Your duty to the applicant is also to see that he gets his insurance as soon as possible, so as to have the protection.

Sums Up

"The way to get an application signed is first to be right on the dot if you have an appointment (get an appointment each time if you possibly can); assume that the man needs and wants and will take the insurance if properly explained, then dominate and control and direct the conversation until the psychological moment has arrived and the application has been presented and signed.

"Then get the man examined at once and the policy issued and placed without waiting for a reaction, or for the man to become lukewarm and tired of his bargain."

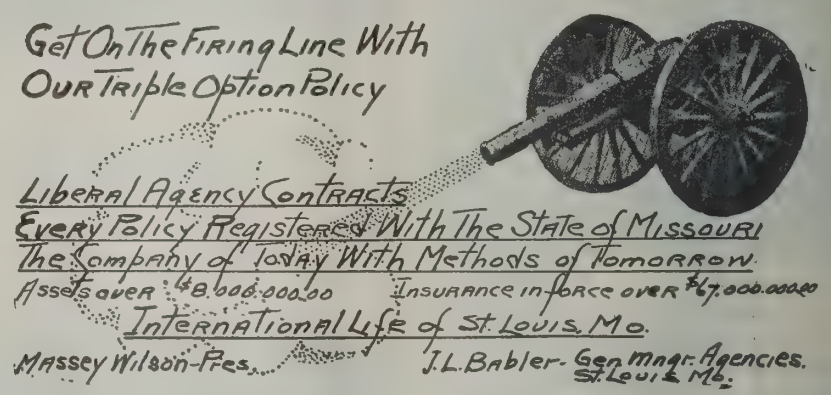
"WAR DINNER" ARRANGED

The annual meeting of the Actuarial Society of America will be held May 16 and 17 at the Hotel Astor, New York. The Fellows and Associates will dine together on Thursday evening, May 16. It is expected that at the dinner some of the members of the Society who are in government service will speak of their experiences, and that there will be an able speaker from outside the membership who has seen varied service at the front. It will be a "war dinner."

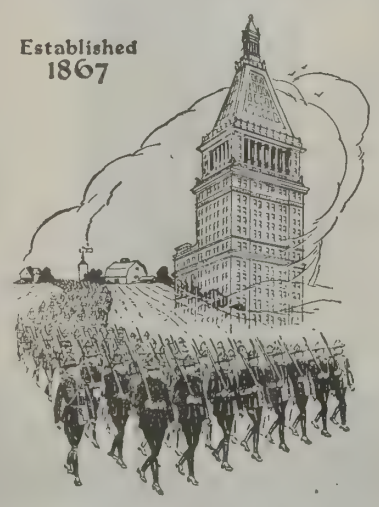
Examinations for Associateship and Fellowship will be held May 22 and 23.

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MONTPELIER, VERMONT
FRED A. HOWLAND, President
A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY
Edward D. Field, Superintendent of Agencies



Excerpts from the Financial Statement of December 31, 1917, of the
Northwestern National Life Insurance Company
MINNEAPOLIS, MINNESOTA
Assets, $6,186,694.37, increase 17% over 1916.
Liabilities, $5,602,162.72. Surplus and contingent fund, $548,531.65.
Apportioned for dividends, $263,206.57, increase 23% over 1917.
Insurance in force, $54,193,728.00, increase 28% over 1916.
Paid to beneficiaries and policyholders to December 31, 1917, $16,966,562.65.
A western, mutual, annual dividend, old line company
THE COMPANY for policyholders and agents

Established 1867

THE REAR GUARD
No more virile and efficient body of men can be found than the large army of life underwriters.
Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.
Four big success factors in the work of the Union Central Agency Force are:
The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.
The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.
The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.
The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.
THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

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THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure prompt action in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Life Income vs. Funds in Trust

A CALIFORNIA ILLUSTRATION

Trust Creditors of California Safe Deposit & Trust Co. Get 54 Per Cent.

By J. N. FLOWERMAN

[The recent announcement that trust creditors of the California Safe Deposit & Trust Company of San Francisco, which failed ten years ago, are about to receive the final dividend from the wrecked institution, making a total of but 54 1-3 per cent., should prove an effective argument for the sale of life income policies. The following article by J. N. Flowerman, district supervisor for the Equitable Life of New York at San Francisco, compares the advantages of the life income plan with the ordinary trust arrangement, and will doubtless be of interest to life agents. Every defect in the trust arrangement received a practical demonstration in the failure of the California Safe Deposit & Trust.]

The Eastern Underwriter is indebted to the "Underwriters' Report" of San Francisco for this story.

Trust Agreement—Definition: A contract between two or more parties providing a fund for the future benefit of a third person, or to be used at a future date for a given purpose.

Parties: The party who makes that fund available is called the trustor, and the person who undertakes to carry out the purposes of the trust is called the trustee.

Trusts—Manner of Creating: The accepted way of creating a modern trust is through a trust company, or a banking institution authorized by law to do a trust business.

The Trust Fund: The trustor in order to establish a trust must deposit the entire amount of the fund created with the trustee at the time he signs the trust agreement.

Expense Involved: Though a trust agreement will always provide for the principal trusted, earning the prevailing bank interest, it also provides that the fund will be subject to charges in the form of a commission to the trustee for his services, lawyers' fees for drawing the agreement and other incidentals.

The Only Safeguard

Securing Trust Funds in Hands of Trustee: The only safeguard that the law provides in the securing of trust funds lies in the requirement that the trustee pledge certain securities with the State Treasurer.

Life Income—Definition: A contract between an individual and a life insurance company, providing for the creation of a fund from which the individual may draw a certain stipulated amount at given periods, at some future date, or with like provision for some third person.

Parties: The person making the periodical deposits towards that fund is called the insured, and the party receiving the deposits is called the insurer; and if made for the benefit of a third person, the latter is known as the beneficiary.

The Income Fund: The insured is only required to make periodical deposits for a given period, and the entire amount of the fund is made immediately available with the first deposit, should the insured die immediately thereafter.

Expense Involved: There is absolutely no expense involved in the creation of an income trust.

Deposits Earn Dividends: Every dollar deposited on an income contract fully participates in its interest earnings during the entire time that the contract is in force.

Safety: The established life insurance company in its financial strength and resources compares favorably with the average trust company.

Argument in Favor of Income Policy

This, in brief, presents an outline of the principal elements that enter into the creation of the objects intended by the ordinary trust contract and the life income contract. To life insurance men these phases of financial arrangement should be borne in mind when talking income insurance. Income insurance presents the only feasible plan whereby men can have their wishes carried out in the event fate should interfere with their being present to give it personal direction.

When we realize that the life of the average estate is only seven years, we have at once available the strongest argument to support the reason why a man should during his lifetime set apart from time to time a portion of his earnings towards the creation of an estate than cannot possibly be dissipated. This can best be accomplished through the medium of income insurance. In this connection it is interesting to note the following advantages of income insurance over trust agreements:

Advantage No. 1: Under a trust agreement the trustor must deposit with the trustee the entire amount intended by the trust, in cash, the moment the agreement is signed; whereas under a contract for life income he has a long period of years in which to make the deposits towards the creation of the objects sought. Furthermore, with a trust company, the trustor is required to deposit a sum definite and certain, whereas under an income policy the entire fund mentioned in the contract is immediately made available should the insured die after making the first deposit.

Life Income Policy Requires Small Investment

Advantage No. 2: A trust agreement involves an expense which is charged against the trust; whereas under a life income, not only is there no expense charged, but the deposits made participate in the interest earnings, which, if not periodically drawn, will compound at 3 per cent. It is well to bear in mind also that it is a distinct disadvantage for a man to withdraw a lump sum from his accumulated capital to create a trust which funds could possibly be used to greater advantage.

Advantage No. 3: The most important phase in the analysis of the two instrumentalities for the creation of a future money benefit is the feature of safety. Aside from the legal requirement that a trust company pledge certain securities with the State Treasurer to safeguard trust funds, there is nothing behind it except the trustor's faith in the integrity of the personnel of the trust company. As to the securities in the hands of the State Treasurer, it merely means that in case a trust company becomes insolvent and is compelled to liquidate, trustors may claim the right to receive on a pro rata basis the proceeds realized by the sale of those securities. In no case can it be expected that the sale of such securities will pay to those interested 100 cents on the dollar. The securities usually pledged with the State Treasurer for the purposes mentioned are such as have been purchased with the individual trust funds, and almost always with the advice of the individual trustor and so the trustee is absolved from personal liability if the securities do not prove to be "gilt edge."

Life Insurance Offers Absolute Safety

With a responsible insurance company, however, we find the feature of safety looms up without the haze of uncertainty, sometimes found in the trust company arrangement. It is a well known fact that of all financial institutions the life insurance company alone is at all times prepared to meet its obligations of the present and those that might accrue many years hence, even though it decided not to place another dollar's worth of additional business on its books. This is made possible because a life insurance institution guarantees its results based on the scientific law of mortality and interest earnings, whereas the ordinary financial institution only promises to do its best with results based on the uncertainties of investments.

A good point to remember also is that the law reports of every State in the Union teem with cases where trust companies were forced to liquidate because of insolvency, and in many cases contested the legality of the trust agreement though drawn under their own supervision and by their own lawyers. The writer has yet to hear of a case, first, where a responsible insurance company was compelled to liquidate, and second, of a contest by an insurance company to invalidate any of its contracts in the absence of clear fraud. A most striking example of this can be found in the case tried in this State entitled People vs. California Safe Deposit & Trust Company et al., in the District Court of Appeal, First District, Cal., May 13, 1913.

The Right Place for the Right Man

The capable and energetic man or woman who represents a company which provides an unexcelled policy at a low net cost is sure to succeed as a life underwriter. That is why our representatives everywhere are loyal, contented and enthusiastic. The reputation of their Company for prompt and efficient service gives them a confidence which wins the confidence of the insuring public.

Occasionally we have a General Agency opening.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co.

Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

R. U. Darby's Selling Talks

R. U. Darby is the manager of the Massachusetts Mutual Life in Baltimore. Recently there was a sales meeting in his agency during which a number of good producers made interesting observations on salesmanship. Of these talks Mr. Darby has made the following digest:

Mr. A.—I called on a banker who had refused to talk additional life insurance to me, and I said, "Mr. Banker, I want to see about making a loan of $50,000 of which I will get $2,500 from you on the first installment, and about a year later get the second installment of the same amount—and so on. If a certain contingency arises during the first year, I will guarantee to return it to you with about 1,900 per cent. interest; if that contingency arises the second year, I will return the loan to you with 900 per cent. interest—and so on." The banker then said, "But what I want to know is,—what is that 'contingency' you are talking about?" My reply was, "That is just the point. It is almost impossible to get you to take your thoughts out of your line of business into my line—that is why I have put the matter to you in this shape. If you pay me a premium of $2,500, I can get you $50,000 life insurance; and the certain contingency I spoke of would be your death. If it should occur during the first year, my company would return to you the amount you paid together with 1,900 per cent. interest on it."

Mr. B.—Know your man. Get his attention; talk "insure" and not "insurance."

Mr. C.—For a large case, do not go on a "cold canvass." Be posted all about the man you go to see. Find out about his resources, his liabilities, his family, his business, his profits. Get a Dun or Bradstreet report. Talk to him about these things. Say, "You are worth more to this corporation than their builders or their stock. You have them fully insured—why not insure yourself?"

Mr. D.—I phoned to a prominent doctor. He said he was too busy to talk insurance. I said, "Yes, I understand you are; but you are not too busy to consider it, so I am mailing you an illustration of a plan especially suited to your case, with an application blank." The application came back signed.

Mr. E.—I use the daily paper a great deal in canvassing. I study items in it, and almost every day find something I can use. For instance, I said to a man the other day, "Do you know there are more deaths from pneumonia in Baltimore than the total number of deaths in General Pershing's army; and you may be an early victim?" I find that the Johns Hopkins estate is receiving four and two-tenths per cent. on its invested funds less commissions and taxes—making its net returns less than four per cent. I show this to a man and tell him we can insure him, and he can leave the principal of the insurance with the company; we are paying four and three-quarters per cent. on such items to the widow.

Mr. F.—I call a man's attention to the fact that the value of his securities has depreciated materially, and tell him that, to cover this shortage which his wife would experience in event of his death now, I have a "war term contract" that will make this depreciation up to his wife if he should die during the war. I remind him that Oscar G. Murray's estate was worth $100,000 less six months after his death than at his death.

Mr. G.—I carried a continuous monthly income illustration to him and said, "I do not want you to look at this paper now, but take it home with you and to-night after dinner, while your wife is upstairs attending to her usual domestic duties, turn off your light in your library for ten minutes, sit in the dark and try to imagine what would happen to your family if your light went out."

* * *

Effect of War on Sale of Insurance

Many agency superintendents have written to the field force illuminative letters on the effect of the war on the sale of life insurance. A good point is made by Howard S. Sutphen, vice-president and manager of agencies of the Cleveland Life, which has come to this office. In his illustration Mr. Sutphen says:

At first it was thought that the restrictions necessarily imposed in writing life insurance between the ages of 21 and 31 would have a serious effect upon new writings. The experience, however, of all companies in the past twelve months has indicated that life insurance is in demand just as much to-day as ever. There is a cardinal principle, however, which must not be overlooked in such a discussion. The demand for life insurance is primarily created through the initiative of the agent. He has practically an unrestricted field. The war has brought out new conditions in our line as well as in every other line of activity. It is necessary to work harder to-day for results than a year ago. We are not alone in this respect. The life insurance agent in 1918 who is holding his own, who is writing the customary volume of business is showing about 25 per cent. more activity and earnest endeavor in his work than a year ago. Greater care is necessary in the selection of prospects and the agent must discriminate and work along the lines of least resistance. Some agents feel that their activities have been greatly hampered, yet the men who are putting up records in 1918 are the same men who were putting up records in 1917 and 1916. The producer—the man who works—who realizes that you can't get something for nothing, will write business this year in just as large a volume as in previous years.

The writer was talking a day or so ago to a man who is engaged in another line of work and who was bemoaning the fact that his particular business was hard hit by the war. In his case he could not secure the goods necessary to the conduct of his business. The writer asked him, "What about life insurance, and the effect the war would have on that?" Now get his reply, "Oh," he said, "You have something to sell—you have your product to deliver—you are not curtailed through shortage of your goods." He hit the nail right on the head. While certain lines of industry may be held up due to a shortage in manufacturing, etc., the sale of life insurance from that standpoint is unlimited, which brings us right back again where we started—the disposition of the agent and the amount of intelligently directed work that he puts into his campaign. The life insurance agent to-day represents a business where there is no shortage in what he has to sell. In addition the government has officially endorsed it, but the life insurance agent, like every other salesman, must consider the changed conditions and must work with an eye to the new phases of business life which surround him. Mechanics are making more money to-day than ever. Farmers were never better off. In many lines the present conditions have brought increased revenue, and the life insurance agent if he persists in his work is bound to sell his share of the business.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

IF INSURED GOES TO WAR

Ruling Regarding Applications For Deferred Survivorship Annuities By Mutual Benefit Life

In the future the Mutual Benefit will consider applications for deferred survivorship annuities to be issued with war clause corresponding to the clause now in use for insurance in excess of $5,000 on the lives of those within the military ages. Accompanying the application should be an amendment of application reading as follows: "I understand and agree that any bond issued upon my application or any amendment thereto shall be subject to the following provisions: If within five years from the date of this bond the insured shall engage in any military or naval service in time of war, the liability of the Company in the event of the death of the insured while so engaged, or within six months thereafter, if the annuitant survives the insured, will be limited to the return in the sum of the premiums paid hereon."

The deferred survivorship annuity bond will be subject to the foregoing provision if a war clause would be attached to a policy of insurance issued on the same life.

The Company's rules regarding changes of plan have also been modified, so that hereafter a change of plan will be considered where the amount involved is in excess of $25 per thousand, so long as the insured was more than thirty-one years of age on the fifth of June, 1917, and has not engaged and has no intention of engaging in military or naval service, or Red Cross or similar work.

CRYER'S TRAGIC DEATH

Former Agency Secretary of Philadelphia Life Victim of Aeroplane Accident in Texas

E. D. Cryer, former agency secretary of the Philadelphia Life, met death at Cedar Falls, Texas, a few days ago. An accident happened to his aeroplane. The machine, in flames, fell 150 feet and when Cryer's body was discovered



it was found burned beyond recognition.

Cryer had been on the aviation field for some months and was regarded as an expert flyer. The body was taken to Philadelphia for burial.

CLAIM MEN HOLD MEETING

Various Uses of Statistics Explained By H. P. Stedman of Ocean Accident

H. P. Stedman, of the statistical department of the Ocean Accident & Guarantee, addressed the New York Claim Association at its meeting last week on the various uses of claim statistics. He said in the course of his talk that one of the most important duties of the claim department is to estimate the probable cost of claims and suits, because the outstanding losses are used in preparing practically all statements of a company. He explained the method of obtaining the profit and loss and showed how either under- or over-estimating will result in a loss to the company. He took the position that it is safer to estimate individual cases than to estimate from experience. Outstanding estimates are also used in making up the experience on individual risks. If estimated too high, good risks may be lost, and if too low, poor business may be retained.

Claim statistics also furnish the guide to rates in certain States on certain classes of industry and also supply information by which the company may know its profit or loss by year of issue in any State. Experience is also furnished to obtain the proper rate for each city if desired.

Permanent-total injuries shall mean injuries conclusively presumed by law or judicially determined by courts and industrial accident boards to constitute permanent-total disability. In some cases it is often impossible to predetermine whether the injury will result in temporary-total or permanent-total disability. The case is for the time being designated as temporary-total, the estimate being based on permanent-total. It may be treated as such until the expiration of the maximum period of temporary-total, when upon completion of last payment under same, it should be treated as permanent-total.

PROFESSIONAL MAN'S STOCK IN TRADE

By Clarence H. Dunning in "Aetna's Agency Edition"

He spends the usual time in grade and high schools and college.

His parents spend at least $500 a year for 20 years, or until he is twenty, their investment in him at that time being $10,000.

His college education will cost at least $5,000.

He starts practice, and for the first year he usually waits for the business to come in. He is at times discouraged, but hopes in time to work his income up to $5,000 per annum.

He is now on his own feet and getting an education for himself at his own expense. He has learned a lot of theories in the past twenty-five years and is now putting them into active use. He is completing his education.

If he had been able to start out with the acquaintance, skill and experience that he will have at thirty-five, he would have been able to earn at the start what he will make at the end of ten years' practice. The difference in his earning power at 25 and at 35 represents the cost to him of acquiring skill and experience enough to make his services worth $5,000 a year.

His stock in trade is his skill—knowledge—clientele. It will cost him as follows:

1st year he practices he earns $1,000 instead of $5,000; the difference, $4,000.
2nd year he practices he earns $1,500 instead of $5,000; the difference, $3,500.
3rd year he practices he earns $2,000 instead of $5,000; the difference, $3,000.
4th year he practices he earns $2,250 instead of $5,000; the difference, $2,750.
5th year he practices he earns $2,500 instead of $5,000; the difference, $2,500.
6th year he practices he earns $3,000 instead of $5,000; the difference, $2,000.
7th year he practices he earns $3,500 instead of $5,000; the difference, $1,500.
8th year he practices he earns $4,000 instead of $5,000; the difference, $1,000.
9th year he practices he earns $4,500 instead of $5,000; the difference, $500.
10th year he practices he earns $5,000.

The total of all these sums represents what it has cost him and cost his parents for his education. It reaches a total of $37,750.

If he earns $5,000 a year, he is earning approximately 14 per cent. on the investment. If he owns property earning 4 per cent. he insures it, whereas given health and the use of his hands, feet, eyes and brain he can replace any such property, but if he loses hands, eyes, or feet he is through and if incapacitated by accident or illness his earning power is at a standstill. He has but to think this over and he will convince himself of his own inadequacy to meet the emergency when it arises.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

15,000 PEOPLE
Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.
AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day
FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA
Insurance in force over $142,000,000
Walter LeMar Talbot, President

THE UNITED STATES LIFE INSURANCE COMPANY
1850 IN THE CITY OF NEW YORK 1914
ISSUES GUARANTEED CONTRACTS
Good men, whether experienced in fe insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, 277 Broadway, New York City.
JOHN P. MUNN, M. D., President
FINANCE COMMITTEE {CLARENCE H. KELSEY, Pres. Title Guarantee and Trust Co; WILLIAM H. PORTER, Banker; EDWARD TOWNSEND, Pres. Importers and Traders Nat. Bank

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915
"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."
Home Office, DALLAS, TEXAS

PENNSYLVANIA OPPORTUNITY
If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.
Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

Security Mutual Life Insurance Company
Binghamton, N. Y.
Offers to men able to produce business first class territory, with direct contract providing liberal compensation.
For particulars, address
C. H. JACKSON, Supt. of Agencies

THE EASTERN UNDERWRITER

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THE YEAR IN FIRE PROTECTION

That the National Fire Protection Association is accomplishing a vast amount of constructive work becomes evident to any person who attends a meeting such as the Association held this week in Chicago. Its activities extend even to conservation of life and one therefore finds the organization working for a standard on methods of establishing the number of persons that, with reasonable safety, may be permitted in buildings of various types of construction and occupancy. The committee on safety to life recommended that the method of establishing the number of persons, as referred to, be applied, for the present at least, only to factory buildings. The committee hopes later to present recommendations for other buildings. Another important committee report was on occupancy classification, which the committee recommends, should be separated into three hazards; low, moderate and high. This is of importance to students of fire insurance rating.

In a paper on the public services performed by the National Board in war time, W. E. Mallalieu, manager of that organization, referred to the splendid work performed by the National Board and individual companies in supplying the Government with information not obtainable elsewhere, and what is being done in keeping down fire losses on Government property. Referring to fire prevention generally, Mr. Mallalieu said: "If systematic efforts, wisely planned, and patiently employed, might have an ultimate effect in altering the consciousness of the American people with respect to their great weakness of habitual carelessness, its effect would be by no means limited to the single matter of fire waste. Its value would be seen in countless desirable ways. We firmly believe that this is feasible. * * * If we will but plant our foundations deep enough, a permanent structure can be erected. That structure—the America of the future—should not be left to form itself in the old haphazard way."

In the report of the committee on protection of openings in walls and partitions, are recommendations for a change in relation to automatic fire doors. The amended rules call attention to conditions under which the quick-operating and less sensitive automatic door closing devices should be used and show sufficient distinction between the conditions for the two devices to enable anyone in authority to call for a proper kind of door closer.

The committee on tanks placed particular stress upon the necessity for great care to prevent freezing at the point of where the draw-off pipe connects with the take-off or discharge pipe, by installing extra frost proofing at this point. The end of the discharge pipe should not be exposed to the weather. Proposed specifications are submitted for scuppers.

One of the most important committee reports presented was that on uses of wood in building construction. The report contains a new standard for mill construction to supersede the existing one, which, although excellent in ways, gradually has become out of date, and it was necessary to revise it. The new features deal mostly with the subject of decay of wood and how to avoid that, and with the strength of timber and how to calculate it.

Naturally, the report of the committee on explosives and combustibles attracted attention. The regulations for acetylene are now in proof form and the National Board has requested that certain features be decided upon at an early date to permit these being issued to the public. The suggested modifications and additions relate to dissolved acetylene under pressure for welding; regulations for household use of kerosene and fuel oil and kerosene and fuel oil for lighting, heating and cooking; regulation for production, storage and handling of motion picture film.

As to storage, it was recommended that no film vault shall exceed 750 cubic feet in interior capacity, nor shall storage space be provided in any vault for more than 10,000 pounds of film. Suggestion is made for a pilot light to indicate on the outside of the vault whether the vault lights are on or off. Another recommendation is that the outlet of each vent shall preferably face on a street, court, or other clear space giving a distance of at least 50 feet to unprotected windows. In special hazardous locations or where the sprinkler installation is not of the highest order, the inspection department having jurisdiction may require the outlet of the vent to be located at a point above the roof.

Film storage cabinets holding over fifty pounds of film or within ten feet of any other cabinet must be equipped with at least one automatic sprinkler for each 300 pounds of film capacity. As to heating the recommendation is that artificial heating permitted in room where film is handled or kept may be direct or indirect, but only low pressure steam not exceeding 5 pounds, or hot water, will be permitted and all heating apparatus shall be in a separate room. Gas stoves and electric heaters are prohibited.

This year the committee on fire-resistive construction has made notable progress in harmonizing the views of national organizations interested in this work. Twelve organizations were brought together to agree on standards. The membership of the two original committees, together with the representatives of these organizations, formed a group of qualified technical experts which include the majority of this class in the country. It was agreed that fire-resistive materials and construction should be classified into three or more grades based upon the degree of protection which they would afford when measured by a fire test conducted in accordance with a standard time curve. In place of full, partial and temporary protection, the terms four-hour, two-hour and one-hour protection are suggested. Recommendations on emergency housing were also made. This refers specifically to meeting the war emergency situation.

THE HUMAN SIDE OF INSURANCE



EDWARD E. IKIER

Edward E. Ikier, for the past five years special agent in New Jersey for the North British & Mercantile and the Commonwealth, has been made New Jersey State agent for the New Brunswick, New Jersey and United British insurance companies. He will make his headquarters at 40 Clinton Street, Newark, and will begin his new connection about July 1. Mr. Ikier has been with the North British & Mercantile for about twenty years. He started as an office boy then had experience in the underwriting department. In his capacity of special agent, Mr. Ikier has become one of the best known insurance men in the State. He enjoys a reputation as a good adjuster.

* * *

Thompson Derr & Bros. Co., of Wilkes-Barre, Pa., the leading insurance agency in that part of the State, celebrated its sixtieth anniversary a few days ago with a dinner in the Wilkes-Barre Country Club. Two members of the firm, William H. Carter and F. E. Parkhurst, Jr., are in the United States Service. Thompson Derr came to Wilkes-Barre in 1858 and started an agency. In 1862 his brother, Henry H., was taken into the firm. Another brother, Andrew F., also joined the firm. The use by the Navy of anthracite coal gave Wilkes-Barre a boom and the agency grew along with the coal industry, the insurance on much of which it controlled. The present head of the agency is F. E. Parkhurst. This agency has turned out many insurance men, including some very capable special agents.



F. J. T. STEWART

F. J. T. Stewart, superintendent of the Survey and Electrical Bureau of the New York Board of Fire Underwriters, who was elected president of the National Fire Protection Association at the annual meeting in Chicago this week, has for years been regarded as an authority on engineering and protection matters. His early training was with the Continental.

* * *

J. L. Whitlock, of the Glens Falls, who retires from half a century of active service on June 1, going to Chicago where he will make his home, has written a valedictory to the agency force, informing them of the event. In some Company minutes adopted unanimously the board of directors pay a tribute to Mr. Whitlock's thirty-seven years of work for the Glens Falls, and says: "He has, indeed, been an influential factor in the progressive history of the Glens Falls and his name will continue to be associated with those representing long and valued service for the Company. We assure Mr. Whitlock of our sincere good will and cordial best wishes for long and felicitous enjoyment of the relief from business cares and responsibility with which he has chosen to favor his future years."

Mr. Whitlock has for years been manager of the Western department of the Company.

* * *

Miles M. Dawson, actuary, has filed his report on the Pennsylvania State Fund. The books of the fund show that the reserve increased from $68,048 in 1916 to $140,707 at the end of 1917. The fund's assets in 1916 were $711,519. At the close of business in 1917 the assets were $1,058,770.96. The fund's total surplus at the end of 1917 was $557,518, an increase of approximately $400,000.

* * *

Benjamin Rush, president of the Insurance Company of North America, is devoting part of his time to work for the Government in Washington in connection with the War Risk Bureau.

FIRE INSURANCE DEPARTMENT

Want Company Pool To Cover War Plants

HOW TO GET COVERAGE

Agents Think Compensation Companies Proved Pro-Rate Line Proposition Practical

The market on certain classes of hazardous risks, particularly munition plants, is not large enough at the present time to take care of the insured where co-insurance clause is mandatory. In order to relieve the situation a movement has been started—originating in local agency circles—which aims to gather fire companies together into a pool whereby each company will take a small line which in the aggregate would furnish the amount of insurance required.

Idea Works in Compensation Insurance

This is along the same line as the plan being operated in compensation insurance under the name of the Associated Companies. Owners of plants making war supplies had complained that they were unable to procure compensation insurance because of prohibited lists in the casualty head offices. As a result agents complained to companies, with the result that a pool of about ten companies was formed to handle this extra hazardous business.

Agents say that rates on the extra hazardous plants are high with loading plants in particular, rated in New Jersey (to cite one State), at several times the original rates, and they maintain it is reasonable to expect that the underwriting of these risks through a pool would afford a company a chance for a satisfactory profit.

The present attitude of a great many companies in flatly refusing to consider lines upon these classes is causing considerable unrest among the insurers, and it is hoped by those interested as brokers or agents in connection with these risks that they will soon be able to be in a position to furnish their clients the necessary coverage.

Other Angles

Another side of this question is that the Government in some cases has decided to protect certain manufacturers with the result that existing insurance has been cancelled.

There is the peril of this developing into an entering wedge which might result in other less hazardous classes being lost to the insurance companies.

This is a live question and should be handled by the companies at once.

Another angle is that a large volume of premiums on this business is now going to Lloyds, and a fire companies' pool would bring this back.

Endorses Idea

That the conference or pool idea will be approved by some underwriters is shown in the following statement given The Eastern Underwriter by B. C. Scudder, of the North River:

Ammunition plants furnish a class of insurance that is being written sparingly by the insurance companies as a whole and absolutely prohibited by many. Unless there is more co-operation and liberality shown in writing this class, danger is ahead.

These are patriotic days and ammunition plants are manufacturing commodities that will undoubtedly greatly assist us in winning the war. Why should their and our interests not be properly protected by safe coverage? Unless some concerted action is taken before long, some one of these large ammunition manufacturers is going to call on the Government for protection. If the Government should happen to take over this form of insurance, none of us know when we may have Federal ownership of fire insurance.

It seems that our self interest and patriotism should prompt us to take some action in protecting this class. Surely there must be some rate and supervision of these plants that could be worked out to write this insurance at a fair profit. As a suggestion, why not form an ammunition conference, similar to war cover, explosion, tornado, automobile, sprinkler leakage and others.

This subject is worthy of sincere consideration and let us grab the bull by the horns before we have reasons for regret.

British Views Given on Russia

INSURANCE COMPANIES INTACT

Managers Refuse to Be Alarmed and Are Holding on to Connections in That Country

A United States manager of foreign companies, located in New York, has received a communication from English representatives, concerning the anxiety shown in connection with the Russian companies, in which they mention that managers in the United States should adopt the point of view of the British managers who have had a long experience with foreign insurance companies and have been through periods of disturbance not incomparable with the present conditions. The British managers say that although a few of the British managers have given notice, as a tentative measure, to some of their Russian companies, the worst they contemplate is not an entire cessation but a small curtailment of relations and, in fact, they say they are almost eagerly seeking for sufficient excuse to either withdraw the notices or prolong them. They say the advices they receive are that Russia proper is quietly concentrating.

Companies Unharmed

They also mention that it might be instructive for the managers in New York to know, as they know, that the movement against the Russian banks has collapsed, while the Russian insurance companies are untouched. They advise that the companies represent a very intangible proposition to attack, and, moreover, they are indispensable. They mention that it is just a question of home office assets being cut off for a limited period, and since it has been the policy of the American Government and the American insurance companies to look upon deposits in the United States as all that really counted, they do not see any reason for the present anxiety so long as the companies have sufficient assets in this country.

They further mention that some of the British companies have declared they are not going to be alarmed and are not going to part with their Russian connections unless absolutely forced to.

The American Eagle on May 14 will establish a Western department. It will be in charge of Alfred Stinson, secretary.

London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

REFUSED TO PAY FINES

Four Companies No Longer Members of the Suburban Fire Insurance Exchange

The Scottish Union & National, Firemen's of Newark, Insurance Company of State of Pennsylvania and Stuyvesant are no longer members of the Suburban Fire Insurance Exchange. The situation is an interesting one.

According to members of the Exchange these companies had been notified to make corrections on dailies, and when they did not do so were fined. They refused to pay the fines. The Deviation Committee of the Exchange then took the position that if the fines were not paid the members of the committee would resign if the companies' memberships were continued. The Exchange stood by the Deviation Committee.

The situation is somewhat complicated owing to affiliations of the four companies.

REPLIES TO APPRAISER

Atlantic City Man Backs Up His Assertions With Offer of Cash

Albert C. Stephany, of Atlantic City, has replied to Mercantile Appraiser Isador Schmeidler, who has been making charges of extortionate and unscientific rate making against the fire insurance companies. Mr. Stephany says to the appraiser: "I will pay $100 in your name to any charitable institution which you designate, if you will produce within three months, a more equitable, more fair and more practical system as a whole than the present rating system in New Jersey that will leave companies a reasonable average of profit, for I am deeply interested in the public welfare."

WAR RISK REPORT

A favorable report on the bill to amend the war risk insurance law by providing for the insurance of vessels and cargoes and crews under friendly foreign flags, permitting the Secretary of the Treasury to compromise disputed claims, and extending the life of the Bureau, in so far as the division of marine insurance is affected, until the end of the war, has been rendered by the House Committee on Foreign and Interstate Commerce, with the recommendation that the suggestion of the Treasury Department be followed and the measure enacted into law without delay.

J. A. Kelsey, former United States manager of the Aachen & Munich, has been appointed managing fire underwriter of the Tokio Marine & Fire, the fire end of which will be managed by Johnson & Higgins, Appleton & Cox having the marine end.

CONTINUES PRESENT OFFICERS

Executive Committee of Insurance Society of New York Takes Action —May Admit Women

At a luncheon meeting of the executive committee of the Insurance Society of New York held at the Drug & Chemical Club on Wednesday, it was decided to re-nominate the present officers of the Society and the members of the executive committee whose terms are expiring. The officers are T. A. Ralston, sub-manager of the Northern of London, president; Chas. H. Holland, manager of the Royal Indemnity, vice-president; Edmund Dwight, of Dwight & Hilles, vice-president; John A. Eckert, of John A. Eckert & Co., vice-president; J. L. Parsons, vice-president of the North River, vice-president, and E. R. Hardy, of the New York Fire Insurance Exchange, secretary and treasurer. The members of the executive committee, who are nominated for re-election are J. S. Van Riper, branch secretary of the Norwich Union; H. B. Churchill, assistant secretary of the Great American, and R. P. Barbour, secretary of the North British & Mercantile.

The executive committee also considered a proposal to admit women to the Society either on an associate or a full membership basis and a committee was appointed to report on this subject at the next meeting of the executive committee.

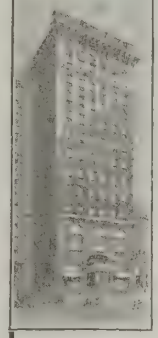
NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET NEWARK Phone Market 6536 | SERVICE FIRST | 80 MAIDEN LANE NEW YORK Phone John 4560

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

Great American Insurance Company New York
INCORPORATED—1872
STATEMENT JANUARY 1, 1917
CAPITAL $2,000,000
RESERVE FOR ALL OTHER LIABILITIES 10,954,055
NET SURPLUS 10,759,422
ASSETS 23,713,477
HOME OFFICE No. 1 LIBERTY ST. NEW YORK CITY
CHARLES G. SMITH PRESIDENT — JESSE E. WHITE VICE PRESIDENT
EDWIN M. CRAGIN SECRETARY — ALEXANDER R. PHILLIPS ASST. SECRETARY



Just say: "Insurance Man"—
the open sesame to every courtesy within our power.
Room with detached bath $1.50 and $2.00
Private bath $2.50 and $3.00
BREVOORT Hotel
Insurance Headquarters
MADISON ST.—East of LaSalle
CHICAGO
LAURENCE R. ADAMS, Sec'y & Mgr.

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

The Gamewell Fire Alarm Telegraph Co.
Fire Alarm and Police Telegraphs for Municipal and Private Plants
OVER 1500 PLANTS IN ACTUAL SERVICE
GENERAL OFFICES AND WORKS
NEWTON UPPER FALLS, MASS.
AGENCIES
5708 Grand Central Terminal, New York
448 John Hancock Building, Boston, Mass.
1216 Lytton Building, Chicago, Ill.
335 Wabash Building, Pittsburgh, Pa.
915 Postal Building, San Francisco, Cal.
304 Central Building, Seattle, Wash.
Utica Fire Alarm Telegraph Co., Utica, N. Y.
Northern Electric Company, Limited, Montreal, Canada.
General Fire Appliances Co., Ltd., Johannesburg, South Africa
Colonial Trading Co., Ancon; Canal Zone, Panama
F. P. Danforth, 1060 Calle Rioja, Rosario de Santa Fe, Argentine Republic

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
105 William Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Promotions by North British and Mercantile

Messrs. Young, Perkins, Alley, Cairns and Case Made Assistant Managers; R. P. Barbour, Secretary

United States Manager E. G. Richards, of the North British & Mercantile, announced this week that owing to the illness of Assistant Manager Hastings a re-arrangement had been made of the official staff and these promotions had been made:

As assistant managers, William P. Young, Charles R. Perkins, Walter S. Alley, Edward T. Cairns, Charles E. Case; as secretary, Robert P. Barbour.

William Paulin Young entered the insurance business in June, 1884, as an employe of the Continental. In January, 1889, he resigned to accept a position with the Guardian Assurance Co. of England in its New York office. When the retirement of that Company from the United States in June, 1894, was arranged, he remained assisting in winding up its affairs until November of the same year, when he accepted the position of special agent of the North British & Mercantile in New Jersey. Afterwards he was placed in charge of the middle field in the New York office. In 1902 he was appointed general agent of the Company in charge of the Metropolitan department. In 1911 was appointed deputy assistant manager of the Company. In March of the present year he was elected president of the New York Fire Insurance Exchange.

C. R. Perkins started his insurance career about thirty-five years ago as a file clerk in the office of the Liverpool & London & Globe. After about five years' service with that Company he went to the Phoenix of London as assistant counter man and from there was graduated into the agency department, finally becoming assistant general agent of the Company. When the Magdeburg of Germany entered this country he became superintendent of agencies for the entire United States for that Company, being also assistant secretary of the Magdeburg of New York. When that Company retired from this country he went with the North British & Mercantile, becoming Eastern general agent, and in April, 1911, he was made deputy assistant manager of the Company and later vice-president of the Commonwealth of New York, Mercantile of America and more recently of the Pennsylvania Fire.

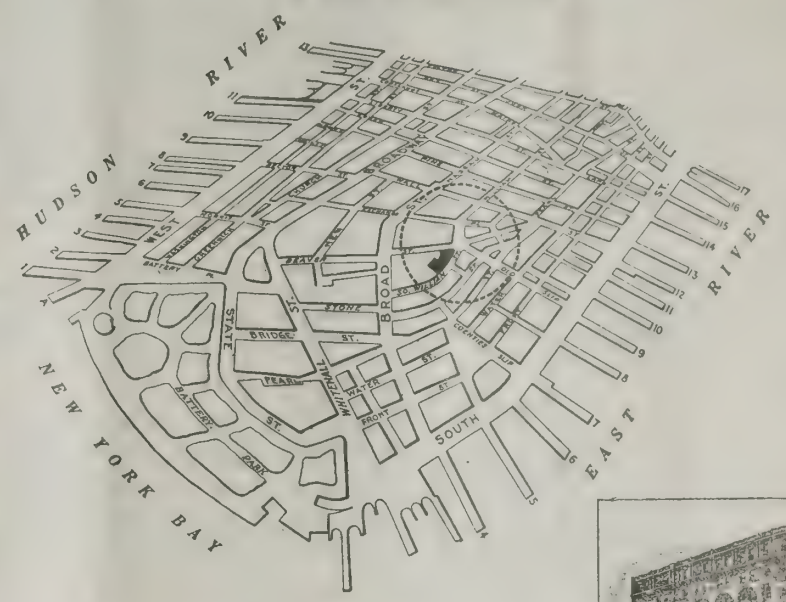
Walter S. Alley started his business career in a local life office in Virginia, later becoming a member of the firm of McIlwaine & Alley, local agents, Pe-

(Continued on page 18)



TOP ROW: R. P. BARBOUR, E. T. CAIRNS, C. R. PERKINS, W. P. YOUNG
BOTTOM ROW: C. E. CASE, W. S. ALLEY

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

1853 Sixty-Fifth Year 1918
FARMERS'
Fire Insurance
Company
YORK, PENNSYLVANIA

Assets (Dec. 31, 1917) $1,181,106.56
Net Surplus (Dec. 31, 1917) 532,863.50

C. M. KERR, President
A. S. McCONKEY, Sec. and Treas.

[of Liverpool, England]
ROYAL INSURANCE COMPANY LIMITED
THE LEADING FIRE COMPANY OF THE WORLD

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus, .. - - - - -	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - -	1,051,543.00

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $152,000,000.00
Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

Transportation Losses Mounting

ONE COMPANY DROPS THIS LINE

Opinion Much Divided as to Necessity for United Action on Reforms in These Floaters

Within the ranks of the companies writing transportation floater insurance is a reform party and a stand-pat party. The reform party is in the majority, while the stand-patters are a small but influential minority embracing some of the truest blue blood in the business.

For a considerable time there have been developing in the business life of the country a number of conditions which have made it increasingly difficult to transact this line at a profit. The market for this cover has, in a sense run away and failure on the part of many offices to keep up with it has resulted in a condition of demoralization. The profits in the business are being attacked from so many quarters simultaneously that there is a cry for unanimity of action—a unified command, as it were.

The minority party rests on the assumption that the present difficulties in the business are mainly owing to the failure of the majority to adhere to sound principles of underwriting developed through long years of experience. The minority has full confidence in the ability to handle the situation without the aid of co-operative measures, associations, conferences, or what not.

The majority is blamed for bringing about through inexperience and laxity the very conditions which it now complains of. Therefore the minority holds aloof in what it no doubt regards as a belated effort to rebuild the fences.

Efforts to Co-operate

Some time ago it was suggested that the companies writing this line support an endeavor to place it on a more satisfactory underwriting basis. Those behind the movement claimed that the greater part of this business is being written at an entirely inadequate premium in comparison with what well informed underwriters are charging for insurance where each shipment is reported. In other words, the rates for various voyages covered by a transportation floater, when figured on the basis of the total liability insured during a year, would figure out in most cases. very much lower than the rates at which a well informed underwriter would accept the insurance were he asked to write the business on a trip basis.

Not only, says these advocates, does the practice seem to prevail of accepting business of this character at an inadequate premium in comparison with rates charged per trip, but the majority of policies seem to be written based on very sketchy estimates by the assured of the aggregate value of the property insured during the currency of the policy. In many cases there is no readjustment clause in the policy and policies are renewed without inquiry as to whether the value of the total amount shipped has not increased or conditions of routing etc., have not undergone changes.

Inferior Vessels Used

Whereas, continues the argument, the situation was substantially as stated above prior to the Government requisitioning steamers of the regular coastwise lines, it is becoming more aggravated by the withdrawal of many of the best coastwise liners and the substitution of inferior vessels, both American and foreign, the latter being allowed legally to ply between United States ports by the recent Act of Congress. It has even been suggested that sailing vessels be largely used to replace steamers in this trade and many policies as now written would cover such shipments. In addition to the increased hazard in connection with coast wise shipments, conditions surrounding railroad shipments are equally unsatisfactory; the average trip being much longer in point of time, and conditions at terminals and at ports being much more hazardous on account of congestion and incendiarism.

A letter setting forth the foregoing arguments was sent to the companies interested, with an invitation to meet and take steps to improve conditions. The idea is claimed to have met with favor by all but one company, so there the matter rests.

New York Truck Hazard

Meanwhile conditions have continued to become increasingly bad, so much so that within the last week one large company has given up the line entirely for the time being. The theft hazard is the fly in the ointment. It is worse in New York where the truck hazard is particularly bad on warehouse to warehouse covers. Truckmen are refusing to be liable for losses in excess of $50 because they know they cannot trust all their drivers. The truckmen are getting away with this limitation of their liability, although it is clear that they should be held to the full performance of delivering goods as received.

Opportunities to steal are increased by the delays on shipments and the congestion. Express matters fare worse than freight. There are many unreal claims which grow out of non-deliveries. Federal control of railroads raises the doubt whether the Government will be inclined to make good losses with the same liberality as did the carriers when they were on a competitive basis.

The policy covers the perils of navigation; fire, collision and derailment, marine perils while on transfer steamers in connection with railroads, and theft of the entire package. There is a strong demand for a pilferage cover. This is not provided in the usual form but it is readily obtainable especially on piece goods, at from 25 to 100 per cent. rate advance. Some offices which favor co-operation among underwriters complain bitterly of the abuse of this cover.

"Sweat Shop" Floater

These same underwriters complain of the use of a building risk clause tacked on what purports to be a transportation policy. This building risk cover takes the form of a manufacturer's floater, or "sweat shop" floater and reads: "Against loss caused by fire, collision and derailment, except as hereinafter specified, from the time the property insured passes into the custody of any railroad, express, licensed public truckman, transfer and or other transportation company, while on land, and against perils of the seas, lakes, rivers, and or inland waters only while on ferries and or in cars on transfers in connection therewith.

"This policy is extended to cover the risk of fire in buildings other than premises of assured, in accordance with the terms and conditions of the New York Standard Form fire policy."

There is no standard form. Some offices complain of a wide abuse of the cover while others declare that this is not a serious defect in the system, but rather is the failure to give the insurance carrier proper information as to just what the hazard is in each case. A policy is asked for in a specified amount but the underwriter rarely knows just what he is covering in any one year. Much necessary information is not disclosed to the underwriter.

There is no readjustment clause. A statement of total shipment and increases in values should be readily available.

Results of Bad Packing

It is held to be just as necessary to have a readjustment clause for this transportation business as in the compensation line, where it is regarded as indispensable. Yet some offices who write transportation extensively won't use the readjustment clause. Altogether

(Continued on page 15)



What is Worth Owning is Worth Insuring

And in these days of War with all its possibilities for loss, property is more worth owning than ever. War prices make repairs and replacements more costly in case of fire.

Adequate Insurance is a necessity today.

American companies are second to none in strength, management, service and reliability. The

FIDELITY-PHENIX FIRE INSURANCE COMPANY OF NEW YORK

A STRONG, RELIABLE AMERICAN COMPANY

Cash Capital $2,500,000.00

HENRY EVANS, President

Home Office: 80 MAIDEN LANE NEW YORK

Managing Branch Offices: CHICAGO, MONTREAL SAN FRANCISCO

BRITISH AMERICA ASSURANCE CO.

Incorporated 1833

(FIRE AND INLAND MARINE)

Head Office, Toronto, Canada

United States Branch

January 1, 1918

Assets	$2,192,173.14
Surplus in United States	772,927.35
Total losses paid in United States from 1874 to 1917, inclusive	25,298,472.00

W. B. MEIKLE, Pres. & Gen. Mgr.

S. C. BISHOP CO.

AGENTS FOR NEW JERSEY

Represented at

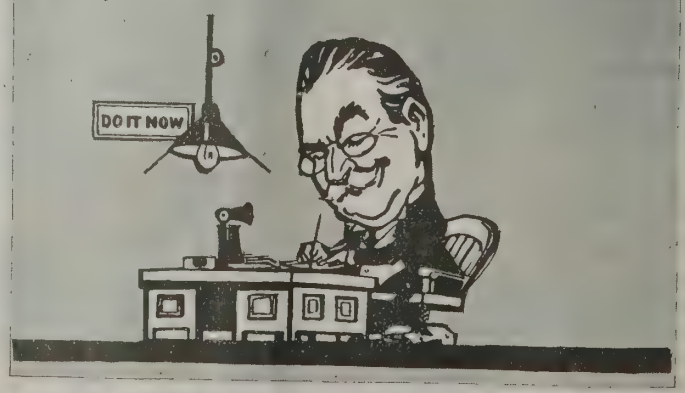
65 William Street, New York City, Room 1001 Phone 447 John

Elizabeth, N. J. Phone 588 Elizabeth

N U

NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.

SECURITY—STABILITY—SERVICE AND FACILITIES MAKE THE NATIONAL UNION A GOOD COMPANY TO REPRESENT BY EVERY TEST THAT COUNTS. TO PROPERLY EXPERIENCED AND QUALIFIED AGENTS NATIONAL UNION SERVICE WILL SPEAK FOR ITSELF WHENEVER YOU CHOOSE TO MAKE THE TEST.



G. A. HAMILTON MAKES CHANGE

Formerly With Hall & Henshaw—Now Counterman for Lewis & Gendar, Inc.

George A. Hamilton, for the past year counterman for Hall & Henshaw, and previously for three years in the local department of the Royal Insurance Co., started last week with Lewis & Gendar, Inc., as counterman in their New York office. Mr. Hamilton succeeds Joseph Dann, now in the National Army.

Transportation Insurance

(Continued from page 14)

too much reliance is placed upon the broker, and some brokers are refused quotations absolutely, because of their practice of underestimating risks.

The problem of proper containers is a difficult one. American packing was always bad and is particularly so now when lumber is high and help inferior. The moral hazard is worse than ever before. Shippers, railroads and truckers are taking on any men they can get and the crooks among them are reaping a harvest. Inexperienced help results in large numbers of reported shortages. Goods are reported lost which doubtless were never shipped. As to parcel post, underwriters are at a loss to understand where all the stuff goes that is reported lost, but any detective agency knows that a criminal class is "cleaning up" on that. While as to damage, mail handlers generally delight in slamming parcel post about, for they detest it, back their trucks up against or over it, regardless of consequences. Parcel post insurance calls for complete indemnity.

Territorial Divisions

The offices which cry out most loudly for relief claim that through co-operation a uniform policy could be adopted, the theft hazard greatly reduced and the rates put on a profitable basis. They claim that it would be very easy to construct a comprehensive schedule of rates, using rail and coastwise divisions, bearing in mind that most policies do not cover on canals, the Great Lakes or the Pacific Coast. The suggested territorial divisions are:

Rail shipments east of the Mississippi; rail shipments west of the Mississippi; coastwise shipments between New York and Boston; shipments not north of Boston nor south of Hatteras; South Atlantic; Gulf; Great Lakes.

On the other hand it is claimed with equal force that this is a business which cannot be reduced to any hard and fast formula of rating. The character of the shipper, the nature of the shipments and the transit routes must all be considered in making a rate.

Quite true, rating has been largely a matter of judgment. If the previous year's experience was favorable the risk was renewed at the old rate. But conditions have been changing with such lightning rapidity of late that this tranquil method of arriving at the rate has been severely jolted.

Thus one finds a risk which had been written for $1,500 a year, was increased to $4,000 and at first opportunity the insurer got off it. The risk went to another company where the rate mounted to $7,000 and the second company found that it was holding a hot one and dropped it. Silk valued at $25,000 was found under the floor of a warehouse; thieves with a motor truck back their machine up to a freight train which was stopped at a convenient place and cases of silk removed from a car; a $12,000 "profits only" loss is reported on lead, and so it goes ad infinitum.

Block, Earl & Manuel Move

Block, Earl & Manuel moved this week from the Morris Building to 27 William Street.

Company Officials Oppose Towner Bill

HEARING BEFORE GOVERNOR

Letters From Presidents of Companies Presented—Attorney General on Bill's Constitutionality

Albany, May 8.—At the hearing today before Gov. Whitman on the Towner Bill (transferring assets of enemy companies to New York State companies), letters were presented from Henry Evans, D. P. Kingsley, R. M. Bissell, E. G. Snow, E. C. Jameson, Major A. White, O. E. Lane, R. M. Coyle, E. W. West and other prominent men in insurance, all taking a positive stand against the measure. Hartwell Cabell, lawyer, representing Custodian Palmer, argued in favor of the bill. Superintendent Phillips said he believed in its practicability. He presented an opinion from the Attorney General to the effect that the bill is constitutional. Most of the talks made at the hearing were against the bill. J. H. Cohen, representing the Chamber of Commerce, made the principal talk in opposition.

Fred B. Campbell discussed the rights of policyholders in other States who depend upon the laws of New York State for protection in the matter of deposits. He said the bill is a breach of trust so far as these policyholders are concerned. It is a fraud on policyholders of proposed new companies, he said.

CITY CLUB'S LOAN RECORD

The Liberty Loan committee of the City Insurance Club secured subscriptions to the amount of $11,600 with 105 applications. The committee was appointed as a result of the talk given at the last meeting of the club by Sergeant Austin Crehore, of the Lafayette Esquadrille, formerly with the Merchant Fire. J. J. Canning of the Brooklyn office of the Continental, was chairman of the committee and the other members were Charles Miller, of Johnson & Higgins; Herman Triess, of the Kenzel Agency; Charles Marchner, of Wilcox, Peck, Brown & Crosby; and Frank Gibson, of Fred S. James & Co.

SUFFOLK BOARD MEETS

The Suffolk County Board of Underwriters met last Monday and elected A. C. Edwards, of Sayville, president; Jonathan Baker, of East Montauk, vice-president; Henry H. Preston, of Riverhead, secretary-treasurer. Plans were discussed for holding a dinner during the summer, similar to that held last year.

RE-INSURANCE BUREAU

At the meeting of the Re-Insurance Bureau last week questions of cessions and lines were decided upon.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

Firemen's Insurance Co., Newark, N. J.

January 1, 1917

Cash Capital $1,250,000.00
Net Surplus $2,449,322.25
SURPLUS TO POLICYHOLDERS...$3,699,322.25

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer — A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President — J. K. MELDRUM, Assistant Secretary

THE HUMBOLDT FIRE INSURANCE CO.
PITTSBURGH, PA.

Conservative -- Sound -- Progressive

Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. — F. W. SCHRATZ, Asst. Secy.

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

We can place for you as high as $150,000 on a single risk with immediate binders. Guaranteed Underwriters at Lloyds.

MARSH & McLENNAN

19 Cedar St. NEW YORK — 1615 California St. DENVER — 201 Sansome St. SAN FRANCISCO — 107 S. Fifth St. MINNEAPOLIS
901 Ford Bldg. DETROIT — 314 Superior St. DULUTH — 17 St. John St. MONTREAL — 23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

FRED. S. JAMES — GEO. W. BLOSSOM — WM. A. BLODGETT

FRED S. JAMES & CO.

123 WILLIAM STREET

NEW YORK

United States Managers
GENERAL FIRE ASSURANCE CO. of Paris, France
URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England

C. B. G. GAILLARD
Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

MARINE DEPARTMENT

"Observer" Comments on Hendon Chubb's Cincinnati Speech

In his speech on marine insurance delivered in Cincinnati on April 19, Hendon Chubb, of the War Risk Bureau, touched on some subjects discussed in previous issues of The Eastern Underwriter, viz: that Government supervision of marine insurance is a necessity as well as being beneficial; that American companies are at a disadvantage with English marine insurance companies on account of the taxes which American companies pay in excess of those which English companies pay, and the scarcity of trained, competent underwriters. But I do not agree with the conclusion which Mr. Chubb reaches in reference to new capital entering this branch of the business.

Mr. Chubb's Conclusions

To sum up, Mr. Chubb states that history tells us that during war times additional marine facilities have been attracted to this class of business on account of the large premiums involved and the possible large profits to be made. After the war period the premium income is materially reduced by ruinous competition for the comparatively small regular marine premiums. The result is that the regular marine business is written below cost and the newcomers lose money, while only the strongest and best-managed companies survive, and the companies which have the unfortunate experience retire with the result that the former marine facilities are materially reduced. Therefore, in his opinion, during war times, it is inadvisable for new capital to enter this branch of the insurance business as history will repeat itself.

Thinks There is Room for New Capital

In my opinion, inasmuch as marine insurance history has taught the people of the United States where mistakes have been made in the past, if proper precaution is taken the unfortunate experience of the past can be avoided. This precaution is a simple one; followed carefully, history will naturally reverse itself. My suggestion is that under no circumstances should a company or body representing capital engage in the business of marine insurance unless it has a known, competent and tried marine underwriter of established reputation, not one who might be called an experiment or one with five or fewer years' experience as an assistant to a marine underwriter, but one who has a thorough knowledge of the business from every angle.

Naturally, the first thought is that there is a scarcity of such men, and those who have the necessary requirements are not obtainable. My answer to this is that there are enough established offices who were in the business of marine insurance before the war who have the necessary talent and come up to the required standard, which offices are only too willing to take on additional facilities; and furthermore, if these new companies cannot find a safe berth for direct underwriting, then they can form re-insurance facilities and re-insure with such offices as are known to conduct their business on a proper and sound basis. In that I have disposed of our major premise, I shall proceed to the minor premise.

Cites Case of Insurance Company of North America

History shows us that companies, such as quoted by Mr. Chubb, as the Insurance Company of North America, have passed successfully through the war periods discussed by him and today this Company is stronger financially and larger than ever in its history, which proves conclusively that it must have had the proper underwriting management.

In order to offset the skepticism of some reader who may say that this Company also does a fire business and when the marine insurance business did not pay, the fire end was able to make up the deficit, if any, I shall quote one of the largest marine insurance companies in the world which is domiciled in the City of New York, which Company does not underwrite a dollar's worth of business other than marine or war risk. This Company also has passed through war periods, and to-day is a tower of strength. It is an exceedingly liberal Company; has its own strongly marked ideas of underwriting; its rates are based on what experience has taught the business can be underwritten for.

Regardless of what other underwriters charge for similar risks it quotes its own rates. It retains lines which few marine underwriters do on any one risk and if its customers are compelled to ship by an undesirable vessel, it take care of them by charging a slight additional premium; and, furthermore, it does not rush into the re-insurance market and reduce its liability because it thinks the risk is undesirable or the trade a bad one. When rates get below what it knows from its own experience the business cannot be underwritten profitably, it simply refuses to meet competition, and a client once on its books is seldom lost. When its clients are offered low rates they invariably come and tell the office, and if the Company under discussion knows the business cannot be done on the competitive basis it lets it go and in a short time the competing underwriter frequently has learned his lesson and the client returns with a very valuable experience in loss settlements over which he had received heretofore. This Company has passed through war and competitive periods and has been successful because its management has been proper. Therefore, history has taught us that properly managed companies can pass through the periods under discussion and come out successful. I therefore claim that if the suggestion of my major premise is lived up to the ruinous competition which has heretofore set in after war periods would not have been the case if companies had had the proper underwriting talent, because experienced underwriters would know what was the proper rate for which business could be underwritten and they would not write or go below such rates, and new facilities for marine business could safely engage in the same under these circumstances and history would reverse itself.

Hull Business

Hull business is considered by Mr. Chubb as being a very desirable class of business on account of the permanency and the volume of income which the underwriters obtain from the same; yet, it is a fact that the Government has commandeered every American vessel over 2,500 tons as well as some of the most desirable coastwise fleets under the bare form of charter. This means that the Government assumes the marine as well as the war liability, which deprives the American companies of a considerable volume of premiums from that source. It seems almost incredible that our Government officials should apparently be so shortsighted for the future operations of American marine companies by practically depriving them of the cornerstone to erect an organiza-

(Continued on page 19)

We beg to announce our appointment as
MARINE MANAGERS
of the
AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

EQUITABLE UNDERWRITERS OF NEW YORK
SURPLUS $793,852.75

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CASUALTY AND SURETY NEWS

New York Casualty Returns Given

RESULTS IN STATE LAST YEAR

General Absence of Excessive Losses Shown in Statements Filed in Albany

Premiums and losses of casualty companies in New York State in 1917 are given below. The premiums are gross on risks written less return premiums and re-insurance. The losses are gross losses paid, less re-insurance:

Personal Accident

New York State Companies

	Premiums	Losses
Fidelity & Casualty	$484,219	$216,884
Globe Indemnity	49,754	20,242
Great Eastern Casualty	140,152	71,762
United States Casualty	139,542	49,158
Preferred Accident	249,747	75,110
Metropolitan Life (h.)	116,049	160,756
New Amsterdam Casualty	87,414	32,964
Metropolitan Casualty	48,432	21,525
London & Lanc. Ind.	8,625	6,448
Royal Indemnity	37,206	15,412
Companies of Other States		
Continental Casualty	$183,018	$52,368
Aetna Casualty & Surety	4,533	177
Aetna Life	446,830	189,305
Commercial Casualty	58,546	25,213
Federal Casualty	44,179	20,159
Equitable Accident (h.)	25,338	8,400
Fidelity & Deposit	57,922	34,984
Brotherhood Accident (h.)	43,519	27,003
Hartford Acc. & Lia.	20,771	8,135
Massachusetts Bonding (h.)	181,466	86,400
Maryland Casualty	51,042	24,757
Loyal Protective (h.)	74,317	37,379
Masonic Protective	137,395	71,757
Massachusetts Accident (h.)	54,450	26,223
North American Acc.	165,008	73,881
Pacific Mutual Life	110,697	46,752
National Casualty (h.)	87,971	38,276
Ridgely Protective (h.)	74,764	40,913
Red Men's Fraternal (h.)	3,923	1,025
Travelers Insurance	750,596	284,767
Travelers Indemnity	17,471	7,143
United States F. & G.	13,030	4,041
Standard Accident	196,905	101,928
World Life & Acc. (h.)	11,044	4,460
Employers Liability	32,052	6,911
Norwegian Globe	39,039	1,647
Ocean Acc. & Guar.	69,075	23,166
London G. & A.	24,415	7,165
Frankfort (h.)	28,586	15,691
General Accident	87,779	51,606
European Accident	97,190	39,028

(h) includes health.

Health

New York State Companies

Fidelity & Casualty	$392,874	$289,843
Globe Indemnity	35,322	20,690
Great Eastern Casualty	91,199	35,020
United States Casualty	83,245	48,485
Preferred Accident	75,099	37,484
New Amsterdam Casualty	14,831	11,858
Metropolitan Casualty	20,417	8,953
London & Lanc. Ind.	4,156	2,277
Royal Indemnity	14,811	7,991
Companies of Other States		
Continental Casualty	$91,376	$40,267
Aetna Casualty & Surety	552	.....
Aetna Life	155,293	60,922
Commercial Casualty	42,440	17,205
Fidelity & Deposit	47,958	40,034
Hartford Acc. & Ind.	9,299	3,091
Maryland Casualty	45,412	16,098
Pacific Mutual Life	83,242	47,310
Travelers Insurance	266,412	148,664
Travelers Indemnity	6,080	1,521
United States F. & G.	6,918	2,326
Standard Accident	59,163	35,929
Employers Liability	10,917	7,552
Norwegian Globe	32,086	3,054
Ocean Acc. & Guar.	27,487	14,151
London G. & A.	13,105	11,643
General Accident	68,152	26,638
European Accident	44,641	40,843

Liability

New York State Companies

Fidelity & Casualty	$527,229	$300,452
Globe Indemnity	383,532	168,232
Great Eastern Casualty	117,279	20,165
United States Casualty	256,308	162,552
Preferred Accident	401,070	145,129
New Amsterdam	209,265	105,969
London & Lanc. Ind.	86,117	102,499
Royal Indemnity	437,732	213,224
Companies of Other States		
Continental Casualty	$36,805	$1,043
Aetna Casualty & Surety	214,702	97,712
Aetna Life	955,143	458,114
Commercial Casualty	888,153	356,062
American Re-insurance	4,528	.....
Fidelity & Deposit	310,266	264,713
Mfrs. Liability	288,668	12,354
Hartford	235,278	99,191
Massachusetts Bonding	303,250	148,488
Maryland Casualty	490,076	241,041
N. J. F. & P. G.	154,063	80,575
Travelers Insurance	1,954,269	1,037,107
Travelers Indemnity	38	5,000
United States F. & G.	1,083,540	446,992
Standard Accident	326,819	54,653
Employers Liability	1,121,483	333,862
Norwegian Globe	20,324	.....
Ocean Accident	406,063	251,494
London G. & A.	410,127	190,125
Frankfort	106,247	93,729
Zurich	441,420	220,315
General Accident	475,544	401,714
European Accident	42,130	7,129

Workmen's Compensation

New York State Companies

Fidelity & Casualty	$807,635	$389,312
Globe Indemnity	526,274	245,559
Great Eastern Casualty	99	198
United States Casualty	316,132	116,386
Preferred Accident	1,612	.....
New Amsterdam Casualty	304,366	132,639
London & Lanc. Ind.	12,013	37,609
Royal Indemnity	414,621	161,432
Companies of Other States		
Continental Casualty	$13,062	$174
Aetna Life	1,730,755	796,477
Commercial Casualty	66,774	17,555
American Re-insurance	121,229	.....
Fidelity & Deposit	13,404	43,641
Mfrs. Liability	154,036	121,634
Hartford	308,149	139,498
Massachusetts Bonding	139,240	153,127
Maryland Casualty	715,041	273,066
Travelers Insurance	5,108,489	2,050,315
United States F. & G.	1,323,872	747,936
Standard Accident	469,442	187,198
Employers Liability	1,829,656	869,420
Norwegian Globe	129,447	6,836
Ocean Acc. & Guar.	697,494	275,603
London G. & A.	726,431	288,206
Frankfort	83,883	37,492
Zurich	439,917	232,861
General Accident	210,022	139,508
European Accident	2,824	.....

Auto and Teams Property Damage

New York State Companies

Fidelity & Casualty	$70,576	$51,746
Globe Indemnity	93,867	42,092
Great Eastern Casualty	20,013	7,374
United States Casualty	34,196	19,339
Preferred Accident	166,275	52,039
New Amsterdam Casualty	37,260	21,764
London & Lanc. Ind.	17,853	13,255
Royal Indemnity	85,701	34,744
Companies of Other States		
Continental Casualty	$8,716	$2,048
Aetna Casualty & Surety	312,267	109,865
Commercial Casualty	165,957	65,669
Fidelity & Deposit	55,103	37,221
Hartford Acc. & Ind.	55,476	27,605
Massachusetts Bonding	24,062	7,537
Maryland Casualty	83,312	31,733
N. J. F. & P. G.	32,915	17,949
Travelers Indemnity	346,316	177,148
United States F. & G.	122,650	70,464
Standard Accident	43,943	14,350
Employers Liability	159,395	61,678
Ocean Accident	73,728	30,685
London G. & A.	55,312	21,278
Frankfort	10,866	7,186
Zurich	62,866	34,233
General Accident	79,332	52,996

Plate Glass

New York State Companies

Fidelity & Casualty	$97,885	$38,169
Globe Indemnity	40,423	17,746
New York Plate Glass	293,221	125,608
United States Casualty	23,685	10,431
Lloyds Plate Glass	179,389	62,947
New Amsterdam Casualty	57,124	25,296
Metropolitan Casualty	197,982	78,210
London & Lanc. Ind.	17,166	8,021
Royal Indemnity	31,141	12,854
Companies of Other States		
Aetna Casualty & Surety	$45,640	$19,374
Commercial Casualty	36,494	14,643
Fidelity & Deposit	64,789	39,442
Hartford	52,862	14,007
Massachusetts Bonding	48,470	20,160
Maryland Casualty	53,437	15,984
N. J. F. & P. G.	44,693	18,087
Travelers Indemnity	61,925	20,294
United States F. & G.	30,206	12,261
Employers Liability	25,998	26,973
Ocean Acc. & Guar.	20,046	8,628

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Plate Glass Men Are Apprehensive

RATES STILL BEHIND LOSSES

Question Whether Policyholder Will Realize Abnormal Conditions Necessitating Advances

The perplexities of the plate glass underwriter in these days of soaring prices, with the gloomy outlook for the future of still higher glass prices, are calculated to cause much cogitation while seated at the official desk. But these anxieties and perplexities also follow him to his home where long into the night they disturb his slumber. The situation is indeed very serious.

The governmental action putting the production of glass on a fifty per cent. basis as compared with 1917 presages continuous advances in the price of glass and abnormal advances. The condition would have been bad enough from an underwriting standpoint had no limitation whatever been put upon the output of plate glass, but with this limitation the plate glass companies have to look a very serious situation in the face and it is going to require the utmost ability of the wisest heads in the business to negotiate the year 1918 without a return of very large net losses to the companies. The limitation of production to fifty per cent. will not take care of wastage. New construction will have to be almost completely abandoned and even at that prices cannot be held down to merely normal advances.

What Will Policyholder Say

Of course under these circumstances increases in rates are inevitable and they have been made, but unfortunately it seems to be impossible to increase the rates sufficiently to keep pace with the advancing cost of glass. Of course it is an easy matter to say "double the rates," and that being insufficient, "double them again." That would be a perfectly legitimate and proper thing to do in view of all the circumstances, but then the policyholder comes in. How much increase of rate is he going to stand? Is he going to realize that the conditions are abnormal and stand the "gaff" for the abnormal premium? A very large volume of premium income has been amassed by the various companies writing plate glass insurance as a whole. How far can they go in the matter of increasing the rate without seriously imperiling the premium income of the various companies from their glass department? So far as the companies have gone, they have only tardily followed the upward price of glass with their rates and they have not thus far been able to keep pace with that advance.

Large Sizes Cause Trouble

Another serious problem is the condition which will unquestionably arise before the year is out regarding the replacment of the very large plates. These plates demand insurance. There is a very serious question, however, as to the companies' ability to find the material to replace the extra large lights insured under their policies. This is a matter which must be dealt with and dealt with very shortly.

This has been a year of abnormally heavy losses, numerically speaking. There have been a great number of very high wind-storms and the experience of most all underwriters is that the percentage of breakages to policies has been higher this year than in any previous year. Pretty tough, considering everything. So, all things considered, the outlook from a plate glass insurance standpoint is gloomy indeed and just how the casualty insurance companies are going to take any profit out of the glass insurance end of their business is a problem which is as yet unanswered.

Commissions Are Cut

Acquisition cost loading for liability and compensation insurance on government war work and stevedoring has been reduced from 17½ to 7½ per cent. for general agents and branch managers. Brokers and local agents are limited to 2½ per cent. for field services. The new rates are effective May 10. This action was taken at a conference, Wednesday, in New York, between representatives of the government and the National Workmen's Compensation Bureau.

* * *

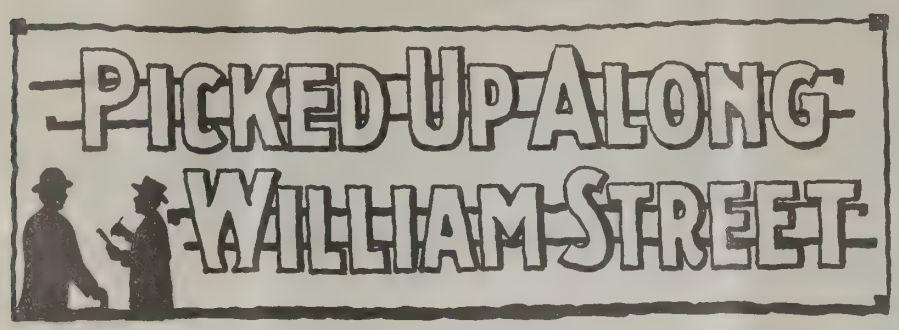
Many Injuries Accounted For

Thirty per cent. of all industrial accidents are believed to result from handling materials and supplies. The National Safety Council is conducting a campaign to reduce this hazard.

* * *

U. S. F. & G. Gets Big Contract

The U. S. F. & G. has written a $20,000,000 policy covering the contract of the W. F. Kearns Co. to build a new Boston shipping terminal at South Boston for the Government. The contract covers surety, compensation and liability and was handled by O'Neil & Parker, New England managers of the Company.



Dry Goods Store Buys Group Health Policy

The Burdick & Murray Co., dry goods merchants, of Madison, Wis., have purchased a group policy which provides for a weekly income for each employe disabled on account of illness. The Wisconsin compensation act provides for the payment of indemnities covering accidents to employes, and officers of the Burdick & Murray Co. felt that additional protection for their employes would be a highly desirable feature. Each employe will be given a policy providing for an indemnity in event of death following such sickness.

The Burdick & Murray Co. policy was issued by the Continental Casualty Company which also insures the employes of the Union Pacific Railway Company.

* * *

Companies Vary in Practice

Since the American Automobile, of St. Louis, has signified its intention to write $25 and $50 deductible collision policies, there has been no uniformity of practice among other non-conference companies. The Chicago Bonding is issuing such policies in Chicago, as is also the Interstate Casualty in all its territory. The Georgia Casualty, American Indemnity and Southern Surety are not issuing this form.

* * *

Commercial Opens Offices

Last Monday the Commercial Casualty opened its new offices at 128 William Street, where the Company has completely remodeled a four-story building for its needs. A surprisingly good job has been made of it. The new offices are light, roomy and convenient, with a long counter down stairs in the underwriting department. Numerous friends sent floral tributes to the management. The Commercial has always regarded the claim department as one of the most important in the business and the second floor of the New York building is devoted to that branch. The Company's attractive trade mark denoting the industry and progress has been handsomely executed in the tiling of the floor. There are still two floors in the building into which the Company may expand or rearrange its departments as occasion may require.

Collision Rates Postponed

Application of the new automobile collision rates on the Pacific Coast has been postponed until July 1. There has been insistent delay in applying the new rates there, particularly by the fire companies, and it was therefore decided to make a definite postponement.

* * *

Meeting Date Set

May 23 the quarterly meeting of the National Automobile Underwriters' Conference will be held in New York.

* * *

One Hundred Per Cent. Sold

The Great Eastern Casualty produced a 100 per cent. efficiency record on the Third Liberty Loan. Every one of its employes and officers subscribed. The Company is displaying a ten-star flag, one star for each ten points in efficiency.

* * *

"Over the Top"

The Liberty Loan team of E. E. Clapp & Co., and the Fidelity & Casualty went over the top of a million with 14,845 applications for $1,454,150, which includes the Company's subscription of $300,000. There were about 160 men who participated in the campaign.

* * *

Experience Rating Progresses

Interest in compensation experience rating continues to manifest itself. The Massachusetts actuarial committee will meet next Monday to discuss this subject. The governing committee of the New York Inspection & Rating Board has approved experience rating but is now waiting for the proper factors to be determined by the actuarial section of the National Reference Committee. When these factors have been supplied the subject will be referred to the New York Insurance Department. The actuarial section is holding a three days' meeting this week. The Pennsylvania actuarial committee met last Monday.

N. B. & M. Promotions

(Continued from page 13)

tersburg, Va. After being a local agent for seven years he became special agent of the Lancashire for Virginia and North Carolina, under Manager Milton Dargan. He joined the special agency forces of the Caledonian traveling throughout the South with headquarters in Atlanta. In 1897 he was appointed assistant manager of the Manchester Assurance, and in 1904 became assistant manager of the Atlas. In 1905 he was made general agent of the Southern Department of the North British & Mercantile, and later general agent of the New England and Southern departments. In the latter part of 1917 he relinquished jurisdiction of New England and again became general agent of the Southern Department.

Edward T. Cairns is a native of Hartford, where he entered the fire insurance business in 1892 as a draftsman for the Factory Insurance Association. He served eight years with that association in various capacities from office boy to inspector and in December, 1900, resigned to enter the employ of the North British & Mercantile as inspector in their new improved risks department. He remained in the service of the North British as inspector, and was successively in charge of the improved risk departments at Chicago and New York and of the Central Department at New York until February 1, 1916, when after fifteen years' service he resigned to become vice-president of the Pennsylvania Fire at Philadelphia. The change of ownership of the Pennsylvania last year brought Mr. Cairns back to New York among his old friends in the North British office where for the past six months he has been in charge of the New England business of North British & Mercantile and its allied companies.

C. L. Case belongs to a famous family of fire underwriters, three generations having been fire insurance men. After his graduation from Harvard in 1898 he became a surveyor for a local agency here, and his first special agency position was with the United Fire of Baltimore. At various times with this Company his territory was New York State, New Jersey and Pennsylvania. For five years he was special agent of the New York Underwriters' Agency for New York State, and he left that position to become special agent of the North British & Mercantile for New Jersey. When the North British bought control of the Commonwealth, Mr. Case became its Eastern special agent. Next he became assistant general agent of the North British group for the Middle Department, and then general agent in charge of the Western Department. He is a son of Charles Lyman Case, United States manager of the London Assurance.

Robert P. Barbour, after some experience in the mercantile business, during which time he traveled extensively, entered the office of the Greenwich Insurance Company. He joined the forces of the North British & Mercantile in 1903 as a special agent, and later became a general agent of the Company. In 1901 Mr. Barbour organized the Insurance Society of New York which now has about 1,100 members and he has been both secretary and president of that organization. Mr. Barbour is the author of a book entitled "The Agents' Key to Fire Insurance," which is the best text book of the kind which has yet been published.

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Casualty Men Drawn Together

AID TO COMPENSATION WORK

Broad Field of Activity Covered by National Body—Attitude of Agents

It is well that the term "national" was—not so long ago—incorporated in the title of the National Workmen's Compensation Service Bureau. Its activities are nation-wide. The organization deserves to be known as a national institution; not as one having at heart the interests of any particular section of the country, while at the same time regulating the entire field.

The Bureau may in truth be said to have "arrived," and come into its own because of the realization by casualty men throughout the field of what it is now accomplishing for the business of compensation and liability insurance, including the property damage and collision feature of automobile insurance.

Branch Office System

One of the vitally important steps taken by the Bureau was the organization of branch bureaus. This was in effect, the establishment of autonomy, a sort of local option. The National body lays down the principles, the application of which is taken care of by its branches. This has proved of the greatest value in welding the organization and removing any belief which may have existed that the organization leaned to bureaucracy.

Springing up over night as did the compensation business, it was to be expected that considerable confusion should follow in its application. The general belief among insurance men now is that without the Bureau the satisfactory writing of compensation would have become well nigh impossible.

Getting Short Range View

With the branch bureaus, able through their local committees to adjust satisfactorily so many of the knotty questions that arise, the local men are coming to regard the Bureau as something of, by and for them, not as an instrument of regulation and suppression, often out of tune with local conditions which appear simple enough to the local man, but difficult of interpretation at long range.

Nobody who has seen the local committees and the local Bureau managers sitting in harmonious consultation of local problems can fail to realize the momentous strides that have been made in the work of regulating this highly complex branch of underwriting.

Brings Men Together

It has brought the local men together in a spirit of co-operation and friendliness, whereas these same men, not so long ago, held aloof from one another and doubted one another's motives.

In the Northwest

Even in Minnesota and in some Middle West cities, where but a short time ago compensation conditions were in particularly bad condition, there is now a feeling of harmony among insurance men. They feel that without the Bureau there would be no compensation insurance by stock companies and without that there would be no commissions.

When a broker demands an excess commission from A on the ground that B is paying it, there is now a sufficiently fraternal spirit between A and B for them to consult each other on this subject, whereas before they stood apart and secretly damned each other's methods. Perhaps the broker had them both buffaloed. Perhaps either A or B was at fault, but the big idea is that there is more disposition to settle these questions on their merits and improved conditions have made it possible to do so in a friendly and co-operative spirit.

Supervisory Body

While still exercising general supervision over the whole realm of compensation and liability insurance the Bureau is becoming more and more a supervisory body and less of a governing body. This is true also of rating matters. Through the National Reference Committee and its subactuarial committee these problems are taken up in the broad spirit in which they should be—State rating boards and insurance departments co-operating.

CASUALTY AND SURETY POINTERS

Where Best Fidelity Prospects Are

It is our experience at the home office that all over the country the most apparent leads for the securing of fidelity business are overlooked or ignored. The big target risks are sought by all the companies, but the smaller lines are neglected, and there is a tremendous volume of this small business for the company that will systematically make a drive for it. It also pays the agent handsomely for the small amount of trouble he takes to secure it because if he once gets on his books the business of a small employer who bonds perhaps not more than two or three employes, he has a source of premium income yielding him a definite annual commission which will in all probability remain with him for many years, as the competition for such business is anything but keen. Systematic effort to secure the fidelity bonds of these small employers yields liberal returns to the agent whose foresight impels him to seek such business while his competitors are after bigger game only. Nearly every employer no matter how small his business, has a bookkeeper and cashier. Many small concerns having several employes who handle funds, are overlooked by the average agent in his search for business, when all that is needed is the mere suggestion that the employer should protect himself against loss. This is especially true to-day, when all employers are constantly changing employes. In not one out of ten of these very small concerns is the clerk or cashier bonded, and the business is yours for the asking. Our experience has been that these employes are excellent risks; usually men or women of high grade. I trust that those who read this will make an effort for the small fidelity business in their respective territories as I am sure the result will repay their efforts. The large business, they need no urging to go after.—"The Fidelity Journal."

Observer Discusses Hendon Chubb's Speech

(Continued from page 16)

tion to successfully meet the competition bound to be encountered after the war. Furthermore, it has been authoritatively stated that the Government has set aside one of the largest funds ever heard of for marine insurance purposes, and it is the intention of the Government not alone to insure hulls but cargoes as well. If this report is authentic and the Government goes to this extreme, then the volume of premium which is left for marine underwriters will be so nominal that it will not be attractive for any new capital or for the companies now doing the business to continue the same. In addition to this, as we have already written, the Emergency Fleet Corporation has already deprived American marine underwriters of a large premium income by carrying its own marine and builder's risk insurance, contrary to the express wishes or ideas of the Congress and Senate which incorporated this body; and it has also been stated that there is nothing contained in the act organizing this corporation which gives them apparent authority to do so. Secretary Daniels is the only head of a governmental department thus far who has shown that he had full grasp of the situation and the necessity for encouraging American marine insurance. Our understanding is that he was approached by the managers of the Government Insurance Fund and was asked to place the insurance of vessels building for the Navy Department in the Government Fund, which he refused to do on the ground that he believed in the policy of fostering and upbuilding the American insurance companies as a necessity for future operations, and this is the only branch of the Government business which is now being insured by American companies.

After the War—What?

This war has shown most conclusively that preparedness is essential in all undertakings, and if the enormous mercantile marine fleet that the United States has built, which is now under construction and which will be built in the future, is to revert to private owners after the war to be engaged in oversea trade, we should prepare for the future and provide and upbuild a system of marine insurance in purely American companies. As we have stated in our previous articles, in order successfully to compete for oversea trade, there are three important factors: (1) The shipowner; (2) the banker; (3) the link which binds them together—marine insurance. Mr. Chubb says that the English Government has always encouraged marine insurance; has not hampered it through excessive taxes, which has also been the policy of the German Government, and in fact of other foreign governments. They realize the necessity of having such institutions in order to further their maritime strength. If the Government continues on its reported, proposed policy, when the period of competition sets in our American companies writing marine insurance business will be in such a weakened condition and state that they will not be able to give proper resistance to our foreign competitors. Notwithstanding what we have done and what we are doing for our Allies, after the war the competition for the oversea trade, which includes marine insurance, will be just as keen as ever and it will be the survival of the fittest.

German Syndicate Made Millions Out of American Business

In addition to this we should not lose sight of the fact that while American capital was peacefully slumbering and lying dormant, at the outbreak of the war the German Government forced its insurance companies to enter into a marine and war risk syndicate, and their New York connections succeeded in making millions of dollars of profit out of American business, which money is now in the hands of the Custodian of Alien Property at Washington, and naturally after peace has been declared will be returned to the lawful owners thereof, who will then be in a position, in addition to having their powerful organization behind them, to give battle to the weakened American companies with our own money, and, if necessary, they will be willing to lose most of their profits to again retain their hold on the American business.

Patriotism of American Directors

The position which Mr. Chubb takes that as a war measure he deems it advisable for the Government to assume the business of marine insurance, might be all right if it did not have a material affect on the future conditions of American companies. We have already stated in previous articles that we are quite confident that every board of directors of every American insurance company would pledge themselves to invest every penny of income derived from this class of business in Government securities. In fact, we challenge any one to mention any more loyal or patriotic body of men than those engaged in the insurance business, and we will go further and state that we do not think that any group of capital or industry has subscribed more liberally in proportion to the money which these insurance directors or officers had invested in the first, second and third Liberty Loans, nor is there any body of men engaged in any industry or business which will more willingly go out of its way to assist the government than the gentlemen engaged in the business of insurance.

There are any number of large offices which on account of the loss of hull business and cargo business as well as the material cut in war rates, on a comparative basis with the business done for the first four months of 1917, compared to 1918, show a reduction of their premium income of about 50 per cent.

OBSERVER.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary
GEORGIA CASUALTY COMPANY
HOME OFFICE: MACON, GEORGIA
"DIXIE AUTO POLICY"
THE LAST WORD IN MOTOR INSURANCE
Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY
INSURANCE CO. OF NEW YORK
HOME OFFICE, 47 CEDAR STREET
CHARTERED 1874
Plate Glass, Burglary, Accident and Health Insurance
EUGENE H. WINSLOW, President
Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.
RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE
HEAD OFFICE
CHICAGO
F. W. LAWSON
General Manager
Liability, Accident, Burglary, Boiler and Credit Insurance
Established 1869.
F. J. WALTERS
Resident Manager
55 JOHN STREET
New York
Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers
New England
London Guarantee & Accident Co., Ltd.
OF LONDON, ENGLAND

LIABILITY DEPARTMENT
Continental Casualty Company
H. G. B. ALEXANDER, President
is now ready to negotiate agency connections covering all lines of Workmen's Compensation, Liability, Automobile Insurance in the following states: New Hampshire, Vermont, Iowa, Kansas, and portions of Michigan, Indiana, Wisconsin and New York.
Also in the various Provinces of the Dominion of Canada
Premiums written 1917.....$5,500,000
Assets over 3,000,000
Address Agency Department
910 MICHIGAN AVENUE, CHICAGO

American Surety Company of New York
100 BROADWAY
Fidelity and Surety Bonds
Burglary Insurance

The Employers' Liability Assurance Corporation, Ltd.
The original and leading Liability Insurance Company in the World
LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE
United States Branch
SAMUEL APPLETON, United States Mgr.
Employers' Liability Building
33 BROAD STREET, BOSTON, MASS.
AGENTS WANTED

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

Pan-American Life Insurance Company

NEW ORLEANS, U. S. A.

CRAWFORD H. ELLIS, President

Capital.....$1,000,000.00

OUR 1916 STATEMENT SHOWS

Insurance in force	(over)....	$42,400,000
Resources	(over)....	5,600,000
New Insurance paid for		10,000,000

The High Scores in the Life Insurance Profession are won by Trained Men. We will train you in the Profession and locate you in Productive Territory either North or South. Your Opportunity is Here.

Further information on request. Address:

E. G. SIMMONS, Vice-President and General Manager
Whitney Central Bank Building
NEW ORLEANS, U. S. A.

PURELY MUTUAL **THE** CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, $1,604,426,324

SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued

POLICIES MOST FLEXIBLE AND EASY TO SELL

Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

GEO. E. COPELAND,
Supt. of Agencies,
Milwaukee, Wis.

Associated Mutual Agency Incorporated

B. J. ALLEY, Manager

68 William St., New York

Exceptional Facilities for Writing Business Throughout the United States

THE TRAVELERS

INSURANCE COMPANY — INDEMNITY COMPANY

HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

73d ANNUAL REPORT

NEW YORK LIFE

INSURANCE COMPANY

346 & 348 BROADWAY - - NEW YORK CITY

Income for the year 1917:

Premiums	$100,279,122.00	
Interest and Rents	39,957,422.00	
Other Income	5,881,618.00	$146,118,162

Paid Policy-holders, 1917 (Exclusive of Disability Benefits):

Death Losses	$30,599,371.00	
Matured Endowments	13,566,409.00	
Surrender Values	18,527,170.00	
Dividends	22,807,762.00	
Annuities	1,387,241.00	$86,887,953

Loaned Policy-holders during 1917..... $23,722,213

New Paid-for Insurance in 1917 (Exclusive of over $16,000,000 increase by Policies revived and increased, and Additions by Dividends)..... **$315,994,500**

Paid-for Insurance in Force Dec. 31.....$2,673,334,336
Number of Policies in Force Dec. 31..... 1,301,969

Admitted Assets, Dec. 31, 1917..... $934,929,381

These assets are the property of over 1,000,000 people with their dependents (in accordance with their contractual rights). The Company is purely mutual; it has no capital stock.

Legal Liabilities $760,742,335

Reserved for dividends payable in 1918	$26,561,063.64	
Reserved for dividends on deferred dividend policies maturing subsequent to 1918	107,041,778.00	
Reserved for Contingencies	40,584,204.36	$174,187,046
Total		**$934,929,381**

THE ANNUAL DIVIDEND RATE OF 1917 WILL BE MAINTAINED IN 1918

For the year 1917 the Company's mortality rate was the lowest in its history

Average earning power of total Ledger Assets { Dec. 31, 1917, 4.59% / Dec. 31, 1916, 4.54%

A detailed statement will be sent to any person asking for it.

January 14, 1918 DARWIN P. KINGSLEY, *President*

OCT 23 1918

BROKERS U. AND O. REPORT---Page 13

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 20 | NEW YORK, FRIDAY, MAY 17, 1918 | $3.00 a Year; 25c. per Copy

SUBURBAN AGENTS ON EXCHANGE SITUATION

Believe Rules Should Be Amended So Agents Pay Fines Instead of Companies

HARDSHIP ON HEAD AGENTS

Local Agents Can Continue to Represent Companies Dropped—Head Agents Cannot

Local agents in the suburban field have been asking this week how last week's action of the Suburban Fire Insurance Exchange in dropping four companies from membership will affect their offices. Under the rules of the Exchange, the local agents will continue to represent these companies as well as Exchange members with no violation, whereas the head suburban agents must discontinue writing business for such companies.

From Head Suburban Agents' Viewpoint

In the view of several head suburban agents interviewed by The Eastern Underwriter, this condition works a real hardship on them. In no instance where one of their companies was dropped from membership was it a result of any violation of theirs and yet under the rules of the Exchange they must stop writing business while the agent who committed the violation, whether intentionally or not, can continue to do business in the usual way with no penalty attached.

Of the four companies which were dropped from membership, it was in each instance over an unpaid fine of $20 or thereabouts. The attitude of the officers and of the members of the Deviation Committee of the Exchange, which handled the matter, is that the rules of the Exchange called for a fine and to sustain the organization, the fines must be imposed, and in the event of the fine being uncollected, the company must be dropped from membership.

Agents point out that some companies are in the habit of making the agent, through whose operations the fine was imposed, pay the same, and they state that if the Exchange were to amend its rules so that in the future all companies will take like action, a recurrance of the present condition will be impossible. They also point out that under this plan no other than the offending party will suffer through his acts.

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Underwriting Capacity Second to None.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

To the Man Who is Willing—and Will

SAN JACINTO LIFE INSURANCE CO. - BEAUMONT-TEXAS -



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

THE GAUVIN AGENCY

THE PILOT POLICY

NEED OF TRANSFERRING CASES TO U. S. COURTS

Reynolds vs. Maryland Casualty Testimony Alleged to Show State Prejudice Against Companies

CAN'T GO TO FEDERAL COURT

Movement on Again to Make it Possible to Come Under U. S. Jurisdiction

The unfairness of the laws in twenty-four States precluding the rights of an insurance company from transferring a law suit from the State to the Federal Court was again demonstrated in the recent case of Reynolds vs. Maryland Casualty Company just decided by the Supreme Court of Missouri.

It appeared by the evidence that on November 27, 1909, the defendant company issued an accident policy to James W. Reynolds, of Chicago, which among other terms, agreed to pay the estate of Mr. Reynolds $10,000 in case of death by bodily injuries effected directly and independently of all other causes through external, violent and accidental means. Suicide, sane or insane, was not covered by the policy. The policy was renewed for another year on November 27, 1910, and 10 per cent. accumulations were added making the policy payable for loss of life by accidental means in the sum of $11,000.

Company's Defense Suicide

On September 19, 1911, Reynolds died at the Fort Pitt Hotel in Pittsburgh from a gunshot wound inflicted upon him on the day of his death. The Company denied liability on the grounds of suicide and suit was brought by the estate of the insured. The case was sued in Missouri the sole question being upon the simple question of whether the insured came to his death by accidental means or suicide.

Facts in Case

The facts show that the insured about 7:30 on the morning of September 19, 1911, went to the Fort Pitt Hotel in Pittsburgh and registered under the name of J. C. Howard. He left the key outside hanging in the lock. Thereafter he was not heard from and his body was found about 10:30 A. M. on September 20. The body was in the bathroom fully dressed except as to his coat, which was found on a chair in the bedroom. The bed had not been

used. There were evidences of two wounds. One of these was in the head seemingly entering from the back and the other was in the cheek. The first described wound caused his death. The other wound was almost superficial. The pistol, a towel, and a piece of soap were found in the wash basin near the wall. The pistol was a Colt automatic and after it was once fired the mechanism operated by the force of the recoil, manipulated the outer casing, ejected the empty cartridge shell throwing a loaded cartridge into the barrel and cocking it again ready for firing upon mere pressure of the trigger.

Supreme Court Affirms for Plaintiff

The court properly held that there was a presumption of law against the fact of suicide and that the burden of proving suicide was upon the company. It also charged the jury that if they found from the evidence that Reynolds intentionally shot himself twice with the intention of producing his death then his death was not accidental. The jury found immediately for the plaintiff and the Supreme Court of Missouri affirmed the judgment.

The unfairness of the decision is evidenced by the strong dissenting opinion filed by three of the judges of the higher court who held that while there was a presumption against suicide that such a presumption could not exist in the presence of evidence diametrically contradicting it. The moment explanatory evidence came into the case the presumption dissolves into thin air and becomes as wholly nonexistent as though it never had had existence. Continuing the dissenting opinion said that there was no doubt that the insured shot himself. Every fact showed it conclusively. Three circumstances pointed to suicide, viz., the registering under an assumed name, the firing of two shots, and the necessity to cock the pistol designedly before the first shot could be fired.

It was argued that because there was a presumption against suicide that the court was to use that presumption not in the absence of evidence, for the case was full of circumstantial evidence, but in the presence of evidence. In short, the court used such a presumption as evidence to batter down and destroy all the fact evidence of the case.

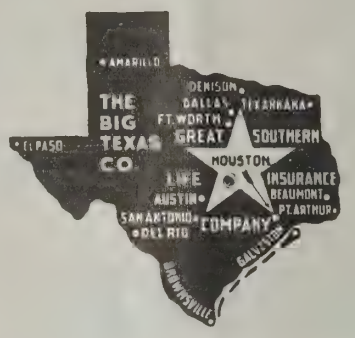
In concluding the dissenting opinion it was brought out that the case showed as a matter of law that the death of the insured could not have been accidental and that the opinion of the majority of the court piled presumptions upon presumptions, absent any evidence or basis therefor save and except that afforded by unbridled recourse to bare hypothesis. The effect of the decision is to make of the presumption entertained a matter of evidence, which would result in shearing the courts of the power to declare that there is a lack of evidence in any and every case where a presumption is by law required to be indulged regardless of the quality or quantum of the evidence offered to contradict the presumption.

The Missouri Situation.

Missouri has a law which provides that in case an insurance company transfers a case to the federal court its license will be revoked. Insurance men say that this is a State where courts are prejudiced against insurance companies. If this case could have been transferred to a federal court there is small question but that a directed verdict for the Company would have resulted. The constitutionality of the statute which prevents a company from transferring a case to the federal court has been tried out in several cases and found valid, but it is understood a movement is on foot again to put the law to a rigid test in view of the manifestly unfair treatment the insurance companies get in some of the State courts.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

ALL CLASSES OF U. S. EMPLOYES

War Risk Bureau Extension—Senator Lewis Also Wants all Wage Earners Covered

Washington, D. C.—In a speech in the Senate advocating the passage of one of the then pending war risk insurance measures, Senator James Hamilton Lewis, of Illinois, this week announced his advocacy of an extension of Government insurance to take in all classes of Government employes. Senator Lewis had previously stated he would offer an amendment to the bill in question so extending it, but refrained from doing so in order to expedite the legislation that had been proposed by the Senate Finance Committee.

"I desire to say that I feel this bill as now presented ought to comprehend all the employes of the Government," declared Senator Lewis, "particularly those in shipyards and those in munition plants, and that it should cover the employes of the Government to the same extent and with the same privileges that now apply to soldiers. I shall not press the amendment, but I will give notice that I shall tender a bill to extend this soldiers' and sailors' risk insurance to all the employes of the Government. I also give notice that I shall follow that bill with a bill to extend the system to all wage earners of the United States of America and shall present it later on the floor in full, but because of the consideration of other important and pressing legislation I will withhold the amendment which previously I had given notice that I would now present. I do so for the reason I have stated."

BOHM A GENERAL AGENT

Julius Bohm has been made a general agent of the life department of the Travelers, with offices at 512 Fifth Avenue.

The Fieldmen of

The Guardian Life Insurance Company of America

in March, 1918, the first month under the Company's new name, produced new business amounting to

$4,820,210.00

$460,000.00 in excess of the largest amount ever written in any other month since the Company was organized in 1860.

The new business paid for in 1917 amounted to $24,816,657.00 and exceeded by $3,751,129.00, the best previous year in the Company's history.

Assets	$54,664,135.11
Guarantee & Dividend Fund	5,880,822.73
Insurance in Force	169,043,316.00

For a Direct Agency Connection with

A GROWING COMPANY FOR GROWING MEN

address

T. LOUIS HANSEN, Superintendent of Agencies

50 Union Square, New York, N. Y.

Actuaries Hold Annual Meeting

INTERESTING PAPERS READ

Joint Mortality Experience of Aetna Life and Travelers on Group Given

The Actuarial Society of America met yesterday and to-day at the Hotel Astor. The following papers, among others, were read at the meeting:

Mortality by Order of Birth.
Percy H. Evans, actuary Northwestern Mutual.

An Investigation of the Mortality Prevailing Among the American Clergy.
Walter S. Nichols, editor "Insurance Monitor" and "Insurance Law Journal."

Graduation by Symmetrical Coefficients.
John R. Larus, Jr., of the Phoenix Mutual Life Insurance Co.

Joint Mortality Experience of the Aetna Life and Travelers Insurance Companies on Group Policies.
E. E. Morris, actuary Travelers, and E. E. Cammack, associate actuary of the Aetna.

Determination of Makeham Graduation Constants by Means of Equivalent Ages.
Percy C. H. Papps, actuary Mutual Benefit.

The annual dinner of the Society was held at the Hotel Astor last evening. The dinner was a "food conservation" one. Among the speakers at the dinner was Rev. Dr. Thomas Travis, of Montclair, of the Red Cross, who has gained prominence as a speaker and who has been at the front. Others who spoke were: T. B. Macaulay, president of the Sun Life of Canada, on "Principles of Food Conservation," and John M. Gaines, Deputy Commissioner of Insurance of the Bureau of War Risk Insurance. Deputy Gaines was an actuary.

WHY LIFE ATTRACTED STONE

Five Reasons Which Were Responsible For Organization of Maryland Assurance Corporation

There are five reasons which induced the Maryland Casualty Company to enter the life insurance field. John T. Stone, president of that Company and of the Maryland Assurance, sums them up in this wise:

The marked growth in popular favor of life insurance, as shown by the large increase of business, year by year, of nearly all life insurance companies.

The larger incomes now received by great numbers of men, enabling them to buy life insurance, and suggesting the need to provide for the continuance of the comfort their families are now enjoying.

The serious habit of mind produced by the horrors inflicted on the world by Germany, by the daily casualty lists, by the sharp reminders of death's certainty, and by the uncertainties of post-mortem conditions.

The unqualified endorsement of the life insurance idea by the United States Government, in providing ten thousand dollars of life insurance for every man in military or naval service.

The close relation between accident-health insurance and life insurance.

BEST'S POLICY ANALYSES

The Eastern Underwriter has received a copy of "Best's Policy Analyses and Dividend Illustrations, 1918." It is reduced to more convenient size without limiting the data, in fact, there is additional information regarding disability provisions, double indemnity and military and naval features.

Red Cross Opens New York Office

IN CHARGE OF ROBERT L. JONES

Y. M. C. A. Pays Extra Premiums on Workers—Knights of Columbus Plans Not Announced

Insurance Director Rathbone, of the American Red Cross, has opened an agency at 222 Fourth Avenue, this city, in charge of Robert L. Jones, general agent of the State Mutual Life, 80 Maiden Lane. Associated with him at the office is William F. Plume, of the same Company. As has been printed some insurance companies are writing workers of the Red Cross at an extra single premium charge of $25 per thousand. The Red Cross is paying this extra premium provided the application for insurance is submitted through the Red Cross Agency, which has been opened here.

It is also announced that the Y. M. C. A. will pay the extra premium for any of its workers also, but makes no restriction as to where the insurance shall be placed.

Metropolitan's Letter

The Metropolitan Life, one of the companies writing this business, in a statement to its field force this week, after telling about the Red Cross insurance, said:

"The Y. M. C. A. will likewise pay the extra premium for any of its workers, but makes no restriction as to where the insurance shall be placed. Application on any association worker may be submitted to this office in the usual way and, if approved, a policy will be issued. We will arrange for collection of the extra premium from the association. It would be advisable in all cases to collect the first premium on a binding receipt.

"The Knights of Columbus, so far as we have been able to ascertain, has no similar plan for paying the extra premium on insurance for its workers, but has we understand a system under which it will insure its own workers in a limited amount. It would be necessary in submitting an application to the Metropolitan on the life of one of their members to see that the applicant understands that he would be obliged to pay the extra premium in addition to the regular one."

"PROVIDENT NOTES"

New Publication of Provident Life & Trust Co. Makes Appearance

Interesting, newsy, chatty, valuable to the field, is "Provident Notes," the new publication to be issued semi-monthly by the Provident Life & Trust Company. The first issue is largely taken up with facts about the General Agents' Association meeting, which was held in April. It is announced that Matthew Walker will be a leading contributor. The Company announces that the publication will fill a long-felt want.

BENDERLY WITH EQUITABLE

Jacob Benderly, who was born in the Orient, who was once manager in Egypt of a large continental life insurance company, and who for some time has been a general agent of the Travelers on the East Side, has been made agency manager of the Equitable at 45 East Seventeenth Street.

AGENCY MEETING ARRANGED

The Southern Life & Trust Company of Greensboro, N. C., will hold a convention of its agents in Atlantic City, August 27-29.

SOCIAL INSURANCE

Hearing in Madison, Wis., Last Week —Cleveland Hearing Also Scheduled

Milwaukee, Wis., May 10.—The special committee appointed at the last session of the legislature to investigate the question of social insurance and report to the session of 1919, held a hearing in Milwaukee on Thursday at the Hotel Wisconsin.

Senator W. W. Albers, of Wausau, chairman, and Senator Theodore Bennfey, of Sheboygan, with Assemblymen J. P. Donnelly and Henry Ohl, Jr. of Milwaukee, were present, and H. C. Case, of the Allis-Chalmers Company, and B. Rosing, of the A. O. Smith Company, spoke on systems of health insurance before them, while Bert Hall, of the Employes' Mutual Benefit Association of the Electric Company, also appeared. The committee also investigated the sick benefit system of the Fraternal Order of Eagles.

The entire committee will go to Cleveland for the hearing before the committee appointed by the Ohio legislature to be held in that city on Monday and Tuesday.

GUESTS AT PARADE

Among the members of the Mayor's Committee on National Defense who saw the New York police parade from the official stand last Saturday were Haley Fiske, vice-president of the Metropolitan Life; Charles Jerome Edwards, who is as proud of Brooklyn as Brooklyn is of him, and Major Francis R. Stoddard, of the New York Insurance Department.

The Illinois Life will hold its Hundred Thousand Dollar Club meeting in Chicago, September 21.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — Pioneer of Industrial Insurance in America — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Mutual Manager a Brigadier General

DODDS, MONTREAL, WINS HONORS

Began in This War as Major—Has Orders of St. Michael and St. George

The life insurance man on this continent who has won the highest military honors is Brigadier General W. O. H. Dodds, C. M. G., manager of the Mutual Life at Montreal. General Dodds, now at the front, has been in the service of the Mutual Life for more than twenty-five years, and just as he won success in the Army he has demonstrated that he is a splendid agency organizer, while at the same time he is a producer of personal business of high order.

Something more than twenty years ago he received his first commission in the Canadian Militia, and after serving in the infantry, cavalry and artillery, he was well qualified for active military service at the outbreak of the present war when he volunteered. It is said that he was the first Montreal Militia Officer to offer his services to the Minister of Militia on the 5th day of August, 1914. His application was immediately accepted and he was posted to an artillery unit as Adjutant with the rank of Major.

Decorated by King George

He accompanied the first division of Canadians to France and fought all through the second battle of Ypres when the Canadians saved the day, their artillery at times firing in three distinct directions at blank point range. He was rapidly promoted and finally decorated by King George as Companion of the Order of St. Michael and St. George, one of the most distinguished military decorations of the British army. He now holds the rank of Brigadier-General, and has command of the 5th Canadian Divisional Artillery. He has been through the recent heavy battles and writes home cheerfully and optimistically of the final result.

His Comment on Lt. Colonel McCrae's Funeral

General Dodds has referred very frequently to the large number of Americans now in Flanders, and of the very friendly relations existing between them



GENERAL DODDS

and the British army, but more especially with the Canadian units.

Essentially a man of action, General Dodds has a strong personality and is a keen judge of men and a born leader. He has always been a great lover of outdoor sports and exercises and to these in a great measure can be attributed his very vigorous health. In a recent letter referring to the death of Lt. Colonel (Dr.) John McCrae (one of the Company's medical referees at Montreal, and the author of the now famous poem "In Flanders Fields"), he stated that while attending the funeral, he felt that he was representing the Mutual Life of New York on that occasion. As to his own health, he was glad to remark that he had not had one day's illness in his experience at the front dating from February, 1915.

HERMAN KRAMER'S CAREER

Herman Kramer, who writes between $500,000 and $1,000,000 annually, became associated with the Chicago general agency of the Penn Mutual in 1912. His first life insurance experience was in the actuarial department of the Mutual Life of New York.

In 1891 he began soliciting and met with such pronounced success that in 1893 he was made an executive special of that Company and sent to St. Louis.

In 1903, he was appointed general manager for the Pacific Mutual with headquarters in St. Louis, having charge of all Missouri, most of Arkansas, and a part of Illinois territory. He produced a large personal business and remained with the Pacific Mutual until 1910, at which time he took a general agency of the Guardian Life of New York, with headquarters in Chicago, and for that Company also he produced a large share of personal business.

S. J. Evarts, at one time with The Eastern Underwriter, is making a splendid record, both as a personal producer and an organizer, with the Northwestern National Life.

EMPLOYES INSURED

The Haynes Automobile Company has given life insurance policies to all its employes.

"Why Should I Carry Life Insurance?"

No. I: The Young Man—25 Years Old—Unmarried

By R. P. BURNS, Peoria Life

Reason No. 1: To Create a Saving Fund

It is true that one can save his money in the bank, or in any one of numerous ways, but it is human nature to neglect this matter unless one sets for himself a definite aim that he must reach. This fund should be one that could not easily be spent, but rather should be regarded as a permanent sinking fund to be used in great emergencies. Suppose you were away from home and became ill and needed a doctor's care, or needed to be sent to the hospital, or maybe you were just plain "broke," and your credit was not established. The little fund from which you can borrow might be worth a great deal to you at this time. Suppose it were a fatal illness. The doctor said that you would have but a few months to live. Knowing that you had a policy of life insurance payable at your death, would it not be natural that any one, taking you in, could, and would give you better care? Many a young man has found in his life insurance policy the money with which to start up in business for himself.

You say you have no dependents. Every real man who has any ambition or pride in life wants to leave behind him when he dies more money than he had when he came into the world. If you have no responsibilities, no one near and dear to you, to whom you could leave this little amount with satisfaction, you could endow some institution, some church, some library, or some of the many needy charities. Suppose your mother is well-fixed today and is *not* in want. If you could leave her a little sum of money, which would be all her own it would enable her to buy some of the luxuries in her old age which she might not otherwise feel she could afford. It would certainly be a pleasure for you to do so. No man ever paid to his mother the debt of love he owes for her anxious hours of watchful care throughout his life.

Reason No. 2: It Helps Your Credit and Backs Up Your Obligations

To the young man on the threshold of a business career, there is nothing that he should value more highly than his credit; nothing will help his credit more than to carry old-line life insurance. A famous banker said: "When a man comes to me to borrow money, there is one question I ask him which gives me more information than any other: 'Do you carry old-line life insurance?' If he does, I know three things: he has good business judgment; he saves and wants to get ahead; he strives to fulfill his obligations. These things show his character." And he adds: "That type of mind which prompts a man to buy life insurance usually makes him succeed in business." It is your duty and should be considered a privilege to back up and make safe, the man who backs you and extends credit to you. You may be ever so honest and ever so capable, but if he loaned you money to put into machinery or into a stock of goods, and you died, how is he to get his money?

You say you can invest your own money. Primarily this is not a question of investment but a question of safeguarding yourself against the exigencies of the future, and backing up your obligations to your family and to your business. Now, I believe that you are capable of handling your own money, and that you have good business ability, but that is all the more reason why you should carry life insurance. Suppose you owned a $20,000 building from which you received a net income of $1,000 a year; as a matter of good business you would carry fire insurance on this building to protect yourself from a possible loss by fire, and if you had a building from which you were getting an income of $2,000 you would feel it even more necessary to protect it from loss by fire because of the greater value as shown by the greater income; and so the greater your earning capacity the greater will be the loss to the estate, when it is cut off. It is a good idea to follow the path of successful men. Look about you at the men who have achieved success in the business world, and you will find that about 95 per cent. of them carry old-line life insurance. There is the broad path leading to success. Men who have gone over the road have marked the way with guide boards for your direction. Why should you disregard them and say that you will cut across lots, through the thickets and across the ravine in the hope of finding a short cut? The chances of your losing the way are so great that you cannot afford to disregard the beaten paths and the blazed trails.

The Marriage Question

You say wait until you are married. Married life brings on its own obligation and you will find many other things to meet at that time. If you are ever going to buy life insurance, why put it off to some indefinite time in the future. It takes the same number of years to pay for it whether you start this year or ten years hence, and every year that you put it off makes the cost that much greater. I had an intimate friend who looked at this just as you do, and he had no one depending on him. His parents were comfortably fixed and he always said what was the use of his buying life insurance until he had some one depending upon him. But he got muscular rheumatism and it settled in his heart and he was not able in later years to get insurance. He married and had children, and, about four years after his marriage, he died. His widow to-day is facing a mighty dark and dismal future because he could not see just what the future had in store for him. The man who neglects to make provision for the future until the needs of the future become the immediate and pressing needs of the present, will usually find himself unprepared when the crisis comes. If you want the respect and confidence of the business man you must follow the established laws of good business. I always feel like congratulating the young man who has the good judgment and foresight to start his life insurance early, because he gets it at the lowest price, he usually has no trouble in passing the examination, he gets it paid for and off his hands at a time in life when it will be of most value to him.

SPECIAL COMBINATION

New Contract of International Life—Premiums Returned in Event of Death

Return of all premiums paid in event of death during military or naval service in time of war is the new feature in the special combination policy of the International Life. The Company says:

"Of course, full protection may be obtained under a military permit and an extra premium, but without extra premium the International Life offers now the logical solution as to life insurance both in time of war and in time of peace.

"The war hazard is a governmental concern—not a hazard assumed by the insurance companies under ordinary premiums. The life companies in the main have been content to pay the policy reserve only following a military or naval claim. That has been considered fair as the government is furnishing temporary protection at nominal rates which may be deducted on a monthly basis from the pay of the best paid soldiers on earth. But the International Life through the special combination group of policies undertakes to lay before every prospect, including those of military age (which Secretary Daniels says will be raised to include 'boys' of seventy if necessary) a contract to cover for life the normal hazard and to return the full premiums paid in event of a military death already covered, for the time being, by federal measures."

THREE NEW OFFICERS

Judge W. S. Ayres, R. W. Hatton and F. I. McGraw Officials of Bankers' Life

All old officers of the Bankers' Life Company were re-elected, and three new members of the officiary were named at the recent annual meeting of the Company.

The officers re-elected are: President, George Kuhns; vice-president and general counsel, I. M. Earle; secretary, Gerard S. Nollen; treasurer, Simon Casady; assistant secretary, George W. Fowler; superintendent of agents, C. C. Blevins; medical director, Dr. Ross Huston; assistant medical director, Dr. F. A. Will; actuary, J. E. Flanigan.

The three new officers are Judge W. S. Ayres, who recently began his duties as assistant counsel, and assistant secretaries R. W. Hatton and Frank I. McGraw. Hatton has been a member of the Bankers' Life home office force for many years, and McGraw has been an actuary in the office of the State insurance commissioner. Some of the changes in the officiary are the result of the recent death of Joseph M. Bachtell, who was auditor and assistant secretary of the Company for many years.

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,-542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

BANKERS BLCo LIFE DES MOINES COMPANY
BE PAYS GOOD PAY TO GOOD MEN

Security Mutual Life Insurance Company
Binghamton, N. Y.
Offers to men able to produce business first class territory, with direct contract providing liberal compensation.
For particulars, address
C. H. JACKSON, Supt. of Agencies

Smith and Ryan Made Actuaries

WITH NEW YORK DEPARTMENT

How Their Paths in Business Life Have Crossed Each Other—Both Young Men

The statement of the Insurance Department this week that its actuarial department has been reorganized with Charles G. Smith in charge of the life end and Harwood E. Ryan in charge of the compensation end, both of them to have the title of actuary, is worth something more than a brief chronicle of the fact.

Formerly the actuary of the Department recently after being at the helm for fifty years. His father had been actuary before him. At the death of Mr. Patterson it was decided that the life and compensation divisions were important enough to have a separate head



CHARLES G. SMITH

for each. Both Messrs. Smith and Ryan are young men, in many respects brilliant, and they are students of their profession and their relationships have been so close that this is a good time to tell about it.

Mr. Smith, after leaving Erasmus Hall High School, Brooklyn, became a clerk in the office of Donald Sinclair, a superintendent of the Metropolitan Life. At night he went to the famous actuarial course presided over at New York University by Henry Moir and Miles M. Dawson. Smith became a full-fledged associate actuary and got ment was John S. Patterson, who died a job with Moir, then actuary of the old Provident Savings. Later, he went West as statistician of the California Insurance Department. A little of this experience satisfied the young actuary and stopping over in Chicago en route East he worked for a time with a Chicago company.

Here enters Harwood E. Ryan, who was about to leave the Puritan Life, where he had made a reputation as actuary to go with the Massachusetts Savings Bank's life insurance proposition. He recommended Smith who became actuary of the Puritan. At about the same time Ryan and Smith decided to take the Civil Service examination of the New York Insurance Department under Superintendent Hotchkiss. They went to New York on the same train. Ryan passed No. 1; Smith passed No. 2. Ryan went with the Department and Smith went to Europe. There this versatile young man studied languages and music and even taught in a German school. In fact, he was in Germany when the war broke out. He returned to the States, accepted a position as an accountant in Boston, and seeing a chance to return to insurance did so with a compensation mutual in New York. In the meantime Ryan had left the Insurance Department to go with the Travelers and in 1912 returned. Smith joined the Departmental forces as assistant to Ryan in the compensation department. Now both are made actuaries.

ATLAS PROGRESS

New Oklahoma Company Sells Stock to 500 People—$2,000,000 in Conditional Applications

The new Atlas Life, of Tulsa, Okla., organized by Stephenson-Walker & Co., at the end of sixty days of organization had a field force consisting of forty-two representatives, and had sold 500 people more than 20,000 shares of stock, from which the Company will realize assets of nearly $400,000. It has conditional applications for more than $2,000,000 of insurance.

T. J. McComb, former insurance commissioner of Oklahoma, consulting actuary of the Company, is now preparing the policy forms. The Company has begun the issuance of a paper called "The Atlas." James A. Stephenson and William Hargis Walker are the principal factors in the organization. H. O. McClure is president of the Company; Dr. S. D. Hawley is secretary.

EARNED $33,730 LAST YEAR

Record of A. L. Farmer So Good New York Life Cites It

It is not the practice of the New York Life to tell the public how much commissions an agent makes, but the record of A. L. Farmer of Farmer & Duran, Oklahoma, was so exceptional last year that the Company has issued a special booklet, with Mr. Farmer's photograph on the cover, under the caption, "How One Salesman Earned Over $30,000 in Twelve Months."

Mr. Farmer's commissions last year were $33,730. "It's a royal business to be in," says the New York Life. Mr. Farmer's achievements prove it. He sold lumber before going with the New York Life.

PRINT S. J. STEELE'S PICTURE

The Philadelphia "North American," which is running a series of features called "Worth-while Philadelphians," printed a picture of S. J. Steele, of the Fidelity Mutual Life.

NIAGARA LIFE BUILDING



Mohawk Cor. Franklin Street, Buffalo, N. Y.

The Combined
Life, Sickness and Accident
policies, sold only by the
Niagara Life Insurance Co.
(WILLIAM H. CROSBY, President)
Protects the insured and his dependents.

Live wire reliable agents may obtain very favorable contracts.

Communicate with
E. H. BURKE
Vice-Pres't & Gen'l Manager
BUFFALO, N. Y.

New England Mutual Increases Limits

$75,000 ON AGES FROM 31 TO 50

General Agents Elect Wilson Williams President—A. L. Saltzstein Vice-President

General agents of the New England Mutual Life have returned to their homes from what they call one of the most interesting conventions of their general agency association they ever attended. It was held at the home office. Although there were no set speeches there was a spirit of optimism about the meetings in connection with the expressions given in reference to the winning of the war, in regard to prevailing business conditions and future forecasts, and as to the Company's progress and plans, which made the convention exceedingly worth attending.

New Orleans Man President

The general agents' association elected Wilson Williams, of New Orleans, president.

Since Mr. Williams became general agent of the New England Mutual Life at New Orleans he has won an enviable position with the New Orleans public. An unselfish man, with a high ideal of the responsibilities of a life insurance man, his energy and resourcefulness have benefitted the business as a whole. Among other activities have been those in connection with the National Association of Life Underwriters.

Other officers elected were A. L. Saltzstein, Milwaukee, vice-president; E. C. McGinnis, Raleigh, N. C., secretary and treasurer. Henry W. Thomas, Louisville, is a new member of the executive committee. The slogan adopted by the general agents was "Conservation and Construction."

Maximum Limits

The Company revised its maximum limits as follows:

	Males	Females
Under 21	$20,000	$10,000
21 to 30	50,000	20,000
31 to 50	75,000	25,000
51 to 55	50,000	25,000
56 to 60	40,000	25,000
61 to 65	20,000	10,000

Term Insurance

Males	Females
$5,000	$5,000
25,000	10,000
25,000	10,000
25,000	10,000
25,000	10,000

PRUDENTIAL GROUPS

Bank, Envelope Manufacturer, Food Product Concern and Brass Manufacturer Among Insured

The First State Bank of Detroit has covered its employes under Prudential group insurance. The commencing amount is $500; amount increasing by years of service until the maximum of $3,000 is granted. This is the second bank group closed within a short time in Detroit.

Other recently written Prudential groups, with brief facts about them, follow:

E. J. Spangler Co., Philadelphia, has covered its employes under a Prudential group policy; commencing amount $500, increasing to $2,000. This is an envelope manufacturing concern.

Hirsch Brothers & Co., manufacturers of the well-known Hirsch food products. Annual salary, or wage, determined the amount of individual insurance.

Hamilton-Carhartt Mills, Atlanta. Individual certificates, in the amount of $500 each, have been issued.

A group policy for nearly one-quarter of a million dollars has been issued to cover over two hundred employes of the Edna Brass Manufacturing Co., Cincinnati. Each employe receives an individual certificate in the amount of $1,000.

The Thomas Laughlin Co., Portland, Me., has adopted the length of service plan as the basis of its group insurance, to cover 186 employes. Minimum is $500, increasing to $1,000 after five years' service.

Now Writes Group

The Interstate Life & Accident, of Chattanooga, has added a group life insurance policy to its list of contracts.

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.
PHILADELPHIA

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

Investment Element of Life Insurance

HOW SHOULD IT BE SOLD?

Both Sides of Case Given By Vice-President Linton of Provident L. & T.

Should life insurance be sold as an investment? In a recent talk to general agents of the Provident Life & Trust, Vice-President Linton discussed this question. He said it cannot be answered by a simple "Yes" or "No." To sell life insurance without taking into account its investment element is to make as incomplete a presentation as to fail to take into account its protection element. The protection element, of course, is not an investment in the commonly accepted sense of the term and therefore must be eliminated in comparing a life insurance policy with a bond or mortgage or other ordinary investment.

Much Misunderstanding

There is much misunderstanding as to the possible interest return attainable under a life insurance contract considered merely as an investment, said Mr. Linton. To make clear the situation, he asks consideration of the following illustration: Suppose a group of one thousand men should form a mutual insurance company and simultaneously take out single premium endowment policies on their own lives. Thereupon suppose the books to be closed and the one thousand policies carried to their conclusion. The company would thereafter receive as income, merely the interest that it could earn upon the single premiums originally paid in. We will suppose the annual return to be at the net rate of 5 per cent. Out of this 5 per cent. the company must each year meet its expenses and its death claims. If the policyholder therefore considers the total single premium as an investment, it is obviously impossible to return this premium at maturity with a large compound interest addition. In actual experience in our own company the return on single premium policies, considering the total premium as an investment has been perhaps 3½ per cent. The rest of this interest has been used to pay claims and expenses.

Continuing, Mr. Linton said:

The principles underlying this simple illustration underlie also the rate of interest return to be expected upon other types of policies. However, as the contractual number of premiums increases other things being equal, the proportion of the premium represented by the investment element decreases so that the compound interest return on the total premium decreases. If we eliminate from the premium, as we properly should, the insurance element, a satisfactory compound interest return is yielded on the remaining portion of the premium. For example, in a whole term thirty-year endowment the compound interest return at maturity on the investment element should average about 4 per cent., whereas by the erroneous method of considering the whole premium as an investment it should yield about 2 per cent.

Basic Needs of Insurance

It is well to point out in this connection that the estimate of compound interest return may be abused in much the same manner that accelerative endowment estimates are abused. The whole principle of mutual life insurance is that the future cannot be foreseen and therefore a premium is charged in advance which in all human probability will cover the risks to be encountered. Actual experience then will determine the amount of the refund. As no one can foresee the future—and in these days this fact is certainly more true than it ever has been in our generation—any estimates of future dividends extending over a long period of years, whether it be in the form of dividend amounts, compound interest return, or date of maturity by acceleration, are bound to be mere guesses and should be avoided by the man who desires to render the greatest life insurance service.

Life insurance should be sold on the basis of its need and indispensable value to the individual and to society. Represent a company in whom you have confidence, preach the gospel of life insurance and allow the future to work out its own results. You may have firm confidence based upon past experience, that justice to all will be done. The comparative compound interest return or the slight advantage in net cost which one company possesses over the others, should not be the basic argument in the canvass. We must get the vision of the service we are rendering, of the crying need for that service and allow figures and minor details to sink to their proper level.

Returning again to the conception of life insurance as an investment, we are all accustomed to pointing out that the first essential of life insurance is impregnable security. In taking life insurance the difference between the resulting return on the investment element and the return which might have been obtained had the investment element been put back into one's business or invested in mortgages or stock exchange securities, measures the maximum sacrifice that is required. However, the word "sacrifice" is not the proper term to express the idea, since in matters so vital as that of insurance protection and provision for old age, the element of chance must be eliminated; and for these ends the elimination of chance is not a sacrifice.

First Class Investment

In several ways the investment element of the long endowment policy compares favorably with a first-class investment.

First, as has been indicated, the security is as nearly absolute as human agency can make it. The policyholder enjoys the advantage of the averaging of the risk of loss. Of all corporate institutions none is stronger than a well-managed life insurance company.

Second, the ease with which relatively small sums may be regularly invested, places the life insurance contract in a class by itself. The interest is compounded and accumulated for the benefit of policyholders in a manner impossible under the regular forms of investment.

Third, in the event of real need the policyholder may obtain the temporary use of his savings by an advance on the policy. Only in the most extraordinary of circumstances and as a last resort would a company make use of the deferring clause. In all human probability the deferring clause would never come into play until long after all other sources of credit had been closed, so that in reality a large equity in a life insurance policy is the very best anchor that anyone, be it an individual or a business corporation, could throw to windward.

Fourth, the life insurance contract does not depreciate in value. There never was a time when this fact could be used with such force as to-day, when the most gilt-edged securities have suffered such unprecedented shrinkage in value. After two years' premiums have been paid the insurance policy increases in value each year (even if premium payments are discontinued the paid-up policy increases) and the increase is guaranteed by the resources of a great financial institution.

Fifth, the life insurance method of investment avoids the expense, inconvenience and possible loss that attend the reinvestment of funds when an ordinary investment matures or is paid off. Even when the face of the policy becomes payable by death or maturity there is no change in the security of the fund. The settlement options enable the policyholder to avail himself of the continued security afforded by the company. The policy proceeds may be left at interest with an absolute guarantee of the integrity of the principal and a given rate of interest; or may be paid over a series of years or throughout the lifetime of an individual.

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS



THE REAR GUARD
No more virile and efficient body of men can be found than the large army of life underwriters.
Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.
Four big success factors in the work of the Union Central Agency Force are:
The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.
The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.
The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.
The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.
THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Business Associations

Help men to success.

Provident agents are associated with a business organization whose reputation for integrity, fair dealing and financial security extends over half a century.

Write for information

The Provident Life and Trust Company

of Philadelphia

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

The Equitable's New Vice-Presidents

MEN OF UNUSUAL ABILITY

Experience of William E. Taylor, William J. Graham and Dr. J. V. E. Westfall Briefly Given

Pictures of the three new vice-presidents of the Equitable Life Assurance Society are printed on this page. They are William E. Taylor, made a second vice-president; William J. Graham, made third vice-president, and Dr. J. V. E. Westfall made executive vice-president.



W. E. TAYLOR



W. J. GRAHAM

William E. Taylor has long been recognized as one of the great agency managers of the country. He is an indefatigable worker, a convincing polished speaker, and has the respect and good wishes of the entire agency force. He was an agent and a general agent before becoming superintendent of agencies.

William J. Graham, who has been elevated to third vice-president, has had a most remarkable all around experience in the life insurance business, during which time he has made a fine record as an actuary, as a producer, as an executive and as an inspiring talker and literary writer. His experience has embraced fraternal insurance and State insurance departmental work also.

Dr. Westfall, the new executive vice-president in charge of all departments except agency and financial, was graduated from Cornell University. Going abroad to complete his education, he attended the University of Gottingen for one year and a half and the University of Leipsic, from which he received the degree of Doctor of Philosophy. Returning to this country he was a member of the faculty of the State University of Iowa for five years, being Assistant Professor of Mathematics. He left university work to go with Haskins & Sells, certified public accountants of New York City, and about eleven years ago he joined the Equitable and ever since has been associated with the president's office. For some time he has been assistant to the president.



DR. J. V. E. WESTFALL

The other promotions announced were of Henry L. Rosenfeld and Leon A. Fisher made second vice-presidents.

RETURNS TO FIELD WORK

R. J. Fry, who has been manager of the service department of the Equitable Life of Iowa, has returned to field work at his own request, and is associated with B. H. Deters in the Company's general agency, St. Paul.

Hartford Notes

Very little change has occurred in the quotations of insurance stocks in Hartford. Aetna Casualty and Surety Co. is quoted at 490, Aetna Life at 600, Connecticut General at 720, Hartford Steam Boiler at 400, Travelers at 600, Aetna Fire at 350, Hartford Fire at 720, National Fire at 340, Phoenix Fire at 340 and Standard at 55. Thus far during the war the quotations on insurance stocks has held remarkably strong considering the tremendous fluctuations in other stocks on the market. A few shares of Automobile Insurance Company stocks have floated into the market and the bid price is around 350.

W. A. Neilson, of Hartford, of the inspection department of the Travelers, has enlisted as a coxswain in the Navy.

Frederick A. Griswold, of Hartford, general agent for Connecticut of the Northwestern Mutual Life, erstwhile president of the Nethersfield Country Club, drove the first ball off the tee at the opening of the club on May 11. The club is mostly composed of insurance men of Hartford and is situated just outside the city limits of Hartford.

Robert R. Harrold, Eastern adjuster of the Pacific Mutual, has moved his headquarters from Chicago to St. Louis.

Thomas W. Russell, of Hartford, General Agent of the Connecticut General, is a tremendously busy man these days. He is the federal fuel administrator for Connecticut and is busy with local conferences and meetings in Boston, New York and Washington. If anyone can get coal to Connecticut "Tommy" Russell can. Mr. Russell is a most efficient business man and is well liked by an unusually large acquaintance. He has been president of the Life Underwriters of Connecticut, is at present a director of the Connecticut General. He is a son of the late Thomas W. Russell, formerly president of the Connecticut General.

TO MEET IN AUGUST

The summer meeting of the Massachusetts Mutual Life's Agents' Association will be held in Springfield, Mass., on August 28, 29 and 30. After this convention many of the agents will go to New York to attend the National Association's convention.

The Right Place for the Right Man

The capable and energetic man or woman who represents a company which provides an unexcelled policy at a low net cost is sure to succeed as a life underwriter. That is why our representatives everywhere are loyal, contented and enthusiastic. The reputation of their Company for prompt and efficient service gives them a confidence which wins the confidence of the insuring public.

Occasionally we have a General Agency opening.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

F. D. Shook On Business Insurance

F. D. Shook, of the Penn Mutual, has given his views on business insurance to readers of the "News Letter," published by that Company.

In soliciting business insurance it is important to learn some of the vital things in connection with the particular business of the prospect, and then present a point or two and impress them on his mind as much as possible, then withdraw after expressing a desire for a further discussion, he says. The next necessary step is to meet several of his associates or directors, such as the treasurer, manager and auditor, and talk seriously with them as to the advantage to the corporation in having a certain sum of money come in to in some measure take the place of the brain power that has been lost through death. This form of insurance is never placed hurriedly and the larger the organization the longer it takes to get through.

Few concerns have studied the matter very seriously or have looked into its advantages to the corporation or its stockholders. Several items may be drawn to their attention and those points which appear to awaken a lively interest should be dwelt upon.

This insurance money will act as a shock-absorber and help to tide over the loss usually following upon the death of the man on whom the success of the business largely depends. I find that the real head of every concern usually belittles his own importance.

The insurance strengthens credit, a very delicate thing which should be well safeguarded. Banks now ask in their statements as to the amount of insurance carried.

It may be used as a surplus or sinking fund entirely removed from the general or active assets and free from publicity and taxation.

It may be used for acquiring the interest of the deceased member and in most cases the estate prefers cash rather than continue to hold stock in the concern. An estate's interest frequently forces liquidation and a consequent loss to stockholders. A fund of this sort prevents loss or depreciation and enables the estate to get 100 per cent. and at the same time enables those remaining active to continue.

I know of many businesses that have been saved by business life insurance. Here is one case that may interest you.

A man built up a business from a very small beginning until it became worth $150,000 at his death. He gradually shifted the responsibilities to a man who had been with him about twenty years and when they incorporated he was given a small amount of stock. The proprietor was persuaded to take $75,000 insurance for the business and he arranged with the manager so that he could continue the business in the event of the insured's death and pay off the estate's interest. Well, the proprietor died in five years. His interest was worth $130,000. The insurance money coming in ($75,000) enabled the manager to borrow at their banks $55,000, and within a few weeks he had satisfied the estate's interest in full. He at once applied for $50,000 insurance, which also bolstered up his credit and materially assisted him to borrow the $55,000 before referred to. Thus the business was preserved intact and the estate suffered no loss from liquidation which in this case would have followed.

The story continues somewhat interesting. The manager only got $35,000 of the insurance he asked for, the $15,000 was postponed. The unexpected usually happens and this man died suddenly just three years after the senior member passed away. His wife told me that the loan of $55,000 had been reduced so that she was able to pay it off entirely with the $35,000 her husband carried.

The business continues now under her management and is growing right along. The insurance saved loss or embarrassment in two estates. The president of one of our largest national banks said recently: "The success or failure of business enterprises depends so largely upon the management that from our standpoint we are always glad to know that concerns carry insurance on the men upon whom rests the responsibility of management."

* * *

How New Civil Relief Act Works

The Mutual Life, in "Points," describes for agents how the new Soldiers' and Sailors' Relief Act (enacted in March) operates. Under this act the Government makes it possible for all those in the active military service of the country to waive during the continuance of such service and for one year thereafter, the payment of premiums on insurance up to $5,000 in amount. This applies only to insurance carried with private companies, thereby excluding Government insurance, and on which at least one premium had been paid prior to September 1, 1917. Relief is denied if the premiums on such policies have been in arrears for more than one year at the time of making the application.

Persons who may apply for such relief include officers and enlisted men of the Regular Army, Regular Army Reserve, Officers' Reserve Corps, Enlisted Reserve Corps, National Guard or National Guard Reserve, recognized by the Militia Bureau of the War Department; (2) all officers and men of the National Army; (3) all officers and enlisted men of the Navy, Marine Corps, Coast Guard, Naval Militia, Naval Reserve Force, Marine Corps Reserve, or National Naval Volunteers, recognized by the Navy Department; (4) all officers of the Public Health Service detailed for duty with the Army or Navy; (5) any of the personnel of the Lighthouse Service and Coast and Geodetic Survey transferred to the service and jurisdiction of the War or Navy Departments; (6) members of the Nurse Corps; Army field clerks and employes on duty with the military forces detailed for service abroad, and members of any other body who may heretofore, or may hereafter, become part of the military or naval forces of the United States.

The Government guarantees the payment to the insurance company of the premiums, and the insured has one year after the termination of his service to repay the back premiums, with interest. If not paid within that time, the insurance lapses and the Government repays itself out of the cash surrender value, if any. If the insured carries more than $5,000, he may designate the company or companies in which he wishes the Government to continue the particular $5,000 of insurance.

In addition to policies on which the premiums have been due and unpaid for one year at the time of making application, relief will be refused if there is an outstanding policy loan or other indebtedness equal to or greater than 50 per cent of the cash surrender value of the policy, or if the policy calls for the payment to the company of an extra premium or premiums for military service.

In the event of the death of the insured while the Government is still paying the premiums, the amount of the premiums advanced by the Government, with interest, will be deducted from the proceeds of the policy.

"We wish to make it clear to all agents of the Company that the Mutual Life does not undertake to supply the necessary blanks to those of its policyholders who wish to avail themselves of the benefits of the Act," says "Points." "These must be secured by the insured from the Insurance Section, Bureau of War Risk Insurance, Treasury Department, Washington, D. C. One application, properly filled in, is then to be filed, by the insured with the Company, and the second blank is to filed with the Government.

"In the meantime we suggest to all agents that they advise interested policyholders not under any circumstances to withhold premium payments until such time as they have been advised by the Government that their applications have been favorably acted upon. to proceed differently might result in the lapse of their insurance under the usual rules of the Company."

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

WITH TRAVELERS HERE

A. J. Frith, assistant superintendent of agents of the Travelers, will shortly devote his entire time, as a home office executive, to the further development of the Company's life and accident business in New York City and vicinity. Mr. Frith will co-operate with Earl F. Holmes, who has done splendid work for the Company. The New York City life business in a decade has grown from a small volume to over $30,000,000. The Travelers is now one of the three leading life companies in New York City in paid business and its gain in the metropolitan district in new life insurance in 1917 over the preceding year was more than $5,000,000.

The California, Oklahoma and Texas insurance departments are engaged in a regular routine examination of the California State Life of Sacramento.

CLAIM AGENT BILL

How War Risk Bureau's Measure Has Been Amended—Awaits President's Signature

Washington, D. C.—With its passage by the Senate, the bill to regulate the compensation of claim agents and attorneys employed by the public in connection with the filing and prosecution of claims against the War Risk Insurance Bureau for insurance, allotments, etc., the measure now requires only the signature of the President to become a law.

Section 13 of the act has been changed by this bill, and now will read as follows:

Sec. 13. That the director, subject to the general direction of the Secretary of the Treasury, shall administer, execute, and enforce the provisions of this Act, and for that purpose have full power and authority to make rules and regulations, not inconsistent with the provisions of this Act, necessary or appropriate to carry out its purposes, and shall decide all questions arising under the Act, except as otherwise provided in section five. Wherever under any provision or provisions of the Act regulations are directed or authorized to be made, such regulations, unless the context otherwise requires, shall or may be made by the director, subject to the general direction of the Secretary of the Treasury. The director shall adopt reasonable and proper rules to govern the procedure of the divisions and to regulate and provide for the nature and extent of the proofs and evidence and the method of taking and furnishing the same in order to establish the right to benefits of allowance, allotment, compensation, or insurance provided for in this Act, the forms of application of those claiming to be entitled to such benefits, the methods of making investigations and medical examinations, and the manner and form of adjudications and awards: Provided, however, That payment to any attorney or agent for such assistance as may be required in the preparation and execution of the necessary papers shall not exceed $3 in any one case: And provided further, That no claim agent or attorney shall be recognized in the presentation or adjudication of claims under articles two, three, and four, except that in the event of disagreement as to a claim under the contract of insurance between the bureau and any beneficiary or beneficiaries thereunder an action on the claim may be brought against the United States in the district court of the United States in and for the district in which such beneficiaries or any one of them resides, and that whenever judgment shall be rendered in an action brought pursuant to this provision the court, as part of its judgment, shall determine and allow such reasonable attorney's fees, not to exceed five per centum of the amount recovered, to be paid by the claimant in behalf of whom such proceedings were instituted to his attorney, said fee to be paid out of the payments to be made to the beneficiary under the judgment rendered at a rate not exceeding one-tenth of each of such payments until paid.

Any person who shall, directly or indirectly, solicit, contract for, charge, or receive, or who shall attempt to solicit, contract for, charge, or receive any fee or compensation, except as herein provided, shall be guilty of a misdemeanor, and for each and every offense shall be punishable by a fine of not more than $500 or by imprisonment at hard labor for not more than two years, or by both such fine and imprisonment.

COLLECTS TAX ON FULL ESTATE

That inheritance taxes collected by the Federal Government cannot be deducted from the value of the estate in computing the California State inheritance tax was the ruling of Superior Judge Benjamin K. Knight of Santa Cruz in a case against the estate of Mrs. Wilhelmina Billing. The decision is regarded as important by attorneys for the State inheritance tax department, although the sum involved is small.

OVER $10,000,000 ASSETS

The five fraternal societies having more than $10,000,000 capital are:

Independent Order of Foresters	$50,765,001
Woodmen of the World	37,015,322
Maccabees	22,967,840
Modern Woodmen of America	16,438,784
Knights of Pythias	9,712,417

BALL PLAYER AN AGENT

"The Standard," of Boston, says that Fred Tenney, for years the leading first baseman in the country, is selling insurance for the Equitable.

"ESTATE" AS BENEFICIARY

Objections to This Outlined for Agents of Northwestern National Life

What is the objection to naming an "estate" as the beneficiary of a policy? This is a question often asked of general agents. The objections are outlined by a representative of the Northwestern National Life in a statement to agents as follows:

"In requesting that a policy of life insurance be made payable to the 'estate' of the insured, the following facts should be considered, which may or may not constitute objections to making a policy so payable according to the circumstances of the insured. First, it must be remembered that before an insurance company can make settlement on a policy payable to insured's executors, administrators or assigns (his estate), a legal representative must be appointed by the proper court and a duly certified copy of the order appointing such representative must be furnished to the company in addition to the usual proofs. This, of course, would involve some delay and an expense of at least $15 to $20. If the affairs of the deceased are left in such shape that a legal representative must be appointed in any event, this would not be an objection. But if, as it happens in many cases, the policy is the only property left by the deceased and the money is intended for the benefit of the wife or family, this delay and expense could be avoided by making the policy payable directly to the wife or other member of the family. It should also be remembered that if the policy is payable to the estate, the proceeds thereof would in some States be subject to payment of the debts of the deceased. In the absence of a will, the balance would be distributed according to the laws of the State wherein the deceased resided at the time of his death. Secondly, if the policy is made payable to the estate of the insured, the proceeds would be subject to State and Federal inheritance taxes and war tax. Lastly, if a policy is payable to the estate of the insured, he would in some States be compelled to list same among his assets in case of bankruptcy or pay the cash surrender value thereof to the trustee. If, however, a policy is payable to a specific individual as irrevocable beneficiary, the policy would be exempt."

WAIVER OF PREMIUM

How Does it Affect Dividends—Mutual Life Answers an Agent's Question

In the new question box of "Points," published by the Mutual Life, the following query came from an agent:

"What dividends are paid, if any, by the Company on policies on which the premiums have been waived in accordance with the waiver of premium or disability provision?"

The Company answers as follows:

When a policy is thus continued in force it is treated virtually as a paid-up policy and the dividend will consist of the gain from excess interest on the initial reserve. It differs from a paid-up policy in this respect; while the insured himself pays no premium, the Company necessarily puts up the net premium at the beginning of the year, so that the initial reserve would be the same as if the insured himself had paid the premium, and will consist of the terminal reserve of the previous year plus the net premium. The gain from excess interest will, of course, be 1.4 per cent. of such initial reserve, and that will constitute the dividend.

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.
Home Office, United Life Building Concord, New Hampshire

REAL SATISFACTION

Working with **William N. Compton** and the **John Hancock Mutual Life Insurance Company** in New York City forms the happiest combination imaginable for the life insurance salesman.

If you have any doubt in your mind have it dispelled by calling at

220 BROADWAY

Phone 6030 Cortlandt

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. **Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.**
2. **The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.**
3. **Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.**

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,
Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

THE EASTERN UNDERWRITER

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A COMMISSIONER WITH BRAINS AND GRIT

John B. Sanborn has not been commissioner of insurance in Minnesota a year yet, but he has been on the job long enough to demonstrate that he is a picturesque, common-sense individual, who has quickly grasped insurance problems, especially those of fire insurance. He issues with profit to the State a little bulletin in which he sums up his impressions of things, and which are always exceedingly readable. Occasionally, a hornet's nest is struck, which is what happened when he discovered what large fire insurance loss ratios there are in the larger cities of Minnesota. Here are a few of them: Minneapolis, 101.3 per cent.; St. Paul, 82 per cent.; Duluth, 73.4 per cent.

Having an analytical mind—he's a lawyer—Commissioner Sanborn wasn't satisfied with merely acquainting himself with dry data, but wondered if the situation could not be improved. He did not think it right that the fire companies should pay out $1.41 for every dollar received in Minneapolis; $1.22 for every dollar received in St. Paul. (These are his figures obtained by adding loss and expense figures payments.) Accordingly, he wrote to public officials in each of the cities, saying that he regarded the loss ratios as unsatisfactory, and asking these officials to what extent an inspection system by fire departments had been developed and what improvements were contemplated during the year.

It was right here that the commissioner received a shock. Without exception the officials wrote to him and intimated that the inquiry was none of his business. They seemed to feel that there had been a personal reflection upon them, a criticism of their efficiency. The commissioner comes right back at these officials, explaining that he did not write the letters to "butt in," but he thought public sentiment could be aroused and the co-operation of people in their communities secured for the purpose of reducing the fire waste. They could not deny that it should be reduced. It is quite remarkable how sensitive some people are, and, when they are public officials, how supersensitive they are.

If the companies were not paying their losses there would be a howl that the commissioner was neglecting his responsibility to the public. Why should not the commissioner care just as much for the interests of the companies which he licenses, by keeping them from paying unnecessary losses?

DEPENDING UPON "THE STATE" FOR INSURANCE

As was expected, the Nova Scotia State Accident Fund could not stand under the Halifax disaster and it is announced that the Dominion Government has been asked to help out. According to P. Tecumseh Sherman, former Commissioner of Labor in this State, the Fund is insolvent. Under the system of commercial insurance a disaster such as that in Halifax is widely distributed. When the loss is concentrated on a single carrier disaster frequently follows.

The experience of the Nova Scotia State Accident Fund should be kept in mind by students of, patrons of and opponents of the State funds everywhere. They should never be judged by their early experiences. A dividend more or less—a slash in the rate—do not count in the face of a catastrophe.

BROKERS' ASSOCIATION NOT CONSULTED

It seems that the Local Brokers' Association, the most important of its kind in the country, was not consulted in the recent conference between the Government representatives, the compensation bureau, companies and agents, regarding compensation acquisition cost. In view of the cut in the brokerage commissions it is unfortunate that their side was not presented before action was taken.

TO WED McADOO'S DAUGHTER

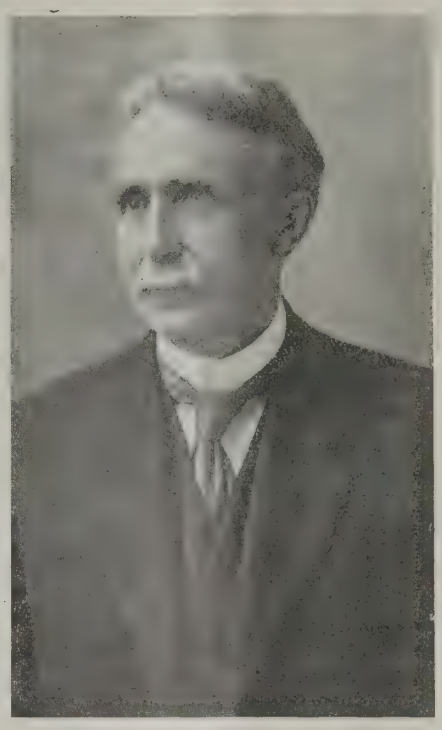
Announcement of Engagement of Clayton Platt, Jr., Son of Fire Insurance Official

Philadelphia papers announce the engagement of Mrs. Harriet McAdoo Martin, daughter of the Secretary of the Treasury, to Clayton Platt, Jr., son of the vice-president of the Insurance Company of North America, and Mrs. Platt. Mrs. Martin's first husband was Charles Taber Martin, of Los Angeles, who died in 1915 at the McAdoo home in Washington while Mrs. Martin was in Los Angeles. Little Miss Nona McAdoo Martin, daughter of the bride-to-be, unveiled the Liberty statue in South Broad Street, Philadelphia, when the Third Liberty Loan campaign was formally opened by the address of her grandfather.

TROUBLE AHEAD?

The Eastern Underwriter understands that Judge Hughes has given an opinion that the New York Law just passed, which permits mutual life insurance companies to give to charitable institutions, meets with his indorsement. This opens the way for endless complications.

THE HUMAN SIDE OF INSURANCE



GEORGE J. DELMEGE

George J. Delmege, president of the Central National of Des Moines, Ia., which is entered in some of the Eastern States, was born on a farm and educated at Simpson College, Indianola, Ia. He purchased a newspaper at Corning, Iowa, during the Garfield and Hancock campaign of 1880. The business not being to his liking, he sold the plant immediately after the election. He then engaged in the life insurance business at Creston, Iowa, as district agent. He was soon promoted to the State agency for Nebraska. While in the life insurance business, Mr. Delmege was highly successful as a personal writer of business and in securing successful agents. He has the record, while in the life insurance business, of having written more than a half million of business in six months, which was a very large business to write in the Western field in those days. In 1884 Mr. Delmege engaged in fire insurance, doing adjusting and special agency work in Iowa and Nebraska. In 1889 he organized the Anchor Fire Insurance Company at Creston, Iowa, which was moved to Des Moines in 1895. Mr. Delmege sold his interest in the Anchor in 1900 and immediately organized the Century Fire Insurance Company, which had a phenomenal success. Mr. Delmege, upon his return from college, was elected Superintendent of Schools of Union County, Iowa. Was president of the Anchor and Century Insurance Companies and is now president and director of the Central National Fire Insurance Company. His interests are mostly in lands. The Central National has a net surplus of $352,347 and total assets of $883,735.

* * *

John M. Justice is in point of service one of the oldest agents of the Penn Mutual, having been associated with the home office agency since 1888. Previously he was a teacher in a business college and he taught so well that he naturally graduated into teaching life insurance to laymen. Here is a student of human effort in all directions; nothing that is human is foreign to him, for he is prompted in this by broad human sympathies. He is quite naturally therefore a very successful personal producer. Mr. Justice is the leading amateur photographer of Philadelphia and has probably the finest collection of storm photos in the country. Sometimes he lectures on the subject, and just now he is writing a book dealing with the photography of lightning—his specialty. Mr. Justice is a living refutation of the foolish theory that a hobby interferes with business.

* * *

Third Vice-President William J. Graham, of the Equitable Life Assurance Society, will return the latter part of this month from a trip that is extending as far as the Pacific Coast.

* * *

Dr. E. K. Root, of Hartford, medical director of the Aetna Life Insurance Co., was elected president of the Connecticut State Medical Society at the 126th annual meeting of that organization last week.

* * *

Lieut. Gen. Sir Arthur Currie, K. C. M. G., commander-in-chief of the Canadian forces in France, was formerly manager of a life insurance company for the Province of British Columbia, having headquarters in Vancouver.

* * *

Dr. Frank A. Will, assistant medical director for the Bankers' Life, of Iowa, has received his commission as lieutenant in the medical reserve corps and has gone to Washington to enter the United States Army medical school there.

* * *

W. F. Gephart, professor of economics, Washington University, St. Louis, has prepared a study on "The Effects of the War Upon Life Insurance" for the Trustees of the Carnegie Endowment. In the course of his observations he says: "Insurance simply distributes what is already in existence. It takes from the many to give to the few. Insurance itself is an economic and social burden. It is one of the costs of human society. It is to be valued only because it lessens certain other costs of burdens which society by its very organization must bear. Insurance, viewed as a mathematical process, is always one of subtraction, and not of addition. It is always of this character for society and ought to be such for the individual who receives the benefit of the insurance. The life still lived, the property not burned, the body not injured by accident, the surety bond not paid—each should be valued more highly than any sum paid to the insured or his beneficiary. Insurance is thus the most social of institutions, and its uses as a social and economic agency have scarcely yet been realized. Its social advantages are as constructive as those of war are destructive. As the peoples of the nations have been brought into closer relation, their interdependence has greatly increased and hence any such destructive agency as war has much more serious and permanent evil effects on society. Its influences ramify throughout the social body. It is not, therefore, surprising that there is an increasing tendency to use a constructive agency—insurance—as broad in its scope and influence, as is the destructive agency which it seeks to combat—war. Not the least of the already apparent evil results of the great war is the effect which it is having on the development in the use of the insurance principle."

* * *

Mrs. Walter C. Faxon, wife of Vice-President Faxon, of the Aetna Life, is chairman of the Comforts Committee of the Admiral Bunce section of the Navy League of the United States.

FIRE INSURANCE DEPARTMENT

Tells Girls What Co-Insurance Means

PERFECTLY SIMPLE, SAYS ROBB

Explains it on Blackboard—Should Be No Non-Co-Insurance Rate

In discussing "The Co-Insurance Clause" to sixty members of the Women's Auxiliary of the Insurance Society of New York, Willis O. Robb, manager of the New York Fire Insurance Exchange, said this week that for some unknown reason the co-insurance clause and its interpretation has been erected into the dignity of a mystery, and many people even abandon the effort to understand its workings without a fair try-out.

"As a matter of fact," he continued, "it is simplicity itself, and any of you who will watch me make a few figures on the blackboard for the next ten or fifteen minutes ought to be so confident of your mastery of this subject that if suddenly awakened out of a deep sleep in the middle of the night and given a hypothetical case for the application of the rule, you could not possibly go wrong."

Mr. Robb then walked to the blackboard and used for illustration some carefully prepared examples taken from the Third Edition of "Richards on Insurance" where they appear in an appendix at the end of the volume.

"The way I happen to know that they are there," he said, "is that I put them there myself at Mr. Richards' request some years ago."

It all seemed perfectly simple to the women present as Mr. Robb explained it.

No Reason to Shy at Word "Co-Insurance"

In the course of his remarks Mr. Robb said:

"All the expert legislative, judicial and commercial inquirers into the subject have with one accord approved of the use of the co-insurance clause as an essential factor in the equitable distribution of the fire tax and the equal protection of the public. There are, to be sure, some laws still in force in various States that assume that the co-insurance clause is at least a special advantage to the underwriter, and, therefore, requires its presence in the policy to be very specifically brought to the attention of the assured as well as the exact amount of difference in rate charged because of its presence. This is all fundamentally quite sound. As a matter of fact, there ought never to be available any non-co-insurance rate whatever. The existence of such rates in certain parts of the country is merely a concession to a form of prejudice that education ought long since to have got rid of. Even the word 'co-insurance' has been avoided as much as possible in practice in many underwriting associations. Here in New York we call our co-insurance clause an average clause. In New England it is known as the Reduced Rate Contribution Clause. As a matter of fact, it should always and everywhere be called the co-insurance clause, regardless of any surviving prejudice against that term and the practice it stands for."

Commission Question Assuming Importance

AUTOMOBILE MEETING MAY 23

Questions to Be Considered Will Bring Large Delegation to New York Gathering

There is to be a joint meeting of the interim executive committee of the National Automobile Underwriters' Conference, and the executive committee of the Eastern Conference today, Friday, to discuss the Philadelphia situation. Some companies are becoming restive over the conditions there. A resolution will be offered which will put the Philadelphia situation up to the national delegates for some definite action which will be binding.

Philadelphia is practically open territory now, there being no commission rule there. A committee has been appointed to make a report on the whole agency situation throughout the country and if possible draft a rule which will be acceptable. This report is expected in time for the quarterly meeting of the National Conference May 23. The committee is composed of Messrs. Bulkley, of the Springfield F. & M.; Clough, of the Aetna, and Whitman, of the Phoenix of Hartford. This committee may be increased by adding a Western man, a marine man and another Eastern representative.

The meeting to-day is largely for the purpose of arranging for the May 23 meeting which will be largely attended. Four delegates will be on hand from the Pacific Coast where the collision subject has developed a lively interest.

It has been agreed to defer action on the Baltimore situation until after the meeting May 23.

STOP WRITING SALOONS

A number of companies have canceled lines on saloons in Gloversville, N. Y.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.

MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00

ASSETS
$7,266,538.81

LIABILITIES, EXCEPT CAPITAL
$3,086,345.45

SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York

FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn

LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NIAGARA
Fire Insurance Company

ESTABLISHED 1850

123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
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Hoagland Answers Sprinkler Critic

ATTESTS SPRINKLER EFFICIENCY

Doesn't Think Human Equation in Europe Different From That Found Here

In a recent issue of The Eastern Underwriter the manager of a foreign company made the observation that the bulk of the losses on stock in the United States is from water damage resulting from sprinkler equipment operation. This has led Ira G. Hoagland, fire prevention engineer, to write to The Eastern Underwriter saying that from the alien point of view this seems to be an argument against sprinklers, but to Mr. Hoagland it indicates the high state to which sprinkler efficiency has attained.

Continuing he said:

"Evidently, if the water damage exceeds the fire damage it shows that the water masters the fire, which is, when all is said and done, the specific function of the sprinkler. For the American imagination it is not difficult to conceive how much greater the damage by both fire and water would be if we, like Europe, 'had very few sprinklered risks.' To cite a case in point, recently in Newark, N. J., a fire in a factory was extinguished by the sprinkler system. About 500 gallons of water were discharged. In controlling a fire in the same building before sprinklers were installed the fire department deluged the building with over 3,000,000 gallons of water.

Cites Bush Terminal Record

"But, of course, as the foreign manager remarks, in Europe they 'depend more on the human equation to detect the fire and extinguish it intelligently.' In the good old days, before the time of automatic sprinklers, we did this, too; we had to. An illustration of how the scheme worked may be found in the annals of the Bush Terminal properties, just now so prominently in the public eye as the war base selected by the Government for storage and warehouse purposes:

> July 1, 1899, Storehouse No. 1, containing 11,000 bales of cotton, burned. The fire department fought this fire from July 1 to August 8—38 days.
>
> October 13, 1899, Storehouse No. 3, at the foot of 42d Street, burned; loss, $300,000. Four alarms were turned in for this fire and 12 engines, 4 hook-and-ladder and 1 water-tower companies and four fireboats responded and participated in the action against the fire. The fire lasted seven hours and twenty-five streams of water were used.

"Unfortunately, history does not tell us just how many gallons of water were used in extinguishing these fires, but undoubtedly the water damage must have been worthy of consideration, possibly even a trifle more considerable in these two fires than in the entire list of 130 fires in terminal properties since the installation of sprinklers, nearly twelve years ago. In these 130 fires, all successfully controlled by the automatic (but, alas, unintelligent!) sprinklers, the average number of heads opening was six, while in 48 cases only one head operated.

The Massey-Harris Plant

"This American feeling of confidence in automatic sprinkler protection appears to extend over the border into Canada to judge by the reason Chief James Corbett assigns for being 'a sprinkler man down to the ground.' Chief Corbett bases his advocacy upon the fact that he has 'charge of the fire protection of a very large manufacturing plant (the Massey-Harris Co., Toronto, Ont.), which is 100 per cent. sprinklered. Our loss in twenty-nine years has been under $500 owing very largely to good sprinkler equipment.' What a tremendous opportunity for water damage this figure would permit!

"The foreign manager does not believe that any reduction in rates should be granted for automatic sprinkler protection. How can he reconcile this contention with the experience of an American fire insurance company, whose business is now confined to sprinklered risks, which shows an increase of 19,000 per cent. in sixty-seven years and a decrease in loss ratio of 85 per cent.?

"While it may be so that the congestion in Europe is much greater, as the foreign manager says, that doesn't make the conflagration peril more acute than it is here where there are much greater values to burn in one place than there ever have been in Europe.

"We don't see how the human equation can be depended upon to detect and extinguish fires intelligently any more in Europe than in this country. Of course, it may be that there is more effective co-ordination of the foreign intelligence in the respect of the discovery and control of fire than in this country, but we doubt it."

SUE SIXTEEN COMPANIES

C. H. Dresser & Son, Inc., of Hartford, have entered suit against sixteen insurance companies which had fire insurance policies on the plant of the Cairns Woodworking Company, of East Hartford, which was burned on April 26, 1917. The principal question at issue is as to whether or not the insurance was authorized. The companies sued are: The Allemannia, British-America, Concordia, Continental, Fidelity-Phenix, Firemen's, New Brunswick, Niagara, North River, People's National, Royal, Scottish Union & National, United States Fire, Westchester and L. & L. & G.

FRED A LITTLE PEEVED

"Quite recently we prepared to send out new rate sheets for gas and electric cars and trucks. At the last minute there were changes made by the Southern Automobile Conference so we have had to put in an order for the newer and last sheets and hope to send them out shortly," says F. C. Calkins, general agent of the Hanover and St. Paul F. & M., at Jacksonville, Fla. "Have patience."

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Use and Occupancy Form and New Rating Method Suggested by Fire, Marine & Liability Brokers' Association of New York

(Editor's Note—The committee which compiled the subjoined comments, suggestions and form consists of E. W. Stillman, John A. Eckert, Alexander M. Silvey, George W. Will and R. Henry Depew. The report of the association has already been submitted to the New York Fire Insurance Exchange for consideration.)

We have been invited by the Rate Committee of the New York Fire Exchange to express our views upon the above-mentioned subject. These conferences, we trust, will be helpful in solving many of the problems arising daily, the settlement of which, in the past, has proved rather difficult on account of the absence of co-operation. Destructive criticism, by itself, is never useful. We therefore have endeavored, upon finding ourselves in disagreement with you upon certain points, to offer solutions of our own for your consideration. This exchange of ideas will result, we believe, in more constructive work than could otherwise be obtained.

Discussion of Form

The demand for Use and Occupancy insurance has been accelerated to a tremendous degree since the outbreak of the war in 1914, and has appealed largely to prosperous manufacturers and merchants, on account of the opportunity it afforded them to protect their profits. For that reason the question of moral hazard has entered very little into the acceptance of the average risk, as comparatively few concerns have attempted to insure their profits or Use and Occupancy for full value, not having been educated up to it, as in the case of property insurance. In many instances they have looked upon Use and Occupancy insurance as a novelty or experiment. We are mentioning this, as it appears to us that in the preparation of your rules the consideration of the moral hazard received more attention than was justified by actual experience. As a result, many restrictions appear which, we fear, will lead to complications in adjustment that will prove insurmountable.

As we understand that these rules are the result of considerable study given to the subject by committees of the Eastern and Western Unions, we wish to assure you that our criticisms are not lightly made, but only after a conscientious attempt to apply your rules to theoretical and actual adjustments. As many conditions in the new form show a radical departure from forms heretofore in use, we believe an explanation by your Committee, showing the underlying reason for each change, would have helped immeasurably.

Form that Laymen can Understand

We are in accord with many of the principles which you evidently had in mind, but when they have been translated into the form of policy submitted, our Committee feels that the meaning has, in many instances, become so clouded that innumerable disputes would arise. It surely is your purpose, as well as ours, to prepare a form which will be so clear that the average layman can understand it. With this in mind, we are submitting a revised form for consideration. Some sections of your form have been accepted without change, and others with slight modification. In certain instances, however, we have been obliged to object strongly to the conditions proposed. In order to simplify our review, we have listed the various sections in consecutive order, appending to each our criticism or approval.

After careful consideration, the members of our Committee are unanimously of the opinion that a specific provision should be made in the rules for a deviation from a standard form, so that our clients may have the fullest possible protection. In view of the numerous ideas upon the subject and the distinctly individual conditions which enter into the consideration of each risk, we do not believe that an assured should be compelled to accept a form which will not offer the proper protection. This matter is of vital importance, as there are many new plants being constructed which when commencing operations cannot compare earnings with any previous period. These plants, however, should not be discriminated against, and a broker should be free to arrange special forms in such cases. Other instances will arise requiring special treatment not provided by the usual forms, and a valued policy would, under some circumstances be justifiable.

In fact, we are forced to the conclusion that a considerable portion of the form under discussion would not stand the test of expert legal criticism, and if it is adopted without revision will lead us to the courts more often than any form which has heretofore been in use. Our review follows:

SECTION 1
Business Interruption Indemnity (Use and Occupancy Insurance)

$3,650.00 On the Use and Occupancy

of .....
situated .....
Town of .....State of .....
and occupied for.....

SECTION 2

The word "business" wherever used in this contract shall be considered and held to have the following meaning according to the class of property insured:

(a) In a Manufacturing property: "The production of goods."
(b) In a Mercantile property: "The sale of goods."
(c) In Other Classes of property: "The carrying on of the business operations usual to the class."

An exception is taken to the definition given to the term "business" as applied to manufacturing property under clause (a). The phrase "production of goods" should be made to read "production and delivery of finished goods." It is obvious that a manufacturer is not in business for the purpose of making uncompleted articles. Use and Occupancy forms offered by several of the leading insurance companies in the last few years, forms drawn by their own underwriters, retain the words "finished goods," and it is extremely important that this wording be continued.

It is likely that this limitation in the new form was the result of certain isolated adjustments where an assured attempted to take advantage of the suspension of their finishing department for a few days and claimed total per diem loss, although other departments continued business as usual. Such cases are probably very rare, and it is not conceivable that the average manufacturer would, under such circumstances, refuse to agree to a partial per diem loss, although it must be borne in mind that a suspension of this nature, which consumed much time, would probably result in a cancellation of orders and a loss of profit, in which event the assured might be justified in claiming a total per diem loss.

SECTION 3

The word "day" however modified, wherever used in this contract shall be held to cover a period of twenty-four (24) hours.

There would appear to be no objection to the definition of the word "day" as made in this section. It was evidently considered necessary in order to prevent an assured from collecting a three-days' loss in 24 hours where a plant was operating in three shifts, or a double loss for two shifts.

SECTION 4

If the said building, or machinery or equipment or stock contained therein be destroyed or damaged by fire occurring during the life of this policy so as to necessitate a total or partial suspension of business, this company shall be liable under this policy for the actual loss sustained of net profits on the business which is thereby prevented, and for such fixed charges and expenses as must necessarily continue during a total or partial suspension of business, for not exceeding such length of time as shall, with the exercise of due diligence and dispatch, be required to rebuild, repair or replace such part of said building, and machinery and equipment and stock as may be destroyed or damaged (commencing with the date of the fire and not limited by the date of expiration of this policy) under the following terms and conditions, to wit:

During the time of a total suspension of business, liability under this policy shall not exceed the following amounts for each business day of such suspension:

For each	business day	from May 15	to	the following	May 14 (incl.)	$10.00
For each	business day	from.....to		the following	.....(incl.)	$.....
For each	business day	from.....to		the following	.....(incl.)	$.....
For each	business day	from.....to		the following	.....(incl.)	$.....
For each	business day	from.....to		the following	.....(incl.)	$.....
For each	business day	from.....to		the following	.....(incl.)	$.....
For each	business day	from.....to		the following	.....(incl.)	$.....
For each	business day	from.....to		the following	.....(incl.)	$.....
For each	business day	from.....to		the following	.....(incl.)	$.....
For each	business day	from.....to		the following	.....(incl.)	$.....

Note 1.—The stated per diem amounts, mutiplied by the respective number of business days during which each amount applies shall not in the aggregate for an entire policy year exceed the total amount of the policy, and the per diem amounts shall be so fixed that the liability under the policy for total suspension of business for an entire policy year shall be the same whether such suspension be caused by several fires occurring at different periods of the year or by a single fire. This computation to be based on thirty business days to the month for risks where the business is carried on without suspension on Sundays and holidays, otherwise to be based on twenty-five business days to the month.

The criticism of this section must be correlated somewhat with that of Section 2 regarding the distinction between "the production of goods" and "the production of finished goods." You will note that the only time a total per diem loss could be enforced would be upon the occasion of a total suspension of business. As previously pointed out, this limitation would hardly be fair, as the crippling of a vital unit, while not preventing certain work from being carried on, might result in the loss of orders and customers, on account of the inability of a manufacturer to deliver a finished article at the date agreed upon, or a merchant to offer a completed article for sale.

The limitation of the insurance company's liability to the "actual loss sustained" meets with objection, as it would not be possible, under that phrase, to adjust a loss until the plant resumed operations and the "actual loss sustained" was determined. The reason for this wording is not apparent and would lead to confusion in adjustment. The word "loss" would seem adequately to meet the need without being supposedly reinforced by the other two words.

In fact, this whole section, which is probably the most important in the form, would have the effect of preventing an assured from securing an adjustment of loss until his plant was running again, at which time it could be determined to the exact dollars and cents the "actual loss sustained." In further substantiation of this you will find the words "must necessarily continue" as relating to expenses, and the term "shall be required" referring to the time of suspension. The word "would" should be substituted in each instance, in order to open the way for a proper basis of adjustment.

The reconsideration and reconstruction of this section is very important, in order that legal actions may be averted, and when this is undertaken it would seem advisable to define, as far as possible, what is to be covered by the term "fixed charges and expenses," so that disputes will not arise. "Such fixed charges as would necessarily continue" might be followed by "such as interest charges, royalties, taxes, water rates, advertising, rent, salaries, payroll of employes who should be retained in order that work might be promptly resumed after damage is repaired, cost of lighting, heating, attendance and general maintenance, consistent with suspension of business during time necessary for repair or replacement." We fail to see any objection to enumerating these items, as it would be necessary for an assured to fix his amount of insurance to adequately cover such expenses. An increased premium, of course, would be the result.

SECTION 5

During the time of a partial sus-

BROKERS' USE AND OCCUPANCY SUGGESTIONS

pension of business, the per diem liability under this policy shall not exceed the same proportion of the per diem liability which would have been incurred by a total suspension of business, as the proportion by which the daily business, at the time of the fire, is decreased.

While the construction of this clause is not as clear as it might be, the intention is apparent and could be approved, provided the measure of loss, in case of partial prevention, is based on a specified period of "full operation next preceding the fire" as suggested on page No. 9 of the companies' pamphlet. The term "at the time of the fire" would be dangerous, as a plant might be closed down on that particular day.

SECTION 6

It is a condition of this insurance that this Company shall be liable for no greater proportion of any loss than the amount of this policy bears to the amount of loss which would be incurred by a total suspension of business during an entire year beginning with the date of the fire.

This section is fundamentally unsound and absolutely unworkable. Its purpose is evidently to introduce a co-insurance restriction, but it will be noted that the amount of insurance which it is incumbent upon the assured to carry, if he desires to be fully compensated in case of loss, is based upon "the amount of loss which would be incurred by a total suspension of business during an entire year beginning with the date of the fire." The prophetic vision of our clients, we fear, has not been developed to a degree where they can discern in advance the amount of their profits for the ensuing year.

A further inconsistency will be found in the fact that, although the amount of collectible insurance is to be adjusted upon a specified time after the fire, the basis of adjusting a loss covers a specified period prior to the fire.

Occasional attempts have been made in the past to apply a co-insurance clause to Use and Occupancy insurance, but without success, and the clause now under discussion contains conditions, in our opinion, so defective that we could not present such a contract to our clients. As a matter of fact, the limiting of the amount payable per diem, both for total and partial suspension, as contained in other sections of your form, appear to us to have the precise effect of a full co-insurance clause. To illustrate: A manufacturer estimates his net profits as at the rate of $300,000 per annum and takes full Use and Occupancy insurance, which gives him not to exceed $1,000 per day for total suspension. Should he decide, however, to only insure for half his profits, or $150,000, his daily indemnity could not exceed $500 (1/300th of $150,000. See Section No. 4). For partial suspension, a proper proportion is also designated. (See Section No. 5.)

We believe you will agree, after a review of the question, that our reasoning is sound, which we trust will result in your withdrawal of this entire section.

SECTION 7

Liability hereunder shall not exceed the amount of insurance by this policy nor a greater proportion of any loss than the insurance hereunder shall bear to all insurance, whether valid or not, covering in any manner the loss insured against by this policy.

There appears to be no objection to this section, if the words "in any manner" are omitted.

SECTION 8

It is a condition of this insurance that the assured shall not be entitled to compensation on account of delay which may be occasioned by any ordinance or law regulating construction or repair of buildings, or by the suspension, lapse or cancellation of any license, or for any other consequential damage.

We believe that this section should be modified to read as follows:

It is a condition of this insurance that the assured shall not be entitled to a greater compensation on account of delay which may be occasioned by any ordinance or law regulating construction or repair of buildings, or by the suspension, lapse or cancellation of any license, than would be due had the said contingencies not existed, or arisen.

The last six words reading "or for any other consequential damage" have been eliminated, as such broad and indefinite wording would lead to confusion, particularly as Use and Occupancy loss itself would be a consequential loss.

SECTION 9

It is a condition of this insurance that, if covering on replacement of stock in a manufacturing property, no liability is assumed on account of damage to the finished product or for the time required to reproduce any finished product which may be damaged.

As your definition of "business" as referring to manufacturing property, described in Section No. 2, specifies "the production of goods," we fail to understand the necessity for this Section No. 9. It is obvious that if the goods have been produced, no claim for profits on finished goods could be enforced under your Use and Occupancy policy.

Under your proposed form it would be necessary for a manufacturer to take out special policies covering profits on finished goods, in addition to his Use and Occupancy insurance, in order to adequately protect a loss. This we deem unnecessary, and a fair and proper solution is found in our suggestion under Section No. 2 of defining "business," in connection with manufacturing properties as "the production and delivery of finished goods."

SECTIONS 10 AND 11

§10. It is a condition of this insurance that, as soon as practicable after any loss, the assured shall resume complete or partial operation of the property herein described and shall make use of other property, if obtainable, if by so doing the amount of loss hereunder will be reduced, and in the event of the assured continuing business (in whole or in part) at some other location or using other property during the time occupied in repairing or reconstructing the building named herein, the net profits so earned shall be deducted from the amount that, under the terms of this policy, would otherwise be recoverable by the assured.

§11. Surplus machinery or duplicate parts thereof, equipment or supplies, and (if this policy covers on stock) surplus or reserve stock, which may be owned, controlled or used by the assured, shall, in the event of loss, be used in placing the property in condition for the resumption of business.

The underlying thought in both of these sections is probably identical—the moral hazard. Our criticism, therefore, will embrace both sections.

From an address by Mr. W. N. Bament, chief adjuster of the Home Insurance Company, which was delivered a few years ago, we find a refutation of the prevalent theory existing at that time, of an increase in moral hazard due to Use and Occupancy insurance. We doubt whether the last few years' experience would change this opinion, as it must be conceded that there has not been much evidence of poverty in manufacturing and mercantile lines during that period.

We cannot agree that the assured should be obligated to go beyond the "exercise of due diligence and dispatch to rebuild, repair or replace the damaged property." The subject of insurance is Use and Occupancy upon a specific property named in the policy, and the loss should not be contingent upon the use or operation of other property not mentioned.

The assured is not in business for the sole purpose of reducing an underwriter's Use and Occupancy loss, and yet, under the terms of Section No. 10 he would be subject to the demands of your adjusters. If they so ordered a manufacturer might be obliged to resume business at other plants anywhere in the United States and many miles from the scene of the fire. He could be required to use surplus stock and machinery held in reserve for other plants.

It is our firm conviction that the assured's ingenuity in new arrangements after the fire should inure to his benefit, and not to the underwriters, in order that he may reimburse himself for the loss of customers and orders on account of the fire. One of the foremost underwriters in the country has expressed similar views in a pamphlet issued by his company extolling Use and Occupancy insurance. We quote herewith to support our argument:

The loss of customers, owing to their having to buy elsewhere, may even, in some cases, be avoided by using the money from the Use and Occupancy insurance, to purchase elsewhere in order to supply one's customers or to lease temporary quarters for the production of goods while the plant is rebuilding.

All underwriters, we believe, should use great care in their selection of Use and Occupancy risks, and if that is done Sections 10 and 11 will not be necessary as any "going" concern will wish to resume business as quickly as possible. We deem this one of the good features of Use and Occupancy insurance.

SECTION 12

In case the assured and this Company are unable to agree as to any question affecting the amount of loss under this policy, the same shall be determined by appraisers in the manner provided by the policy to which this form is attached, the provisions of which policy shall govern, in all matters pertaining to this insurance, except as herein otherwise provided.

This provision for settlement of losses, in case of disagreement, has our approval.

SECTION 13

Other concurrent insurance permitted.

This is acceptable, provided the obsolete and ambiguous "concurrent" eliminated.

SECTION 14

LIGHTNING CLAUSE.—Except as provided in the Electrical Exemption Clause below, this policy shall cover use and occupancy loss caused by lightning (meaning thereby the commonly accepted use of the term lightning and in no case to include loss or damage by cyclone, tornado or windstorm), not exceeding the sum insured, nor the interest of the insured in the property. Provided, however if there shall be any other use and occupancy insurance on said property, this Company shall be liable only pro rata with such other insurance for any use and occupancy loss by lightning, whether such insurance be against loss by lightning or not.

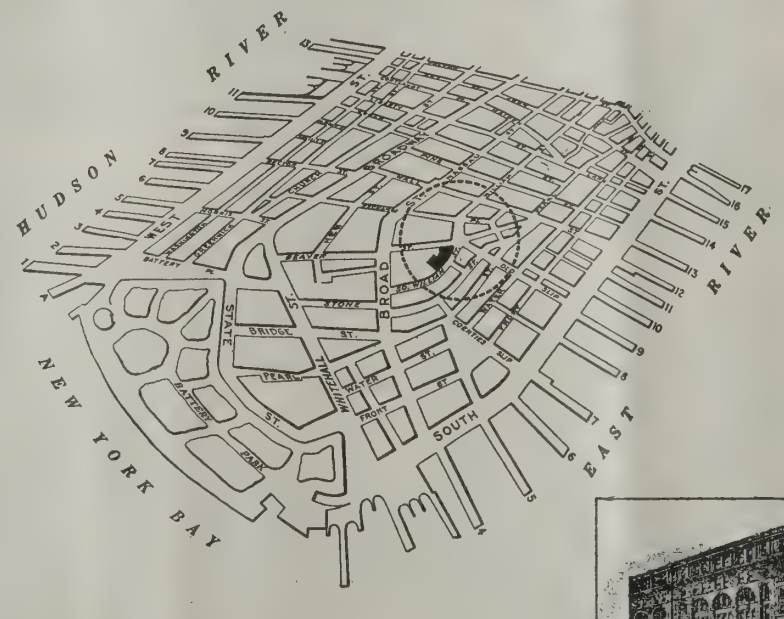
This last sentence should be revised to read as follows, in order to avoid conflict with policies covering Use and Occupancy loss from boiler, flywheel and other explosions: "Provided, however, if there shall be any other fire insurance covering use and occupancy on said property, this Company shall be liable only pro rata with such other fire insurance for any use and occupancy loss by lightning, whether such fire insurance be against loss by lightning or not."

SECTION 15

ELECTRICAL EXEMPTION CLAUSE.—It is a special condition of this policy that this Company shall not be liable for any use and occupancy loss resulting from damage to dynamos, exciters, lamps, switches, motors and other electrical appliances or devices, caused by electrical currents, whether artificial or natural, including lightning.

It is most important that the exemption for loss caused by lightning be removed from this section. We are aware that loss by lightning to electrical apparatus has been eliminated in many

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INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

BROKERS VIEWS OF USE AND OCCUPANCY

sections of the country in connection with fire policies, and perhaps justifiably so, but Use and Occupancy calls for different treatment.

Lightning, an element over which, of course, the assured has no control, may cause damage to an electrical power or lighting unit of a plant which might result in the stoppage of operations for a considerable period. The assured should not be deprived of that protection.

DISCUSSION OF RATING METHOD

The rating schedule submitted by your committee is apparently the result of a growing conviction that the fire rates should not longer be the sole basis upon which to arrive at a use and occupancy rate. We agree that the chief elements which should enter into the rate are power sources, interdependency of operative units and ability to promply replace or repair the property at risk. While the schedule you have devised might be worth a trial in normal times, we do not think that under the present uncertain and changing conditions in every line of busines an intricate schedule, such as you propose, would be workable. We are strongly opposed to any system of rating which would be dependent to a great extent upon the individual opinions of inspectors, few of whom would be qualified to pass judgment on the matter of replacement of stocks and machinery. In fact, no inspector is able, in these times, to intelligently foresee the time required for replacements, as new import restrictions, freight embargoes and Governments seizures may take place at any moment and a manufacturer who is having a prosperous business to-day may be forced to suspend or curtail operations to-morrow. For this reason the underwriters have, for some time, been restricting their authorizations for Use and Occupancy insurance.

In our opinion the unsatisfactory conditions surrounding the writing of this business are due, in a large measure, to the present form of policy, which makes it obligatory for an assured to accept a contract based upon a period of indemnity of at least three hundred or three hundred and sixty-five days. After forcing such terms upon him, the underwriters then hesitate to write the insurance, as they claim that they may be obliged to pay a loss for this long period. This inconsistent attitude toward the insuring public must be met in some way, and we have carefully prepared a plan which, though somewhat of a departure from existing ideas, should find general favor with both the assured and yourselves.

Our proposal is based upon the three following assumptions:

1. That the assured should be able to secure use and occupancy insurance for any length of time he desires.
2. That the underwriters should have the option of writing for per diem periods of less than a year, such shorter term to be specified in the policy so that they could extend their writings on account of these shorter periods of liability.
3. That the rate to be charged should be related to the time limit of liability expressed in the policy.

Briefly, our plan is to have the assured review the conditions at his premises relating to replacements, power sources and interdependency of operative units, with the object of estimating the maximum time of suspension in case of fire, and effect his insurance for a limited time at rates consistent with the underwriters' liability for such time, as hereafter illustrated. Use and Occupancy insurance is based upon "time," and the rate should, therefore, correspond to the time limit of indemnity desired. By adopting such system of rating, there will be no necessity for applying an intricate rate schedule, which would not be workable and would lead to confusion.

The method which we propose is to fix a base rate for six months or one hundred and fifty days' indemnity, and provide for percentage reductions from such base rate in case the assured may desire indemnity for a period over six months, and up to one year. Also to fix percentage increase to said base rate in case the assured is content with indemnity for a period less than six months, and down to one month.

It was generally condeded, up to a year or so ago, that Use and Occupancy losses did not average over four months' indemnity. The last two or three years, owing to difficulty in obtaining labor and materials, has brought about a considerable change in these conditions. The assured is far better able than the underwriters, to judge the conditions in his own business respecting labor, and his ability to replenish all or any part of his equipment, secure raw materials of the various kinds used by him, and thus he is better able to estimate how long it will take him to rebuild his plant. With this knowledge, he can determine for what period he will require per diem indemnity, and, if the rate is equitably adjusted, there should be no objection on the part of the underwriters to this method, which has the advantage of obviating the issuance of insurance based upon a year's indemnity, when, in most instances, it is well understood by both the underwriters and the assured that a shorter per diem indemnity would suffice.

Another advantage of this method is that the assured by himself determining the time of per diem indemnity for which he desires insurance, becomes, to all intents and purposes, inspector for the underwriter, and practically provides his own rate schedule for the insurance he has decided upon.

The example above is submitted for the purpose of showing just how this proposed method would operate. Increases and reductions in rate are specified for the purpose only of demonstrating the example. Underwriting experience may justify changes in these percentages.

It should be noted that it is not proposed to change the term of the policy, which could continue to be written for one or three years, as at present. Neither have we offered any suggestion as to the base rate, except that we believe it should be a certain percentage of the rate for the fire insurance upon the property. This is apparently in line with your own ideas, and is in general practice at the present time.

For many years London Lloyds has recognized shorter limits of liability for use and occupancy insurance, and only recently the boiler insurance underwriters have issued new forms providing for periods of indemnity less than one year. The solution we have offered is designed to remove the objection of our clients to being compelled to place insurance on the basis of a year's indemnity, and, secondly, to prevent the forcing upon the public, at this time, of an intricate rating schedule which has no chance of successful operation for the reasons given herein.

We hope that we have offered acceptable solutions of this Use and Occupancy subject, and a conference of our Committees would undoubtedly result in a satisfactory disposal of the matter. It would seem advisable, at the same time, to arrive at a working agreement in connection with the insurance of profits and commissions, as you evidently agree with us that the recent arbitrary action of the exchange is not satisfactory from any standpoint.

Respectfully submitted,

OLD PLAN

Limit of Indemnity	Indemnity per Day	Total Ins.	Rate			Premium
300 days, (12 mos.)	$1,000	$300,000	1%			$3,000

NEW PLAN

Limit of Indemnity	Indemnity per Day	Total Ins.	Rate			Premium
150 days, (6 mos.)	$1,000	$150,000	2%			$3,000
175 " (7 ")	1,000	175,000	1.90	5%	reduction from 6 mos. rate	3,325
200 " (8 ")	1,000	200,000	1.80	10%	" " " " "	3,600
225 " (9 ")	1,000	225,000	1.70	15%	" " " " "	3,825
250 " (10 ")	1,000	250,000	1.60	20%	" " " " "	4,000
275 " (11 ")	1,000	275,000	1.50	25%	" " " " "	4,125
300 " (12 ")	1,000	300,000	1.40	30%	" " " " "	4,200

INDEMNITY LESS THAN SIX MONTHS

Limit of Indemnity	Indemnity per Day	Total Ins.	Rate			Premium
125 days, (5 mos.)	$1,000	$125,000	2.20	10%	added to 6 mos. rate	$2,750
100 " (4 ")	1,000	100,000	2.40	20%	" " " " "	2,400
75 " (3 ")	1,000	75,000	2.60	30%	" " " " "	1,950
50 " (2 ")	1,000	50,000	2.80	40%	" " " " "	1,400
25 " (1 ")	1,000	25,000	3.00	50%	" " " " "	750

Text of Brokers' Revised Use and Occupancy Form

Revised Form

BUSINESS INTERRUPTION INDEMNITY
(Use and Occupancy Insurance)

$3,000.00. On the Use and Occupany of .....
Situated .....
Occupied for .....

DEFINITIONS

The word "business" wherever used in this contract shall be considered and held to have the following meaning according to the class of property insured:

(a) In a Manufacturing property: "The production and delivery of finished goods."

(b) In a Mercantile property: "The sale of goods."

(c) In Other Classes of property: "The carrying on of the business operations usual to the class."

The word "day," however modified, wherever used in this contract shall be held to cover a period of twenty-four (24) consecutive hours.

INSURING CLAUSE

If the said buildings, machinery, equipment or stock contained therein or upon the premises or immediately adjacent thereto, be destroyed or damaged by fire occurring during the life of this policy so as to necessitate a total or partial suspension of business, this company shall be liable under this policy for the loss of net profits on the business which is thereby prevented, and for such fixed charges and expenses as would necessarily continue during a total or partial suspension of business, the said fixed charges and expenses to include interest charges, royalties, taxes, water rates, advertising, rent, salaries (under contract), payroll of employes who should be retained in order that work might be resumed promptly after damage is repaired, cost of lighting, heating, attendance and general maintenance, consistent with suspension of business during the time necessary for repair or replacement.

The liability under this policy shall continue for such length of time, commencing with the date of the fire and not limited by the date of expiration of this policy, as would be required, with the exercise of due diligence and dispatch, to rebuild, repair or replace such part of said buildings and machinery and equipment and stock as may be destroyed or damaged; under the following terms and conditions, to wit:

TOTAL SUSPENSION

During the time of a total suspension of business, liability under this policy shall not exceed the specified amount for each business day of such suspension.

For each day from May 15th to the following May 15th—1/300th of the total amount of insurance.

PARTIAL SUSPENSION

In the event of a partial suspension of business the per diem liability under this policy shall bear the same proportion or ratio to the amount which would have been incurred by a total suspension of business, as the daily net profit is decreased.

For the purpose of adjustment, the average daily net profit for the ..... days of full operation next preceding the fire, shall be assumed as the "daily net profit" referred to in the preceding paragraph.

LIMIT OF LIABILITY AND CONTRIBUTION

Liability hereunder shall not exceed the amount of insurance by this policy nor a greater proportion of any loss than the insurance hereunder shall bear to all insurance, whether valid or not, covering loss insured against by this policy.

DELAY BY ORDINANCES, ETC.

It is a condition of this insurance that the assured shall not be entitled to a greater compensation on account of delay which may be occasioned by any ordinance or law regulating construction or repair of buildings, or by the suspension, lapse or cancellation of any license, than would be due had the said contingencies not exsited or arisen.

SETTLEMENT IN CASE OF DISAGREEMENT.

In case the assured and this Company are unable to agree as to any question affecting the amount of loss under this policy, the same shall be determined by appraisers in the manner provided by the policy to which this form is attached, the provisions of which policy shall govern, in all matters pertaining to this insurance, except as herein otherwise provided.

LIGHTNING CLAUSE

This policy shall cover use and occupancy loss caused by lightning (meaning thereby the commonly accepted use of the term lightning, and in no case to include loss or damage by cyclone, tornado or windstorm), not exceeding the sum insured, nor the interest of the insured in the property. Provided, however, if there shall be any other fire insurance covering use and occupancy on said property, this Company shall be liable only pro rata with such other fire insurance for any use and occupancy loss by lightning, whether such fire insurance be against loss by lightning or not.

ELECTRICAL EXEMPTION CLAUSE

It is a special condition of this policy that this Company shall not be liable for any use and occupancy loss resulting from damage to dynamos, exciters, lamps, switches, motors and other electrical appliances or devices caused by electrical currents artificially generated.

INCUMBRANCES AND OWNERSHIP

This insurance shall not be prejudiced or in any way affected by reason of any incumbrance or mortgage which may now or hereafter be placed upon the property insured, or any part thereof, or by reason of any of said property being located on ground not owned by the assured in fee simple.

OTHER PRIVILEGES

Privileged for present and/or other occupancies not more hazardous and to do such work and use such materials as are usual in such occupancies; to use gas and kerosene oil stoves for cooking and heating purposes; to work at all hours and on Sundays and holidays; to cease operation and/or remain unoccupied as occasions require.

Other insurance permitted without notice.

It is understood that this policy covers the assured as now or may be hereafter constituted.

It is understood and agreed that the word "noon" as used herein in designating the beginning and ending of the term of this policy refers to Standard Time at the place where the property is located.

Subject to Mechanics' Permit and Permit for Use of Electricity attached.

Note.—Where the payments are varied for seasonal production, the form should read as follows:

From May 15th to Aug. 15th.....$....per day
From Aug. 15th to Dec. 15th.....$.... " "
From Dec. 15th to May 15th.....$.... " "

If there are two periods of seasonal production, it can be easily signified by the dates mentioned as above.

As the "day" is described in the first paragraph as "business day," it is unnecessary to repeat the word "business" in the form. And, as the dates mentioned in the form are for a period during the year, it is unnecessary to say "following" in each line. And as the dates are given—for instance, From May 15th to August 15th—the day of August 15th cannot be included in the period. It is, therefore, unnecessary to use the word "inclusive."

J. D. Vail, assistant general agent of the Hartford, in Chicago, is in New York to bid good bye to his son Kenneth F. Vail, who is leaving for the Front. He is in the Thirty-third Division as a despatch bearer in the Motorcycle Corps.

Serious Situation For Local Agents

DISCUSSED BY FEDERATION

Annual Meeting of Pennsylvania Association Held—Re-Elect Wallace Reid President

The trend towards government insurance in this country and the positive necessity of an organization representing the thought, the viewpoint and the strength of the tremendous insurance interest of this country were the significant notes sounded at the annual meeting in Philadelphia on Friday of last week of the Insurance Federation of Pennsylvania. The peril to the agents of the country, not only because of national self-insurance, but from radical political organizations presents a serious situation. With the Government canceling railroad insurance, the Emergency Fleet Corporation canceling other insurance and assuming builders' risk, with the Red Cross doing away with agency commissions, with the Government assuming the insurance risk on many manufacturing plants, with sweeping extensions of the War Risk Bureau, with the cutting down of acquisition cost on compensation risks engaged in Government supply work, the situation demands thoughtful consideration.

It should not be understood that the Pennsylvania Federation, or its spokesmen, were in any sense of the word critics of the Government. Without exception they are enthusiastic supporters of the Government, strong for vigorous prosecution of the war, eager to help in every possible way, but the point emphasized at the convention was that the agents should be alive to the situation; they should be posted on the various steps taken by Government and State officials, and if Washington requires guidance or assistance in any way relative to insurance matters there should be some recognized organization which can speak for insurance as a whole so intelligent co-operation can follow. The Federation fits this need.

I. W. W. and Farmers' League Close as Peas in Pod

One of the most interesting talks made at the meeting was Mark T. McKee's description of the relations between the I. W. W., the Farmers' Non-Partisan League, and other radicals, noted by him on a trip he has just finished to the West. He described the growth of the Non-Partisan League, with $16 memberships, its anti-private company insurance platform, its gradual extension to the East. In his opinion the radicals of this country are bound together in a tight compact, and if they win out generally at the polls the business of an insurance agent will not be worth a package of pins. He told how he had seen two hundred I. W. W.'s, who had been thrown out of one State, come out of a railroad station in a large city, and go to a main street where they made soap-box inflammatory speeches without molestation. In another State sheriffs have been given orders to permit the I. W. W. to speak.

Wallace Reid, of Pittsburgh, president of the Federation, discussed the cleverness of State fund literature in one State. He said that he had seen this defense of the fund by accident; that these literary effusions were difficult to answer often, but they could be answered, and this was but one type of work that members of the Federation could do.

J. W. Henry explained the work of the National Council and told how all interests in insurance are now welded together in the fight to protect the insurance business.

Remak Says Tendency of States is to Usurp Power

Gustavus Remak, president of the Insurance Company of the State of Pennsylvania, discussed the situation in Washington from the fire insurance angle. He thought a dangerous tendency of the times was imitation by States of governmental activities. He warned against the States usurping power.

R. M. Coyle, of Philadelphia, also pointed out the serious position of the insurance agent at the present time. He had a word, too, about the Towner bill, which nearly became a law in New York, and which he said was a camouflaged German measure.

Capt. W. B. Mills, in charge of the Philadelphia police, told how to prevent automobile accidents. He favored bonding owners, and records which will show what becomes of a car from the time it leaves the plant.

A resolution was passed reading as follows:

"Insurance, broadly speaking, is the same in all of its branches—the safeguarding of individuals, of business associations and of corporations against disaster; to that end all engaged in it should co-operate for constructive service of the public and this relation affords the medium through which this object can be effectively accomplished in this State."

The officers elected follow:

President Wallace M. Reid, Pittsburgh; First Vice-President W. W. Flanegin, Pittsburgh; Second Vice-President J. B. Longacre, Philadelphia; Third Vice-President F. D. Buser, Philadelphia; Fourth Vice-President J. H. Barr, Reading; Fifth Vice-President John L. Rivolta, Pittsburgh; Secretary Albert N. Wold, Pittsburgh; Treasurer Alfred G. Hare, Philadelphia.

CONFIRM DECKER

The choice of Frank Decker, special agent of the National Union, was confirmed as assistant secretary of the Underwriters' Association of New York State, at a meeting in Syracuse this week. Thus concludes an exciting chapter in State association annals.

LOST LIBERTY BOND CLAIMS

Warning against carelessness in handling Liberty Bonds has been issued by the National Surety Company of New York. A number of scattered claims under blanket schedules and burglary insurance policies are being presented to the surety companies, says President Joyce.



THE AIRPLANE

—is the military eagle, aptly termed the Eyes of the Army. Rising above and before the battle line, it watches for coming attacks.

FIRE gives no warning of its coming. No eye can see where it will strike next.

ADEQUATE Insurance is the airplane of protection. Use foresight instead of actual vision. Let the

AMERICAN EAGLE
Fire Insurance Company of New York

begin today to protect you against loss by fire.

Cash Capital .....ONE MILLION DOLLARS

HENRY EVANS, President

Home Office
80 MAIDEN LANE
NEW YORK

Pacific Coast Dept.,
INSURANCE EXCH. BLDG.,
SAN FRANCISCO

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

WESTERN
ASSURANCE CO.
OF TORONTO, CANADA
Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918

Assets	$4,194,579.34
Surplus in United States	1,667,691.69
Total Losses Paid in United States from 1874 to 1917, inclusive	43,294,154.63

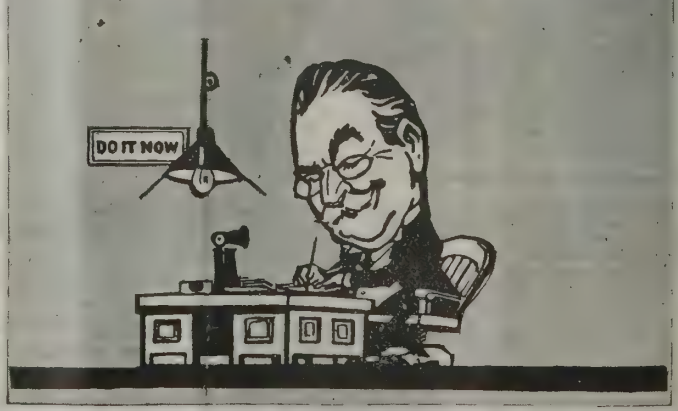
W. B. MEIKLE, President

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $105,000,000
Losses Paid in U. S. - $38,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY

S. C. BISHOP CO.
Represented at
95 William Street,
N. Y. C., Room 1001
AGENTS FOR
NEW JERSEY
208 Broad Street,
Elizabeth, N. J.
Phone, 447 John — 588 Elizabeth

N U
NATIONAL UNION
FIRE INSURANCE CO.
PITTSBURGH, PA.

SECURITY—STABILITY—SERVICE AND FACILITIES MAKE THE NATIONAL UNION A GOOD COMPANY TO REPRESENT BY EVERY TEST THAT COUNTS. TO PROPERLY EXPERIENCED AND QUALIFIED AGENTS NATIONAL UNION SERVICE WILL SPEAK FOR ITSELF WHENEVER YOU CHOOSE TO MAKE THE TEST.



Asks Heavy Penalty to Stop Car Thefts

CRUSADE IN MANY LARGE CITIES

Manager Doherty of the Property Protection Section at Washington Gives Views

Relative to the work of the United States Railroad Administration in attempting to reduce the number of thefts of goods from cars, Philip J. Doherty, manager of the Property Protection Section, has written to The Eastern Underwriter enumerating the causes of the present epidemic of car thefts. He also furnishes suggestions as to preventive measures and presents a statement of the activities of the Property Protection Section up to the present time. Mr. Doherty says:

"As the maximum penalty for violation of the Federal law upon this subject is ten years imprisonment, the invocation of this law for a short period ought to be an effectual public warning of the dangerous character of these felonies. Although the new bureau established by Director General McAdoo's order is only about six weeks old, its accomplishment is quite notable.

"Acting under the direction of the Property Protection Section of the United States Railroad Administration, F. S. Mitchell, chief special agent of the Missouri Pacific Railway, has taken charge at St. Louis of the work of prosecutions in that locality, and has begun what one of the papers of that city described editorially as 'a crusade' against railroad theft. Forty-five employes and others have been indicted by the Federal Grand Jury in cases of theft of goods of large value, and there are many others sure to follow. United States Judge Dyer announced when the indictments were returned in these cases that they were to have precedence. Shipments to a value of more than $75,000 have already been recovered.

Fifty Cases at Toledo

"This is a good beginning at one of the worst spots in the country in the recent past for the prevalence of this kind of crime. At Toledo, an attorney of the Property Protection Section is at work with the railroad police agents in the preparation of more than fifty cases for thieving and receiving property stolen from cars for presentation to the United States Attorney there for prosecution before the Federal Grand Jury in that city this week.

"At Pittsburgh, Pa., one of our attorneys presented evidence for the Federal Grand Jury last week in important cases, in some of which property of quite a large value has already been recovered. One of the Pittsburgh defendants confessed that the hat, collar, tie, shirt, clothes, stockings and shoes in which he stood clad were all stolen by him from the cars. At Indianapolis there are 23 cases investigated by our agents ready for presentation to the Federal Grand Jury when it assembles in a few days.

Working Together in Chicago

"Everywhere throughout the country the railroad special agents and police have been stimulated to activity in the investigation and prosecution of these offenses. Meetings of chief special agents have been held at Washington, at St. Louis and at Kansas City. At Chicago the special agent and police forces of all carriers have been unified for theft prevention work around the Chicago terminals under the direction of one of the chief special agents.

"In some cities special detectives have been assigned from the regular police to co-operate with the railroad police. Railroad managers, merchants, manufacturers and some boards of trade have tendered their full co-operation in the work of the Property Protection Section established by Director General McAdoo. This Section is in daily contact by wire with the activities of the railroad police and is thus transmitting instructions, advice and enthusiasm to all the active agents in the field."

Mr. Doherty enumerates the causes of these thefts as follows:

Public minimization of the seriousness of this crime. Trifling penalties usually imposed by courts. Condonation shown by reinstatement of employes guilty of this offense. Anti-corporation sentiment holding back even honest employes from disclosing knowledge of this kind of crime.

And contributing to recent epidemics of these offenses:

(1) The compulsion under which in a scant labor market, carriers in order to move cars accepted large numbers of undesirable nondescripts;

(2) Excitement and upheaval of social conditions resulting from prevalence of world war;

(3) Long standing of cars at points where guarding had not been usual, owing to congestion of traffic.

The thefts of large shipments are ordinarily by the instigation of "fences" and receivers, who utilize information from employes as to valuable shipments and induce professional thieves and gunmen to secure the goods at some isolated track and deliver them into their possession.

Possible Preventive Work

(1) Every package leaving consignor's possession should be so securely packed and sealed that any tampering will be disclosed.

(2) Warning on every package as to TEN YEAR penalty for stealing same.

(3) Close and accurate checking of condition of shipment and of quantities actually and not formally made at all interchange or reloading points.

(4) Publicity of the broadest kind to instill into the minds of all, the purpose of the Government to require for freight in transit the same inviolability as for the mails.

(5) Propaganda by merchants and large advertisers to induce the press to display and comment upon court convictions for this class of offenses.

(6) More adequate car fastenings and more complete and accurate seal records by the carriers.

(7) The strengthening of the railroad police agencies at all places where these offenses are recurrent.

(8) The insistence upon greater vigilance and co-operative work as to this class of crime on the part of municipal police.

(9) A crusade in all great centers of population against all receivers of stolen goods, fences and breeding places of crimes against property.

(10) Stimulation of patriotic purpose of the people to support the Government in this great crisis and to visit strong popular condemnation upon all who tamper with Governmental instrumentalities of any kind.

Present Government Activities

There are ample laws upon this subject both state and National. They have not been adequately enforced. The first activity of the Government at present is to stimulate and effectuate the enforcement of the laws relating to this class of crime. The Director General, Wm. G. McAdoo, has established a bureau charged with the duty of investigation and preparation of prosecutions of this class.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

National Fire Insurance Company

OF HARTFORD, CONN.

Statement January 1, 1918, to New York Insurance Department

LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer
G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent

SURPLUS TO POLICYHOLDERS.....$5,980,020.79

STRENGTH INTEGRITY SERVICE

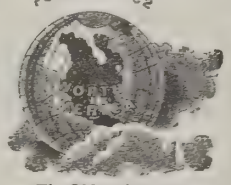
Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries

JAMES H. BREWSTER, Mgr.
Hartford, Conn.

A Broad Underwriting Service to Agents
Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.
Works in Harmony with American Agency Principles and Practices

FOUNDED 1792



The Oldest American Stock Insurance Company

7921 Insurance Company of 1918

NORTH AMERICA

PHILADELPHIA

126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	161,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33

Fire Insurance, Tornado, Sprinkler, Explosion; Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

INCORPORATED 1720

Royal Exchange Assurance

LONDON, ENGLAND

United States Branch
92 William Street, New York

RICHARD D. HARVEY
United States Manager

Agricultural Insurance Company, of Watertown, N. Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

Authorized Capital $500,000

Detroit National Fire Insurance Co.

DETROIT, MICHIGAN

A Company to be built gradually and along the indicated lines of permanence

AGENCY CONNECTIONS SOLICITED

BROKERS ACTIVITIES

YONKERS EXCITEMENT

A. H. Iles Gets So Much of City's Public Business Local Board Protests

Daily newspapers in Yonkers, N. Y., have been printing columns about the protest to the city council against A. H. Iles & Co. getting 60 per cent. of the municipal fire insurance, and to the reply of the Iles faction. The city's property is valued at $4,000,000. There are 31 agents in the city. In a statement at a meeting Iles said:

"To my mind the insurance business is largely a matter of friendship. About 95 per cent. of your business comes from your personal friends. It was only a question who had more friends in city hall. It seems that A. H. Iles had more friends. If the business was turned over to some other office, why the brother would accept it with open arms."

* * *

The Red Cross Line

C. S. S. Miller, secretary of the National Association of Insurance Agents, has received the following letter from R. C. Rathbone, director of the Bureau of Insurance, Red Cross:

"The Red Cross Insurance Bureau here at Washington is not disturbing any insurance on goods at Red Cross chapters, branch chapters and auxiliaries throughout the United States, all of which is placed locally through local agents.

"There is a certain class of Red Cross property, however, on which a floating policy has been placed. This property consists principally of merchandise in division warehouses, camp and cantonment warehouses and other locations where the values are subject to continuous and violent fluctuation so as to make it extremely difficult to keep changing the policy to conform to the constantly changing values. This floating policy has been placed direct with the Red Cross, without commission, and under an agreement that all premiums not used for losses, taxes and re-insurance will be returned to the Red Cross.

"While we appreciate the co-operation which is being given by Red Cross agents all over the country in Red Cross matters, yet we felt that in a case of this kind where the transaction was so greatly in the interest of the Red Cross, the local agents would be willing to subordinate their own personal interests for the benefit of the cause, and I am glad to say that this had been very generally the attitude in the case of everyone who has obtained full information as to what is being done."

* * *

Insurance on Hay

Not many company papers can match the "Hartford Agent" when it comes to offering novel and valuable suggestions to local agents in increasing their premium income. And the best part of it is that the agents themselves often write the story telling how it is done. In the current number there is an interesting little article by S. S. Porter, a local agent of Ianthe, Mo., regarding "Insurance on Hay." For nine years this agent has been writing insurance on baled prairie and timothy hay in large policies, and it has been a profitable business.

Tokio to Have An Agency Plant

J. A. KELSEY FIRE UNDERWRITER

Company's Assets Grew From $18,949,158 in 1916, to $20,163,638 in 1917

It was announced this week that the Tokio Marine Insurance Co., Limited, which is to do a fire insurance as well as marine business here, had re-insured the Aachen & Munich. J. A. Kelsey is managing underwriter of the Tokio.

This Company's growth last year was surprisingly progressive. On December 31, 1916, the Tokio had total assets of $18,949,158 and at the end of 1917 these assets had grown to $28,486,316. Its surplus over all liabilities at the end of 1916 was $13,588,893; at the end of 1917, $20,163,638. It has nearly $4,000,000 cash in bank.

M. Suyenobu is chairman of the Tokio, and the managing directors are K. Kagami and H. Hirao. It will be planted as a local agency company.

A Two Million "Mormon" Line

Ashton & Jenkins, local agents at Salt Lake City, will place a $2,000,000 line for the Mormon Church on tabernacles, church meeting houses, temples, schools, etc., under blanket policies.

* * *

Will Cover Against Earthquake Damage

Kahn & Feder, the San Francisco brokerage firm and representative of Lloyds, London, announce their ability to issue coverage against earthquake and fire caused directly or indirectly thereby. This action is due to urgent demand made for this insurance on account of the recent trembles in Southern California.

LINES SOLICITED AND BOUND THROUGHOUT UNITED STATES AND CUBA

E. F. FLINDELL
INSURANCE

1 LIBERTY STREET Telephone John 2612 NEW YORK

LOCAL OFFICES

JERSEY CITY, N. J. 1 Montgomery St. Tel. 716 Montgomery
BROOKLYN, N. Y. 153 Remsen St. Tel. 2504 Main
NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

Caledonian Insurance Co. of Scotland
FOUNDED 1805
"THE OLDEST SCOTTISH INSURANCE OFFICE"
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MARINE DEPARTMENT

Gossip in London Marine Offices

London, Eng., May 1.—The "Inveramsey" case, in which judgment was recently given by Mr. Justice Bailhache, has revived discussion on the interesting point as to the onus of proof of loss, particularly in the case of missing ships.

In this case, as in some others, the vessel was insured for differing amounts on marine and war risks, with the consequence that the arbitration scheme did not satisfy the owners, who preferred an appeal to the Courts on an endeavor to recover the larger sum.

Mr. Justice Bailhache again, in this case, took occasion to express his opinion that where there is nothing known beyond the fact that a vessel is missing, the loss falls upon the marine underwriter, pointing out that the assured might fail against both marine and war risk underwriters if it were necessary for him to prove the cause of loss.

Strong opinions are held against that contention, and the point seems to be a very debatable one, which would be interesting if, as seems likely, it could be taken to a higher Court.

* * *

Port Said Congestion

There has been considerable exercise of forensic ability over the question of liability where cargo destined for European ports has been transhipped at Port Said, where congestion is particularly bad, and similarly regarding outward cargo. In cases where transhipment was neither intended nor expected, there seems to be a probable loophole for marine underwriters, if they deem it necessary and advisable to take advantage of it; but now that the custom has become well known, and a general rule with shipments by certain lines of steamers, the position is different.

In these circumstances, the desire for a scale of fixed additional rates to cover such delay is being expressed in London, and it would certainly be an advantage if some such scale could be drawn up by the Institute in agreement with other bodies, to ensure adequate remuneration so far as possible for the serious risks which are being run. This would also have the effect of bringing home to merchants even more obviously the necessity of looking after their goods, and of obtaining accurate information as to their movements.

* * *

Commercial Credits

Arrangements have now been made by the British Trade Corporation to bring into operation its scheme of commercial credits insurance. For this purpose, a company has been formed under the title of the Trade Indemnity Company, Limited, which has taken over as the nucleus of its business the credit insurance organization previously carried on by the Excess Insurance Company. The capital of the new company, which will work in close co-operation with the British Trade Corporation, is £100,000 issued at a premium of 20 per cent., upon which 20 per cent. has been called up. The Company will provide traders in this country with an organization for the insurance of a proportion of the extended credits which they may in the future find it desirable to offer especially in their overseas transactions, and there should be a wide field open to it in the development of after-the-war-trade.

* * *

Rate Reductions

The War Risks Insurance office, says "The Board of Trade Journal," announces the following alterations in and additions to the rates already published: Reductions.—United Kingdom or France to or from North and Central America (east coasts) and West India, rate is reduced from 60s. per cent. to 45s. per cent. United Kingdom or France to or from South America (east coast) reduced from 70s. per cent. to 60s. per cent. United Kingdom or France to or from North, Central, South America (west coasts), rate reduced from 70s. per cent. to 60s. per cent. Additions.—United Kingdom to Greece direct, 7 per cent.; United Kingdom to Greece, via Egypt, 10 per cent.; United Kingdom to Morocco direct, or with transhipment at Gibralter, 5 per cent. (no risk in interior); Egypt to Greece, 5 per cent. These rates were effective for all insurances accepted on and after April 12.

* * *

State War Risk Insurance

It was four weeks ago today, said "The Times" of Thursday, April 4th, that the revised Government scheme of war insurance for cargoes was put into operation, so that the market has now had some experience of its working. The main feature of the revised scheme was that a schedule of rates for the different trades was substituted for a flat rate for all routes, which then stood at 5 per cent. The new Government rates, represented a very considerable reduction on the market rates then current, the reduction amounting, in many cases, to about 30 per cent. Underwriters seem to have met this reduction, for brokers report that in respect of many trades, at any rate, they are now placing just as much business in the open market as before the revision. In respect of some trades where, under the old scheme, the Government liability had been heavier than was actually desirable, they have even been placing more business in the market.

The revised scheme was known to have been instituted mainly with the double object of providing war insurance, at what was believed to be cost price, for large values which could not be completely covered in the market, and of ensuring, by the quotation of fixed rates of premium, that every shipper had a guarantee of being able to insure his goods at those rates. In these objects the scheme appears to have been entirely successful. All seem to be agreed that there is little prospect of profit on the present rates, and therefore no one can well grudge underwriters their acceptance of the risks at rates which are admittedly low. A larger brokerage is to be earned by placing risks in the open market than at the Government office, while undoubtedly an impression prevails that in the settlement of claims private underwriters and insurance companies are not bound by the same hard and fast regulations which handicap Government offices in the eyes of business men. There is reason to believe that the Government War Risks Office is now disposed to adopt a less rigid attitude, and of this modification merchants will certainly be quick to show their appreciation.

We beg to announce our appointment as
MARINE MANAGERS
of the
AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000
EQUITABLE UNDERWRITERS OF NEW YORK
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CONCRETE SHIP INSURED

San Francisco marine underwriters have been asked to insure the hull of the concrete steamer Faith. The success that has followed this experiment through the various stages of completion of the vessel, together with the loyalty that the marine underwriters feel towards the shipping men who had the courage to risk their money in a venture that from the outset was considered questionable, has called for the most favorable consideration of underwriters.

The insurance on the Faith has been offered by brokers and accepted by companies at a rate of 10 per cent. per annum, the insurance to cover under usual Lloyds form policy against total loss, but not to pay general average and salvage charges.

AUSTRALIAN COMPANY ENTERS

The Queensland Insurance Company, Ltd., of Australia is entering the United States for marine business, and has applied for a license in California, where it will make its United States deposit. The California law requires a deposit of $200,000 from foreign marine companies, but the Queensland will put up $225,000, all in Liberty bonds. Balfour-Guthrie & Co. of San Francisco have been appointed general agents for the company. The decision of the Queensland to enter the United States follows a visit which Cuthbert Hawkes, managing director of the Company, made to this country last fall for the purpose of inspecting underwriting conditions here, says "Underwriters' Report."

MARINE CLUB MEETING

The May meeting of the Marine Insurance Club was held on Monday at the Waldorf-Astoria. This was the last meeting of the season and the next regular meeting will be held in September. Hendon Chubb, insurance advisor of the Emergency Fleet Corporation, was to have addressed the club on war risk insurance but was unexpectedly called to Washington.

It was announced at the meeting that the finance committee would shortly submit to the members by mail the details of the club house plan which has been under consideration.

McGEE EXPANDS

To accommodate and handle their rapidly growing business, William H. McGee & Company, marine underwriters, have leased the second and third floors of 23 William Street. This new space adjoins their present offices and will be connected up by communicating doors.

BACK FROM PACIFIC COAST

William F. Whittlesey, of Hartford, marine vice-president of the Aetna Insurance Company, has returned from an extended trip to the Pacific Coast.

CHUBB & SON GET MERCHANTS

Chubb & Son have been appointed marine managers of the Merchants Fire Assurance Corporation, of New York.

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street New York
MANAGERS MARINE DEPARTMENT
American Insurance Co., of Newark, N. J.
Firemen's Insurance Co., of Newark, N. J.
Glens Falls Insurance Co., of Glens Falls, N. Y
Hanover Fire Insurance Co., of New York, N. Y.
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Losses made payable in all parts of the World
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CASUALTY AND SURETY NEWS

Two Compensation Forms Submitted

BEFORE COMPANIES FOR ACTION

Hearing Expected Soon With New York Department and Industrial Commission

There are now two proposed standard compensation policy forms before the New York Insurance Department for approval. One was prepared by the committee of the Rating Board and the other by Walter G. Cowles, of the Travelers. The latter is known as the form of "The Associated Companies." The Insurance Department may approve either of these forms and there is nothing to prevent the companies using both if they so wish. The department has no authority to compel the use of any so called standard form, although it has exerted considerable influence at times to bring about such a condition.

Now Before Companies

Superintendent Phillips has said that the interest of the department lies in the direction of securing uniformity, and the State Industrial Commission is seeking the same end. The associated companies' form has met wih considerable favor in the Insurance Department, but it has been suggested that all the companies be given ample opportunity to study it before any official action is taken. Consequently copies of the form and endorsements have been forwarded to 33 stock companies and 18 mutuals. When sufficient time has elapsed the department has offered to arrange a joint hearing with the Industrial Commission on the question of uniform action by the carriers. It is thought that if a substantial proportion of the companies favor the associated companies' form, the department and the Industrial Commission will sanction its use.

Objections Encountered

This policy has been submitted to the authorities in 23 States and is about to be submitted in one other. Twenty-one States are said to have approved it. Maryland objected, but it is believed that the objection has been overcome. Iowa alone objects on the ground that the law should be cited in the body of the policy rather than in the endorsement. Even this objection, it is believed, will be overcome.

The "Associated Companies" are the two Aetnas, Employers, Hartford, London Guarantee & Accident, Maryland, Ocean, Standard and the two Travelers. They control the bulk of the business.

The situation is not without a tinge of disappointment on the part of some of those who devoted much painstaking effort to prepare the form submitted at the hearing before the State Industrial Commission and the Insurance Department last December. At that time Mr. Cowles, of the Travelers appeared in opposition to many of the provisions of that form. Such excellent work as was done by the Compensation Policy Forms Committee cannot, however, have been without excellent results in developing a trend of opinion.

As was said, there are now two forms up for consideration. Both may survive. If it is permissible to have two forms, why not three or any other number? If such proves to be the case the situation will revert to practically where it was before.

The National Fraternal Congress will meet in Philadelphia the last week in August.

Mutual Casualty Results Shown

RETURNS MADE IN NEW YORK

Compensation and Liability Companies' Figures Covering Nineteen Seventeen Business

From annual statements filed with the New York Department covering 1917 transactions, the following items concerning New York mutual compensation and liability companies have been taken:

Utica Mutual Compensation	
Premiums received	$573,689
Losses paid	173,571
Dividends paid	15,911
Total disbursements	331,586
Admitted assets	725,158
Reserve for losses	237,882
Total liabilities	550,158
Premiums since organization	1,126,543
Losses since organization	326,120
Dividends declared since organization.	74,167
State Insurance Fund	
Premiums received	$2,694,851
Losses paid	1,142,411
Salaries	99,693
Dividends paid	150,421
Total disbursements	1,458,292
Admitted assets	3,754,262
Reserve for losses	3,020,862
Unearned premium reserve	108,109
Total liabilities	3,355,579
Premiums since organization	6,570,738
Losses since organization	2,238,637
Dividends declared since organization.	738,047
Allied Mutuals Liability, New York	
Premiums received	$353,227
Losses paid	81,419
Dividends paid	.....
Commission and brokerage (contract)	54,950
Total disbursements	148,674
Admitted assets	332,280
Total liabilities	263,148
Premiums since organization	563,077
Losses paid since organization	120,359
Dividends declared since organization	19,791
American Mutual Compensation, New York	
Premiums received	$241,940
Losses paid	222,751
Dividends declared	132,179
Total disbursements	299,847
Admitted assets	411,051
Total liabilities	388,735
Premiums since organization	1,429,799
Losses since organization	603,622
Dividends declared since organization.	287,870
Exchange Mutual Indemnity, Buffalo	
Premiums received	$94,162
Losses paid	26,332
Commissions and brokerage	21,822
Dividends paid	13,538
Total disbursements	77,534
Admitted assets	155,833
Total liabilities	90,586
Premiums since organization	207,339
Losses since organization	63,248
Dividends declared since organization	40,291
Employers Mutual, New York	
Premiums received	$290,310
Losses paid	110,921
Total disbursements	176,979
Admitted assets	360,329
Total liabilities	202,226
Premiums since organization	794,257
Losses since organization	304,479
Dividends declared since organization.	33,985
Lumber Mutual Casualty, New York	
Premiums received	$222,843
Losses paid	92,790
Commission or brokerage (contract)	47,646
Dividends paid	11,488
Total disbursements	157,931
Admitted assets	240,415
Total liabilities	172,819
Bakers Mutual, New York	
Premiums received	$21,027
Losses paid	9,222
Total disbursements	26,519
Admitted assets	49,733
Total liabilities	12,996

(Continued on page 23)

Guarding Profits and Production

is the function of Workmen's Compensation Insurance. By means of expert safety-first inspections that discover danger points and prevent accidents, a vast amount of time, material and money is saved for the many important American industries protected by Workmen's Compensation Insurance in the Maryland Casualty Company of Baltimore.

Where unforeseeable accidents occur, this essential protection provides prompt medical attention followed by full payment of compensation in exact accordance with the law.

Agents representing The Maryland are aided by an unusual quality of earnest co-operation from the inspectors in the field and the underwriters at the Home Office.

Maryland Casualty Company

THE TOWER

BALTIMORE

Accident and Health Meeting Successful

BELIEVED CARRIERS IN ACCORD

Committee of Five Appointed to Draft New Policy Will Report June 6

Such revision in accident and health policy forms as is shown to be imperative is expected to result from the meeting held in New York last week. Among the provisions most likely to be dropped is that of full accumulation. The trend is back to the old $1,000—$5 unit of indemnity. Ultimate success of the long drawn out movement for curtailment of "frills" is regarded as more iminent in the face of increasing necessity for relief. The questions of commissions and rates were not touched upon, it is said.

Companies Represented

Twelve company members of the committee of fifteen were represented at the meeting. Those present were:

John T. Stone, Richard H. Thompson, Maryland Casualty; W. C. Faxon, John M. Parker, Jr., and E. C. Bohen, Aetna; B. A. Page, William BroSmith, D. N. Case, Travelers; William B. Mann, Ocean; J. S. Heaton, Standard; E. H. Winslow, S. M. LaMont, Metropolitan Casualty; D. W. McFall, Continental Casualty; Charles H. Holland, Royal Indemnity; F. H. Kingsbury, Globe Indemnity; A. P. Woodward, Connecticut General Life; W. B. Hill, United States Fidelity & Guaranty. The Pacific Mutual Life was represented by proxy.

The United States Casualty, Columbian National Life and the Fidelity & Casualty were not represented.

Each Clause Voted On

A committee of five was appointed to prepare a revision of the policy form in accordance with the proceedings of the meeting. Each feature of the present policy forms was taken up separately and voted upon. There was more than usual interest displayed in the proposed action of the carriers and marked unanimity of opinion prevailed. On one clause, for example, there was one dissenting vote; but action was finally made unanimous. On another question there were two dissenting votes, but it is not unlikely that these may be changed when another meeting is held June 6. One committee of five is Richard H. Thompson, B. A. Page, William B. Mann, S. M. LaMont and one other member.

NEW COMMITTEE CHOSEN

The new commission committee of the National Workmen's Compensation Service Bureau is composed of Charles H. Holland of the Royal, Samuel Appleton of the Employers and Louis F. Butler of the Travelers. This gives one branch office company and two general agency companies representation on the committee, which formerly consisted of five companies principally on the general agency basis.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building PHILADELPHIA

PICKED UP ALONG WILLIAM STREET

Talking to Women

Many a man in insurance who has faced a powerful but mistaken loss claimant who is demanding something he should not have shows less perturbation than when called upon to address the Women's Auxiliary of the Insurance Society of New York. In plain English talking to a roomfull of women is an experience that is embarrassing to many of the speakers at the society's special lectures for women, but even E. R. Hardy, the most bashful man on the Street, went through the ordeal and survived. As one speaker told the class: "I find it much easier to talk a hundred times to one woman than I would one time to a hundred women." Miss Inch, the efficient and popular charge d'affaires of the Insurance Society, presents each speaker with a carnation. Only one of the speakers got all fussed up and appeared without the decoration.

* * *

Would be the Great Divide

Since the movement to consolidate automobile interests has taken definite shape, some casualty men have been speculating as to whether the automobile business may be divided by hard and fast lines. That is, could the casualty companies be induced to give up the collision line to the fire companies and the fire companies the property damage to the casualty men? Such a division is regarded as the natural one, the casualty companies insuring all "damage by" the car and the fire companies all "damage to" the car. There is continual friction over the adjustment of combined collision and fire losses.

* * *

Self-insurance Provided For

In Massachusetts a bill has been introduced in the legislature amending the workmen's compensation law so as to provide that an employer, upon proof of financial ability, may carry self-insurance.

* * *

Space Problem Solved

The Commercial Casualty's treatment of the old building at 128 William Street, has demonstrated what can be done in this time of high prices to make old structures attractive and serviceable. So many offices are now seeking additional space which is now unobtainable, that it would not be surprising to hear that others will follow the methods of the Commercial.

* * *

Making Extensive Improvements

When the Maryland Casualty completes alterations on the building at 105 William Street there will be but one entrance instead of three. An entirely new front will be put in and the building will present a much changed appearance. Extensive alterations are under way which will cost $50,000. The New York office of the Maryland hopes to be established in the altered building by July 15.

FARRISH'S CHOP HOUSE
Cor. John & William Streets
THE PLACE in the Insurance District to eat lobsters
NOW IN SEASON
Whole cold lobster 65c.
Whole broiled lobster 75c.

Lotta Helping Workmen Find Homes

Harris J. Lotta, surety and casualty agent, Philadelphia, is general chairman of the Rotary Club movement to aid the Emergency Fleet Corporation house and otherwise look after the welfare of 2,000 employes of that corporation now moving to Philadelphia from Washington.

* * *

German System Exposed

It is now said that the much praised imperial insurance system of Germany gave to the aged the munificent sum of 76 cents a week; to the invalided and sick less than $1 a week and to a widow 25 cents a week—this in a country where the yearly cost of barest subsistence was from $140 to $155.

* * *

Will Play Golf June 4

The Casualty & Surety Golf Club will hold its spring tournament at Cherry Valley Golf Club, Garden City, June 4. Thomas J. Grahame, of the Globe Indemnity, is chairman of the golf committee.

* * *

Would Curb State Fund

In examining the Colorado State Compensation Insurance Fund, Actuary Paul L. Woolston declares that the Fund's surplus results from the State paying all the Fund's expenses from the general treasury. He recommends that the Fund pay its own expenses and be supervised by the Insurance Department and that the present system creates unfair competition for the private carriers. The same argument has been made regarding the New York State Fund.

* * *

Preparing New Manual

The Burglary Underwriters' Association is busy making a complete revision of the Manual. Blanket hold-up policies covering both inside and outside at ten per cent. discount from the combined rate for exterior and interior hold-up for equal amounts will be dropped after June 1.

* * *

Does Not Want Compensation

Efforts to bring about the enactment of a compensation law in Georgia have not met with any encouragement lately.

* * *

Adjournment Expected To-morrow

The Massachusetts Legislature will, it is believed, adjourn May 18. The compensation legislation there is being watched with particular interest in the closing days of the session.

* * *

Lieut. McKean, of Aetna, Killed

The first Aetna Life man to lose his life in the service of his country in this war was Lieut. Egbert McKean, who before enlisting in the aviation corps, was connected with the Company's claim department in the San Francisco branch office. He met his death in an aeroplane accident near Lake Charles, La. In making a landing his machine overturned, striking the ground.

* * *

Will Play Next Tuesday

The Casualty & Surety Insurance Golf Association of New York has accepted an invitation from the Philadelphia Insurance Golf Association to send a team of ten members to play at the White Marsh Country Club May 21. About 25 players will make the trip next Monday afternoon, returning Tuesday night.

BUSINESS=BUILDERS
DEVELOPING
Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE
APPRECIATE THE CO-OPERATION OF THE
Massachusetts Bonding and Insurance Company
BOSTON T. J. FALVEY, President
Paid-In Capital $1,500,000 Write For Territory

New York Casualty Results Reported

OPERATIONS DURING PAST YEAR

Additional Returns as Shown by Annual Statements Filed With Department

In addition to the returns published by The Eastern Underwriter last week, the following results of casualty company transactions in New York State in 1917 are given:

Surety

New York State Companies	Premiums received	Losses paid
Fidelity & Casualty	$201,998	$73,375
Globe Indemnity	210,957	28,756
American Surety	547,458	67,321
Great Eastern Casualty	28,036	16,922
Capital City Surety	93,581	52,036
Preferred Accident	29,344	5,402
New Amsterdam Casualty	70,561	3,757
London & Lanc. Ind.	69,290	57,818
Royal Indemnity	85,836	30,968
National Surety	879,764	249,238
United States Guarantee	272,023	24,054
Companies of Other States		
Aetna Casualty & Surety	$450,312	$44,193
Fidelity & Deposit	634,530	223,126
Hartford Acc. & Ind.	119,763	7,497
Massachusetts Bonding	113,286	63,566
Maryland Casualty	68,185	2,425
International Fidelity	25,987	4,300
United States F. & G.	590,908	108,568
Employers Liability	1,584	.....
Norwegian Globe	58,439	.....
Guarantee of N. A.	3,387	.....
European Accident	35,235	41,300

Fidelity

New York State Companies		
Fidelity & Casualty	$120,039	(—) $8,689
Globe Indemnity	30,903	1,078
American Surety	327,592	47,476
Preferred Accident	19,677	3,896
New Amsterdam Casualty	72,968	10,482
London & Lanc. Ind.	10,035	9,613
Royal Indemnity	76,193	20,899
National Surety	258,954	62,629
United States Guarantee	106,887	30,841
Companies of Other States		
Aetna Casualty & Surety	$45,175	$7,205
Fidelity & Deposit	135,827	41,952
Hartford Acc. & Ind.	51,444	3,909
Massachusetts Bonding	37,462	10,431
Maryland Casualty	23,263	3,142
International Fidelity	1,348	.....
United States F. & G.	198,605	31,846
Employers Liability	21,530	7,864
Norwegian Globe	18,959	42
Ocean Acc. & Guar.	20,157	8,931
Guarantee of N. A.	48,006	9,786
European Accident	20,568	6,188

Burglary and Theft

New York State Companies		
Fidelity & Casualty	$192,665	$76,689
Globe Indemnity	93,010	34,226
General Indemnity	8,703	.....
Great Eastern Casualty	74,479	24,970
United States Casualty	42,020	18,265
Preferred Accident	100,343	52,099
New Amsterdam Casualty	70,104	24,059
London & Lanc. Ind.	16,767	9,723
Royal Indemnity	94,776	31,679
Companies of Other States		
Aetna Casualty & Surety	$102,361	$33,942
Fidelity & Deposit	72,557	53,489
Hartford Acc. & Ind.	97,326	68,724
Massachusetts Bonding	86,142	37,533

	Premiums received	Losses paid
Maryland Casualty	60,293	21,790
Loyal Protective	74,317	37,378
N. J. F. & P. G.	19,239	4,036
Travelers Indemnity	81,791	25,021
United States F. & G.	64,022	20,476
Employers Liability	54,024	22,670
Norwegian Globe	40,755	4,725
Ocean Acc. & Guar.	64,161	21,578
London G. & A.	58,803	28,213
Frankfort	8,347	6,544
General Accident	20,417	9,473
European Accident	189,318	63,898
Steam Boiler		
Fidelity & Casualty	$56,581	$3,253
Globe Indemnity	19,803	6,952
Royal Indemnity	28,131	270
Maryland Casualty	41,664	2,007
Hartford Acc. & Ind.	201,999	9,607
Travelers Indemnity	83,578	4,218
Employers Liability	6,341	483
Norwegian Globe	4,705	.....
Ocean Acc. & Guar.	23,559	941
London G. & A.	8,884	310
European Accident	3,201	.....
Fly Wheel		
Fidelity & Casualty	$8,507	$4,060
Globe Indemnity	560	.....
Royal Indemnity	2,503	.....
Maryland Casualty	2,630	.....
Hartford Acc. & Ind.	25,441	.....
Travelers Indemnity	2,690	.....
Employers Liability	2,657	.....
Ocean Acc. & Guar.	1,688	.....
Sprinkler Leakage		
Aetna Casualty & Surety	$45,055	$10,958
Maryland Casualty	48,694	17,303
Credit		
American Credit Ind.	$132,881	$10,338
Ocean Acc. & Guar.	172,861	9,230
London G. & A.	180,634	11,740
Live Stock		
Hartford	$83,246	$58,749
Physicians Defense		
Maryland Casualty	$4,969	$835

(—) Denotes minus.

LOCK ALLOWANCE EXTENDED

Five Per Cent. Additional Proposed For Device on Spare Tires

Recommendation has been made by the National Automobile Conference that fifteen per cent. reduction be allowed from the theft premium for use of an approved lock in New England, Eastern and Southern Conference territory, subject to approval by local conferences. If approved in the East and South this practice will have become nation-wide.

In the West this feature provides merely that the insured shall keep his car locked. The resolution just offered provides that the insured shall "use all diligence and agree to maintain the efficiency of said locking device and in locking machine when unattended."

The National Conference also recommends that an additional five per cent. be deducted for a lock on extra tires. New England has approved both deductions. The allowance becomes effective on all policies, new and existing, from date of Conference circular which will be issued as the local conferences concur.

The Fidelity and Casualty Company of New York
92 LIBERTY STREET, NEW YORK, N. Y.
Metropolitan Office—92 William St.
ANNUAL STATEMENT DECEMBER 31, 1917

Assets	$15,077,330.62
Liabilities	10,785,343.53
Capital	1,000,000.00
Surplus over all liabilities	3,291,987.09
Losses paid to December 31, 1917	60,740,294.97

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation, Steam Boiler Insurance; Fly-Wheel Insurance.

How Travelers Insurance Company's New Tower Will Look



CASUALTY AND SURETY POINTERS

Why Small Towns Are Hazardous

B. L. Heath, writing in the publication of the Chicago Bonding about selling automobile casualty lines in small towns, says:

The average small town automobile owner usually has many objections to carrying liability insurance on his automobile, claiming that there is little danger in the small town, the streets are not congested, speeders are scarce, and all in all, the accidents occurring are not large. The answer to this is that if an owner were to drive his car only within the corporate limits of the town in which he resides, the necessity for carrying liability insurance would be nil. However, most automobile owners purchase a car with the idea of getting a maximum amount of pleasure out of it and usually makes trips into the country and to the metropolis nearest his home town, a great number of times in a season.

A small town owner is usually a stranger to the traffic rules and regulations of the large centers and encounters many difficulties when driving in the congested traffic of the large city. He is subject to all the hazards of the big city automobile owner.

In country touring, especially on long trips, much of the travel is done in the early evenings, over unfamiliar roads, and through unfamiliar towns. He may be a most careful driver, but in the small towns through which he might pass nightly joy riders are usually out in force, and the children in the early evening are playing in the streets. A collision, through no fault of his may result, or injury to the children in their play may occur, and the proof of his innocence will, in nearly every case, cause considerable money loss to him.

A word or two more relative to the careless mixed traffic encountered in and about small towns. Out of nearly every small town, within a radius of six to ten miles, road-houses and saloons abound. The more or less sporty element of these towns are the chief patrons, and many are the cases where the average automobile owner coming in from an evening's drive on a hot summer night subjects himself to all manner of exposure, due to the careless driving which results from a revel of the small town sport.

The foregoing are merely a few of the many reasons why the average owner of an automobile, whether he live in the large congested city or the small industrial centers, is equally open to liability in the use and maintenance of his automobile, and needs the full protection which is only secured through liability, property damage, and collision coverage.

* * *

Strongest Appeal Is Fear

An advertising message must have unity, coherence and emphasis. It must center and revolve upon a single idea; its terms must be logical and connected and it should stress at the beginning and end the importance or the main idea.

Advertising copy is divided into six component parts. The heading, the introductory remarks, the sub-heading, the body or main explanatory feature, the admonition and the name. It is not always necessary to combine these parts in their entirety in a single advertisement. In fact such an arrangement cannot be accomplished where the space is small, without creating an appearance of clumsiness and thus weakening the presentation. But no matter what number of components may be embodied in the ad the distinction should be clear and decisive. An over-crowded jumbled mass of type will not attract favorable attention.

Headings should call attention to the message by the use of words calculated to strike a suitable appeal. The strongest appeal for insurance advertising is fear; security comes next, and reputation, confidence, economy follow in varying degrees of strength.

Headings should pertain strictly to the subject at hand. Irrelevant and flippant sentences calculated to attract attention by their oddity and apparent disconnection with the idea of the advertisement are never effective. If a sub-heading is used have it conform, by a process of reiteration, to the main heading. This has the effect of presenting a connected message to the reader at a single glance and induces a complete reading of the advertisement. The message should always be positive in its argument. Negative statements are reactionary and create unfavorable influence. "Buy a Smith derby, it is light and comfortable" is stronger than "Don't buy a Smith derby unless you want extreme hat comfort combined with conservative style."

Price is an unimportant factor in insurance advertising and should not be referred to unless the advertisement is intended to call attention to some special rate reduction, the significance of which is certain to be fully appreciated by the readers.

In the preparation of the ad, particularly if it is one without an illustration, allow ample margins. Plenty of white space surrounding all sides of the ad gives it contrast and renders it conspicuous. Avoid the use of heavy ornamental borders and fancy type especially in small advertisements. Long sentences set in capital letters are hard to read. Freakish looking type displays and illustrations divert attention from the message and weaken the effect of the advertisement.

Advertise only one idea at a time. Too many different thoughts combined in one advertisement detract strength from each other. If your appropriation is limited buy only a small amount of space and use it frequently instead of attempting by means of one or two large ads to make a "Hun drive." Procure position next to the reading columns when possible—even if it costs a few dollars more. The added attention which your advertising will receive as a result of a preferred position justifies the slight additional cost.—The General's "Review."

PLATE GLASS READJUSTMENTS

Rate Revisions Taking Place Throughout Country to Meet Changed Conditions

Oregon plate glass rates are being readjusted to bring them into conformity with other Pacific Coast territory. California, which has had a State Manual, will after July 1 use the 1918 Manual in use generally throughout the country.

Three Southern Tier counties in New York will have their rates readjusted on a Manual plus fifty per cent. basis. Atlantic City, which uses the 1915 Manual, has been placed in the list of municipalities which carry an additional rate because of special hazards, such as congestion, windstorm, etc. That city will have a rate of Manual plus fifty. Rates in Connecticut will be revised to take into consideration the hazards of explosion, there being so many munition factories in that territory.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE CHICAGO

F. W. LAWSON
General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers New England

Established 1869.

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

NEW POLICY FORM SOUGHT

Plate Glass Men Hold Constructive Meeting to Solve Increasing Difficulties

Last Friday, representatives of plate glass writing companies from many parts of the country met in New York at the office of Lloyds Plate Glass to consider the various problems confronting that business Among the topics discussed were limits of liability, large lights and the practice of continuing to cover a replaced light without additional premium.

One underwriter has calculated that between 1915 and 1917 the total losses in the United States increased 70 per cent., while the premiums increased 40 per cent. Another plate glass man estimates that a few years ago the average plate glass loss was $14; now it is $40. While this advance has occurred in the losses, the average premium, which used to be $9, has not increased over 33 1-3 per cent. Underwriters face a situation in which they see no limit to their liability for broken glass. They anticipate a condition in which it will be almost impossible to obtain glass and anybody fortunate to have a desired size can make any price for it and the Company will, under its contract, be compelled to pay it.

It is proposed to attach an endorsement to policies covering risks where some of the plates measure over 100 square feet, giving the company the option to replace such large plates with two smaller ones and make a reduction of 25 per cent. in the rate for this privilege. An understanding was also reached to eliminate the clause providing that the company continue the insurance on lights broken and replaced during the term of the policy.

W. F. Moore, the rating expert, was authorized to draft an entirely new plate glass policy form for submission to the underwriters.

Mutual Results

(Continued from page 20)

Premiums since organization	109,982
Losses paid since organization	23,529
Dividends declared since organization	11,280

Printers and Book Binders, New York

Premiums received	$40,238
Losses paid	13,972
Total disbursements	25,350
Admitted assets	51,924
Total liabilities	33,102
Premiums since organization	119,320
Losses paid since organization	30,434
Dividends declared since organization	3,290

Utilities Mutual, New York

Premiums received	$262,246
Losses paid	23,488
Total disbursements	148,054
Admitted assets	384,875
Total liabilities	236,236
Premiums since organization	695,634
Losses paid since organization	98,626
Dividends declared since organization	104,948
Participation certificates since organization	43,614

Industrial Mutual Liability, New York

Premiums received	$20,708
Losses paid	13,419
Dividends paid	10,099
Total disbursements, including $18,089 in connection with merger	50,254
Admitted assets	33,235
Total liabilities	3,305
Premiums since organization	174,624
Losses paid since organization	49,711
Dividends declared since organization	25,795

Coal Merchants Mutual, Albany

Premiums received	$36,793
Losses paid	10,124
Total disbursements	17,705
Admitted assets	49,735
Unearned premium reserve	15,827
Reserve for unpaid losses	18,607
Total liabilities	36,431
Premiums since organization	86,113
Losses since organization	17,735
Dividends since organization	.....

Central & Western N. Y. Brewers

Premiums received	$82,082
Losses paid	29,569
Dividends	.....
Total disbursements	41,104
Admitted assets	138,453
Reserve for losses	87,844
Unearned premium reserve	40,641
Total liabilities	136,534
Premiums since organization	266,632
Losses paid since organization	75,012



The GREATEST MOTHER in the WORLD

Stretching forth her hands to all in need; to Jew or Gentile, black or white; knowing no favorite, yet favoring all.

Ready and eager to comfort at a time when comfort is most needed. Helping the little home that's crushed beneath an iron hand by showing mercy in a healthy, human way; rebuilding it, in fact, with stone on stone; replenishing empty bins and empty cupboards; bringing warmth to hearts and hearths too long neglected.

Seeing all things with a mother's sixth sense that's blind to jealousy and meanness; seeing men in their true light, as naughty children — snatching, biting, bitter—but with a hidden side that's quickest touched by mercy.

Reaching out her hands across the sea to No Man's land; to cheer with warmer comforts thousands who must stand and wait in stenched and crawling holes and water-soaked entrenchments where cold and wet bite deeper, so they write, than Boche steel or lead.

She's warming thousands, feeding thousands, healing thousands from her store; the Greatest Mother in the World—the RED CROSS.

Every Dollar of a Red Cross War Fund goes to War Relief

This space contributed to the Red Cross by

THE EASTERN UNDERWRITER



Commerce

OCT 23 1918

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 21 | NEW YORK, FRIDAY, MAY 24, 1918 | $3.00 a Year; 25c. per Copy

TALK OF NEW FIRE INSURANCE DISTRICT

Demand for William Street Space Now Greatly Exceeds Available Quarters

TRINITY CORPORATION'S OFFER

Would Erect Buildings in Greenwich Village—Porter Chairman of Committee Investigating

The crying need on William Street is for more space. Just how to meet the demands for additional room has perplexed insurance interests to such an extent that there is some talk of a new insurance district and a committee to consider various phases of the situation has been appointed, with Clarence E. Porter, of the Commercial Union group, as chairman.

Offers to Build New District

Gossip about cramped conditions along William Street has spread to real estate circles, and a number of suggestions have been made of new locations. The Trinity Corporation, one of the largest owners of realty properties in town, has even made a proposition to erect structures suitable to insurance companies in Greenwich Village, as a section of the city West of Washington Square is called.

Many of the companies which need more space have found it difficult to meet their needs in the buildings they occupy. Such popular buildings as 80 Maiden Lane, 123 William, 135 William, 100 William and 55 John as a rule have nothing to offer. Recently, the building at 105 William was taken over by the Maryland Casualty, and while some of the tenants will remain others have been forced to find quarters elsewhere. The block on William Street, from John to Fulton, has been somewhat improved, and there are some new insurance occupancies in the John Street block, running from William to Nassau. The situation was somewhat improved by removal to the marine insurance district of some offices formerly in the fire insurance district, but the financial district is crowding fire insurance hard.

A rental of $1.75 per square foot is current in some buildings. Rents have been advancing throughout the district.

If the fire insurance district is moved it may mean the saving of a million a year in rent.

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Sixty-five-Year Record for Fair Dealing and Prompt Adjustment and Payment of Losses

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. **Net gain in insurance in force during 1917, $21,764,-972.88, or 72% of the amount paid for.**

MEN of CHARACTER can obtain further information as to the **Company** and **Opportunities** by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

RIGHT OF MUTUAL COMPANIES TO GIVE TO RED CROSS

Hughes, Lindabury, O'Brien, Milburn and Other Eminent Counsel Give Their Approval

DIRECTORS — TRUSTEES DIFFER

Haley Fiske Tells Why Metropolitan Life Insurance Company Has Made Its Contribution

The right of a mutual life insurance company to give funds to the Red Cross has caused more discussion among directors and trustees of life insurance companies than any subject that has come up in recent years. Many of the most prominent lawyers in town say that it is perfectly all right to give these funds, and several companies have done so, including the Metropolitan and The Prudential.

Both Sides of Question

Among company directors and trustees a sharp division of opinion is said to exist. Some directors and trustees while personally making large contributions express concern that the Red Cross contributions may let down the bars for similar charitable contributions in the future. One director recalled to The Eastern Underwriter that John A. McCall in 1896, fearful that the commercial and financial fabric of the country would be imperiled by the election of William J. Bryan, made a $50,000 subscription for the New York Life to the Republican party. At the time this was regarded in business circles as a move highly to be commended. Ten years later, when the excitement was over and Bryan's policies were in the discard, Charles E. Hughes, counsel for the Armstrong committee, took the position that this was a mere political contribution and a scandal about it was made.

Eminent Counsel Say Crisis to Nation Warrants Red Cross Gifts

On page 5 of this issue of The Eastern Underwriter will be found the complete opinion of Charles E. Hughes, in which he approves the act recently passed by the Legislature (approved by the Governor), providing that during the continuance of the war, directors and trustees of any corporation organ-

(Continued on page 11)

THE PILOT POLICY

A GENERAL AGENCY OPENING

Offers exceptional possibilities to a field-man who can and has made good, and has organizing ability.

Our Home Office understands field-men and their conditions.

Your general needs are anticipated.

Your exceptional requirements are given every consideration.

You will feel every day that this is YOUR Company, and will work accordingly.

WE ISSUE ONE POLICY

For Life, Accident, Sickness, Total Disability and Old Age Income.

Our Golden Anniversary Policy

providing double indemnity for accidental death

is the last word in underwriting

100,000,000 DOLLARS IN FORCE

A HALF CENTURY OF REAL SERVICE

NATIONAL LIFE INSURANCE COMPANY OF THE UNITED STATES OF AMERICA CHICAGO

ALBERT M. JOHNSON, President

Write fully to
ROBERT D. LAY, Secretary,
29 South La Salle Street,
Chicago, Illinois.

More About the Red Cross Insurance

PROTECTION DURING THE WAR

Additional Insurance Paid Partly By Worker and in Part By Red Cross

The Eastern Underwriter has received a number of letters from subscribers asking for additional facts about the Red Cross insurance. The plan, as given out by the Red Cross insurance headquarters, follows:

Part I.

Insurance Furnished to the Worker Without Cost

The Red Cross has procured life, health and accident insurance for its workers abroad in accordance with policies which are on file subject to examination. Before sailing each worker will be given a letter advising him of this insurance.

The insurance granted is substantially as follows:

1. A policy of life insurance on the term plan in the sum of $1,000 for each worker. Payable in event of death or in event of total and permanent disability from any cause, payment for total and permanent disability to be made at the end of two years from date of disability, and in the meantime the worker receives the weekly indemnity described in the next paragraph.

2. A policy of accident and health insurance which provides for payment of weekly indemnities of $20 per week in the case of total disability resulting from bodily injury or disease, and in addition provides for the payment of $500 in the event of certain permanent injuries as mentioned in the policy.

The weekly indemnity payments are to commence four weeks from the date of disability and continue until disability ceases, not exceeding a total period of two years from date of disability. During the first four weeks necessary medical care and attention will be furnished by the Red Cross without cost.

The policies of insurance, copies of which may be seen upon application to the Red Cross, show in detail the exact terms and conditions of the insurance and this letter of explanation is given for your information only, and is not to be taken as part of the contract of insurance or as creating any obligation upon the American Red Cross.

The above insurance is furnished without cost to you and without medical examination. The insurance attaches from the time you go on board ship to sail from the United States.

The plan of insurance will continue in force for the duration of the war, unless you are advised of its earlier termination, which is not anticipated. In any event, each worker will be protected only during the period of his employment by the Red Cross and while returning to the United States immediately after the termination of such employment, but after your employment ends, you will continue to receive any benefits which become due under policies for sickness or injury which occurred while you were in the employ of the Red Cross abroad.

You should designate a beneficiary for the life insurance on blanks which will be furnished you at the Bureau of Insurance, 222 Fourth Avenue, New York City, for that purpose. If no other beneficiary is designated, the life insurance will be payable to your estate.

Part II.

Additional Life Insurance—Part of the Cost to be Paid by the Worker and Part by the Red Cross.

Should you desire additional life insurance, the Red Cross will pay the extra war risk premium on same not exceeding a total of $5,000 insurance (including the $1,000 under the term plan mentioned above), provided the extra war risk premium does not exceed a single extra premium of $25 per thousand insurance for the duration of the war, at which figure leading insurance companies have offered to take the risk. It is understood that the regular normal premium on this additional insurance is to be paid by the worker and that the usual medical examination is required. By paying the extra war risk premium, the Red Cross enables you to procure this insurance as if you were at home engaged in ordinary occupation.

Applications for this additional life insurance should be made direct to our New York office, 222 Fourth Avenue, New York City, and not through any agent or broker. The extra war risk premium will be paid by the Red Cross only on insurance taken out through the Red Cross Insurance Bureau. Each person desiring such additional insurance should call in person at our New York office at least four days before sailing date to give time to have the medical examination made and policies prepared.

A list of insurance companies who are willing to write the additional life insurance referred to in the last paragraph will be furnished you at our New York office, and the worker may select any of these companies or any other company he desires, provided such company is willing to write the insurance on the same terms.

For obvious reasons, this technical matter must be handled exclusively through one channel and, therefore, no agent or representative of the Red Cross has authority to vary or alter the terms of this insurance or make any agreement concerning same.

The American Red Cross is gratified to be able to assume this important relief measure for its own devoted workers, many of whom, it is appreciated, undertake their service at a great personal sacrifice.

War Risk Extension

The extension of the provisions and benefits of the war risk insurance law to auxiliary war workers, such as those actively engaged in Red Cross nursing or canteen work at the front, members of the war service workers of the Knights of Columbus, Y. M. C. A. and Jewish Welfare Board, and employes of the War and Treasury Departments in France, is being sought by Congressman Thetus W. Sims. Mr. Sims has introduced a bill to amend the present law in this respect and has had it referred back to the House Committee on Interstate and Foreign Commerce, of which he is chairman.

SIX COMPANIES JOIN

New Members of American Life Convention—Annual Meeting in Chicago September 11-13

Since the last meeting of the American Life Convention six companies have joined. They are the Home Life, of Philadelphia; Provident Life, of Des Moines; National Fidelity Life, of Sioux City, Ia.; Provident, of Bismarck, S. D.; San Jacinto, of Beaumont, Tex.; and Louisiana State, of Shreveport. Harry L. Seay, president of the Southland Life, is president of the American Life Convention, and T. W. Blackburn, of Omaha, is secretary.

The thirteenth annual meeting will be held in Chicago September 11, 12 and 13 at the Hotel La Salle. The annual meeting of the legal section will be held in Chicago September 9 and 10.

J. E. Flanigan, actuary of the Bankers Life, has an interesting article on monthly income settlements in the Bankers Life "Bulletin."

The Northwest Congress will be held in Fargo, N. D., on June 27.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President — Home Office: NEWARK, N. J.

Northwestern Mutual Can't Recover Tax

DECISION OF SUPREME COURT

Suit Began When Wisconsin Brought Action Under Laws of That Commonwealth

Washington, D. C.—The United States Supreme Court on May 20 upheld the findings of the Supreme Court of Wisconsin finding against the Northwestern Mutual Life in a suit brought by the latter against the State to recover taxes amounting to $482,193.23 paid in 1912, and $505,643.22 paid in 1913, under protest.

These taxes were declared due under the Wisconsin laws, which provide that every company transacting the business of life insurance, excepting only such fraternal organizations as have lodge organizations and insure only the lives of their own members, shall pay annually, on or before March 1, certain prescribed fees for transacting such business.

Calls Tax an Unlawful Burden

The company declared that this license tax imposes an unlawful burden on interstate commerce in contravention of the provisions of the Federal Constitution and denies equal protection of the laws to the Northwestern Company by arbitrarily discriminating against it and in favor of foreign insurance companies, and between it and fraternal associations, both domestic and foreign, and it also imposes an arbitrary, discriminatory and confiscatory burden upon it.

The contestants were compelled to pay a tax of 3 per cent. of its gross income less income from rents of real estate, and less premium receipts from outside of the State.

The Court declared that the Northwestern Mutual is a corporation of the State of Wisconsin, having large reserves in that State having a taxable status therein. The Wisconsin Court, speaking of the statute, states that:

It covers all the contributions which the State demands from the company or its business except real estate taxes, which are relatively small in amount. It is common knowledge that all of the great level-premium insurance companies of the present day have vast reserve funds, to protect their liabilities on policies, running up to hundreds of millions of dollars, and that these reserves are invested in interest-bearing securities, of which real-estate loans secured by mortgages generally form the largest part. In the complaint in the present case it appears that on December 31, 1911, the plaintiff had outstanding loans secured by real-estate mortgages amounting to $153,562,654.39, of which only $5,654,369.10 covered real-estate in Wisconsin. It also appears that the plaintiff's income from real-estate mortgages of the year ending on said last named date amounted to $7,446,393.10 and its income from bonds to $3,172,489.58. These securities are all credits, i. e., personal property of an intangible character, the situs of which for the purposes of taxation is in this state at the residence of the corporation.

Discusses Alleged Discrimination

In its conclusions the United States Supreme Court says:

As to the alleged discrimination between old-line level-premium companies and beneficial associations, which are exempted from taxation under this statute, we think the differences are plain. The fraternal and beneficial features are wanting in organizations like that of the Northwestern Company. The ascertainment and collection of premiums and payments for insurance are upon wholly different plans. As to the alleged discrimination in favor of stipulated premium companies and assessment companies, the plaintiff in its brief states that no domestic company of these classes and but one foreign company existed in Wisconsin in 1912, and that as to this its argument as to discrimination in favor of foreign level premium companies applies. What we have already said disposes of that contention. We find no reason to disagree with the Supreme Court of Wisconsin in the conclusion that differences upon which classification rests in this statute are not fanciful, but real and substantial, and that the dissimilarities in treatment fall short of that arbitrary classification which amounts to a denial of the equal protection of the laws.

We find no error in the judgment of the Supreme Court of Wisconsin.

Capt. Mack Slaps King George's Shoulder

SCENE SET AT GUILDHALL

Former Ohio Insurance Man Found His Majesty a Booster for War Risk Insurance

Captain M. W. Mack, of the War Risk Insurance Bureau, and formerly general agent of the Northwestern Mutual Life in Cincinnati, leaped into fame a few days ago by slapping King George on the shoulder in a spirit of good-fellowship. Here's the story as the New York "Evening Sun" tells it:

King George has met the real, made-in-Ohio democratic spirit.

A hearty slap on the royal shoulder, delivered by Capt. M. W. Mack, Cincinnati, agent of the United States Insurance Board, brought home to the King the kind of democratic spirit that is customary among the Americans.

It happened when Capt. Mack was formally introduced to the King and Queen by Sir Henry Fowler at Guildhall. As a booster for his war insurance the enterprising American immediately asked their majesties for their signatures, to encourage American soldiers in England to sign also. He accompanied his request to the King with a well meant, informal slap on the shoulder.

The Queen protested that she had no table at hand.

"Soon remedied, your Majesty," Mack replied. "Bend down, sergeant."

How Queen Wrote Her Signature

And placing the paper on the back of a sergeant the Queen wrote her signature.

When it came to the King's turn Mack's fountain pen was leaky, and he borrowed a sergeant's. This was dry, and Sir Henry then offered his pen and his back, and the King used both.

Mack showed his American enterprise, following his introduction to the King and Queen, when he went to an American camp and waving the autographs at the soldiers said:

"Look at this, boys. I've just got the signature of the King and Queen. Now I want yours!" and all signed up.

Mack has sold $1,500,000 war insurance for the Government.

A SECRET DIVULGED

William S. Ashbrook, agency secretary of the Provident Life & Trust, is the editor of that bright and snappy new publication, "Provident Notes," now being issued by that Company.

H. S. Stafford, of Madison, Wis., formerly with the New England Mutual Life at its Madison agency, has resigned that connection to become associated with the Madison office of the Northwestern Mutual Life.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

New Book on Inheritance Taxes

MANY DECISIONS CO-ORDINATED

Life Insurance Best Way to Keep Estates Unimpaired—Book Published in Albany

The attention of The Eastern Underwriter has been called to a book, just published, by Matthew Bender & Company, Albany, New York, bearing the title "Inheritance Taxation."

The plan of the book is to depart from mere statutory annotation and treat the subject of inheritance taxation as a distinct branch of jurisprudence, co-ordinating the decisions and statutes into a body of law gradually developed by the legislation and litigation of the last twenty years. There are a number of features in it of interest to insurance agents.

Means Three Taxes

Every estate of $50,000 or upwards is subject to a Federal inheritance tax. Every such estate is also subject to a tax at the domicile of the testator or intestate. In nearly every State where stock is held by a non-resident decedent in a local corporation there is also a tax upon the transfer of that stock which must be paid before the certificates can be indorsed over by an executor or administrator. This usually means three taxes. They often amount to a total of ten per cent. of the value of the property transferred. A man who takes out life insurance on behalf of the natural objects of his bounty thereby is assured that his beneficence will pass to its object unimpaired by such taxes. The contract once made cannot be impaired by subsequent legislation under that fundamental provision of the United States Constitution: "No State shall pass a law which impairs the obligation of contracts."

ANSWERS AGENTS' QUERY

Cash Values of Full Paid Policies of Northwestern Mutual Life Insurance Company

Many agents of the Northwestern Mutual Life ask how they can ascertain the cash value of the new 65-life policies when they become full paid, that is when the insured reaches the insurable age of 65 and the anniversary date of his policy. The Company says:

"Page 299 of the rate book will give you the net single premiums, American 3 Per Cent. Table, at various ages. If the policy is fifteen years old, so that there is no longer a surrender charge, the net single premium at the attained age will be the cash value of any full paid (3 per cent.) policy held by the insured when he reaches that age. For example, the insured takes a 65-life at the age of 25, the cash value at 65 is $723.24, the net single premium at age 65. In the same way you can find the cash value at later ages, say 75 or 80, and the same method applies to all limited payment life contracts, as the reserve on all full paid life policies at a given age will be the same, no matter whether premium payments were made over a period of one, five, fifteen or forty years. The reason for this is readily understood when you remember that the reserve at the end, or after, the premium paying period must be sufficient to purchase a single payment life policy at net rates."

Carl W. Zeilman, a banker at Lake City, Iowa, recently wrote for the Bankers Life of Iowa, fifty-five applications for $105,000 of life insurance in a single week. Of the total written, only $5,000 was term insurance and the average premium on the entire amount was over thirty dollars per thousand.

A Newspaper Man's Tip

By ENCEL H. DODGE, Telegraph Editor, Scranton Republican

What is the matter with life insurance solicitors?

Citing my own case, and I presume that the same situation has been met by thousands of other men, I have not been approached by a life insurance solicitor in the past six years, and not more than three or four times in my life, and I am now thirty-five years of age. During twenty years of my life I have been employed as a newspaper man and have come in contact with scores of insurance men, but for some unknown reason have been let pretty well alone by them.

I figured the question out for myself in 1904, when about to leave an Indiana town for New Mexico to remain for an indefinite period in newspaper work. At that time I looked up a solicitor for one of the larger companies and took out a twenty-year endowment policy for $1,000. Many times since then I have regretted that I failed to make this a $5,000 policy.

Five years ago, unsolicited, I took out two more $1,000 policies on the twenty-year endowment plan.

Figuring that I made a good investment with the $1,000 policy, scores of times since 1904 I have advised others to follow out the same plan, and have been instrumental in pursuading five young men to take out similar policies. In at least two of these instances the young men never had learned to save, although they both were making good wages.

This letter is prompted by the fact that one of these two young men has just written me that the money he has invested in the policy he took out five years ago is the only asset that he can claim today, and he takes occasion to thank me for suggesting that he follow my example in taking out insurance.

Scores of young men with whom I have talked are carrying no life insurance. All that is needed to convince them of the error of their way is for the right solicitor to get after them.

The annual meeting of the Northwestern Mutual Life's Agents' Association will be held on July 15, 16 and 17. It is the Company's 60th anniversary.

The Northwestern Mutual Life subscribed $3,000,000 to the recent Liberty Loan issue.

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

THE AVERAGE EARNINGS OF THE AGENTS OF THE

Standard Life Insurance Company

∴ ∴ OF PITTSBURGH ∴ ∴

are higher this year than ever before. Our attractive Accident and Health Policies have helped them to make more money.

Write for a LIFE, ACCIDENT AND HEALTH Contract to

FRANK A. WESLEY

Vice-President and Director of Agencies

ECHOES OF LIBERTY LOAN DRIVE IN NEW YORK

Agents' Remarkable Liberty Loan Work

15 P. C. OF TOTAL NEW YORK SUBSCRIBERS

Tribute to Insurance Men Paid By A. B. Leach, Chairman Metropolitan Canvass Committee

The very remarkable showing of insurance men in this Federal Reserve District in obtaining 15 per cent. of the total subscriptions in this district was an achievement in which the greatest pride can be taken by the insurance fraternity, according to A. B. Leach, chairman of the Metropolitan Canvass Committee, in the recent drive. He was speaking at a dinner attended by the committeemen of the Life Underwriters' Association of New York at the Lawyers' Club.

Landed 152,710 Subscriptions

Mr. Leach went over the record. There were 1,061,000 subscriptions taken in this district. Of these the insurance committees landed 152,710, about 15 per cent. In dollars and cents the insurance committees obtained more than 10 per cent. of the total. The general insurance committee sold $9,396,800 of the bonds; the Life Underwriters' Association of New York, about $11,100,000 (exclusive of H. B. Rosen's subscriptions). The insurance companies' own subscriptions reached $75.650,000. The exact total from insurance, according to a member of the Life Underwriters' Association of New York committee, was $97,733,550.

Agents Have Imagination

Mr. Leach, after giving the figures, told why the insurance men had been so extraordinarily successful. He knew that others had worked hard, too, but the insurance men possessed imagination, which he termed the quintessence of salesmanship. "You insurance people visualize a proposition," said Mr. Leach. "Having once pictured in your minds what you want to do you go ahead and do it." In Mr. Leach's opinion the last Liberty Loan "sold the war to the people of the United States." Now everybody is for it and the next drive will be more successful than the last. "We know how to do it now," he said.

W. F. Atkinson, Toastmaster

Chairman W. F. Atkinson was toastmaster at the dinner. He paid a tribute to many, including the Travelers, which had taken 16,222 subscriptions; to the Mutual Life for its home office organization in which every person more than sold his or her quota of bonds, Charles A. Peabody, the president, accounting for fourteen subscriptions himself. He praised the great work of R. W. Goslin, of The Prudential, with whom all The Prudential men's subscriptions—15,000 or more—were cleared; and the New York Life, whose employes sold more than $1,000,000 in subscriptions. He told of the success of Harold A. Barker and Leo Graham, who led in number of subscriptions. Among other speakers were L. A. Cerf, chairman of the sales division; J. S. Myrick; President Rogers, of the association; Lawrence Priddy, R. W. Goslin, William M. Harris and Sigourney Mellor.

A New Idea in Organization

The Eastern Underwriter has received the following letter from a general agent not connected with the Mutual Life, praising the idea behind the Mutual Life's home office Liberty Loan campaign:

Editor The Eastern Underwriter:

In the seething flux of business and political changes now-a-days the outstanding fact is that organization in principle and practice is the potent influence behind our most important events. In business, finance, politics and war the organizer is the victor—even the Bolsheviki have seen this principle and have invoked its aid to destroy and tear down. The success of the last Liberty Loan illustrates the triumph of organization as tested by experience.

I desire to call your attention to an episode in our last campaign which is pregnant with possibilities for the future, and which illustrates what organization will do in the procuring of salesmen and for the selling of Liberty bonds in one of the many fields which as yet has hardly been touched.

Recently, under the inspiration of a stirring talk by A. Duncan Reid, chairman of the general insurance Liberty Loan committee, in which he pointed out certain phases of organization in his own office, Mr. Julian Myrick, of the Mutual Life, conceived the idea of organizing the clerical and home office forces of his company for a selling campaign. He realized that from the selling point of view, much of his available material was of the crudest; that the chances of success were all against him; that the time was too short to educate his forces, and that the possibility of failure was great. Disregarding the obstacles, Mr. Myrick laid his plans before the officers of the company, and received their approval to go ahead.

Among the many novel and interesting ideas he introduced was one to divide the home office force into teams, disregarding the departmental officials, and selecting as team captains only those who in his judgment were best adapted for this work. He made an arbitrary quota of five applications for each employe of the company, which included the head executive as well as the office boy. Under the spell of Mr. Myrick's stimulating talks and his abounding enthusiasm, this untrained force consisting of office boys, girls, women, clerks and employes generally, procured over 8,000 applications for over $2,400,000 of bonds—all under the magic wand of organization and its collateral adjuncts—enthusiasm and loyalty.

Query: Is there any moral to this story? I think there is. I believe the same principles that Mr. Myrick introduced, if applied to the home office forces of the other leading companies, would have produced like results. It is a commonplace to say that this is a world of law and order. The same principles that Mr. Myrick invoked in his organization in the Mutual Life under his competent and efficient hands would have produced like results among the forces of the companies I have named. As a corollary to the foregoing reasoning, it certainly is not too much to suggest that our thoughtful managers of the Liberty Loan campaign should begin now to study the principles and methods that were used in the Third Liberty Loan sale with an idea of utilizing them in the next. A survey of the methods used in the large cities under the supervision of men fitted by experience and intelligence to make proper deductions and accurate generalizations would result in working out thoroughly efficient and standardized methods for the management of our future bond selling campaigns which would produce results as unerring and as certain as the movement of the planets in their orbits.

AN ONLOOKER.

The Northwestern National Life of Minneapolis reports an increase of 21 per cent. of new paid-for business for the first four months of this year, as compared with the same period in 1917.

How Agent Barker Won Diamond Medal

SOLD 4,851 LIBERTY LOAN SUBS.

Started Work at 7 a. m.; Finished After Midnight—An Industrial Agent

Harold A. Barker, who had been a salesman traveling from coast to coast, was out of a job during a recent Liberty Loan Drive, and seeing some men talking from an automobile in a prominent Brooklyn street he asked the man in charge if he couldn't make a speech, too. R. W. Goslin, superintendent of The Prudential agency at 32 Court Street, Brooklyn, to whom the inquiry was directed, told him to hop into the car. A minute later Barker proved not only that he was a patriot at heart, but a real spellbinder. He continued with the automobile party until the end of the campaign, and was so successful in landing subscriptions that Goslin asked him if he didn't want to be an agent for The Prudential. That was Barker's introduction to both Liberty Loan and life insurance salesmanship.

Got an Early Start

When the last drive started, Barker was so full of the subject that he was restless to begin work. On Monday morning, the first day of the drive, he arose at 6 o'clock in the morning and was on a street corner making speeches soon after 7 o'clock. During the next four weeks he began speaking at the same time every morning and continued until midnight—sometimes later. When the campaign was concluded it was seen that Barker had beaten every life insurance agent in Greater New York in number of subscriptions. They amounted in all to 4,851 individual subs for a total of $457,950. Thus he won the Harry Rosen diamond medal.

Barker, at the beginning of the drive, was not a member of the Life Underwriters' Association of New York—and didn't know a thing about the medal. When Superintendent Goslin told him he was going to propose him for membership in the association, and he found out about the medal, he said:

"I want to join the association because I think an agent's proper place is on its membership, but forget about the medal! I am doing this work for Uncle Sam."

A Young Man

While Barker's subscriptions totalled $457,950, this by no means was his total bond sales, as he made speeches in the Navy Yard—some of them at 2 o'clock in the morning—and the sales from these talks were not credited to the Life Underwriters' Association of New York.

When Mr. Barker was seen by a representative of The Eastern Underwriter he told about his work with some reluctance. He is an unusually modest man, in his early thirties, and was born in England.

"My only regret is that the drive didn't last four weeks longer," he said, "I was just hitting my stride, and the town wasn't anywhere nearly canvassed."

Barker during the campaign talked in the Bush Terminal, to the construction workers at Coney Island, at Borough Hall, in crowded factories, in residential Flushing—everywhere that a crowd could congregate. He feels that the man over here is not carrying his share of the war burden, and his first query to a crowd was, "How many of you people own Liberty bonds?" Hands go up. His next query was, "How many of you will do your duty to your country and buy bonds?" As soon as the hands shot into the air for the second answer Barker's crew of subscription blank carriers went out and the names were soon jotted on the lines.

Dressed as a Fireman

It was not long before Barker's success was noised around Brooklyn newspaper offices and stories about him began to appear. One day some firemen came into The Prudential office and asked Superintendent Goslin for the loan of Barker for a drive they were making. Soon the agent was dressed in a fireman's uniform and he was addressing crowds and selling bonds for the Fire Department. Asked what inspired him, Barker said to The Eastern Underwriter:

"I love this country and felt that I had to do this work. So I went out and worked. I haven't any more ability than the average man. Anybody can do what I did if he feels inside as I feel and he will work as hard as I worked."

R. W. Goslin's Work

The Prudential agents in Brooklyn cleared through the office of R. W. Goslin, who was a vice-chairman of the Life Underwriters' Association of New York committee. All during the campaign Mr. Goslin issued a daily bulletin. The work was conducted under thirteen captains, and 15,050 applications were received for $1,247,750. Pretty soon the results attracted the attention of A. B. Leach, chairman of the Metropolitan Canvass Committee, and he wrote a letter to President Dryden, of The Prudential, thanking him for expressing his appreciation. Mr. Goslin among other things furnished speakers to Liberty Loan organizations who wanted men to talk in half a dozen languages.

Two other Prudential agents who made particularly good records in the drive were M. Howey, who was at the Grand Central Palace, and Isaac Spatz, who addressed theatre and school audiences.

INSURANCE ON OFFICERS

Rules for Group Insurance Coverage on Heads of Corporations Given By Travelers

Regarding insurance on officers of corporations carrying group the Travelers has given the following instructions:

"To carry out the democratic principle of group insurance, salaried officials should be subject to the formula which governs their employes. The maximum amount of insurance to an individual in any class should not exceed two and one-half times the average of the group, or, in cases where two and one-half times the average of the group is less than $1,500, a maximum of $1,500 may be sold. In very large cases where the average insurance on the group is also high the maximum amount of insurance on officials must not be over $5,000 even in cases where two and one-half times the average on the group would amount to over $5,000. The 'average on the group' means the average amount of insurance on the group, irrespective of the amount on officials."

PARKERSBURG

The Equitable Life Assurance Society meeting of the Wheeling agency, held at Parkersburg was a veritable celebration of the greatest campaign in its history, the total written business for April amounting to $1,400,000—$400,000 of which was Liberty bond applications. Dozens of Liberty bond applicants had to be refused because the quota was complete. J. E. B. Sweeney told how he had been invited by bank presidents to meet all their employes in a body to present it.

Text of Hughes' Opinion Endorsing Right to Give to Red Cross

Judge Hughes' Opinion

Hon. Charles D. Norton,
Chairman, Insurance Division,
Corporation Campaign, Second Red Cross Drive,

Dear Sir:—In accordance with your request, I confirm what I said at our conference yesterday with respect to the validity and scope of the recent Act of the Legislature of New York authorizing corporations of this State to co-operate in the maintenance of instrumentalities for the winning of the War. It is unnecessary to review the decisions cited by Judge Ingraham in his opinion and I fully concur in his view that the Act is constitutional.

The Act, in substance, authorizes directors or trustees of corporations of this State to expend the moneys of the corporation for the support of instrumentalities conducive to the winning of the War when in their judgment such expenditure is expedient and will contribute to the protection of the corporate interests. This is a rule governing the administration of the corporate affairs which the Legislature could have provided in the original charter of the corporation and which the Legislature, under its reserved power to amend charters or the governing corporate law, is competent, in my opinion, to provide by a subsequent enactment (**Miller v. State,** 15 Wall, 478; **Sinking Fund Cases,** 99 U. S. 700; **Close v. Glenwood Cemetery,** 107 U. S. 466; **Lord v. Equitable,** 194 N. Y. 212; **N. Y. C. & H. R. R. R. Co. v. Williams,** 199 N. Y. 108; **Erie R. R Co. v. Williams,** 233 U. S. 685). The Act cannot properly be regarded, as it seems to me, as working a deprivation of any vested right or as defeating or substantially impairing the object of the grant to the corporation and thus as being outside the reserved power of the Legislature, but on the contrary is plainly for the purpose of giving a definite legislative sanction to action tending to promote the security of the corporate enterprise. The expenditures are authorized when in the judgment of the directors or trustees they will contribute to the protection of the corporate interests and the matter is thus confided to the honest judgment of those charged with the administration of the corporate affairs.

The War is the fundamental fact in our life at this time and the security of all our enterprises is dependent upon our conduct of the War. If we permit essential agencies for its prosecution to languish or fail for lack of support, if by their neglect we allow the **morale** of our forces to be impaired and our military efficiency to be undermined, and in consequence cause wide-spread discouragement and distrust, we should invite the gravest conditions of disorder and panic, imperiling all our undertakings which rest on stability and public confidence. In short, the maintenance of the agencies essential to the conduct of the War and the proper care and protection of our forces during the War, have a vital relation to the security of business undertakings and particularly to the security of those organizations holding large accumulations. The question is not one of permitting the use of corporate moneys for what are or may be called "worthy objects" outside the corporate enterprise, but for the maintenance of the very foundation of the corporate enterprise itself.

The Government has not undertaken, through its borrowing and taxing powers, to support all the activities that are essential to the conduct of the War. It is the established policy of the Government that some of these important activities, such as those of the Red Cross, should be supported, in part or altogether, independently of governmental appropriation. But this policy is designed to enlist and encourage the active co-operation of the public and does not in any way alter the fact that these agencies are essential to the successful prosecution of the War. It would be, in my judgment, a very narrow and wholly unwarrantable view of the present situation to say that the support of the activities of the Red Cross, absolutely necessary as they are to the protection of our forces and the maintenance of their **morale**, is not a matter of direct and vital importance to corporate undertakings and that an Act of the Legislature recognizing the plain relation of our military efficiency to the success of business enterprise, and authorizing support by corporations of the agencies having the character described, is beyond the legislative power. Subject to statutory restrictions, the directors or trustees of corporations are charged with the duty of deciding questions with respect to the expenditure of corporate moneys in the protection of corporate interests, and in this case the Legislature by express enactment has wisely removed from controversy the question of legislative authority by explicitly committing the matter to the judgment of the directors or trustees, and I am of the opinion that this enactment, being neither arbitrary nor confiscatory, nor a violation of vested right, is within the legislative competency.

You have also asked my opinion with respect to the scope of the Act, that is, whether it embraces purely mutual insurance companies, or corporations without capital stock. The Act provides:

"That during the continuance of the war **any corporation organized under the laws of this State** may co-operate" etc.

This language is explicit and comprehensive. The words "any corporation organized under the laws of this State" embrace insurance corporations, whether stock or mutual companies (General Corporation Law, Sec. 2). There is no other express provision in the Act which limits the natural and legal meaning of these words, and the question is simply whether such a limitation should be implied.

The Act, after authorizing the contributions for the described purposes, contains a proviso limiting such expenditures in any calendar year to one per centum on the capital stock outstanding, unless specified notice is given to the stockholders, and unless, in the event of written objections by a stated percentage of stockholders, further expenditure is authorized at a stockholders' meeting. This proviso is plainly applicable to stock corporations and the question is whether, from the existence of this proviso, it should be implied that the authority conferred by the Act is conferred on stock corporations alone. As the Act contains no such limitation in terms, this question in my judgment should be determined with reference to the manifest purpose and policy of the enactment. As was said by the Court of Appeals in **Price v. County of Erie,** 221 N Y., 260, 266; "Whenever a statute needing construction shows forth a general and dominant purpose, it must be construed with reference to such purpose. The purpose cannot be defeated or thwarted by selecting and isolating sentences of the statute which seems inharmonious with it. A statute must receive such reasonable construction as will, if possible, make all its parts harmonize and render them consistent with its scope and purpose." (See also **Olcott v. Tioga R. R. Co.,** 20 N. Y., 210, 222; **Holmes v. Carley,** 31 N. Y., 289, 290.)

In the present case, the policy which underlies the Act is manifestly not concerned with stock corporations solely. The reason for permitting contributions by them to support agencies needed to carry on the War is not concerned with their form of organization, or with the fact that they have capital stock, but with the propriety of insuring the stability and security of enterprise and property. This exigency is just as plain in the case of mutual companies, and particularly in the case of mutual insurance companies with their large holdings, as in the case of stock companies. There is no reason why the moneys of stock corporations should be used for the purposes described and not the moneys of mutual insurance corporations. The protection afforded by the agencies for winning the war is needed by both and is secured to both. As the security and stability of mutual insurance companies are equally involved, it would be difficult to understand or approve a legislative policy which would extend this opportunity of aiding in the support of the agencies required for the winning of the war, and thus to protect their vital interests, to the one class of corporations and deny it to the other. Certainly, such an intent should not be ascribed to the Legislature in disregard of the express and comprehensive terms in which it has conferred its authority.

The fact that the Legislature has seen fit to fix a limit to the amount of the contribution in the case of stock corporations is not controlling, as it might easily have been considered practicable to provide a limitation and a requirement of further authorization in such cases and not practicable in others. Whether there should be such a limitation and its scope was a matter for the legislative judgment.

The explicit language of the Act that "any corporation organized under laws of this State may co-operate," etc., should not be cut down by implying a limitation which is foreign to the fundamental purpose of the Act, and I am therefore of the opinion that the Act does embrace mutual insurance companies. Directors or trustees of mutual insurance corporations represent all those who are interested and the matter is appropriately confided to their honest judgment.

You also submit the question of the construction of the limitation contained in the proviso with respect to stock corporations which have shares of stock without par value. Upon this point I refer you to Section 23 of the Stock Corporation Law, providing as follows:

"Sec. 23. Amount of capital stock and of shares within meaning of other laws.—For the purpose of any rule of law or of any statutory provision (other than the foregoing sections nineteen, twenty, twenty-one and twenty-two) relating to the amount of the capital stock of a corporation or the amount or par value of its shares, the aggregate amount of the capital stock of any such corporation formed pursuant to section nineteen hereof shall be deemed to be the aggregate amount specified in the certificate or amended certificate of incorporation or of reorganization as the amount of capital with which the corporation will carry on business; the amount or the par value of each share of preferred stock having a preference as to principal shall be deemed to be the amount thereof so specified in such certificate or such amended certificate; and the amount or the par value of each other share shall be deemed to be an aliquot part of the aggregate capital so specified in such certificate or in such amended certificate in excess of the specified amount (if any) of the preferred stock therein authorized to be issued with a preference as to principal."

I think that the extent of contributions which may be made under the Act in question by stock corporations having shares without par value may be ascertained by the application of this section.

DOUBLE INDEMNITY CLAUSE

In a brief paper, William A. Hutcheson, second vice-president and actuary of the Mutual Life, presented to the Actuarial Society of America the experience of that Company with regard to (1) "Travel" accidents among insured lives while passengers upon railway trains, street cars and boats intended for the transportation of passengers, and (2) accidents resulting fatally due to any cause whatever. The investigation relates to domestic (United States and Canada) business issued in the years 1907 to 1914, inclusive, observed to the policy anniversary in 1915. As a result of this investigation annual extra premiums of $0.10 and $1 per $1,000 for the "passenger" and "general" indemnity benefits respectively were fixed upon as being sufficient at all ages at which the benefits were issued, these premiums being commuted for limited payment contracts.

Types of clauses embodying double indemnity benefits were also discussed.

HOME LIFE INSURANCE CO.

(Purely Mutual)

256 BROADWAY, NEW YORK

GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to

GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business

under our direct general agency contract

Our Policies provide for:

Double Indemnity, Disability Benefits, Reducing Premiums

See the new low Rates

JOHN F. ROCHE, Vice-Pres't

THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

BANKERS BLCo LIFE DES MOINES COMPANY

PAYS GOOD PAY TO GOOD MEN

15,000 PEOPLE

Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.

AGENCY OPENINGS FOR THE RIGHT MEN.

Write to-day

FIDELITY MUTUAL LIFE INSURANCE COMPANY, PHILADELPHIA

Insurance in force over $142,000,000

Walter LeMar Talbot, President

Excerpts from the Financial Statement of December 31, 1917, of the

Northwestern National Life Insurance Company
MINNEAPOLIS, MINNESOTA

Assets, $6,186,694.37, increase 17% over 1916.
Liabilities, $5,602,162.72. Surplus and contingent fund, $548,531.65.
Apportioned for dividends, $263,206.57, increase 23% over 1917.
Insurance in force, $54,193,728.00, increase 28% over 1916.
Paid to beneficiaries and policyholders to December 31, 1917, $16,966,562.65.

A western, mutual, annual dividend, old line company

THE COMPANY for policyholders and agents

"Why Should I Carry Life Insurance?"

No. 2: The Farmer — 40 Years Old — Married

By R. P. BURNS, Peoria Life

It Safeguards Your Obligations and Helps Your Credit

Any man at all active in business and working up to his business capacity must at times use borrowed money. It may be that he wants to buy another 80 acres of land, or he may want to buy cattle. It is good business for you to use the other man's dollar and pay him 6 per cent. interest and still make a profit. There is no doubt of your ability to manage, but no one else can step into your shoes and carry out your plans, because he would lack your experience and your established credit, and possibly a large measure of your business ability. In years gone by, we used to read of the foreclosure of a mortgage and its dreadful consequences and timid men dreaded to go in debt. A mortgage holds no terrors for a good business man today, because he knows, if he lives, he will make good, and, if he dies, his life insurance will complete his plans. Your banker is made safer by you carrying life insurance, and he would, therefore, be much more willing to loan to you, knowing that he is safeguarded.

The Banks and Credit

So important has life insurance become in the financial world as a basis of credit, that the Federal Reserve banks of today, as well as all leading State and National banks, require a full statement of what life insurance is carried from each man who does business with them. I once had the good fortune and pleasure of writing a man who carried a very large amount of life insurance. One of his reasons for carrying so much was that in the panic of 1893 and again in 1907 he was unable to get money at the bank, although his credit had never been impaired. He was able to borrow enough money on his life insurance policies to carry him through these panics. He said it was worth all he had ever paid for the benefit he received at that time. It was a bulwark of safety against financial disaster.

It Helps to Settle Up One's Estate

If you were to die today, under the laws, tomorrow your wife could not legally sell a chicken off the place. The administrator is appointed and he takes charge of your affairs. Every bill that you owe immediately becomes due and must be paid before your wife can touch a penny of your property. Even the money you have in the bank she dare not touch. This might be all right when money is plentiful and values high, but, if times were hard and money was scarce, this property, put up under forced sale, might not bring over 60 cents on the dollar. If you had six months or a year's notice that you were going to die, you might put your property in shape, but that summons usually comes when one is least prepared for it. Every man, no matter how large or small his estate, should have cash at his death, that is unrestricted by law, to help settle up his affairs without loss.

It Assures Your Family a Share in Your Future Earnings

If you were to die to-day, your life's earnings are cut in two. With your present experience and present earning capacity you have reason to believe that you will make more money in the next 25 years than you have in the past. Your family are pretty vitally interested, outside of any question of love or sentiment, in how long you live. It is out of these future earnings that you expect to give them their education, and fit them to occupy the position of honor and trust in the community that your family name has always held. If you could figure how much your earnings would be from now until the time you are 70, and some one would offer to give you a deed and allow you full possession of all the property that you would have accumulated up to that age, and then allow you to pay for it on easy terms out of future earnings, you would feel it was a great privilege. The most valuable thing you have to-day is your business ability and you should capitalize it. I have a friend who told me this story. He married an orphan girl. Her inheritance consisted of a store building, which brought in a good rental. The father, in his will, asked that a lifelong friend be appointed her guardian. This guardian did not believe in fire insurance and he allowed the policy to run out. Within a year after the policy had expired, the building burned to the ground and practically all of her inheritance went up in smoke. Would you say that this man had done his full duty as guardian of this child? Now, the law recognizes that every dollar we make over and above our own personal needs, is our family's legal heritage. You are the natural guardian of your children's heritage. You are interested not only in building it up and increasing it, but also in protecting it from loss.

The Building of an Estate

You may not have thought of life insurance as property, but if you had a promissory note for $1,000, signed by a responsible person, and this note was secured by a good farm mortgage, you would consider it as good as a government bond. Now, this document, which we call a policy, is nothing more nor less than a contract between you, as an individual, and a responsible company. Not only is this company responsible, but, back of each dollar of liability assumed by the company in this contract, the State has required them to put up a dollar in good securities.

In determining its advantages as an estate, I would call your attention to four distinctive features: First, it is safe; second, it has easy conditions of purchase; third, it meets all the requirements of an estate; fourth, from the estate standpoint, it shows a big investment. The law, requiring life insurance companies to put up reserves sufficient to cover all liabilities, was put on the statute books in 1869, and since that time this country has gone through panics and hard time periods; business houses have failed, and banks have gone to the wall, but no policyholder has ever lost a dollar of money through the failure of any old line life insurance company. It is recognized, the world over, as the one institution that is high and dry above the dangers of speculation. As to easy conditions, the policy is really the deed to the property, which they give you, in your possession, and allow you from ten to thirty years to pay for it. A clause in the contract says if you get hard up that they will loan you the money. If you become totally disabled, they will pay your premiums for you. If you should die before the property is all paid for, the unpaid payments will be cancelled, and no debts left. What easier and safer conditions could one reasonably ask? It meets all the requirements of an estate, because it is property that does not depreciate; has no expenses of management; has a permanent income after paid, and is the best collateral in the world upon which to borrow, and, in settlement at death, it requires no administrator and provides a non-breakable will. As to my fourth point, if you live to pay it out, you have bought an estate at about 50 cents on the dollar. For an investment it gives you as good returns as you can wish for.

HOGAN & PAQUIN DISSOLVES

The general agency of Hogan & Paquin for the Bankers' Life of Iowa, embracing territory in Minnesota and Wisconsin, was dissolved May 1. Both members continue as general agents. John W. Hogan is general agent for the thirty counties of Western and Southern Wisconsin, which comprised his agency before he became a member of the firm of Hogan & Paquin. He has headquarters at Cumberland, Wis. L. N. Paquin will be general agent for the forty-two Minnesota counties which were a part of the Hogan & Paquin territory.

GOOD TERRITORY
still available for development by the
RIGHT AGENTS

..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.

Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

State Mutual Life Assurance Company of WORCESTER, MASS.
Incorporated 1844

SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.

Our motto is SERVICE to policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES H. STEVENS, President
GREATEST ILLINOIS COMPANY
WANTS GOOD MEN AND WILL PAY THEM WELL

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

PURELY MUTUAL **THE** CHARTERED 1857
Northwestern Mutual Life Insurance Co.
MILWAUKEE, WISCONSIN
GEO. C. MARKHAM, President
INSURANCE IN FORCE, $1,604,426,324
SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued
POLICIES MOST FLEXIBLE AND EASY TO SELL
Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules
Investigate before selecting your Company
GEO. E. COPELAND, Supt. of Agencies, Milwaukee, Wis.

Stability of Group Insurance Shown

AETNA AND TRAVELERS DATA

Few Terminations—High Mortality on Iron, Steel, Leather and Public Utility Risks

One of the most interesting papers read at the annual meeting of the Actuarial Society of America was by E. E. Cammack, of the Aetna, and E. B. Morris, of the Travelers, on the joint mortality experience of the Aetna Life and Travelers on group policies. These companies began writing this class of business in 1913 and the actuaries gave the experience to the close of 1917. In all there were 310,911 years of exposure, and 2,434 deaths. The corresponding amount exposed is $222,026,715, and the corresponding amount terminated by death is $2,137,700.

Business Stays on Books

The actuaries call attention to the stability of the business. Of the 949 policies issued by the two companies in the period under review only thirty were terminated, while of these terminations two were due to renewals in other companies. One was the case of an employes' benefit association where it was decided to carry its own insurance; and six (five of which were affiliated under one employer) were cases where the employer inaugurated a comprehensive pension and benefit scheme by which he carried his own insurance. Consequently, there were only twenty-one cases of outright discontinuance of insurance. The exhibit of business shows in the period covered $160,068,142 issued and $181,053,683 in force in the two at the end of 1917, in 919 policies.

Mortality

In experience upon groups in which the whole of the premium is paid by the employer the iron and steel industries show a mortality of 95 per cent. of the expected. In this general class the mortality in steel foundries and rolling mills is unfavorable. The mortality in the leather industries is distinctly unfavorable. It has been bad in electric light and traction. It is favorable in furniture, woodworking and textile industries.

At first thought it might be contended that in view of the fact that medical examination is dispensed with in group insurance there would be no increase in mortality during the duration of a policy. On a little consideration this matter is not so clear. The policies issued provide that at the outset only employes working on full time and apparently in good health shall be insured and that employes away from work at the time the insurance commences shall not be included, but the right is given the employer to keep the insurance in force upon the lives of employes who thereafter become sick or retire, even though such employes are removed from the payroll. This condition and this privilege lead the actuaries to an anticipation of a rate of mortality increasing with the time that a policy has been in force. Furthermore, employers do not at first realize the value of the option in their policy to keep the insurance in force upon the life of an employe who may not report for work owing to sickness.

After a little time he may be expected and does, in fact, take steps to investigate the reasons why an employe leaves him, and when it is found that the termination of employment arises from sickness, care is taken not to cancel the insurance.

ORDER OF BIRTHS

Ordinary Company Taking Adult Lives Only Can Disregard Birth Chronological Data

"Mortality by Order of Birth" was the title of a paper read by Percy H. Evans, of the Northwestern Mutual Life, at the actuaries' meeting last week. He said in part:

"Reverting to the claims for and against the elder born, it is submitted that the experience fails to show deviations of sufficient weight to furnish any evidence either for or against the first-born or the first two orders as against later-born offspring so far as adult ages are concerned. Of course it still remains to be considered whether, if either class is in fact inferior at birth, a process of natural selection during the infantile ages may not leave to insurance experience a group of adult survivors whose average vitality is as good as that of the originally superior class. However this may be, the conclusion seems clear that an ordinary insurance company taking adult lives only may safely disregard the order of birth in selecting its risks, at least those orders prior to the tenth."

$25,604 ANNUAL PREMIUM

One of John H. Kull's Cases in Phoenix Mutual Life—Check in Advance

John H. Kull, who seven years ago was an office boy, is one of the successful producers of the Phoenix Mutual Life in this city. He recently sold a ten-year endowment, annual premium, $25,604, and had the check before the applicant was examined.

A. C. Deatz, of Kansas City, Mo., formerly a representative of the Bankers Life, of Des Moines, in Kansas and New Mexico, has recently left government service to re-enter the field as a representative of the Bankers Life in Missouri.

PENNSYLVANIA OPPORTUNITY

If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.

Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

73d ANNUAL REPORT

NEW YORK LIFE

INSURANCE COMPANY

346 & 348 BROADWAY - - NEW YORK CITY

Income for the year 1917:

Premiums	$100,279,122.00	
Interest and Rents	39,957,422.00	
Other Income	5,881,618.00	$146,118,162

Paid Policy-holders, 1917 (Exclusive of Disability Benefits):

Death Losses	$30,599,371.00	
Matured Endowments	13,566,409.00	
Surrender Values	18,527,170.00	
Dividends	22,807,762.00	
Annuities	1,387,241.00	$86,887,953

Loaned Policy-holders during 1917 ..... $23,722,213

New Paid-for Insurance in 1917 (Exclusive of over $16,000,000 increase by Policies revived and increased, and Additions by Dividends) $315,994,500

Paid-for Insurance in Force Dec. 31 ..... $2,673,334,336
Number of Policies in Force Dec. 31 1,301,969

Admitted Assets, Dec. 31, 1917 ..... $934,929,381

These assets are the property of over 1,000,000 people with their dependents (in accordance with their contractual rights). The Company is purely mutual; it has no capital stock.

Legal Liabilities $760,742,335

Reserved for dividends payable in 1918	$26,561,063.64	
Reserved for dividends on deferred dividend policies maturing subsequent to 1918	107,041,778.00	
Reserved for Contingencies	40,584,204.36	$174,187,046
Total		$934,929,381

THE ANNUAL DIVIDEND RATE OF 1917 WILL BE MAINTAINED IN 1918

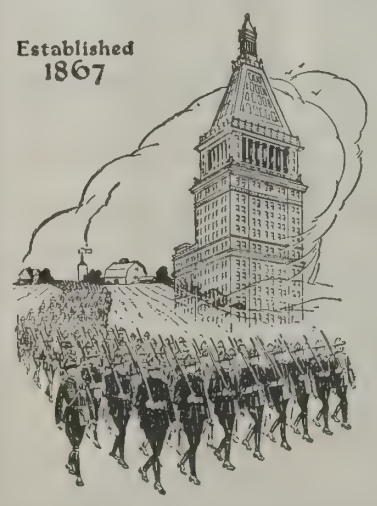
For the year 1917 the Company's mortality rate was the lowest in its history

Average earning power of total Ledger Assets { Dec. 31, 1917, 4.59% / Dec. 31, 1916, 4.54%

A detailed statement will be sent to any person asking for it.

January 14, 1918 DARWIN P. KINGSLEY, *President*

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. **of Cincinnati, O.** Allan Waters, Second Vice-President

Business Associations

Help men to success.

Provident agents are associated with a business organization whose reputation for integrity, fair dealing and financial security extends over half a century.

Write for information

The Provident Life and Trust Company

of Philadelphia

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Working Texas in a Team of Two

SEQUENCE OF TWELVE CASES

A. M. Shannon and R. Q. Johnson Tell Story of Successful Canvassing—Equipped With Illustrations

A. M. Shannon and R. Q. Johnson, two agents of the Bankers' Life in Texas, solicit together. Recently, in twelve canvasses they landed twelve applications, and here's how they did it:

While working the country in Houston County, Texas, in a neighborhood known as Ash, we wrote a Mr. Knox for $2,500. A few weeks later we met Mr. Knox in the town of Crockett and he told us that a friend of his had spent the night with him a few nights before, and he had told him of buying the insurance from us and that he was so interested that Mr. Baker, his friend, had come to Crockett to see us, but we were out of town, and if we would call on him at his home some twenty-one miles from Crockett, we could write him. The next day we hired a car and called on Mr. Baker and sold him $2,500.

After we had written Mr. Baker, a son of his, who had just married, stopped by on his way to town to see his father. We immediately interested him in our proposition and sold him $2,500. No sooner had we completed his application, until another brother appeared on the scene, and we very promptly got his application for $2,500.

Forging Another Link

After enjoying a good East Texas country dinner at Mr. Baker's home, we asked him to recommend a good man in his neighborhood that we might write. He recommended a Mr. Maples, a prosperous and progressive farmer. We found Mr. Maples at home, and in twenty minutes we had his application for $5,000. Pursuing the same tactics, we asked him to recommend a man who was entitled, as a good citizen, to a policy in our Company. He recommended a Mr. Morgan. Mr. Maple went with us to see Mr. Morgan and we left with his application for $2,500.

Mr. Maples then recommended five brothers by the name of Little. We were able to see but four of them, but these four we wrote $8,500. We took the four Little brothers that we had written in a car to Weldon, Texas, and had them examined. While the doctor was making the examinations, we got busy in the little town and wrote a Mr. Hanna, a merchant, $2,000. Mr. Maples also gave us the name of Mr. Etherige and Mr. Hollingsworth. We at once got busy and beat the piney woods roads to their farms and were rewarded with a $2,500 application from each.

Chain Without End

We were working an endless chain, getting a prospect from each man that we closed. We could not work it out, for the next day we were called to Dallas, as our agency was holding a convention. After we came back, we wroter Mr. Maples' brother $5,000, his son $2,500, his partner, Mr. Jeffus, $2,000; Mr. Jeffus' wife $1,000, and his son $1,000, and Mr. Saness, who is an overseer on the plantation, $1,000.

Back at the Other End

We then turned our attention to the brothers and relatives of the Mr. Knox who started our chain. Mr. Knox has seven brothers and six of them live in Houston County. He has four cousins. We succeeded in writing the six brothers $2,500 each and the three cousins $2,500 each. The other cousin we have not seen, but hope to make a clean sweep of the Knox family when we get back to that territory, as we have quit working the country temporarily while the farmers are very busy putting in their crops.

They Work Fast

We do team work strictly, and we have every policy at every age illustrated so that we may show our policy and make our canvass as quickly as possible; thereby, we keep from boring our prospects. It takes usually thirty minutes to get the application. One explains and the other closes. We very seldom miss a prospect, if we can canvass him. The endless chain is the way to get the business. We get our prospects from the men we write, for every man wants the other fellow to follow his lead.

HARTFORD NOTES

The Aetna Life Insurance Company, of Hartford, has purchased the large Jewell Belting property located in the center of Hartford and will shortly erect a home office building for its rapidly growing subsidiaries, the Aetna Casualty & Surety Company and the Automobile Insurance Company of Hartford. The marvelous increase in business of these young companies in Hartford has crowded the home office building of the Aetna Life to such an extent that they have overflowed into other office buildings in Hartford. The Automobile Insurance Company's offices are located principally in the D'Esopo Building directly opposite the Aetna Life Building in Hartford and also an entire building on Trumbull Street. The Aetna Casualty and Surety occupies two floors of the Aetna Life Building and its quarters are becoming cramped. The premium income of the Aetna Casualty and Surety Co. last year was $7,603,780.95 and that of the Automobile Insurance Co. was $5,188,196.28.

To a splendid co-operation between an efficient home office force and a happily loyal force of some ten thousand field men is due in no small measure the success of these companies. The leading officers of the Aetna Casualty and Surety Company are:

President, Morgan G. Bulkeley; vice-president, Walter C. Faxon; vice-president and secretary, J. Scofield Rowe; treasurer, Morgan B. Brainard; secretary, D. N. Gage; assistant treasurer, Charles H. Remington and M. G. Bulkeley, Jr.; auditor, Col. W. E. A. Bulkeley; counsel, H. T. Smith and O. R. Beckwith; agency supervisor, W. L. Mooney; secretary, Automobile Department, H. R. Clough; secretary, Burglary Department, R. W. Myers; secretary, Plate Glass Department, Norman C. Stevens; secretary, Sprinkler Leakage Department, Dwight G. Stone; assistant secretaries, A. B. Palmerton, A. R. Sexton, and Gilbert E. Ashley.

The leading officers of the Automobile Insurance Company are:

President, Morgan G. Bulkeley; vice-president, Morgan B. Brainard; vice-president and secretary, J. Scofield Rowe; treasurer, Charles H. Remington; assistant treasurer, M. G. Bulkeley, Jr.; auditor, Col. W. E. A. Bulkeley; secretary, J. C. Barden; automobile secretary, H R. Clough; Marine secretary, J. J McGivney; agency supervisor, W. L. Mooney; assistant secretary, W. Elwood Jones.

Patrick McGovern, of the mortgage loan department of the Aetna Life, has been appointed on the Street Board of Hartford. Mr. McGovern is a Republican in politics. He was born in Ireland October 23, 1849. He has been associated with the Aetna Life for the past thirty-seven years. He is a large stockholder of the Aetna and the Travelers. Mr. McGovern has keen ability in financial matters and his counsel is constantly sought on matters of investment by a large circle of friends and business concerns in Connecticut.

Robert S. Morris, an actuary of the Aetna Casualty & Surety, an athlete of some prominence in Connecticut and a graduate of Trinity College, has joined the colors, having enlisted for active service in the Naval Reserve as a first class seaman.

WISCONSIN DOES ITS PART

The following news article from the Milwaukee "Journal" is interesting as giving one of many evidences that Wisconsin is thoroughly awake to its responsibility to humanity. The clipping was sent to The Eastern Underwriter by a well-known life insurance man:

"Wisconsin, by a record smashing Red Cross Christmas seal sale of over $82,000, leads the nation among States of its class—the States over 2,400,000 population. It has retaken first place, a position which it held for several years until New York wrested the honor away and which it has regained by a per capita sale of 3.24 seals. New York with a per capita sale of 2.93 is a well distanced second for national pennant honors.

"Milwaukee wins inter-city honors for the first time in the history of the seal sale, its 1917 sale of $19,574.21 giving it second place among cities between 400,000 and 1,000,000 population. First place in this class was won by Buffalo. Milwaukee's per capita sale was 4.46. Mayville, Wis., also won second place honors in the national inter-city and town competition, its per capita sale being 24.1. This was the highest per capita sale in Wisconsin. The national honor roll of cities that made a per capita sale of six seals or over includes seventy-one Wisconsin cities."

The Right Place for the Right Man

The capable and energetic man or woman who represents a company which provides an unexcelled policy at a low net cost is sure to succeed as a life underwriter. That is why our representatives everywhere are loyal, contented and enthusiastic. The reputation of their Company for prompt and efficient service gives them a confidence which wins the confidence of the insuring public.

Occasionally we have a General Agency opening.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL

LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.

Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

20-Year Endowment Arguments

The Travelers has furnished its agents with a good illustration of the value of the twenty-year endowment policy used with success by several of its best agents. In a nutshell this contract furnishes a cash estate purchased on the instalment plan with insurance protection for the family during the process. This is the detailed argument:

For twenty annual deposits of less than 4.2 per cent. on $5,000 if your health is found satisfactory we will guarantee the following results:

(a) $5,000 cash to you if living at the end of twenty years, or

(b) If your physical condition is satisfactory at the end of twenty years we will pay you $2,285 cash, and in addition a paid up estate of $5,000 payable to your beneficiaries at your death.

(c) In case you suffer permanent total disability from accident or disease before the date set for the payment of the endowment, we will pay you an income of $50 per month as long as you live and suffer such disability, and at the end of the 20-year period from date of issue $5,000 in cash to you if living, or if your death sooner occurs to your family or estate.

Yes. The $50 a month to you will continue after you have received the $5,000 cash as long as you live and suffer permanent total disability.

(d) It is impossible to lose your equity after two years even if you discontinue your deposits.

(f) You can borrow on the security of this contract after two years at 5½ per cent.

(g) The cash received by you at the end of twenty years, if living, is greater than the total deposits made by you. In addition your family will have had the protection of $5,000 insurance and the protection in event of permanent disability throughout the twenty years.

(h) If you make the annual deposits for five years and then discontinue payments, and die within twenty years from date of issue of the contract, $5,000 will be paid to your family or heirs at your death.

Twenty-year endowment contract at age 33.

* * *

Life Insurance and the Income Tax

A few points of information upon the subject of the income tax are given as follows by the Fidelity Mutual "Field Man":

The income tax in its various ramifications is still a puzzling problem to men in all lines of business, and it is quite natural that we should have questions put to us now and then as to its application to the life insurance policyholder. The agent does not want to be a dispenser of misinformation and therefore should equip himself with the facts. We give below the more important points upon which questions are likely to be asked.

Proceeds of a Life Policy Paid to an Individual Beneficiary.—These are entirely exempt from the Federal Income Tax, and this fact in itself offers an excellent talking point for life insurance.

Proceeds of an Endowment Policy Paid to the Insured.—The insured is required to return for taxation only the profit represented by the difference between the amount received from the company and the total amount of the premiums he has paid to the company. He cannot, however, take credit for interest accumulations on his premiums. After receiving the proceeds of an endowment policy, if he should invest them at interest, such interest would, of course, represent income and would be taxable.

Proceeds Paid to the Insured Under an "Income for Life" Policy.—In general, the same rule applies here as in the case of an endowment policy, the insured is required to return for taxation only the profit represented by the difference between the amount received and the total amount of premiums paid.

While there are many questions in connection with the Income Tax Law which have not yet been cleared up by definite rulings, it is our view of the case that the insured under an "Income for Life" contract would not have to return for taxation the income received by him under his contract unless and until the total amount so received equaled the total amount of the premiums he paid to the company.

Life Insurance Dividends.—The dividends on current premiums on a life insurance policy are in the nature of a refund. They are not income and are therefore not taxable. After the premiums on a policy have been fully paid, as in the case of a twenty payment life form that has reached the end of the premium payment period, the subsequent dividends would be income and must be returned for taxation.

Proceeds of Partnership or Corporation Policies.—These must be shown in the income tax return as to the profit represented by the difference between the amount actually received and the total amount of the premiums paid. Some time ago the Treasury Department made a ruling under which premiums paid on account of partnership or corporation policies were allowable deductions in making a return of income. This ruling was recently rescinded. A partnership or corporation that made deduction of premiums paid while this ruling was in force could not, of course, again take credit for those same premiums in returning for taxation the proceeds of such policies at death or maturity.

Cash Value Paid on Surrender.—The proceeds from the cash value of a policy paid on surrender are returnable for taxation only as to the profit represented by the difference between the amount received and the total premiums paid.

Policy Loans.—Money obtained by the policyholder as a loan against his policy is merely an indebtedness and is not returnable for taxation, but in event of subsequent surrender, the amount would have to be accounted for in settlement and would be subject to taxation the same as in the case of the proceeds of a policy arising out of an ordinary surrender. The interest paid by the policyholder on a policy loan is deductible from income in making return for taxation.

Annuities.—The proceeds of an annuity contract are returnable for taxation only as to the profits represented by the difference between the amount actually received and the amount actually paid in premiums. This applies only where the annuitant who purchased the annuity is himself the recipient of its benefits. The beneficiary of a policy of annuity purchased by some one else stands in the same relation as the individual beneficiary under a life insurance contract, and is not taxable.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898

It is greater than any other company in America in the number of its policies 18,262,933

It stood first in the world in amount of insurance placed in 1917 .....$791,060,002

It stood first in the world in gain in insurance in force in 1917 .....$453,749,902

It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

An Effective Letter

A prominent life agent of New York City is using this letter to advantage: Dear Sir: Six per cent. is a high percentage for a trust fund, is it not? Most investments yielding 6 per cent. lack security. Here is one guaranteed by a corporation worth over $100,000,000. This corporation authorizes me to make an offer such that our client may create for his wife or child, a 6 per cent. trust estate. If he dies we pay, for example: $100 a month as long as his wife lives and $20,000 at her death.

If you become totally disabled physically, we also pay you $100 a month as long as you live; then the $100 a month to wife, for life; and then $20,000 at her death.

The cost is less than you might suppose.

Not sold by mail. Interview by appointment at your convenience.

ANNOUNCE MEETING DATES

The Equitable Life Assurance Society announce the following meeting dates for its agency clubs:

Eastern Century Club, the New Monterey, Asbury Park, July 9-13.

Southern Century Club, the Homestead, Hot Springs, Va., July 15-19.

Central Century Club, the Homestead, Hot Springs, Va., July 19-23.

Pacific Century Club, Tahoe Tavern, Lake Tahoe, Cal., July 29-Aug. 2.

CIVILIAN WAR CLAUSE

The civilian war clause of the Equitable Life Assurance Society, providing for a single additional premium of $25 per $1,000 on civilians who perform work in belligerent countries in connection with the war, or who travel or reside in war zones, has been amended so as to provide for a refund one year after the end of the war of any part of the extra premium as shall not have been required to pay death claims due to such residence or travel.

Major Francis R. Stoddard, Jr., Second Deputy Superintendent of Insurance, has been commissioned a major in the Ordnance Reserve Corps of the Army. Recently he returned from Europe where he made a study of aircraft defense. Since then he has spoken nearly every night in helping arouse the war spirit of America and in aiding the sale of Liberty bonds. Major Stoddard has made a splendid record with the Department, and is extremely popular. He has four children. Daniel F. Gordon, chief examiner of fire companies, is taking his place.

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York

34 NASSAU STREET, NEW YORK CITY

Right of Mutual Companies to Give

(Continued from page 1)

ized under the laws of this State may appropriate and expend such sums as they may deem expedient, and as in their judgment will contribute to the protection of the corporate interests.

A significant line of his opinion is: "The question is not one of permitting the use of corporate moneys for what are or may be called 'worthy objects' outside the corporate enterprise, but for the maintenance of the very foundation of the corporate enterprise itself."

The opinion of Judge Hughes was given to Charles D. Norton, chairman of the Insurance Division of the Second Red Cross Drive, Corporation Campaign, and thousands of copies of the opinion have been printed and distributed by Mr. Norton.

Judge O'Brien's Opinion

The Hughes opinion is only one of about half a dozen from eminent legal counsel. Morgan J. O'Brien has given an opinion also, a few extracts of which follow:

"No earthquake or plague, however, in its disastrous effect can be compared with our defeat in this war. The enormous expense which a single day's unnecessary duration of the war involves must be distributed among all the various property interests in our country in one way or another. No interest can avoid contributing its share. I am, therefore, of the opinion that irrespective of any statute, the directors of our corporations may properly make reasonable contributions to the Red Cross without consulting the stockholders or other beneficiaries."

Among others who have given opinions are John G. Milburn, Richard V. Lindabury and ex-Judge Ingraham. These have all upheld the constitutionality of the act.

What Superintendent Phillips Said

Superintendent Phillips, of the New York Department, in a letter to Haley Fiske, vice-president of the Metropolitan. says in part:

"This department will make no objection to a reasonable contribution to the present War Red Cross Fund. It must be expressly understood that the department thereby does not waive its right to object to any contribution which may hereafter be made by your company, or other mutual life insurance companies for charitable or other worthy purposes not directly connected with the prosecution of the war."

Fiske Calls Red Cross a Great Factor in Winning the War

The Eastern Underwriter this week asked several life insurance officials to comment upon the situation. Haley Fiske, vice-president of the Metropolitan Life said:

"Your letter of the 18th is received. Our view of our legal authority to make a corporate subscription is indicated by the fact that our finance committee has authorized a subscription to the Red Cross Fund. We have the authority of our Counsel, Mr. John G. Milburn, of another eminent lawyer who in occasion has acted as counsel for us, Mr. R. V. Lindabury, and the opinions of ex-Judge Hughes and ex-Judge Ingraham, which, no doubt you have seen, that a mutual insurance company is authorized to make this subscription. These opinions discuss and decide the question from different angles and points of view. We have no manner of doubt ourselves of our right to make this subscription. We have paid out in death claims because of the war nearly two and a half millions of dollars; a million and a half of our policyholders are within the draft age. We believe the Red Cross is worthy of assistance by us if for no other reasons than their ministrations to our policyholders. Beyond all that we are convinced that the Red Cross has been, is and is going to be a great factor in winning the war and defending this country against aggression and that it is a material part of Governmental war activities. We believe it is necessary to support the Red Cross as a measure of protection to our assets.

"We have not thus far considered any other organization as entitled to a subscription, either under the authority of the act or under the general right of the company to protect its property. Each case, if any such arise, will have to be decided by itself."

The officer of one company, which doubts the wisdom of mutual company subscriptions, said to The Eastern Underwriter:

"The recent legislation is not mandatory nor directory. It is merely an assent of the State Government that directors and trustees of New York life insurance corporations may expend such sums of their policyholders' money as 'in their judgment will contribute to the corporate interests' of such companies. It is doubtful whether this legislation has added anything to the power which directors or trustees previously possessed. Money of policyholders could always be rightly expended for corporate purposes, and under the new legislation the directors or trustees are limited in their expenditures to 'protection of corporate interests.' In this view such directors or trustees of insurance companies as have heretofore refused to vote away policyholders' funds for charitable objects will find little in the new law to stimulate their generosity with other people's money, while others will find full warrant for such generosity."

TWO RECORDS

What W. Logan Shearer and H. F. Pardieck, Northwestern Mutual, Have Done

"Field Notes," published by the Northwestern Mutual Life, has not made many personal references to agents, but an exception is found in the current number in favor of W. Logan Shearer and H. F. Pardieck. The comment follows:

W. Logan Shearer, the very capable district agent at Lexington, Kentucky, has just completed six years of consecutive weekly production. We hope Mr. Shearer is as proud of his record as we are. Here is what he has to say about it: "The determination to write at least one completed application each week has been a great thing for me. If every agent in our Company would make up his mind to do likewise you would have a whole regiment in your Marathon Club as it has been no trouble for me to report insurance on at least one hundred lives during the past five agency years. This letter to you is not written as a means of singing my own praise but with the one thought that you may be able to impress on new men just entering the life insurance business what it would mean to have something definite in view and then at all hazards carry it out."

Mr. H. F. Pardieck, district agent at Richmond, Indiana, has been writing applications for the Northwestern for the past twenty-eight years and during that time has made some remarkable records. For many years he has had an ambition to write $100,000 in one month, but never quite made it. During April he went "over the top" for an even $100,000 written on several lives, and all secured in his home town, which, according to the 1910 census, had a total population of only 22,324. Richmond now has over $2,000,000 Northwestern in force.

Such an incident would certainly seem to indicate that conditions are right for breaking records and that business can be had if the grit and determination are there.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President
A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY
Edward D. Field, Superintendent of Agencies

In addition to the ordinary forms of life insurance
THE EQUITABLE
makes a specialty of the following:
Insurance to protect business firms and corporations, under a corporate form of policy.
Group Insurance, by which employers protect families of employes.
A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.
A Bond issued without medical examination giving the investor an income for his declining years.
A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:
1. Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.
2. The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.
3. Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.
(See the policy for conditions and details.)
For Agency Openings Address
WILLIAM E. TAYLOR,
Superintendent of Agencies
THE EQUITABLE
LIFE ASSURANCE SOCIETY OF THE U. S.
120 BROADWAY, NEW YORK

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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THE LESSON TAUGHT BY H. A. BARKER'S LIBERTY LOAN SUCCESS

A few weeks ago Harold A. Barker was an unknown industrial agent in Brooklyn. To-day, there is not a general agent in New York City who has not heard of him and his remarkable achievement in personally obtaining 4,851 subscriptions in the Third Liberty Loan campaign. How he did it is told on page five of this paper. That a man working without friends or influence in the greatest city in the new world can pile up such a record is a beacon light for every life insurance agent in the land. When Barker decided to sell Liberty Loan bonds it became a passion with him. He could not get up too early in the morning; he could not retire too late at night. It was work, work, work, for seventeen or eighteen hours a day. It was being everlastingly on the job. His soul was in it; he forgot the flight of time. Claiming no unusual ability he says anybody can do what he did. But nobody duplicated Barker's feat. It is easy to see that he will make a great success of life insurance if he can devote to it his spirit and can control the will that made his record as a bond salesman without equal. And from his experience a great many life insurance sermons can be and should be drawn. Merely to sell life insurance is an inspiration in itself. If it once "gets hold" of an agent who will then work hard, nothing can stop him.

SOLVING THE TRAFFIC PROBLEM BY UNITED ACTION

There was a time when men were satisfied to amble along under conditions as they existed, loath to exert themselves to correct the evils they knew to exist. No concerted effort was made to fathom the causes from which the evils arose. That was true of fire prevention and later of industrial accident prevention. It is now equally true of that new phase of accident prevention which relates particularly to the motor vehicle.

But man's attitude has changed. He now seeks to discover preventable causes and to remove them. Years ago the more advanced fire insurance men realized that it was folly to go on paying millions for fire prevention without studying the causes which made those expenditures necessary. Of course, they met with opposition, skepticism, inertia.

But the prevention pioneers were not deterred. They worked on, the agents giving their time and the companies spending their money. Now they know that fire prevention pays big dividends. Here is a concrete example: By close co-operation the citizens of Portland, Oregon, reduced their fire loss from $1,762,493 in 1914 to $276,744 in 1917, and 1918 losses are so far only half of those in the same period of 1917.

In industrial accident prevention very much the same conditions existed as in fire prevention. Employers scoffed at the idea of materially reducing the loss of life and limb. They saw only the phantom of expense incident to establishing the new regime. They despaired of educating the workers to a sense of caution and a regard for the safety of others. Industry was like a battlefield. Must it also be so on our highways? Surely not.

Again the insurance men, in the field and in the company offices, threw their weight against this industrial evil and it gave way. It became profitable to the companies, employers, employed and the agents to prevent accidents. To the latter because the new service they rendered increased their prestige in their respective localities. All insurance men know the result; how it amazed the most skeptical. The records prove it.

Extensive and growing use of the motor vehicle has created an accident hazard peculiar to itself. It has reached undreamed of proportions. Advanced underwriters realize that the time is ripe to wage an unrelenting campaign against this new peril. To be successful, accident prevention resolves itself into a continuous campaign to inculcate the habit and thought of carefulness. Carelessness is the chief obstacle. Just one human frailty to be overcome.

Fortunately there is ready an efficient organization among the automobile owners with which to co-operate—the hundreds of automobile clubs. The progressive insurance companies have prepared special literature of a high order which is ready for distribution to interested agents and others. This literature is not commonplace; it is the best that money can buy. "Safety for the Motorist," issued by the Aetna Casualty & Surety Co., is a good example. Caution cards are issued with licenses. State highway commissions, motor vehicle departments and other governmental agencies are co-operating to educate the public. The National Safety Council is waging a special campaign against automobile accidents.

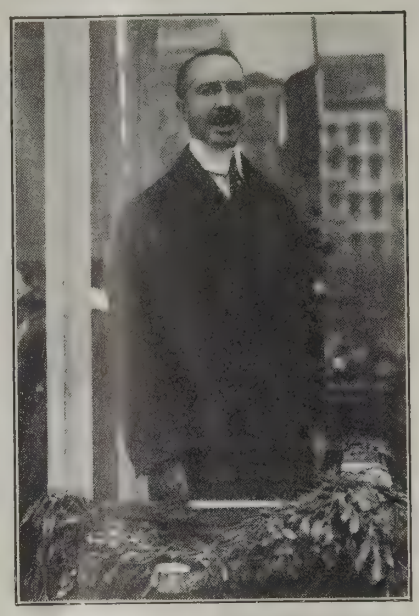
Satisfactory results can be obtained only by reaching the individual driver. The agent, the company and the automobile club, working together, can turn the trick. But the insurance man must start it. He should not ignore the opportunity to put himself forward in a good cause.

Nor is this a labor of love. Far from it. Every town has its traffic problem. It is interesting; it can be worked out. It would be an honor to any local agent to be known as an authority, even a "bug" on this subject. That would be a good form of publicity. Fire and liability agents have risen in the estimation of their clients by just such work.

The impression exists that the motorist never can be taught proper regard for safety. But he can, he must, and the insurance men are the logical apostles of the new creed. The pedestrian must likewise be educated.

Every town has its traffic problem. Interest yourself in it; make it your hobby; distribute special literature on automobile accident prevention; interest the local automobile club, the police department, the board of trade, the courts. Become a factor in this nation-wide campaign. High fire or accident frequency mitigates morally and physically against any community in which it is allowed to run rampant.

THE HUMAN SIDE OF INSURANCE



ROBERT M. NUGENT

Robert M. Nugent, assistant secretary of the National Surety Company, is shown in this picture speaking in the Liberty Bell at the City Hall, New York, in the recent Liberty Loan campaign. In this talk and by touring restaurants and hotels along Broadway every night Mr. Nugent sold $300,000 in bonds.

* * *

George Turner, who has resigned as deputy of the Indiana Insurance Department to become general counsel of the National Council of Insurance Federations, is extremely popular with members of the Federation and the National Association of Casualty and Surety Agents. His defense of the 17½ per cent. acquisition cost on various occasions was strong and important. Before going with the Indiana Insurance Department he was secretary of the Indiana Federation. Mr. Turner is a lawyer by profession, and in his early thirties.

Henry Moir, who has been elected president of the Actuarial Society of America, is a graduate of that famous boys' school in Scotland—Watson's—which has turned out as graduates ten prominent actuaries now with American companies. Mr. Moir for years has been an authority on all matters having relation to the scientific side of life insurance. During a busy career he has found time to write books and articles which have done much to educate the younger men in the business, and he has also taught actuarial principles at a local university. Before going with the Home Life, of which he has been actuary for some years, Mr. Moir was actuary of the Provident Savings. As are most of the other actuaries Mr. Moir looks at life philosophically, is always in good humor and thinks the world a mighty fine place in which to live. Just what there is about cube root and such problems, the mastery of which makes the average actuary a congenial person to meet and to swap stories with, has never been clearly defined, but it is a lot more fun traveling on a long distance train with a crowd of actuaries than with a similar aggregation of—well, editors, for instance. The writer of this personal has never seen an actuary lose his temper, get excited or be too busy to talk. Other officers elected by the Actuarial Society of America are William A. Hutcheson, second vice-president of the Mutual Life, and A. B. Wood, Sun Life, vice-presidents; D. G. Alsop, Provident Life & Trust, treasurer; W. M. Strong, Mutual Life, secretary, and J. S. Thompson, assistant secretary of the actuary of the Mutual Life, editor of the proceedings.

* * *

John G. Simmonds, president of John G. Simmonds & Co., Inc., who last week announced his retirement from active business because of ill health, has had a long experience as an underwriter. He started with the Commercial Union in 1898, going with the Sun in 1901 and with Weed & Kennedy in 1903. In 1905 he entered the local agency business at New Rochelle with his brother, under the firm name of C. E. & J. G. Simmonds. In 1910 he sold his local agency business to Fred S. James & Co., and was with the firm as manager of its suburban department for one year. He then went with F. R. Cruickshank & Co., as suburban underwriter, and in June, 1913, he purchased the agency plant of that firm and organized the suburban agency of John G. Simmonds & Co. In February, 1916, R. B. McFall entered the agency and it was incorporated with Mr. McFall as vice-president. Mr. McFall will continue the business as heretofore. Mr. Simmonds has been troubled with ill health for some time and his retirement is to permit him to recuperate.

* * *

Oscar B. Haller, who came to the Equitable Life Assurance Society from a small Michigan company in 1914, built up a $2,000,000 agency in a sparsely settled community in Northern Michigan. Because of his success in a constricted field he has been made agency manager in Toledo.

* * *

George W. Ellis, editor of the "Travelers Record," is confined in the Hartford hospital with typhoid fever. He has been ill about two weeks and went to the hospital last Friday.

* * *

Percy V. Baldwin, assistant secretary of the life department of the Travelers, is recovering from a severe case of septic poisoning which resulted from an operation for the removal of his tonsils two weeks ago.

FIRE INSURANCE DEPARTMENT

United British To Start Soon

TO BE ENTERED IN ALL STATES

Fire Department is Under Management of George A. Viehmann and Gresham Ennis

Within the next three or four weeks, the United British Insurance Co., Ltd., of London, will be ready to start writing fire business throughout the country. C. P. Stewart & Co., Inc., are the United States managers of the Company and the fire branch will be under the direct management of George A. Viehmann, president, and Gresham Ennis, secretary of the New Jersey Insurance Co., who are both vice-presidents of C. P. Stewart & Co., Inc. The executive office of the fire insurance branch will be at 40 Clinton St., Newark, and of the marine branch at 56 Beaver St., New York.

The United British has complied with the requirements of the New York State Insurance Department and has been licensed to do business in that State. The Guaranty Trust Co., of New York, is the United States trustee of the Company. In addition to the fire and marine requirements, the United British has placed in the hands of its trustees and United States managers further funds, making the total with which the Company will start business $1,000,000.

TO ADDRESS BANKERS

Frank H. Smith, Commissioner of Banking and Insurance, New Jersey, made a talk to the New Jersey Bankers Association in Atlantic City on May 17.

SILVEY TO WED

A. M. Silvey, of Coe & Silvey, one of the ablest of the younger brokers in New York City, is to marry Miss Gertrude Phillips, daughter of Richard Phillips, of Oroville, Cal., in June.

MILLIGAN CHAIRMAN

President Milligan, of the Phoenix of Hartford, is chairman of the Red Cross Committee of Hartford.

Lynn J. Bickelhaupt, formerly an inspector of the Underwriters' Association of New York State, received the first letter delivered in Syracuse by the airplane mail route.

John P. Hollerith, of Chicago, will soon be added to the colony of Westerners now in New York. He comes from the Hartford to the Continental.

Field Conference of Automobile Co.

SPECIALS MEET IN HARTFORD

List of Topics Covered and Names of Speakers Given—Committee in Charge

Field representatives of the Automobile Insurance Company of Hartford are holding a conference at Hartford this week, the second in the history of the Company. Forty-five special agents are in attendance.

On Tuesday J. W. Robertson, supervisor, Chicago, spoke on "Inspections"; W. S. Hart, home office examiner, on "How Field Men Can Assist Examiners"; A. J. Towne, special agent for New Jersey and Eastern Pennsylvania, "How Examiners Can Assist the Field Men"; William L. Mooney, agency supervisor, "Co-Operation Between Fire and Casualty Special Agents." Lunch was served at the Hartford Club, after which this was the program: "Our Supply Department," Edmund W. Danahy, supervisor of supplies at the home office; "Special Risk Department," L. C. Shaul, supervisor of special risks; "Sprinkler Leakage and Combination Residence," Dwight G. Stone, secretary of miscellaneous lines of the Company; "Agency Development," A. G. Hancock, Baltimore.

Wednesday's Program

At the convention on Wednesday the following program was discussed: J. H. Patterson, New York City manager, "Co-operation"; J. R. Edsall, home office examiner, "Survey Slips and Education of New Agents"; G. M. Easley, "The Texas Field"; J. F. Decker, Jr., superintendent of the explosion department, "Miscellaneous Lines." An outing and beefsteak supper at the Wethersfield Country Club is scheduled for this afternoon.

Thursday's schedule of speeches included "Cotton," by T. Graham Hall, of Nashville; "Accounting," by H. C. Warner, in charge of accounts; "What We Are Doing in the Statistical Department," by J. C. Mayorga, of the statistical department of the Company; "Oil," by Hunter L. Martin, of Oklahoma; "Use and Occupancy," by R. R. Stone, special agent at Syracuse, N. Y.; "Lines and Classification," by W. E. Jones, assistant secretary of the Company.

The general committee in charge is J. C. Barden, secretary of the Company; W. F. Jones, assistant secretary; C. R. Fulton, executive special agent; H. J. Parker, superintendent of loss department.

THE AUTOMOBILE
INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

THE NIAGARA
FIRE INSURANCE COMPANY
OF NEW YORK
Announces the appointment
of
WILLIAM H. McGEE & CO.
General Agents
MARINE DEPARTMENT
15 William Street NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

Meeting the Inter-insurers

To meet the competition of inter-insurance concerns the Smith-Lawson-Coambs Company, Chicago, offered $100 reward to the first broker in Chicago who is able to secure a bona fide application for a Georgia Casualty policy containing an indorsement covering the features of the inter-insurance policy, signed by the assured and approved by the Illinois Insurance Department. The indorsement provides that at the expiration of the policy the company will return to the assured an amount estimated at 25 per cent. of the premium paid, if the profits of the company justify it, the assured agreeing to the other provisions of the inter-insurance contract as to management expenses, liability, power of attorney and waiver of right.

* * *

With Davis, Dorland & Co.

Jacob Zanzok, formerly with I. M. Blau, is now placer for Davis, Dorland & Co.

* * *

James E. Madden in Army

James E. Madden, of the brokerage department of the Fidelity-Phenix, leaves next week to join the army.

* * *

Morrison With Emsheimer

Thomas Morrison, for the past five years with the up-town office of the Aetna Life and affiliated companies, has resigned as manager of the accident and health department to join the office of Charles Emsheimer. He will develop general brokerage lines.

* * *

Another Gatti-McQuade Loss

Another loss was reported this week on the Gatti-McQuade warehouse in Hoboken. This loss is approximately $100,000 which is reported to be mostly covered by binders. The last fire at this property was last spring and was extensively reported in The Eastern Underwriter.

* * *

Olsen With Starkweather & Shepley

Charles A. Olsen, for the past thirteen years with R. C. Rathbone & Son, has resigned and will start on Monday with Starkweather & Shepley in the New York brokerage department of that office. Through his long connection with Rathbone & Son, Mr. Olsen is well known to William Street.

* * *

H. C. Zaro Retires

Henry C. Zaro, who for a long term of years has been a broker and up-town manager of the North River and other companies represented by Crum & Forster, has discontinued his branch office and will retire from the insurance business. J. Koch, who has been with the office for some time, will carry on the business and retain the space formerly occupied by Mr. Zaro as a branch office. Mr. Zaro will continue to act as agent for various steamship companies and banking interests.

* * *

Tobias With Forman & Herman

T. J. Tobias, formerly with Henry C. Zaro, is now with Forman & Herman, succeeding Phillip Honig, now in the army.

* * *

Returns to Local Agents

The $2,000,000 line of the California Hotels Company, which operates the three big hotels (Maryland, Green and Huntington) at Pasadena, Cal., has been recovered from Eastern interests by the Hogan Company agency of Pasadena. H. J. Sears of the latter firm has returned from San Francisco where he completed arrangements for the exclusive handling of this line.

Humboldt To Be Superior Fire

WILL INCREASE ITS CAPITAL

Company Has Net Surplus of $1,200,000—Loss Ratio Last Year 42 Per Cent.

(By Tel. to The Eastern Underwriter)

Pittsburgh, May, 22.—The Humboldt Fire Insurance Company is changing its name to the Superior Fire Insurance Company.

Stockholders of the company are considering an authorization of increase in capital stock from $300,000 to $500,000.

Company Figures

A. H. Trimble is president of the Humboldt, which has gross assets of $1,750,616, and net surplus of $1,200,000. Last year it received premiums of more than $1,000,000, while its loss ratio was only 42 per cent.

The Humboldt was organized in 1871 with $100,000 capital. In 1910 it merged the Allegheny Fire.

ENTERTAINMENT AND DANCE

Given by Employes of North British Group at the Hotel Ansonia

Employes of the North British & Mercantile group of companies gave an entertainment and dance at the Hotel Ansonia in upper Broadway on Friday night of last week. The ball room of the hotel was packed, many standing up. A surprising amount of good talent was exhibited, the singing and instrumental playing being considerably above the average. All of the men in the Company whose promotions were recently announced were present, and Assistant Manager C. R. Perkins was master of ceremonies. The receipts were given to the Y. M. C. A. fund.

An interesting feature of the entertainment was that it was managed by the War Savings Society of the North British & Mercantile companies.

FOELL WITH HALL & HENSHAW

Charles G. Foell, for the past nine years with the Phoenix of London, mainly in the local department, will start on Monday with Hall & Henshaw as counterman.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET NEWARK Phone Market 6536 | SERVICE FIRST | 80 MAIDEN LANE NEW YORK Phone John 4560

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

The Gamewell Fire Alarm Telegraph Co.
Fire Alarm and Police Telegraphs for Municipal and Private Plants
OVER 1500 PLANTS IN ACTUAL SERVICE
GENERAL OFFICES AND WORKS
NEWTON UPPER FALLS, MASS.
AGENCIES
5708 Grand Central Terminal, New York
448 John Hancock Building, Boston, Mass.
1216 Lytton Building, Chicago, Ill.
335 Wabash Building, Pittsburgh, Pa.
915 Postal Building, San Francisco, Cal.
304 Central Building, Seattle, Wash.
Utica Fire Alarm Telegraph Co., Utica, N. Y.
Northern Electric Company Limited, Montreal, Canada.
General Fire Appliances Co., Ltd., Johannesburg, South Africa
Colonial Trading Co., Ancon; Canal Zone, Panama
F. P. Danforth, 1060 Calle Rioja, Rosario de Santa Fe, Argentine Republic

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Showing the Way in Fire Prevention

PORTLAND ESTABLISHES RECORD

Secretary Blakeslee of Department of Public Affairs Explains Methods in Use

Portland, Oregon, has reduced its fire loss from $1,762,493 in 1914 to $276,744 in 1917. How this was accomplished is told to The Eastern Underwriter by H. F. Blakeslee, secretary of the Department of Public Affairs of that city, as follows:

While the ordinance creating the office of Fire Marshal was passed in October, 1914, fire prevention work did not start until the following April. Fire prevention has worked wonders in Portland, having reduced the fire loss from $1,762,493 in 1914 to $276,744 in 1917. I mention these figures to give you some idea of what systematic fire prevention work has done, and is doing for our city.

The movement for fire prevention was taken up first by Arthur M. Churchill, of the Civic League, together with Walter S. Creach, of the Fire Bureau office staff, with the cooperation of E. M. Underwood, of the Portland Credit Men's Association. Owing to the large fire loss, the imperative needs of this course of action was laid before H. R. Albee, mayor of Portland, commissioner in charge of the fire department. He was very much in favor of the idea and presented the matter to the council, with the result that on October 28, 1914, an ordinance creating the office of Fire Marshal, providing for better protection against fire was passed. Battalion Chief Jay W. Stevens, who is now manager of the Fire Prevention Bureau of the Pacific States, was appointed Fire Marshal and sent east to study fire prevention methods employed in the large eastern cities. Upon his return to Portland, the Fire Prevention Bureau was organized, and a systematic inspection of all business houses and residences in the city was started. Eighty-five deputy fire marshals were appointed in the department, two from each fire station, whose duties along with their regular work, were to inspect two or three hours each day when the companies were at sufficient strength to allow them to get away.

Methods of Inspection

The men are on duty twenty-four hours, with one day off in four. The city is divided into districts and each company inspector is supposed to attend to his immediate district. Each week the men are called together at the City Hall, where fire prevention school is held. At this time instructions are given by the Fire Marshal and hazards needing particular attention are taken up and discussed by the members. It is generally arranged at these meetings that the chiefs give talks on prepared subjects, and they are also favored with speeches on fire prevention topics by the business men. We have found this method of getting the men together for the purpose of discussing intricate problems and exchanging views very instructive, and the results we have attained are very encouraging. If at any time an inspector is confronted with a fire hazard that he feels he cannot handle, he reports it to the office, and a special man is sent to assist him, and invariably the problem is solved.

Record of Alarms

During the year 1914 there were 1,854 alarms with a fire loss of $1,762,493.46. In 1915 after the enaction of fire prevention bureau, the alarms were reduced to 1,225, with a loss of $1,289,372.46. 1916 had 816 alarms and a remarkable reduction in losses, the loss being only $554,205.63. In 1917 while the alarms were about the same, there being 824, the loss, $276,744.40, was half the loss of the previous year, and the smallest record for the last sixteen years, or since Portland has attained its present size. The results show the per capita fire loss has been reduced from $6.78 in 1914 to $.93 in 1917.

While we are immensely pleased with our records for 1917, we are out to beat it in 1918, and so far results present a very favorable outlook. A comparison of losses or the first four months of the fiscal year 1917-1918 are as follows:

	1917	1918
December	$ 44,734.08	$ 4,044.75
January	25,533.05	5,919.59
February	9,512.47	32,587.16
March	28,805.05	*11,269.57
Total	$108,584.65	$53,821.00

*Estimate.

Incendiarism Suppressed

An important feature of our success in the prevention of fire has been the suppression of incendiarism, which has been accomplished by the thorough investigation of the cause of every fire at the time it occurs, by our arson squad, and in the last three years with the co-operation of the district attorney's office, we have been able to get 38 convictions for arson, while previous to this time, the city records fail to show any convictions on that count.

We make a thorough house to house inspection of dwellings once a year, and all business houses are inspected monthly, starting with "Clean-up Week," which generally is the first week in May. A short time before we start the "Clean-up Week" campaign, we endeavor to get the papers to give it as much publicity as possible. As an incentive to clean up and also to make it profitable, we have been able to make arrangements with the paper dealers to buy up all newspapers, magazines, etc., which on the day set for that purpose, are delivered to the fire stations, where they are weighed up by the firemen and paid for. By this method we collect about fifty tons of waste paper yearly.

As a means of working up enthusiasm and securing the active co-operation of the citizens, and especially business men in the fire prevention work, we concentrate our efforts on making fire prevention day, October 9, a big day, opening the day with speeches on fire prevention in schools, inspection of business houses by business men accompanied by our inspectors, and a big parade in the afternoon, which includes school drill teams, civic and business organizations, with representative floats. We have also been successful in securing the co-operation of the Ministerial Association, and fire prevention talks are delivered from their pulpits on the Sunday preceding fire prevention day. The moving picture theatres have also greatly assisted us by throwing pictures of fire hazards on the screens the week preceding Fire Prevention Day.

From the success we have attained in the past, we have great hopes for the future, and find it ever an interesting work.

INTER-INSURANCE HEARING

Madison, Wis., May 18.—An adjournment has been taken until May 29, when a hearing will be given the Sherman & Ellis inter-insurers operating out of Chicago. Recently representatives of the insurance departments of several States have made an investigation for the operations of Sherman and Ellis. A hearing was held on the findings of the investigators on last Wednesday in Chicago. Several legal questions were raised which necessitated an opinion from the attorney general of Illinois, but an adjournment has been taken until May 29. The States of Wisconsin, Kentucky, Missouri, Kansas and Illinois were represented at the last week's hearing.

Salvaging the Losses at Jarvis Warehouse

One encouraging feature of the Jarvis Warehouse loss in Jersey City is the large amount of tobacco which has been salvaged. It is in surprisingly good condition, all things considered. About $36,000 was realized on tobacco recently sold wet weight. This will mean a good price per pound dry weight.

Number 4 warehouse has been practically cleaned out. Thousands of tons of wire are ready for sale and another tobacco sale will be held before long. There was over $350,000 insurance placed on tobacco. So much of it was gotten out that it occupied practically all available clear space and was piled eight to ten feet high. A large amount of oil cake will be ready for sale soon. Conditions in the other warehouses have not changed materially. It has been impossible to get into the cellars yet and the pumps are still being worked. There was a large amount of over-insurance owing to delays in arrival of goods which had been bound. Also goods had been shipped out and the records not brought up to date. One company reported $60,000 over-insurance. There was considerable carelessness shown by owners in placing insurance. Several find that they have insufficient cover on certain warehouses, while they are over-insured in others. A large force of men is working and there may be considerable salvage in building material. There is such a shortage of commodities that salvaged goods are eagerly sought, whereas normally there would be little or no demand for them.



WHAT FIRE DID TO JARVIS WAREHOUSE

RUSSIAN SUPERVISION

Bolshevik Plan of Monopolizing Insurance Receives Set-Back From Soviet

The Eastern Company of Warehouses, Insurance and Transport of Goods with Advances, Limited, is in receipt of advices from Petrograd, dated March 30, reading as follows:

> Please inform whom it may concern that all schemes nationalizing or monopolizing Russian insurance business have been rejected by Sovjet Narodnich Komissarov. Instead Sovjet confirmed Law about Government control over all insurance branches.

This will be read with interest in this country, because it will be remembered that the Bolsheviks first started by nationalizing absolutely everything. They nationalized the banks and were on the point of nationalizing insurance companies. The latter scheme has fallen through, and this is of great importance because the insurance companies are guarantors to many thousands of people, and if the Bolsheviks had taken over these companies, all these people would have remained without any guarantee. The Soviet of Narodnich Komissarov is the main institution ruling now in Russia.

From an insurance and economical point of view, this news is of importance.

AVERAGES

Meaning of "General" and "Particular" Described by President of Fireman's Fund

The latest definitions of "general average" and "particular average" were given by President J. B. Levison, of the Fireman's Fund, in a talk before the Fire Underwriters' Association of the Pacific a few days ago. He said:

General average is simply a sacrifice made or an expense incurred for the general benefit. Take a very simple illustration: A captain finds his vessel dangerously close to the rocks and employs a tug boat to tow him clear of danger. The value of the cargo is $100,000 and the value of the vessel is $100,000 and the tug boat's bill $2,000. Under these circumstances the vessel will pay half and the cargo will pay half of the bill. Of course, you understand that I have given you a very primitive illustration, shorn of all complications and technicalities, of which there are naturally many, even in a case as simple as this one.

"Particular average" is, roughly speaking, a technical expression for "partial loss." "Hull" is the body of the vessel itself. "Freight money" the compensation paid the owner by the cargo for its carriage. "Average statement" is nothing more nor less than a "Proof of Loss," as it is called in the fire business.

Troy Agents Rush To Chamber of Commerce

COMPLAIN OF RATE ADVANCE

Companies Say Town Has Been Unprofitable for Years, and Justify New Rates

Following an increase in rates made in the city of Troy, N. Y., nearly every insurance agent in the town went to the Troy Chamber of Commerce and asked for an investigation in order to find out why the advance was made, and to see what can be done in having old rates restored.

Companies Indignant

The action of the agents has caused considerable indignation in the underwriting offices. They say that the record of Troy has been consistently bad, and they think it unfair of the agents to raise such a fuss in the daily papers. Records of premiums and losses of a number of companies examined show that many companies have lost money there for years. The figures of one office with a leading agency since 1905 show premiums of $19,000, losses of $14,000; for another agency, premiums of $18,500, losses of $16,500.

The companies say that there are not only too many fires in Troy, but that many of these losses have been "settled" and not adjusted. There is much complaint against the inefficiency of the fire department, in which politics is said to be a factor. The trouble with the town was in part analyzed in a National Board report in 1912.

Threaten to Pull Out

Some companies are threatening to pull out of the city. They say that in these days of enormous premium volume they will not stay in any town which is notoriously unprofitable.

AGENTS OFTEN INATTENTIVE

F. C. Calkins Says They do not Always Answer Important Company Letters

If the Germans were as inattentive to the war game as some of our agents are to details of their business we would have had the Heinies licked a couple of years ago, says Fred C. Calkins, the Jacksonville general agent, in the snappy little publication he issues, called "Florida Chit-Chat." Don't wear out waste baskets by overloading them with pertinent letters from your companies. Head offices are having their own troubles in these war times and it don't look right for an agent to let half a dozen letters remain unanswered. Postage costs money and your time is worth no more than ours so help to keep the glow in old glory by keeping up with current matters.

GET CONTINENTAL MEDALS

The following Continental New York State agents will receive the 25 year long and faithful service gold decoration during the first six months of 1918:

J. Edward Poole, Albany; J. Watson Burrows, Ripley; Frank A. Alger, Alden; John H. Perry, West Henrietta; Charles H. Hobbs, Ninevah.

W. Parker Smith, of Spring Valley, has received one for 32 years' service.

John M. Hughes With Hartford as Special

LONG PROMINENT IN JERSEY

Resigns From Newark Insurance Society—Was Manager of Old Newark Exchange

John M. Hughes, one of the best known fire insurance men in New Jersey, has resigned as secretary and treasurer of the Fire Insurance Society of Newark to become special agent of the Hartford Fire Insurance Company. He will be affiliated with the Lasher & Taylor general agency of the Hartford at 80 Maiden Lane. Their territory covers all of New Jersey, north of Trenton, and suburban New York. His new connection dates from June 1.

Thirty Years an Insurance Man

Mr. Hughes' first insurance experience began about thirty years ago. For thirteen years he was with the Underwriters' Association of the Middle Department, with headquarters at Scranton, Pa., where he did inspecting and rating and had charge of all association work in that territory. In 1902 he was made manager of the Newark Fire Insurance Exchange, which position he held until the Exchange was dissolved by order of the New Jersey Court of Errors and Appeals. This was in 1909. After that he was proprietor and manager of the Newark Inspection and Rating Bureau until the Ramsay Act was enacted in 1913, and Atlee Brown was made expert. Since then he has been with this schedule rating office, being superintendent of surveys until he went with the insurance society.

Mr. Hughes will be a valuable man for the Hartford as he has an unusually large acquaintance and knows every angle of the New Jersey and suburban situation.

AMSTERDAM REDUCTION

The twenty per cent. advance in Amsterdam, N. Y., rates has been cut to 10 per cent.

JAMESTOWN RECORD

There is some complaint about the record of Jamestown, N. Y., where experience with a number of companies has been bad.

SOUTHERN TORNADO MEETING

The annual meeting of the Southern Tornado Insurance Association will be held in New York to-day in the rooms of the Eastern Union.

Thomas F. Clark, for several years secretary to James J. Hoey, second vice-president of the Continental, has been appointed a chief petty officer in the Navy. He expects to leave for League Island, Philadelphia, shortly.

BRITISH AMERICA ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918

Assets	$2,192,173.14
Surplus in United States	772,927.35
Total losses paid in United States from 1874 to 1917, inclusive	25,298,472.00

W. B. MEIKLE, Pres. & Gen. Mgr.

London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.


"AMERICAN FORE"

FOR 65 YEARS—

THE CONTINENTAL has built its name to stand for all that is best in fire insurance.

FAIR DEALING has won it a leading place among agents and the insuring public.

CONSTRUCTIVE management has assured its growth in the past and assures a continuation of progress in the future.

FINANCIAL strength insures stability and guards against any conflagration danger.

[FIRE] THE CONTINENTAL INSURANCE COMPANY
Cash Capital - - TEN MILLION DOLLARS
HENRY EVANS, President

Home Office
80 MAIDEN LANE
NEW YORK

Managing Branch Offices:
CHICAGO, MONTREAL
SAN FRANCISCO

CONTINENTAL COMMANDS CONFIDENCE

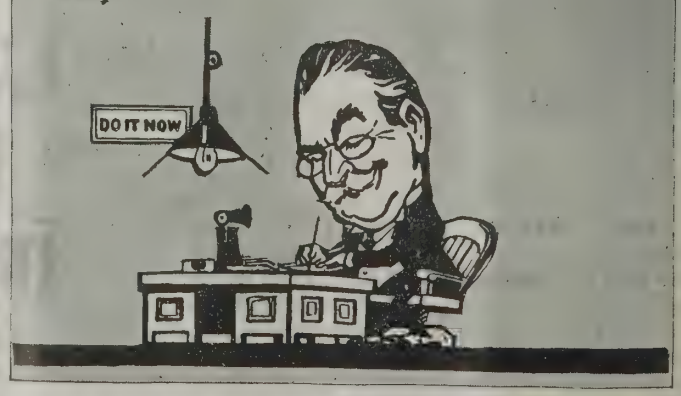
Firemen's Insurance Co., Newark, N. J.
January 1, 1918

Cash Capital	$1,250,000.00
Net Surplus	$2,384,971.20
SURPLUS TO POLICYHOLDERS	$3,634,971.20

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer — A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President — J. K. MELDRUM, Assistant Secretary

N U
NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.

SECURITY—STABILITY—SERVICE AND FACILITIES MAKE THE NATIONAL UNION A GOOD COMPANY TO REPRESENT BY EVERY TEST THAT COUNTS. TO PROPERLY EXPERIENCED AND QUALIFIED AGENTS NATIONAL UNION SERVICE WILL SPEAK FOR ITSELF WHENEVER YOU CHOOSE TO MAKE THE TEST.



Hartford Companies Join in an Ad

UNDER-INSURANCE DISCUSSION

Public Told to Meet Agent Half Way—Effective Bit of Publicity to Stimulate Business

The Aetna, Hartford, Phoenix and Scottish Union & National are four companies in Hartford which signed a full-page advertisement in which rising values and under-insurance topics were discussed. Pictures of two umbrellas, labeled fire insurance, topped the ad. Umbrella No. 1 was over a small block, captioned "Replacement Value of Your Property in 1914." Umbrella No. 2 appeared over a much larger block, captioned "Replacement Value of Same Property in 1917."

Then, in large type, appeared the statement:

"Your fire insurance (unless it has been increased to cover all insurable interests) no longer protects your risk because if fire destroyed your business there will be the loss in rental values, in profits, in rebuilding undestroyed portions of buildings (unless your policy also covers rents, profits and demolition). There will also be loss of time, the loss of unreplaceable records and belongings, the costs of personal injuries, the inconvenience, and you may not have enough straight insurance."

Suggestion

This suggestion is then given: "Get out your fire insurance policies today or write or telephone your insurance agent for information that will surely benefit you."

Continuing the ad says:

"Rising costs have made what you own more valuable. Whether household furnishings, merchandise, fixtures, machinery or buildings, you could not replace them today for what they cost. You have been adding furnishings, equipment, fixtures and making improvements. All have further swelled the value of your possessions. Everything costs more today. Bradstreet, Babson, Moody and other statisticians show it now takes $1.50 to $2.50 to purchase what $1 would buy three years ago.

"Yet you carry insurance based on those old inventories—those old costs. Your fire insurance no longer protects your risk. (This supplies with greater force to those whose policies bear 'contribution clauses.')

"Do you know that fire insurance companies will pay you the 'actual cash value at the time when such loss shall happen'—in other words, the existing market or replacement value—if you will properly insure?

"Put your property under a proper sized cover of protection. The fire that may occur today as easily as tomorrow may find your property but partly protected as shown in the illustrations above.

"Get out your policy! Figure your present worth. (Your insurance agent will show you how to do this if you ask him.) You'll find yourself exposed to needless losses that a few cents per day will, in most cases, end. Don't delay! Tomorrow's fire alarm may find you facing financial loss or ruin.

"Hartford insurance companies do not encourage excessive fire insurance or insurance on present war-time values on property that has depreciated by reason of age or wear and tear."

THREE REPORTS FILED

Condition of Foreign Companies Shown Following Examinations in New York

Reports have been filed by the New York Department on examinations of the United States branches of three foreign companies as follows:

Union & Phenix Espanol, Spain, Jan. 1 to Dec. 31, 1917. Net premium $1,953,024, received from home office $100,000, total income $2,117,904. Losses paid $889,385, commissions $609,014, remitted to home office $82,250, total disbursements $1,642,551, unpaid losses, $284,173, unearned premium reserve $1,333,765, deposit capital $200,000, surplus to policyholders $403,257. The sums charged as liability on account of unpaid losses is deemed sufficient to meet all claims. Since 1913 there was received from the home office, $103,857 and remittances thereto were $197,048.

Northern of Moscow, Russia, Jan. 1, 1917 to Jan. 31, 1918. Net premiums $1,402,311, total income $1,454,700, losses paid $525,144, commissions $464,348, total disbursements $1,039,944, admitted assets $1,547,044, unpaid losses $333,847, unearned premium reserve $546,170, deposit capital $200,000, surplus to policyholders $410,098. The statement shows the company to have been on date of examination in possession of $166,993 capital, $33,003 short of statutory requirement. This was made good by an additional deposit of $90,000. No remittances have been received from the home office since 1913, and remittances thereto have been $100,000, in 1914. The capital as reported Dec. 31, 1917, was $126,537 less than the statutory requirement. In January, 1918, the company cancelled a portion of its risks, thereby making up the deficiency.

Warsaw Fire, Russia. Net premiums, 1917, $840,721, total income $872,711, losses paid $344,715, commissions $242,307, total disbursements $622,236, admitted assets $1,027,798, unpaid losses $126,026, unearned premium reserve $532,866, deposit capital $200,000, surplus to policyholders $347,934. Since 1913, the company has remitted to the home office $52,500 and received no remittances therefrom.

SCHEDULE NOW AVAILABLE

L. & L. Rating Plan Finally Reported on at Meeting of Eastern Union

The large cities committee of the Eastern Union made its final report last week on the L. & L. Schedule. The report was received and the committee discharged. The L. & L. plan is now an available schedule but no intimation is given as to what extent it will be used.

Discusses Importance of Dye Industry

WAR'S MOST MARKED CHANGE

Special Hazard Viewpoint as Seen by Benjamin Richards—Explosions Teach Lessons

Benjamin Richards, chairman of the committee on manufacturing risks of the National Fire Protection Association, says that the most marked change brought about by the war and one bearing all the marks of permanency is the rise of our chemical industries. From a position of absolute dependence on other countries for the chemicals necessary to our manufacturing we have risen to a position approaching independence. The value of exported chemicals now exceeds the imports. Dyes are now being exported whereas formerly our dye industry was negligible. Millions of capital has already been put into the dye industry not as a war measure, but as a permanent investment. The release of patents held by Germans aids materially in the establishment of the chemical enterprises. As the field of chemical effort is unlimited affecting food, agriculture and all necessities of life as well as munitions of war, its establishment as an active and progressive factor in industry marks also an epoch in the growth of fire protection which must be given full recognition. The intricate technicalities of this branch of manufacture must be met by fire protection engineers fully conversant with the technical processes involved in addition to their being fully informed in regard to the principles and details of fire protection. Indeed, the chemical activity has already extended into the field of fire fighting apparatus and doubtless in the near future some of our own methods of procedure may be materially modified by the new influences. When our usual routine of thought along the lines of the old familiar hazards suddenly receives, as it has, the sudden jolt necessitated by the demand for differentiation between the hazards of trinitrotoluol and dinitrochlorobenzol, we may roughly anticipate what the future has for us in store. Very fortunately, perhaps, the first few lessons are being punctuated from time to time by explosions and serious fires which will serve to at least lay the foundations for future courses of procedure.

In the textile industries nearly 50 per cent. of all the machinery in the country is now at work on Government products. All the wool has been requisitioned and a large part of the raw cotton is consumed in filling Government contracts for fabrics and ammunition.

CITY CLUB OUTING

The City Insurance Club at its last meeting completed plans for its annual outing. The date selected is Saturday, June 15, and the place is Witzel's Grove, College Point, Long Island. The steamer "Cleremont" has been chartered for the occasion together with a band of twelve pieces. The boat will leave pier 11, East River, at 1:30. The plans include games of baseball, bowling, running, etc., with suitable prizes for each. The boat accommodation is 500 and that number of tickets has been provided. The tickets cost $5 and include dinner at College Point and refreshments on the boat.

The committee in charge of the arrangements includes James F. Hylind, of Gibson & Wesson, chairman; George F. Murphy, of the Jackson-Smith Agency; John Canning, of the Continental; Carl Ruppert, of the City of New York; Harry Youmans, of the Hartford Fire; Edward Veitch, of Brewster & Co.; Chas. F. Enderly, of the brokerage department of the Insurance Company of North America and the New York Underwriters' Agency; Claude Yorke, of Cornwall & Stevens, and Louis Du Four, of Mather & Co.

The Kelly-Cooke-Murray Co., of Scottdale, Pa., has been incorporated with a capital stock of $100,000 to do a general agency business. G. F. Kelly and Jesse S. Cook, of Scottdale, Pa., and James C. Murray, of Turtle Creek, Pa., are the incorporators.

THE HUMBOLDT FIRE INSURANCE CO.
PITTSBURGH, PA.
Conservative -- Sound -- Progressive
Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

Liverpool AND London AND Globe Insurance Co. LIMITED

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus,	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904	1,051,543.00

Over $152,000,000.00
Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

Annual Meeting of National Board

President Bissell Tells of Vast Amount of Work Being Done for Government

CANTONMENTS LOSS ONLY $3,000

Gives Reasons for Unusually Heavy Loss Ratio—New War Industries Bureau

The great work that the National Board of Fire Underwriters is doing to aid in the vigorous prosecution of the war was outlined by President Richard M. Bissell at the annual meeting of the National Board of Fire Underwriters at the Hotel Astor yesterday. To cite one example: since the National Board began to supply the Government with a vast amount of specific data concerning factories available for producing munitions of war a total of more than thirteen thousand separate plants was covered.

Property Owners Accept Suggestions

Thousands of suggestions for improvements made by National Board inspectors have been carried into effect by the property owners. Mr. Bissell briefly described the national service and conservation work of the organization which has been phenomenal. The result of all these achievements on the diminishing of the fire waste cannot be approximately estimated, but it is known to be important.

The national cantonments were finished with a total fire loss of less than $3,000, and a high governmental authority attributes this chiefly to the planning and work of the National Board Engineers, one of whom was stationed at each cantonment for the purpose of supervising the installation of fire protective apparatus and preventing the accumulation of inflammable refuse. They also organized temporary fire departments to care for the cantonments pending their completion and occupancy by the army.

New Bureau of War Industries Board

In discussing the Fire Prevention Bureau of the Section of the War Industries Board, Mr. Bissell said:

The fact that insurance companies were able to furnish to all departments of the Government such valuable and detailed information concerning property of almost every description, coupled with sensational rumors published in the daily press, whereby all important fires were attributed to the acts of alien enemies, brought about a state of apprehension in the minds of the officials of several departments at Washington as to the possible disclosure of information valuable to our country's enemies through inadvertence or design on the part of some of the thousands of individuals having access to the maps and inspection reports on file in our offices or by inspectors in the field. Indeed this apprehension brought about a very serious and dangerous condition since the cure for this supposed evil which suggested itself to certain officials in the Treasury Department was to establish an enormous Federal Bureau which should take over the entire work of inspecting all risks in any way concerned in the manufacture, handling, or storage of Government supplies and to provide further that insurance upon such risks might also be carried by the Government. The first indication of these conditions appeared in the request from the Treasury Department for the investigation and licensing of all inspectors and certain rulings and provisions for safeguarding the information in company offices.

The entire matter thus briefly outlined was the subject of numerous conferences on our part in Washington with the officials of the Treasury Department and representatives of the Department of Justice, the Naval and War Intelligence Bureaus, and other departments. After a period of much anxiety and constant efforts to prevent the actual introduction into Congress of a proposed law making it possible for the Treasury Department to engage in the activities above mentioned, in which efforts our Committee on Laws rendered most valuable assistance, Government officials were finally convinced that the supposed danger arising from the possession by insurance companies of information concerning the properties which they have insured does not as a matter of experience constitute a serious menace. Consequently the final result of all these negotiations was the establishment in the War Industries Board of a bureau for the purpose of inspecting and safeguarding so far as possible privately owned plants engaged in manufacturing war supplies. This bureau has been styled the Fire Prevention Section of the War Industries Board and has offices in the Quartermaster General Building at Washington. The bureau has been organized under an executive committee consisting of Chairman W. H. Merrill of Chicago, W. E. Mallalieu of New York, and Frank L. Pierce of Providence, the last named being president of one of the factory mutual insurance companies. Messrs. George W. Booth, our chief engineer, and Charles H. Smith, an experienced inspector and adjuster for factory mutual insurance companies, have been made secretaries and associate chiefs of section, the whole work being further under the supervision of an advisory committee consisting of Messrs. R. M. Bissell, Hartford; F. C. Buswell, New York; Henry Evans, New York; John R. Freeman, Providence; John Marshall, Jr., Chicago; C. A. McCotter, Indianapolis; C. G. Smith, New York; S. Y. Tupper, Atlanta; L. R. Welch, Fitchburg. Six of this committee, it will be noted, are representatives of stock companies and three represent the various classes of mutual insurance companies. On the part of the Government a co-operating committee consisting of officials from the various departments and bureaus has been appointed in order to bring about a free exchange of information and mutual assistance between the new Fire Prevention Section and the several arms of the Government service.

The new section is not intended to supersede the existing agencies that are satisfactorily and adequately performing inspection and fire prevention service. Its immediate efforts will be directed to the safeguarding of privately owned plants engaged in the production of munitions where information leads to the belief that the fire hazard is serious and protection inadequate. It is proposed to make use of the engineers, surveyors and inspectors of all kinds of insurance organizations and companies throughout the country. Engineers from the several Factory Insurance Associations, Factory Mutual Companies, and private inspection bureaus are being called to Washington for the purpose of acquiring complete familiarity with what is desired and will then return to their own territories where they may be called upon for service from time to time as necessity may require.

Underwriting Results

Mr. Bissell, in discussing underwriting results, said that all unofficial estimates agree that the 1917 fire loss was $250,000,000 as compared with $214,000,000 for 1916. Some 1917 figures he quoted follow: Premiums (fire, marine and inland), $495,266,662; losses (same classes), $230,634,897; increase in liabilities during the year, $77,108,078; expenses, $175,772,120; profit (2.37 per cent.), $11,751,567.

The marked increase in losses for the year just closed is probably due to the abnormal industrial conditions brought about by the war, he said, coupled with extraordinarily cold weather during the last portion of the year, which in conjunction with the fuel shortage caused very heavy losses in highly protected risks of large values.

Losses by States

The Actuarial Bureau Committee reported that it is making an effort to obtain from companies statistics upon which to base the publication of a record by States.

The Railway Fire Protection Association will meet in St. Louis October 1-3.

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Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

MARINE DEPARTMENT

Theft and Pilferage Claims Are Becoming a Serious Question to Marine Underwriters

The number of theft and pilferage claims that marine underwriters have been called upon to pay in the last two years on shipments in the United States, as well as shipments destined for ports and places all over the world, has been astonishing to underwriters who have had many years' experience in insuring all classes of merchandise to all parts of the world, and the amount of these claims has been far in excess of the premium charged for full coverage, including marine risks. In fact, a great many of the larger offices, in view of their experience, are eliminating this feature entirely, or reducing their commitments to the smallest possible lines, accepting only such risks where it is absolutely necessary in connection with valuable open policy accounts.

Railroad and Shipping Port Congestion

Some of these claims have been investigated and it is found that the congestion in railroads and congestion at shipping ports has a great deal to do with the increased number of claims. In some cases it has been found that the goods come from the interior and upon reaching the seaport no available space could be found and goods had to be trucked and left in warehouse until available shipping space could be chartered, and the theft either occurred while goods were being trucked or while they were left in warehouse. In some cases the theft occurred while the goods were on dock.

On account of the congestion and condition at the ports of discharge of the Allied countries, numerous theft claims have been presented to marine underwriters. Shipments destined to Italy have shown extraordinarily bad results. In cases of shipments destined to Switzerland there have been some very heavy claims on account of the long delay at warehouse at Marseilles and at Cette. Shipments to the West coast of South America have always been bad, but recently they have been worse. Shipments to Brazil and River Plate show a very increased amount of theft claims. Shipments to Mexico on account of unsettled conditions have shown up very badly to underwriters.

Some Irresponsible Consignees

A great many thefts are traced to losses on steamers which in some cases are slight, but when they are presented to underwriters the amount of same has been materially increased on account of the same going to irresponsible consignees, which have been certified to by careless correspondents of the underwriters, and unless steps are taken by the underwriters to improve conditions surrounding these shipments at the United States seaboard, at railroads and at ports of discharge, underwriters writing this class of business freely will receive some very heavy losses which will be far in excess of any premium they can receive for insuring both the marine and theft and pilferage risks.

OBSERVER.

FIGHTING SALES AGENCIES

Chicago Office Claims Brokers Can Stop Inroads Upon Automobile Business

In Chicago considerable trouble has been experienced in automobile insurance circles by the activities of sales agencies competing with regular brokers for business. One prominent general agency there undertook to curtail this practice. They sent a letter to the sales agencies and fifteen replied, stating that they did not sell insurance. Twelve others telephoned their disclaimers, but would not commit themselves in writing. One sales agency manager expressed himself as follows:

> Has it occurred to you that if all the general agents and branch offices selling automobile insurance should take the position advanced by you (writing the business only through authorized brokers) there would be no occasion to criticise the sales agencies, for the very simple and obvious reason that the cause of the entire trouble would be removed?

"There's the whole thing in a nutshell," says the general agency.

"We now leave the matter in the hands of the brokers, with the suggestion that they address an open letter to every general agent and branch office, asking them to declare, over their signature, whether they will cooperate with the brokers in the elimination of this practice.

"Secure from every general agent and branch office in Chicago a written pledge to immediately discontinue every arrangement with sales agencies (and every individual connected with them), whereby commission under automobile policies of any kind, is credited or paid to any person, firm or corporation other than the authorized insurance brokers of Chicago.

"Furthermore, the brokers of Chicago should maintain a standing executive committee, so complaints may be heard without delay, and the proper action taken. Bear this in mind: All the general agents and branch offices want your business. Just get together and find out who's playing square with you, and who isn't.

"We predict that united action and some well-directed publicity will improve conditions in a remarkably short time."

SHIP PROTECTION

At the annual convention of the International Association of Fire Engineers to be held in Chicago June 4-6, one topic of discussion will be "Fire Equipment and Protection of Our National Shipyards."

MULLINS TO LECTURE

Hugh A. Mullins, manager of the average adjusting departments of Parsons & Eggert and Marsh & McLennan, will deliver a series of lectures on marine insurance before students of New York University in the fall.

BRITISH MARINE FIGURES

In 1916 not a single British marine company took as much as £2,000,000 in premiums. Last year three companies received more than that. The 1917 marine insurance premium income of twelve British companies follow:

	Premiums.
British & Foreign	£1,185,300
Economic	1,088,800
Indemnity	3,295,900
London Assr.	1,743,900
Maritime	922,000
Merchants	516,200
Northern Maritime	198,500
Provident Acc.	244,700
Sea	2,285,600
Ulster	52,400
Union	2,371,600
World	760,400

The loss ratios over 60 per cent. were: Indemnity, 62.43; London Assurance, 60.10; Maritime, 66.67; Northern Maritime, 63.20; Provident Accident, 64.54; Sea, 84.24; Ulster, 84.24; Union, 60.20.

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GENERAL AVERAGE

By JOSEPH A. O'BRIEN,
of Mather & Co.

The following remarks on general average are intended to give the reader an understanding of the primary fundamentals only. The subject is broad and far-reaching, and although volumes have been written covering almost every contingency, yet in the experience of every average adjuster new questions arise for which there are no precedents and not infrequently it becomes necessary to bring such matters before the admiralty courts.

When a vessel sails on a voyage there are three separate and distinct interests involved in the adventure, viz.: The vessel, the cargo and the freight being earned by the vessel on that particular voyage. If from perils of the seas some extraordinary expenditure or sacrifice becomes necessary for the benefit of the entire adventure it thus benefits each of these interests, therefore all three interests must contribute proportionately to such expense or sacrifice.

When a vessel has incurred general average so soon as she arrives at the port of destination bonds binding the signers to pay their proportion of the general average are taken from the consignees in favor of the ship before any cargo is delivered. These bonds are known as general average bonds, and must be secured by either underwriters' guarantee or a cash deposit. A general average statement is later prepared by a qualified average adjuster, in which all the charges are properly apportioned to all the various interests and collections are then made from the cargo owners under the bonds. Where the cargo owner has effected insurance the underwriter protects. It will be seen from the above that although a consignee may receive cargo in perfect condition, a very heavy general average charge may have to be paid. There have been extreme cases where the general average contribution has nearly equalled the value saved.

The principles of general average had their origin under the old "Rhodian" law of jettison which provided that "if it became necessary to lighten the ship and a jettison of merchandise was made which is sacrifice for all, the value shall be made good by a contribution of all." This has gradually grown and the principles are now extended to all forms of voluntary sacrifice or expenditures for the general benefit.

A few instances constituting general average may be cited as follows:

1. Jettison of cargo.
2. Damage done by the act of jettisoning cargo.
3. Cargo burnt as fuel on the steamship for the general safety.
4. Damage done by water used in extinguishing fire.
5. Expense of floating the vessel when stranded.
6. Cost of salving ship and cargo.
7. Damage to vessel or cargo caused by the act of floating stranded vessel.
8. Expense of entering a port of refuge to repair damage.

The above are a few of the principal items constituting general average according to law.

In determining general average the following rules apply:

1. There must be a genuine peril.
2. There must be an expense or sacrifice to avoid that peril.
3. The sacrifice or expenditure must be a voluntary act on the part of the master or proper authority in command.

If further information is desired the writer would refer to "Lowndes on General Average" and "Gourlie on General Average." There are further valuable works introducing later developments in general average, one written by Mr. W. R. Coe, of New York, and one by Mr. Ernest W. Congdon, of New York.

EBERT & CO. ELECT OFFICERS

C. R. Ebert, President; Henry S. Sutter, Vice-President, and Ralph Lea, Secretary

C. R. Ebert & Co., Inc., this week held a meeting for the election of officers. Mr. Ebert was elected president; Henry S. Sutter, vice-president; Ralph Lea, secretary, and Louis Pallay, assistant secretary.

Mr. Ebert was formerly underwriter in the New York office of the Automobile Insurance Co., and has been previously for five years assistant marine underwriter for the Royal. Mr. Ebert had also been with the British & Foreign for seven years.

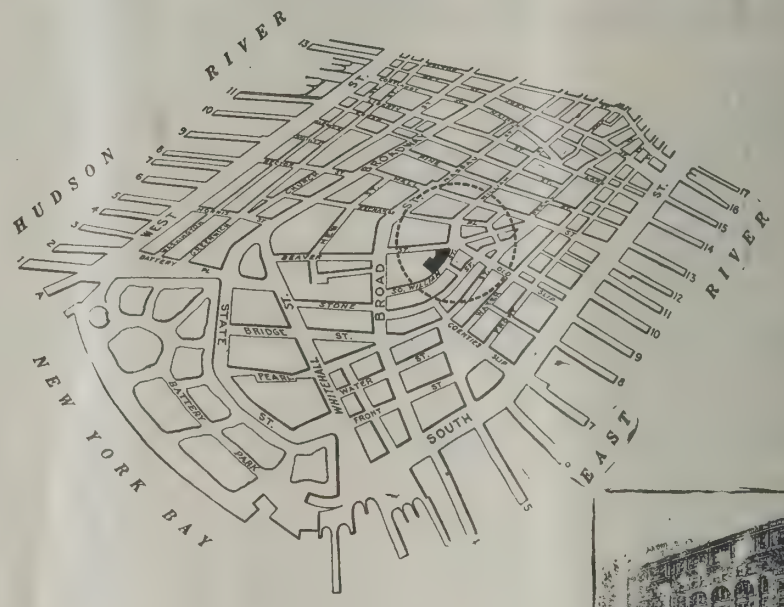
Mr. Sutter was formerly assistant in the loss department of W. H. McGee & Co., and had been with that office for five years. Mr. Lea, previous to joining Ebert & Co., had been for some time attached to the Norwegian Reinsurance Co. in Norway. Mr. Pallay has been with Ebert & Co. from the start and had previously been with the Eastern Marine Underwriters, Inc.

McGEE GETS NIAGARA

General Agent Marine Department—An Appointment That is Strong All Around

The appointment of William H. McGee & Co. as general agents, marine department, Niagara Fire, is very favorably regarded in the Street. The McGee office is one of the strong, well-managed marine offices, while the Niagara Fire, with its progressive management and its popular president and vice-president, is a fine asset. It can be safely said that the Niagara Fire

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COTTON CONGESTION

Report of Chairman Dargan, of Southeastern Underwriters' Association's Committee Read at Meeting

At the meeting in Atlantic City this week of the Southeastern Underwriters' Association a report of the extreme congestion now existing at ports and terminals was presented by Chairman Dargan, of the cotton committee, showing that, notwithstanding the present season was so very far advanced, there was an extreme congestion of cotton at both ports and terminals, notably at Savannah and Norfolk, this being caused largely by the lack of shipping facilities.

In order to cure this situation it was deemed advisable, says the "Journal of Commerce," that an effort should be made to place an embargo on cotton at the Atlantic ports in order that it might be more generally distributed at interior points, the idea being that, under present conditions, there would be an excess of value at a few points with a possibility of a heavy loss in the event of fire.

The chairman of the committee also reported that acting in conjunction with the committees on national defense, armed guards had been supplied at all important points and that the watchman service had been very much improved. It was recognized that the companies are quite able to take care of the excess lines at these important points, but that the possible loss of any considerable quantity of cotton would be irreparable in view of the efforts of the Government toward conserving cotton in the war emergency both as to the needs of our own soldiers and those of our Allies.

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CASUALTY AND SURETY NEWS

Bankers' Insurance Committee Reports

ASSOCIATION COMPANY OPPOSED

Lively Contest Expected When Annual Convention Assembles in Chicago Next Fall

When the American Bankers' Association meets in September it is highly probable that the question whether the association shall have an insurance organization of its own will be settled definitely. The agitation has been going on for twenty years and the most conservative element in the association has always been able to forestall acceptance of the plan. In the report of the insurance committee to the executive council at the Hot Springs meeting, May 11, 1918, appears the following:

"Burglary and robbery claims have increased from seven per cent. of the premiums paid in 1913 by member banks to thirty per cent. today. The number of attacks have been no greater than heretofore.

"With respect to insurance rates it has been the experience of the committee that the banks of this association prefer adequate insurance protection at proper cost rather than that there be any possible question involved in cheap insurance.

"While we have obtained no reduction in burglary rates we believe that obtaining proper cover and settlement of claims as reflected in the largely increased payments to banks has been a more valuable service.

Possibilities Realized

"The committee has and will continue to co-operate with State bankers' associations involving the operation of mutual companies for the benefit of the member banks.

"In our report of September 25, 1916, we outlined the possible advantages of an insurance company operated by or in close relation with the association, and at that time we stated that notwithstanding these possibilities your committee does not believe that the association should either directly or indirectly engage in the insurance business other than by maintaining a committee for an advisory service as is now being done.

"The facts submitted in this, our report today, indicate the realization of all these possibilities through the activities of your present committee and we deem it our duty to bring to your attention again our 1916 report quoted above.

"This business is a hazardous one. Many companies have failed. It might bring the association into an embarrassing situation should it become sponsor for any business undertaking fraught with risk of loss and so many possibilities of dispute as that of insurance.

"The member banks of this association are paying premiums for various forms of fidelity and burglary insurance of approximately $3,000,000 per annum. We have always maintained that the greatest service can be rendered to members in maintaining a committee to represent the interests of the members in a supervisory and regulatory capacity. The mere existence of an insurance committee prevents abuses. A comparison of the conditions as they existed five years ago and today will convince the most skeptical of the great service the association has rendered its members in this connection. Your com-

(Continued on page 22)

Actuaries Broaden Entrance Rules

NEW YORK MEETING THIS WEEK

Educational Program Outlined—Papers Read on Experience Rating and Other Topics

Members of the Casualty Actuarial & Statistical Society of America, at the tenth regular meeting in New York this week, adopted an amendment to the constitution providing that any member who has been in responsible charge of the statistical department of a casualty company for two years, and who is otherwise entirely qualified, may become an associate without examination.

President Craig, of the Society, dwelt in his address upon the economic changes which are being brought about largely by the war.

Bruce D. Mudgett, professor of business administration at the University of Washington, was elected a Fellow.

At this meeting a question box was instituted. This proved to be one of the most interesting features. The usual dinner was held at the Yale Club. Job E. Hedges, counsel for the Association of Life Insurance Presidents, was the speaker. He talked on the war.

Ralph H. Blanchard, formerly instructor of insurance at Columbia University and now in the army, contributed a paper in the form of a letter to the editor of "The Proceedings," in which he outlined an educational program for the Society. He would revise the syllabus of examinations and recommended a series of pamphlets on casualty actuarial science which later might be collated into a text book. He suggested that the Society co-operate more with various educational agencies.

Albert W. Whitney, manager of the National Workmen's Compensation Service Bureau, read a paper, "The Theory of Experience Rating," in which he traced in an informal way the general line of reasoning that was pursued in an investigation into the theory of experience rating. He pointed out that the balance between class-experience and risk-experience will depend upon four elements, the exposure, the hazard, the degree of concentration within the class and the credibility of manual rate.

A companion paper to that of Mr. Whitney was presented by G. F. Michelbacher, actuary of the bureau. It was a description of the procedure whereby a theoretical basis can be transformed into some practical and workable method.

"A New Criterion of Adequacy of Exposure" was the title of a paper read by Albert H. Mowbray, vice-president and actuary of the Liberty Mutual, Boston. It had to do with the dependability of experience, or how much trust may be rightly placed in experience for purposes of rating.

In summing up a paper on The In-

(Continued on page 22)

THE TRAVELERS
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WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

PLATE GLASS MEN ACT

Large Lights to be Replaced With Two Plates—Charge for Breakages

It has been definitely decided among the plate glass insurance men that after July 1, throughout the country, all policies and renewals covering on lights of 100 or more square feet will provide that in event of breakage of any plate of such size, it will be optional with the company to replace it with two plates, the combined area of which shall equal that of the broken plate; or to pay the insured an amount equal to the cost to the company of two such plates of equal dimensions at the time the breakage occurred. The company also agrees to pay the cost of inserting the bar necessary when replacing one plate with two.

Another decision has been reached, which will also likely go into effect July 1, providing that in event of breakage of any glass the insurance thereon is terminated thereby. The practice has been to automatically continue the insurance without an extra premium. After July 1 there will be a pro rata charge made for any broken glass which has been replaced, in order to continue the insurance on it to the end of the policy term.

WAR CLAUSE SUBMITTED

The Surety Association of America met May 15 and submitted a war clause for use on contract bonds. The form as submitted was considered impracticable and the subject was referred back to committee for redrafting.

ANNUAL MEETING POSTPONED

Owing to lack of a quorum the annual meeting of the Compensation Inspection & Rating Bureau of New Jersey was not held on Tuesday as scheduled. The meeting is now called for two weeks from last Tuesday.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

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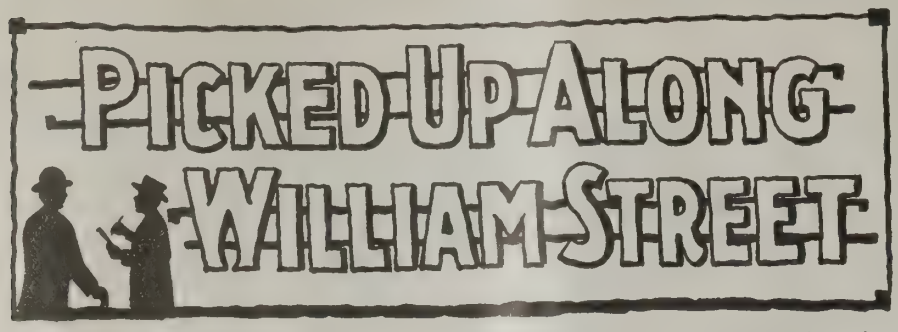
By LUTHER E. MACKALL,
Assistant General Manager, National Surety Company

The National Surety Company has issued to the Federal Land Bank of Baltimore a bond to indemnify the bank against loss through any defect in the title to any real estate on which the bank may take a mortgage as security for a loan. This bank is one of the twelve Federal Land Banks incorporated under the Federal Farm Loan Act of July 17, 1916, for the purpose of making loans to farmers, each loan to be secured by a first mortgage on a farm and to be for not more than fifty per cent. of the appraised value of the property. These banks are under the supervision of the Federal Farm Loan Board at Washington in much the same way as the Federal Reserve banks are under the supervision of the Federal Reserve Board; and this bond has been approved by that board.

Purpose of the Bond

The purpose of the bond is to reduce the time and expense in connection with the examination of titles to land. Desiring to be especially careful in the examination of titles, the bank made it a rule to obtain abstracts covering a period of at least one hundred years. This entailed a great deal of work on the part of the attorneys making the abstracts as well as on the part of the bank's legal department in examining the abstracts, and caused much delay in the consummation of the loans and was a very considerable expense to the borrowers. Under the new plan the abstract will cover only the last twenty-one years, this being the maximum period in any State in the district for acquiring title by adverse possession. The bond protects the bank against any defect of any kind in the title, including any loss through any defect originating prior to the beginning of the period covered by the abstract as well as any error in the abstract or any error on the part of the examining attorney. The saving effected in making the short abstract as compared with the cost of making and examining a complete abstract, as formerly, is more than suffi-

(Continued on page 23)



"Service" Becomes "Regular" Paper

"Service," the official organ of the National Workmen's Compensation Service Bureau, was a highly creditable publication while it appeared in multigraph form. It has now advanced to the dignity of the printed page and a mighty valuable medium for information it is. "Service" is published once a month.

* * *

June Picnic Arranged

The Chicago branch of the National Workmen's Compensation Service Bureau will hold an outing some time in June, probably at Fox Lake. The local general agents and branch office managers in Chicago will furnish automobile transportation to and from the picnic. It looks like a bang-up time for the Bureau associates.

* * *

New Opportunities Opened

A new drive for compensation insurance is on, Governor Whitman having signed the bill extending the act to all employers of four or more persons, except farm hands and domestic servants. This new group brings under the operation of the compensation law all kinds of stores, wholesale, retail and country, all professional and commercial offices, lawyers, doctors, banks and bankers, brokerage offices, architects, commission men, hotels, irrespective of size, barber shops, moving picture theaters and many other lines of employment. It will involve tens of thousands of employers who have heretofore been exempt.

* * *

Will Speak To-night

William B. Mann, of the Ocean Accident & Guarantee, who will speak to-night before the Casualty & Surety Club of New York, is one of those who have been a long time in the accident and health field. He will speak of conditions as he knew them twenty-five years ago and as they appear to him now. Mr. Mann does not look like one who has been in this business so long. It happened that he entered it when a very young man. His talks are always extemporaneous and reveal an intimate knowledge of his subject.

* * *

New Manual Soon Ready for Printer

The personal accident manual committee of the International Association of Casualty and Surety Underwriters has practically completed its arduous task of preparing a new manual for the companies and it is expected it will shortly be ready for the printer. A meeting of the committee was held in Hartford last week and final adoption will probably be made during the early part of June when the manual will be immediately printed.

* * *

Won Company Prizes

Of the American Surety staff, those who made the highest records in amount or number of subscriptions to the Third Liberty Loan are Miss Bessie Clark, of the accounting department, who won the Company's prize of $50 for the largest amount in subscriptions; George Crosby, of the legal department, second prize, $25. Miss M. F. Forbes, soliciting division, largest number of subscriptions, prize $50; Mrs. C. H. Forsdike, department of review, next largest number of subscriptions, $25.

* * *

Service Station Opened

The American Surety has opened a service station at Helena, Mont., through which Montana sub-agents will report their business. It will be in charge of M. A. Bailey of Salt Lake City, assistant manager.

* * *

Golf Events Announced

Following is the list of golf events for which prizes are to be awarded by the Casualty & Surety Club June 4:

1. 36 hole medal play—full handicap to apply.
2. 18 hole medal play—full handicap to apply—first round only to count.
3. Low gross score for 36 holes representing championship of club.
4. Low net score—eighteen holes—guest's prize.
5. President's cut—event to be decided upon later on and posted upon the bulletin board.
6. 18 hole match—play against par—three quarter handicaps to apply.

* * *

Re-insurance Manager Resigns

J. L. Tuthill, manager of the re-insurance division of the American Surety, has resigned to accept service with the Y. M. C. A. as physical director for service in France. He expects to sail early in July.

* * *

Rate Made for Cantonments

The Compensation Inspection & Rating Board of New York has made a rate of 2.23 on cantonment construction work for the government. This rate is based upon the experience so far obtained by the companies on this class, on an exposure of some $54,000,000 of payroll. The rate takes into consideration the elimination of the usual commission of 17½ per cent. and the added loading of 7½ per cent. as a field expense charge.

* * *

New York Law Extended

One of the amendments to the New York compensation law requires that employers provide treatment and care for a period in excess of sixty days, where the nature of the injury or the process of recovery requires a longer period of treatment. Section 18 is amended by extending from ten days to thirty days the time for giving notice of injury.

Meetings Are Too Numerous

The existence of numerous independent State compensation rating and inspection boards creates serious embarrassment to casualty companies who find it practically impossible to have their representatives attend the numerous meetings and hearings which are being held from time to time. This was illustrated in the case of the Compensation Inspection & Rating Bureau of New Jersey which this week had to defer its annual meeting for lack of a quorum.

* * *

No Official Match Held

The Casualty & Surety Club of New York found it impossible to pick a team to play the Philadelphia Club last Tuesday, owing to the short time the New York men had in which to arrange the details. Thirteen men went to Philadelphia and an unofficial match was played. Plans have been made to have a New York team ready to play the Philadelphians in the fall. The Philadelphia players got away with most of the honors on Tuesday.

NEW COMPANY FORMING

Men Managing Texas Employers' Association Branching Into Other Lines

Behind the Employers' Casualty & Surety Company, of Dallas, Texas, is W. B. Head, W. S. Mosher and Homer R. Mitchell. Mr. Head is president of the Texas Employers' Insurance Association, Mr. Mitchell is secretary and general manager and Mr. Mosher is a director. The capital is to be $100,000, par value of shares $100, sold at $125. The Texas Employers' Insurance Association is a mutual created under the Employers' Liability Act of 1913. The association fixes rates for compensation insurance, which, when approved by the insurance department serve as maximum rates.

According to the prospectus of the new company, it is "designed to serve the further interests of the members of the Texas Employers' Insurance Association in so far as they are interested in other forms of casualty and surety insurance."

Actuaries Broaden Rule

(Continued from page 21)

dustrial Compensation Rating Schedule E. H. Downey, special deputy insurance commissioner of Pennsylvania, said:

"If the foregoing conclusions are at all correct, the Industrial Compensation Rating Schedule, 1918, constitutes an important advance upon its predecessors. It is more elastic in respect of adaptability to varying industrial conditions, more flexible in respect of statistical control, more organic in structure, more in accord with the theoretic requirements of individual risk rating. The standards have been improved in many points of detail, anomalies of the former schedule, as applied especially to small risks and low-rated industries, have been corrected; above all, it is believed that a foundation has been laid for future development. The erection of a sound and stable superstructure will mainly depend upon the accumulation and analysis of appropriate statistical data."

Bankers' Insurance

(Continued from page 21)

mittee has today attained to such a position that it commands the respect of the insurance companies and its interpretation of policy contracts in disputed or unascertained claims is usually accepted. Can the committee afford to terminate its insurance work along these lines, with the result that former unsatisfactory settlement of claims would soon return?

"In fact, we are sure that for the first time in many years there are no insurance company representatives attending our meetings. Why? The reason is apparent. They feel that the conflict of ideas regarding the insurance question which has arisen may lead to the abandonment of the work of this committee."

Plans of Opposition

The other element in the association which favors organizing an insurance company has succeeded in keeping the agitation alive through a referendum committee which has reported favorably to the executive council on a project to organize a company with $500,000 and an equal amount of surplus. They say that $250,000 has been tentatively subscribed. It was voted by a narrow margin to continue this committee and it is expected that between now and September the opposing interests will do all in their power to bring the subject to a definite settlement. The advocates of an association company are largely westerners interested principally in the smaller banks.

Remarkable Loan Record Made

Lewis Y. Johnson, manager for the American Surety at Louisville, has been in town for a week. He was field marshal in charge of the Third Liberty Loan campaign in Louisville and Jefferson County, where he made an unusually brilliant record. The record showed 186 per cent. of allotment, in money, and over 300 per cent. in subscriptions. Mr. Johnson also was given a valuable watch for work in previous campaigns.

FARRISH'S CHOP HOUSE
Cor. John & William Streets
THE PLACE in the Insurance District to eat lobsters
NOW IN SEASON
Whole cold lobster 65c.
Whole broiled lobster 75c.

Service of Quality to Policy Holders
Contracts of Superiority to Representatives
NATIONAL CASUALTY DETROIT
THE NATIONAL of DETROIT
Eastern Dept. 100 William St. New York
Western Dept. Pacific Bldg. San Francisco
Northwestern Dept. Palace Bldg. Minneapolis

C. A. CRAIG, President W. R. WILLS, Vice-Pres. C. R. CLEMENTS, Sec. & Treas.
The National Life and Accident Insurance Company
NASHVILLE, TENNESSEE
Industrial, Life, Health and Accident Insurance in ONE policy

W. F. MURPHY & CO., Inc.
RESIDENT MANAGERS
Chicago Bonding & Insurance Company
FOR NORTHERN NEW JERSEY
ATTRACTIVE AUTOMOBILE RATES.
Union Trust Co. Bldg., JERSEY CITY
Telephone Montgomery 3283

CASUALTY AND SURETY POINTERS

Just One Article To Sell

If you interview few people, you will write few applications. Your business is to sell a policy to each prospect. You are not like the salesman who represents a wholesale grocery house. He may see only one man in a day's work and turn in more business than the day before when he saw ten small dealers. He sold his one man a large order; the several men small orders. You have just one article to sell your prospect. Talk business from beginning to end, don't discuss the war or weather, reduce your selling talk to essentials. It is fully as important to sell more of those you interview as to see more people. Profit from each interview, whether it was successful or not. Take a moment to determine in your own mind which argument proved to be the "clincher"—then use it again when the occasion arises. If you failed to land him, why? Was it your fault? Did you make him admit accident insurance was a good thing and that he should have it? If not, you may be weak on obtaining your prospect's favorable attention; improve that part of your selling talk. Whatever you do—keep at it. If you write three applications in the forenoon, make up your mind it is your lucky day, and go after them strong in the afternoon. If you write none in the forenoon, go after them harder in the afternoon and make up for it. Interview more prospects.—"Co-ordinator."

* * *

Writing Combination Residence

As a producer of combination residence policies, Mannie Ehrenberg, of the Gordon H. Campbell & Co. agency at Little Rock, Ark., has made a record which shows in a striking way the selling qualities of this unique form of insurance for householders. Mr. Ehrenberg has grasped the significance of this policy from a business-getting point of view and has been particularly successful in placing a large volume of this insurance. In fact when it comes to combination residence insurance and burglary safe policies, Mr. Ehrenberg may be considered an expert. The Little Rock agency of the Aetna recently conducted a contest among its agents for combination residence business and offered a prize to the largest producer. Mr. Ehrenberg pledged himself to secure ten applications in the ten days that the contest was to continue. He succeeded by going his pledge one better and brought in eleven combination residence policies and a ream of burglary safe policies, thereby carrying off the prize.

* * *

Recoil in High Commissions

Why are agents who receive extreme commissions always employed by weak companies, while reputable companies secure reliable men on a fair basis? The percentage of premium collections the agent receives is not the only thing to be considered. The largest incomes are made by agents who work on a fair percentage for good, reliable companies, which issue a fair policy and have good reputations. Such companies are not of the "twisting" variety. To make a success a company must operate on a safe plan; to secure public patronage it must issue a policy which gives value received for the premium charged; to hold the business placed on its books, it must give prompt, satisfactory service to its patrons. The premium receipts must cover (1) claims; (2) commissions to agents; (3) taxes, home office and operating expenses; (4) surplus or profit to company.

Taxes and home offices expenses are fixed charges, which cannot be cut. No one is foolish enough to think a company is operated solely for pleasure. What excuse has a company for existing if it cannot make a fair profit on the investment of time and capital? So, it follows, "the large commission company" must cut from claims what it adds to the agent's commission. This kills the business about as fast as the agent can build it up. The agent gets larger percentage of the premium he collects, but cannot secure fair volume of new business or establish a large collection, because unfair or technical claim settlements soon give the company a bad reputation.

The wide-awake agent steers clear of the "twister company" and the "excessive commission company." One company induced many agents to come to them by paying fifty per cent. commission on premiums for the first year. We have more applications from its agents for positions than from any other company. Do you longer wonder why?—"Federal Record."

New Bond Aids Banks

(Continued from page 21)

cient to pay the premium for this bond, so that the bank not only obtains this unusual guarantee, but reduces the total cost to the borrower. This is a unique arrangement and will be of interest to all prospective borrowers from this bank, inasmuch as it will reduce the expense of obtaining a loan and will enable the bank to make the loan much more quickly than it otherwise could.

This bond is something entirely new and is the result of negotiations between the National Surety Company, the bank and the Farm Loan Board, extending over a period of several months. When the details had been arranged, the American Surety Company of New York and the Fidelity & Deposit Company of Maryland were invited to participate, and all three companies have executed the bond as cosureties. The three companies have aggregate assets in excess of $30,000,000.

Amendment to Law Was Necessary

Mortgages made by the bank are pledged with the Farm Loan Board as collateral security for investment bonds which are issued by this bank and sold to the investing public. The fact that this bank has a bond, which eliminates any possibility of loss through any defect of any kind in the title to the property covered by the underlying mortgages, greatly improves the security for these investment bonds, and this matter will be of interest to prospective purchasers of these bonds. They are regarded as absolutely first class investments and are held in high esteem by investment bankers.

In order to permit the surety companies to issue this bond, an amendment to the law of New York was necessary, this amendment having been passed at the session just ended. It is understood that the National Surety Company is negotiating with other Federal Land banks and some of the others will probably arrange a similar bond.

TYRRILL WITH TRAVELERS

E. A. Tyrrill, for a long time manager of the burglary department of the General Accident at the head office and formerly with the National Surety for a number of years, goes with the Travelers on May 25 at the home office as burglary underwriter and adjuster under Assistant Secretary Fred S. Garrison.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE
CHICAGO

F. W. LAWSON
General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

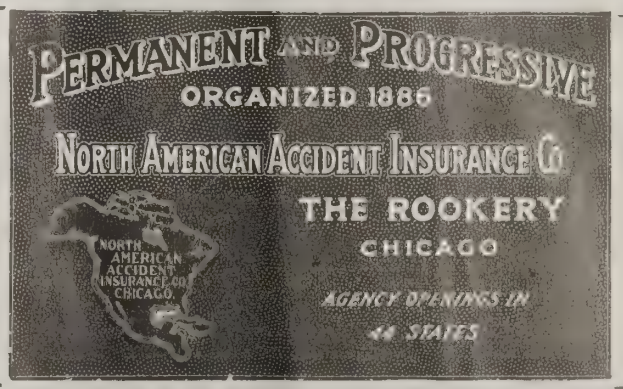
Established 1869

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers
New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND



The Employers' Liability Assurance Corporation, Ltd.

The original and leading Liability Insurance Company in the World

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE

United States Branch

SAMUEL APPLETON, United States Mgr.

Employers' Liability Building

33 BROAD STREET, BOSTON, MASS.

AGENTS WANTED

American Surety Company *of* New York

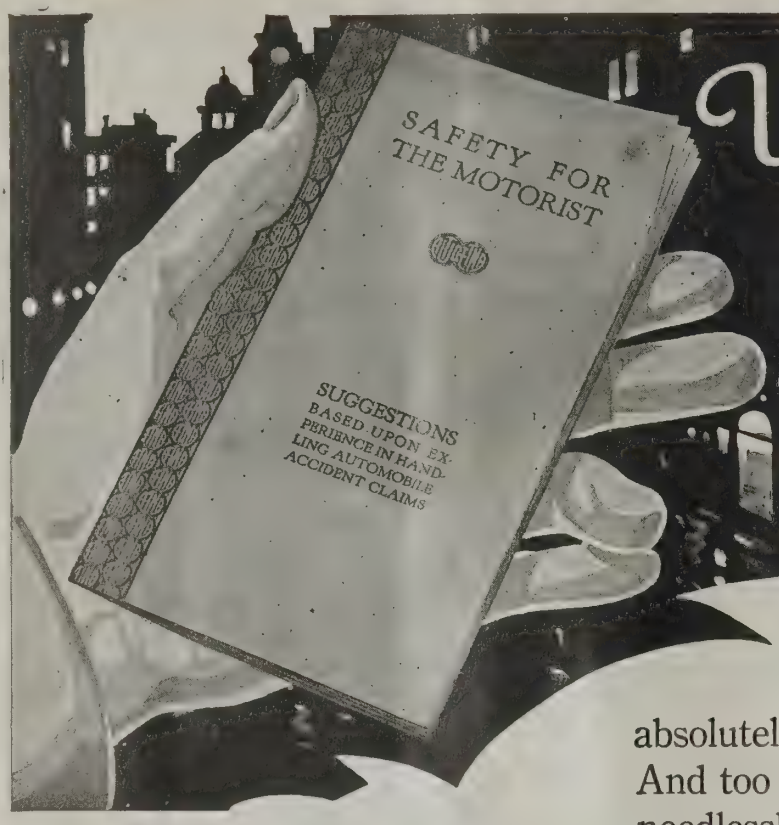
100 BROADWAY

Fidelity and Surety Bonds

Burglary Insurance

HOSPITAL PAYMENTS AFFECTED

Among the bills vetoed by Governor Whitman is Senate 1019, Sage, providing that where in settlement of accident cases under the compensation act, any allowance for hospital charges cannot be paid to the injured person until a release shall have been obtained from the hospital. The Governor also vetoed the amendment putting employes of State institutions under the law. Assembly Bill 393, Talmage, which puts employes of the State Conservation Commission under the act, was approved.



Why this Booklet should be in Your Hands

TOO many motorists are losing their lives in accidents, a big majority of which are absolutely avoidable. You know this as well as we And too many people are being run down by automobiles needlessly.

Safety for both the motoring and non-motoring public lies largely in knowing the proper precautions and in always taking them instinctively.

A national campaign of safety education for motorists will, we believe, do much toward accomplishing the much-to-be-desired result of reducing the number of automobile accidents.

In the interests of public safety, we have published a booklet called "Safety For The Motorist," suggesting the simple things to do and those not to do to make "Safety First" an instinct among those who motor. It contains nearly a hundred concise suggestions of wide range, based upon our long experience in handling automobile accident claims.

This booklet has been placed in the hands of thousands of motorists in all parts of the country, who have applied to us for it. The wider circulation of this publication cannot fail to improve motoring conditions and to have a stimulating effect on the excellent work being done by public officials, automobile clubs, and other agencies.

Here is a public welfare movement of vital importance in which you, as a progressive, public-spirited insurance man, can profitably co-operate with benefit to yourself, your business and the community at large.

You should have a copy of this booklet. Simply fill out and mail the attached coupon and it will be gladly sent to you without charge.

WILL YOU JOIN US IN THIS "SAFETY FIRST" MOVEMENT AMONG MOTORISTS?

To Automobile Dept.
Ætna Casualty and Surety Co.
Drawer 1341, Hartford, Conn.
Please send me a copy of your booklet
"SAFETY FOR THE MOTORIST"

Name.....
Street.....
City.....
State.....

OCT 23 1918

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 22 | NEW YORK, FRIDAY, MAY 31, 1918 | $3.00 a Year; 25c. per Copy

CANADIANS DROP MAPMAKER GOAD

Say There Have Been Arbitrary Charges, Symbol Confusion and High Expense of System

GOAD A PIONEER IN MAPS

Underwriters' Survey Bureau, Ltd., of Toronto, Takes Over Maps and Employs Inspectors

The Canadian Fire Underwriters' Association has acquired the interest of Charles E. Goad, in the Goad maps so far as its territorial jurisdiction in Canada is concerned. This covers practically all of Eastern Canada. Mr. Goad has given the association the privilege of making future corrections in the maps. Under the auspices of the Canadian Fire Underwriters' Association the Underwriters' Survey Bureau, Ltd., of Toronto and Montreal, has been incorporated, which will have its own survey men, inspectors, etc. At the same time it is announced that a similar association has been formed in British Columbia, where the Mainland Board of Fire Underwriters and the Western Canada Fire Underwriters' Association have made similar arrangements.

Goad an International Figure

Thus, Charles E. Goad retires from Canada, and there ends an interesting situation which arose over a long standing dissatisfaction with the charges, expenses and alleged arbitrary methods of the Goad mapping people.

Charles E. Goad is a pioneer map maker of London, who not only makes the insurance maps of the world's metropolis, but many other parts of Great Britain, including South Africa and all of Canada. Goad thought he was so strongly intrenched in his monopoly that he could carry on his business with a high hand.

Heavy Expenses

As a result, there have been many unnecessary corrections and exorbitant charges for the same. There has also been confusion over the symbols in the Goad system, which are different from those in the United States. For instance, Goad uses the letter "C" for concrete, the letter "T" for tile, the letter "O" for slate; and has nu-

(Continued on page 12)

THE GAUVIN AGENCY

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

SPRINGFIELD

Fire & Marine Insurance Co.

Cash Capital $2,500,000.00

THE SPRINGFIELD for two-thirds of a century has transacted business solely under its own corporate name, without annexes, underwriting agencies or subsidiary companies. An agent of the SPRINGFIELD is not a half, a quarter or any other fraction of an agent, but is vested with the rights and dignity of an undivided representative of an undivided and independent company. The SPRINGFIELD stands today pre-eminent among American fire insurance companies.

SPRINGFIELD MASSACHUSETTS

PAYS MANHATTAN LIFE $35,000 YEARLY RENT

Railroad Administration of Federal Government Takes Over 8,000 Square Feet of Space

BUILDING HAS WAITING LIST

Judgment of Founders of Company in Building on Present Site Vindicated

The Railroad Administration of the Federal Government has decided that the first floor of the Manhattan Life's skyscraper in lower Broadway is the ideal place for the main union ticket office of all the rail lines entering New York. As a result a long term lease of the ground floor of the home office building has been taken, over eight thousand square feet all told, and alterations are now under way to make this new ticket office one of the most attractive places of its kind in the country. There will be, moreover, stands in the rotunda which have been rented at good rates and a brand new entrance has been carved out to give access to the Manhattan Life offices and other tenants of the building. The company's head office will continue to be known as 66 Broadway and the new union ticket office will be known as 64 Broadway. The Government will pay $35,000 a year rental to the Manhattan Life. There will be an additional $5,000 revenue from booths.

Every Inch of Space Taken

In discussing the building the Manhattan Life said this week:

"At the present time every square inch of space in the entire home office building from basement to roof is rented on favorable terms, and there is now a waiting list of prospective tenants.

"The founders of the Manhattan Life certainly looked well into the future when they chose the present location for the home office building, on a site which is one of the most valuable in all of New York.

"With a frontage on Broadway of 88 feet and a rear entrance on New Street right across the way from the New York Stock Exchange, it can readily be understood what an ideal location the home office building is for the purposes of the Federal Railroad Administration.

Discusses Investments

"The addition of over $40,000 annually to the company's renting revenue,

(Continued on page 9)

THE PILOT POLICY

Income Tax Rebate On British Policies

NEW REGULATION DISCUSSED

Effect it Will Have on Life Insurance—Splendid Returns on Investment Side

Policyholders in Great Britain are now entitled to a rebate from their income tax in respect of premiums up to one-sixth of their incomes. In discussing this income tax rebate the "Policy," a British insurance newspaper, says in an issue which reached this country on Monday:

The statement which appears in all life office prospectuses to the effect that policyholders are entitled to a rebate from their income tax in respect of premiums up to one-sixth of their incomes now looms large in the mind of the seeker after life insurance protection. A few years ago, by comparison, this rebate was a mere bagatelle. Now it makes a very substantial difference in the cost of a life policy, proffering a benefit, authorized by the State, over any other form of investment.

Irresistible

Apart from the indisputable value of the life insurance protection in these perilous times, it is possible to show on the investment side of an endowment policy a return of all the premiums with an equivalent of 4¼ to 5 per cent. compound interest in so short a period as ten years, whilst the sum assured is many times the amount of the annual deposit, instalment, or premium, call it what you will. Few far-seeing people with the money can resist such an investment if it is demonstrated to them in this attractive way.

The Only Difficulty

To use a strong expression, the only "snag" in this proposition is to find and obtain a hearing with the people able to take advantage of this not only prudent investment but highly remunerative one as well.

Where the Money Is

The wealth of the country is, as it has been proved beyond dispute, unbounded. It has, however, changed hands considerably, and there are thousands of people enjoying incomes which even in their most extravagant fancies they never dreamed of. These people are more easily accessible to the business-getter, because they enjoy (?) no traditions in regard to their status in business and social life, and are free from the assiduous protection of their retainers as was the case with the old style moneyed classes. There is a wide field for the energies of the life agent among this large class of business people who, through their enterprise, are sharing in the great reshuffle of money which has taken place as the result of the war.

An Unpopular Tax

Income tax, for some reason or other, has never been exactly what can be called a popular kind of tax. It makes such a heavy drain upon the bank balance, more especially now that the country's pressing financial needs have increased its toll, and anything in the form of a relief is therefore welcome. I do not suggest that anyone is going to insure his or her life in order to cheat the government of its income. It has always to be remembered that the men who make the taxes also have to pay them. But this rebatement of income-tax off the life insurance premiums is an attractive feature, and no one will deny the agent's right to make as much of it as possible.

Worth the Sacrifice to the Exchequer

What the State loses in this direction, it more than makes up in the encouragement of thrift, and the provision for the dependents of deceased policyholders. The money paid into the coffers of the life offices, too, is an organized form of savings which goes on for long periods, and so money which might be absolutely wasted in wild-cat schemes or squandered in unnecessary extravagances is conserved and kept in the country. So the community benefits.

The One Thing at the Old Price

There are not many things just now which can be pointed to as having been preserved to us, without depression in some form or another. Every article one buys costs more except life assurance. The rates of premiums on fire insurance have not increased, generally speaking, but the inflated value of property makes a higher cost, as a larger sum insured must be paid for. Perhaps it will be argued that the higher cost of living makes it imperative to insure one's life for a larger amount to cover the interests of dependents. This is quite true, but there is the money to come at some future date for certain sure, and it may be, in fact, will probably be, when things have assumed normal conditions, and in consequence the policy will be so much the more valuable.

An Example

In the old days, when life was unattended by the terrible conflict with the Hun hordes, the man of 40 could pay his £30 per annum (after the allowance for the income tax rebate), and secure a policy for roughly £966, participating in bonuses to the value of 30s. per cent. per annum. A similar policy to-day would possibly not be quite so attractive, because the likelihood of the bonus being earned for the next few years is, well, to put it quite nicely, in the lap of the gods. That is, for the next few years. The incidence of the high income tax and the lowered non-profit rates, however, place the new assurant to-day in very much the same position as the pre-war assurant who paid the normal participating premium for a 30s. per cent. bonus yielding whole life policy. The non-profit rate of a reputable office, after the deduction of the income tax rebate is £20 10s. for the same sum assured, or if the same (net) premium is paid, a policy for £1,500 is obtained, equal to the £966, and thirty-six years' bonus at the rate of 30s. per annum. Hence my assertion that life assurance is one, if not the only, commodity unaffected by the war.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

Soldiers' Insurance After War

Much speculation is just now engaging students of insurance problems concerning the ultimate effect of government insurance on the prosperity of life companies in the period immediately succeeding the war. Some gloom there is, but for the larger part only lasting good is anticipated. There is much groping and seeking for tangible factors upon which to build a promising theory, but except that a large amount of this insurance was applied for as soon as it became available, we have nothing definite upon which to work. Meanwhile fear that the conversion privilege will work harm to the companies is voiced by more than one writer. This privilege is not so broad in the law as it appeared in the first draft of the bill. Government insurance can neither be renewed nor converted more than five years after the close of the war. A limit is thus put on the continuance of the insurance which shall be issued, and no new insurance can be undertaken for constitutional reasons. It should also be remembered in the first place, that only those actually engaged in naval or military service are eligible for the insurance, and in the second place, a large proportion of those so entitled are not ordinarily patrons of life insurance at all or at best in but small amounts. It may be that army and navy officers, who are civilian appointees, represent insurance applicants who would ordinarily buy from private insurers.

Even if we assume that the conversion privilege will be availed by all officers in the service the total insurance so carried, while large, is not enormous. Those who make up the great host of enlisted and drafted men and women in the ranks, are not in times of peace large buyers of insurance. Their military duties ended, at the close of the war they will take up again the tasks of private life, where, for the time being at least, the last thing to be thought of will be insurance. The attention of everyone not disabled or diseased will be concentrated on the rehabilitation of his fortunes. Every dollar of capital or earnings will be jealously measured against its purchasing value in tools or merchandise or comforts, and insurance will get little consideration. Much of the government insurance will lapse—many times the amount will expire than would lapse if it were in private companies. The government having given the splendid and unprecedented opportunity to its army and navy to insure under such advantageous circumstances will have done its full duty. It is scarcely to be thought of that any extensive machinery will be devised to prevent lapses and secure renewals. Restoration of lapsed insurance will be the natural and proper work of the companies. Theirs also to take advantage of the priceless tribute of the government to the value and necessity of insurance protection, both as to larger writings among the non-military population, and, after the war is over, in the salvage of lapsed business consequent on the adjustment of the fighters to civilian occupations. Companies with vision will encourage and praise government insurance for the emergency of war, confident that at its close their indispensable functions will receive at the hands of the public greater appreciation and utilization than ever before.—"Life Underwriters' News."

The Fieldmen of

The Guardian Life Insurance Company of America

in March, 1918, the first month under the Company's new name, produced new business amounting to

$4,820,210.00

$460,000.00 in excess of the largest amount ever written in any other month since the Company was organized in 1860.

The new business paid for in 1917 amounted to $24,816,657.00 and exceeded by $3,751,129.00, the best previous year in the Company's history.

Assets	**$54,664,135.11**
Guarantee & Dividend Fund	**5,880,822.73**
Insurance in Force	**169,043,316.00**

For a Direct Agency Connection with

A GROWING COMPANY FOR GROWING MEN

address

T. LOUIS HANSEN, Superintendent of Agencies

50 Union Square, New York, N. Y.

Charts Tell What Insurance Is Wanted

FIT MEN TO THEIR NEED

New Man in Business, Wilson Ferguson, Northwestern Mutual, Works Plan Successfully

Wilson Ferguson, a life insurance man of New Castle, Pa., who is connected with the E. M. Standley General Agency of the Northwestern Mutual Life, which has charge of six counties for the Company, has attracted considerable attention among field men of the Northwestern Mutual Life by some new charts which he has issued.

Appreciated Science of Equalization

Until the beginning of last year he never sold a life insurance policy. Here is his own story:

"After calling on a number of people, I was surprised to find that the majority of people, in fact, no one, seemed to know whether he was carrying too much or too little insurance. Owing to my business experience, it seemed very unusual to me that men selling insurance were unable to tell a man exactly how much he should carry to take care of his real value. My training as a manufacturer's secretary or commissioner had included in its work the method or science of equalization of manufactured products, as well as the working out of sales plans.

"I then originated a pamphlet which was really the result of that training, and is the approach of the sales plan. The pamphlet in itself is simply a description of two charts which are to be drawn in the presence of the prospect, and not given them to read as a pamphlet. The presentation of the charts or approach can be made in about four minutes. On procuring the amount of business done, and the age of the prospect as applied to the first chart, the interview is ended. This is followed by a demonstration in which he is plotted, by the use of a ledger statement, which will give him the best value suitable to the case, and with a letter following, in the main, the idea displayed in the chart, so that the letter and ledger statement constitute a demonstration. On this presentation the prospect is, or should be, gotten to sign the application, and the sale made then if possible.

"You, of course, understand that the correspondence applying to an individual in business for himself, a partnership or a corporation requires a definite form of letter. However, they all follow in the main the idea contained in the first chart.

Basis of Taxation

"The second chart, 'Relative Capital Values as Established by the Federal Government as a Basis of Taxation,' applies to the salaried man or wage earner. If the prospect has an idea of his capital value, the necessary data for demonstration is procured, and, of course, as you know, every endeavor made to close him on the demonstration.

"This plan is working very satisfactorily in this district. The charts in themselves, while good as an approach, and a picture to the man of his value, should be followed by the correct demonstration, and that is one of the reasons why I had it copyrighted."

DETAILED FOR SERVICE ABROAD

Recent changes in the Bureau of War Risk Insurance include the promotion of Stuart Shepard, chief counsel, to assistant director. He has been detailed for service abroad with the American Expeditionary Forces. He will be succeeded as counsel by L. C. Krauthoff, of New York.

J. ROBERTS FOULKE RESIGNS

Trust Officer of Provident Life & Trust With Company Since Year 1881

J. Roberts Foulke, who became connected with the Provident Life & Trust in 1873, and since 1881 has been its trust officer, has resigned, effective July 1, because of the condition of his health. The Fiftieth Year History of the Provident said of Mr. Foulke: "Genial in his understanding of the clientele of the Company and with a remarkable capacity for painstaking work, he combined with this a comprehension of the fiduciary nature of his task and a watchfulness which enabled him to safeguard the best interests of the clients of the department, winning confidence in his probity and integrity. He is still at the head of the department, the continued growth of which has necessitated much specialized subdivision to maintain its effective service."

The agents of the Company have to thank Mr. Foulke for the plan adopted by the Company many years ago which rendered it feasible for each mortgage to be carefully inspected by a personal representative of the home office before it was finally taken by the Company.

ASSETS OF $360,996,135

Combined Strength of American Life Convention Companies—Convention, September 11-13

The total insurance in force of companies in the American Life Convention (which meets in Chicago September 11-13) is $2,802,920,349; gain in 1917 in insurance in force of these companies was $448,906,817; admitted assets are $360,996,135.

Clifford Sloan, writing in "System," says, "Talk fifty per cent. less than your prospect."

RED CROSS CONTRIBUTIONS

New York Life, Metropolitan and Prudential Give $50,000—Some Other Fund Gifts Announced

At the office of Charles D. Norton, chairman of the insurance division of the Red Cross, it was announced this week that the New York Life and Metropolitan had given $50,000 each to the Red Cross; the Travelers $25,000; Home Life, $10,000; Guardian Life, $2,000; Postal Life, $1,000.

Through another channel The Prudential has given $50,000 to the Red Cross; and the Mutual Benefit $25,000.

LARGE POLICY ARGUMENT

What Most Policyholders Say Upon Receipt of Matured Endowments

Nine out of ten policyholders, upon receipt of the proceeds of matured endowments, say:

"My only regret is that I didn't take out a larger policy in the first place. By a little management I could easily have met the difference in premiums. As matters stand, I have absolutely nothing to show today for that difference—the money has simply disappeared. And to think that I had to be persuaded—almost forced—by the agent into taking out a policy at all."

It would be well for the agent to make a collection of such statements—he himself receives them in letters from policyholders. They make an effective argument for larger policies.—Penn Mutual News Letter.

WILL GO TO MONTREAL

The Actuarial Society of America has accepted an invitation from President Macaulay, of the Sun Life to have its fall meeting in Montreal. The invitation was extended at the Astor last week.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

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State Mutual's $100,000 Club A Success

FIRST ANNUAL MEETING HELD

Albert D. Hatfield, Cleveland, Elected President—Topics Discussed of Unusual Interest

The first convention of the State Mutual Life's $100,000 Club was held on May 22-23. The club was organized on January 1, 1917, and was successful from the start, keen interest in attaining membership being felt by the field force. Before long it was seen that many would qualify.

Albert D. Hatfield, of Cleveland, was elected president of the club; Arthur A. Higginson, Detroit, vice-president; Joshua B. Clark, Boston, secretary and treasurer; Earl P. Mallory, Chicago; Sol Toronski, Cleveland, and William L. Scharles, Kansas City, members of executive committee.

So much good was derived from the meeting that there will be annual get-together affairs.

Welcomed by President Wright

When the club members reached the convention hall in Worcester they were welcomed by President Burton H. Wright. Secretary D. W. Carter, Superintendent Stephen Ireland, Dr. Charles D. Wheeler and Actuary C. R. Fitzgerald were other home office speakers at the morning session.

Richard H. Breeze, who has been with the State Mutual for more than a quarter of a century, told his experiences. Thirty minutes of discussion on selling talks that have won, this feature, presided over by Joshua B. Clark, brought out many valuable pointers. Bruce Sweet discussed weekly production; Albert D. Hatfield, business insurance; William L. Scharles gave his opinion of what constitutes a successful agent; Roy A. Lathrop discussed the dollars and cents value of good will; Norris H. Bokum, of Chicago, told how to sell large policies. The first day's session concluded with a thirty minute symposium on "Prospects and a Tactful Approach."

The high standard was maintained during the afternoon, the speakers and topics being as follows:

General Counsel Bullock, Supervisor of Applications Landry, Treasurer Mackintire, home office subjects.

"Successful Closing Arguments" debate, John H. York, chairman. E. A. Denny, William Munson, "Putting Forth Your Best Efforts"; Henry A. Smith, "Life Insurance and the Inheritance Tax"; Albert St. Peter, "An Allotment as a Pace Maker"; W. Thane Boyden, George F. Robjent, "An Endowment Club"; William H. Cunningham, Homer G. Sperry, "Income Insurance"; Edward A. Hobbs, "The Beginner in Life Insurance."

PROMOTE O. B. SHORTLY

The Metropolitan Life Insurance Company has promoted O. B. Shortly, superintendent of the Ottawa district, to be the chief agent of the Company for the whole of Canada. He will continue to manage the Ottawa district, and his new duties will be in addition to those he is already performing.

For the past thirteen years Mr. Shortly has been superintendent of the Ottawa district, which is one of the largest and most important in the whole of Canada. In the cities of Ottawa and Hull, the Metropolitan Life has no fewer than forty-three thousand policyholders. The Company's Ottawa office occupies the entire ground floor of the Metropolitan Building and employs forty-two of a permanent staff.

The Providers Life of Chicago reports progress in disposing of the $100,000 additional capital stock.

Debate in Congress Over Risk Bureau

ANSWERS MADDEN'S CRITICISM

Congressman Sterling Calls Bureau a Marvel of Efficiency; Wonderful Work Done

An interesting discussion took place in Congress a few days ago over complaints that reached members from some wives and mothers of soldiers whose allotments from their husbands and sons are their sole or principal means of support, alleging "that they are unable to get their allotments adjusted or, if adjusted have not received remittances in full." This resulted in the introduction of the following resolution:

"Resolved, that the Secretary of the Treasury be requested to report to the House the cause of the delay in making adjustments and payments, and also, to advise the House of the number of allotments thus far adjusted, and paid, the number adjusted on which payments have not been made, and the number of unadjusted allotments; the number of persons employed in the War Risk Bureau, and the percentage cost of adjustments and payment, and when the work of the Bureau is likely to be current."

Madden Criticises the Bureau

Congressman Madden thought that the Bureau was weak on organization. He thought, too, there were some men in the Bureau who should be in the military service. It was stated that there are 3,300 clerks in the Bureau.

In the speeches that followed there were some strong defenses of the Bureau. This is part of the discussion:

Wonderful Work Since Last October

Mr. Sterling, Illinois. The law was passed the 6th day of last October. There was not a particle of organization to begin with—only seven months ago. After that law was passed there was not even a blank printed on which the Bureau could do its work. In the first place, the Secretary of the Treasury of that department had to find a man to take the place as director of the Bureau. Before even he had done that applications for insurance, allotments, and allowances began to pour in on the Bureau, and now to-day there are more than 2,000,000 applications pending—that is, more than 2,000,000 applications have been received at the Bureau for insurance on the lives of our soldiers. On the 4th day of May, 1,864,416 applications had been received for allotment and allowance. Now, when we consider that this bureau began its work less than six months ago, with an organization made up largely of raw material, made up of men and girls who had no business training and no experience in work of that kind—in spite of that fact this bureau has passed 760,000 cases for allotment and allowance and has issued and mailed more than 600,000 insurance policies, and in addition to that has issued many thousands of policies which it has not yet sent out for the reason that the soldier did not give directions in his application as to whom it should be sent.

I want to say to you that I think the work that has been done by the bureau is a marvel of efficiency, when you consider the circumstances which have surrounded it.

2,000,000 Policies

Mr. Denison. I was going to ask my colleague if he was not mistaken in the last statement he made about the number of policies of insurance. I saw, in the bulletin issued by the Bureau of Public Information where they had insured some time ago 1,700,000 men and that the average policy was $8,500. So I am afraid my colleague had his figures too small.

Mr. Esch. The difference arose in the fact of the difference in the amount of the insurance and the amount of allotment. The gentleman is right about 750,000 allotments being passed on, but there are practically now about 2,000,000 policies.

Mr. Sterling of Illinois. I am correct in my statement. They do not mail out a policy from the bureau unless the soldier indicates in his application to whom it shall be mailed, and they have on file in the department a great many insurance policies under those conditions, but the number of those I can not give you. But on May 4, 590,000 policies had been mailed. But, as my colleague from Illinois (Mr. Denison) has stated, the policies average over $8,000 apiece, and the policies that have been issued and mailed and the policies that are still in the office vaults of the bureau amount to $16,000,000,000.

Compares War Risk Bureau With Pension Bureau to Latters Disadvantage

Now, just compare that with the Pension Bureau, if you will. I do not think anyone will deny but that the Pension Bureau is efficient. I have not heard any complaints about its work. If you can get a widow's pension through the Pension Bureau short of eight or nine months, you will do better than I can.

I will undertake to say that more than half of the widows' pensions that have been granted within the last year have been pending before the department for a year. Now, they are not inefficient, and I will undertake to say that it does not take any more work to pass on a widow's pension claim than it does to pass upon an allotment or allowance in the Bureau of War-Risk Insurance. Now, taking those things into consideration, and taking the fact into consideration that the people of the country do not understand yet how to proceed to get these allotments and allowances, which fact accounts for a great deal of the correspondence that comes to the Members of the House and to Senators. Taking all things into consideration, the work accomplished entitles the men in charge of our admiration rather than our knocks. The lawyers of the country do not know what the law is. A week ago I had a request from one of the circuit judges in my district asking me to send him 60 copies of the war-insurance law, so that he could give a copy to each member of his bar, so that they would know what the law is. That accounts for a great deal of the delay, if you can really call it delay. But I will undertake to say that you can not justly call it delay if a soldier enlists in December, as in the case the gentleman from Illinois referred to, and his dependents get their allowance on the 7th day of March. That is not unnecessary delay. They have to make some investigation. They can not pay out this great amount of money without knowledge as to whom they are sending it.

Every Month Change 200,000 Records

Let me call your attention to another thing that the bureau has experienced. They have to make many changes in the record, and they have millions of records. They have to keep a record of every allotment, a record of every allowance, a record of every insurance policy, a record of every compensation case, and a record of every marine-insurance case.

They have to make every month 200,000 changes in those records. When a soldier dies they have to change the record; if his wife dies, they have got to change the record; if a child dies or a child is born, they have got to change the record; if an allottee changes her place of residence, they have got to change the record. If a soldier is promoted or demoted, the case must be readjudicated and the record changed. And one gentleman in the bureau showed me personally a great table covered with checks, over 40,000 of them, which they had sent out and which had been returned through the Post Office Department for the reason that the post office could not find the addressees. Forty thousand of them were there on the table in one room in the bureau. Now, they had done their part: They had mailed these letters according to the information they had. Sometimes the address on the application is not very distinct and not very well written. There are thousands and thousands of cases where the allottee, or the person entitled to compensation, moves from one place to another without notifying the bureau. They are not responsible for that.

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GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

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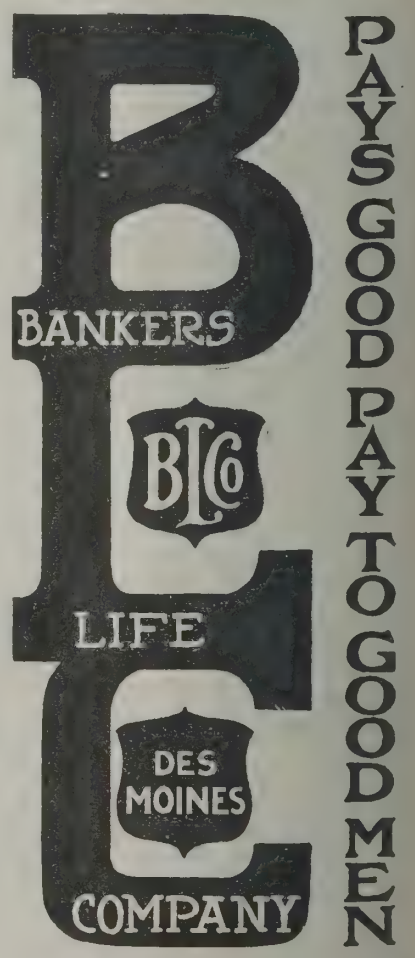
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"Why Should I Carry Life Insurance?"

No. 3: The Merchant—50 Years of Age—Married

By R. P. BURNS, Peoria Life

You have built up this splendid business, and won your credit among business men by a life time of careful and honorable dealing. For these years of work, anxiety and worry, your compensation has been more than the mere dollars you have accumulated. That greater compensation has been the satisfying knowledge that you are a business man; that you have matched your judgment, your foresight, and your brain against the world and have won, and are still winning. You have built up an imposing structure. Is there a weak place in your foundation? If so the storms of future years may sweep away, in a short time, what you have been years in building. If there is a weak place in the building, of the average business man, it is in his failure to conserve that which he has already won.

The Dangers of a Panic

Suppose a panic, like we had in 1893 were to sweep over this country. Judging by the experiences of many high-class business men who went through that panic, what are some of the dangers that might threaten your business? Today, in the sunshine of prosperity, you give a big order for fall goods. These goods arrive and are placed on the shelf, and you await trade. But, hard times settled down over the country. Men who previously paid cash, are now asking for credit. Many of your accounts, which are good, are uncollectible. You get a letter from some wholesaler imploring you to send in payment on account, because somebody else is pressing him. You go to the bank to raise a little money and the banker meets you with an anxious countenance—"I am sorry but we will be compelled, when your loan is due, to call in the amount that we have loaned you, and we shall be unable to advance you any more money. It is not a question of your credit, because, if we had a dollar of money to loan, there is not a man in the whole community that we would sooner extend credit to than to you, but we dare not let the money go."

A Crisis Reached

You try to stand off your wholesaler. In desperation, he starts a lawsuit. Others become alarmed, and, before you realize it, it becomes a stampede. A receiver is appointed, and your affairs are wound up. And, after the shrinkage and expenses are taken out, there is little or nothing left. You say this is a pessimistic view and not likely to happen. That may be the very reason why you should guard against it. If it were the usual and expected, you would have guarded against it long ago. It is the unusual and unexpected that catches the man in a bad situation.

If You Die

Now, all this is possible with you here, in charge. What might it be with you gone? One of the world's great bankers made this statement: "In our opinion, 95 per cent. of the elements of success of any business originates in the personality of its management. To off-set the loss of which life insurance offers the only medium," and he further states, "Life insurance is one of the necessary additions to the tangible assets of every successful business enterprise." At your death, the law appoints an administrator. All outstanding bills become due, the inheritance tax, the property tax, the loan at the bank, and the charges of the doctor and the undertaker, and the family living expenses going on just the same. There must be cash from some source to meet all these things. If you knew when this event was to transpire, you would be well prepared for it. You could not afford, nor would it be good business to carry in the bank at all times, a sufficient sum to meet these needs. The lawyer who makes out your will, the doctor who sits at your bedside during your last illness, the banker who has backed you up during your life time, the undertaker who gives the last service, the administrator who settles up your estate, practically all carry life insurance, because, in their positions, they have seen many similar cases, and realize the urgent need. Every business, with which you are associated, will be an indirect beneficiary, because at your death they will be able to get the money due them, to meet their obligations.

Value to All Property

I had the personal acquaintance of a bright business man, who would have made good in a big way had he lived, but death came at a critical time in his business affairs and his funeral was postponed two hours after friends had assembled at the house, so his wife could go out and get some one to endorse her note to pay the funeral expenses. The man who buys a policy of life insurance not only adds the face value of his policy to his estate, but he adds a value to his other property, because it means that his other property will not have to be sacrificed for want of cash in settling it up.

From the standpoint of the estate, what does it matter how much you value your property? The real test is, what will it be worth by the time it gets to your heirs. The world today is ready to take off their hats in recognition of your splendid business ability, but if you were to die and leave your property in such shape that it would shrink one-half or one-third in settling it up, what then would be their verdict? Besides backing up your business, and conserving the earnings of a lifetime without a cent of cost, you are at the same time building a permanent estate to safeguard your old age, under easier and safer conditions than under any other plan ever devised by man.

The true measure of a successful life is to make good on one's obligations, whether they be to his business associates, to his family or to his Creator.

Death From Infection; Accident Policy Valid

DECISION OF IOWA COURT

Insured Got Blood Poisoning From a Neckscarf Pin—Traveling Men's Association Case

The United States District Court for the southern district of Iowa has rendered an opinion that death from infection from cocci on a scarf pin is covered under an accident policy. The case was that of Maud Lewis, executrix against the Iowa State Traveling Men's Association and was tried to the court on an agreed statement of facts.

John F. Bailey, the insured, was a strong, vigorous man in excellent health. He discovered a small pimple on the right side of his upper lip. He removed his gold scarf pin from his necktie, and intentionally pricked the pimple with it. His lip became immediately infected with staphylococci infection which spread and caused his death a few days later.

Scarf Pin Infected

There was an agreement that the scarf pin was infected and that it carried the cocci upon it. The Court said it was not a case of breaking the skin and having it afterwards infected, but that the infection came directly from the scarf pin; that the insured did the act in the same manner thousands do every year, making no effort to sterilize the pin. The infection was such that it could not in the nature of things be discovered by him without a microscopic investigation. To the mind of the Court the means employed were clearly accidental. A man who eats infected food, without knowledge of its infection is doing something he did not intend to do. The eating of the food is voluntary, but the eating of the poison is not. The housewife goes to the flour bin, kneads her bread, bakes it and serves it. Those who eat it die. It is found that the bin contains not only flour, but arsenic. The unfortunates voluntarily ate the bread composed of flour and arsenic. The "means" causing death is accidental.

A special clause in the policy exempted liability for accidental death resulting wholly or partially, directly or indirectly, from local or general infection except when such infection or inflammation results from a visible or open wound caused by external, violent and accidental means. Discussing this feature of the case the Court said: "What is meant by infection which results from a visible or open wound? Strictly speaking how can infection result from a visible or open wound? Modern science has demonstrated that infection results from the entry of living organisms into a wound. In this case we have a wound. What caused the wound? The pin and the cocci which were on the pin. The wound was not caused alone by the pin, but in its nature and character it was in part caused by the cocci. The fact that the cocci entered the wound in its making ought not to make any difference in the construction of this provision of the contract." Judgment was given in favor of the plaintiff, but will doubtless be appealed.

Opposed to Spitz vs. Maryland Casualty

The decision is almost directly opposed to that of Spitz vs. Maryland Casualty Company decided by the United States Court of Appeals of the Third Circuit, which case was decided December 31, 1917, and reported in 246 Federal Reports, 817, where the insured died of erysipelas on January 22, 1915. Late in December, 1914, a boil had appeared on the back of his neck and for this he was treated at the office of a doctor. About January 1 his condition was improved. He returned to his business, which was that of butcher, and on January 4 was engaged in cleaning chickens, a work that soiled his hands with blood and other substances. His neck began to itch and he rubbed the offending place with the result that he broke the scab. In a short time he became sick with erysipelas and died on January 22. The Court held that the insured had done just what he intended to do, namely, rub or scratch his neck to relieve the itching; there was no evidence that he was disturbed or interfered with during the operation and an ordinary and not unusual result followed and therefore no liability under the policy.

Kendall vs. Travelers Protective

Another case in point is that of Kendall vs. Travelers Protective Association decided by the Supreme Court of Oregon January 15, 1918, reported in 169 Pacific Reporter, 751, which held that a wound intentionally made by a barber in removing an ingrowing hair from an insured's face, with his consent, was not made by accidental means. In this case the Court stated that under an accident policy, liability must be determined by causes rather than consequences. If the wound was made intentionally into which wound an infection was introduced it would not come within the meaning of the term "accidental means."

PLAINT FROM MONTANA

That State's Insurance Department Wants to Be Represented in Commissioners' Conferences

The annual report of R. G. Poland, State Auditor and Commissioner of Insurance ex-officio of Montana, is a plea for a larger staff and more funds. He says that for years Montana has been unable to take its place in conferences of other insurance commissioners because the force is so inadequate that the Deputy Commissioner, the only one available for such work, could not be spared from the work of the office. Continuing he says:

"Changing conditions, State development and the complexity of modern insurance have rendered our present small code of insurance laws entirely inadequate for the proper protection of our insuring public, and the upholding of the companies authorized to transact business in Montana in their efforts to promote correct insurance practices in our State. Some of the laws should be repealed, others should be amended in order that they may have force, and many new laws which have been tried in other States and found admirable, should be added to our statutes. It is the intention of the Department to present many such corrections and additions to our laws for consideration of the next legislative session, with the hope that a complete code, free from all ambiguities and irrelevancies, and providing for strict regulation of insurance in all its complex modern phases, may be enacted."

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BUSINESS ESSENTIALS

No. 1 — CONFIDENCE

By JOHN K. WEST

"Bill" Reid, the famous Harvard football and baseball captain of several years ago, in addressing the Aetna Life Club, recently remarked that a baseball player who went to bat hesitatingly and with an element of fear wrapped up in his anatomy usually got what he expected, three short slaps in the air and the bench for him. It was on his mind to strike out and he did the job quickly.

Mental attitude holds an important place in all athletic games and contests. A few years ago trained muscles were considered the chief assets in winning golf, tennis, billiards, baseball and other sports. A wonderful change has taken place within the last ten years in these athletic games in that now it is considered that while muscles must be trained and well trained the mind also requires even greater training.

Clear Will Necessary

Analysis has shown that muscles will effectively execute only what the mind clearly wills and directs. Uncertainty and hesitancy on the part of the mind as to the hitting of a baseball, or tennis ball, means inaccuracy and failure on the part of the muscles to perform successfully.

The attitude of the mind has much to do with victory or defeat in whatever game you are in—athletic or business, and in order to insure victory you must secure mental confidence.

In these days of practical psychology, there is a scientific reason for this attitude of mind and insurance men should study, as have these athletes, and find out the best methods of producing mental confidence.

You are all in closely contested games of business and must train yourselves to come across with the "pinch" hit at the right time and to do this you must have knowledge of not only your own mind, but a general knowledge of other minds over which you traverse your way through life. Your lack of confidence may be due to inability to concentrate, lack of plans, ineffective speech, failure of self-control, etc. Find out what it is and half your battle in life is won.

Newcomer Must Not Give Up Easily

Few athletes, insurance agents or business men make good right from the start. The newcomer in the baseball or business world seldom plays his best game at the start. The newness of the situation, the lack of knowledge of the game he is in, the failure to know his company, the anxiety to get quick results, puts on his mind too great a tension and he makes a misplay, and his game is lost.

Mental moods are instantly communicated. The players behind a pitcher who has "gone up in the air" lose confidence and the team goes to pieces and the game is lost. The prospect who hears a weak, flabby story from a weak-minded solicitor gets away from him as quickly as possible and keeps his money in his pocket.

If the pitcher had accepted the hits against him in that one bad inning as a matter of course and had taken time to recover or if the agent who got rattled during his interview had taken a quick moment to organize a counter attack, the games that were lost on the diamond or business field might have been won.

Baseball players of years ago used to carry rabbits' feet, lucky stones and charms around with them, and when they were going bad a simple touch of the magnetic charm was enough to knock the flurry right out of them and put them in the running again. It wasn't the charm that did the trick. It was their mental attitude. Get your active mind working right and maintain it and all else will follow even as night the day, and above all get your mind thinking of the things you want, not of the things you don't want. Either be an agent with a big "A" or step out of the way and let someone better fitted for it have the job.

A Letter That Delivered the Goods

J. H. Sacken, of the Manhattan Life in New York City, has written a letter to a man who had applied for $15,000, but when a few days later a big explosion at his factory threw his business out of gear, Mr. Sacken was informed that it would be utterly impossible for him to consider taking any more insurance for at least another year. Mr. Sacken then wrote this letter and two days later, received the gentleman's check for the full annual premium:

Dear Mr. Blank:—During our last luncheon you were good enough to pay me the highest compliment known to a salesman—you told me that I knew my business and knew it well. I am proud of it and justly so, for your judgment is guided by mature age and a thorough experience with salesmen. May I not therefore take advantage of your favorable opinion and express as well as I am able, what business knowledge and conscience dictate to me in regard to your life insurance?

I have before me a contract, issued by an old and solid company, which guarantees for an annual deposit of 4½ per cent. of the face value to immediately increase your estate by fifteen thousand dollars. Absolutely secure from influence by market fluctuations or adverse conditions, unattachable and free from any taxes, this contract is the safest and sanest solution of the problems which the uncertainty of life thrusts upon you, and nothing in the world can take its place. Granted continued life and health as well as conditions enabling you to securely invest at 6 per cent. compound interest, it would take the same annual deposit 14 years to accumulate what this contract creates for you at once. The man who buys life insurance is not spending money—he is making money, for no money is made until it is saved.

At present you are in good health—you do not expect to leave this world on short notice; let us hope that you won't. But what about accidents? They happen to the strong as well as to the weak. What about the many diseases we all are subject to? Just think! Every now and then some friend or acquaintance passes out of life. Think again! Might it not be you yourself who one of these days furnishes the momento mori?

For having celebrated your 52nd birthday healthy and hearty, you should be thankful; for having at that age been found a desirable risk for ordinary life insurance including disability protection, you may justly be proud. But also be thoughtful. Yours is the age of caution where one must look for security—not high rates of interest. The years to come bear more danger to life and health than the years gone by—the power of resistance is not the same as it was 20 years ago and mind and body are apt to deteriorate. To few is given the privilege of reaching the biblical age, but none is there who at the age of 52 can afford not to take advantage of a 22 to 1 bet on his life, without injury to his best interests.

An unfortunate delay caused by red tape and an unfortunate explosion may easily affect an impulsive attitude—but can they to the smallest extent depreciate the relative value which first prompted this attitude? Can they minimize the hazard and the conditions which necessitate life insurance? Can they change this most exact science which proves for the age 52 a mortality of 1.539 per cent; Is your life worth less today than you thought it was a few weeks ago, and would your untimely death be now a smaller financial loss to those for whom you live, work and save?

In this letter I have ignored most of the laws of standard salesmanship—I wanted to speak to you just as I feel—sincerely and from the bottom of my heart. In every man's life there comes an hour when the efforts of some life insurance agent become an either happy or sad memory—when hopes and expectancies are balanced against facts and deeds, and as long as this contract is in my possession I shall urge—and I am in dead earnest—urge and repeat: insure now for all that's offered you—you may want it when it is too late.

Fred J. Williams, who for the past five years has been superintendent of the Batavia district of the Metropolitan Life, has been promoted to the superintendency of the Jamestown, N. Y., district.

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA
On January 1, 1909, rates were reduced and values increased to full 3% reserve

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Business Associations

Help men to success.

Provident agents are associated with a business organization whose reputation for integrity, fair dealing and financial security extends over half a century.

Write for information

The Provident Life and Trust Company

of Philadelphia

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Rosen Bought a Million in Bonds

"HAVE HOCKED MY FUTURE"

Says It Will Be Great Incentive To Work For Life Insurance

There was plenty of variety at the meeting of the Life Underwriters' Association of New York at the Arkwright Club on Tuesday night. Diamond medals for being super-Liberty bond salesmen were awarded to H. A. Barker, of The Prudential in Brooklyn, and to Harold E. Coe, of the New England Mutual in New York.

Charles Richman, once one of the most famous leading men in the American theatre, made a speech as an agent of the New York Life, his new job. Harry B. Rosen, who presented the diamond medals, told some new stories, and the principal guest of the evening, Vice-President Hamilton, of The Prudential, delivered a stirring talk on salesmanship and on the war. Just to afford good measure, O. S. Rogers, W. F. Atkinson, L. A. Cerf, Lawrence Priddy and J. S. Myrick also spoke.

Coe Talked in Factories

The Eastern Underwriter last week told the story of Harold A. Barker, the industrial agent, who surprised the town by his work in selling Liberty bonds. Barker in reality won both medals, but he generously refused to take two, and it was decided that the work of Harold E. Coe, of the New England Mutual, justified his being awarded the other medal. He is a young man who sold most of his bonds in factories and other places where there were large numbers of persons to be addressed.

How Rosen Starts His Day

In his talk Mr. Rosen said he had purchased $1,000,000 bonds himself. "I put myself in hock for I don't know how long," he commented, "but it is an incentive that will be an inspiration to go out and write more insurance. I couldn't mortgage myself to a better purpose."

Mr. Rosen told several stories. It is his practice to start the day's work by selling a few $1,000 W. S. S. memberships. Sometimes he sells four or five of these subscriptions to one man, the additional subscriptions being for the purchaser's children.

Sold $950,000 of Bonds in 20 Minutes

It will be recalled that Mr. Rosen had announced that he intended to sell $5,000,000 of Liberty bonds. He began by addressing a group of eighteen men on the day the drive started. He sold them $950,000 of bonds in twenty minutes. On the next day he received word that his son—at a Connecticut school—was dangerously ill. During the rest of the campaign he was at his boy's bedside, but whenever the doctor told him that the patient was resting a little easy, Rosen would go to a theatre or some other place and make a Liberty Loan talk. In a Waterbury movie he sold $200,000 worth of bonds. In all he sold $2,000,000.

When he finally returned to New York he found the Red Cross Drive in full swing. He had not intended going into it because of his absence from New York, but he couldn't resist. Incidentally, he sold four $100,000 life insurance policies after getting large Red Cross subscriptions from four men.

In his talk, L. A. Cerf warned insurance agents from letting down their pressure after being in a Governmental drive. "Don't forget life insurance," he said.

Driving Power

Mr. Hamilton told of the driving power, the dominance of will that the agent must have if he would meet with success. After discussing salesmanship he said that he simply must discuss the crisis before the nation, and his eloquent picturing of conditions brought round after round of applause.

HOLLAND AND GERMANY

Not a Chance of Their Entering Into a Military Alliance, Says Robt. R. toe Laer

Robert R. toe Laer, the Holland reinsurance manager, who is now in this country, during his recent tour of America was asked by representatives of daily newspapers for his views on the relations between Holland and Germany. He said:

"There isn't even a slight possibility, in my mind, that the Netherlands will become allied with Germany. Neither is there any possibility, in my mind, that Germany will break with the Netherlands.

"There are three important reasons for this last statement. First, the Netherlands has about a million completely equipped men in its army. This means Germany would be compelled, in event of a break, to take a million men from the western front to oppose the Netherlands army. Germany cannot afford such a move—Germany hasn't the men to spare for such an operation. Second, if Germany should break with and oppose the Netherlands Germany would have an enemy, and a disagreeable enemy too, at her back. This is another thing Germany does not want—a thing Germany cannot even think of for a moment. And third, if there should be a break between Germany and the Netherlands, and the Netherlands would become allied with the Allies, which would be inevitable, the Allies immediately would have an open route to Antwerp and thence to Brussels, Ostend and other Belgian towns. Germany could not permit such a movement for a number of reasons."

SINGLE HANDED CHALLENGE

E. A. Woods Agency Will Try and Write Larger Paid-For Than Combined Agencies

The E. A. Woods agency undertakes to do a larger paid-for business during 1918, than the total business of twenty-one other agencies of the Equitable Life Assurance Society, grouped in this contest as "The Field." The Pittsburgh agency's paid business for 1917 was $16,113,589 and that of the agencies comprising "The Field" $15,880,689, making the contest an even one. A trophy will be awarded by the association to the winner. If "The Field" wins it will go to that agency of "The Field" which makes the best all-round record. There will be a second trophy for the losing side, to go either to the agency supervisor of the Woods agency, or to the general agency of "The Field," as the case may be, making the largest actual increase in business. For the first four months "The Field" has a lead over the Woods agency of $624,920. The agencies comprising "The Field" are: Maull & Co., Newark; Wilson, New York; Lake & Son, Memphis; Wadsworth, Chicago; Keating, Minneapolis; Ramsay, Allentown; Jordan, Washington; Ryan, New York; Stratton, Boston; Lyddane, Kansas City; Armytage, Winnipeg; Moore, Chicago; Seibert, New York; Weil, Philadelphia; Beal, New York; Knowles, Pensacola; King, Mansfield; Biedler, New York; Herenden, New York; Register, Philadelphia; Mosier, Philadelphia.

QUOTES FROM SHAKESPEARE

"The New England Pilot" in its current issue publishes insurance quotations from Shakespeare.

Two of these quotes follow:

"A mother's thanks, a widow's thanks.—King John."

"The widow's champion and defense.—Richard II."

The Republic Casualty Co., of Pittsburgh, will open their Philadelphia office on June 1st.

M. F. Studenmund, special agent of the Cleveland National in Pennsylvania, is resigning to enter the local business in Philadelphia.

The Right Place for the Right Man

The capable and energetic man or woman who represents a company which provides an unexcelled policy at a low net cost is sure to succeed as a life underwriter. That is why our representatives everywhere are loyal, contented and enthusiastic. The reputation of their Company for prompt and efficient service gives them a confidence which wins the confidence of the insuring public.

Occasionally we have a General Agency opening.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

When the Mind Is Right, the Man Is Right

Harold Pearce, manager in Cleveland of the Guardian Life, has contributed an interesting article to "Service," published by the Guardian Life, in which he discussed the mental side of salesmanship. He said:

"As a man thinketh in his heart, so is he." That was remarked long before your time or mine, but it has not lost its potency.

You can make your business just as bad as you think it's going to be; likewise, you can build it up if your thinker isn't out of joint.

My experience convinces me that success in life insurance depends mostly on one's mental attitude. I know that when my mind is centered on the importance of people carrying insurance and I go after business in that frame of mind, I get it. This is also true with the successful men in our profession with whom I have come in contact.

My experience in agency work has taught me to realize that the man of little experience, ordinary education, ordinary appearance—if he is master of his mind—will twice discount the man of experience, high-class education and fine personality, who has no control over his thinker.

A man's mental machinery is very much like a steam engine. It has a pump, steam gauge, safety valve, throttle, etc. One part of the mental machine produces energy, one part character, one part determination, one part honor, etc. You are the engineer in charge. If you have firm hold on the throttle, it's absolutely sure to do good work; on the other hand, if you have a weak hold or you turn yourself loose, the result will be similar to that of an automobile started down the street without anyone at the wheel.

When you get sunburned you apply cold cream. What should you do to your mental machine when it has caused you trouble or a money loss on account of your failure to get up on time; keep your appointments; apply yourself as a life insurance salesman should?

You should apply the oil of thought, the elixir of determination, and a more muscular grip on your throttle to overcome the defect.

We see men of all nationalities—men with little or no education—men of very inferior appearance, in all vocations, make a success of life. How do they do it? It's because they are masters of their energy, ambitions, character, habits, etc.

Equipped with the best life insurance contracts on earth, backed by one of the greatest financial institutions in this country, the Guardian Life representatives, who thoroughly realize that people must die and the great loss that the family will sustain in the event of the death or total incapacitation of the breadwinner, can ask a man his age and point out to him how much he has got to deposit in order to place from $1,000 up to the credit of his family, and is physically able to get out and put in eight hours a day, hasn't very much control over his mental engine if he fails to pay for a substantial volume of business every month.

Some representatives of our Company think they are handicapped on account of appearance, education, opportunities or location. Such thoughts are a much greater handicap than the imaginary difficulties.

If you want to increase the output of that mental machine of yours—forget such thoughts.

Quit talking about what you consider your imperfections. Fill up your self-confidence cylinder.

Quit talking about the difficulties you come in contact with. Overcome them if you can, but if you can't—forget them.

Analyze each failure, dissect the mistakes you have made, and forget them except to avoid them in the future.

Re-convert yourself every morning as to why people should carry life insurance.

If your cylinder of energy leaks and tries to induce you to put off seeing Jones until tomorrow, or, to hang around the office, tighten up the packing, take a firmer hold on the throttle of your thinker—yes, get your mind right for when the mind is right the man gets business.

* * *

New England's Optional Instalments

Actuary Herbert B. Dow, of the New England Mutual Life, has made the following statement to agents relative to that Company's optional instalments:

In order that our agents may more fully understand the unusual advantages offered by the New England Mutual contract, attention is here called to the options which our policies furnish in regard to instalment settlements; and the request is made that some study may be given to the advantages to beneficiaries, contained in the second and third options, as compared with those frequently found in the contracts of other companies.

The second option provides for "25 instalments certain and continuous," and no matter what may be the age of the beneficiary at the time the claim arises, the amounts therein offered will always provide, in the aggregate, for the full face of the policy. It should be carefully noted that in many other contracts where the options are offered for "10 instalments certain and continuous," in no case, where death occurs within ten years, does the beneficiary, if younger than 79, receive the face of the policy. The amounts endorsed for the ages from 30 to 50 are usually under $60; and if $60 is the guarantee, the proceeds of the policy are only $600 for each $1,000.

The attention of the insured should be called to the fact that in selecting "10 instalments certain and continuous" he is running a considerable risk of materially diminishing the amount of insurance he intended to leave his family. Also, in the case of "15 instalments certain and continuous," if the age of the beneficiary at death is less than 60, the face of the policy is not paid in full if the beneficiary dies within the 15 years of the instalment-certain period. Even the "20 instalments certain" does not provide the full face of the policy for every age, if death occur within the "certain" period.

But in the second option given in the contracts of the New England Mutual, the amounts of the instalments offered are in no case less than 1-25 of the face of the policy; and in the middle and older ages the aggregate benefit is much in excess of the face.

In all cases where "25 instalments certain" seem too long, by reason of the age of the beneficiary, the third option automatically adjusts the number of instalments-certain, because whatever the amount of the instalments that are paid, the aggregate guarantee is the face of the policy, and the estate of the insured is in no wise impaired by reason of an early decease of the beneficiary after the death of the insured.

The dividend-paying period in the case of the second option covers 25 years-certain, and begins with the excess interest earned, as declared by the directors, over the 3 per cent. assumption. The dividend is large at first, and gradually runs down to a small amount. In the case of the third option, the dividend-paying period continues until the aggregate of the instalments paid equals the face of the policy.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company of New York

34 NASSAU STREET, NEW YORK CITY

NOT AN EXPENSE

Provident Life & Trust Discusses a Talking Point in Endowment Insurance

The average man when he speaks of an "expense" means an outlay which does not bring in an equivalent money return, says "Notes," published by the Provident Life & Trust Co.

In this sense the great majority of Provident long endowments, especially at the earlier ages, are not an expense, for the Company pays back to the insured himself, if he survives the maturity period, or to his beneficiary, at his prior death, a larger sum than he has paid in.

When a man takes out such a "Maturing Policy," he not only protects his family if he dies, but creates an estate for his own old age and that of his wife and through the wonder-working of compound interest, the return is greater than the outlay, the interest more than taking care of the cost of the protection and leaving a very substantial return upon what he has paid in.

By showing conclusively that the return is greater than the outlay not only in the event of death or maturity, but also when, after a few years, the annual increase of "Ledger Value" is greater, in a majority of cases, than the annual payment which the insured has been called upon to make, you have laid to rest the bugaboo of "expense."

The American Life of McPherson, Kan., has purchased the assets and business of the Home Mutual Life, Topeka.

HARTFORD NOTES

Every insurance company in Hartford went over the top with 100 per cent. subscriptions in the big Red Cross drive for the Second War Fund.

Bryan H. Atwater, of Hartford, chief clerk of the Connecticut State Insurance Department, celebrates his 16th anniversary with that department on Saturday, June 1. Mr. Atwater entered the department as chief clerk under Commissioner Theron Upson June 1, 1902, which office he has since held continuously under Commissioners Upson, Macdonald and Mansfield respectively.

John M. Holcombe, of Hartford, President of the Phoenix Mutual, gave an interesting address on "Early Education" in Connecticut before the Connecticut Historical Society recently. He told about the birth of Yale University, Trinity and Wesleyan Colleges and other institutions of learning in Connecticut. Mr. Holcombe celebrates his three score and ten next Saturday, having been born in Hartford June 8, 1848. He graduated from Yale in 1869. His first employment was with the Connecticut Mutual in 1869. Subsequently he was actuary for the Connecticut Insurance Department. In July, 1874, he entered the employ of the Phoenix Mutual as assistant secretary. The following year he became secretary and in 1881 a director. He was elevated to the presidency in 1904. Mr. Holcombe has been a lecturer on insurance at Yale and has always been interested in the education of young men and women on the subject of insurance. He has been president of the Insurance Institute of Hartford and is prominently identified with the business and civic life of Hartford. He is president of the Mechanics Savings Bank, a trustee of the Fidelity Trust Co., a director of the Phoenix National Bank, the Phoenix Insurance Company and the National Surety Co. of New York. He is a fellow of the Actuarial Society of America, a member of the Sons of the American Revolution, the Society of Colonial Wars, Society of the War of 1812, the Hartford Club, Hartford Golf Club, American Red Cross, the Municipal Art Society and the Yale Alumni Association.

John J. McGinley, of Hartford, assistant superintendent of agencies of the Travelers, is in the Middle West on business of the Company.

Clayton W. Welles, manager of the Phoenix Mutual for Connecticut and Rhode Island, was the winner of third prize at the sweepstake tournament of the Wethersfield, Conn., County Club last Saturday.

Harry A. Hopf, formerly efficiency manager of the Phoenix Mutual at Hartford, has opened an office in New York as a consulting industrial engineer.

Among the captains of leading soliciting teams for the big Red Cross War Fund Drive in Hartford are F. F. Small, a director of the National; F. P. Furlong, a director of the Standard Fire; Walter E. Batterson, assistant secretary of the Travelers, and Dr. Henry A. Martelle, Medical Examiner of the Connecticut Mutual.

TO MEET IN ATLANTIC CITY

Second Annual Convention of Field Representatives of Guardian Life Insurance Company

The second annual meeting of the Guardian Life field men will be held in Atlantic City, September 2-3.

A MARSHALL MONTH

R. S. Marshall, who up to a few years ago was a fire insurance agent, and is now supervisor of agencies of the Philadelphia Life, was honored by agents of the Company in May, which was designated "Marshall Month." A Liberty bond was one of the production prizes.

Combatting War's Inroads

There are mighty few men engaged in the insurance business in the field who are really working on more than a 50 per cent. efficiency basis. Take your own individual case for example. How many hours each day are you giving to the actual canvass for new business? Unless you are an exception, this will not exceed two or three hours on the average each day. Granting that your other duties in connection with the business require a certain portion of your time, there are still two or three additional hours of each day that could be given to the actual field work if you would do it. This is absolutely necessary, and you are not doing your full share to yourself and your company unless you work right up to the limit, and almost without exception, if this is done, it will mean the doubling of the production of new business from every agency.

Watch every minute of your time and keep it concentrated on work that really counts. Cut down your time at the office. A few minutes each morning and evening can be made to clean up every necessary item there. Get started a little earlier each morning. Work a little later each night. Don't lose an evening. The best results are to be secured after supper, when you can catch your prospect at home and get him right up in the corner and secure his name on the dotted line. When you are ready to start for home, stop, make one more call. Maybe there is a good prospect there just waiting for you to grab him off. Remember you have got to do the work of the other fellow who has gone away in addition to your own, and you get mighty well paid for it besides.—"National Agents Record."

On May 20th, 1918, the directors of the Milwaukee Mechanics' declared a second special Red Cross dividend of $5,000.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

INSURANCE SOCIETY ELECTS

The annual meeting of the Insurance Society of New York was held on Tuesday. T. A. Ralston, sub-manager of the Northern, of London, was re-elected president. The other officers were re-elected also. They are C. H. Holland, manager of the Royal Indemnity, vice-president; John A. Eckert, of John A. Eckert Co., vice-president, Edmund Dwight, of Dwight & Hilles, vice-president; J. Lester Parsons, vice-president of North River, vice-president; and E. R. Hardy, of the New York Fire Insurance Exchange, secretary-treasurer. The three members of the executive committee whose terms were expiring were also re-elected. They are H. B. Churchill, assistant secretary of the Great American; J. F. Van Riper, branch secretary of the Norwich Union; and R. P. Barbour, secretary of the North British & Mercantile. The secretary in his report stated that there were now 1,144 members of the society and that during the past year, seven of its members had been lost through death.

Yours For Life—

Also for Health and Accident: the Maryland Assurance Corporation of Baltimore issues a wide variety of policy contracts that provide Complete Personal Protection—Life Insurance, Health and Accident Insurance. The Corporation has a Home Office staff that is old enough in experience to *know*, young enough in enthusiasm to *grow*, and we want *you* to grow with us. Valuable openings in productive territory for energetic ambitious men.

Maryland Assurance Corporation

Seven South Gay Street
BALTIMORE

JOHN T. STONE
President

"LIVE AND DIE WITH ASSURANCE"

FARM INSURANCE

Faulty Underwriting Rather Than Inherent Hazard Responsible for High Loss Ratios

The reason for high loss ratios on farm property is faulty underwriting and not hazards of the class, according to A. P. Lange, in a paper read before the Fire Underwriters' Association of the Pacific a few days ago. He said in part:

"There is a total absence of conflagration liability, which is an important item, and means are at hand for securing the information necessary to determine which are the desirable and which the undesirable risks. Agents receive the maximum rate of commission for this class of business, but ordinarily give it a minimum of attention. Few agents understand how to solicit farm business and fewer underwriters understand how to underwrite it. Is it not worth while to ask ourselves whether we have dealt intelligently with this class which carries with it in the aggregate such an immense insurable value? And if we conclude that our methods have been faulty, may we not properly consider how these faults may be remedied and our premium income increased and the farmer given actual protection."

Pays Manhattan Life $35,000 Yearly Rent

(Continued from page 1)

means that the investment in the building which is carried at rock bottom figures, will show an ever increasing rental return. What is more, the development of the company will be encouraged accordingly.

There never has been a time in the history of the Manhattan Life when the company was in such a strong position and its finances in such excellent shape. During the last five years the Company has been investing in Western and Southern farm mortgages. Investments of this character have been pronounced the best investments in the world by the greatest financiers and bankers. This is not merely because they yield the highest rate of interest, but also because of the absolute safety and stability of values. This present excellent condition should be an inspiration to all connected with the Company, who will make 1918 break all former records of business."

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone 2497 John.

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PAN MOTOR CO.'S AD

The Pan Motor Company, Saint Cloud, Minn., advertises in certain newspapers, for "high class insurance salesmen." It says they can make more money working for them "than they ever made before." The statement is absurd. A high class insurance salesman can make more money working for an insurance company than he can selling the product of any motor company. Moreover, there is more satisfaction in selling life insurance than in selling automobiles.

Any real insurance salesman who regards his profession from what he personally can get out of it is not "high class." He is a mere seeker after pelf. The nobler life insurance aspect, that of service to humanity, is fortunately the prevalent one.

WILLIAM STREET

It's a pretty safe bet that the fire insurance companies, agents, brokers and affiliating interests will not leave William Street en masse. But the mere thought of deserting it, of taking up the district as if it were a basket and depositing it elsewhere, has caused much wailing among the rank and file of insurance men, although it is quite true that the wailers are not as a rule the William Street rent-payers. At the same time one cannot expect a passenger for William Street who has been taking his 8 o'clock car every morning for these ten, twenty, thirty years or more to have anything less than a feeling of distress at the mere thought of going to some other quarter of the town to work. Imagine how the British magazine writers and journalists would feel if there were no more Fleet Street, or the horror of the British lawyers if Temple Bar, deliberately vacated, were to remain only a tradition.

William Street means fire insurance (and of late years casualty insurance as well) just as Wall Street means finance. "William Street" is not so well known throughout the country as "Wall Street," but every agent and broker, whether he lives in Texarkana or Boise City, has heard of it, and for tens of thousands of men its name is potent with sentimental appeal.

In the meantime, the committee, headed by C. E. Porter, which is wrestling with the cramped space problem, is receiving a lot of suggestions. Greenwich Village, where Trinity Corporation has offered to build for the fire underwriters, is pretty far away, while the old Sixth Avenue shopping center, now encrusted with cobwebs, is rendered unavailable by the fact that the Government has taken over the largest building, formerly a department store. So those who regard William Street sentimentally can live in hope that their cherished street will probably be saved to them for some time to come.

RULE FOR PHILADELPHIA

Each Company to Have Open Counter Agent—Stamping Office to be Opened

A rule has been adopted for Philadelphia by the National Automobile Underwriters' Conference, by which each company may have one agent, under whatever title it chooses to designate him, who may be compensated at discretion. These agents are in effect open counter agents. The one other agent allowable shall receive 25 per cent. commission.

Another rule was adopted by which these open counter agents shall be formed into a local board and a committee of the Conference will confer with the present local agents' board in Philadelphia to bring this about. A stamping office will be opened and the local agents will be made responsible for the local brokerage situation. It will be an agency stamping office. These changes become effective at once. Charles Y. Yungman, of Platt, Yungman & Co., resigned from all committees but his company has not resigned from the Conference.

As to Baltimore, a rule was adopted by which an effort will be made to do away with all general agencies and no matter under what title an agent operates his commission is to be 25 per cent. This rule is not yet in effect as several companies will probably object. It is not desired to make the rule effective until a thorough understanding has been reached. There are thirteen general agencies in Baltimore.

It was also decided that personal effects, which used to take the same rate as the car, shall take the Form 3 rate (fire only) regardless of the form on which the car is written.

The twenty-five per cent. reduction on rebuilt trucks has been done away with.

APPOINT CHAIRMEN

President Buswell has named the following as members of the standing committees of The National Board of Fire Underwriters for the current fiscal year:

Actuarial Bureau—James Wyper, chairman, Hartford.

Adjustments—C. D. Dunlop, chairman, Providence.

Clauses and Forms—Hugh R. Loudon, chairman, New York.

Construction of Buildings—E. T. Cairns, chairman, New York.

Finance—W. H. Stevens, chairman, Watertown, N. Y.

Fire Prevention and Engineering Standards—Sheldon Catlin, chairman, Philadelphia.

Incendiarism and Arson—N. S. Bartow, chairman, New York.

Laws—H. A. Smith, chairman, Hartford.

Membership—George R. Branson, chairman, New York.

Public Relations—E. W. West, chairman, Glens Falls.

Statistics and Origin of Fires—Otho Uniform Accounting—E. G. Richards, chairman, New York.
E. Lane, chairman, New York.

THE HUMAN SIDE OF INSURANCE

General John B. Castleman, whose death was reported last week, was not only one of the most distinguished insurance men in the South, where as a member of the firm of Barbee & Castleman he represented the Royal for many years, but he shared with Henry Watterson the distinction of being Louisville's leading citizen. No one meeting General Castleman could ever forget him. His personality left an indelible impress of sheer delight. Standing over six feet in height, as straight as a ramrod, wearing an iron grey moustache and Louis Napoleon Imperial, the essence of courtesy and refinement, he represented the Southern cavalier type of the ideal pictured in the works of Thomas Nelson Page and other Dixie novelists. Big of heart, wide in sympathy, remarkable in understanding, his friendship was worth treasuring; of young men he was always fond, while they would swear by him. For years he had been a part of the public life of the city, and he lent distinction to every office that he held. Particularly was he a joy to new reporters who came to Louisville to work on daily papers. There is an infernal custom in that town for city editors to send new members of their staff on early morning assignments, a terror often to the reporters as well as to the distinguished citizens awakened. But there was an exception in the case of General Castleman, who greeted the newspaper man as courteously when awakened from sound slumber at 2 a. m. as when seen in his office later in the day. If it were a cold or rainy night the General would not proceed with the interview until he had mixed the reporter a drink from his sideboard and had given him a cigar. There are dozens of men in this country who have partaken of the General's hospitality when the rest of the city was sleeping, and as long as they live they will treasure the memory. Men of the type of General Castleman, once common in the South, have gradually passed away. And now he is gone.

* * *

Western Bascome, for sixty-five years an insurance man, and said to be the father of schedule rating, attended the annual meeting of the National Board of Fire Underwriters last week. He has written his reminiscences, which will be published after his death.

* * *

Ugo E. Guerinni has been appointed agency supervisor of the Delaware Underwriters. He is a graduate of an Italian University, and has been a local agent in Florida and a special agent in the South.

* * *

F. W. P. Rutter, general manager of the London & Lancashire, has handed over his beautiful home at Thurstaston, England, to the military authorities as an Orthopedic Hospital for officers. Of London & Lancashire representatives, 807 have joined the colors, eighty-two of whom have given up their lives in the fight for liberty of oppressed peoples.

* * *

John William Clegg, the new president of the Philadelphia Association of Life Underwriters, began with the Penn Mutual Life as an office boy and has been with that Company 24 years. E. L. Tucker, of the Connecticut Mutual, is secretary of the association.

* * *

J. A. Birmingham, of the Mutual Life of Canada and member of executive staff of the Vancouver Life Underwriters' Association, has taken up temporarily war camp work at the large American encampment at San Diego, California, in the interests of the Saint Andrew's Brotherhood.



AETNA RED CROSS MARCHERS

Several thousand life insurance women marched in various parts of the country during the recent Red Cross parades. The picture in this column shows Aetna Life employes passing the Aetna Life Building in Hartford. In New York City one of the features of the parade was 500 nurses from the Metropolitan Life.

* * *

Frederick C. Buswell, vice-president of the Home Insurance Company, who was elected president of the National Board of Fire Underwriters last week, has the wholehearted respect of the fire insurance men of America, who time after time have honored him in committee and association work. With the passing years he has continued to grow until he is regarded as one of the really great figures in the underwriting world. One of Mr. Buswell's associates in committee work, asked by The Eastern Underwriter for an estimate of the new National Board president, said: "The big impression I get from him is that of tremendous force and mental agility. He is the fastest thinking man I ever have met, and what's more he generally thinks right. Moreover, he grasps a situation as it affects the business as a whole. From every angle he is unselfish." Another associate of Mr. Buswell said that he is a mighty patient man in condoning a mistake, recognizing that to err is human, but not expecting the same mistake to be made the second time under similar circumstances.

Probably Mr. Buswell's best work has been in connection with the National Board's committee on laws. He is practically the father of this committee. There his good judgment has been of untold value to all companies in the business.

Mr. Buswell is an example of modesty and despite the large affairs which he directs he is always approachable. His door is open, and if you call him up on a legitimate mission no matter how busy, his answer is "Come on."

* * *

John Spencer Thompson, the new editor of the "Transactions" of the Actuarial Society of America, is a graduate of the University of Toronto. He came to the Mutual Life in 1905, where his first work was in a clerical capacity. In 1911 he became assistant actuary. He succeeds William Young, of the New York Life, as editor of the "Transactions." Mr. Young's predecessor was W. M. Strong, of the Mutual Life. Mr. Strong will continue the preparation of the "Legal Notes" section of the "Transactions."

TO MEET JUNE 6-7

The annual meeting of the New York State Association of Local Agents will be held on June 6 and 7 at Syracuse.

TO BE ANNOUNCED MONDAY

A number of important North British & Mercantile promotions will be announced on Monday.

FIRE INSURANCE DEPARTMENT

London & Lancashire's Home Office Figures

TRADING PROFIT OF £381,921

Chairman Compares British Companies' Progress With That of the German Companies

London, May 12.—Since the war began the fire premiums of the London & Lancashire have increased by nearly half a million sterling. The year 1917 was abnormal even for the London & Lancashire Fire—for the loss ratio was only 43.42 per cent. of the premiums, which, during the past half century, is, with one exception, the lowest in the history of the Company. The revenue account shows:

Premiums		£2,113,559
Losses	£917,764	
Expenses	729,874	
		1,647,638
Balance		£465,921
Less provision for unexpired liability		84,000
Trading profit		£381,921

When compared with the average trading profit of £206,000, realized during the ten years 1907-1916, it will be seen that, as stated, 1917 was an unusual year for the Company. Nevertheless, it is just as much a subject for congratulation.

The chairman of the London & Lancashire said at the recent annual meeting: "I think you may feel much legitimate pride in the fact that our insurance business has, of its own initiative and determination, succeeded to an extent which has not been equalled in any other industry. The British insurance companies in almost every branch have, for the last 50 years and more, been true 'gentlemen of fortune,' taking considerable chances and establishing themselves as pioneers in unknown and untried countries, and reaping the consequent fruits of their enterprise. And, although they have been followed in many places by the Germans—who are always good copyists—they have not only held their own, but they have taken care that the Germans should, as a rule, have little more than their leavings. Excluding life, the premium income of the British insurance companies in 1898 was £27,000,000, and in 1913 £51,000,000, whilst for the German companies the premium income in 1898 was £16,000,000, and in 1912 £33,000,000, so that our increase in the 15 years was, roughly, £24,000,000, against the Germans' £17,000,000. Further, the British companies' business was very largely confined to direct insurances, more than one-third of the Germans' insurance business was of a re-insurance character, that is to say, dependent upon the good graces of other companies, and, moreover, a class of business which has naturally been subject to great disturbance and dislocation through the war."

Term Rule vs. Annual Business

ACTUARIAL VIEW OF PROFITS

R. P. Barbour's Analysis of Whether Term Earns as Much as Annual Business

An analysis of the term rule in fire insurance is made by Robert P. Barbour in an article published in the "Spectator" quinquennial number. The point covered by the article is whether the profit on term business equals the profit that would be made on the same business if written annually. Averages are carefully compiled and Mr. Barbour's conclusion is that the term rule to be actuarially correct and to produce the same annual profit on yearly and on term business should be 2.72 times the annual rate for three years and 4.30 times the annual rate for five years.

The concluding paragraph of the article follows:

"If the estimates made herein are approximately correct, then, if all business were written for a term under present rules it would result in a marked loss of profit; therefore, the conclusion naturally follows that any extension of the term rule to classes written on an annual basis is equivalent to a reduction of rate."

GERMAN-AMERICAN, OF D. C.

Bill In Congress Which Will Permit It To Change Its Name To a Better One

The German-American, of Washington, D. C., wants to change its name. There is no law in the District of Columbia, which permits this; so a measure has been introduced in Congress, which will probably pass. It is said that the Company will be known as the American Insurance Company of the District of Columbia.

SILVA GOES TO FRENKEL & CO.

Louis V. Silva, who has been associated with the New York brokerage department of Starkweather & Shepley for a long period of years, has been made secretary of Frenkel & Co., succeeding the late William Schiele.

THE AUTOMOBILE INSURANCE COMPANY

OF HARTFORD, CONN.

MORGAN G. BULKELEY, President

CASH CAPITAL

$2,000,000.00

ASSETS

$7,266,538.81

LIABILITIES, EXCEPT CAPITAL

$3,086,345.45

SURPLUS TO POLICYHOLDERS

$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with

ÆTNA LIFE INSURANCE CO.

ÆTNA CASUALTY & SURETY CO.

THE

WILLIAM H. KENZEL CO.

FIRE INSURANCE AGENT

Representing at 79-83 William St., New York

FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn

LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NIAGARA

Fire Insurance Company

ESTABLISHED 1850

123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

Lloyd's Recognizes New York Practices

BROKER MUST NAME ASSURED

Should Notify Agents of Desire to Insure Particular Sum Arrived At

C. F. Burden, of Caldwell & Co., freight forwarders, of New York, has been advised by Lloyd's, London, as follows:

"Notice is hereby given that on and after June 1 no insurance on cargo will be accepted without identification in the slip (by initial or otherwise) of the actual assured. In the case of cancellation, closing after loss, or of 'short' closing, brokers may be required to produce for the inspection of underwriters the instructions from the actual assured in virtue of which the insurance is opened.

"Brokers are urgently recommended to draw their clients' attention to the absolute necessity in their own interest of obtaining the agreement of underwriters to the basis upon which they desire to value their goods at the time that insurance upon them is effected.

"In the absence of an agreed valuation or basis of valuation all insurances upon cargo placed on or after June 1 are and will be treated as effected as on bare invoice cost and charges as defined by the marine insurance act of 1906:

" 'In insurance on goods or merchandise, the insurable value is the prime cost of the property insured, plus the expense of and incidental to shipping and the charges of insurance upon the whole' and no addition thereto of any kind will be allowed in case of loss."

Interpretation of Circular

From the broker's standpoint this circular means that in all cases he must give the name of the assured. In other words, it would appear that London underwriters are taking into account the revelations, by the recent marine insurance investigation in New York.

It would also appear that brokers doing business with London must advise their agents that they desire to insure a particular sum arrived at as to invoice cost, freight and other charges, insurance premium included, plus whatever amount they agree to designate, as otherwise it would appear that the shipper would be in a position whereby his insurance effected in this market would be of less value in the London market under this agreement.

CHAS. EBERT MAKES CHANGE

Charles Ebert, formerly for a number of years with Hamlin & Co., is now with Jos. D. Bookstaver.

Canadians Drop Mapmaker Goad

(Continued from page 1)

merous word signs and other symbols original with his system, but which have to be learned by all new map clerks.

Goad Comes

When Goad saw that he was going to lose out in Canada he made several trips to the Dominion and put up the stiffest sort of a fight. The new arrangement with him followed, and he retired as gracefully as possible under the circumstances. The Sanborn Map Company, hearing of the Canadian map crisis, sent their Mr. White, of San Francisco, to British Columbia, but he was unable to swing the Sanborn maps for the Dominion.

BURDEN & CO. OPEN OFFICES

C. F. Burden, President, Was For Eight Years With Lloyd's—Came Here in 1912

C. F. Burden & Co., is the title of a new marine brokerage firm which has opened offices at 17 State Street, New York. It will make a specialty of the business of large forwarding concerns, with which business the organizers are closely familiar by long experience.

C. F. Burden is president and treasurer of the new company. He is leaving today, Friday, his connection with Caldwell & Co., 50 Broad Street, a large forwarding house, to take up his new duties.

George M. Dickerson of Dickerson & Gaskell, freight brokers, of 17 State Street, is vice-president, and Miss A. C. Moore is secretary. The Dickerson & Gaskell firm is a prominent factor in the forwarding business. The capital stock of the brokerage company is $50,000, shares $100 each.

C. F. Burden, still a young man, spent almost eight years with Lloyd's in London, and went to the Standard Marine of Liverpool, at its New York branch, in 1912, as assistant to the underwriter. He left there in 1916, to engage with Caldwell & Co., where he has handled that company's insurance business in New York and foreign markets.

The brokerage company will have representation in London, Paris and Genoa, through first class companies. It will seek to give the same quality of service as is rendered by all first class brokers operating in the New York, foreign and provincial markets.

RUSSELL BLISS MAKES CHANGE

Forms Bliss & Bliss to do General Brokerage Business—Formerly With General Accident

Russell A. Bliss has resigned as manager of the burglary department of J. N. S. Brewster & Co., Inc., to form, with his cousin, who has been a broker for about thirty years, the brokerage firm of Bliss & Bliss. Mr. Bliss was formerly for a long term of years with the General Accident.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

WALTER F.
95 William St. New York
ERRICKSON
AGENT
38-40 Clinton St. Newark, N. J.

WILLIAM C. SCHEIDE & CO., Inc.
HARTFORD, CONN.
Re-Insurance in All Branches

National Liberty
INSURANCE COMPANY OF AMERICA
NEW YORK
Incorporated Under the Laws of the State of New York in 1859
Statement, January 1, 1918
Cash Capital $1,000,000.00
Assets 8,209,763.64
Liabilities 5,223,031.71
Net Surplus 1,986,731.93
Surplus for Policy Holders 2,986,731.93
HEAD OFFICE
62 WILLIAM STREET, NEW YORK

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Facts About The Preferred Risk Fire

TO DO RE-INSURANCE ONLY

Fire Insurance Experience of Officers—Company Has Headquarters in Kansas City

The Eastern Underwriter asked Isaac W. Jones, secretary of The Preferred Risk Fire Insurance Company, of Kansas City, which is entering the East, for some facts about the company. His reply follows:

"We began selling stock for The Preferred Risk Fire Company in June, 1917. The authorized capital of the Company for the first issue of stock was for $200,000 and $200,000 surplus. We soon disposed of the first authorization, and a second authorization for an increase of $200,000 to the capital stock was granted us, and at this time we have practically $350,000 capital stock paid in and $350,000 surplus paid in. We hope to have our entire authorization of $400,000 capital stock fully paid in the near future. The entire amount of subscriptions for this stock has come from Kansas, our home State.

Clyde W. Miller, President

"We hope to make of this Company a strictly re-insurance company proposition. We have fifteen members of the board of directors, which is made up of bankers, business men, and farmers. The president of the Company, Clyde W. Miller, is a man forty-three years of age, a graduate of the University of Kansas and of the University of Kansas Law School. The greater part of his time is taken up in the management of a large ranch in Lyon County, Kansas, in which he is heavily interested. He finds time, however, to give attention to his part of the work in connection with this Company. Mr. Miller at one time was vice-president and manager of the Osage Fire Insurance Company of Topeka, Kansas, which eventually re-insured in the National Fire of Hartford.

"Our vice-president Will J. Miller, is thirty-three years of age, a graduate of the University of Kansas, and has had considerable experience in insurance business, having for a number of years been associated with the Kansas Rating Bureau at Topeka, Kansas.

"The writer has spent the greater part of his life in the insurance business, having been in the local insurance business for a number of years, was field man and adjuster for the Osage Fire Insurance Company, and then with the National Fire Insurance Company of Hartford.

Licensed in Kansas in November

"We have practically closed one or two re-insurance contracts which we believe will give us all of the business which our surplus can absorb. We were licensed by the Insurance Department of Kansas, November 1st, 1917."

CENTRAL FIRE OFFICE APPOINTMENT

The Central Fire Office, 80 Maiden Lane, has been appointed agent in the Metropolitan District for the Equitable Underwriters, effective June 1. William J. Reynolds, formerly secretary of Newman & McBain, is now vice-president of the Central Fire Office.

WERNER WITH NEWMAN & McBAIN

Charles Werner, who has been with the Northern, of London, for several years, resigned last week and has been made underwriter for Newman & McBain, succeeding William Reynolds, who is now with the Central Fire Office.

WILL CHANGE ITS NAME

The Allemannia, of Pittsburgh, is to change its name.

Southern Managers Visit New York

ATTEND A TORNADO MEETING

Henry E. Rees, of Aetna, Again Heads Tornado Insurance Association—Its Only President

Just before the meeting of the Southern Tornado Insurance Association last week the half dozen Southern managers in town who had stopped over to attend the National Board meeting, after the annual meeting of the Southeastern Underwriters' Association in Atlantic City, didn't know whether Henry E. Rees, of the Aetna, would again take the presidency of the tornado association or not, in view of the fact that he had just been elected head of the Southeastern Underwriters' Association. He has been elected president of the tornado association ever since it was organized a dozen years ago, but he consented to take the helm again. W. L. Dennis, of the Home, was again elected secretary. J. E. Lopez, of the Continental, is vice-president.

All Co-operating Companies Become Full Members

The year 1917 was a good one in the Southern tornado business, although some years have been pretty bad.

One of the interesting things about the meeting of last week was the announcement that the co-operating list of fire companies has been entirely eliminated, each company on that list having come in as a full, contributing member, the total membership of the association now being fifty-seven. Business was largely of a routine nature, but some slight changes in clauses were made.

Lines in tornado insurance have been growing in size. Recently, a $500,000 line at Port Arthur, Tex., was offered and generally turned down, as only a few of the companies are writing the coast business.

Among the Southern managers who attended the meeting were S. Y. Tupper, Milton Dargan, W. R. Prescott, W. E. Chapin, Ulric Atkinson and E. G. Seibels.

COMPETING WITH INTER-INSURER

Terms on Which Chicago Firm Offered Prize to Broker for Business

A highly original method of meeting automobile insurance competition of inter-insurance exchanges is that employed by Smith-Lawson-Coambs Co. They offered $100 to the first broker in Chicago who secured a bona fide application for a Georgia Casualty policy containing the following endorsement signed by the assured and approved by the Insurance Department of Illinois. The endorsement follows in full:

It is hereby agreed and understood that upon the expiration of this policy the company will return to the assured an amount estimated at twenty-five per cent. of the premium paid for this policy, if at that time the profits of the company justify it, and in consideration therefor the assured agrees as follows:

(1) The Company shall retain 25% of all moneys received on account of this policy and in the event of cancellation shall return to the assured the unspent portion of the remainder.

(2) The assured agrees that in the event that 75% of the total premiums received by the Company are not adequate to pay the losses under this and all other policies issued by said Company, said assured will pay to the Company on demand such additional sums as may be necessary to defray such excess losses, provided no single assessment shall exceed the original premium paid for this policy. (All such payments subject to condition 1).

(3) The assured expressly assumes liability for such portion of the total liabilities of the Company as this premium bears to the total premiums in force at time of loss.

(4) The assured agrees that in the event of a final judgment against the Company on account of any claim arising out of policies issued by this Company, said judgment will absolutely fix assured's liability in the premises the same as if said assured had been the sole defendant in said suit or proceeding.

(5) The assured hereby gives the Company power to act for him in any matter relating to this policy in the same manner and to the same extent as assured could do for himself.

(6) The assured hereby waives all rights and privileges which he may have under the insurance laws and regulations of the State in which this policy is written and further exempts the Company from complying with any and all regulation by the State and relieves them of the obligation to maintain the usual legal reserves.

SELL AYERS AGENCY

The local agency of John B. and Theodore Ayers, Morristown, N. J., has been sold to Eugene V. Welsh.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

S. C. BISHOP CO.

Represented at 95 William Street, N. Y. C., Room 1001

AGENTS FOR NEW JERSEY

208 Broad Street, Elizabeth, N. J.

Phone, 447 John — 588 Elizabeth

COLONIAL INSURANCE AGENCY

14 MAIDEN LANE Phone John 1210 NEW YORK CITY

AUTOMOBILE AND ALL FIRE AND CASUALTY LINES

"SECOND TO NONE IN SERVICE"

THE PHŒNIX INSURANCE CO.,

OF HARTFORD, CONN.

JANUARY 1st, 1918

CASH CAPITAL - - - - $3,000,000.00

ASSETS

Cash on Hand and in Bank	$1,548,836 49
Cash in hands of Agents and in course of transmission	1,728,604 88
Stocks and Bonds	13,661,557 66
Real Estate	636,544 12
Loans on Real Estate	111,000 00
Collateral Loans	200,000 00
Accumulated Interest and Rents and other Claims	114,184 11
Re-insurance due on Paid Losses	40,122 83
TOTAL CASH ASSETS	$18,040,850 09

LIABILITIES

Cash Capital	$3,000,000 00
Reserve for Outstanding Losses	887,759 52
Reserve for Re-Insurance	6,782,134 08
Reserve for Contingencies and all other Liabilities	511,915 70
NET SURPLUS	6,859,040 79
	$18,040,850 09

Surplus to Policy-Holders, $9,859,040.79

Total Losses Paid since Organization of Company

$87,681,979.76

EDWARD MILLIGAN, President

GEO. M. LOVEJOY, Vice-President — JOHN B. KNOX, Secretary

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AGENTS EVERYWHERE

"STRONG AS THE STRONGEST"

The Northern Assurance Co.

(LTD., OF LONDON)

Organized 1836
Entered United States 1876

Losses Paid - - - $105,000,000
Losses Paid in U. S. - $38,000,000

Eastern and Southern Departments

55 JOHN STREET
NEW YORK CITY

47 Parent Companies In New Map Ass'n

RE-ELECT WRAY PRESIDENT

Morrison Surveys Making Much Progress—Maps Being Issued of Important Cities

The first meeting of the Underwriters' Map Association was held at the Hotel Astor a few days ago. There were present forty-two representatives of the leading fire insurance companies.

In his address, President A. H. Wray drew attention to the work of the association during its first year and the desirability of the companies maintaining their own mapping and surveying bureau. Substantial progress had been made and the association is rapidly issuing maps of important cities and is becoming of great value to its subscribers.

Mr. Wray described the Canadian situation, a story about which is printed elsewhere.

The number of subscribers is now forty-seven, to which membership he was confident that additional important companies would shortly be secured.

Survey of Augusta, Ga.

The most recent survey which will shortly be placed in the hands of subscribers is Augusta, Ga., the center of many large manufacturing interests. Mr. Wray said that no criticism of the Sanborn Map Company was contemplated. "It is a commercial enterprise," he said, "and as such it is entirely correct for them to make a profit; but fire insurance companies, with very large interests and continually increasing expenses, should take this important matter of making maps into their own hands and run it for their own benefit and not that of a privately-owned corporation."

General Manager Morrison made a full and complete report of the operation of the association. His report showed that the membership at present consisted of forty-seven parent companies, among whom are many of the largest doing business in the United States.

Re-elect Old Officers

A general discussion of the work of the association took place in which joined representatives of non-members who showed great interest in the association's work. "The improvement in the service of the Sanborn Map Company, since the advent of the Underwriters' Map Association, was pointed out, and the sentiment expressed was that that Improvement alone was all the argument needed for the hearty support of the association," said one of the managers who attended the meeting.

The present officials are: A. H. Wray, president; Frank Lock, vice-president; Charles J. Holman, secretary and treasurer; Henry A. Morrison, general manager; F. C. Buswell, John O. Platt, John Marshall, Jr., and E. J. Sloan, who were unanimously re-elected.

HOME F. & M. HERE

The Home Fire & Marine Insurance Company of California has been admitted to do business in this State by Superintendent of Insurance Phillips. Willard S. Brown & Co. are Metropolitan managers.

Still in Doubt About R. R. Insurance

SUBJECT NOW IN CONFERENCE

Underwriters Do Not Know Yet Whether Government Will Be a Self-Insurer

A great deal of misinformation is being printed in various papers about the Government's attitude towards railroad insurance.

The truth is that it has not been definitely decided whether the Treasury Department will assume this risk or whether it will insure it. In fact, the subject is still under negotiation.

Mr. McAdoo has canceled some lines and naturally there is the keenest interest in what the future will bring forth.

The R. R. Insurance Experts

If the Government decides to assume the risk a large number of railroad insurance experts will have to be placed elsewhere. Some companies have railroad departments; many brokers have special railroad departments with a large staff of inspectors, etc.

STATUS OF INSURANCE CLERKS

Great Anxiety in Company Offices as to Attitude of Government to Employees

Since the announcement in the daily papers this week that all young men not engaged in necessary labor would be forced to enter some form of war work or fight, there has been great anxiety among company employees as to the status of the insurance clerk in the draft age under this ruling. The Eastern Underwriter consulted the offices of Martin Conboy, head of the New York District Draft Board, who was formerly a prominent insurance lawyer, and asked his opinion on this point. His office said that no official ruling had been made as yet and that each case would be handled specifically by the local board with jurisdiction. The opinion prevails in authoritative circles, however, that the Federal ruling applies only to such positions s requires no technical or special knowledge.

ADJUST 10,500 LOSSES

The Walter H. Cobban Company of Pittsburgh, has adjusted 10,500 losses in the last eight years.

The Buffalo "Times" printed a quarter of a column complimentary story about the Harry P. Brainard office a few days ago.

WESTERN ASSURANCE CO.
OF TORONTO, CANADA

Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918

Assets	$4,194,579.34
Surplus in United States	1,667,691.69
Total Losses Paid in United States from 1874 to 1917, inclusive	43,294,154.63

W. B. MEIKLE, President

THE YORKSHIRE INSURANCE CO., LTD., OF YORK, ENGLAND
Established 1824
FIRE, LIGHTNING, SPRINKLER LEAKAGE, AUTOMOBILE, WAR AND EXPLOSION INSURANCE
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FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager
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What is Worth Owning is Worth Insuring

And in these days of War with all its possibilities for loss, property is more worth owning than ever. War prices make repairs and replacements more costly in case of fire.

Adequate Insurance is a necessity today.

American companies are second to none in strength, management, service and reliability. The

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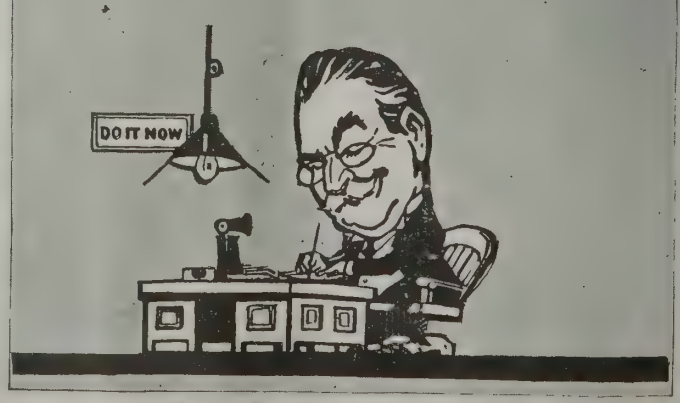
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NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.

SECURITY—STABILITY—SERVICE AND FACILITIES MAKE THE NATIONAL UNION A GOOD COMPANY TO REPRESENT BY EVERY TEST THAT COUNTS. TO PROPERLY EXPERIENCED AND QUALIFIED AGENTS NATIONAL UNION SERVICE WILL SPEAK FOR ITSELF WHENEVER YOU CHOOSE TO MAKE THE TEST.



Varied Views On Changing District

PLAN IMPRACTICAL SAY SOME

Some of the Companies Which Own Their Buildings—Long Island Once Considered

The proposed plan to re-locate the metropolitan insurance district uptown, as outlined in The Eastern Underwriter last Friday, has been the subject of keen discussion in company and agency offices this week.

The large company real estate holdings in the present section are viewed as the principal reason why the plan is not feasible. The companies now owning buildings include the Continental, Home, Great American, Liverpool & London & Globe, Royal, Globe Indemnity, National Liberty, Hanover, Caledonian, London & Lancashire, City of New York, North River, Hartford Fire, American Merchant Marine, Vulcan, Commercial Casualty, Maryland and Travelers, with a large number of companies financially interested in such buildings as 111, 135 and 123 William Street, in which the New York Fire Insurance Exchange recently renewed its lease for another year.

Several large agencies also own their buildings, which includes J. G. Hilliard, E. E. Clapp & Co., Chubb & Son, W. L. Perrin & Son, while practically all large agency and brokerage houses are tied up in their present locations with long term leases.

A large fire insurance company two years ago conceived the idea of locating its head office at Long Island City, retaining only an underwriting office on William Street. The company sounded sentiments quite generally and even went so far, it is said, as to get an option on space in Long Island City. As a result of its inquiries the company concluded that the money saved would be more than over-balanced by the additional expenses attached to re-location and the sacrifice entailed in the disposal of its present property.

This company still sees an advantage in removing to less cramped quarters, however, and it was one of the prime movers in the present instance.

The consensus of opinion seems to be that it is as impossible to move the insurance district uptown, as was proposed by the Trinity Corporation, as it would be to move the financial district, and that insurance and finance are so closely identified that it would be impossible to separate them.

In opposition to the moving of the entire district uptown, the suggestion is advanced that the logical thing for those companies needing additional space to do is to erect buildings close to the boundaries of the present district. Plenty of land is said to be available along William and Nassau streets and lower Maiden Lane which can be secured at a reasonable figure. This land at present is improved only by small, obsolete buildings.

The marine business also has been for many years located immediately below Wall Street and recently some of the marine companies have purchased additional property in this vicinity, notably the American Merchant Marine, which bought the old Delmonico Building and renamed it Merchant Marine House. This building is now entirely tenanted by insurance interests, several of which were formerly located between John and Wall streets.

BATAVIA AGENCIES MERGE

Frank A. Lown & Co. and Sherwin & Sherwin Become Lown-Sherwin Co.

Announcement is made today of the consolidation of the insurance agencies of Frank A. Lown & Co. and Sherwin & Sherwin. Mr. Lown has acquired the interest of the other stockholders in his company and Sidney A. Sherwin has purchased the Sherwin business from his father's estate. The two have formed a partnership under the name of the Lown-Sherwin Company.

There will be twenty-nine fire insurance companies, four casualty companies and two life companies represented in the new agency. In volume of business it will be the largest agency in the county. Mr. Lown and Mr. Sherwin state that their purpose in combining their businesses is to reduce to a minimum the waste of competitive solicitation of business and to enable them to render greater service to the insured.

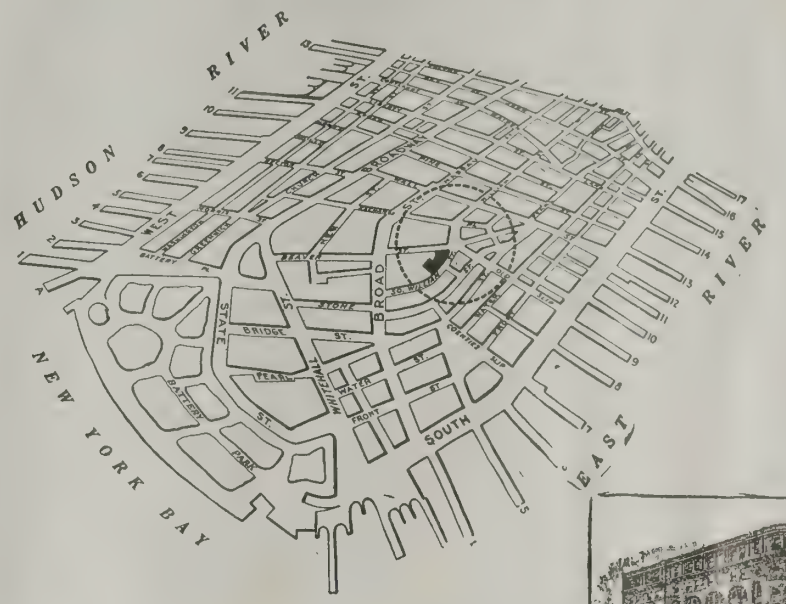
The Sherwin agency was established under the firm name of Tarbox, Stewart and Sherwin, in 1867. Mr. Stewart and Mr. Tarbox subsequently retired from the business, which for 25 years previous to his death in December, was conducted by the late Sidney A. Sherwin. The Lown agency was established in 1870. For a great many years it was conducted by John C. Holmes. In addition to Mr. Lown and Mr. Holmes others who have been associated with it are Eugene Wakeman, Homer Bostwick, M. O. Dennis, Delos L. Dodgson, C. W. Van Valkenburgh, M. L. Dennis, N. K. Cone, Guy E. Lown and Marshal C. Rumsey.

BEGAN AS AN OFFICE BOY

Ernest B. Fletcher, of John C. Paige & Co., Boston, who died last week, began with that company as an office boy.

Ogden & Fay, have been appointed agents of the Tokio M. & F. for the metropolitan district. J. Lehrenkrauss & Sons have been appointed in Brooklyn.

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





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Scottish Union & National Insurance Company
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THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.

MARINE DEPARTMENT

Heavy Losses In Marine Business Still Continue

Since our last report there seems to be no material decrease in the losses. The American steamer "A. A. Raven" reported sunk by submarine is probably valued at about $1,000,000 and insured with the Government Fund.

The steamer "Florence H," which was reported destroyed either through marine or war perils, was probably in the Government employ exclusively and will be taken care of in one of the Government Funds. She was ex. the steamer "Soukahras" built on the Great Lakes.

Steamer "Lakemoor," probably one of the newer American built vessels on which no report has been published in recent records; undoubtedly was in Government service and will not affect Marine Underwriters' accounts.

Steamer "Bintang," Dutch, was reported on fire on March 4th, on Sourabaya. This vessel was destined for San Francisco and carried a very valuable East Indian cargo which is reported badly damaged by fire and water and will probably make a serious loss for cargo underwriters.

British steamer "Orissa," New York to European port, which was reported torpedoed about April 28th, undoubtedly carried a very valuable cargo which will fall heavily on New York War Risk Underwriters.

Steamer "St. Paul" was sunk at her dock April 25th, New York City, was valued at £160,000 and will prove a very expensive salvage operation for hull underwriters, as salvage operations on this vessel will be very expensive on account of the position she took when sunk.

Steamer "Scotia," Jacksonville to Atlantic United States port, which was abandoned at sea, picked up and towed in, will undoubtedly be a constructive total loss. The hull of this risk was placed entirely in the New York market and valued at about $50,000.

Steamer "Vindal" which went ashore on the Jersey Coast and was afterwards floated, had a very valuable cargo for a vessel of this type. Cargo was valued in the neighborhood of $1,000,000 about 12,000 bags of her cargo of coffee were jettisoned and thrown overboard, valued at about $250,000. The hull was valued at about $250,000, and taking into consideration the salvage operation expenses and general average contribution, the underwriters on this vessel will probably be called upon to pay a fifty per cent. loss. On account of the inability of the wreckers to obtain lighters to salve this cargo it was necessary to jettison the same in order to save the vessel. This shows the importance to underwriters of having lighters available for wrecking operations because if it is necessary to jettison cargo in order to save the vessel, general average contributions will be materially increased in the near future and will rework against cargo and hull underwriters alike.

Steamer "Anglia" from Brazil to New York, went ashore on the Long Island Coast about the same time that the "Vindal" went ashore and on account of the scarcity of lighters it was also necessary to jettison quite a number of bags of coffee in order to save the vessel.

"Fjell," New York to Haiti, sunk off the coast of Virginia in collision with the steamer "Livingstonia," had a valuable cargo of general merchandise valued at about $500,000.

Bark "Koko Head" from Cape Town for Manila, burned at sea. Hull is reported as valued at $200,000, cargo of coal about $50,000. Hull probably insured on the West Coast and cargo in the English market.

British steamer "Louisburg" wrecked in St. Marys Bay, total loss, was owned by the Dominion Coal Company. Hull valued at about $75,000, disbursements about $25,000, insured in the American and English markets.

"Amegisan Maru" from Calcutta to San Francisco was reported on fire off the coast of Formosa, which was extinguished and is since reported arrived at San Francisco, has a valuable cargo of burlaps under which there will be a good sized particular average.

"City of Winchester," British, from an English port to New York, was recently reported torpedoed and returned to an English port to discharge her cargo, undoubtedly will have a large particular average claim on a very valuable cargo of general merchandise for American war risk underwriters.

"Puseyjones No. 1," reported burned at sea, crew picked up by a Greek steamer, had a cargo of sugar valued at $50,000. Hull was valued at $100,000 all insured in the New York market.

"War Chariot" building at Coughlin & Sons' shipyard, at Vancouver, B. C., was badly damaged by fire May 15th. This vessel is valued at $1,250,000 and will fall heavily on builders' risk underwriters, a large amount of which was placed in the New York market.

Steamer "William Rockefeller" built in 1916, gross tonnage 7,157, owned by the Standard Oil Company of New York, reported lost through war perils, will probably fall heavily on the Government War Fund. The vessel is probably valued at not less than $2,500,000 and probably insured for not less than $1,500,000.

The Alaska salmon business seems to have met with serious losses and some serious losses are pending. The ship "Tacoma" with a full cargo of salmon from Alaska to Pacific Coast port is reported sunk by ice. It should have a cargo valued at not less than $500,000 and the value of the hull should be in the neighborhood of about $250,000. This loss will fall heavily on American underwriters doing business through Pacific Coast agencies.

The ship "Star of Chile" is reported caught in an ice pack and leaking.

The ship "Watson" is also in the same predicament as the "Star of Chile."

The ship "Abner Coburn" is reported in an ice flow and leaking badly.

OBSERVER.

BANK AGENCY QUESTION

Pacific Coast agents are deeply interested in the proper solution of the bank agency question, says the American Agency "Bulletin." It will be recalled that the agents made a determined fight against the entrance of the Bank of Italy into the insurance business. This bank has many branches in California, and the fight was finally concentrated at Los Angeles when the branch there took the agency of several companies. Washington and Oregon agents united with the California agents and brokers to compel the lifting of the companies, and succeeded. This opposition furnished one of the best illustrations of what the local agents can do when united.

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MANAGERS MARINE DEPARTMENT
American Insurance Co., of Newark, N. J.
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MORE LECTURES ARRANGED

New York University to Give Specialized Course on Marine Losses and Adjustments

An examination was held in New York, May 24, on the course of marine insurance lectures delivered by William D Winter under the auspices of New York University.

A specialized course in marine insurance has been planned for those who have finished the general course. The scope of these lectures will include marine losses from the point of view of the merchant, ship owner, claims examiner, and the average adjuster. Following a discussion of the general principles underlying all losses and also the principles of subrogation as applied to marine insurance, a detailed study will be made of total losses; general average; particular average; salvage; sue and labor charges; collision claims; protection and indemnity and reinsurance claims. The following is a tentative outline of the subject-matter treated:

1. General introductory lecture, including discussion of doctrine of proximate causes and principle of subrogation.
2. Total and/or constructive total loss of vessel.
3. Total and/or constructive total loss of cargo.
4. Total and/or constructive total loss of freight.
5. Particular average losses on vessel.
6. Particular average losses on cargo.
7. Particular average losses on freight.
8, 9, 10, 11. General average.
12. Towage and salvage.
13. Collision claims.
14. Protection and indemnity claims, including a general discussion of ship owner's liability.

The course of lectures will be given by Hugh A. Mullins, manager average adjusting departments of Parsons & Eggert, and Marsh & McLennan.

In addition to over sixteen years' practical experience in marine insurance, Mr. Mullins was for three years a lecturer to the Liverpool Technical Educational Committee, Liverpool.

NORSKE LLOYD ENTERS MARYLAND

The marine branch of the Norske Lloyd Ins. Co., of Christiania, Norway, was admitted to Maryland on May 14, with R. D. Tweeddale as general agent and attorney for service. Whist & Co., New York, are U. S. managers. Its assets in this country were $1,186,359 on December 31, 1917.

PASSES HOUSE

The measure to provide insurance for vessels of foreign friendly flags, their cargoes and crews, has been passed by the House of Representatives with a minor amendment. This legislation was undertaken at the request of the Treasury Department, which pointed out that the Shipping Board was experiencing trouble in handling the foreign vessels taken over by it because of the lack of adequate insurance facilities.

We beg to announce our appointment as
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of the
AMERICAN EQUITABLE ASSURANCE CO.
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CASH CAPITAL AND SURPLUS $1,000,000
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CASUALTY AND SURETY NEWS

Simple Rules Given For Rating

TWO GROUPS DIVIDE LIABILITY

Inexperienced Agent Given Line on How to Readily Size Up Risks

Insurance agents often hesitate to write liability lines because they fear they have not the necessary experience to approach the subject intelligently. Of course, there is much to learn in the liability field and to become proficient requires experience. As to how rates should be quoted, the subject can be boiled down to quite small terms. An actuary writing on liability insurance treated the rate subject in this way:

"For the sake of convenience in selling and underwriting this kind of insurance the premium bases, used in connection with the policy forms, vary considerably.

"In general, it may be stated that the payroll basis is used in connection with manufacturers' and contractors' policies. That is to say, rates are quoted for each one hundred dollars of payroll as in the case of compensation or employers' liability insurance. As a matter of fact, these forms of coverage are usually written concurrently with compensation or employers' liability policies, and prior to the introduction of compensation, it was frequently the practice, in some instances, to cover the liability to employes and to the public in a single policy. One estimate of payroll by classifications serves the purpose of providing a basis for calculation of the premium for both forms of coverage as each manual classification carries with it a rate for public liability as well as a rate for compensation or employers' liability, as the case may be. The general rule is subject to exceptions, however, in special cases where, for some reason or other, the payroll expenditure does not provide a satisfactory basis for premium computation. Thus, rates are quoted per one hundred square feet of surface for the operation and maintenance of advertising signs, per machine for the operation of automatic, slot or vending machines, and per day in the case of hod hoist installation, operation and removal. It is a universal rule that separate policies must be issued to cover the liability arising out of the maintenance, use and operation of teams or automobiles.

Frontage and Area Used

"The premium basis in the case of the owners', landlords' and tenants' policy is in general the so-called 'area and frontage' basis. That is to say, the rates are based upon each lineal foot of street frontage and each one hundred square feet of area. However, as in the case of manufacturers' and contractors' policies, this general rule is subject to exceptions whenever, for any reason, the area and frontage basis is impracticable. Thus, cemetery companies are written on the frontage basis exclusively. Dance halls and amusement halls of various descriptions, with the exception of theaters, are written on the gross receipt basis; that is, rates are quoted per one hundred dollars of gate or admission receipts. Churches are written at a flat charge per church, which varies with the population of the city in which the church is located. In connection with this form of coverage, it is the universal rule that elevators, if there are any, must be either specially rated

(Continued on page 19)

Temporary Benefits For Disability Vary

EMPLOYEES' ASSOCIATION DATA

Large Number of Organizations Do Not Pay Anything for First Seven Days

Employes' benefit associations are by no means agreed as to when temporary disability benefits should begin. W. L. Chandler, of the Dodge Manufacturing Company, finds that of all associations, 93 per cent. pay temporary disability benefits. Twelve per cent. of these associations begin payments from the date of disability without restriction. Thirty-one per cent. pay from the start for disabilities continuing for periods varying from more than two days to more than two weeks. Ten per cent. pay after a waiting period of from one to six days. Thirty-two per cent. do not pay for the first seven days. Four associations require more than seven days, two of them not paying for the first two weeks. Ten per cent. pay from the start of accident disability, a few specifying that it must be an accident while on duty, and they have periods varying from one to fourteen days before payments begin for sickness.

This question of temporary disability benefits has aroused considerable discussion in connection with workmen's compensation laws. The usual purpose of an association is to help the members when they cannot help themselves. If they can help themselves through disability of short duration, say the first three days, the cost of maintaining the association will be vastly less and dues will be correspondingly lower than when benefits cover the first three days.

Several short periods of disability coming close together might be as unfortunate for the member and the association as one of longer duration and consequently should be covered by a provision whereby the total disability in a fixed period of time is taken into account when computing benefits.

Laws Differ Widely

The law recently enacted by Congress covering compensation for employes of the United States Government in cases of accident and occupational diseases includes a provision for three days' waiting time. This law has the support of the American Association for Labor Legislation and undoubtedly represents the views of foremost sociologists. Similar laws in Switzerland and Germany have three days, while England has one week and our former United States law had 15 days.

One very bad practice is found occasionally: An association may provide that benefits begin, say, after the first three days, unless the disability extends beyond a specified time, say one or two weeks, when payment is then made for the whole time. This is equivalent to saying that if a member who is disabled for a period approximating the specified amount of time will only stay home a few days longer, the association will not only pay benefits for the extra time off, but will give him a bonus consisting of the benefits covered by the waiting time. For example: a waiting time of four days may be cited; a member sick two days gets nothing, but if he will malinger two days he will receive benefits for all four days.

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.

Home Office, United Life Building Concord, New Hampshire

NEW LAW NOT CLEAR

New York Employers of Office Help Puzzled as to Compensation Act

Employers in New York are still at sea as to the meaning of the amendment to the compensation law which adds a new group (No. 45) of employes to be covered by the act. The attorney general's opinion is that the term "workmen or operatives" as used in the amendment, would seem to have a more restricted meaning than that of "employe" and to refer to laborers, mechanics or artisans who do manual labor, and not to clerks or those engaged in professional work, and it is his opinion that the courts will so construe it. The attorney general concludes:

"It is my opinion, therefore, that the term 'workmen or operatives' would not be held to include clerical or professional work, but would be limited to those who do manual labor or were mechanics or artisans. I can only speak in general terms. It would be difficult, if not impossible, to be more specific with reference to the many employments carried on throughout the State."

The State Industrial Commission has taken the opposite view of the situation. What the Commission says will have priority until such time as a test case is brought before the courts. In the meantime, if the attorney general is right, those who employ office help and remain uninsured are taking a chance. If the Commission is right those who have obtained insurance to be on the safe side will have wasted their money.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building PHILADELPHIA

Reduction Feature Back in Plate Glass

WILL SAVE IN PREMIUMS

Companies Will Charge Fixed Additional Premium to Reinstate Policy at Original Amount

The automatic reduction feature has been restored to plate glass insurance policies, effective July 1 on all new business and renewals. This action was taken at the meeting of the Plate Glass Insurance Exchange of New York on Friday. The notice sent to the companies reads as follows:

"All policies and renewals shall be endorsed or contain an amendment in accordance with the following rider and no reinstatement or revival of insurance on replaced lights shall be granted without the payment of additional premium as therein provided.

Endorsement to be Used

"In consideration of the premiums paid for this policy and notwithstanding anything to the contrary contained therein, it is understood and agreed that in event of the replacement of any glass described in the schedule or payment therefor by the company, the insurance hereunder shall cease as respects such lights so replaced or paid for, unless the same shall be specifically covered hereunder by an endorsement, providing for the payment of an additional premium for such glass computed pro rata to the expiration date of the policy, but no charge shall be made where the additional premium amounts to less than fifty cents."

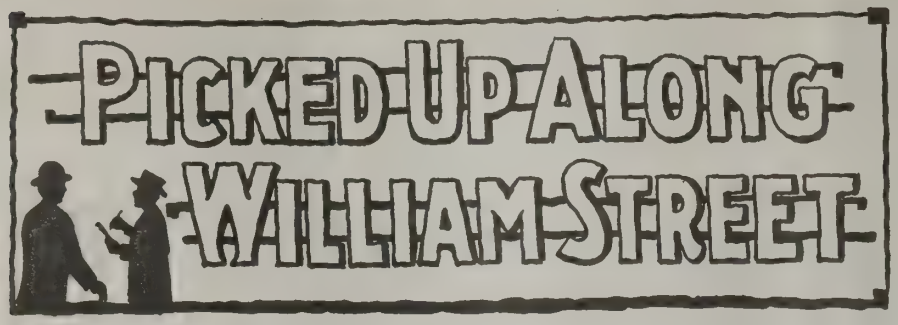
The automatic reduction clause in plate glass policies was gradually taken out by the individual companies a number of years ago as a competitive measure and several plate glass underwriters are of the opinion that its reinstatement now as provided for by the Exchange ruling will cost the companies more than they will secure therefrom in additional premiums.

WANTS STILL HIGHER RATES

One plate glass writing company which has kept all its 1918 business separate and knows just what the loss ratio on it is, finds that at present rates it is bound to lose money. Still higher rates, they say, are the only solution.

SHOULD ASSIST BUREAUS

Companies which are paying for their membership in bureaus lose much by not supplying the bureaus promptly with the necessary statistics to enable those bodies to render the best service possible. Coding experience is expensive, to be sure, but not nearly so expensive as not to know the real conditions obtaining in the underwriting department.



Bureau Man in Army

Frederick S. Knight, assistant to Secretary R. L. Jones of the Workmen's Compensation Publicity Bureau, has joined the colors. He hopes to be placed in the heavy artillery. He has been in the National Guard. His loss will be keenly felt in the Bureau as he had been there for five years.

* * *

Most Legislatures Have Quit

Massachusetts and Louisiana are the only States whose legislatures are still in session. Important compensation law amendments are likely in Louisiana, which would materially improve the law and would meet with the approval of broad minded casualty men. In Massachusetts also there are important matters affecting compensation. The Georgia legislature meets in June, but there appears to be little interest in compensation there.

* * *

Form a Mutual Truck Owners' Insurance Company and Lose Money

A motor truck owners' association a while ago enthusiastically originated a scheme to save each other a lot of money by forming an insurance company. A real insurance man suggested to the secretary that he have his members compile tables showing how much they had paid out to insurance companies and how much the insurance companies had paid to them in return. The result was astonishing.

These truck owners had received a little less than three times as much as they had paid out.

With these statistics and other figures showing what the stock automobile insurance companies had made last year, the truck owners' association decided that they would be getting a better return on their money and would have more left in the end if they put their capital into their legitimate business and let the insurance companies continue to lose money on truck insurance.

The Eastern Underwriter is indebted for this interesting little story to "Protection," published by the Travelers Insurance Company.

* * *

Sound Views on Credit

Arthur W. Burke, of Boston, has written a letter to the Aetna Life, of which he is general agent, which reflects the views of many men in the business. In part he says:

"For many years, in this section of the country, the granting of credit in connection with insurance premiums, was considered a competitive element of the business. Managers and general agents believed that in order to retain a desirable line of business, or secure an agency with a large volume of preferred business, credit must be allowed to practically any extent to suit the wishes of the agent or policyholder, or the business would be lost to some other office.

"The result of such condition was that credit was often given far beyond that which the needs of the business required, and most agents discovered that it became a disadvantage to them, rather than a benefit.

"Experience has taught us that the matter of credit should not be an element of competition, and we have discovered since we have accomplished a more prompt collection of our premiums, a decided improvement in our business, and a much better feeling between the agent and company.

"The wonderful assistance which has been rendered to us by your good self, has been the principal cause, and has made possible the improved condition at this office.

"There is nothing more gratifying in our business than to look upon a collection list and find it free from delinquent items, and I hope that, with your continued assistance, such a thing as a premium outstanding beyond the time allowed by the company, will, in the near future, become a thing of the past."

* * *

Rates Cutting Important Figure

While according to reports, rates were not discussed at the recent meeting of accident and health men in New York, that subject appears to have an important bearing on the present situation. Some managers hold that what they should have above everything else is a ten per cent. flat increase in rates on both new and old business. They do not share the popular view that this increase cannot be made effective and the business still held. There are other companies, said to be in the minority, who stand out against this but who are anxious to see a standard form agreed upon. In other words some companies are finding their present policy forms more burdensome than the present scale of rates.

* * *

Seeking Uniform Rules

Representatives of the various State rating boards met in the office of the New York Compensation Inspection & Rating Board this week to discuss administrative details of experience rating. An effort will be made to formulate a uniform blank for experience rating and to establish a uniform interpretation of rules.

* * *

No Action on Re-Insurance

The Burglary Re-Insurance Bureau situation remains practically as it was May 7. No committee work has been done and no conferences held.

Cowles Explains New Compensation Form

STATE ENDORSEMENTS FAVORED

Believed Policy Acceptable to Approving Authorities—Now Up to Companies

In explanation of the new workmen's compensation form of the Travelers Insurance Company, which is now under consideration, Walter G. Cowles, vice-president of that company, said to a representative of The Eastern Underwriter:

"The form as at present available, is really a proof, as the matter still stands in type awaiting any suggested corrections. Some corrections have already been made which do not appear in the printed sample copy. These corrections are not material except in the interest of clarity of expression.

"Endorsements, varied in language to meet the requirements of each State, can be attached; in fact, as many endorsements may be attached as there are States to be covered.

"Briefly the story of this form is as follows: Some time ago I was requested by The Associated Companies, of which I am chairman, to prepare a special policy form for use, if possible, in twenty-four compensation States for the writing of business, which we have called 'prohibited risks.' I had been studying and codifying the standard requirements of the various laws for some time, intending to get out a policy for The Travelers which was as nearly universal as I could make it.

Needed Policy at Once

"Recognizing the fact that The Associated Companies needed a form immediately, I used that material in the preparation of that form. The form is now being used I believe in twenty-one States out of twenty-four, formal approvals having been obtained where necessary. As to the three remaining States, the difficulties are not at all serious. It is merely a matter of adjustment of the State endorsement at least in two of the States, and in the third there is involved a fundamental question respecting joint and several underwriting which will require some legislation, and that legislation is now pending.

"Assuming the passage of that legislation, I think it is safe to predict that this form will be acceptable and proper for use in all of these twenty-four States. The form attracted considerable attention, and several departments took quite an interest in it. The suggestion that it be made the basis of a universal standard form did not come from us, but acting upon the suggestion of others I submitted the whole question to some fifty-two insurance carriers of which thirty-three were stock companies and nineteen mutuals.

Prospects for Universal Form

"I had meanwhile a form for the Travelers along the same lines. The question now pending with the companies and the departments is the possible adoption of a universal standard compensation form for all companies in all States. It is an ambitious program. At the suggestion of others we have offered our form as the basis for discussion. It has the precedent of quite wide approval. The Associated Companies' form was approved in some States where standard forms are desired simply because it was a special form for a special line, but in these States there is still a strong desire that there should be a standard form for general lines common to all companies, and if that standard form could be made universal for all States, that is generally regarded as still more desirable. This is the question now pending.

"We are not asking other companies to accept our form, but we are asking all compensation States in which we do business to approve it, and some States prefer to withhold approval until it is determined whether or not an agreed form can be reached. Interstate business under compensation is very extensive. The issuance of one form with the necessary State endorsements would solve a very difficult question. The use of one fundamental form would result in early adjudication of any question which might arise because the same form would be used everywhere, and the same adjudications would apply in one State as well as another so far as adjudication in one State is recognized in another.

"The Travelers Insurance Company is very willing to do everything in its power to assist in the production of a universal standard form. It will be one long step toward harmonizing the varying conditions in the different State laws. It will bring one element of compensation to a uniform basis, and that is an important element too. I am pretty well convinced that the form is acceptable to all approving authorities and, therefore, the answer is up to the companies."

Industrial Boards Meeting

The committee on statistics and compensation cost of the National Association of Industrial Accident Boards & commissions met in Buffalo Monday and Tuesday of this week. E. H. Downey is chairman.

* * *

Rates Again Postponed

Pacific Coast collision rates have been postponed indefinitely beyond July 1, the date of the first postponement, as it is not now known how long it will take to make the investigation of conditions which is now under way.

* * *

Standing Pat on Collision

The Bureau and the Conference companies are both standing pat on the deductible feature in collision policies. An effort is still being made to bring all interests together.

* * *

Maryland Gives $5,000

The Maryland Casualty has given $5,000 to the Red Cross in Baltimore, $50 for each of its employes in the service.

FARRISH'S CHOP HOUSE
Cor. John & William Streets
THE PLACE in the Insurance District to eat lobsters
NOW IN SEASON
Whole cold lobster 65c.
Whole broiled lobster 75c.

BUSINESS=BUILDERS
DEVELOPING
Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE
APPRECIATE THE CO-OPERATION OF THE
Massachusetts Bonding and Insurance Company
BOSTON T. J. FALVEY, President
Paid-In Capital $1,500,000 Write For Territory

The Fidelity and Casualty Company of New York
92 LIBERTY STREET, NEW YORK, N. Y.
Metropolitan Office—92 William St.
ANNUAL STATEMENT DECEMBER 31, 1917

Assets	$15,077,330.62
Liabilities	10,785,343.53
Capital	1,000,000.00
Surplus over all liabilities	3,291,987.09
Losses paid to December 31, 1917	60,740,294.97

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation, Steam Boiler Insurance; Fly-Wheel Insurance.

CASUALTY AND SURETY POINTERS

Amount of Work on Hand

Too much importance cannot be placed on the necessity of watching that contractors do not become too heavily loaded with work. A contractor may be able to complete a certain kind of a contract and make a fair profit at current prices, but if he undertakes too many scattered over a very wide area so that he cannot give each one his personal supervision, it is quite likely that the expense in connection therewith will so increase that his anticipated profits will be wiped out and a loss be the result. When a small contractor takes on too much work he is very apt to get his accounts so badly mixed up that it is almost impossible for him to tell whether he is making a profit or suffering a loss. The amount of work that a contractor can safely carry out depends entirely on his financial resources, and the efficiency of his organization. Large contractors with efficient organizations, who generally sub-let large parts of the work and take corporate surety bonds from their sub-contractors can usually carry out contracts aggregating eight to ten times their net assets. Small contractors, however, who measure up fully to all other requirements, should never carry contracts for more than five times their net available assets.—The "Fieldman."

* * *

Green Pasture Often a Delusion

There is an old saying that "the pasture always looks greenest on the other side of the fence," and we find that many representatives feel that some other territory looks more productive than the one they have. The fact is that it is the agent and not the territory which makes the difference in 99 times out of 100. An amusing incident recently occurred. We had two agents with adjoining territory in a certain State. The new agent was getting fine results and we urged the old agent likewise to "get busy." He replied that his district was dead, but if he could work in the same towns where the new agent was producing business, he too could succeed. That same day the new agent wrote he wished he had such choice territory as the old agent, for he could produce twice as much. We gave each permission to try the territory of the other and the new agent made such a good showing that the old agent insisted upon having his old district back and acknowledged that the fault was with him and not with the district. Business must be solicited; it will not come unsought.—"Federal Record."

* * *

No Place for Kaiserism

The question of amending the constitution so as to allow the legislature to enact laws establishing State insurance will be decided by the voters of California next November. A campaign of education is in progress and it is hoped and expected that the evils of this proposition will be generally recognized, resulting in the overwhelming defeat of the measure.

In a recent number of the "New American Woman," published at Los Angeles, Henry Van Arsdale writes as follows:

"A child of ten knows the misery, suffering and destitution resulting from sickness. It does not require the report of State-paid welfare workers to bring the fact home; but to offer a scheme of German paternalism as the remedy excites astonishment. A democracy must necessarily strive to increase the self-reliance of its people, not to spoon-feed and coddle them. There is no place for Kaiserism or group-exploitation in our American ideals. The growth of the State is best promoted by the growth of the individual and whatever tends to take away initiative and substitute for it the opinion of State-paid experts in this, or the other thing, can only result disastrously.

"Compulsory social or health insurance would divide the people into two classes. Those with small incomes are to be declared by law to be incapable of caring for their own affairs. They are to be compelled to submit to forced contributions, taken from their wages, to a fund which is to be administered for their benefit, when ill, by experts in the employ of the State. These experts will have power to enforce their particular, or peculiar, medical views, order or not order a surgical operation, enter a man's house unbidden and supervise the control of what are the most sacred relations of life, for the measure includes dependents on the wage earner; coercion and compulsion will take the place of voluntary action. The judgment of the individual as to his own needs and the needs of his family, and the best way of meeting them, will be subservient to that of a State commission."—Massachusetts Accident "Bulletin."

* * *

Strong For Country Business

There is no class of workers who more thoroughly appreciate the necessity for health and accident insurance than the people in the farming districts. In the small towns people are well acquainted with each other, and if the agent secures the assistance of some man of prominence, such as justice of the peace, postmaster or assessor, he can easily meet a large number of the residents in a very few days, and establish a nice collection which is quite likely to stick. Of course local collectors should be appointed so that the people can conveniently pay premiums. Some representatives have been very successful in arranging with a garage man in a small town to drive him through the country, introducing him to the various farmers. An allowance for each person insured will bring the garage man good returns and make substantial compensation for the time and effort of the agent. In practically every State the farmer is the most prosperous man to-day. Crops have been good and prices high. Manufacturers of luxuries such as pianos, phonographs, etc., report that farmers are buying very freely. They are even indulging in automobiles to a large extent. This is all conclusive evidence that there is money among the farmers for our class of protection, and that reasonable effort to secure the business will bring very satisfactory results. We urge you to arrange either personally or through sub-agents to insure the farmers in your vicinity.—"Federal Record."

SANDER WITH LONDON GUARANTEE

Harry Sander, for some time in charge of the pay roll audit and collection departments of the New York office of the General Accident, is now with the London Guarantee & Accident in a similar capacity.

AGE LIMIT REDUCED

During the continuance of present industrial conditions occasioned by the war, monthly premium (Department "A") disability policies of the Massachusetts Bonding will be issued to young men who have passed their sixteenth birthday, provided that they are regularly engaged in insurable occupations.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE CHICAGO

F. W. LAWSON General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS Resident Manager 55 JOHN STREET New York

Elmer A. Lord & Co. 145 Milk St., Boston Resident Managers New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

ACCIDENT DECISION GIVEN

When Application is Not Part of Contract Statements are Representations Only

When the application is not made a part of the accident policy contract the statements contained in the application, even though they are designated as warranties, are treated as mere representations made to induce the issuance of a contract of insurance, according to the decision given by the Supreme Court of Arkansas in the case of American Life & Accident vs. Walton.

The insured jumped from a levee to a railroad car, missed his footing and fell, suffering injuries to the abdomen. He was operated on some months later for appendicitis but this did not give him relief and he was operated on again for mobile caecum. The surgeon testified that the mobile caecum was congenital and that the plaintiff did not know of its existence and that its existence might never have been made known but for such an accident as he met with, although its presence made the plaintiff susceptible to an injury from such an accident.

Denial of liability was upon the ground of a breach of warranty in that the statement in his application that he was in sound and healthy condition and that he never had been ruptured was false. The court held that the statement made was merely a representation and not a warranty and the court held that he had not misrepresented his physical condition. He stated that the agent wrote his application for him and that he did not read it although he did sign it. The court held if the agent wrote incorrect answers in the application they were written without knowledge of the applicant and therefore not binding upon him.

Simple Rules Given For Rating

(Continued from page 17)

in accordance with the rules governing elevator coverage or specifically excluded from the policy.

"In the cases of teams, automobile and elevator policies, the premium basis is the individual team, automobile or elevator. Rates are quoted per team, per automobile or per elevator. Here again there are exceptions which are not of great importance; as, for example, the payroll basis or the named chauffeur basis in certain forms of automobile insurance.

"Theater liability policies are issued to owners of theaters and motion picture halls. The premium basis is the seating capacity of the house. The unit is one seat, and rates are quoted per seat per annum.

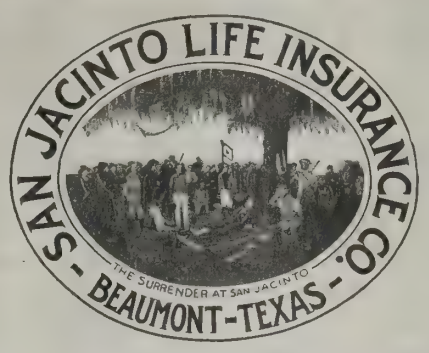
"So much for the policies classified under Group I.

Rating Owners and Contractors

"In the cases of owners' and contractors' protective policies, the premium basis is 'the total cost of all work, let or sublet, including all labor, material and equipment used or delivered for use in the execution of such work, whether furnished by the owner, the contractor or the subcontractor, also all allowances, bonuses or commissions made, paid or due.' Thus the premium for owners' protective insurance, where the owner furnishes no material, tools or equipment, is based upon each one hundred dollars of the total cost of the work, let or sublet.

"Landlords' protective policies correspond to both owners', landlords' and tenants' and elevator policies. The bases for rates are the same as the bases used for these allied forms, the rates being obtained by the use of a percentage differential."

To the Man Who is Willing—and Will



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

National Fire Insurance Company

OF HARTFORD, CONN.

Statement January 1, 1918, to New York Insurance Department

LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer
G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent

SURPLUS TO POLICYHOLDERS.....$5,980,020.79

INCORPORATED 1720

Royal Exchange Assurance

LONDON, ENGLAND

United States Branch
92 William Street, New York

RICHARD D. HARVEY
United States Manager

Authorized Capital $500,000

Detroit National Fire Insurance Co.

DETROIT, MICHIGAN

A Company to be built gradually and along the indicated lines of permanence

AGENCY CONNECTIONS SOLICITED

In addition to the ordinary forms of life insurance

THE EQUITABLE

makes a specialty of the following:

Insurance to protect business firms and corporations, under a corporate form of policy.

Group Insurance, by which employers protect families of employes.

A flexible contract, known as the Convertible Policy, which can be converted by the Insured into an Ordinary Life, Limited Payment Life, or Endowment Policy.

A Bond issued without medical examination giving the investor an income for his declining years.

A new policy is offered under which the insurance is DOUBLED if death results from ACCIDENT. This policy also embodies the following advantages if the person whose life is insured becomes totally and permanently disabled:

1. Thereafter the Equitable will carry the insurance —The Insured will have nothing further to pay.
2. The Equitable will pay the Insured an annual income for life equal to one-tenth of the face of the policy.
3. Upon the death of the Insured the full amount of the insurance will be paid to the Beneficiary (or double the amount if death is due to accident) without deduction on account of the income paid to the Insured while living.

(See the policy for conditions and details.)

For Agency Openings Address

WILLIAM E. TAYLOR,
Superintendent of Agencies

THE EQUITABLE

LIFE ASSURANCE SOCIETY OF THE U. S.

120 BROADWAY, NEW YORK

Marine, Fire and War Risk Re-Insurances

The Firm of

ROBT. R. toe LAER

New York, Amsterdam and Copenhagen

New York Address, P. O. Box 50, Wall St. Station

JONES, LAUNT & BARRETT, Inc., GENERAL AGENTS

JONES LAUNT INCORPORATED BARRETT

Head Offices:

411-13 Walnut Street, PHILADELPHIA, PA.

We can offer to Agents and Brokers special facilities on surplus lines throughout the United States and Canada.

HOME LIFE INSURANCE COMPANY of AMERICA

INCORPORATED 1899

PROTECTION FOR THE ENTIRE FAMILY

This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.
INDUSTRIAL POLICIES are in full immediate benefit from date of issue.
ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State E dorsement.

GOOD CONTRACTS FOR LIVE AGENTS

Executive offices No. 506 Walnut St., Philadelphia, Pa.

BASIL S. WALSH, President JOSEPH L. DURKIN, Secretary JOHN J. GALLAGHER, Treasurer

Agricultural Insurance Company, of Watertown, N. Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 23 | NEW YORK, FRIDAY, JUNE 7, 1918 | $3.00 a Year; 25c. per Copy

OVER 200 BROKERS MAY BE FINED

Automobile Transactions of Commonwealth Casualty Being Investigated By District Attorney

SMITH-CASE CO. ARE AGENTS

Company Not Authorized to Write Any Branch of Business in New York State

The District Attorney of New York County is investigating the automobile insurance transactions of the Commonwealth Casualty of Philadelphia, as they have been handled by the Smith-Case Co., in New York City, and by S. L. O'Brien, as sub-agents of Smith-Case Co., in Brooklyn. It is reported that the District Attorney has the names of more than two hundred brokers who have done business with Smith-Case Co., and the Commonwealth Casualty. The Commonwealth is not admitted in New York State. The point being investigated is whether the insurance law of the State has been violated.

Officers of Company

F. Clark Smith is president of the Smith-Case Co., J. P. Bude is New York City manager; and S. L. O'Brien is Brooklyn agent. The principal office of the Smith-Case Co., is in Newark.

Under Section 1199 of the Penal Law, the operation of an unauthorized company in New York State is punishable by a maximum fine of $500 and imprisonment for one year. Section 50, of the Insurance Act, provides for an additional fine of $500 with still further penalties of $500 for each additional month of operation.

Sections 49 and 50 of the Insurance Act also provide that brokers participating in like operations shall be liable for the same fine.

DOUBTS FURTHER DIVIDENDS

Joseph Froggatt, the insurance accountant, on a recent examination of a fire insurance company, said it is extremely doubtful if any further dividends will be paid to creditors of the American Union Fire.

According to a manufacturer's estimate, industrial accidents in Massachusetts in twelve months cost society $15,000,000.

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,-972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

REPORT OF ENEMY ALIEN COMMITTEE

Frederick L. Allen, Chairman; Other Members, W. C. Diamond, Leroy A. Lincoln, J. H. McIntosh, Jay Ten Eyck

TEXT OF THE REGULATIONS

Life Insurance Committee Acted in Co-operation With Alien Property Custodian

A special committee of life insurance counsel, with Frederick L. Allen as chairman, and William C. Diamond, Leroy A. Lincoln, James H. McIntosh and Jay Ten Eyck as other members, has made its report relative to the application of Section 7 of the "Trading with the Enemy Act" to settlements under life and annuity contracts in which "enemies" or "allies of enemies" are or may be interested. A. Mitchell Palmer, Alien Property Custodian, has approved the report.

Conferred With Custodian

The first meeting of the Committee was held on February 9. The Committee, after carefully considering the questions referred to it, decided to ask for a conference with a representative of the Alien Property Custodian, and on March 29, 1918, on invitation of the Committee, special counsel, Division of Insurance, Alien Property Custodian, attended a meeting of the committee and took part in the discussion. Several meetings of the Committee followed.

Assurances were given to the special counsel that life insurance companies, without exception, in common with all other forms of corporations loyal to the United States and her Allies, were desirous of assisting in every way the prosecution of the war, and, so far as the provisions of the "Trading with the Enemy Act" are applicable to the questions referred to the Committee, the insurance companies would endeavor to co-operate with the Alien Property Custodian in carrying out the provisions of the law and facilitate the Federal control of property of "enemies."

The Regulations

As a result of an understanding arrived at between a committee of counsel representing the life insurance companies and a member of the legal staff of the Alien Property Custodian, the

(Continued on page 9)

THE PILOT POLICY

Four Concentrated Salesmanship Points

TIPS FOR NEW YORK LIFE MEN

Federal Estate Tax, Government Endorsement, Women Prospects and Railroad Workers' Prosperity

Here are four tips given to New York Life agents by L. Seton Lindsay, superintendent of agencies, which are just as good for agents of other companies. Mr. Lindsay calls them "concentration pointers."

Federal Estate Tax

First: The new Federal Estate Tax is worth looking into as a means of opening the door to new prospects. The man who will leave an estate certainly wants to know what his Government tax may amount to. It should be very easy to point out to him the need of life insurance to protect his estate and family from loss on account of the new imposts, Federal and State.

The man who has nothing to leave is desperately in need of life insurance. Either way the little card gives an excellent new avenue of approach.

To both classes of people, those who haven't estates and those who have, hammer home the thought that life insurance is the only way of leaving to a named beneficiary, like a wife or child, a certain and specified amount from which nothing can be deducted and which is paid direct to the beneficiary in cash the moment satisfactory proofs of death are furnished. What other investment is like it? None.

Fathers and Older Brothers of Men in the Service

Second: The Government has endorsed life insurance by offering a means through which the Army and Navy can insure at a very moderate cost for the benefit of their dependent ones. This gives you a splendid opportunity to approach the fathers and older brothers of those in the service. For instance, you can say to a father who is protected by the war insurance his boy is carrying—"Oughtn't you to be as generous to the boy as he is to you? Oughtn't you to carry at least as much as he, to enable him to get started in life should he come back, not in the best of health perhaps, and find you gone, and be in sore need of the help that money alone can give him?"

Many fathers will be glad to carry a little additional insurance in favor of the boy who has gone to the front. Amplify the thought.

Women As Prospects

Third: Have you realized the tremendous strides that women have made in all vocations since this war started? Many cashiers and bonded clerks in this Company have been replaced by women. They are making good, as women are in other lines—simply instances of what is taking place in all directions. Women are stepping into men's shoes and at men's pay. They should insure. Look around in your community. You will find that many women are having to earn their living who never worked before. Formerly women went into business to tide over the interval between school and marriage. Now they are going into business with the prospect of remaining. They are earning good pay and are insurable. And many, even when they marry, continue to work and earn good salaries and should be persuaded to put money aside for a rainy day. A rainy day means much more to a woman than it does to a man.

Railroad Men

Fourth: Director-General McAdoo has just increased the pay of nearly two million railroad employees to the tune of $300,000,000, and women are to receive the same wages as men. "Half of the $300,000,000 is to be distributed," according to the press, "within two weeks as back pay in lump sums ranging from about $100 to nearly $200 each." Some of this should be put into insurance while they have the money. Think too of the mechanics and artisans, carpenters, bricklayers, plumbers, grass cutters and furnace men, who never received so much pay in their lives as now. Why, a manufacturing jeweler told the writer the other day as the experience of his firm that "the farmers have so much money they won't look at a diamond to-day that costs less than a thousand dollars!"

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

$1 FOR EVERY $100 IN FORCE

The Mutual Benefit's total insurance in force (eliminating Five Year Term) is now a little over $900,000,000. The Company's subscriptions to the Third Liberty Loan amount to almost one dollar for every one hundred dollars of insurance in force.

HUGGINS MADE STATE EXAMINER

George A. Huggins, actuary of the Home Life of America, has been appointed examiner of all State banks, insurance companies and building and loan associations in the State of Delaware, by Insurance Commissioner Thomas R. Wilson. The selection of Mr. Huggins is a signal tribute to his ability and the compliment paid him naturally must redound to the credit of the Home Life of America.

VALUE OF STARTING EARLY

"You didn't run fast enough," said the gatekeeper at the railroad station, as the out-of-breath traveler gazed at the departing train.

"I ran fast enough, but I didn't start soon enough," was the reply.

That is a good hint for those who want to make the $100,000 Club.—"Equiowa."

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE

Failure to Read App Furnishes No Excuse

Opinion of Kentucky Court of Appeals in Moriarty vs. Metropolitan Life

INSURED WAS A T. B. PATIENT

Stated in Application That He Was in Good Health—Decision of Court

Fraudulent representations made by an applicant for a policy of life insurance void the policy according to a decision just given in the case of Moriarty vs. Metropolitan Life Insurance Company decided by the Court of Appeals of Kentucky.

On November 19, 1913 the Metropolitan Life Insurance Company issued to Daniel Moriarty a policy by which it insured his life in favor of his mother. The insured had stated that he was in good physical health and that he had never had any of the following diseases: apoplexy, appendicitis, asthma, bronchitis, cancer or other tumor, consumption, etc. The uncontradicted evidence showed that the insured had been a patient in several tuberculosis sanitariums and had been treated by numerous physicians for tuberculosis. It further showed that he had and knew that he had tuberculosis at the time the application was signed. The plaintiff introduced Section 679 of the Kentucky statutes to aid her in the collection of the claim. This statute states among other things that a policy should contain the entire contract and that all policies which contain any reference to the application of the insured should be correctly copied into the application as signed by the applicant. At the conclusion of the evidence the Court directed a verdict in favor of the defendant.

Review of High Court

The high court in reviewing the judgment of the trial court said that inasmuch as the direct evidence was that the representations made were not only false but material, the Company was entitled to a directed verdict.

Among other contentions pleaded by the plaintiff it was insisted that because the insured signed the application without reading it, the trial court erred in holding that the insured was bound by the representations contained in the application. In the opinion of the court, his plea was simply an endeavor to escape the effect of false representations contained in the application by mere proof that the insured signed the application without reading it. It stated that one who could read and had the opportunity to read a contract which he signed was bound unless he was misled as to the nature or contents of the instrument or his signature was obtained by fraud. It did not appear that the insured was misled as to the nature of the contents of the application or that his signature was obtained by fraud.

BAD HABITS

Judging from the business point of view, leaving the moral side entirely out, the salesman should not incur habits which obstruct, or impede his pathway to success; bad habits not only mean undermined health, but destroy that quality of self-respect which is essential to the salesman of today, says E. J. Harper, writing in the Missouri State Life's "Weekly Bulletin."

Edward S. Andrews, manager of the group insurance department of The Prudential, has returned from a visit to Pennsylvania, New Jersey, Indiana, New York, Wisconsin, Illinois, Michigan, Missouri, Ohio, Kentucky, Georgia, Maine and Delaware.

May Drop Pittsburgh L. & T. Proceedings

CONFERENCES BEING HELD

Directors to Put Up Money to Escape Trial, Which Was Scheduled Monday

Pittsburgh, June 3.—Upon payment of money to reimburse the policyholders for the loss they sustained through the Company being turned over to New York parties and subsequently going into the hands of the receivers, it is likely that both the civil and criminal proceedings against the old directors of the Pittsburgh Life & Trust Company will be dropped. The first of a series of conferences was held yesterday at the offices of Patterson, Miller, Crawford & Arensburg, counsel representing the directors and the counsel for the Commonwealth and the county. Just how much money each of the directors will have to put up to escape being tried in the courts has not been announced.

Discusses Conference

"A conference was held today with the counsel representing the directors of the Pittsburgh Life & Trust Company," District Attorney Harry H. Rowand said. "The details of a settlement were discussed, but nothing definite has been done in the matter. My only concern will be to safeguard the interests of the policyholders, and if a satisfactory settlement can be arranged with the directors it is likely that the criminal proceedings as well as the equity proceedings will be discontinued."

"Will the old directors of the Company who are under indictment be required to pay back money to policyholders to reimburse them for the loss they sustained by the company becoming involved?" District Attorney Rowand was asked.

"Yes, the old directors will have to pay back the money," he replied. "We are only working out an arrangement now, and nothing definite has been done."

"There will be no statement made as to how the proposed settlement is being effected before a week or 10 days," Attorney Thomas Patterson, one of the counsel for the old directors, said.

Birdseye Not in Pittsburgh this Week

The equity trial which was to have started yesterday in Common Pleas Court before Judge John D. Shafer, was postponed. An action was brought against the old directors by George Ambler, State Insurance Commissioner, requiring the directors to make an accounting of the loss sustained by the policyholders, as well as the stockholders. District Attorney Rowand at the time the scandal developed in the case was appointed special counsel for the State to prosecute the case, both in the civil and criminal courts.

It was said yesterday that the trial of Clarence F. Birdseye and the other New York defendants who are under indictment, will not be held until next Fall.

Edgar C. Fowler, general agent, New England Mutual Life at Chicago, will entertain Glover S. Hastings, superintendent of agents of the New England Mutual Life, at an agency meeting tonight (Friday, June 7) at the City Club in Chicago.

Haley Fiske, vice-president of the Metropolitan, has been chosen vice-president of the new spiritual and financial drive of the Protestant Episcopal Churches.

Lawrence Priddy will talk in Rochester on Saturday night on his way West to attend the Northwest Congress at Fargo.

BROOKLYN ROTARY CLUB

Six Insurance Men Members—Charles Jerome Edwards President Since 1915

"Brooklyn Life," an excellent illustrated weekly newspaper printed in the borough across the bridge, has printed a special edition, almost entirely devoted to the affairs of the Rotary Club of that city, of which Charles J. Edwards of the Equitable Life Assurance Society is president. The frontispiece is a large photograph of Mr. Edwards, with the caption:

"Charles Jerome Edwards, whose wonderful popularity, personal magnetism and inimitable leadership have been largely responsible for the rapid growth of the club into the powerful, efficient organization of Brooklyn's biggest business men, that it is to-day. His enthusiasm in the cause of Rotary, his happy faculty for bringing out the best there is in one endears him in the hearts of everyone and his friends are legion. Mr. Edwards is also president of the Brooklyn club and an active figure in the financial, social and civic life of the city."

The Brooklyn Rotary Club has a membership of about 300, and is an active factor in the civic life of its borough. The first Rotary Club was organized in Chicago. The Brooklyn club was organized by Henry D. King, then manager of the American Surety Club. Its membership included leaders in Brooklyn life. Mr. Edwards was elected president in 1915.

Among the insurance men in the club are Charles H. Bainbridge, manager New York Plate Glass Insurance Co.; Edmund H. Driggs, Employers' Liability; Frederick S. Pendleton, fire insurance; James W. Redmond, Aetna C. & S.; S. S. Voshell, Metropolitan Life.

PRESIDENT OF ACTUARIES

Mr. Moir Finally Has His Picture Taken—Has Had a Distinguished Career

Although Henry Moir, the new president of the Actuarial Society of America, and actuary of the Home Life of New York, is one of the best known men in life insurance, no recent picture of Mr. Moir has been available.



HENRY MOIR

The Eastern Underwriter succeeded in getting a photograph this week, which is published above.

Albert W. Atwood's article on life insurance in the "Saturday Evening Post" has been more widely quoted by the companies than any article written about life insurance in years.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President — Home Office: NEWARK, N. J.

"Will Be Leading General Agent,"-Huff

A TRAVELERS MAN'S PROPHECY

$5,000,000 Production in Three Years—Will Take H. L. Kolman Into Partnership

Three years ago Perez F. Huff was appointed a general agent of the Travelers in New York. He went out and created a number of agents out of raw material, finding them in many lines of business, and last year passed the $5,000,000 mark. The event was celebrated at the Hotel Majestic on Monday night by a banquet.

During the evening Mr. Huff made two unusually interesting statements. The first was a prophecy that he would have the largest agency in the world and that inside of five years his production would reach $25,000,000.

Kolman to be a Partner

The second was the announcement that Harry L. Kolman, formerly with the Mutual Benefit in Chicago, and later with the Travelers in that city, would be taken into partnership with him some time in the future.

Mr. Huff, who has been in the life insurance business for twenty-eight years, and who at twenty-one was a general agent in Florida, said that when his agency was running full speed he hoped to have 100 producers in it who would write $250,000 a year. "That's only one application for $1,000 for five days a week," he said. "Anybody can do that."

"Right," said Harry B. Rosen, the leading life insurance agent who was present. "Any agent who can't write an app a day should be in some other line of business."

Mr. Rosen, armed with a million dollar application which he had written during the day and $200,000 of which he said he would give to the Huff General agency, told the agents present how he had succeeded, concluding by offering a diamond medal to the member of the Huff agency who led in paid-for business during the agency's fiscal year.

Benedict D. Flynn, from the Home Office, said that one of the most impressive and important qualities of Mr. Huff was that in knowledge he was a real insurance man, viewing his cases from all angles, a great asset in any general agent. He called him a salesman of the highest type.

Other Speakers

Henry Moir, president of the Actuarial Society of America, and actuary of the Home Life for which Company Mr. Huff once wrote insurance; A. J. Frith, the Cleveland man who has been transferred here as assistant superintendent of Travelers agencies; E. F. Holmes, who got a splendid reception and was introduced affectionately as "Pop"; Aaron Spear, who spoke on income; David M. Bressler, who in a few months has become a life agent of the major class; J. C. Parks, head of a large bank; and others spoke. J. J. Reinhard was toastmaster.

ROSEN REACHES $4,600,000

His Writings Include $1,000,000 on New York Hotel Man Written Monday of This Week

Harry B. Rosen, of the New York Life, landed a $1,000,000 policy on Monday of this week. It was on a New York hotel man. At the request of Mr. Rosen, The Eastern Underwriter will not disclose his name until the policies are delivered. At the Perez F. Huff banquet on Monday night, Mr. Rosen announced that despite the fact that for weeks he has not written life insurance (because of the serious illness of his son) he has succeeded in paying for $4,600,000 this year.

HARTFORD NOTES

Colonel Louis R. Cheney, of Hartford, a director of the Phoenix Mutual Life Insurance Company and of the National Surety Company has given up part of his 400 acre estate at Mansfield, Conn., as an official camp for the Hartford Council, Boy Scouts of America, from June 26 to August 28.

Lieutenant Frank H. Burns, of the United States Navy, formerly of the mortgage department of the Aetna Life, and Miss Mary Kennedy, of Hartford, were married Sunday, May 26, at St. Joseph's Cathedral, Hartford. Lieutenant Burns is stationed at the port of New London, Conn.

Oliver M. Thurman, of Boston, general agent of the Phoenix Mutual, and formerly assistant secretary of that Company, was a visitor in Hartford last week.

Dr. Clovis M. Taylor, of Columbus, Supreme Surgeon of the United Commercial Travelers of America, was in Hartford last Tuesday.

Warren B. Johnson, a prominent insurance lawyer of Hartford, died May 30 at his home in Enfield, Conn. He was connected with the Aetna Life and Hartford Life Insurance Company.

Raymond A. Tucker, of the agency department of the Travelers, has entered active service in the aviation department of the United States army. Mr. Tucker is the 627th man to enter the service from that Company.

Charles E. Gilbert, of Hartford, secretary of the Aetna Life, and Mrs. Gilbert are in Detroit visiting their son Edwin R. Gilbert, who is in the purchasing department of Dodge Brothers.

RENEWS THRIFT DRIVE

With the closing of the Liberty Loan Drive, the workers of the New York Life Insurance Company, under the direction of Mr. L. Seton Lindsay, have launched an intensive campaign in behalf of the thrift and war savings movement. The report for the month of April, when most of the staff was engaged in promoting the Liberty Loan campaign, shows that the New York Life workers did not overlook the sale of "Uncle Sam's Baby Bonds," and that they kept the war savings movement before the public eye. The New York City branch offices managed to dispose of $34,800.28 worth of stamps, with the home office department a good second, selling $18,476.67 worth of stamps. The honor for single sales was carried off by Harry B. Rosen, his sales amounting to $5,854. The figures show an increase in sales in last fifteen days in April of $18,569.32.

PITTSBURGH UNIVERSITY TALKS

To Be Given by Charles W. Scovel —Titles of the Lectures

Charles W. Scovel began a series of lectures on life insurance before the University of Pittsburgh on June 3. The titles of the lectures follow:

The Institution of Life Insurance.
History. Growth. Stability.
What it is and whose.

Services to the Community.
Economic. Social.
State Regulation. Taxation.

In War Time.
A national resource—morale; finance.
Regular life insurance war-proof.
War risk insurance—private; federal.

The Company.
Classes. Departments. Activities.
Investments—diversity; interest.
Associations, special and general.

The Agent.
Indispensable. Why. State attempts.
His evolution, training, outlook.
The Life Underwriters' Association.

The Only Lifetime Sinking Fund.
Every policy a thrift policy.
Cash at death—uses. Inheritance tax, etc.
Business insurance—for credit, emergency, retirement, death.

Incomes for Family Support.
Monthly incomes for years.
Death to wages.
For years and one life.
For successive lives, with principal.

Old Age Incomes; Social Insurance.
Annuities, pensions; alone, or by-product.
Group insurance—death, age, disablement.
The outlook ahead.

All departments of the Travelers of Hartford paid in 1917 102,918 claims. That is 340 a day.

State Mutual Life Assurance Company of WORCESTER, MASS.
Incorporated 1844

SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.

Our motto is SERVICE to policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, PRESIDENT
GREATEST ILLINOIS COMPANY
WANTS GOOD MEN AND WILL PAY THEM WELL

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity,
Disability Benefits,
Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

BANKERS BLCo LIFE DES MOINES COMPANY
PAYS GOOD PAY TO GOOD MEN

Excerpts from the Financial Statement of December 31, 1917, of the
Northwestern National Life Insurance Company
MINNEAPOLIS, MINNESOTA
Assets, $6,186,694.37, increase 17% over 1916.
Liabilities, $5,602,162.72. Surplus and contingent fund, $548,531.65.
Apportioned for dividends, $263,206.57, increase 23% over 1917.
Insurance in force, $54,193,728.00, increase 28% over 1916.
Paid to beneficiaries and policyholders to December 31, 1917, $16,966,562.65.
A western, mutual, annual dividend, old line company
THE COMPANY for policyholders and agents

15,000 PEOPLE
Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.
AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day
FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA
Insurance in force over $142,000,000
Walter LeMar Talbot, President

BUSINESS ESSENTIALS

No. 2—AMBITION

By JOHN K. WEST

Every true son of baseball has ambitions to be a Ty Cobb, a Zack Wheat, an Eddie Roush, a Cicotte, a Hal Chase, a Christy Mathewson, or any of the big stars in the limelight of the diamond. In the insurance world a similar desire is held by thousands of agents all over the country to be an Eddie Woods, a Billy Wilson, a Johnson, a Rosen, a Frezevant, a Gallagher, a James, or any of the big producers in the field today.

It is a laudable thing to have an ambition to be a leader in your business but you must be sure that the thing you have before you is a real ambition and not a weak desire or wish. The very ambition to be a leader will make you seek the attributes of your ideal leader to study his methods and powers. It will make you estimate yourself in a human balance sheet.

No matter whether the business be fire, life or casualty insurance or baseball, everyone has got to fight for his position from the moment he shows up for the job until he has made good. An agent's stay in the game may be short or it may be long but it is a fight all the time, but before the fight with the outside world begins there is a bigger battle to be waged and that is with one's self, which is the biggest battle in the world. In the fight with yourself, if you just place before you an ultimate, a definite goal, if you have an ambition ahead of you all the while, the fight will be easier for you and success more assured. The least sign of falling off in his work is a sign for the baseball manager to seek a new player. The diamond magnate never minds the past record of his players. That is only remembered by the fans. What the manager wants is results and he goes after his players and if he does not get results it is certain that the defaulting player is soon looking for another job.

In a man's fight with himself he should not care about the past. It's the present and future with which he should be concerned. If any of his physical or mental make-up has a kink of laziness or indifference he should pull it out and fire it just as the baseball manager releases his poorer players.

It is all right to sit in the grandstand and say you'd like to be a ball player or a successful manager of an insurance business. It's another thing to go out and have a real honest to goodness desire to be a leader in your line of work whatever it is. You've got to have more than the wish. You've got to have a red-hot desire way down inside you. The difference between agents does not depend on ability or intelligence. A smart, neatly dressed, good natured agent I know, whose thinking machinery was brighter than the average, failed in life because he had no real ambition, no set goal. An agent achieves success in business not because of his intellect but because of his determination. Most everyone has wonderful powers inside of him which he can put into use any time by simply turning the switch of his mind. But he has first got to analyze himself and ascertain what goal he wishes to reach. He must get his ambition thoroughly saturated into every pore and artery of his body.

Don't sit and ponder and wonder about it all. Don't covet the possessions of the big men in your line of work. Don't content yourself with the crumbs of business. Get right into the fierce fight ahead of you and carve your ambition deep in the secret places of your mind to have honor and wealth. Study the details of your business. Learn the pulse of the public. Make your decisions quickly and your conclusions decisive. Success in the insurance field is strictly up to you and without ambition to direct you you will be floundering around like thousands of human derelicts in the business world. There is enough business for all. Simply go out and get your share which is just outside your door waiting for you to come out and get it.

You all want to be leaders. Then get your powers keyed on that end. Sit right down and jot down what you will have to do to make a success. You may have to give up some of your wild chase after pleasure. You may not be able to go to the movies or show as often. You may have to give up some of the mooning over your morning paper. You may not be able to sit in your office chair thinking of your past successes. But you will have the satisfaction of knowing you are not splashing around. You will be putting your active mind along a progressive channel running to a definite goal. And above all you will not be wasting your time. An ounce of real ambition is worth a million times what it costs and it's up to you to go out and annex it to your mentality.

THE AVERAGE EARNINGS OF THE AGENTS
OF THE
Standard Life Insurance Company
∴ ∴ OF PITTSBURGH ∴ ∴
are higher this year than ever before. Our attractive Accident and Health Policies have helped them to make more money.
Write for a LIFE, ACCIDENT AND HEALTH Contract to
FRANK A. WESLEY
Vice-President and Director of Agencies

G. B. SPEER'S NEW POSITION

Department Dealing With Ordinary Applications, Policies and Renewals and Revivals of Business

Assistant Secretary George B. Speer, of The Prudential, who was recently transferred from the agency department to home office supervision discussed the change in the current issue of The Prudential "Weekly Record." He says:

"To step from the field end of life insurance effort where organization and applications are problems of the hour, to the realm of home office supervision where the product of the agency forces is transformed into increase and income, with all that such evolution implies, was a move that the writer made with some trepidation just a year ago.

"For thirty years I had been pleasantly engrossed in agency building and production and imagined I was slated to die in that particular harness, when the exigencies of a great business decreed otherwise, and one morning I found myself in a new environment. To make a long story short, my new job is to keep smoothly revolving the wheels of that part of the home office machinery which deals with ordinary applications, policies and the renewal and revival of the business. It did not occur to me that the work would be found so congenial in so short a period of time. While I am no longer directly attached to the agency department, I am always with the producers in spirit, delight in their progress, am anxious to contribute to it in the fullest extent and from previous experience have the advantage of seeing things from the field man's point of view. That is a controlling thought in disposing of the questions that may be encountered in the day's work, and if there is anything that appears to be wrong with the rulings of the departments under my supervision, tell me about it and if there is a way to correct it, it will be done."

THE PURITAN'S COMPLIMENTS

New York Department's Appointment of Its Former Actuaries Gives Company Officers Pleasure

The fact that the two new actuaries appointed by the New York State Insurance Department, Charles G. Smith and Harwood E. Ryan, were both actuaries of the Puritan Life of Providence some years back, is naturally a source of pride to officers of that Company. In the current issue of the Puritan "Record" that publication says: "The Puritan family through the 'Record' extends its congratulations to the New York Insurance Department on its efficient actuarial staff and compliments its two former employes upon their appointment to these responsible positions in the largest insurance department in the world."

The Missouri State Life will entertain its $100,000 club on a Great Lakes trip beginning August 10.

The Connecticut Mutual Life Insurance Company
PRESIDENT JOHN M. TAYLOR, HARTFORD, CT.
Insurance in force, 113,918 Policies for..... $270,243,227.37
WHAT NO OTHER COMPANY HAS DONE
To repay to its Policy-holders in Death Claims, Endowments, Dividends, Surrender Values, Annuities and other credits more than they have paid to it in premiums.
It stands alone in that result.
Total premiums received, Dec. 1, 1846, to Dec. 31, 1917 ..... $318,963,384.44
Total returned to Policy-holders, as above noted, in same period..... 326,786,585.46
Excess of amount returned..... 7,823,201.02

American Central Life
Insurance Company
INDIANAPOLIS, INDIANA
Established 1899
All agency contracts direct with the company
Address:
HERBERT M. WOOLLEN, President

PURELY MUTUAL THE CHARTERED 1857
Northwestern Mutual Life Insurance Co.
MILWAUKEE, WISCONSIN
GEO. C. MARKHAM, President
INSURANCE IN FORCE, $1,604,426,324
SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued
POLICIES MOST FLEXIBLE AND EASY TO SELL
Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules
Investigate before selecting your Company
GEO. E. COPELAND, Supt. of Agencies, Milwaukee, Wis.

Whole Life vs. Endowment Insurance for the Young Man

by THOMAS J. PROCTOR,
Pacific Mutual Life, Santa Rosa, California

That a life insurance policy should be sold to every insurable individual, to my mind, is the first consideration; that the policy should be sold "to stick" is the second; and the form on which the policy should be issued is the third consideration.

From my experience in selling the young man, I have found that it is not only essential to create the desire for a policy, but to induce him to buy a form that will be endorsed by his friends and advisors, as a young man between the ages of 16 and 25 seldom knows his own mind and is easily influenced by others to drop one form of policy for another. The 20-year endowment is generally considered by the public as the advisable form for the young man, in that it inculcates a saving disposition, that a competency is created, and that he matures the policy at a time in life when he has reached the age of discretion and has had sufficient experience to appreciate the value of a few thousand dollars.

Only where the income of the young man is limited, marriage is shortly contemplated, or there are dependents, do I suggest other forms, but I always advise an applicant that if for any reason he may desire another form at any time in the future, the company will gladly change the policy to fit his conditions.

I have found many who believed that they were obliged to continue their policy on a form that they knew was not suited to their conditions and would perhaps surrender it for a more desirable form in another company.

Thrift is not born in us, but it is in the great majority of cases a matter of deliberate and intentional acquirement by means of a self-imposed obligation with a definite purpose in view. As a rule the young man has not been educated to appreciate the necessity of assuming the obligation, but if it is impressed on him by parents that small sums make large sums, and the annual payment of a stipulated amount on the endowment form is to his benefit, the anticipation of a thousand dollars a few years hence will, no doubt, inspire him to create an estate.

That the difference in premium between the Whole Life and 20-Year Endowment may be set aside at compound interest, or invested at six per cent. is an old argument in favor of Whole Life, but "Fierce Facts" on dependency, estates created and the average individual's financial condition at age 50, show conclusively that the young man, or any man, will not save unless he has an object. What greater inspiration can one have than to know that his policy will mature in only a few years? On many occasions I have seen men beam with pride and joy at the anticipation of a policy maturing, and they all say: "It could just as well have been for twice the amount."

Occasionally I find a young man whose financial circumstances only permit him to set aside an amount such as is charged by Fraternal companies, while perhaps he has wanted a 20-year policy, and a comparison of the settlements of an old line ordinary life form at the end of 20 years is only necessary to place a policy.

On the other hand, the Ordinary Life is the basic form of all life insurance policies. Considering the tremendous volume of business written on a low cost form by the U. S. Government, there is reason to believe that great amounts of Life Insurance will be written on the Whole Life form in the future by all Old Line companies.

It has been said that the real test of any action is not how we feel about it now but how we shall feel about it twenty years from now.

To get the individual insured on the form that best fits his circumstances, and as early in life as possible, is the main thing. They are not the most lucrative class of prospects, but it is the duty of the agent not to overlook the young man.

MAIL 800,000 CHECKS A MONTH

Work of Disbursing Office of Bureau of War-Risk—Results in Month of May

The work of the Disbursing Office of the Bureau of War-Risk Insurance is now current. Approximately 800,000 checks are now going out a month. With the substantial increases in the army and navy, this figure will soon be a million. A grand total of 711,366 checks aggregating approximately $17,000,000 was sent out in May. This includes allotments and allowances as well as compensation and insurance payments.

To date the Bureau of War-Risk Insurance has sent out a grand total of almost 3,000,000 checks, aggregating more than $83,000,000.

PENNSYLVANIA OPPORTUNITY

If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.

Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

73d ANNUAL REPORT

NEW YORK LIFE

INSURANCE COMPANY

346 & 348 BROADWAY - - NEW YORK CITY

Income for the year 1917:

Premiums	$100,279,122.00	
Interest and Rents	39,957,422.00	
Other Income	5,881,618.00	$146,118,162

Paid Policy-holders, 1917 (Exclusive of Disability Benefits):

Death Losses	$30,599,371.00	
Matured Endowments	13,566,409.00	
Surrender Values	18,527,170.00	
Dividends	22,807,762.00	
Annuities	1,387,241.00	$86,887,953

Loaned Policy-holders during 1917 ..... $23,722,213

New Paid-for Insurance in 1917 (Exclusive of over $16,000,000 increase by Policies revived and increased, and Additions by Dividends) $315,994,500

Paid-for Insurance in Force Dec. 31 ..... $2,673,334,336
Number of Policies in Force Dec. 31 1,301,969

Admitted Assets, Dec. 31, 1917 ..... $934,929,381

These assets are the property of over 1,000,000 people with their dependents (in accordance with their contractual rights). The Company is purely mutual; it has no capital stock.

Legal Liabilities $760,742,335

Reserved for dividends payable in 1918	$26,561,063.64	
Reserved for dividends on deferred dividend policies maturing subsequent to 1918	107,041,778.00	
Reserved for Contingencies	40,584,204.36	$174,187,046
Total		$934,929,381

THE ANNUAL DIVIDEND RATE OF 1917 WILL BE MAINTAINED IN 1918

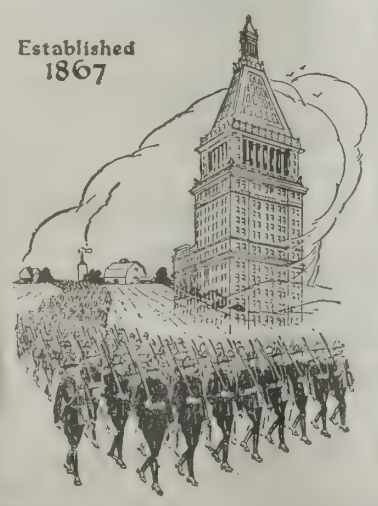
For the year 1917 the Company's mortality rate was the lowest in its history

Average earning power of total Ledger Assets { Dec. 31, 1917, 4.59% / Dec. 31, 1916, 4.54%

A detailed statement will be sent to any person asking for it.

January 14, 1918 DARWIN P. KINGSLEY, *President*

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Insurance to Cover Inheritance Taxes

is opening new fields to Provident Agents

Men are insuring not only to protect their families but to protect their business and also to protect their estates

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Must Produce $100,000 To Cast a Ballot

QUALIFICATION IN CHICAGO

Life Underwriters' Association Adopts Resolution Regulating Voting and Non-Voting Membership

By William L. Hadley

Chicago, Ill., June 4.—The Chicago Association of Life Underwriters stands by its adopted code of ethics. At a meeting tonight where absolute harmony prevailed the association reaffirmed its determination to work out Chicago life insurance problems through the Chicago association. An advanced step was taken in agents' qualification for association membership in a suggestion submitted by President Edgar C. Fowler, and the members of the executive committee, requiring a production of $100,000 per year for voting membership and $50,000 per year for non-voting membership.

Amend By-Laws

The amendments to the by-laws were presented and adopted: 1. No two members of the executive committee shall be elected from the agents of any one company. 2. Any member may present to the executive committee any information in writing against a fellow member, charging him with violation of the constitution or by-laws of the association. Upon presentation of such information the executive committee shall serve on the accused member a copy of the same. The said member shall have thirty days in which to present his answer in writing to such information. Upon the expiration of the time given to file such answer the executive committee shall fix a time for hearing evidence of the facts set out in such information. And at such hearing the accused member shall have the right to be present and to be represented by counsel, if he so elect, and such counsel need not be a member of the bar. The executive committee shall consider said charges only when ten members at least shall be present participating in the hearing. If at least ten members of the executive committee shall sustain the said charges, such action shall be reported to the next regular meeting of the association for its action. If the association by a vote of two-thirds of its full membership in good standing shall sustain the said charges by ballot the said member shall thereby be dismissed from the association.

Text of Resolution

Suggestions for agents' qualification were presented and action was taken referring same to the National Association of Life Underwriters at its annual meeting in New York in September. The Chicago association will await disposition made of the suggested measure before incorporating it in its by-laws.

The resolution follows: Whereas, it is the purpose of the life underwriters' association to elevate the business and ethical standards of life insurance; and whereas, this can best be done by limiting the active membership in the association to those men who are devoting their entire time, talents and energies to the business of life insurance and who have at heart the best interests of the profession, therefore, be it resolved that at the beginning of the year, or within thirty days thereafter each member of the association shall file with the secretary of the association a certificate signed by the proper officials of the life insurance company of which he is an agent or by the general agent of such company under whom he is employed, certifying to the fact that he has produced and paid for during the preceding calendar year not less than $100,000 of life insurance provided that if any member of the association shall fail to file such certificate as above (except as hereinafter set forth) his membership in the association shall ipso facto be terminated. Provided, further, that should the said member furnish a certificate as above to the effect that he has produced and paid for during the said calendar year not less than $50,000 as above, then his said membership shall not be terminated except that he shall not have the privilege of voting at the meeting of said association. If at the beginning of the said calendar year a member has belonged to the association less than a year, then in order to qualify for membership as above set forth he shall only be required to have produced business for the time he was a member at the rate of $100,000 or $50,000 as the case may be. Any general agent, agency manager, or official of any life insurance company who fails to qualify by producing personally the volume of business as above provided, may continue as a member upon his furnishing to the secretary of the association a certificate from the proper officials of the company, certifying that the general agency, in the case of a general agent, or the life insurance company in the case of an official, has produced in the twelve months preceding the date of such certificate not less than $500,000 of insurance as above."

"EVENING POST" ON GROUPS

Newspaper Tells Another Employer What It Thinks of Its Policy in Travelers

Having been asked by another concern what it thought of group insurance, the New York "Evening Post," whose employes are protected by The Travelers, wrote to the other concern as follows:

Your letter of May 14 asking whether we have had any benefit from group insurance, and whether we are satisfied that this is a move in the right direction, gives us the opportunity to write a very emphatic endorsement of group insurance. Not only the mechanical department, but all the business and editorial departments of the New York Evening Post Company, including the "Nation Press," "The Nation" and "The Nautical Gazette" are covered by the group insurance. If you could have been here when the group insurance plan was announced, and could have heard the words of warm appreciation from employes of every class, you would have no doubt as to the benefit secured by the employer in carrying his men closer to him by means of group insurance. The benefits secured are worth every cent it costs. We are absolutely sure that group insurance is a move in the right direction.

MADE AGENCY CORRESPONDENT

Henry H. Steiner Promoted by Connecticut Mutual Life—Company's Letter to Agents

The Connecticut Mutual Life announces the appointment by the directors of the Company of Henry H. Steiner as an agency correspondent, with headquarters to be established at the home office.

"Many of you are personally acquainted with Mr. Steiner, and more are familiar with the very excellent work that he has already accomplished as a supervisor of agencies," says Vice-President Henry S. Robinson, in writing to the field force. "It is expected that he will take up the duties of the new position, and terminate his regular supervisory work, on or about June 15 next. By reason of his long and successful experience in various branches of practical field work, Mr. Steiner is peculiarly fitted for the position to which he has been chosen. Working in co-operation with the Company's other able agency correspondent, Mr. Liebert, and with the rest of the home office staff, we are sure that he will prove of great help to the field in furthering the good objects that all of us have in view.

"The Company has in the comparatively recent past placed a considerable number of new working tools in the hands of its field men; notably, the income trust agreements, the plan of complete protection, the deferred annuity contracts, Form Z and the new disability agreement. We believe that the agents of no other company have today better equipment for their work than have our men, and we are confident that Mr. Steiner will be of material assistance in helping to impart a thorough understanding of the advantages of this Company's different contracts, as well as in helping our men to unravel various problems that may present themselves. It doubtless is unnecessary to add that it is the earnest desire of the home office to continuously give all possible assistance to the men in the field in the furtherance of their efforts to advance the Company's interests."

The Right Place for the Right Man

The capable and energetic man or woman who represents a company which provides an unexcelled policy at a low net cost is sure to succeed as a life underwriter. That is why our representatives everywhere are loyal, contented and enthusiastic. The reputation of their Company for prompt and efficient service gives them a confidence which wins the confidence of the insuring public.

Occasionally we have a General Agency opening.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Man's Worth Dead and Alive

"Why I'm worth more dead than I am living," laughingly remarked a man to the life insurance agent.

"How do you figure that?" he was asked.

"Well, all I'm worth in the world today is about $10,000 in real estate. If I died tomorrow, my family would get that and also $5,000 of life insurance from your company. So, you see, the family has $10,000 with me living and $15,000 with me dead."

"How much do you clear on that real estate?"

"Oh, about 5 per cent. a year—it looks bigger in rents, but it doesn't figure out much more than that. I don't get more than $500 a year out of it. Why do you ask?"

"Well, you told me your salary is $3,000 a year. So, of course, that represents what you are worth alive—the income on your brains and physical stamina. It represents the income at 5 per cent. on $60,000. So you see you mean that you are worth $70,000 alive to your family and only $15,000 dead."

"Oh, of course, I was fooling when I said that I was worth more dead than living."

"Yes," said the life insurance man, "but so many people are in the habit of thinking of 'what I am worth' only in terms of property without keeping constantly in mind that the most valuable property their families own—from a cold financial standpoint—is those men themselves. In addition to the sorrow and the spiritual loss, their death is like a fire in that a valuable plant is forever destroyed."

"Yes," replied the citizen, "I guess that's so. Really, a fellow ought to be thinking more about what he is really worth alive."

"Not at all, not at all," came back the indomitable agent. "His mind ought to be constantly figuring on how much less he is worth to his family when he is dead. Now take your own case on your own figures. You are worth $70,000 to your family today—$60,000 as yourself and $10,000 in real estate. If you die tomorrow, $60,000 of that disappears, but $5,000 is added by the payment of your life insurance policy. In other words, this family of yours changes from a $70,000 establishment to a $15,000 proposition. Now, I maintain that that is a bad balance."

"Sounds like it is," said his friend, "but death always unbalances things."

"Not for the family of the far-seeing man. You could balance the whole proposition right now much more favorably by living on $3,000 a year instead of $3,500."

"I could! How?"

"Why, just take the income from your real estate and put it into life insurance. You're still young enough to get about $15,000 for that—$15,000 that would go to your family if you died tomorrow and would go to you if you outlived your ability to earn your salary.

"Now look at what you are worth alive. You still earn your salary. You are still worth $70,000 alive. If you died tomorrow your family would get the real estate and also $20,000 of life insurance. As you would have been living on your salary only it would cause a change from a $60,000 establishment with you alive to a $30,000 proposition with you dead, which is a considerable change from a jump from $70,000 to $15,000.

"Put it in income form and it is even more striking. The way you have it now, at your death, if it occurred tomorrow, your family would go from $3,500 a year to $750 a year. With the readjustment of simply spending your real estate income for life insurance their income would be changed from $3,000 a year to $1,500. In other words you can double your family's income in case of your death by reducing it fourteen per cent. now.

"And don't forget that you will be doing the same thing to your own income if you live to be old—which you are quite likely to do."

"Wouldn't it be just as well to save that money each year for my family in some other way?" asked the man with the salary.

"Yes," replied the life insurance man, "with this one little exception. If you died ten minutes after you put your first deposit in the bank, your family would get just the face of that deposit; but if you died ten minutes after paying your first premium, your family would get the face of your policy or somewheres about twenty-five times that amount. Please don't forget, old man, that life insurance banks your money for old age, but a bank does not insure your life."

"By George!" exclaimed the citizen, "that's so."—"Fidelity Policyholder."

* * *

A Secured Income

Edward H. Jordan, general agent of the Home Life of New York at Raleigh, N. C., has used the following letter effectively in making an argument for monthly income:

Mr. Business Man.

Dear sir:

I know you are a very busy man and for that reason I am confident you have not hesitated long enough to inquire into the dollar's buying power. In June, 1914, it was 100 per cent.—June, 1915, 90.60 per cent.—June, 1916, 84.28 per cent.—June, 1917, 65.5 per cent.—November, 1917, 56.86 per cent., and in March, 1918, it was 50 per cent., when Congress authorized the collection of 18 billion dollars for further expenses.

One of the State's most prominent and successful men has just left this office. When he came in he was anxious and perplexed by the continued and drastic decrease in the value of all securities, and the earning power of the dollar. He advised that he had gone into his vault and gotten out his safety box containing all his investments and proceeded to make an inventory. When he realized the result, consternation alone could describe his state of mind. Securities representing the savings of a lifetime had depreciated 50 per cent., and some more. His accumulated fortune, to which he had given years of arduous labor, application and study had shrunk fully one-half. The box contained but one investment that was unimpaired—his life insurance policies; they were absolutely good for every dollar of loan, surrender and paid-up values without one cent of discount. Nothing else was in the class with it.

Then it occurred to him that when he died this insurance money would be paid to his wife in one sum. What would she do with $50,000 in cash? If the securities which he had just inventoried represented the best investments he could make with his accumulated experience, is it reasonable to suppose that an inexperienced woman can make as good investments? Is there any way, he asked himself, that he could make better provision for a dependent widow and orphan children? Clearly, he saw that it was his duty while he lived to give this his most careful thought and make for them the best provision that human wisdom can devise to eliminate the danger and dread of dire poverty and dependent old age. To fail to do this would be no less than criminal.

After stating his perplexity, I explained to him that the Home Life Insurance Company would enter into a contract by which it agreed to act as trustee for his wife, upon payment annually of a stipulated sum for 20 years, and further agree to pay his wife upon his death $100 a month as long as she lives, and if she should die before 20 annual payments of $1,200 had been made, to continue the payment for 20 years to his children. If he lives he pays for 20 years, if he dies the investment matures immediately and the annuity begins.

He saw the wisdom of my argument and bought a $200 monthly income for his wife. I further explained that at his death his other investments would have to be handled by a trust company or administrator, and for this service it would be necessary to charge a fee, the starting of an expense on his life's efforts, while on the monthly income policy there would be no commission charged, therefore a net income.

He said, "This is the best investment I have ever made and it comforts me with an assurance which I have never felt before. I feel at last that I have discharged to the best of my ability the highest obligation which I have assumed and have made during my life the safest possible provision for my wife against a dependent old age."

I am writing you, for I am sure you are in the same position as this man and all other prominent and successful business men.

Please advise me of the date of your birth and that of your wife and I will be pleased to submit a proposition covering a monthly income, guaranteed net estate.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

DIED AGED 101

Mrs. Aristine Pixley Munn, mother of Dr. John P. Munn, president of the United States Life, died in Rochester last week. She was one hundred and one years old. She was the widow of Rochester's first surgeon.

Draw Public To An Insurance Meeting

USE DAILY PAPER CAMPAIGN

Charles W. Pickell Talks to Crowd in Y. M. C. A. Auditorium, London, Ontario

London, Ont., June 3.—The Life Underwriters' Association of London recently decided to get a star speaker on life insurance, hire a big auditorium and advertise the event as "an evening of life insurance education." The president of the local association is T. B. Parkinson.

Mr. Parkinson felt that a mere perfunctory notice in a daily paper and the mailing of a few circular letters would not do the trick, and so he went into conference with H. B. Muir, of the London "Free Press."

Co-operation All Along the Line

Mr. Muir said to The Eastern Underwriter:

"Mr. Parkinson went after and got Charles W. Pickell, Massachusetts Mutual Life, Detroit, who gave possibly the best address ever given the Life Underwriters' Association. Mr. Parkinson is a live wire, and, having made sure of Mr. Pickell, he came to us to figure out a plan whereby the greatest benefit might result to the community and, therefore, to the insurance companies from Mr. Pickell's address. A full page in the 'Free Press' was the result.

"Several well-worded, convincing messages about Mr. Pickell's coming were used in the advertising columns of this newspaper with the result that the auditorium was packed last night. There is no question but that the life insurance business has received a new impetus in London, thanks to the hearty co-operation of everybody concerned. Credit is chiefly due to Mr. Parkinson."

Companies Praise Association

The "Free Press" printed two columns of Mr. Pickell's talk, and the life insurance companies in their advertisements told what they thought of the Life Underwriters' Association. Here are a few of their opinions:

Imperial Life, J. F. Weston, managing director: I consider the Life Underwriters' Association of Canada one of the strongest influences for good amongst all the organizations which contribute to the growth of sound principles and correct practice in the business of life insurance. Its influence has steadily grown as it has attracted to it the men of broadest vision and biggest capacity in all parts of the field. In the process it has elevated the standard of its entire membership and made their occupation respected by the public whose interest is co-equal with yours in the success of the association movement.

Canada Life, H. C. Cox, President: The Canada Life has always been heartily in sympathy with the life underwriters' movement, and I have had the privilege on many occasions of furthering its object. It is my earnest desire that every representative of this Company should be a member of the Life Underwriters' Association.

London Life: Misconceptions on the part of the public concerning the principles upon which sound life insurance is based and the purpose and conduct of life insurance companies are gradually being cleared away. It is of the utmost importance to the individual and the nation that the business should be thoroughly understood by as large a proportion of our people as possible, and that it should ever be held in the highest estimation.

We accord the Life Underwriters' Association of Canada the utmost credit for the efforts they are making to enlighten the public on the business of life insurance, for better relations established between companies and for the elimination of many undesirables from the ranks of the field men. Vast improvements have been effected in recent years, and we wish for the association continued success in the important work it is performing.

The Northwestern Mutual Life will hold a convention of its agents in Milwaukee July 15-17.

The Beneficial Life of Salt Lake City held a convention of its agents June 6-8.

Alien Enemy Rules

(Continued from page 1)

following regulations have been agreed upon and are to be observed by life insurance companies in reporting and paying funds or policy proceeds to the Alien Property Custodian:

1. Where a company, having on April 6, 1917, a branch in an enemy country or in a country ally to an enemy country, has reason to believe that moneys may be presently payable under the terms of any of its outstanding policies or contracts to or for the benefit of an enemy or ally of enemy, it shall take immediate steps through such branch or otherwise to ascertain if and to whom and for whose benefit such moneys are payable, and if enemies or allies of enemies have an interest therein, shall report to the Alien Property Custodian; except that no reports need be made of moneys due under policies or contracts issued and payable through branches located in enemy countries.

2. Where a company, having no branch in enemy countries or countries allies of enemy countries, has reason to believe that moneys may be presently payable under the terms of its outstanding policies or contracts to or for the benefit of an enemy or ally of enemy, it shall forthwith report to the Alien Property Custodian and immediately make an investigation to ascertain if and to whom or for whose benefit such moneys are payable, and communicate the extent and result of such investigation to the Alien Property Custodian.

3. Where payments under policies or other contracts are conditioned upon death, the strict policy requirement in relation to proofs of death are not to be insisted upon but reasonably certain evidence of death shall be regarded as compliance therewith. In no case, however, shall a mere presumption of death be made the basis of a demand by the Alien Property Custodian for payment.

4. Where payments under policies or other contracts are conditioned upon one or more persons being alive on a certain date, reasonably certain evidence of such fact shall justify demand by and payment to the Alien Property Custodian. In no case of this class shall a mere presumption of continuance of life be made the basis of a demand for payment.

5. Where a physical surrender of the original policy is by the terms of the contract of insurance made a condition precedent to payment and where it is impossible by reason of the same being in an enemy or ally of enemy occupied territory to obtain possession of such policy, failure to surrender the same shall not be ground for refusal to account for or pay enemy funds to the Alien Property Custodian.

6. In case of matured endowment policies or policies which have matured by reason of death, a demand for payment by the Alien Property Custodian shall be deemed a demand and formal claim under the policy.

7. The last known residence shall be presumed to be the residence of a beneficiary under policies or annuity contracts, unless or until the contrary fact is shown by reasonably certain direct evidence; but such presumed residence shall not be taken as a presumption of continued life.

8. Nothing in the foregoing paragraphs shall prejudice the right of the Alien Property Custodian to hereafter require of companies information or reports with respect to specific cases, or any policies or contracts where such information or reports may be by him deemed advisable or necessary in the performance of his duties.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President
A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY
Edward D. Field, Superintendent of Agencies

THE TRAVELERS
INSURANCE COMPANY
INDEMNITY COMPANY
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AND
CASUALTY INSURANCE
THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

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PORTLAND, MAINE
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Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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HOW INDUSTRIAL INSURANCE AIDED THE LOAN

The credit due the system of industrial insurance as an effective agency in behalf of the National thrift education of the people of the United States is illustrated in the "North American Review" by an able article from the pen of the president of The Prudential, Forrest F. Dryden. Established here in 1875 industrial insurance has been developed to extraordinary proportions, not only in this country but throughout the world. At the present time the number of industrial policies in force here is about 36,000,000, providing for not less than $5,000,000,000 of insurance protection. Since for obvious reasons the business is practically limited to the urban population of the United States, estimated for 1918, at 51,500,000, Mr. Dryden places the per capita of industrial insurance conservatively at $97 for the population affected, or at the ratio of 70 industrial policies to every 100 urban inhabitants. He further points out that it is chiefly on account of the weekly premium payment system that voluntary deductions from wages on account of insurance have become a matter of habit. And so it may safely be assumed that savings habits thus developed in one direction must, in due course of time, become effective in many others. The conclusion, therefore, seems justified that the wide diffusion and remarkable success of the three Liberty Loan subscriptions are largely due to the development of the habit of savings through the instrumentality of industrial insurance.

ANOTHER PENSION SYSTEM EVER WRONG

The serious problem presented by the teachers' retirement situation in New Jersey is the subject of one of the most interesting reports that have reached this office. It is issued by the Bureau of State Research, Newark, and is entitled: "Teachers' Retirement Systems in New Jersey; Their Fallacies and Evolution." The report is circulated by the New Jersey State Chamber of Commerce. Another interesting monograph is on the pension systems in New Jersey of the police, firemen and other local employees.

The teacher's retirement is taken care of by two systems: the Teachers' Retirement Fund, supported by contributions of the teachers, and the Thirty-Five Year Service Pension, paid at the expense of the State. Many teachers are dissatisfied with the operation of these systems. As a result of the dissatisfaction and criticism actuarial investigation was made. The Retirement Fund investigation was made by Actuary D. P. Fackler. It shows that the fund has liabilities far in excess of its assets, is in an unsound financial condition, and has only a few years to live on the present basis. The actuarial valuation of the Thirty-Five Year Service Pension shows that the liability of the State under the system amounts to $24,350,000. The method provided under the system for meeting this stupendous liability is fundamentally unsound.

The investigator correctly points out that a retirement system must perform a double function; it must protect the teachers and their dependents against the contingencies of old age, disability, death, and to some extent, resignation and dismissal. It must also improve the efficiency of the schools and promote the esprit de corps of the personnel. To perform these functions it needs considerable resources, which, as the experience shows, must be supplied by the teachers and the city and State in an equitable proportion. Each member must contribute in accordance with the cost of his prospective benefit. The contributions should be equitably distributed over the entire period of the teacher's service. These fundamental principles were not recognized. The young are taxed in favor of the old. It used the "tontine" principle which has been condemned in the insurance world. The majority of the teachers, especially the younger ones, will withdraw from the service before retirement. To them and to their dependents the Fund is neither a good insurance nor a good philanthropy. The system of financing is all wrong.

The investigator points out that unfortunately the New Jersey Pension systems are not the only systems in this country which have been built upon an unsound foundation. The majority of the systems in the United States and abroad have gone or are going through a similar experience. Many systems have already taken steps to re-organize on a sound foundation and the New Jersey systems will also re-organize in the light of this movement.

RECRUITING FROM LOCALS

Under the heading, "How Do You Like Special Agency Work?" the American Agency "Bulletin," published by the local agents' association, prints the following:

"Local agents with inclination and talent for special agency work and adjusting have a bigger chance now than ever before to make satisfactory connections. As the result of constantly decreasing special agency forces, due to the exigencies of the war, the companies are finding it difficult to keep their field forces capably equipped, and according to one report, seventy per cent. of the appointments made in a recent week were taken from the local agency ranks."

THE HUMAN SIDE OF INSURANCE



PERCY LING

Percy Ling, assistant general agent of the middle department of the North British & Mercantile group, has been made general agent of that department, a promotion which will greatly please his many friends among the field men. He only left the field—in New York State—in May of last year. He has been with the North British & Mercantile eighteen years, beginning as an adjuster, and won a place as a special agent that was in the first rank, as he is a student of the business, a man of character and his judgment was highly respected by other specials and by agents. His promotion at the home office came rapidly. He began his insurance career with the Norwich Union, subsequently going with the Old Traders.

* * *

Le Roy D. Brown, of the Hartford branch of the Travelers, was an agricultural implement salesman seven weeks ago. During his first two weeks he did not make a single sale, but in the next month he paid for $36,000 of life insurance. Each order was taken from a stranger.

* * *

Major Edward V. Preston, general manager of agencies of the Travelers, reached his 88th milestone on June 1 and Admiral Francis B. Allen, vice-president of the Hartford Steam Boiler Inspection and Insurance Company, followed closely with 77 years to his credit on the same day. Major Preston was born in Willington, Conn., June 1, 1837. Commencing his business career at 13 years of age he worked at it until April 22, 1861, when he entered the service of his country in the Civil War, retiring with the rank of Major on July 31, 1865. Immediately after the war he was employed by the Travelers and two years later became a general agent of the Company succeeding to his present position some twenty years ago. His genial personality and his wide acquaintance have been valuable assets to the Company with whom he is allied. Admiral Allen was born in Baltimore, June 1, 1841. He was an apprentice machinist with the Illinois Central from age 16 to 19. He joined the Union Army at 19 and subsequently became a lieutenant in the Navy. In 1868 he resigned his position and became connected with the Novelty Iron Works of New York. Later he entered the employ of the Northern Pacific. He became connected with the Hartford Steam Boiler Inspection and Insurance Company in 1872, when that Company was six years old. He is a member of a number of engineers' societies, is a director of the Navy League of the United States, past junior and also commander in chief, G. A. R. and past rear-admiral National Association Naval Veterans, and has been president of the Army & Navy Club. A wide circle of friends of these illustrious insurance executives congratulate them on their pilgrimage through their many successful years.

* * *

Willis O. Robb, manager of the New York Fire Insurance Exchange, has been absent from his office due to a minor illness. He is expected to return the latter part of this week.

* * *

Miss Maude E. Inch, librarian of the Insurance Society of New York, will be the hostess on Monday at a luncheon given at the Drug & Chemical Club. Her guests will include the wives of several of the company managers and also the niece of the former British Chancellor of the Exchequer. Miss Inch will leave on July 5 for her vacation which she is planning to spend in Maine.

* * *

F. B. Curry, of the Hall & Benedict general agency of the Aetna at Nashville, took first honors as the Company's 1917 star producer. He headed the list of fifty health and accident leaders for the year. His record is an unusually fine one. In the first five months he showed steadily increasing business, advancing from twenty-second to second place in that time. He then took first place and kept it throughout the year. Shortly after joining the Aetna Mr. Curry became manager of the health and accident department of Hall & Benedict. He endeavors to see at least ten prospects each day, he refuses to be discouraged, fully believes in his company and its methods and endeavors to apply that confidence with courage and perseverance.

* * *

Miss Nellie Barrows, of Hartford, the first woman to enter the employ of the Travelers, has resigned after a forty-five years' service with that Company. Miss Barrows commenced to work for the Travelers in May, 1873, and has kept continuously at it ever since. She has been for a number of years chief clerk in the actuarial department of the Company.

* * *

C. P. Gnau has become general agent for the Standard Accident at York, Pennsylvania. For years he did excellent work for that Company as special agent in Eastern Pennsylvania and is held in the highest esteem by his associates at the home office.

* * *

B. F. Dixon, of Urbana, Ohio, has died. He served the Standard Accident for twenty-six years as representative at that point and was one of the Company's most faithful agents.

* * *

Edmund Frain, who succeeds George B. Schley as superintendent of the commercial accident department of the General Accident, has been on the home office staff for some time. Before his appointment he assisted E. O. Howell in the industrial department, taking an active and valuable part in merging the old organization of the Equitable Accident of Boston, which was taken over by the General, with its own industrial field organization in that territory. Mr. Frain is a thoroughly competent health and accident underwriter.

* * *

E. A. Tyrrill, of New York, is now a burglary underwriter with the Travelers.

FIRE INSURANCE DEPARTMENT

Christmas Gift Policy in Court

GLOBE & RUTGERS WINS SUIT

Son Gave Policy to Father on Latter's Dwelling, Already Covered—Both Retained

Where a son gave his father a Christmas present of a fire insurance policy on his father's dwelling, not knowing his father had himself taken out another policy thereon prior to the son's delivery of the donated policy and the father retained both, and after the burning of the dwelling made adjustment with the company on the donated policy, he could not recover on the policy taken out by him, his retention and use of his son's policy amounting to "procuring" of further insurance on the property in violation of the policy conditions provided by section 1941X of the statutes of Wisconsin, according to a recent decision in the case of Gnat vs. Westchester Fire Insur. Co., given by the Supreme Court of Wisconsin.

The action was brought to recover on the policy issued by it to Vincent Gnat February 2, 1916. The policy was a standard form, and as provided by section 1941X, statutes contained this provision:

> This policy unless otherwise provided by agreement indorsed thereon or added hereto, shall be void if the insured now has or shall hereafter make or procure any other contract of insurance, whether valid or not, on property covered in whole or in part by this policy.

Company's Defense

The defense was that this provision of the policy was violated by the procurement of the issuance of the policy by the Globe & Rutgers Fire Insurance Co. of New York.

Judgment was given in favor of the defendant company at the trial court and on appeal the appellant said he did not procure the issuance of the Globe & Rutgers policy, but that it was procured by his son without his consent and he did not procure the issuance of subsequent insurance in violation of the law.

In affirming the decision of the lower court the Supreme Court said among other things that this might have been the situation up to the time he acquired knowledge of the existence of the Globe & Rutgers policy; but, having accepted the Globe & Rutgers policy, placed it in his private box along with his other policy, and having made adjustment with the Globe & Rutgers Company for its part of the loss, he is not now in a position to deny that the subsequent policy was procured by him. A person cannot retain the avails of an unauthorized contract, made for his benefit by another assuming to act as his agent, and repudiate the responsibilities of such contract, and any attempt so to do, with full knowledge of the facts, constitutes a ratification of the unauthorized act, and creates a liability on the part of such person to the same extent as if such contract were originally authorized.

INCORPORATE WOODWARD AGENCY

The Woodward Agency, Inc., of Niagara Falls, N. Y., has been capitalized at $25,000. The incorporators include Charles Woodward and Edward T. Ellis.

TWO NEW SPECIALS

Sylvester Howard and Clarence Phillips in Field for N. B. & M., Commonwealth and Mercantile

Sylvester Howard has been appointed special agent of the North British & Mercantile, Commonwealth and Mercantile Insurance Companies in Northern New Jersey. Clarence Phillips has been made special agent for Hudson River and suburban territory. Mr. Howard was promoted from examiner; Mr. Phillips from inspector.

Charles H. Ebbets, former special in Northern New Jersey, has been transferred to Southern New Jersey.

Walter J. Roberts, former special in Hudson River and suburban territory, has been transferred to Eastern New York field, succeeding L. B. Temple.

HAILSTORM DAMAGE

Tendency to Allow It Under Tornado Policies in West Criticised

Considerable discussion is being heard in underwriting offices regarding a tendency to allow hailstorm damage under tornado policies in the West. The practice is being criticised.

LEON B. TEMPLE PROMOTED

Leon B. Temple has been made assistant general agent of the North British & Mercantile group. He has been with the North British & Mercantile for many years, first in the home office, then as special agent in the suburban field and later as special in the Eastern New York field.

ADAMS HAS PNEUMONIA

W. Roy Adams, special agent of the Commercial Union, headquarters in Pittsburgh, is ill with pneumonia. Mrs. Adams is also confined to her home by illness.

SINCLAIR IN PORTO RICO

Foreign Manager Sinclair, of the North British & Mercantile, who has been in this country for some months, is visiting Porto Rico.

ENLISTS IN NAVY

E. C. Jessup, former special agent of the American Eagle, has enlisted in the Navy as chief yeoman.

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Experienced Daily Report Examiner

(age 31 years or past preferred), with an old reliable Western Pennsylvania Fire Insurance Company. Good salary, good opportunity. Replies strictly confidential.

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OF HARTFORD, CONN.

MORGAN G. BULKELEY, President

CASH CAPITAL

$2,000,000.00

ASSETS

$7,266,538.81

LIABILITIES, EXCEPT CAPITAL

$3,086,345.45

SURPLUS TO POLICYHOLDERS

$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

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FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
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GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn

LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

COTTON SEED OIL RISKS

Great Improvement Since Government Stepped in and Stopped Seed Speculation

A great improvement in cotton seed oil risks generally has taken place since the Government stepped in and issued regulations which are effectively preventing speculation in seed, piling up of more than fifty-two days' supply, and which are putting that industry on a common sense basis. The little fellows have been helped; legitimate profits are more generally distributed; and the hazards, incidental to hoarding of seed and pushing the mills to capacity day and night, have been greatly reduced. The good result is reflected in a reduced fire loss.

* * *

Rolls-Royce Line Here

The stock and equipment of the Rolls-Royce Co., of England, now occupying the Stearns Plant at Cleveland were offered in the New York market this week. The Rolls-Royce Co. is manufacturing motors for airplanes.

* * *

Chartier Forms Agency

Charles C. Chartier, for a number of years with John A. Lynch & Co., and previously with T. Y. Brown & Co., has formed a local agency at Long Island City and represents a number of companies for Long Island City and suburban territory.

* * *

Stern With William Stake

Oscar E. Stern, formerly with B. F. Sadler & Co., is now with William Stake as placer.

* * *

Now at 80 Maiden Lane

S. Nicoll Schwartz, of 63 Park Row, has removed his offices to 80 Maiden Lane, Room 2130.

* * *

New Law Small Benefit

Compensation writing brokers cannot see much in the new business created by the amendment to the New York State law, which brings under it all employers of four or more persons. With a minimum premium of $10, at which a large number of offices, shops and stores would be written, there is no profit in a commission of ten per cent.

* * *

Less Call for Whiskey Cover

There was a decided decrease this week in the demand for coverage on whiskey in bonded warehouses and the rates returned from the 15 per cent. offered in emergencies to the normal eighty or ninety cents. Apparently, additional lines have all been placed to take care of the last increased valuation of whiskey.

* * *

Bigelow Hartford Line

Large lines on the Bigelow Hartford Carpet Co. of Lowell, Mass., were offered the stock companies this week for the first time in several years. Part of the building of the Bigelow Hartford Co. is being occupied by the United States Cartridge Co., increasing the valuation by several millions.

* * *

Membership Boosters

A supplementary membership committee has been appointed by the Brooklyn Insurance Brokers' Association to wage an energetic campaign. This committee is composed of Albert H. Butler, John Boylan, Jacob Haas, John Egan, F. G. Davis, James J. Phelan, C. S. Cavanagh, Samuel J. Comfort, Everett Kuhn and F. D. Robbins.

CANCEL GERMAN COMPANIES

Union Hill School Insurance Placed in American Companies by Board of Education

As the result of action taken by the Union Hill (N. J.) Board of Education over $100,000 worth of insurance on school buildings, furniture, etc., will be diverted from German insurance companies to American companies. A motion was made by Trustee Menzer at the meeting to cancel all insurance policies held by foreign exchanges and was passed unanimously by the remaining trustees.

Handle R. R. Lines

Marsh & McLennan handle some of the largest railroad properties. Frank & Du Bois control the business of the Railroad Syndicate, which includes the placing of several railroad schedules. Johnson & Higgins also have a railroad department. Smythe, Sanford & Gerard places large lines. Mather & Co. handle the Southern Railroad. Frank B. Hall & Co., Roam, Ives & Wrightson, and Jos. M. Byrne & Co., also place one or more railroad schedules.

* * *

Davis With Squire & Co.

Charles Davis, who has been placer with Johnson & Higgins for the past eleven years, is now with Squire & Co. in a similar capacity.

* * *

Walton With Brewster & Co.

Samuel T. Walton, formerly of E. D. B. Walton & Son, general adjusters, is now with J. N. S. Brewster & Co., Inc., as an automobile adjuster.

* * *

Thomas Takes Own Office

Edward Thomas, for a number of years with William Stake & Co., is now an independent broker.

* * *

J. W. Black Retires

John W. Black, who has been head of the bonding department of J. N. S. Brewster & Co., Inc., has resigned to go with a chemical house.

* * *

Williams With Brewster & Co.

W. S. Williams, who has been associated with E. W. de Leon, resigned this week and is now counterman with J. N. S. Brewster & Co., Inc.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

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Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

The Gamewell Fire Alarm Telegraph Co.
Fire Alarm and Police Telegraphs for Municipal and Private Plants
OVER 1500 PLANTS IN ACTUAL SERVICE
GENERAL OFFICES AND WORKS
NEWTON UPPER FALLS, MASS.
AGENCIES
5708 Grand Central Terminal, New York
448 John Hancock Building, Boston, Mass.
1216 Lytton Building, Chicago, Ill.
335 Wabash Building, Pittsburgh, Pa.
915 Postal Building, San Francisco, Cal.
304 Central Building, Seattle, Wash.
Utica Fire Alarm Telegraph Co., Utica, N. Y.
Northern Electric Company, Limited, Montreal, Canada.
General Fire Appliances Co., Ltd., Johannesburg, South Africa
Colonial Trading Co., Ancon; Canal Zone, Panama
F. P. Danforth, 1060 Calle Rioja, Rosario de Santa Fe, Argentine Republic

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FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
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UNITED BRITISH INSURANCE COMPANY LIMITED OF LONDON, ENGLAND

UNITED STATES FIRE BRANCH, 40 CLINTON STREET, NEWARK, N. J.

The United British Insurance Company, Limited, of London, England, has been licensed by the Insurance Department of the State of New York, having made the deposit required by law with the Insurance Department of that State and complied with all other requirements. In addition to this deposit it has assets in the hands of the Guarantee Trust Company of New York, as United States Trustee, and with C. P. Stewart & Company, Inc., its United States Managers, which make the total assets with which it commences business in this Country One Million Dollars.

Application is now being made for admission to many other States. Business in the Western Department will be in charge of H. H. Ingalls at Chicago, who is Manager of the Western Department of the New Jersey Insurance Company and the New Brunswick Fire Insurance Company. Business on the Pacific Coast will be in charge of W. W. Alverson, at San Francisco, who is Manager of the Coast Department of the same Companies. The principal office of the Fire Department of the United British will be at 40 Clinton Street, Newark, N. J., where it will be associated in management with the New Jersey Insurance Company and the New Brunswick Fire Insurance Company.

It will always be the endeavor of the United States Managers to render **service** to the representatives and agents of the Company; to deal honorably and fairly, at all times, with all policy holders; to settle losses quickly and without controversy and, in general, to exhibit a spirit of co-operation and fairness, recognizing at all times the rights of the public and avoiding technicalities.

C. P. STEWART & COMPANY, INC.

UNITED STATES MANAGERS

GRESHAM ENNIS
Secretary

GEO. A. VIEHMANN
Vice-President

New Field Grain Insurance Tables

COMPILED BY V. C. DRIFFIELD

War Has Made Old William H. Lowden Tables Obsolete—Driffield Talks on Subject

The existing conditions, largely due to the Great War, whereunder the market values of grain, as of other commodities, have soared beyond all previously conceived possibility, have, for the time, rendered the old William H. Lowden field grain values obsolete. They were based on a valuation of grain at $1.75 per cental, whereas the present market prices of all cereals which are the subject of insurance while in field are approximately twice that figure.

In consequence, V. Carus Driffield was asked by the Standard Forms Bureau to undertake the compilation of new Field Grain Tables, which he has done.

The insurance of growing grain originated in California early in the "eighties" and the late Charles Dohrmann, a former prominent local agent in Stockton and the promoter of the now defunct Alta Insurance Company, is credited with the conception of the idea. The four companies under the management of Balfour, Guthrie & Co., the Fireman's Fund, the Hartford and Aetna monopolized the business in the early days.

Arriving at Insurable Value

The insurance value of grain is arrived at by taking as a basis the market value of the estimated crop yield in local warehouses, less a fair percentage as margin and to overcome possible moral hazard, and deducting therefrom, the estimated cost of harvesting, sacks and twine, and hauling from field to warehouse. For example, say:

Crop yield 1,800 lbs. per acre. Market value in warehouse, $3.40 per cental.

	Per Acre
Market value in local warehouses	$61.30
Less 15% discount	9.18
Insurable value in warehouse, per acre.	$52.12

	Per Cental
Less Expense: Harvesting ...	.25
Sacks and twine	.30
Hauling	.05

1,800 lbs. at .60, $10.80 per acre.

Insurable value while standing per acre. $41.22

Henry R. Yates, chief of the Schenectady fire department, talked to agents of that city on "Fire Prevention" a few nights ago.

Wants U. S. To Insure Field Grain

BILL IN CONGRESS NOW

Director Would Be Subject to Department of Agriculture—Provision for Loss Payments

Washington, D. C., June 4.—Under the terms of a bill which has been introduced into Congress by Representative King, of Illinois, there is to be established in the Department of Agriculture a bureau of Farm Risk Insurance, to provide for the insurance of growing crops.

The bureau would be under the supervision of a director, to receive an annual salary of $5,000, and would, subject to the general direction of the Secretary of Agriculture, "provide for the insurance by the United States of growing crops of non-perishable products against loss or damage by the action of the elements whenever it shall appear to the Secretary that the producers of such crops are unable to secure adequate farm-risk insurance on reasonable terms."

$10,000,000 to Pay Losses

The sum of $10,000,000 is to be appropriated for the payment of losses. It is provided in the measure that the President may, whenever in his judgment the necessity of further farm insurance by the United States shall have ceased to exist, to suspend the operation of the act in so far as it authorizes such insurance, which shall be in any event within two years after the passage of the measure, but shall not affect any insurance outstanding at the time or any claims pending adjustment.

FOR BETTER COUPLINGS

Standardization of hose couplings was the principal topic for discussion at the meeting of the Co-operative Association of Western Ohio Fire Chiefs recently. It was pointed out that standardization of couplings and hydrant connections to conform with the national standard is necessary in these days of fast motor engines. If the various towns were using uniform apparatus they could get an interchange of assistance if a fire should get beyond control of the local department. An effort will be made to prepare for effective and much needed co-operation by joint action in securing uniformity in these highly important public fire fighting facilities.

A. K. Boughner & Co., of Newark, have been appointed agents for the Merchants of Denver.

Associated Mutual Agency Incorporated

B. J. ALLEY, Manager

68 William St., New York

Exceptional Facilities for Writing Business Throughout the United States

New York Agents Meet at Syracuse

NEED OF STRONG ORGANIZATION

War Brings New Problems to Fire Insurance Business—Representative Attendance at Convention

Syracuse, N. Y., June 6.—The annual meeting of the New York State Association of Local Insurance Agents is in session here. Local agents from all parts of the State are in attendance.

John L. Tiernon, Jr., of Tiernon & Co., Inc., Buffalo, who is president of the association, opened the meeting with an address in which he said in part:

"We have assembled to review the past and plan for the future. The reports of the various committees will show that some constructive work has been done that will doubtless prove to be very beneficial to our cause. They will also show that acts which would have been detrimental to the insurance business have been prevented through our activities. However, various things which were planned for the year just ending had to be abandoned for two reasons, namely, the effects of the war and the lack of funds.

The Question of Help

"Many of us have lost some of our most valuable office help, either because they volunteered or were drafted. While we give them gladly to our country in her hour of great need, their going placed upon us additional burdens, including detail office work requiring constant attention. Many have also given generously of their time to Liberty Loan, Red Cross, Y. M. C. A. and other campaigns. As a result but little time was available for committee work notwithstanding the desire of each to be of service to the association.

"The lack of funds had an equal effect in curtailing the activities of the committees. The funds available under present conditions are barely enough to meet the obligations that must be incurred, leaving no money to defray the expenses of the members of committees attending meetings. While members were willing to give freely of their time, I did not believe it just to ask them to pay their expenses personally. Therefore, but one meeting of the executive committee was called.

"Some method of securing more money must in my judgment be devised. * * *

Problems of the War

"While we may not be able to accurately visualize the future we must realize that the old conditions are gone forever, and that the future holds for us a period of reconstruction. We can now see the handwriting and we should prepare for the change. Various problems caused by the war are up for solution at this time. Legislation of every conceivable character will doubtless be introduced and must be dealt with. In a word, we are now being and will continue to be attacked from without. There is, as I see it, but one way to successfully prepare to defend our business, and that is through a strong active organization backed by sufficient funds. * * *

"The National Association now stands ready to assist us in a vigorous campaign for new members, and I sincerely hope that the incoming officers will see to it that such a campaign is started early and that the gospel of self-preservation is brought home to each insurance agent doing business within this State. If such action is taken, I feel confident that this association will occupy the place to which it is rightly entitled, namely, first in number of members and first in importance among State associations."

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus, .. - - - - -	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - -	1,051,543.00

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $152,000,000.00

Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

Continental Keeps the Public Posted

MONTHLY REVIEW OF BUSINESS

Sent to Thousands of Bankers, Manufacturers and Merchants—Goes to Washington, Too

When Henry Evans, president of the Continental group was in Europe about five years ago, Ernest Sturm, financial secretary of the Evans companies, began writing to him a weekly resume of business conditions to keep the president posted on events on this side of the water. The information in these letters, largely economic and financial, was concisely put, with occasional quotes, but without personal opinions of any kind. The ground was covered so well that the resume has continued ever since.

Comes Out Monthly

As time went by the letters grew longer, broadening in their scope, and Mr. Evans eventually determined to have them issued in book form so that others might share the information they contained. This is done once a month, and included in the review of business conditions is a monthly resume of the world war.

These pamphlets are given a circulation running from 10,000 to 15,000. They go to the busiest men in every community, including bankers, merchants and manufacturers; to chambers of commerce and boards of trade; while in Washington some of the men on the mailing list are the President of the United States, members of the Cabinet and Senators and Representatives.

Much Appreciation

That this digest of business conditions is appreciated is demonstrated by the large number of letters Mr. Evans has received from recipients of the booklets. One came this week, for instance, from the Citizens & Southern Bank, Savannah, reading: "Please accept my thanks for these booklets as they are the most instructive and interesting papers that come to my desk."

W. R. Greer, secretary of the South Carolina Loan & Trust Co., Charleston, wrote: "The resume is ideal in giving a busy man a wealth of useful and up-to-date information in such a concrete and inclusive form."

The National Bank of Washington, D. C., wrote: "If possible, I would like to secure a complete set to date."

The American Glue Company wrote: "I consider this the most concise proposition of its kind that I have ever seen. It gives me all that I want to know in the fewest possible words."

Another commendatory letter received this week came from the Vice Director of the Library School, University of the State of New York.

A World of Information

In addition to the monthly reviews there have been a number of special booklets or pamphlets printed on information worth while at this time. One of these illustrated booklets, entitled "Weapons of Modern Warfare," gives a complete history and description of weapons now in use on land, sea and air.

Another, entitled "Along the Battle Line in France and Belgium," presents the location and a brief description of the cities and towns near the trenches. The Case of Coal" attracted much favorable attention, being a brief survey of the coal problem, with suggestions for conservation. Four other popular pamphlets have been "Cost of War in Treasure and Men," "The Effective Way to Reduce Waste By Fire," "High Cost of Living and Low Cost of Insurance," and Food Conservation."

Compiled By Ernest Sturm

Ernest Sturm, who compiles these booklets, is a young man despite the fact that he has been with the Continental for twenty-seven years. He began as Mr. Evans' office boy. Having an old head on his shoulders he early recognized that in the largest city in America opportunity knocks at every door, and he took advantage of opportunity by studying at night. Thus, he was graduated from New York University Law School, and in 1903 was admitted to the bar. He attended various night schools at different times, including the Y. M. C. A., finding time to study finance and economics. His association with Mr. Evans was a school in itself. Mr. Sturm's title with the Continental group is financial secretary.

ATHOS, NOT D'ARTAGNAN

An Impression of the Late Louisville Insurance Knight Errant, General Castleman

The death of John B. Castleman, the Civil War and Spanish War veteran, who for years was a dominating figure in southern fire insurance, has caused dozens of newspaper writers to discuss his characteristics and remarkable personality. In a beautifully written pen sketch of the General, Young E. Allison, his townsman, says there was much in the General that reminds him of D'Artagnan—the impetuous and mighty human hero of Dumas' immortal quartette of musketeers. To many friends of the General, however, General Castleman gave the impression of Athos, as he had more of the dignity, the suavity and the grand manner of the noblest of the creatures of Dumas' wonderful romance of adventure.

For many years daily newspapers, particularly the New York "World," referred to the General's daughter, Alice, as the most beautiful woman in the South. This was a pretty large order which she filled beyond dispute. There are many stories current as to how this title was conferred upon General Castleman's daughter, but the most popular and widely current one was based upon the entrance of the late John Jacob Astor into a New York ballroom, where he was to pick the most attractive looking girl present to lead a cotillon with him. Alice Castleman was his choice.

Smith & Utter, Inc., has been incorporated with $10,000 capital by Joseph I. Smith, Glen Rock, N. J., Harry N. Utter and M. Campbell, New York City.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

S. C. BISHOP CO.

Represented at 95 William Street, N. Y. C., Room 1001

AGENTS FOR NEW JERSEY

208 Broad Street, Elizabeth, N. J.

Phone, 447 John — 588 Elizabeth

THE HUMBOLDT FIRE INSURANCE CO.

PITTSBURGH, PA.

Conservative -- Sound -- Progressive

Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President

EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

FOUNDED 1792



The Oldest American Stock Insurance Company

7921 Insurance Company of 1918

NORTH AMERICA

PHILADELPHIA

126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33

Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

Caledonian Insurance Co. of Scotland

FOUNDED 1805

"THE OLDEST SCOTTISH INSURANCE OFFICE"

UNITED STATES HEAD OFFICE

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CHAS. E. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.

NEW YORK CITY OFFICE

Golden Hill Building, 59 John Street, New York

FRED. S. JAMES GEO. W. BLOSSOM WM. A. BLODGETT

FRED S. JAMES & CO.

123 WILLIAM STREET

NEW YORK

United States Managers

GENERAL FIRE ASSURANCE CO. of Paris, France

URBAINE FIRE INSURANCE CO. of Paris, France

EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England

C. B. G. GAILLARD Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

Albert Dodge Tells of Agency Building

LITTLE PRINTED LITERATURE

Strong Advocate of Selling Accident and Health With Other Lines

Albert Dodge, of Armstrong-Roth-Cady & Co., Buffalo, representing the Standard Accident, has written for his Company an instructive article on agency building which is reproduced here:

"There are so many ways to build a successful and revenue-producing agency in the accident and sickness business that this article will necessarily only touch on what I consider the most important points.

"For illustrative purposes let us divide it into two parts: How have I produced the business? and, How have I held the business after getting it?

"I have always contended that any man who will devote eight hours of intelligent effort each day to the business will be successful and the experiences of myself and others have proven the rule. It is absolutely essential that a thorough understanding of the meaning and intent of every clause in the policy be required, for, unless the salesman presenting the proposition has this knowledge, he is unable to impart it to his prospect. To obtain the confidence of your man you must first convince him that you know your business thoroughly, and then three-fourths of your battle is won.

Uses References

"I am a firm believer in a small territory well worked, rather than a large one thinly covered.

"On my books I have approximately three thousand policyholders, practically all within Buffalo, and it is hardly possible for me to go to any part of the city and not find one or more satisfied policyholders who are always willing to assist in any way and can always be used as references.

"If I see a man reading a newspaper I conclude he is not too busy to learn something about the goods I have to sell, and he immediately becomes a prospect.

"I have tried to talk at a man and not over his head, in other words, do not talk in generalities, but talk in language and use words he can understand, for instance, if talking to a butcher, try to illustrate your business in terms that he applies to his own business.

"If I am unsuccessful in procuring a man's business, immediately after leaving him I ask myself why, and endeavor to find out what I did not do or what I did do to cause the failure.

Individualizing

"I use very little literature in my work, preferring to take a small slip of paper and as I illustrate the policy write the figures down as I go along, and if I do not get the application signed at that interview I leave the slip with my prospect. The advantage of this is that it impresses the prospect with the thought that you are considering his individual case and not giving him a piece of printed matter which is handed to anybody. If he seems sufficiently interested I casually ask his age, height, weight and other information desired and suggest that I send a policy to his home that he may look it over at his leisure when he has nothing else on his mind, and this also gives me an opportunity to make a second call.

"I have endeavored to procure the better class of brokerage business but this is only used as a means to increase volume to the company as the small amount left after paying the brokerage is not sufficient to pay for the time and thought expended.

"Personal business counts, and is the most desirable from every viewpoint. If you cannot produce yourself you cannot tell others how.

"I have not tried to get so-called large policies. It is the medium-sized policies that sell best and stay longer, and cause you the least trouble.

"The most important rule which I have enforced as strictly as possible is that I have insisted that our policies be fully explained at the time they are written as it prevents misunderstandings at the time a claim is presented. The time to have the trouble is when the policy is written, not when the claim is presented.

"You can often use conditions surrounding certain claims in procuring business.

"To hold the business one must give it constant and prompt attention, as in no other branch of the insurance business do you get in closer touch with the personal affairs of men than in the accident and sickness branch, especially if a claim is presented.

Placing Renewals

"Many methods for placing renewals are used, but the one I have found most successful is the mailing of renewal at least fifteen days previous to date, and then calling about the first of the month following if premium is not paid. In this way, you, to a certain extent, place the policyholder under obligations to you and also show him that you have not forgotten the date of renewal. The sending of the renewal in advance is in reality a notice of premium due, and if he has been solicited by any other agent he will probably return it at once and it then gives you an opportunity to try to place.

"I have made it a rule never to cancel a renewal until I have interviewed my man and ascertained the exact cause and in many cases I have held the business by clearing up some little misunderstanding.

"If any new coverage comes out I always call it to the attention of my policyholders when sending the renewal, either in the form of a letter or printed slip attached to the renewal. If a new form of policy is issued I always rewrite my business. This entails considerable extra work, but pays in the end, because it indicates to your policyholder that you are looking after his interests, and also gives you an excellent chance to increase his policy or procure additional business.

"On all renewals for policies covering accident only I always call attention to sickness coverage. Good results have been obtained.

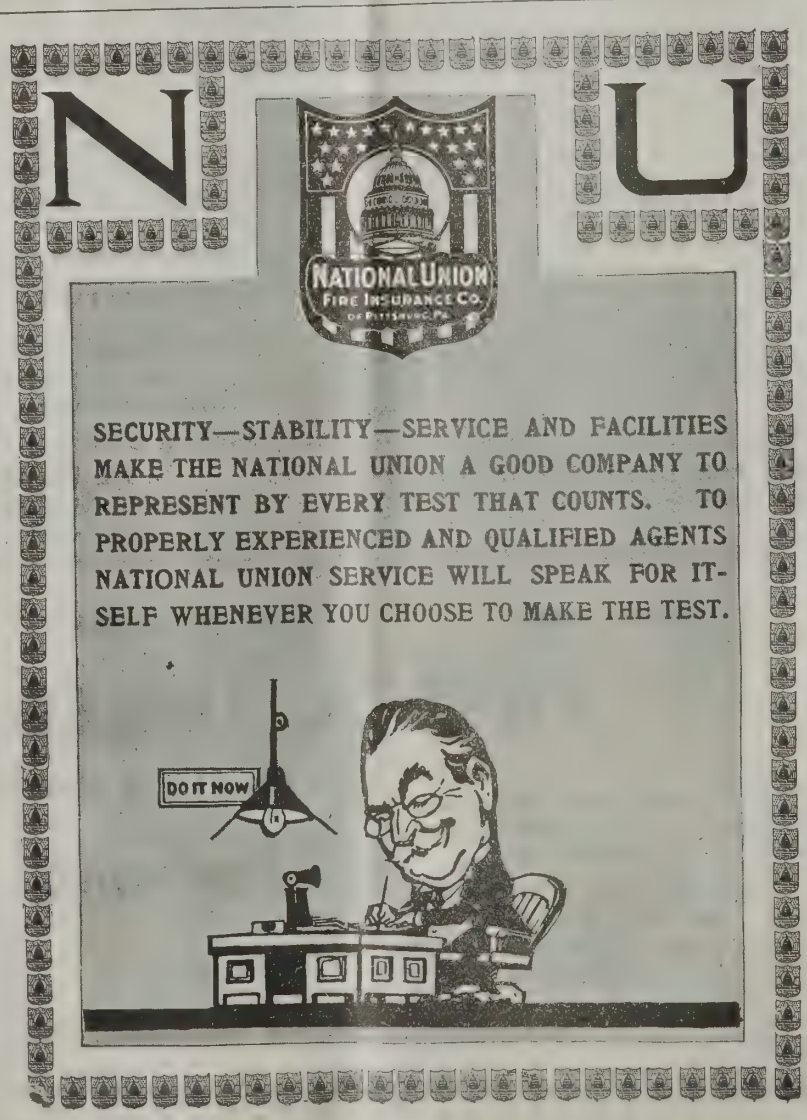
Worked With Other Lines

"Convince the policyholder that you are looking after his interests at all times. If possible, influence business his way and do not forget to let him know it, and you will hold your business.

"Of course, it is absolutely essential that there be full co-operation and confidence between the home office and yourself to make any agency successful, because in the last analysis you must have good policies, prompt payment of claims, and a company financially strong and with a good reputation.

"In conclusion let me refute the statement that an accident and sickness business cannot be built up in an office doing fire and general lines, because while I have been building up the accident and sickness business in my office, I have built up a premium income of over fifty thousand dollars yearly in other lines with people whom I have met through the accident business."

Since July, 1914, there have been 1,000,000 industrial accidents reported in New York State, on which $45,000,000 has been paid in claims.



Praises Management of New Jersey Fire

EXPENSES LAST YEAR 37.1 P. C.

Healthy Growth Indicated, Says Examiner Froggatt for New Jersey State Insurance Department

In his examination of the New Jersey Fire for the New Jersey Department of Banking and Insurance, Joseph Froggatt, the examiner, said:

"The Company re-insured all of its outstanding liability with the exception of the State of New Jersey as of May 26, 1915. This was soon after the present management took charge of the Company. Up to this time the Company had a disastrous experience, the expenses being very excessive. The present management has built up a new agency force and an entirely new business with a very reasonable expense, and with a very low loss ratio. The expense ratio under the last year of the old management was 46.6 per cent., while the expense ratio for 1917 was 37.1 per cent.

"The assets of the Company have been increased from $1,651,379 at the close of 1915 to $2,425,072 at the close of 1917. The surplus of the Company has been increased from $221,087 at the close of 1915 to $365,760 at the close of 1917. This indicates a very healthy growth and the affairs of the Company are under capable management. Every facility was afforded your examiner for the making of a very complete examination."

Home Office Building

In discussing the Home Office Building, Mr. Froggatt said:

"The Company owns its Home Office Building, located at 38 Clinton Street, Newark. This building was built by a former management of the Company as of September 29, 1915. An appraisal was secured of this building from the American Appraisal Company of New York. That Company fixed the value of the land at $120,000, and of the building at $170,281, making a total valuation of $290,281. The land and building are held by the Company as an asset at $239,061. The land cost the Company only $80,000, and the appraisal would indicate an increase in its value of $40,000."

SELBACH & DEANS GET TOKIO

Selbach & Deans, San Francisco general agents, have been given the Pacific Coast general agency for the Tokio Marine & Fire, which is now entering most of the States under the management of Jos. A. Kelsey, former United States manager for the Aachen & Munich.

MARRIAGE KILLS PET JOKE

Fred R. Paine, of the New Jersey, New Brunswick and United British, joined the tribe of benedicts on June 1. He can no longer amuse his friends by telling that there are four Paine brothers in the insurance fraternity: three married and one living.

W. B. M. CHACE RETIRES

Because of continued ill health, W. B. M. Chace has disposed of his interest in the old and prominent Fall River agency firm of Chace & Stafford to John F. Stafford, for years the active insurance man of the office, who will continue the business under the name of John F. Stafford & Co.

The mutual insurance companies of Kentucky will hold their annual convention in Louisville in October.

How Use and Occupancy Losses Are Adjusted

Example No. 1

By L. A. Moore, General Adjuster New York Underwriters' Agency

From a paper read by Mr. Moore to field men of the New York Underwriters' Agency.

The form in the first case we will deal with states in the first paragraph "It is understood and agreed that whenever the words 'use and occupancy' are used in this policy it shall be construed to mean profits, fixed charges to the extent of heating, lighting, taxes, insurance, salaries and wages of employees under contract, royalties and interest on the investment of their buildings, structures, their contents, machinery and equipment of every description owned or occupied by assured for the purpose of mining coal and general merchandise"; and in the second paragraph, "The conditions of this contract of insurance are that if the said buildings or structures, their contents or equipment, or any part thereof, shall be destroyed or so damaged by fire occurring during the term of this policy that the assured are entirely prevented from operating or carrying on their business of mining coal or general merchandise, then this company shall be liable at the rate of $1,166.67 per day of such prevention, and in the case of partial prevention, this insurance shall be liable in that proportion of the $1,166.67 per day as the reduction in output bears to the average daily output of coal for the ninety working days of full production immediately preceding the fire."

A Valued Form

It will be observed that the form is valued and that liability is based on assured's business of mining coal or general merchandise; and that if entirely prevented from operating or carrying on their business, the insurance shall be liable at the rate of $1,166.67 per day of such prevention, and in case of partial prevention, in that proportion of $1,166.67 per day, as the reduction in output bears to the average daily output of coal for the 90 working days of full production immediately preceding the fire.

It is not necessary under a valued form to state (as this one does in the first paragraph) the items for which the insurance shall be liable—in fact, it is better not to do so, as it is liable to confuse the assured, as well as the adjuster, if he is not a past grand master in the adjustment of use and occupancy losses.

Generally speaking, if assured carries 100% insurance to use and occupancy value, and percentage of profit to production did not vary, the result obtained in an adjustment should be about the same whether liability is measured by net profits or production or is assumed under a valued or non-valued form, as when he takes out insurance under a valued form, he figures that in event of the total destruction of his business, his loss per day of net profits and overhead expenses would be around a certain amount and that amount is stated in the form as the fixed amount of the companies' liability; whereas under a non-valued form, he figures that if he is entirely prevented from carrying on his business, his loss of net profits and overhead would probably not exceed a certain amount per day and that amount is stated in the form as the limit of the company's liability. If, however, there is a variation in production or profits, which is frequently the case, there would at times be a wide difference in the result whether the loss were measured by impairment of production or profit.

Under A Non-Valued Form

Under a non-valued form, it is, of course, necessary to recite in the form the items upon which liability is assumed, in order to determine whether the loss is less than the limit of liability stated in the form, and if such is found to be the case, that amount is the limit of the company's liability; whereas under a valued form, it is unnecessary to ascertain whether assured has actually lost one amount or another, as the value of profits and overhead expenses is fixed in advance.

If, however, you should ever come across an assured with a valued policy and his loss should be found to be less than the limit of liability stated therein, we would recommend that you do not insist upon his accepting more than his actual loss, as the real intent of insurance is simply to indemnify assured for his loss and not to enable him to profit thereby.

Total insurance covering mines $350,000.

Limit of liability per day $1,166.67.

Total prevention of operation 5 days, one location only being involved.

Partial prevention 102 days.

Date of fire July 3, 1917.

The adjuster measured the loss by net profits and overhead expenses, whereas it should, according to the form, have been measured by production.

Statement of Loss:

The total tonnage produced at all mines covered for the three months next preceding the fire, being the period provided by the form by which partial prevention shall be measured, was found to be	140,559.95	tons
Production for same period at National Mine, being the one involved in the loss	37,639.60	tons
Net profits and overhead expenses for same period at all mines	$188,816.55	
or	2,097.96	per day
Net profits and overhead expenses for same period at National Mine	$ 66,356.20	
or	737.22	per day
Proportion of profits at National Mine as theybore to the profits at all mines for 90 days preceding the fire, 737,22/2097.96, or	35.14%	
During the 102 days partial prevention at National Mine, the profit on operation of all mines was	$322,182.09	
Profit on operation at National Mine for same period	78,299.30	
Percentage of profit at National Mine over that of all mines reduced to	24.30%	
Difference, being alleged impairment of profit at National Mine	10.84%	

Summary:

For 5 days' total shutdown at National Mine, companies pay 35.14% of daily limit of liability of $1,166.67, being $409.97 per day or for 5 days	$ 2,049.85	
for the 102 days' partial suspension, companies pay 10.84% (being alleged impairment of profit as shown) of $1,166.67, being $124.46 per day or for 102 days	12,898.92	
TOTAL LOSS	$ 14,948.77	

The adjuster assumed that the profits of the National Mine (had no fire occurred) would have shown the same ratio of increase for the period of 102 days' partial prevention as the actual percentage of increase of profit at all mines. That may or may not have been the case. We have, however, no reliable information from which to determine that question.

It seems to have been the assured's custom, in case of shortage of freight cars, to send such coal as could not be shipped, to their crusher to be crushed for coking. The adjuster advises that during the 102 day period of partial prevention there was no impairment of actual ability to mine coal and the diminution of production was due to destruction of the crusher building and inability to obtain freight cars for shipment of coal, from which it would appear that if there had been sufficient freight cars, the production would have been normal.

As the companies insure against inability to produce coal, and as assured were able to resume normal production after the five days' time necessary to construct a temporary tipple, we question whether there was any reduction of production for which the companies were liable beyond the five days necessary to construct the tipple. Giving asssured the benefit of any doubt, how-



THE AIRPLANE

—is the military eagle, aptly termed the Eyes of the Army. Rising above and before the battle line, it watches for coming attacks.

FIRE gives no warning of its coming. No eye can see where it will strike next.

ADEQUATE Insurance is the airplane of protection. Use foresight instead of actual vision. Let the

AMERICAN EAGLE

Fire Insurance Company of New York

begin today to protect you against loss by fire.

Cash Capital .....ONE MILLION DOLLARS

HENRY EVANS, President

Home Office: 80 MAIDEN LANE NEW YORK

Pacific Coast Dept., INSURANCE EXCH. BLDG., SAN FRANCISCO

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

Binding Contracts with Guaranteed Underwriters at Lloyds and British Companies maintaining United States deposits. Immediate telegraphic binders given.

MARSH & McLENNAN

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901 Ford Bldg. DETROIT | 314 Superior St. DULUTH | 17 St. John St. MONTREAL | 23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

BRITISH AMERICA ASSURANCE CO.

Incorporated 1833

(FIRE AND INLAND MARINE)

Head Office, Toronto, Canada

United States Branch

January 1, 1918

Assets	$2,192,173.14
Surplus in United States	772,927.35
Total losses paid in United States from 1874 to 1917, inclusive	25,298,472.00

W. B. MEIKLE, Pres. & Gen. Mgr.

London and Lancashire Fire Insurance Co. Ltd.

OF LIVERPOOL, ENGLAND.

Adjusting Use and Occupancy Losses

(Continued from page 17)

ever, for the 102 days for which the adjuster made an allowance, we would have arrived at the measure of loss as follows:

Production at all the mines for 90 days next preceding the loss	140,559.95	tons
or	1,561.77	tons per day
Production at the National Mine for the same period	37,639.60	tons
or	418.22	tons per day
The adjuster advised that the entire plant, including the National Mine, showed an increase of production during the 102 days after the fire of 21.7% over the average production for the 90 days next preceding the fire. Assuming that the same percentage of increase had obtained at the National Mine had it been operated at full capacity, it would have produced during the 5 days' total suspension 121.7% of 418.22 tons, or	508.97	tons per day
which would make the companies' liability for the 5 days' total suspension 508.97/1561.77 of the limit of liability per day of $1,166.67, or	$ 380.21	per day
and for 5 days	1,901.05	
Production at the National Mine for the 90 days next preceding the fire, 37,639.60 tons or	418.22	tons per day
Assuming that the production at the National Mine, had no fire occurred, would have shown an increase of 21.7% during the 102 days' partial prevention over the average for the 90 days next preceding the fire, it would have produced 121.7% of 418.22 tons or	508.97	tons per day
Actual production during the 102 days after the fire, 48,137.65 tons or	471.94	tons per day
Difference (impairment of production)	37.03	tons per day
Production at all mines for 90 days next preceding the fire, 140,559.95 tons or	1,561.77	tons per day
Then, as the form provides, the companies would pay for partial prevention that proportion of the daily limit of liability of $1,166.67 as impairment of production bears to the average production of the entire plant during the 90 days next preceding the fire, or 37.03-/1,561.77 of $1,166.67, or	$ 27.66	per day
and for 102 days	2,821.73	
Summary:		
5 days' total prevention of output	$ 1,901.05	
102 days' partial prevention of output (if, in fact, there was any prevention for that period)	2,821.73	
making the liability of the companies at most	$ 4,722.78	
as against the adjuster's adjustment of	$ 14,948.77	
Over-adjustment	$ 10,225.99	

Daily Limit of Liability

We think the form makes it plain that the companies' liability shall be determined by a certain specified fraction of the daily limit of $1,166.67, that fraction being the impairment of production over the average production of all mines for the 90 days next preceding the fire. That provision of the form was entirely disregarded by the adjuster, who appears to believe it to be inconsistent with the fact that the form states elsewhere that it insures against loss of profits, etc. We are, however, unable to find anything in the form which would operate to nullify the clause which provides for the measurement of the loss. The fact that the numerator and denominator of the fraction referred to are both made up of production figures is in no sense inconsistent with the fact that the form covers profit, etc., the value of which is agreed upon in advance at $1,166.67 per day.

POTTER WRITES TROY

Average Loss Per Fire There, $1,064; in Rest of State, $447

In a long letter to T. W. Hislop, secretary of the Troy Board of Fire Underwriters Secretary R. G. Potter, of the Underwriters' Association of New York State, explains the physical and departmental deficiencies of that city, where there is agitation over a recent rate advance. He says in part:

"The increase has been made primarily on account of the excessive losses sustained by our companies over a period of years and which are corroborated by the records of the Troy fire marshal, showing an average fire loss per year for the five years 1912 to 1917, inclusive, but omitting 1913 (which the records omit) $268,186, average yearly number of fires 252.

"This shows an average loss per fire of $1,064, average loss per capita of $3.44; the corresponding figures for the State of New York for a similar period are—average loss per fire $447, average loss per capita $2.51."

In conclusion he says that the desire of the companies is to obtain an improvement in the conditions affecting fire prevention and protection rather than to maintain the rate increase.

NO WAR RISK SPURT

Depredations by Submarines Fail to Create Any Appreciable Difference in Demand

Contrary to expectations there was no stampede for war risk and bombardment cover following the sensational character of the submarine achievements early this week. Most offices writing that line fully expected a repetition of what took place over a year ago when rumors were circulated of U-boats off the Atlantic Coast.

Tuesday there was hardly any appreciable difference in the amount of this business which has been running light for a long time. By Wednesday some additional inquiry was noticeable, but nothing which would indicate that business men or the general public, either in New York City or along the Jersey shore, are the least panicky.

Brokers are now much better able to handle this business than when it first came into use in the United States. The home offices are not now flooded with wire messages asking for information. Brokers are lining up some business which will continue to come in for some time. Some offices have lost much of the business placed in April a year ago, but others have renewed most of theirs. The Home of New York has issued a comprehensive booklet on this entire subject.

LUMBER SUIT DECIDED

Judgment for $21,561.55 was granted to Wilhelmina Menting et al. against five fire insurance companies in Antigo, Wis., recently, by a special verdict returned by a jury in a local court on May 17. The trial lasted nine days. The issue involved recovery of insurance on lumber destroyed by fire on October 4, 1917. The jury found that the firm of Menting & Hickey were the owners of the lumber which totalled more than 1,000,000 feet. It was also found that the Wolf River Lumber Company did not procure the fire to be set which destroyed the lumber and did not swear falsely regarding the proofs of loss or in their examination under the policies. The plaintiffs also were absolved by the jury from charges that they attempted to obtain a greater amount of insurance than they were entitled to receive.

NEW JOINT MANAGER

Cecil H. Falloon Promoted by Atlas at Home Office—Royal Chairman Resigns

Among changes announced in London home fire insurance offices are Cecil H. Falloon, assistant secretary of the Atlas, made joint manager, and the resignation of Herbert W. Hind as chairman of the Royal. Mr. Falloon joined the Atlas after leaving Cambridge. He was Comptroller of the Company's business in the Far East and then manager at Bombay.

Mr. Hind becomes a deputy chairman of the Royal, and is succeeded as chairman by Thomas Woodsend.

TROUBLE OVER COLLISION

Efforts by Conference to Secure Support of Sun Office and Caledonian

The Sun Fire Office, and in lesser degree the Caledonian, have been writing automobile collision freely at the old $25 deductible rates. Both companies are non-Conference. The situation is considered one of such importance to the Conference companies that a meeting was arranged for Thursday afternoon, to which representatives of the Sun and the Caledonian were invited, with the view to reaching, if possible, an amicable understanding as to future practices.

The Conference has practically announced that unless the two companies can agree upon some basis of co-operation, the Conference companies will find it impossible to longer maintain their rules regarding collision covers. In such event the whole collision situation would be thrown open. The two non-Conference companies plead self-protection as the basis of their policy of underwriting. They have for some time appointed agents very freely on broad contracts as to commission and territory.

EARLY MARINE COMPANIES

The disadvantages of individual guarantee in the case of an insurance contract became obvious at an early date and several attempts were made in England to secure a royal charter for the transaction of insurance business. It was not, however, until 1720 that the Royal Exchange and the London Assurance Company were chartered by Parliament, their business being extended the following year to include fire insurance. In America, joint-stock insurance began in 1792 with the foundation of the Insurance Company of North America at Philadelphia. Prior to that time marine insurance business had been conducted in this country on the old English system of individual underwriting in groups. American underwriters in those days might each accept a line of as much as £200 on one bottom, the total indemnity never exceeding $50,000 for any one risk, irrespective of the total value involved, inasmuch as there were not more than fifty underwriters at any port of importance in America.

PROGRESS OF FEDERATION

Interest Evidenced in All Lines of Insurance in New York State

At a recent meeting of the executive committee of the New York State Insurance Federation, A. C. Hegeman, president of E. C. Anderson Company, chairman, and the Finance Committee, Wilfrid C. Potter, secretary of the Preferred Accident Insurance Company, chairman, reports were submitted showing what the Federation has accomplished and the outlook for the future. The joint committee realizing that in order to enable the Federation to do its most effective work it is necessary to include in its membership all those interested in the insurance business adopted the slogan, "Every insurance man a member."

As part of the program to enlist all connected with the business of insurance in the Federation movement the following letter has been issued to local agents in the State, over the signature of Stanley L. Otis, executive secretary, one paragraph reading:

"Proposals for the State to engage in the insurance business are involving each day more lines of insurance. At the last session of the legislature bills were introduced respecting State health insurance, monopolistic State workmen's compensation insurance and a motor vehicle bill providing for a State fund in which the car owner could insure his automobile liability, if he so desired. Agents, brokers and home office officials should unite into one organization to educate the public respecting insurance, the advantage to them of the present insurance carriers and the opposing of the State transacting the business of insurance."

A similar campaign drive for members has been made in New York City to enroll the life agents and the brokers under the direction of the membership committee consisting of Julian Lucas, Jr., vice-president of Davis, Dorland & Co.; L. A. Cerf, general agent Mutual Benefit Life, and James R. Garrett, general agent National Casualty.

The movement to interest the home office officials of the companies under the supervision of Edgar M. Griffiths, of Albany, president of the Federation, and A. J. Hollister, secretary-treasurer of the M. E. Wollf Co. of Rochester, the Federation's treasurer is meeting with success as the need of a central organization to unite all elements of the insurance structure into one compact body is recognized.

E. J. POWERS AT MT. VERNON

Edward J. Powers announced his appointment as local agent, for several companies at Mt. Vernon, N. Y. Mr. Powers for some time past has been with John A. Lynch & Co.

WANT DOUBLE PLATOON

The double platoon system has few friends outside of the firemen themselves. To them it is simply a case of shorter hours with the same money. Fire chiefs are quite generally against it, because it almost always impairs the efficiency of the department and causes an increase in fire insurance rates.

Firemen's Insurance Co., Newark, N. J.

January 1, 1918

Cash Capital	$1,250,000.00
Net Surplus	$2,384,971.20
SURPLUS TO POLICYHOLDERS	$3,634,971.20

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer — A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President — J. K. MELDRUM, Assistant Secretary

MARINE DEPARTMENT

Additional Hazards in Full Cargoes of Coal by Sailing Vessels to South America

Inasmuch as the majority of vessels carrying cargoes since the war broke out insist on having their freight prepaid and the freight on a commodity like a cargo of coal is far in excess of the actual value of the coal itself, when a vessel puts into a port of distress short of its destination, underwriters have a very serious hazard to contend with based on this fact. There is now an American vessel in St. Thomas with a full cargo of coal destined to the River Plate. The value of the coal is about $4, the prepaid freight is about $22, therefore making the full insured value about $26 per ton. This vessel is leaking and in an unseaworthy condition and unable to proceed on her voyage, and will be condemned and the cargo will have to be disposed of.

Coal actually is worth about $20 a ton in St. Thomas, but as there are very few coal dealers, and knowing that they have the owners of this cargo at their mercy, the highest price offered for this cargo is $4 a ton. During the period prior to the war under similar circumstances when cargoes of this kind were shipped without the freight being prepaid, underwriters could charter a vessel at the same rate of tonnage or sometimes a lower rate of tonnage, and take the cargo forward to destination with a comparatively small loss.

At this time it is impossible to charter any vessel even at the original rate of freight, and therefore the underwriters insuring this cargo when they take into consideration the other general average expenses which they have to pay will be called upon to pay a total loss while their cargo is still intact, and unless underwriters provide for losses and contingencies of this kind in insuring cargoes of coal where the prepaid freight is four or five times in excess of the original value of the coal, they will have some very unfortunate results with this class of business.

Wandering Mines

London, May 15.—Most marine insurance cases are fought on some variation of a well-worn principle, but a case which came up for hearing recently was brought on grounds which, although rather ingenious, were such that few would care to found an action on.

The steamer "Alice H.," struck a mine or mines in the Baltic in August, 1914, and sank. The suggestion was that a strong current and north wind had caused mines to break away from the Russian minefield, and that the loss being caused by the gale and the current, the proximate cause was perils of the sea, and not war or hostilities. Claim was therefore made upon the Marine policy issued by the Merchants' Marine Company, the plaintiff being the Stoomvaart Maatschappij Sophie H., of Rotterdam.

The policy was somewhat obscured by its unusual wording; various additional clauses being attached to the document which tended to make the conditions more complicated than usual. The policy was on "Rotterdam Exchange conditions," but a clause was inserted which made the contract conditions those of a Lloyd's policy although a slip attached bore a different f.c. and s. clause, reading as follows:—

> Warranted free from capture, seizure, and detention, and all other consequences of hostilities (piracy, riots, civil commotion and barratry excepted).

This clause Mr. Justice Bailhache assumed to represent the contract between the parties.

On the same slip appeared another clause which covered loss or damage "* * * through explosions, bursting of boilers, breaking of shafts * * * or from explosions otherwise howsoever causing loss of or injury to the property insured." It was contended that this covered the present case, because the vessel was lost through an explosion—that of a mine; but this, of course, had to be read in conjunction with the f. c. and s. clause.

There was here no intervention between the explosion of the mine and the sinking of the vessel, as happened in the case quoted by the plaintiffs, in which the striking on a derelict victim of a war peril was held to be a marine casualty. The fact that the mine had got out of place, and had brought about a loss which was not intended, did not prevent its effect from being caused by an act of hostility. Judgment was for defendants.

There have, of course, been many similar accidents during the war to that involved in the above case, and it will also be remembered that, after the Russo-Japanese War, when mines were sown with great prodigality in Far Eastern waters, losses resulted long after hostilities had ceased.

During this war one does not recollect hearing of any dispute as to which set of underwriters was liable for such a loss, until the present case. The clause, "including risk of floating mines," was in frequent use for years after the Russo-Japanese War because of a feeling of uncertainty, not, perhaps very well founded, as to the liability or otherwise under policies in the ordinary form.

We beg to announce our appointment as
MARINE MANAGERS
of the
AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

EQUITABLE UNDERWRITERS OF NEW YORK
SURPLUS $793,852.75

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Glens Falls Insurance Co., of Glens Falls, N. Y.
Hanover Fire Insurance Co., of New York, N. Y.
MARINE AGENTS
Globe & Rutgers Fire Insurance Co., of New York, N. Y.
MARINE AND WAR RISK INSURANCE
Losses made payable in all parts of the World
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HENRY E. OTTO & CO., Inc.
Insurance Brokers — Average Adjusters
Marine and War Risk a Specialty
56-58 PINE STREET John 5109-5037-2171 NEW YORK

SHIPOWNERS' LIABILITY

London, May 15.—Many shipowners are now inserting in their bills of lading conditions which cover them against non-delivery of cargo. The consequent demand for insurance to cover this risk has led to the framing by the Institute of London Underwriters, of a new clause, for the insertion of which an additional premium of five shillings per cent. is generally charged.

The clause reads as follows:

"In the event of the total loss of a package or packages during transit for which the shipowner would be responsible under the bill of lading, but for the valuation clause therein, underwriters to pay the insured value of same, less such sum, if any, as the assured may be entitled to recover under the bill of lading."

French insurance companies have addressed the Minister of Finance for permission to transact bombardment insurance.

MAY LOSE CANAL BUSINESS

While it is known that enormous quantities of goods, particularly grain, will be shipped through the new barge canal, New York inland marine underwriters do not know whether they are going to be in position to handle any of the insurance on these shipments. They are rather inclined to believe that the Government will do the insuring.

BALLARD HAS NATIONAL

The National Insurance Co. of Copenhagen, Denmark, which has been transacting a marine re-insurance business here under the management of Walter D. Despard, has appointed Sumner Ballard as United States manager of its fire insurance department. The old firm of Ballard & Mutzenbacher is now Sumner Ballard & Co.

The Maryland Casualty has issued a new circular on sprinkler leakage losses which should help materially in writing this line.

WM. H. McGEE & CO.
MARINE UNDERWRITERS
15 WILLIAM STREET, NEW YORK

General Agents Marine Department
St. Paul Fire & Marine Insurance Co.
Phœnix Insurance Co. of Hartford
Great American Ins. Co., New York
Camden Fire Insurance Association
Westchester Fire Insurance Co.
Niagara Fire Ins. Co.

U. S. Managers
Skandinavia Re-insurance Co.
(Copenhagen)

Agents Marine Department
Providence Washington Insurance Co.
Massachusetts Fire & Marine Ins. Co.

Telephone Hanover 2054 Established 1898
Marine Insurance
Local agents are invited to consult us on their marine insurance problems
OSBORN & CO.
Average Adjusters and Insurance Brokers
Insurance Exchange, CHICAGO - - 45 Wall St., NEW YORK

United British Announces Plans

INGALLS WESTERN MANAGER

Company Will Enter About Twenty States—W. W. Alverson to Handle Pacific Coast

The United British Insurance Co. of London, England, announced this week the appointment of H. H. Ingalls as Western manager of the fire department of the Company, with headquarters at Chicago, and of The Associated Underwriters, of San Francisco, as Pacific Coast managers for fire. W. W. Alverson is manager of The Associated Underwriters. Additional announcement of these and other plans of the United British will be found on another page.

The United British is a company of very high standing in England. The directors of the Company are men of large affairs. The chairman of the board is Lawrence Richard Philipps, J P., a member of the well known English family of that name, whose elder brother is Lord St. Davids. The second brother is Sir Owen Philipps, G. C. M. G., who is chairman of the Royal Mail Steam Packet Company, Union Castle and a number of other important British ship owning and industrial companies. The third brother is Major General Sir Ivor Philipps, D. S. O., chairman of the World Marine & General Insurance Co., Ltd. Lawrence Philipps is chairman of the Court Line & Cressington Steamship Company as well as a director of various other corporations.

L. R. Brading, another director, was marine underwriter of the Eagle, Star & British Dominions Insurance Co., Ltd., and is now the Marine Underwriter of the United British, the Motor Union and the British Commonwealth. H. J. Whitcomb, who is general manager of the United British, is also general manager of the Motor Union and the British Commonwealth. The other directors of the United British are C. H. Dodd, W. Rees-Jeffreys, S. B. Hollingsworth and P. E. Haldin.

The three companies, the United British, the Motor Union and the British Commonwealth are operated together and their combined assets are in excess of fifty million dollars.

The United States trustee for the United British is the Guarantee Trust Co. of New York and the United States managers are C. P. Stewart & Co., Inc. C. P. Stewart, who is president of this corporation, is also president of the American Merchant Marine Insurance Co. and the marine business of the United British will be managed in conjunction with the American Merchant Marine Insurance Co. by Wade Robinson as marine underwriter.

George A. Viehmann, who is vice-president of C. P. Stewart & Co., Inc., is the president of the New Jersey Insurance Co. and the New Brunswick Fire Insurance Co., and the fire branch of the United British will be managed in conjunction with the business of the New Jersey and the New Brunswick companies. Gresham Ennis, who is vice-president and secretary of C. P. Stewart & Co., Inc., and also secretary of the New Jersey, will be associated with Mr. Viehmann in the management of the United British. The office of the fire branch of the United British will be at 40 Clinton Street, Newark, N. J.

Marine Underwriters Fear Mexican Base

WAR-RISK RATES DOUBLED

Apprehension Over Submarine Sinkings Increases—Quotations Subject to Rapid Changes

During the middle of the week, marine underwriters in New York took a more serious view of the U-boat sinkings. War risk covers to all points in Central and South America, on the Atlantic side, as well as to United States coast ports and those in the West Indies, were advanced from one per cent. to two per cent.

The primary reason for this advance is the general belief, based upon reliable private information to marine brokers, that there is a German submarine base of dangerous proportions somewhere in Mexican waters.

Marine war-risk rates in Atlantic Coast trade zones had become so low that when, last Monday, the submarine menace became a reality right in New York harbor, some companies found themselves carrying a heavy liability for which they cannot now expect to receive any adequate return in premium.

Rates Were Too Low

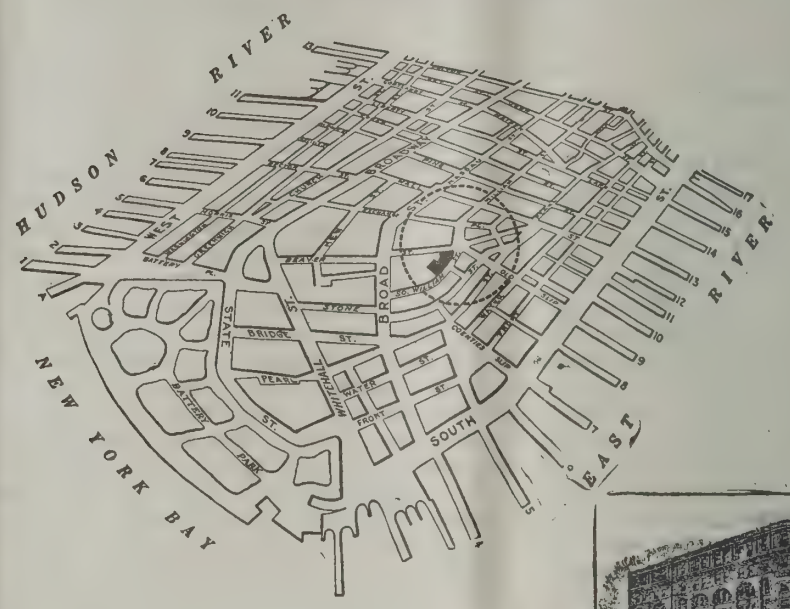
That war-risk rates have been entirely too low in the face of a hazard which was likely to be hugely increased without a moment's notice, is illustrated in the case of River Plate shipments. Assuming that there are two sailings a week and a company gets its full line on each ship, that would be $200,000 a week, $10,400,000 a year. At 20 cents (what has been charged) the premiums would amount to $20,000, so it would take a company five years to make up one total loss of $100,000. To break even a company ought to get enough premium in six months to take care of one total loss, is the opinion expressed by one underwriter.

It is impossible to say how many mines have been planted by the Germans off the coast, but at least one has been found. Neither is it known what facilities, if any, Germany has in Mexico for manufacturing mines.

It has become evident that submarines have been in American waters for ten days, or longer and that a certain amount of patrolling has been done to discover them. Nevertheless such work as was done was ineffective. The U-boats came and did a lot of damage in quite leisurely fashion.

Three weeks ago marine war-risk rates were from 5 to 7½ cents a hundred. Transatlantic war-risk rates immediately went up from 1½ to 2½ per cent. Rates will change from day to day according to the news of sinkings. The Germans are really after the transatlantic steamers carrying troops and supplies, but are not averse to filling in their time sinking smaller coastwise craft. Recurrent raids are to be expected. We in the United States are now experiencing what London and Liverpool have become hardened to by daily contact for many months.

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House
New York City
South William and Beaver Streets

CONVENTION YEAR BOOK

Contains Copies of Numerous Important Speeches Delivered Before Insurance Bodies in 1917

The Convention Year Book of 1917, published by the Insurance Advocate Press of New York, contains many of the most important speeches delivered at the various insurance meetings during the year 1917.

The book is larger than last year's and special care has been taken to get addresses of more than ephemeral interest. It is the only bound volume published giving the speeches of insurance men at the conventions. Several company conventions are represented in this year's book, making it still more valuable to the insurance student. It might be noted that several of the addresses in the Convention Year Book have never been published before. E. W. Roberts is editor of the book.

Marine, Fire and War Risk Re-Insurances

The Firm of

ROBT. R. toe LAER

New York, Amsterdam and Copenhagen

New York Address, P. O. Box 50, Wall St. Station

THE
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OF NEW YORK

Marine and War Risk Insurance

JESSE SPIER, Underwriter

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CASUALTY AND SURETY NEWS

Working for Better Compensation Data

NEW BUREAU AT WASHINGTON

Nation-Wide Plan to Make Accident Statistics Uniform and Easily Comparable

The committee on statistics of compensation cost of the International Association of Industrial Accident Boards & Commissions is busy revising the classification of accident causes and the classification of accidents by location and nature of injury, under the plan worked out by the committee in 1916. The purpose is to standardize accident statistics. These classifications were published in a bulletin of the Department of Commerce & Labor, No. 201, dated August, 1916.

The experience since then has demonstrated that a revision is necessary and the meeting of the committee in Buffalo last week was for this purpose. Representatives of the National Government. State industrial boards and the National Workmen's Compensation Service Bureau were present.

New Department Proposed

Hon. Royal Meeker, Commissioner of the United States Bureau of Labor Statistics, expressed the hope that the committee would undertake the work of interesting the proper officials of every compensation state to use the classifications adopted by the committee in the interest of uniformity. It was thought that the most effective way to accomplish this would be to have Dr. Meeker establish a department in his bureau, in charge of a competent statistician, whose duty it would be to introduce these classifications in the various states and to answer all the numerous questions which are asked from time to time by interested parties.

This is a broad plan which if carried to conclusion will mean that the mass of accident statistics which is now being gathered by state boards and manufacturing concerns will eventually be placed upon a common basis. As done at present the statistics are of little value because almost every agency has its own ideas as to how statistics should be gathered and tabulated. The result is that when an attempt is made to bring them together the task proves impossible of accomplishment and the results obtained are of little or no value.

Dr. Hoffman Co-operating

Dr. Frederick L. Hoffman, of The Prudential Insurance Company, of Newark, attended the meeting with the view to securing the assistance of the committee in working out a statistical plan for the manufacturers who are members of the National Safety Council. A personal investigation by Dr. Hoffman developed the fact that every concern has a different method of analysis and compilation of their accidents. The desire is that the statistics be uniformly compiled, that they be directly comparable and in shape for combining.

It was decided that the best way to assist Dr. Hoffman would be to hold a special meeting in the near future, as none of the committee were prepared to offer any concrete suggestions now.

HARRY C. MITCHELL BEREAVED

It is with the keenest regret that friends of Harry C. Mitchell, vice president and general manager of the Commercial Casualty, hear that he lost his youngest child, Doris, June 1, after a brief illness. The little one was almost three years old.

AETNA CHANGES IN ALBANY

John O'Day Donohue, Former American Surety Manager, Now Special Agent Under W. G. Curtis

John O'Day Donohue, for the past four years manager of the Albany branch office of the American Surety, has entered the service of the Aetna as special agent of the fidelity and surety department attached to the Albany branch office of that Company under W. G. Curtis, manager of the surety department of the Albany branch. Mr. Donohue is an attorney and in addition to his personal production in Albany, he will give special attention to agency development from Newburgh north to Plattsburg.

Lewis K. Thurlow, Jr., who for the past several years has represented the Fidelity & Deposit operating from Utica westward, has also joined the staff of the Albany office of the Aetna as special agent and will devote himself practically to the same territory he formerly covered.

Henry L. Bergmann, former special agent attached to the Albany office of the Aetna, has entered the service of A. H. Knoll, general agent of the Company at Buffalo, and will develop the bond business in that city.

J. T. HARRISON CUP WINNER

Results in Other Spirited Golf Events at Cherry Valley Last Tuesday

To the droning accompaniment of numerous airplanes circling over the Cherry Valley course on Long Island, a large party of New York Casualty & Surety Club members played in their spring golf tournament last Tuesday.

John T. Harrison, of Fidelity & Deposit, won the Ralph H. Folsom Cup in the 36 hole medal play—full handicap, with net scores of 77 and 75. The cup is a particularly beautiful one, standing about 18 inches high.

Wilmott M. Smith, Aetna Casualty & Surety, won the 18 hole medal play—full handicap—first round only to count.

The low gross score for 36 holes, representing the championship of the Club, went to Edmund G. Armstrong, Hartford Accident & Indemnity.

In the 18 hole match play against par, ¾ handicap, W. H. Conroy, Massachusetts Bonding, was the winner.

The President's Cup, the kickers' prize, went to T. J. Grahame, Globe Indemnity.

The highest gross score was won by Charles Hughes, New York Insurance Department.

The prizes were awarded at the banquet Tuesday night, a highly successful affair. The Folsom Cup was presented by Bayard P. Holmes and accepted on behalf of Mr. Harrison by Norman R. Moray, Hartford Accident & Indemnity. This prize will be played for every spring and fall.

Great Eastern Casualty Company

ORGANIZED 1892

55 John Street, New York

The New York Insurance Department in a recent examination says:

"While the business of the Company has increased, its liabilities have borne a decreasing ratio to the admitted assets and the surplus a corresponding increase in the ratio to liabilities. The growth of the Company, therefore, has been healthy.

The affairs of the Company are being efficiently and conservatively conducted. Liberal reserves have been set aside for outstanding losses and other liability items, and policyholders are being accorded fair and equitable treatment."

Over Three and a Half Million Dollars Paid in Claims

Cash Capital $350,000.00
Surplus to Policyholders.....$584,137.21

LINES WRITTEN

Accident-Health (Commercial and Industrial)—Burglary—Plate Glass—Automobile Teams and General Liability.

Agency applications will be considered for unoccupied territory.

Big Surety Bond Goes Glimmering

KEPT OFFICES BUSY FOR WHILE

Might Have Been for $4,800,000—Old Virginia Law Stumbling Block

One of the big bonds that was not written in New York during the last few days was for $4,800,000. While it never became a reality it kept the interest in that line pretty active for a time.

The Sugar Products Company, a Cuban concern, made a contract in 1915, with the United States Industrial Alcohol Company to furnish molasses. After a portion of the contract had been completed the contract was varied and finally a dispute arose as to full amount of the contract, which, the alcohol company claimed, had been breached. Thereupon the alcohol company attempted to attach the property of the sugar company in various places and among other things sought

(Continued on page 22)

Speculation as to Health Form Revision

SOME SEEKING RATE ADVANCE

Committee Appointed Only to Consider Policy Changes—Meeting Held Thursday

The committee of five appointed to draft a revision of health and accident policy forms met in New York, Thursday. Prior to the meeting a representative of The Eastern Underwriter was given very positive assurance by a gentleman not on the committee that an agreement would not be reached. The reason given was that the Fidelity & Casualty would not agree to a revision of the policy form unless a flat ten per cent. increase in rates was also made effective. The Fidelity & Casualty, said this gentleman, is not nearly so interested in policy revision as it is in rates.

On the other hand, it was said with equal assurance that the Travelers was still firmly opposed to an advance in rates, but that it and the Aetna were heartily in accord with policy revision.

From another quarter it was hinted that while the committee was not appointed for the purpose of considering rates, it might develop that something along that line would be done. Most underwriters would welcome a revision upward.

COMPULSORY COMPENSATION

Washington, D. C., June 5.—Under the terms of a measure introduced into Congress by Representative Crosser, of Ohio, employers of labor in hazardous occupations in the District of Columbia will be compelled to secure compensation insurance for employes.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building **PHILADELPHIA**

PICKED UP ALONG WILLIAM STREET

Philadelphia Bond Sellers

An echo of the Third Liberty Loan drive is heard in the accompanying cut. During the drive the three young women in the photograph represented the Philadelphia office of the Maryland Casualty Company at the Insurance Booth one day each week. They succeeded in landing two hundred and four subscriptions, for a total of $65,000. In the picture are Miss Flourette Hooton on the left; Miss Bessie Williams in the center; and Miss Virginia Muir on the right. Miss Hooton and Miss Muir constituted the team which took care of the Insurance Booth, and Miss Williams, who is assistant to Manager Close, of the accident and health departments of the Maryland in Philadelphia, handled both Liberty Bonds and Thrift Stamps at the office. The picture was taken directly in front of the Philadelphia offices of the Maryland.



* * *

Always Learning Something

Accumulation clauses in disability policies are of many varieties. An insured, after carrying a three-dollar-a-month policy for about three years figured that he had his full fifty per cent. accumulation. The policy apparently increased in value three per cent. each month up to fifty per cent. When this insured turned the policy over to an insurance man it was found that the three per cent. applied only on the specific accident indemnities, such as loss of life, limbs or sight. As the premium had been paid monthly the accumulations did not apply on the weekly indemnity either for accident or sickness. Careful reading of the clause revealed that if the premium were paid for six months in advance the weekly indemnity would be increased five per cent. during the period covered by the advance payment of premium. If paid a year in advance the added benefits for weekly indemnity would be ten per cent. But although the policy was really a monthly payment policy, sold as such, the accumulations were inoperative as to weekly indemnity.

Cooling Heels in Washington

Obtaining compensation business in Washington is no easy matter. The insurance man is passed from one to another; he must wait for action by committees instead of individuals and there is reticence on the part of those in official positions to commit themselves. In course of time, however, things come to a head, but not until after much cooling of heels and anxious waiting.

* * *

Keeping Off Large Lights

A plate glass writing company in New York was this week offered three lights in a Western city, all over 100 feet square. The rate on the present form would be over $400, while that under the new clause permitting replacement with two lights instead of one would be $300. The agent was advised that the latter form is the only one on which the company will write. The manager has no assurance that he would be able to replace the larger lights should they be broken. The insured might demand a cash settlement and in case the lights had to be made to order nobody knows what they might cost.

L. C. Warnock Succeeds C. R. Vose

Charles R. Vose, assistant secretary of the New York Compensation Inspection & Rating Board, in charge of the rating division, has entered another line of business. He is succeeded by L. C. Warnock who was assistant to the chief inspector, as superintendent of the rating division. He is also secretary of the classification committee and of the schedule rating committee. The position of assistant secretary of the Board has been dropped. Mr. Warnock has been with the Board for three years. He is a graduate of Stevens Institute and previous to his connection with the Board was a safety engineer. Thomas C. Cokeley, who was assistant to Mr. Vose, is now with the American Mutual Liability in its New York office. Both Mr. Vose and Mr. Cokeley had been with the Board ever since it was started.

* * *

Automobile Business Slackens

Automobile business has slowed down perceptibly. With the prospect of heavier personal taxes and a general curtailment in the use of luxuries some offices do not look forward to any immediate revival of this line during the war.

* * *

Philadelphia Rates Up

Plate glass rates in Philadelphia have been advanced to Manual plus 33 1-3 per cent. and in Pennsylvania outside of Philadelphia to Manual plus 25 per cent.

* * *

Tribute to W. L. Mooney

As a tribute to Agency Supervisor W. L. Mooney on the completion of ten years' service with the affiliated Aetna companies, the general agents and branch managers of the companies inaugurated and conducted, during the month of October, 1917, a business getting campaign under the direction of W. M. Mulheron, superintendent of the accident department of the Springfield branch office.

That this campaign was popular with the agents and that they made every effort possible to show Mr. Mooney the esteem in which he is held by the agency force of the Aetna companies is indicated by the production of $126,605.08 in new premiums in the lines of business covered by the campaign.

* * *

Transferred to Syracuse

Herbert D. Noble, special agent of the Travelers at Albany, has been transferred to Syracuse.

* * *

Was Long in Military

William S. Collins, manager of the Casualty Insurance Exchange of New York, has had twenty-two years' experience in the military but resigned all connections of that kind some time ago. Naturally he is an interested and intelligent observer of the present conflict and can always talk entertainingly of developments as he sees them.

* * *

New Shipbuilding Rates

Special new compensation rates have been made for United States boatbuilding and stevedoring operations. These rates are on the percentage basis and were made at the request of the Navy Department.

Claim Men to Meet

The next meeting of the Accident & Health Claim Association of New York will be held June 12, seven o'clock, at the office of the Preferred Accident, 80 Maiden Lane. Any person on the casualty company or association operating in the Metropolitan District is accident and health claim staff of any eligible to membership and will be welcomed at the meeting. There will be no other meetings of the association until September. The annual dues of the association are one dollar.

* * *

Partnership Arranged

William A. Horton has become a partner with W. A. L. Laughton in the management of the middle department of the Employers' Liability at Philadelphia. Mr. Horton has been associated with Samuel Appleton, United States manager of the corporation at Boston for twenty years, during which time he has been steadily advanced to various positions of vital importance in developing the business in this country.

HARRY GOULD WITH AETNA

Harry Gould, former head of the purchasing department of the General Accident at Philadelphia, is now in the purchasing department of the Aetna Casualty & Surety at Hartford.

Bond Goes Glimmering

(Continued from page 21)

to attach a steamer lying at Norfolk, valued at $250,000.

Old Law Troublesome

Under the Virginia law the bond required in such cases must be for double the amount of the contract, not of the property attached. Incidentally this law was the outgrowth of actions brought long ago by negroes against the whites. It was enacted to make it more difficult for the negroes to disturb the contractual relations between them and the white men.

The molasses contract in dispute was for $2,400,000, so the bond required was for $4,800,000. This sum would practically exceed the ten per cent. limit of the surety companies.

A number of the companies nevertheless agreed to take their limit and when the necessary amount was almost secured the National Surety withdrew approximately $800,000. The Aetna later withdrew about $400,000. The United States Fidelity & Guaranty then got a special ruling from the treasury department by which that department would agree to waive the ten per cent. limit in this case. Other difficulties arose so that the big bond has not yet been filed. The Sugar Products Company had arranged for a bond to dissolve the attachment as soon as filed.

New Amsterdam Casualty Company

A Progressive

SURETY AND CASUALTY

Company

FARRISH'S CHOP HOUSE
Cor. John & William Streets
THE PLACE in the Insurance District to eat lobsters
NOW IN SEASON
Whole cold lobster 65c.
Whole broiled lobster 75c.

The Employers' Liability Assurance Corporation, Ltd.
The original and leading Liability Insurance Company in the World
LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE
United States Branch
SAMUEL APPLETON, United States Mgr.
Employers' Liability Building
33 BROAD STREET, BOSTON, MASS.
AGENTS WANTED

CASUALTY AND SURETY POINTERS

How to Write Contract Bonds

A prominent agent, for the past ten years writing surety bonds, recently volunteered the following information about the writing of contract bonds:

"For the last three or four years, our office had been unable to do any contract business of any amount, there being two reasons for this, no doubt: first, that we could not secure the approval of your contract department; second, that partly due to the first reason, we were unable to successfully handle the contractor.

"It has been the source of a great deal of pleasure to me within the last four or five months, to know that I have been successful in handling the contractor and also securing the approval of the contract department to a large number of bonds. This change was brought about by giving a good deal of thought to the matter of contract bonds and by the very good cooperation of your office.

"I found that I had to show the contract department that we were presenting only such contracts as had our own approval; that we had thoroughly investigated the contract and were satisfied that the price would allow the contractor a profit; that we had thoroughly investigated the contractor; that we had fully verified the financial statement; that we presented the matter to your contract department after having all the above in complete form, being particular that the application was completely made out, and that the verification form accompanied the application.

"I realized that all of the above were very important, but that the most important points to be presented to the contract department were the following items:

"Application—names of next bidders and amount of bids—contracts that have been completed within the past three or four years—amount of work under contract—financial statement—assets—amount of cash in bank—amounts due on completed work on uncompleted contracts—accounts receivable—itemized and verified—sufficiency of plant and equipment—liabilities—notes payable—accounts payable."—From the Surety Bulletin of the Albany branch office of the Aetna.

* * *

Refuting Charges Against "Conditions"

Not long ago some agents of a casualty company were complaining that "existing conditions," "conscription" and the "h. c. of l." prevented them from writing new business. In order to check up on these alleged retarding influences one of the agency directors went into the field himself. He selected a city of 100,000 population where new accident and health business had been produced at the rate of thirty applications a month. Starting in as a solicitor he produced forty applications the first month and sixty the next. He straight canvassed. He reported to his company that business was not only just as easily written today as at any time during his long experience, but that present high wages created an actual demand for more indemnity. Commenting on the experiment the Company says:

"It is easy to imagine what a year's continuous work of this kind would do in building up an agency and a personal income. Policy fees alone would amount to $1,800 a year and careful work in collections would increase this amount another $600 or $700.

"This agency director's experience might be duplicated with a great deal of profit to all concerned if some district managers would eliminate or deputize to others some of their office work and spend thirty days in intensive soliciting in their territories. The results attained would enthuse every one of their sub-agents and a much larger volume of business would result.

"We are firm in our conviction that those few agents who gave 'existing conditions' as an excuse for not writing business had admitted defeat before starting the fight. The question to a certain extent is psychological and the average agent has made up his mind that the question of new business depends entirely upon himself and his work."

* * *

Who Enjoys the Income

Referring to the busy man, "The Federal Record" says: "There is a true saying that a busy person can always find time to do something more; it is just as true that the less a man does, the less he wants to do. Industry sharpens your intellect, makes all your senses more alert; both mind and body respond more quickly. Idleness creates sluggishness, the mind is dull and the will power weakens. Industry brings prosperity; idleness brings dissatisfaction and regret. Some men keep the office chair warm until the question of a new pair of pantaloons forces itself upon them. Then they have the brilliant idea of writing the home office for a larger commission, instead of getting out and doing a little work to demonstrate that they are worth keeping on the agency list at all. It is not industrious agents who are dissatisfied; invariably it is the men who waste their time. The man who works conscientiously is sure to have very satisfactory income under his contract. The moral is: WORK."

* * *

New Versus Old Men

Advantages enjoyed by new men in the accident and health field are described by the Standard Accident which also tells of the needs of the older men. Success is largely a matter of enthusiasm, says the Standard, as follows:

"New men who have become identified with the business within the past year have not had to adjust themselves to changed conditions. They have come into the work with high pressure conditions prevailing and have been able to get the greatest possible advantage from things as they now are. Among such men, both in newly established agencies and in previously operated territory, there has been a remarkable number of pronounced successes. New recruits among the industrial department's field organization have demonstrated that there are bigger possibilities in this work than some of the older men nave seemed to realize.

"The success of the beginner, whatever the line of activity, comes largely from his enthusiasm—it overcomes his lack of experience. The experienced man does, however, have a decided advantage in that he can work with greater understanding, and if he only wills, he must necessarily experience greater success.

"The great need of the older man—the man whose experience has been gained under former conditions—at the present time is to see the tremendously big possibilities with the enthusiastic and optimistic vision of the beginner. There is need to appreciate and realize the prodigiously big need among the burdened and speeded-up industrial workers for a safe dependable protection and to not lose sight of the fact that—as yet—that protection costs no more than it did when everything else was much lower in cost. There is need to realize that the highest and most worthy of all labor is in the giving of service and that in the labor of showing to the industrial worker a way to increase his economic value to himself and his country through protecting his now highly valuable time there is service of a high order. There is need to realize the splendid reward in profits that will belong to the man who applies himself in dead earnest, with top-notch effort, and real American efficiency to working up to these opportunities that are everywhere now."

* * *

The committee of the National Safety Council for promoting safety education in technical schools and universities has discussed plans for promoting safety education in these institutions. A. H. Young, director of the American Museum of Safety, and C. P. Tolman, an executive committeeman of the Council and chairman of the manufacturing committee of the National Lead Company, New York, are making safety addresses in various universities. The Council is planning to augment and improve its service and activities as follows: The bulletins will be improved as to subjects, illustrations and printing; it will secure greater practical publicity for its aims and purposes in newspapers and technical journals, and it will take steps to establish closer helpful relations with its members.

* * *

Sees Malingering Lessened

The Texas Employers' Insurance Association finds that "the compensation insurance experience over the United States during the past year has shown a substantial increase in loss ratio regardless of the fact that the increase in wages produced a larger premium income, without a material change having been made in the maximum benefits, and regardless also of the additional fact that a higher wage scale has had a tendency to reduce malingering as the most indifferent worker has found it more profitable to stay on the job and draw a good wage than to loaf on the maximum compensation benefit."

MUST INCLUDE BONUSES

The New York State Industrial Commission has ruled that bonuses must be included in computing wages.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary
GEORGIA CASUALTY COMPANY
HOME OFFICE: MACON, GEORGIA
"DIXIE AUTO POLICY"
THE LAST WORD IN MOTOR INSURANCE
Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY
INSURANCE CO. OF NEW YORK
HOME OFFICE, 47 CEDAR STREET
CHARTERED 1874
Plate Glass, Burglary, Accident and Health Insurance
EUGENE H. WINSLOW, President
Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.
RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE
HEAD OFFICE
CHICAGO
F. W. LAWSON
General Manager
Liability, Accident, Burglary, Boiler and Credit Insurance
Established 1869.
F. J. WALTERS
Resident Manager
55 JOHN STREET
New York
Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers New England
London Guarantee & Accident Co., Ltd.
OF LONDON, ENGLAND

W. F. MURPHY & CO., Inc.
RESIDENT MANAGERS
Chicago Bonding & Insurance Company
FOR NORTHERN NEW JERSEY
ATTRACTIVE AUTOMOBILE RATES.
Union Trust Co. Bldg., JERSEY CITY
Telephone Montgomery 3283

FESTER & FOLSOM, INC.

UNITED STATES MANAGER

123 WILLIAM STREET, NEW YORK

present the following statements of the condition of the fire reinsurance companies represented by them as shown by official reports of the New York Department after their recent examination.

UNION & PHENIX ESPANOL INSURANCE COMPANY, MADRID, SPAIN

STATEMENT AS OF DECEMBER 31, 1917

Assets		Liabilities		
Railroad Bonds	$ 533,040.00	Reserve for losses		$ 284,173.27
State and Municipal Bonds	882,890.00	Reserve for Unearned premiums		1,333,764.73
	$1,415,930.00	Reserve for taxes		16,395.63
Premiums in course of collection	117,040.72	Reserve for expenses		27,034.44
Interest accrued (on Bonds)	20,537.45	Deposit Capital	$200,000.00	
Cash in Bank	511,116.83	Surplus	203,256.93	403,256.93
	$2,064,625.00			$2,064,625.00

NORTHERN INSURANCE COMPANY, MOSCOW, RUSSIA

STATEMENT AS OF JANUARY 31, 1918

Assets		Liabilities		
Bonds	$1,064,270.00	Reserve for losses		$ 333,846.94
Premiums in course of collection	203,870.56	Reserve for Unearned premiums		546,169.54
Interest accrued	16,724.33	Reserve for taxes		7,735.20
Reserve held by Canadian branch of ceding Company	1,102.60	Reserve for expenses		11,116.21
		Re-Insurance premiums		238,078.10
Cash in Bank	261,076.78	Deposit Capital	$200,000.00	
		Surplus	210,098.28	410,098.28
	$1,547,044.27			$1,547,044.27

WARSAW FIRE INSURANCE COMPANY, WARSAW, RUSSIA

STATEMENT AS OF DECEMBER 31, 1917

Assets		Liabilities		
State and Municipal Bonds	$ 640,490.00	Reserve for losses		$ 126,025.62
Premiums in course of collection	75,186.23	Reserve for Unearned premiums		532,866.39
Interest accrued	7,892.47	Reserve for taxes		6,500.00
Cash in Bank	303,083.13	Reserve for expenses		14,472.53
Reserve held by Canadian Branch of ceding Company	1,146.58	Deposit Capital	$200,000.00	
		Surplus	147,933.87	347,933.87
	$1,027,798.41			$1,027,798.41

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 24 NEW YORK, FRIDAY, JUNE 14, 1918 $3.00 a Year; 25c. per Copy

TO PROTECT AGENTS SERVING IN WAR

Resolutions of New York State Association of Local Insurance Agents at Syracuse

AID TO BE GIVEN OFFICES

Vigilance Committee to Check Up License Violations—Annual Dues Increased By Association

So far as is known the New York State Association of Insurance Agents is the first similar body to adopt resolutions aiming to protect business of agents now with the colors. It has gone on record practically to the effect that the business of such agents should not be raided, and that such offices should be extended help.

Copy of Resolution

The resolution, adopted in Syracuse last week, at the annual meeting, reads as follows:

"Resolved, That this association recognizes the patriotic service many of its members are rendering our Government and the cause of our Allies in this most deplorable war, and we further resolve that we agree not only to respect the business of such loyal men while they are in the service, but that we will give such assistance as we are able to those who are conducting their affairs during their absence."

Another resolution re-affirmed the loyal allegiance of the association to President Wilson "with most positive assurances that there are no more earnest supporters of his efforts to bring about an honorable peace throughout the world, than the insurance men of this country, and that we hold ourselves unceasingly ready to perform any and every duty which we may be called upon to accomplish."

Dues Increased

After a lengthy discussion the annual dues were advanced from $3 in towns of 75,000 and under and from $5 in larger places to $5 in the smaller towns, and $10 in the larger cities, effective next August. Three dollars of whatever amount is paid, either $5 or $10, goes to the National Association and the payor automatically becomes a member of his local board, and the National Association.

Frederick V. Bruns, of Syracuse, offered the following motion which was carried:

(Continued on page 18)

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

SPRINGFIELD

Fire & Marine Insurance Co.

Cash Capital $2,500,000.00

THE SPRINGFIELD for two-thirds of a century has transacted business solely under its own corporate name, without annexes, underwriting agencies or subsidiary companies. An agent of the SPRINGFIELD is not a half, a quarter or any other fraction of an agent, but is vested with the rights and dignity of an undivided representative of an undivided and independent company. The SPRINGFIELD stands today pre-eminent among American fire insurance companies.

SPRINGFIELD MASSACHUSETTS

THE GAUVIN AGENCY

COME TO HARTFORD ON HOLCOMBE'S BIRTHDAY

Field Force Leaders Pay Tribute to Head of Phoenix Mutual Life Insurance Co.

GIVE BEAUTIFUL TESTIMONIAL

$4,000,000 Written in May—John L. Shields and R. C. Allen Write Most Business

John M. Holcombe, president of the Phoenix Mutual Life, was seventy years old on Saturday. For forty-four years his lot has been thrown with the Company. The field men decided to make the event something out of the ordinary, and they presented to him a Tiffany testimonial, with his initials in silver and names of managers in various parts of the country, also inscribed, all set in a beautiful rare wood box.

Holcombe Month

The entire field force went to work to make a record, and despite the Red Cross drive succeeded in writing more than $4,000,000 during the month of May. A birthday war dinner in Hartford was decided upon, an invitation to which was to be extended to the three producers who reported the largest amount of new premiums on business issued in May and Jesse L. Shields, of Indianapolis, and R. C. Allen, of Cleveland, almost tied for first place, each went over $3,000 in premiums. L. M. B. Morrisey, manager at Davenport, won third place, insuring almost twenty lives. Arthur J. Kew, Boston, and John W. Moore, Cincinnati, were practically tied for fourth place. The winning producers and three of the managers, Mr. Rogers, of New York; H. H. Kohn, of Albany, and C. W. Welles, Hartford, also attended the dinner (held in the Hartford Club), as did a number from the home office. More than $400,000 was written on May 15, which had been designated President's Day.

Mr. Holcombe's Career

Mr. Holcombe was born in Hartford, the family tracing its American descent back to 1635. After attending the High School he entered Yale College, from which he was graduated in 1869.

THE PILOT POLICY

Charles E. Gross and Frank R. Childs were class mates. From his alma mater he received three years later the additional degree of M. A. He has been a warm defender of the Yale faith and few things please him more in life than a triumph of the Blue. He has served as president of the Hartford Yale Alumni Association and is yet a worker, always enthusiastic and dependable for that "unit."

Upon his graduation Mr. Holcombe began his career as an insurance worker in the office of the actuary of the Connecticut Mutual Life Insurance Company. Two years later he was appointed actuary of the insurance department of the State of Connecticut. This place he held for three years.

It was in 1874 that he inaugurated his association with the Phoenix Mutual, as assistant secretary. The following year he was made secretary. In 1889 he was elected vice-president. December 27, 1904, he became the executive head of the Company.

Lecturer at Yale

Mr. Holcombe has been a lecturer on insurance for Yale College and for Adelbert College, Western Reserve University. He was president of the Fidelity Company, predecessor of the Fidelity Trust Company, and a director of the American National Bank. He is now president of the Mechanics Savings Bank, a trustee of the Fidelity Trust Company, a director of the Phoenix National Bank, the Phoenix Insurance Company and the National Security Company of New York. He is also a director and treasurer of the Hartford Retreat.

Mr. Holcombe is further a fellow of the Actuarial Society of America, a member of the Sons of the American Revolution, the Society of Colonial Wars, the Society of 1812, the Hartford Club and the Hartford Golf Club.

In 1883 he was a member of the city council. In 1885 he was president of the Board of Aldermen. He has been a member of the city plan commission and the board of finance.

January 29, 1873, he married Miss Emily Seymour Goodwin. There are three children, Harold Goodwin, Emily Marguerite and John Marshall, Jr.

The Phoenix Mutual was formed in 1851 with Barzillai Hudson as president. Mr. Holcombe's other predecessors were Rev. Benjamin E. Hale, Edson Fessenden, Aaron C. Goodman and Jonathan B. Bunce. Its first policy was to John A. Hale, 31, of Glastonbury, for $500 for the "term of life." The Company began in the editorial rooms of Rev. Mr. Hale, editor of the "Fountain," in a building occupied by Edson Fessenden's Eagle Hotel, near City Hall Square. Later the Company rented rooms on the second floor of the building at the southwest corner of Main and Pearl Streets. In 1897 it occupied quarters in its new building at No. 49 Pearl Street.

AGENT TEACHES CLERKS

William J. Jones Organizes School For Young Men Ambitious to Be Producers

William L. Jones is the leading solicitor of the Penn Mutual Life. As a rule he writes more than $1,000,000 a year.

Recently, Mr. Jones organized a school among the clerks at the Home Office of the Penn Mutual Life who wanted to write applications, and upon Thursday of each week he gives an hour or more to the instruction of approximately seventy-five ambitious clerks.

Captain Leon F. Foss, former general agent of the Berkshire Life, is in France. He is attached to the First Anti-Air Craft Battery.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

HARTFORD NOTES

The engagement of E. R. Carter, of the Ætna Life Insurance Company, to Christine M. Brainard of Hartford, is announced. Miss Brainard is the daughter of Harvey B. Brainard, an insurance broker of prominence in Hartford.

Frank W. Bidwell, supervisor of death claims of the Ætna Life, has three sons in the nation's service, the latest being Clyde C. Bidwell entering the Naval Reserves last week. All three sons are Dartmouth College men and the two oldest hold commissions as lieutenants.

Cashier E. H. Hastings, of the General Agency of Chapman, Jackson & Company, managers for the Life Department of the Ætna Life for Cleveland, and Mrs. Hastings are rejoicing over the birth of a son born on May 26th. Mr. Hastings was employed for many years as traveling auditor of the Ætna Life and has been located in Cleveland for the past year.

The Ætna Life Girls' Club are taking swimming lessons and the Travelers' Girls Club are studying civil government according to recent announcements.

William J. Doran and Miss Marion C. Weir of Hartford, both employees of the Travelers Insurance Co., are the most popular male and female employees of insurance companies in Hartford according to a recent contest conducted at the soldiers' carnival in Hartford last week. Miss Weir received 3,906 votes and Mr. Doran 5,670. Each received a $50 Liberty Bond.

Joseph Gross is an agent in New York City of the Union Central. During each of 164 weeks Mr. Gross wrote and examined one or more applicants.

The Fieldmen of

The Guardian Life Insurance Company of America

in March, 1918, the first month under the Company's new name, produced new business amounting to

$4,820,210.00

$460,000.00 in excess of the largest amount ever written in any other month since the Company was organized in 1860.

The new business paid for in 1917 amounted to $24,816,657.00 and exceeded by $3,751,129.00, the best previous year in the Company's history.

Assets	**$54,664,135.11**
Guarantee & Dividend Fund	**5,880,822.73**
Insurance in Force	**169,043,316.00**

For a Direct Agency Connection with

A GROWING COMPANY FOR GROWING MEN

address

T. LOUIS HANSEN, Superintendent of Agencies

50 Union Square, New York, N. Y.

New Coast Department of New York Life

FINE WORK DONE THERE

F. A. Wickett Made Inspector of Agencies and C. H. Langmuir Made Supervisor—Coast Record

The New York Life has established a new department on the Pacific Coast, with F. A. Wickett, of San Francisco, as inspector of agencies, and Charles H. Langmuir as supervisor. Mr. Wickett began with the New York Life in 1899 as clerk in the Marquette Branch Office, Chicago. In 1901 he was promoted to the cashiership of the British Columbia Branch. While acting as clerk and cashier—we note here a lesson for the bright and ambitious young men who will become the field officials of the Company in the years ahead—he wrote a considerable personal business after hours, showing a natural liking and aptitude for field work. In 1904 he was made Cashier of the Honolulu Branch; in 1908 became Resident Manager in Honolulu; later, Agency Director Nevada Branch; in 1910 Agency Director Intermountain Branch, Salt Lake City; 1911 Agency Director San Francisco, California-Office, where he raised the production of that office from $2,646,000 in 1911 to $7,112,000 in 1914. In November, 1915, he was promoted to be Supervisor. In connection with his present advancement, it should be said that while San Francisco, California-Office paid in 1917 for $9,466,892, in the four months of the present year its paid volume runs up to $3,905,000 or practically a twelve million gait!

Son of Former General Manager For France

Mr. Langmuir was born and bred a New York Life man. He has been in no other service. He began in the Paris office in 1893 where his father, Charles Langmuir, was general manager for France. From there young Langmuir went to England to fill a position that was practically cashier for our London Office. Later he came to New York City and was agency director of Broadway Branch until January, 1902, when he was transferred to Columbus Circle Branch, New York City; in 1905 agency director Imperial Branch, New York City; in 1907 he was transferred to California as Agency Director of Southern California Branch, the name of which was later changed to the Los Angeles Branch. It will be seen that Mr. Langmuir has had a varied, valuable and well-rounded experience in many different localities, which has enabled him to handle with ability the many problems that come up in the busy life of an agency director. Los Angeles Branch, under Mr. Langmuir's charge, has grown to be one of the largest insurance agencies in the United States. The new paid-for insurance in ten counties of Southern California was $1,100,000 in 1909. In 1917 it had grown to $6,100,000. In eight years the Branch increased nearly 600%. Mr. Langmuir is energetic, resourceful and filled with original ideas.

RULES ABOUT NOTES

The Penn Mutual informs agents that notes must not be taken for thirty days or one month, as the Company's grace privilege of thirty-one days affords policyholders that accommodation without the Company incurring a liability for the risk for the full premium period, and the agent assuming the responsibility for term insurance, where the policy has no collateral value. Notes must not be accepted in advance for deferred half-yearly or quarterly premiums.

Emily Roby's Writings Largely on Men

SUCCESSFUL CHICAGO AGENT

Once Followed a Banker to New York and Took His Application For Large Sum

In the Penn Mutual's Agency in Chicago Mrs. Emily M. Roby has made more than an ordinary success. John R. McFee describes her work in the current issue of "The Penn Mutual News Letter."

"Within the last few weeks Mrs. Roby obtained an application by following the prospect to New York," he said. "The applicant is vice-president of one of the largest financial institutions in the country, so expert at salesmanship that he was recently called upon to address one of the large New York clubs. In his address he detailed Mrs. Roby's methods in illustration of scientific approach and closing." Continuing Mr. McFee described her methods:

Her transactions are chiefly with men. The general agent of the Penn Mutual once told me that in the first year of her work as a life insurance agent she made money enough to go to Europe, and in the second year enough to go around the world. Today she pointed out to me a new car manned by a chauffeur standing at the curb of the building. She needs it to get around to see her prospects. Mrs. Roby told me that she has never had any aid whatever in building up her business.

She obtains her prospects principally from the newspapers. She reads specially the financial columns, the real estate, investment and business news, always with a pencil in her hand. Whenever it appears that an organization or an individual has been party to an act indicating prosperity, she notes the fact and searches out the individuals if their names are not given. She then calls, oftentimes without introductions, on these men.

"Of course," she said, "I never tell a stenographer nor an assistant my business. I know that I never would see the man if I did."

"What is it you wish to see Mr. Blank about?"

"Why, I wish to see Mr. Blank, of course, on personal business."

But, perhaps, her method will appear more clearly by the actual story of the case.

A Tip From a Newspaper

Mrs. Roby some months ago read in the financial column of a newspaper that this man was assuming the management of the Chicago branch of his New York house. She called on him and succeeded in seeing him. He was specially intolerant to irrelevant discussion.

As she stated her business, quickly came the retort: "Mrs. Roby, I am very busy and I have been rather annoyed by the persistence of life insurance agents. I have been thinking of adding to my insurance, but I wish to decide in my own way and when I choose." She had won the supreme admission that he was considering life insurance. After that she called again and found that he was often in New York. "I found he had the same sort of impatience over irrelevancies as I have, and so I tried to show him that he need never fear annoyance from me."

When she followed him up in December she was disappointed to be told by the assistant manager that her prospect was now permanently in New York. Obtaining his address, she wrote to him, stating that she might be in New York in February and she would appreciate an interview with him there. Mrs. Roby here declared that there is a high art in letter writing. To her the test of success in letter writing is the pertinent revelation of personality in the writer. To her letter she received a courteous consent to see her, and so she took the train to New York.

Planned His Insurance Needs

She obtained an appointment on Tuesday by telephone and then closed the case. As she launched into the subject she first asked her prospect to enumerate the policies he carried, the premiums on each and the months of the different payments. With the assistance of his secretary her prospect did this. Like most large policyholders he did not desire an overheavy payment for any one month. So she suggested that the policies might be issued so that the premiums should be distributed rather equally throughout the year.

She made an appointment for his examination the next day and departed with the promise to prepare a schedule of payments as she had suggested. It is manifest that the service in this suggestion was the really winning argument. She had perceived the chief obstacle and quickly swept it away by the very simple suggestion of several policies with preliminary term, fixing the policy years as desired and calling for small additions of the preliminary term premium to the desired outlay for the respective months of the first year. Then Mrs. Roby said she worked on the preparation of this schedule that night. It seemed easy to make the schedule, but she wished it so clear that one might see at a glance what it meant. She was insistent that the typing should be only in a certain way.

The next day she got the ear of his secretary and asked her to place a memorandum on her prospect's desk without comment. This memorandum merely read: "You have an appointment at 1 o'clock. Telephone." The note was placed on the desk, and the man was present on the minute for his appointment with the doctors. The policies were issued and paid for, with thanks for the service.

The New York incident seemed to be of good omen for Mrs. Roby, since she has placed in various companies $250,000 in the month since her return.

SELBY P. WOOD'S TRIP

Not Sure Whether Australian Company Will Open Branches or Form Subsidiary

Selby P. Wood, managing director of the Australian Provincial Assurance Association, which is to enter the United States, said to The Eastern Underwriter: "I am not quite sure whether we shall open branches or form a subsidiary company until I get to the United States." He sailed on May 15.

JUBILEE CONVENTION

More Than Two Hundred Producers of Pacific Mutual Life Visit Los Angeles

This is jubilee week of the Pacific Mutual Life. More than two hundred of its leading producers are guests of the Company. Convention proceedings are being held in the Yosemite, home of the Company's "Big Tree" trade mark.

APOLOGIZES TO NEW YORK LIFE

The "Investment Review," a paper published on the Pacific Coast, has printed an apology for criticising officials of the New York Life and C. H. Langmuir of that Company. The Los Angeles general agents held a meeting and criticised the paper for its editorial attack.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Frank D. Buser With Fidelity Mutual Life

WELL-KNOWN IN PHILADELPHIA

Work as Chairman of Committee on Laws and Practices Attracted Attention

Frank D. Buser, one of the best known of the Philadelphia general agents, has joined the forces of the Fidelity Mutual Life in Philadelphia. Mr. Buser for years was a newspaper man, and his work in that connection in Chicago made his name a tradition in the business for good work. Going into insurance he soon became an effective producer.

Active in Association Work

From the start he took an interest in life underwriters' associations, and he was at one time president of the Philadelphia Association. He was at one time secretary of the National Association and is now a member of the executive committee of that association. As chairman of the committee on law and field practices of the Philadelphia Association he attracted considerable attention.

Fidelity Mutual's Comments

The Fidelity Mutual says: "Mr. Buser is a life insurance man of marked ability and is nationally prominent in life underwriting circles. A man of broad experience and of a personal power quite out of the ordinary, he has been drawn into the larger activities of the association movement and has unselfishly given a great deal of time to the cause."

Mr. Buser before going with the Fidelity Mutual was with the Massachusetts Mutual and then with the Equitable Life Assurance Society.

BYRLEY GOES TO ATLANTA

Former Head Office Man Who Had Been Appointed Chicago Manager Makes Change

John H. Byrley has been appointed manager of the Fidelity Mutual for Georgia and East Tennessee. In discussing the appointment The Fidelity "Field Man" says:

"In April 'Field Man' announcement was made of the appointment of Mr. Byrley as manager for Chicago, Ill. Soon after Mr. Byrley's removal to Chicago a vacancy occurred in his old field in the South by the resignation of Mr. Samuel M. Carson, which led to a prompt decision by Mr. Byrley to go back to Atlanta, Georgia. He accordingly made application for transfer and we take pleasure in announcing his appointment as manager for Georgia and East Tennessee. This is the territory looked after by Mr. Byrley previous to his coming to the head office in April, 1916. It is a field entirely to his liking and one with which he is quite familiar. Our best wishes go with him and we feel confident his presence and renewed activity there will soon be reflected in the production list."

LARGE W. S. S. SALES

Some remarkable W. S. S. individual sales are being made by agents of the Metropolitan Life. B. B. Anderson, resident agent of the Company at Dover, Me., sold $30,000 worth up to April 12. G. W. McFarland, superintendent at Auburn, N. Y., sold $24,700 worth; E. P. Langley, superintendent at Lewiston, Me., $20,650, and E. L. Matterer, superintendent, Lancaster, Pa., $14,320 worth.

The North Dakota Life Underwriters' Association is growing faster than any similar association in the West.

Job Hedges' Debut for Life Presidents

BEFORE A HOUSE COMMITTEE

Noted Lawyer Argues Against Proposal of Excess Profits Tax on Life Companies

Job E. Hedges, famous New York lawyer, made his first appearance for the Association of Life Insurance Presidents in Washington this week when with F. A. Dunham he argued against the excess profits tax.

Mr. Hedges said several arguments could be advanced against the recent Treasury ruling that "legal reserves are not capital because the net additions to reserves required by law are not taxed.

"Here are the reasons why this is wrong," said Mr. Hedges.

"Legal reserve is surplus and surplus is part of invested capital under definition of statute.

"Net addition to reserve is not the income from the reserve.

"It is the difference between the value of outstanding insurance at the beginning and at the close of the year.

"It may be a negative quantity resulting in a transfer from legal reserve to free surplus called gain from reserves which is taxable as income.

"It merely anticipates the deduction of the same amount as part of the payment of (1) death benefits, (2) matured endowments or (3) surrender values.

"It is made up of additions from (1) renewal premiums and (2) first year premiums plus (3) interest on the reserve at assumed rate (3½ per cent.).

"Less reserve on policies terminated during the year by payment of (1) death benefits, (2) matured endowments, (3) surrender values.

"Under circumstances when the need for money was not so urgent as now the representatives of life insurance have maintained that it is against public policy to tax trust funds such as theirs. To do so, they asserted, not only would constitute an injustice, but also would tend to discourage habits of thrift and thereby retard the growth and development of a most important social service which is being supported at private expense and without any public cost whatever. In view of the exigencies of war these considerations, though still sound, have not been urged. Both income and the excess profits taxes apply to life insurance companies to the extent that they have net income and excess profits and in addition there is a special tax upon the issuance of new insurance.

"Although only a minor proportion of the premiums received by life insurance companies constitutes true income, the greater part being the policyholder's contribution toward current losses and to permanent capital, the entire premium income is included in gross income under the income tax law. This departure from principle is, however, rendered innocuous through deductions expressly allowed by the statute."

ALBANY MEETING

The Capital District Life Underwriters' Association met last night in Albany. Walton L. Crocker, vice-president of John Hancock, was the guest of the occasion.

C. A. CRAIG, President W. R. WILLS, Vice-Pres. C. R. CLEMENTS, Sec. & Treas.

The National Life and Accident Insurance Company

NASHVILLE, TENNESSEE

Industrial, Life, Health and Accident Insurance in ONE policy

The Columbian National Life Insurance Company

ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS

LIFE, ACCIDENT, and HEALTH INSURANCE

covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—

A Combination That Means Money for the Agent

Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.

PHILADELPHIA

HOME LIFE INSURANCE CO.

(Purely Mutual)

256 BROADWAY, NEW YORK

GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,-542,304.08.

For Agency apply to

GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

THE WESTERN AND SOUTHERN LIFE INS. CO.

W. J. WILLIAMS, President CINCINNATI, OHIO

The Largest Industrial Company West of The Alleghenies

Also Issues All Standard Forms of Ordinary $500 to $10,000

Organized 1888

COMPARATIVE RECORD—SEVEN YEAR PERIODS

	Assets	Insurance in Force		Income	Policies Issued
Dec. 31, 1888	$ 104,307	$ 889,073	1889-1895	$ 1,085,087	265,931
1895	155,640	5,294,381	1896-1902	3,930,883	638,659
1902	876,007	22,374,980	1903-1909	11,312,912	839,426
1909	4,867,379	44,780,907	1910-1916	22,670,340	1,426,752
1916	11,943,640	104,989,362			

AGENTS WANTED IN THE PRINCIPAL CITIES OF OHIO, KENTUCKY, MICHIGAN, INDIANA, WEST VIRGINIA and WESTERN PENNSYLVANIA

Build Your Own Business

under our direct general agency contract

Our Policies provide for:

Double Indemnity, Disability Benefits, Reducing Premiums

See the new low Rates

JOHN F. ROCHE, Vice-Pres't

THE MANHATTAN LIFE INSURANCE COMPANY

66 BROADWAY NEW YORK

Organized 1850

A Real District Manager

is wanted for one of the best territories in the most prosperous section of the nation. This is a real opportunity for a first class man.

Write

Bankers Life Company

DES MOINES

NIAGARA LIFE BUILDING



Mohawk Cor. Franklin Street, Buffalo, N. Y.

The Combined

Life, Sickness and Accident

policies, sold only by the

Niagara Life Insurance Co.

(WILLIAM H. CROSBY, President)

Protects the insured and his dependents.

Live wire reliable agents may obtain very favorable contracts

Communicate with

E. H. BURKE
Vice-Pres't & Gen'l Manager
BUFFALO, N. Y.

Security Mutual Life Insurance Company

Binghamton, N. Y.

Offers to men able to produce business first class territory, with direct contract providing liberal compensation.

For particulars, address

C. H. JACKSON, Supt. of Agencies

One Year's Farm Loan Experience

EXPERIENCE OF METROPOLITAN

Still An Adequate Supply of First-Rate Farm Mortgages for Company Investment

One year ago the Metropolitan Life Insurance Company made its first loans on farm mortgages. The Company entered this field of investment practically co-incident with the launching of the Federal Farm Loan system, which gives added interest to a report on the Company's experience by Mr. Robert Lynn Cox, third vice-president.

"The one outstanding fact at the close of the Metropolitan's first year as an investor in this field," said Mr. Cox, "is that there is still an adequate supply of strictly first-class farm mortgages for the investment of life insurance funds at satisfactory rates of interest. Several forces have had a tendency, however, during this period, to lessen the volume of mortgages. Foremost of these is, of course, the wonderful prosperity of the American farmer. Wheat, cotton, grain and hogs at prevailing prices are effective mortgage lifters.

No Long-Standing Mortgages

"As a result of this prosperity some investors having large amounts in farm mortgages, notably the life insurance companies that have been lenders on this security for many years, are confronted with the condition of having to take in funds on account of payments of mortgages about as fast as they can put them out to advantage. The Metropolitan Life has not been confronted with this condition because it has no long standing mortgages and experience shows that it will be two or three years before the cashing-up element comes to be felt in any considerable volume, even under the most favorable agricultural conditions.

"The Metropolitan in starting operations in this field had the disadvantage of having to create a new organization. Financial correspondents were appointed only in those sections recognized as conservative and as the most desirable territory for farm loans. Under these conditions and pursuing a cautious policy in extending the field and in the class of loans accepted, the Metropolitan placed during the twelve months, $7,584,405 in farm mortgages.

Satisfactory Rate of Interest

"Notwithstanding these restrictions the Company was able to get a satisfactory rate of interest as well as a satisfactory selection of loans. Furthermore, there has been a steady rise in the average rate, due chiefly to the continued absorption of liquid funds by the demands of war. At the close of the twelve month period we were getting in the various States from ½ to 1 per cent. more than at the beginning. This, too, notwithstanding stricter conditions, as, for instance, a limitation of the prepayment privilege which will tend to keep the money out when once placed—an important matter in connection with the investments of life insurance companies, where overhead costs must be kept at the minimum."

L. D. Cavanaugh, actuary of the Federal Life of Chicago, has been called to Washington by Hon. J. M. Gaines, Deputy Commissioner of the Bureau of War Risk Insurance, to serve the bureau in an important actuarial and managerial capacity. The Federal has granted Mr. Cavanaugh an indefinite leave of absence in order that he may serve the country in its present emergency. He is to return to the service of the Federal when he can be spared from his many duties in Washington. **Alfred R. Thompson**, who has been identified with the actuarial department of the Federal Life for some time past has been elected assistant secretary and assistant actuary of the Company. Mr. Thompson is an honor graduate of the University of Michigan; he is a nephew of John T. Winship who was former insurance commissioner of the State of Michigan. Mr. Thompson drove an ambulance in France until the service was taken over by the U. S. Army and at that time the military examination disclosed some slight impairment so that for the time being he was not permitted to engage further in military service. Mr. Thompson is a decided addition to the excellent official staff of the Company and the management of the Company, as well as Mr. Thompson, is to be congratulated upon this promotion.

Ward B. Alsip has been appointed manager of the Fidelity Mutual at Seattle, Wash.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

REAL SATISFACTION

Working with **William N. Compton** and the **John Hancock Mutual Life Insurance Company** in New York City forms the happiest combination imaginable for the life insurance salesman.

If you have any doubt in your mind have it dispelled by calling at

220 BROADWAY

Phone 6030 Cortlandt

THE UNITED STATES LIFE INSURANCE COMPANY
1850 IN THE CITY OF NEW YORK 1914
ISSUES GUARANTEED CONTRACTS

Good men, whether experienced in life insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, 277 Broadway, New York City.

JOHN P. MUNN, M. D., President

FINANCE COMMITTEE { CLARENCE H. KELSEY, Pres. Title Guarantee and Trust Co. / WILLIAM H. PORTER, Banker / EDWARD TOWNSEND, Pres. Importers and Traders Nat. Bank

HOME LIFE INSURANCE COMPANY of AMERICA
INCORPORATED 1899
PROTECTION FOR THE ENTIRE FAMILY

This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.
INDUSTRIAL POLICIES are in full immediate benefit from date of issue.
ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State Endorsement.
GOOD CONTRACTS FOR LIVE AGENTS
Executive offices No. 506 Walnut St., Philadelphia, Pa.
BASIL S. WALSH, President JOSEPH L. DURKIN, Secretary JOHN J. GALLAGHER, Treasurer

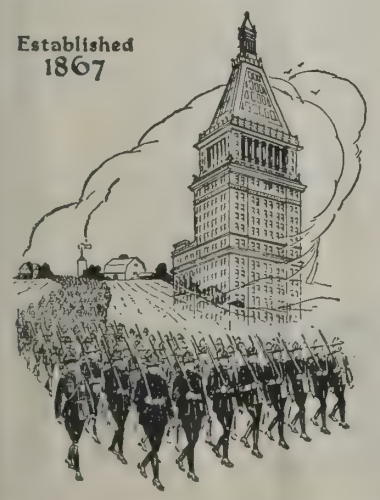
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Liberal Agency Contracts
Every Policy Registered With The State of Missouri
The Company of Today With Methods of Tomorrow
Assets over $8,000,000.00 Insurance in Force over $67,000,000.00
International Life of St. Louis, Mo.
Massey Wilson-Pres. J. L. Babler-Gen. Mngr. Agencies. St. Louis, Mo.

THE REAR GUARD

Established 1867



No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

BUSINESS ESSENTIALS

No. 3 — IMAGINATION

By JOHN K. WEST

Every insurance agent knows that he should be right on his mettle when approaching his prospect. He must be prepared for every emergency and be strongly fortified against any argument that his prospect may offer. Successful agents are never caught off their guard. They are always prepared for the unexpected. They know what kind of mental states will cover over them like a veil when certain circumstances arise.

Concentrating on failure to sell a policy, collect a premium, your own obstinate folly, timidity or on anything you don't want brings its penalty in failure just the same as centering your whole mind on what you really desire to do or have brings its reward in success in the sale of the same policy, the collection of the premium, poise, courage, strength, etc.

The inside secret of it all is imagination, the power to create within our minds mental pictures.

Most agents do not realize what a tremendous influence imagination has on individual success or failure.

Two Kinds of Imagination

In analysis you will find there are two kinds of imagination, success imagination and failure imagination. Success imagination is the imagination that takes you over the top to victory while failure imagination is that which leads you over the paths of worry and fears to defeat.

Inside you there is a magic spring which will set your mind thinking along right channels. If you don't pay close attention your failure imagination will "butt" in on your thoughts for the moment you stop thinking right thoughts failure bobs up to your damage.

Your mind inside you controls your imagination and if you keep it working right you can interpret every condition to your own advantage.

Those agents who allow petty things to disturb them, who are over-anxious to be heard, who fear, who plunge into other people's troubles and difficulties, who are shackled with indifference, are bound to the down and out class, while those agents who possess poise, courage, earnestness, sincerity and loyalty are led to the very heights.

Everything in life comes as a reward or penalty and you can will yourself to do or have anything you want.

Imagination Either Makes or Breaks You

A golf player in hitting the ball must have imagination. He must have the mental thought of success in his play or he will "dub" his stroke. A billiard player must have his shot in mind before he makes his play. If he imagines he will not hit the ball, he won't. A tennis player in serving the ball from the back line must get in his mind's eye where he wants to smash the ball in his service. A baseball player in hitting the ball must have a hit in his mind and not a miss.

Set it down as gospel that imagination can either make or break you and your success in life is all tied up and interwoven in it.

If you picture failure and fear it you will get your mind off the main track of success.

An athlete in training for track or field events goes through a long series of preliminary stunts before the championship games. He fails many times but by his failures he builds up his strength. He learns to give his undivided attention to the one thing he does. He trains his mind to avoid the hundred and one things that are continually jumping before him and to attend to the thing he is there to do to make the jump, to clear the hurdle, or to cross the tape.

Don't Whine or Criticize

Some agents are continually whining about their territory, their policies or competing companies. Their mind runs along any old channel to nowhere but a splash. Failure is inevitable for them. Success lies along other roads and you can practice the qualities that will bring it to you just as well as you can think obstinate thoughts of failure.

The rabbit's foot, the lucky stone are not such bad things after all. Your mind is always flowing and if you can't do better go get one of these charms, put it in your pocket and when you get off the path to success thoughts touch the stone positively and right yourself.

Imagination is far more powerful than any material thing and means life or death to your success in life.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST—LARGEST—STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

Yours For Life—

Also for Health and Accident: the Maryland Assurance Corporation of Baltimore issues a wide variety of policy contracts that provide Complete Personal Protection—Life Insurance, Health and Accident Insurance. The Corporation has a Home Office staff that is old enough in experience to *know,* young enough in enthusiasm to *grow,* and we want *you* to grow with us. Valuable openings in productive territory for energetic ambitious men.

Maryland Assurance Corporation
Seven South Gay Street
BALTIMORE
JOHN T. STONE
President
"LIVE AND DIE WITH ASSURANCE"

CO-OPERATION No. 13

Our effective plans of co-operation with new representatives (1) attract the best type of men to the business and (2) enable them to secure a substantial production during their training period.

A group of thirty new representatives who contracted with us in 1916 or early in 1917 reported $111,671.06 in new premiums during 1917.

Phoenix Mutual Life Insurance Company
of Hartford, Conn.
JOHN M. HOLCOMBE, President

Insurance to Cover Inheritance Taxes

is opening new fields to Provident Agents

"Men are insuring not only to protect their families and to protect their business but also to protect their estates."

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

Another View of Life Insurance

A LIVING, BREATHING FRIEND

With Man Throughout Life—His Chief Assistant and His Privy Counselor

By Arthur C. Williamson, The Prudential Insurance Company

Life insurance is a remarkable commodity, is it not? It is a sort of real panacea, and better yet, in medical terms, a real prophylactic—a preventer of many troubles on the one hand or a curer on the other. It was just fashioned for the one purpose of meeting the needs of mankind in all its peculiar individual conditions. It is not a creature of the abstract, not a matter of cold figures, but a living, breathing, sympathetic partner in all of man's intimate relationships with the living world immediately about him. I wonder if you see flesh and blood in this article you are trying to market? Can you then describe it in terms of cold, calculating figures and do justice to it, to the man who may want it, or yourself?

Universal Helper

What are its purposes, its particular field or sympathetic co-operation with man, the individual? They are almost too numerous to mention. Wherever human experience has shown the need of money or the advantage of it in whatsoever condition, life insurance tenders its helping hand. When the newlywed anxiously questions how he can guarantee a livelihood to the new partner of his choice if he is taken before he has had time to accumulate a livelihood, it says, "Never mind, old man, I'll help you out of your difficulty. Let me look after her for you." When he wonders how he will educate his kiddies, it says "Put aside a few dollars every year with me and I'll see them educated whether you live to do so or not." When dad has a mortgage on the home which mother would have her trouble to clear off without him, it takes care of the mortgage for her. When dad is set up in business and goes to the bank to borrow and the banker says, "I'm sorry that I can't loan you that much money for your business, for I believe you will make a success if you live, but it's too much of a chance for us to take, for if you die your estate is not yet large enough to warrant the loan." Life insurance then offers its help to increase his credit. If dad finds that he is much in need of money and the banks are not loaning money to anybody, his old life insurance policy says, "Try me; I'll come to your aid and nobody will know a thing about it." If he makes his pile and the inheritance tax gets stiff, life insurance says to him, "I'll furnish you cash to meet it at a low rate and you'll not have to sacrifice any securities on a broken market to get cash." If he dies and his wife or daughter feels unequal to investing his life insurance estate, it replies, "I have anticipated your trouble and have everything fixed so that all you need to do is to take a check and know that on the first of each month, for your whole lifetime, you will have another just like it: nobody can beguile your money from you on the ground of a friend in need—no promoters can dupe you—no criminal attach your fund. You can rest in comfort the remainder of your life."

Lifelong Friend

So life insurance goes with man throughout life, his chief assistant and privy counselor if he but realize its power and worth, and will extend his care for a generation beyond if he will allow it.

Do you describe its functions to your prospects in such a way that they can see its real helpfulness? Forget all you ever knew of its technical side and its figures and look to human experience to find the terms in which to describe it. It is not life insurance in the abstract—it is a living, breathing, sympathetic and all-powerful friend in the brain of the man who sees it in its real form. Can you not describe it in good old homely terms of human needs and human experiences? It is for just these homely needs that it was fashioned and for which it is desired. Do you present it in its proper light?

Discuss Tax Brief of W. M. Horner

SOME CONFLICT OF OPINIONS

Lawyers Discuss Argument, But Do Not Want to be Quoted—Dr. Westfall's Comment

Warren M. Horner's brief on the income law, appealing for relief from taxation on proceeds of life insurance policies, regardless of beneficiary designation, and arguing that insurance is not income but indemnity, was well received in many quarters. The brief went to Commissioner Roper, of Internal Revenue.

Among the life insurance presidents who said that Mr. Horner's argument is sound is John T. Baxter, of the Northwestern National.

Lawyers Will Not Be Quoted

A number of counsel for leading life insurance companies were seen. All discussed the brief with the greatest caution, and there were a number of individual views. As a general proposition the lawyers did not care to be quoted.

Julian S. Myrick, chairman, laws committee, Life Underwriters' Association of New York, said to The Eastern Underwriter: "I have read Mr. Horner's brief on the income tax and I agree with what he says."

Dr. J. V. E. Westfall, executive vice-president of the Equitable, said this week: "As to the academic question whether the proceeds of a business policy constitute income in my opinion there is only one answer: it is not income, but indemnity."

Pure Indemnity

Mr. Horner in his communication shows that counting the proceeds of a policy maturing by death as income does not comport with the nature of life insurance. That is indemnity, pure and simple, he says, as evidenced by all reliable definite definitions of insurance, life insurance and indemnity, and further that any law or interpretation of any law as so classifying life insurance as income in accordance with the rules as laid down by the Treasury Department is not harmonious with the history and purpose of income taxation.

PROOF OF DEATH FORM

Soldiers and Sailors Insurance Measure Re-Written in Committee on the Judiciary

Washington, D. C.—After having been passed by the Senate, the bill to prescribe the requisite form of proof of death under insurance policies on the lives of persons with the military forces has been entirely rewritten by the House Committee on the Judiciary.

Where as the original bill covered only men in the Army, the new measure includes men in every branch of the service and, in addition, makes some important changes. Among other things, the revised bill provides that where an insurance company, upon presentation of prescribed form of death certificate, has paid the insurance and it has subsequently appeared that the insured was alive and the insurance paid, together with legal interest thereon and all past due premiums with interest, is refunded, the insurance company shall, without requiring evidence of insurability, reinstate the policy. The original measure made no provision for reinstatement.

A new section is also included, defining the various terms used, as follows: "the term 'policy' shall embrace any contract of life insurance, including any benefit in the nature of life insurance arising out of membership in any fraternal or beneficial association; the term 'premium' shall include membership dues or assessments in such association; the term 'insured' shall include any person who is the holder of a policy as defined in this Act; the term 'insurer' shall include any corporation, partnership, or other form of association which secures or provides insurance under any policy as defined in this Act."

Wm. J. Cameron, who has been appointed assistant actuary of the Home Life Insurance Company, is a fellow of the Actuarial Society of America. He was graduated from Toronto University in 1911 and previous to entering the service of the "Home" was Deputy Commissioner and Actuary of the Insurance Department of the State of North Carolina.

The Right Place for the Right Man

The capable and energetic man or woman who represents a company which provides an unexcelled policy at a low net cost is sure to succeed as a life underwriter. That is why our representatives everywhere are loyal, contented and enthusiastic. The reputation of their Company for prompt and efficient service gives them a confidence which wins the confidence of the insuring public.

Occasionally we have a General Agency opening.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Another Aged Policyholder and His Insurance

The Mutual Life Insurance Company of New York has the unique record of no less than seventeen policyholders who have lived past the age of 96, three of them rounding out the full century and more. The last one reported since the issue of the latest annual report is Rev. Aaron E. Ballard, of Ocean Grove, New Jersey.

Mr. Ballard is widely known in that State, and known to thousands of others who visit that noted summer resort on the Jersey shore. He has been for many years the president of the Ocean Grove Association, which is the name of the corporation controlling that town. He was insured under policy No. 17,818, on the 14th of January, 1857, for $1,500 on the ordinary life plan with a semi-annual premium of $21.18. Mr. Ballard attained the age of 96 on the 27th of December, 1916, but he continued to pay his premiums until and including January 14, 1918. Later, on the 1st of April, 1918, he surrendered his insurance for cash, the results being as follows:

Total premiums paid in 61½ years	$1,302.57
Face amount of policy	$1,500.00
Accumulated dividends	3,110.18
Total cash surrender value	$4,610.18

After having had insurance protection for 61½ years in an increasing amount, ranging from $1,500 in the first year to $4,610 in the last year, he received on surrender more than three times the original amount of his insurance, and more than 3½ times the total premiums paid during 61½ years.—"Points."

* * *

Somebody Must Pay

Charles F. Junod, writing in the Illinois Life "Bulletin," asks: Did it ever occur to you that it does not make any difference whether a man carried life insurance or not? The loss is paid for just the same. His explanation follows:

"Death means loss, and losses must be paid. It is an exact commercial and economic principle that a value always must replace a value or there is loss. Because it is only one case, the attention of the world is not called to it, but that one loss is paid just the same whether the man has life insurance or not. In one case the insurance company pays, in the other his family pays by his children going without education, by their joining the great army of wage-earners; in some coin or other the loss of that activity is paid for. And if you can go out with this argument and just pick out every case and study the circumstances of each individual you talk to, and put your finger on that risk and hold it up and shake it before his face, you won't have to urge that man to buy life insurance, because he is ready to buy if he has the money."

* * *

R. F. Fry on Optimism

Some people contend that it is hard to be optimistic nowadays, says President R. F. Fry, of the Old Life, Milwaukee, to the field force. They bemoan the fact that they are living in such times and under such conditions. No one can refrain from regretting the terrible world war. It is on a larger scale than any previous war, although history tells us that dating back the three thousand years that we can trace history, there were only three hundred years in all that war was not being waged among people somewhere. It seems, therefore, that since the world began people have somewhat specialized in doing damage to each other physically, but never on such a large scale as today.

To talk optimism, practice it and feel it is not always easy. The natural born optimist does not find it so difficult nowadays, but perhaps the man who has acquired optimism must watch his step in order that he may not lose it.

Compare the mother who sends her boy away with smiles and good words of cheer, although she may collapse when he is gone, with the mother who carries on and makes a terrible scene in her son's presence. The boys' lasting impression is bound many times to be what was conveyed to them by the action of others. The business man who is continually looking on the negative side of everything, who assumes a pessimistic attitude as to present and future conditions, is unconsciously planting that impression in the minds of those around him. He will wonder why business is dropping off with his concern. If he wished to locate the real seat of the trouble he might locate it in himself.

If we wish to be of assistance to those who have gone across and are fighting our battle, we must be as optimistic as possible under the circumstances, keep our nerve and look for some reasons why we should do more business rather than for reasons why we should not do a good business. The successful man is the man who can meet adversity and rise above it.

* * *

Weekly Premium Man Writes $50,000 Case

A John Hancock policy for $50,000 on the 20 payment plan was issued last month on the life of Henry G. Tremmel, Secretary and Treasurer of the American Turpentine Company of Cleveland, Ohio, and in favor of that Company. The annual premium is $1,538. The insured will be 29 years next birthday, is married, and is the main stockholder in the American Turpentine Company. The high standing of Mr. Tremmel and of the enterprise in which he figures so prominently, give particular point to the appreciation by this capable and successful young man of the value and necessity of life insurance in protecting the fortunes of that corporation.

Congratulations are in order to Inspector John C. Heimberger of the Cleveland II Agency, by whom the application for this insurance was directly secured. The completion of the transaction shows also that the production of business insurance is well within the powers of Weekly Premium men, who will acquaint themselves with its effects, advantages and possibilities, and present them clearly to the ambitious and far-sighted American business man—the man who combines prudence with daring, who, while courageous in his ventures, neglects no reasonable and accessible safeguard, such as life insurance certainly is, to any business enterprise dependent largely on the brains or capital of any one man, or group of men; and in the last named case, each individual of the group should be considered as a prospect.

Business insurance was the topic at a recent meeting of life insurance men in Boston, and, as one speaker remarked in substance, good men, men of capacity were never more needed than now; therefore business insurance is important and pertinent at the present time. When a good man is taken away, more is lost than when the value of a plant is impaired by fire or other casualty. There is great opportunity for more men to specialize in business insurance and more men should do so.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

RULES ABOUT WOMEN

Penn Mutual Insures Them at Same Rates as Men, Except Disability Provision

The Penn Mutual's rules toward women risks follow:

Women are insured at the same rates as men, and receive the same benefits, except the disability provision.

Evidence must accompany every application that the moral and social surroundings of the proposed female risk are good, together with a statement of the purpose of the insurance, the character and financial ability of the applicant, and who is to pay the premiums. There must be a clearly defined insurable interest in each case.

a. Single women eighteen years of age and over are insurable.

b. Married women under thirty years of age are insurable.

c. Married women over thirty years of age are not insurable until two years after marriage, unless in the interval they have given birth to a child.

d. Pregnant women are not insurable.

e. Women are considered insurable two months after childbirth.

INSURANCE CASE DIGEST

The Eastern Underwriter has received from the Rough Notes Company, Indianapolis, the valuable 1917 Digest of Insurance Cases, compiled by Guilford A. Deitch, of the Indianapolis bar; assisted by Frank G. West, of the Indianapolis bar.

Ruling Interesting To Fraternal Orders

BY ILLINOIS SUPREME COURT

Beneficiary Designated "Dear Friend and Member of my Family"—Not Related

A beneficiary designated as "dear friend and member of my family" who lived with the insured many years prior to and at the time of death, neither paying board, but living in common, is a "member of family" under a fraternal policy, providing that the benefits should be paid to any member of the family or one dependent upon insured for maintenance, according to a decision given by the Supreme Court of Illinois recently in the case of Women's Catholic Order of Foresters vs. Catherine Heffernan.

It appears that on October 27, 1897, the order issued an Endowment Certificate to the insured. Section 2 of Article 15 of the Order's constitution provided that endowments might be made payable to the following classes of persons:

"Class First: To a member's (1) husband; (2) children; (3) grandchildren; (4) fathers and mothers; (5) grandparents; (6) brothers and sisters; (7) nieces and nephews; (8) cousins in the first degree; (9) aunts and uncles; (10) any members of the family; (11) next of kin who would be distributees of the personal estate of such member upon her death intestate; (12) to religious or charitable institutions—in any of which cases no proof of the dependency shall be required before issuing the endowment certificate.

"Class Second: To any person who is dependent upon the member for maintenance (food, clothing, lodging or education) in which case written evidence of the dependency within the requirements of the laws of this Order must be furnished to the satisfaction of the high secretary before the endowment certificate can be issued."

The Insured

The insured, Miss Winifred Ryan, died in Chicago December 31, 1914, and at the time of her death was a member of the Order in good standing. She left her surviving, two brothers, who claimed that the beneficiary under the policy was not at any time a member of the family or in any way related to the insured, and claimed that the money should be paid to the administrator of Miss Ryan's estate rather than the beneficiary named in the certificate. The Order paid the insurance money into court and was allowed $40 for its costs.

The facts as brought out on trial showed that after the death of Miss Ryan's father and mother she went to the home of Catherine Heffernan in Chicago and made her home there until her death. She never had any other home after the death of her mother and was never married. Both the insured and the beneficiary worked at the neckwear business in Chicago. There was no positive evidence introduced as to whether or not Miss Ryan, the insured, paid board or lodging to Miss Heffernan, the beneficiary, and no evidence was introduced as to whether or not one or both of them furnished the food for the table. They were always seen together wherever they went and witness testified that apparently they were dearer to each other than sisters. When Catherine Heffernan, the beneficiary, was sick, Winifred Ryan, the insured, cared for her, as one member of a family would care for another, and Miss Heffernan did the same when Miss Ryan was sick, many times.

The Defense

The appellants rested their defense on the ground that at the time the alleged designation of beneficiary was made she was not competent to take and that is the sole defense in the case.

The trial of the case resulted in a verdict for Miss Heffernan, the beneficiary. On appeal, the court said among other things that the law governing insurance certificates of the class in suit was that a person could not take as a beneficiary unless he came within one of the designated classes stipulated in the policy. The designated beneficiary could not receive the insurance money as against the heir of the insured unless she continued to be one of such designated classes at the death of the insured. Commenting further, the Court said it was a distinctive feature of this class of insurance that the benefit certificate speaks with reference to the condition existing at the time of the death of the member, whose life was insured, and if Miss Heffernan, the beneficiary, was a member of the family or a dependent of Miss Ryan, the insured, within the meaning of the by-laws of the society and the statutes of Illinois, she was entitled to recovery, although she was described in the certificate as "dear friend and member of my family." It was not necessary that the two persons be blood relatives in order that they be mutually dependent upon each other. The designation of the term "dependent" does not carry with it the idea that such a person was one entirely supported by another, but was one who depended upon the aid of another for his support. A beneficiary is a dependent if he receives some substantial support or assistance from the insured, such as food, clothing, lodging or education, or some other substantial aid and support, provided such aid or support rests upon some moral or legal or equitable ground and not upon the purely voluntary or charitable impulses or disposition of the member. The insured and the beneficiary were close friends, their relationship was not mercenary or contractual. They were constant companions and the evidence presented tended to support the contention that the beneficiary was actually a dependent of the insured, if not a member of her family, and is therefore entitled to recover the insurance and the judgment of the trial court was affirmed.

WE MUST FINANCE EUROPE

The national debts of the powers now fighting are multiplying at a prodigious rate, and will do so until the conclusion of the war, says Francis H. Sisson, vice-president of the Guaranty Trust Co. Their aggregate magnitude cannot now be estimated. To be sure, our own debt is mounting rapidly, but our resources have not been strained and will not be for some time. Furthermore, by virtue of our unequalled wealth, we are certain to be in a sounder and stronger position financially, industrially and economically than any other nation when peace finally comes.

Not one of the European belligerents will have sufficient financial resources to pay for more than a small part of its war costs, much less its reconstruction bills. Consequently, in order to carry out their gigantic programs for rehabilitation the belligerents will have to float more loans, a considerable portion of which must be placed abroad where they can be used in payment for supplies to be bought from lending countries.

Requests for credit must necessarily accompany the demands for goods which Europe will make in this country after the war, and we shall be asked to take in partial payment, at least, securities which will give us an interest in foreign enterprises of all kinds.

Pan-American Life Insurance Company

NEW ORLEANS, U. S. A.

CRAWFORD H. ELLIS, President

Capital.....$1,000,000.00

OUR 1916 STATEMENT SHOWS

Insurance in force	(over)....	$42,400,000
Resources	(over)....	5,600,000
New Insurance paid for		10,000,000

The High Scores in the Life Insurance Profession are won by Trained Men. We will train you in the Profession and locate you in Productive Territory either North or South. Your Opportunity is Here.

Further information on request. Address:

E. G. SIMMONS, Vice-President and General Manager

Whitney Central Bank Building

NEW ORLEANS, U. S. A.

To the Man Who is Willing—and Will



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

Kahler's Self-Assumed Weekly Quota

A. H. Kahler, of Peoria, Ill., has a self-assumed quota of $100 per week, net commissions. He describes his method of operation as follows:

First, I asked myself what I was in the business for, and the answer was to make money. Next, "How much are you worth to yourself?" and I concluded that I should be worth $100 per week. Then I said, "I will put myself on that basis for ten weeks and each week I must have at least $100," and that it was not to be an average of $100 per week but it must be a minimum.

Very soon after starting this I found myself not caring how many thousands of business I wrote but looking for $100 worth of commissions. I also, for the first time in my life, really understood the significance of questions you have put to me from time to time when I spoke of taking trips, the question being. "Can you afford the time away from the field?" I used to wonder at that. A life insurance man's time is his own, but since I got on this minimum I find it is not his own and that he has got to keep plugging, and if he takes time off, it hurts his chances of earning $100 per week. I went out for a round of golf the other day but did not enjoy the game because I only had $20 of my quota, and I said "If I fall down this week it will be on account of golf." I have, therefore, decided to forget golf each week until after my minimum quota is made. I have $81 commissions so far for this week. This is Wednesday P. M. Since starting on this quota my weeks have run as follows:

First week, net commissions...$152
Second week, net commissions..$207
Third week, net commissions..$154
Fourth week, net commissions..$165

Now I am always planning on where my $100 is coming from. I went out last Sunday afternoon and made $20, just to get that much of a drop on this week. Every man I see I wonder where he is going to fit in on my quota.

Therefore, a minimum quota of any amount per week will mean to the life insurance man that he will have nothing in his mind but Life Insurance, and that he will always be looking for an opportunity to increase his business.

ALSATIAN FOUGHT GERMANS

Interesting Career of Charles Franke, Now With John Hancock in Baltimore

Charles Franke, a young man who recently joined the John Hancock's Baltimore Agency, has put in good service for the U. S. A. during the past four years. A native of Alsace, he came to this country in 1910, joined the United States Army in 1914, served with General Pershing in Mexico, and went to France with the 22nd Infantry. He took part in several engagements on a sector within a few miles of his own home now held by the Germans. He was gassed in 1918 and invalided back to this country with several of his comrades. He was granted an audience with President Wilson. He certainly deserves well of his adopted country, which he has served with a devotion that may well be an example to some of the native-born.

MUTUAL BENEFIT'S HONOR ROLL

The service flag of the Mutual Benefit had in it 435 stars up to June 1. A special edition of "The Pelican" contains their names. This issue of "The Pelican" is one of the most artistic in its typographical arrangement that has reached this office.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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CAN'T TELL STORY TOO OFTEN

The National Board of Fire Underwriters is fortunate in having officers who appreciate not only the service mission of that organization in its relation to the general public, but also who understand the necessity of having the public know what is being done. The best organization in the world would lose much of its effectiveness if none but a cloistered few knew about its operations. The American people may learn by intuition or in the course of time who is serving them, but as a rule it takes long for the information to percolate. Now the truth is that the National Board of Fire Underwriters is achieving wonders not only in the inspection and engineering function which it is performing for the United States Government, but in its intelligent, consistent and persistent campaign against the national American sin of carelessness. These achievements furnish one of the bright pages in our history in the making. The people should know about them.

It is for these reasons that Mr. Mallalieu is showing good judgment in making addresses, presenting the situation as seen from the fire insurance angle, before such bodies as the fire marshals and the country editors. It is no small matter to leave a busy desk and take the long, hot railroad journey to New Orleans, where the marshals convened, or to Hot Springs, Ark., where the editors met, and the National Board's manager might have sent a substitute speaker, but he decided—and the officers of the National Board coincided—that it was worth the trip in each case to give the facts in the eloquent, forceful style which he possesses. So he went.

The National Board is not only the greatest American factor in keeping down the fire waste of the property owners of the country, but through its countless inspectors and engineers it has reduced the fire waste in the Government holdings to the minimum. In Washington this is appreciated. Every day big things are done, and when the war is over, it is hoped that the National Board will issue in permanent form a complete chronicle, showing how the fire insurance companies and their representatives have aided the nation in its time of peril. It will be a book worth the writing and the reading.

AMERICAN INDEMNITY IN N. J.

Appoints Geo. A. Devoe, of National Surety, Resident Manager—Will Enter New York

The American Indemnity, of Galveston, Texas, has entered New Jersey for surety business and has appointed as resident manager George A. Devoe, who has been with the National Surety in the home office for twelve years. Mr. Devoe resigns as manager of the re-insurance and depository departments of the National on July 1 and will start his operations for the American Indemnity on that date. He will make his offices at 1 Montgomery St., Jersey City.

In entering New Jersey, the American Indemnity also qualified for all casualty lines and will take up those branches at a later date. The Company has in addition applied for admission to New York State for all casualty lines. On March 1, the American Indemnity had a capital of $500,000 and a surplus of $275,000 and had qualified with the Government for $77,000 on any one bond.

J. F. Seinsheimer, general manager of the American Indemnity, was in New York last week and personally completed the arrangements with Mr. Devoe.

WILL NOT BE A DISTURBER

Travelers Resignation from Compensation Bureau Result of Differences of Opinion

Following the resignation of the Travelers from the National Workmen's Compensation Bureau this week there were rumors that one cause of friction was over cantonment insurance. Asked for a statement, Walter G. Cowles, vice-president of the Company, said that an article in a New York daily paper of June 12 correctly stated the position of the Company. This article follows:

The Travelers Insurance Company of Hartford has resigned from the National Workmen's Compensation Service Bureau. This action on the part of the Travelers is understood to be due to divergence of opinion between it and the Bureau on certain important questions of practices and matters of Bureau policy. Officials of the Travelers have, however, given positive assurances that it has no intention of disturbing the situation as regards rates and rules, and has signified its intention, if permissible, of continuing its membership in the various branch bureaus.

The resignation of the Travelers has been referred to the Welfare Committee of the Bureau, and under the constitution the resignation does not become effective until acted upon by the Bureau in meeting. The Travelers, being the largest writer of liability and workmen's compensation insurance, its prospective retirement from the National Bureau will cause keen interest in casualty underwriting circles, but relief will be experienced over the assurances that the points involved in the controversy between the Travelers and the Bureau are not of such a nature as to be totally irreconcilable, and are in no wise likely to disturb existing harmonious conditions of rates and rules.

FAGAN SUCCEEDS SANDER

Joseph F. Fagan has been appointed assistant counterman of the metropolitan office of the General Accident succeeding Henry Sander, resigned. Mr. Fagan has been with the New York office of the General for a number of years.

THE HUMAN SIDE OF INSURANCE



UNION CENTRAL'S WOMEN'S DEPARTMENT, NEW YORK

Evelyn H. Edwards, as manager of the women's department of the Union Central Life, in the offices of C. B. Knight, general agent of the Company in New York, has made a splendid record in less than a year's work, during which time she has created a number of producers and induced a number of women to make a successful entry into insurance. Mrs. Edwards was studying for the opera when her attention was drawn to an advertisement for a life insurance woman solicitor. She joined the forces of the Massachusetts Mutual, after which she went with the New York Life. A photograph of the women's department of the Union Central is printed on this page. Seated, reading left to right, are Mrs. Kathleen J. Meetze, Mrs. Edwards and Miss Theo. A. Thompson. Standing, left to right, are Miss Valborg, Miss Grau, Miss Grace A. Pringle, Miss Della M. Hackett, Mrs. Helen M. Zinsser, Mrs. Harriet D. Mosher, Miss Ethel J. Asseltine, Miss Edith J. McSweeney. Mrs. Meetze was formerly a school teacher. The Misses Pringle and Asseltine were trained nurses. Miss Grau was in business. Miss Hackett taught school. Miss McSweeney was in the publishing business. Miss Thompson was a music student.

H. S. Hince, editor of the Connecticut Mutual's publications, who was in New York this week, is a young man who has had an unusual career. For three years and a half he was in the railroad business in India. Coming to this country he went with the magazine "System" in Chicago. One day a representative of the Connecticut Mutual called upon him to write some insurance in which he succeeded. This led to Mr. Hince making some study of the manner in which life insurance prospects are secured. He mapped out a clever letter; handed it over to the life man who insured him; it went out to the public, was productive of results, and because of its effectiveness, he was offered a position in the home office of the Connecticut Mutual. In brief: he demonstrated fitness for insurance before going into it.

* * *

Charles F. Taylor, of the Fidelity Mutual head office force, was an officer on board a tanker which was recently sunk by a German submarine in European waters. Mr. Taylor escaped injury, and the submarine has since met her just fate and is now on the bottom—for keeps.

* * *

Philip W. Alexander has joined the ranks of fire insurance publicity men. He is head of the publicity department of the Fireman's Fund.

* * *

President J. B. Levison, of the Fireman's Fund, is back in San Francisco after visiting the East.

Miss Lulu B. Hopler, a Prudential girl, has attained the rank of First Class Yeoman in the United States Navy.

* * *

Phil M. Leakin, accident claim examiner of the Ætna Life, met with a painful accident while playing golf at the Hartford Golf Club last week. In hitting a golf ball his club hit some small stones which spattered into his left eye causing the big good natured examiner to be away from his office for a few days. Mr. Leakin has recently been raised to a sergeancy in the Connecticut State Guard.

* * *

H. E. Moen, leading producer of the Minnesota Mutual, went out in May to beat John Poindexter's record month of $173,500, which "Big John" hung up during December, 1916. Moen secured applications amounting to $177,000, beating the Company's high mark for monthly individual production by $3,500. He also made a new record for the company in weekly personal production by writing $107,500 of new business during one week, ending May 18th. A little analysis of Mr. Moen's feat makes the results more remarkable. He did not write any application of larger denomination than $10,000. His total applications for May numbered fifty-two, divided as follows; ten for $1,000, two for $1,500, four for $2,000, four for $2,500, sixteen for $3,000, two for $4,000, ten for $5,000, and four for $10,000. The Company's officers and field force all unite in offering Mr. Moen heartiest congratulations for the two splendid records he made during May, 1918.

FIRE INSURANCE DEPARTMENT

Hartford's Division of Manufacturing Risks

J. M. HOLMES MADE MANAGER

New Division Created—G. A. Russell Succeeds Him in Field for Hartford

Because of rapidly growing business the Hartford Fire has established a separate division to analyze what may be termed its manufacturing risks. This Division will underwrite these classes for all sections of its eastern department. It will be under the charge of John M. Holmes as supervisor of manufacturing risks. The establishment of this new division will give much needed relief to examiners, will make possible more careful and systematic analysis of the individual characteristics of each risk, and bring about a more uniform underwiting policy both as to the acceptance of business and in the grading of lines.

Mr. Holmes entered the employ of the Company in the Pacific Department in 1886, and after twenty years' continuous service there he came to New York and entered the office of the New York Underwriters' Agency. He took part in the adjustment of San Francisco losses in April, 1906. In May, 1907, he was appointed special agent of the Hartford for Western Pennsylvania, headquarters at Pittsburgh. In February, 1913, he was transferred to Philadelphia, with Eastern Pennsylvania and Southern New Jersey under his supervision.

The position formerly occupied by Mr. Holmes will be taken by Gilbert A. Russell, special agent of the Citizens in the middle department and adjoining States, in which service he has worked continuously for sixteen years. He has been almost continuously connected with the executive committee of the Underwriters' Association of the middle department since 1903, and was elected president of that association in 1905, and re-elected in 1906. His new duties for the Hartford will not in any way disturb his relations with the Citizens, his field for the Citizens taking in, besides Eastern Pennsylvania and Southern New Jersey, Delaware, Maryland and the District of Columbia.

CLEAR FIELD IN TWO STATES

The Globe & Rutgers is said to be the only Company now writing hail business in Massachusetts and Connecticut.

Hylan Committee on Risks and Insurance

GEORGE R. BRANSON, CHAIRMAN

D. P. Kingsley, Vice-Chairman; Snow, Hoey, Lunger, Ellison, Joyce, Huff, Edwards on Mayor's Committee

George R. Branson, president of the United States Fire, has been made chairman of a Committee on Risks and Insurance of the Mayor's Committee on National Defense. D. P. Kingsley, president of the New York Life, is vice-chairman, and Irvin G. Herman, of the Hall of Records, is secretary. The executive committee consists of President E. G. Snow, Home; Comptroller Walter Stabler, Metropolitan Life; William F. Dix, Mutual Life; Charles J. Edwards, Equitable Life; James J. Hoey, Continental; Sumner Ballard, National of Copenhagen; Otto M. Eidlitz, 30 E. Forty-second Street, and J. Sergeant Cram, 505 Fifth Avenue.

Other members of the committee follow:

George M. Adrain, Edward W. Allen, Clarence Axman, Wilbur L. Ball, Albert Behning, William H. Bolton, Chas. A. Boody, William R. Brennan, John M. Butler, Frederick Cody, Edward R. Cohn, John M. Cragen, Charles W. Dayton, Pierre R. DeBracke, William Harris Douglas, Edmund Dwight, Bennett Ellison, Bernard M. L. Ernst, Thomas P Fowler, Robert J. Fox, Edgar E. Frank, Joseph Gerli, Seig Goldstein, W. J Hamilton, Ogden H. Hammond, Perez F. Huff, William B. Joyce, Charles E. Lalanne, Samuel W. Levine, John B. Lunger, Maxwell Lustig, Cornelius A. McGuire, George E. Payne, John W. Platten, E. O. Richards, Samuel R. Schneider, Clement H. Smith, George Wach, Lee J. Wolfe, Benj. F. Wollman.

IN MEMORY OF LT. PALACHE

Ambulance of Hartford Fire and Hartford A. & I.—Also a Travelers Ambulance

An ambulance to be known as the "Lieutenant James Palache Ambulance" will be sent to France by the Hartford Fire and Hartford Accident & Indemnity in memory of Lieutenant Palache, son of Whitney Palache, who was recently killed in action in France after a brave struggle with a German officer. The Travelers Girls' Club, composed of some 1,500 female employes of the Travelers Insurance Company will also send an ambulance to France in the near future.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

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WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

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FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NIAGARA
Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

U. & O. CONFERENCE

Brokers and Underwriters to Discuss Former's Report—Country-Wide Interest in Recommendation

The brokers' association's report on use and occupancy, with its revised form, has attracted so much attention throughout the country that the report itself was exhausted. One underwriters' association said that it could use a dozen copies. The New York Fire Insurance Exchange's conference committee on U. & O. consists of C. C. Weyland, chairman; C. R. Pitcher, J. G. Hilliard, W. H. Koop, T. A. Ralston, R. O. Haubold and Archibald Kemp. This committee and the brokers' committee, the chairman of which is Alexander M. Silvey, is to confer.

Many interesting suggestions have been received about the brokers' report. The report is generally commended.

In the way of criticism one comment has been that finished stock should not be included, as in the case of whiskey, that take long to age, and varnish the companies would face total losses.

* * *

W. H. Snedeker Returns

William H. Snedeker, of the Bale-Snedeker Co. Inc., returned last week from an extended automobile trip.

* * *

Dean With See & Depew

Harold Dean, of Rubin & Samuels and formerly with Smythe, Sanford & Gerard, is now with Abm. S. See & Depew as placer.

* * *

George McKay Re-instated

George McKay, of Abm. S. See & Depew, has received notice from the Government that he has been re-instated as a second lieutenant and he expects to be called for active service on Monday. Mr. McKay served as a lieutenant in the National Guard in Mexico, but failed to pass the physical requirements of the regular army.

* * *

Arthur E. Hess, counterman of the metropolitan office of the General Accident, returned to his work this week after having spent eight weeks at the French Hospital where he was operated upon for appendicitis. Mr. Hess tells some interesting stories of his associates in the hospital, several of whom were French soldiers recuperating from trench wounds.

* * *

Brooklyn Brokers' Meeting

B. A. Ruffin, manager of the metropolitan office of the General Accident, was the speaker at the meeting of the Brooklyn Brokers Association last night. Mr. Ruffin had as his topic the "Experiences of a Field Man."

HARTFORD NOTES

The home office force of the Ætna Fire Insurance Company will hold its annual outing at the Griswold Hotel, Eastern Point, Connecticut, on June 20th.

The Fire Board and City Council of Hartford are making endeavors to get a reduction in fire rates. Special committees have been organized to study conditions in other cities.

J. Verner Anderson, of Hartford, assistant examiner of risks of the National Fire for Maine, New Hampshire, Vermont and Rhode Island, has enlisted in the Quartermaster's Corps of the Army.

Morgan Burke, of the Ætna Fire Insurance Co., and Miss Lucy Gaffey, of Hartford, were married June 6th.

NEW ENGLAND MUTUALS

Take Large Chances—Some Liability on Individual Risks Which They Carry

As indicating the large chances that New England Mutuals are taking the following figures show amounts carried on a single risk:

Boston Mfgs., $500,000; Arkwright, $370,500; State, $350,000; Firemen's, $250,000; R. I., $230,000; Worc'r Mfg., $200,000; Mfgs., $195,000; Fall River M., $190,000; Mechanics, $150,000; Blackstone, $150,000; American, $140,000; Enterprise, $140,000; Merchants, $85,000; Paper Mill, $60,000; Rubber Mfgs., $60,000.

GREENHAGEN MAKES CHANGE

Fredk. Greenhagen, who has been with Fred S. James & Co. for a long time, will go with Rollins, Burdick & Hunter on July 1.

Van Damm Warehouse Full

Lines in the neighborhood of $150,000 on wool and skins in the Van Damm Warehouse, Staten Island, were being offered freely this week.

* * *

Hamilton Warehouse Lines

It is reported that one of the companies wrote $1,000,000 on whiskey in the Hamilton Warehouse, Louisville, this week at a rate of 15 per cent.

[of Liverpool, England]

ROYAL INSURANCE COMPANY LIMITED

THE LEADING FIRE COMPANY OF THE WORLD

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Authorized Capital $500,000
Detroit National Fire Insurance Co.
DETROIT, MICHIGAN
A Company to be built gradually and along the indicated lines of permanence
AGENCY CONNECTIONS SOLICITED

Great American Insurance Company New York
INCORPORATED—1872
STATEMENT JANUARY 1, 1917
CAPITAL $2,000,000
RESERVE FOR ALL OTHER LIABILITIES 10,954,055
NET SURPLUS 10,759,422
ASSETS 23,713,477
HOME OFFICE No. 1 LIBERTY ST. NEW YORK CITY
CHARLES G. SMITH PRESIDENT
JESSE E. WHITE VICE PRESIDENT
EDWIN M. CRAGIN SECRETARY
ALEXANDER R. PHILLIPS ASST. SECRETARY

THE HANOVER FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
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ADEQUATE FACILITIES
ALL LINES
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Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Congressman's Farm Risk Bill Speech

U. S. INSURANCE ARGUMENT

A. A. Wren, Kansas City Inter-Insurance Authority, Strong Advocate of Measure

Representative King's speech in advocacy of his farm risk insurance bill, now in a committee of Congress, will interest insurance men. His remarks follow:

Mr. Speaker, I desire to respectfully call your attention and the attention of the House and the country to the principle of agricultural insurance. That the Government should temporarily provide for the insurance of agricultural crops against the action of the elements may seem somewhat startling, but the more thought one gives to the proposition the more he is convinced that the principle is fair, sound, and just, and the war legislation based upon such a bill will materially increase the crop acreage to the great advantage of our people and our cause.

Last session I prepared and introduced into the House a bill establishing a bureau of farm risk insurance. I endeavored to engraft the substance of the same by way of an amendment upon the Food Administration bill. It was defeated on a point of order being raised against the amendment that it was not germane to the original bill. I reintroduced this bill at this session. These bills proposed to establish such bureau in the Treasury Department, but upon reflection I have come to the conclusion that such bureau should be founded in the Agricultural Department, in whose archives now rests a great deal of information to which reference can be easily made by such bureau.

It is most patent that the logical place for such a bureau is under the Secretary of Agriculture. I have therefore prepared and introduced a new bill, known as H. R. 12337, giving jurisdiction to the Agricultural Department over farm risk insurance, which bill has been referred to the Agricultural Committee for consideration.

In this connection may I be permitted to say that the purpose of this legislation at this time is receiving Nation-wide notice, and I have received from many parts of the country urgent inquiries as to the relief sought to be granted in this bill.

One of the most effective and intelligent communications comes to hand from Mr. A. A. Wren, of Kansas City, Mo., who is one of the great authorities on inter-insurance in America and an earnest advocate of agricultural farm risk insurance.

This letter, which I urgently recommend to the consideration of every Member of Congress and to the citizens of the country, is as follows, to wit:

Kansas City, Mo., June 1, 1918.

Hon. Edward J. King,
United States Congress, Washington, D. C.

Honorable Sir: Re House bill on agricultural insurance.

In view of the urgent need of increased production now and for some time to come, the legislation proposed by your bill is most important, as both the farm owner and tenant farmer are encouraged by its provisions to cultivate and plant a greater acreage.

The writer having been engaged for over 15 years in the organization and management of co-operative insurance associations among manufacturers and merchants, and appreciating the need of some form of indemnity for crop loss, had begun an investigation with the object of organizing a co-operative agricultural insurance bureau when your bill was called to my attention, and I recognized it as a very essential war measure.

The manufacturer is encouraged to invest in machinery and material because the demand for the article to be manufactured is obvious, and because he has a certain knowledge that the investment in land and equipment, with no labor may be protected from the hazards usual to that business, with fire and liability insurance and the further knowledge that when labor has been spent on the material a finished article will be ready to market at a profit. On the contrary, the farmer may invest his money in land, equipment, seed, and cost of living, and when he has employed his labor in cultivation and planting he has only a planted crop, which may or may not mature for reasons outside his control; and if it does not mature he has lost his investment in seed, living during the crop period, his labor, and interest on the investment in land and equipment, with no opportunity for indemnity.

If this is discouraging to the farmer who owns his land and has a chance to recoup his loss of some one year in a succession of successful crops, how much more discouraging must it be to the tenant farmer, who rents from year to year, and to whom the soil is being assigned or leased for cultivation more and more every year until at present about 40 per cent. of the cultivated soil is tilled by the tenant farmer.

There is in the crowded centers many thousand men, heads of families, who were raised on farms and who would be glad to return with their families to the farm if the security offered by your bill prevailed. The savings of such men may not admit of the purchase of land at its present high price, but they would be able to rent farms, buy the seed, and, with credit strengthened by crop insurance, obtain equipment and live during the crop period, feeling that if the first crop was lost they would not have to sacrifice their equipment under forced sale to pay their creditors and be left stranded on the highway of middle life.

War-risk insurance has provided for indemnity not otherwise provided for in the insurance world, and why should the farmer be obliged to carry, individually, the burden of loss and the hazards surrounding that which is first in necessities, in peace or war—ample production of foodstuff?

In times of peace this hazard may be properly distributed through co-operative organizations among farmers, which, of course, requires years of organization work to effect; but in such war times, when so much of the tillable acres of our allies have been devastated, the shipping facilities so employed that the crops of other foreign nations can not be imported, and our own stores obviously being diminished, the Government should make provision for crop insurance and encourage the cultivation of some of the many millions of untilled acres in the United States. And in this connection permit me to call your attention to the figures reported in the Weekly News Letter to correspondents by the United States Department of Agriculture, under date of August 13, 1913:

"The Department of Agriculture estimates 829,000,000 acres are not in use. Only 21 per cent. of the land is not available for any form of agriculture. Only 27 per cent. of tillable land of the United States is actually under cultivation, based upon reports of 35,000 correspondents.

"The total acreage of the United States and possessions is estimated to be 1,900,000,000; 60 per cent., or 1,140,000,000, is estimated to be tillable, capable of being brought under cultivation by means of the plow. This includes land already under cultivation and that which in the future may be brought under cultivation by clearing, draining, irrigation, etc.

"Three hundred and sixty-one million acres, or 19 per cent., are estimated to be untillable, but valuable for pasture and fruits; only 21 per cent., or 399,000,000 acres was estimated to be of no use for agriculture, present or future. In 1909 the land area in crops, where acreage was given, was 311,000,000, or 16 per cent. of total land area, about 27 per cent. of estimated potential tillable area of the United States and possessions.

"For every 100 acres that are now tilled, about 375 acres may be tilled when the country is developed."

Permit me to call your further attention to that part of the fourteenth annual report of the Reclamation Service, 1914-15, which shows the land situation in the respective States, a copy of which I am inclosing herewith.

I believe the Government has at hand, in the Agricultural Department, all the information necessary to provide agricultural insurance, with the exception, possibly, of the ratio of loss to the cost of cultivation and planting in different parts of the country, and a few months should suffice to acquire this information and be able to establish a schedule of rates that will properly distribute the burden of crop loss, furnish the indemnity that will strengthen the credit of the tenant farmer, and encourage the necessary increase in crop acreage and production next year.

A. A. Wren.

SCHEME TO BEAT SHORT-RATE CANCELLATION

A Minneapolis manufacturer after putting in a lot of his valuable time finally hit upon a scheme to beat the short-rate cancellation provision in his policies. He selected the policies he intended cancelling and secured endorsements transferring them to cover property in a sprinklered building rated much lower. Then he asked for their cancellation at short-rates. He did not, however, remove the property insured to the new location. The Minnesota Insurance Department is investigating the case. This party belongs to the crowd who think anything is legitimate that beats a corporation, and he probably withholds his nickel on the trolley until the conductor demands it, is the comment of the "American Agency Bulletin."

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

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CAPITAL $250,000.00

AN ALL-AMERICAN PROGRESSIVE FIRE INSURANCE COMPANY OF THE MIDDLE WEST

INCORPORATED 1720

Royal Exchange Assurance

LONDON, ENGLAND

United States Branch
92 William Street, New York

RICHARD D. HARVEY
United States Manager

JAMES H. EPWORTH

NEW JERSEY FIRE INSURANCE SPECIALIST

NEWARK AND SUBURBAN NEW JERSEY TERRITORY

40 CLINTON STREET NEWARK Phone Market 6536

SERVICE FIRST

80 MAIDEN LANE NEW YORK Phone John 4560

Fred J. Cox's Talk at Syracuse Meeting

APPEALS FOR ORGANIZATION

Income of Agents Threatened—"Forget Petty Jealousies and Remember Larger Questions"

It was with a sincerity born of firm conviction in the righteousness of the National Association's cause and of the vital necessity for supporting it that Fred J. Cox, chairman of the executive committee of that body, addressed the New York State Association of Insurance Agents at Syracuse, June 6. Mr. Cox was warmly applauded and appreciation of his talk was expressed by a rising vote of thanks. In the course of his remarks he said:

"This is not a time for mere speech-making but rather one in which insurance, as well as all other business men, must stand solidly together. In the first place we have this war to win. We must be ready to make any needed sacrifice for the good of these United States.

"But getting down to the objects for which we are in session here, our own immediate business; your future, my future and that of our families must continue to depend upon the insurance business. The National Association of Insurance Agents is the only association in the country of, for and by insurance agents. We, all of us, must consider seriously whether we are giving it the support it must have if it is to give us in return the help and protection of which it is fully capable if properly upheld.

Must Have Organization

"We must have an organization. Time and time again it has been demonstrated that without organization many ill-advised laws, rules and regulations, born of ignorance and inverted reasoning would have been added to the burdens of this business. The National and the State associations should be an ever ready and effective weapon for defence wherever an unrighteous attack is made against us or our business. The two associations should be always kept in such a state of efficiency that the service rendered shall be of a kind that members may realize and appreciate its value. As insurance men our only safety lies in making the National Association a truly great organization fully worth while.

"You insurance men little realize the good that has been accomplished by this association throughout the country. Our effort now is to build upon the present firm foundation and

(Continued on page 19)

MANAGERS' GOLF TOURNAMENT

Gil Nichols Could Have Gotten Pointers Had He Been at Greenwich Meet

As has been the custom for some time, most of the prizes given by the Underwriters' Golf Association were won in its tournament, Tuesday, by the officers and the handicappers. The scene was the Greenwich Country Club. The 18-hole medal play handicap was won by Thomas F. Handy, of Benedict & Benedict, score 82 net, handicap 23. The second prize went to C. L. Tyner, Home, score 84 net, handicap 15. In the best ball foursome, E. G. Snow, Jr., and C. L. Tyner were first; Sheldon Catlin and L. P. Bayard, Jr., second; J. A. Kelsey and E. D. La Tourette third. There is but one prize for this event and as Mr. Tyner won the previous event his prize, a pair of candlesticks, was divided between the next two players. So one of these candlesticks is now in Philadelphia.

Hugh R. Loudon won the kickers' handicap. This will be good news to his golf friends in Chicago. The ex-president's trophy for the best net score of the day went to C. L. Tyner. C. A. Ludlum is now a member of the club. He had not been playing golf much, but last Tuesday he made an unequaled record, testifying that he kept a scrupulously honest score. His caddy is now in a sanitarium resting up. Officers for the year were elected as follows: President, E. G. Snow, Jr.; vice-president, Sheldon Catlin; secretary-treasurer, L. P. Bayard, Jr. Executive committee: C. F. Shallcross, H. A. Smith, Charles J. Holman, C. D. Dunlop and H. R. Loudon. The annual dinner was held at the Greenwich Country Club, J. A. Kelsey, the outgoing president, presiding.

GENERAL AGENCY COMPANY

A certificate of organization of the Hartford General Agency Company was filed with the Secretary of State of Connecticut June 7. Officers elected are officers of the Hartford Fire and include president, R. M. Bissell; first vice-president, Whitney Palache; second vice-president, James Wyper; treasurer, D. J. Glazer; assistant treasurer, Thomas H. Scotland; secretary, Frederick Samson.

TROY RATES

The Troy, N. Y., common council has appointed a committee, to investigate the recent increase of rates there.


"AMERICAN FORE"

FOR 65 YEARS—

THE CONTINENTAL has built its name to stand for all that is best in fire insurance.

FAIR DEALING has won it a leading place among agents and the insuring public.

CONSTRUCTIVE management has assured its growth in the past and assures a continuation of progress in the future.

FINANCIAL strength insures stability and guards against any conflagration danger.

[FIRE]
THE CONTINENTAL INSURANCE COMPANY
Cash Capital - - TEN MILLION DOLLARS
HENRY EVANS, President
Home Office
80 MAIDEN LANE
NEW YORK
Managing Branch Offices:
CHICAGO, MONTREAL
SAN FRANCISCO
CONTINENTAL COMMANDS CONFIDENCE

STRENGTH INTEGRITY SERVICE
Scottish Union & National Insurance Company
HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries
JAMES H. BREWSTER, Mgr.
Hartford, Conn.
A Broad Underwriting Service to Agents
Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.
Works in Harmony with American Agency Principles and Practices

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BROOKLYN, N. Y. 153 Remsen St. Tel. 2504 Main
NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

H. KRAMER
ADJUSTER
FOR INSURANCE COMPANIES
105 William Street, New York City

207th Year
SUN
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UNITED STATES BRANCH:
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WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
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F. H. HAWLEY, Pres. ORGANIZED 1848 W. E. HAINES, Secy.
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LE ROY, OHIO.
Ohio's Oldest and Strongest Company
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AN AGENTS COMPANY
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PHILADELPHIA
GENERAL AGENT
Pennsylvania, New Jersey and New York

JAMES J. BOLAND COMPANY, Inc.
GENERAL AGENTS
HOME OFFICE
SCRANTON, PA.
68 WILLIAM STREET
NEW YORK CITY, N. Y.
NEW YORK NATIONAL INS. CO.
THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.

Practical Adjustment of U & O Losses—No. 2

This form read on the "use and occupancy of assured's plant." The conditions of this contract of insurance are that if the plant or any of its constituent parts or machinery or supplies or material in or on premises shall be so disabled, damaged or destroyed by fire occurring during the term and under the conditions of this policy that assured are or would be entirely prevented from producing its output, the companies shall be liable for an amount of not exceeding $3,500 per day for each working day of such prevention; but if the ability to produce its output be diminished only, then shall the companies be liable for that proportion of $3,500 per day in which such output is or would be diminished; that in case of fire the average daily output for 300 actual operating days immediately preceding the fire shall, for the purposes of the policy, be assumed to be the normal daily output.

Total insurance $1,050,000.

Date of fire November 1, 1917.

Period of impairment—1 day.

The form limits liability for total prevention of output to an amount not exceeding $3,500 per day, making it non-valued as to total prevention, but for partial prevention, states the companies shall be liable for that proportion of $3,500 per day in which the output is diminished, instead of not exceeding $3,500 making the form valued as to partial prevention, thereby destroying the co-insurance of the form in case of partial loss.

Statement of Loss as Follows:

Number of cars produced during 12 months previous to November 1, 1917.....	9,591
Average production of cars per day based on year's business previous to the fire..	32
Total suspension of output of cars due to fire—(1 day)	50
Allowance made on 32 cars at average profit of $95.06—¼ per car—loss.....	$3,042.00

The adjuster found that the average number of cars made per day for the 300 days next preceding the fire was 32, and apparently took that part of the form which states the average daily output for 300 days preceding the fire shall, for the purposes of this insurance, be assumed to be the normal daily output, to mean that the companies' liability is limited to 32 cars per day, whether assured was making more cars per day at time of fire.

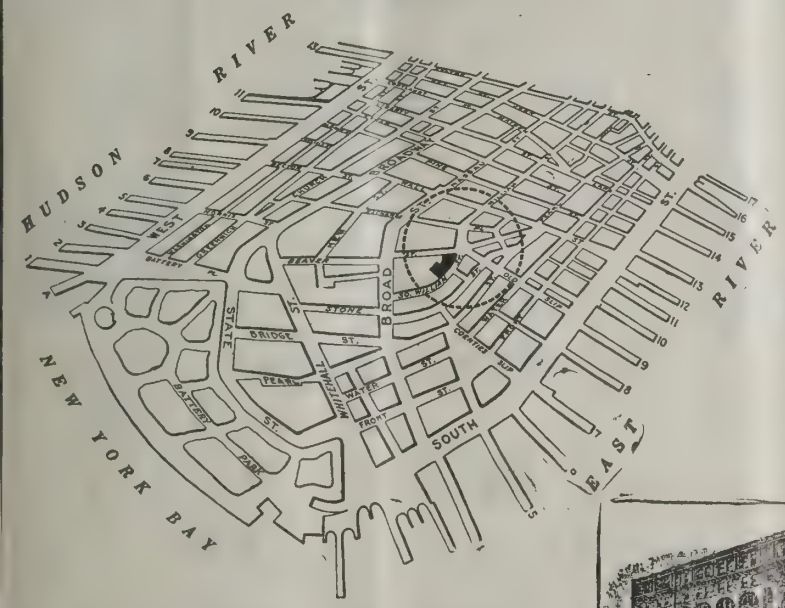
Under the term of the form assured's loss was 50 cars at average profit of $95.06—¼ or	$4,753.12
The daily limit of liability being but.....	$3,500.00
The companies should pay that amount as against the adjuster's figures of.....	$3,042.00

AMERICAN MERCHANT MARINE

INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House

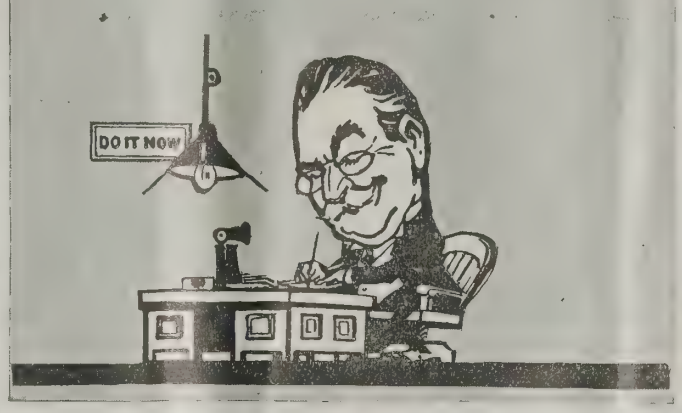
New York City

South William and Beaver Streets

NU

NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.

SECURITY—STABILITY—SERVICE AND FACILITIES MAKE THE NATIONAL UNION A GOOD COMPANY TO REPRESENT BY EVERY TEST THAT COUNTS. TO PROPERLY EXPERIENCED AND QUALIFIED AGENTS NATIONAL UNION SERVICE WILL SPEAK FOR ITSELF WHENEVER YOU CHOOSE TO MAKE THE TEST.



National Liberty

INSURANCE COMPANY OF AMERICA

NEW YORK

Incorporated Under the Laws of the State of New York in 1859

Statement, January 1, 1918

Cash Capital	$1,000,000.00
Assets	8,209,763.64
Liabilities	5,223,031.71
Net Surplus	1,986,731.93
Surplus for Policy Holders	2,986,731.93

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62 WILLIAM STREET, NEW YORK



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Private bath $2.50 and $3.00

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MADISON ST.—East of LaSalle

CHICAGO

LAURENCE R. ADAMS, Sec'y & Mgr.

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Established 1824

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U. S. BRANCH

FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager

No. 80 Maiden Lane, New York

New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York

DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

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MARINE DEPARTMENT

Sail Business is Hazardous Except When Written on a Proper Basis

Inasmuch as the outlook in the near future is that nothing but sail vessels will be used in the South African, Brazilian and Australian trade, a very serious condition will confront marine underwriters as to the proper rates and conditions to be granted for shipments of this kind, as just prior to the war of four years ago, sail vessels were considered a very objectionable class by a great many marine underwriters, and quite a few offices refrained from writing risks by them, but inasmuch as the increased demand for insurance by this class has presented itself many offices have resumed writing this class of business. As there are many new and inexperienced underwriters accepting risks on sailing vessels, unless they use the utmost precaution in writing this class of business the companies which they represent will undoubtedly experience unfavorable results.

There are a great many questions which confront an underwriter in accepting risks by this character of craft. Firstly, he must take into consideration the build of the vessel, her age and her caulking; the season of the year the vessel sails in, the weather she is apt to encounter, the character of the cargo, and the place where it is destined to. Furthermore, whether the cargo can be written subject to average or F. P. A. E. C. conditions, and last of all that he secures a high enough rate so that he will be in sufficient funds to pay heavy losses, which he is sure to be called upon to pay in writing this class of business. This knowledge of sailing business can only be obtained by many years of practical experience, and if most of the newer companies in the marine insurance business do not use more than ordinary precaution in accepting this class of business, they are bound to have a very unfavorable experience.—OBSERVER.

WANT UNIFORM FORMS

London Agitation for Reforms in Brokers' Slips—Sources of Trouble Now

London, June 1.—Agitation over the adoption of standard forms for brokers' slips is prevalent in London. The wide differentiation in the clauses which appear on the slips used by different brokers in this city is referred to as a source of trouble and disputes, and the suggestion is made that there should be a standard form for hulls, another for cargo, and another for fire risk, with allotted spaces for the various details.

A London editor says: "There is much to recommend such an idea, for it is often a matter of difficulty to decipher the exact terms of a slip owing to the various styles adopted."

APPOINT BREWSTER & CO.

The Newark Fire Insurance Co. this week appointed J. N. S. Brewster & Co., Inc., managers of the metropolitan automobile department of the Company, effective immediately. J. N. S. Brewster & Co., Inc., now represent the Caledonian, National Liberty and Newark Fire for automobiles.

RAILROAD BOND SITUATION

Writing of railroad bonds to guarantee the payment of freight charges has been all upset since the recent order from Washington regarding freight payments and bonds. These bonds used to be written as required on forms prepared by the roads. Each one had its own form. Now applications are being turned down by the surety companies because they do not know whether the Washington officials are going to prescribe a form of bond to be used for all this business. It is also not known whether the bonds are to run to the railroad, or to the Government, or to the Government for the benefit of the railroad. So no bonds of this character are being written.

PHILADELPHIA SUIT

Pilots Who Salvaged Tankers Bring Action Against Owners—Company Resists Reward

Members of the crew of the pilot boat "Philadelphia," who risked their lives to salvage the Atlantic Refining Company's tanker, "Pratt," now moored at Point Breeze, were forced to file suit for compensation in the United States district court, because the Pilots' Association and the Company could not agree on a settlement.

Joseph C. Gabriel, general manager of the Atlantic Refining Company, when first informed that a libel on the vessel had been applied for by the Pilots' Association, announced that he would refuse to grant admission to the yards to the United States marshal for the purpose of serving the libel.

While Gabriel was making this statement, however, a deputy marshal got through the guards at the Point Breeze oil plant and went on board the tanker, which is now discharging the cargo saved by the crew of the Philadelphia. Judge Dickinson has fixed bond at $100,000, which must be supplied by the company before the vessel can be moved again.

British papers are full of a decision in the Court of Appeal, London, as to the strict meaning of "time of production" in a marine policy for £3,000 on gold bullion from companies' mines and banks in Western Australia per any conveyance to the mint at Perth.

NEW INSURANCE PAPERS

Just as some of the weaker insurance newspapers dropped out and it looked as if the number would be considerably depleted it is announced that "The Western Insurance News" is to be published in Great Falls, Mont., and the "Western Economist" is to be published by B. W. Blanchard, who retires from the "National Economist," of which Charles B. Van Slyke is now the editor. Heretofore, Great Falls has been sadly neglected in the insurance newspapers. Rarely has anything from there been published. It is an unfortunate oversight, which will be corrected from this time on. Mr. Blanchard has been in the insurance newspaper business for twenty-five years, but even a quarter of a century has not caused him to lose faith in it. Mr. Van Slyke's is a new name, but he knows a gold mine when he sees it.

The two "Economists" are published in Iowa, home of many good insurance companies. There are still a few choice openings for insurance journals. Arizona has none, neither has Maine nor New Mexico.

REPORT ON WISCONSIN MUTUAL

The Employers' Mutual Liability of Wisconsin reports more than 3,000 members and an annual premium income of more than $550,000. The annual statement shows surplus $156,000, after having paid three annual dividends of 10 per cent. each.

We beg to announce our appointment as
MARINE MANAGERS
of the
AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

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CASUALTY AND SURETY NEWS

New Credit Method By Ocean Accident

PREPARED BY JOHN E. GREGORY

Premiums Based on Experience and Requirements for Individual Debtor's Accounts

An innovation in the method of insuring against loss caused by insolvent and past due debtors' accounts, otherwise known as credit insurance, has been made by John E. Gregory, executive head, credit insurance department of the Ocean Accident & Guarantee Corporation. The new policy form is designed to more fully meet the requirements of the wholesale merchant, jobber and manufacturer.

Mr. Gregory explained the new contract to a representative of The Eastern Underwriter as follows:

Credit insurance, or, credit indemnity, more properly called—a guaranty on insolvent debtors' accounts—although it has been written in this country for over twenty years, has really been in an experimental stage, and because of the lack of statistics and knowledge of the fundamental elements creating the risk many companies that attempted writing it failed. Therefore this kind of insurance has not increased in proportion that other lines of insurance have. Yet there is an increasing demand for insurance of this kind.

Scope of Policy

This contract insures outstanding accounts in the event of debtors becoming insolvent, or their accounts past due and unpaid, including the prompt payment of claims during its term, whenever and as often as they occur. Also, if desired, the handling of past due accounts when placed for collection. The policy's practical value is also shown as collateral security if the insured desires to borrow on debtors' accounts, whether open or represented by notes.

The class of debtors insured are those to whom sales and deliveries of merchandise have been made, provided they are in mercantile pursuits and are mentioned in the mercantile agency book or report that the insured elects shall govern as to ratings under the contract, in event of their insolvency occurring during the term of the contract.

The mercantile agency which shall govern as to the rating of debtors at the date of shipment is selected by the insured and mentioned in the contract.

The limit for each debtor is determined by requirements and according to the debtor's mercantile agency rating, and is stated opposite each rating in the Schedule of Ratings in the contract.

Insolvency Defined

The definition of insolvency is printed in the contract and comprises every known form of insolvency, including a compromise by the debtor with a majority number and amount of his creditors for less than the amount of his indebtedness; where a debtor's business is taken over by a committee appointed by a majority in number and amount of his creditors; the appointment of a receiver; the absconding of a debtor; the death or insanity of a debtor. Also under the collection form of contract, when a debtor's account has become due under original terms of sale and is filed by the insured with the insurance company for collection within forty-five days thereafter; when a debtor makes a general offer of compromise of his indebtedness for less than the amount thereof.

Collection of Accounts

Under the "collection" form of contract the insured may file accounts that are not more than forty-five days past due under original terms of sale; the company accepts them as "insolvent" as of the date of filing, places them with its attorneys for collection without additional charge, other than the regulation collection fees; but the company does not participate in any part of these fees as forwarding agents do, but allows the company's attorneys their full fees, that they may give the insured prompt and preferred service.

The notice of insolvency is to be filed within twenty days after knowledge of the same.

The agreed amount to be borne by the insured is mutually agreed upon after ascertaining the annual amount of insolvent accounts and sales for a period of five years, more or less, according to the time the insured has been in business, and is stated in the contract.

Adjusting Losses

The method of adjustment is clearly set forth in the contract and provides a simple calculation and the prompt payment of the net amount due on the accounts of debtors insured thereunder.

Payment of the net amount due under the contract is made promptly after the corporation receives a statement of claim, which statement may be filed when the net amount of insured insolvent accounts exceeds the agreed amount to be borne by the insured. Thus the insured is paid promptly whenever and as often as he has a claim and does not have to wait, as heretofore, from twelve to fifteen months for a settlement.

Basis of Premium

The premium is based upon the agreed amount to be borne by the insured in conjunction with the limit required on individual debtors, both of which reflect the result of the insured's method of extending credit and conducting business and is a nominal charge for insurance against the **unexpected** and **unforeseen** increase in the amount of insolvent accounts.

By this method of calculating premium the insured receives the benefit of his method of doing business and the record he has established as to the amount of his insolvent accounts. Thus if his record is good he is not discriminated against in favor of the merchant with a poor record by charging both the same amount of premium for the same amount of insurance, and he does not have to pay additional premium if his sales, during the term of the contract exceed the amount he estimated as the minimum.

Amount of Insurance

The amount of insurance is determined by the insured and ought to be sufficient to cover the average amount of outstanding accounts during the period of the contract.

Credit insurance under this plan encourages careful business methods and rewards good business judgment when granting credits. It enables the merchant to insure at a cost based on his established individual record.

The nominal premium charged under the new plan contemplates the insuring of the **unexpected** amount of insolvent accounts. The premium would be much larger if it also insured the **expected** amount. In fact it would necessarily, in such event, be equal to the amount of **expected,** plus a premium for the **unexpected.** This would be prohibitive as to cost, for the insured would be in effect creating the **expected** amount and paying same in cash—whether insolvent accounts amounted to that sum or not—which might encourage reckless credit granting and would defeat the very purpose of insurance.

The agreed amount to be borne by the insured (usually called initial loss) is the amount mutually agreed upon as the amount of accounts expected and provided for, that may become insolvent as indicated by experience.

Term of Contract

Contracts under this plan may be written without the necessity of increasing the **agreed amount to be borne by the insured** under the succeeding contract, simply because the insured had a claim under his expired contract. For the principle on which it is based is purely insurance and therefore, like fire insurance, the rate only increases when the risk increases on account of the class of customers becoming more hazardous; a change in general conditions for the incoming year indicating abnormal failures; or on account of a material change in the method of doing business.

The total amount of insurance is specified in each contract, which is a positive agreement for one year and is not cancellable unless by mutual agreement between the insured and the corporation.

Limited as Unlimited

We believe that when an insurance company knows the total amount of insurance which it may be called upon to pay under each policy, it can determine the required reserve for the protection of its policyholders better than if the amount of insurance is not stated.

The agreed amount to be borne by the assured is deducted and not insured, because it is the amount the insured expects to lose and which is protected the same as general expenses and profits when fixing the selling price of merchandise.

The Ocean's policy also provides for a deduction—the amount of which is determined by deducting the premium paid from one-quarter of the net amount of insolvent accounts ascertained in the adjustment (in other policies called co-insurance). This deduction, however, does not become effective unless the **net** amount of such accounts exceeds the "agreed amount to be borne" and applies only on the actual **net** amount insured after dividends on accounts are deducted, whether said dividends are received before or after the adjustment is made, and **not** on the amount insured **before** dividends are deducted. This deduction is made as a protection in the event of abnormal insolvencies occurring and to discourage using the contract for commercial rather than for insurance purposes.

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.

Home Office, United Life Building Concord, New Hampshire

War's Effect Upon Compensation

INJURED WORK FOR HIGH PAY

Situation Creating False Assumption as to Experience—Moral Hazard Will Return

Compensation writing companies are experiencing a novel situation which is entirely the outgrowth of the war and the unusually high wages being paid at present in many industries.

Instead of workmen being prompt and anxious to report injuries, they withhold such information, or if they cannot entirely conceal their trouble they belittle it. A New York office experienced an aggravated case of this kind a few days ago.

An assured reported an injury but the injured man did not stop work. He kept insisting that his hand, which was the member injured, was improving satisfactorily and that it would be alright in time. He kept it bandaged all the time. Evidently somebody about the plant must have found out how badly the hand was injured, for the assured compelled the workman to come to the carrier's office for an inspection by its physician. The back of the hand was in a raw state and showed little sign of healing. The doctor explained to the man that it was ridiculous for him to expect that his hand could heal unless he gave it entire rest for a time and the physician then asked him why he had not done so. The man replied: "Do you suppose I can afford to lay up and take the few dollars I am entitled to under the compensation law when by working I can make $45 or $50 a week?"

This sort of thing has been going on now for some time in other offices, in most cases in less pronounced form. The result is that carriers are having a slightly better experience for the time being than they expected. In other words, the moral hazard has to a considerable extent been removed, for most of these unreported cases recover before long.

But there is a back-fire to the situation, in that trivial cases are neglected and in the end result in the injured workman having to remain idle for several weeks; whereas had his injury received proper and prompt attention in the first place, he would have lost almost no time.

Should the war and the present industrial activity continue, workmen would continue to minimize their injuries and the number of accident reports would apparently have decreased. This could easily lead to a false assumption as to experience and there might be a strong demand developed in the direction of reducing rates. If this were done the changed conditions which will arrive with the coming of peace, would immediately reflect a hardship upon the carriers. Then as the special war work disappears, wages decrease, the doing of all those things which have been neglected during the war is completed, payrolls will decrease, wages will fall still lower and in time the moral hazard will return.

This is a time when the carriers should be allowed to build up a substantial surplus to meet less favorable conditions certain to be experienced in compensation insurance.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building PHILADELPHIA

LOUIS PAPEN IN CHARGE

The American Surety's new brokers' branch at 63 William Street will be open July 1, in charge of Louis Papen, now of the Company's Metropolitan Branch, who will be assisted by Jalo Lehti, of the Company's burglary department.

AETNA TO EXPAND

The Aetna Life office in New York is still expanding and will take over the space on the third floor at 100 William Street soon to be vacated by the Maryland Casualty. It is likely that the policy, stenographic, experience, accounts, audit and inspection departments will be placed on the third floor. This would leave the tenth floor clear for the selling end and the third and fifth floors for administration.

NOT WORRIED ABOUT SUBWAY

The fight between New York City's mayor and the Board of Estimate, the subway workers and the contractors, and the contractors and the city, has not yet disturbed the surety companies who have large subway contract bonds outstanding. Evidently the present muddle must become much worse before the sureties are affected.

Smith and Bude Are Arrested

HELD FOR GENERAL SESSIONS

Several Brokers Also Subpoenaed as Witnesses—Policies in Commonwealth Canceled Pro-Rata

F. Clark Smith, president, and J. P. Bude, New York manager of the Smith-Case Co., Inc., of Newark, general agents for Northern New Jersey of the Commonwealth Casualty of Philadelphia, were arrested last Friday and brought before Justice Ten Eyck, of the First District Court of the United States. They were held in $500 bail for trial before the Court of General Sessions charged with having transacted business for the Commonwealth Casualty in New York State in violation of the law.

As stated exclusively in The Eastern Underwriter last week more than 200 brokers have done business with the Commonwealth and several of these have been subpoenaed as witnesses.

It is alleged that during a period of about one month the Commonwealth wrote automobile premiums in New York State of more than $50,000.

These policies have been cancelled pro rata as a temporary expedient and no ruling has been made to date as to whether the Company will be permitted to retain any of the premiums collected or whether it will be held liable for any losses that might have been incurred.

NEW DISABILITY FORM READY

Massachusetts Bonding Announces Contract With Liberal Features for Sixty Dollars a Year

A new disability policy styled "Nabonico" has been issued by the Massachusetts Bonding. The premium is $60 and the principal sum $7,500 and $25 a week. The health feature provides $25 a week for total disability in or out of the house; partial disability $12.50 for 52 weeks; hospital benefit double indemnity for 15 weeks; surgical operations paid for in addition to hospital indemnity; fees for non-disabling injuries or illnesses.

Accident indemnity is paid for life; double indemnity while in hospital and operation fees in addition to hospital fees. This policy can also be written in unlevel amounts.

To Protect Agents

(Continued from page 1)

"That a committee of two or more, preferably of men living in or near Albany, shall constitute a vigilance committee whose function it shall be to draft a form of affidavit which shall be satisfactory evidence to the department on which to convict for violation of the broker's license law, and to send copies of said affidavit to each member, with an explanation thereof and the intent of the new law, within two months from the date of this convention."

Albert Mauterstock, Kingston, offered a suggestion by letter that companies doing business in New York make their account current and endorsement slips uniform. The subject was referred to the incoming executive committee.

Big Campaign in Fall

In the fall Secretary C. S. S. Miller, of the National Association, will tour the State and organize it as he has other parts of the country. A decided revival of interest is assured.

Fred J. Cox, chairman of the executive committee of the National Association, delivered an effective address which appears in part elsewhere in this issue.

Secretary Albert Dodge reported a paid membership in 1917 of 325; unpaid 1917-18, 115; unpaid, 1916-17, 96; in good standing 536. New members in 1917, 13. War work has interfered with association development and inactivity has been particularly noticeable in Albany, Troy and Syracuse. More publicity was urged through the medium of the Bulletin. It was recommended that the association's fiscal year should run from January 1 instead of August 1.

Casualty Section Activities

Chairman E. H. Warner, of the executive committee, casualty and surety division, reported on the new compensation policy form which has not yet been approved by the Insurance Department. The committee does not favor the proposed warranty feature as it relates to cancellations and objection was also made to another provision affecting change of policies whenever rates are changed by the Department. The hope was expressed that the policy may not become effective in its present form. The success of the committee in preventing action on a reduction of compensation commission was also referred to, emphasizing, as it does, the value of the State and National organizations.

Louis G. Morgan, executive committee chairman of the fire section, referred to the meetings of the committee and said that finances had been the most disturbing element in the situation. There is, he said, considerable misapprehension on the part of members regarding the consolidation of the fire and casualty interests in the Association.

Advance in Dues Opposed

There was much objection to the proposed increase in dues, many arguing that what the asociation needs is numbers and the increased dues would have an opposite effect. Others pointed out that mere numbers, if they consist of the class who are so disinterested and unmindful of the needs and value of the Association as to object to paying five dollars a year, are not so desirable after all. The part-timer came in for considerable discussion. Many of those who have small interest in the Association are those making $300 to $500 a year out of the insurance while engaged in some other line. Secretary Dodge said that the most desirable element in the business does not object to any reasonable annual dues. Many men are surprised that the dues are so small, he said. Good men, he added, rather believe that a great State association like this for a great business like insurance, which charges only $3 a year dues, cannot be much good and therefore they pass it up.

Discussion Encouraged

It developed that every member of the Newburgh Board is a member of the State and National Associations and pays six dollars a year dues, one dollar of which is retained locally. Mr. Irving, Malone, wanted dues of $3 and $5 in towns under and over 10,000, respectively. G. T. Amsden, Rochester, was for dropping the dead ones and F. M. Chandler, Troy, agreed with Mr. Amsden. E. S. Hawley, Buffalo, suggested a compromise by raising the $3 dues to $4 and $5 dues to $8 and splitting the advance with the National Association. E. F. Wiltse, Oswego, wanted small dues in small places, saying that the agents there have more influence with their companies than those in large towns. N. M. Fiero was in favor of letting the discussion run its course and urged everybody to say what he had to say at the meeting and not from some barrel head afterward. Mr. Warner pointed out how the Dairy League collects dues and what a power it is for the good of the farmers. Another member said the Dairy League people are robbers in that they collect dues from farmers by a levy on milk, whether the farmer is or is not a member of the League. E. C. Cooper, Watkins, said the little fellows would not come in if the dues were fifty cents. L. W. Pellett considered that the side-liner does not worry himself about the business and Louis G. Morgan, believing that the Association should have the support of the country agent, suggested $3 for towns under 7,500; 7,500 to 50,000, $5, and over 50,000, $10.

New Jersey Experience

Fred J. Cox, of the National Association, said that for years the New Jersey Association had $3 memberships. The 450 agents who are now members of the New Jersey Association represent the bulk of the premium income of that State. "We find," said Mr. Cox, "that generally speaking the man who will not pay $5 is of no value to the Association. It has been said that there are 3,000 agents carrying licenses in New Jersey who should not be in the business and that the same proportion exists in New York."

L. J. Brownell, Watertown, said: "If this business is not worth $5 a year dues we are no good to our communities and no good to ourselves." E. H. Warner pointed out that numbers are not the main consideration and that sufficient numbers cannot be got in an Association like this to cut any figure with a legislative insurance committee. He said it is rather the soundness of the arguments presented that count. He favored the $5-$10 amendment. One member tried to drive a bargain with Chairmen Cox by asking him if a man who was willing to spend but $3 a year could not join the National Association alone and receive the Bulletin? He said: "If that was all the money the man had wouldn't you take it?" Mr. Cox expressed the opinion that the National Association does not for the sake of mere numbers desire men who do not belong to their local and State organizations.

A motion was carried for a special committee to clear up all unpaid dues matters.

Following Thursday's session members were invited to attend the entertainment at the Strand Theater. The annual dinner, at the Onondaga, was atended by numerous local men.

Broker's License Law

Friday morning the legislative committee presented its report, referring to the new broker's licensing law. It was suggested that to what extent the Department will make it operative remains to be seen. The Department will have to amend the application blank and it is expected that many new questions will be asked. Section 65 of the law was also read.

Fred V. Bruns of Syracuse said regarding the license law, that often irregularities are permitted to continue because no local man wishes to start anything. He suggested a vigilance committee, located at or near Albany which could present such matters, with affidavits, to the Department so that the new law can be made effective. The Association, he said, has done many good things but has not followed them up. If a committee of, say, two men, could follow up the work of the legislative committee possibly it could get some convictions.

Mr. Morgan pointed out that the Department will not take any action unless the facts are properly brought to its attention. The Department is not a prosecuting office. Cases must go to the prosecuting attorney where the offence is committed but, said Mr. Bruns, the Department has sole jurisdiction in the matter of licenses. Such matters do not come before the local prosecuting officer.

Mr. Warner suggested the case of a broker who is regularly licensed and who happens to be the employe of the insured and the conflict which might arise there. Mr. Morgan believes that in cases of this kind this special committee can be of great benefit.

Stanley L. Otis, executive secretary of the Insurance Federation, read a comprehensive paper on automobile insurance.

Officers Elected

The following officers were elected:

President—John L. Tiernon, Jr., Buffalo.
Vice-presidents—S. Carlisle Goodrich, Newburgh; E. S. Hawley, Buffalo; Fred V. Bruns, Syracuse; Warren M. Gildersleeve, Central Valley; C. J. Curtin, Rochester; N. C. Spencer, Buffalo; W. W. Heppell, Dunkirk; E. C. Cooper, Watkins.
Secretary—Albert Dodge, Buffalo.
Treasurer—N. M. Fiero, Middletown.
Executive committee, fire—C. A. Porth, Albany; William H. Hecox, Binghamton; R. F. Gilmour, Schenectady; L. G. Morgan, Buffalo; Glenn H. Johnson, Syracuse; A. C. Edwards, Sayville; L. W. Pellett, Newburgh; W. L. Pelton, Olean; L. M. Irving, Malone.
Executive committee, casualty and surety—John Kavanaugh, Rochester; E. H. Warner, Buffalo; A. T. Armstrong, Syracuse; W. H. Murray, Hornell; A. T. Matthews, Watertown; F. L. Gardner, Poughkeepsie; C. C. McNitt, Norwich; F. M. Chandler, Troy.

FARRISH'S CHOP HOUSE
Cor. John & William Streets
THE PLACE in the Insurance District to eat lobsters
NOW IN SEASON
Whole cold lobster 65c.
Whole broiled lobster 75c.

BUSINESS-BUILDERS
DEVELOPING
Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE
APPRECIATE THE CO-OPERATION OF THE
Massachusetts Bonding and Insurance Company
BOSTON
T. J. FALVEY, President
Paid-In Capital $1,500,000
Write For Territory

The Fidelity and Casualty Company of New York
92 LIBERTY STREET, NEW YORK, N. Y.
Metropolitan Office—92 William St.
ANNUAL STATEMENT DECEMBER 31, 1917

Assets	$15,077,330.62
Liabilities	10,785,343.53
Capital	1,000,000.00
Surplus over all liabilities	3,291,987.09
Losses paid to December 31, 1917	60,740,294.97

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation, Steam Boiler Insurance; Fly-Wheel Insurance.

CASUALTY AND SURETY POINTERS

Where Extra Money Must Come From

Putting it squarely up to the agent who feels the necessity for more income, the National Agents' Record says of the present industrial situation:

"The field man in the insurance business who wants to keep up with the procession must make more money. His expenses have increased the same as those of every one else, and he must provide for them. He must earn this increase. He can't work his company for an increase, as they are paying him the absolute limit that the business justifies right now, and he must get it through his own efforts. This means more work, longer hours, greater efficiency, and everything that can bring more business to his agency whereby his income may be increased proportionately. He can't afford to work haphazard, here and there picking up what comes to him through a half-hearted canvass, but he must make every minute count, and concentrate on the one great and absolute necessity—more business.

"Less time must be spent in the office, and more time given to the field work. An hour a day at the outside should be sufficient to handle all office details, leaving at least seven or eight hours for the active solicitation of new business. This can be used for the thorough canvass of from twelve to twenty prospects, and on the average this could be made to bring at least two or three applications. A man who will work actively and systematically in this way need have no fear of the increased cost of living."

* * *

Getting Business by Mail

Useful suggestions for soliciting disability insurance by mail are given by the Standard Accident in its publication, the "Cog." Here is its plan:

"Soliciting by mail in the accident work requires more than a mere personal letter. The full detail of the proposition can hardly be given in a letter without building that letter so long as to scare the average receiver from an effort to get it all. Some other form of literature must be used in addition.

"So we have tried to combine all the necessary features for successful mail soliciting for accident insurance in one form. These features are three in number:

"First—The personal letter. This goes as an individual appeal and a personal message to the receiver. In it may be used all those personal touches which 'get under the hide' and reach the heart. In this letter you may get the attention. You may stir the interest. You may even go so far as to create desire.

"Second—The schedule for the individual proposition. This is built so that the amounts may be just those that will fit the case you have in hand. The premium, just the premium you think the prospect will pay. Not too large, and not too small. No chance to misunderstand the insurance offered. And just enough detail to give a good idea of the offering.

"Third—The blank application all ready for the name on the dotted line. The other two features have secured the attention, have aroused the interest, have created the desire and now the only thing left is to give the fellow a chance to buy. In order that that may be easy, the handy application is attached.

"The forms made have been built as broad as possible in order that a wide range of prospects might be reached.

"Do not overlook the fact that all men are not reachable by this process. The best results are always obtained by following up this or any other form of mail advertising by a personal call to bring back the application."

Fred J. Cox's Talk

(Continued from page 14)

prepare for what may be ahead of us very shortly.

"On all sides we cannot help but see growing in force and intensity that state of mind which, while it may be called by various names, is most commonly termed socialism. We have been too prone to believe that fatal injury to our business would not come from the public at large. We have thought at times that possibly the English system might be made operative here and that instead of several agents in one locality there might be but one general agent to handle a town.

"I wish to impress upon you that there is immediate danger to our business. There are in every community many men of socialistic tendencies who nurture the idea that the insurance agent is a parasite. I say to you that it is not merely a part of our income that is threatened, but the whole thing. It is simply a question of whether in two, three or five years from now we shall walk out of our office, turn the key and stay out.

"In view of what is transpiring politically and socially throughout the country we, as insurance men, should sign a truce among ourselves, forget our petty jealousies and differences, spite and indiscretions and give our thoughts to the larger questions which affect our very business lives. It is unmistakable that especially in these days of necessarily added expense burdens there is a large portion of the public which regards the insurance agent as an unnecessary expense upon this business of ours.

"The remedy for this deplorable condition lies very largely in SERVICE. We must all learn what service in the insurance business really is and then give it unstintingly. The day is past when we can conduct our business on the principle of taking all that the insured will pay and doing as little as possible in return for the commission aside from placing the policy. We must as a body devote more of our energies to reducing hazards and preventing waste. We must become a potent constructive force in fire and accident prevention work. Each one of us must become one of a useful, upbuilding class.

"And what of our relations one with another? If we wish to deserve and receive the highest degree of respect from the public, must we not deal in absolute honesty and fairness with one another? All the hundred and one things which commonly come under the term "knocking" help to create a wrong impression about the insurance business and strengthen in the minds of men that we as a class can be done without.

"Insurance men simply do not know what they could accomplish for themselves by a reversal of some of the common practices and instead, working together, because they have never tried it on a large scale. In all association work there is too much of the erroneous theory 'Let George do it.' How many of you, I ask, regularly read the Bulletin? How many know the qualifications of the men who issue it, why it is issued and the good it is doing? Secretary Miller is touring one state after another. He toured New Jersey and we now have there a thriving state organization. He is going to do the same thing in New York and we should and will have the largest membership of any state in the Union.

"Our greatest need is that more agents become fully aware of what the National Association has accomplished in connection with many annoying and burdensome situations which have from time to time arisen in our business."

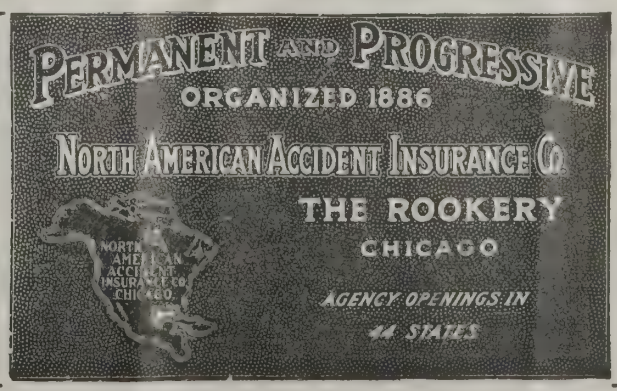
W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary
GEORGIA CASUALTY COMPANY
HOME OFFICE: MACON, GEORGIA
"DIXIE AUTO POLICY"
THE LAST WORD IN MOTOR INSURANCE
Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY
INSURANCE CO. OF NEW YORK
HOME OFFICE, 47 CEDAR STREET
CHARTERED 1874
Plate Glass, Burglary, Accident and Health Insurance
EUGENE H. WINSLOW, President
Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.
RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE
HEAD OFFICE
CHICAGO
F. W. LAWSON
General Manager
Liability, Accident, Burglary, Boiler and Credit Insurance
Established 1869
F. J. WALTERS
Resident Manager
55 JOHN STREET
New York
Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers New England
London Guarantee & Accident Co., Ltd.
OF LONDON, ENGLAND

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $109,000,000
Losses Paid in U. S. $40,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY

American Surety Company of New York
100 BROADWAY
Fidelity and Surety Bonds
Burglary Insurance



FESTER & FOLSOM, INC.

UNITED STATES MANAGER

123 WILLIAM STREET, NEW YORK

present the following statements of the condition of the fire reinsurance companies represented by them as shown by official reports of the New York Department after their recent examination.

UNION & PHENIX ESPANOL INSURANCE COMPANY, MADRID, SPAIN

STATEMENT AS OF DECEMBER 31, 1917

Assets		Liabilities		
Railroad Bonds	$ 533,040.00	Reserve for losses		$ 284,173.27
State and Municipal Bonds	882,890.00	Reserve for Unearned premiums		1,333,764.73
	$1,415,930.00	Reserve for taxes		16,395.63
Premiums in course of collection	117,040.72	Reserve for expenses		27,034.44
Interest accrued (on Bonds)	20,537.45	Deposit Capital	$200,000.00	
Cash in Bank	511,116.83	Surplus	203,256.93	403,256.93
	$2,064,625.00			$2,064,625.00

NORTHERN INSURANCE COMPANY, MOSCOW, RUSSIA

STATEMENT AS OF JANUARY 31, 1918

Assets		Liabilities		
Bonds	$1,064,270.00	Reserve for losses		$ 333,846.94
Premiums in course of collection	203,870.56	Reserve for Unearned premiums		546,169.54
Interest accrued	16,724.33	Reserve for taxes		7,735.20
Reserve held by Canadian branch of ceding Company	1,102.60	Reserve for expenses		11,116.21
Cash in Bank	261,076.78	Re-Insurance premiums		238,078.10
		Deposit Capital	$200,000.00	
		Surplus	210,098.28	410,098.28
	$1,547,044.27			$1,547,044.27

WARSAW FIRE INSURANCE COMPANY, WARSAW, RUSSIA

STATEMENT AS OF DECEMBER 31, 1917

Assets		Liabilities		
State and Municipal Bonds	$ 640,490.00	Reserve for losses		$ 126,025.62
Premiums in course of collection	75,186.23	Reserve for Unearned premiums		532,866.39
Interest accrued	7,892.47	Reserve for taxes		6,500.00
Cash in Bank	303,083.13	Reserve for expenses		14,472.53
Reserve held by Canadian Branch of ceding Company	1,146.58	Deposit Capital	$200,000.00	
		Surplus	147,933.87	347,933.87
	$1,027,798.41			$1,027,798.41

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 25 | NEW YORK, FRIDAY, JUNE 21, 1918 | $3.00 a Year; 25c. per Copy

UNIVERSITY OF ILLINOIS LIBRARY

CALEDONIAN AND SUN TO JOIN CONFERENCE

Automobile Situation Now Looks Better Than It Has Since Conference Started

DEDUCTIBLE TO BE CHANGED

Big Committee Now Considering Entire Question of Collision Feature of Contract

The Sun and the Caledonian, the two principal companies outside of the National Automobile Underwriters' Conference, have agreed to come in, and the automobile situation looks brighter than it has for years. The Conference is now very strong, after sailing some stormy seas.

The Deductible Situation

It is understood that the string attached to the two companies joining was that the $100 deductible provision be revoked. In this the two companies have had some strong supporters in the Conference from the start, as the dissatisfaction with the $100 feature has been considerable. For about a week the matter has been under consideration, a large committee, consisting of conference members, bureau members and representatives of the Sun and Caledonian wrestling with the whole question of collision coverage. A new collision clause with new rules and rates has been adopted as will be seen in a story on page 13 of this paper.

Roderick O'Connor is manager of the Caledonian's automobile department and P. R. Wilbur is manager of the Sun's automobile department.

The Philadelphia situation is still unsettled.

SEELY SUCCEEDS HUGHES

John M. Hughes, who resigned as secretary-treasurer of the Fire Insurance Society of Newark to become special agent for the Hartford Fire, has been succeeded by Lookwood M. Seely, of Flindell & Co.

GOLFING IN NEW JERSEY

The golf club composed of members of the Local Board, Newark, held a tournament June 20 at the Shackamaxon Country Club, Westfield, under the direction of T. C. Moffatt, the "ace" of the organization. A number of valuable prizes have been donated by members of the association.

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

Established 1809

Entered United States 1866

Policyholders protected by the entire United States assets with further guarantee in every policy, of protection by entire fire assets of the company which are many times larger.

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. **Net gain** in insurance in force during 1917, $21,764,972.88, or 72% **of the amount paid for.**

MEN of CHARACTER can obtain further information as to the **Company** and **Opportunities** by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

THE PILOT POLICY

THESE ARE DAYS FOR RESOURCEFUL AGENTS

Producers, Posted on Economic Developments, Have No Trouble in Finding Arguments

LARGER POLICIES BEING TAKEN

Why Demands for War Fund Contributions Help Rather Than Hinder Production

Despite the fact that more than a million young men have joined the army, and are, therefore, out of the jurisdiction of prospects for life insurance, many producers are writing more business than ever before. Some of the production achievements being made are really astonishing. It is only the weak-kneed agent who is losing his grip. There never was a time in the history of life insurance when so much ingenuity was exercised in the production of premiums. Instead of being discouraged at the loss of a certain type of prospect worth while, agents have put a quietus on all nonchalant, hit-or-miss style of canvassing, aimless solicitation and taking chances which result in waste of time; and have devised complete new prospect lists and novel arguments for life insurance.

Old Systems in the Discard

General agents have thrown into the discard old systems of prospect hunting and many of their "laws of average" and are attacking the field through new manoeuvers. The results have been an eye-opener; they have shown endless neglected opportunities of the days gone by.

About the first decision that the general agents and the resourceful solicitors have decided is that the great bulk of insurance agents have been aiming too low and shooting at too distant targets. Instead of soliciting one's and two's the agents are going after the big fellows. They are quick to take advantage of the Government's $10,000 standard. This is not only for the younger men, not yet in the service, but for the older brothers and for the fathers. In a corresponding scale the bigger producers have dropped $50,000 or $75,000 as their preliminary goal

and are taking $100,000 and up. Men formerly solicited for $200,000 are now soliciting for $300,000 or $500,000, while the many policies for a million or more show that there is really no limit.

Tremendous New Features

Just think of the tremendous fortunes which have been made in this country since August 1, 1914. It is said that in Japan, a country which is a mere piker compared to America in an industrial sense, more than 1,000 new millionaires have been created since the European nations began their conflict. If that is the situation in Japan, it can be figured without much imagination what has happened to the fortunes in industrials in a country, where the factory and the shop reign supreme. Not only have countless new millionaires been created here, but there are many men whose incomes are now more than a million a year and as the war continues the number will be increased. New factories are springing up over night. Sharing in the prosperity of these new factories are many subsidiary interests. When the new factory is built, contractors, engineers, electrical concerns, marine insurance companies and brokers share in the prosperity. Business insurance alone has developed tremendous possibilities. In these times, particularly, the business must be protected; the partners should be insured; the concern must be protected.

Wage Increases

Then comes the increase in wages not here and there, not in isolated places, but everywhere. When the wages of the railroad men were advanced, endless life insurance possibilities resulted. Every time a man gets more remuneration from his employer he is a bigger prospect for the agent. The latter should not talk the same figures in 1918 that he did in 1914. If he has not changed his view, if he has not comprehended the difference, he has only himself to blame.

Many men who a few years ago were prospects for insurance of small amounts have gone into shipyards and are earning so much money that they are prospects for policies of much larger amounts.

Dollar's Decrease in Value

Another point that must be considered is that the dollar buys so little today in comparison with what it purchased a few years ago. From a life insurance viewpoint it works out in this manner: In 1914 an insured carried $100,000 insurance. This was quite sufficient to meet his needs. A few years go by and the $100,000 insurance will buy so much less that the insurance is insufficient. He must increase it to $125,000 or $150,000. When the insured says to the visiting agent: "I do not want any more insurance. I carry as much as I need now," the agent should ask permission to figure with him about his needs. Show him why he is mistaken.

George T. Dexter's Letter to Agents

George T. Dexter, second vice-president of the Mutual Life, told agents of that Company this week the trend of the times. His views correspond with those of other sage company executives. He said:

"Present day necessity for policies of larger amounts to offset the decreasing purchasing power of money is clearly reflected in the results obtained during the 1917-8 Club year just closed. Principally because of this factor the average production per member established a new high record. Significant too is the fact that the number of former club members qualifying again in 1917-8 was the largest in the organization's history, thereby demonstrating that experienced agents have been quick to adjust themselves to, and are now taking advantage of new soliciting conditions and arguments.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

"In correction of a somewhat common though erroneous belief, it may be stated, paradoxical as it may appear, that the work of the agent has been easier, rather than more difficult, by the many demands upon the public for contributions to war funds.

"To give until it hurts makes for unselfishness and the more unselfish people become the stronger their appreciation of life insurance. Certainly, the average person is not less willing to make sacrifices for his own than for others, and many neither approachable nor receptive a few months ago, are now ready to listen to the agent.

"In view of these favoring circumstances, and with business conditions 'on a rising market,' it is squarely up to each one of you, if the year's results are to measure up to your expectations to work at top speed during the coming months."

1918 Figures of Academic Interest

Agents should study with the greatest caution, and with a full appreciation of surrounding circumstances, all figures showing production of business. They are apt to be misleading. The figures for the first five months of 1918 compared with corresponding figures for preceding years are worthy of reproduction only from an academic standpoint. The Eastern Underwriter has seen figures relating to ten companies which are doing business in New York State, which have their home offices outside of New York State, and all, with one exception, having insurance in force in excess of $100,000,000. The aggregate results are as follows:

Year	Amount of Insurance Written During First Five Months
1916	$319,573,000
1917	421,896,000
1918	302,236,000

From these figures it will be seen that on the average for each $1,000 written in the first five months of 1916 $1.349 was written during the corresponding period of 1917 and $967 during the corresponding period for 1918.

Should Be Studied With Care

Unless these figures are studied with the closest care they are misleading. It must be understood that 1916 and 1917 were phenomenal years. It must be remembered that the companies and general agents kept in the closest touch with the war situation and made the hardest kind of a drive for new business before we went into war. New war clauses were often delayed until the last possible minute and much business was closed by agents in reaching people before the new war clauses became effective.

New York Life in June

Thomas A. Buckner, of the New York Life, said this week: "Our incoming business has grown in the first twelve days more than 2½ millions over the equivalent number of days in June last year."

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE

HARTFORD NOTES

Ensign Douglas T. Smith, formerly special agent for the Connecticut General at Hartford is spending a short furlough in Hartford.

Harold I. Kenney of the auditing department of the Ætna Life, has enlisted in the Navy.

Captain Jacob Humphrey Greene, Secretary of the Connecticut Mutual, reached his half century on June 10th. He was born in Pittsfield, Mass., June 10, 1868, is a Trinity College graduate and has been connected with railway and insurance business. He is captain of the Transport Company of the Connecticut State Guard and is a military man of wide experience. He has a large acquaintance throughout the country who wish him many more successful years of usefulness.

Dr. Henry A. Martelle, of Hartford, medical examiner of the Connecticut Mutual, is at Brunswick, Me., attending the inauguration of the new president of Bowdoin College, who was a classmate of his at that institution.

N. Raymond Woodward, formerly cashier of the branch office of the Ætna Life Insurance Company at Lansing, Mich., has been promoted to a second lieutenancy in the Aviation Signal Corps and is stationed at Vancouver Barracks in Washington.

ELECT W. L. BLOSSOM PRESIDENT

Connecticut Mutual Man Heads Erie Association of Life Underwriters —Priddy a Speaker

Walter L. Blossom, who was elected president of the Erie Association of Life Underwriters at its last meeting, is general agent of the Connecticut Mutual Life. At the meeting the statement was made by one of the speakers that it was largely through the untiring efforts of Mr. Blossom that the association has had its splendid growth during the past six months.

The association has one hundred members.

President Priddy, of the National Association, was the principal speaker. He made a rousing talk for good practices.

J. Paul Treat, former president of the Erie Association, has removed to Denver because of poor health. Joseph J. Webber was elected second vice-president to succeed Mr. Blossom, who is moved up to the presidency.

One feature of this association is that it maintains a standing committee called "The Benevolence Committee."

Arguments To Clarify Profits Tax

POSITION OF COMPANIES STATED

No Excess Profits in Life Insurance—Companies Average Less Than 5 Per Cent.

The representatives of policyholders who appeared before the Ways and Means Committee last week in an attempt to clarify the excess profits tax section of the War Revenue Law so that it could not be held to apply to funds held in trust for policyholders were Job E. Hedges, general counsel; George T. Wight, manager, and F. G. Dunham, attorney, of the Association of Life Insurance Presidents; T. W. Blackburn, counsel, American Life Convention, and Edward M. Martin, Omaha, representing assessment companies. The Ways and Means Committee is holding a series of hearings in connection with the drafting of the new Federal War Revenue Bill, which will double the amount of taxation.

Mr. Blackburn's Argument

Following Mr. Hedges, Mr. Blackburn said:

The capital stock of life insurance companies is merely a guarantee fund, and it must be maintained. A company whose capital stock becomes impaired, in most of the States is called to account and required to repair itself; so that the capital that is put up by the stockholders or the insurance companies is put there to stay, and put there as a guarantee that the company will carry out its contracts. A very large number of the stock companies write non-participating insurance, and they have a paid in surplus that is an additional guarantee that the non-participating contract can be carried out, and the difference between the non participating and the participating company is simply that the former pays no dividends and our capital and surplus is used to guarantee the payment of our obligations as they may mature.

This capital and the surplus of that capital must be invested in exactly the same way that reserves are invested, with very slight modifications. I believe that a more equitable method of levying the tax upon life insurance companies can be devised. Just at this time I am not prepared to make any suggestion along that line, but only wish to add that we are expecting the tax to be raised, and expecting to pay it, although such a think as excess profits of life insurance companies, in time of war, is unthinkable.

Assessment Argument

Mr. Martin, representing the assessment companies, endeavored to show the committee why that class of companies should be classified with the exemption pertaining to fraternal societies, mutual savings banks, etc. He said:

The mutual life associations are an entirely different branch of insurance from the kinds of insurance represented by Mr. Hedges and Mr. Blackburn. Our associations have not any capital stock, have not any net income which inures to the benefit of any individual or policyholder, and the plan of the mutual benefit life associations is identical with that of the fraternal associations, except that we have no lodge system.

In construing the laws, the Federal courts have held that there is no specific exemption in the income tax laws in favor of mutual assessment life associations, other than fraternal beneficiary societies, operating under the lodge system, and our redress, therefore, lies with the Congress.

Now our contention is, briefly, that we should be classed with the 14 classes subject to exemption in the 1916 law; then the policy tax would not affect us, nor any of these taxes affect us, and I think from the wording of the other sections it was intended that we should be so classed. Second, I contend that it is extremely doubtful whether we are liable for the policy tax. If we are liable for it, it is entirely too burdensome; we cannot pay it. In the third place, I say that associations of our kind ought to pay a tax, and neither myself nor the boards of directors of these associations would permit us to come here and have this hearing without offering to pay a tax, and we want to pay a tax just as large as we possibly can because we know what burdens the American people are bearing.

Mr. Martin suggested that a tax of one per cent. of the entire collections of such companies would be easier for them to pay and would result in double the amount for the Government.

Don't Earn Excess Profits

The War Revenue Act permits corporations to realize a net return of seven per cent. upon the capital invested in their business, without liability to the excess profits tax. The average return realized upon the investments of life insurance companies does not exceed five per cent. By a technical ruling of the Treasury Department the companies' legal reserves are denied recognition as invested capital. As a result of this ruling many of the companies may be made to appear liable to the excess profits tax, notwithstanding the fact that the ratio of their gross earnings to their actual invested capital is at least 2 per cent. lower than the rate permitted to ordinary corporations without payment of an excess profit tax.

With life insurance companies relieved of the excess profits tax, upon the ground that they do not earn excess profits, they would still be liable to the same income tax as all other classes of corporations, as well as to the special tax of eight cents per hundred dollars of new insurance which other classes of corporations do not pay.

Efficiency in War

The Ways and Means Committee is holding a series of hearings in connection with the drafting of the New Federal War Revenue Bill, by which it is desired to raise eight billion dollars instead of the four billions brought in under the present law.

In opening his argument Mr. Hedges said:

I take it, if the committee pleases, that the problem of the committee and the problem of anyone who appreciates the subject, is sentimentally the same, and that is a common purpose to make this country efficient in the war, and to help contribute, through the machinery of this committee, the means and at the same time do it in such a way, that there will be a general feeling of entire equality of contribution. * * * I take it our main problem is to furnish the men who will fight the war, the money which will supply them with necessities, and further than that, what to my mind—and I am not a sentimentalist—is most important, the morale behind that money and those soldiers that make a common cohesive country. In my judgment anything that Congress could do which left out of consideration the final cementing into a single affirmative force of the spiritual thought of the country, plus its material resources, would be a drag on the progress of the war.

Army and Navy War Insurance

Mr. Hedges showed the economic and social service rendered by life insurance in meeting losses due to untimely death, and in the prevention of pauperism through relieving the Government from the maintenance of widows and orphans so provided for. Many thousands of dependents, yearly, who inherit no estate other than life insurance, are thereby assisted in a most essential and substantial way in their readjustment to a self sustaining basis. He dwelt upon the Government's endorsement of the principle of life insurance, saying: "You have in effect organized the entire Army and Navy into a great mutual life insurance company."

The institution of life insurance, Mr. Hedges declared, has been built up, without governmental subsidy, upon mathematical principles into a vast system of voluntary co-operation between policyholders for mutual protection on a basis of cost, plus the expense of administration. The companies are merely administrative agencies. Approximately 87 per cent. of all legal reserve business, including about 60 per cent of all business carried by stock companies is on the mutual plan. Of the stock companies only nine earned and paid to stockholders in 1917 dividends in excess of the minimum rate authorized by the excess profits law. The total of these dividends was $136,373, and the average ratio of dividends to capital invested was 8.45 per cent. Only three of these companies exceeded the 9 per cent. minimum rate recognized by the act as exempt from the excess profits tax.

Similarity of Mutual and Stock Companies

In his illustration of the reasons for and the methods of building up the reserve, Mr. Hedges pointed out to the committee that the net single premium is the capital sum or reserve required to furnish the desired insurance under a paid-up policy, and that since it is generally inconvenient for the insured to pay the net single premium at the outset, it is commuted into convenient annual payments, from which the reserve must be built up by degrees. The aggregate of these reserves contributed by the policyholders constitutes the principal item in the capital of every life insurance company. In a mutual company it is the only capital until a surplus can be accumulated from expense savings or favorable mortality experience. Mr. Hedges continued:

The capital of a stock company includes, in addition to the reserves and surplus, the capital stock which merely affords a further guarantee for the payment of the outstanding insurance. Every gentleman on this committee who holds a policy of old line life insurance is a part proprietor of the company. If the company be a mutual one, the policyholders are the only proprietors. If it be a stock company, their interests preponderate.

Investments Limited

The character of life insurance investments permitted by law is limited and specifically defined by statute. Safety, not profit, is the aim. Mr. Hedges showed from the records that during the twenty-five years since 1893 the average return has been less than 5 per cent.

War's Effect Adverse

Turning from income to outgo, Mr. Hedges made it clear that outstanding life insurance contracts entered into in times of peace, at rates based on peace mortality statistics, contain no provision for extra war premium—or if they did, they have been waived—and that of necessity the extra losses under these contracts, due to the war, will constitute an additional burden upon the companies to be met out of surplus.

The insurance in force on male lives of the draft age, he said, exceeds three billions of dollars. The best figures obtainable as to the Canadian war losses indicate a ratio in civilian losses in 1916 of about 35 per cent. and in Great Britain of about 20 per cent. Discounting the latter by half, the prediction is warranted that American life insurance companies will sustain an excess mortality of not less than twenty-five million dollars annually, to defray which no extra premium has been or can be charged.

Mr. Hedges informed the committee that there has been a horizontal decline in the value of securities held by American life insurance companies and that their earning power has also been materially decreased by reason of the low return upon the large subscriptions to Liberty Loans which have been and will be made in pursuance of what the executives recognize as a patriotic duty of the life insurance companies.

Special Treatment of Life Insurance Not Urged Now

"Under circumstances when the need for money was not so urgent as now," said Mr. Hedges, "the representatives of life insurance have maintained that it is against public policy to tax trust funds, such as theirs. To do so, they have asserted, would not only constitute an injustice, but would also tend to discourage habits of thrift and thereby retard the growth and development of a most important social service which is being supported at private expense and without any public cost whatsoever. In view of the exigencies of war these considerations, though still sound, have not been urged."

At this point Mr. Hedges referred to the taxes paid by the companies on their net income and also to the more recently imposed tax of 8 cents per $100 on new policies. Continuing, he said:

Although only a minor proportion of the premiums received by life insurance companies constitutes true income, the greater part being the policyholders' contributions toward current losses and to permanent capital, the entire premium income is included in gross income under the income tax law. This departure from principle is however rendered innocuous through deductions expressly allowed by the statutes. Properly judged, by the test established by the excess profits tax

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

law (Title II, Act of October 3, 1917), the life insurance companies could not be held liable to a tax upon excess profits. They have no borrowed money or other borrowed property, and none of the securities held by them, except Federal, State and municipal bonds, are exempt from taxation. Tested by the standards which apply to the affairs of mercantile, manufacturing and other business corporations, the great bulk of the assets of the life insurance companies, including their legal reserves, constitute the capital invested in their business, not only in the common understanding of the term "capital," but also, as we contend, under the definition of the term "invested" capital, which is contained in Section 207 of the War Revenue Act of October 3, 1917.

The Treasury Department, however, seems to have taken a different view of the meaning of the statute. Article 65 of Regulations 41, relative to the War Excess Profits Tax, purports to define specifically the items comprising the invested capital of insurance companies. The import of this article is that the legal reserves of insurance companies are not to be included as capital invested in their business for the purpose of determining the amount of their income, if any, subject to the excess profits tax. This conclusion is not only, we think, unwarranted, but violative of the cardinal principle upon which the tax is based and most unjust. If it prevail, the policyholders of these life insurance companies whose average return upon their gross investments is less than five per cent. will be subjected to an excess profits tax, which admits to the proprietors of corporations of a different character a minimum return of seven per cent. upon their invested capital free from the burden of this tax.

TO SPEND $40,000 IN 1918

Postal Life's Advertising—Malone Says Twelve Per Cent. of Those Answering Ads Insure

W. R. Malone, president of the Postal Life, told a reporter for "Printer's Ink" recently that the prevalent opinion of the amount of money that the Postal spends each year in advertising is exaggerated. He said the Company would spend only $40,000 this year. He declared that from 12 to 15 per cent. of those who answer the Company's advertising become policyholders. Asked for an explanation of the "annual dividend of 9½ per cent. guaranteed" he said this was the saving through not having agencies and branch offices.

President Malone was a Salt Lake City school principal who went with the New York Life. He started the Postal after the Hughes investigation. Wesley Sisson, of the H. E. Lesan Advertising Agency, is secretary of the Company.

F. S. WITHINGTON RESIGNS

Frederic S. Withington, consulting actuary, of Des Moines, Iowa, has resigned as vice-president and director of the Abstainers & General Life Insurance Co., of Des Moines.

Mr. Withington states that the demands upon his time for consulting work are such that he finds it impossible to continue with the Company.

Beginning June 17, the New York Life will be ready to issue policies to include double indemnity general accident benefit without disability benefits.

CIVIL RELIEF ACT

Arthur Hunter Tells Agents How It Operates—Policies Can't Exceed $5,000

Arthur Hunter, Actuary of the New York Life, has made a statement telling agents how the Soldiers and Sailors Civil Relief Act operates. Policies must have been issued and have at least one premium paid prior to September 1, 1917. Policies must not exceed a total face value of $5,000, whether in one or more companies. They must not have a policy loan or other indebtedness equal to or more than 50 per cent. of their cash surrender value. Policies are not included which have a war clause similar to any of those used by the New York Life, for example, during the last two years. Application for relief may be made as soon as the war clause expires. Policies on which there is an indebtedness may be brought within the Act by having the indebtedness (which includes notes) reduced to less than 50 per cent. of the cash surrender value.

CANDIDATE FOR CONGRESS

I. I. Boak, Head Consul of the Woodmen of the World, of Denver, Colo., is a candidate for the Republican nomination for Congress from the Denver District. Mr. Boak has been active in civic affairs and has served as president of the Insurance Federation of Colorado. He was president of the National Fraternal Congress of America for a term and has been prominent in the National Fraternal movement.

GOOD TERRITORY
still available for development by the
RIGHT AGENTS
..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.
Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

HOME LIFE
INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President
The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.
For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W STEVENS President
GREATEST
ILLINOIS
COMPANY
WANTS GOOD MEN
AND
WILL PAY THEM WELL

State Mutual Life
Assurance Company
of WORCESTER, MASS.
Incorporated 1844
SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.
Our motto is SERVICE to policyholders, beneficiaries and agents.
Additions are made to our agency force when the right men are found.
B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity,
Disability Benefits,
Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE
INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

A Real
District
Manager
is wanted for one of the best territories in the most prosperous section of the nation. This is a real opportunity for a first class man.
Write
Bankers Life
Company
DES MOINES

PURELY MUTUAL THE CHARTERED 1857
Northwestern Mutual Life Insurance Co.
MILWAUKEE, WISCONSIN
GEO. C. MARKHAM, President
INSURANCE IN FORCE, $1,604,426,324
SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued
POLICIES MOST FLEXIBLE AND EASY TO SELL
Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules
Investigate before selecting your Company
GEO. E. COPELAND,
Supt. of Agencies,
Milwaukee, Wis.

15,000 PEOPLE
Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.
AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day
FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA
Insurance in force over $142,000,000
Walter LeMar Talbot, President

Thirty-five Thousand March in Newark's W. S. S. Parade

It is fitting that Newark, N. J., which is now a veritable hive of war industry, should have been the scene of the first big war savings parade held in the United States. There were 35,000 in line, all in uniform and all members of some war savings organization, buying or selling stamps. None others were permitted to enter the ranks.

Those who had at heart the success



PARADE PASSING PRUDENTIAL BUILDING

of this gigantic enterprise were also fortunate in having in Newark the home of The Prudential Insurance Company, which organized the first war savings society. That Company furnished 4,500 marchers.

All the other insurance companies of the city, the banks and industrial plants, contributed liberally to the success of the parade. All participants for the time being sank their individuality in the combined effort to put forth the one big idea of war saving and winning the war. Ten thousand school children led the parade, followed by The Prudential forces, the munition plants and other organizations adding to the throng.

Led by "Blue Devils"

The "Blue Devils" of France acted as escort to The Prudential division. The music for that division was furnished by the Pelham Bay Band of one hundred pieces. In line was also the Fifty-ninth Infantry Band from Camp Dix.

Many floats of striking originality were exhibited. The Prudential had four of these. One, the "Liberty Bell," symbolized the thirteen original States represented by young women of the Company's staff. Another was "Joan of Arc," the central figure of which was the original poster girl who posed for the original Joan of Arc poster, which has now become so well known throughout the country. "My Soldier" represented a child praying at its mother's knee, the father's picture appearing above the child's crib. The fourth float showed a map of the United States on which was indicated the location of three hundred Prudential war savings societies.

The marchers sang patriotic songs in which they had been well drilled long beforehand.

Everybody Walked

The Prudential division was led by President Forrest F. Dryden and all the officers and directors of the Company. Everybody walked; there were no automobiles. The women in the parade wore white, with "Liberty" caps. The men were dressed in white

(Continued on page 6)

PENNSYLVANIA OPPORTUNITY

If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.

Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

73d ANNUAL REPORT

NEW YORK LIFE

INSURANCE COMPANY

346 & 348 BROADWAY - - NEW YORK CITY

Income for the year 1917:

Premiums	$100,279,122.00	
Interest and Rents	39,957,422.00	
Other Income	5,881,618.00	$146,118,162

Paid Policy-holders, 1917 (Exclusive of Disability Benefits):

Death Losses	$30,599,371.00	
Matured Endowments	13,566,409.00	
Surrender Values	18,527,170.00	
Dividends	22,807,762.00	
Annuities	1,387,241.00	$86,887,953

Loaned Policy-holders during 1917 ..... $23,722,213

New Paid-for Insurance in 1917 (Exclusive of over $16,000,000 increase by Policies revived and increased, and Additions by Dividends) $315,994,500

Paid-for Insurance in Force Dec. 31 ..... $2,673,334,336
Number of Policies in Force Dec. 31 1,301,969

Admitted Assets, Dec. 31, 1917 ..... $934,929,381

These assets are the property of over 1,000,000 people with their dependents (in accordance with their contractual rights). The Company is purely mutual; it has no capital stock.

Legal Liabilities $760,742,335

Reserved for dividends payable in 1918	$26,561,063.64	
Reserved for dividends on deferred dividend policies maturing subsequent to 1918	107,041,778.00	
Reserved for Contingencies	40,584,204.36	$174,187,046
Total		$934,929,381

THE ANNUAL DIVIDEND RATE OF 1917 WILL BE MAINTAINED IN 1918

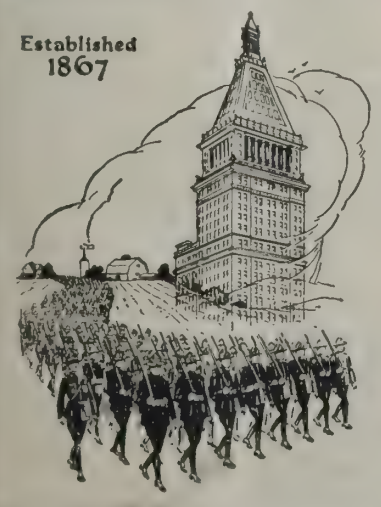
For the year 1917 the Company's mortality rate was the lowest in its history

Average earning power of total Ledger Assets { Dec. 31, 1917, 4.59% / Dec. 31, 1916, 4.54%

A detailed statement will be sent to any person asking for it.

January 14, 1918 DARWIN P. KINGSLEY, *President*

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

BUSINESS ESSENTIALS

No. 4 — QUICK THINKING

By JOHN K. WEST

The chief mistake of the moderately successful insurance agent and the reason why he doesn't become more prosperous is that he doesn't think right and in too many instances because he doesn't think at all.

To think means to exercise the wonderful powers inside you and meditate about any subject, to reflect, to form an opinion. A man thinks within himself by judging, comparing, reasoning. The reading of this paper is not thought. Walking around the room is not thought. Reading of books on salesmanship and cramming tomes of insurance educational works into your brains is not thinking.

An agent when he sits down by himself in his sanctum sanctorum and ponders in a positive way over his methods of conducting his business or reasons why he did not sell a policy or plans a new scheme of approach is thinking. There is another kind of thinking that every agent must have and that occurs in his interviews with his prospects. New arguments, new angles fitted to the needs of the man you are talking to. These ideas must come quick or you fail.

Must Apply What You Read.

It's a queer proposition, this thing inside of us called thought. You can't be a great agent just because you read certain technical books. You must get your mind thinking. The minute you think, that minute you begin to grow. The man who uses continuous thought correctly attains success and the one who fails to employ it or follows an ever shifting wind of wondering thought goes down and out. The agent who thinks like lightning is the agent who writes the business. The agent who doesn't employ his thinking sense goes into the air in every tight position he is placed.

Just because a man is a college graduate is no sign that he has got a corner on this thinking process. As a matter of fact it takes a college man three or four years out of recitation rooms and away from the campus before he can get his thinking powers working right on sales methods and problems. The brilliantly educated college man who knows his higher mathematics, his Greek literature, Latin grammar, may be an utter dummy when it comes to the sale of an insurance policy. Successful agents' answers to insurance problems flash out like electric fire. There is no hesitancy, no doubt. The thinking process is quick and certain.

Baseball Similes.

In a baseball game in one of the big leagues recently a man fresh from a college team of prominence was covering third base. He had been the star of the varsity and had led his team both at bat and in the field. He was so good that three magnates went after him, and the result was he landed a good big salary. The third baseman of the other team was an Irish youngster off the sand-lots, who would have had difficulty in reading a circus poster. They were both new men in the league and there must have been a world of mutual animosity as each sized up the other.

In the seventh inning with men on first and second a hot grounder came to the collegian. He made a clever stop —but there he stuck. Coming down from second one runner ducked to his left; another was pawing up the turf between first and second. The college man could easily have caught either runner but he held the ball a moment, bewildered, and then shot it over to first, getting the batter all right, but advancing both of the other fellows.

The same play came to the sand-lot's Irishman. Like a flash he bluffed at the nearest runner, driving him back to his base and then sent the ball to second for a throw out. The game ended with a perfect score for both young men. Neither had made a fielding error as far as the score showed. Nevertheless, both had shown their baseball skill and the college man went home to his father's office soon after and the sand-lot's boy kept right on.

Lost His Nerve.

The son of a wealthy man elected that his vocation would be that of a life insurance agent. After graduation from college he traveled for a year, took a year's course of instruction in one of the big life companies and then sallied forth for the conquest. Dressed immaculately, he theorized with a prospect, told him all about the company and the policy and had the prospect's curiosity ripe and ready for the sale, when he weakened like a fish and wilted out of the office without the signed application. He knew his story, but didn't know human nature and hesitated to face the crisis.

A poor high school boy who had swapped tops, knives, mixed around with all sorts of boys and men from his youth up, who knew privations and failure, was tackled into the same prominent gentleman and signed him up for a $50,000 policy which the college man might just as well have received but did not. The high school boy was not adorned with the fine raiment of the college man but knew how to think quick and when to act and got what he went after.

Must Have Salesmanship Brains.

Education doesn't always help an agent to success. In fact, it sometimes proves a handicap. The agent who has salesmanship brains is the one who knows how to size up the other fellow and doesn't fear to close him at the proper time even if he doesn't have his calculus, his Odessy, or his Chaucer, knows intuitively what to do and when to do it when it comes to the sale of a policy. Some agents go on and on and on accumulating knowledge but do not apply their knowledge to their routine work which would mean so much to them. They acquire knowledge but they don't think.

The agent who hasn't insurance salesmanship brains hesitates the fatal fraction of a second while his educated mind is splashing around trying to find the proper procedure to land the prospect, and then all bets are off—he has lost the prospect.

An agent who can do great things in climaxes, who studies human nature, who has the insurance ganglia in his cerebellum, who has a passion, a love for the great business of insurance, who makes it a game, who learns to think quick, has the secret of sales skill.

You can be a college graduate, but unless you love the game and get your thinking powers working intuitively in tight places you won't look good when you stack up against Rube from the crossroads and Paddy from the dumps.

W. S. S. Parade in Newark

(Continued from page 5)

trousers, blue coats and on their caps "War Savings" bands.

The entire parade was led by Edward D. Duffield, vice-president and general counsel of The Prudential, accompanied by Brigadier General W. A. Mann, Commander, Department of the East, from Governor's Island; Frank A. Vanderlip, president of the National City Bank, New York, who is general director of the war savings undertaking for the entire United States; Governor Walter E. Edge of New Jersey; United States Senator Frelinghuysen, well-known fire insurance man; Mayor Gillen, of Newark, and President Frelinghuysen, of the Mutual Benefit Life.

Before the parade the "Blue Devils," the band members and the general parade committee were entertained at a luncheon as the guests of President Dryden.

Newarkers Proud of Event

One of the foremost purposes of holding this parade was to show how successful such an undertaking can be made. Everybody in Newark is loud in praise of the spectacle and proud also of their town for setting this example of patriotism.

Enormous Stamp Sales

In the sale of war savings stamps The Prudential has a 100 per cent. efficient organization. Among its own force $100,000 worth of stamps have been sold. Every day seventy-five women of The Prudential staff give two hours to selling stamps on the streets in Newark. They take their turn in regular routine and there are so many at work that it requires two weeks to complete the circuit. That is, the women selling today will not reach their turn again for a fortnight. Through their efforts the people of Newark are being led away from the thought that the repeated solicitation to purchase these stamps is disconcerting. They are entering into the idea with open minds and full hearts.

MAY CONVENE IN JANUARY

President Clark, of the Union Central, in a note to agents, says:

"This Company is looking forward to that happy time when conditions will warrant a reunion of its agents and officers. I sincerely trust that that time will arrive by the beginning of the year."

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

The A. P. A.
THE AUSTRALIAN PROVINCIAL ASSURANCE ASSOCIATION, Ltd.
HEAD OFFICE: New South Wales, 77 King Street, SYDNEY
Offices lately occupied by the Commonwealth Bank of Australia
BRANCHES: Victoria, South Australia, Western Australia, Tasmania, New Zealand
Subscribed Capital, £110,200 Paid-up Capital, £66,800
Government Deposits, £35,000
The Association has completed in the Ordinary Department New Business for the past five years totalling £2,886,327
The New Business for the Fifth Financial Year exceeded £1,250,000.
The Revenue totalled, £101,000
The Association transacts Ordinary Life Assurance and Accident Insurance
Agents coming to Australia are invited to communicate with or call upon the Association for positions on the A. P. A. Agency Staff. LIBERAL TERMS OF REMUNERATION TO THE RIGHT MEN.
SELBY P. WOOD, Managing Director

Insurance to Cover Inheritance Taxes

is opening new fields to Provident Agents

"Men are insuring not only to protect their families and to protect their business but also to protect their estates."

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

S. P. Wood's Company Began in Small Room

SYDNEY MAN'S GREAT SUCCESS

Not Discouraged By War, Australian Provincial Makes Quick Progress—Wood on Coast

Since the announcement that the Australian Provincial Assurance would enter this country and the arrival on the Coast of Selby Pierce Wood, its founder and managing director, there has been considerable interest evinced in the organization and the personality of Mr. Wood. The Eastern Underwriter for several years has been receiving the literature of Mr. Wood's Company which is unusually good, being full of ginger material and helpful articles.

This Company has made a phenomenal record for a new institution. It was incorporated in New South Wales in March, 1912, by Mr. Wood and in 1913 wrote £251,300 of ordinary business and £202 of accident. The start was in a small office, in fact, half an office. Mr. Wood paid the munificent sum of £1 a week for rental. By the end of two years the Company had leased the second floor of a building, taking a three years' lease. When that expired, the ground floor and basement of a building was taken, and recently the Company moved into a splendid building that was the home of the Commonwealth Bank.

Tells of Company's Beginning

In discussing obstacles over which the Company triumphed, Mr. Wood said this week:

"We commenced operations a couple of years before the most calamitous war in history, and when the conflict started everything seemed very uncertain. We did not know—no one knew—what effect it would have upon the Company or upon any business. No class of business, perhaps, has been more affected by the war than the insurance business; first, by the greatly increased mortality rate, and, second, by the departure of so many of our brave fellows on active service, and the depletion of the field for the procuration of new business. Nearly 400,000 of the cream of the manhood of Australia has since gone to the battlefields. Notwithstanding this, we have, as far as can be ascertained, established a record not only for Australia, but for the British Empire. I sincerely express a hope which I am sure is entertained by all, that this year will see this disastrous war ended and the war madness in Europe a thing of the past."

The achievement to which Mr. Wood referred can be gauged by the 1917 progress of the Company in writing £1,268,012 of ordinary business in 1917.

Continuing, Mr. Wood said:

After the War

"After the war is over, I think the lot of the working man is going to be brighter and better than ever before. I don't think the world will ever be content to return to the pre-war conditions, as far as Australia is concerned. I think the only thing that could retard its progress is bad seasons, which is something over which we have no control. After the war I feel confident that we are going to do incalculably better than ever before.

"The reasons for our success are clear. We were small and young, but we have never stooped to any action that could cause our contemporaries to accuse us of any unfair dealing. We have acted honestly and fairly and competed for business on right lines, without cutting rates, and our business is built on a solid foundation. Work has been the greatest factor in our success."

NEW ASSISTANT SECRETARIES

E. E. Rittenhouse, former commissioner of the Equitable Life Assurance Society, and W. G. Schelker, former assistant secretary, have been made assistant secretaries of the Society. Mr. Rittenhouse was once insurance commissioner of Colorado.

MEETS IN ATLANTIC CITY

The Penn Mutual's general agency association is meeting in Atlantic City this week.

New Officers of Provident L. & T.

BORTON MADE TRUST OFFICER

With Company Since 1889—Leonard C. Ashton Secretary—Careers of Both Men

C. Walter Borton, now secretary of the Provident Life & Trust, has become trust officer, and Leonard C. Ashton has become secretary. These changes grow out of the death of William C. Craige, general solicitor of the Company, and the retirement of J. Roberts Foulke, trust officer.

Mr. Borton needs no introduction to the agents of the Company. Entering the service of the Provident in 1889, he was elected secretary ten years later. He performed not only the duties usual to that office, but for many years others of great importance in connection with the investments of the Company. His services in the efficiency campaign in the home office are already familiar to readers of "Between Ourselves." The trust department of the Company is to be congratulated upon his selection.

Mr. Ashton, who is a graduate of the University of Pennsylvania Law School, entered the service of the Provident in 1913, taking charge of the Policy Assignment Division of the Insurance Record Department, and later becoming assistant to the secretary, so that he enters upon the secretaryship with a working knowledge of the duties which it entails.

CARRY INCOME BONDS

President Day, Vice-President Lunger, Secretary Alexander and Treasurer Horr, of Equitable Life Assurance Society, carry Equitable income bonds.

Frederick Windsor Hubbell, treasurer of the Equitable Life of Iowa, who entered the army as a private in May, 1917, volunteering, was commissioned a captain in May, 1918. He is now an instructor in field artillery work. James A. Cummins, son of the president of the Company, is now a lieutenant.

Connecticut General's New Disability Benefit

SAMPLE RATES ARE GIVEN

Provides Indemnity Fee for Temporary As Well as Permanent Total Indemnity

The Connecticut General has issued a new disability benefit in connection with its life insurance contracts providing indemnity for temporary as well as permanent total disability. The rates for this benefit in connection with the Company's ordinary life and twenty payment life insurance are as follows:

Ordinary Life (Select, Preferred and Extra Preferred)

Age	Non-Participating	Participating
20	17.95	20.11
30	22.74	25.66
40	31.44	35.20
50	48.60	52.80

20 Payment Life (Select, Preferred and Extra Preferred)

Age	Non-Participating	Participating
20	26.93	31.65
30	31.83	37.63
40	39.82	46.73
50	54.49	63.00

MOTOR INSURANCE MUTUAL

President and Some Other Representatives of Life Company Directors in a New Venture

Several prominent New York life insurance men are interested in the organization of the Motor Car Mutual Fire and the Motor Car Mutual Casualty. Hubert Cillis, president of the Guardian Life, Frederick S. Doremus, general agent, and M. C. Reinboth, manager of the Company's downtown department, are on the list of directors. Walter B. Renton, 20 Nassau Street, New York, is the organizer of the companies.

Samuel Enion, for many years president of the Industrial Health, Life & Accident Insurance Company, Philadelphia, is dead.

The Right Place for the Right Man

The capable and energetic man or woman who represents a company which provides an unexcelled policy at a low net cost is sure to succeed as a life underwriter. That is why our representatives everywhere are loyal, contented and enthusiastic. The reputation of their Company for prompt and efficient service gives them a confidence which wins the confidence of the insuring public.

Occasionally we have a General Agency opening.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Victor Hugo's Endowment Argument

Earl G. Manning, of the Provident Life & Trust Co. in New England, has found a quotation in the works of Victor Hugo which is an apt argument for endowment. This is the quotation: "The misery of a child is interesting to a mother; the misery of a young man is interesting to a young woman; the misery of an old man is interesting to nobody."

* * *

Increase in an Inventory Value

Samuel K. Felton, Jr., of the Quaker City Morocco Co., was insured for the benefit of that corporation by Millard B. Wimer, of the Philadelphia Agency of the Provident Life & Trust Co., on April 3, 1900, under Policy No. 85103, at age 36, on the twenty payment life plan for $10,000.

His inventory value on April 3, 1919, will be	$5,380
His inventory value on April 3, 1918, was	4,990
So that the increase in inventory value for the year has been	390

His net cost for the year is as follows:

Premium	$341.00	
Less dividend April 3, 1918	86.70	
		$254.30
So that his gain in inventory value over outlay has been		135.70
In addition to insurance protection for		$10,000

* * *

Mutual Life On Cost of Participating.

The controversy between participating and non-participating companies over the question of cost still continues in the organs of the various life insurance companies. Recently. The Eastern Underwriter told why a company had decided to go in for non-participating insurance. The Mutual Life, in the current issue of "Points," prints an article arguing that in the long run participating insurance is cheaper. Its argument follows:

"Remember that the cost of a non-participating policy—and this is the point to which we would call attention—is permanently fixed in amount. There are no future reductions by dividends. When it is found possible to write insurance at a lower cost than formerly, as has happened steadily during the past decade, the benefit of this lower cost inures, in non-participating insurance, only to policies written thereafter, whereas the mutual companies pay increased dividends, thereby lowering the cost of all policies and preventing any favoritism towards new as against old policyholders."

The Mutual discusses the rate reductions of one of the non-participating stock companies, and concludes:

"In a mutual company, when it is found that the cost of life insurance can be reduced, every policyholder, new or old, gets the benefit of the reduction; for larger dividends will be declared on all policies, whether issued in this year, two years ago, ten years ago or fifty years ago."

* * *

Think and Talk in Units of 5s and 10s

C. R. Ledbetter, of the Union Central, says in that Company's "Agency Bulletin":

Forget that your company writes policies other than in units of $5,000 and $10,000. If it becomes necessary to be reminded that they do, leave it to your prospect to take the initiative. In this event, you will find that in many cases the prospect will suggest a larger amount than you had really anticipated.

The stupendous cost incident to the present world conflict has completely upset our ideas of commercial calculations. We think in larger figures. Where, hitherto, we visualized in hundreds, it is now thousands; in thousands, tens of thousands, and so on. And the striking feature of it is how readily we become reconciled to the radical readjustment.

Now the life insurance salesman, in order to reap the reward, has but to be alive to this psychological fact—this moment of mental transition.

From time to time various suggestions are offered, purporting to assist the salesmen. All are more or less helpful. Some are excellent. But, after all, such suggestions come from men who have employed methods that are strictly individual, and can not be universally applied with the same degree of profit. For personality and individuality are absolutely indispensable in the game of salesmanship. But the idea here suggested the $5,000 and $10,000 unit system—I believe can be used to advantage by most every one.

My personal sales for the past sixty days have surpassed my hitherto yearly production, and I am convinced that it is attributable largely to the above mentioned system.

First you must be sufficiently informed as to the ability and needs of your prospect, in order to know just what unit to adopt to fit the individual. To illustrate with a concrete case:

This is in substance what took place during a recent interview with one of my prospects:

"What will it cost at my age?"

"$292.00." (This without changing expression.)

"How much is that?"

"$10,000.00." (Still looking him straight in the eye.)

"Do your premiums get less each year?"

"Yes, they are participating."

"Who are your examiners here?"

Now, the point is, I knew he was able to, and should carry $10,000.00. So this amount was so concentrated upon, that he was unconsciously agreeing with me. Our mental attitude was the same. During the entire interview neither he nor I had any other amount in mind.

Here is another. After discussing, with my prospect, the advantages of business protection, the question of cost came up. I gave him the figures on the $10,000.00 basis.

"But," he objected, "$10,000.00 would not serve our purpose."

"Why certainly not, Mr. A. I simply used $10,000.00 as a convenient basis for figuring. My idea was, of course, at least $50,000.00. So it is only necessary to multiply these figures by 5."

His application was secured for $50,000.00. And, frankly, knowing he had always been opposed to life insurance, and fearing the premium at his age would stagger him, $10,000.00 was all I expected to get. I had $10,000.00 additional issued and delivered that.

During two months I have closed seven 10s, two 50s, one 25 and one 5, with some odd units in between at the suggestion of the prospect.

Think, talk and figure in 5s and 10s. Even in general conversation, where insurance is the topic, always illustrate your point by using $5,000 or $10,000 as a basis, particularly $10,000. Finally the habit will become so fixed in your own mind, that every one to whom you talk will involuntarily think with you. Experience has demonstrated its efficacy. Try it.

* * *

Proper Use of Advertising.

Whether or not it is more profitable to secure applications by advertising or personal solicitation is a question which might lead to a conflict of opinion among those who have tried both methods, says Henry Griesheimer, of the Pacific Mutual at Cincinnati. From my personal knowledge of the matter, he remarks, I am obliged to say that I believe the insurance business can be carried on successfully only by the use of both methods. Of course it costs money to advertise. The expenditure is governed by the character of the business one is seeking to reach and the kind of advertising one adopts. In some localities it may be well to advertise in the local papers. Supplementing the newspaper advertisements, it is sometimes well to send out letters and circulars explaining the details of the policies, and the advantages to be gained in taking out certain kinds of policies. These letters and circulars can be used to set forth the fairness, reliability and integrity of the company and the officers who have its affairs in charge.

If attractive and sensible advertisements are put before the prospective policyholder they are almost certain to attract his attention. Attention ripens into interest, and when that interest has reached a stage when he has made up his mind to take out insurance, then is the time for the live agent to act.

Now as to what is proper solicitation. In the first place the solicitor should inspire the confidence of the person whom he solicits. If the solicitor does not have the confidence of the person solicited, he is going to have a hard row to hoe, but once confidence is established, the path is smoother.

Coming back to the question as to whether or not it is more profitable to advertise than to make personal solicitations, I find myself in the same frame of mind as when I began this paper. My judgment would be that there is about an even break between advertising and personal solicitation as to profits and results. There is no question that proper solicitation pays and produces results.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

GOING TO THE BIBLE FOR A SALESMANSHIP TALK

TIPS FROM MOSES

From The Prudential Record

Some of the greatest stories of successful salesmanship ever printed are contained in the Old Testament. Get out your Bible some day and read them up.

Take Moses, for example; the finest salesman and real estate promoter that ever lived.

Observe the way he handled the Promised Land Company idea.

There were the Israelites, enslaved for centuries by the Egyptians; helpless, hopeless, friendless, engaged in working for Rameses the First, and immersed in the difficult occupation of manufacturing bricks without straw.

When all of a sudden along comes Moses, suggests the idea of a Promised Land, leads them out of their regular quarters into the Great Desert and keeps them pledged to the idea for nearly forty long years.

Consider the fact that promoting had not been invented and that Moses was unable to show them either blue prints or prospecti;—he had none of the typographical paraphernalia of the man who sells Florida orange lands or Texas oil wells;—all he possessed was his line of argument and a Supreme Faith.

It is "going some" to sell a proposition of this kind and to keep it sold for forty years in the face of tribulations and difficulties—but read the story for yourselves.

Note how the Israelites became almost daily discouraged, disgusted, disillusioned and peeved.

Read how, metaphorically speaking, they gave the Ha! Ha! to Moses and frequently went out behind the main tent and set up false gods and golden serpents, which were nothing more or less than studied attempts to avoid their responsibilities and cancel their contract, and note how Moses, ever alert to the responsibilities of his proposition as a sales promoter, always rushed forth at just the psychological moment; dragged them back into the Main Street and resold them the original idea all over again.

We can admit there have been other great salesmen. Columbus was such a one, but all he had to do after putting over his New World Sale with Queen Isabella, was to resell the idea to a crew of sailors for a paltry sixty or ninety days, whereas Moses had to dust off the counters and sell his idea over and over again for nearly forty long years, in spite of the fact that summer or winter, during all this period, none of his "customers" ever even caught a glimpse of the land which was promised; met anybody from that district, or saw any sign-posts pointing out the way and thus proving, at least to a degree, that there was such a place anyhow.

The whole question of successful salesmanship settles right down to a very few considerations—three, to be exact. First, how much faith have you got in the things you are selling? Second, how intelligent are you on the subject? Third, how much work are you willing to put into it? On these three considerations hang all the law and the profits.

Long ago we all got over the idea that to successfully sell, called for all those considerations which we read about in the correspondence schools. It is of course useful to have "training" and "personality" and "education" and "magnetism" and "good health" and "cheerfulness," but they are not altogether indispensable.

We do not gather that Moses was necessarily a college graduate, or six feet two, or that he had his clothes pressed every night, but what we are sure of is that he had faith, lit up by a three-thousand volt enthusiasm, and furthermore, the testimony seems to show that he persistently worked at the job.

Moses passed to the bosom of his fathers several thousand years ago. He experienced a lot of hard luck and disappointments, and the Scriptures point out that at least on one occasion he lost his temper to a very considerable degree, but in spite of all these things, in spite of the fact that he never even entered the Promised Land and died with no other reward than that of the satisfaction of having done his best, his soul, like John Brown's, "is marching on," and if you are engaged in the business of selling, whether it be ships or shoestrings, bridges or beads, lead pencils or life insurance, spend a little time once in a while thinking about Moses and the faith and the courage that made him a dominant, fearless, and successful personality in one of the most magnificent selling campaigns that history has ever placed upon its pages.

SHUFF'S PERSONAL WRITINGS

John L. Shuff, general agent of the Union Central in Cincinnati, wrote $355,000 of personal business last month. This was done in five policies, three of which were business insurance policies of $100,000 each on three men, interested in the same enterprise.

The Union Central boosts the life underwriters' association idea in its issue of June.

A SPLENDID RECORD

The Horner Agency of the Provident Life & Trust Co. in the Northwest started its conversion department in 1912, and since then has converted $2,369,570 of term insurance with an average for the last five years of $440,000 per year, the largest year being $582,000.

The West Coast Life wrote $1,500,000 in May.

Excerpts from the Financial Statement of December 31, 1917, of the

Northwestern National Life Insurance Company

MINNEAPOLIS, MINNESOTA

Assets, $6,186,694.37, increase 17% over 1916.
Liabilities, $5,602,162.72. Surplus and contingent fund, $548,531.65.
Apportioned for dividends, $263,206.57, increase 23% over 1917.
Insurance in force, $54,193,728.00, increase 28% over 1916.
Paid to beneficiaries and policyholders to December 31, 1917, $16,966,562.65.

A western, mutual, annual dividend, old line company

THE COMPANY for policyholders and agents

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

Extracts from Report of Examination of

SOUTHWESTERN LIFE INSURANCE CO.

By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

THE AVERAGE EARNINGS OF THE AGENTS OF THE

Standard Life Insurance Company

∴ ∴ OF PITTSBURGH ∴ ∴

are higher this year than ever before. Our attractive Accident and Health Policies have helped them to make more money.

Write for a LIFE, ACCIDENT AND HEALTH Contract to

FRANK A. WESLEY

Vice-President and Director of Agencies

NATIONAL LIFE INSURANCE COMPANY

MONTPELIER, VERMONT

FRED A. HOWLAND, President

A MUTUAL COMPANY

WHICH FOR

SIXTY-EIGHT YEARS

HAS PROTECTED THE

HOME AND FAMILY

Edward D. Field, Superintendent of Agencies

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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Entered as second-class matter January 4, 1907, *at the Post Office of New York, N. Y., under the act of Congress of March* 3, 1879.

EXCESS PROFITS

The Ways and Means Committee of Congress is holding a series of hearings in connection with the drafting of the new Federal War Revenue Bill, by which it is desired to raise eight billion dollars instead of four billions brought in under the present law. Naturally, daily newspapers are carrying columns of material about these hearings. In all of these stories the principal point brought out both by headline and by body of articles, is that war profits must be taxed. The American people, including executives of insurance companies, are as one that there must be no profiteering in the war; that the blood trials of the nation shall not be coined into dollars and cents for any favored class of individuals, without a proper return to the Government to help the vigorous prosecution of war.

Likewise, the Americans are quite clear in their own mind as to the expression, "war profits." To them it means enormous money-making growing directly out of the war itself—money made in the manufacture of munitions, of armament ,of clothing, of boots and shoes, of machinery, of a thousand and one finished products and supplies. In the opinion of the best minds in the country it was not intended by Congress to have the trust funds held by life insurance companies subject to such a tax. The very phrase is a misnomer. The companies are not earning "war profits"; rather, they are incurring war losses. From a selfish viewpoint the war has not increased their money-making possibilities. Instead it has added to their burdens, presented complicated problems for solution, greatly increased their expenses, enlarged their lapse percentages, decreased the volume of their business. With other corporations, income does not begin to be taxed as excess profits until those profits are 7 per cent. The net earning of life insurance companies on all their investments is not more than 5 per cent., a margin there of 2 per cent.

Another point to consider is that while life insurance has suffered in many ways because of the war the companies have not increased their rates. With most companies insurance protection costs just what it did in 1914. There is certainly no opening through premium production for excess profits.

One of the most encouraging features of the situation is that there are not two viewpoints in life insurance regarding the unfairness of making the companies appear liable to the excess profits tax. The entire insurance business stands behind the representatives of the policyholders who have appeared in Washington before the Ways and Means Committee, headed by Job E. Hedges, general counsel of the Association of Life Insurance Presidents, and its attorney, F. G. Dunham, and including T. W. Blackburn, counsel for the American Life Convention. It was made perfectly clear in Washington that no attempt is being made to evade the payment of any just tax; no favored exemption for life insurance is wanted. The insurance companies simply feel that they should be treated on an equal basis with other corporations, and not classed with makers of steel, ship supplies, ammunition and others, the very nature of whose industrial functions provides abnormal war profits in war times.

FEW AGENTS BECOME WEALTHY

A larger percentage of brokers of all kinds, including stock and bond brokers, and it is presumed insurance brokers, also, than any other occupation class, reported incomes of more than $2,000 in 1916. Lawyers and judges came next; then mine owners and operators. Engineers followed, after that lumbermen. Manufacturers ranked next, then architects, and then insurance agents. The percentage of insurance agents making reports was 8.2. In other words, according to the Washington income tax figures, there were 7,243 men or women, self-classified as insurance agents, who made more than $3,000 last year. Probably there are 150,000 insurance agents of all kinds in the country, so it will be seen that most of them are just about able to make ends meet. The older established men in the different ranks of insurance agents feel that there are too many agents. Income tax returns seem to prove it. It is unfortunate that the returns cannot be classified by life, fire and casualty, and that the brokerage classification cannot be more clearly defined, to differentiate insurance from other brokers.

R. Perry Shorts, of Saginaw, vice-president of the Massachusetts Bonding, was chairman of the Liberty Bond Committee of Saginaw County. He prepared a book of instruction for campaign workers which was considered so complete and valuable that the Liberty Bond Committee in Chicago adopted it. It was also used in other Western cities. Mr. Shorts' organization was one of the most complete in the Middle West and he ran much over his quota in the first week of the drive.

THE HUMAN SIDE OF INSURANCE



SELBY P. WOOD

Selby P. Wood, general manager of the Australian Provincial, now in this country, is a self-made man. An account of the achievements of his Company will be found in the life insurance section of this paper.

* * *

Darwin P. Kingsley, president of the New York Life Insurance Company, has held that position for eleven years. The exact date of the anniversary is June 17. Agents of the Company have decided to make June President Kingsley Month, and they will show their appreciation and admiration of their chief by rolling up a record-breaking volume for that month. Darwin P. Kingsley occupies a position in his own insurance family circle, in insurance as a whole and in public life that is most enviable. He is everywhere regarded as one of the real, big men in America. And the best part of it is that he is the carver of his own destiny; that he has the equipment which wins success in the highest sense. During the past twelve months he has been honored by being chosen to head various drives of a patriotic and charitable nature, and his teams and workers always give a splendid account of themselves.

* * *

F. A. Ungles, vice-president of the Southern Surety Company, has been granted an indefinite leave of absence, in order to become associated with a shipbuilding concern at Chester, Pa.

* * *

Miss Imogena Delfosse is the first woman to be admitted to membership by the Brooklyn Insurance Brokers' Association. She attended the last meeting of the association and was introduced to the members at that time.

* * *

Richard M. Bissell, President of the Hartford Fire Insurance Company, celebrated his fifty-sixth birthday on June 8th. Mr. Bissell was born at Chicago, June 8, 1862, was educated at Yale and has devoted his entire business life to insurance. He is doing important patriotic work in Connecticut at the present time and is Chairman of the State Council of Defense.

Henry H. Putnam, former secretary of the National Association of Insurance Agents, has received his appointment as Y. M. C. A. secretary and will soon sail for Europe. To a friend he said recently:

"This decision to go abroad came quite suddenly in the midst of active preparations for other work, but the demand for organization workers seemed so great that I felt I must give up my personal interests to take up this work with our soldier boys in France."

* * *

H. C. Brearley, of the National Board of Fire Underwriters, is building up a reputation as a fire prevention speaker. His last appearance was before the Patriotic Fire Prevention Congress of the Industrial Commission of Ohio. Mr. Brearley has considerable literary ability and is the author of the history of the National Board of Fire Underwriters, which was recently published.

* * *

Miss Dorothy Swinnerton, only daughter of James A. Swinnerton, secretary of the Continental, and Louis A. Stimson, of Syracuse, were married at the North Presbyterian Church in West One Hundred and Fifty-Fifth Street, New York, on Saturday afternoon. Mr. Stimson is a metallurgist with the Halcom Steel Co., Syracuse.

* * *

"Charlie" Hogan, supervisor of the agency analysis division of the Ætna Life went down in an American submarine boat off the Atlantic coast last week. Mr. Hogan in military life in Hartford is Lieutenant Charles L. Hogan of the First Division Connecticut State Guard and is greatly interested in the operations of underwater boats. Lieutenant Hogan is the first man in Hartford to go down in a submarine and he is enthusiastic in relating his experiences to his many friends in the insurance city.

* * *

C. A. Ludlum, vice-president and **George A. Clarke,** assistant secretary of the Home Insurance Company, paid a visit to the tank corps of the United States Engineers at Gettysburg on Sunday. Mr. Clarke's son, Robert G., is in this corps.

* * *

Charles P. Light, district manager of the Fidelity Mutual Life Insurance Company, of Philadelphia, for the last two years, and prominent in the insurance business in Washington, has accepted a position with the branch there of the National City Company, it became known this week. Mr. Light has been active in the recent campaigns of the Red Cross, the Y. M. C. A. and the Liberty Loan drive. He was executive secretary of the District Liberty Loan Committee during the last campaign. He is secretary-treasurer of the District of Columbia Life Underwriters' Association, and came to Washington seven years ago as an official of the American Highway Association from Berkeley County, West Virginia, having been a member of the board of agriculture and highway commissioner of West Virginia for several years.

* * *

H. R. Edmondson and **F. W. Magill,** of the Scranton agency of the Mutual Life, recently had the distinction of insuring six brothers.

* * *

George W. Smith, actuary of the Massachusetts Department, is to be married June 29.

FIRE INSURANCE DEPARTMENT

Fire Cover On Specie and Securities

DIFFICULT TO FIX RATES

Companies Claim There is Not Enough of This Business to Establish Average

One of the fire companies this week told The Eastern Underwriter of a line now being offered in New York covering $500,000 on specie and securities at Beaumont, Texas, stored in a fireproof safe but not in a vault. This company stated that fire companies generally were not very anxious to take the risk.

One of the reasons given was that there is no satisfactory method of arriving at the rate as there has been so little of this business done in the United States that no experience as to losses can be had and each risk must be judged on its individual merit.

In the case of the specific risk described above, this Company stated that a real risk existed in the form of fire hazard from Mexican bandits, with knowledge of the location, seeking to secure the money and, in an unsuccessful attempt, setting fire to the building. The underwriter quoted refused to say whether, in his opinion, the fact that the securities were stored in a fireproof safe warranted a lower rate than that applying to the building, but he did say that the fire risk on the specie could best be covered by a valued policy which could be safely written at a very nominal rate.

ACKERMAN IN FIELD

To Represent National Union in New Jersey—Formerly in That Territory For Company

Frederick Ackerman, one of the ablest of the field men in territory contiguous to New York, has been appointed State agent of the National Union in New Jersey. Mr. Ackerman for some years was suburban and New Jersey special of the National Union. Then he went to the home office in charge of the brokerage department. His return to New Jersey will be good news to his many friends among the agents.

SUCCEEDS DECKER

Frank Decker's successor with the National Union in New York State is D. N. Iverson, who has been transferred to that territory from New Jersey. Mr. Decker is now assistant to Ralph Potter, Underwriters' Association of New York State.

TWO WOMEN MAP CLERKS

The Northern of London has employed two women map clerks.

Invites Companies to Argentina

NEED INSURANCE FACILITIES

Representative of Boston Bank in Buenos Aires Cites Success of Scandinavian Companies

An invitation to American insurance companies to enter the Argentine Republic for fire, live-stock and casualty business is extended by Claud de Baun, representative of the First National Bank of Boston in Buenos Aires, through the following letter received by the Insurance Society of New York on Monday:

"I am forwarding you under separate cover today a copy of volume 8 of the Argentine Third National Census.

"On pages 87 to 125, inclusive, you will find a number of interesting statistical tables dealing with the development of insurance in this country.

"On page 96, the author says that happily there are indications that North American companies will extend their radius of action. Unfortunately, they have never done so before and it is a great pity, as the Scandinavian companies have entered here and are going ahead rapidly.

Plenty of Room for Americans

"There is plenty of room for our American companies and I would cite especially, in addition to reinsurance business, the insurance of blooded livestock. Another field which is related to insurance is fidelity bonding, and there is a fine opportunity here for companies in this line."

TALK GENERAL CONDITIONS

Heads of Four State Rating Organizations Hold Meeting Here with Companies' Committee

The companies' committee appointed to confer with the New York Insurance Department with reference to its circular letter of August 24, 1917, in which calls for rating experience were made, held a meeting on Tuesday afternoon, which was attended by the presidents, managers and chairmen of the four rating organizations of the State.

Since the appointment of this committee its scope has broadened considerably, and the meeting Tuesday was not about rating matters, but instead general conditions were discussed particularly along the lines of co-operation with the New York Insurance Department. Frank Lock is chairman of the companies' committee. David Rumsey is counsel.

WOULD REDUCE CAR THEFTS

L. C. Snyder, Detroit, is organizing the Automobile Abstract & Title Co. to insure automobile title. It is believed that this method will prevent resale of stolen cars.

CRUM & FORSTER

GENERAL AGENTS

95 WILLIAM STREET NEW YORK CITY

United States Fire Ins. Co., N. Y.
Richmond Ins. Co., N. Y.
Potomac Ins. Co., Washington, D. C.
The North River Ins. Co., N. Y.
Union Fire Ins. Co., Buffalo, N. Y.
Seneca Fire Ins. Co., Buffalo, N. Y.
United States Underwriters' Policy, N. Y.

F. M. GUND, Mgr. Western Dept. Freeport, Illinois
W. W. ALVERSON, Mgr. Pacific Coast Dept. San Francisco, California

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION
	REGISTERED MAIL	

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

THE RED CROSS LINE

George D. Markham Says It Should Be Insured Through Local Agents of Country

Considerable space in the current issue of the "American Agency Bulletin" is given to the Red Cross line. George D. Markham, of St. Louis, says for a quarter of a century local agents have fought the tendency to write big, convenient policies at headquarters points through headquarters brokers, and while the local agents under no circumstances should be placed in the position of a critic of the Red Cross, he thinks the Red Cross property can be adequately insured through local agents, especially with the skilled assistance of the recently appointed insurance director, R. C. Rathbone. His letter is headed "Violation of an Agency Principle."

An editorial in the "Bulletin" based on Mr. Markham's letter is headed "A Principle to Defend."

* * *

Squire & Co. Move

Squire & Co. Inc., have leased an entire floor of 57 William Street. For some years past Squire & Co. Inc., have been located at 1 Liberty Street.

* * *

Gardner Creede Leaves

Gardner Creede, of Creede & Myrick, left on Wednesday to join the Naval Reserves.

* * *

Lantz With Cornwall & Stevens

Wiliam Lantz, of Paar & Paar, Baltimore agents, is now with Cornwall & Stevens.

* * *

Durkin Returns to Newman & McBain

Frank Durkin resigned this week from R. A. Corroon & Co., to return to Newman & McBain, with which agency he was formerly connected.

* * *

Karl Succeeds Greenhagen

William Karl, for a number of years in the re-insurance department of the Great-American, resigned last week and is now taking a vacation previous to connecting with Fred S. James & Co., on July 1, succeeding Frederick Greenhagen who, as reported in The Eastern Underwriter of last week, is now with Rollins, Burdick & Hunter.

* * *

Naval Stores Lines

Several of the large New York brokerage houses this week offered in the local market large lines on stock located in the Naval Stores, Commodore Point, Florida, at a rate varying from 1.15 plus 10 up. The market was quickly filled.

* * *

Organizing Mutuals

Walter B. Renton, 20 Nassau Street, New York, is organizing the Motor Car Mutual Fire and the Motor Car Mutual Casualty under the laws of New York. Before qualifying for business the companies must have 1,000 members owning 1,500 motor vehicles. Each member must deposit $5 with his application for membership. The organizers are now seeking agents to obtain the necessary number of initial members.

* * *

Rovics With M. C. Feldman

Samuel Rovics, for some time placer for Jos. D. Bookstaver and also for eleven years with Hamlin & Co., is now placer for M. C. Feldman.

* * *

Morgan Harris an Aviator

Morgan E. Harris, executive assistant to Charles F. Enderly, manager of the brokerage department of the New York Underwriters' Agency and the Insurance Company of North America, has joined the Naval Aviation Division and expects to be called shortly for active service. His division will be located at Bayside, L. I.

* * *

Continued Demand for Report

The Fire, Marine and Liability Insurance Brokers' Association of New York received a call this week for fifty copies of the Use and Occupancy report from the manager of the sprinkler risk department of one of the large companies. F. W. Stillman is chairman of the Brokers' Use and Occupancy committee. Other members are John A. Eckert, R. Henry Depew George W. Hill and Alexander Silvey.

* * *

J. H. French Motoring Here

J. H. French, of Chicago office of Marsh & McLennan, left Chicago on Monday for New York via automobile. He is expected in New York within the next few days.

* * *

George Hodson to Spartanburg

George L. Hodson, of Cornwall & Stevens, expects to leave shortly for Spartanburg, S. C., for training.

S. L. O'BRIEN ARRESTED

Will Be Tried In Brooklyn on June 25 Before Court of Special Sessions License Case

S. L. O'Brien, who was the Brooklyn representative of the Smith-Case Co., of Newark, was arrested this week and will be tried on June 25, before the Court of Special Sessions in Brooklyn. The charges are the same as those on which F. Clark Smith, president of the Smith-Case Co., and J. P. Bude, New York manager of the agency, were tried yesterday before Part I, of the Court of General Sessions in New York City. As reported exclusively by The Eastern Underwriter, all three were held for having operated the Commonwealth Casualty, of Philadelphia, in New York State, in violation of the law regarding authorized companies.

INTERESTING MERGER

The brokerage department of Henry W. Brown & Co., and Samuel Story & Son is to be merged under the name of Brown, Crosby, Story & Co. Both concerns are about half a century old and control much business here and in Philadelphia.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1918, to New York Insurance Department
LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer
G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent
SURPLUS TO POLICYHOLDERS.....$5,980,020.79

The Gamewell Fire Alarm Telegraph Co.
Fire Alarm and Police Telegraphs for Municipal and Private Plants
OVER 1500 PLANTS IN ACTUAL SERVICE
GENERAL OFFICES AND WORKS
NEWTON UPPER FALLS, MASS.
AGENCIES
5708 Grand Central Terminal, New York
448 John Hancock Building, Boston, Mass.
1216 Lytton Building, Chicago, Ill.
335 Wabash Building, Pittsburgh, Pa.
915 Postal Building, San Francisco, Cal.
304 Central Building, Seattle, Wash.
Utica Fire Alarm Telegraph Co., Utica, N. Y.
Northern Electric Company Limited, Montreal, Canada.
General Fire Appliances Co., Ltd., Johannesburg, South Africa
Colonial Trading Co., Ancon; Canal Zone, Panama
F. P. Danforth, 1060 Calle Rioja, Rosario de Santa Fe, Argentine Republic

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

New Rates and Rules For Autos

$50 DEDUCTIBLE PROVISION

Minimum Premiums Established for Manufacturers and Dealers and "Drive Away" Cars

A new deductible clause for automobile collision insurance has been promulgated by the National Conference, covering damage in excess of fifty dollars. This clause reads:

In consideration of an additional premium of $....., this policy also covers, subject to its other conditions, damage to the automobile and/or equipment herein described in excess of $50 (each accident being deemed a separate claim and said sum to be deducted from the amount of each claim when determined) by being in accidental collision during the period insured with any other automobile, vehicle or object, excluding (1) loss or damage to any tire due to puncture, cut, gash, blowout or other ordinary tire trouble, and excluding in any event loss or damage to any tire, unless caused in an accidental collision which also causes other loss or damage to the insured automobile; (2) loss or damage while the automobile insured is being operated in any race or speed contest or while being operated by any person under the age of sixteen years or under the age limit fixed by law.

In the event of loss or damage to said automobile whether such loss or damage is covered by the policy or not, the liability of this company for loss or damage resulting from collision in accordance with the terms of this endorsement shall be reduced by the amount of such loss or damage until repairs have been completed, but shall then attach for the full amount as originally written without additional premium.

All other terms and conditions of this policy remaining unchanged.

Attached to and forming part of policy No..... of the..... ..... Insurance Company.

Revised collision rules and rates have also been announced, effective for risks attaching on or after April 1, 1918.

The $50 deductible collision rates given are for a cover alike in all respects to the "Full Form" cover (with the "ordinary tire trouble" exclusion) subject, however, to a limitation to the effect that each accident shall be deemed a separate claim and fifty dollars deducted from the amount of each loss when determined and the company liable for loss or damage only in excess of that amount.

Collision Premiums

Private, Pleasure and Commercial Automobiles

For all city territories (as defined in Schedules 1, 2, 3 and 4 of the Manual) comprising the territories for the cities of New York; New York City Suburban, Boston, Providence; Chicago, St. Louis, Philadelphia; Albany, Atlanta, Baltimore, Birmingham, Buffalo, Chattanooga, Chicago Suburban, Cincinnati, Cleveland, Detroit, Indianapolis, Kansas City, Louisville, Memphis, Milwaukee, Minneapolis and St. Paul, Nashville, New Orleans, Pittsburgh, Rochester, Syracuse and Washington, D. C.

Collision Class	Manufacturer's List†	Full Coverage	$50 Deductible	$100 Deductible
A-1	Under $600	$50	$25	$15.00
A-2	$600— 799	59	29	15.00
A-3	800— 999	67	33	15.00
A-4	1,000— 1,199	75	37	15.00
A-5	1,200— 1,399	83	41	17.50
B	1,400— 1,599	90	45	20.00
C	1,600— 1,799	96	49	22.50
D	1,800— 1,999	102	53	25.00
E	2,000— 2,249	109	59	28.00
F	2,250— 2,499	116	66	31.25
G	2,500— 2,749	122	72	*37.00
H	2,750— 2,999	128	78	*43.00
I	3,000— 3,249	134	84	48.75
J	3,250— 3,499	139	89	52.50
K	3,500— 3,749	144	94	56.25
L	3,750— 3,999	148	98	60.00
M	4,000— 4,249	152	102	63.75
N	4,250— 4,999	156	106	67.50
O	4,500— 4,749	159	109	71.25
P	4,750— 5,000	162	112	75.00
Q	5,001— 5,500	168	118	82.50
R	5,501— 6,000	174	124	*87.00
S	6,001— 6,500	179	129	*90.50
T	6,501— 7,000	184	134	*93.50
U	7,001— 7,500	188	138	*96.00
V	7,501— 8,000	192	142	*97.50
W	8,001— 8,500	195	145	*98.50
X	8,501— 9,000	197	147	*99.00
Y	9,001— 9,500	199	149	*99.50
Z	9,501—10,000	200	150	*100.00
For trailers listed under $500		10	5	3
Minimum premium per trailer		$15.00	$7.50	$5.00

†Including body and all additional equipment.

*Indicates new and changed rates.

In Outside Territory

For all so-called "Countrywide Territory" (as defined in Schedule 5 of the Manual) embracing all territory in United States not included in the city territories comprising Schedules 1 to 4 inclusive.

* * *

Full Coverage	$50.00 Deductible	$100.00 Deductible	Collision Class
$37.50	$20.00	$10.00	A-1
44.25	23.20	10.00	A-2
50.25	26.40	10.00	A-3
56.25	29.60	12.50	A-4
62.25	32.80	15.00	A-5
67.50	36.00	17.50	B
72.00	39.20	20.00	C
76.50	42.40	22.00	D
81.75	47.20	25.00	E
87.00	52.80	28.00	F
91.50	57.60	31.00	G
96.00	62.40	33.50	H
100.50	67.20	36.50	I
104.25	71.20	39.50	J
108.00	75.20	42.50	K
111.00	78.40	45.00	L
114.00	81.60	48.00	M
117.00	84.80	50.50	N
119.25	87.20	53.50	O
121.50	89.60	56.00	P
126.00	94.40	62.00	Q
130.50	99.20	65.00	R
134.25	103.20	68.00	S
138.00	107.20	70.00	T
141.00	110.40	72.00	U
144.00	113.60	73.00	V
146.25	116.00	73.50	W
147.75	117.60	74.00	X
149.25	119.20	74.50	Y
150.00	120.00	75.00	Z

*Indicates new and changed rates.

Associated Mutual Agency Incorporated

B. J. ALLEY, Manager

68 William St., New York

Exceptional Facilities for Writing Business Throughout the United States

Manufacturers' and Dealers'

Where manufacturers' and dealers' cars are written for collision insurance, the following minimum premiums for each care insured shall apply (in all territories) regardless of the period such car is covered:

$7.50 for $100. Deductible coverage.
$25 for $50. Deductible coverage.
$45 for full coverage.

Collision insurance on "Drive-Away" cars shall be written at the regular manual rates for manufacturers' and dealers' cars subject to the same minimum premiums per car per trip, as shown above.

The rule in the Manual captioned "Damage to Property in Charge of the Assured" shall not be construed as applying to "Drive-Away" cars.

PROMOTION FOR ROBB

Carroll E. Robb has been appointed assistant secretary of the National Automobile Underwriters' Conference. He is also assistant secretary of the Eastern and the New England Conferences. Mr. Robb's experience in the local body makes him a valuable man to the National organization. There is much important work before the Conference in working out and developing a plan of co-operation between that organization and the automobile department of the National Workmen's Compensation Service Bureau. This plan involves consideration of a large number and variety of questions.

BEALE WITH ECKERT & CO.

Wm. Beale has been made placer for John A. Eckert & Co., succeeding George Stanton, resigned.

Central National Official Changes

HABEL ASSISTANT SECRETARY

Succeeds George Sharp, Resigned—Was Previously With Atlas In Chicago

The Central National Fire, of Des Moines, Iowa, this week appointed W. P. Habel assistant secretary of the Company, succeeding George Sharp, resigned.

Mr. Habel has been with the Central National for a short time, and was in charge of the home office end of the Company's Eastern business. Previous to his connection with the Central National, Mr. Habel had been with the Chicago office of the Atlas Assurance for a long period of years and prior to that he had been assistant secretary of the Calumet Insurance Co.

Schaefer & Shevlin represent the Central National in New York as general agents.

DECIDES ABOUT RUSSIA

Texas Commissioner Refuses to Re-license Nine Companies Alleging Them German Allies

Interesting complications are expected to follow a decision of the Texas insurance commissioner refusing license renewals to nine Russian companies, alleging that they are "allies of Germany." The situation is interesting not only because the Federal Government has not taken such a position, but questions of this importance have of late been threshed out in commissioners' conventions before individual commissioners have acted.

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus, .. - - - - -	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - - -	1,051,543.00

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $152,000,000.00

Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

Credit Men's Report On Fire Insurance

More Intelligent Understanding of Meaning of Great Annual Fire Waste Reached

HAZARDS WITH COAL FAMINE

Work of Fire Insurance and Protection Committee Not to Be Sidetracked

That the National Association of Credit Men has a clear conception of the criminal aspect of the tremendous fire waste of this country is demonstrated in a report read at the Chicago convention of the National Association of Credit Men held yesterday, when a committee consisting of J. A. Jamieson, chairman, H. J. Effinger and F. J. Brennan, all of Portland, Ore., told what the association is doing in combatting that waste. The report in part follows:

"We have done well in past years and become a leading factor in bringing about a more intelligent understanding of the meaning of our great annual fire losses and a better appreciation of our individual and associational responsibility in getting control of a serious fire loss situation. There can be no doubt that progress was being made, for with the growth of values during the past few years there has not been a proportional growth of losses, till, of course, last year, when new elements entered in the form of great concentrations of explosives and also enemy agents became active, charged with the duty of making havoc in the production and transportation of supplies to the enemies of the Central Powers.

"The Association has joined in urging the utmost vigilance in watchmen services and the necessity of the watchman's job being given to alert and highly responsible men, who have wits and are known to use them in emergency, for these are poor times to rely upon superannuated watchmen for proper protection against incendiaries and bomb placers.

Coal Famine

"Another serious condition grew out of the coal famine which, of course, was in turn chargeable to the state of war. It was the complete breaking down of the sprinkler system in our largest northern cities. The intense cold and shortage of coal had necessitated drawing off the water from the sprinkler pipes, or as happened in many cases, the sprinkler system lost all value because it was frozen at certain vital points. Upon the guarantee of prompt action on the part of sprinkler systems our cities had largely depended for protection against conflagration and now when streets were piled with snow, and the cold was intense, the last great bulwark against conflagration, except only personal carefulness was removed.

"It was, indeed, a serious thing in the credit situation, already beginning to feel the strain, with men just beginning to realize what the presence of the war monster might mean, for the result of a severe conflagration at that time in one of our great cities would have been to give a hard blow to credit, just a blow, in fact, as our enemies would have liked most to see fall upon us.

Sprinklers.

"The Association joined in an earnest petition that the government discriminate in coal distribution in favor of sprinklered buildings so that the fireproof walls afforded by the sprinklers, upon which our fire departments were relying to stop conflagration, might be restored. Fortunately, the crisis was passed without the dreaded happening and it is hoped the coal administrators will be prepared next winter against the repetition of a similar dangerous situation.

"Your chairman again directs attention to the Pacific Northwest, where we find a striking illustration of what continuous, vigilant, authoritative efforts in fire protection work can accomplish. Portland, till recently, was one of the high-record cities for burnings, but now is holding its losses to the descending scale begun some two years ago, and during the first four months of the municipal year, commencing December 1, it has put itself into the less than a dollar per capita class for annual fire losses and that, too, during the worst months of the year, the period when incendiarism and bomb throwing were at its height. The reason is that Portland business men have an authoritative fire marshal or commissioner to tie to and they know that whatever effort they exert for fire control will be effective if carried on in co-operation with him. In other words, they have in him a definite governmental authority whose single purpose is to destroy the fire fiend.

Special Insurance Number

"From the literature angle, two things were attempted this year by the committee: first, a special insurance issue of the Bulletin, published December, 1917, second, the use of the back of the envelope carrying the First of the Month Letter to presidents and secretaries, and to 8,000 members, to ask members what they are doing to give themselves the necessary insurance protection, and also what they are doing to impress upon customers the necessity of doing likewise. The insurance issue of the Bulletin was well received, in fact, several thousand copies more were printed than are printed of the regular monthly issue. It was generously contributed to by leaders in insurance thought and is a veritable hand-book on the subject of insurance.

"The result of the experiment was, thoroughly satisfactory and it would be well for the next committee to consider the repetition of the use of this highly educational method.

"Finally, your committee offers the following for your consideration:

I.

"'Resolved, that the National Association of Credit Men, in convention assembled, expresses deep satisfaction in that it has been able to take an effective part in the movement to conserve our resources against fire and protect against that shrinkage of credits which a great conflagration at this time would entail.

II.

"'Resolved, that the work of the Fire Insurance and Protection Committee should not be permitted by existing world conditions to take a secondary position in the activities of the Association, but that all members be made to realize that it is the part of patriotism to exert their earnest efforts in keeping our resources intact and safe from the visitation of fire.'"

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

S. C. BISHOP CO.

Represented at 95 William Street, N. Y. C., Room 1001

AGENTS FOR NEW JERSEY

208 Broad Street, Elizabeth, N. J.

Phone, 447 John — 588 Elizabeth

Caledonian Insurance Co. of Scotland

FOUNDED 1805

"THE OLDEST SCOTTISH INSURANCE OFFICE"

UNITED STATES HEAD OFFICE

Caledonian Building, 50-52 Pine Street, New York

CHAS. H. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.

NEW YORK CITY OFFICE

Golden Hill Building, 59 John Street, New York

London and Lancashire Fire Insurance Co. Ltd.

OF LIVERPOOL, ENGLAND.

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

Binding Contracts with Guaranteed Underwriters at Lloyds and British Companies maintaining United States deposits. Immediate telegraphic binders given.

MARSH & McLENNAN

19 Cedar St. NEW YORK	1615 California St. DENVER	201 Sansome St. SAN FRANCISCO	107 S. Fifth St. MINNEAPOLIS
901 Ford Bldg. DETROIT	314 Superior St. DULUTH	17 St. John St. MONTREAL	23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

FRED. S. JAMES GEO. W. BLOSSOM WM. A. BLODGETT

FRED S. JAMES & CO.

123 WILLIAM STREET

United States Managers

GENERAL FIRE ASSURANCE CO. of Paris, France

URBAINE FIRE INSURANCE CO. of Paris, France

EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England

NEW YORK

C. B. G. GAILLARD Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

City Club Tops Its Own Record

BROKERS BEAT COMPANY MEN

Attendance Totalled More Than 450 and Included Representatives of All Branches

Company officials at one end and office clerks at the other with agents, brokers, underwriters, solicitors and placers between, comprised the 450 insurance men who were photographed in one group at the second annual outing of the City Insurance Club last Saturday. The outing was held at Witzel's Grove, College Point, L. I., and was a tremendous success from all angles.

The steamer "Clermont" had been chartered for the occasion and the vessel permitted everyone ample room to stretch their legs and get acquainted. Refreshments were served on the trip up which, with the perfect weather and a lively band, added to the enjoyment of the sail on the Sound.

On arrival at College Point, the band led the way to the grand stand



GEORGE L. HODSON, Cornwall & Stevens, Treasurer; J. J. HARTNETT, Geo. R. Hess & Co., President; GEO. SHEVLIN, Schaefer & Shevlin, Vice-President, and JAS. F. HYLIND, Gibson & Wesson, Secretary of the City Insurance Club.

where the official photographer officiated. If there had been ten more present they could not have gotten into the picture without crowding out the band.

Following the taking of the picture, President "Jere" Hartnett, of Geo. R. Hess & Co., announced that "the baseball field on the left is ours and the track belongs to the club for the afternoon." The pictures printed on this page were taken by The Eastern Underwriter's own photographer.

A baseball game between representatives of the companies and of the brokerage offices attracted a good deal of attention. The game was called at the end of the seventh inning on account of dinner with the score 12 to 9 in favor of the brokers.

The Company team was organized by L. P. Tremaine, assistant secretary of the Pacific Fire, who acted as official score keeper and umpire replacer. The team was composed of G. S. Ammermann, Pacific; H. S. Ure, Pacific; Barney Jackson, Globe & Rutgers; Ray Corde, Globe & Rutgers; George Hahn, Pacific; W. A. McGuire, special agent of the Glens Falls; Ralph Oellers, Pacific; Pierre La Tourette, Pacific, and Chas. S. Chartier, Long Island City agent.

The team of the brokers was organized by George McGuire, John C. Paige & Co., and included Chas. Hagen, Lethbridge & Co.; Gus. Gotterman, Davis-Dorland; Wm. Fitzpatrick, Geo. A. Bell; Jerry Rooney, W. H. Kenzel Co.; R. Johnson, E. K. Beddall & Co.; Barney



CHAS. SCHMIDT, F. S. James & Co.; CLAUDE CORKE, Cornwall & Stevens; FRANK GIBSON, F. S. James & Co., and CARL RUBERT, City of New York Fire.

Graham, Wickham & Kemp; A. D. Pollack, Hartford; Gus Kuebler, Crum & Forster, and John McLean, broker.

Bower Wins Fat Man's Race

The races were run off in a number of heats. The relay race was won by a team formed by James Olsen, Smythe, Sanford & Gerard; the fat man's race by Stanton M. Bower, Jackson-Smith Agency; the sixty yard dash by J. H. Carson, of the Home; the 100 yard dash by Wm. Boland, Home; the three-legged race by George F. Murphy. Jackson-Smith Agency, and J. D. Cramond, Hall & Henshaw, and the one lap race by Jos. P MacEvoy, Globe & Rutgers.

The games committee was given plenty to do. Chas. F. Enderly, manager of the brokerage departments of the Insurance Co. of North America and the New York Underwriters' Agency, contracted a bad headache from trying to keep all of the numerous umpires out of trouble. Claude Corke, Cornwall & Stevens, succeeded in making all the runners realize that he knew what he was doing. Louis du Fore, Mather & Co., also contributed to everyone's good time and George F. Murphy, Jackson-Smith Agency, did more than his share of entertaining by trying to win all of the events on the card.

Carl Rubert, executive special agent of the City of New York was in charge of the refreshments and received his satisfaction from watching the general movement toward belt unloosening.

John Canning, of the Brooklyn office of the Continental, claimed that the music was good, but to use his own expression, "don't quote me."

George L. Hodson, Cornwall & Stevens; Jas. F. Hylind, Gibson & Wesson; Wm. C. Morsel, Sandberg, Raynes & Lee; Frank Gibson, F. S. James & Co.; Jos. Leffson, Merchants Fire; Stanley Kirk, Aetna, and Chas. Marschner, Willcox, Peck & Hughes, composed the ticket committee which was responsible for the phenomenal attendance.

"Vic" Metz, president; Ed Froeb, secretary, and W. J. Reynolds, vice-president, represented the Central Fire office.

Harry Maas, of Henry Sober & Co., sang a new song this year.

Planding Bossed the Waiters

Frank Planding, of Newman & McBain, was the first to discover that the waiters all ran to get the next course when the bell rang and he never let go the rope thereafter.

The following list of some of those present included many well known names:

Fred Kentner, vice-president, City of New York Fire; C. H. Bainbridge, Brooklyn agent; J. K. McFarland, special agent, National, of Hartford; W. S. Fegado, Jersey City agent; Arnold Rippe, Jersey City agent; Stanley Desse, manager, brokerage department, F. S. James & Co.; Phil. La Tourette, Cornwall & Stevens; Geo. E. Miller, Crum & Forster; Roger Small and Edw. O'Brien, Smythe, Sanford & Gerard; Charles Vaughan, Automobile Insurance Co.; W. A. McGuire, special agent, Glens Falls; D. J. McFalls, J. G. Simmonds & Co.; Chas. Miller, L. A Wallace, W. H. Stevenson, W. D. Kinsman, Geo. Kling and E. W. Dart, Johnson & Higgins; Walter S. Haff, Walter F. Errickson's office; E. Speroni, Great American; A. A. Earl, Block Earl & Manuel; Louis Schaeffer and Geo. Shevlin, Schaeffer & Shevlin; A. R. Quinn, Pate & Robb; R. S. Kissam, City of New York Fire; John Schoenberg and Jas. F. Noonan, Willcox, Peck & Hughes; George Kingsley, Wickham & Kemp; George McKay, See & Depew; Nat. W. Troutmann and Frank Murphy, Globe Indemnity; W. F. Murphy, resident manager, Chicago Bonding.

H. B. Doten, special agent in Chicago, City of New York Fire; John Mott, adjuster; Geo. Stickney, special agent in Boston, City of New York Fire; Geo. Sutton, W. H. Fleisch & Co.; Stockbridge Baccus, Hartford Indemnity; Ray Blauvelt, Frank & Du Bois; Frank Maxwell, Massachusetts Bonding; C. C. Vail, E. E. Hall & Co.; Ellis Myerle, U. S. F. & G.; Harrison Law, New York National; J. J. Hughes, F. & C.; Fred Cadigan, Globe Indemnity; Samuel Gelston, broker; Herman Kramer, adjuster; Edw. Carriger, Globe & Rutgers; J. J. Mackey, Aetna; Wm. Beale, Jno. A. Eckert & Co., and J. McWhinney, the W. H. Kenzel Co.



CHAS. F. ENDERLY, Insurance Company of North America and New York Underwriters' Agency



What is Worth Owning is Worth Insuring

And in these days of War with all its possibilities for loss, property is more worth owning than ever. War prices make repairs and replacements more costly in case of fire.

Adequate Insurance is a necessity today.

American companies are second to none in strength, management, service and reliability. The

FIDELITY-PHENIX FIRE INSURANCE COMPANY OF NEW YORK

A STRONG, RELIABLE AMERICAN COMPANY

Cash Capital $2,500,000.00

HENRY EVANS, President

Home Office:
80 MAIDEN LANE
NEW YORK

Managing Branch Offices:
CHICAGO, MONTREAL
SAN FRANCISCO

FIREPROOFING VALUE SHOWN

How fire-resisting construction served to stop the progress of a serious conflagration in the wholesale district of Kansas City. Mo., and saved most of the contents and structure of the buildings so protected is told in the Engineering News-Record, with an illustration of the building which stopped the fire.

City officials are agitating lower rates for Hoboken, N. J.

The Hartford Paper & Bottling Co., Hartford, Conn., has brought suit against several fire insurance companies, alleging failure to pay a loss that occurred on April 25.

TRAINING AS AVIATORS

Gardner Gillespie, of Cornwall & Stevens and son-in-law of H. C. Cornwall, left a short time ago to train as an aviator at Princeton. J. H. Weiss, also of Cornwall & Stevens, is at the aviation training station at Cornell.

Condition of Pennsylvania Inter-Insurance Exchanges

Two Associations Specializing in Automobiles — Loss Ratios and Dividends Paid Last Year—Special Act of 1913

Two automobile indemnity exchanges operate extensively in Pennsylvania, notably in Philadelphia. One is the Automobile Owners Indemnity Exchange, of Philadelphia, which writes all automobile lines, except liability. That portion of each risk submitted is turned over to the Manufacturers Casualty, local stock company, the exchange not wishing to carry the deferred liability incident to that hazard.

Results Last Year

This exchange made the following statement to the Pennsylvania insurance department at the close of 1917:

Premiums in force January 1, 1918, $130,641; total assets, $114,118; special loss reserve, $9,101; legal reserve, $51,820; surplus over liabilities, $53,196; paid for claims, $58,197; paid for dividends, $22,086; premiums received in 1917, $149,549.

This exchange charges Conference and Bureau rates and according to this statement its return to policyholders in the form of dividends amounted to almost fifteen per cent. of the 1917 premiums. The loss ratio is 39 per cent.

Pennsylvania Indemnity

The Pennsylvania Indemnity Exchange insures private non-commercial cars on the reciprocal plan. It writes all lines including liability and retains the liability risk for the usual $5,000-$10,000 limits. Its published statement as of December 31, 1917, shows the following items of assets:

Cash, $19,034; investments, $218,169; net outstanding premiums, $9,808; reinsurance and accrued interest, $4,512; assets not admitted, $2,269; total assets, $249,253.

Liabilities: Special loss reserve (for claims in process of adjustment), $27,435; reserve required by law, $135,939; surplus over all liabilities, $85,879; to credit of policyholders, $221,818.

In this exchange's statement, filed with the Pennsylvania Department, these items are shown:

Premiums received in 1917 $382,559.
Claims paid $101,839.
Dividends paid $77,637.

According to these figures the 1917 loss ratio was 26.6 per cent. and the percentage of 1917 premiums returned as dividends, 20.3 per cent.

The exchange has steadily increased its premiums in force. According to its managers this item stood at $410,000 March 28, 1918.

Inter-Insurance Act

Inter-insurance exchanges in Pennsylvania operate under an act of 1913 authorizing and regulating certain classes of indemnity, reciprocal or inter-insurance contracts, empowering corporations to make such contracts, regulating process on suits on such contract, fixing certain fees and providing penalties for violations of the act which reads as follows:

Section 1. Be it enacted, etc., That individuals, partnerships, and corporations of this Commonwealth, hereby designated subscribers, are hereby authorized to exchange reciprocal or inter-insurance contracts with each other, or with individuals, partnerships, and corporations of other States and countries, providing indemnity among themselves from any loss which may be insured against under other provisions of the insurance laws, excepting life insurance.

Section 2. Such contracts may be executed by an attorney, agent, or other representative, herein designated attorney, duly authorized and acting for such subscribers.

Number of Risks Required

(f) That applications have been made for indemnity upon at least one hundred separate risks, aggregating not less than $1,500,000, as represented by executed contracts or bona fide applications to become concurrently effective, or, in case of liability or compensation insurance, covering a total payroll of not less than $1,500,000.

(g) That there is on deposit with such attorney, and available for the payment of losses, a sum of not less than $25,000.

Service of Process

Section 4. Concurrently with the filing of the declaration, provided for by the terms of section three hereof, the attorney shall, by a duly executed instrument filed in his office, constitute and appoint the Insurance Commissioner, or his successor, the true and lawful attorney, upon whom all lawful processes in any action, rule, order, or legal proceeding against such subscribers may be served; and therein shall agree that any lawful process against such subscribers, which may be served upon him as the said attorney, shall be of the same force and validity as if served on the said attorney; and that the authority thereof shall continue in force irrevocable so long as any liability remains outstanding in this Commonwealth. The service of process shall be made by leaving the same, in duplicate, in the hands or office of the commissioner one copy, certified by the commissioner as having been served upon him, shall be deemed sufficient evidence thereof; and service upon the commissioner shall be deemed valid service upon all subscribers exchanging at any time reciprocal or inter-insurance contracts through such attorney. When legal process is served upon the commissioner as attorney he shall forthwith forward one of the duplicate copies of the process served on him to the attorney for the subscribers. As a condition of valid and effective service, and of the duty of the Insurance Commissioner in the premises, the plaintiff in each such process shall pay to the Insurance Commissioner, at the time of the service thereof, the sum of two dollars, which the said plaintiff shall recover as taxable costs in the case if he prevails in the suit. The Insurance Commissioner shall keep a record of all such process which shall show the day and hour of service.

Statements When Required

Section 5. There shall be filed with the Insurance Commissioner of this Commonwealth by such attorney, a statement, under the oath of such attorney, showing the maximum amount of indemnity upon any single risk; and such attorney shall, whenever and as often as the same shall be required, file with the Insurance Commissioner a statement, verified by his oath, to the effect that he has examined the commercial rating of such subscribers, as shown by the reference book of a commercial agency having at least one hundred thousand subscribers, and that from such examination or from other information in his possession it appears that no subscriber has assumed on any single risk an amount greater than ten per centum of the net worth of such subscriber.

Reserve on Net Premium

Section 6. There shall at all times be maintained as a reserve a sum in cash, or in securities of the character permitted by the laws of the State under which the exchange is organized for the investment of the capital and funds of an insurance company, equal to fifty per centum of the aggregate net annual deposits collected and credited to the account of the subscribers on policies having one year or less to run, and pro rata on those for longer periods. Net annual deposits shall be construed to mean the advance payments of subscribers, after deducting therefrom the amounts specifically provided in the subscribers' agreements for expenses. Said sum shall at no time be less than $25,000; and if, at any time, fifty per centum of the aggregate deposits so collected and credited shall not equal that amount, then the subscribers, or their attorneys for them, shall make up any deficiency under penalty of a revocation of the license.

Need Not Show Loss Ratio

Section 7. Such attorney shall make a report to the Insurance Commissioner for each calendar year, on or before the first day of March, showing the financial condition of affairs at the office where such contracts are issued, and shall furnish such additional information and reports as he may require: Provided, however, That such attorney shall not be required to furnish the names and addresses of any subscribers nor the loss ratio.

No Periodical Examination

The business affairs and assets of such organizations shall be subject to examination by the Insurance Commissioner.

Section 8. Any corporation now or hereafter organized under the laws of this Commonwealth, shall, in addition to the rights, powers, and franchises specified in its articles of incorporation, have full power and authority to exchange insurance contracts of the kind and character herein mentioned. The right to exchange such contracts is hereby declared to be incidental to the purposes for which such corporations are organized, and as much granted as the rights and powers expressly conferred.

NU

NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.

TODAY IS THE DAY—

For what? For ACTION! To do the thing that lies before you.

In this age you're fighting a constant battle with Time—you can't win by letting Time have all the advantages.

In the race for Success your strongest competitor is TIME—your keenest adversary is HESITATION—your bitterest enemy is "WAIT TILL TOMORROW."

"Put it off" and you are merely welding a link in the chain of HABIT that will sooner or later render your judgment QUAKY and UNSUBSTANTIAL.

Acquire the HABIT of putting things off and very soon you will find the path of progress blocked.

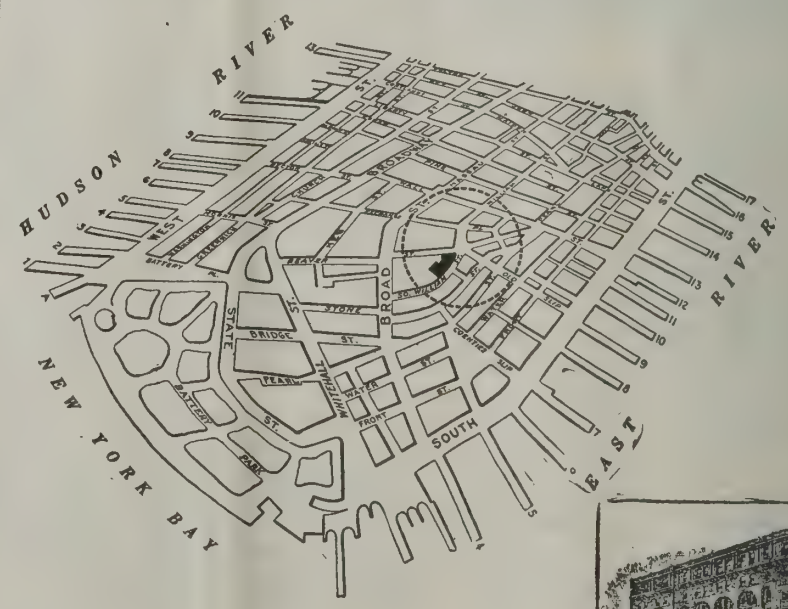
"I'll think it over" has cursed many a man and wrecked many a CAREER. THINK FAST! DECIDE!

The world has no opportunities for the LAGGARD—the man who is AFRAID TO ACT. Strengthen your character with prompt decisions. What is wanted is men who have the "habit" of doing things—and doing them NOW.

Correspondence welcomed from Agents of experience and good repute.

WRITE TODAY

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House
South William and Beaver Streets
New York City

Brokers' Association On Grain Situation

MUST WATCH PATERNALISM

Comments on Action of Grain Operators in Asking War Risk Bureau for Help

In its current "Bulletin" the Fire, Marine and Liability Brokers' Association of New York sees a tendency towards Federal paternalism and cautions insurance men to move carefully in all relations with Washington. It concludes an editorial by calling attention to the grain situation, saying:

"Another tendency which some agents in the West have very foolishly lent their ear to, is but another attack against the business of fire insurance for the nation. Reference is to the attempt of certain Western grain operators to induce the Government to take over the insuring of such plants on the plea that there is not sufficient fire insurance protection available, which can be secured from the stock companies.

"This matter has created considerable unrest in the Western Union territory particularly, but it may be only an attempt of the owners of elevators which have long been known to be poor risks to secure insurance on their properties. Many of these elevators are in such shape as to invite conflagration, and the fire insurance companies, through their agents, have necessarily insisted under present conditions in certain precautions being taken so as to safeguard these plants. In a few cases where the risks were poor, and no attempt has been made by the owners to comply with any of these suggestions, the companies, through their agents, have refused to handle this business. Realizing the trend of the argument at the present time, some of these grain operators have been trying to induce the War Risk Bureau to supply insurance on these properties, the plea being made by them that foodstuffs necessary to the welfare of our own people and the Allies are thereby being jeopardized.

When Risks Are Poor

"This is a ridiculous position to take when it is considered that the mere insuring of the elevators by the Government does not guarantee that the foodstuffs will not be destroyed. If thousands of tons of grain are burned up within the next few months, which stock was destined to feed our Allies abroad, this food cannot be replaced merely by the Government re-imbursing the owners of these poorly constructed elevators, which cannot secure insurance in stock companies without complying with the suggestions and rules under which the average grain elevator is written. A well known company executive of one of the largest companies stated privately only a short time ago that he knew of only one case where sufficient fire insurance could not be secured on one of these Western elevators, and that was a risk which was in very poor condition and in which the owners refused to make any of the improvements which the underwriters thought necessary.

"The menace of Government insurance has ben increased by reason of conditions growing out of the European War, and it behooves every man who makes his living from the fire insurance business to realize this and whenever possible take whatever steps are within his power to explain the true condition of things."

NEW "WHO'S WHO"

Incorporated in 1918 Insurance Almanac and Encyclopedia—Will be Enlarged

"The Insurance Almanac and Encyclopedia" an annual of insurance facts, containing important information in concise and handy manner, has been issued by the Underwriter Printing & Publishing Company, of 80 Maiden Lane. It is a good volume for a busy insurance man to have on his desk, particularly for figures, names and other data demanded at a moment's notice.

A new feature in the book is an insurance "Who's Who," which will grow with the years into a feature of great importance.

GOVERNOR WILL TALK

Program of Missouri Association of Insurance Agents—Address by E. M. Allen

When the Missouri Association of Insurance Agents, of which George D. Markham is president, meets in Jefferson City on June 24, Governor Gardner will deliver the address of welcome. President Allen, of the National Association of Insurance Agents will talk on "United We Stand." Superintendent of Insurance Harty will discuss "The Part of the State." President W. O. Woodsmail, of the Missouri Fire Prevention Association, will tell of fire prevention; J. M. Davis, State Chief Rater, will tell about fire prevention's effect on rate making; and H. M. Hess, manager of the Missouri Inspection Bureau, will tell about the state rating law.

O. K. MR. SCHEIDE

Alien Property Custodian Attests His Loyalty—Hartford Man Had Been Under Fire

Shortly after W. C. Scheide was appointed in charge of the department of insurance of the Alien Property Custodian's office complaints, there was considerable dissatisfaction in some quarters because of his previous connection with a German company. This criticism also extended to the appointment by the Alien Property Custodian of a counsel who, while a man of irreproachable integrity and highest standing in the community, was leading partner in a banking firm, which was United States trustee of the Munich and other German fire companies. The counsel resigned.

Custodian Palmer gave Mr. Scheide's Americanism the following bill of health this week:

"Mr. Scheide's loyalty and Americanism have not been questioned by anybody except as some people in the insurance world seem to deduce from his former connection with a German insurance company," declared Mr. Palmer. "He is American born, as were his father and grandfather before him. His ancestors on both sides of the family are pure bred New England stock. He has a son who was in the war in France with the French army before we got into the war, and before he was of age, going across the water with his father's consent and approval.

"His loyalty as well as his character and fitness were vouched for by some of the leading citizens of Connecticut and New York before he was appointed to his present duties by the Alien Property Custodian. His service to this office at the present time is striking evidence of both his ability and his loyalty, for he has been one of the strongest advocates in this organization of the policy of utterly divorcing German ownership from American properties.

"It would be extremely unjust and unfair to Mr. Scheide, in view of his record and his service, to pay any further attention to insinuations which the makers are unable to support by facts and to present, when they have shown themselves unwilling to appear before Mr. Scheide and myself at the hearing set for to-day."

R. R. FIRE LOSSES

How Agreement Between Railroad Officials and Heads of the Government Reads

In the formal agreement between the Government and railroads, relative to operation of the roads by the United States until the war is over at least appears one paragraph of interest to fire insurance men:

"The foregoing provisions of this paragraph are subject to the proviso that the cost of loss or damage from floods, fires, or other calamitous visitations, during the period of Federal control, shall be borne and paid or provided for by the Government, and that the Government shall currently restore to the carrier the value of physical property which may be destroyed, retired, or abandoned and not replaced during the period of Federal control."

BROKERAGE RULING

The New York Department has ruled that all persons who have received certificates authorizing them to conduct a marine insurance brokerage business may broker such insurance for the remainder of 1918, without making application for and receiving an additional certificate of authority. All applications for renewal licenses, however, will be required to contain information as to the trustworthiness and competency of the applicant to conduct a marine insurance brokerage business.

FARRISH'S CHOP HOUSE
Cor. John & William Streets
THE PLACE in the Insurance District to eat lobsters
NOW IN SEASON
Whole cold lobster 65c.
Whole broiled lobster 75c.

BRITISH AMERICA ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918

Assets	$2,192,173.14
Surplus in United States	772,927.35
Total losses paid in United States from 1874 to 1917, inclusive	25,298,472.00

W. B. MEIKLE, Pres. & Gen. Mgr.

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

THE HUMBOLDT FIRE INSURANCE CO.
PITTSBURGH, PA.
Conservative -- Sound -- Progressive
Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

Agricultural Insurance Company, of Watertown, N.Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

7921 Insurance Company of 1918
NORTH AMERICA
PHILADELPHIA
The Oldest American Stock Insurance Company

126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33
Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

Firemen's Insurance Co., Newark, N. J.
January 1, 1918

Cash Capital	$1,250,000.00
Net Surplus	$2,384,971.20
SURPLUS TO POLICYHOLDERS	$3,634,971.20

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President J. K. MELDRUM, Assistant Secretary

MARINE DEPARTMENT

Particular Average on Cargo

By Frederick Templeman, London

Mr. Templeman is adjuster of marine claims of the Alliance Assurance Company, in Great Britain. He is the author of a book "Marine Insurance: Its Principles and Practices," from which the subjoined article is reproduced. Of all the books which have been written on marine insurance—and they will fill several libraries—The Eastern Underwriter has not seen one which treats the fundamentals so clearly, so simply, so easily for the agent to grasp. The book is handled in this country by O. W. Smith, of Appleton & Cox.

A claim for particular average on cargo arises when the cargo has been either partially damaged by a peril insured against, or a portion of the cargo has been totally lost. If, for example, of a shipment of, say, 100 bales of wool, 25 arrive at their destination depreciated by sea-water to the extent of 20 per cent; or 5 bales arrive totally worthless; or the whole 100 bales arrive depreciated to the extent of 90 per cent, or perhaps even 99 per cent, in all these cases the claim is one of particular average. Merchants sometimes seem to be under the impression that if their cargo arrives damaged, the underwriter ought to pay them the difference between the insured value of the goods and the net amount which they realize by sale, thereby involving an underwriter in the effect of a rise or fall of the market, a matter which does not concern him. The kind of settlement just referred to is termed a "salvage loss," and can only arise when cargo is necessarily sold short of its destination. This point has already been dealt with when considering constructive total loss of cargo. When cargo has arrived at its destination, the claim on the underwriter is on the basis of particular average, which will be directly explained.

If the cargo arrived at its destination unidentifiable, owing to obliteration of marks by perils insured against so that it cannot be delivered to consignees, such a contingency does not render an underwriter liable for a total loss, as the cargo has in fact arrived, though its value can only be ascertained when the proceeds of the whole of the unidentified cargo have been duly apportioned amongst the claimants entitled thereto. In such a case, therefore, any damage to the cargo by perils insured against should be treated as particular average.

How Depreciation Is Ascertained

Now let us consider how the depreciation of damaged cargo is to be ascertained. Sometimes it is assessed by brokers who issue certificates stating the nature of the damage, and certifying as to the value which the goods would have possessed had they arrived in sound condition, and also certifying to their values in their damaged state. Or sometimes the depreciation is expressed as so much per cent. But a frequent method of ascertainment is by resort to public auction.

When the sound and damaged values have been ascertained, the depreciation has to be arrived at by a comparison of the gross (not net) sound value with the gross proceeds. This shows the amount of the loss, which is usually worked out at so much per cent. on the sound value.

Comparing Gross Instead of Net

The reason for comparing gross values instead of net values is, firstly, to avoid market fluctuations becoming a factor in the loss, and, secondly, because by a comparison of net proceeds, although the actual loss would remain unaltered, the ratio of depreciation would be increased, to the prejudice of the underwriter, by reason of the diminution in the amount of the sound value by the deduction of ordinary charges. This will probably be made clearer by the following example:

Gross Values

Gross sound value	£100
Gross proceeds	50
Loss	£ 50

Depreciation 50 per cent.

Net Values

Sound value	£100
Less charges	10
Net sound value	£ 90
Proceeds	£ 50
Less charges	10
Net proceeds	£ 40
Loss again	£ 50

But the depreciation on a sound value of £90 is 55½ per cent.

Fundamental Differences

And now comes in a fundamental difference between treatment of claims for particular average on ship and claims for particular average on cargo. It will be remembered that in the former the reasonable cost of repairs to a vessel is paid for by underwriters without regard to the insured value. But in the case of cargo, the percentage of depreciation, ascertained in the manner above explained, is always applied to the insured value to arrive at the amount of the liability of the underwriter. If the insured value is less than the gross sound value, then the underwriter pays proportionately less of the loss. But if the insured value is more than the gross sound value, then the underwriter pays proportionately more. The merchant receives less or more than the loss which he has actually sustained, as the case may be.

For example:—

A sea-damaged bale of wool, gross sound value	£10
Gross proceeds	5
Loss	£ 5

or a depreciation of 50 per cent.

If the insured value is £8 the underwriter is liable for 50 per cent. of it, or £4.

Or if the insured value is £12 the underwriter is again liable for 50 per cent. of it, or £6.

This principle of applying the percentage of loss to the insured value was laid down in the celebrated case of Lewis v. Rucker, as long ago as 1761. By its adoption the underwriter is unaffected by any fluctuations of the market—a matter with which, as already observed, he has no concern, and the principle of comparing gross sound value with gross proceeds was laid down in an equally well-known case, Johnson v. Sheddon, in 1802.

Gain Weight

Some articles, such as tobacco, wool and hides, etc., gain in weight in consequence of absorption of sea-water. In such cases the underwriter must not be prejudiced thereby, so any increase has to be deducted when calculating the sound value. Whether or not an increase in weight has occurred is ascertained by means of a proportionate sum as follows: If the sound bales weighed, say, 2,000 lbs. per invoice and delivered, say 2,200 lbs. per landing weights, then the damaged bale which weighed, say, 250 lbs. per invoice should deliver in proportion 275 lbs.; and if this weight, so ascertained is less than the landing weight, the difference between the two shows the increase in weight by water. In the case of wool if the actual increase cannot be ascertained, it is taken at 3 per cent. In the case of tobacco which has been cut off from the original bale, the allowance for water in the cuttings is taken to be one-fourth.

In case of some articles, cotton, for

(Continued on page 19)

We beg to announce our appointment as
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AMERICAN EQUITABLE ASSURANCE CO.
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Marine, Fire and War Risk
Re-Insurances
The Firm of
ROBT. R. toe LAER
New York, Amsterdam and Copenhagen

Future War Rates Require Serious Consideration From Underwriters

The submarine activity along the coast has brought some real losses to war risk underwriters and it will be an everlasting lesson that this business cannot be written for the low rates which have been practiced for some time past. The loss of the steamer "Vindeggen," which sailed from the west side of South America with a full cargo of copper and wool, will mean that about $3,000,000 will have to be paid out on this vessel alone, without taking into consideration that the losses on the other vessels already reported sunk prior to this one will run into far in excess of this amount; but on no one particular vessel has the insurance been placed in the New York market as freely as on this particular risk. The copper alone was valued in the neighborhood of $1,250,000, and the wool $1,750,000. This does not allow for any insurance on the hull or freight, if the same was placed in this market.

Thinks Ship Should Have Been Convoyed

A great many of the newer companies which have been writing this class of business freely have what may now seem to be a very excessive line which will be a particular hardship on them as they have not been in the business long enough to have a surplus of premiums accumulated when rates were materially higher than the prevailing rates of the last six months.

It seems almost incredible that the proper authorities in Washington should not have been notified that this vessel was about due on the coast, and a proper convoy provided for her so as to prevent such an attack. Without taking into consideration the financial loss sustained by the loss of this vessel and her cargo as well as the absolute necessity for her cargo, the mere fact that about 85 tons of copper have fallen into the enemy's hands at this time is a very serious matter for consideration, especially when it could have been avoided if a slight precaution was taken by Government officials who must have been aware of the vicinity of this vessel and the nature of her cargo.

OBSERVER

JESSE SPIER HAS TWO MORE

Interests identified with the Importers & Exporters Insurance Co., of New York, have formed the Trans-Marine Insurance Co., of New York, with a capital and surplus of $1,050,000, and the Washington Marine Insurance Co., of New York, with a capital and surplus of $300,000, both of which companies will be under the underwriting management of Jesse Spier, vice-president and underwriter of the Importers & Exporters.

Templeman on Cargo

(Continued from page 18)

example, it is often expedient to pick off the damaged cotton, leaving the bale, so picked, for sale as in sound condition. The loss ascertained in this manner is called a "Pickings Claim." Similarly with coffee: the damaged bag is "skimmed," i. e., the damaged berries are removed, and the loss is called a "Skimmings Claim." The losses ascertained in this way are by common usage paid by underwriters irrespective of percentage.

The next subject to be dealt with is the ascertainment of the insured value. If the value is specified in the policy, as for example, 100 bales of wool insured for £1,000 and valued in the policy at £10 per bale, the insured value of each bale is fixed and apparent. But suppose the policy is, for example, on 100 bales wool valued at £1,000 including freight advanced (freight advanced becoming merged in the value of the goods, as previously mentioned), the question arises as to how the insured value of any particular damaged bale or bales is to be ascertained. As a rule this is ascertained by a comparison of invoice values, on the basis of a rule-of-three sum. If the total invoice value of the whole shipment be insured for so much, then the invoice value of the damaged bale, case or bag, or whatever it may be, will be insured in proportion for so much. If however, the invoice should not be available for the computation of the insured value, then calculations on the same principle are made on the account sales, on the basis of sound value.

When the liability of the underwriter has been ascertained by applying the percentage of depreciation to the insured value, there must be added to the amount so ascertained any extra charges incurred in consequence of the damage, including the fee for survey. These are allowed so far as they have been incurred in connection with goods which are so damaged as to give rise to a claim under the policy; but the underwriter is not liable for any such charges so far as they relate to goods found to be in sound condition, or to damage which does not give rise to a claim under the policy.

In event of a particular average claim arising owing to an absolute total loss of part of the interest insured, e.g., of a barrel or several bags of sugar "washed out," the amount of the underwriter's liability is the insured value of the portion lost, ascertained in the manner already described.

WESTERN ASSURANCE CO.
OF TORONTO, CANADA
Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918

Assets	$4,194,579.34
Surplus in United States	1,667,691.69
Total Losses Paid in United States from 1874 to 1917, inclusive	43,294,154.63

W. B. MEIKLE, President

Concerned Over Harbor Losses

GREEN HELP HELD RESPONSIBLE

Losses Mount, Rates Stationary—Supply of Experienced River Men Being Depleted

It is only in marine insurance circles that the enormous and growing losses owing to ignorant and careless handling of shipping in and about New York harbor is fully realized. Every car load and boat load of material that reaches that harbor now is precious, particularly so as most of it enters in some way into the problem of supplying our army and allies abroad.

The fallacy of drawing too heavily, through the draft, upon the supply of men competent to manage shipping is now being keenly felt. Men accustomed to work on land can adapt themselves to new employments on land, but when a landlubber is placed on a car float, barge, collier or any other floating contrivance, he immediately becomes either inefficient, worthless or dangerous. He is almost certain to sooner or later cause disaster through inexperience, ignorance or carelessness.

The marine insurance companies are not receiving any higher rates for harbor risks than they were six months ago. But of course the amounts of premiums are much larger than formerly. Likewise, values are higher. Losses have increased to an alarming degree, some persons say one hundred per cent. Most of the trouble is with car floats. Many of these have turned over or spilled part of their cars because they were unloaded improperly. A man must know something about unloading a car float in order to avoid disaster.

Wreckers are Scarce

These cars and their contents, at the bottom of the river, are a serious loss to the country in this war. It is difficult to obtain the services of wreckers and those people will not undertake any small job unless under the most favorable circumstances for them. Costs of this work have increased tremendously and delays are long and costly, as sunken goods deteriorate rapidly before salved.

Improper loading of barges has caused much loss. Green hands think that a barge can be loaded anyhow as long as the material is dumped into her. Boats and floats are improperly moored. Some go adrift or are dashed against bulkheads; all the result of incompetent help.

Much Coal Lost

Barge owners taking coal from colliers find that the men on the collier are arbitrary and unload without regard for consequences to the barges. A number of barges have sprung leaks because strained by uneven loading and have had to be towed ashore, necessitating more delay and loss. Barge men say there is no use in trying to tell some of the collier people how to load a barge; they know it all.

Then again there are the conditions over at Bush Terminal, Brooklyn. That has always been a bad spot because of the exposure. Now it is worse owing to the inexperience of some of the men who work there and on harbor craft. So, taken altogether, the harbor situation is giving marine men considerable concern. They would be very glad to see more interest manifested by the Railroad Administration and the Navy Department in conserving the supply of experienced river men and likewise showing greater concern over the serious loss in material and time caused by the present condition resulting from depleted labor ranks.

HEAVY LOSSES LAST WEEK

Thursday of last week marine losses were unusually heavy and war risk rates advanced from 1 to 1½ per cent. to 2 and 3 per cent. News reached the underwriters that the U-boat which sunk the Vindeggen destroyed three other steamers. The U-boat was taking copper cargo off the Vindeggen, when three other steamers were seen approaching. So the U-boat stopped receiving copper for a time and went out to sink the three steamers, returning to get the remainder of the copper, which amounted altogether to eighty tons.

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Insurance Exchange, CHICAGO - - 45 Wall St., NEW YORK

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Skandinavia Re-insurance Co. (Copenhagen)
Agents Marine Department
Providence Washington Insurance Co.
Massachusetts Fire & Marine Ins. Co.

THE
Importers and Exporters Insurance Company
OF NEW YORK
Marine and War Risk Insurance
JESSE SPIER, Underwriter
56 BEAVER ST., Telephone Broad 2612 2613 2614

CASUALTY AND SURETY NEWS

Killed Cranking Car; Company Not Liable

F. & C. WINS INTERESTING CASE

Assured Not "In" or "On" Vehicle When Standing on Ground—Double Indemnity Provision

The Supreme Court of Missouri has recently decided that a person standing on the ground, cranking an automobile engine, was not "in" or "on" the automobile within an accident policy providing for double indemnity for injuries sustained while "in" or "on" a private conveyance. The case decided was that of Turner vs. The Fidelity & Casualty Company.

Included in the policy was a provision paying double indemnity for death or bodily injuries caused by accidental means while an insured was in or on a private conveyance.

Returned From Golf Club.

On Saturday evening, November 14, 1914, about 5 o'clock, the insured, Thomas E. Turner, of St. Louis, and his wife, were in an automobile, returning to their home from a trip to the Normandy Golf Club. The automobile in which they were riding belonged to the insured, and was therefore a private conveyance.

Mrs. Turner, wife of the insured and beneficiary under the policy, who was just learning to drive an automobile, was driving the machine. When the automobile had reached a certain point in St. Louis, within half a block of the insured's home, the engine "died" and the automobile stopped, thus making it necessary that the engine be started by cranking it.

The insured got out of the car, and walked in front of it; and while standing with both of his feet on the ground, took hold of the starting crank with his right hand and gave it a turn. Instantly the automobile started forward, and ran against and struck the insured, who fell or was knocked down, and was killed.

Court's Opinion.

The question involved narrowed itself down to the single query whether, when the insured was struck and killed, he was, under the terms of the contract in or on the automobile in question. After extensive consideration of the prepositions "in" or "on," the court said it was idle to contend that those prepositions meant, in this particular instance, alongside of, near, or adjacent to; for if that were true, then every holder of an accident policy, who chanced to pass an automobile or private horse-drawn vehicle, was "on" such machine.

Plaintiff's counsel, however, contended that the clause in dispute meant "while riding in or on a private conveyance, and since it meant while riding, it also connotes the whole of the trip wherein the insured was engaged when killed; as also all and singular things necessary to be done in order to make the trip; and that since after the breaking of the orderly progression of the trip, it was necessary to crank and start the car, he was on the trip, riding in a private conveyance, even while on the ground, in the street, and engaged in cranking the car."

The Supreme Court, in considering this argument, stated that while the doubling clause was broad enough to include the conveyances mentioned while they were running—while they were standing still, it wholly excluded the idea of continuity of journey; and that it did this by omitting the use of the substantive "passenger" or the par-

(Continued on page 23)

Assisting Owners To Avoid Claims

LIABILITY COVER ARGUMENTS

Types of Stair Treads and Floor Coverings Which Are Proving Unsatisfactory

Personal injury claims caused by slipping and falling are becoming an increasingly heavy burden upon building owners and managers. "Buildings and Building Management," a trade paper, has gathered some information regarding safety tread composition and construction which is of value to insurance inspectors. It also furnishes good arguments for liability insurance.

The report of the Committee on Buildings, of the American Railway Engineering Association, gives figures showing that the average award in 7,724 accidents resulting from falls was $78.76, in Ohio. These accidents were largely to employes of industrial concerns, and the proportion of these falls directly traceable to slipping and stumbling on level surfaces is roughly placed at about 50 per cent. The loss in service and compensation averages $80. These figures says the trade paper, cover only damages paid without litigation to employees, for the most part earning low wages. It may readily be inferred how much more expensive accidents around public buildings must really be to the owner, involving as they so often do, not only litigation, but the payment of high damages to persons in all walks of life. The evidence submitted in a Milwaukee case disclosed that the stairs were not steep nor dark, but that there were on the stairs a well known make of so-called "safety" tread, having a smooth metal nosing edge, and a series of grooves parallel to it. The woman's heel caught.

Very little consideration is given to the nature of the material composing the surface on which people must walk. A careful analysis of reports of casualties shows that about one-fifth of all accidental deaths are caused through falls and about one-third of all falls occur on stairs and floor levels.

Dangerous Compositions

Granolithic or cement surfaces, especially where there is grade or ramp, are dangerous unless properly constructed. Tests in a large railroad terminal were recently made for a suitable mixture for such use. Iron filings and other hardeners were found undesirable because they made the surface decidedly slippery, although increasing the durability. An abrasive grit sprinkled on the surface and floated into it just before the initial set occurred, has been used. About 1½ pounds of No. 20 abrasive grit, preferably alundum, per square foot of area is the quantity recommended for ordinary purposes. If there is very heavy traffic, an additional 1½ pounds of grit should be included in the mixture. Under no circumstances should stairs begin or end with an incline. Abrasive-metal strips 3 inches wide and about 8 inches apart set in flush with the cement surface, are the most effective means of making such surfaces safe.

Effect of Soap Powders

Floor finishes in small tile, mosaic or terraza should not be used for sidewalks or main corridors where people with wet or muddy shoes must tra-

(Continued on page 23)

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.

Home Office, United Life Building Concord, New Hampshire

ISSUING NEW FORM

Commercial Casualty Offers an Improved Maximum Disability Policy at $60 a Year

The Commercial Casualty, Newark, is offering a new disability policy the principal features of which are:

Premium—$60 per annum, select and preferred risks. Principal sum, fully accumulated—$7,500; doubles to $15,000. Total weekly accident indemnity $25 payable for life. Partial weekly accident indemnity $12.50 for sixty weeks. Total weekly accident indemnity payable whether the injury causes immediate disability or disability within two weeks of the date of the accident.

Double indemnity feature specifically includes taxicabs, also while in or on a public conveyance provided by a common carrier for passenger service (including the platform, steps or running-board of railway or street railway cars, or while boarding or alighting therefrom). Weekly accident indemnity accumulates ten per cent. each week during the period of disability until it has increased 50 per cent.

Sickness: Total weekly indemnity for fifty-two weeks. Partial weekly indemnity for twenty-six weeks. House-confinement not required. Specific amounts payable for loss of speech or hearing, both hands or feet, etc., in addition to weekly indemnity.

Special features: Double indemnity in hospital or sanitarium. Operation fees in addition to hospital or sanitarium. Nurses' fees in addition to weekly indemnity. Quarantine coverage for fifty-two weeks.

WHAT LARGE VERDICTS MEAN

Comment of Casualty Company on Recent Award of $50,000 Personal Damages

Not long ago the newspapers carried the story of how a Baltimore City Court awarded $50,000 damages in a personal injury suit. A workman fell into a sulphuric acid vat and besides being horribly burned, lost his sight. Speaking of the case the Maryland Casualty says:

"The big money is talking. Listen!

"It says that the cost of negligence is mounting by leaps and bounds. Our old friend, H. C. L. has nothing on it.

"It says that inspection is the better part of insurance profits: for we are informed that one company cancelled in this case a few days before the accident, because of unsatisfactory conditions, and another took on the risk—presumably without inspection—just in time to become chief mourner.

"It says that public liability insurance is vitally essential to the financial integrity of business: for the average business concern (vide Messrs. Dun and Bradstreet) would crumble like a house of sand under the crushing weight of a $50,000 verdict.

"It says that the old five thousand-ten thousand limits are becoming as inadequate as a two-bit piece in a railroad restaurant.

"It says that the compensation-claims investigator must study both sides of the shield. He should know how to develop his case not only for the defense, but for the offense as well, since his company is likely to become the plaintiff in any injury involving a third party under the subrogation provisions of the workmen's compensation acts.

"And finally it says that a lesson learned from the experience of others is 99 44-100 per cent. pure profit."

MONTREAL MEN HERE

A committee of liability underwriters from Montreal are visiting the Bureau in New York to discuss the practicability of making use of the Bureau system in Montreal. The rating system and unlimited cover are under discussion. The question of reinsurance in connection with unlimited cover is also a foremost one.

CONSIDERING TRAVELERS ACTION

The welfare committee of the Bureau will meet today, Friday, to consider the questions arising out of the recent resignation of the Travelers.

TO ACT ON COMMERCIAL FLEETS

Next week there will be a meeting of the automobile committee of the Bureau to consider rating of commercial fleets. This question has been up for some time and the coming meeting, it is hoped, will result in a final decision.

HIGHER GLASS RATES COMING

Plate glass rate advances are scheduled to become effective generally throughout the country August 1 and September 1. The situation in Chicago is also receiving close study at present.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

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General Building PHILADELPHIA

PICKED UP ALONG WILLIAM STREET

Boon to Ticket Sellers

With the aid of a useful contrivance issued exclusively by The Travelers Insurance Company, railroad ticket sellers do not have to consult a book to find out what the charge is. The accompanying cut illustrates the device. In some cases he has the price and the tax by heart. But when somebody asks for a ticket to, say, Lockport, N. Y., or Champaign, Ill., the agent not only has to consult the tariff book, but has to figure the 8 per cent. tax, either by means of a pencil and paper or by getting down a bulky

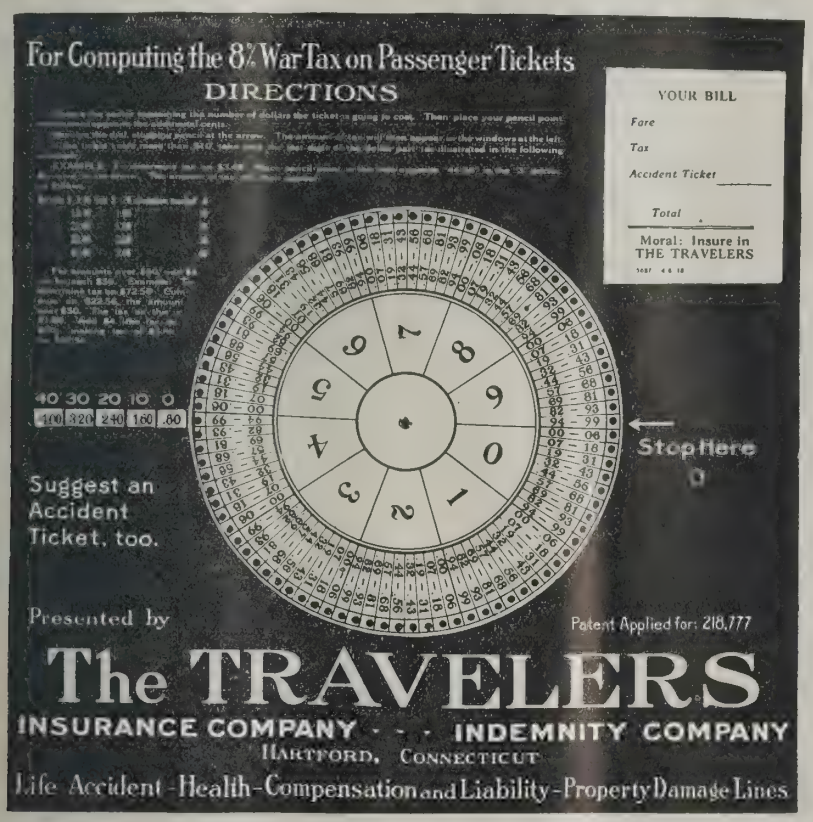


chart and turning to page 23 and running his finger along a vertical line and along a horizontal line and finally arriving at the answer in the midst of a mess of figures that look like a table of logarithms. Just as he gets his finger on the desired number, the telephone rings, or a lady asks him when the train leaves for Rocky Hill. The agent, in his confusion, loses his place and has to start in looking up his tax all over again. F. C. Church, who has a city ticket office in Providence, had experienced these difficulties. He looked at the bulky papers furnished by the railroad company, and then applied the geometrical principle that a straight line, if wound around in the form of a circle, occupies only one-third the space. The ticket agent picks out a small hole on the edge of the dial corresponding to the price of the ticket he is selling, inserts his pencil point in the hole and revolves the dial to a certain point. The amount of the tax then appears in a little window on the left side of the machine. It is easy enough! And if the lady from Rocky Hill appears again to divert his attention, the answer is still waiting for him when his eye goes back to the machine. The computer was sent out in large quantities just before the Government changed the railroad rates. That it has made a great hit is shown by the fact that dozens of letters have been received from agents praising it and asking for extra machines.

* * *

Wisconsin Safety Review

The first number of the Wisconsin Safety Review, a monthly publication for foremen in manufacturing establishments, was issued June 8 by the Industrial Commission. It is issued in the style of a bulletin of twenty-four pages with numerous illustrations of safety devices.

* * *

Views on Truck Robberies

Police Commissioner Enright, of New York, is of the opinion that every truck should be accompanied by two men, one of whom should constantly be upon the truck. This system is employed by the large express companies and is almost wholly effective, the losses by robberies from express wagons being almost negligible. The truck owners are reluctant to employ the necessary help to guard the contents of a truck on account of the materially increased cost, but Deputy Commissioner Lahey is of the opinion that such increased cost should be borne by merchants, who will thus escape the much heavier loss in the event of robbery. It is, however, the opinion of Mr. Lahey that the evil of truck robberies cannot be effectively controlled unless merchants are more exacting as to the extent and character of protection to be given by trucking contractors to the merchandise entrusted to them.

* * *

Dealing with Garage Men

One insurance office claims to have found a satisfactory solution of the garage repair charge problem in connection with collision policies, by taking the garage men into confidence. This office promised certain garage men a share of its business; that no estimates would be asked for and that payment for work done would always be sure and prompt. At the same time the repair men were given to understand that the first indications of excessive charges or unnecessary work done would result in a withdrawal of business. The plan is said to have worked satisfactorily.

* * *

Air Man Heard From

One of the most pleasing letters received recently in the New York office of the Globe Indemnity is from Ernest R. Stock, who was in the liability department and is now a Lieutenant in the Royal Air Force. Here is his last communication:

"Cheerioh! The war still goes on! I've been mighty busy with this last bit of activity and have been through the whole of it from the first of February. I have had lots of exciting times and a hundred narrow escapes! Shortly after this push began I was shot down by anti-aircraft fire with high explosive shells. I was buzzing along very warily, as I thought, just under the clouds five miles over in Hunland trying to get some special information. All of a sudden I got such a vicious 'archi-ing' (A. A. fire) and the bounders put up a barrage between me and our own lines! Well, stunting wasn't in it. I just turned inside out, but it was with little success, for they got seven direct hits on my machine. The observer, a stout little Scotch fellow, fired 'like stink' into them which enraged them somewhat. One burst went through my front petrol tank, putting that out of action; with it my gun. Engine stopped. I switched tanks and she picked up a bit, but gradually gave out again. That was owing to a shot in the radiator and all the water had leaked out so the engine was seething up. Another nearly 'wrote us both off,' missing us by inches—a large chunk several inches in diameter and it carried away a strub. Again, another took my right wheel away and three more were distributed over the wings. I limped west as fast as possible and just managed to flop down in a ploughed field on our side of the lines, safe but as badly hit and damaged as possible, without coming straight down. Those Hun archie batteries must have been annoyed, for they put up some very good shooting. I was simply surrounded with little black puffs. It was marvelous that we were not hit. So much for that.

"Two days before that I got my first Hun and brought him down with a good, steady burst at a good, safe range, too. He was fairly low and just slipped away till he met the earth. There is quite a thrill in shooting at a Hun. You pull the plug and watch the bullets go right for him, and if you're lucky (most times you are not), he goes down. I was lucky. And luckier still when later on that day I thought I'd be brave and go over alone for a while. I saw a Hun observation balloon, so I dived on it and made them pull it in, but to my intense surprise out of the sun came seventeen blooming Hun scouts and five of them diving on my tail. My goodness! I had 'vertical wind up' and stunted and dived at about 200 m.p.m. But they didn't get me, thank goodness, and what's more, they didn't have the cheek to chase me over my own lines. Every day one gets excitement like this and after all one gets to know the meaning of 'discretion is the better part of valor.'

"I want to thank you all very much indeed for the two splendid parcels of chocolate and cigarettes I have received from you. They are certainly jolly useful as things are awfully scarce here and in England nowadays."

Since this letter was written Lieutenant Stock has been wounded in the leg and is now in hospital.

* * *

Harry E. Mahaffee has the Omaha agency of the Standard Accident and this year he completed twenty-five years in the disability insurance business. That agency is now one of the "Big Fifteen" of the company. He likes to tell of how he was shoved into this business. This is how he says it:

"Twenty-five years ago, I wrote my first application for an accident policy, and I am glad to say that since that time I have never known what it is to be in want. I was walking down town with the agent of the Pacific Mutual Life when he made the remark that he thought I would make a good accident insurance agent. I was almost insulted for I had been inside clerk in a grocery store for some time previous to this, drawing a salary of $16 a week. And I said: 'Me sell accident insurance! I would rather steal.' I told him I would have no objection to way-laying a man with money in some dark alley and taking his coin, but to be compelled to call on people and plead with them to buy blue sky was too tough for me. But this agent painted such a bright picture that I fell, and listened to his talk about organization, assets, reserves, claim paying record, etc., until I was black in the face and when he saw my weakened condition he took advantage of it and thrust five applications into my hands and gave me a rate book and said 'Go to it,' and I went.

"I called first on a friend of mine, who allowed me to practice on him, but he let me go too far. I wrote his name, age, height, weight, occupation and beneficiary's name, and then in a subdued tone I handed him the application and commanded him to sign his name on the dotted line below. He refused. I happened at this time to see an old ax with a handle about a foot long lying on the floor. I picked it up and grasping the short handle I raised it over his head. (He was sitting on a box, eating his lunch). And I said: 'You'll sign this application or I'll cut your———head off.' This was more than he could stand, so he signed the application and paid me $10. I felt encouraged. I called on the butcher next door, and wrote him; then I wrote the baker, a plumber and a drug clerk. I could go no farther then, as I only had five applications with me, so I went back to the insurance office and turned in my orders. I had been gone a little less than three hours."

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STATUS OF COMPENSATION PLAN

System Automatically Limits Effect Upon Individual Risks of Serious Losses

Superintendent Phillips, has authorized a statement to the effect that if the administrative procedure under which the proposed new compensation experience rating plan is to be operated meets the requirements of the department, the plan will be approved pursuant to law. This means that the gap in the New York experience rating situation will be bridged with consequent relief to everybody interested in the sub

According to the department a formula has at last been discovered for the rating of compensation risks with reference to their own experience which produces consistent and logical results not only in the average case, but also in extreme cases. This is regarded by the department as the acid test. It will be remembered that about a year ago a plan of experience rating was presented to the department for its approval under the law, and that after an exhaustive study of the probable effect of the plan, the department concluded that it would not be justified in permitting the plan to be applied to New York risks.

Effect of Serious Losses

The department has devoted considerable attention to the results produced by the new formula, and is satisfied that its technical structure is sound. Illustrations have been worked out in about two hundred typical cases based upon hypothetical loss data selected by the department. The debits and credits which have been developed by these illustrations show that, unlike previous experience rating plans, the proposed plan automatically limits the effect upon individual risks of serious losses such as deaths or permanent total disability cases, although giving very considerable effect in the rate to the loss experience produced by minor injuries. In other words, risks which are to be rated under the new plan will not be penalized for the occurrence of injuries which happen infrequently, but which, when they do happen, cause financial shock which it is the business of an insurance carrier to absorb. Attempts which have been made in previous plans to bring about this desirable result have been without success.

The new formula for experience rating is the result of a mathematical study made by Professor A. W. Whitney, and the Actuarial Sub Committee of the National Reference Committee on Workmen's Compensation Rates, consisting of Messrs. W. W. Greene, J. H. Woodward, A. H. Mowbray, B. D. Flynn and G. D. Moore. The formula first developed by Professor Whitney has been made somewhat more adaptable for everyday use through a modification introduced by Mr. Greene, chairman of the Actuarial Committee. Its general effect is to produce rates which will take into account two kinds of experience, namely, class experience and risk experience. As is generally known, the evidence afforded by such experience is usually of a conflicting nature, and the rating problem is, therefore, to give appropriate weight to each of the two kinds of evidence so that the ultimate rate to be paid by the assured will reflect not only the class experience, but the individual risk experience as well. The formula gives relatively greater weight to the experience of large risks than to that of small risks. The largest imaginable risk would thus, under the plan, receive a rating derived entirely from its own experience.

Tables Explained

Limitations of space prevent a complete presentation of all of the cases which have been the subject of investigation by the insurance department. However, the accompanying Table "A," shows in concrete form the debits and credits obtained by applying the experience rating formula. These examples have been selected because of their typical character.

For illustration: Take the case of a $2.000 premium where the rate is $4.205, and where the losses for "Death" and "All Other Losses" are each 50 per cent. of the premium. (Case IV.) The result is a charge on account of the "death" experience of .4 of 1 per cent.; and a credit on account of the "all other" experience of 2.2 per cent. with a resulting net credit to the risk of 1.8 per cent.

Table "B" shows the debits and credits produced by the experience rating plan which the department disapproved last year. The most noticeable feature of the results obtained under the new method is that the debits and credits vary with the rate and with the size of the premium while under the 1917 plan the debits and credits were made to depend upon the actual loss ratio, and were subject to arbitrary limitation so that a risk with a zero loss ratio obtained a maximum credit of 30 per cent. whereas if the loss ratio was infinitely large a maximum debit of 50 per cent. became applicable. Under the proposed new plan there are no fixed limits in either direction.

It is understood that rules for the administration of the new experience rating plan are in course of preparation, and will soon be in such form that they can be submitted for the consideration of the New York Department.

Exhibit "A"

Illustrations of Application of Proposed New Experience Rating Plan for Compensation Risks

New plan will affect risks of various magnitudes depending upon the rate and the actual experience:

Premium for individual risk	Manual (or schedule) rate	Debit (+) or Credit (—) per cent. of Manual or Schedule Rate Case I. Losses: Death $0; all other $0	Case II. Losses: Death $10.000; all other $0	Case III. Losses: Death $0; all other $10.000	Case IV. Losses: Death 50%; all other 50%
$ 500	$ .404	— 3.7%	+ 3.1%	+ 85.9%	— 1.2%
500	2.027	— 3.2	+ 5.8	+ 79.6	— 0.8
500	4.205	— 2.7	+ 8.9	+ 69.9	— 0.4
500	8.731	— 2.7	+ 13.2	+ 60.5	— 0.0
2,000	.404	—13.0	— 6.3	+ 65.9	— 4.4
2,000	2.027	—11.4	— 2.6	+ 62.2	— 3.2
2,000	4.205	— 9.7	+ 1.7	+ 57.3	— 1.8
2,000	8.731	— 7.7	+ 7.2	+ 49.7	— 0.5
10,000	.404	—33.1	— 33.9	+ 8.2	—12.8
10,000	2.027	—36.5	— 28.3	+ 9.8	— 9.2
10,000	4.205	—32.5	— 22.2	+ 11.2	— 5.5
10,000	8.731	—27.8	— 14.5	+ 11.5	— 1.5

Exhibit "B"

Corresponding results obtained under plan disapproved by New York Insurance Department in 1917

Premium for individual risk	Manual rate	Debit (+) or Credit (—) per cent. of Manual Rate Case I. Losses: Death $); all other $0	Case II. Losses: Death $10 000; all other $0	Case III. Losses: Death $0; all other $10,000	Case IV. Losses: Death 50%; all other 50%
$ 500	$ .404	—30.0%	— 24.2%	+1964.0%	*+ 0.2%
500	2.027	—30.0	— 1.4	+2051.4	*+ 0.6
500	4.205	—30.0	+ 41.8	+2551.6	*+ 8.8
500	8.731	—30.0	+113.4	*+2860.8	*+15.8
2,000	.404	—30.0	— 28.6	+ 429.5	*+ 0.1
2,000	2.027	—30.0	— 22.8	+ 495.5	*+ 0.5
2,000	4.205	—30.0	— 12.1	+ 593.2	*+ 8.8
2,000	8.731	—30.0	+ 5.9	+ 671.2	*+15.7
10,000	.404	—30.0	— 29.7	+ 45.0	+ 0.1
10,000	2.027	—30.0	— 28.5	+ 53.9	*+ 0.5
10,000	4.205	—30.0	— 26.4	+ 72.3	*+ 9.0
10,000	8.731	—30.0	— 22.8	+ 85.2	*+15.7

*Effective 50%.

GOING TO SAGINAW

W. E. Robertson, who was formerly in charge of the accident and health department of the Massachusetts Bonding in New York, will go to Saginaw in the near future to become superintendent of the Company's commercial accident and health department as of July 1. Mr. Robertson terminated his connection with the New York office some months ago on account of ill health, but has since regained his old time strength and vigor and is more energetic and enthusiastic than ever before. His friends are predicting for him a fine success in the new work.

NO MORE $50,000 VERDICTS

Harry A. Mackey, chairman of the Workmen's Compensation Board of Pennsylvania, yesterday sent a letter to Director General of Railroads William G. McAdoo, asking that he direct the various operating railroad companies to waive the defense of interstate commerce in cases involving injuries and allow them to be settled by the workmen's compensation board, instead of being fought out in the courts as is now the case.

F. E. Wilkens, manager for the Commercial Casualty in New York, is taking a vacation trip West.

THE TRAVELERS
INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

STATE SCHEME HELPED WAR

Germany's Insurance System Resulted in Binding Socialist Party to Junkers

How the medical profession would fare should compulsory State health insurance become a reality is explained by Dr. Edward Oschner, a noted Chicago surgeon, as follows:

"Take the city of Danville, Ill., for instance: Every physician will be given a chance to join the panel. If he declines, he will be out absolutely as far as practice among the wage-earners is concerned. If he goes on the panel every move he makes must be approved by the officials and he must do the work at the prices fixed by the Commission.

"I am opposed to the system because I have seen it in operation in Germany, where it originated, and I know that it has played an important part in bringing about the present world war. Had it not been for compulsory health insurance and old age pensions, the German war party could not have controlled the Socialist vote in the Reichstag and without the Socialist support there would have been no war.

"I warn you men, that if you introduce compulsory health insurance in this country, you will give autocracy a firm foothold in the land of the free. It may come in the guise of democracy, but it will be autocracy nevertheless.

"My observation and experience in Europe, my study of monarchies and my life in this free country, have given me a passion for democracy—and my ideas on this question were fixed long before the war. Autocracy has produced mass efficiency at the cost of self-reliance, individualism and independence."

CLAIM MEN ACTIVE

Attendance was good at the recent meeting of the Accident & Health Claim Association of New York. Hermann Greinert, chief adjuster for the Fidelity & Casualty, and his five assistants, joined in a body. There were a number of other admissions. The association has adopted a neat membership card. Papers were head on "The Adjustment and Settlement of Personal Accident and Health Claims" by Ralph Marden, chairman, and on "Co-operation in Settlement of Claims as Between the Stock Companies and Traveling Men's Associations," by Thomas Collman, of the Commercial Travelers Mutual Accident Association of Utica.

The first honorary membership was voted to Charles D. Whitney, formerly chief adjuster in New York for the Travelers Insurance Company. The association now has 60 members.

TOPFTE NOW AT CORNELL

Peter Topfte, underwriter for the William H. Kenzel Co., and secretary of the agency, is now at Ithaca, N. Y., where he is attending the Cornell Aviation Training Station.

CASUALTY AND SURETY POINTERS

Learn What to Say and Say It

Remarking that architects could not sell houses by merely picturing to the prospect piles of lumber, brick, tile, etc., the National Casualty says that the great fault with many agents is that they do not know what to say, or, if they do, they do not know how to say it, adding:

"An insurance policy has to be visualized so that the prospect sees it. He must be shown the outside, inside, roof and basement. He must be shown its comforts and protection. He must be convinced of its true and economic value, and he must be shown without necessity for an apology for having spent two hours to get nowhere on a twenty minute job.

"Make it snappy. That doesn't mean to be gruff and growl it at him. Neither does it mean to bark it like a peppery little black and tan. The snappiness is in the way you put across what you have to say, and the way it gets him. His mind snaps up the good points, even though you put them over in a smooth, soft voice and with a smile.

"The first thing to do is to quietly prove to your prospect that something worth listening to, and the last thing is to prove that he wants to listen. The next thing is to prove that you can say you can tell your whole story so that he gets it all in a very brief time.

"If you are going to try and prove that time is money, and therefore should not be wasted, set a good example. The way to do that is to get your points of argument all lined up. Pick the big, strong ones, just as you would pick huskies for a football team. Assemble your arguments with the idea of smashing all defenses. Rehearse them until you know them. Have plenty so that you can vary your plan of attack. Search out the weak spot in your prospect, then pick out the arguments to fit it, and put them over with a punch.

"Salesmanship is an art, and if you want to succeed, don't be a rambling, gabbling interviewer. Learn your game, drill on your arguments, go to it with confidence, and make it snappy."

* * *

Selling Arguments From Chicago

The accident and health insurance agent has a most telling argument to present to his prospect why he should carry the limit allowed by the company, says the Chicago Bonding & Insurance Co. The increased cost of living has so reduced the purchasing power of the dollar today as compared with four years ago that the wage-earner who can set aside a reserve out of his salary to provide for the time he is disabled on account of accident or illness is in the minority.

The fire insurance companies are conducting campaigns of advertising, calling the attention of property owners to the increases in values and showing that fire insurance adequate to cover values a few years ago is totally inadequate now. This applies to buildings, stocks of goods, household furniture, etc.

A few years ago a man who had a policy providing $25 weekly indemnity felt that that was ample to meet his extra expense in case of accident. Owing to the increased cost of living it is not sufficient today.

In the monthly premium department of a company, the burden perhaps will fall more heavily. The policyholder who might have thought $50 a month was adequate a few years ago should carry enough insurance to give him $70 a month indemnity at present. The need of additional protection should be driven home. The agent who is not presenting the conditions to his policyholders is not furnishing the best service. It needs no statistics to show how everything has gone up in price. Everybody realizes it and has the fact confronting him all the time.

* * *

Good Business Going to Waste

A good lick is gotten in for the health and accident business by the Standard Accident which says in the "Cog":

"The insurance office that pretends to be a good, big live office today, that does not use the accident business to help grind out the agency profits, is as far behind the times as is the old 'prairie schooner.' Wake up and get up to date before the other fellow gets to it first. Put in that new profit building machine—the accident department—and give the people in your home town a chance to buy and build for you. After the thing is under way you will wonder how in the world you ever got along without it. You can't do business today in the same old way. People are demanding accident and disability protection. If your office has not the machinery to go out after that line the fellow on the next floor will get the profit. This is not a side line any more. No, that was in the days gone by. The modern man likes the modern things, and what is more, he will have them. If you fall down in the producing end your office and your company suffer because you are not up-to-date.

"One general agent of the company, who six years ago had less than $9.000 in accident premiums, produced over $30,000 in that line in 1917. Another who had $5.900 in premiums in 1907 paid for over $44 000 in 1917. Another who had $11,000 in 1915 produced $51,000 last year. Another with less than $5,000 two years ago gave $21,281 last year."

Killed Cranking Car

(Continued from page 20)

ticiple "riding." All that was necessary was that the insured be, when injured or killed, "in or on" one of the conveyances mentioned.

Street Car Precedents.

The court stated that there were numerous cases which held that a person was in or on a street car while getting on or off such a car, but such cases continue the protecting rule only so far as it covers the time between the instants at which the insured has actually connected himself or disconnected himself from the vehicle or conveyance.

There was no question but that, if the provision of the policy was ambiguous, such provision should be construed most strongly against the company and most liberally in favor of the insured; but the policy contract in this case was not ambiguous, according to the statement of the court, and such ambiguity as was urged by the plaintiff arose wholly from the insistence of the plaintiff that strange words which did not appear in the policy be interpolated therein, and then that upon the policy, as amended by this interpolation, a construction be put which the court constrained itself to consider unwarranted. It, therefore, concluded that the insured when he sustained the injury which caused his death was neither "in" nor "on" the automobile within the plain language and meaning of the policy.

HALF PAGE W. S. S. AD.

A half page War Savings Stamp advertisement, written and paid for by the U. S. Fidelity & Guaranty, appeared in the Baltimore "Sun" on Saturday.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE CHICAGO

F. W. LAWSON General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

F. J. WALTERS Resident Manager 55 JOHN STREET New York

Elmer A. Lord & Co 145 Milk St., Boston Resident Managers New England

Established 1869.

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

Service of Quality to Policy Holders

Contracts of Superiority to Representatives

THE NATIONAL of DETROIT

Eastern Dept. 100 William St. New York

Western Dept. Pacific Bldg. San Francisco

Northwestern Dept. Palace Bldg. Minneapolis

LIABILITY DEPARTMENT

Continental Casualty Company

H. G. B. ALEXANDER, President

is now ready to negotiate agency connections covering all lines of Workmen's Compensation, Liability, Automobile Insurance in the following New Hampshire, Vermont, Iowa and portions of Michigan, Indiana, Wisconsin and New York.

Also in the various Provinces of the Dominion of Canada

Premiums written 1917.....$5 500 000

Assets over 3,000,000

Address Agency Department 910 MICHIGAN AVENUE, CHICAGO

Assisting Owners

(Continued from page 20)

verse them. The slightest film of grease or mud on such surfaces presents a very dangerous condition. This condition is sometimes guarded against by the use of sawdust. Only in certain locations where such floors can be maintained in a practically clean condition at all times should they be permitted. The cleansing of these surfaces is a matter that should receive the careful attention of those responsible for building maintenance. Soap powders frequently used, contain an element of grease that clings to the floor surface, and is not removed merely by water and rubbing. Special cleansing materials of several makes, but all of an abrasive nature and with a minimum of soap are available and should be used so as to leave the floor in a clean, non-slippery condition.

Rubber, cork, asphalt mastic, travertine, and various other materials have their desirable uses for flooring under favorable conditions. When dry and protected against oil, grease, soapy water, etc., their use is not unsatisfactory.

Steel treads, floor plates, trench covers, elevator door saddles, drainage gratings, coal hole covers, etc., are but a few specific examples of the most common and vicious forms of slipping hazards. Corrugations or other structural irregularities in such metallic tread surfaces do not make them anti-slip.

Every tread surface of cast iron or steel constitutes a dangerous hazard unless there is embodied in the wearing surface thereof, an effective, durable anti-slip element, such as carborundum or alundum grit. Only when this abrasive grit is embedded at the time of casting, is a durable and effective anti-slip tread obtained.

FESTER & FOLSOM, INC.

UNITED STATES MANAGER

123 WILLIAM STREET, NEW YORK

present the following statements of the condition of the fire reinsurance companies represented by them as shown by official reports of the New York Department after their recent examination.

UNION & PHENIX ESPANOL INSURANCE COMPANY, MADRID, SPAIN

STATEMENT AS OF DECEMBER 31, 1917

Assets		
Railroad Bonds	$ 533,040.00	
State and Municipal Bonds	882,890.00	
	$1,415,930.00	
Premiums in course of collection	117,040.72	
Interest accrued (on Bonds)	20,537.45	
Cash in Bank	511,116.83	
	$2,064,625.00	

Liabilities		
Reserve for losses		$ 284,173.27
Reserve for Unearned premiums		1,333,764.73
Reserve for taxes		16,395.63
Reserve for expenses		27,034.44
Deposit Capital	$200,000.00	
Surplus	203,256.93	403,256.93
		$2,064,625.00

NORTHERN INSURANCE COMPANY, MOSCOW, RUSSIA

STATEMENT AS OF JANUARY 31, 1918

Assets		
Bonds	$1,064,270.00	
Premiums in course of collection	203,870.56	
Interest accrued	16,724.33	
Reserve held by Canadian branch of ceding Company	1,102.60	
Cash in Bank	261,076.78	
	$1,547,044.27	

Liabilities		
Reserve for losses		$ 333,846.94
Reserve for Unearned premiums		546,169.54
Reserve for taxes		7,735.20
Reserve for expenses		11,116.21
Re-Insurance premiums		238,078.10
Deposit Capital	$200,000.00	
Surplus	210,098.28	410,098.28
		$1,547,044.27

WARSAW FIRE INSURANCE COMPANY, WARSAW, RUSSIA

STATEMENT AS OF DECEMBER 31, 1917

Assets		
State and Municipal Bonds	$ 640,490.00	
Premiums in course of collection	75,186.23	
Interest accrued	7,892.47	
Cash in Bank	303,083.13	
Reserve held by Canadian Branch of ceding Company	1,146.58	
	$1,027,798.41	

Liabilities		
Reserve for losses		$ 126,025.62
Reserve for Unearned premiums		532,866.39
Reserve for taxes		6,500.00
Reserve for expenses		14,472.53
Deposit Capital	$200,000.00	
Surplus	147,933.87	347,933.87
		$1,027,798.41

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 26 | NEW YORK, FRIDAY, JUNE 28, 1918 | $3.00 a Year; 25c. per Copy

"WORK OR FIGHT" STATUS OF INSURANCE

Agents and Brokers Will Undoubtedly Be Declared Engaged in "Essential Business"

NOT ON NON-PRODUCTIVE LIST

However, Not Much Encouragement Will Be Held Out to Part-time Men

(By Tel. to The Eastern Underwriter)

Washington, D. C., June 26.—Insurance agents and brokers will no doubt be declared to be engaged in an essential business in event the Provost Marshal General is called upon to make a formal ruling. This information was furnished today to Congressman Knutson, of Minnesota, who was informed that no ruling had yet been rendered.

Washington, D. C., June 25. (Special Correspondence.)—While there have been no instructions sent out from the office of the Provost Marshal General regarding men engaged in any branch of work in the insurance industry, as regards their standing under the "work or fight" regulations, it is understood that such cases are to be left to the discretion of the local boards until a formal ruling is made.

In issuing the instructions to local boards, it has been the underlying thought of the Provost Marshal General that the men to be classed as in non-productive work are "those whose work can be done as readily by women."

Agents' and Brokers' Work Cannot Well Be Replaced by Women

Insurance brokers and agents, however, it is felt, are doing work that can be done only by men who have special aptitude for the work and who have been specially trained. While much of the clerical work of the insurance offices can and is being performed by women, the actual selling of insurance, known to be one of the most difficult propositions to handle, can only be successfully handled by experienced and qualified men.

So important is the insurance business, life, fire and casualty, that the Government is somewhat averse to taking any action that would militate against its effectiveness. While the

(Continued on page 19)

Conflagration Proof

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

Underwriting Capacity Second to None.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, War Risk, Explosion, Sprinkler Leakage, Use and Occupancy

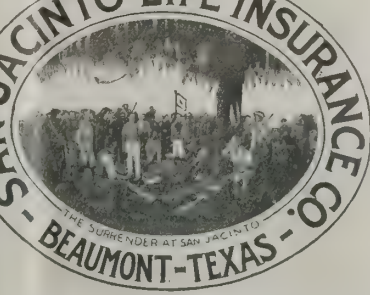
Security
Assets ample for all obligations.

Service
Expert advice on insurance problems.

UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

To the Man Who is Willing—and Will

SAN JACINTO LIFE INSURANCE CO. - BEAUMONT-TEXAS -



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

THE GAUVIN AGENCY

THE PILOT POLICY

BEST'S CHALLENGE TO LINCOLN COMPANY

Wants Bankers Life, of Nebraska, to Name Commissioners Praising Its War Clause

INSURANCE AT "EXACT COST"

Company Official Says Its Clause Has Been Called Fairest and Most Equitable Plan

The attitude of the Bankers Life of Nebraska respecting death claims under soldiers and sailors insurance is the subject of a long article in "Best's Life Insurance News" for June 1. It is the plan of the Company to pay, in case the policy while in force becomes a claim by reason of the death of the insured while in military service, the amount of the cash surrender value appearing to the credit of the policy on the Company's books and the final settlement with the beneficiary will be deferred until after the war is over. Within one year after the signing of the treaty of peace the Company agrees to investigate these policies which have become claims, and when the additional expense to the Company because of military service has been determined the final settlement will be made with the beneficiary "on a basis that will guarantee the insurance to the insured at the exact cost to the Company."

Says Commissioners Have Praised Plan

The treasurer of the Company in a letter says:

"Our war permits are on file with the commissioners of every State in which we are doing business. Many of them have gone so far as to say that it is the most fair and equitable plan that has come to their attention."

Mr. Best retorts: "It would be interesting if the treasurer of the Company would name the particular commissioners who have subscribed to the equity of the plan adopted by the Bankers Life of Lincoln."

War Risk Adjustment Resolution

A resolution passed by the Bankers Life of Nebraska relative to adjustment of war risks follows:

"Whereas, Our country has enlisted in the world war, and numerous policy holders of the Company, obedient to duty and patriotic impulse, have entered or will enter the service of the country as soldiers and sailors for the vindication of human rights and the honor of our flag, and whereas, the Company is desirous of extending to them and their dependents the fullest

measure of benefits under their policies of insurance, consistent with an honest administration of the trust funds in the hands of the Company for all of its policyholders.

"Whereas, All policies now issued or heretofore issued by the Bankers Life Insurance Company of Nebraska contain a clause providing that the same shall be void in case of military or naval service in time of war without the written consent of the Company; whereas, all of the policies of the Company are on preferred risks, and one of the conditions of the policies is that the extra hazardous risk of war is one not covered by the policy or charged for in the premium; and whereas, the funds of the Company are trust funds, which cannot be diverted from the class of preferred risks to pay extra losses incurred in a class of extra hazardous risks; and, whereas, because charging extra premiums to cover the war risk too often results in a total denial of protection to those who though not having sufficient means to pay the extra premiums, need the protection most, it is the intention of the Company to maintain the policies of those who obtain permits to engage in military or naval service in time of war in force at no extra charge for premiums, and to pay upon policies that may, during service in war, become death claims, an amount, after deducting the cost of such extra hazard, which will produce the insurance to the insured at its cost to the Company.

"Whereas, Permits are being issued by the Company with limitations on the liability of the Company, as in such permits set forth and specified.

"Now, therefore, Be It Resolved, That on or before the termination of the first complete calendar year subsequent to the date of the signing of a treaty of peace by the United States, ending the present war, an investigation shall be made by the actuarial department of the Company to determine the extra cost of the Company's war experience, and, if from such investigation, it should appear that greater benefits equitably belong to the policies, which have become claims through death in the military or naval service thus consented to than provided for in such permits, the Company shall add to any settlements for deaths theretofore made under such policies, any such benefits equitably belonging to such policies or to the beneficiaries thereunder, thereby giving to that class, their insurance at its cost to the Company. To this end the actuary shall, as far as possible, segregate the regular preferred risks from the war risks and compile the Company's experience separately."

Letter Comments on Plan

The plan of the Company is described as follows in a letter signed by a Bankers Life official.

"Dear Sir:

"We are in receipt of your letter in regard to your policy should you be drafted into the service. Service in the army or navy in time of war without the consent of the Company voids the insurance. We are giving our consent by furnishing permits for the signature of those who enlist. No charge is made for the permit and no increase is made in the premium rate, but premium payments continue on the old rate as before.

"When you return from the service, if in reasonably good health, the permit will be cancelled and premium payments will continue as before. When the policy matures there will be paid all of the cash surrender value including all the surplus apportioned to a policy of its class.

"In case your condition is such, that the permit can not be cancelled, on your return from the service, you will be allowed to retain the permit and continue payments on the old rate as before, so that if in this condition the policy is brought to maturity there will be paid the full cash value and all the surplus apportioned, nothing being deducted on account of the permits.

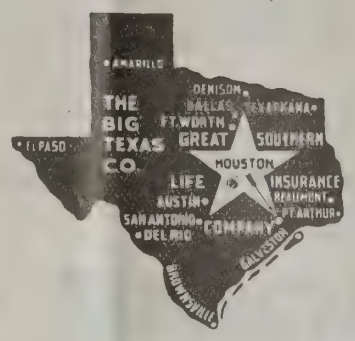
"All companies realize the fact that there will be an increase in the cost of insurance due to military or naval service. Other companies are collecting an extra premium in advance on account of military or naval service, ranging from $37.50 to $250.00 per year. Most of them, however, are charging $100.00 extra premium per annum per thousand.

"We believe that this plan of charging an advance premium in addition to the regular rate will work a hardship on the enlisted man, and in many instances would force him to give up the protection. This Company appreciates the fact that there will be an increase in the cost of carrying these risks, but we do not believe that any one can say in advance what the extra cost is going to be and that no one will be competent to name an adequate premium rate until after the war is over, and all the claims are in and can be audited. And therefore it is the plan of this Company to pay in case the policy while in force becomes a claim by reason of the death of the insured, while in military service the amount of the cash surrender value appearing to the credit of the policy on our books and the final settlement with the beneficiary will be deferred until the war is over.

"We have agreed within one year from the time of the signing of a treaty of peace to investigate these policies which have become claims, and when the additional expense to the Company because of military service has been determined, the final settlement will be made with the beneficiary on a basis that will guarantee the insurance to the insured at the exact cost to the Company."

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

WANTED

By an old established Life Insurance Company

A Manager for the State of Connecticut

If you can prove

(1) That your record will bear very close investigation

(2) That you are an A-1 producer and organizer

a very attractive proposition can be offered.

Address with full particulars

CONNECTICUT

c/o The Eastern Underwriter, 105 William Street, New York City, N. Y.

Predicts U. S. War Risks of 30 Billion

DARWIN P. KINGSLEY'S ESTIMATE

No Social Development in Generations Compares Either in Achievement or Significance

Darwin P. Kingsley, president of the New York Life, received so many letters and telegrams congratulating him upon the eleventh anniversary of his election to the presidency of the Company, that he voiced his appreciation in a letter to Grenville Howard, editor of the Company, which letter is communicated to the agents. Of the New York Life's seven presidents only two, Morris Franklin and John A. McCall, have served longer. Mr. Franklin held the office for thirty-seven years, and Mr. McCall for fourteen years.

Two Great Events

Mr. Kingsley in the letter says the present officers have lived in a period marked by two prodigious events—considered lifeinsurancewise. They are:

1st. The culmination of the criminal ambitions of Germany which has shattered the fabric of international relations and undone the work of centuries.

2d. The adoption by our Government of the principle of life insurance as the only effective device by which we can do something approaching justice to our soldiers and sailors and their dependents.

In discussing these events Mr. Kingsley says:

"By the cataclysm of a world war the bold program of private life insurance was halted internationally and the fabric it had built between sovereign states was shaken.

"By the action of our Government, made necessary through our entrance into the war, life insurance has been exalted and its economic soundness and necessity forever established in public opinion.

"Already the Government has over $15,000,000,000 of outstanding insurance, and that total, inside two years, may well be swelled to $30,000,000,000.

"No social development in generations compares with this either in achievement or significance.

"It is a fact that this Company has had a distinguished part in establishing the public opinion which approves, if indeed it did not demand, what the Government is doing. The achievements of the New York Life make a story of which we have a right to be proud.

"To be congratulated by so many of my fellow-workers on the completion of a period of great growth and usefulness in the development of that story is more than pleasant; it is inspiring."

RE-ELECT J. E. DURNHAM

J. Edward Durnham was elected president of the Penn Mutual Life Insurance Company agency association at its annual convention at Atlantic City last week. Other officers elected were as follows: Vice-presidents, Hugh L. Willett, Atlanta, Ga.; Joseph Harrison, Denver, Col.; secretary, James C. Biggert, Pittsburgh; assistant secretary, I. W. Iredell, Cincinnati, and William Morton Bunting, Boston, treasurer.

A DETROIT RECORD

The Detroit Life Underwriters' Association, of which Manager H. B. Salot, of the Guardian Life, is president, has made a remarkably good showing in the Liberty Bond and Red Cross campaigns; the record being:

First Loan	$1,400,000
Second Loan	1,600,000
Third Loan	2,298,000
Red Cross campaign	629,416

Rosen's Commissions Over $500,000 in 1917

OFFERS NEW DIAMOND MEDAL

Appears at Wallis New York General Agency Meeting, Fidelity Mutual Life

F. A. Wallis, of F. A. Wallis & Co., general agents of the Fidelity Mutual life in New York City, and Deputy Police Commissioner of New York City, was host at a luncheon to one hundred agents and brokers on Monday noon, at a meeting when the Company's "Income Contract" was illustrated from new angles. The Company has been usually successful with this contract, and considerable business in the metropolis is written on this form.

Rosen's Gift Offers

Harry B. Rosen, of the New York Life, who gave the Wallis agency a million in paid for business last year, made a talk. Mr. Rosen never appears before a body of life insurance men nowadays without offering them some incentive for new business, and he offered two gifts this time. One was a diamond medal for the agent writing the most business in two months; and also a prize for the woman agent who sells the most War Savings Certificates. He has sold as many as $100,000 of these certificates a month, and never sells less than a $1,000 certificate. He also offered the agency $500,000 in paid-for business if the other agents would write an allotment to be made later by Manager Wallis.

Tribute to D. P. Kingsley

While on the subject of production Mr. Rosen confided that shortly before the date of the eleventh anniversary of Darwin P. Kingsley as president of the New York Life he said he had gone into that gentleman's office and told him that he intended upon each anniversary date to give President Kingsley applications corresponding in number to his anniversary date. Accordingly, he appeared with eleven applications for nearly $800,000. On the next anniversary he said he would write twelve applications..

There has been much talk as to the amount of money made by Mr. Rosen last year in commissions. It will be recalled that he paid for $12,200,000. In front of Mr. Rosen Mr. Wallis said

"This man made in life insurance last year more than $500,000 in commissions. He came here a poor boy. It just shows what can be done in life insurance."

"I wish that the income tax man thought that was all I made," was Mr. Rosen's comment.

P. F. Huff a Speaker

Perez F. Huff, general agent of the Travelers, told about his early experiences in the business, and about his ambitions. He reiterated his belief that inside of five years he would be producing $25,000,000 a year in his agency. All he needed was one hundred men writing $250,000 a year apiece.

Mr. Wallis told the agents and brokers present that they should never talk of death to the prospect. "You can't insure a man by keeping before him a picture of a hearse, or mourning, or a cemetery," he said. "Be cheerful; tell what the Company will do for him when he is alive, not after he is dead."

Representing the Home Office at the meeting were Secretary Charles G. Hodge and R. S. Tull.

INSURED THE JURY

Little Rock Agent Kept Working for His Company While in the Court House

Manager J. B. Binley, of the Guardian Life in Little Rock, Ark., sends the following story of a live agent:

A few years ago the general agent of a life insurance company was called upon the petit jury in one of the New Mexico districts. He sought to be excused from service on the plea that he was too busy writing insurance to give his time for $2 per day.

The judge advised him to give people a rest for a week while he performed his public duty. The first jury upon which he served appeared for a long time to be unable to agree. Finally an agreement was reached, and when the jury was at last excused the agent showed the judge applications for insurance signed by each of the other eleven members of the jury. On cross-examination by the judge, he admitted that he had held out against the other eleven all night until he had procured their applications. This gentleman is now ready to serve on any jury, but his reputation as a "holdout" serves to protect him against further demands upon his time.

MIRIAM SACHS WINS

In response to the prize offer made in Items for December 22nd for the best Christmas insurance story, illustrating the picture, "The Breadwinner," a number of excellent stories were submitted.

The prize contest committee, consisting of Messrs. E. E. Rittenhouse, W. J. Graham, and L. C. York, without knowing the identity of any of the competitors, awarded the prizes as follows:

First Prize—Miss Miriam Sachs, of New York.

Second Prize—W. T. Hilton, of Pueblo, Colorada.

BRITISH WAR RISKS

American Soldiers' and Sailors' Insurance Plan Not to be Adopted by Great Britain

The following questions and answers in the British Parliament are printed in the London newspapers reaching America this week:

Question: The Prime Minister was asked whether the American Government have instituted a scheme for insuring all their men serving in the navy and army; and, if so, could he say what the conditions of that scheme are and whether it could be applied to our own sailors and soldiers?

Answer: I am aware that the United States Government have instituted an insurance scheme, but, in view of the pension schemes which have been adopted in this country, I do not think that a scheme of this kind could now be adopted here.

Asked: Is not this scheme much more favorable to the men than the schemes in this country?

Answer: I think we must judge as to what it is possible to do by our own position. I think the House is always inclined to be generous in this matter.

Asked: Would the Prime Minister look into the point as to the lapsing of these men's policies and in view of the small amounts payable, consider whether or not it is possible for the Government to insure them?

Answer: That is really another question, of which I shall require notice.

June is "Jackson Month" with agents of the Security Mutual. It is a tribute to the Company's Superintendent of Agents.

The National Life of Butte, Mont., has been absorbed by the International Life.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President — Home Office: NEWARK, N. J.

Brewster & Co. Get Maryland Assurance

MANAGERS FOR THIS TERRITORY

Herman J. Bauridel, Manager of Life Department—Brewster Office 5½ Years Old

The Maryland Assurance Corporation has appointed J. N. S. Brewster & Co., Inc., general agents of the Company in Greater New York. The management of the department will be under the supervision of Herman J. Bauridel. Mr. Bauridel is a capable young insurance man whose experience has been with the Phoenix Mutual and the Travelers and has a large acquaintance in the city. The Maryland writes all forms of non-participating, and is rapidly building up a good agency plant.

The Brewster office is one of the insurance phenomena of this city. Its growth has been almost sensational as the corporation is only five and a half years old, has its own building at 42 Cedar Street, and large offices at 55 Liberty Street

The president of the corporation is J. N. S. Brewster, who for a number of years was in the commission dry goods business. He had been successful advancing commissions to mills until the second Cleveland administration when the tariff situation so unsettled conditions and upset values that many of the mills were put out of business for a time. Life insurance attracted Mr. Brewster and he went with the Massachusetts Mutual where he became a general agent and large personal producer, not only for the Massachusetts Mutual, but for other companies as well. His son, J. N. S. Brewster, Jr., who had been in the advertising and banking business, joined him as an agent, and after a time induced him to enter the general insurance business. They began in half an office, then got an entire office, then two, later three offices and finally the third floor of 55 Liberty. There was no stopping this office, which rapidly outgrew these quarters and the corporation moved into its own building in addition, as has previously been stated. The first company for which an agency was secured was the Alliance.

Large Auto Business

From the start the office did a large automobile insurance business and to this was soon added an accident and health and then a liability department. Among the companies now in the office are the Newark, Continental Casualty, Caledonian, Pacific Mutual, Pennsylvania Fire and Alliance. The office is general agent for the Continental and also has the complimentary title of general agent for the Pacific Mutual. Mr. Brewster's sons, J. N. S., Jr., and C. S., are his chief lieutenants. About fifteen men from the office have gone to the war.

Asked for an explanation of the success of the office, J. N. S. Brewster said: "We know the insurance game in all of its angles, and believe in fair treatment of our companies as well as our assured."

TRY THIS ARGUMENT

It is generally agreed that a man should carry enough life insurance to cover his liabilities. If your prospect admits this, yet carries only a small amount of life insurance, ask him upon whom does the responsibility rest for the future support of his children, their clothing, food, education, etc. Is not that responsibility a liability?

You can possibly use this argument to splendid advantage, ornamenting it with your own language, your own enthusiasm, and your own personality, and upon your tactful presentation of the suggestion will depend the success achieved.—"The Equiowa."

Agency Building Through Man Building

By John E. Murray, Penn Mutual Life

Read at Penn Mutual General Agents' Meeting in Atlantic City

The beginning and the end of a successful life insurance agent is a man. Not simply a biped clothed in trousers, but a man. The center of a man is his character, his real inner self. This central abiding, radiating, dominating self is what he really is; reality, not a veneer coated with shellac, but the solid stuff. This is spiritual, not material, not what can be weighed and measured by pounds or inches, but that unseen and invisible center that dominates the whole man, and for want of a less used and much misunderstood word, let us call it character. The finding and developing of this is where the building of an agency must begin. The value and availability of a life insurance agent is determined by the spiritual qualities; spiritual not in the narrow sense of the word, but as defining those elements of character that have to do with the thinking, feeling, and willing qualities of the man.

The Ideal of the Agency

The ideal of the agency must be to build stronger, keener, better men; men with clear vision, noble purposes, dominating power. A Spartan king was once asked, "Where are the walls of your kingdom?" Pointing to his soldiers, he answered, "These are the walls of Sparta—every man a brick." So every agency must be able to point to its corps of salesmen and say, "These are the source of my strength."

Qualities That Make For Strength

The same qualities that make for strength in any line of work, are the qualities we are seeking for in life insurance agents. They have been enumerated so often, every high school student knows them by name, and yet men only half believe that certain things in character are the very foundations of success, and keep trying to succeed in some easier way. High ideals, sincerity of purpose, honesty, unselfishness, faith. These are elements a man must possess. This thing is of inestimable value to a young man in business life—to know just where he may be found, what influences are controlling him—are questions that have more to do with his standing than anything else. He may make a success of business without brilliant attainments. The men who are doing the bulk of the world's work today are men of moderate attainments. He can get along without capital, except what he can earn. The masters of the financial world started on their own resources. But the one thing he cannot get along without and reach any permanent success is character. The power to stand for good, the power to resist evil, that is the measure of his worth and the standard by which he will be judged, both here and hereafter.

Proper Material

The selection of the proper material for our agencies is as we all know, not an easy task. It might be easier perhaps could we choose the grandfathers and fathers of our salesmen. We have been too much in the habit of taking what drifted to us looking for an easy job, instead of going out and picking the man who has already somewhat developed the qualities that make for success. More and more we must pick for our work the winners, rather than accept the drifters. Then we must train.

The developing of man power must be the first aim of the successful agency just as the first and most important duty of the cantonment is the developing of the manhood of the boys who are eventually to become the finished soldiers. It is a long way from a raw recruit to a real soldier. He has learned how to use his tool, defensive and offensive; he has learned how to work with other men; he has acquired esprit de corps or the spirit of unity. He knows that he must fight on his own, but he knows too that he is stronger by every other man fighting the same fight. Every man in a group of fifty, moved by the same big idea, led by one dominating, inspiring personality, will have his power increased unbelievably. "Social psychology" is the name they give this mystic power and whether we know it by its name or not every successful agency builder owes part of his success to its use.

Dependency Upon One's Own Resources

No matter how well born, educated and equipped the man who seeks to enter the field of life insurance salesmanship, he needs and must have the training which the cantonment only can give him, and before he can be considered a finished soldier he must also have been under fire in the first line trenches. That is where the acid test is applied and there only can the final judgment as to his actual ability be passed. Many a salesman has been forever ruined because he has not learned in the very beginning of his life insurance work to depend upon his own resources of initiative and originality. A man must go over the top alone in the life insurance contest. The first line man who waits for the reserves, is lost. The mastery of difficulties means inevitable conflict. In every field of human endeavor the road to success is beset with obstacles involving combat and contest, and the man who refuses to take the unobstructed by-paths around these hindrances, but pushes forward bravely and persistently to battle them down is the man who will succeed. "Failure" is already written over the career of the man who begins his work by a search for an easy road, and conversely, "success" for the man who chooses to do the hard things and spurns to engage in the easy undertakings that just anyone might accomplish. Just here I am reminded of the story of a mentally defective negro who once shaped some of the clay on the river bank into the outlines of a man. He left his work unfinished and before he returned the clay figure had been washed away by the rising river. In despair he looked up and down for the lost man. Just then a stranger appeared, and the negro, thinking he had discovered the solution of his problem, exclaimed "What for you go off 'fore I finish you?" Too often our men "Go off" before they are finished, refusing the discipline and training that would qualify them for success. There is failure somewhere. Is it in the quality of the clay or in the skill of the molder?

Ideals and Faith

High ideals and faith I said a man must possess. These imply vision, the power to see, beyond the material things. To make money is worth while, but it is not the real reward of the agent. It is my personal opinion that unless a man can be made to see the value and absolute necessity of certain fundamentals in our work, we might as well save our time and effort, for he will never make an essential part of an agency. If success in its true sense cannot be visualized for him as "The pearl of great price" so that he may be willing to pay no matter what the cost, he never will become a leader. Unless a man wills to succeed to the point where he will work any number of hours, give up any pleasure, subject himself to any hardship, for the sake of winning the one big thing, he will never arrive. I have said to many young men in my own personal experience, "If you can succeed in a large way by working six hours a day, well and good, but in heaven's name, if it takes fourteen hours to do the thing, do it." Too many men are satisfied with a batting average of 70 instead of 100. A friend of mine brought this point forcibly to my mind recently by the story of a boy who had secured a position in a Cleveland factory through the influence of his father. After a couple of months the father made inquiry as to how he was succeeding and to his sorrow found that he was about to be let out, because he had been doing 70% work. My friend said that the habit of "Getting by" with 70% in school and college, and being satisfied with getting by at that price, was responsible for his failure, and I believe he was right. That margin of 30% is the "No man's land" between success and failure.

The Real Heart-break

The real heart-break in agency building is to see the men who have every incentive to work, every reason for using every ounce of energy, deliberately frittering away time and strength because of an utter lack of appreciation of the fundamental things. Many a man possessed of all the attributes for a splendid success fails because he cannot or will not see the vision.

There is no field of endeavor where slipshod work is attended with such disastrous results as in ours, for while life insurance is distinctly a business proposition it is so linked with sentiment and the spiritual that anything less than the best work marks a man at once. A real life insurance man is a leader in his community. A make-believe is a bore and a pest. Which kind shall we be? Which kind shall we train? Personally I would rather lead to true success in life insurance a group of men who have made themselves worthy of it than to do anything else I know. To do this is to set in motion forces for good that cannot be measured, and because it offers such opportunities for service to men, I shall be alert to guard the port of entry to it, and shall put only worthy men in. I shall also do all in my power to get the unworthy out. The field is too fair for the despoiler.

Miss Elizabeth Shepard, daughter of Charles E. Shepard, General Agent of the Aetna Life for Connecticut, and Ackley Shove of Fall River, Mass., will be married on Saturday afternoon, June 29, at the home of the bride's parents.

HOME LIFE INSURANCE CO.

(Purely Mutual)

256 BROADWAY, NEW YORK

GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to

GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

A Real District Manager

is wanted for one of the best territories in the most prosperous section of the nation. This is a real opportunity for a first class man.

Write

Bankers Life Company
DES MOINES

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.
PHILADELPHIA

Business Insurance Case Decided

Tennessee Supreme Court Rules Plant Can Collect on Life of Discharged Manager

INSURED'S WIDOW LOSES CASE

Claim That Manufacturer Was Only Entitled to Premiums Paid Over-Ruled

A manufacturing company is entitled to the benefits of a life insurance policy on its general manager, who later severed his connection with the company, and was not employed by it at the time of his death, according to a decision just handed down by the Supreme Court of Tennessee in the case of Wurzburg vs. New York Life Insurance Co. The company paid the money into court and let the contesting claimants fight it out.

The insured was general manager of the Specialty Manufacturing Co., of Memphis, and was for some time its guiding spirit. While he was connected with the business the New York Life issued a policy on his life in the sum of $10,000, payable to the Specialty Manufacturing Co. This policy was secured for the benefit of that company, and while the insured was connected with it and carrying on the management of its business.

Plant Paid Premiums

The policy was issued February 5, 1913, and the manufacturing company paid the premiums up to the death of Wurzburg, which occurred in October, 1917. It appears that others interested in the corporation became acquainted with the details of the business, reduced the salary of Wurzburg, and forced him to sever his connection with the company, which he did in October, 1915. It was intimated that such an event was not contemplated when the policy was issued.

The deceased left a widow and several children, and it was sought to recover the proceeds of this policy for them, except such a sum as would be necessary to reimburse the manufacturing company for the amount of premiums paid on the policy and interest upon such payments.

The Court's Opinion

It was said that after Wurzburg severed his connection with the manufacturing company, the company had no further insurable interest in his life, and that as to the company the policy became a mere wagering contract and the company was only entitled to be reimbursed for the premiums which it had paid. There was no question but that the company had an insurable interest in the life of Wurzburg at the time the policy was taken out and while he was continuously in its employ.

In this connection the court said that a corporation was often quite dependent upon the services of particular officers for its prosperity, and under such circumstances the corporation has an insurable interest in the life of such an officer.

Lower Court's Decision Affirmed

The Supreme Court, in affirming the decision of the lower court in favor of the contentions of the Specialty Manufacturing Co., said that since the contract was valid when made, it did not become subsequently invalid when Wurzburg's connection with the manufacturing company ceased. Numerous cases were cited in support of the contentions of the court, one of which was a case where insurance was effected on the life of a husband for his wife's benefit, and prior to the husband's death the wife obtained a divorce. She continued, however, to pay the premiums on the policy until the date of the husband's death. Payment was resisted by the company on the theory that she had no insurable interest after divorce. The court held that the wife's interest in the life of her husband was to be tested as of the date of the original contract, when her interest in his life was that of wife, clearly insurable, the divorce not invalidating a pre-existing valid contract of insurance.

The manufacturing company was entitled to the full amount of the policy for the reason, said the court, that a policy of life insurance was not now held to be a mere contract of indemnity, but was a contract to pay the beneficiary a certain sum of money in the event of death. It followed that if the policy was valid when issued, it remained valid until the death of the insured, and the beneficiary was entitled to the whole of the insurance.

ATLANTIC CITY CANARD

Penn Mutual General Agents Expressed No Fear That U. S. Would Take Over All Insurance

The Philadelphia "Public Ledger" and the New York "Times" both carried stories last week from Atlantic City, in which the statement was made that Penn Mutual Life general agents, attending their own convention at the seashore resort, were fearful that the United States Government would control all insurance after the war. As a matter of fact no such fear was expressed.

A man who was at the convention said to The Eastern Underwriter:

"So far as the discussion of the possibility of the United States assuming control of all insurance is concerned there was not one word on that topic uttered in the convention and of course no action was taken in connection with it. The reporter, whoever he was, had to have a subject upon which to hang some kind of a story, and not being lacking in invention, he hit upon the Federal insurance idea."

ENTERTAIN "BLUE DEVILS"

The Prudential Acts as Host to Picturesque Fighters From the Trenches

The Prudential Insurance Company had the unique distinction of entertaining the famous "Blue Devils" of France from Saturday morning until Tuesday morning of last week. The picturesque veterans have been touring the country under the auspices of the Committee on Public Information. On Saturday the scheduled tour being finished, George Creel permitted the "Blue Devils" to be the guests of The Prudential. The entertainment included luncheons, a visit to a country club and a journey through the Edison plants. There were also W. S. S. parades in Newark and Orange.

DOES WELL IN SMALL TOWN

Miss Georgia B. Cassell, of Belton, Mo., a town of three thousand inhabitants, by persistent and intelligent work, wrote twenty applications in the month of May for a total of $37,000 insurance, eighteen of which were closed on binding receipts. She is with the Equitable Life Assurance Society.

GROUP LIFE INSURANCE

Some Thoughts on Subject by Manager Andrews of The Prudential's Department

In a recent article in a publication of The Prudential, Manager Andrews, of the group department, says:

"Group life insurance is just as essential to the construction of the welfare foundation as the bonus, the wage increase, the recreation-amusement provision, or numerous other departures which all working forces value and appreciate. An employer does not give away neither does he divide his property when he adds the moderate cost of carrying group life insurance to his legitimate business expenses; on the contrary, he is dividing his profits, not his property, and those workmen or workwomen soon come to know that the owners and stockholders are sharing with them some of the rewards of hard work. There is a fitness and a reasonableness about this give-and-take policy to which the officers of our best business enterprises are quite willing to commit themselves. The subjects: 'Co-operation,' 'Profit-sharing' and 'Welfare Development' are taking more than a minor part in discussions in business men's clubs, conventions, gatherings of manufacturers, and the offices and workrooms of large and small concerns.

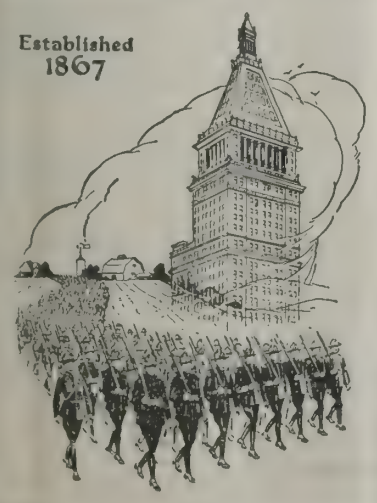
"As group after group purchase coverage, the thought in the mind of the uncovered employer tends more in the direction of the benefits that his employes will derive rather than in the direction of the probable cost, for it is pretty generally known that the cost to the employer will rarely exceed ten dollars per thousand per man. There was a time—but happily, that time has passed—when the installation of group life insurance was looked upon as a benevolent, charitable, or olive-branch undertaking, but in the minds of the majority of employers the cost and the benefits derivable therefrom mean a division of profits among those who have helped secure them, and not a division of property."

W. E. Barton, assistant to C. B. Knight, of the New York general agency of the Union Central, wrote $95,500 in April.

HOME LIFE INSURANCE COMPANY of AMERICA
INCORPORATED 1899
PROTECTION FOR THE ENTIRE FAMILY
This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.
INDUSTRIAL POLICIES are in full immediate benefit from date of issue.
ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State Endorsement.
GOOD CONTRACTS FOR LIVE AGENTS
Executive offices No. 506 Walnut St., Philadelphia, Pa.
BASIL S. WALSH, President JOSEPH L. DURKIN, Secretary JOHN J. GALLAGHER, Treasurer

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

BUSINESS ESSENTIALS

No. 5 — ATTENTION

By JOHN K. WEST

Where do the great agents come from and how do they arise? Is it a matter of just sheer luck or inheritance or what is it?

Every successful agent can answer that question and included in his reply he will tell you that attention is the keynote of his career.

When a captain in the army calls out "Attention" that is the talismanic word that brings his company in perfect order waiting for the next command. We are constantly giving attention to one thing and another. How long we keep our minds on any subject, however, depends on how long we keep our interest at white heat. Attention is a preliminary order. You have constantly all sorts of activities in mind. It you don't believe this, stop right now and find out if you are giving your whole thought and attention to this article or are having a number of other thoughts butting in on your mind.

The Power of Concentration

By attention is meant the directing of the mind to some particular subject and keeping it right there. The power of attention is always with us. It is elusive, however, and goes from one thing to another. It is a sensation emphasized. We attend to various things in which we are interested, golf, bridge, eating, resting, exercising, or possibly the conduct of an insurance agency. All sorts of interests are in our minds when we want to hit the golf ball on the tee for a 250 yard drive, play a sure no-trump hand to a grand slam, sell a $50,000 life policy to the biggest man in town, etc., but when we get down to action there is a reel of moving pictures passing through our minds which has a tendency to change our thoughts from one thing to another or detract our attention from the main show and our interests jump from one thing to another with lightning rapidity.

It is difficult to hold your attention down to routine, every-day business. It all depends on your ability to create in your own mind a feeling of interest in the subject matter.

Once I had a very hard time mowing my lawn, not that it was a big lawn, but I disliked the work. I devolved the idea of arousing an interest in my work by playing it like a game. I mowed against time and now I am always eager for the fray. I put the same element of interest in my work in the garden and I hoe the weeds out against time. A successful manager of agents in Hartford uses an alarm clock to get his men out on the job. When the bell sounds forth every man is supposed to be out of the room and on the job soliciting. The same manager has trained his agents to attend to their own interests of soliciting when they are in the field by actually limiting their interviews to a certain number of minutes, giving so many minutes for the general introduction, a definite time for telling about the Company, another scheduled 10 minutes for explaining the contract which had previously been fitted to the prospect and three minutes for closing. Attention in the old days meant to stretch. It means the same thing today. It will stretch towards anything and anybody once the interest is aroused. Keep your interests right and your attention will take care of itself.

Don't Let Attention Peter Out

Attention will go right down and peter out if we do not keep our mental senses interested. When you are striking a baseball, kicking a football, driving a golf ball or selling insurance, you must by a quirk of the imagination get your mind so much interested in the game you are playing that you see nothing but the objects of your desire. You keep your eye centered on the baseball and see it smashed out for a safe hit, you get your toe squarely into the business end of the football and see it sailing between the goal posts, you keep your eye on the golf ball and don't take it off until after the drive, you look your man full in the face and just below the eyes and tell him your story with enough inspiration and enthusiasm to arouse his attention and when you find other interests, such as pool games, card parties, dances and other games leaking into your mind, drive them out whatever the game is you are playing and stick tight and compel your attention to the given thing.

The ability to attend to things is in some agents intuitive and in others the result of education and it is surprising to some of us to find how quickly we do accomplish habitual acts when we center our attention properly upon them and how slowly we perform the tasks to which we do not give this wonderful power of attention.

Possibly you have annoying things come up during your interviews with your prospects. Many little things slip in and take a great deal of your energy and distract your thought. This is because you do not focus your powers upon the essential thing—because you are not at attention.

One of the most important elements of success in the insurance business is attention. It is one of the most important assets in the business. Our ability counts for little without the powers of attention.

Plan for More Than You Can Do

I recently heard a pessimist defined as one who spoke the truth to an audience who did not care to hear it. Some agents are naturally of the complaining nature; they are fighters not for but against business. They are keen, keyed up to every subject that could possibly be mentioned and eager to explore the paths of any new theory or subject that might be mentioned. They are probably still disbursing hot air. Such agents get an idea that their business is more difficult to conduct than any other and off they go on any tangent that looks interesting. If they put the same amount of energy which they unconsciously spend in splashing around in other lines right into the insurance they are selling they would be more successful.

The agent who will lay out for himself each day a little more work than he thinks he can do and then works on a definite schedule as if there wasn't going to be any tomorrow, and gives strict attention to his plan will soon find he is building a bigger business than he ever dreamed of.

PRIDDY SECOND

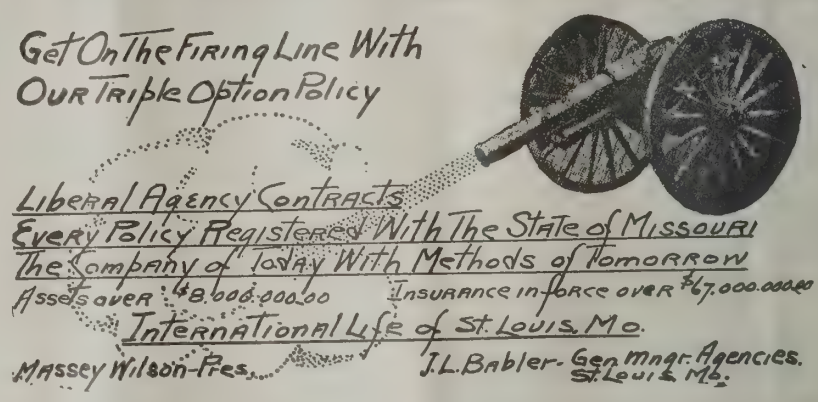
Despite the fact that Lawrence Priddy is traveling thousands of miles in the interest of the National Association of Life Underwriters, of which he is president, he was number two in the list of one hundred leaders of the New York Life Insurance Company for May paid business.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST—LARGEST—STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS



A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

CAN'T NAME AUNT

Even if "Foster Mother" of Soldier She Can't Collect from the Government

Buffalo, N. Y., June 20.

Editor The Eastern Underwriter:

Will you kindly give us your advice regarding a point in connection with the War Risk Insurance? It seems to be the general opinion that this insurance must be made payable to either a wife, child, mother, father, brother or sister, or may be made payable to the estate of the soldier, in which event we understand that in case of death the insurance reverts to the Government.

We have in mind a case of a young man who has enlisted in the service of the United States Army. This young man's father is living as are a brother and sister. His mother died when he was a baby. Then the child's aunt (his father's sister), took the boy without adoption and has raised and educated him without any financial compensation.

In your opinion can this man make his Government insurance payable to his aunt as his foster-mother, and, if he does do so is it likely that in the event of this soldier's death, that the Government would so pay it?

INQUIRER.

Answer: At the present time the insurance would not be paid to the aunt by the Government, although there has been discussion to amend the act increasing the circle of beneficiaries. However, in the Congressional Record of June 17 there were published the most recent amendments to the act. Section 402 explicitly states that "the insurance shall be payable only to a spouse, child, grandchild, parent, brother or sister."

"SPECTATOR" PUBLICATIONS

The Eastern Underwriter has received from the Spectator Company copies of the following new publications:

The Life Insurance Policyholders' Pocket Index.

Pocket Register of Life Associations.

Pocket Register of Accident Insurance.

The Handy Chart of Casualty, Surety and Miscellaneous Insurance Companies.

Ernest H. Cady, payroll auditor of the Travelers, and family of Whitney Street are spending several weeks at Twin Lakes, Conn.

WALDRON HAS MARYLAND

The Bankers Life Company of Des Moines has been admitted to the State of Maryland and has already started an active campaign for business in the new territory, which is under the direction of R. W. Waldron, of Washington, D. C. Mr. Waldron has been general agent for the District of Columbia and now has charge of the State of Maryland in addition to his former territory. The Bankers Life is now doing business in thirty-one States.

Insurance to Cover Inheritance Taxes

is opening new fields to Provident Agents

Men are insuring not only to protect their families and to protect their business but also to protect their estates:

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

Equitable Men To Meet at Asbury

ANNUAL BUSINESS SESSIONS

E. A. Woods' Agency Out to Do $4,000,000 This Month—Century Club Plans

The business meetings of the Equitable Life Assurance Society's club organizations will be held during July. The Eastern Century Club meets in Asbury Park July 9-13.

For several days before that the E. A. Woods Agency, Inc., Pittsburgh, will hold business meetings in Asbury Park. This is the 20th annual Woods Agency meeting. It will be interesting news that this agency set a mark for $4,000,000 for June and is going ahead at its usual pace. H. S. Terbell, formerly of the Home Office, is now private secretary to Mr. Woods in order to relieve him of routine duties so he can give more time to public work. As chairman of the Sewickley Valley drive for the Red Cross his committee raised $175,000, and there were only 8,000 people to work among. He is also chairman of the Civilian Relief of Pittsburgh. The Woods Agency, by the way, will sell $500,000 in W.S.S. stamps this year.

The Southern Century Club of the Equitable will meet at Virginia Hot Springs beginning July 15. The Central Century meets there from July 19 to July 23. The Pacific Century will meet at Lake Tahoe July 29-August 2.

HOW FAMILY WAS WRITTEN

Eight Policies Sold Upon Family Protection and Safety of Investment Idea

H. R. Edmondson, district manager of the Mutual Life at Danville, Pa., was asked by The Eastern Underwriter this week as to the arguments used in the writing recently of eight members of one family. He said:

"The principal arguments used in writing the Hagenbuch family were protection for the family in case of death or saving of a nest egg for old age. Also, the safety of investment."

NORTHWESTERN CONVENTION

Writers of Men From $500,000 a Year To Tell How They Do It—Milwaukee Speakers

The annual meeting of the Northwestern Mutual Life's General Agency Association will be held in Milwaukee, July 15-17. The chairmen of sessions will be C. H. Poindexter, Kansas; Rudolph Recht, New York; R. S. Goldsbury, Pittsburgh; John I. D. Bristol, New York.

Some of the most interesting discussions will be by half million dollar a year or more men, five minute talks. These writers are C. E. Albright, R. W. Cameron, Herman Duval, H. G. Fricke. W. H. Gage, E. J. Kohn, T. A. Peyser, Rudolph Recht, W. L. Shearer and E. B. Stinde. Income and inheritance taxation arguments will be given especial attention.

AN APPROACH

"What is the best way to approach an applicant who has been written for a standard policy, and to whom a twenty year endowment with a $500 lien has been issued on account of a heart murmur?" asks an agent of the Northwestern National. The Company makes this suggestion:

First, express regret that the physical condition did not permit approval of the application. Insurance rates are based on standard lives, and the net cost in our company would be much greater if we accepted sub-standard risks at standard rates. Most companies would decline, but fortunately your company is in a position to offer a policy which costs no more than a standard policy, the only difference being a reduction in the death benefit for the first years. After the second year the insurance increases by more than the premium, and by the thirteenth year you have a perfectly standard contract, without a cent's additional cost—in spite of the fact that you have an impairment and that most companies would decline you outright. If you die the first years, your estate realizes 500 per cent. on your investment, and if you live you obtain the same policy at the same cost that our most select policyholders obtain.

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Rates Revised For Discounting Premiums

P. L. & T. RULE MORE LIBERAL

New Basis Employs Simple Interest at 5 Per Cent. for First 5 Years

In a notice to agents of the Provident Life & Trust, Vice-President Linton said this week:

"The prepayment or discounting of premiums prevents lapsation and thereby tends to stabilize the Company's business. For this reason, the prepayment of premiums is encouraged by the granting of liberal rates of discount. The Company now announces a modification of its discount rule which is more liberal than the old one where premiums for more than five years are to be prepaid. The new rule will also be much simpler from an administrative point of view. The new basis of calculation employs simple interest at the rate of 5 per cent. during the first five years, and at the rate of 4½ per cent. during the second five years.

In order to calculate, as of the due date of a yearly premium, the amount that would be required to prepay a given number of yearly premiums, the amount of each yearly premium should be multiplied by the factor in the following table corresponding to the number of premiums to be paid (including the one due immediately). For example, to prepay ten yearly premiums of $370 each, the first of which is due immediately, multiply the yearly rate of $370 by 8.30416. If five premiums are to be prepaid, multiply the yearly rate of $370 by 4.56437.

Factor For Prepayment of Yearly Premiums, the First of Which is Due Immediately

Number of Premiums	Factor
2	1.95238
3	2.86147
4	3.73104
5	4.56437
6	5.36437
7	6.13657
8	6.88284
9	7.60486
10	8.30416

NEW GENERAL SOLICITOR

Andrew J. Davis Appointed by Provident L. & T. to Succeed Late Mr. Craige

At a meeting of the directors of the Provident Life & Trust, Andrew J. Davis, was elected general solicitor of the Provident, the position formerly held by the late William C. Craige.

Mr. Davis, whose able treatment of the topic assigned to him at the last general agency meeting, will not have been forgotten by the general agents who were present, graduated from the Law School of the University of Pennsylvania in 1911, and shortly after his admission to the bar entered the service of the Provident as assistant to Mr. Craige, who, when he found himself seriously ill, recommended that Mr. Davis should be appointed to carry on his work. His familiarity with the duties involved and the ability which he has already clearly demonstrated are an earnest for the future.

A POOR EXCUSE

The excuse for small production, offered by a few agents, so many young men have entered the service, it makes it difficult to write business, is not a valid one, says E. W. Hillweg, assistant secretary of the Northwestern National Life. The Company's records show that more applications and for larger amounts are being written now than at any time in this Company's history. A gain of 21 per cent. in new paid-for business was made for the first four months of 1918, compared with the same period of last year. The average amount of the policies applied for to date this year is $2,450. The average amount of all policies in force on December 31, 1917, was $1,752.

AGENCY CONVENTION

The Philadelphia agency of the Provident Life & Trust Company will hold its annual meeting at Atlantic City, July 1st, 2nd and 3rd. John S. Tunmore, general agent of the Company, will deliver an address upon the subject of, "Business Insurance and Inheritance Taxes."

The Right Place for the Right Man

The capable and energetic man or woman who represents a company which provides an unexcelled policy at a low net cost is sure to succeed as a life underwriter. That is why our representatives everywhere are loyal, contented and enthusiastic. The reputation of their Company for prompt and efficient service gives them a confidence which wins the confidence of the insuring public.

Occasionally we have a General Agency opening.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

The Thousand Dollar Idea

The Northwestern Mutual Life in "Field Notes" advises its agents to quit thinking in 1,000 units, and has a novel argument to carry home its point.

Ten years ago we thought of life insurance in units of one thousand dollars. This was made the minimum by most companies and all rate books and illustrations are based on it. Many $1,000 policies are still being written, although wages, salaries and profits are larger and the thousand dollars when paid as a claim will only go about half as far in providing for dependents.

In the meantime we have grown accustomed to hearing of million dollar applications and one hundred thousand dollar policies are rather common. Then too, the average application shows a steady increase for the country as a whole.

Why then the persistence of the $1,000 new policy? Possibly in many cases it is the fault of the agent. He will make a good sales talk, convince his prospect and when that welcome query comes "What will that cost me?" the agent replies "Forty dollars a thousand." Naturally the thousand dollar idea sticks in the mind of the prospect.

Why not size up your man in advance and when his question comes give him the rate in dollars, for what you think he should buy. Do not mention the principal sum until he asks for it. You are then suggesting premium outlay first, and the amount of the policy only incidentally.

Some agents have found it advisable to always quote rates on $5,000 or multiples and never to mention anything smaller, and it is a good principle. It's very flattering to the prospect and we all know it is much easier to drop from $5,000 to $3,000 than it is to go up from $1,000 to $3,000.

Why not try it?

* * *

Liberty Bond Interest

General Agent Franklin Mann, of the Northwestern Mutual Life, makes the following suggestion to his agents:

"Many men who have never been classed as investors heretofore have become bond holders within the last few weeks. Six months from now these men are going to have the unique experience of receiving interest payments on their investments. A very large percentage of these investors, in fact virtually all of them, look upon these investments as permanent. They have been made for patriotic motives and not because of the rate of interest returned.

"It occurs to me that many of these people might be interested in propositions to hook up with their bond investments contracts that will guarantee to double their value in the event of death. The interest income from a $1,000 bond will more than pay the annual premium on an ordinary life policy at the average age. Why is it not a good plan to urge that the income from these bonds be used to carry an equal amount of life insurance?

"Some of these men will want to wait until they get their first interest payments before they buy; others may be induced to advance semi-annual premiums and pay the second semi-annual premiums out of their bond interest. Remember that these bonds are dated in May. Give the idea a try-out this month."

Savings Banks and Life Insurance

The following excellent article is taken from the current issue of the "Bankers' Magazine."

The thrift that induces a man to build up a savings account in a bank and to make sound investments is similar to that which leads him to insure his life as liberally as he can for the benefit of his dependents. Indeed, it is probably fair to say that the man who insures his life shows more foresight and shrewdness than he who merely saves something from his current income. Certainly his thrift is more truly unselfish and altruistic.

But there is no quarrel between life insurance and the savings account. They ought to go hand-in-hand, and they often do. In their advertising the bank and the insurance agent can well co-operate, as they have successfully in a number of instances. Save in a savings account to get ready to meet your life insurance premiums when due; when you, as a beneficiary, receive life insurance money, deposit it in a savings bank instead of risking it in uncertain ventures. This is the kind of reciprocity that ought to be practiced in savings and life insurance advertising.

* * *

The Family Insurance Man

A splendid aim for every Prudential agent should be to be known along the whole line of his debit as "The Family Insurance Man," says that Company's "Record." To fully qualify for this title the agent should be in fact as well as in name the family insurance man. That is to say, he should have on his book not a portion of the family, but every eligible member of it, the mother and children in industrial and the father in intermediate or, better still, ordinary. A family thus insured is properly protected and safeguarded against accidents and misfortunes. Many a man in the service of The Prudential so cleverly and wisely handles himself and the people on his debit that he is not only called the family insurance man, but is a valued friend of the family, a man whose kindly, courteous and considerate ways win the regard and esteem of each member of the house, one who has a cheery word for the "kiddies" as well as for the grown-ups. Remember that "a word fitly spoken is like apples of gold in pictures of silver." He who measures up to this ideal of a Prudential agent and who attends to his duties diligently will be sure to earn for himself the title of the family insurance man, to have always on hand prospects in the form of friends of the family, and to be a steady marcher along the great highway of emphatic success.

WITH THE COLORS

The following men from the Guardian Life's home office have recently followed the call to the colors: Eric Schrader, claim department; August Zierold, department of issue; Charles Brennon, mail and application department; John Huberth, Samuel Mosberg and William Uhl, premium record department.

On furlough there visited the home office recently, Melville Taylor, formerly of the bookkeeping department, and Hugo Werner, formerly of the premium record department, both of whom will soon be commissioned ensigns in the Navy; and George Hellwig, formerly of the supply department, now sergeant at Camp Meigs.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

MARYLAND'S LITERATURE

Your Estate—Is It a Dream or Is It a Fact?—Can't Buy Food With Good Intentions

One of the first pieces of literature issued by the Maryland Casualty is entitled, "Your Estate—The Money You Expect to Leave for the Protection of Your Family. Is It a Dream? Or a fact?"

In the circular the Company says:

When you die your debts remain alive.

All of us try to pay as we go, but some things stay for others to pay after we go.

When you die your children can't eat your debts.

When you die will your debts eat your children?

Good intentions never yet bought food and clothing for a desperate widow and her helpless brood.

SERVING IN FRANCE

Two Prudential superintendents, C. V. Dykeman and Benjamin F. Bates, have sons in France. Lieutenant Conrad Dykeman is with the Engineers' Corps; Thomas Edward Bates in the Twenty-third Infantry, while two other sons are in the service. Richard A. Bates, who was a home office inspector of The Prudential, is in France with the 480th Aero Squadron.

Build Your Own Business
under our direct general agency contract

Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums

See the new low Rates

JOHN F. ROCHE, Vice-Pres't

THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

Standard Oil Company's Annuities and Benefits

DETAILS OF PLAN GIVEN

When Employment Terminates Insurance Can Be Continued Without Medical Examination

A more detailed outline of the essential features of the Standard Oil Company's annuity and benefit plan has been obtainable. It follows:

I. Annuities (Effective April 1, 1918):

(a) A regular allowance of 2 per cent. of salary for each year of service for all employees at the age of 65 years, after 20 years' service, with a minimum of $300 per annum and a maximum of 75 per cent. of salary. Special provisions for retiring employees less than 65 years of age after 20 and 30 years' service.

(b) Special allowances for employees who are disabled, or whose retirement on account of advancing years is desirable. The amount and duration of such special allowance to be determined according to the merits of each case.

II. Death Benefits (Effective April 15, 1918):

1. Death from sickness (including accidents off duty):

All employees after one year's service are eligible to death benefits of from three months' to twelve months' full pay, depending upon length of service, with a minimum of $500 and a maximum of $2,000.

Beneficiaries of regular death benefits must be either widow or widower, children, parents, or other dependent blood relatives. men's Compensation Law applic- In case employe has no such dependents he is allowed to name a beneficiary not in any one of these classes, in which event the amount of insurance is limited to $500.

2. Death from Accident (incurred while on duty):

Payment to be made in accordance with the State Compensation Law applicable to the case or the New Jersey law.

III. Accident Disability Benefits (Effective April 15, 1918):

For accidents incurred by employees while engaged in the actual performance of the duties of his occupation, benefits will be paid in accordance with the provisions of the State Workmen's Compensation Law applicable to the case or the New Jersey law.

IV. Sickness Disability Benefits (including accidents off duty) (Effective May 1, 1918):

For disability of more than seven (7) days, for all employees of one year's service, half pay for periods ranging from six weeks to a year, depending on length of service. (Not payable in case salary is continued during sickness.)

As has been printed, the Standard Oil Company has arranged so that the death benefits payable under the above plan will be paid by the Equitable Life Assurance Society direct to the beneficiaries. Each employe of one year's service is covered by insurance for the amount to which he is entitled under this plan, and received an individual certificate of insurance, payable in case of death from either sickness or accident, there being no physical examination or personal expense. In case of termination of employment for any reason while this insurance is in force it can be continued in the form of an individual policy, without physical examination, upon payment of the regular premiums.

James F. Hickey, who had made a fine record as an agent in the Framingham District for the John Hancock, and in 1906 was Captain of Company L, Ninth Massachusetts, repulsed an attack of Mexican cavalry from an island in the Rio Grande. Captain Hickey returned to the Company's service at Framingham November 24, 1916, continuing until April 11, 1917, and subsequently going to France as Captain of Company L, 101st Infantry, American Expeditionary Forces. And now comes the news that he has been promoted to the position of Major in the same unit. Major Hickey has made good in peace and in war. Entering the John Hancock's employ in 1913, he appeared among the 100 leaders at the end of that, his first year with the Company, gained similar distinction for 1914, and also produced substantially in both W. P. and Ordinary in 1915 and 1916—all that with an excellent condition of debit.

UNION CENTRAL CONVERSIONS

One Sixth of Business Converted During 1917—Ratio of Options Given

On December 31, 1916, there was in force $22,289,850 of Union Central term insurance with privilege of conversion, of which $3,700,145 was converted during the year 1917, amounting to one-sixth of the total. If one-sixth of the total business possessing the privilege to convert was converted in one year, the inference woul be that five-sixths would be converted at some time during the period of conversion, the other sixth being terminated by death, expiry or lapse, or continued beyond the period of conversion in the case of policies issued for a longer period than five years. This is a highly satisfactory experience. Of the amount converted by the Union Central, $3,407,645 was converted under the second option, and $292,500 under the first option.

REVISED RATES

The Catholic Knights and Ladies of America have revised their rates. There are three tables.

Table No. 1 provides rates for ordinary life protection at nearest attained age, calculated on the American Experience Table and four per cent. interest, with five per cent. added thereto for the purpose of overcoming present deficiencies. At the following ages the monthly contributions for $1,000 will be:

Age	Rates
16	$1.07
20	1.16
25	1.30
30	1.49
35	1.73
40	2.06
45	2.50
50	3.12
55	3.98
60	5.20
65	6.93
70	9.44

Where $15,000,000 Was Paid For Last Year

The picture shown on this page is of a corner of a building where more insurance was written last year than in any other general agency office in New York. Just above the entrance are the offices of Ives & Myrick, managers of the Mutual Life, who paid for more than $15,000,000. The nearest general agency to them in the metropolis wrote less than $14,000,000.

In taking the lead in New York City the Ives & Myrick office culminated a consistent performance of steady progress. The members of the firm—Julian S. Myrick and Charles E. Ives—began with the old Raymond agency of the Mutual Life. At the start their work was in a clerical capacity. They were keenly observant, and learned insurance fundamentals. In that office at one time or another every broker in New York called.



They got to know them and to appreciate their needs and to understand their ways. Desiring to go into the production end they were made general agents of the old Washington Life, and although they did well they were not happy away from the Mutual, so when the Washington was re-insured by the Pittsburgh L. & T., they returned. As managers for the Mutual they were successful from the start. Their business increased yearly until it finally was larger than any other single managerial or general agency office in New York City.

Messrs. Ives and Myrick took an active part in the Liberty Loan drive, and both believe that it is essential for the Government to let the public know what the loan subscription quota of each citizen should be. The signs on the building give punch arguments for the loan, saying that the soldier gives his life, if necessary, and pointing out what others should do in proportion to their income.

A branch War Risk Bureau has been established in Salt Lake City.

Missouri State Life Policies Rich In Selling Points

Facts—

Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary. The address of the officers is the office of this newspaper. Telephone 2497 John.

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THE GENERAL'S AMERICAN SUCCESS

One of the most felicitous features of the thirty-second annual meeting of the General Accident, held recently in Perth, Scotland, was the reference to American success of the Company by both the chairman, William Low, and the general manager, F. Norie-Miller. The American end of the business has been placed on the profitable end of that Company's ledger, and from now on there is no doubt that the returns will be more and more favorable. Frederick Richardson, the United States manager of the General, has demonstrated in a remarkably short period that he is not only a skillful underwriter and manager of men, but that he is a first rate fighter. It is true he came to this country with a rare equipment and an unusually broad, international experience, but with this substantial ground-work he quickly adapted himself to American ways, became a student of American conditions, and ingratiated himself with American insurance men. His poise, intelligence, courtesy and knowledge enabled him to overcome all handicaps, and to steer his Company's ship through the proper channels.

Some extracts from Chairman William Low's report are interesting enough to republish. After referring to the heavy fire losses sustained by the leading companies at Salonica, in which the General, of course, had its share, he said:

With regard to America, our previous year's report foreshadowed an improvement. That improvement has been realized, and the loss on the working was reduced to about half what it was in the previous year, and I am glad to be able to inform you that for the first three months of the current year we actually show a profit, so we may now look for a series of profitable years in the United States.

Our home business has continued as formerly—remarkably good. Our expense ratio at home has been still further decreased, and is now, I believe, the lowest expense ratio of any company of similar size to ours. It is right you should know that we again have over £100,000 of net profit on our home business. This we have every reason to expect will continue, and with the continuance of the profitable nature of our business elsewhere, and a very small profit in America, we should be able not only to pay increased dividends, but to carry large sums to reserve.

Gentlemen, I think it is a matter for congratulation that our company has passed successfully through another year of war. There is no doubt that with almost all of our male employees absent with the colors, the year has been a trying one to those who have been left behind to carry on the work. I am sure I express the sentiments of my fellow directors and shareholders, when I say we greatly appreciate the efforts of the general manager, heads of departments and assistants, and our agents in keeping the business going successfully.

No one can foretell how long this terrible war may yet last. It must be carried through to a successful conclusion. Greater sacrifices will have to be made by all of us. The defection of Russia was a serious blow to the Allies, but with the advent of America in strong force in the field, the hour of victory draws nearer, and we can face the future confident in the righteousness of our cause.

It must be a matter of satisfaction to the shareholders to know that this company has given in men and money in very full proportion to its position as a corporation. We have reason to be proud of the splendid patriotism shown by the members of our staff, and of their splendid record in the field. We have again to mourn for many of their number who have made the supreme sacrifice during the year that has passed. A considerable number have been wounded, and I am pleased to say that any member of the staff discharged, wounded and able to resume work even with loss of limb has been reinstated at the salary paid when he joined the army, and has received the increase to which he would have been entitled had he remained and worked for us at home.

INSURANCE MEN AND THE DRAFT

Washington newspaper correspondents have been flooded with inquiries this week regarding the status of insurance agents and brokers under the General Crowder useful occupation rules. The latest news on the subject will be found on the first page of this paper. Insurance agents and brokers who are highly specialized producers, whose places cannot be filled, will probably be classified as being in an essential business, as the industries cannot exist without insurance. However, the part-time man, the fly by night agent or broker, the occasional risk man, will have difficulty in proving that the nation will be embarrassed if he is not permitted to continue soliciting insurance.

This is all speculation, however, and the only definite decision made to date is that insurance agents and brokers are not on the official non-productive occupational list. It is common talk in Washington that if the war continues for several year, no occupation will be regarded as essential unless actively engaged in the prosecution of the war.

In the meantime, the possibilities of an insurance career for women are tremendously bright, and many of them are going into this line of work. In life insurance, where most of the women are now engaged, there are already more than one hundred women who can produce $100,000 or above a year. In two years this list will be greatly increased. The fire companies are filling their home offices with women in various capacities. They are good filing clerks; have been found satisfactory with maps; and, as the draft grows, additional calls for them will be made.

THE HUMAN SIDE OF INSURANCE



FREDERICK A. WALLIS

Frederick A. Wallis, the well-known New York general agent who is also deputy police commissioner, took an active part in the agitation for an increase of wages for New York City policemen which has just been successful. The New York policeman averages more than ten hours a day and is paid less than any public servant, except possibly the letter-carriers. Their situation appealed to Mr. Wallis and he furnished the New York "Sun" and other papers with arguments which proved effective. In a talk this week Mr. Wallis explained why drills are being held in the skyscrapers of New York to keep occupants from pouring into the street in case of bombing from the air. He said that the bombardment of New York is by no means an impossibility and that as many as six aeroplanes can be carried on some of the newer types of German submarines.

* * *

F. Norie-Miller, general manager of the General Accident, is in point of service the oldest general manager of any company in Great Britain. He has attended thirty-two annual meetings of the company. The chairman of the Company is William Low and an interesting fact is that he has also attended every meeting that Mr. Norie-Miller has.

* * *

Arthur J. LaReau, special agent of the Travelers connected with the Buffalo branch, has enlisted in the National Army, Tank Corps. Mr LaReau was at one time assistant manager in charge of our Terre Haute Branch.

* * *

Charles S. Dodd, manager of the Royal in Newark, attended the commencement exercises at Phillips Andover and saw his son, Norman, handed not only a diploma, but various other things, including the cup given by the Yale Club of Boston to the student showing the greatest proficiency in scholarship and athletics. Young Dodd, who is nineteen, was captain of the baseball and hockey teams, and won his letter in socker. As if these distinctions were not enough he was given the Fuller prize for being the student who best exemplified the traditions of the school. A young man to be proud of.

* * *

Harold Junker, who has been appointed assistant manager to W. W. Alverson, who is general agent of the United British Coast Department, began his insurance career as an office boy for Crum & Forster in New York. Twelve years later he was promoted to the position of Superintendent of Agents in the Western Department at Freeport, Ill.

* * *

John L. Way, vice-president of the Travelers, has been with that Company forty years. As a personal solicitor, manager of agents and an official of the Company, Mr. Way has an enviable reputation and his success has gone with him in his work in the various lines of endeavor in the Company's interests. Mr. Way has a great many friends all over the continent who wish him many added years of usefulness and prosperity. He was born July 1, 1860 in Gilead, Conn., on a farm, and entered the employ of the Travelers in 1878 as a solicitor. He has been State agent in Rhode Island, Connecticut, Iowa, Nebraska, Missouri, Arkansas and Texas, giving him a comprehensive knowledge of work in the field. He was elected a vice-president of the Company in 1903. He is also vice-president of the Travelers Indemnity Co.

* * *

H. T. Cadwell and W. J. Malloy, formerly of the Aetna Life Insurance Company force, who have been attending the officers' training school at Camp Devens spent Sunday at their homes in Hartford and have gone to Camp Hancock, having been transferred to the officers' training school there.

* * *

Vice-President Cowles of the Travelers, discovered a while ago that compensation insurance of a sort was known in Babylonian days, 2,250 years before Christ. Safety First is at least as old as Horace; for the Latin poet said, "Man is never watchful enough against dangers that threaten him every hour."

* * *

Forrest S. Croxson, agency manager of the Equitable Life Assurance Society, at Springfield, Ill., has entered service for the Y. M. C. A. and will go abroad immediately.

Mr. Croxson has made a notable success of field work with the Equitable both in personal production and organization work. As agency manager for southern Illinois, with headquarters at Springfield, he has increased the business from that section year after year. The agency will probably pay for $2,500,000 in 1918.

* * *

A. B. Leigh, of Hutchinson, Kansas, with the Equitable Life Assurance Society, is in France doing Y. M. C. A. work.

FIRE INSURANCE DEPARTMENT

Concordia Wins Case of Widespread Interest

AFFECTS ALL MUNICIPALITIES

Company Sued Concern Which Had Damaged Water System, Making It Responsible For Loss

Madison Wis., June 24.—A decision of far reaching effect to municipalities and fire insurance interests of Wisconsin was rendered Wednesday afternoon, when the Supreme Court held that a person who interferes with the efficiency of a water system may be held liable in case of damages. The action was brought by the Concordia Fire Insurance Company against the Simmons Company of Kenosha.

This fire insurance company insured a number of buildings in Kenosha. On October 31, 1916, the buildings and some adjoining ones were destroyed by fire. The insurance company paid the losses due and the owners transferred to the insurance company any rights of action they might have. At the time of the fire Kenosha had a municipal water system but claims that in the erection of buildings the Simmons Company had pierced some of the pipes rendering the water system practically useless. It was contended that this left the pipes inadequate to cope with the fire.

To this complaint the Simmons Company demurred and the demurrer was sustained by the lower court and the insurance company appealed. The opinion reads:

The theory contended by the defendant and adopted by the trial court that there is no liability shown from the facts stated in the complaint was based upon the rule that under the law of this State there is no liability either as against the municipality, which has assumed the function of protection against fires by the installing of a water works system and a fire department, or as against any corporation that may be under contract with such municipality to furnish such water supply, for any fire losses due to an entire lack or insufficient supply of water. The same rule is maintained in many other jurisdictions.

This rule, however, which it is not now intended to in any way qualify or limit, does not determine the question that is here involved.

But while such service is being actually rendered by a municipality as while a fire is going on and an immediate benefit is being received by a householder there can be no question but that, as to all third persons, there is then a substantial right and interest in the householder to such service which carries with it the further right to be protected against its invasion by third persons. At the moment such a right comes into existence there springs up at the same time a corresponding duty on the part of third persons not to unlawfully interview therewith. For a breach of such duty by third persons there is a corresponding liability. This is recognized in many cases.

We see no good reason why this rule should not be carried one step further and as applied to the facts stated in this complaint require us to hold as we now do that so long as the householder or inhabitant of the city is in the position to receive; and the municipality is ready and willing to continue such service, the person who interferes with such relationship between the municipality and its inhabitant and thereby causes injury to such householder or inhabitant, must respond for such damages as may be directly traceable to his interference as a proximate cause. It is not for a person who has interfered with such existing right or privilege to say that it is a mere gratuity on the part of the municipality or that the municipality cannot be compelled to continue such service or be held responsible for failure to do so. So long as the municipality had been rendering and tinue and the householder or resident to accept the benefit of such a water system service the unlawful interruption thereof by a third person and consequent damage is a wrong for which the law affords a remedy.

Therefore if it shall appear from the evidence that defendant's negligence so interfered with or interrupted the service which the municipality had been rendering and was ready and willing on its part to continue to render to the householder whose house was destroyed by fire that it could properly be held the proximate cause of the loss of the dwelling, we see no reason why the defendant should not respond in damages. It follows therefrom that the demurrer to the complaint was improperly overruled.

Agents Get Farm Property Concessions

ACTION BY MIDDLE DEPARTMENT

Farm Property Form Made Advisory Instead of Mandatory—Some Rate Concessions

Recently, the Tri-State Fire Insurance Agents' Association, protested against the new rules and rates issued by the Underwriters' Association of the Middle Department, especially that portion which referred to the writing of farm property under a form proposed by the Underwriters' Association of the Middle Department.

As a result of this protest the form for writing farm property was made advisory and not mandatory, and a slight concession was made in portions of the territory in the matter of rates.

Agents Back Into Fold

The agents then decided to come back into the fold, but continued their efforts to have a modification made in rates on farm property; also, a concession in the rules with reference to use of gasoline on a farm, and the matter of vacancy permits on dwellings.

E. E. Cooke, of Washington, Alexander & Cooke, Charlestown, W. Va., is one of the leaders in the Tri-State Fire Insurance Agents' Association.

The Potomac Fire of Washington, D. C., has been licensed in Indiana.

THE AUTOMOBILE INSURANCE COMPANY

OF HARTFORD, CONN.

MORGAN G. BULKELEY, President

CASH CAPITAL

$2,000,000.00

ASSETS

$7,266,538.81

LIABILITIES, EXCEPT CAPITAL

$3,086,345.45

SURPLUS TO POLICYHOLDERS

$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with

ÆTNA LIFE INSURANCE CO.

ÆTNA CASUALTY & SURETY CO.

AGAINST VALUED FORMS

Should Be Avoided in Writing Use and Occupancy Risks Says Pacific Coast Speaker

J. C. McCaughern in talking on U. & O. before the Fire Underwriters' Association of the Pacific said a few days ago:

"It is always good practice to avoid valued forms. If a form provides for indemnity on the basis of 1/360th of the amount of policy, or expressly states the amount, such as $..... per diem, without the qualifying phrase 'by actual loss not exceeding,' the policy is a valued one and, under ordinary conditions, cannot be considered to be the actual use and occupancy loss, regardless of what the real use and occupancy loss might be. Thus, theoretically, this is in violation of the principle of indemnity, upon which fire insurance is based. If a valued policy feature as applied to real property is vicious, it is doubly so with use and occupancy; so the words 'by actual loss not exceeding' ought to be considered as one of the mandatory essentials.

"The question often is asked 'shall we attach the co-insurance or reduced rate average clause?' It is not made part of the customary use and occupancy form because the limiting of the per diem recovery for each working day to 1/300th or 1/365th, or to a specified amount of insurance has an effect similar to that of the full co-insurance clause. The insured is free to carry insurance in such proportion of the full value of use and occupancy as he may elect; but he can recover only 1/300th or 1/365th of the amount of insurance, whether that be equal to the entire value, or only a part of it."

NEWARK GOLF

Robert O'Gorman Wins Viehmann Cup —Fred Hoadley Puts to Victory

The Good Practice Club of Newark, which has done more than any other medium to create a splendid esprit de corps among agents in that city, held a golf tournament last week at the Shackamaxon course. T. C. Moffatt, Frank Heller and C. S. Dodd had charge of the affair, which was enough to make it a success. The George A. Viehmann cup for the best gross score, went to Robert O'Gorman.

In order that he shouldn't feel lonesome his partner, Roger Young, made the best handicap score against bogie, this prize being some golf balls, C. S. Dodd, donor. Frank Heller's $25 W. S. S. prize went to Harold Beard, of the F. & C. Fred Hoadley won the Moffatt prize for the best putting for a non-golfer.

It was announced at the banquet that Roger Young is going into the artillery.

REPRESENTING SUN

Philadelphia Firm Covering Pennsylvania and New Jersey—Thomas M. Baker's Change

The Wagner-Taylor-Edson Co., Inc., 422 Walnut Street, Philadelphia, has been appointed sole general automobile agents in New Jersey and Pennsylvania for the Sun Fire Office. Thomas M. Baker will be associated with this firm as automobile adjuster in charge of the claim department, work in which he has had long experience.

In a picture printed of the City Insurance Club outing last week by The Eastern Underwriter Archibald Smith was referred to as Charles Schmidt.

NIAGARA

Fire Insurance Company

ESTABLISHED 1850

123 William Street, NEW YORK

BROKERS ACTIVITIES

Duval Paintings

The Duval line of paintings, on which more than half a million of insurance is wanted, has been offered through the Street.

* * *

Woman Secretary of London Brokers

Secretary Cawley, of the Corporation of Insurance Brokers & Agents, London, England, has resigned to become agency manager of the United British Insurance Company, Ltd., and he is succeeded by Miss C. E. Williams, who has been his principal assistant. She holds numerous diplomas for proficiency in matters which will be of great assistance to the Corporation. The brokers presented Mr. Cawley with a set of silver and a check for fifty guineas.

* * *

Affiliate With London

The Fire Insurance Brokers' Association of Montreal, the Ottawa Fire Insurance Agents' Association and the Life Insurance Agents' Association of South Africa are now affiliated with the London Corporation of Insurance Brokers & Agents.

* * *

Back to Stock Companies

The Eastman Kodak Company, Rochester, N. Y., the Stecher Lithograph Company of Rochester and the Taylor Instrument Company of Rochester, have been captured by the stock companies, after having been with the Mutuals. The Eastman Company carries $7,000,000 insurance, the Stecher $2,500,000 and the Taylor $2,000,000.

* * *

Represented By Sir John Runtz

London, June 21.—At the luncheon to meet members of the American Mission given on May 16th at the Grocers' Hall by the London Chamber of Commerce under the presidency of Lord Desborough, the Corporation of Insurance Brokers and Agents was represented by the President, Sir John Kuntz, J. P.

* * *

Lloyds Refuses to Insure Against Atlantic Flight

President Alan R. Hawley, of the Aero Club of America, told reporters this week that Lloyds had refused to insure a prize of $150,000 which the club wants to offer for the proposed transatlantic flight.

* * *

Gibson With Cornwall & Stevens

Frank H. Gibson will become associated with the brokerage firm of Cornwall & Stevens on July 1. Mr. Gibson has been with Fred S. James & Co. for the past seven years and had previously for ten years been with the Norwich Union.

* * *

Write Baltimore's Autos

Grant Stockham & Co., of Baltimore, have written the fire and liability insurance on 110 automobiles of various descriptions belonging to the city, and have placed the liability insurance covering the boilers in school houses and other buildings of the municipality.

James J. Hoey, vice-president of the Continental, was mentioned by the New York daily newspapers this week as being considered by Governor Whitman for the office of Public Service Commissioner, succeeding Oscar S. Straus. The newspapers stated that Governor Whitman was desirous of having a business man succeed Mr. Straus and that Mr. Hoey had been suggested to him by prominent members of both the Democratic and Republican parties. In view of the success Mr. Hoey has made with the Evans Companies since leaving the Insurance Department, it is considered doubtful in insurance circles whether he will return to public office.

SUBURBAN SPECIALS MEET

Form a Club—J. V. N. Simonson, Home, President; W. T. Mills, Royal, Secretary

Following the organization this week of the Suburban New York Field Club, composed of special agents in the suburban field, a meeting will be held Monday, to discuss future plans. A meeting room may be obtained. J. V. N. Simonson, of the Home, is president; Fred G. Smith, Westchester, vice-president; William T. Mills, Royal, secretary; Mr. Lee, treasurer. The ways and means committee consists of E. C. Ryan, Hanover; R. C. Alton, National; Pomeroy Lee, Hartford.

In addition to the specials above named the following attended the organization meeting:

Arthur Horton, Aetna; W. P. Woodroffe, American Eagle; F. G. Wissemann, Automobile; Fred W. Lau, City of New York; John M. Hughes and Edward C. McCombs, Hartford; B. G. Ray, Commercial Union; M. F. Liebler, Continental; H. W. Knight, W. A. McGuire, Glens Falls.

Richard B. Dawson, L. & L. & G.; W. P. Phillips, National Liberty; A. M. Harned, National Union; C. L. Stroebel, Security; R. M. Young, New York Underwriters; George Weiss, Northern; W. C. Page, Phoenix Assurance; F. J. King, Great American.

The following specials, not able to attend, expressed sympathy for the new club:

Fred R. Paine, New Brunswick; R. M. Underwood, Scottish Union & National; Joseph H. Mayers, Niagara; A. H. Wilson, Farmers of York; W. A. Quigley, New Hampshire; M. W. Reeves, Pennsylvania; F. J. Steier, Ins. Co. of N. A.

Secretary Harris Poisoned

Secretary B. M. Harris, of the Brokers' Association, is suffering from blood poisoning which infected his hand, necessitating careful treatment.

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

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E. F. FLINDELL
INSURANCE
1 LIBERTY STREET Telephone John 2612 NEW YORK
LOCAL OFFICES
JERSEY CITY, N. J. 1 Montgomery St. Tel 716 Montgomery
BROOKLYN, N. Y. 153 Remsen St. Tel. 2504 Main
NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

National Liberty
INSURANCE COMPANY OF AMERICA
NEW YORK
Incorporated Under the Laws of the State of New York in 1859
Statement, January 1, 1918
Cash Capital $1,000,000.00
Assets 8,209,763.64
Liabilities 5,223,031.71
Net Surplus 1,986,731.93
Surplus for Policy Holders 2,986,731.93
HEAD OFFICE
62 WILLIAM STREET, NEW YORK

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents Metropolitan District
100 WILLIAM STREET, NEW YORK

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

How Use and Occupancy Losses Are Adjusted

Example No. 3

By L. A. Moore, General Adjuster New York Underwriters' Agency

From a paper read by Mr. Moore to field men of the New York Underwriters' Agency.

The form provided that it is understood and agreed that the term "use and occupancy" as herein used shall be construed to mean net profits, general maintenance to the extent of taxes, heating and lighting, legal liability of assured for royalties and salaries and wages of employes under contract as follows:

The conditions of this contract of insurance are that "if any of the buildings or machinery therein shall be damaged or so destroyed by fire occurring during the term and under the conditions of this policy so that the assured are entirely prevented from producing finished goods, the liability of the insurance for said loss shall not exceed $250 per day, being 1/300 of the amount of the insurance, and in case the said buildings or machinery therein are partially prevented from producing finished goods, the liability of the insurance for said loss shall not exceed that proportion or $250 per day, which the product so prevented from being made bears to the amount which, but for the fire, would normally have been produced."

It will be observed that this is a non-valued form and does not provide for any period prior to the fire by which the liability shall be measured, but that the liability shall be based on the production of finished goods which, but for the fire, would normally have been produced. The net product the 9 months next preceding the fire was, however, agreed upon between the assured and adjuster as the average normal product. It will also be noted that the form refers to production of finished goods.

Example No. 2-B

Total insurance, $75,000.

Limit of liability per day, $250.

Date of fire, October 23, 1917.

The adjustment was made on the basis of loss of profits, whereas the form provides that the loss shall be measured by prevention of production of finished goods. The adjuster properly determined the amount of profits, general maintenance, taxes, heating and lighting, etc., to ascertain whether the companies' liability equalled the limit of liability per day stated in the form.

EXAMPLE NO. 2-C

Adjuster's statement of loss as follows:

Total number of tons mined from Jan. 1 to Sept. 30, 1917, being the 9 months preceding the fire, 90,498 at $2.95	$266,982.77
Average tonnage per day for that period or 225 working days	402.2
Less cost of production, including all fixed charges and depreciation of plant	$ 92,103.62
Net profits for 9 months, or 225 working days, preceding the fire	$174,879.15
Average net profits per day for same period	$777.25
Fixed charges for same period	14,718.15
Average fixed charges per day for same period	65.38
Net profits and fixed charges for same period	$189,597.30
Or average per day of	$842.63
Loss as follows:	
12 full days' suspension from Oct. 23, to Nov. 6, 1917, inc., 100% at $250.00 per day	$ 3,000.00
38 days' partial impairment from Nov. 7, 1917, to Jan. 15, 1918, inc., 37.7% at 94.25 per day	5,466.50
30 days' partial impairment from Jan. 16, 1918, to Feb. 20, 1918, inc., 12.55% at 31.38 per day	941.40
Total cost construction of temporary tipple, chutes and equipment $2,009.20	
Companies' proportion 250/777.25 of $2,009.20 or	646.25
Total loss	$ 10,054.15

NOTE:

The **net profits** on average **normal** daily production	$ 777.25
The **net profits** on average **actual** daily production from Nov. 7, 1917, to Jan. 15, 1918 (58 working days)	484.23
Difference	$ 293.02
or	37.7%
The **net profits** on average **normal** daily production	$ 777.25
The **net profits** on average **actual** daily production from Jan. 15, 1918, to Feb. 20, 1918 (30 working days)	679.66
Difference	$ 97.59
or	12.55%

EXAMPLE NO. 2-D

The average daily tonnage of 402.2 per day restored Jan. 15, 1918, by use of temporary tipple and purchase and use of additional car. The only impairment from Jan. 15, 1918, to Feb. 20, 1918, was the difference in price between Run of Mine coal and graded coal, being 20c. per ton on daily tonnage of 402.2 tons or	$80.44 per day
and the following additional expense over old method:	
1 motorman	$4.40 per day
1 brakeman	4.25 per day
1 tippleman	3.50 per day
6 ton motor for hauling cars across bridge	5.00 per day $17.15 per day
Total for balance of agreed period of temporary impairment	$97.59 per day or 12.55% per day

EXAMPLE NO. 2-E

The loss, according to the terms of the form, should, we think, have been determined as follows:

12 days' total suspension (Oct. 23 to Nov. 6, inc.) at $250 per day	$3,000.00
58 days' partial suspension (Nov. 7 to Jan. 15, inc.)	
Number of tons mined Jan. 1 to Sept. 30, being 9 months prior to the fire (225 working days) 90,498 or	402.2 tons per day
Adjuster advises average price of Run of Mine coal during the day period	$3.068 per ton
Average price of graded coal 20c. per ton more, or	$3.268 per ton
Assuming the average production for the 9 months preceding the fire would have been maintained during the 58 day period of impairment had no fire occurred, the production for the 58 days (measured by value) would have been 402.2 tons per day at $3.268 per ton or	$1,314.39 per day
Assuming the actual production during the 58 day period would have been 19,946.9 tons, being 343.91 tons per day, the production (measured by value) at $3.068 per ton would be	$1,055.12 per day
Difference (or impairment of production measured by value)	$ 259.27 per day
The companies would therefore pay for the 58 days (Nov. 7 to Jan. 15, inc.) as impairment in production (in dollars) bears to the production as it would have been had no fire occurred; that is 259.27/1,314.39 of $250, or $49.31 per day, and for 58 days	$2,859.98
From Jan. 16 to Feb. 20 (30 days) there was no impairment of production (in tons), simply impairment of 20c. a ton between graded and Run of Mine coal. Probable production during the 30 days, had no fire occurred, 402.2 tons per day at $3.268 per ton for graded coal	$1,314.39 per day
The same production (402.2 tons per day at) $3.068 per ton for Run of Mine coal	$1,233.95 per day
Difference (or impairment of production measured by value)	$ 80.44 per day

EXAMPLE NO. 2-F

The companies would therefore pay 80.44/1,314.39 of $250 per day, or $15.30 per day and for 30 days	$ 459.00
In addition, it would appear equitable for the companies to pay for a proportionate part of the cost of temporary tipple, chutes and equipment of $2,009.20, as they no doubt reduced the loss over what it would otherwise have been. The adjuster makes the companies contribute to that item in proportion as their daily limit of liability of $250 per day bears to assured's net profits of $777.25 per day for the 9 months next preceding the fire, making the contribution $646.25, whereas the company should not, we think, contribute in greater proportion than their interest of $250 per day bears to assured's interest in both net profits and fixed charges, aggregating $842.63 per day, the companies' liability on that basis being 250/842.63 of $2,009.20, or	$ 596.14
There was an additional cost of $17.15 per day for 30 days, aggregating $514.50, for maintenance of the temporary tipple, etc., over the old method, to which it would appear equitable for the companies to contribute but also only in proportion as the companies' interest of $250 per day bears to assured's interest in net profits and fixed charges of $842.63, making the companies' share 250/842.63 of $514.50, or	$ 152.65

SUMMARY:

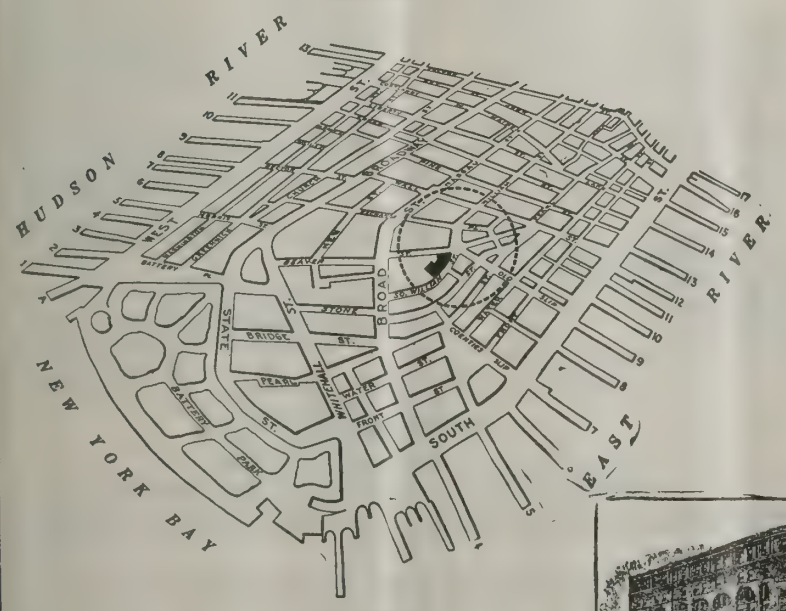
12 days' total suspension (Oct. 23 to Nov. 6, inc.)	$3,000.00
58 days' partial suspension (Nov. 7 to Jan. 15, inc.)	2,859.98
30 days' partial suspension (Jan. 16 to Feb. 20, inc.)	459.00
Proportion cost temporary tipple, etc.	596.14
Proportion cost maintenance temporary tipple, etc.	152.65
Total loss	$7,067.77
as against adjuster's figures	10,054.15
Difference	$2,986.38

AMERICAN MERCHANT MARINE

INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House — New York City

South William and Beaver Streets

Example No. 2-G

We have converted product in this case into dollars for measurement of the loss on account of coal of different grades and values being involved.

When the numerator and denominator of the fraction which determines the measurement of the claim both represent equal standards as to material, quality, quantity and value, it would make no difference in the value of the fraction whether the figures of which it is composed represent number of tons or their value. Suppose, however, an assured, instead of producing coal, had been a manufacturer of a variety of articles, some of which were measured by the dozen, some by barrels, others by pounds, bushels, bales or other standards of measurement. The only way a percentage of impairment of production could be determined in such a case would be on a cash value basis. In the case of coal, it would be no more reasonable to use for a numerator coal of one grade and value, and for the denominator coal of a different grade and value, than it would be to measure the impairment of production of a miscellaneous stock by number of bushels over number of pounds.

WITH NEW HAMPSHIRE FIRE

W. G. Creighton, for some time past District Secretary at Johnstown, Pa., for the counties of Cambria, Indiana, and the town of Windber, Somerset County, has been appointed special agent for the New Hampshire Fire for the territory embracing Western Pennsylvania and West Virginia. In this field Mr. Creighton succeeds Smith Wilson, who recently resigned to go with the Great American in Western Pennsylvania.

MOVED TO WALKER STREET

The Underwriters' Map Association has removed from William Street to

Oral Agreement To Insure Enforceable

GLATFELTER VS. THE SECURITY

No Premium Paid; No Policy Delivered —Agent Away When "Insured" Called

That an oral agreement to insure a property is enforceable but must be definite as to all of the material terms of the contract, was decided by the Supreme Court of Nebraska in the case of Glatfelter vs. Security Insurance Co., of New Haven, Conn., recently.

The claimant alleged that he made an oral contract with the Company for fire insurance on a building in Central City, Nebraska, and that such contract was made on May 8, 1914, and the property was destroyed by fire on December 27, 1914. No premium had been paid and no policy had been delivered.

Claim was made that the agent of the Company was indebted to the plaintiff for rent at the time the contract is alleged to have been made. It was argued that this evidence in connection with the evidence that the agent received a commission on the insurance obtained by him tended to show the interest that the agent would have in making such a contract and tended to explain the delay of the agent in demanding a premium and the delay of the plaintiff in demanding delivery of the policy. The long delay of over 7 months was not the main issue, but was allowed in evidence as a collateral fact throwing light upon the main issue.

The Main Issue

The main issue was whether or not an oral contract had been made. The ordinary course of insurance is to issue a policy specifying definitely the contract and its terms. An oral agreement to insure is enforceable but it must be definite to all of the material terms of the contract. As to the amount of insurance agreed upon, the plaintiff in his petition alleged that it was to be an amount not exceeding $2,500 and as to the amount of premium he testified he did not know the exact amount. The trial judge instructed the jury that they might take into consideration the fact that no premium had been paid prior to the loss and that no demand had at any time been made and no effort to pay had been made in determining as to whether the contract claimed by the plaintiff was in fact actually made and entered into.

Extension of Credit

On appeal it was explained that this instruction brought into the case the element of extension of credit. In consideration of this point, the Supreme Court stated that the lower court had already in behalf of the plaintiff instructed the jury that an insurance company might waive the cash payment of a premium and might extend the time for the payment of it. Plaintiff testified that at one time during the 7 months he put a blank check in his pocket and went to the office of the agent for the purpose of paying the premium, but the plaintiff also testified that the agent was out of town most of the time and that the door of his office was locked as it usually was, and that at other times he went to the office to collect rent but did not testify that he had at those times made any tender of payment. If he had tendered payment and it had been refused it might well be contended that an effort to pay had been made.

Under the circumstances the higher court said it could not consider it was probable that the verdict of the jury in favor of the defendant company was affected by the assumption that the act of the plaintiff in going to the agent's office when he knew that the agent would probably be away was not an effort to pay. The plaintiff's evidence as to the making of the alleged contract was emphatically contradicted by two competent witnesses and his own allegations and proof were not so definite as to the terms of the alleged contract as to justify the conclusion that the jury had been misled in the matters complained of.

CITY CLUB MEETING

Remembrance to George L. Hodson—Frank H. Gibson Succeeds Him as Treasurer

At the meeting of the City Insurance Club held at Davidson's Restaurant on Tuesday a watch was given to George L. Hodson, treasurer of the club, of Cornwall & Stevens (and who is now at Spartanburg), as a token of the members' appreciation of his services and Frank H. Gibson, formerly of Fred S. James & Co., who is taking over Mr. Hodson's work with Cornwall & Stevens, was elected to succeed him as treasurer of the club.

Following the report on the outing, a vote of thanks was given the ticket committee for their work, and to Louis Du Four, of Mather & Co., who sold sixty-two tickets. The committee reported that 409 tickets had been sold, which did not include the hundred or more who had come to the outing via automobile. There is now more than $1,000 in the treasury, $250 of which was voted for Thrift Stamps.

A feature of the meeting on Tuesday was the entertainment by Messrs. Ponton, Finch and Mandoch, who had composed a special song, dedicated to the City Insurance Club, which took the members by storm.

R. H. MOORE WITH CONCORDIA

To Supervise Eastern Department of Company with Headquarters in Milwaukee

Robert H. Moore, who has been covering the Eastern New York field for the Insurance Company of North America and the Alliance for a number of years, has resigned to become agency superintendent of the Eastern Department of the Concordia Fire Insurance Company. He will be at the home office.

N U

NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.

TODAY IS THE DAY—

For what? For ACTION! To do the thing that lies before you.

In this age you're fighting a constant battle with Time—you can't win by letting Time have all the advantages.

In the race for Success your strongest competitor is TIME—your keenest adversary is HESITATION—your bitterest enemy is "WAIT TILL TOMORROW."

"Put it off" and you are merely welding a link in the chain of HABIT that will sooner or later render your judgment QUAKY and UNSUBSTANTIAL.

Acquire the HABIT of putting things off and very soon you will find the path of progress blocked.

"I'll think it over" has cursed many a man and wrecked many a CAREER. THINK FAST! DECIDE!

The world has no opportunities for the LAGGARD—the man who is AFRAID TO ACT. Strengthen your character with prompt decisions. What is wanted is men who have the "habit" of doing things—and doing them NOW.

Correspondence welcomed from Agents of experience and good repute.

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United States Branch
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NEW YORK CITY, N. Y.

NEW YORK NATIONAL INS. CO.

THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.

Companies Circularized On Enemy Trading

SHOULD USE ALL PRECAUTIONS

Must Disclose Parties to the Contract to Avoid Contracting for Enemy Interests

In accordance with recommendations of the Uniform Rules and Clauses Committee of The Eastern Union a circular, captioned, "Trading With the Enemy" is being mailed to companies. In part it reads:

"It is important that those who negotiate or write policies of insurance see that all parties to the contract be named and identified to avoid the possibility of contracting with, for, or on behalf of 'enemy' interests. The penalty for wilful violation of any of the provisions of the Act or any license, rule, or regulation issued thereunder, or neglect or refusal to comply with the order of the President issued in compliance with the provisions of the Act, is $10,000, or if by a natural person, imprisonment for not more than ten years, or both fine and imprisonment, and any officer, director or agent of any corporation who knowingly participates in such violation is subject to a like fine and imprisonment, or both, and any property, funds, securities, papers or other articles or documents concerned in such violation shall be forfeited to the United States.

"To write a policy for the benefit of 'whom it may concern,' without disclosing the parties at interest, is not of itself a violation of this Act, but a violation will be determined solely by the facts and circumstances surrounding same.

"Presumably a company knows with whom it contracts, and while it is not necessary to the validity of the policy that the name of each assured should appear on the contract, yet if the property is insured for account of whom it may concern, there is a privity between the insurance company and the actual owner of the property for the time of the insurance and the contract is with him as the assured. It, therefore, follows that a company might find itself, unwittingly, in privity with an 'enemy' or 'ally of enemy' through having made a contract or agreement within the meaning of the Act and being in violation would be subject to the penalty of a fine of $10,000 while other penalties might fall upon the officers or agents who sign and issue the policy.

"No court, we believe, would hear, as a defense that a company was without reasonable cause to believe its contract was for the benefit of an 'enemy' where no precaution was taken and no effort made to learn the status of the parties interested."

A large fire insurance company wants a capable special agent for New Jersey and Pennsylvania. Address, R. S., The Eastern Underwriter.

Commissioner Elwell On Russian Decision

DISCUSSES BAN OF TEXAS

Believes Strong Leader Will Overthrow Bolshevik and U. S. Should Co-operate

Insurance Commissioners were loath to comment for publication this week upon the action of the Texas commissioner in refusing to renew the license of nine Russian companies, basing his action on the allegation that these companies are controlled or owned by German interests. Among the commissioners who told The Eastern Underwriter that they preferred not to discuss the Texas decision were Messrs. Phillips, New York; Mansfield, Connecticut; Hardison, Massachusetts; Deputy McCulloch, Pennsylvania, Sheehan, Maryland; and Smith, New Jersey.

Views of Mr. Elwell

The only commissioner who did not object to being quoted was Rufus N. Elwell, of New Hampshire, who said:

"Answering your inquiry as to what we think of the action of the Texas Insurance Commissioner in refusing to re-license Russian companies, alleging that they are in reality German companies, we have to say that we would not wish to criticise a brother commissioner. We think, in fact, that he is correct in assuming that the Russian government as at present constituted, is in league with Germany. That has been our belief for some time. However, we do not believe that all the Russian people or even the majority are in sympathy and we hope to see some strong leader come forward and organize the intelligence and integrity of Russia and overthrow the present government. When that time comes, we believe that our own country should be in condition to co-operate with them. Having considered all these matters we have not felt like refusing to re-license the Russian companies, nor do we feel like criticizing any Commissioner who does refuse to re-license them."

Up until Thursday morning the Texas Commissioner had not given direct writing companies any ruling about their Russian treaties.

REINSTATED TO MEMBERSHIP

The executive committee of the Suburban Exchange, announces that the Scottish Union & National, having complied with the requirements of the deviation committee, is by unanimous vote of the executive committee now reinstated as a member.

ANOTHER PLACE VACANT

Frank Keller, Jr., has joined the colors. That leaves the automobile department of the Norwich Union without a general agent. Mr. Keller went with the Norwich Union early this year. He had been with the Home.



THE AIRPLANE

—is the military eagle, aptly termed the Eyes of the Army. Rising above and before the battle line, it watches for coming attacks.

FIRE gives no warning of its coming. No eye can see where it will strike next.

ADEQUATE Insurance is the airplane of protection. Use foresight instead of actual vision. Let the

AMERICAN EAGLE

Fire Insurance Company of New York

begin today to protect you against loss by fire.

Cash Capital .....ONE MILLION DOLLARS

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NEW YORK

Pacific Coast Dept.,
INSURANCE EXCH. BLDG.,
SAN FRANCISCO

Hazardous Conditions Should Be Reported

THROUGHOUT UNITED STATES

Co-operative System Started By Companies in Metropolitan Section Could Be Extended

The response of the fire companies in New York to the call of the Bureau of Surveys of the New York Board which was made a few weeks ago calling for reports on unsafe conditions of specific risks has caused some of the companies to seek to extend the plan to the entire United States.

F. J. T. Stewart, superintendent of the Bureau of Surveys of the New York Board, sent the following circular to the companies on May 1:

A few years ago this [illegible] issued a bulletin to members covering some features of the inspection work. Particular mention was made at that time of a special form of blank prepared for the convenience of members in notifying the Bureau of Surveys of unsafe conditions. These blanks are printed in copying ink and will be furnished in pad form in any desired quantities. A sample of the blank is enclosed herewith. Some of our members have regularly advised us of unsafe conditions which come to the notice of their representatives, by the use of this form or in other ways.

There is so much of importance just at this time owing to war conditions to make such co-operation very valuable that we wish to suggest again that members advise us regularly, preferably on this form of blank, whenever any unsafe conditions come to their attention. Information regarding storage of explosives and inflammables will be of particular interest.

A large number of companies have requested supplies of the blanks, and as a result of the reports received quite a number of risks which contained imminent hazards were corrected. The blank supplied by the New York Board provides for the reporting to it of unsafe conditions by the company inspector or underwriter. If conditions were such as to call for immediate action, the matter is reported to the Bureau of Fire Prevention of the Fire Department.

INCOME TAX HEARING

Wendell P. Barker, representing thirty fire insurance companies, appeared before the Ways and Means Committee of Congress on Tuesday and argued against taxation of loss reserves in making their returns.

Mr. Barker is of the opinion that the Federal law with regard to taxation of insurance companies should also be amended in other regards, and particularly with regard to the invested capital of foreign corporations doing business in the United States.

WANTED

Assistant Examiner

in large New York Fire Company. A good opportunity for the right man.

Address stating qualifications and recommendations, care

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105 William St., New York

WALTER F. ERRICKSON AGENT

95 William St. New York

38-40 Clinton St. Newark, N. J.

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Established 1824

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U. S. BRANCH

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No. 80 Maiden Lane, New York

New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York
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FIRE INSURANCE AGENT

Representing at 79-83 William St., New York

FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
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LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

MARINE DEPARTMENT

Coastwise Shipments Will Be Subject to Increased Marine Risk on Account of War Conditions

Inasmuch as most of the coastwise steamers, on account of submarine activities off our coast recently, will either navigate with screened lights, sail in convoy or sail closer inshore, the chances for marine underwriters writing this class of business in the near future to sustain a loss in consequence of collision and/or stranding will be greatly increased, and steps should be taken to increase coastwise marine rates on account of the increased hazard in the near future. This applies to hull as well as cargo risk as both will suffer equally.

For years past coastwise marine rates have been declining to such a basis that it is almost impossible for underwriters to make a profit. The recent loss of the steamer "City of Athens," Ocean Steamship Company, demonstrated fully to marine underwriters the necessity for increased rates and in the near future, if conditions continue as they are from submarines appearing off our coast, increased losses of this kind can be looked for. Unless steps are taken by receiving proper premium to cover the increased hazard underwriters writing this class of business will suffer.

OBSERVER.

Sir E. M. Mountain on Cargo Accumulations

SERIOUS FOR UNDERWRITERS

May Limit Amount at Risk in Any One Warehouse—Hull Insurance Increases

London, June 10.—A speech by Sir E. M. Mountain is always interesting especially when the subject is marine insurance. Probably no one has the intimate knowledge of the business which is possessed by the chairman of the Eagle, Star and British Dominions Insurance Company, Ltd., therefore it is not surprising that the remarks which that gentleman has to make at his company's annual meeting are worth more than usual attention.

On the matter of hull insurance, the very moderate rise in rates which has taken place during the war received a necessary reference. It is too often assumed that underwriters are eager to advance rates with the very lightest of excuses—an assumption quite without foundation; when, therefore, it is pointed out that the estimated increase in cost of repairs as a whole has risen to the extent of 150 per cent. at least in this country, and 300 per cent. in America, it will be realized that the two increases which have been made in rates, amounting together to 20 per cent., are not excessive, even when the advantage reaped by the higher values is taken into consideration. There have, of course, been other causes throwing heavier risks upon underwriters, particularly one mentioned in the speech, the risk of collision, which has constantly increased, and is still increasing.

The Accumulation of Cargo

Naturally, many of the troubles which affect hull insurances apply equally to those on cargoes; but Sir E. M. Mountain called attention to a very grave danger applying particularly to cargo, viz., the accumulation at the ports of enormous quantities of cargo.

This matter has been the subject of remark on several occasions, the risk having been very much on the minds of everybody concerned. It was generally known that methods were being considered which would tend to control, as far as possible, the extent of the risk's run; but it is satisfactory to have this confirmed by such an authority, and to know that an agreement is likely to be made which will limit the total amount by each contract that can be at risk at any one time, in any one warehouse. Of course, it must be some time before the effect of such an agreement can be beneficial; but the provision is a wise one, and the only qualification that one would make is that it should have been made before.

McComb & Co. To Write Fire on Hulls

GET NEW FIRE COMPANIES

S. D. McComb and O. E. Carter Resign From Vessel Agency—Change Effective July 1

S. D. McComb, manager, and O. E. Carter, assistant manager of the Vessel Agency, Inc., and respectively president and treasurer of S. D. McComb & Co. Inc., have resigned from the Vessel Agency, Inc. After July 1, Mr. McComb and Mr. Carter will devote their time exclusively to the affairs of S. D. McComb & Co. Inc.

After July 1, S. D. McComb & Co. Inc., will also write fire risks on vessel properties, which is the class of business done by the Vessel Agency, Inc. In this connection, it was also announced this week that most of the companies formerly operating through the Vessel Agency, Inc., would after July 1 write this class of business through S. D. McComb & Co. Inc., with several additional companies adding to the facilities of the latter office.

The Vessel Agency, Inc., on July 1 will vacate the space occupied in the offices of S. D. McComb & Co., Inc., and will be located elsewhere after that date. The Vessel Agency, Inc., is owned by the Hartford Fire Insurance Co.

CARGO SPACE SCARCE

Marine business continues quiet with little doing except in South and Central American business. Space is scarce; the Government having appropriated so much of it. A large percentage of the offerings is on low grade boats.

No Longer Represent National Liberty

J. N. S. Brewster & Co., Inc., are no longer representing the National Liberty for automobiles.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

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Losses made PAYABLE in all parts of the world

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Hanover Fire Insurance Co., of New York, N. Y.
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New York, Amsterdam and Copenhagen

MACHINERY THE REAL NEED

This "Government" Can Turn Out the Ships—Views of Congressman Sherley

Congressman Swagar Sherley, of Kentucky, in discussing the Government's sundry civil expenses, made this statement in Congress a few days ago, relative to ships:

"The real problem in connection with the shipbuilding program, in my judgment, is going to be what I have long thought it would be, the problem growing out of the shortage, not of hulls, but of the machinery for propelling ships. We are going to turn out steel hulls, wooden hulls, and concrete hulls very much faster, in my judgment, than we are going to be able to equip those hulls with machinery.

"There has been a considerable agitation in this country for the building of concrete ships. I am not going to undertake to discuss how far that agitation is warranted by proved facts. But it was testified before the committee that the Shipping Board had asked and was prepared to spend $50,000,000 in the making of concrete ships, and the committee has added that sum to the very large amount recommended in the bill for the building of ships."

CASUALTY AND SURETY NEWS

New Auto Rates Well Received

DIFFERENTIAL MAY BE ABUSED

Liberal Use Will Be Made of Old Seven Months' Residence Clause

Launching of the new automobile collision rates appears to have taken place without creating any undue amount of disturbance. The adoption of a $50 deductible clause is generally viewed as a wise move. The Conference companies are now in position to meet the wishes of those who did not like the $25 or the $100 clause. Also this latest move brings the Conference and the outside companies closer in point of practices and alters the lines of competition.

On the subject of differentials for large cities and small towns, it is thought that now the companies should be in position to get some of the country business. This they have not so far been very successful in doing. It is expected that this differential system will bring with it a revival of the old troubles experienced with owners who insisted on obtaining insurance at country rates, although their cars should by rights have been insured under a city rate. Liberal use of the seven months' residence clause will have to be resorted to, to keep this practice within bounds.

A. M. MURRAY TO CAMP

Changes in Aetna Office Necessitated by Loss of Liability Department Head

A. M. Murray has gone to Camp Upton. He left last Saturday and the Aetna office at 100 William Street has lost one of its best men. Just before leaving he and a few of his associates played a farewell game of golf and Mr. Murray hung up a score of 81, which is now being carefully preserved in the office awaiting his return. Then he started for camp in charge of a squad.

During his absence C. P. Hoppen, one of Mr. Murray's assistants, has been appointed superintendent of the liability and compensation department. Mr. Hoppen has been with the Company since 1906, and had valuable experience with other companies. J. B. Clarke, another of Mr. Murray's assistants, has taken Mr. Hoppen's former position, and is now assistant acting superintendent. He has been with the Aetna since 1911, and was previously with the Ocean.

Mr. Murray has been with the Company since 1904, and his record of advancement is an unusual one. It is certain that in any work he may undertake in furthering his country's cause he will display the same fine qualities that have made him so well liked and successful in insurance.

Matters of administration affecting the department will continue to come under the direction of John S. Turn, resident secretary.

EAGLES BEAT HAWKS

Last Saturday the American Surety held its eleventh annual outing at Forest Hills, L. I. The attendance was small, only fifty, owing to so many members of the staff now being in the army or navy. The principal attraction was a ball game. The Eagles, captained by C. W. Goetchius, beat the Hawks, 19 to 10.

J. Fred Scherfenberg, Jr., traveling auditor for the American Surety, is now in the Quartermaster's Corps at Camp Joseph E. Johnston, Jacksonville.

Compensation Form Nearing Completion

HEARING HELD IN NEW YORK

New Committee Appointed With Full Power to Present New Draft

Adoption of a uniform compensation policy may be expected within a short time. Wednesday afternoon, at a hearing in New York, a committee was appointed with full power to present a policy form without further conferences. This committee is composed of the United States Casualty, London Guarantee & Accident, Ocean, Fidelity & Casualty, Employers, Travelers, Liberty Mutual, American Mutual and Leon S. Senior, representing the Rating Board.

At the hearing the policy form framed by a committee of the carriers and the one drawn on Associated Company lines were presented. The new committee will take up both forms, harmonize differences and file its draft with the departments.

Commissioner Lyons' View

The Associated Companies' form was accepted by the representatives of such companies present. Mr. Senior presented the committee's form which also had its advocates. Industrial Commissioner Lyons was of the opinion that inasmuch as ten of the leading companies had endorsed the Associated Companies' form, the remainder should be satisfied.

The form to be drafted by the committee is to be for universal use. It is now understood that at committee meetings policyholders, agents, brokers and other interested parties shall have the privilege of being present and entering into the discussion.

The agents and brokers are agreeable to the Associated Companies' form. The New York State local agents were represented by E. H. Warner, who signified the desire of his association that the agents be given an opportunity to be heard before a form is finally decided upon.

EXPERIENCE RATING AGAIN

Bureau Issues Explanation of New Plan, Making Use of Typical Cases

Wednesday afternoon the Bureau issued a statement with reference to the conception and development of the principles underlying plan "D" of experience rating for compensation risks.

The statement is a further explanation of the new plan, details of which were given last week by the New York Department. It is accompanied by an exhibit in which are presented the results obtained by applying the plan to six typical risks taken from the files of the Bureau. These cases are therefore not hypothetical. They are forging, residence building, store, bookbinding, restaurant and clothing.

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.
Home Office, United Life Building Concord, New Hampshire

Safety-First Inspections Reduce The Cost of Productive Industry:

1—By reducing the number of industrial deaths and injuries.

2—By reducing the number of dollars demanded for insurance protection.

Suggestions made by the safety engineers of the Maryland Casualty Company resulted in such a marked improvement of working conditions at a Buffalo factory that last month the owners of the factory secured a reduction in their compensation insurance premium of Two Thousand and Sixty Dollars.

Maryland Casualty Company
THE TOWER
BALTIMORE

THE TRAVELERS RESIGNATION

Today, Friday, a meeting of the National Workmen's Compensation Service Bureau will be held to consider the resignation of the Travelers and hear the report of the welfare committee on that subject.

GLASS RATES ADVANCED

Tennessee and Richmond, Va., Affected —Chicago Has Been Zoned for Rating

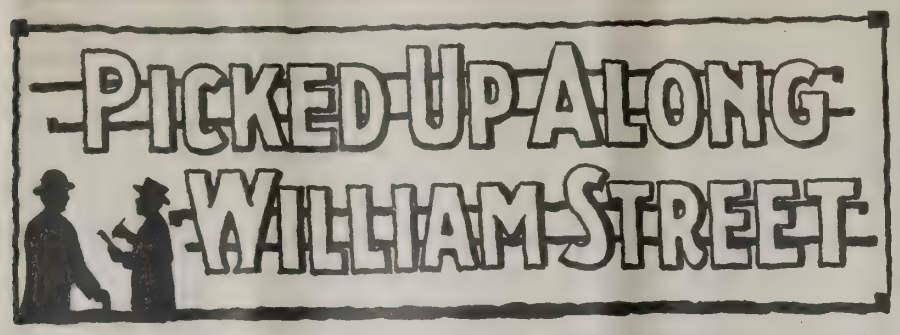
Chicago has been divided into twelve zones for purposes of plate glass rating. An investigation is being made of the experience by W. F. Moore, the rating expert, and it is likely that new rates will be announced this week. They will be much higher than those now in use. The most hazardous section is the so-called Black Hand district, north of the river.

In Tennessee plate glass rates have been advanced twenty-five to fifty per cent. In Richmond, Va., the standard manual has been put in use, replacing the old manual which carried very much lower rates. The Tennessee and Richmond changes become effective August 1.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA



War Bureau's Actuary

William Macfarlane, formerly with the New York Life, and more recently with the War Risk Bureau at Washington, of which he is actuary, is now establishing a statistical and actuarial division of the Bureau.

* * *

Would Like Uniform Policy

Underwriters are not the only ones interested in a uniform accident and health policy. The claim divisions are keenly appreciative of the benefits to be derived from a standardized policy. It often happens that an assured will leave several policies, sometimes running as high as seven or eight. In such case all the settlements would be different and the beneficiary and the attorneys become more or less ruffed over the technicalities and delays. If the assured carried life insurance also, that is settled with a minimum of trouble, while the accident insurance may be difficult to adjust. The beneficiaries, not understanding the difference between the two classes of contract, acquire a suspicion of accident insurance which should not exist and which would be largely removed if contracts were more uniform in terms.

* * *

Has Antique Glass Policy

W. F. Moore, the plate glass rating expert, has in his office a relic of the early days of this class of underwriting in the form of a policy issued in 1865. That was two years before a plate glass policy was issued in this country. The old policy was issued by the Guardian Plate Glass Insurance Company, Limited, Manchester, England, to Thomas Mulligan, 2 Lower Dorset Street, Dublin. It ran from "29 September, 1865, to Michaelmas, 1866." The old document is of particular interest at this time when a new policy form is being drafted for use by plate glass companies in this country. The present form has drifted away from the early type in many particulars, but when the new form makes its appearance it will reflect many of the principles borne out in the old contract issued to Thomas Mulligan of Dublin.

* * *

Keep Informed

Insurance men should be interested in social insurance. It may be their undoing. These are some sources of information on this subject:

Insurance Journals

Call at public libraries in your vicinity.

The Insurance Economics Society, 422 Majestic Building, Detroit, Mich.

Dr. Frederick L. Hoffman, 755 Broad street, Newark, New Jersey (booklet on "Facts and Fallacies of Compulsory Health Insurance").

"The Workmen's Compensation Publicity Bureau" 80 Maiden Lane, New York, (various publications).

New York Chamber of Commerce, (report on Social Insurance by John Franklin Crowell).

Social Insurance Department, National Civic Federation, 33rd Floor Metropolitan Tower, New York, (literature on Compulsory Health Insurance).

All or any of the above named (except libraries) will be glad to send free literature, postage prepaid, on request.

* * *

H. H. Flagler Gives $3,210,000 Bonds

Harry Harkness Flagler, son of the late Henry M. Flagler, the Standard Oil magnate, has executed, through the National Surety Company, three $1,070,000 bonds as general guardian for his three children under his father's will. Mr. Flagler's appointment has been made by the Surrogate's Court of Dutchess County, to permit him to receive for his children's immediate benefit, 3,000 out of 8,000 shares of Standard Oil Company of New Jersey stock left them by their grandfather. The three heirs are Elizabeth Lamont, Mary Harkness and Jean Louise Flagler.

* * *

Tourist Agency Man With Travelers

Charles N. Sumwalt of Roselle Park, N. J., formerly with the tour department of the Raymond & Whitcomb Company in New York City, has been appointed special agent for The Travelers Indemnity Company, and reported on June 10 at the Home Office for instruction in the Training School.

* * *

Some Real Risks Offered

There is some call for public liability on amusement park devices but nobody appears to be looking for this class of risk. One office also received an inquiry for public liability on an aviator carrying passengers. This line also went begging. One underwriter to whom the aviator risk was offered said that he couldn't consider it now as he is very busy arranging for a group policy on the German army. When he gets that fixed he may feel inclined to take on the aviator.

* * *

Experience on Fleets

For a long time the question of automobile insurance on commercial fleets has been under consideration by the Bureau. It now appears as though the discussion might be prolonged, although it was thought a few days ago that the situation might be brought to a head at a meeting this week. A great many of these risks are of the target variety and rates are now being cut from 25 to 50 per cent. by some companies. The experience indicates that the hazard is the same as if each unit of a fleet were insured separately.

* * *

Developing Schedule Rating

The Actuarial Section of the National Reference Committee on Workmen's Compensation and the National Reference Committee on Schedule Rating have been conferring with a view to outline a plan for obtaining information which should be accumulated for purposes of developing schedule rating.

* * *

Re-classifying Hazards

There is to be a re-grouping of classifications in the experience manual for workmen's compensation. The result will be that these classifications will be made more homogeneous. Contracting classifications will undergo a radical change. The present experience manual is the outgrowth of the old liability manual. It is recognized that the statistician is apt to group hazards according to industries, whereas the underwriter is interested in hazards irrespective of industries or occupations. In the new arrangement the desire will be to more completely assemble the hazards of various, at present, divided groups, so that the underwriter may find just the comparisons and degrees of hazards he desires, with a minimum of research.

Jacob Pfeiffer, of Chicago, who supervises agency work for the American Surety in the Middle West, is visiting New York and reports conditions in his territory to be highly satisfactory.

Better Understanding On Louisiana Law

COMPENSATION LAW TO REMAIN

Bills Introduced in Legislature to Remedy Defects in Existing Statute

Labor and capital are getting together upon certain important amendments to the Louisiana compensation law. These will remedy a number of defects in the law. The amendments are embodied in two bills introduced in the legislature. One bill prohibits withholding from wages on account of any costs under the compensation law. The other amendment generally amends the law to correct defects found to exist in it.

It is believed that these bills stand a good chance of enactment. If they pass they will effectually eliminate any demand on the part of labor or employers for the repeal of the compensation law or the establishment of a state managed insurance fund. Both bills referred to have passed the senate and the one regarding wages has also passed the House. The other bill has been favorably acted upon by the insurance committee. House Bill 44, repealing the whole compensation act, has been withdrawn.

Put League in Traitor Class

IN FIGHT FOR ITS LIFE

People of North Dakota Organizing to Down Anti-War, State Insurance Body

Instead of sweeping the country, after its initial great success in capturing all of the public offices of North Dakota, the Non-Partisan League is now fighting for its life. Following the set-back it got at the polls in Minnesota, and the statement of the Nebraska attorney-general that A. C. Townley and other promoters of the League, are engaged in a non-productive occupation, and "must work or fight," the people of North Dakota, particularly mothers of soldiers at the front, or going to the front, have been parading this week, bearing signs in which they call the League leaders traitors, and they have also been breaking up the League's political meetings. They believe that the Non-Partisan League is doing what it can to block the war. It will be recalled that one of the principal planks in the League's platform is State insurance.

HOPPE & THOMPSON WIN

Take Cup From California Agency and Await Challenge to New Contest For Continental Honors

Hoppe & Thompson, of New York, have won the Continental Casualty's Pension Bonus Cup from Berhens & Co., of California, in the New York downtown office-California contest. The California agency was handicapped twenty points for the two periods of the contest, January 20 to March 20, the points won by the respective agencies being: New York 32, California 34, handicap on California 20. The New York agency is awaiting a challenge, and is ready to defend its title to the cup.

E. M. LINVILLE ADVANCED

E. M. Linville has succeeded W. T. Perry as superintendent in the compensation department of the Ocean in New York. For a number of years Mr. Linville was agency superintendent.

FARRISH'S CHOP HOUSE
Cor. John & William Streets
THE PLACE in the Insurance District to eat lobsters
NOW IN SEASON
Whole cold lobster 65c.
Whole broiled lobster 75c.

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RESIDENT MANAGERS
Chicago Bonding & Insurance Company
FOR NORTHERN NEW JERSEY
ATTRACTIVE AUTOMOBILE RATES.
Union Trust Co. Bldg., JERSEY CITY
Telephone Montgomery 3283

BUSINESS=BUILDERS
DEVELOPING
Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE
APPRECIATE THE CO-OPERATION OF THE
Massachusetts Bonding and Insurance Company
BOSTON
T. J. FALVEY, President
Paid-In Capital $1,500,000
Write For Territory

The Fidelity and Casualty Company of New York
92 LIBERTY STREET, NEW YORK, N. Y.
Metropolitan Office—92 William St.
ANNUAL STATEMENT DECEMBER 31, 1917

Assets	$15,077,330.62
Liabilities	10,785,343.53
Capital	1,000,000.00
Surplus over all liabilities	3,291,987.09
Losses paid to December 31, 1917	60,740,294.97

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation, Steam Boiler Insurance; Fly-Wheel Insurance.

CASUALTY AND SURETY POINTERS

1,500,000 Women as Prospects

Why not get the women? asks the National Casualty, which has its head office in Detroit, where there is an unusually good opportunity to observe to what extent women are replacing men in the industries. Every month, says the National, sees many women enter the ranks where only men have lined up before, and they are making good, too. They have come to stay. The first great demand was for clerical help to handle the work of new departments of government. Then came the call from all other branches, and we find women working everywhere. One hails a taxi, and the chauffeur is a woman. Alighting at a prominent hotel in the Northwest, one finds a neatly uniformed elevator starter and operators, and all are women. One asks for the head porter, and a smart young woman answers, "I am the head porter." In New York, many of the ushers are women, and subway, surface and elevated roads, motor busses and delivery wagons are operated by women. Railroad shops are using many. In Detroit they are doing road testing of automobiles. A gas mask factory starts up and employs 10,000 girls. Just one of the new industries.

The woman in business has come to stay. There are 900,000 more now than a year ago. Another million will be added this year. Not 2 per cent. of them carry insurance. What a glorious field, for they get good pay, and being exposed to new dangers, they need insurance very badly. It used to be that girls were not very good risks, because they earned small pay and didn't stay at work very long; but now they earn the same as men, and they have come to stay. They need business training and insurance educating, but think what a field has opened up. A million and a half brand new risks for someone. Why not get your share?

* * *

Caring for Old Business

Here is a bit of good advice by W. E. Price, of the Massachusetts Bonding:

"My advice to any agent who is anxious to build up a permanent business is to impress on each policyholder that he can come to that agent with any question about his policy and obtain advice or information which he may absolutely depend upon as reliable and correct. There is no other system as effective as this in making policyholders 'burglar proof'—as far as agents of other companies are concerned.

"Some agents are so busy trying to get new policyholders that they overlook the importance of continuing their service to the old policyholders already on their books. It is just as important, if not more so, to make a permanent policyholder out of the one you secure as it is to look out for new ones.

"Get new business—but when it is secured don't fail to look after it.

"Now the company reposes a trust in each agent—the trust of making or marring its reputation in his community. The agent not only has the opportunity to make or mar his own, but as well the company's standing. Fair and just dealing with customers and the company cannot help but result for any agent in building up a permanent business, because that business will be founded upon lasting principles of honesty, integrity and service."

* * *

Don't Overlook Small Business

Gilman A. Gist, of San Diego, has been telling his Ætna associates that it does not pay to overlook the small business, as one never can tell where the little fellow may lead one. Mr. Gist relates this experience:

"Having made a note of an accident expiration, I called on the man and succeeded in placing $5,000 at $6.25 semi-annually. Small case? Yes, it was, but wait and read further.

"When delivering this a man I knew by sight came in to leave some papers. The 'Little Fellow' introduced me saying, 'You'd better let Gist fix you up, too. He's got me.' 'Nix,' replied Mr. Blank and went out.

"Finishing with my man, I went right over to Mr. Blank's office and told him that as I always try to obey instructions, I came to write him an Ætna policy, Mr. Little Fellow having ordered me to do so.

"This produced a laugh and 'Absotively not. It can't be did.' I laughed and agreed with him and told him I only came in to say 'Hello.' He invited me to sit, and we chatted for a few minutes.

"When I rose to go, he called me back. 'Here, this is Mr. Jones, Gist. He wants accident insurance.' I thought this was another bluff but went right to the bat. Mr. Jones took a $36 contract.

"When I delivered the Jones policy, Mr. Blank's brother was introduced to me. Acknowledging the introduction, I told him I must hurry as I had to see a man about our policy.

"'What's that?' Briefly I outlined a $5,000 life with double indemnity and new disability. He asked for his exact rate and an application. I sold him $4,500 life within the week.

"When I delivered his policies, his brother, the original Mr. Blank who 'Absotively' wouldn't buy, inquired for rates and is now considering a like contract, as he said: 'What's good enough for Bill ought to suit me.'

"So I must disagree with the man who says the little ones are a waste of time. You can't know where they may lead you and they add to your yearly increase in any case."

Work or Fight
Status of Insurance

(Continued from page 1)

Government itself is insuring men and vessels, it is realized that the carrying of life insurance is one of the most important kinds of thrift that can be practiced by the public and it is of direct benefit to the nation that all who can should carry insurance. On the other hand, the advantages and value of fire and casualty insurance are such as to need no enumeration.

Because of this, the Provost Marshal General has not included insurance workers in the non-productive list. The instructions sent to the local boards, of course, are confidential, but it is unofficially intimated at the Provost Marshal General's office that the local boards have been instructed to use their discretion in such cases, bearing always in mind the value to the community of the work being done by the man before them.

It is more than possible that some agents, known to be devoting but little time to their work (and such men can be found in every industry) will be called before their local board and asked to explain, but the man who works steadily and hard for his company will probably be left alone until it becomes necessary to draw on all but the most absolutely essential industries for men.

It has been suggested from sources other than governmental that it might be a good proposition for men who are in doubt as to their status to take their cases up with the local boards and settle them before they are called. In this way, they would learn sooner the attitude of the board toward their work and undoubtedly would be treated with more consideration than if they waited for the board's agents to come and pull them out. At the same time, this manner of handling the case would give the registrant more time to make appeals from what he might consider an unjust ruling of the board.

OHIO MAY BE FIRST

Ohio, like a number of other states, has a special commission actively engaged in investigating the subject of social health insurance. Advocates of the system in that State are of the opinion that there the right to pass a health insurance act is apparently clear from a constitutional point of view. In California a constitutional amendment is necessary and in other states the question is doubtful.

CAN'T RECOVER COMMISSIONS

The Appellate Division of the Supreme Court has affirmed the opinion of the Appellate Court, in the case of John A. Eckert & Co., brokers, against Pathe Freres. This is the well-known case where an attempt was unsuccessfully made by the brokers to recover commissions for full term for obtaining policies of insurance which assured afterwards canceled, paying short rate.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary
GEORGIA CASUALTY COMPANY
HOME OFFICE: MACON, GEORGIA
"DIXIE AUTO POLICY"
THE LAST WORD IN MOTOR INSURANCE
Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY
INSURANCE CO. OF NEW YORK
HOME OFFICE, 47 CEDAR STREET
CHARTERED 1874
Plate Glass, Burglary, Accident and Health Insurance
EUGENE H. WINSLOW, President
Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.
RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE
HEAD OFFICE
CHICAGO
F. W. LAWSON
General Manager
Liability, Accident, Burglary, Boiler and Credit Insurance
Established 1869
F. J. WALTERS
Resident Manager
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145 Milk St., Boston
Resident Managers
New England
London Guarantee & Accident Co., Ltd.
OF LONDON, ENGLAND

New Amsterdam Casualty Company
A Progressive
SURETY AND CASUALTY
Company

The Employers' Liability Assurance Corporation, Ltd.
The original and leading Liability Insurance Company in the World
LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE
United States Branch
SAMUEL APPLETON, United States Mgr.
Employers' Liability Building
33 BROAD STREET, BOSTON, MASS.
AGENTS WANTED

Security Mutual Life Insurance Company
Binghamton, N. Y.

Offers to men able to produce business first class territory, with direct contract providing liberal compensation.

For particulars, address

C. H. JACKSON, Supt. of Agencies

STRENGTH INTEGRITY SERVICE

Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND
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JAMES H. BREWSTER, Mgr.
Hartford, Conn.

A Broad Underwriting Service to Agents
Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.
Works in Harmony with American Agency Principles and Practices

NIAGARA LIFE BUILDING



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The Combined
Life, Sickness and Accident
policies, sold only by the
Niagara Life Insurance Co.
(WILLIAM H. CROSBY, President)
Protects the insured and his dependents.

Live wire reliable agents may obtain very favorable contracts

Communicate with
E. H. BURKE
Vice-Pres't & Gen'l Manager
BUFFALO, N. Y.

Authorized Capital $500,000
Detroit National Fire Insurance Co.
DETROIT, MICHIGAN
A Company to be built gradually and along the indicated lines of permanence
AGENCY CONNECTIONS SOLICITED

The A. P. A.
THE AUSTRALIAN PROVINCIAL ASSURANCE ASSOCIATION, Ltd.
HEAD OFFICE: New South Wales, 77 King Street, SYDNEY
Offices lately occupied by the Commonwealth Bank of Australia

BRANCHES: Victoria, South Australia, Western Australia, Tasmania, New Zealand

Subscribed Capital, £110,200 Paid-up Capital, £66,800
Government Deposits, £35,000

The Association has completed in the Ordinary Department New Business for the past five years totalling £2,886,327

The New Business for the Fifth Financial Year exceeded £1,250,000.

The Revenue totalled, £101,000

The Association transacts Ordinary Life Assurance and Accident Insurance

Agents coming to Australia are invited to communicate with or call upon the Association for positions on the A. P. A. Agency Staff. LIBERAL TERMS OF REMUNERATION TO THE RIGHT MEN.

SELBY P. WOOD, Managing Director

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY
of the United States

For agency openings address:
W. E. Taylor, Second Vice-President

EQUITABLE

JONES, LAUNT & BARRETT, Inc., General Agents

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THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 27 NEW YORK, FRIDAY, JULY 5, 1918 $3.00 a Year; 25c. per Copy

MAN POWER OF N. Y. CITY FIRE DEPT.

Depleted By Enlistments and Men Leaving for More Attractive Work

AFFECTS UNDERWRITING RISK

Serious Conditions Exist Because of Companies' Greatly Increased Retentions

Fire company officials are giving deep consideration to the present condition of the New York City Fire Department and its effect on underwriting in this City.

The man power of the Department has been materially reduced through enlistments and following the city's refusal last week to grant the firemen an increase in pay, it is reported that a large number of the trained force have either resigned or are planning to resign to accept more remunerative positions.

Advertise for Men

The Fire Department officials have tried several methods to maintain the force at its maximum. Advertisements have been inserted in newspapers and moving picture theatres in the city have been displaying signs requesting men to volunteer part of their time.

The extent to which the force has been crippled is evidenced by the fact that, in single alarm fires where formerly only one patrol answered, the Department is now sending three and four patrols to make up for the deficiency.

Because of the enormous liability in New York City even in normal times underwriters view the condition of the Fire Department as being a serious problem. Following the 10 per cent. increase in rates practically all of the companies increased their net retentions in order to take care of the greatly increased values and some company men express the view that because of the great centralization of fire insurance liability in New York City a catastrophe here is threatened unless the fire department is recruited even beyond its normal strength.

THE GAUVIN AGENCY

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Sixty-five-Year Record for Fair Dealing and Prompt Adjustment and Payment of Losses

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, War Risk, Explosion, Sprinkler Leakage, Use and Occupancy

Security
Assets ample for all obligations.

Service
Expert advice on insurance problems.

UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. **Net gain** in insurance in force during 1917, $21,764,-972.88, or 72% **of the amount paid for.**

MEN of CHARACTER can obtain further information as to the **Company** and **Opportunities** by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES, IA.

SIGOURNEY MELLOR GOES WITH THE GOVERNMENT

Resigns From Provident L. & T. to Become Assistant Secretary of Shipping Board

LEAVES FOR CAPITAL TODAY

Secretary of Life Underwriters Association of New York Made Fine Record Here

Sigourney Mellor, a member of the firm of Mellor & Allen, general agents of the Provident Life & Trust Co., and one of the ablest and most intelligent young insurance men in the United States, has resigned his insurance connection, and will leave for Washington today where he will be Assistant Secretary of the United States Shipping Board and also of the Emergency Fleet Corporation.

Wire Announcing Appointment

The telegram from Washington notifying Mr. Mellor of his appointment was signed Edward N. Hurley, chairman, and read as follows:

"I take pleasure in notifying you of your appointment as Assistant Secretary United States Shipping Board and also of the Emergency Fleet Corporation to take effect immediately. I know that this will mean considerable sacrifice on your part, but in these trying times it is necessary to commandeer the services of those who are specially qualified for responsible Government service. I am confident this new association will be mutually pleasant and profitable. Please notify me how soon you can report for duty."

Began Career in Philadelphia

Mr. Mellor began his insurance career in Philadelphia. He is a graduate of the University of Pennsylvania, and after leaving college he joined the forces of the Insurance Company of North America. Later he went with the Provident Life & Trust Co. at the Home Office. There he became associated with A. Rushton Allen, another bright young man with the Company, and the two joined forces and became producers. They filled in each other's gaps, and showed about as perfect team work as has ever been seen in the life insurance field of that city. They wanted their own office, and were told it was theirs if they could make an allotment which was set rather high. They found no difficulty in doing this,

THE PILOT POLICY

and won their spurs before the first year was over.

Good solicitors, blessed also with executive capacity, they put brains and study into life insurance salesmanship. Their best work was in writing a Philadelphia banker for a million. This was not any lucky strike, or hit-or-miss bit of soliciting, but they went after their man in a carefully studied, conscientious and hard-working campaign,



SIGOURNEY MELLOR

which took about a year. During this campaign they became as familiar with the banking business and the insurance needs of bankers as they were with the insurance business itself.

New York Experience

Their work was of such a high character that the Provident Life & Trust sent these young men over to New York as general agents.

About the first thing the new general agents did was to give a housewarming at which the other general agents and many of the leading agents of the city were invited. There were flowers, a luncheon and a spirit of friendliness. A good impression was made on the whole insurance fraternity, and since that time Messrs. Mellor and Allen have done much to strengthen the good opinion in which they are generally held here. The new general agents had high ideals about their office and their mission, and drew up a platform which explained the plane on which they operated.

Paid for $5,000,000 Last Year

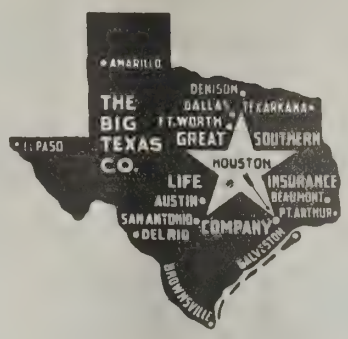
During 1916 the office wrote and paid for more than $3,000,000, and last year about $5,000,000. Not satisfied with this record Mr. Mellor led all the producers of the company in personal business, while Mr. Allen was also a large producer. Mr. Mellor was elected secretary of the Life Underwriters' Association of New York City, and also was made secretary of the association during its recent Liberty Loan campaign.

Since coming to New York Messrs. Mellor and Allen have developed a number of women agents, as well as the usual quota of men agents. A successful women's department, managed by Mary Johns Hopper, has made a specialty of introducing college women to insurance.

Grant Stockham & Co., of Baltimore, have given up the general agency of the Philadelphia Life, which was placed with that office early this year.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

WANT TO AVOID INCOME TAX

Assessment life insurance organizations of the country are making an effort to get out from under the tax placed on life insurance by the war revenue act. They hold they are not operated for profit and should be classed with fraternal societies and savings banks and be exempt from Federal income taxes. They make the plea that the tax of 80 cents per $1,000 on new business is burdensome and suggest a tax of 1 per cent. of the entire collection of each assessment organization in lieu of all other income taxes.

CHANGE OF BENEFICIARY

The United States Supreme Court holds that a member of a fraternal beneficial organization, by reason of the reservations to the application for membership, benefit certificate and corporate by-laws relating to change of beneficiary, has the right to name a beneficiary and from time to time change the same if he so desires.

INCOME OPTION ILLUSTRATION

Some years ago the Provident Life & Trust had an experience in settling a death loss, which illustrated the folly of paying in one sum a considerable amount to a beneficiary who has had no business experience. After much effort we persuaded the widow to carry out her husband's wishes, and take the proceeds of $15,000 in ten annual instalments of $1,778 each. She consented, but only on condition that this option could be discontinued later, and the unpaid instalments withdrawn. When the second instalment came due, she decided to take the lump sum for the reason that she wanted to order a tombstone for her husband, the cost to be $2,000. A few years later the entire estate was insolvent, and the widow left penniless with a lot of children.

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE

DEPARTMENT HANDCUFFED

Impossible Under Pennsylvania Law to Stop Fraternal Grafters From Preying Upon the Public

"The Insurance World" of Pittsburgh, calls attention to the impossibility of the Pennsylvania Insurance Department dealing adequately with fraternal orders and beneficiary societies in that State. It mentions the case of the Girard Beneficial Society. Two of the solicitors of that Society called at the office of "The Insurance World," stating that they had become suspicious of the Society's methods and wanting to know what proceedings to take. They were referred to the Insurance Department, after promising to come back with some concrete evidence of wrong-doing.

They never came back, but they did write the Insurance Department. "Under the law of this enlightened Commonwealth the Insurance Department was powerless to take action," says the paper. Pennsylvania law in many particulars is a very mysterious proposition. It affords the Insurance Department as little power in dealing with fraternals, and such concerns as the Girard, in protecting the public from fraud, as it affords protection to newspapers in event of a libel suit. Under Section 4 of the Act of April 6, 1893, which defines fraternal beneficiary societies and their status and provides for their regulation the hands of the Insurance Department are carefully handcuffed by the provision:

> That all beneficial and relief associations formed by churches, societies, classes, firms or corporations with or without ritualistic form of work, the privileges and membership in which are confined to the members of such churches, societies or classes and to the members and employes of such firms or corporations, shall be exempt from the provisions of this act. And provided further, That this act shall not apply to any secret fraternal beneficial society, order or association which has for one of its objects the payment of a sum not exceeding a certain amount at the date of expiration of a fixed period.

"The Girard is not the only concern of its kind now preying upon the foreign element in the Keystone State. There is another concern in Pittsburgh, which apparently has been indulging in the pleasing little pastime of 'grabbing all' for the benefit of its sponsors, and doubtless there are others scattered through the State. And there will be more as long as the Insurance Department remains handcuffed by the law, and as long as the newspapers remain muzzled by the stringent libel law now upon the statute books."

HAVE MAILED 3,330,000 CHECKS

The machinery of the War Risk Bureau is kept in constant motion by a force of 6,000 employes working in day and night shifts.

More than 3,330,000 Government checks, chiefly for allotments and allowances, have been sent out, aggregating upward of $101,000,000.

Between 850,000 and 900,000 checks are now being mailed every month, the average recently being 35,000 checks a day. Thousands of dependents of soldiers and sailors, expect to receive their June allotments and allowances in the current month, but under the law such allotments and allowances are not payable until July. Misunderstandings of this character unnecessarily aggravate the correspondence problem.

President Priddy Back From West

WENT AS FAR AS FARGO

Found Many Life Agents Working in Wheat Fields—Criticises Horner Tax Brief

Lawrence Priddy, president of the National Association of Life Underwriters, returned this week from a long tour through the West, culminating in an attendance at the Northwest Insurance Congress, held in Fargo, N. D., on Thursday and Friday of last week. This is the second long trip of the kind that Mr. Priddy has taken, as he visited many Southern and Southwestern cities earlier in the year.

Agents Harvest Wheat

While away Mr. Priddy addressed the largest meetings that have ever been held by local associations, the only exception being Topeka, Kan., where many of the agents are in the wheat fields. In fact, the manner in which the business men, including insurance agents, have stopped their work in the cities in order to help out the farmers was one of the most striking features noticed by the National Association's president on his trip.

"The people in the West are becoming more interested in the war every day," said Mr. Priddy. "They are in it heart and soul. They are willing to make every sacrifice and they proved this when as the Spring began to pass it was seen that the farmers would have difficulty with their crops. Many of the farm hands are in the service and every farm of any size was shorthanded. It was imperative, if the wheat crop were properly harvested, that they should have assistance, and the men from the cities responded. And they are doing it without pay. It is gratifying that so large a number of life insurance men are working in the fields."

Non-Partisan League Critics Speak Out

While in North Dakota Mr. Priddy had the opportunity of seeing the changed attitude towards the Non-Partisan League, the socialistic, anti-war organization which collects $16 a-piece from its members, and which has a State insurance plank. Formerly, it was a sort of lese majesty to criticise this League, but so many men have gone to the war that the people are speaking out now and telling what they think without fear of social ostracism. In fact, in some circles there is a stigma now attached to membership in the League. When men leave for the draft the whole city turns out now to give them a send-off and a session of the Northwest Congress was adjourned in order that the life men might take part in such a ceremony.

Calls Horner's Brief Unfortunate

In discussing the Northwest Congress Mr. Priddy expressed his displeasure with what he termed the unfortunate communication on taxing the proceeds of life insurance policies, prepared by Warren M. Horner, of Minneapolis, and addressed to Daniel C. Roper, Commissioner of Internal Revenue. In his communication to Commissioner Roper Mr. Horner said in part:

"With regard to the present stage of the income tax law there have been three specific, ill-advised actions, which undoubtedly have been responsible for a reaction in the wrong direction.

"There were the attempt, on the part of a certain few agents, to have a part of their renewal incomes exempted under the law of 1913; the short-sighted policy of agents a year ago, urging the purchase of Business Life Insurance on plans of excessive premiums which were not proposed as practical in normal times, because the law permitted the exemption of premiums paid; and the intensive effort, during recent months of a few, to secure class legislation, or class ruling, through the exemption of premiums upon a certain form of policy. (Editor's Note—Ordinary Life.)

Charged Attempt to Evade Responsibility

"It is not the purpose to intimate, directly or by innuendo, that those at Washington in Congress, or who interpret the laws of Congress, are acting intelligently and without prejudice. If there was not entertained great respect for the wisdom and high-mindedness of these men, the labor incident to the preparation of this petition would not have been expended. The fact remains that the attempt to evade responsibility, visualized and recorded by the employment of a noted attorney, and the brazened importunity of clients to evade the law and shirk the just responsibility incident to the war, by the purchase of high-premium policies, not considered practical in normal times, together with suggesting and urging that which is neither sound nor practical, legislating or ruling that premiums on one certain form of policy be exempted, could not help but put those in authority in the frame of mind to slam the door hard, and thereby, unwittingly, work a very great wrong to the rank and file all over the United States, who are so vitally interested in a sane and economical consideration of the unprecedented service to humanity as exemplified in the accomplishment of American life insurance.

"Great emphasis should be laid on the fact that none of these ill-advised actions are representative of the best thought in the business, either in numbers or in intelligence."

Action of Northwest Congress

Mr. Priddy says that this is a direct attack on the position that has been taken by the National Association of Life Underwriters, the American Life Convention and other organizations. Mr. Priddy said that an attempt was made by Mr. Horner to have the Roper communication endorsed by the Northwest Congress, but the Congress took a contrary position instead, and its resolution was wired to Washington. Mr. Horner was not at the Congress.

Got Many New Members

During his trip Mr. Priddy succeeded in inducing four hundred and twenty-two agents to join the National Association. He got members at every meeting, ranging from seven to fifty-three each. At some meetings all non-members joined.

The National Association's president found a real, live interest in the coming New York convention and declared that there is every indication of a large attendance from the West the first week in September.

AMERICAN LIFE CONVENTION

Dates of Meetings Postponed—To Be Held in Chicago September 18-20

At a meeting of the executive committee of the American Life Convention, held in St. Louis, Saturday, June 22nd, it was determined to change the date of the annual meeting which was scheduled for September 11th, 12th, and 13th, so as not to conflict with the annual meeting of the National Convention of Insurance Commissioners which occurs in Denver on the dates named.

The annual meeting of the American Life Convention will be held in Chicago on September 18th, 19th, and 20th, the Legal Section meeting on the 16th and 17th.

Headquarters will be at the Lexington Hotel.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

ncorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Decide a Case Which Involves Commissions

MASSACHUSETTS HIGH COURT

Litigation Followed Dispute Over Contract of a Sub-Agent With General Agent

An oral contract between the general agent and the sub-agent of a life insurance company was not terminable at the will of the general agent or by the company, but could be ended only in accordance with its provisions, according to a recent decision by the Supreme Judiciary Court of Massachusetts in the case of Elwell vs. State Mutual Life Assurance Company of Worcester. The sub-agent solicited life insurance for the Company under a contract with Williams & Jones, the Company's general agents, and among other provisions the contract established the sub-agent's compensation for services on a percentage basis "for first year insurance" and also on all renewals, but Jones, of the firm of Williams & Jones, having resigned, Williams succeeded as general agent and continued as such until the time the action was brought. The auditor of the Company reported that after the retirement of Jones, while no written contract was entered into between the sub-agent and Williams, the sub-agent continued as before to solicit insurance for the Company down to July, 1909, when he was discharged by a letter of dismissal signed by Williams, as the Company's general agent, and after some correspondence and at least one interview between the sub-agent and the Company, the Company confirmed the action of General Agent Williams.

The auditor found that the commissions on all renewal premiums were duly paid until August 15, 1914, on all policies procured by the plaintiff, but as no commissions were paid since the letter of dismissal, the action was brought to recover the commissions claimed to have thereafter accrued. It was not contended by the sub-agent that the commissions were to be paid during the life of the respective policies, but he relied upon an oral contract with the defendants. The evidence showed that after Williams became the sole agent instead of making out a new contract in writing he told the sub-agent that the old contract would be in force. While it was said in the letter of dismissal that the sub-agent had no legal claim for commissions under this contract after the termination of the general agency of Williams & Jones, the lower court said that statement was probably true if applied to the Williams & Jones contract alone without taking into consideration any new contract made by Williams alone with the sub-agent after the former general agency of Williams & Jones had ceased.

The Supreme Court held that the oral contract was to be deemed and to be treated the same in terms and effect as if the Williams & Jones contract had been re-drafted with the omission of the name of Jones.

A CALIFORNIA INCIDENT

In November, 1917, a prominent Californian insured for $100,000 for this express purpose. He died from an acute illness a few weeks ago. His widow writes: "This money comes most opportunely to me, as it will enable me to promptly settle the inheritance tax on my husband's estate. I am thankful my husband took this insurance when he did, for it will obviate the necessity of disposing of any of his real estate or securities to realize the money necessary to pay the inheritance tax."

New Credit Policies in Great Britain

AFTER WAR PREPARATIONS

Arrangements Between British Trade Corporation and Excess Insurance Company—What is Covered

London, June 20. Considerable attention is being paid here to the arrangement between the Excess Insurance Company and the British Trade Corporation. The Corporation was incorporated under Royal charter with an authorized capital of £10,000,000, of which £2,000,000 is paid up, as the result of a Government Committee set up to consider steps to be taken after the war for the encouragement of British trade. The Corporation concluded that it would be necessary for merchants and traders to obtain guarantees for the payment of their accounts. The best way to do this was by means of credit insurance. The Excess Insurance Company has specialized in this class of business for some years past, and the department has been under the control of H. Stanley Spain. When the credit business of the Excess was transferred to the British Trade Corporation, the Trade Indemnity Company, Limited, was formed by the latter with Mr. Spain as underwriter. The Trade Indemnity Company, Limited, has a subscribed capital of £100,000 of which £20,000 is paid up, whilst there is also a special reserve fund of £20,000.

The purpose of credit insurance is to cover traders against excessive loss from bad debts. The policy is not designated to cover the whole of the bad debts, as traders might thereby be inclined to take abnormal risks in opening new accounts, a proceeding which, of course, would be unsatisfactory from an insurance point of view. Therefore, the Company only covers the excess bad debts over a certain amount or percentage of the turnover. By this means the trader is guaranteed against his most serious loss, but at the same time he runs sufficient risk himself to make him careful to institute proper inquiries before opening fresh accounts.

One of the most important features in the prospectus, and to which we would draw special attention is that the Trade Indemnity Co. has initiated a system of insurance whereby the merchant receives immediate payment of dishonored bills.

There are four classes of policy issued. The first is known as the Specific Account Policy, which insures approved accounts up to three-fourths of the amount of the debt on the following bases:—

Basis A.—To pay to the assured the agreed proportion of the net loss after the debtor has become insolvent, and all dividends recovered or ascertained.

Basis B.—To pay to the assured within seven days after satisfactory proof of insolvency such sum as shall equal 13s. 4d. in the £ on the proportion of the debt insured under the policy in full satisfaction of the liability of the company. All forthcoming dividends to be the property of the assured.

Basis C.—To pay to the assured, in the event of dishonor of any duly accepted bill, the agreed proportion of such bill as is covered by the policy within seven days of satisfactory proof of such dishonor and assignment of the debt to the company. Any amount collected by the company from the estate of the defaulter in excess of the amount paid by the company (plus interest and charges) will be returned to the assured.

The Whole Account Policy, as it is called, covers a proportion of the losses in one year in excess of an agreed percentage of loss on the turnover which has been borne by the assured.

Basis A.—(1) The assured bears an agreed net loss before liability attaches to the company. (2) After such loss is sustained the company pays to the assured 80 per cent. of the gross amount of each subsequent bad debt as and when the same arises against assignment of the debt to the company.

Basis B.—As in Basis A, the assured bears an agreed first loss. The losses sustained in excess of this "first loss" are adjusted at the end of the insurance year, the company accepting liability not exceeding 90 per cent. of the net amount of such excess loss up to an agreed limit.

Big Tim's Daughter Broke; $50,000 Gone

GOES INTO BANKRUPTCY

Plunge Into City Life Cost Fortune in One Year—Daughter of Politician

A nine room apartment at 542 West 112th Street, two automobiles and two chauffeurs, a judgment of $3,841 for flowers and a summer at Atlantic City were among the items mentioned by attorneys for Miss Margaret Catherine Sullivan yesterday in explaining how the young woman had spent the $50,000 which she inherited as the daughter of the late Congressman Big Tim Sullivan, on her twenty-first birthday, April 1, 1917.

A voluntary petition in bankruptcy was filed by Zalkin & Cohen, attorneys for the young woman, in the Federal District Court of this city. In the petition Miss Sullivan confesses that she is penniless after a brief experience in luxurious living that began in the spring of 1917, when she emerged from a convent, where her entire life had been spent, and set up an independent existence with $50,000 deposited to her account in banks.

Furniture Is Chief Asset

She established her home in the 112th Street apartment, and its expensive furnishings constitute the largest part of the $13,620 which her petition lists as assets to balance liabilities of $13,686. She values the furnishings of a Japanese room, music room and dining room at $4,000 and draperies and carpets at $4,000 more.

Except for servants Miss Sullivan lived alone in the apartment. Her mother, Mrs. Margaret A. Holland, who as her guardian instituted the proceedings after Big Tim's death in 1913, that won her $50,000 from the estate of the dead Tammany leader, has remarried. The mother alleged in her suit that her daughter was born on March 19, 1896, and that her "late father, Timothy D. Sullivan," gave her an assignment of an insurance policy for $100,000 in the Mutual Life in 1902. The assignment was cancelled, but Mrs. Holland alleged she did not learn of this until after Sullivan's death.

Neither mother nor daughter was mentioned in the will. The claim was settled for $50,000, and the lawyers for the executors announced that there was no question as to its legality. Miss Sullivan was 17 years old at the time of the settlement and the money was held in trust until she became of age.

Has Not Paid June Rent

Among the claims listed in the petition are those of Minnie L. Vlachos, a florist of 2188 Broadway, who holds a judgment for $3,841; Park & Tilford, who hold a judgment for $1,570; John Wanamaker, who claims $4,000 for merchandise in New York and $2,000 in Philadelphia, and Mme. Latour, lingerie, of 224 West 137th Street, who claims $500.

The petition states that Miss Sullivan has been unable to pay the rent of her apartment for June, amounting to $166, or a telephone bill which amounted to $22 in June.

The petition recites that Miss Sullivan borrowed the $300 she has paid her lawyers to straighten out her financial situation. Mr. Zalkin said this week that Miss Sullivan gave away substantial sums. Among her gifts, he said, was one of $4,000 to a church which enlisted her sympathies. In the schedule of assets accompanying her petition is an item of $1,450 attributed to bills, promissory notes and securities.

WHERE YOU CAN GET APPLICATIONS

1. From lines of trade, business or manufacturing industries that on account of war conditions are particularly prosperous at this time—such as cotton, wool, paper, leather, steel and iron, general machinery, and all mechanics and metal workers.

2. From doctors and dentists who have not gone into the service, because they are making more money than ever before and surely need more insurance protection, because of the strain under which they are working.

3. From manufacturers and business men who should insure valuable men in their employ. This class means large-sized policies.

4. From small manufacturers in suburban districts who are generally overlooked by the active city agent.

5. From live prospects whom you have not seen recently.

6. From strangers and slight acquaintances whom you meet daily, especially if they live in your home town.

7. From relatives and friends and old school associates.

8. From farmers and milk dealers. The small farmer is particularly interested in Endowments.

9. From people to whom you have sold Liberty Bonds, or from whom you have taken Red Cross subscriptions.

10. From business and professional women, such as stenographers, restaurant keepers, nurses, milliners, and novelty shop owners.—Charles H. Flood in "Provident Notes."

REVISE BEERS BOOK

The Beers Book of Mutual Benefit literature for Mutual Benefit salesmen, published by Wm. H. Beers, Jr., district manager for the Mutual Benefit at Rochester, N. Y., has been completely revised for 1918.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

A Real District Manager

is wanted for one of the best territories in the most prosperous section of the nation. This is a real opportunity for a first class man.

Write
Bankers Life Company
DES MOINES

15,000 PEOPLE
Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.
AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day
FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA
Insurance in force over $142,000,000
Walter LeMar Talbot, President

Northwest Congress Meets at Fargo

ATTENDANCE NOT HEAVY

Next Congress to Be Held in Duluth—John Shambeau Will Be President

Fargo, N. D., July 2.—The annual meeting of the Northwest Congress of Life Underwriters was held here on June 23-28, and the sessions were well-worth while, and amply repaid the delegates for coming. There were numerous reasons for the rather small attendance, one of them being that there are a large number of insurance men in the wheat fields, and the Congress has lost some members through the draft. Some of the large cities in the zone of the Congress, such as Omaha, were not represented, and one of the leaders in the Congress, Warren M. Horner did not attend. A representative of his office, however, was present.

It was decided to have the next convention in Duluth, and John Shambeau, of that city, will be the next president. The territory of the Congress includes Minnesota, Iowa, North Dakota, South Dakota, Wisconsin and Nebraska.

Arthus F. Coldwell, of Fargo, presided, and in the first morning's session Lawrence Priddy, president of the National Association of Life Underwriters, delivered the greetings of that association. Other speakers and their topics were:

"War Mortality," C. C. Ferguson, general manager and actuary, the Great West Life, Winnipeg; "Effect of War Upon Our Social Life," F. L. Conklin, Bismarck, N. D. Open discussion of war and its relation to insurance, B. N. Waller, Des Moines, Northwestern Mutual Life, presiding. "The Duties of the Life Agent in Time of War," A. C. Larson, Madison, Central Life; "Politics and Its Future Influence Upon Life Insurance," G. W. Harrison, St. Paul, Penn Mutual Life.

W. E. Johnson, Minneapolis, Berkshire Life, gave his opinion as to whether or not the life insurance agent is engaged in a useful occupation within the meaning of the recent order of Provost Marshal Crowder. Mr. Johnson had written to General Crowder for an opinion, but unfortunately did not receive word from him until after the convention, and then only the circular which has been printed in the newspapers.

J. E. Meyers, who will probably be the next mayor of Minneapolis, and who is a prominent life insurance man, presided at the second day's session. Problems of a city agent were discussed by W. D. Bowles, Des Moines, general agent of the Phoenix Mutual; M. M. Deming, Kansas City Life, discussed the country agent and his opportunities. H. T. Miller, New York Life in Minneapolis, delivered a corking good talk on self development.

Three women had been scheduled to talk about the life insurance opportunities for women, and the only one who showed up was Mrs. Clara D. Knight, of Fargo, agent of the Guardian. Her talk was inspirational.

At the banquet the principal speakers were Mr. Priddy and Sir James A. M. Aikins, Lieutenant Governor of Manitoba.

CENTURY LIFE INSURANCE COMPANY
CENTURY
INDIANAPOLIS, IND.

1 REASON Our Policies Sell

OUR POLICY CONTRACTS contain all provisions consistent with safe underwriting and are guaranteed by a deposit of the full legal reserve with the State. Our promises are all in our contract. Good contracts for up-and-doing agents.

THOMAS J. OWENS, Pres.

DR. ALBERT SEATON, Vice-Pres. & Med. Dir. CLAUD T. TUCK, Secretary

KHAKI KWIPS

New Publication of Union Central Life Giving News About Men in Service

The Union Central Life has begun the issuance of "Khaki Kwips," for the information and entertainment of Union Central men in the service. It is edited by employes.

The first number contains details of an unique plan for giving relief to the fatherless children of France. The plan was originated by an employe of the Company and has proven popular. Squads of seven employees each have been formed to contribute ten cents per man weekly for one year. Two proteges already selected are named in "Khaki Kwips."

POLICY OF A MURDERER

A man murdered his wife and was given the death penalty for so doing. The wife's life insurance policy, in which the husband was made beneficiary, will be payable to her heirs where the policy contains no provision as to the payment in event of murder of the insured by the beneficiary. This was decided in the case of Lawson vs. United Brothers of Friendship by the Court of Civil Appeals of Texas last month.

EXCESS INTEREST DIVIDENDS

The Provident is now computing excess interest dividends upon the basis of 4.4 per cent.—that is, 1.4 per cent. in excess of the 3 per cent. which is guaranteed.

THE HOLLANDER GROUP

Insurance Increased Each Year—$500 on Employes Up to Age Fifty; $250 After Age 50

The Metropolitan's group on employes of A. Hollander & Son, Newark, N. J., is on the following plan:

Every one of our employees up to age 50 years, will be insured for the sum of $500. This insurance will be increased $100 each year until the maximum amount of $1,000 is reached. All employes over 50 years of age will participate in the offer to the extent of $250, to be increased $50 a year until a maximum of $500 is reached. No medical examination is required, but the employe must have worked for us for at least three months, etc.

Besides the Newark plant, the insurance also extends to the Hollander branch establishments known as the Atlas Fur Dressing and Dyeing Company of Middletown, N. Y., the Long Branch Fur Dressing and Dyeing Company of Long Branch, N. J., and the Sloan Fur Dressing Company of Somerville, N. J.

INSURANCE FOR INHERITANCE TAXES

It has been pointed out that the sudden increase of Inheritance Taxes has created an altogether novel situation in the United States. It should be remembered, however, that this situation which is novel here had been reached years ago abroad, and that, in England, particularly, the use of Life Insurance for the purpose of paying Inheritance Taxes has now passed the experimental stage. Life Insurance for Inheritance Taxes is not a theory, but something which has been tried out, and experience shows that it works satisfactorily to all concerned, says "Provident Notes."

Possibly because the situation is novel in the United States there has been a disposition to base the argument for Life Insurance for Inheritance Taxes upon too narrow ground, to think of it too much in the nature of a new mechanical device for accomplishing certain results, and to lose sight of larger considerations which really have more weight.

HARTFORD NOTES

The Travelers Insurance tennis team has won the championship in the Insurance Tennis League of Hartford. Edward W. Guinan of the medical department of the Travelers Insurance Company is captain of the winning team.

First Lieutenant Russell Y. Moore, formerly with the Aetna Casualty & Surety Company, who has been on duty in the trenches in France with Company B, 102d United States Infantry, has returned to Hartford and is awaiting instructions from Washington. Although Lieutenant Moore was in the thick of the fighting with his command in France, he still wears the smile which was his when he was in Hartford, before crossing the ocean to do his bit in the battle for democracy. Attired in his overseas cap, and with his Sam Brown belt across his neatly fitting uniform of olive drab, Lieutenant Moore last week renewed acquaintances in Hartford.

Samuel R. McBurney, of Hartford, superintendent of agencies of the Travelers will reach his half century mark on next week Thursday. He was born in Iowa July 11, 1868, and 21 years ago he entered the employ of the company of which he at present is an official as cashier of the Omaha, Nebraska, Agency. He has been special agent of the Company in Missouri, Iowa, Nebraska, Arkansas and Texas. Since 1907 he has been superintendent of agencies. He has a wide acquaintance and a great many friends.

Phil M. Leakin, of Hartford, the big, good-hearted accident claim examiner of the Aetna Life, has returned after spending a delightful vacation at his birthplace in Maryland. Mr. Leakin is a golfer of reputation in New England and has won many prizes on the links. While on his vacation he played a match game at the Scarsdale, N. Y., Country Club on June 28 and came away with the laurels. On June 29 and 30 he played at other Westchester County clubs. Mr. Leakin is a graduate of Dickinson College of Carlisle and Harvard Law School, and while in Harvard was a prominent athlete and pitched on the law school baseball team.

E. E. Dudley, manager of the Travelers at Paterson, N. J., and Mrs. Dudley attended the Kiwanis Convention at Providence last week, returning home by automobile by way of Hartford where he visited the home office.

Roscoe H. Keffer, of Scranton, Pa., general agent of the Aetna Life and Mrs. Keffer are touring the golf clubs of New England and the Empire State. They were in Hartford Friday and Saturday of last week where Mr. Keffer played the links of Hartford, Pine Orchard, New Britain and Wethersfield.

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY of Cincinnati, O.

Jesse R. Clark, President. Allan Waters, Second Vice-President

LIFE INSURANCE AS A FACTOR IN BUSINESS

By FRANK PIKE, Manager of Merchants Bank of Edmonton, Canada

This address delivered before Edmonton Board of Trade

If I were to preach a sermon this morning, I would take as my text, "The stone which the builder rejected has become the head of the corner." A few years ago when insurance agents came in to see me, many and many a time have I treated their arguments almost with contempt, and rather proudly told them that I did not need their insurance or advice, as I had sufficient surplus to protect my family, in case anything happened to me. As a proof of this, I used to produce a little tin box full of titles to various pieces of real estate, agreements of sale, and a few mortgages. At that time my box was filled to overflowing with these documents, and I remember that my few insurance policies were shoved carelessly in a pigeonhole in the vault. But today if you look into that tin box, you will find that the titles and the agreements, as well as the mortgages, have nearly all evaporated. There is nothing left of much intrinsic value but the insurance policies, so you see the application of the text that "The stone which the builder rejected has become the head of the corner."

A Modern Development

Life insurance is a product of developed civilization, and, in its spirit of self-sacrifice, we might almost add, Christianity. Savages and wild men of the remote parts of the earth pay little heed to the future. They live from hand to mouth—gluttony today—starvation tomorrow. When we look back to the carnival of extravagance that prevailed on these prairies a few years ago, it is enough to make us wonder whether we had progressed very much from the days of our cave men ancestry.

Moral Character

The great war has brought us to our senses. We now take a saner view of life, and have a greater realization of its realities. People have lost, to some extent, the malignant "get rich quick" fever, and are now endeavoring to arrange their affairs in a more thoroughgoing, systematic manner. They are cultivating habits of thrift and economy, which will undoubtedly mean the economic salvation of the country and the nation. This condition of affairs makes it much easier for sound, conservative business men, such as insurance agents and bankers, to conduct their business. You know, in the banks we go a great deal on moral character as well as on a man's financial standing, and I do not know of any surer sign of a well-balanced mind than the fact that a man has provided against future contingencies by ample life insurance.

Business men during the last four or five years have gone through a period of great stress and strain, and in times like these, men undoubtedly need, as they say in Newfoundland, "a sheet anchor to windward," to help them bear the strain of financial worries.

Life Insurance a Sheet Anchor

I would like to draw your attention particularly to the point that in times of stress and storm, an insurance policy has the same effect as "a sheet anchor to windward." If a man has the comforting thought that no matter what happens to him, his wife and family are protected, in case of his death, from a cold and unsympathetic world, where, to a great extent, the law of "the survival of the fittest" still prevails, it will relieve his mind of a great load of worry; it will brace his nerves, and enable him to make a better success of his business undertakings.

A Credit Factor

In view of this when considering a man's application for a loan, if we find that he is of the thoughtful, methodical, careful type, who is making provision in the best possible way—ample life insurance—for the contingencies to which human life and human affairs are liable, we have much more confidence in that man and his ability to make good. A man's first duty undoubtedly is to his wife and family, and those depending upon him. He should see to it that they are protected; but after this has been done, a man also has another duty to perform, and that is, to provide as far as in him lies, for debts contracted by him. Especially do I refer to money borrowed, and not particularly to real estate entanglements. There is a difference.

Meeting Obligations

Not long ago a man who had borrowed four or five thousand dollars from the institution, which I have the honor to represent, came in and threw down on my desk a life insurance policy for $5,000 payable to the bank. He said, "My wife and family are provided for, and now I want to do something for you. I borrowed money from this institution some time ago, and since then my affairs have become somewhat involved through an overdose of real estate. The money was loaned to me in good faith, not only on the strength of my statement, but my character and ability were taken into consideration, and I look upon the loan as a debt of honor, and feel in duty bound to meet it—living or dead." Now, this is not cheap sentimentality, neither is it an extreme case. It is only what an honest man should do, and I am glad to say that in my experience of 20 years in this western country, I have found the great majority of men absolutely honest, paying their debts if there is any possible way of doing so. Dishonesty does not readily take root in this western country, with its freedom and freshness. It is of exotic growth and not indigenous to the West.

Taking into consideration all the great potentialities of this country, there is no reason why a man should not, if he receives a reasonable amount of encouragement and assistance, get on his feet again. There is only one thing a man cannot avoid, and that is the uncertainty of human life, and he can only provide against this contingency by a life insurance policy.

Value to Business Houses

There is another factor which might be dwelt on briefly. Take the case of a manager of an incorporated company. I can mention companies in this city the success of which depends, to a great extent, on the experience and ability of the managing director, who has spent years in becoming familiar with every detail of a rather technical and complicated organization. The death of such a man would undoubtedly mean a financial loss to the corporation, and in cases of this kind directors should see that a certain amount of insurance is taken out on their manager's life, payable to the company, and the premiums charged to expense, or better still, contingency account.

No doubt at times, some men are tempted to over-insure, and perhaps there are times when the consequence of this means disaster in the shape of abandoned policies and lost premiums; but where one man over-insures, I would say that ten do not take out sufficient insurance when they are young.

A Factor in Man's Development

It has frequently come to my attention that young men in our service, who are sufficiently thrifty and thoughtful enough to take out a substantial life insurance policy, and who have the moral stamina of providing something from their monthly salary for their annual premiums, are the types of young men who can be most depended upon to develop into trusted and tried executive officers.

Some Concrete Examples

Life insurance is undoubtedly a good investment whichever way you take it. The largest policy ever taken out was for $2,500,000 on the life of the greatest United States financier, J. P. Morgan. Last year a policy of $2,000,000 was taken by H. P. Davison of the Morgan firm. The largest policy written on the life of a Canadian was $1,500,000, on Sir Mortimer B. Davis, of Montreal. No shrewder men than these ever lived, and there is no need of quoting further examples.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST-LARGEST-STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

State Mutual Life Assurance Company of WORCESTER, MASS.
Incorporated 1844
SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.
Our motto is SERVICE to policyholders, beneficiaries and agents.
Additions are made to our agency force when the right men are found.
B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND, Superintendent of Agencies

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915
"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."
Home Office, DALLAS, TEXAS

American Central Life
Insurance Company
INDIANAPOLIS, INDIANA
Established 1899
All agency contracts direct with the company
Address:
HERBERT M. WOOLLEN, President

Insurance to Cover Inheritance Taxes

is opening new fields to Provident Agents

Men are insuring not only to protect their families and to protect their business but also to protect their estates.

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Inheritance Tax As Seen By Lowell Man

AGENT H. A. SMITH'S ARGUMENTS

Business-Getting Pointers Told State Mutual Life $100,000 Club Members

At the recent meeting of the State Mutual Life's $100,000 Club—the first annual meeting—Henry A. Smith, of Lowell, Mass., discussed the inheritance tax argument for life insurance with particular reference to Massachusetts. The tax in Massachusetts follows:

Class A.		
1% on	$	25,000
2% to		50,000
4% to		250,000
5% to		1,000,000
6% over		1,000,000
Class B.		
2% on	$	25,000
4% to		50,000
5% to		250,000
6% to		1,000,000
7% over		1,000,000
Class C.		
5% to	$	25,000
7% to		50,000
8% to		250,000
9% to		1,000,000
10% over		1,000,000

No tax on $10,000 or less.

The Inheritance or Succession Tax Law of Massachusetts was enacted in 1891 and the principal amendments were made in 1907 and 1912. This law levies a tax according to the relationship to the deceased of the person receiving the legacy and also varies with the amount of the legacy. In Class A the tax is 1% on $25,000 or less and ranges to 6% if the amount is $1,000,000 or more. In Class B it is 2% on $25,000 or less and increases to 7% on one million or more. Under Class C it is 5% on $25,000 or less, and increasing to 10% on one million or more. Estates under $10,000 are not taxed. There are several exemptions, the principal amounts being gifts for religious and charitable purposes, or given for the use of a city or town within the commonwealth. Continuing Mr. Smith said:

The Federal Tax is due one year after death, and if not paid within ninety days after it is due, interest at the rate of 10% from the date of the decedent's death is added to the regular tax. If the tax is paid before it is due discount at the rate of 5% per annum is allowed.

Under the Massachusetts law the State tax must be paid within one year and if not so paid may be collected by the tax commissioner by process of law.

Harkness and Mitton Cases

The Supreme Court of N. Y. has recently decided that the estate of L. V. Harkness, the Standard Oil official who died in January, 1915, must pay to that State an inheritance tax of between three to four millions as his property in New York has been appraised at one hundred millions. Had his death occurred since October, 1917, his estate would also have been liable to a Federal Tax, in round numbers, of twenty-five millions more.

The Supreme Court of Massachusetts recently decided that the estate of Edward J. Mitton, late president of the Jordan Marsh Co., who died in 1913, must pay to the State of Massachusetts the inheritance tax. On Mr. Mitton's death the estate was appraised at $3,000,000, but his executors claimed exemption on the whole amount for the reason that it was to be held in trust for the wife and children for twenty-five years. Mrs. Mitton died in August, 1914, and the trust terminated as far as she was concerned.

The State tax commissioner disagreed with the executors as to the inventory and re-appraised the estate for the purpose of assessing the succession tax, and valued the property at four and one-half millions. The difference in the value of the estate was due wholly to the question of value put on a block of stock in the Jordan Marsh Company. The executors requested the Probate Court to appoint appraisers and the result showed an estate of $3,890,000. The executors held that this Succession Law did not apply, but the full court now holds to the contrary. Had Mr. Mitton died since October, 1917, his estate would also have been held for the Federal Tax of $970,000.

A year ago the daily papers heralded all over our country that J. Pierpont Morgan had taken on two and one-half million of life insurance for the sole purpose of providing ready cash with which to pay the various National and State inheritance taxes, whenever his estate might come to be administered.

The papers also told us that H. P. Davidson of New York had put on an additional $750,000 for a like purpose; that Rosenwald of Chicago had bought $1,750,000 for the same reason, and that many other men had done likewise with the same object in view.

Ready Cash Necessary

It is highly necessary that an administrator or executor be able to secure this cash and without sacrificing a part of the estate at a forced sale to get it. It is not advisable in any well managed personal affair, and repugnant to the business instincts of any conservative and thoughtful man to carry constantly a sufficient sum in banks in such liquid form as to be available in case of sudden death. Also the fluctuation of securities is often so great that in a falling market or time of panic the sacrifice necessary to obtain the necessary money to pay the tax might easily wreck many an otherwise valuable estate.

As life insurance is the one great cash asset in the event of death it is certainly the part of good judgment and business sagacity to carry policies for this express purpose large enough to be sure these taxes will be provided for.

To whom shall these policies be payable in order to properly protect the estate. One of the largest amounts thus written has all the policies payable to the insured's son, others are being written to the wife, and still others are payable to the estate. It is conceivable that the circumstances might be such at the death of the insured that the son, daughter or wife might gain an additional benefit by insisting that the insurance was intended as a special gift. It is also conceivable that husband and wife might die together in a common disaster—a steamship, railroad train or auto wreck.

Should it be that the husband died first his estate could be taxed and later the wife's estate taxed again, although their deaths might be only a matter of a few hours apart.

Should Be Paid to Estates

To my mind these policies should be written payable to the estates. If written otherwise it is done to escape taxation, but as these policies are written solely for the purpose of paying taxes, it would seem better and look vastly more honest to pay the trifling additional tax and as well be on the side of safety.

There has been pending, and I do not know of its yet being passed, a bill before Congress to amend the Federal Estate Tax Law to exempt from taxation the proceeds of life insurance when it shall appear from the policies that the insurance was effected to provide funds for the payment of such taxes. If this amendment is enacted it will be the best possible solution of the problem.

In all our districts there are hundreds of men whose estates are large enough to be affected by inheritance taxes and who will be willing and anxious to make some such provision if the desirability of the life insurance plan is carefully presented to them. Such a presentation can only be made after a well prepared statement has been made and studied in our own offices. Some such case might be cited and then a few facts given stating what the tax would be on an amount which will be probably larger than that of the property of the man to whom it is being presented. No written statement should be shown as the data should be so well in our minds as to be given in a conversational manner.

Take for illustration the estate of a man who has died within this State and presume it amounts to $150,000. The Federal Tax will be 4% on $100,000 and the State Tax (if it is direct inheritance) 4% on $150,000, or a total tax of $10,000. If to this is added the cost of administration the total charge could easily be $15,000.

Or take an estate of $250,000. The Federal Tax is 6% on $200,000 and the State Tax 4% on $250,000, or a total of $22,000. Administration ex-

(Continued on page 11)

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

The Small Policy

The relative value of a small policy may be brought out in numerous ways. In dealing with certain problems mathematicians have considered the value of money in two ways: First, the actual amount or mathematical value, and, second, the moral value or the value which our feelings assign to the amount. If a man should lose his last quarter down a crack and have no prospect of getting another, his feelings about that last quarter would probably be very keen, and hence the moral value of that sum of money in this particular instance would be very high as compared to its actual or mathematical value.

In like manner the moral value of one thousand dollars to a destitute widow would be very great indeed. The moral difference between bedrock poverty and one thousand dollars is infinitely great. The difference between a widow with five thousand dollars and a widow with one thousand dollars is a mere gully compared to the chasm which lies between the latter and a wife who is left absolutely destitute.—Quoted from Boston Advertiser, by R. E. Blakeslee.

* * *

Morss on Monthly Income

Franklin C. Morss, of the Philadelphia Agency of the Provident Life & Trust, recently told of how he was sold an automobile. "I did not want a car. It was my wife who thought it would be useful and beneficial. I am not much of a machinist. One salesman told me how little oil his car used. I did not want to think of oil. Others gave me elaborate pamphlets with pictures of mechanical parts which left me cold. Finally one salesman said, 'Get in and I'll show you how easy it is to run it.' In half an hour he had me running the car and I bought it." Now there is a valuable lesson here for insurance men. It is true that a life insurance policy is a wonderful mechanism and the more thoroughly the agent knows this mechanism the better he can sell it, provided he bears in mind that the great majority of his prospects are not in the least interested in the mechanism, all they want to know is what the policy will do."

This is especially true of Monthly Income Insurance. The prospect can easily be interested in what a monthly income will do for his family, but he is apt to be repelled by the actuarial mechanism of the policy. The most successful agents in selling Monthly Income win their cases by talking concretely about what the policy will do in paying household bills after the breadwinner is gone.

Earl Manning has shown in his "Definite Object" that the Monthly Income Idea can be used practically in getting a man started on his insurance career, even if the initial policy be small, and the installments run only for ten years.

Many other agents link-up the Monthly Income Idea with Option One, and are very successful in getting a man to increase his insurance by showing him that his previous insurance is entirely inadequate when considered in terms of monthly income.

The more familiar our agents become with the Monthly Income Idea the easier it will be to sell Continuous Income Life and Survivorship Income. If an agent is in doubt himself as to just what the policy will do, and talks to a prospect about it to see whether he likes it, that is really not a canvass, and the agent ought not to be surprised if he is unsuccessful.

To be successful in selling Continuous Income Life and Survivorship Life it is necessary to know first just what the policy in order to avoid bringing it will fit and when it will not fit. It is then possible to state untechnically just what the policy will do, and to visualize the results. But it is necessary for the agent to have a clear understanding of the mechanism of the policy in order to avoid bringing his mechanism into the canvass.

These policies in certain instances fit the insurer's needs better than any others. They give a more complete protection in that the monthly income is for life. Naturally it costs more to have the income for life. There are cases where the insurance carried is so inadequate that the insured would make a mistake in spending money for income for life, rather than in spending the money for larger installments for a limited period.

It is not contended that Continuous Life Income or Survivorship Income fits every case. But when it does fit it is apt to fit better than anything else, and the agent who fails to recognize this is missing some golden opportunities.

* * *

Manhattan Life on Fraternals

In an article on the uncertain protection offered by fraternal orders the Manhattan Life advises agents, in part, as follows:

When any insurance agreement is dependent upon the vote of the membership as to increasing dues or decreasing certificate benefits or when the courts of the State are frequently made the means to determine whether the insured is really entitled to collect anything under his certificate, it is high time to look for the very best kind of life insurance protection that any institution can offer.

Lodges are good things and so are fraternal orders if they help to bring a man into closer touch with his fellow men. Tell your prospect that as a social organization, there is nothing like belonging to his lodge, but warn him also that if he wants real life insurance protection for his wife and children, he should not depend upon the small sum which he pays every month to his lodge and expect to get, besides good fellowship, reliable insurance protection.

If he is such a firm believer in fraternal and assessment insurance that he cannot be influenced to discontinue that form of policy, simply acknowledge to him that the small sum he pays to his lodge every month might not be missed and is a good investment for good fellowship's sake and as a sporting proposition.

Let him continue his fraternal insurance but above all, let him adequately protect himself with an additional line in a legal reserve life insurance company which is always under the direct supervision of State authorities, is periodically examined and has adequate reserves put aside for carrying out its contracts. These reserves are computed upon actual experience going back many years—not on guesswork.

The policyholder in the fraternal, needs real life insurance protection more than he can ever dream of in these times. Money counts more than ever before and guaranty funds and assessments are not very satisfactory when taxes are heavy and the incomes of a large number of the people of the country have increased little if any, while expenses have continued to rise 25, 50 and 75 per cent.

Point out to your prospect that a company which has a record of anywhere from 25 to 50 years of prompt payment of premiums with no rate readjustments, except those dictated by the best interest of the policyholder and with no other changes of policy except those which reduce the restrictions imposed upon the man who holds the contract, is the kind of institution everybody needs for safeguarding his family's future.

* * *

Habit Talk Contest

The most unique meeting was held in the Cleveland offices of the Midland Mutual Life recently. The meeting was a contest for the members of the Melvin Young class in insurance, in presenting the short "habit talk," the most essential part of the equipment of a life insurance salesman. Fourteen of the class entered the contest, and after a long period of deliberation on the part of the judges, Messrs. G. R. Pierce, Gen. Agt., Chagrin Falls, E. O. Mowrer, Gen. Agt., Akron and J. D. Van Scoten, Supt. of Agencies of the Midland, the winners were announced. Mr. Seth J. Polcar, first prize; Mr. Tod Buzard, second prize; and Mr. Chas. E. Rutter, third prize; Mr. John P. Welsh deserves special mention for his particular style of argument inserted into his presentation. R. A. Tuttle, General Manager for Northern Ohio, presided.

* * *

Insures Many Women

The New York Life directs special attention to the great work of C. A. McGovern, Vermont Branch. who wrote thirty applications in the month of May; fourteen of them on the lives of women. Since he started with the Company Mr. McGovern has insured in the State of Vermont nearly 100 women school-teachers. "The field should be good in the Green Mountain State, and we commend Mr. McGovern as a specialist in his class," says the Company.

FEDERAL LIFE CLUB

The annual meetings of the Federal Life's Club of $100,000 producers and of the Inner Circle, $200,000 producers, will be held on September 2-3 at the Hotel Astor.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

BUSINESS ESSENTIALS

No. 5 — INITIATIVE

By JOHN K. WEST

It is all right for an agent to plan his work, but the real live thing that counts is to get into action and secure results from your planning.

Thousands and thousands of insurance agents and clerks are dreamers. They are wonderful mental money workers. They have visions of selling volumes of business to prospects they idly dream about, but checking up on their cash returns at the end of the year places them on the amount of business they pay for and not on what they dream about.

As a rule there is too wide a separation between our plans and real action. Agents have been producing new plans for years and have continually been keeping these plans in sealed packages waiting for the right moment to spring them which oftentimes never comes.

Enough plans are already stored up in your minds to revolutionize the insurance world if it could only be brought into action.

It is piteous enough to witness the inexcusable blunders of the agent who doesn't know his business, who doesn't know all about his company and its policies, who doesn't know human nature, who employs a hit or miss policy of salesmanship in his business, who does not plan, who doesn't know human nature, but how deplorable it is to see some old veterans in the business who have been accumulating knowledge of insurance for years, who know their territory, who know their company, who know the technics of insurance salesmanship, go floundering around without the application of this wonderful knowledge to their work. It is not enough to have great qualities. We should exercise our initiative.

To initiate means to make a beginning, to commence to do a certain thing. It doesn't mean to do the hard things first necessarily, but it means getting action on our plans.

There are many schemes you can adopt to stir your initiative, but a most successful system is the so-called tickler system. Whatever you do, don't carry your plans around in your head. Your mind is eternally loaded with hundreds of things and don't put an extra burden on it by trusting to carry out your plans by memory. Write your plans out. Your memory is unreliable and may cost you money. You plan to call on five prospects for insurance to-morrow morning between 9 and 10 o'clock. Write down the names of the persons, something about their physical and mental characteristics, their business and social life and in short what sales proposition you expect to make. Then at the end of to-morrow check up your report and find out how near you have lived up to schedule.

The fact that you fail to interview your prospect, that you do not present forceful arguments in the manner you plan reduces your accomplishment to zero.

The actual doing of a thing is what counts. In a good sized agency there were two solicitors who were long on plans. Both would write down their prospect lists faithfully, but in the morning Smith would be directed by his environment, and if he was feeling well, and the weather was just right and he stumbled over his prospect he would go right in and win him easily. The other fellow Jones was not affected by his surroundings. Nine o'clock was an alarm to him to get out of his office chair, out to despatch his plans for the day. If it rained he would buckle on his raincoat which he had in readiness, if his prospect was away from his business he would find out when he would return, make a note of the fact in his record book, and go on to the next on his list. By four o'clock he had completed his day and whether he landed a risk or not he carried on his work for the day according to schedule. Which agent do you think was ultimately most successful? Answer this yourself.

It is not necessary to wait for the psychological moment to come around before you do things. Opportunities to double your business are crowding you constantly. They are always at hand.

You, like all agents, have probably been talking a long time about making some important improvement in your business, of writing out a convincing sales talk for your policies, etc., and possibly you have carried out your intentions.

If you have carried out your plans intensively you know how to initiate. If you find you waste your time by merely planning you now have the opportunity of making your dreams come true.

If you are behind on planning a prospect list, if you neglect your accounts, if you are troubled with laziness, if you are disregarding your personal appearance, if you fail to answer letters from the home office, if you fail to keep up to date on your business, right about face on these neglected opportunities and initiate.

It is hard for the average agent to initiate, but the string of successful managers who are at the top of the heap reach their pinnacle for one reason only—they initiate.

Those who fail to initiate let the prizes and rewards and money slip through their fingers.

Just take hold of yourself, make sure you are on the right road, and plunge conscientiously into a definite live action, and you will have unbounded success no matter what you do, work or play. Life is too short to wait.

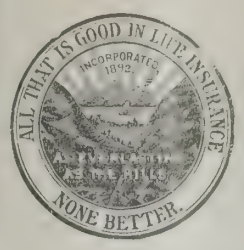
LARGER POLICIES

The average size of policy issued by the Travelers Insurance Company during the first four months of the year indicated

	1917	1918
Ages 20 to 30 inc.	$2,055	$1,869
Ages over 30	3,840	4,276
All ages	2,995	3,291

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

Pan-American Life Insurance Company

NEW ORLEANS, U. S. A.

CRAWFORD H. ELLIS, President

Capital.....$1,000,000.00

OUR 1916 STATEMENT SHOWS

Insurance in force	(over)....	$42,400,000
Resources	(over)....	5,600,000
New Insurance paid for		10,000,000

The High Scores in the Life Insurance Profession are won by Trained Men. We will train you in the Profession and locate you in Productive Territory either North or South. Your Opportunity is Here.

Further information on request. Address:

E. G. SIMMONS, Vice-President and General Manager
Whitney Central Bank Building
NEW ORLEANS, U. S. A.

Dear Field Man: Detroit, July 1, 1918.

Your time during July is worth $5.00 per hour. How do you intend to spend it— the time?

If you don't spend your time energetically, you will not have money to spend, or save, or invest.

What a picture is this to conjure—the squandering of time. Some time you and I are going to realize that we need that time, and wish we could have it back again. But we can never get it back—we must just use it now to the best possible purpose in intelligent energy.

July is the time, and NOW is the hour. It's your life problem. Do it NOW. With best wishes,

NORTHERN ASSURANCE COMPANY,
CLARENCE L. AYRES, President.

General Agency open in Pennsylvania

for company that has smashed world's record for growth.

A novel and fast selling line of policy contracts has figured in this record.

The right man can grow up with such an organization without going west. A vigorous western company will come to you.

INTERNATIONAL LIFE OF ST. LOUIS

AGENCY MANAGER WANTED

A strong, progressive Southern Company wants a live, energetic man, experienced in agency work, to take position of Agency Manager. Good position for right man. Address,

"AGENCY MANAGER"
c/o The Eastern Underwriter
105 William Street New York

For past seven years Manager of New York City Agency of one of the four largest and oldest New York Life Insurance Companies—Desire to make a change—Correspondence invited

"NEW YORK No. 1000"
c/o The Eastern Underwriter
105 William Street New York

IMPORTANCE OF CO-OPERATION IN MAKING INSURANCE SERVICE MORE EFFICIENT

By C. D. Babcock

Secretary, Insurance Economics Society

After the war every human institution will be measured by a new yardstick. Is your present plan of business economical? Is it efficient? Is it as efficient as it can be made or have you left it wide open to attack by those able but impractical persons who dream of the great day when the people shall own and operate all activities of a public or quasi-public nature, when poverty shall be unknown and happiness and content the heritage of every human being?

Everything worth while in this world was the germ of an idea in the mind of some dreamer before it became an actuality. Practical men entrusted with the control of great private interests cannot afford to ignore the dreamer. Every reasonable effort to approximate his conception of public service should be made. This applies with peculiar force to insurance. Not many of us are willing to concede that insurance can or should be conducted by the Government, but it is the part of wisdom to recognize the possibilities in the changed conditions brought about by the world upheaval and to guard against its probable effects by bringing the business to the highest possible point of efficiency and service.

Another safeguard should not be overlooked. Under our form of Government, all power resides in the people. Public opinion makes and unmakes men, measures and institutions. While we are striving to attain the ultimate in efficiency and service, let us tell about it—frequently and in plain language—so that all may understand. The average man is fair-minded. If he can be made to understand—by intelligent advertising and publicity campaigns—that HIS company is giving him the maximum of protection and service at the minimum cost, he will be slow to cast his vote for state control of any branch of insurance.

Test to be Met

Failure by the companies to appreciate the importance of making a strong case in the court of public opinion has done more to foster the state insurance movement, than all of the activities of its proponents.

The Federal government is now writing insurance on the lives of our soldiers and sailors and on ocean shipping and the propaganda for Compulsory Health Insurance is being carried on practically all over the United States.

After the war, insurance will have to meet the test of comparative efficiency.

Can private capital write life, accident, marine, fire and other lines of insurance as efficiently, as economically and with as much all around satisfaction to the insured, as the government?

It will not help the cause of private insurance for the men skilled in the intricacies of the business to cite the past failures of state insurance and proclaim the greater efficiency of private management. We are living in an age of turmoil and change, when age-old customs are discarded over night and the lessons of experience count for naught. The old world is having a bad attack at social self-consciousness. Every man is his brother's keeper and woe unto him who maketh an honest dollar more than he requires for his daily bread and raiment.

The conditions being thus and so, it seems to me that any comprehensive view of the future of insurance must provide

First: For the greatest possible efficiency in management that the public may receive the maximum of protection and service for the money expended; and

Second: For an extensive movement (fostered and largely financed by the insurance companies,) to conserve human time values by the elimination of preventable illness and accidents.

Management, to be efficient in the sense in which it is now commonly understood, must provide for the effective co-ordination of all of the parts of a machine or all of the elements of an organization. Critical post-bellum public opinion will not be satisfied with insurance service in which there is evident a lack of harmony and co-operation between the Home Office and the men in the field.

At Cross Purposes

The lethargy and indifference to their own welfare and the interests of their companies, displayed by a very substantial element of the insurance agents of all lines, in the face of the present tremendous socialistic movement, is one of the most remarkable facts in connection with current economic and political history.

When the company is pulling in one direction and the agent in another, it is evidence of a lack of efficiency somewhere, and the public, the company and the agent all are losers.

There are too many companies in which there is only too evident a lack of co-operation between the management and the men in the field.

I am disposed to take the position that in a majority of such cases the fault lies with the management.

Speaking broadly, the interests of the company are the interests of the agent, and it should be the business of some human being at headquarters with red blood in his carburetor, to keep in touch with the agents and to impress upon them the mutuality of the interests of all concerned. I am aware of the fact that this is being done now in some cases, and is being attempted in hundreds of others without any real success.

Sometimes I am almost led to believe that some high home office officials have stuck too closely to their mahogany desks and have not gone forth frequently enough into the highways and byways to confer with the men who make possible the creation of presidents, general managers, etc.

The agent is intensely human. Show him that the public demand for the ultimate in service, on which his livelihood and the perpetuity of private insurance depends, requires that he use his personal influence against Socialism, the I. W. W., the Non-Partisan League and other dreamers and fakers and he will play the game.

The man who questions the ability of the insurance agents, working in harmony with the home offices, to mold public opinion and influence legislation, is behind the times and out of touch with modern political conditions.

Health Conservation

In my opinion, the companies must do more than give the greatest possible service in return for the premiums received. They must recognize the necessity of using their great influence and resources in the inauguration and conduct of a persistent national campaign of constructive effort to reduce the enormous drain upon the country by the huge time loss caused by preventable illness.

I am firmly convinced that only in this way can we hope to permanently exclude Compulsory Social Health Insurance, with its "MADE IN GERMANY" label and all of the long train of evils that have attended the system in Europe.

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President
A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY
Edward D. Field, Superintendent of Agencies

The Connecticut Mutual Life Insurance Company
PRESIDENT JOHN M. TAYLOR, HARTFORD, CT.
Insurance in force, 113,918 Policies for..... $270,243,227.37
WHAT NO OTHER COMPANY HAS DONE
To repay to its Policy-holders in Death Claims, Endowments, Dividends, Surrender Values, Annuities and other credits more than they have paid to it in premiums.
It stands alone in that result.
Total premiums received, Dec. 1, 1846, to Dec. 31, 1917 ..... $318,963,384.44
Total returned to Policy-holders, as above noted, in same period..... 326,786,585.46
Excess of amount returned..... 7,823,201.02

PENNSYLVANIA OPPORTUNITY
If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.
Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

GOOD TERRITORY
still available for development by the
RIGHT AGENTS
..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.
Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

PURELY MUTUAL THE CHARTERED 1857
Northwestern Mutual Life Insurance Co.
MILWAUKEE, WISCONSIN
GEO. C. MARKHAM, President
INSURANCE IN FORCE, $1,604,426,324
SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued
POLICIES MOST FLEXIBLE AND EASY TO SELL
Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules
Investigate before selecting your Company
GEO. E. COPELAND, Supt. of Agencies, Milwaukee, Wis.

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, PRESIDENT
GREATEST
ILLINOIS
COMPANY
WANTS GOOD MEN
AND
WILL PAY THEM WELL

Wants U. S. to Cover All Its Workmen

SENATOR LEWIS' MEASURE

Would Extend Bureau's Scope to Those in Dangerous or Unhealthy Work

Washington, D. C.—Providing for the insurance of all workmen and laborers engaged in war work for the United States Government or in any other work in this country in which their health or life is imperiled, Senator James Hamilton Lewis, of Illinois, has introduced a bill into Congress to amend the War Risk Insurance Act accordingly.

In a speech on the floor of the Senate some time ago, Senator Lewis expressed his determination to introduce this bill, and, further, to introduce other measures in which insurance for civilians by the Government is provided. The bill to amend the war risk act was at that time being considered, and it was his original intention to have his measures made a part thereof, but he was persuaded to hold them up that the bill might be passed and made effective without delay.

A feature of the bill is the provision that no person not loyal to the United States may enjoy the insurance provided therein, and its limitation to citizens or persons who have declared their intention to naturalize themselves.

Text of Measure

The text of the measure, which has been referred to the committee on finance, is as follows:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that the act designated as the war-risk insurance act for soldiers, and more specifically identified as being that certain act passed under date of June twelfth, nineteen hundred and seventeen, be amended by adding the following sections:

"'Sec.—. That the said provisions of the act and all its benefits as provided in the law are to be extended and applied to and conferred upon all workmen and laborers engaged in war work in behalf of the United States Government, where such work imperils or injures life or health.

"'All other laborers and workmen engaged in any other work in the United States of America which imperils health or life.

"'Sec.—. That the board or agency empowered under the law of the war risk insurance to decide upon the qualification or availability of soldiers for the enjoyment of insurance, is hereby authorized to decide as to what persons come within the meaning of laborers and toilers engaged in work, or what persons are those engaged as laborers and toilers wherein life and health are imperiled.

"'Sec.—. That no person not a citizen of the United States and who has not declared in good faith his intention to be such, shall be entitled to the enjoyment of the provisions of this act.

"'Sec.—. That any person who by conduct or expressions shall be shown to be disloyal to the United States or unworthy of citizenship, shall not be entitled to the benefits of this act.

"'Sec.—. That any person or persons who after having been declared worthy of the benefits of this act shall by conduct, actions or expressions show themselves as disloyal to the United States, shall promptly be dropped and forbidden the further enjoyment of the provisions of this act, and the said board or agency which by law is permitted to decide those who are within the provisions of the war risk insurance law, is hereby authorized to pass upon and decide the question as to the fitness or unfitness to either enjoy or further enjoy the provisions of this act, and such board or agency shall be the agency to determine upon the truth as to all charges of disloyalty that shall be made as to any applicant or person enjoying the benefit of insurance under this act.'"

Open Employment Registration Bureaus

INNOVATION BY AETNA LIFE

Men's Bureau in Charge of F. K. Daniels; Women's in Charge of Miss Heath

The Ætna Life and Affiliated Companies which recently established an employment Registration Bureau for women has opened another Bureau for men.

The object of these Bureaus, according to a letter recently sent out by the President, is "to centralize the interviewing and standardize the employment of men and women as required in the future to fulfill the Home Office needs."

The Bureau is located in Rooms 403, 404 and 405 of the D'Esopo Building in Hartford, and is in charge of F. K. Daniels. This Department will interview all future men applicants, carefully investigating their references, business qualifications, mental and physical condition.

The Women's Department is looked after by Miss A. B. Heath and is located in the same building.

When the officers find it necessary to employ additional help to fill new positions or vacancies, they will get in touch with the Registration Bureau, who will refer desirable applications and arrange for a personal interview of applicants with the Department interested.

The Committee on Methods and Economies will direct the operation and attend to the details of the Bureau.

In the Ladies' Department, which was organized in February 19, 1918, the number of registrants to June 20, inclusive, was 1,461, and the number of positions filled, 237.

The number of registrants in the Gentlemen's Department, officially opened June 1, including June 20, was 224, and the number of positions filled, 53.

The total registrants of both Departments was 1,685, and the number employed 290.

To those who contemplate entering the insurance business the Ætna organization offers unusual advantages owing to the reason that the Aetna Life tand its affiliated companies, the Aetna Casualty & Surety Company and the Automobile Insurance Company of Hartford write every class of insurance, which includes life, fire, marine, accident and health, compensation, and fidelity and surety bonds.

Inheritance Tax As Seen By Lowell Man

(Continued from page 7)

penses could easily take $5,000 to $8,000 more, making a total of about $30,000.

Excepting the war taxes which appeals to a man's patriotic principles, nearly everyone shrinks from taxation and if this method of providing for them is properly put up to many men whose estates would be even too small to be affected by the Federal tax, but would come under State taxation laws, they would undoubtedly put on an additional $5,000, $10,000, $25,000. Again that ingrain feeling of possibly getting a big bargain by only paying a few premiums for the full tax amount would appeal to the speculative spirit of many, as seemingly to make someone else pay the tax.

New York Life Insurance Co.

FIVE YEARS OF EFFICIENT SERVICE
INCLUDING
THREE AND ONE-HALF YEARS OF WAR TIME

During the Five Years ending December 31, 1917, the New York Life

Received in Income	$667,884,000
Paid Policy-holders	382,875,000
Increased its Resources	215,272,000
Increased its Insurance in Force	503,535,000

THE BUSINESS OF 1917 EXCEEDED THAT OF 1912.

In Income	$27,325,000
In Amount Paid Policy-holders	25,337,000
In New Insurance	119,917,000

The increase in Business and Resources in Five Years equals the Business and Resources of a very substantial life insurance company, and this new Company is returning to policy-holders 92 per cent. of its entire income. It is also adding forty million dollars a year to its resources and one hundred millions a year to its insurance in force.

HELPING WIN THE WAR.

Since the war began, in August, 1914, the New York Life paid to December 31, 1917, 998 war losses amounting to $3.007.223. There were 238 reported losses for $607,084 awaiting proof on December 31. The Company had so carefully guarded itself against extra mortality by reason of war that, notwithstanding the world-wide character of the conflict, the percentage of its actual to its expected mortality has not been appreciably affected. This percentage for 1917 was 70.85—the lowest of any year since the Company has kept complete mortality statistics.

The Company owned Liberty Bonds on January 1, 1918, to the amount of $12,075,000, and subscribed for $20,000,000 of the Third Liberty Loan.

There are Four Hundred and Twenty-six Stars in the Company's Service Flag, and one of the Home Office boys—Frank J. Brandreth, of the Rainbow Division, has already won the French War Cross.

The Company has afforded the Government every assistance in its power in formulating and carrying out the plan of Government Insurance on the lives of soldiers and sailors. Agents are forbidden to accept applications from soldiers or sailors unless they have already taken the limit with the Government.

EVERY MAN'S BUSINESS.

Just now it is every man's business to Help Win the War. Our daily occupations are incidental; winning the war is our real business.

Winning the war is our real business because back of that lies the chief and ultimate purpose of life—making the world a safe place for women and children. And that is the aim of Life Insurance in war time and in time of peace.

The Government has recognized this in the provision made by life insurance for the families of those who die or are disabled in the service. The man who stays at home and does less is a slacker.

NEW YORK LIFE INSURANCE CO.

DARWIN P. KINGSLEY, President.

THE TRAVELERS
INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone 2497 John.

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Entered as second-class matter January 4, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

MR. MELLOR'S APPOINTMENT

The Government gains and insurance loses a good man in Sigourney Mellor, leading producer for the country of the Provident Life & Trust Co., and associate general agent of that Company in this city. He goes to Washington as assistant secretary of the United States Shipping Board, and is a good example of the high class of appointments being made at the national capital nowadays. Mr. Mellor is young, intensely energetic, unusually successful, and a man of spotless character. His success is easily explained, and he should be a valuable acquisition to the Shipping Board.

AFTER THE WAR

Plans for the demobilization of the British fighting forces and the furnishing of civil employment for the men as soon as possible after the war are being worked out by the British Government. It is not proposed that these patriots shall be left stranded if they return and find their positions taken, or no positions which they can obtain. One of the most interesting of the proposals is that each man is to be presented with an out-of-work insurance policy, which is valid for one year. It is in the form of a document which entitles the holder to receive a fixed sum for a definite period, when unemployed, from the post office. The rate and the period will be fixed "when the time comes."

In this country the problem of unemployment will be tremendously difficult to handle, for here as in Great Britain and other countries, hundreds of thousands of women are entering industry to take the places of men. It is not probable that the women will be content to return to their homes as in the before-the-war days. The subject has been discussed in labor union councils, but not much has been said about it in Congress where statesmen are entirely engrossed in plans for winning the war rather than what is to happen after the war. In fact, whenever one stops to think of after-the-war happenings the possibilities are staggering.

Will the railroads be given back to the stockholders? Will the Government drop its War Risk Bureau? If the telegraph companies are taken over will they be returned? These questions will all be live issues during the coming political campaign.

NO DIMINUTION IN STATE INSURANCE ACTIVITY

As California is one of the States in which compulsory health insurance is first likely to be attempted, what has been done there by those advocating such a system is of importance to insurance men elsewhere. An amendment to the State constitution was necessary in order to make compulsory health insurance possible. This amendment was approved by two-thirds of the legislature and is to be submitted to the voters in November for ratification. A commission is now drafting a bill for presentation at the next session. The advocates of the measure have been working unremittingly in the interest of this legislation, holding meetings with representatives of labor, employers and leading physicians of San Francisco and Los Angeles. According to a representative of the commission the constitutional amendment has been endorsed by the Building Trades Council and by the California Federation of Labor. While it has not received the approval of the Medical Association it is well supported by many of the capable physicians. The commission to investigate the subject of health insurance has framed a tentative plan of medical organization based upon a per capita rather than a fee system of schedule of payment, and the employment, on salary, of specialists for part time service. The physicians, while preferring the service basis of payment, so far as the profession itself is concerned, are said to have realized the necessity for the per capita basis in the interest of economy and the predetermination of the cost of medical service. So far the opposition to health insurance in California has come from the Christian Scientists and the insurance companies. It is natural that the latter should oppose the measure as under the proposed bill they are excluded from participating as carriers.

SENATOR LEWIS AND THE BUREAU OF WAR RISK INSURANCE

The bill of Senator Lewis extending the scope of the War Risk Bureau to cover workmen and laborers employed by the Government is not so radical as first reports said. The men mentioned in the bill are those whose work "imperils or injures life or health." The Bureau is to determine what persons or what employments come within this definition. Until they make their decisions about unhealthful or dangerous occupations, it cannot be estimated how many prospects will be taken out of reach of the insurance companies.

THE HUMAN SIDE OF INSURANCE



RALPH MARDEN

Ralph Marden was born in Boston, where he grew up. He began his insurance work as a life man. Later he was elected secretary and treasurer of a prominent natural premium life association. Accident insurance interested him more, however, and as superintendent of agencies of the Great Eastern Casualty, and after that as supervisor of the accident and health department of the Columbian National Life, at the establishment of that branch of the Company's business, his name became a familiar one in casualty insurance circles. In 1912 he was appointed chief adjuster of the accident and health department of the Casualty Company of America, in New York, and has since been engaged exclusively in that branch. When that Company's business was reinsured by the Employers' Liability, he was engaged as accident claim adjuster at its New York office, where he now is. He has frequently written entertainingly on insurance topics. Mr. Marden's work in organizing the Accident & Health Claim Association of New York, of which he was elected chairman, is recognized as that of a man devoted to the welfare of that department of the business which he has made his life work.

* * *

R. C. Paulson, District Agent at Mankato, Minn., for the Provident Life & Trust, and formerly a bank cashier, who joined the Minnesota Agency because he liked its stand on the part-time question, says he wrote his first case, a $5,000, by reading a farmer one of the prize essays in the pamphlet issued by W. M. Horner, and that out of 16 applications secured by him in May nine were on farmers.

* * *

C. A. Ruby, general agent in Springfield, Mass., of the State Mutual Life, resigned as of July 1st, to engage in Y. M. C. A. war work. His successor is to be J. Alexander Sharp of Springfield, Mass., who has had several years' experience in the business. He is a graduate of Harvard University, class of 1905.

* * *

Selby P. Wood, general manager of the Australian Provincial, is in New York City, and will be here for several weeks. Since his arrival at San Francisco three weeks ago Mr. Wood has been ill and he is now recuperating.

* * *

Lieut. William B. Joyce, Jr., son of the president of the National Surety Company, is engaged to marry Miss Charlotte Rayner, daughter of Mr. and Mrs. R. L. Rayner, of Los Angeles. Lieut. Joyce is stationed at March Field, Riverside, Cal., the newly created Army Aviation Field. He is twenty-seven years old and a graduate of Yale.

* * *

Albert F. Walter, a representative of the New England Mutual Life in Philadelphia, is a veteran of the Civil War. He brought his first case to that Company just forty years ago, and is still on the job. "His business has been among the best people in Philadelphia, which means large policies and high persistency," said the New England "Pilot."

* * *

William R. Collins, of the firm of Johnston & Collins, General Agents, Life Department, New York City, recently collected $31,473.98 in one check covering the initial premiums on two Travelers' Life Policies on one insured. This is the largest check that Mr. Collins has ever collected as the initial premium on the life of one insured, thereby establishing another record in a notable career.

* * *

Jere J. Hartnett, New York manager for Geo. R. Hess & Co., of Chicago, has been lauded in a song, dedicated to the City Insurance Club. Mr. Hartnett has been president of the Club for two years, and it is largely through his activities that the Club has grown to its present proportions.

* * *

Arthur Murray, manager of the liability department of the Aetna's New York office, writes from camp that he was made a corporal three days after arriving. On this record, his friends are adopting the expedient of addressing him by a higher title each week.

* * *

Henry T. Thompson, New York Life, Florence, S. C., has served his native State in a military way for forty years, filling every grade successively from private to Brigadier-General. During that period he has been four times in the military service of the Nation and served as Lieutenant-Colonel of Volunteers in Cuba during the Spanish-American War. He has just been notified by the War Department of his appointment as Major in the U. S. Guards, National Army, and assigned to duty in Texas.

* * *

Captain Ten Broeck, Terhune, formerly of Schiff & Terhune and a prominent member of the Casualty & Surety Club, who was but recently commissioned, appeared on William Street this week for the first time in his uniform and received the congratulations of his friends.

A. G. McILWAINE, II., PROMOTED

Ensign Archibald G. McIlwaine, II., son of the United States manager of the London & Lancashire, has been raised to the rank of lieutenant, junior rank, in the United States Naval Aeroplane Service. Lieut. McIlwaine is an expert golfer and while at Yale was champion and runner-up in the collegiates three years ago.

FRANK B. CASSIDY'S CHANGE

Frank B. Cassidy, general liability, teams and elevator departments in the Metropolitan department of the Globe Indemnity has engaged with Ream, Ives & Wrightson, as assistant to Mr. Cromwell. Mr. Cassidy leaves the Globe with the best wishes and sincere regrets of his associates who predict for him a bright future in his new connection.

Mervin Davis, actuary of the Equitable of Iowa, has been appointed assistant actuary of the Equitable Life Assurance Society of New York.

FIRE INSURANCE DEPARTMENT

Tri-State Agents to Meet Next Month

HAS ONE HUNDRED MEMBERS

E. E. Cooke, Charlestown, W. Va., President—How and Why it Was Organized

The Tri-State Fire Insurance Agents' Association is to hold its annual meeting in August at Braddock Heights, Maryland, and a number of prominent insurance men will attend as guests.

The Newest Organization

This association is about the newest of the fire agents' organizations. It was organized a short time ago as the outcome of the protest of local fire agents in the territory of the Underwriters' Association of the Middle Department, under the supervision of S. J. Little, stamp clerk at Hagarstown, Md., against the new rules and rates promulgated by the Middle Department, its protests having been successfully made in several cases. Its membership consists largely of agents of Jefferson, Berkeley and Morgan counties in West Virginia; Washington, Frederick and Carroll counties in Maryland; and Franklin and Fulton Counties, Pennsylvania.

Officers

Officers are E. E. Cooke, president, Charlestown, W. Va.; Ernest Helfenstein, secretary, Frederick, Md.; and N. Bruce Armstrong, treasurer, Hagerstown, Md. "The plans of the association are for a closer co-operation between fire insurance agents and to promote good fellowship and anything else helpful to the business," said one of the officers.

GETS SIX FRENCH TREATIES

"L'Argus" announces that "La Baloise-Incendie" has established an office in Paris for the transaction of French business to be worked on an autonomous basis. Hitherto, the business has been worked from Basle. The Paris branch has been opened to develop its French business and also in order that no documents may be sent out of France. In addition to six French re-insurance companies, allied and neutral offices have concluded treaties with this Company. The manager of the concern is Mr. E. A. Schiffmacker, ex-inspector-general and manager for the Swiss-French branch of "La Baloise" at Geneva, member of an Alsatian family of Mulhouse. The offices have been transferred to 30, rue Le Peletier.

Irvin T. Bernhard Opens N. Y. Office

BINDS FOR SEVEN COMPANIES

Territory Whole State of New Jersey—Was With London & Lancashire

Irvin T. Bernhard, for the past seven years counterman in the local office of the London & Lancashire Fire, resigned as of July 1 and on that date opened an office at 68 William Street, New York, for the binding of business throughout New Jersey. In this capacity, Mr. Bernhard represents the Scottish Union & National, Niagara-Detroit Underwriters, Eagle & British Dominions, Glens Falls, Ohio Farmers, Yorkshire and Law, Union & Rock. For a number of years past Mr. Bernhard has maintained a local agency at 19 Elm St., Hackensack, N. J., and this agency will be continued as heretofore.

Previous to his connection with the London & Lancashire, Mr. Bernhard had for two years been counterman for the Wallace Reid Agency and for three years he had acted in a similar capacity for Willard S. Brown & Co. Mr. Berhard had also been with the J G. Hilliard Agency for three years and in all of these affiliations his experience has been in the underwriting of suburban and general territory risks. His experience with these representative offices and his ability and acquaintance should bring him success on his new venture.

RETURN FROM NEW YORK

Colonel Walker Taylor, of North Carolina; A. D. Tobin, of Augusta, Ga.; and William Douglas, of Jacksonville, Fla., have returned home from a visit to William Street offices.

WANTED—SPECIAL AGENT for New Jersey and Pennsylvania. One with inspection or rating bureau training preferred. Good future for right man. Address in confidence.

"SPECIAL AGENT"

THE EASTERN UNDERWRITER
105 William St., New York

THE
TOKIO
MARINE AND FIRE
INSURANCE COMPANY
LIMITED

UNITED STATES FIRE BRANCH
J. A. KELSEY, General Agent
80 MAIDEN LANE, NEW YORK

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

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ÆTNA LIFE INSURANCE CO.
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FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

"Jinger Snaps!"

The latest new idea to be introduced by the Jackson-Smith Agency, Inc., is "Jinger Snaps." If you are on the mailing list of the Jackson-Smith Agency you know what "Jinger Snaps" is and if you did not receive a copy of it, a 'phone call to S. M. Bower will get you one. "Jinger Snaps" is a breezy little leaflet with a laugh and a lesson which the Jackson-Smith Agency proposes to issue regularly.

* * *

Lloyds May Be Licensed in Texas

It develops there is no law authorizing Lloyds to operate in Texas, nor can Lloyd's agents write business in that State under the laws of Texas, though several are doing it. Wherever such practice is found it is stopped. G. G. Sheerin, well known Dallas agent, visited Austin last week and conferred with the commissioner of insurance regarding the situation. At one time Mr. Sheerin wrote business for Lloyds in Texas, but was asked to desist by the insurance department and immediately complied. Deputy Commissioner Chas. V. Johnson and Mr. Sheerin agreed that the law should be amended to permit Lloyds to do business in Texas and the legislature next January will be asked to amend the laws so as to permit such admission.

* * *

Parcel Post Insurance Plan

The Providence branch office of the Automobile Insurance Co. has secured a considerable volume of Parcel Post insurance through a plan devised by one of the enterprising special agents connected with that branch and, in view of the fact that the method used can be adapted to any state, the Company passes the plan along.

Like all other states, Rhode Island sends out each year a considerable number of "Automobile Registered Number Plates" or "Automobile Markers" as they are known in some states. The Providence branch secured an order from the Rhode Island State Board of Public Highways for sufficient coupon form parcel post books to insure each set of markers sent out.

The Company says: "The cost of insuring a set of markers is very small—one two and one-half cent coupon being sufficient to fully insure each set. As a large number of markers are sent out the premium runs into a considerable sum and is well worth going after. The advertisement secured through the insuring of the automobile markers in the Automobile Insurance Co. should lead to considerable business of other kinds among the automobilists who receive their markers in that manner. Considerable personal business should also develop through the acquaintances made at the State Capital in the solicitation of this form of insurance.

"Inasmuch as our agents may possibly come into competition with the Government on parcel post insurance, either in connection with this matter or some other form of parcel post insurance, we suggest that you secure information from your local post-office as to the cost and coverage of the Government form of policy and carefully scrutinize the rate sheets and sample policies of the Automobile Insurance Co. Such an analysis will indicate to you that the Government charges three cents for the same amount of insurance for which we charge two and one-half cents, and our policy gives the assured considerably more coverage than is given by the Government form of policy.

"It is possible that the annual registration date for automobiles in your state has passed and you may, therefore, feel that you can not benefit from this plan. We would call your attention, however, to the fact that automobiles are being registered throughout the entire year and there is no reason why you should not place sufficient parcel post books to take care of the needs of your State Board of Public Highways at the present time and later, when they need a large supply of books to take care of their annual registration, supply them."

* * *

Vosburgh With Weed & Kennedy

Lambert Vosburgh, for the past seven years with E. H. Betts & Co., started on July 1 with Weed & Kennedy.

* * *

Nailor With F. S. James & Co.

Edward Nailor, formerly counterman of the Niagara Fire, is now with Fred S. James & Co.

* * *

Louis Tofte In Service Not P. M.

Louis Tofte, of Cornwall & Stevens, who is a brother of P. M. Tofte, Jr., secretary of the William H. Kenzel Co., is the Tofte who is now at the Cornell Aviation Training Station and not his brother, as published in a recent issue of The Eastern Underwriter.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Firemen's Insurance Co., Newark, N. J.
January 1, 1918
Cash Capital $1,250,000.00
Net Surplus $2,384,971.20
SURPLUS TO POLICYHOLDERS...$3,634,971.20
DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President J. K. MELDRUM, Assistant Secretary

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $109,000,000
Losses Paid in U. S. $40,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY

The Gamewell Fire Alarm Telegraph Co.
Fire Alarm and Police Telegraphs for Municipal and Private Plants
OVER 1500 PLANTS IN ACTUAL SERVICE
GENERAL OFFICES AND WORKS
NEWTON UPPER FALLS, MASS.
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5708 Grand Central Terminal, New York
448 John Hancock Building, Boston, Mass.
1216 Lytton Building, Chicago, Ill.
335 Wabash Building, Pittsburgh, Pa.
915 Postal Building, San Francisco, Cal.
304 Central Building, Seattle, Wash.
Utica Fire Alarm Telegraph Co., Utica, N. Y.
Northern Electric Company Limited, Montreal, Canada.
General Fire Appliances Co., Ltd., Johannesburg, South Africa
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FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
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WILLIAM MORRISON, Asst. Sec'y
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NEW YORK
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Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
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ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

BRITISH AMERICA
ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918
Assets $2,192,173.14
Surplus in United States..... 772,927.35
Total losses paid in United States from 1874 to 1917, inclusive 25,298,472.00
W. B. MEIKLE, Pres. & Gen. Mgr.

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

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North Little Rock
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Loyalton.
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Modesto.
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Napa.
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San Jose.
Santa Ana..
Santa Rosa.
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Kansas City.
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Bangor.
Portland.

MARYLAND
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Cumberland
Hagerstown.
Salisbury.

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Springfield.
Worcester.

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Grand Rapids.
Port Huron.

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St. Paul.

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Greenwood.
Gulfport.
Hattiesburg.
Jackson.
Meridian.
Pascagoula.
Vicksburg.
West Point.

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Kansas City.
Jefferson City
St. Charles.
St. Louis 2.
Sikeston.

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Butte.
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Omaha.

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Medford
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Altoona.
Chester.
Erie.
Harrisburg.
Johnstown.
New Castle.
New Kensington
Oil City.
Philadelphia 6.
Pittsburgh 2.
Reading.
Scranton.
Williamsport.
York..

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Providence.

SO. CAROLINA
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Columbia.
Marion.
Sumter.

SO. DAKOTA
Huron.

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Clarksville.
Columbia
Copper Hill.
Jackson.
Knoxville
Memphis.
Nashville.

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Austin.
Beaumont.
Brownsville.
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Galveston.
Houston.
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San Antonio.
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Ogden.
Salt Lake City.

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Tacoma.
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Wenatchee.

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Green Bay.
La Crosse.
Madison.
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WYOMING
Cheyenne.



Need Men?

Let's look in these 400 Branches FIRST!

Before you make a move to hire men see what men the Government can find for you.

On the map are spotted the 400 offices that the Government has established for this one purpose of helping manufacturers find men.

They blanket the country. And in addition there are 20,000 U. S. Public Service Reserve agents who reach down into every little hamlet where there is labor to be had.

U. S. Employment Service makes no charge for its service. It is supplying the labor for the shipyards. It is supplying a daily growing number of manufacturers working on war orders. It is the one way to reduce the labor turnover and increase production. Use it when YOU need men.

United States Employment Service

U.S. Dep't of Labor
W.B. Wilson Secy.

Contributed through Division of Advertising

U. S. Gov't Comm. on Public Information

This space contributed for the Winning of the War by

THE EASTERN UNDERWRITER

How Use and Occupancy Losses Are Adjusted

Example No. 4

By L. A. Moore, General Adjuster New York Underwriters' Agency

From a paper read by Mr. Moore to field men of the New York Underwriters' Agency.

Example No. 4-A

This contract of insurance guarantees the assured the full use and efficiency of their plant, occupied for manufacturing cotton and woolen waste against any losses and the consequent interruptions of business caused by either fire or lightning or both under terms and conditions specifically set forth as follows:

Total Interruption of Business:

(a) If the machinery or other contents of said plant or any part thereof shall be destroyed or damaged by either fire or lightning or both, occurring during the continuance of this contract, so that said assured shall be entirely prevented from producing their finished products at the said location, then the insurance shall be liable to the said assured for $58.33 1-3 per day for each working day of such prevention until the full use and efficiency of the said plant is re-established; not, however, exceeding in the aggregate the sum insured under this contract.

Partial Interruption of Business:

(b) If the machinery or other contents of said plant or any part thereof, shall be destroyed or damaged by either fire or lightning or both, occurring during the continuance of this contract, so that the said assured is partially prevented from producing their finished products at the said location, then the insurance shall be liable to the said assured for an amount for each working day of such partial prevention as will be equal to the difference between the products produced under the then crippled condition and the full daily finished products, until the full use and efficiency of the said plant is re-established; not, however, exceeding in the aggregate the sum insured under this contract.

Basis of Settlement:

(c) For the purpose of adjustment under this contract, the daily product of 300 days working full time shall be considered the full use and efficiency of the said plant and the basis of settlement.

Total insurance $17,500.

Date of fire, August 31, 1916.

Limit of liability 58.33 1-3 per day for total prevention of finished products.

Valued form

Example No. 4-B

It will be observed that the partial prevention paragraph of the form makes it possible for the companies to be liable for a greater loss for partial prevention than total prevention, wherein it states the companies shall be liable for each working day of partial prevention for the difference between the product produced under crippled condition and the full daily finished product.

Example No. 4-C

STATEMENT OF LOSS:

Total interruption of business.

12 days from Aug. 31 to Sept. 14 $17,500 insurance, $58.33 1-3 per day ..... $ 700.00

Partial interruption of business.

40 days from Sept. 15 to Oct. 31. Capacity for one full working day based on average for 6 years' record $106.88

Capacity in crippled condition 1-3 ..... 35.63

Difference (or impairment of production) ..... $ 71.25

$17,500 insurance, $17.25 per day for 40 days 2,850.00

Hired motor 88.70

Total Loss $3,638.70

Notwithstanding assured could have collected on basis of $71.25 per day for partial prevention for 40 days as against $58.33 1-3 per day for total prevention, they were good enough to let the companies off by payment for partial prevention of the limit of liability for total prevention, making the loss for

12 days' total prevention at $58.33 1-3 per day 700.00

40 days' partial prevention at $58.33 1-3 per day 2,333.32

Hired motor 88.70

Total Payment $3,122.02

If the form had provided, as it should have, for payment of partial loss on pro rata basis for total prevention, the liability woud have been

12 days' total prevention 700.00

40 days' partial prevention 1-3 of $58.33 1-3 ..... 777.77

Hired motor 88.70 1.566.47

making the penalty for a bad form even with assured's concession 1.555.55

C. S. S. MILLER BACK

Secretary of National Association of Insurance Agents Got 1,413 Members on Trip

C. S. S. Miller, secretary of the National Association of Insurance Agents, has returned from a 4,000 mile trip during which he attended several State association meetings, and helped form a number of "local units," as the E. M. Allen Club idea of local agents is called. In Oscaloosa, Ia., the agents had not met in the same room before in four years. The Arkansas, Iowa, Kentucky and Georgia annual agency conventions were the largest ever held.

Agents everywhere are looking forward for the Cleveland national convention October 10, 11, 12, said Mr. Miller. Live topics will be discussed. Mr. Miller said a number of unusually active agents are becoming interested in association work and that many new faces will be seen at Cleveland.

George S. Petrick has resigned as special agent for the City of New York for Ohio and West Virginia and has taken the same position with the Atlas, with office in Pittsburgh.

George Brinley, special agent of the Hartford Fire in Eastern New York, is spending his vacation at his old home near Hartford.

LOSSES SHOW DECLINE

Encouraging reports are heard regarding fire losses. Usually the low water mark in losses is reached about September. This year there has already been a decided drop. This would mean a great deal to the companies should it continue throughout the year. The greater vigilance growing out of the necessities of war is producing the desired effect, which it is hoped will continue to be manifest after the struggle ends.

E. W. DeLEON MAKES CHANGE

E. W. DeLeon is now with I. Tanenbaum, Son & Co., 170 Broadway. He has been conducting a brokerage business at 55 John Street.

WESTERN ASSURANCE CO.
OF TORONTO, CANADA

Fire, Marine, Explosion and Tornado Insurance

UNITED STATES BRANCH

January 1, 1918

Assets	$4,194,579.34
Surplus in United States	1,667,691.69
Total Losses Paid in United States from 1874 to 1917, inclusive	43,294,154.63

W. B. MEIKLE, President

Agricultural Insurance Company, of Watertown, N.Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

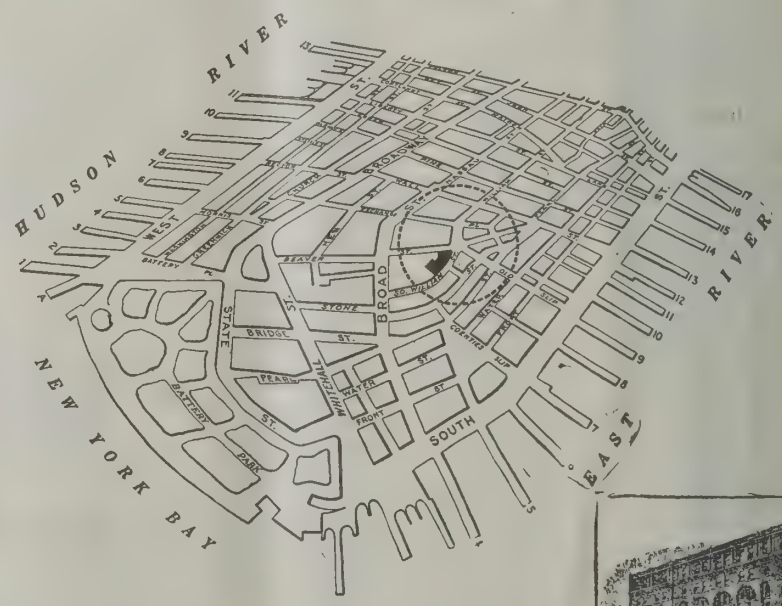
Binding Contracts with Guaranteed Underwriters at Lloyds and British Companies maintaining United States deposits. Immediate telegraphic binders given.

MARSH & McLENNAN

19 Cedar St. NEW YORK	1615 California St. DENVER	201 Sansome St. SAN FRANCISCO	107 S. Fifth St. MINNEAPOLIS
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"The Best there is in Insurance Service"

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

Large Lines Carried By Inter-Insurers

FACTS ABOUT 1917 FIRES

$332,000 on One Risk of Individual Underwriters—New Edition of John F. Ankenbauer Book

John F. Ankenbauer, of Cincinnati, has compiled a new edition of his "Inter-Insurance Information." In it he discusses the large lines carried by reciprocals. Of 1917 fires Mr. Ankenbauer says in part:

Fire which damaged the risk of B. Ullman & Co., New York City, on November 12, 1917, disclosed the fact that of the total of $730,450 insurance carried on this risk, $332,000 was in the Individual Underwriters, and $135,000 in the New York Reciprocal Underwriters. Stock companies like the Ætna of Hartford, Fire Association of Philadelphia, Commercial Union, carried policies of only $15,000 each on the line.

Sullivan Condensed Milk

The Sullivan Condensed Milk Co., of Sullivan, Wisc., which burned the early part of August, 1917, with a loss of 90 per cent., found the Reciprocal Exchange of Kansas City carrying $135,900 out of a total of $170,900 of insurance.

The New York Reciprocal Exchange was stuck for $138,975 on the Brown Camp Hardware Co., at Des Moines, Iowa, in August, 1917, they carrying practically half of the total insurance, which was $278,000, the loss being total.

The inter-insurance exchanges which had insurance on the risk of the Red River Lumber Co., of Westwood, California, which burned in October, 1917, reported as a total loss, were:

Manufacturing Lumbermen's Underwriters of Kansas City, $50,000; Lumbermen's Fire Indemnity Contract, $10,000; Lumber Underwriters of Fordyce, Arkansas, $20,000; Lumber Underwriting Alliance of Kansas City, $60,000; Lumber Manufacturers Inter-Insurance Association, $72,750; Manufacturing Woodworkers of Chicago, $35,000; National Lumber Manufacturers Inter-Insurance Exchange of Chicago, $25,000.

Fire destroyed the lumber and damaged the plant of the Bowie Lumber Co. at Bowie, La., on May 24, 1917, and the list of insurance disclosed the fact that the National Lumber Manufacturers Inter-Insurance Exchange of Chicago, which according to "Best's" only had on December 31, 1916, a net cash surplus of $31,205.48, yet carried $48,750 insurance on the lumber (a total loss) and also $37,712 on mill and machinery. The Southern Lumber Underwriters of New Orleans, which, according to "Best's" had a net cash surplus on December 31, 1916, of $25,070.47, carried insurance of $25,000 on the lumber (a total loss) and also $21,140 on mill and machinery.

McCOMB'S FIRE COMPANIES

As was printed in The Eastern Underwriter last week, S. D. McComb & Co. Inc., have opened a department for writing fire insurance on vessels.

The office has the agency of the Glens Falls, Globe & Rutgers, North British & Mercantile, United British, New Brunswick, New Jersey Fire, North River and United States.

Several other companies' representation will be obtained.

HOTEL GARAGE INSURANCE

In the proposed plan for a chain of hotel garages is included provision for full insurance cover while in the garage, to be in force immediately when the car is entered for storage. The parent building of the group will be in New York and will accommodate 863 cars.

Turns on Heat and Cold in a Letter

TIP FROM A CHICAGO MAN

F. G. Spoerer, in Lecture Course, Tells Insurance Clerks How to Indite An Epistle

F. G. Spoerer, of Ullman & Spoerer, Chicago managers of the Connecticut Fire, is author of a series of papers on 'Correspondence," recently delivered before a class in the Chicago Insurance Institute. The object of the course is to teach insurance clerks how to write letters. Mr. Spoerer concluded his address by referring to the "best wishes," "yours truly," "yours sincerely," "hoping to see you when you are in Chicago," etc., part of the epistle, which he designates "the complimentary close." One paragraph of this section of his lecture may help the reader survive the summer heat:

"The fifth part of our letter is the so-called 'Complimentary Close.' It is the cake and ice cream stage of our letter. It may be either all ice or all cake, as personal preference may dictate, or the state of acquaintance and friendship permit. The Complimentary Close may be cool enough to make a fitting ending for a letter expressing unfriendliness, hostility, contempt, or cold disdain, making of the word 'Complimentary' a mere technical term entirely devoid of its natural meaning. From this zero point the Complimentary Close may graduate through all the varying degrees of esteem, consideration and regard to the highest zenith of warm-hearted geniality and affection. In our insurance work we scarcely expect to employ either of the two extremes. We shall expect rather to choose the golden middle course, a happy medium, that shall be neither frigid nor torrid, not repelling with chilling frost nor sickening with mawkish sweetness—a plain, quiet, dignified style that shall be brief and courteous and suited to the requirements of a modern business letter."

SEEK AN INJUNCTION

Northwestern National Files Suit at Des Moines Against Some Former Representatives

The Northwestern National Fire Insurance Company of Milwaukee has filed suit at Des Moines, Ia., to enjoin several former representatives from promoting a new company to secure business which heretofore belonged to the Milwaukee company.

SMITH'S BANKING ADDRESS

In his address before the New Jersey Bankers' Association, Frank H. Smith, insurance commissioner of New Jersey, confined himself to comments on banking and did not mention insurance.

NATIONAL UNION

NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURGH, PA.

TODAY IS THE DAY—

For what? For ACTION! To do the thing that lies before you.

In this age you're fighting a constant battle with Time—you can't win by letting Time have all the advantages.

In the race for Success your strongest competitor is TIME—your keenest adversary is HESITATION—your bitterest enemy is "WAIT TILL TOMORROW."

"Put it off" and you are merely welding a link in the chain of HABIT that will sooner or later render your judgment QUAKY and UNSUBSTANTIAL.

Acquire the HABIT of putting things off and very soon you will find the path of progress blocked.

"I'll think it over" has cursed many a man and wrecked many a CAREER. THINK FAST! DECIDE!

The world has no opportunities for the LAGGARD—the man who is AFRAID TO ACT. Strengthen your character with prompt decisions. What is wanted is men who have the "habit" of doing things—and doing them NOW.

Correspondence welcomed from Agents of experience and good repute.

WRITE TODAY

THE HUMBOLDT FIRE INSURANCE CO.
PITTSBURGH, PA.

Conservative -- Sound -- Progressive

Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

WILLIAM C. SCHEIDE & CO., Inc.
HARTFORD, CONN.
Re-Insurance in All Branches

FRED. S. JAMES GEO. W. BLOSSOM WM. A. BLODGETT

FRED S. JAMES & CO.

123 WILLIAM STREET

United States Managers
GENERAL FIRE ASSURANCE CO.
of Paris, France

URBAINE FIRE INSURANCE CO.
of Paris, France

EAGLE & BRITISH DOMINIONS INS. CO. Ltd.
of London, England

NEW YORK

C. B. G. GAILLARD
Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

A FEDERAL QUESTION

Opinion of Commissioner of Minnesota Regarding Russian Company Decision in Texas

Additional comments which came to The Eastern Underwriter this week, regarding the action of Texas insurance commissioner in refusing to renew the licenses of Russian companies were written by the commissioners of Minnesota and West Virginia. They are as follows:

John B. Sanborn, Minnesota

Without knowing definitely the provision of the law of the State of Texas under which the Insurance Commissioner acted in refusing to license Russian companies, I should hesitate to in any way criticise such action. Under the laws of this State, if the question arose here, I could not lawfully refuse admission to a Russian company, regardless of what my personal feelings or inclinations might be. The barring of Russian insurance companies from the United States would, it seems to me, be a question solely for the Federal Government. If the United States Government permits them to operate I do not see how Insurance Commissioners of the several States can refuse them licenses, provided they in other respects comply with the State laws.

J. S. Darst, West Virginia

The West Virginia Department has no prejudice whatever against the Russian people or Russian insurance companies. I do not feel sufficiently acquainted with the facts concerning these companies, however, to express any opinion for publication as to whether or not they are in reality German companies. These companies are all admitted to do business in this State.

FINE YEAR FOR L. & L. & G.

The Company's Income Increased by £592,512—£883,135 Carried to Profit and Loss Account

In their reviews of the business of the Liverpool & London & Globe last year British papers are enthusiastic.

Twelve months ago this Company reported that the total income had reached the large amount of £6,068,328, now we are told that entirely by natural expansion, the income of the Company has, during the past year, increased by no less than £592,512, reaching the gratifying amount of £6,650,840. Every section of the business has contributed to this development, and, after setting aside £223,924 as a provision for unexpired reserve, no less than £883,135 is carried to profit and loss account.

The "Policy Holder" of Manchester, says: "The Liverpool & London & Globe may be taken as representative of British insurance at its best. An admirable combination of caution and enterprise has been displayed in the Company's management. Its ramifications are world-wide, and wherever it is known its name is honored."

WHY HENDERSON SUCCEEDS

The Platform of a Successful Agent of Insurance Company of North America

S. J. Henderson is a successful agent of the Insurance Company of North America, and a letter which he sent to that Company is reproduced as an example of how a model agent should conduct himself:

"Early in my experience I commenced to study the system and methods of the best equipped agencies in the State and incidentally visited a few, known as delinquent agencies, those that are doomed to fail sooner or later. You will be surprised to learn that I derived great benefit from my observation of these second-rate agencies. From them I learned what to avoid.

"I base my success upon adhering strictly to a few simple rules. I consider that in all transactions the interests of the Company, the agency and the insured are identical, and what benefits one should benefit all. That the value of the agency depends largely upon the desirability of the risks, as well as upon the premium income. I inspect my risks carefully. I make out and send my monthly accounts in on time; I collect my premiums promptly and remit when due; I comply strictly with the rate requirements of each company. When their instructions are fully understood, it is not a difficult matter to carry them out.

"I aim to attend to correspondence with promptness and accuracy, thereby avoiding waste of time and confusion, resulting from delays. By following these rules the efficiency of the office is established, giving me time to cultivate and secure new business."

The records of the Hartford Steam Boiler for 1917, show 506 explosions, 149 persons killed and 289 injured.

WANTED

Assistant Examiner

in large New York Fire Company. A good opportunity for the right man.

Address stating qualifications and recommendations, care

THE EASTERN UNDERWRITER
105 William St., New York



"AMERICAN FORE"

FOR 65 YEARS—

THE CONTINENTAL has built its name to stand for all that is best in fire insurance.

FAIR DEALING has won it a leading place among agents and the insuring public.

CONSTRUCTIVE management has assured its growth in the past and assures a continuation of progress in the future.

FINANCIAL strength insures stability and guards against any conflagration danger.

[FIRE]
THE CONTINENTAL INSURANCE COMPANY

Cash Capital - - TEN MILLION DOLLARS

HENRY EVANS, President

Home Office
80 MAIDEN LANE
NEW YORK

Managing Branch Offices:
CHICAGO, MONTREAL
SAN FRANCISCO

CONTINENTAL COMMANDS CONFIDENCE

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

Associated Mutual Agency Incorporated

B. J. ALLEY, Manager

68 William St., New York

Exceptional Facilities for Writing Business Throughout the United States

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus, .. - - - - -	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - -	1,051,543.00

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $152,000,000.00

Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

Home's Circular On Enemy Trading Act

RULES TO BE OBSERVED

Names of All Parties in Interest Must Be Disclosed Fully—Text of Letter

Following the issuance of The Eastern Union's circular about the Trading-with-the-Enemy several companies have issued letters on the subject. That of the Home follows:

Dear Sir:

In order to comply with the provisions of this act, you are hereby instructed to observe the following rules:

(a) No policy shall be issued nor shall any payment whatever be made for loss or return premium to any "enemy" or "ally of enemy" as defined in the Act of Congress approved October 6, 1917, known as the "Trading-with-the-Enemy Act," or in any proclamation of the President pursuant thereto.

(b) In the case of any policy issued under any of the following conditions:

For account of whom it may concern.

Covering the interest of joint owners not named.

Covering property held in trust, or on commission, or on storage or for repairs.

As now or may hereafter be constituted.

To the Estate of ..... or the heirs of .....

Covering in any manner liability for parties not named in the contract.

Payable to a mortgagee or other payee and assigns.

Policies issued to trade names for unincorporated firms or concerns without disclosing the identity of the members thereof.

The following clause shall be added verbatim:

This entire policy shall be void if the insurance hereunder, directly or indirectly, is for, or on account of, or on behalf of, or for the benefit of, an "enemy" or "ally of enemy" (as defined in the Act of Congress, approved October 6, 1917, known as the "Trading with the Enemy Act" or amendments thereto, or in any proclamation of the President pursuant thereto) or is for any person who is acting for, or on account of, or on behalf of, or for the benefit of, an "enemy" or "ally of enemy" unless the interest of the "enemy" or "ally of enemy" has been conveyed, transferred, assigned, and delivered to the Alien Property Custodian, or unless with a license from the President of the United States permission is granted to insure the "enemy" or "ally of enemy."

This action becomes necessary because of the very strict provisions of the law and the danger of incurring heavy penalties of both fine and imprisonment for its violation applying as it does to companies, agents and brokers.

We desire to avoid the issue of policies which do not fully disclose the names of all parties in interest. If, however, cases arise where it becomes necessary to cover the interest of undisclosed persons, the clause abovementioned must be used. It is not intended that the clause be used in cases where all parties to the contract are named therein.

In order that the subject may be fully understood and carefully observed, excerpts from the Act and President's proclamation with comment thereon are enclosed.

E. G. SNOW.

WOMAN IN LOSS DEPARTMENT

The address recently delivered by C. R. Perkins, assistant manager of the North British & Mercantile, and vice-president of the Pennsylvania Fire, on the subject of women agents has been extensively commented upon in the insurance and daily press all through the country. It demonstrated that there is wide consideration being given relative to the opportunities for women in most all lines of business.

Illustrative of the currency of this idea Mr. Perkins received a letter the other day from a woman who had read extracts from his address, and who made an application for a position as an insurance adjuster. After an interview she was given a position in the loss department.

SPECIALS HONOR R. H. MOORE

A farewell dinner was given last Friday to R. H. Moore, special agent in Eastern New York of the Insurance Co., of North America, who has resigned to become superintendent of the Eastern Department of the Concordia at the home office, at Keeler's Hotel in Albany by his associates in the field. There were twenty-two special agents present at the dinner, most of whom are members of the Albany Field Club, of which Mr. Moore is president. An appropriate gift was presented.

National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1918, to New York Insurance Department
LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer
G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent
SURPLUS TO POLICYHOLDERS.....$5,980,020.79

7921 Insurance Company of 1918
NORTH AMERICA
PHILADELPHIA
FOUNDED 1792
The Oldest American Stock Insurance Company
126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33
Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

S. C. BISHOP CO.
Represented at 95 William Street, N. Y. C., Room 1001
AGENTS FOR NEW JERSEY
208 Broad Street, Elizabeth, N. J.
Phone, 447 John — 588 Elizabeth

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET NEWARK Phone Market 6536 | SERVICE FIRST | 80 MAIDEN LANE NEW YORK Phone John 4560

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

BINDERS EFFECTED ON NEW JERSEY RISKS
Irvin T. Bernhard
68 William St., New York, N. Y. 19 Elm Ave., Hackensack, N. J.
Scottish Union & Nat. Ins. Co. Eagle & Br. Dom. Ins. Co. Ohio Farmers Ins. Co.
Niagara-Detroit Und. Glens Falls Ins. Co. Yorkshire Fire Ins. Co.
Law Union & Rock Ins. Co.

Caledonian Insurance Co. of Scotland
FOUNDED 1805
"THE OLDEST SCOTTISH INSURANCE OFFICE"
UNITED STATES HEAD OFFICE
Caledonian Building, 50-52 Pine Street, New York
CHAS. B. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

Marine, Fire and War Risk Re-Insurances
The Firm of
ROBT. R. toe LAER
New York, Amsterdam and Copenhagen
New York Address, P. O. Box 616, City Hall Station

THE
Importers and Exporters Insurance Company
OF NEW YORK
Marine and War Risk Insurance
JESSE SPIER, Underwriter
56 BEAVER ST., Telephone Broad 2612 2613 2614

MARINE DEPARTMENT

Heavy Coastwise Losses Materialize as Predicted

Numerous coastwise vessels have stranded since our last article under the above heading. Marine underwriters during the past week have suffered a number of heavy losses, since our last issue cautioning them that losses of this character could be expected on account of war conditions.

The first vessel reported as standing was the steamer "Uffe," bound from Central America to New York, with a cargo of coffee. This vessel went ashore near Diamond Shoals, but fortunately she was promptly floated by the Merritt & Chapman Derrick & Wrecking Company, without any serious damage.

The Clyde Line steamer "Onondaga" with a valuable cargo of cotton domestics and other manufactured articles went ashore on the Massachusetts coast and became a total wreck. This vessel with her cargo will probably be valued at not less than two and a half million dollars; in addition to which the following vessels are reported ashore:

Strs. "Shawmut" and "Melrose"—Atlantic port, June 18, str. "Shawmut" arrived with a gaping hole in her bow above the water line, having been in collision in the Sound with str. "Melrose."

Naval Cargo Carrier "Fennimore"—New York, June 25, burned to the water's edge at an Atlantic port yesterday morning. The "Fennimore" was a small side-wheeler that had been chartered by the navy and was used for transporting stores and passengers to naval vessels in inland waters.

Str. "Dwinsk" (Br.)—New York, June 25, bound for an Atlantic port, has been torpedoed.

Schr. "Allanwilde"—Norfolk, Va., June 20, with a cargo of about 1,800 tons of sugar, went ashore yesterday afternoon a short distance off Lamberts Point. The schooner ran down a buoy and struck in about 7 feet of water, within 25 feet of the lighthouse.

Sch. "Cottonfield"—Bermuda, June 25, was abandoned at sea; crew landed here.

Str. "Inca"—Norfolk, Va., June 27, is ashore eight miles south of Currituck Inlet.

Schr. "Mark Pendleton"—Lewes, Del., June 27, bound from N. Y. to Savannah, with a cargo of fertilizer, stranded on the Atlantic Coast early to-day. The ship will be a total loss.

Aux. Fishing Schr. "Republic"—Boston, June 27, outward bound late Wednesday afternoon, struck on the rocks on the Lower Middle and remained hard and fast until early this morning; an exceptionally high tide lifted the vessel from the bottom and she floated unassisted and proceeded to Gloucester, where she will probably haul out for examination.

Str. "Westwind" (Amer.)—Lewes, Del., June 29, from Baltimore for Wilmington, Del., stranded on a shoal off Cape Henlopen during dense fog; was assisted off by Steam Pilot-boat "Philadelphia" apparently uninjured this morning and proceeded up Delaware Bay.

Str. "Onondaga"—Boston, June 29, from Boston for Charleston and Jacksonville, lost her way in a fog off Watch Hill Friday night, struck in a reef and sank.

Sch. "Mark Pendleton"—Lewes, Del., June 29, loaded with tankage, stranded at Cobbs Island, Va., on Thursday and is reported a total loss.

Sailing Ship "Hattie Gage"—Norfolk, Va., June 29, was wrecked early today off the Virginia coast, reports brought here to-night said. The ship sailed in ballast from Norfolk Friday for a southern port.

The matter of coastwise rates during present conditions, as far as cargo and vessels are concerned, ought to be revised, as underwriters will be called upon to pay any number of losses similar to those reported, as well as losses caused by collision.

OBSERVER

NEW YORK EQUITABLE PLANS

The New York Equitable Assurance Co., has filed its notice of incorporation. The Company plans to write all branches of fire and marine insurance with a capital of $400,000 and a surplus of $200,000. The New York Equitable is being organized to take over the business of the Equitable Underwriters.

VESSEL AGENCY CHANGES

The Vessel Agency, Inc., last week announced the appointment of Chubb & Sons, as managers, and C. S. Elder, as assistant manager, succeeding S. D. McComb and O. E. Carter resigned. The Vessel Agency, Inc., is now located at 5 South William St.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

EQUITABLE UNDERWRITERS OF NEW YORK
SURPLUS $793,852.75

Marine and War Risk Insurance
Losses made PAYABLE in all parts of the world

C. R. EBERT & CO., Inc.
MARINE MANAGERS PHONE 263-264 BROAD
48 BEAVER STREET, NEW YORK

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street New York

In addition to our regular marine and war risk business, we now have a department for writing FIRE insurance only on vessel property of all descriptions.

We would be pleased to receive applications from agents and brokers having this class of business to place.

FIRE, MARINE & WAR RISK INSURANCE

Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

HEAVY SUGAR LOSSES

Marine underwriters report heavy losses on sugar cargoes. Due to the enforced use of an inferior class of ships in the transportation of sugar since the outbreak of the war there has been considerable loss from seepage, as when the sugar is not melted outright it is seriously impaired by the action of the salt water. In addition, activities of enemy submarines off the Atlantic coast of the past few weeks resulted in the loss of several cargoes of sugar.

FISCHER GOES WITH WHEELING

William V. Fischer, formerly examiner for the Globe Ins. Co., of Pittsburgh, has been added to the underwriting force of the Wheeling Fire of Wheeling, W. Va.

ALEXANDER IN TANK SERVICE

Lane B. Alexander, formerly a special agent of the Automobile Insurance Company, is now in the tank service of the army. After enlisting he was stationed at Fort Slocum, and, later, at Camp Colt.

Balfour, Guthrie & Company, San Francisco, will take over the Pacific department of the Caledonian, American of Newark, Rochester Department of the Great American and the Camden Fire. George O. Hoadley will be the fire insurance manager of the general agency.

W. B. CLARK CELEBRATES

William B. Clark, president of the Aetna Insurance Company, celebrates the 77th anniversary of his birth on Friday. Mr. Clark was born in Hartford June 29, 1841. After a short service on a local newspaper he entered the service of the Phoenix Insurance Company at the age of 16 as a bookkeeper. In six years or at age 22 Mr. Clark was made secretary of that Company, serving in that official capacity for four years. He became assistant secretary of the Aetna in 1867 and vice-president in 1888 and president since November 30, 1892. He is a director of the Travelers and a number of banks in Hartford.

WRITES MARINE RISKS

London, June 1.—The General Accident is now writing marine insurance risks. James Hartley, Cooper & Co. are the underwriters.

Walter L. Wakefield, of Hartford, of the general insurance agency of Wakefield, Morley & Co., and Mrs. Wakefield are at their summer home at Branford, Conn., for the summer.

That insurance companies do not come under the "fight or work" regulations is the decision given by Major John Buckley, of Hartford.

Telephone Hanover 2054 Established 1898
Marine Insurance
Local agents are invited to consult us on their marine insurance problems
OSBORN & CO.
Average Adjusters and Insurance Brokers
Insurance Exchange, CHICAGO - - 45 Wall St., NEW YORK

WM. H. McGEE & CO.
MARINE UNDERWRITERS
15 WILLIAM STREET, NEW YORK

General Agents Marine Department
St. Paul Fire & Marine Insurance Co.
Phœnix Insurance Co. of Hartford
Great American Ins. Co., New York
Camden Fire Insurance Association
Westchester Fire Insurance Co.
Niagara Fire Ins. Co.

U. S. Managers
Skandinavia Re-insurance Co. (Copenhagen)

Agents Marine Department
Providence Washington Insurance Co.
Massachusetts Fire & Marine Ins. Co.

CASUALTY AND SURETY NEWS

Labor's Attitude on State Insurance

DIVIDES PEOPLE INTO CLASSES

Views Expressed at Cleveland Meeting—Health Insurance Does Not Promote Health

At the convention of state commissions studying state compulsory health insurance, which met in Cleveland, the question was asked: "What is the attitude of trade unions in relation to social insurance?" In reply Senator Albers of Wisconsin said:

"It is safe to say that none of the leaders have made a very thorough study of the subject and the rank and file are almost in total ignorance of it. No one can explain why Samuel Gompers is opposed to such health insurance. No reason whatever for this fact is known. Some are of the opinion that Gompers favors the principle and is merely opposed to certain features. The literature which the labor bodies read is that of the American Association of Labor Legislation and its views on the work of the German and Austrian systems.

"There is no reason to feel that the rank and file of the working people would not favor state health insurance when all things are considered. Therefore those who speak in a representative capacity are merely assuming that labor as a whole favors state health insurance and will support any measure that its leaders will agree upon. The real facts seem to be that the working men, organized or not organized, have not given the subject any consideration. Just a very few individuals have even heard of it."

Other representatives expressed the same views as Senator Albers. Matthew Woll, Illinois, said:

"I don't know that the Illinois State Federation of Labor has taken any definite stand on the subject. I know something of the attitude of the New York workers, and yet, while they have endorsed the bill in that state, I am not inclined to believe that they expressed the true attitude and feeling of the labor people in New York.

Prince or Pauper

"Speaking generally on the subject of state health insurance I don't think anybody is opposed to it. Any organization that can maintain a health insurance department does so, so in the abstract I suppose no one is opposed to the idea. But when you come to the question of compelling men to insure themselves you are meeting with a different situation; you are bringing in the question of compulsion. Of course, up to this point we have been confronted only with the proposal submitted by the American Association of Labor Legislation. I don't believe there is a single state organization that has approved that bill. It divides the people into two classes—the paupers and the wealthy ones.

"We view the situation this way. Health insurance will not promote health. We speak of industrial illness and everything of that kind. You cannot eradicate this by health insurance; by compelling the working man to give part of his wages to a fund, or the employer part of his money to a fund. You must get to the root of the situation. What causes sickness? What causes the illness? Is it long hours? It is low wages? What is it that causes the illness and brings

(Continued on page 23)

Planning to Write Freight Charge Bonds

COMPLETION OF PLANS AWAITED

Southern Agency Circularizing Shippers and Consignees to Line Up Business

In issuing General Order No. 25, Director General of Railroads McAdoo, has been the means of stimulating an interest in freight charge bonds. The effect of this order is to put the collection of transportation charges by carriers under Federal control on a cash basis. The effective date will probably be August 1, if the various details can be arranged between the railroads and the government.

The effect of the order and how agents and brokers may profit by it is clearly set forth by the Fidelity & Deposit. F. Phinizy & Co., the Company's agents at Augusta, Ga., are sending to shippers and consignees the following notice:

IMPORTANT

Don't Pay the Freight

Effective August 1, 1918, you can make credit arrangements with the railroads by filing a bond. No other way to get credit after that date; everybody must file a NEW bond.

If you want to take advantage of this plan, secure the form bond from your railroad agent and mail to us for execution.

Bonds are our business; if you want your bond correctly signed and quickly approved, send it to us; we'll do the rest. No delay or red tape. The cost will not be over 1%, minimum premium $5. Write us for particulars if you wish to know anything more about this order than your railroad agent can tell you. We are in touch with the director general's orders and can advise you fully. Take advantage of our service.

How to Get Business

As to how agents may take advantage of this situation, the Fidelity & Deposit says to its representatives:

"Railroads in the past have had what is known as a credit list, on which were an enormous number of shippers and consignees in good credit standing, to whom the roads extended credit for freight charges, without exacting bond for payment. Order No. 25 now makes it mandatory upon every shipper and consignee to give a bond if credit is extended. This offers an opportunity for agents everywhere to get a lot of new business, which, when once obtained, will be easy to hold by renewal. We suggest, therefore, that every agent make a personal endeavor to get from the local railroad freight offices a list of the parties to whom each road has extended credit in the past and directly solicit the shippers and consignees for the placing of their bonds. If for any reason this list cannot be obtained from the local railroad offices, the next best thing is to compile a list of merchants, manufacturers and all parties in good credit standing, according to the Bradstreet and Dun agencies, who are constantly receiving and shipping goods by rail, and then make a systematic canvass among them for the placing of their bonds."

CHICAGO BONDING AND INSURANCE COMPANY

WRITES the following lines of INSURANCE

FIDELITY AND SURETY, PLATE GLASS, BURGLARY, GENERAL LIABILITY, AUTOMOBILE LIABILITY, PROPERTY DAMAGE AND COLLISION, ACCIDENT AND HEALTH, MONTHLY PAYMENT

Charles R. Culyer & Co., Resident Manager, 428 Walnut St., Phila., Pa.
Geo. S. Dippold, Res. Mgr., 1107 Peoples Bank Bldg., Pittsburgh, Pa.
W. F. Murphy & Co., Res. Mgrs., Union Trust Bldg., Jersey City, N. J.
J. Ramsay Barry Co., General Agent, 10 South Street, Baltimore, Md.
R. H. Lambert, Branch Manager, Equitable Bldg., Washington, D. C.

Capital $500,000.00—Surplus to Policyholders, $825,544.20

O. F. ROBERTS, Vice-Pres. and Gen. Mgr. HOME OFFICE: CHICAGO, ILLINOIS

Examining New Accident Forms

Belief Expressed That Opportunity for Advance in Premium Has Passed

COMPANIES HAVE FIRST DRAFT

Deep Cut in Benefits—Belief That Necessity Will Force Adoption

In the proposed standard accident and health policies now before the companies for consideration the accumulation feature remains, ten per cent. annually for five years, but it shall not apply to weekly indemnity. The fully accumulated feature is not recognized. If premiums are paid other than annually, five per cent. annually is added. In many other respects the revisions take the policy forms back to where they were twenty years ago.

All accident insurance shall, it is proposed, be sold on the basis of $1,000 principal sum and $5 weekly indemnity, constituting a unit of insurance and any excess of either principal sum or weekly indemnity shall require a proportionate additional premium.

The double indemnity clause has been pruned of all frills and made to apply while IN not on or getting on or off a common carrier. It has been restored to its original function of a travel clause and triple and quadruple indemnities are dropped.

Fixed indemnities are restricted to loss of life, two hands, two feet, one hand and one foot, either hand or foot, one or both eyes.

Total indemnity is paid for 200 weeks and as long thereafter as the insured is wholly and continuously disabled.

Indemnity for partial disability is limited to forty per cent. of total, for twenty-six weeks.

Hospital indemnities become operative within 90 days and are for not exceeding half single weekly indemnity for total disability for 10 weeks. Identification is retained. Surgical operations are provided as per schedule.

Beneficiaries and children's insurance is entirely done away with.

Elective indemnities may be applied for within 20 days, as per schedule.

This insurance shall not cover accident, injury, disability, death or other loss caused directly or indirectly, wholly or partly, by bodily or mental infirmity, hernia, ptomaines, bacterial infections (except pyogenic infections which shall occur with and through an accidental cut or wound) or by any other gind of disease, nor shall it cover suicide, sane or insane, nor shall it cover any injury, fatal or non-fatal, caused directly or indirectly by war or by any act of war, or sustained by the insured while participating in or in consequence of having participated in aeronautics, nor shall it cover the insured while in military or naval service in time of war.

Health Policy Recommendations

In the proposed health forms partial disability is not covered at all. One half is paid for non-house confinement. Permanent disability is paid for 100 weeks. Hospital indemnity is limited to half of total, for ten weeks. Medical or surgical fees are not provided in cases where no disability already exists which would create liability for weekly indemnity.

In all health policies the Company is to be relieved of all liability during the first fifteen days.

The special committee of fifteen companies that prepared the policies asks the companies to signify their acceptance of the new forms. It is proposed to make them operative October 1, on all new commercial business.

Thirteen Companies Approve

Secretary F. Robertson Jones, of the Bureau of Personal Accident & Health Underwriters, says in a communication to the companies that three forms, one accident and three health, have received the unanimous approval of thirteen companies which were represented at a meeting held in New York June 6.

The forms thus far prepared include a straight accident policy, a health policy covering disability in and out of the house and one covering only in the house. Additional forms will be prepared such as combined accident and health, accident indemnity only and accidental death and dismemberment policy.

Canadian companies are also being asked to co-operate in approving the new forms.

The framing of the new policies was participated in by both large and small companies. The committee believes that the adoption of these revised forms, while it would not give immediate relief, would nevertheless be a permanent improvement, and that an increase in rates upon policies in force would afford only temporary relief.

See Rate Advance Fading

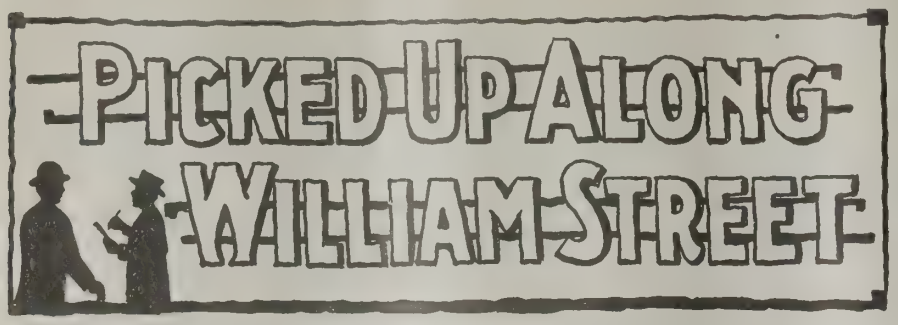
The demand for an increase in rates centers, as it has right along, with the Fidelity & Casualty, while the Travelers is still of the opinion that no advance should be made in rates. There is no sign of a change of attitude in either quarter.

Last fall the general opinion was that rates should go up but the Travelers, which has a premium income from accident and health of $6,000,000 strongly opposed that. As no agreement could be reached on rates, the subject drifted along until practically all other casualty lines were rated up and now some persons who were strongly in favor of higher rates believe that opportunity has passed and that any relief must now come from a trimming of policy benefits. A half loaf is better than none, they say. The fact is some companies, not the largest by any means, claim to be making a profit and are, if not satisfied, to say the least, indifferent regarding any change in forms.

Something New.

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA



Continental Making a Record

Is the commercial accident business in need of a tonic? Evidently not, according to the Continental Casualty Agents' Record, which says: "In point of percentage of increase the commercial department leads all divisions of the Company's accident business. In 1917 the increase in that department was well in excess of 20 per cent. In the first five months of 1918 the increase over the same period of 1917 exceeded the increase of the entire year of 1917 and at the same rate of progress the year 1918 will show an increase over the preceding year in excess of 40 per cent.

* * *

Gulf Storm Coming

The Harry S. Kaufmann Agency, New Orleans, has notified the Continental Casualty that it intends to put on an "Immitation Production Tornado." The Home Office comes back with this: "We have prepared our hurricane cellars and are ready for an avalanche of applications. Go on, start something."

* * *

Building Agency for Women

Work is progressing satisfactorily in the organization by the General Accident of an accident and health department for women. Mrs. E. A. Burns, who has had a long and successful insurance career in Philadelphia and vicinity, has taken charge of the agency work. She is getting in touch and making contracts with a number of women, some of whom are already insurance solicitors, and others who are desirous of taking up such employment. These women will give their sole attention to solicitation of health and accident insurance among employed women; that is, women employed away from their homes.

* * *

Mr. Ham Resigns

A. E. Ham, superintendent of insurance for the Province of Manitoba, has resigned and will take up an official position with the Union Casualty Company. Mr. Ham was with the insurance department thirteen years and has done a fine work. He has always been a good friend to the Life Underwriters' Association.

* * *

Good for a Part Timer

C. F. Clark is a part time agent of the Standard Accident who runs a street car. Although he worked every day during April at his regular job, he found time to write eight applications for disability insurance. These were obtained in less than one quarter of his available soliciting hours, so that for a part time man he is doing excellent work.

* * *

Progress of Experience Rating

Experience rating for compensation risks has now been quite generally approved by State departments, New York having acted a few days ago. Oklahoma has not yet approved, pending a revision of rates. Quite possibly no action may be taken there at this time. Wisconsin cannot adopt experience rating under its present law. An effort is being made to have the statute amended. In Massachusetts the insurance commissioner is not favorably inclined toward experience rating as generally advocated. In New Jersey the department has not yet given its approval to the plan submitted.

No Action on Fleets

Nothing definite was done last week regarding rates for automobile commercial fleets. Progress was made, however, which it is thought will result in a decision at the next meeting of the Bureau Committee.

* * *

Killed in Action

Lieutenant Quentin R. Logie, formerly an underwriter in the compensation department of the Ocean, has been reported killed in action in France, He was in the infantry.

* * *

Developing Aetna Specialties

H. J. Bauridel, a broker at 91 William Street, has joined the Aetna forces. He will devote himself exclusively to developing the Company's various special miscellaneous lines which ordinarily do not receive the attention they merit. He is experienced in development work and is also a life man.

* * *

Claim Adjuster Resigns

William Ryan, claim adjuster and assistant in the health and accident department of the Massachusetts Bonding in New York, has resigned to enter the airplane manufacturing business. His successor has not been appointed.

* * *

Many Machines Covered

It would be well for brokers and agents to remember that steam boiler insurance covers not only steam boilers, but also pressure vessels, air tanks, digesters, kiers, rotary bleach boilers, jacketed kettles, driers, steam cookers, vulcanizers, brick hardening cylinders, steam pipe lines. Fly wheel policies also cover steam turbines, rotating fields, pulleys, gears, etc.

* * *

Deductible Provision Favored

Casualty men who have talked with brokers about the new automobile forms and rates say that the $50 deductible provision is generally meeting with approval.

* * *

Taking Directors Now

Carl J. Schmidlapp, a director of the Continental and vice-president of the Chase National Bank, has joined the colors as a private in the Pioneer Infantry and is now in Spartanburg.

J. P. Budde Was Poor Witness

CONVICTED OF MISDEMEANOR

Penalty for Selling Unlicensed Insurance is One Year or $500 Fine

The charge upon which J. P. Budde, New York city manager of the Smith-Case Company, Newark, was convicted is a misdemeanor and the maximum penalty is one year in jail or a fine of $500. Sentence was deferred until after the trial of F. Clark Smith, which is set for September 16. Budde was charged with violating Section 1199 of the Penal Code in acting as an agent for the Commonwealth Casualty, of Philadelphia, which is not licensed in New York.

S. L. O'Brien, a broker in Brooklyn, is to be tried on a similar charge but the trial date has not been set. Over two hundred brokers did business with the Smith-Case Company and many of them are being interviewed by the New York Department as to their connection with selling unlicensed automobile insurance.

E. Bodger, a Brooklyn broker, was examined to establish the fact that business had been done by him for the Commonwealth Casualty through the office of Smith-Case Company on automobiles in New York. A Commonwealth Casualty policy and a binder were offered in evidence.

Budde Has Poor Memory

The defendant Budde, was asked by the Assistant District Attorney James M. Donohue if the Smith-Case office had not done over $50,000 in premiums on automobiles in Greater New York. The witness said he could not tell whether it had or not. Mr. Donohue repeated the question a number of times, varying the amount each time until he got down to $100 and then started up again. The witness admitted that some business was done but was uncertain as to whether he personally transacted any.

Then the witness was asked if he had ever issued a binder on automobile risks in New York in the Commonwealth Casualty. He did not recall having done so but thought it possible that he might. The State finally offered in evidence a binder which the witness identified as being executed in his handwriting and bearing his initials. It was on a 1917 car belonging to Louis R. Fisher of 227 Mercer Street, M. L. Altschul of 302 Broadway being the broker.

Over $50,000 Premiums

According to the district attorney's record, examination of the Smith-Case Company's books in Newark showed that $57,525 in premiums had been written on New York business.

This case closely resembles that of the People versus Pinckney, which was tried in 1914 and went through the Court of Appeals.

To the New York Department belongs the credit for having furnished the district attorney's office with the evidence in this case. The witness for the Department was J. L. Wood, head of the complaint department.

The Commonwealth Casualty had been in consultation with the Department in regard to entering New York, but there is the question of funds. It is understood that steps were being taken to increase the funds to the required amount, $250,000 capital and $150,000 surplus.

FARRISH'S CHOP HOUSE
Cor. John & William Streets
THE PLACE in the Insurance District to eat lobsters
NOW IN SEASON
Whole cold lobster 65c.
Whole broiled lobster 75c.

CHICAGO RATES UP

Plate Glass Basic Tariff Manual Plus Fifty—Specific Extras 200 Per Cent. More

Chicago plate glass rates have been advanced to Manual plus fifty per cent. on all new business, effective July 1, and as to renewals, September 1.

Fourteen zones have been blocked off by W. F. Moore. While Manual plus fifty per cent. is the basic rate for the whole of Cook County, the so-called Black Hand district will be charged an additional 200 per cent.; all of Alexander Street 200 per cent. additional and other isolated sections within the respective zones from five to fifty-five per cent. additional.

A considerable section west of Douglas Park gets an additional fifty per cent., as does also a tract bounded by Polk, Sixteenth, Racine and the Lake. In South Chicago, a plot running from the Lake to Commercial, not including Commercial, and from Eightieth to One Hundred Fourth, 25 per cent. additional.

Philadelphia is the next city to be zoned.

Examining New Accident Forms.

(Continued from page 21)

Skepticism Still Noticeable

This subject is, of course, a long way from solution. The plan, to be successful, must be concurred in by at least all the companies which are large factors in this line. Forms, if finally adopted universally, must be adhered to. This would be a condition the business has never enjoyed, but as in the last few years, the nation has discovered that it can do many things which before were considered impossible, so may the accident and health men find that they can work together to a degree never before attainable. However, some who were decidedly dubious a few days ago now express the belief that necessity will drive the companies to co-operate.

As yet it cannot be said that the new forms have been hailed with particular enthusiasm, at least not in New York. A degree of apathy is still noticeable. Without exception managers are agreed that much benefit would accrue from the establishment of uniformity and standardization in policies and rates, but it is evident that much energetic work is still necessary to bring about the desired unity of action. There is still lack of confidence that the movement can be made universally and permanently effective. It is too good to be true, seems to be the attitude. The work of the committee is generally commended.

New Amsterdam Casualty Company
A Progressive
SURETY AND CASUALTY
Company

CASUALTY AND SURETY POINTERS

Liability Insurance Favored

Liability insurance is recommended as the easiest way to keep out of trouble, by "Realty" a real estate brokers' paper in which this appeared:

"In this age of progress and preparedness everything is being done to safeguard the interest of the individual's rights. Employers are confronted with stringent laws by which they must compensate their employees that are injured in course of work.

"This applies to employers of all classes of labor, and is not to be construed as only applying to the manufacturer or merchant or store owner, but applies to the house owner or occupant as well. The injury of a maid, handy man, butler, watchman or useful man about the place stands in the same position.

"The serious or slight injury obtained while at work make the employer liable and amenable to the schedule of settlement as laid down by these state laws.

"The real estate owner is liable for damages for any injury to any of his tenants or others upon his premises due to some, ofttimes, unavoidable contributory negligence.

"The cheapest and easiest way to overcome these unpleasant worriments, and ofttimes long-drawn-out legal proceedings, is the procuring of a policy of insurance against this class of risk. This item should be considered a regular yearly expense the same as fire insurance, and generally accepted as such."

* * *

Definition Given of "Service"

What insurance service is, as conceived by the Chicago Bonding and Insurance, is explained in its paper "The Fieldman," as follows:

"Service, as far as it applies to the insurance business, could almost be fully defined by the one word "Promptness." If the Home Office, the agent and the policy holder are all prompt in the handling of the various affairs with each other, satisfactory service is sure to result. We, at the Home Office, try to answer all important letters, telegrams and other matters immediately upon receipt. If our agents will try to give us the same prompt service in connection not only with their correspondence, but with their collections and investigations, making prompt reports, satisfactory service will come without much further effort. Let us try to educate our policy holders to pay their premiums a little more promptly and to get our collectors to make their reports to your office a little more promptly, so that you can be just a little more prompt in making remittances to the Home Office. This will enable us to keep our business under better control and to know more about what our liability is. Very often claims are delayed because agents' reports are not in and we do not know whether or not the policy is in force. Try this question of promptness in your agency and see if it does not result in better service."

* * *

General Liability Offers Good Field

How general liability business offers a wide field for development is explained in "The General's Review" which says:

"The operation of nearly all kinds of retail business imposes upon the proprietor, whether he owns or leases his business premises, a liability for injuries suffered by members of the public. Careless employees are very often directly or indirectly responsible for accidents. Generally a retail business is operated upon a close margin of profit and there is little provision made for extraordinary expenses or losses. Such being the case, a general liability policy becomes an actual asset in the genuine protection it affords.

"One of the most pertinent and conclusive sales arguments that can be used to promote general liability business is the present high value of money. Every American business man is cognizant of the difficulty of obtaining capital, owing to the Government's war demands. Any extensive inroad made upon capital invested in property or in business may seriously affect the capitalist's activity by impairing his resources beyond replenishment. This is particularly true of the small capitalist who is likely to have all his available funds tied up in one investment.

"As has been said before, the agent must learn his proposition thoroughly before attempting to employ sales arguments upon it. The rules governing the writing of general liability and elevator liability insurance as found in the manual are clear and explicit. Their careful perusal is recommended as an important step toward the development of this class of business.

"General liability insurance is such a clean-cut, straightforward proposition that no agent, after he has made but a simple study of the details, should have cause to anticipate any trouble in procuring a good volume."

* * *

Two Types of Non-Combatants

During the present regime of war conditions two distinct characters have developed in the rank of the non-combatants over there, says the Continental Casualty. They make their appearance daily in all modes of life and classes of business. They interest us of course in particular where the insurance business is concerned. We place them before you separately in order that you may be able to size them up at their respective values and get a clear idea of the worth of each to mankind.

The "Fretter" is continually fuming and fussing over high prices, war taxes, and draft regulations. He thinks that it is more profitable to spend the day in a hotel lobby discussing the way things ought to be done than to get out and look for business. The more excuses he can manufacture for not doing any business the fewer attempts he makes to secure business. Grumbling is his chief stock in trade. If he were in the trenches he would stop to find fault with the enemy for launching a gas attack before adjusting his mask. While someone else is writing a risk he is framing an excuse for not doing so.

The "Optimist" is of a different type. He only smiles at adversity and buckles down to the writing of more business. He never looks for trouble but when it comes he is always able to withstand its attack. It is the optimists who are today taking the leading part in the winning of the war. The Optimist in the insurance business does not waste his time wondering when the increase is coming or how many men the draft will take, but goes about his business of writing insurance among good risks and living in comfort with the money he earns while the other fellow is existing on his own hot air.

* * *

Setting the Pace for Sub-Agents

That there is a limit to what one man can personally produce is an opinion often stated by the Federal Casualty, which goes on to say:

"While strictly adhering to this statement it must not be thought for one moment that the securing of sub-agents does away with personal work. We will candidly admit that there are notable examples of successful insurance men who are not successes as solicitors or producers, but these few are far apart. Practically all successful managers have been or are personal producers of considerable magnitude.

"It has been clearly demonstrated that the manager who desires or expects to have any measure of success must get into the field himself and set the pace. His personal production must be such that it will prove an example and incentive to his sub-agents. It is the manager's duty to interest sub-agents to take up the work without salary or guarantee. How can he expect to be successful in this work if he cannot show by actual demonstration that applications can be written in such quantities as to make the business a paying proposition?

"The day has long gone by when one can give a prospective agent a manual and an outfit of supplies and tell him to go forth and prosper. He must be shown by the district manager that he himself can prosper by the same process. The manager to be successful must either do that or direct a new man to other agents in the same office who are making good. It is true that there are some managers who write but little new business. However, the production from their district warrants us to believe that they spend quite some time in soliciting in the field with their sub-agents, encouraging and boosting them along."

Labor's Attitude on State Insurance

(Continued from page 21)

about these conditions? And then again, why is poverty so prevalent? Why does the question of insurance enter that phase of it? If a man loses his position for a week on account of sickness, he is not able to get a doctor. Now you want to force him to maintain an insurance department to look after that. I am sure that when the labor organizations realize the extent of this you will find their attitude very strongly emphasized. When you get down to your final bills you are going to find a different attitude on the part of labor men than you will find on the general subject, for the general subject is an appealing one.

Effect on Neighboring States

"People are suffering so much and losing so much that something should be done and all agree that something should be done. But when we come to the question of doing it and how it should be done, that is where we are going to have trouble. I can see in this a great many difficulties. One gentleman has, I believe, had in mind the Federal Government taking this thing in hand and I think what he meant was for that body to undertake the health insurance. Of course we know that is impossible under our constitution today. I can see the difficulty of one state imposing such a system on its own inhabitants while other states are operating along different lines. I can see the difficulties to the workers. One gentleman has referred to the case of a man working in Ohio and living across the line. This would be a very serious thing for the worker. We have a great many of these cases. We have cases where a man works one day in one state and the next day in another. These things may seem trivial but to the workers they mean a great deal. There are many things to consider and the laborer's attitude will become more pronounced as the bills are presented in the legislatures."

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary
GEORGIA CASUALTY COMPANY
HOME OFFICE: MACON, GEORGIA
"DIXIE AUTO POLICY"
THE LAST WORD IN MOTOR INSURANCE
Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY
INSURANCE CO. OF NEW YORK
HOME OFFICE, 47 CEDAR STREET
CHARTERED 1874
Plate Glass, Burglary, Accident and Health Insurance
EUGENE H. WINSLOW, President
Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.
RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE
HEAD OFFICE
CHICAGO
F. W. LAWSON
General Manager
Liability, Accident, Burglary, Boiler and Credit Insurance
Established 1869
F. J. WALTERS
Resident Manager
55 JOHN STREET
New York
Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers
New England
London Guarantee & Accident Co., Ltd.
OF LONDON, ENGLAND



Look!—

This Full Page Space Will Be Occupied by the Advertisement of

RESERVE LOAN LIFE

Insurance Company

INDIANAPOLIS, INDIANA

Listen!—

It Will Carry Interesting Pictorial Messages to Live Life Insurance Agents

KEEP YOUR EYE ON THIS PAGE

Buy WAR SAVINGS STAMPS to STOP the KAISER

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 28 | NEW YORK, FRIDAY, JULY 12, 1918 | $3.00 a Year; 25c. per Copy

ENEMY CLAUSE NOT UNDERSTOOD

Brokers Fear Interests of Big Assureds Under Broad Cover Are Sacrificed

CALL MEETING FOR DISCUSSION

National Board Counsel and Alien Custodian Framed Clause—Protects Insurance from Penalties

The enemy clause, as submitted for adoption to the companies by the National Board this week, has created a great deal of discussion as to its effect on the business.

Several brokers and some companies fear that the clause as it stands will result in working a hardship on big assureds who must protect themselves through floater and broad coverage policies. They propose to amend the present form so that it will still comply with the rulings of the Government but will permit the protection of legitimate interests by substituting for the words "this policy shall be void * * * if enemy interests appear" the phraseology "this policy shall not cover any enemy interest, etc."

The brokers cite as an example an express company covering all property in one of its depots finds one package belonging to or consigned to an enemy as a result of which the whole policy is void. Whereas, they claim, by excluding the insurance on that package from the policy, it is still effective and complies with the rulings of the Government.

Regarded as Safeguard

Most of the companies look upon this clause not with a view of avoiding any liability under their policy contract but rather as a safeguard against violation of the terms of the "Trading with the Enemy Act" through having contracted for and with an "enemy" through a policy containing an undisclosed interest. By the wording of the clause it is clearly set forth just how the disability attaching to an assured may be moved. He may either report the "enemy" interest to the Alien Property Custodian who will cause same to be assigned to him, or he may secure a license from the president permitting the enemy interest to be insured. In either event the policy will be valid so far as this clause is concerned.

The Eastern Underwriter is informed that it is the belief of the Alien Property Custodian and other authorities

(Continued on page 15)

Conflagration Proof

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

SPRINGFIELD
Fire & Marine Insurance Co.

Cash Capital $2,500,000.00

THE SPRINGFIELD for two-thirds of a century has transacted business solely under its own corporate name, without annexes, underwriting agencies or subsidiary companies. An agent of the SPRINGFIELD is not a half, a quarter or any other fraction of an agent, but is vested with the rights and dignity of an undivided representative of an undivided and independent company. The SPRINGFIELD stands today pre-eminent among American fire insurance companies.

SPRINGFIELD MASSACHUSETTS

THE GAUVIN AGENCY

HUNT AND PRENTISS BUY INTERMEDIATE

Evansville, Ind., Company's Business to Be Merged With Cleveland Life

AGENCY FORCES COMBINED

Will Be Directed By Cleveland Life Officers With Branch at Evansville

Cleveland, Ohio, July 10, 1918.—William H. Hunt and F. F. Prentiss, president and vice-president, respectively, of the Cleveland Life Insurance Co. of Cleveland, Ohio, have purchased the entire capital stock of the Intermediate Life Assurance Company of Evansville, Ind. The paid in capital stock of the Intermediate is $204,645, the total cash consideration being in excess of this figure as a premium was paid. This Indiana company has approximately eight and one-half million dollars of life insurance in force and its assets amount to about one million dollars, chiefly first mortgages upon Indiana and Illinois farms and improved real estate, its home office building at Evansville, Ind., its investments in Liberty Loan bonds and cash in bank.

It is the purpose of Messrs. Hunt and Prentiss to merge the insurance business of the Intermediate Life with the Cleveland Life Insurance Co. For the purpose of facilitating the consolidation, at a meeting which will be held in Evansville on Thursday of this week, President Hunt, of the Cleveland Life will be elected president of the Intermediate Life, and H. M. Moore, secretary of the Cleveland Life, will be elected secretary of the Intermediate Life.

New Directors Elected

At the regular quarterly meeting of the Cleveland Life Insurance Company held this day, Hon. J. A. Hemenway ex-United States Senator from Indiana, William H. McCurdy, president of the Hercules Buggy Co. (the largest buggy works in the world), and Fred Baker, former president of the Intermediate Life, were elected to the board of directors of the Cleveland Life.

A branch office of the Cleveland Life will be maintained at Evansville and the entire home office and agency organization of the Intermediate Life will continue with the Cleveland Life, it being the intention to direct the agency operations of the Cleveland Life in Indiana and Illinois largely from the former headquarters of the Intermediate Life at Evansville.

The assets of the Cleveland Life

THE PILOT POLICY

when the merger is completed will approximate two and three-quarter millions and the total insurance in force will closely approach twenty-five millions.

The Intermediate Life was organized in 1904, its operations have been largely directed among the rich farming districts of the two states in which it has conducted its business—Indiana and Illinois.

The Cleveland Life was organized in 1907 and its operations heretofore have been in Ohio, West Virginia and Michigan. The merger plans, therefore, contemplate a considerable expansion in the operations of the Cleveland Life. The addition of the agency forces of the Intermediate Life to those of the Cleveland Life will add greatly to the importance of Cleveland as an insurance producing center. The rapid growth and development of the Cleveland Life is giving Cleveland great prominence in life insurance activities throughout the middle west.

The home offices of the Cleveland Life are on the twelfth floor of the Guardian Bank Building. Its officers are:

William H. Hunt, president; F. F. Prentiss, vice-president; M. J. O'Donnell, vice-president; Howard S. Sutphen, vice-president and manager of agencies; H. M. Moore, secretary; W. A. Jenkins, treasurer; M. P. Mooney, general counsel.

Other directors are Charles E. Adams, president, Cleveland Hardware Co.; Elbert H. Baker, president, Plain Dealer Publishing Co.; E. W. Moore, president, Lake Shore Electric Ry. Co.; Charles A. Otis, Messrs. Otis & Co.; Walter D. Sayle, president, Cleveland Punch & Shear Works Co.; H. A. Higgins, president, Standard Tool Co.; J. H. Webster, president, Variety Iron & Steel Works Co.; Frank A. Arter, Henry C. Wick, Henry W. Heedy, Youngstown Ohio; D. R. Warmington, Hon. J. A. Hemenway, ex-United States Senator, Boonville, Ind.; William H. McCurdy, president, Hercules Buggy Co., Evansville, Ind.; Fred Baker, former president Intermediate Life, Evansville, Ind.

FARRIS MAKES GOOD

Set a Mark of 100 Applications for June—He Secured 118

Out in Missouri, in the city of St. Louis, there is a man by the name of Thomas J. Farris, connected with the home office agency of the Missouri State Life. He started out on a mad mission June 1 to secure 100 applications for insurance by June 30. He set a wild pace and went "over the top" with 18 to spare on June 29, having secured 118 applications during the month.

The Missouri State Life says that Mr. Farris' record is the most remarkable ever achieved by any member of the company's field force. Mr. Farris started things in May by rolling a total of 48 applications.

BECOMES SELF INSURER

The Pierce Arrow Motor Company has become a self insurer under the compensation law. This line carries a premium of $175,000 a year and has been held by a mutual company in Utica, it being by far the largest line on the company's books.

FIRM NAME CHANGED

The Sohmers, of 37 Liberty Street, have changed their firm name to William Sohmer & Co. William Sohmer, Edwin W. Sohmer and William Sohmer, Jr., compose the firm. Their business so far this year equals their entire transactions in 1917.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

Miss Woodward Writes $200,000 Life Policy

COVERS INHERITANCE TAXES

Business Written on Life of a Woman —Closed Case on First Interview

On Monday of this week Miss E. Constance Woodward of the Equitable Life Assurance Society in New York City paid for an additional $100,000 on the life of a woman completing a case on $200,000. This is the largest case written by a woman agent in the Equitable Life.

The fact that Miss Woodward had written a policy for $100,000 was reported last week, and when asked by The Eastern Underwriter for some details about the policy Miss Woodward advised our representative that less than a half hour before he called, she had received a check from the insured for the additional $100,000.

Closed on First Interview

The facts about the policy follow: It is written on the life of a woman by a woman to cover inheritance tax. It is the first time a woman agent has written the limit on one life which the Equitable carries. The policy was written on the first interview. Miss Woodward saw the insured only once. The policy is on the 20 payment life plan.

With the above information in his hands Miss Woodward ushered our representative out with the statement that she was on her way to Asbury Park to attend the Quarter Million Club meeting of the Equitable Life for which she has qualified.

Nineteen-seventeen was a banner year for life insurance in Canada in spite of the war.

WANTED

By an old established Life Insurance Company

A Manager for the State of Connecticut

If you can prove

(1) That your record will bear very close investigation

(2) That you are an A-1 producer and organizer

a very attractive proposition can be offered.

Address with full particulars

CONNECTICUT

c/o The Eastern Underwriter, 105 William Street, New York City, N. Y.

Equitable Life's Agency Meetings

SOUTHERN MEETING NEXT WEEK

Eastern Century and Quarter Million Clubs Still in Session at Asbury Park

Life insurance is in the air at Asbury Park, N. J., this week. The Eastern Century Club and the Eastern Quarter Million Club of the Equitable Life Assurance Society are holding their respective annual meetings in that city.

There are more than 250 delegates who qualified for the Eastern Century Club. The opening session of this meeting was held Tuesday morning, which was devoted to roll call and presentation of credentials, the welcome to the delegates and the announcements of the personnel of the boards of governors and the achievements of the clubs.

Tuesday afternoon executive reports and announcements were made, after which there was a general discussion of the question:

> How to take advantage of the special opportunities of 1918, and the best selling points for getting business at the present time.

Tuesday evening a series of managerial conferences was held.

Wednesday, no formal sessions were scheduled, but special group conferences on various phases of the Society's activities were held to which those delegates interested were invited to attend.

Thursday morning's meeting was given over to a discussion of "Life insurance as a factor in winning the war," and "The advantages to agents of utilizing all the tools placed in their hands, income insurance, income bonds, refund annuities and other contracts neglected by some agents who offer only ordinary life and twenty payment contracts."

Thursday P. M., a policyholders' service campaign received the attention of the delegates, and later the subject of "Special importance of loyalty and enthusiasm this year so as to show an advance over 1917 and fittingly prepare for the 60th anniversary of the Society in 1919."

Other Club Meetings

The Southern Century Club will meet at The Homestead, Hot Springs, Va., July 15-19; The Central Century Club at The Homestead, Hot Springs, Va., July 19-23; The Pacific Century Club at Tahoe Tavern, Lake Tahoe, Cal., July 29, August 2.

A similar program will be followed at these later meetings. The principal officers of the Society will be in attendance at each of the club meetings. Over 600 members of the agency forces of the Equitable qualified for several Century Clubs.

The Equitable agents have made a fine showing this year, the production so far being ahead of the same period of 1917, and going strong at the present time.

CHANGE FOR ARTHUR COBURN

Arthur Coburn has taken a position with the Northwestern Mutual Life in Milwaukee, as an assistant in the actuarial department. The change is effective July 31. Mr. Coburn has been with the New York Life at the home office for six years and is one of the most promising of the younger men in the business. He received his early training in Scotland and England from where he came to engage with the New York Life. He is a Fellow of the Actuarial Society of America and has a large circle of friends in New York who will wish him well in his new field.

Group Insurance Receives Support

CONNECTICUT OFFICIAL'S VIEW

Declares Beneficent Effects Will Be Felt in Countries Other Than Our Own

In submitting his annual report to the legislature, Commissioner Mansfield, of Connecticut, devotes practically all his preliminary remarks to group life insurance. He expresses pleasure that there has been comparatively little legislation regarding group insurance. He believes group insurance is established; that it is being written along safe lines and that it is meeting a legitimate demand. "My advice," says the commissioner, "supported by a careful analysis of the entire subject is simply this: Do not limit or hamper the development of group insurance by legislation or rulings if you can reasonably avoid doing so. Let it develop along natural lines."

Reviewing the five years of group life insurance Commissioner Mansfield says:

"In 1912 we were looking ahead to the possibilities of group insurance; today in reviewing the progress made since that time, we are all, I think, convinced of its merits. Group insurance has now become an American institution, the influence of which will be felt in countries other than our own, as soon as the present crisis in the history of the world has passed. Our present concern, however, is that some of the problems arising with the progress of this phase of life insurance will so impress some insurance commissioners as to call forth legislation or rulings that may limit or hamper its normal growth and development."

Volume of business

The commissioner points out that by far the greater proportion of group insurance has been written by less than ten companies. These companies are financially strong and efficiently managed. As will be seen by the records group insurance, starting in 1912, without any appreciable momentum derived from previous experience, has developed until on June 30, 1917, there were approximately 325,000 employes in this country insured under this plan for over $250,000,000 in the aggregate, an average of over $760 for each employe insured. If we assume that an average family consists of five persons, or possibly four, it is safe to say that probably one million five hundred thousand individuals are directly interested in this form of insurance.

Groups Are Persistent

"In my investigation of this subject I have been impressed with the paucity of the cancellations of group insurance contracts and the consequent persistency of the groups. So called 'twisting' is discouraged. When an employer is mentioned to an insurer as being interested in group insurance his previous experience with this class of protection is investigated. If he is already carrying a group policy he is advised to continue it.

"The group insurance plan does not necessarily contemplate that officers and other high salaried employes should be included in the group. Here again the companies have very properly carried out the spirit of the idea.

Effect Among Fraternals

"There has been objection to the principle of group insurance on the part of fraternal societies. I have felt for some time that this objection has been gradually withdrawn. I may be mistaken in this. I hope I am not, for I cannot see wherein group insurance need be antagonistic to the idea of fraternal insurance. I have questioned the representatives of life insurance companies writing group insurance and find that they are opposed to the idea of insuring the members of fraternal societies or any of their lodges under a contract of group insurance. Why? It is not a matter of sentiment—it is simply not good group insurance underwriting. The members of a fraternal society do not form a homogeneous group.

"May I add just a word here as to what might be termed a by-product of group insurance? The insuring of a number of individuals under such a contract brings to the minds of the employes the subject of life insurance. When one of the members is killed, and the widow and children, if any there be, receive the benefit of the foresight of the employer, their need for life insurance is still further emphasized. This is an educational force and the resultant will undoubtedly be expressed more and more in the tendency of the wage earner to seek individual insurance from all classes of insurers."

For past seven years Manager of New York City Agency of one of the four largest and oldest New York Life Insurance Companies—Desire to make a change—Correspondence invited

"NEW YORK No. 1000"
c/o The Eastern Underwriter
105 William Street New York

MAJOR MITCHEL'S INSURANCE

Carried $144,000 in Travelers Which Was Straight Life Including Aviation Clause

Major John Purroy Mitchel, U. S. R., former mayor of New York City, who was killed last week in Louisiana as a result of an airplane accident, carried $144,000 of life insurance, all of which was in the Travelers. Major Mitchel's wife and his mother were the beneficiaries under the policy. There was included in the policy an aviation clause which permitted Major Mitchel to engage in that service both here and abroad, all risks being covered by the policy, which was taken out two years ago. Before entering the aviation service Major Mitchel had the aviation clause inserted.

In addition to the $144,000 insurance in the Travelers, Major Mitchel carried $10,000 war risk insurance, the limit under the war risk insurance act.

GRAHAM MADE VICE-PRESIDENT

The Missouri State Life of St. Louis announces the election to the position of vice-president of George Graham. Mr. Graham has been actuary of the company. He will continue as actuary under the title of vice-president and actuary.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — Pioneer of Industrial Insurance in America — THE PRUDENTIAL AND THE STRENGTH OF GIBRALTAR

THE
PRUDENTIAL
INSURANCE CO. OF AMERICA
ncorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President **Home Office: NEWARK, N. J.**

INSURANCE NOT A NON-ESSENTIAL

Provost Marshal General Crowder officially advised the National Association of Life Underwriters yesterday that insurance companies are not to be considered in class E under the "work or fight" order, but are to be regarded as essential business. The Federal District Draft Board of California had ruled that insurance business is a non-essential. Since the "work or fight" order was announced, insurance men have been apprehensive as to what final ruling might be made in Washington. Now the tension has been happily removed.

Under this ruling, men engaged in the selling of insurance and technical men and other office employes whose work requires special skill or training are not to be considered as "sales or other clerks in stores or mercantile establishments." The only persons not covered by the ruling are stenographers, file clerks and similar employes, whose duties are not such as to call for training or skill that cannot readily be attained by a woman.

ORGANIZING AGENTS

New York Assemblyman, Former Industrial Solicitor, Preparing to Present Grievances

In common with all other workers, industrial life insurance agents feel the effects of increased costs of living. This is a reason assigned by Charles B. Garfinkel for his efforts to organize all these agents in order that they may collectively present to their respective companies a number of alleged grievances. Mr. Garfinkel is New York assemblyman from the Fifth District, Bronx. For over a year he was an industrial life agent.

It is proposed to organize about 850 districts throughout the country. In conversation with a representative of The Eastern Underwriter, Assemblyman Garfinkel said that Greater New York will have the largest number of districts in the proposed organization, and considerable work has been done there. Paterson has been organized, likewise Hoboken and Bayonne. Newark, Stamford, Philadelphia, Boston and Jersey City have also been partially organized. A representative is working in Chicago.

Briefly, the claims of the agents are, that under the usual methods of calculation the average industrial agent's remuneration is supposed to be $23.80 a week, but that owing to penalties and other causes the amount is reduced to $18.

Another complaint relates to commissions on ordinary. These, it is claimed, run from 25 to 30 per cent. and are not sufficient, especially in these times. Methods by which agents may lose renewals in event of leaving a company are complained of. Likewise the system of charging against an agent's record terminations on business which he may have inherited from a former agent, and a variety of other similar conditions claimed to make it particularly difficult now for the agent to meet the requirements of his agreement with his company, and his increased personal expenses.

Royal Arcanum Upheld By Court

CAN INCREASE ASSESSMENTS

Hollingsworth vs. Supreme Council Decided By North Carolina Supreme Court

Has a fraternal insurance society authority to raise its rates? The question has just been decided in favor of the societies by the Supreme Court of North Carolina in the case of Hollingsworth vs. Supreme Council of The Royal Arcanum.

Plaintiff brought the action to recover $420 paid as dues from May 30, 1902, until December 1, 1916. He based his right to recover upon the ground of fraud in procuring him to become a member in 1902, the fraud consisting in the false representations of the society's agent as to the amount of dues to be paid by him each month during the continuance of his membership and if the contract made was valid, the defendant committed a breach of it, by increasing the rate of monthly payments from $2.40 to $4.65.

$3,200,000 Deficit Cited

It appears from the testimony of the supreme secretary of the order that from 1911 to September 30, 1916, the disbursements exceeded the receipts more than $3,200,000, the receipts being $36,394,389.13 and the disbursements $39,572,529.34, and that in this State the members since the organization of the order, up to December 31, 1916, had contributed to the widows' and orphans' benefit fund $2,368,824.92, and out of that amount there has been paid to members here $2,730,306.47, leaving a deficit on this State's transactions of $361,481.55. At this juncture in its affairs, the order employed two actuaries of reputation and experience to examine its records, books and papers, who recommended for the future management of the order a scheme of assessments, which would enable it to live within its means.

To the issues involved (that the defendant order falsely represented to the plaintiff that his monthly assessment would never be changed, but would remain the same as long as he was a member and that the plaintiff was induced by said false representations to take out the insurance) the trial court entered a judgment in favor of the defendant order.

On appeal, the Supreme Court after citing a number of cases in other jurisdictions in which similar questions were tried against the same defendant, held that the order had a right to raise its rates and that all members must be treated alike in the spirit of mutuality. It is well settled that the contract of membership in a mutual association is always made with reference to and includes the constitution and by-laws of the association whether they are specifically referred to in the contract or not. The higher court concluded the plaintiff had no cause of action and that the judgment of the lower court was correct.

Travelers New Indemnity Clause

CALL IT THE "ADDITIONAL"

Full Text of Provision—The Extra Annual Premiums Charged for Clause

The new additional indemnity provision of the Travelers follows:

The Travelers Insurance Company further agrees that, if the death of ....., the insured under Contract No. ..... issued by this Company, and of which this provision forms a part, shall result from bodily injuries effected directly and independently of all other causes through external, violent and accidental means within ninety (90) days from the date of the accident which shall cause such injuries, and of which, except in case of drowning or internal injuries revealed by an autopsy, there is a visible contusion or wound on the exterior of the body, provided such death does not result from suicide, while sane or insane, or from military or naval service in time of war, or from any act of war, or from aeronautics or submarine expeditions, or directly or indirectly from disease in any form, the Company will pay ..... ($.....) Dollars in addition to the amount of insurance payable in the event of the death of the insured under the aforesaid contract. It is further agreed that this additional indemnity will be paid only in the event that such accidental death shall occur while the aforesaid contract is in full force, before a default in the payment of any premium required under this provision or under the aforesaid contract, before a payment under the disability provision, if any, in the aforesaid contract shall have been made or a benefit thereunder shall have been allowed and before the first anniversary of the date of said contract which shall follow the seventieth birthday of the insured, if the insurance extends beyond such anniversary.

It is further agreed that during the continuance of war in Europe, Asia and Africa, or any of them, and for three months after the declaration of peace by the governments at war this additional indemnity will not be paid for death resulting from injuries as aforesaid sustained while the insured is traveling to or from any European, African, Australian or Asiatic port, or while traveling or residing in Europe, Africa, Australia or Asia without the written permit of the Company.

This additional indemnity provision is issued in consideration of the payment of a premium of ..... ($.....) Dollars and an annual premium of ..... ($.....) Dollars to be paid while this provision shall remain in force on the same dates and under the same conditions as the premium stated on the first page of the aforesaid contract.

This provision is to be attached to and form a part of Contract No. ..... issued by The Travelers Insurance Company on the life of .....

The extra premiums for this provision follow, per $1,000 of insurance:

Column 1 relates to ordinary life; endowments, where the premium paying period is the same as the endowment period; insurance to age 60, 65, 70 and 80, with cash settlements; insurance annuity 65; pension insurance 65; * 5 year renewable and 10 year non-renewable term.

Column 2 relates to 10 A. L.; 10 Pay. 35 and 40 End.

Column 3 relates to 15 A. L.; 15 Pay. 25, 30, 35 and 40 End.

Column 4 affects 20 A. L.; 20 Pay. 25, 30, 35 and 40 End; 20 P. L.; G. E. A.; 20 Pay. cash settlement, age 80.

	Col. 1.	Col. 2.	Col. 3.	Col. 4.
16 to 35 inc.	$1.25	$2.50	$1.75	$1.50
36	1.25	2.45	1.75	1.50
37	1.25	2.40	1.75	1.50
38	1.25	2.35	1.75	1.50
39	1.25	2.30	1.75	1.50
40	1.25	2.25	1.75	1.50
41	1.25	2.20	1.75	1.50
42	1.25	2.15	1.75	1.50
43	1.25	2.10	1.75	1.50
44	1.25	2.05	1.75	1.50
45	1.25	2.00	1.75	1.50
46	1.25	1.95	1.70	1.45
47	1.25	1.90	1.65	1.40
48	1.25	1.85	1.60	1.35
49	1.25	1.80	1.55	1.30
50	1.25	1.75	1.50	1.25
51	1.25	1.70	1.45	1.25
52	1.25	1.65	1.40	1.25
53	1.25	1.60	1.35	1.25
54	1.25	1.55	1.30	1.25
55	1.25	1.50	1.25	1.25

*Extra premium for $500 of insurance one-half the amount stated.

Age at issue	10 pay. 15 yr. end.	10 pay. 20 yr. end.	10 pay. 25 yr. end.	10 pay. 30 yr. end.	15 pay. 20 yr. end.
16 to 35 inc.	$1.50	$1.75	$2.00	$2.25	$1.50
36	1.50	1.75	2.00	2.25	1.50
37	1.50	1.75	2.00	2.25	1.50
38	1.50	1.75	2.00	2.25	1.50
39	1.50	1.75	2.00	2.25	1.50
40	1.50	1.75	2.00	2.25	1.50
41	1.50	1.75	2.00	2.20	1.50
42	1.50	1.75	2.00	2.15	1.50
43	1.50	1.75	2.00	2.10	1.50
44	1.50	1.75	2.00	2.05	1.50
45	1.50	1.75	2.00	2.00	1.50
46	1.50	1.75	1.95	1.95	1.50
47	1.50	1.75	1.90	1.90	1.50
48	1.50	1.75	1.85	1.85	1.50
49	1.50	1.75	1.80	1.80	1.50
50	1.50	1.75	1.75	1.75	1.50
51	1.50	1.70	1.70	...	1.45
52	1.50	1.65	1.65	...	1.40
53	1.50	1.60	1.60	...	1.35
54	1.50	1.55	1.55	...	1.30
55	1.50	1.50	1.50	...	1.25

On income forms the extra premium per $1,000 should be multiplied by the proper commuted value and the nearest cent taken on the result per $50 yearly income, or $10 monthly income.

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

A Real District Manager
is wanted for one of the best territories in the most prosperous section of the nation. This is a real opportunity for a first class man.
Write
Bankers Life Company
DES MOINES

Are You Permanently Established?
Write for Territory
Pennsylvania—Ohio—West Virginia
PHILADELPHIA LIFE INSURANCE CO.
PHILADELPHIA

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.
THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA
On January 1, 1909, rates were reduced and values increased to full 3% reserve

How Business Ethics Are Taking Root

STOLEN AGENTS UNPROFITABLE

Strong Agencies Not Secured Through Process of Transplanting Men

Ethics in life insurance is in the air, and some good will result from the widely discussed question of right practices as applied to life insurance selling and agency plant building. Speaking on the subject in "Field Notes," the Northwestern Mutual Life says:

As the life insurance business grows older it develops along much the same lines as other highly specialized forms of human endeavor have in the past. It is both interesting and gratifying to notice the recent tendency to frame company, agency and organization codes of ethics. Rebating seems to be generally frowned upon and condemned, though at the time this company promulgated and started to enforce its anti-rebate rule, the matter was considered by many others a question for the individual agent, and not a fit subject for home office interference.

Twisting, both as regards the business of an agent's own company and that of other companies, has now been quite generally banned. The payment of commissions to helpers and others who are not bona fide life insurance agents is being condemned and many states are taking steps that will do much to remedy such condition. The quite widely prevalent brokerage business will sooner or later come in for its share of attention.

Kidnapping Agents

Recently an insurance journal voiced a protest against the practice of stealing agents. An agent who is happy and contented is usually successful, and no wide awake organization will overlook such a man when openings occur in its own higher ranks. But along comes another company and this happy successful agent is led up to the high mountain and shown the fertile valleys beyond. Sometimes he resists, but is upset and more or less discontented for six months or a year and his business suffers correspondingly. Possibly he accepts one of the offers and starts in to adapt himself to a new company or a new territory, or both. A certain number will succeed, but a larger percentage will fail. Most of those who succeed would have done so in an even larger measure with their original companies. The net result of such practices: A few "winners" secured from other companies, a number of expensive failures from other companies (who would have continued); many disappointed agents who think promotions should be made from the ranks, and a large agency turnover for all concerned.

We believe agents and agencies are built up, not stolen and transplanted.

We are heartily in favor of codes of ethics, and believe the field has been only touched.

REAL SATISFACTION

Working with **William N. Compton** and the **John Hancock Mutual Life Insurance Company** in New York City forms the happiest combination imaginable for the life insurance salesman.

If you have any doubt in your mind have it dispelled by calling at

220 BROADWAY

Phone 6030 Cortlandt

MUTUAL BENEFIT TAXES

After Hearing Before New Jersey State Board Company is Assessed $136,676.86

The state board of taxes and assessments of New Jersey after a hearing on the question involved assessed a tax of $136,676.86 for the current year on the Mutual Benefit Life. The banking and insurance department reported to the board the valuation of the department's assessment. This consisted of an average valuation extending over the year, of bonds and stocks. The company argued that the board should not take the average valuation but the actual market value as of December 31, 1917.

The board at the conclusion of the hearing decided to accept the banking and insurance department's valuation and assess the tax at $136,676.86.

NIAGARA LIFE PROGRESS

With an increase of new business for the first six months of the year fifty per cent. in excess of that of 1917, as announced by E. H. Burke, vice-president and general manager of the Niagara Life Insurance Company's financial statement just made public shows a substantial gain in assets, reserves and surplus over the previous statement.

TAX ARGUMENT BEING USED

Set of Charts Being Used by F. W. Shanbacher to Sell Insurance

Over two million dollars of life insurance has been personally written by F. W. Shanbacher, of Ridgway, Pa., since last November in small cities and towns in western Pennsylvania solely on the strength of the inheritance tax argument. The amounts making up this total have ranged largely from $50,000 to $250,000, thereby proving that the argument goes just as well with men of comparatively small fortunes as with those of great wealth, and as successfully in small towns as in large cities.

The secret of Mr. Shanbacher's success must be attributed largely to a unique set of copyrighted charts which he has devised and which he uses in his work. These charts, printed in two colors, set forth the inheritance taxes of every State in the Union and enable the prospect, no matter if his holdings are scattered throughout a score or more of jurisdictions, to ascertain almost at a glance the exact amount his estate will have to pay at his death.

HOLDING MEETING ON RATING

Today, Friday, a joint meeting is being held by the Bureau and the Compensation Rating Board to discuss schedule and experience rating, with a view to perfecting plans for and giving instruction on how to put the new plans into use.

TURN GONE TO FRONT

Raymond T. Turn, son of John S. Turn, of the Aetna, in New York, has gone to the front as a second lieutenant.

MANY GROUPS WRITTEN

Prudential Covering Employes of Many Prominent Firms Throughout Country—New Policies

The William Frankurth Hardware Company, Milwaukee, has covered its employes under Group Insurance in The Prudential. The length of service plan was selected, with a commencing amount of $500, increasing by years of service until a maximum of $3,000 is reached.

The Wanaque River Paper Company, Wanaque, N. J., covered all its employes who have been with them six months or more. Each employe received an individual certificate for $1,000.

The Union Trust Company, New York, covered their entire clerical force. The total amount of insurance is over one-quarter of a million dollars.

Jackson Brothers, Salisbury, Md., lumber manufacturers, decided upon the length of service when they covered their employes. Employes who have been with this firm three months are covered for $500, increasing $100 per annum until a maximum of $1,000 is reached.

D'Arcy Advertising Company, St. St. Louis, Mo., decided upon Prudential group insurance for all its employes. The various amounts were based upon each employe's salary.

The Prudential covered the employes of G. A. Grosman & Sons Company, Deering Junction, Mo., under group insurance. Individual certificates were issued to the employes, based upon length of service, with a minimum of $500 and a maximum of $2,500.

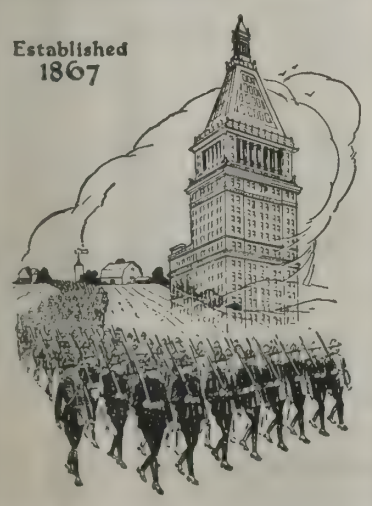
Moses-Rothschild Company, Louisville, Ky., clothing manufacturers, covered their employes upon the salary plan as the amounts for the individual certificates.

Nickerson Art Metal Company, Providence, R. I., covered their employes. The commencing amount is $500 increasing $100 a year for each year of service, until a maximum of $1,000 is reached. All increases to take effect on the anniversary of the policy.

The Liberty Insurance Bank, Louisville, Ky., has insured all their employes under a group policy. The individual certificate given to each employe is based on the salary plan.

THE MALARIA PROBLEM

The Prudential Insurance Company of America has just issued a pamphlet of 101 pages with the title of "The Malaria Problem." The pamphlet is the work of Dr. Frederick L. Hoffman, 3d vice-president and statistician of The Prudential.



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

of Cincinnati, O.

Jesse R. Clark, President. **Allan Waters, Second Vice-President**

HARTFORD NOTES

John O. Enders, of Hartford, a director of the Aetna Life Insurance Company and the Hartford Steam Boiler Inspection and Insurance Company has been elected president of the United States Bank of Hartford. Mr. Enders is the son of the late Thomas O. Enders, president of the Aetna Life from 1872 to 1879, and president of the United States Bank from 1881 to 1891.

A memorial service to the late Lieutenant James Palache, son of Vice-President Palache of the Hartford Fire was held at St. James Church, Hartford, last Sunday.

This is the day Edwin Stanton Allen, assistant secretary of the Aetna Insurance Company celebrates. The son of Francis B. Allen, vice-president of the Hartford Steam Boiler Inspection and Insurance Co., he was born in New York July 12, 1871. He has lived in Hartford since he was eleven years of age, attending the public schools of Hartford and graduating from Trinity College in 1894. His business life has been wholly connected with the Aetna where he has served as clerk, examiner, special and general agent. He was elected to the assistant secretaryship in May, 1907. Mr Allen is a gentleman of the finer puritanical stock and is an ardent student of the principles of insurance. Outside his business environment he is a tennis and golf player of reputation.

Edward C. Kinsman, for 20 years an employe of the Aetna Life, was fatally injured July 3, being struck by a passing trolley car while endeavoring to look at a passing aeroplane from a trolley car in which he was riding. His skull was fractured and he died on July 5. Mr. Kinsman was 45 years old and was born in Alburg, Vt. He had been employed by the Aetna Life since 1898.

Ensign Archibald G. McIlwaine, Jr. of Hartford, son of A. G. McIlwaine president of the Orient Insurance Company, has been raised to the rank of lieutenant, junior grade, in the United States Naval Aeroplane Service. He is an expert golfer and was Yale Champion and runner-up in the intercollegiate golf tournament three years ago.

Richard H. Cole, actuary of the Connecticut General, and Mrs. Cole are at Weekapaug, R. I., for the summer.

Samuel H. Snider, of the Travelers, won the city tennis tournament in Hartford July 4.

Colonel Francis Parsons, a director of the Connecticut General Life Insurance Company, will sail soon from an Atlantic port for American Red Cross work in France.

Frank W. Beckwith, of the Accident Underwriting Department of the Aetna Life, has enlisted in the United States Navy.

Howard H. Keep completed fifty years of service with the Phoenix Mutual Life Insurance Company July 1, and company officials and men and women employes celebrated the anniversary in a fitting manner. When Mr. Keep arrived at the office on Monday morning he found on his desk a number of floral offerings, also a beautiful lamp from the men of the Company and a mahogany tray and tankard from the young women. The officers of the Company gave Mr. Keep a Liberty bond with a card on which was the following wording, "Phoenix Mutual Life Insurance Company, in appreciation of a half-century of loyal service." Silas H. Cornwall, secretary of the Company, gave Mr. Keep a gold pencil with his name and date inscribed thereon, and there were many cards and letters of congratulation. Mr. Keep started to work for the Phoenix in 1868 as an office boy, when the clerical force of the Company consisted of eight persons. He is now in charge of the renewal writing and record card section of the Company. He was born in Longmeadow, Mass.

Mortimer Clark Terrill, recently appointed agency secretary of the Phoenix Mutual Life has been with the Company since his graduation from the academic department of Yale University in 1909. Mr. Terrill lived in Ansonia before going to college and is now a resident of Manchester, Conn. He is a member of the University Club of Hartford and the Hartford Golf Club.

Celebrating the winning of the pennant in the Insurance Baseball League of Hartford, the Aetna Life Club held a banquet at the Ningpo Restaurant in Hartford July 1. Frank K. Daniels, president of the club, presided at the function, and speeches were made by Nowell Atwood, captain of the team and "Jim" Bush, manager. Milo H. Hunt, the crack golf player of the club, informally dispensed knowledge as to how golf is played, and ex-president "Al" H. Aston, of the club, told "how to run for office."

W. B. PHELPS TRANSFERRED

Travelers Sends Albany Man to Boston —Succeeded by Geo. H. O'Connor

William B. Phelps, manager of the life and accident departments of the Travelers' Insurance Company at Albany, N. Y., has been transferred to Boston, as manager of the branch office there. Mr. Phelps has been manager of the Albany office for the last twelve years and has been identified with insurance interests in Albany for twenty years. When he took charge of the Albany office there was a cashier and one stenographer in the office, while there are now seventy employes. Last year the office ranked third in the amount of new business done for the company. Mr. Phelps was one of the organizers of the Capitol District Life Underwriters' Association and has been its secretary and president.

George H. O'Connor, who was associated with Mr. Phelps for seven years, but has been manager of the Reading office, of the Travelers, has been named to succeed Mr. Phelps.

LARGEST JUNE BUSINESS

The State Mutual Life's June business is the largest June issue in the history of the Company. The business did not come from any one section of the country, but about equally from all sections, indicating that the present prosperous conditions are not confined to any one locality.

ANNUAL MEETING

The annual meeting of the Agents Association of the Northwestern Mutual Life will be held in Milwaukee Monday, Tuesday and Wednesday of next week. A fine program has been prepared. Among the speakers at the business sessions and dinner will be Chas. D. Norton and John I. D. Bristol of New York City, E. J. Cattell, of Philadelphia, and William F. Atkinson, of Brooklyn.

CENTRAL LIFE CONFERENCE

The Wisconsin general agents of the Central Life of Des Moines, held a conference with officials of that Company at Madison on Tuesday of this week. H. G. Everett, vice-president and agency manager was in attendance from the home office and made an address.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST-LARGEST-STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

HOME LIFE INSURANCE COMPANY of AMERICA
INCORPORATED 1899
PROTECTION FOR THE ENTIRE FAMILY
This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.
INDUSTRIAL POLICIES are in full immediate benefit from date of issue.
ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State Endorsement.
GOOD CONTRACTS FOR LIVE AGENTS
Executive offices No. 506 Walnut St., Philadelphia, Pa.
BASIL S. WALSH, President JOSEPH L. DURKIN, Secretary JOHN J. GALLAGHER, Treasurer

Security Mutual Life Insurance Company
Binghamton, N. Y.
Offers to men able to produce business first class territory, with direct contract providing liberal compensation.
For particulars, address
C. H. JACKSON, Supt. of Agencies

THE UNITED STATES LIFE INSURANCE COMPANY
1850 IN THE CITY OF NEW YORK 1914
ISSUES GUARANTEED CONTRACTS
Good men, whether experienced in life insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company, at its Home Office, 277 Broadway, New York City.
JOHN P. MUNN, M. D., President
FINANCE COMMITTEE: CLARENCE H. KELSEY, Pres. Title Guarantee and Trust Co; WILLIAM H. PORTER, Banker; EDWARD TOWNSEND, Pres. Importers and Traders Nat. Bank

THE WESTERN AND SOUTHERN LIFE INS. CO.
W. J. WILLIAMS, President Organized 1888 CINCINNATI, OHIO
The Largest Industrial Company West of the Alleghenies
Also Issues All Standard Forms of Ordinary $500 to $10,000
A Record of Thirty Years of Progress
TEN-YEAR PERIODS

		Assets	Insurance in Force		Income	Policies Issued
Dec. 31—	1888	$ 104,307	$ 889,073			
	1897	274,290	6,619,653	1888-1897	$ 1,744,102	387,702
	1907	2,916,339	39,503,485	1898-1907	10,551,857	1,139,235
	1917	14,008,422	115,099,897	1908-1917	31,845,050	1,961,674

AGENTS WANTED in the Principal Cities of Ohio, Kentucky, Michigan, Indiana, West Virginia and Western Pennsylvania

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

Insurance to Cover Inheritance Taxes

is opening new fields to Provident Agents

Men are insuring not only to protect their families and to protect their business but also to protect their estates.

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.

Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Life Insurance Men and the War

OPPORTUNITY FOR SERVICE

Assistant Comptroller Thompson of The Prudential Speaks at Rotary Club Convention on Subject

Four thousand seven hundred Rotarians attended the convention of the International Rotary Clubs at Kansas City during the last week in June

Two hundred of those present, life insurance men, representing nearly every life insurance company in the United States, got together for a sectional meeting. They listened to speeches so full of "pep" and enthusiasm that the echoes of the convention will reverberate for many a day.

Among those who "waxed eloquent" was Henry C. Thompson, assistant comptroller of The Prudential Insurance Company from the Home Office in Newark, N. J., who spoke on the war duties of the life insurance "stay at homes." He said in part:

"If there is any one calling in the world which today is given an opportunity to contribute something toward the winning of this unfinished task, it is that of life insurance. I refer particularly to the field representatives of our various companies, who probably come in contact with more people who are in position to do something to help their country, than any other business being carried on. I would therefore urge you to concentrate all of the man power that is in your control, not only to do what you can, but to enlist the services of others to do some of the many things which we are called upon to do, such as the many activities launched in our various cities in obtaining funds for worthy causes, namely, Red Cross, Y. M. C. A., Knights of Columbus, Y. M. H. A., War Camp Community Service, etc.

"To these causes we are asked to make contributions, and it should be our sacred duty to give of our means not only all that we feel we can afford, but, in fact, until we feel that we are making a real sacrifice. Again, in order that our Government may be in position to transport and maintain a fighting army made up of the best in our land, we must buy of Liberty bonds a considerable sum of each issue, more than we think we can afford.

"The banks and business institutions of our country have been generous in assisting those of its organizations, and the public generally, by providing funds and making loans to the people so that they can, by making small payments at a time, purchase a liberal amount.

"In addition to supplying funds, it is our duty, and we must take advantage of every opportunity to stop German propaganda, of which there is plenty now being circulated in this country. Any criticism of the manner in which our boys are being treated in the various camps and cantonments, which may come to our ears, should be immediately repudiated, and should not be referred to by us when in conversation with another person. In fact, we must be very careful not to repeat anything which, while not seemingly German propaganda, could be interpreted as such if we weighed it carefully before repeating to another person.

"Since, as life insurance men, you come in contact directly or indirectly with millions of people throughout our country, these things are brought to your attention, so that they may, if such a thing is possible, impress individual responsibility more forcibly upon your minds.

"I recall that in the course of remarks made by one of our assistant secretaries, on a recent occasion, he advised his audience that it would be well at the end of each day, for each person to ask himself or herself the question, 'What have I done today?' and in order to carry out the thought which I have endeavored to express to you, I would suggest that you, at the beginning of each day, ask yourself the question, 'What can I do today to help win this war?' and resolve to do the thing which you set out to accomplish.

Task Just Begun

"We are now receiving very encouraging news from the western front, but let us be careful to not feel too well satisfied with this information, as I am afraid some people are inclined when they read that we have gained a few feet of ground, to make up their minds that the war has been won. Let us not permit ourselves to cease any of our activities on account of some of the good news which we are getting, but rather let it spur us on to do bigger and greater things, and we must, upon sober thought, realize that this is but the beginning of a great work which we must, and will, accomplish for the rejuvenation of mankind the world over.

Prudential Activities

"I am sure it will be of interest to you to know the officers of The Prudential, from the President down, are first of all devoting all the time that seems necessary, or which they may be called upon to do, in war work; the balance of their time is spent in life insurance work. The employes, both field and home office, are also urged to spend as much time as they possibly can in the sale of Thrift and War Savings Stamps, and at this minute, in your city, the agents of The Prudential Insurance Company and Metropolitan Life Insurance Company are meeting together in the common cause of engaging in a campaign throughout all of the city's school districts, and there is going to be a very spirited and friendly rivalry between these organizations in the sale of stamps. Time will not permit of my giving you the details of the wonderful work that has been accomplished by The Prudential organization, but it is sufficient for me to say that the company, its officers and employes, have contributed liberally, both of their time and money, to every cause that has so far been launched in behalf of war work. The Prudential Insurance Company, as you know, was the first to organize a War Savings Society in the United States, and its plan of society formation has been adopted generally by the Government throughout the country."

Keeping Track of After-War Business

GOOD WILL TO BE CULTIVATED

Tendency to Lose Sight of Old Channels of Trade in Rush for New Fields

How often of late have life insurance agents been admonished "to concentrate on those whose business, profession or trade has been most stimulated by the war" and "to drop as prospects those whose incomes have been adversely affected?"

Such advice requires qualification. Necessary at this time as is a careful selection of prospects, still such selection need not and should not be to the utter exclusion of those who in all probability will be "off the market," insurancewise, for the duration of the war.

The far-sighted agent is not making this mistake. He realizes that the war must end some day; that when peace comes it will bring about changes in income probably as drastic as those caused by the war; that the man who today cannot afford to take out more insurance is the buyer of tomorrow. The good will of all those who in the past have been either prospects or customers is to him an asset of great value, the price of which is vigilance and the loss of which will surely result from neglect.

Traveling Old Routes

Appreciation of this value of good will by the big business houses of America, Great Britain and France is everywhere in evidence. Salesmen with no goods to sell, travel their old routes on good will missions. Great publicity campaigns are being conducted by manufacturers unable to operate because of lack of raw material or loss of transportation facilities; by concerns whose equipment has been commandeered for war purposes; by corporations whose entire output is long contracted for.

Similarly, no man who regards life insurance as his permanent calling can afford, even though busy in the new, to lose contact with the old channels of trade, rich as they assuredly are in that established good will which is so necessary to business, both present and future.—GEO. T. DEXTER, in "Points."

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Stirring Things up in Paris

R. F. Clendenin, district agent at Paris, Kentucky, for the Northwestern Mutual Life, reported insurance on 68 lives for $113,500 during May. The policies on two lives were "additional," so he is only credited with 66 on the card. The occupations were as follows:

2 country merchants, 1 clerk, 1 attorney, 1 clothing merchant, 63 farmers.

The amounts of the policies: 7 for $2,000 each, 4 for $3,000 each, 1 for $3,500, 7 for $5,000 each, 49 for $1,000 each.

Thirty-six of the applicants were strangers, twenty-two were acquaintances and ten were old policyholders. All except one were written on the first interview. Only two policies for a total of $4,000 were on the Term plan.

Paris isn't a very large city and much of this business was secured in the country, requiring a lot of traveling and long distances. The vast majority of agents have as good or better territory as regards population and business conditions, most of them will admit they are just as well equipped, mentally and physically, as Mr. Clendenin, but few approach his record in lives and amount.

* * *

Life Insurance Without Agents

Anent the life insurance agent, an Aetna Life man says: "I have discovered the following highly interesting slogan in an insurance company's advertisement:

" 'Insurance without agents is a distinct public service.'

"This remark, like Mark Twain's reference to his own demise, is 'important if true.' I notice, however, that this insurance company places quotation marks about the lines, which, of course, to a degree takes the curse off the statement, for it is evidently the expression of an individual only.

" 'Will the gentlemen who have taken out insurance without the suggestion of an agent, and of their own free will and accord, kindly stand up?'

" 'Thank you; I thought there were not many of you.'

"Curiously, those things in life which are of the most value often require the most effort to put across.

"Insurance without agents, religion without the clergy, and justice without judges—wouldn't that be a great state of affairs!"

* * *

After the First Plunge

There is nothing so like a day's soliciting as getting into the water in the springtime, says "The Ladder." A man will stall around, smoke a cigarette, lie in the sun, fool around for an hour and finally jump into the water. Once the shock is over it's great—he likes it and enjoys a fine reaction. It's the same with soliciting. A man will fiddle away several hours in procrastinating exercises and finally make his first call and find it not bad at all. From then on he has nerve enough to see the hardest prospect on the list.

It is my contention that the one great fundamental of success in our business is the habit of daily calls and interviews. Every man I contract with would make some calls from the first day he signed up. He might get no results, but he would acquire the call habit and that of itself is a big thing.

Show me a failure and I'll show you a man who did not get interviews every day, every week, every month. It is as certain in both cases as that night follows day. If you have legs, average intelligence and use your vocal organs and see people you can't fail.

* * *

Why Buyers Are Reserved in Manner

Securing the prospect's respect and admiration is referred to in a sensible article which appeared in "Salesmanship and Sales Management." Here is the idea:

"The attitude of the average business man when a caller is announced tends toward indifference. His resolve is not to give more time than is necessary, but he is not antagonistic. On the other hand, unless there is some definite reason for it, he is not over-friendly. The moment a salesman appears therefore, he sways the balance for or against himself.

"There are some men who are easy to turn down—to shunt off without a hearing. They seem to belittle their propositions, no matter how important these may be. There are others to whom even the confirmed 'grouch' accords a courteous reception. They dignify their propositions. What is the reason for the difference? We must give here the same answers that we have given previously in a different connection: Caliber, personality. We assume that the salesman is clean shaven, well dressed and well groomed. The development of a man's intellect and his tastes, and the things to which he devotes himself outside of business, do much to determine his manner, expression, voice and actions.

"The surest way for a man to improve his salesmanship is to improve himself. Once the approach has been made and the interview secured, there should be something in the poise, evident culture, well-modulated voice, thoughtful and courteous manner and well-groomed appearance of the salesman that will excite the admiration of the prospect. The salesman who would sell his goods to the prospect must first sell himself."

* * *

Banks Promote Sale of Life Insurance

Why a banker should encourage life insurance is told in a leaflet written by Byron W. Moser, vice-president of the St. Louis Union Bank. What he says on this subject is reproduced here:

"Life insurance affects the wealth of the community, first, because it encourages thrift in a very tangible way. The necessity of meeting life insurance premiums at stated intervals establishes the thrift habit, and along with it the savings account habit. Once let a man feel the independence of having definite protection for his family through life insurance in the event of his death, and add to that the knowledge that he can save and is saving enough regularly to continue that protection, then that man will soon learn to save for other things beyond his life insurance premiums.

"The very fact that he carries life insurance will make the average citizen more careful with his money. He will become a useful citizen, because he will have broadened out to the point where he considers not the present and his present needs alone, but the present in its relationship to the future.

"Life insurance then instills foresight because the very consideration of life insurance—the taking out of a life insurance policy—is foresight personified.

"Life insurance affects the wealth of a community in another way. It has a direct influence on banking through the payment of death claims. Insurance money is a substantial part of many estates, and in some instances there would be no estate at all without it.

"A comparatively small percentage of people leave any estate. And it is evident that if through life insurance the thrift habit has been established, some of these people might not only have achieved a competence for their old age, but they would have left a life insurance estate besides. In any event, they would have had the insurance claim to transmit to their heirs, and so would have left additional wealth which would in its own time find its way to a bank in one way or another.

"The banker, by encouraging life insurance, is encouraging his own business in an indirect and unselfish way. He is performing a distinct service to the public by helping to build up a better and a more useful citizenship.

"Co-operation between banker and insurance man is the same as any real co-operation. It is a mutual 'giving-to' and 'taking-from' in proportion to the wholeheartedness and unselfishness of that co-operation.

"The banker has a definite service to perform. The insurance man has a special service to offer. By encouraging the service of the insurance man, the banker merely broadens the scope of his own service."

DIVIDEND RESULTS TABULATED

Surplus earned including dividends in life insurance, has been tabulated by The Spectator Company, New York, and is published in book form. Results of twenty-six American level premium companies are shown.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

BUSINESS ESSENTIALS

No. 7 — PLAY

By JOHN K. WEST

The cause of most inefficiency on the part of the insurance agent or anyone else is ill health. Poise, cleanness of thought, logic and spontaneity arise only from a good, strong, healthy body.

Think over for a minute the habits of some of the big agents you know and you will find back of their forceful arguments, back of their effective speech is health and happiness. All brains and no body never got any one very much in life. Almost every word spoken by a healthy man has a sparkle to it and things all seem to come to him eternally and forever.

Successful agents are such because they play the game right and 75 per cent. of the failures in the insurance business are because of a wrong scheme of life. Think this over you men behind your desks and you agents in the field!

During his working day an agent is usually surrounded by an intense insurance atmosphere. He is interviewing prospects, writing letters, performing routine work, eating quick lunches, riding on jolty trolley cars and smoking all sorts of tobacco. His leisure time is usually devoted to walking aimlessly about town, doing as little actual manual work as possible around the house, wasting too much time over newspapers, entertaining company in various ways at home and the club way into the early hours of the morning, etc. All amid the rumble and din of the strain which he has created to satisfy the demands of his habits.

The efficient agent plays in order to work more and work better. To play means to take part in a game. By a little planning you can systematize your business so that you can get enough play into your system to put energy and health into your physical person.

Dyspeptic, prematurely old, chronically nervous, lazy, petulant and fault-finding agents result from lack of play. They work in their work and work in their play and work in their sleep, always tapping the same kind of energies, resulting in overwrought nerves and a feverish brain.

Ages ago it was the custom to work on every day. Then came the Hebrew sabbath celebrated as a day of rest and rejoicing when the people ceased from all labor, then the Christian Sunday forbidding work on Sunday. Following these Biblical holidays people who hired help got to believe it wise to give and take a short vacation in the summer. Then came Saturday afternoons, and various holidays, all excluding work of any kind in their program.

Today all over the United States insurance men and women, from Maine to California, are arranging for vacations. They mean to go away from their jobs and work for a little rest and amusement to develop health, strength and stamina. In Hartford alone there are approximately 5,000 insurance people, individually or with their families arranging to go away to the mountains, farms, lakes and seashore, or possibly back to the old home town. New York has as many more, Philadelphia, Boston, Chicago and the other big insurance centers all have these prospective summer emigrants seeking rest from their labors.

After a brief period of eating all they can crowd into three rich and highly seasoned meals a day, possibly eating inharmonious food combinations, sitting and lounging the hours away on the piazzas of summer hotels, sweltering in the heat, and following the paths of inclination and least resistance, for which they are spending a goodly price, they will return.

Some of their brother agents and their families will be rested and reinvigorated but most of them will return all worn out for change of work and a vacation period is not rest alone. Most agents don't know how to play. They are as pitiful specimens as the poor little rich girl who didn't know how to play. These agents feel they must always dress right up to the minute and spend little time eating. They have no time for golf, tennis, bridge or music. Some of them are troubled with insomnia and have the eternal grouch which constantly cripples their efficiency.

Once a year isn't enough for a rest period. A man should play every day. Certain physical and mental disorders result from lack of play and the crash will surely come unless you regulate your diet and go out and find the light out of doors.

Consider the amusements you enjoy and find out if they really help in making you a stronger and better agent.

In your play there must be an absolute freedom, inside and out, during the time you play. I remember of playing a game of golf and at every shot I was thinking of what I ought to be doing rather than wasting my time on the golf links. I ended at the 18th hole tired and discouraged. Another day I entered into the spirit of the game. I forgot everything but the game. I made a complete break from my business routine and the result was a day full of pleasure and restoration of my energies.

Most agents go from one nerve strain to another in vacations and in their work which never gives them the regular periodical relaxation they need.

It is needful to escape and forget your business but you should do so at the proper time which is when you need it.

A general agent of an insurance company in Pennsylvania told me recently that when his work began to drag, when he got to worrying at home about business conditions, he would pack his grip and go to the silence of the woods and roam and tramp and fish, eat moderately, miss a few meals, bathe in the sunshine and shadows for a few days and revel in irresponsibility and return to his family and business with the thrill of good health exuding magnetically from his body. This should be your ideal of a true vacation.

A series of trips of this kind do more for the busy agent than a whole month of leisure.

Darwin P. Kingsley, president of the New York Life Insurance Company, said to an audience of golfers all over 50 years of age, at a dinner a year ago, in a speech on "How Golf prolongs our Health"—"We have been young as youth goes. We have paid that debt by raising up sons and daughters to take our places. We have played our part in the fierce contests of middle life—and I think, played it honorably. Now we come together as men like us have never before assembled. Why? Because we have discovered, as alas, thousands of other have not, how to meet advancing age merrily. By this game of golf and this fellowship we vanquished time even as the boy scores a 79. Neither of us know how we do it but we do it."

The formula of a successful vacation of play, a preventive of premature old age, an antidote for dying too young is to periodically erase your work from your mind for an hour or two a day, a week or a month, according to your need and condition, and master the fine art of relaxation. Play: Play: Play: Get into a game of golf, tennis, baseball, croquet, roque, even walking definitely to a specified place with a regulation step. Anything: Kick out all the worries and troubles from your mind and smile, smile, smile. Get your attitude right toward play. This is the life. Everything is at hand for your use. Go to it and you will write thousands of dollars more business next year and add years of enjoyment to your life.

Either you must want perfect health with all your soul and work for it with all your might or you reject it. Don't be obstinate with yourself and cling to the same old habits of your family and environments. Break away from your lopsided life and play this vacation as you have never played before.

BUSINESS AT HIGH TIDE

R. G. Dun & Co. report the insolvency statement for the first half of 1918 to be the best both in number of failures and amount of liabilities since 1907.

Ross O. Longnecker, of the Idaho State Life, has left the life insurance business.

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

Surrendering Limited Policies

WHERE INSURED WOULD LOSE

Likened to Real Estate Transaction—How Agent Damages His Reputation

"What is your opinion regarding the advice sometimes given to the owners of limited payment life policies that they should surrender such policies when fully paid, invest the surrender value and buy new ordinary life insurance?"

The foregoing question was asked the Northwestern Mutual Life by one of its agents. The Company in "Field Notes" has this to say of the "twister" of life insurance:

"The 'twister' is closely related to the 'abstracter' and both are the vultures of the life insurance business. When a policy is twisted, the policyholder loses financially in the transaction, his determination to hold on and see it through is weakened and his faith in the science of life insurance gets a jar. The agent loses, as he is damaging his reputation in his community and his own self-esteem; the company or companies involved lose because additional commissions and expenses are paid for business which is not new nor legitimate.

Must Pay More

"What difference does it make if the insured has a loan against his policy? State it this way to him: Suppose you had contracted to purchase a home on the installment plan some years ago when building prices were lower than at present. You have now made all the necessary payments and own the property in fee simple; you have, however, been compelled to borrow nearly its entire value. Would you think the existence of this mortgage a good reason for selling the property and building a new home at present building prices? Certainly not. On the contrary you would exert yourself to pay off the mortgage and free yourself from the interest charge. Well, then, your policy is now fully paid-up (or partly so), and you cannot at this time, owing to your advanced age, buy new life insurance on terms as favorable as that furnished under your present policy."

ANOTHER GROUP POLICY

Six mills in Rockville, Conn., have provided insurance for the families of every person who has been in their employ for over three months, without cost to the employe. In case of permanent or total disability before age 60, the insurance will be distributed over a period of years to be determined. The amount of insurance varies from $500 to $1,000. The mills that have adopted the insurance are The James J. Regan Manufacturing Company, the Hockanum, Minterburn, New England and Springville Mills and the Rock Manufacturing Company.

BELGIUM BUSINESS

In the annual report of one of the general managers of British companies the following statement was made:

"In the years prior to the war we had an income of £250,000 annually from Belgium.

"We have every hope that this will return to us after the war, and the profits will be as good as they were prior to our being forced to stop business there."

REMARKABLE ADVANCE RECORD

On a debit of $155 Frank Molesky, of the Allentown office of the Colonial Life, shows advance payments of $1,032, with arrears of $30.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone 2497 John.

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THE HELP THAT HELPS NOT

In the present condition of the labor market it might be inferred that employers are compelled to be more lenient than before the war. It would be natural to infer that the inefficient helper has a better chance of being retained now than formerly. Possibly this is so in many places, but not in all. In one large life insurance office a directly opposite method is followed. The company admits that really efficient help can make its own terms. Short shift is made of the other kind on the principle that just now the company can ill afford to take the time it ordinarily would to train them. It is just the same in the manufacturing business.

In peace times it would be considered feasible to use material which for some reason required special treatment necessitating a longer operation. Now, in this rush, what manufacturer would think of taking any but the shortest, quickest method to turn out the goods? In the offices today new helpers are being engaged constantly. If they do not give promise of soon becoming really helpful, they are passed along and others take their places. In peace times much of this mediocre material would be nursed along and in course of time developed to the point where it had some value.

EDWARD GRIFFITH

The passing of Edward Griffith removes one of the most original characters in insurance and one of the most successful. He entered the business when a mere youth, developed an amazing capacity for work, disclosed executive sales ability of a high type and was ingenious and imaginative in the bargain. His courage made him afraid of no man living, and he looked at you straight in the eye, or not at all. In fact, he gloried in a certain bluntness of manner that covered a big heart. Proud of his success and of his income he was willing to share both with others. In every demand upon William Street, whether for patriotic or charitable reasons, one of the first men visited always was "Eddie" Griffith, and soon he would be an active man on the committee.

In accident and health insurance he was supreme as a producing general agent, or a cultivator of producers. He found that field anything but difficult. He could sell any contract which his Company issued, and frills and furbelows of others didn't discourage him at all.

In New York City he had a tremendous acquaintance. He lived in the leading hotels of the town from the time he was a young man, and he belonged to many of the most popular social clubs. For the downtown clubs he didn't care much. He had his own way of doing things and when others bought automobiles he kept his carriages and horses, although he could have owned almost as many cars as C. K. G. Billings does, had he so desired. He was the first man to buy a full page advertising space in an insurance newspaper running for one year. The grand manner was his in every phase of his life, and he hated a piker as much as he did a coward. Although confining his efforts to accident and health insurance almost everybody in all lines of insurance knew and liked "Eddie" Griffith.

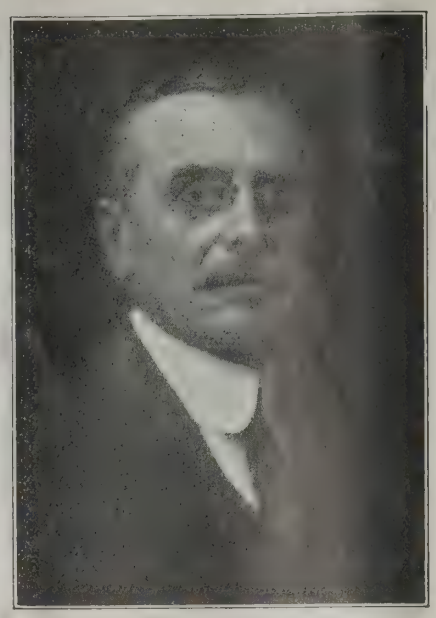
ANNUITIES AND THE WAR

In the will of the late James Gordon Bennett are mentioned various annuities totalling over $150,000. The largest is of $50,000 and the others graduate down to $500. Every now and then wills of this kind are made known, the aggregate in annuities throughout the entire country reaching a large sum in any year, but still nothing to compare with that abroad where the annuity has long been a popular institution. Just now, owing to money conditions created by the war, it is harder to interest investors in annuities, because of the high interest rates obtainable in other forms of security.

The Metropolitan Life has more annuity business than any other American company. In 1916 it received $1,834,173 from that source. The Equitable had $1,234,809; Mutual Life, $539,896; New York, $430,636; Aetna, $302,727. The National Life of Vermont has always written annuities largely. It received in 1916 $726,286 from that source; The Prudential, $358,455; Travelers, $939,459, and Phoenix Mutual, $68,175.

From these figures it is evident that no special effort has been made in this country to sell annuities. In fact, what business there is on the books does not show any profit worth mentioning and in a number of cases it shows some loss. Very few annuities are sold by agents. Most of the business comes through attorneys representing others to whom money has been left, or who have tired of handling their own funds. One hears only of the larger annuities, but most of those written are for amounts below ten thousand dollars and a very large proportion are for five thousand dollars and less.

THE HUMAN SIDE OF INSURANCE



WILLIS O. ROBB

Willis O. Robb, manager of the New York Fire Insurance Exchange, and **Curtis C. Wayland,** manager of the city department of the Atlas Assurance, are congratulating each other and being congratulated by their friends in having become possessed with grandchildren within a day of each other. Mr. Robb has a grandson born on June 27, whose father is Stewart E. Robb of the sprinkler department of the Exchange. Mr. Wayland's granddaughter was born on June 26.

* * *

Thomas MacMillan Weddell met death in a hydroplane accident in France. This news comes as another shock to insurance men, particularly in Chicago, where "Mack" had many friends in the business. He was the son of Thomas R. Weddell, insurance editor of the "Chicago Tribune" and associate editor of "The Insurance Field" there, who has two other sons in the service. At the time McMillan Weddell enlisted in the air service, he was with the Ben P. Branham Printing Company in Chicago. He had previously been representing The Insurance Field there. He was one of the first to enter the service and went to Florida to train within a few weeks after the United States entered the war. "Mack" was quite underweight when he first applied and was rejected on that account. He was determined, however, and immediately set to work to remedy that defect. It took him but a short time to put himself in condition to pass and within a few days after reaching the training grounds he was sent to France with the first contingent of air men.

* * *

Miss Corinne V. Loomis has within a few months organized a successful department for women in the Penn Mutual general agency of Plympton & Bunting, Boston. The Company says of her: "Miss Loomis, who has ample qualifications for what must always be a more or less arduous work, because of a lack of understanding of the principles, methods and results of the life insurance system, has made a study of these and as she has in high degree the teaching faculty as well as an understanding of the average make-up of women—something no man has ever fathomed—her success cannot be doubtful. Indeed with the rapid enlargement of the sphere of women's labor, the opportunity and the need for life insurance are similarly extended. Writing now when the experimental stages of Miss Loomis' efforts have not been passed, but two things may be said. First, in brain-power, energy, adaptability and personality, she should be a highly valuable acquisition to our ranks, improving with the lapse of time and as her logical and workable plans mature. Second, through her personal production and that of the ladies already associated with her, strong evidence has been presented of the probability of securing at least $600,000 of new, paid insurance before the close of 1918.

* * *

Charles H. Langmuir was active in life insurance circles in the East before he went to the Pacific Coast for the New York Life, where he has been inspector of agencies in the Pacific Department under Inspector of Agencies Fred A. Wickett. He has now been made supervisor. Mr. Langmuir never represented any other company than the New York Life. He began in the Paris Office in 1893, where his father, Charles Langmuir, was General Manager for France. From there Mr. Langmuir went to England to fill a position that was practically cashier for the London office. Later he went to New York and was agency director of the Broadway Branch until January, 1902, when he was transferred to Columbus Circle Branch, New Yorok; in 1905 agency director, Imperial Branch, New York; in 1907 he was transferred to California as agency director of Southern California Branch, the name of which was later changed to the Los Angeles Branch, which has grown to be one of the largest insurance agencies in the United States.

* * *

Morgan E. Harris, formerly assistant to Charles F. Enderly, manager of the brokerage departments of the New York Underwriters Agency and the Insurance Company of North America who is now attached to the Naval Aviation training station at Great Lakes, Illinois, was very badly fooled as to where he was going at the last moment. Mr. Harris had expected to be located at Bayshore, L. I., and had advised all his friends to that effect.

* * *

Harvey Thomas, supervisor of publicity for The Prudential recently received a letter signed by Lieutenants Cluzeau, Le Moal and Canal, in command of the French Blue Devils who were visitors in Newark three weeks ago, in which they say:

"If we have helped in any way to promote the war work in your city we are pleased to have been able to do so * * *. We shall never forget you and we trust that some day in the future, God sparing us all, we may again clasp hands in the fellowship we have just enjoyed and we shall know each other as we would have the world know us—brothers."

* * *

Joseph F. Higgins, who has been in the insurance department of the Mortimer Estates, has been made secretary to J. J. Hoey, vice-president of the Continental, succeeding Thomas Clark who is now a chief petty officer at League Island, Philadelphia.

* * *

Mrs. Matilda Axman, mother of Clarence Axman, editor of The Eastern Underwriter, died at the family home in Chicago on Thursday, July 4, 1918.

FIRE INSURANCE DEPARTMENT

Mt. Vernon's School Board's Activities

SOUGHT LICENSE FOR MEMBER

Had Adopted Resolution Authorizing E. Q. Bienvenu to Act as Agent of Board

The board of education of Mt. Vernon, N. Y., has decided not to enter the insurance business. The Board had adopted the following resolution:

"Resolved, that Edwin Q. Bienvenu be requested to procure an insurance broker's license and that he be designated the official agent of this board."

At a meeting of the board on Monday, the finance committee reported that it would be impossible for Mr. Bienvenu to act as insurance agent to handle the affairs of the board because of the fact that he is a member thereof. The finance committee, after reporting that such action would be against the law, further objected to the appointment on the grounds that an expert is needed to properly handle the insurance affairs of the school properties.

Under the present conditions two brokers, H. C. Dedell and Stanley B. Kirk, are placing most of the insurance on the Mt. Vernon schools. One of the members of the board of education has been seeking to have the business distributed among a number of brokers with Mr. Bienvenu dividing the commissions with them.

ENEMY CLAUSE ADOPTED

Sprinkler Leakage Conference Follows Practice of National Board of Underwriters

The Sprinkler Leakage Conference has adopted the National Board's trading with the enemy clause, which is thereby made obligatory from date.

RATES NOT APPROVED

Compensation Schedule for New Jersey Fails to Get O. K. of Department

The New Jersey Commissioner has disapproved the revised compensation rating schedule because of the loading adopted. He holds that tests made by the Bureau are not conclusive because of the comparatively small number of risks involved (total payroll $4,991,438).

BUREAU POWERS EXTENDED

Government Will Now Insure Ships and Crews of Friendly Nations

The extension of Federal marine insurance so as to include vessels flying the flags of friendly foreign nations is provided for in a bill which has been passed by the Senate, to amend the war risk act. All the protection now afforded vessels, cargoes and crews of American vessels is to be extended to those of our allies and of friendly neutral countries.

It is proposed to add a new section to the present war risk law, providing for the insurance of such vessels, their freight and passage moneys and personal effects of the masters, officers and crews, when such vessels are chartered or operated by the United States Shipping Board or its agent, or chartered by any person a citizen of the United States, and the cargoes shipped therein, whether or not they are so chartered. This insurance, however, is to be granted only when the Shipping Board or its agent operates the vessel, or the charterers, by the terms of the charter party or contract with the vessel owners, are required to assume the war risk or provide insurance during the term of the charter or hire of the vessel.

The insurance of masters, officers and crews of these vessels against the loss of life or personal injury and for compensation during detention following capture by enemies of the United States, is also provided for in the measure.

This insurance is to continue until six months after the end of the war unless the President suspends its operations prior thereto.

SUFFOLK COUNTY BOARD

Second Annual Meeting Will Be Held at Sayville on July 31—Attractive Program

The second annual dinner and meeting of the Suffolk County Board of Fire Underwriters will be held at Tidewater Inn, Sayville, L. I., on Wednesday, July 31 at noon. The Board has made plans for an even more attractive day than was arranged last year at which Superintendent Phillips and quite a number of company officials from New York and Hartford were present.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

MURPHY WITH DETROIT F. & M.

George F. Murphy, of Syracuse, formerly special agent of the Concordia, has been appointed to represent the Detroit Fire and Marine in New York and Pennsylvania, succeeding J. E. Carrothers.

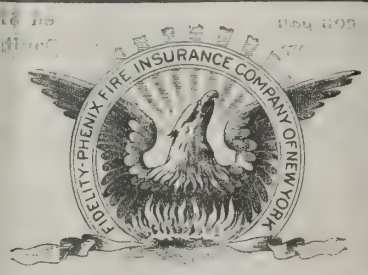
CONTINENTAL'S SERVICE FLAG

One hundred and twenty-five employes of the American Eagle, Continental and Fidelity-Phenix are now serving the Nation either in the Army or Navy. This number includes men enlisted or drafted from the home office and from the department offices in Chicago, San Francisco and Montreal. July 3 new service flags bearing the number one twenty-five outlined in stars, were sent from the home office to the various departments.

HELP FOR FEDERATION

Insurance Federation got a substantial boost in Massachusetts when the Beneficiaries Society Union, representing almost all the fraternal societies in that state, voted to merge its work with that of the Federation and became an associate member.

NIAGARA
Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK



What is Worth Owning is Worth Insuring

And in these days of War with all its possibilities for loss, property is more worth owning than ever. War prices make repairs and replacements more costly in case of fire.

Adequate Insurance is a necessity today.

American companies are second to none in strength, management, service and reliability. The

FIDELITY-PHENIX FIRE INSURANCE COMPANY OF NEW YORK

A STRONG, RELIABLE AMERICAN COMPANY

Cash Capital $2,500,000.00

HENRY EVANS, President

Home Office:
80 MAIDEN LANE
NEW YORK

Managing Branch Offices:
CHICAGO, MONTREAL
SAN FRANCISCO

BROKERS ACTIVITIES

Weston Succeeds Harris

C. H. Weston, who has been with the Calder Real Estate Co. in Brooklyn for the past two years and had previously been with the Brown & Cheseboro in the same Borough for three years, is now assisting Charles F. Enderly, manager of the brokerage departments of the New York Underwriters Agency and the Insurance Company of North America. Mr. Weston succeeds Morgan Harris who is now in the Naval Aviation Division. Previout to his connections in Brooklyn, Mr. Weston had been a local agent in Paterson, N. J., for a number of years.

* * *

Expelled Brokerage Firm Granted Extension of Time

C. B. Sloan & Co. of San Francisco, who have been fined $250 and expelled from the Brokers' Exchange, have appealed for a stay of proceedings for two weeks, which extension of time has been granted them. All members of the Exchange have the right of appeal, and the firm is exercising that right. A charge has been made that Sloan & Co. have been doing business with non-board companies; also that they have been rebating.

* * *

Newport News Drydock Co.

Additional insurance to the amount of $4,000,000 was placed in New York this week covering improvements and extensions of the plant of the New Port News Shipbuilding and Drydock Co., at Newport News, Va.

* * *

Geo. R. Hess Here

George R. Hess, of Geo. R. Hess & Co., of Chicago, is in the New York office of the agency personally supervising the underwriting during the absence of J. J. Hartnett, who will be in the Chicago office for the balance of the month.

* * *

Boger With Osborn & Co.

Harry Boger, for several years with the New York office of the Hartford Fire, is now with Osborn & Co., of Chicago, in charge of the fire insurance department of the New York office of that firm.

* * *

Osborn and Langey Coming Here

T. L. Osborn and Andrew G. Langey, of Osborn & Co., of Chicago, are expected at the New York office of the firm the latter part of this week.

* * *

Oscar Langey Wounded

Oscar Langey, formerly of Osborn & Co. of Chicago, now of the Royal Canadian Flying Corps, has been wounded in France.

DAMAGED BY COLD

Bulbs Shipped From Japan Froze in Transit—Company Denies Liability

What promises to be an unusually interesting marine claim has grown out of a shipment of bulbs from Japan to an Eastern town in the United States. It was a particularly large shipment, and the bulbs were rare and costly. The shipment was made in the height of the cold weather last winter, and the bulbs froze. As soon as they were received by the consignee, and he realized their condition, he threw them away and claimed a total loss.

The policy covered all the usual marine perils and in addition "all other perils afloat and ashore." The question must be decided where the bulbs were frozen, on sea or on land, and whether the steamship company can subrogate to the railroad or vice versa. The insurance company claims that freezing is not a peril of the sea, but the policy covered both on land and sea. The United States Court has held that what is called a "memorandum article," that is, a perishable article, such as bulbs, cannot be thrown on the hands of the underwriters as a total constructive the contrary.

INSURANCE LEAGUE RETURNS

The results of the League games played last Saturday are as follows: Continental 17, Aetna 3; Travelers 9, Wade Robinson 7; O. G. Orr 4, Niagara 3; Hartford 7, Phoenix 4.

Standing of Teams

	Games played	Games won	Games lost	Per cent.
Continental	8	7	1	.875
Niagara	8	6	2	.750
O. G. Orr	6	4	2	.666
Hartford	8	5	3	.625
Wade Robinson	7	4	3	.571
Travelers	8	4	4	.500
Aetna	8	1	7	.125
Phoenix	9	0	9	.000

Games To-Morrow

The games to be played to-morrow are Niagara vs. Phoenix at Freese Oval, Neck Road, Brooklyn; Travelers vs. Aetna at Marlborough Oval, 22nd Ave., Brooklyn; Wade Robinson vs. O. G. Orr at Diamond No. 14, Prospect Park, Brooklyn.

DISTRIBUTES HONOR ROLLS

The American Eagle, Continental and Fidelity-Phenix Fire Insurance Companies are circulating among their agents for further distribution to business institutions Honor Rolls bearing the inscription "Our Employees in the Military and Naval Service of our Country." There is no advertising on the blanks other than the design of the trade mark of each of the companies handsomely lithographed in colors.

ENTERS WASHINGTON FIRM

Austin L. Zachary, formerly manager of the insurance department of M. M. Parker & Co., Washington, D. C., has been made a member of the firm. Mr. Zachary has been engaged in the insurance profession for a number of years, formerly associated with H. R. Howenstein Company. He has an extensive circle of friends. The Parker Company is engaged in general insurance and real estate.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Authorized Capital $500,000
Detroit National Fire Insurance Co.
DETROIT, MICHIGAN
A Company to be built gradually and along the indicated lines of permanence
AGENCY CONNECTIONS SOLICITED

[of Liverpool, England]
ROYAL INSURANCE COMPANY LIMITED
THE LEADING FIRE COMPANY OF THE WORLD

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

N. J. Rating Office Fifth Anniversary

SHORE DINNER FOR BROWN

Whole Staff Takes Part in Celebration at Bergen Point—Expert's Work Praised

The members of the official family and expert's assistants of the schedule rating office, Newark, N. J., gave Atlee Brown, expert, a surprise shore dinner at Bergen Point one evening last week.

This was the fifth anniversary of the operation of the schedule rating office under the efficient management of Mr. Brown and might be known as the "Wooden Wedding." Resolutions were drafted and signed by the individual members, extending their congratulations and expressing their desire that he remain at the helm for many years to come. A vote of thanks was also given for his kindness and consideration of all during these years. Mr. Brown was presented with a magnificent humidor as a memento. He responded in a very gracious manner.

Those present were Samuel J. Quig, general superintendent; Leon A. Watson, superintendent rating department; Richard Monahan, assistant superintendent rating department; E. S. Clayton, superintendent automatic sprinkler department; George H. Spooner, superintendent survey department; Charles H. Fischer, superintendent engineering department; C. T. DeGraw, expert's assistant at Atlantic City; T. P. Hohlweck, expert's assistant at Jersey City; M. L. Ward, expert's assistant at Paterson; W. A. Carty, expert's assistant at Camden; A. Cartwright, expert's assistant at Trenton; A. L. Stansbury, expert's assistant at Red Bank; J. A. Roats, Jr., expert's assistant at Dover.

Toast by Watson

The following toast to their "Pilot," Atlee Brown, by L. A. Watson, of the Schedule Rating Office staff, was cordially received by Mr. Brown and the "Wooden Wedding" attendants.

A Toast

We're gathered here tonight, my friends,
For a little celebration,
It has no grand or brilliant trend
And will not stir the Nation,
But we who gather here tonight
May feel a certain pride,
For we have a wooden wedding
Tho' we do not have a bride.

A full five years since we were wed
Unto the "Ramsay" law,
And started out to make our way
Without a Pa or Ma.
We might be likened to a ship
That sails the troubled seas,
And thru them goes, without a slip
Apparently with ease.

We've sailed thru troubled waters,
Thru many a storm have gone,
And tho' we sometimes feared we'd sink
We still have "Carried On."
Who is it then, if I may ask,
Who brings the good ship thru?
I can but answer "Pilot"
Is that your answer too?

Then he's the man to whom we owe
The best we have to give,
For he's led us thru the many storms
And helped to let us live.
As that's the case, let us give toast
To a man of great renown
The man who's led us safely thru,
Our Pilot, "Atlee Brown."

Commissioner of Insurance M. J. Cleary of Wisconsin has granted a license to the United States Lloyds of New York.

Manufacturer's Output Rated

COMMERCIAL FLEET RULINGS

Amount of Insurance on Rebuilt Trucks Determined by Automobile Conference

Rating rules and policy forms for manufacturer's output risks have been prepared by the National Automobile Underwriters' Conference, by which it is expected to standardize that sort of cover. Heretofore rates have been made by committees in each case. This practically amounted to judgment rating. The rates and rules closely follow, in principle, the forms and rates made for dealers' policies.

The manufacturer's output rates are based upon the fire rates and the locations involved. These forms and rates are being distributed. Taking the fire rate on each location, that rate is charged on the amount of liability that is represented by each location to obtain an average rate. Cars in transit get a rate of one per cent., using that as a fire rate as applied to location.

Rates on Fleets

Percentage limits on cars valued at over $3,500 on a specially rated commercial fleet have been modified by permitting insurance on this class at the option of the company once the risk has been rated. The eligibility of the risk for rating must still be determined by the application of limits as heretofore.

The amount of insurance which may be written on rebuilt trucks contained in a specially rated fleet has been fixed as being that on cars still in the hands of original owners, and rebuilt for such owners, at percentage limits, insurance applying to the original list price plus cost of rebuilding. On cars bought second hand, take the cost to owner in place of the original list, and the date of second hand purchase in place of the date of original purchase and apply the rules on that basis.

Where an owner has never carried prior insurance he may obtain credit for good experience by setting forth his experience during the past two years.

NO ACTION ON U. AND O.

Rate Committee of Exchange Has Taken No Position on Report of Brokers' Association

The proposed use and occupancy form which was drawn up by the New York Brokers' Association and submitted to the New York Exchange has not been acted upon or discussed at any of the recent meetings of that body or any of its committees contrary to a report which was published in New York last week.

The Exchange has had no meetings for several weeks and at the regular Monday meetings of the rate committee the subject of use and occupancy insurance has not been discussed. Action on any of the several use and occupancy forms now being considered by the New York Fire Insurance Exchange was indefinitely postponed at the last meeting of the Exchange.

HAVE NOT SIGNED YET

Neither the Sun nor the Caledonian have yet signed membership agreements with the Automobile Conference. Executives of each office, either in the East or in the Western department, are away on business trips and the subject has been deferred until their return.

N U

NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.

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For what? For ACTION! To do the thing that lies before you.

In this age you're fighting a constant battle with Time—you can't win by letting Time have all the advantages.

In the race for Success your strongest competitor is TIME—your keenest adversary is HESITATION—your bitterest enemy is "WAIT TILL TOMORROW."

"Put it off" and you are merely welding a link in the chain of HABIT that will sooner or later render your judgment QUAKY and UNSUBSTANTIAL.

Acquire the HABIT of putting things off and very soon you will find the path of progress blocked.

"I'll think it over" has cursed many a man and wrecked many a CAREER. THINK FAST! DECIDE!

The world has no opportunities for the LAGGARD—the man who is AFRAID TO ACT. Strengthen your character with prompt decisions. What is wanted is men who have the "habit" of doing things—and doing them NOW.

Correspondence welcomed from Agents of experience and good repute.

WRITE TODAY

Great American Insurance Company New York

INCORPORATED—1872

STATEMENT JANUARY 1, 1917

CAPITAL $2,000,000

RESERVE FOR ALL OTHER LIABILITIES 10,954,055

NET SURPLUS 10,759,422

ASSETS 23,713,477

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NEW YORK

Incorporated Under the Laws of the State of New York in 1859

Statement, January 1, 1918

Cash Capital	$1,000,000.00
Assets	8,209,763.64
Liabilities	5,223,031.71
Net Surplus	1,986,731.93
Surplus for Policy Holders	2,986,731.93

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H. KRAMER

ADJUSTER

FOR INSURANCE COMPANIES

105 William Street, New York City

How Use and Occupancy Losses Are Adjusted

Example No. 5-A

By L. A. Moore, General Adjuster New York Underwriters' Agency

From a paper read by Mr. Moore to field men of the New York Underwriters' Agency.

Example No. 5-A

The form provided that if buildings or contents, or either of them, or any part thereof, shall be destroyed or so damaged that the plant is entirely prevented from producing goods, the insurance shall be liable per day at the rate of 1/300 part of the insurance for each working day of such prevention, and in case the buildings or contents or any part thereof are so damaged as to prevent the making of a full daily average production of goods, the insurance shall be liable per day for that portion of 1/300 part of the insurance which the product so prevented from being made bears to an average daily yield; said average to be determined from the amount of goods last produced during a period of three months previous to the fire.

Total insurance $50,000.
Limit of liability per day $166.67.
Date of fire May 16, 1917.
57 days' partial prevention.

Example No. 5-B

Statement of loss showed:	lbs.	
Rivets cut in the months of February, March and April, three months previous to the fire	791,444	
Rivets cut in May, June and July	634,058	
Difference	157,386	
making a loss of	78½	tons
less credit of	30	tons for 1 wk. shut down not result of fire.
Net loss	48½	tons at 3 cents per pound profit $2,910.00
Add 10% overhead on $2,910..		291.00
Add freight on goods sent away for refinishing to save delay in resuming business.		94.92
Total loss		$3,295.92

This form is (as all use and occupancy forms should be) based upon the principle of full co-insurance—the companies agreeing to pay $166.67 per day for total prevention, and such proportion of that amount for partial prevention as impairment bears to the full daily average product for the three months previous to the fire.

Applying the form to the production and diminution of production given in the statement of loss, the result would be as follows:

Production for the three months previous to the fire (74 working days) 791,444 lbs. or an average of 10,695.2 lbs. per day; reduction in production, 57 working days, 97,000 lbs. or an average of 1,701.7 lbs. per day.

Limit of liability per day $166.67—57 days $9,500.19.

Companies contribute to $9,500.19 in such proportion as average reduction of production per day bears to full daily average production for 3 months preceding the fire; that is, 1,701.7/10,695.2 of $9,500.19 and pay $1,511.56
Add freight as per agreement 94.92

Loss $1,606.48
As against adjustment of .. $3,295.92

Example No. 5-C

The adjustment was re-opened.

It is apparent that in the original adjustment, production of the entire plant for the three months next preceding the fire was not taken into account but simply the production of that part of the plant involved in the fire, as the re-adjustment showed a marked increase. The period of prevention was also increased from 57 to 63 days, the adjustment being as follows:

	lbs.
Production February 16 to May 16	1,081,380
Average per day 75 days previous to fire	14,418
Production May 16 to July 31 (63 days' impairment).	660,156
Average per day 63 days or to time of full operation..	10,479
Prevention of production	3,939

Limit of liability per day, $166.67, 63 days, $10,500.21.

Liability of companies for loss 3.939/14.418 of $10,500.21 or $2,868.65
Add freight 95.92

Total loss $2,963.57
Original adjustment 3,295.92
Saving to companies 332.35

ARMY AND NAVY BUILDING

Washington, D. C., July 10.—Lack of adequate fire-fighting facilities in some of the buildings recently erected in this city for the war work of the Government, especially as regards "Sandia Court," a frame building placed in the courtyard of the State, War and Navy Building, wherein are housed some of the most important and precious papers of the Republic, has resulted in the adoption by the Senate of a resolution introduced by Senator Calder of New York, which may be the beginning of a more detailed investigation. The resolution calls upon the Secretary of War to furnish a copy of the report made on the condition of the building by the National Board of Fire Underwriters.

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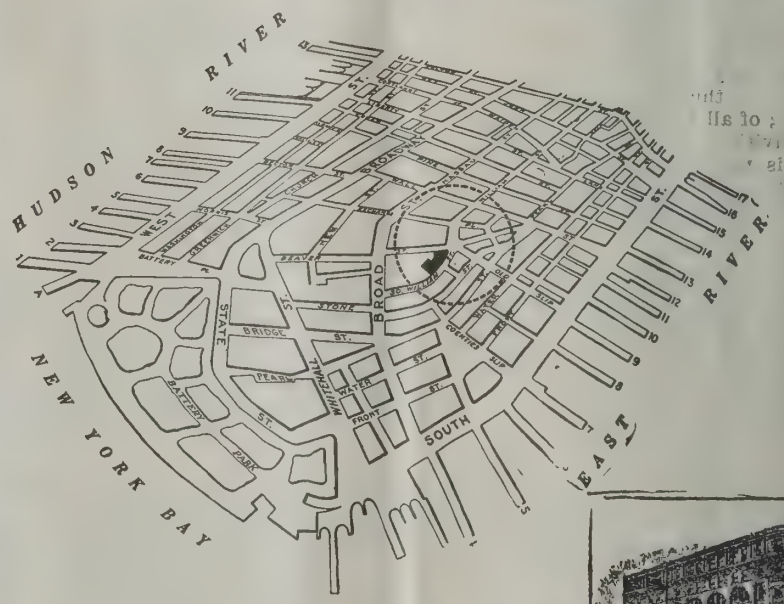
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Arson Cases Under Sabotage Statute

FAR REACHING IN ITS EFFECT

Fire Marshals Seizing Opportunity to Prosecute Difficult Technical Cases

The Sabotage Act is so far reaching in its definition, covering as it does even supplies and articles of every description suitable for the United States or its Allies, that it is thought many cases of arson to defraud insurance companies will come under its application. For example, a man who burns down his store or dwelling and thereby destroys foodstuffs, or who burns a barn containing farm machinery can be prosecuted under the Sabotage Act. It can also be applied to the individual who sets fire to an automobile, for the machine might be needed by the Government in transporting troops or supplies. A man guilty of starting a forest fire would likewise fall under its provisions because lumber of all kinds is vitally necessary to the carrying out of the war program.

Fire marshals all over the country are seizing the opportunity offered by this act to prosecute arson cases which presented technical difficulties under the local statutes. Being a national law, persons charged with sabotage will be tried in the Federal courts and those convicted will be incarcerated in Federal prisons.

Statute Is Sweeping

The sharp teeth of the act have already begun to bite, a man having just been apprehended under the act in connection with a suspicious fire in Pennsylvania which consumed valuable war materials.

This statute, which grew out of the need of more severe punishment for those who obstruct the Government's war progress by destroying plants, materials and foodstuffs, holds bitter possibilities for the I. W. W.'s, enemy aliens or other torch bearers and dynamiters, as those convicted under it may be fined $10,000, imprisoned for thirty years, or suffer both punishments. The law is entitled, "An act to punish the willful injury or destruction of war materials, or war premises, or utilities used in connection with war material, and for other purposes." The act is considered by the Department of Justice to be the most important and sweeping of all statutes relating to anti-war activities.

This is particularly true, because in prosecuting under this law, it is not necessary to prove that the person guilty of injuring or destroying material or premises had intended to interfere with the prosecution of the war. It is sufficient to prove that he had reason to believe his act might injure or obstruct the United States or its Allies in carrying on the war.

SOUGHT AS MEMBERS

The Automobile Conference is negotiating with the New Jersey and the New Brunswick Fire regarding the possible membership of those companies. As they use a special policy form of their own, the negotiators have been concerned principally with policy provisions.

Enemy Clause Not Understood

(Continued from page 1)

in Washington that a great deal of "enemy" property is located in the United States, the interest to which has not been disclosed. If such conditions exist the universal use of this clause on policies covering undisclosed interests must necessarily compel the parties who have the custody of such property to make it known.

Brokers to Meet

A meeting of the New York Brokers' Association has been called to discuss the enemy clause and there was a meeting of the Eastern Union yesterday afternoon at which the matter was also under consideration. As a result of these conferences and the action of the National Board, the New York Fire Insurance Exchange and the Sprinkler Leakage Conference, which adopted the clause this week, the feeling is predominant that the companies must adopt this clause as it now stands in order to safeguard against the penalties provided for violations.

The penalty is briefly as follows:

"The penalty for wilful violation of any of the provisions of the Act or any license, rule, or regulation issued thereunder, or neglect or refusal to comply with any order of the president issued in compliance with the provisions of the Act, is $10,000, or if by a natural person, imprisonment for not more than ten years, or both fine and imprisonment, and any officer, director or agent of any corporation who knowingly participates in such violation is subject to a like fine and imprisonment, or both, and any property, funds, securities, papers or other articles or documents concerned in such violation shall be forfeited to the United States."

Another point raised is that either by endorsements or special forms, the policy can be made to exclude enemy interests so that there will be no need for the enemy clause.

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MARINE DEPARTMENT

Heavy Coastwise Losses Materialize as Predicted

Since our last article on marine underwriters' losses, conditions have not improved any. In fact, never in the history of marine underwriting have underwriters been called upon to face the unusual and extraordinary conditions which have prevailed during the year 1918. During the winter months they were called upon to pay extraordinarily heavy claims; during the spring, and so far in the summer months, these conditions have continued. During the past four years, when the marine premiums did not take care of heavy marine losses there was enough surplus and profit under the war underwriting to more than take care of the marine losses, and still leave a handsome balance for the underwriting account. But the appearance of submarines off our coast, and the large financial loss which was incurred by war risk underwriters, in view of the materially low and steadily declining war rates which were practiced all this year for war risk insurance along our coast and elsewhere, unless steps are taken to maintain the war rates which were charged for the past four weeks and which now show signs of being materially lowered, most of the companies writing marine and war risk will not make a very handsome showing for the year 1918.

As the losses already incurred for both marine and war risk are so heavy for the first six months, and considering that the winter season will be here shortly and more marine losses are to be looked for, it seems that it is absolutely essential for both marine and war risk underwriters to try and get together to maintain some sort of a schedule of rates which will allow the companies to break even at least.

Following is a list of the heavy marine and war losses suffered since our last issue as nearly accurate as possible:

"Texel"—Porto Rico for New York, sunk June 2, 60 miles South of New York. (Vessel had 42,000 bags sugar—vessel to U. S. Shipping Board or A. H. Bull & Co.) Cargo valued at about $370,000. Insured by New York underwriters.

"Carolina"—From San Juan, May 30 for N. Y. Sunk June 2 by a submarine. (Vessel to N. Y. and Porto Rico S.S. Co.) General cargo valued at about $1,000,000. Insured in the New York market. Hull probably insured in the Government War Risk Fund.

"Herbert L. Pratt"—From Tampico for Philadelphia, cargo of oil, was probably mined on June 3 off the Delaware Capes. Vessel beached at Lewes, Del., and afterwards floated, not much damaged and arrived at Philadelphia, June 6. (She had a cargo of 78,000 bbls. crude petroleum in bulk, consigned to Atlantic Refining Co.) Vessel valued at about $2,250,000. Cargo at about $500,000. Vessel and cargo probably uninsured.

"Winneconne"—From Norfolk, June 1 for Providence, sunk June 2 by bombs. (Vessel had cargo of 2,600 tons of coal.) Vessel probably insured in Government War Fund—cargo with local underwriters. Vessel valued at about $500,000. Cargo $20,000.

"Eidsvold"—From Cuba to New York, sunk prior to June 4, off Virginia Capes. (Vessel had cargo of sugar, consigned to Federal Sugar Refining Co., vessel to Munson Line.) Cargo valued at about $165,000. Insured with New York underwriters.

"Carpathian"—From Newport News, prior to June 4, for Liverpool, probably torpedoed, sunk 9 a. m. June 5, 100 miles off Virginia Capes. (Vessel had cargo of Grain and Flour.) Probably under Admiralty Charter and insured in some Government War Fund.

"Vinland"—From Cuba to New York, sunk 6 p. m., June 5, off Virginia Capes. (Vessel had cargo of Sugar). Cargo valued at about $650,000. Insured with local underwriters.

"Pinar Del Rio"—From Sagua and Caibarien for Boston. Torpedoed June 8, 75 miles off the Maryland Coast. (Vessel had cargo of 25,500 bags sugar for the American Sugar Ref. Co., vessel to Amer. & Cuban S.S. Co.) Cargo valued at about $375,000, insured with local underwriters. Hull valued at about $300,000, insured with local underwriters.

Vindeggen—From Chilian Port for New York, sunk on June 10, about 200 miles East of Cape Charles. (The cargo of Copper was consigned to the American Smelting & Ref. Co. and the wool cargo was consigned to Boston Merchants—vessel probably consigned to Booth S.S. Co.) Cargo valued at about $3,000,000. Has already been referred to in a special article. Insured with American and foreign underwriters.

"Henrik Lund"—From Norfolk, June—for Rio Janeiro, sunk on June 10, about 200 miles East of Cape Charles, had a cargo of coal. (Vessel consigned to W. F. Hager & Co., Philadelphia.) Cargo valued at about $150,000, insured with local underwriters.

Barks

"Samoa"—From Walfisch Bay, prior to April 22, for New York. Sunk by gunfire 8 a. m., June 14, 90 miles off Virginia Capes. (Cargo of copper consigned to American Smelting & Refining Co., vessel to S. O. Stray & Co.) Cargo of copper and wool valued at about $500,000, insured with American and Foreign underwriters.

"Kringsjaa"—From Buenos Ayres for New York, sunk by gunfire about June 14, about 90 miles off Virginia Capes. (Vessel and cargo of linseed, ship consigned to Benham & Boyesen.) Cargo valued at about $200,000, insured with local underwriters.

Schooners

"Happauge" (Motor)—From Portland, May 16, for Norfolk, torpedoed on May 28, supposed off Virginia. (Vessel owned by R. Lawrence Smith). Probably in ballast. Vessel probably insured in Government War Fund.

"Edna"—From Philadelphia, May 17, for Santiago, was partially destroyed by shell fire on May 25, vessel was later picked up as a derelict and towed to Delaware Breakwater, arrived at Philadelphia, May 28, had cargo of barrel oil. (Vessel consigned to A. D. Cummins & Co., Philadelphia.) Cargo valued at about $60,000, insured with local underwriters.

"Hattie Dunn"—From New York to Charleston, torpedoed May —. (Vessel consigned to J. A. Elliott & Co.) Probably cargo of cement insured with local underwriters, valued at about $20,000.

"Isabel B. Wiley"—From Perth Amboy, June 1, for Norfolk and Montevideo, bombed June 2, sunk off New Jersey coast. (Vessel consigned to Geo. Helliesen). Vessel probably in ballast, and war risk probably insured in Government Fund.

"Edward J. Cole"—From Norfolk for Portland, sunk June 2 off Barnegat—(had cargo of 2,547 tons coal, vessel consigned to Crowell & Thurlow, Boston). Cargo of coal valued at about $20,000. Probably insured by local underwriters, and vessel in Government Fund.

"Edward R. Baird, Jr."—From Palatka for New York bombed prior June 2. (Vessel had lumber cargo—was towed into Norfolk on June 11, by a steamer. Cargo of lumber valued at about $30,000. Probably insured with local underwriters.

"Samuel C. Mengel"—From Africa to New York, sunk prior June 2, about 175 miles South of New York. (Mahogany cargo, consigned to I. T. Williams & Sons, vessel to Sexton & Bryant.) Cargo valued at about $250,000. Insured with local underwriters. Hull about $135,000, probably insured in Government Fund.

Marine Losses

"Burma Maru"—On fire at Tacoma, May 24, probably heavy damage to cargo.

"Redondo"—Chili for U. S. Port—cargo of nitrate—ashore at Cuba. Cargo valued at about $50,000.

"Allanwilde" (schr.)—Cuba to U. S. with a full cargo of sugar, ran ashore near Lamberts Point. Will probably be a very heavy loss. Cargo valued at about $75,000.

"F. A. Kilburn"—Reported on fire at sea. Insured with local underwriters. Vessel valued at about $20,000.

"Mary Olsen"—Reported burned at Cienfuegos. Valued at $140,000. Insured with local underwriters.

In addition to these losses, were the numerous vessels which were stranded on the American Coast, and referred to in our last issue.

Taking into account all the disasters reported, in addition to the numerous heavy particular average and theft claims which underwriters are continually called upon to pay, and which are not public property, show that a serious state of affairs exists in marine underwriting circles.

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AFTER WAR COMPETITION

"Fairplay" Correspondent Agrees wi C. P. Stewart's Views on Cut Rate Tendency in Marine

"Fairplay," a British marine insu ance paper, publishes in its current i sue the following letter from a co respondent who signs himself "Q" a who supports the views recently e pressed by C. P. Stewart, president the American Merchant Marine Insu ance Co., Frank B. Hall & Co. and P. Stewart & Co.:

"Sir:—

"It seems to be generally admitt in the marine insurance market th a period of intense competition w follow the close of the war. Amo many of the second rate compani and their agents this period is n being anticipated, and it is not t common for merchants to be pester with offers of reduced premiums whi may mislead the unwary.

"A reduction of premium must le to disaster, and those merchants, misguided as to encourage it, will doubtedly suffer in the worthlessn of their policy. Already there s signs of sound underwriters standi on one side because of the uncert future brought about by an enlarg but also mainly an uneducated mar which has come into existence sin the great period of marine insura depression."

APPOINTS O'KEEFE & LYNCH

The City of New York Fire Insurance Co. this week appointed O'Keefe & Lynch marine managers and underwriters for the Company.

In Massachusetts the price of pl glass has been advanced twenty-fi per cent.

CASUALTY AND SURETY NEWS

Simplicity Feature of New Contracts

REFLECTING INTENT OF CARRIER

Revised Phraseology Relating to House and Non-House Confinement and Paralysis

In preparing the new accident and health policies, which it is proposed to make standard, the framers have more nearly met the intent of the carriers than has been the case in contracts now in use.

A striking example of this is seen in the temporary disability features. Recognizing that the real object of the insurance is to indemnify the assured for loss of time whether total or partial, the new contracts have been worded with a view to removing all ambiguity as to how this indemnity shall be paid. The misunderstandings heretofore experienced in connection with house confinement and non-house confinement, and whether the assured shall be indemnified for partial disability only after suffering a period of total disability, are believed to have been removed in the new forms by an entirely new presentation of the insuring clauses under the head of temporary disability, as follows:

TOTAL DISABILITY WITH CONFINEMENT TO HOUSE: If such disease shall wholly and continuously disable the insured and prevent him from performing any and every duty pertaining to his occupation and shall confine him to the house, the Company will pay the weekly indemnity hereinafter specified and within the limit hereinafter named, for the period of such confinement to the house.

TOTAL DISABILITY WITHOUT CONFINEMENT TO HOUSE: Or, if such disease shall wholly and continuously disable the Insured and prevent him from performing any and every duty pertaining to his occupation but shall not confine him to the house, the Company will pay weekly indemnity of one half the amount hereinafter specified and within the limit hereinafter named, for the period of such disability, whether preceded by a period of confinement to the house or not.

Indemnity for confining or non-confining disability, singly or combined, shall be payable for not exceeding fifty-two consecutive weeks.

New Disability Clause

Also, a marked change is noticeable, in the clause relating to blindness or paralysis from disease. An example of the old form stated:

If the Insured contract a disease which shall not terminate in death, but within one year from the date of this insurance, or any renewal thereof, shall result in the total and irrecoverable loss of the sight of Both Eyes, or in permanent paralysis which shall cause the Insured to irrecoverably lose the entire use of Both Hands or Both Feet, or of One Hand and One Foot, and on account of said paralysis be permanently and entirely unable to engage in any work or occupation for wages or compensation of any kind, the Corporation will pay to the Insured, upon filing, at the Corporation's Home Office, proof of loss of sight, or of the continuation of disability due to paralysis for fifty-two consecutive weeks, a further sum which together with any indemnity theretofore paid shall be equal to one hundred weeks single weekly indemnity under this Policy in lieu of all other indemnities.

Numerous instances arose under this and similar clauses where an assured might be so disabled as to be clearly deserving of indemnity, but his ailment might be such as to make it difficult to determine how he should be compensated. In fact, instances arose under which, according to the terms of the policy, he was clearly not entitled to indemnity.

Again, dwelling upon the intent of the carrier, the new proposed clause relating to permanent disability reads as follows:

LOSS OF SIGHT OR USE OF LIMBS: If the Insured shall suffer the entire and irrecoverable loss of (a) the use of both hands or of both feet, or of one hand and one foot, or (b) the sight of both eyes, as the result of such disease the Company will continue to pay him in lieu of all other indemnity, except for surgical or hospital indemnity, the weekly indemnity hereinafter specified during such period as the Insured shall independently of all other causes be thereby wholly and continuously disabled and prevented from engaging in any occupation or employment for wage or profit, but no payment under this Section C shall be made for any period of disability in excess of one hundred weeks.

No payment shall be made for temporary or permanent disability resulting from any disease for which the Insured is not treated by a physician, or from disease beginning within fifteen days from noon of the date of this Policy.

J. C. BUNYAN ADVANCED

Now Superintendent Metropolitan Department Ocean Accident & Guarantee

J. C. Bunyan has been appointed superintendent of the Metropolitan department of the Ocean Accident & Guarantee. He succeeds Frank G. Morris who some time ago was advanced to the position of assistant United States manager.

Mr. Bunyan has been in charge of the New York City claim department where he has been highly successful. He also has had charge of the Metropolitan underwriting department. He has been with the Ocean for seven years.

TRUCKMEN TO BE BONDED

Under the new freight delivery plan for New York, adopted by Washington officials, all truckmen must be bonded. This is in addition to the freight charge bond, with which surety men are familiar. Under this newer and additional provision, New York City below Fifty-ninth Street, is to be zoned and freight delivered to consignees immediately upon arrival without other notification. The business in each zone is to be handled by designated truckmen who will be held responsible for its delivery and possibly also for freight charges, if it is decided that they are to collect such bills. The surety men are still without word from Washington regarding the freight charge bond arrangements.

E. J. Sabater, of the American Surety in New York, has entered the American Tank Service at Camp Colt, Gettysburg, Pa.

The Fidelity & Deposit policies in Great Britain have been transferred to the Provident Accident & Guarantee.

Safety-First Inspections Reduce The Cost of Productive Industry:

1—By reducing the number of industrial deaths and injuries.

2—By reducing the number of dollars demanded for insurance protection.

Suggestions made by the safety engineers of the Maryland Casualty Company resulted in such a marked improvement of working conditions at a Buffalo factory that last month the owners of the factory secured a reduction in their compensation insurance premium of Two Thousand and Sixty Dollars.

Maryland Casualty Company

THE TOWER

BALTIMORE

State Insurance Not Dead Nor Sleeping

EVERY STONE BEING TURNED

Illinois Commission to Gather Data From Many Different Official Sources

How the commission charged with the investigation of health insurance in Illinois is proceeding is told by one of its representatives, who said that the State Health Department will do all the work the commission wishes on vital statistics. The same department is also making a number of community surveys. The insurance superintendent is to get the required details from the insurance companies. (It should be noted that the companies are thus being required to furnish the data upon which to construct a compulsory State system in opposition to them.) The State Department of Education will make a hospital survey of the entire State. The labor commissioner has certain data on industrial diseases and other matters which the commission can use. The State Tuberculosis Association is making a complete investigation of the facilities for the care of tuberculars of the State and the conditions and surroundings of those who were turned down at the army camps because of tuberculosis. Besides there is the medical inspection of school children from which it is expected to obtain data. The State Board of Public Welfare is making an investigation of outdoor public relief in all the counties of the State.

From this and what follows it will become evident to any insurance man that State health insurance is not dead.

The charity organizations in Chicago and outside will tabulate other material for the commission. This gives a comprehensive idea of the material the commission is appropriating and borrowing. In addition the commission has various other things it is investigating throughout the State. Another thing the commission has agreed upon is that the general census take does not get one very far. The general census, it says, will answer some questions, but it is argued that one must have intensive investigation of specific institutions. Besides the general surveys the commission is making it is trying to find out what the profit is. It is trying to do that in connection with foreign societies and in connection with charity cases.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building **PHILADELPHIA**

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

ANNUAL STATEMENT DECEMBER 31, 1917

Assets	$15,077,330.62
Liabilities	10,785,343.53
Capital	1,000,000.00
Surplus over all liabilities	3,291,987.09
Losses paid to December 31, 1917	60,740,294.97

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation, Steam Boiler Insurance; Fly-Wheel Insurance.

EDWARD GRIFFITH

EDWARD GRIFFITH is dead. In his passing the New York insurance district has lost one of its most striking characters and the health and accident business a remarkable man, for Edward Griffith had for twenty-five years been a leader in that line and one of its stalwart figures.

Back in 1891, when the agency of E. E. Clapp & Co. was in the making, Edward Griffith's star rose, to become the guiding influence in that office. He was born in New York in 1874 and his career with the Fidelity & Casualty began in 1888 under E. E. Clapp, then superintendent of the accident department. Mr. Griffith devoted his life to the development of the Clapp & Co. office and although deeply engrossed in the upbuilding of a record business, he always had time for the other fellow who was helping him in his task. He has therefore left behind him a particularly large circle of friends, many of whom he had been the means of materially assisting on the road to success. He was appreciative, big hearted, a liberal spender.

When but eighteen years old, Edward Griffith—a fine looking boy he was too—was placed in charge of the city accident department. That was when the office of Clapp & Co. was at 146 Broadway. Some of the older insurance men will remember the long, narrow office running back into the building which had numbers 146 and 140 on that thoroughfare. Above it was the Fidelity & Casualty office and to one side was the Travelers office. Mr. Griffith succeeded W. C. Burr. In those days William B. Mann, now of the Ocean, was a broker. Well he remembers the day Griffith first went to work. Earles F. Holmes, of the Travelers, was superintendent of the old United States Mutual.

From the day Edward Griffith began his insurance career he was recognized as one of the keenest, most alert and energetic young men in the business. When Mr. Clapp established the present general agency in 1893, young Griffith was appointed manager of its entire city department. There his progress was so rapid that Mr. Clapp invited him to become a partner in his firm, which was formed in 1895. That firm has since managed, as general agent, the Fidelity & Casualty's health and accident business in New York, New Jersey, Massachusetts and Rhode Island, and burglary business in the Metropolitan District. Its success has been wonderful. It is no slighting of his Company, nor is it forgetful of the capabilities of his partner, to say that he was the guiding spirit in their respective destinies in the Metropolitan District and that to his foresight, perseverance, energy and geniality is directly due their considerable success in that field. He had the powers of application and concentration developed to a remarkable degree. When the firm was formed the premium income was about $200,000. It grew rapidly until it reached $1,000,000 and was regarded with wonder throughout the health and accident field. But it still increased and reached a million and a half and now exceeds that figure.

Throughout his career Mr. Griffith demonstrated his striking ability to successfully handle men. His mental processes were of the quickest; he thought deeply and well; he drew men to him, who in turn looked up to him and admired him for his capabilities, his openhandedness and boundless optimism and they enjoyed the warmth of his sociability. He entertained lavishly. He also possessed the rare faculty of



EDWARD GRIFFITH

adjusting difficult claims so that everybody concerned was satisfied with his decision.

Entering the business at a time when the brokerage field had been little developed, he immediately saw great possibilities there and proceeded with his peculiar talents to develop them. Many are the stories told of the unusual methods he employed to draw to his office the best business getters among the brokers. He built up a reputation for quick, snappy service. It was one of his notable accomplishments that while paying a moderate rate of commission, the Clapp office was enabled to build up so large a business notwithstanding what were apparently greater inducements offered from time to time elsewhere. Early in his career, Mr. Griffith's abilities attracted the attention of the late George F. Seward, formerly president of the Fidelity & Casualty and one of the brightest men in the business. They were warm friends for many years.

Edward Griffith never married. He lived at the Hotel Plaza, was a lover of sports, enjoyed the showy life of a great city and belonged to many clubs. He indulged his love of dress, on which his friends used years ago to twit him. He was especially fond of horses and was an occasional exhibitor at horse shows. Mr. Griffith was a director in the Church-Ward International Steel Company, Gross & Gross Company, and a member of the American Peace Society, St. David's Society, American Museum of Natural History, Metropolitan Museum of Art and the Chamber of Commerce. He was a member of the Republican, Down Town, Economic, Columbia Yacht, Lambs, Sleepy Hollow Country and the Larchmont Yacht Clubs. He was a vestryman of All Angels' Church.

Thursday of last week he suffered a hemorrhage of the stomach and his physicians said that if there were no immediate recurrence of the attack he might recover. But he was seized again Friday night and died within a short time. He had up to that time been in apparently good health.

HAMLIN & CO. TO MOVE

Hamlin & Co., who have been located at 45 William St. for a long term of years, have moved to 80 Maiden Lane, where the office now occupies one wing of the nineteenth floor.

WILLIAM STREET

Lost in the Woods

"Getting away from it all," as the highbrows say, has been accomplished to the queen's taste by Agency Director C. Clark Howard and Assistant Secretary H. F. Weissenborn, of the Great Eastern Casualty. They started off together last week, headed for the Catskill region, never stopping until they considered themselves safe in the sticks some twenty-eight miles from a railroad where they say there are a few trout left. Well, the boys and girls in the office are waiting to see the pictures, for all of them are from Missouri.

* * *

Not Satisfied

While the revisors of the accident and health policies may have feared that they were cutting too deeply into the frills, it may be cheering for them to hear that at least one New York manager is disappointed that they did not go deeper. Why, he asks, did they leave in the accumulation feature at all and why were not the hospital fees gotten rid of, while the surgeons had the patient on the table?

* * *

Actor Carried Insurance

Joseph Welch, the actor, was found to be incompetent and unable to manage his own affairs, according to the report of a sheriff's jury filed in the New York Supreme Court. The result of a medical examination disclosed that he was suffering from paresis, resulting in weakness of mind and violent actions. The actor's wife, Sadie, and his two daughters obtain $514 a month during his lifetime, by the provisions of a disability insurance policy.

Pushing State Insurance

The Massachusetts Constitutional Convention has adopted a resolution providing for an amendment to the constitution authorizing the legislature to enact laws for old age, disability, health, maternity, unemployment and accident insurance, medical care, protection of workmen from attachment of their rights in these respects, contributory or non-contributory pensions and the right of jury trial to determine the standing of litigants in these different fields of action.

* * *

Premiums Payable Quarterly

After July the Massachusetts Bonding will accept quarterly, semi-annual or annual premiums on all forms of commercial accident and health policies. The agent will still have every incentive to write and collect business on the annual basis, because he will so secure a full year's renewal from one transaction instead of two or four. He will further have the privilege of writing on the quarterly or semi-annual basis such prospects as this plan will accommodate.

FARRISH'S CHOP HOUSE
Cor. John & William Streets
THE PLACE in the Insurance District to eat lobsters
NOW IN SEASON
Whole cold lobster 65c.
Whole broiled lobster 75c.

LIABILITY DEPARTMENT
Continental Casualty Company
H. G. B. ALEXANDER, President
is now ready to negotiate agency connections covering all lines of Workmen's Compensation, Liability, Automobile Insurance in the following states: New Hampshire, Vermont, Iowa, Kansas, and portions of Michigan, Indiana, Wisconsin and New York.
Also in the various Provinces of the Dominion of Canada
Premiums written 1917.....$5,500,000
Assets over 3,000,000
Address Agency Department
910 MICHIGAN AVENUE, CHICAGO

W. F. MURPHY & CO., Inc.
RESIDENT MANAGERS
Chicago Bonding & Insurance Company
FOR NORTHERN NEW JERSEY
ATTRACTIVE AUTOMOBILE RATES.
Union Trust Co. Bldg., JERSEY CITY
Telephone Montgomery 3283

C. A. CRAIG, President W. R. WILLS, Vice-Pres. C. R. CLEMENTS, Sec. & Treas.
The National Life and Accident Insurance Company
NASHVILLE, TENNESSEE
Industrial, Life, Health and Accident Insurance in ONE policy

BUSINESS=BUILDERS
DEVELOPING
Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE
APPRECIATE THE CO-OPERATION OF THE
Massachusetts Bonding and Insurance Company
BOSTON
T. J. FALVEY, President
Paid-In Capital $1,500,000
Write For Territory

CASUALTY AND SURETY POINTERS

True Conception of Insurance

The Aetna Companies of Hartford are distributing a well worth while booklet entitled "The City of Happiness Is in the State of Mind." Here is what it says:

Business is life and life is business. Without regular occupation we soon collect rust, creak on our hinges and become a burden to ourselves and to others.

It matters little what a man's business is, but his attitude towards his business matters much. Hence the business of life is one of relationships.

A fish pedler who rejoices in his labors is happier than a bank president who sulks at his desk.

There is sufficient gloom in the world as it is—the man who adds to it should be placed on a greased chute with no stop-over privileges, for grumbling, like the measles, is contagious.

Insurance, as we know it now, is really a development of the most ancient of ideas. It undoubtedly originated in a primitive religious conception.

The first insurance agent was a prophet. He represented The Present and Eternal Assurance Company, Unlimited.

The premiums consisted of allegiance, submission and support. The face value of the policy guaranteed content here and happiness hereafter.

The modern insurance policy differs from its ancient prototype only in that its benefits are confined to this world, and this world is a very important place.

Insurance guarantees us not only protection against financial loss, but also against anxiety.

Therefore, the man who invented modern insurance conferred a benefit upon the human race and the business man in particular.

Well chosen insurance placed with a substantial company that is governed by men of integrity and wisdom, makes for contentment, absolves us of worry and gives us freedom to attend to our other complex problems of making a living.

Insurance furnishes us protection against the unforeseen and against the fear of the unforeseen.

Mental stress is the hardest to bear. Wise insurance allays mental stress. It also provides financial support in emergencies; it makes for content, and content is happiness. Truly, the City of Happiness is in the State of Mind, and the state of mind of the business man whose chances of loss are covered by Aetna policies is far happier than that of his neighbor's who perhaps has neglected to make this wise provision.

* * *

How War Helps Bond Business

How the war has increased hazards that may be covered by surety bonds is described by W. G. Curtis, manager for the Aetna Casualty & Surety at Albany, N. Y., in a letter to prospects in which he says:

"Never before have such large amounts of money been circulated and disbursed by the Government. Never before has there been the necessity for insurance in all branches and particularly in that branch known as corporate suretyship. The foundation of business is sound finance. We have an army and navy to protect our homes and insurance to protect against the intrusion of a burglar. A great number of industries, however, fail to realize the necessity of protecting from leakage or peculation from the inside, but economic conditions as existing at the present day have made the demand for the protection of finance almost mandatory.

"Employes of long service are being drafted in the service of the Government, necessitating the employment of new and inexperienced men. Bond your employes if you have not already done so. If they are bonded, scrutinize your protection and consider whether it is sufficient to cover the amount of funds handled by the individual and the responsibility of the position bonded. Human nature may fail to protect, but a corporate surety bond reposing quietly in a safe deposit vault never fails in its protection or responsibility. The spirit of economic unrest is in the air. A pecuniary loss in business today might dissipate the efforts of a lifetime. Your country calls for the carrying on of industry. If you fail, you retard progress and become a flat cog in the wheel. It is, therefore, incumbent upon you to protect and safeguard your finances, the vital organ of your business, with a safeguard in the form of a corporate surety bond."

DROWNING NOT ACCIDENT

Claim That Insured Suffered From Heart Trouble and Died of Disease

The Supreme Court of California has decided that if an accident is the proximate cause of drowning, the nature of the accident is immaterial as to liability under a personal accident policy. The case decided was that of Kinsey vs. Pacific Mutual Life. The insured was drowned while bathing in the surf.

The Company set up as a part of its defense that there was a breach of warranty in that the insured was afflicted with heart disease at the time he took his policy and that his death was due to disease and was not an accidental drowning.

The Court instructed the jury that if they found that the insured was drowned as the result of an accident it was immaterial how he came to drown, providing it found that such drowning was the proximate result of accident. The ultimate fact was that he was drowned as the result of accident. The nature of the accident which caused him to drown was immaterial.

NO RIGHT TO PRORATE

Colorado Court Decides Case of Mining Superintendent Who Changed Occupation

Although an insured changed his occupation from that of mining superintendent to that of a timberman, but at the time of injury was not engaged in the occupation of a timberman but had quit it without intention of resuming the occupation and with the intention of engaging in his usual occupation of mining superintendent, the Supreme Court of Colorado, in the case of Anderson vs. Midland Casualty, has decided that the Company has no right to prorate a claim on the grounds of a change of occupation. The insured was killed when with a party of others he was going from Ouray County to Delta, Colorado, to spend Christmas with his family. His death was caused by a snow slide at which time he was not in the employ of anyone.

The Employers' Mutual Liability Insurance Company, of Wausau, Wis., has bought a site on the square in that city, upon which it is planned to build an office building for its own occupancy.

FEDERATION MEETING UP-STATE

A meeting of Delaware County insurance men was held at Delhi, recently, in the interest of the Insurance Federation of the State of New York. W. T. Black, chairman of the Delaware County Committee of the Federation presided, calling attention to the growing demand for state insurance, and pointing out the bad effects which would result from its adoption. Stanley L. Otis, executive secretary, spoke of the history and growth of the Federation movement and its relation to the insurance business. Other speakers were: Arthur T. Bouton, secretary of the Order of the Golden Seal and C. C. Scutt of Hancock. The county committee consists of W. T. Black of Delhi, chairman; Arthur T. Bouton, Roxbury; O. S. Nichols, secretary of the Security Mutual Fire Insurance Company of Delaware County; W. W. Bates, Sidney; H. S. Ogden, Walton; and J. H. Hitt, Margaretville, and C. S. Robinson, of Stamford.

Wm. H. Hecox of Binghamton is the director of the Federation for the district including Delaware County. The meeting resulted in increased interest in the Federation work, and many new members were added to the membership roll. C. C. Scutt of Hancock was elected the delegate to the annual convention of the Federation.

NO CHANGES ANNOUNCED

No changes have yet been announced in the personnel of the E. E. Clapp & Co. office in New York, following the death of Edward E. Griffith. The unusually fine organization of the agency is being maintained as well as could be possible considering the sudden loss of so important a factor as Mr. Griffith.

H. L. Herrington, liability department manager for the Travelers in New York, is still at home ill. Assistant Manager F. N. Dull is in charge meanwhile.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE
CHICAGO

F. W. LAWSON
General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers
New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

American Surety Company *of* New York

100 BROADWAY

Fidelity and Surety Bonds

Burglary Insurance

The Employers' Liability Assurance Corporation, Ltd.

The original and leading Liability Insurance Company in the World

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE

United States Branch

SAMUEL APPLETON, United States Mgr.

Employers' Liability Building

33 BROAD STREET, BOSTON, MASS.

AGENTS WANTED

To the Man Who is Willing—and Will

SAN JACINTO LIFE INSURANCE CO. - BEAUMONT-TEXAS -



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

NIAGARA LIFE BUILDING



Mohawk Cor. Franklin Street, Buffalo, N. Y

The Combined

Life, Sickness and Accident

policies, sold only by the

Niagara Life Insurance Co.

(WILLIAM H. CROSBY, President)

Protects the insured and his dependents.

Live wire reliable agents may obtain very favorable contracts

Communicate with

E. H. BURKE

Vice-Pres't & Gen'l Manager

BUFFALO, N. Y.

CO-OPERATION No. 13

Our effective plans of co-operation with new representatives (1) attract the best type of men to the business and (2) enable them to secure a substantial production during their training period.

A group of thirty new representatives who contracted with us in 1916 or early in 1917 reported $111,671.06 in new premiums during 1917.

Phoenix Mutual Life Insurance Company

of Hartford, Conn.

JOHN M. HOLCOMBE, President

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus,	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire,	1,051,543.00

Liverpool and London and Globe Insurance Co. LIMITED

Over $152,000,000.00

Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

Commerce

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 29 NEW YORK, FRIDAY, JULY 19, 1918 $3.00 a Year; 25c. per Copy

AMERICANS PLAN FOREIGN OPERATIONS

Committee of Which C. G. Smith is Chairman to Report Next Wednesday

SOUTH AMERICAN FIELD FIRST

Conditions in Argentine and Brazil Looked Upon Favorably for Fire Company Expansion

On Wednesday of next week the committee consisting of C. G. Smith, president of the Great American, chairman; Wilfred Kurth, secretary of the Home, and one other company official whose name is deleted by censor, will report on the proposed association of American fire insurance companies, having for its object the extension of the operations of domestic companies to foreign countries, and presenting a constitution and by-laws for the proposed association.

The high ideals of American participation in the war, backed by consistent action and tremendous resources, are making valuable friends in all entente and neutral countries. Our North and South American neighbors need no further proof that the "Monroe Doctrine" is neither a "Decoy," nor a "Scrap of Paper." We entered the war to convince the "Hun" of our sincerity of purpose, and in accomplishing this shall incidentally convince our neighbors and allies of our friendly sincerity of purpose toward them.

We are building a great fleet of ships that will be available for trade purposes when peace comes. If this growing friendship, mutual respect and trade facilities, do not lead to greatly increased trade relations with all those friendly countries, our greatest national opportunities will be lost by neglect on our part.

Duty to Protect Capital

It is pleasing to know that at least some of the large American companies are alive to the situation and that a meeting has been held and progress toward an organization to investigate insurance conditions in South American countries was made. The management of these companies are entitled to credit for their foresight and public spirited action. It is not only an opportunity and privilege that has opened up to American companies, but a duty to protect with insurance cover American capital that will be invested in this foreign trade.

It is understood that the companies will first turn their attention to South

(Continued on page 17)

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,-972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents
EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

PROTEST AGAINST EXCESSIVE TAXATION

Northwestern Mutual Men in Session—Dr. C. E. Albright Still Maintains His Lead

CLENDENIN WINS MARATHON

Rudolph Recht Heads Agents; Franklin Mann, General Agents; T. A. Peyser, Specials

By telegraph to The Eastern Underwriter

Milwaukee, Wis. July, 17, 1918.—At the opening of the forty-second annual convention of the Agents' Association of the Northwestern Mutual Life Insurance Co. Tuesday morning, the first business transacted was the sending of a telegram of loyalty and support to President Wilson, and a message of remembrance to Captain Millard W. Mack, of Cincinnati, president of the Agents' Association, who is at present in France on duty for the government as Chief Risk Officer.

W. D. Vandyke, vice-president of the Company, welcomed the agents and R. Recht, of New York City, responded in the absence of President Mack. Over 300 members attended, a remarkable number when it is considered that 305 of the members of the Association are in the war service and railroad fares have advanced enormously.

Agents' Association Officers

Officers of the Agents' Association were elected as follows: president, Rudolph Recht, New York City; vice-president, Capt. Millard W. Mack, Cincinnati and secretary-treasurer, Frank B. Gilotty, Milwaukee.

The following standing committee was elected: Chairman, L. F. Larson, Kansas City, Mo.; Charles Hamburger, Chicago; M. L. Woodward, Detroit; E. G. Emmert, Muskogee, Oklahoma and W. F. McCaughey, Racine, Wis.

The election of Rudolph Recht, who presided at the meeting as president, followed precedent but the election of Capt. Mack shattered it, but is considered to be a pretty compliment to the president of the Agents' Association, who has not had the privilege of acting so far. His present election as vice-president anticipates his coming into all honors and privileges of president in 1920.

General Agents' Association Officers

Officers of the General Agents' Association were elected as follows: president, Franklin Mann, Omaha,

THE PILOT POLICY

Neb.; vice-president, F. A. Griswold, Hartford, Conn. and secretary, M. W. Mack, Cincinnati. P. T. Throop, of Nashville, Tenn., for nineteen years president of the General Agents' Association, declined re-election.

Officers' District and Special Agents' Association

The following were named as officers of the district and special agents' association: president, T. A. Peyser, New York; first vice-president, L. U. Holthe, Muskegon, Mich.; second vice-president, R. F. Clendenin, Paris, Ky.; secretary, D. P. Haynes, Chicago. Directors to fill vacancies: H. Coffen, Chicago; M. L. Woodward, Detroit; D. E. Baker, Minneapolis; C. A. Smith, Hammond, Ind. and E. B. Stinde, St. Louis.

Government Endorsement

The spirit of the sessions fairly breathed of hopefulness and optimism, despite the grim realization of the enormous burdens and grave problems at hand.

The government's remarkable endorsement of American life insurance by adopting it as first selection out of any number of substitutes for the onerous and profligate pension system of old, is taken to mean that the business of life underwriting not only is to-day more firmly entrenched than ever before, but its continued growth and development at the close of the war appears to be a foregone conclusion, for life insurance is become the mighty protector of millions of dependents at home and the lessons taught by the government is regarded as the most valuable yet furnished for the millions of young Americans growing to maturity.

Protest Unreasonable Taxation of Business Life Insurance

It was generally acknowledged that a disturbing factor in life insurance at the moment, particularly as concerns the continued success of the solicitor or agent, are the ramifications of the income and excess profits taxation scheme as it affects partnership or corporation indemnity.

A resolution was adopted in protest against any plan of unreasonable taxation of the proceeds of such policies, which may so increase so-called income of partnerships or corporations as to subject net incomes to the higher schedules of a super-tax to a wholly unwarranted extent. It is felt that the fate of partnership or corporation insurance is in jeopardy on this account at a time when it is a most valuable factor in the commercial and industrial structure of the nation.

Dr. Albright Leads Again

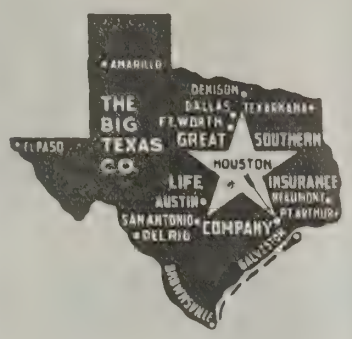
The presentation of certificates and tokens of merit to the largest producing agents for the annual period ending June 30 in various classes was made by Myron H. O. Williams, assistant superintendent of agencies.

The grand prix was for the twelfth consecutive time awarded to Dr. Charles E. Albright, special agent in Milwaukee, who wrote a total of $1,503,000 of new business during the year and consequently won premier honors among all agents entitling him to his usual place in class A.

Herman Duval, New York City, won the honors with a total of $1,223,000 in class A, limited to agents who have written on an average of $500,000 or more business during the last three years. August Rosenberg, New York City, reporting $923,000, won the class B award, $400,000 to $500,000 average. H. C. Fricks, Omaha, Neb., with $905,950, won class C, $300,000 to $400,000 average. R. W. Cameron, Portland, Oregon, with $750,100, won class D, $200,000 to $300,000 average. Max Berg, Philadelphia with $652,300, won class E, $150,000 to $200,000 average. Dr. J. F. Rigg, Mt. Pulaski, Ill., with $500,000 won class F, up to $150,000 average.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

Clendenin Marathon Winner

R. F. Clendenin, Paris, Ky., won the prize for writing the largest number of individual lives, namely 207, which is the greatest number ever written by a Northwestern agent and exceeds the previous high mark of 198, made a year ago. This award also entitled Mr. Clendenin to the post of president of the Marathon Club, consisting of Northwestern agents who write 100 or more lives per annum.

Other Honor Men

This year's "honor men" consisting of agents who have been under contract less than three years, have written more than $150,000 a year, and have not heretofore qualified in a higher class, are as follows: C. E. Anderson, Peoria, Ill.; G. C. Blanchard, Augusta, Ga.; C. S. Bullock, Trenton, N. J.; C. C. Crooks, Baltimore, Md.; Oscar Dehner, Kansas City, Mo.; C. R. Eckert, Greenfield, Ohio; J. E. Elder, Peoria, Ill.; W. D. Erwin, Albuquerque, N. M.; Wilson Ferguson, Newcastle, Pa.; F. S. Gordon, Racine, Wis.; S. W. Kenyon, Utica, N. Y.; W. H. Lockhart, Denver, Colo.; T. J. Masterson, St. Louis; W. R. Nelson, Buffalo; A. J. Pierce, Saratoga Springs, N. Y.; E. A. Pettingill, Cleveland; C. A. Phelps, New Berlin, N. Y.; I. C. Renfrew, Hutchinson, Kas. and H. W. Shedd, Chicago.

Set Addresses Tuesday

P. G. Rennick, Peoria, Ill., special agent, delivered an address on "Excess Tax and Life Insurance" at the Tuesday afternoon session, in which he gave a clear and concise exposition of the history and details of the Federal income tax laws since their institution in 1913.

W. F. Atkinson, of Brooklyn read a paper on "War Insurance and its Endorsement of Life Insurance" (which is printed in part in another column of this paper) and Herbert N. Laflin gave an oration "Life Insurance and Democracy."

Congress Petitioned for Change in Law

RESOLUTION BY LIFE AGENTS

Northwestern Mutual Men Mix Patriotism With Business at Milwaukee Meeting

By telegraph to The Eastern Underwriter

Milwaukee, Wis., July 18, 1918.—The banquet of the Agency Association of the Northwestern Mutual Life, held Tuesday evening, was an all star event with Charles D. Norton of New York City, E. J. Cattell of Philadelphia, and Hon. John H. Atwood of Kansas City, leading men.

Mr. Norton is a native of Wisconsin and at one time was office boy in the employ of the Northwestern Mutual Life. He is now president of the First Trust Company of New York, one of the leading Red Cross workers of the country and member of commission sent across seas to investigate war conditions. He told of them graphically and intimately.

The theme of his talk was "Make Germany Pay." He said, "Nothing but the patient labor of millions of farm hands can restore to use the overwhelming acres of Northern France and I only repeat the hope that the day may come when before equally destroying a beaten Germany, the Allies may turn the defeated German armies, with all their housing and mobile equipment of war into the vast project of restoring those ruined lands and cities through years, if necessary, of penitential labor. It is abhorrent to one's sense of Divine justice to think that such wholesale and murderous destruction shall not be restored by those who are responsible."

Cost Inconsequential

E. J. Cattell, stationer of Philadelphia, was optimistic. He thought the present war had averted an American internecine war and that what we now paid was inconsequential compared to the possibilities of our resources.

"Atwood Damns The Hun"

Hon. John H. Atwood, of Kansas City, injected pessimism into the occasion. He damned the Hun and bitterly attacked German propagandists in persons of American profiteers. He said in effect that one ought to search out the most horrible tortures that German command had inflicted and subject Kaiser and his sons to that same torture surrounded by an American army. His message was one of hate upon which to build a Christianized Democracy as opposed to brutal power.

Old Guard Feature

Wednesday morning program was in charge of Royal S. Goldsbury of Pittsburgh. An interesting feature was marching of "Old Guard" into hall, the "Old Guard" being agents who had been under Northwestern contracts for 20 years or more. There were 35.

Clendenin Tells How

Roy F. Clendenin of Paris, Ky., who wrote 207 lives last year told how he did it by graphic illustration. Briefly his successes were due to offer to make each policy subject to inspection and approval. His feat is remarkable when fact is stated that the 207 lives were within the limit of a single country and practically all were farmers.

Dallas Answers Question

"Why are we not selling more endowment policies?" was question answered by W. H. Dallas of Agency Department. He said Government adoption of installment form of life insurance in its plan of Federal indemnity for fighting forces is an endorsement which should make it an exceptionally popular and business producing option for agents. Progress of installment insurance has been slow because of a lack of knowledge and appreciation of its importance and advantages, but with the advertising given by the Government war risk bureau, these reasons are rapidly being overcome.

War Makes Growth

That life insurance is not a young man's proposition was contention of Flavel L. Wright, of Harrisburg, Pa. He said fact that 30 per cent. of the potential prospects had gone to war, was not serious. War was all the more reason why life insurance should grow.

John I. D. Bristol, Ill.

John I. D. Bristol, of New York, was slated for a response to the 60th Anniversary of Company, but was suddenly attacked with an acute case of indigestion.

Tyrrell Commandeered

Henry F. Tyrrell, Librarian, who wrote semi-centennial history of Company, was commandeered and on five minutes' notice responded with a review of history of Company from inception. He paid tribute to the genius of late Henry S. Palmer and his successor, George C. Markham, whose tenth anniversary as president was celebrated Monday.

Tax Resolution Sent To Congress

By resolution Congress was petitioned to amend Federal Income Tax Law to remove from taxation proceeds of partnership or corporation insurance policies. The inclusion of such monies in present law has made it prohibitive for partnerships or corporations to purchase such insurance and is regarded as an unjust discrimination against a most necessary and popular form of life indemnity.

Resolutions of sympathy at tragic death of Miss Clara Mae Copeland, daughter of George E. Copeland, superintendent of agencies, two weeks ago, also were adopted.

How To Sell Half Million A Year

Five minute talks on How to Sell a Half Million a Year by some who have done so, were interesting.

I. Kauffman, Minneapolis, who has

(Continued on page 7)

Mr. Field Man: Detroit, July 18, 1918.

Do you know:

That the NORTHERN ASSURANCE COMPANY of Detroit, Michigan, has lived up to all the traditions of the highest purposes of life insurance;

That it stands for the highest ideals in underwriting and that its slogan is, and always has been, CLEAN MEN AND CLEAN METHODS in its field work;

That it is writing more insurance per capita per agent than any other American life company?

If you are interested in knowing something of our Home Office system which makes this possible, we will be glad to hear from you.

Address, CLARENCE L. AYRES, *President,*
DETROIT, MICHIGAN.

Equitable Spirit Strong at Meeting

W. J. GRAHAM TALKS ON GROUP

Sectional Meeting Devoted to Life Insurance as Factor in Winning War

Last week we printed a story about the Eastern Century Club and the Eastern Quarter Million Club of the Equitable Life Assurance Society field forces meeting at Asbury Park, N. J. The article we printed did not tell the story of the activities of the Society officials and the delegates who had qualified for the club memberships. It is doubtful if any report could even in a small way carry the message of usefulness of these meetings.

After plugging all year to win membership in one of the Equitable Life's Clubs, those who are fortunate enough to qualify gather in various sections of the United States to indulge in several days of the most strenuous work possible, swapping experiences, discussing plans and listening to important announcements from the Home Office.

The Equitable Life Club meetings are bee-hives of activity. They are filled with action from beginning to end. The program always provides for one day on which no formal business is scheduled and strange as it may seem, there is more going on on this day and the delegates get more from their voluntary attendance at sectional conferences than they do from the rest of the meeting.

Spirit That Wins

There is a real Equitable spirit which dominates the delegates on this day. It is a spirit that puts life into life insurance. It is a spirit that gets more for delegates attending any meeting. It is a spirit that should be found in all meetings of life insurance men where they are gathered together for business conferences.

Play, certainly, but let the interest in the work in which one engages be so deep that all of the recreation incident to playing can be found in attending sessions of the meeting by loading up the bunkers for the winter of production ahead.

More than 85 per cent. of the delegates to the Equitable Club meetings attended the informal conferences arranged for the day set aside for play, and when they tried to adjourn at noon there was a demand made for the continuation of the conferences and after a recess they were resumed and continued until the sun was sinking low in the West under the new time schedule.

On the first day of the conferences Vice-President Lunger, presented to the delegates some interesting figures resulting from the companies' activities the first half of 1918, after which he presented plans for the last half of 1918.

Graham Talks on Group

At other sessions of the conferences Second Vice-President Rosenfeld, and Third Vice-President Graham, presided over a special group insurance meeting which the delegates agreed was one of the best ever held at an Equitable meeting. Third Vice-President Graham delivered an illuminating and practical address on "Salesmanship in Connection with Group Insurance" which could be applied just as readily to any other phase of life insurance selling.

Other sessions of the conference were presided over by Secretary Alexander whose topic was "Using the Tools Now in the Hands of Agents." Second Vice-President Wilson had charge of the section devoted to "Life Insurance as a Factor of Winning the War." Second Vice-President Taylor presided over the section devoted to "Salesmanship and Selling Points."

An attractive feature of the conference was the attendance of women delegates, some of whom were called upon to speak. In the discussion relating to the sale of income bonds the ladies took an active part. No little interest was manifest in the activities of the ladies making notes while listening to the discussions in various sessions of the conference.

CALLS OFF CLUB TRIP

Missouri State Life Will Compensate Qualified Members on Basis of $1 per Thousand.

After receiving expressions of opinion from leading fieldmen of the Company, the Missouri State Life of St. Louis have decided to abandon the seven days' cruise of the Great Lakes offered to the qualified members of the $100,000 Club.

In lieu of this trip the officials of the Missouri State have advised their fieldmen that they will be compensated on a basis of $1.00 per thousand on the total amount of paid for business produced by him during the 1917-1918 Club Year.

INDUSTRIALS GO FISHING

The Long Island staff of The Prudential went fishing recently. Capt. Singraf of the Lillian M. steered the party out off Fire Island Inlet. They put in the day hooking flukes. Those who made up the jolly party were J. F. Cousland, Edward Aberle and George Gleste of Lindenhurst; John Hodnett of Bay Shore; Howard Reeves of Patchogue; R. Thompson of Babylon; L. Marchent of Patchogue, and Jesse Jones of Farmingdale.

Provisions of Mitchel Policies

NAMED THREE BENEFICIARIES

Widow Receives Income of $400 Per Month for Life—His Mother $200

The following statement of the provisions of the life insurance policies of Major John Purroy Mitchel, former mayor of New York City, was received by The Eastern Underwriter on Wednesday from George W. Johnston, of the Johnston & Collins Co., general agency of the Travelers:

The statements in the press concerning Ex-Mayor Mitchel's life insurance have been so variously and incorrectly stated that it may be of public interest to know the real facts about it. If the insurance issued by the Travelers Insurance Company did no more than as generally described, it would cause a reflection upon the intelligence and unusual business sense of the Ex-Mayor, and it is in justice to his memory and as evidence of his keen foresight that the following explanation is made.

While still Mayor he decided to secure an absolute protection for three beneficiaries—his wife, his mother and his aunt. As a lawyer he was aware of the dangers attending the payment of large sums of money to women, and he believed that an income for life was the only sound and permanent protection. He therefore provided as follows:

240 Payments To Be Made

For his wife an income of $400 a month as long as she should live, no matter how long. If she should die within twenty years after his death there is no forfeiture, but the incomes would continue to be paid to the widow's estate until at least 240 payments had been made, or a total minimum amount of $96,000. In this way he protected the whole lifetime of his widow and left a reversion to her estate.

Another policy provides for an income to his mother of $200 a month as long as she lives, but in no event less than twenty years. If the mother dies within twenty years after his death then for the balance of the twenty years the income of $200 a month is paid to her sister, his aunt. If both mother and aunt die within twenty years the remaining incomes are paid to the widow until at least 240 payments are made, a total of $48,000.

It was considered sufficient that the income to the aunt would last for twenty years, since on account of her age it was not likely that she would live more than twenty years.

It may also be of interest to know that while the official proofs of death were only finished yesterday, checks for the first incomes have already been paid to the respective beneficiaries.

The accuracy of this statement may be relied upon because the insurance was negotiated by Wm. R. Collins, vice-president of the Johnston & Collins Co., general agents of the life department of the Travelers Insurance Company, of Hartford, Conn., in New York City.

GREAT JUNE DRIVE

New England Mutual Went "Over The Top" With More Than $7,500,000 Production

June is always a great month with the general agents of the New England Mutual Life. This year it was the best ever. In advising his fellow producers of the results of the Policyholders' Month Campaign, Director General of the campaign, Wilson Williams, president of the General Agents' Association of the New England Mutual Life said:

"'The great June Drive' resulted in seven and one half millions paid-for new insurance. There is glory in this achievement for us all. We had set our hearts on seven millions, planned to get it and determined to be satisfied with nothing less.

"The zeal and distinguished service of the New England Mutual's entire agency force during 'Policyholders' Month 1918' will long be remembered to their praise. They combined with their recognized loyalty a vigorous demonstration of capacity for doing big things."

SEA-PLANE ACCIDENT CLAIM

The Bankers Life of Des Moines recently paid its first death loss as a result of a sea-plane accident when it mailed a draft for $5,000 to the beneficiary of Byrl E. Sylvester, of Plainfield, Minn., who died on June 19, 1918 in a sea-plane accident at the U. S. naval air station at Pensacola, Fla. The young man was twenty-six years old and had carried his insurance almost exactly six years. He had seen service and had been wounded on the battle front in France before entering the naval aviation work of this country.

PAYS TO ADVERTISE

Ask H. K. Beegle of The Woods Agency of the Equitable Life at Pittsburgh about it. The Woods Agency set $4,000,000 in new insurance as its advancement for June. Buttons signifying this were issued to all members of the agency. At the close of business one afternoon Mr. Beegle transferred his button from the lapel of his business suit to his golf clothes and while on the course his button brought about a conference regarding a $100,000 policy.

Don't forget the railroad men as prospects. They are making more money now than they ever have.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

ncorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Paul S. Burns On Twisting

CITES RECENT BOSTON CASE

President of Boston Life Underwriters' Association Gives Views to Daily Paper

Paul S. Burns, manager in Boston of the Mutual Life and president of the Boston Life Underwriters' Association, is given as the authority for the following arraignment of twisters which appeared in the "Boston Advertiser" on Monday:

Mr. Burns told of a certain man in Boston who had $10,000 insurance on his life, who felt he had made comfortable provision for his little family. He felt that nothing could induce him to part with this policy. However, this man also owned a valuable business property upon which there was a mortgage of $1,500.

The security for the debt was ample and there was no doubt that the loan could be continued indefinitely, but in an evil day a life insurance "twister" called his attention to the fact that he was, nevertheless, still in debt and that he was uselessly squandering $75 of good money each year in the way of interest. "Why not cut out the debt and cease paying interest?"

Looked Simple

It was "very simple." He had carried his life insurance ten years and he could now surrender his policy for $1,518. With this cash he could cancel the debt on his property, while at the same time he could take out a new policy for $10,000 in the twister's company. Thus his property would be free from incumbrance and he would have the same amount of protection as before.

The proposition looked very attractive, but the insured wisely took the precaution first to consult the representative of the company which had issued his existing policy. He then found that, as he was now ten years older than when he first insured, he would have to pay a premium of $411 on his new policy, instead of the old premium of $290. He might get a lower premium somewhere, but dividends would also be smaller or none at all, while, in any event, the dividend on a policy ten years old would be relatively much larger than on a new policy.

By the proposed deal he would be saving $75 interest, but would be paying $121 more in the way of premium —a net loss of $46 yearly, not taking into account the relatively smaller dividends on any new policy. Besides, his old policy, having gone through the probationary period, was now absolutely incontestable and free from all restrictions, while any new insurance that he might secure would be subject to sundry restrictions and conditions for one or two years at least.

Benefits Twister Only

The twister's proposition was clearly unfair and for the benefit of the twister only, enabling him to make a commission. It was not to the advantage of the insured in any respect. This would have been equally the case had his debt of $1,500 been a loan on his policy instead of on a piece of real estate.

SHOULD REDUCE DIVIDENDS

New York Department So Advises Following Examination of Security Mutual Life

Examiners of the New York Department have completed the triennial examination of the Security Mutual Life of Binghamton, as of December 31, 1917. The conclusions of the examiners are set forth as follows:

The financial statement submitted as part of this report shows the surplus of the company to be $139,305.22. The schedule accompanying same shows a decrease in surplus during 1917 of $73,633.54. The new paid for insurance put on the books for the year ending December 31, 1915, was $7,464,797; for the year ending December 31, 1916, it was $9,477,043, and for the year ending December 31, 1917, it was $8,644,622. While there was a smaller amount of new business put on the books in 1917 than in 1916, it was better and higher premium business, there being over $600,000 less term insurance in 1917 than in 1916.

The company should take measures to curtail its expenses and keep same within the loadings. The dividends to policyholders are too high and the company should reduce them at least during the period of the war.

The home office organization of the company should be systematized, so that the present lack of co-ordination between the departments may be overcome, thereby eliminating duplication. There is no criticism intended of any one department, but the lack of system in the company as a whole seems important enough to be taken up by a committee of the board of directors.

MAJOR HOWARD WOUNDED

Word Received by Wife of Secretary of The Travelers from Battle Front

Word has been received from the battle lines in France by Mrs. Howard, wife of Major James L. Howard, secretary of The Travelers Insurance Co., to the effect that the Major has been wounded in action. The advices state that the wound is only slight.

Major Howard was in active command of Hartford's 101st Machine Gun Battalion. He has had a long military career. He first enlisted when 20 years old, in Battery A, Connecticut Volunteer Artillery, for its short period in the field in 1898. He was commissioned first lieutenant in the First Infantry, C. N. G., April 6, 1903, and became captain and adjutant on October 29, of the same year. When Troop B, Connecticut Cavalry, was formed, in 1911, he was elected its captain; and he was assigned to permanent command of the unit April 17. He was commissioned major on October 29, 1915, and was transferred to the reserve with rank of major on November 2, 1915.

Mustered into the Federal service on September 4, 1916, he went to the Mexican border, and was made brigade adjutant of the Fifth Separate Brigade with station at Nogales.

When the First Separate Squadron, Connecticut Cavalry, N. G., was formed, in May, 1917, and sent abroad, he was put in command and in the autumn of 1917 the unit was transformed into machine gunners.

YELLOW OR BLUE—WHICH?

The Illinois Life has installed in the lobby of the Home Office Agency Department a card-rack in which appear alphabetically the names of all active agents of the Company. For each name two cards have been written, one yellow and the other blue.

The yellow card means that the man whose name appears thereon has not written any business within the current month. The blue card means that he has written at least one application. The cards do not show the amount of business written by any man, but merely indicate whether he is or is not a producer for the month.

NEW WORLD LIFE

The June business of the New World Life of Spokane, Wash., amounted to $423,000 against $344,500 for June 1917.

DR. FLORENCE WITH ATLAS

Former Medical Director of Great Southern Life Joins Tulsa Company

At the recent election of officers of the Atlas Life Ins. Co. of Tulsa, Okla. Dr. J. H. Florence of Dallas, Texas, was chosen director and vice-president.

Dr. Florence recently resigned as medical director of the Great Southern Life Insurance Co., which Company he was with since its organization in 1909. Previous to this time he was city health officer in Dallas and at present is one of a board of five members, who constitute a board of managers of the medical section of the American Life Convention, which handles the medical business of the 109 life insurance companies, members of this association.

Insure Creative Brains

Make a study of corporations. Because a corporation is wealthy and doing a large business doesn't necessarily mean that you will find good cases for insurance there. How rapidly is it growing? Is its policy aggressive? Is it merely supplying a demand or with a long look forward is it creating a demand for the future? If it is a manufacturing concern is it keenly studying new processes so as to be ahead of its competitors in gaining the advantages to be derived therefrom? If it is a bank, is it making new friends every day and showing a large increase in deposits? Wherever you find growth you will find back of this growth human brains are responsible for it, and wherever you find this kind of brains you have got something to insure and your argument will have the maximum weight. Conservative brains are much easier to replace than creative brains. Concentrate your effort upon the brains that create.—"Provident Notes."

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

A Real District Manager

is wanted for one of the best territories in the most prosperous section of the nation. This is a real opportunity for a first class man.

Write
Bankers Life Company
DES MOINES

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President
A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY
Edward D. Field, Superintendent of Agencies

Insurance to Cover Inheritance Taxes

is opening new fields to Provident Agents

Men are insuring not only to protect their families and to protect their business but also to protect their estates.

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

A. T. Maclean On Disability Clause

GIVES INSTANCES OF WORKINGS

Massachusetts Mutual's Clause Described in Detail by Company's Assistant Actuary

Alexander T. Maclean, assistant actuary of the Massachusetts Mutual Life, is the author of the following description of the Company's new disability clause which appears in the current issue of the Company's publication, the "Radiator":

As our representatives are aware, we have recently added to our contracts what we believe to be complete protection against the permanent and total disability of the insured. It is perhaps well that we should emphaize at this time that the adoption of such a clause does not in any way imply our desire or intention to engage in any other than the business of life insurance. These provisions which we added are in the nature of guarantees to beneficiaries that protection to them once taken shall surely be enjoyed.

Sum Insured Essential Benefit

We have continually tried to keep before our representatives the fundamental principle of the life insurance contract—the payment of the sum insured. That is the first purpose of the policy. A man may take one contract instead of another because some particular subsidiary benefit appeals to him, but these special features have their appeal only because the fundamental benefit is provided. Just imagine even the impractical supposition that the payment of the sum insured were withdrawn from our policy contract. In the broad sense, nothing that remains would be worth paying for, and this but serves to illustrate once more what is and always will be the real big selling point of any life insurance contract. It is because we guarantee the payment of that sum insured at any time, no matter when death may occur. It is this condition that differentiates the life insurance contract from every other commercial document.

Causes of Lapse

After a life insurance contract has been put into operation and the first premium paid, the Company is bound for all time to continue that policy as long as premiums are paid within the stated time. The insured, on the other hand, has entire freedom in the matter. He may pay or refrain from paying the premiums, as he sees fit, so that the contract from this point of view is an entirely one-sided affair for the benefit of the policyholder. It may be presumed that everyone who takes a policy intends to keep it in force. It would be an exceedingly unbusiness-like proceeding if this were not so. There are many circumstances, however, beyond the control of the policyholder which may cause him to lose his ability to pay his premium. Among the more important of these are the possibilities of financial reverses and the possibility of physical incapacity, in both of which circumstances the earning power of the individual is either substantially reduced or altogether destroyed.

Financial Reverses

There is unfortunately no practical method of protecting the insured against financial reverses. The Company does the best it can for such a man by means of the cash and other surrender values available, but in these circumstances it can go no further. It might be that the possibilities of financial reverse are capable of measurement, but it is unnecessary to point out that even if this were so, other practical conditions would militate against any possible protection by the Company.

Sickness and Accident

The other element of danger is the possibility of the insured becoming incapacitated, and it is to guard against this element that our latest clause was introduced. The fundamental object of the clause is to keep the policy in force, to insure to the beneficiary that although the father of the family lose his capacity for work, the benefits of the insurance protection which his foresight had obtained shall not be lost.

This protection cannot be obtained outside of a life insurance policy. The only policies that would in any way meet the case are issued by the accident companies. These policies are, however, cancellable at the option of the company, and, further, as far as we are aware, there is no policy which provides for an annuity corresponding to our annuity payments, payable only on permanent total disability and without the necessity of paying for any extra accident and other benefits. There are of course several accident policies which include a life annuity on permanent and total disability, but these contracts have many other benefits attached thereto which it is necessary to buy in order to obtain the particular benefit desired. The difference between the practice of the accident company and that of the life insurance company further emphasizes the fact that this is not in its essence accident insurance. The whole spirit of the benefit is that of an additional non-forfeiture option. When the policyholder, through any accident, sickness, or disease that renders him permanently disabled, can no longer pay his premium, the Company takes that burden upon itself and in order that he may live without the necessity of surrendering his life insurance contract, an annuity is paid to him as long as he may live and continue to be disabled.

Insufficient Insurance

The new disability clause casts an interesting sidelight and offers a further opportunity of pointing out the inadequacy of the amount of insurance carried by the average man. In some instances a policyholder, on having explained to him the benefits of the provision, may say, "But I could not live on 10 per cent. of the sum insured under my policy." The answer obviously must be, "Then you simply have not got enough insurance, because if you cannot live on 10 per cent. of your sum insured, how can you expect your family to live on 4 per cent. or 5 per cent. of the sum insured, which is all they could obtain with safety when the policy becomes a claim and the proceeds are invested."

The "one-idea" nature of the disability benefit may further be emphasized as we appreciate the significance of what has already been said. The benefit is in the policy for one thing and for one thing alone. It does not give any increased cash surrender value to the policy, it does not give any additional dividends, the charge made for this benefit is as low as is consistently safe, and if there should be any profits from the operation of the clause, they will go into the general surplus of the Company and inure to the benefit of all policyholders.

Secures all Policy Benefits

After a policyholder has become disabled his policy is available to him in full, without any loss of value, dividend option, loan, or any other benefit which he could obtain were he to continue paying the premiums. He may leave his dividends to accumulate and mature his policy as an endowment, although as he is in receipt of a life income, it would not in most cases be to his advantage to mature the contract and lose the income. He may apply his dividends to purchase additional insurance, or he may draw his dividends each year in cash, thus providing additional income. The important point is that the policy is, as far as he is concerned, in full force and effect, with all its benefits, provisions, and options operating to the benefit of the insured, and that although he can no longer pay his premiums and is in fact actually in receipt of an income from the Company.

Policy Paid-Up by Accumulations

In the case of policies with the disability waiver and annuity, accumulated dividends may, of course, be applied to make the contract paid up in full. The amount required will be such a sum as will include the reserve on the disability annuity benefit. A slightly longer accumulation period, but never more than an additional year than would be necessary under a policy without the disability benefit, will be required in a very few cases. By making this change the insured, of course, discontinues the waiver of premium benefit, but if he should subsequently become disabled prior to age 60 and before the maturity of the contract, the life income will be paid to him, a provision which makes the dividend accumulation plan just so much more attractive.

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL

LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

HARTFORD NOTES

Colonel Charles W. Burpee of the Phoenix Mutual Life had a busy week at Niantic, Conn., where he took a selected list of officers and a few selectives of the Connecticut State Guard, 200 in all, for camp training. Among the insurance men in the camps were Captain R. W. DeLamater, accident underwriter of the Ætna Life, who has been appointed a regular camp instructor; Captain Jacob H. Green, assistant secretary of the Connecticut Mutual; Corporal E. Sidney Berry, counsel of the Hartford Steam Boiler; Sergeant M. C. Terrill, agency secretary of the Phoenix Mutual; Second Lieut. Arthur P. Woodward, secretary of the accident department of the Connecticut General; Captain Oliver R. Beckwith, counsel of the Ætna Life; Sergeant Harold E. Burdette, assistant secretary of the Orient Fire; 1st Lieutenant Edwin Ingraham of the Hartford Life; Corporal S. Royce Braman of the auditors department of the Ætna Life; Captain James Lee Loomis, assistant secretary of the Connecticut Mutual; Captain James L. Noble of the experience department of the Ætna Life, and Corporal Alfred Dixon of the Ætna Fire.

Charles E. Chase, chairman of the board of directors and formerly president of the Hartford Fire, and Mrs. Chase, are spending the summer at their home at Hyannis, Mass.

Ralph R. Wolfe, formerly in the publicity department of the Ætna Life, has enlisted for overseas service as secretary in the Y. M. C. A. and expects to sail for France soon.

Actuary John M. Laird of the Connecticut General, and Mrs. Laird and son, are spending several weeks at Eastern Point on Long Island Sound.

James E. Rhodes, formerly a claim examiner for the Travelers, who left Hartford to do Y. M. C. A. work in France, has been appointed by the Company as its agent in France on group health and accident policies on all Red Cross workers. Mr. Rhodes is now a Red Cross volunteer worker stationed at the Red Cross headquarters in Paris. Mr. Rhodes is a vice-president of the Insurance Institute of Hartford and has been greatly interested in insurance education in this country. He is the author of "Workmen's Compensation", a non-technical publication printed last year by the MacMillan Company of New York.

Charles O. Winter of the Ætna Life Insurance Company, for 40 years an employee of that Company, is spending his vacation at Branford, Conn. Mr. Winter has the record of not thus far missing a day during his employment with the Ætna Life. He is one of the leading bowlers of New England.

President Harry A. Smith of the National Fire, and Mrs. Smith and family, are occupying their summer home at Eastern Point, Long Island Sound, Conn.

Secretary Edgar J. Sloan of the Ætna Fire, and Mrs. Sloan and family, are at New London, N. H.

President Robert W. Huntington of the Connecticut General Life, and Mrs. Huntington and family, are spending the season at New London.

Superintendent of the Special Risk Department, Frederick C. Moore, of the Hartford Fire, and Mrs. Moore and their daughter Miss Ruth Moore, are spending several weeks at Jaffrey, N. H.

Edward Guinan, of the group division of the Travelers, has enlisted in the Quartermaster Corps of the Army and left Hartford last Monday for Camp Meigs, Washington, D. C. He was captain of the Travelers Tennis team of the Insurance Tennis League.

Lieut. Geo. W. Cheney, formerly with the new business department of the Phoenix Mutual Life, who has been in France with the 101st Machine Gun Battalion has returned to this country on a furlough.

War Bureau Branching Out

OFFICE AT GOVERNORS ISLAND

Receives More Than 15,000 Letters a Day Regarding Payments of Soldiers' Allowances

A branch of the War Risk Insurance Bureau has been established at Governors Island and dependents of soldiers living in the states of New York, New Jersey, Pennsylvania, Delaware, Maryland and Virginia are requested by the Government to take up their business with this office.

The detail accumulating at the headquarters of the Bureau has assumed stupendous proportions. More than 15,000 letters are received daily and 23,000 pieces of mail were received in one day last week.

Have School for Instruction

The United States Bureau of Efficiency has established schools for the training of award workers and letter writers in the technique of the war risk insurance law and at the present time more than 165 employees of the department, principally women, are enrolled for the two weeks' course of instruction.

Letters are received in every conceivable language and every communication presents an intricate problem in allotments and allowances, compensation or insurance, or perhaps all three. A special effort is being made by the bureau to cause all correspondents to furnish complete data about every specific case.

Approximately 11,000 statements as to allotments and allowances of soldiers and sailors are received by the bureau daily and something in the neighborhood of 125,000 changes in the status of men in the military or naval service are reported to the bureau each month. There are more than 6,000 employees working in day and night shifts to take care of the work of the bureau and this force is being added to constantly. More than 3,300,000 government checks have been sent out to dependents of soldiers and sailors aggregating $101,000,000.

TAX LEVIES MADE

Over Half Million Dollars to Be Paid by Hartford Companies

Stock insurance companies in Hartford have been notified of the amount of franchise tax levied under the law. The tax is half of 1 per cent. on the market value of the capital stock as determined by the Board of Equalization and amounts to $695,130.28. The tax imposed last year due to higher valuation of stock and deductions was somewhat larger and amounted to $817,621.33. In the levy of the tax the corporations receive a deduction of the amount invested in bonds issued by the State and the market value of evidences of indebtedness issued after April 1, 1917, by the United States Government or municipalities of this State.

The levies are as follows:

Aetna Casualty & Surety	$ 39,944
Aetna Insurance	86,717
Aetna Life	142,510
Automobile Insurance	9,400
Connecticut Fire	12,050
Connecticut General Life	11,462
Hartford Acc. & Indemnity	4,975
Hartford Fire	60,868
Hartford Life	287
Hartford Steam Boiler	35,250
National Fire	30,937
Orient Insurance	9,288
Phoenix Insurance	51,800
Standard Fire	3,000
Travelers Indemnity	8,450
Travelers Insurance	177,001
Security Insurance	6,940

The annual convention of the $100,000 Club of the New York Life will be held in Saratoga Springs on August 28-29.

NORTHERN ASSURANCE FIGURES

President Clarence L. Ayres of the Northern Assurance Company of Michigan announces that the paid for business in force of that Company on July 1, was $16,055,477.87; the net admitted assets were $1,550,631.11, and the net legal reserves amounted to $1,389,796.94.

Demand For Monthly Income Feature

In "The Dotted Line" is suggested the tremendous increase in the demand for monthly income insurance, after the war. The great advantage of such insurance is going to be recognized more widely, and those salesmen who begin to think along monthly income policy lines now and to work them will be in line for the harvest that is sure to follow. There is bound to be a tremendous advertising value in the monthly checks that come from the government to the beneficiaries of soldiers, that will be an everyday reminder of the various tradesmen and banks into whose hands such checks will fall, and life men will do well to get their lines laid for specializing in that kind of insurance.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

INTERNATIONAL LIFE of St. Louis
SMASHED ALL RECORDS IN 1917
It was the Special Combination and New T. O. Policies that did the work.
If you are not selling them we are both losing money.
J. L. BABLER, Vice-President and General Manager Agencies
MASSEY WILSON, President

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915
"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."
Home Office, DALLAS, TEXAS

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, PRESIDENT
GREATEST ILLINOIS COMPANY
WANTS GOOD MEN AND WILL PAY THEM WELL

Cleveland Life Producers' Rally

STANDARD CLUB IS FORMED

S. J. Payne is President and W. A. Erickson Vice-President of Organization

Cleveland, Ohio, July 17, 1918.—The agents of the Cleveland Life who qualified as charter members of the Standard Club met at the Home Office of the Company in the Guardian Building, Cleveland, Tuesday morning, to participate in a three-day business convention. The session opened with a patriotic rally, Tuesday afternoon, on which occasion the principal speaker was Major A. P. Menzies, a Canadian war veteran of Vimy Ridge. At this meeting, President Hunt discussed with the field force the details of the recent merger of the Intermediate Life with the Cleveland Life.

On Tuesday evening, the delegates left for Buffalo, spending Wednesday at Niagara Falls and on the evening of that day, a business dinner was held at the Hotel Statler. The party returned to Cleveland Wednesday evening by boat, arriving the following morning and an all-morning business session was then instituted.

Club Officers

The president of the Standard Club is S. J. Payne of West Virginia, the vice-president, W. A. Erickson of Ohio. The president of the club qualified on the basis of personal paid-for business; the vice-president on the number of paid-for applications. At the meeting Thursday morning, in addition to both Messrs. Payne and Erickson, other speakers were heard including remarks made by President Hunt and H. S. Sutphen, vice-president and manager of agencies.

The convention proved the wisdom of bringing together the Company's best producers. The exchange of new thoughts and ideas was interesting and as a result of the convention, the agency force present returned to their respective fields keyed up to a higher realization of their profession.

INSURANCE AND FARMERS

T. P. Rogers, one of the Iowa general agents for the Bankers Life of Des Moines, spent the month of June at Grundy Center, Iowa, and produced $118,500 of business during his sojourn in that place. All of the applicants except one were farmers, and every farmer applicant owned not less than 160 acres of land. Mr. Rogers was leader of the Bankers Life field force for the month of June.

FIDELITY MUTUAL LEADERS

Luncheon Given in Philadelphia on Tuesday in Honor of New Officers of Club

The members of the Fidelity Mutual Life's Leaders' Club gave a luncheon in Philadelphia at the Hotel Adelphia on Tuesday in honor of the new officers of the Club. Frank H. Sykes, assistant secretary of the Company was the toastmaster and the speakers included: Walter L. Talbot, president of the Company; J. D. Mahoney, of Philadelphia; Frederick A. Wallis, general agent in New York; Harry B. Rosen, of New York; B. W. Logan, of New York, and Frank D. Buser, of Philadelphia.

Mr. Rosen presented to Clayton M. Hunsicker, president of the Fidelity Leaders' Club, the watch he had offered to the best producer of the Company and Mr. Logan presented to Frank H. Case, treasurer of the Club, the Heron Trophy, which is awarded each year to the man showing the largest percentage of increase.

RICHARD FONDILLER, PROMOTED

Richard Fondiller, who has been connected with the New York State Industrial Commission since its organization, has been appointed the assistant actuary of the commission. He is a Fellow of the American Institute of Actuaries, and also of the Casualty Actuarial & Statistical Society. He has been the editor of "The Proceedings," of the latter society for the last three years, and is a graduate of the College of the City of New York and of Columbia University.

Congress Petitioned to Change Law

(Continued from page 2)

been under contract continuously for thirty one years, told how he sold one man a total of $165,000 when he used a heatless Monday to good advantage by making a luncheon engagement.

H. G. Fricke, Omaha, said he never made it a practice to talk insurance to prospects until he informed himself about the man, his family, income and ability to absorb insurance. "Then," he said, succinctly, "I can fit him like a tailor."

E. J. Kohn, Chicago, told how he keeps out of congested districts and works sections where prospects have more time to consider propositions.

D. N. Cameron, Oshkosh, Wis., told how he has sold intimate friends and been thanked instead of being regarded as taking advantage of friendship.

W. L. Shearer, Monticello, Ky., said he has no set rule or formula, but expressed thought that an agent who is not mentally equipped to adapt himself to peculiar circumstances of each prospect will never make a success of business.

Dr. Charles E. Albright, Milwaukee, the Northwestern's heaviest producer, advanced as one of his successful business building ideas that an agent should never write a man for a policy or amount that he himself would not recommend or urge if he were in the prospect's place.

Assistant Superintendent of Agencies M. H. O. Williams closed the meeting with cheery message to agents for coming year. He said entire structure of Company's business and the welfare and progress of its agents depended upon co-operation, a quality which has stood out perhaps more prominently in Northwestern field force than in that of any other life insurance company. Convention was unquestionably the most hopeful and inspiring yet held and hard work and more hard work in face of seemingly insurmountable obstacles, would enable the agents to make the coming year memorable.

CO-OPERATION No. 13

Our effective plans of co-operation with new representatives (1) attract the best type of men to the business and (2) enable them to secure a substantial production during their training period.

A group of thirty new representatives who contracted with us in 1916 or early in 1917 reported $111,671.06 in new premiums during 1917.

Phoenix Mutual Life Insurance Company
of Hartford, Conn.
JOHN M. HOLCOMBE, President



Just say:
"Insurance Man"—
the open sesame to every courtesy within our power.

Room with detached bath $1.50 and $2.00
Private bath $2.50 and $3.00

BREVOORT Hotel
Insurance Headquarters
MADISON ST.—East of LaSalle
CHICAGO
LAURENCE R. ADAMS, Sec'y & Mgr.



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Value of a Business Man

On getting at the real value of a business man in writing business insurance "Provident Notes" says: A prominent banker, James B. Moss, of Norfolk, Virginia, was illustrating his faith in business insurance by stating that he never gave his backing to a financial enterprise until he had satisfied himself that the lives upon which the success of the enterprise depended were adequately protected with life insurance. "If the death of a man is going to be to my financial detriment, I want to know that there will be money coming in from a life insurance company to make good the loss until I have had time to look around for just the right man to take his place, and make the proposition successful again."

It seemed to this banker that one of the most valuable things which would come about from business insurance becoming universal was that it would lead to a much more accurate appraisal of the real value of each individual man to the business with which he was connected. He said it was surprising in many cases how hazy were the opinions of what a man's actual value was to the particular business in which he was engaged.

Just as the development of the "cost system" had made it feasible for a large concern to determine with accuracy from what department of the business the profits were actually derived, so in an analogous way it would become feasible to discover with some degree of accuracy the value of the men who were responsible for carrying on the business.

It would no longer be a matter of guess work, but a firm or a corporation could be protected from loss while they were trying to replace a good man with another equally good, which was sometimes a lengthy process.

No agent who is writing business insurance can afford to ignore this tip. If a firm is "thinking of business insurance," but is disposed to procrastinate, you can get them very much interested in the idea of making for their own use an accurate appraisal of the value of each man to the firm, and an estimate of how much protection would be needed to cover the actual loss to the business during the interim which would inevitably elapse, before the man could be replaced. In this way you are getting the members of the firm to formulate their own argument and to argue themselves to the dotted line.

* * *

Great Clinchers of Business

To the caretaker and the business-builder of a debit, the value of a paid claim in a neighborhood can scarcely be overestimated. It silences argument, being, in fact, proof positive of the actual and incontrovertible worth and benefit of life insurance, says The Prudential Weekly Record.

It knocks endwise every possible objection of the objector. It does the same with the doubts of the doubter. It is a stentorian call upon the whole tribe of dilly-dallying Put-it-offs to stop delaying instanter and get into line with the millions who are already safe in the sheltering arms of the great system.

Paid claims are great factors in caring for old and in securing new business. To put the whole case in a nutshell—to condense and boil it down to the smallest and most easily grasped measure—that is exactly what paid claims are to the wide-awake agent.

Claims paid are the concrete and beneficent results of life insurance. They speak with the soothing and solacing tongues of men and of angels in the day of desolation and in the hour of sorest sorrow and distress.

And how sweetly, lovingly, practically and eloquently they testify to the loving forethought, the wisdom, the prudence and the self-sacrifice of the dead while in the flesh, of the beloved ones who, by their nobleness of character and act, made it possible that these claims should exist and become, as it were, angelic bearers of precious benefactions to bereaved ones.

Paid claims are powerful clinchers of business in force and most effective preventives of lapses and arrears. At the same time, they are equally powerstimulants to the insured to listen attentively to the charm of the canvasser when he charms wisely.

The agent who does not open wide his eyes and see clearly how great and valuable an asset to him in the furtherance of his business paid claims are, is very short-sighted and stands in his own light, to his own detriment and that of his business.

* * *

Don't Insure Bad Debts

You can insure a good debt from becoming a bad debt through the death of the debtor, but when the debt has already become a bad debt, that's another matter. What do we mean by a bad debt? A has loaned B $1,000. He has come to the conclusion that he has made a bad mistake. B has nothing to levy on and no purpose to repay the loan. A has been stung and B says he isn't worrying about it; let A do the worrying. That undoubtedly would be classed as a bad debt and A would do well to charge it off to profit and loss. He has the undoubted legal right to insure B in his favor and pay the premiums on a policy and collect the amount of his debt plus premiums and interest at B's death. From a commonsense point of view, however, this is not an insurance, but a gamble that B will die soon enough to let A out whole, with the risk that B may live so long that A will lose more than he gains by taking out the policy.

Suppose B turns out to be long-lived and the transaction turns out unfavorably for A, you will find A going about denouncing insurance and all its works.

This is the reason why it is worth while for the new agent to study out this matter for himself and know when it is inadvisable to attempt to insure a debt.—"Provident Notes."

* * *

Writing Large Cases

L. C. Miller, of Los Angeles, writing in the Pacific Mutual News, gives his ideas as to how large cases should be written. This is what he says:

"Writing life insurance is somewhat like ocean fishing—we are liable to get what we go after. If we expect to catch small fish, we use small bait and tackle and stay near the shore where the water is shallow; but if we are after something worth while, we carefully select our bait, closely examine our heavier tackle and go out into deep water, far from shore, where the larger fish are to be found.

"Too many insurance writers try to catch big fish in shallow water. It can't be done. If we ever expect to write large cases, we must solicit men of known financial ability to pay for whatever amount you may suggest. The field is full of men who would like to carry $50,000 and $100,000 insurance, but they are financially unable to do so. We can, therefore, conserve our energies by first learning something of our so-called prospect's ability to pay for, as well as his need of the insurance we are desirous of selling him.

"After securing all the advance information at your disposal, approach your prospect with the following 'don'ts' in mind:

"Don't pretend that Mr. Cochran or Mr. Johnson sent you to see him—he may know they did not.

"Don't assume that you know all about the life insurance business—he may find out that you do not.

"Don't claim to represent the only good company—there are others, and he knows it.

"Don't insist on doing all the talking—silence is sometimes golden.

"Don't fritter away his time in useless conversation—value his time, if not your own.

"Don't invite competition—talk your own proposition.

"Don't cram him with statistics—he can't digest them, and he is not interested.

"Don't make yourself ill at ease—you are a man the same as he is.

"Don't underestimate his financial ability—aim high.

"Don't use any camouflage—he may be able to detect it.

"Don't ask if he is ready to sign—he will surely say 'No.'

"Don't ever let him say 'No'—some men pride themselves on making their first answer final.

"My field experience has led me to believe that once you get the interview it is easier to sell a large policy to a man who is able to pay for it than a small one to a man of ordinary ability. He will give you more intelligent and appreciative attention, and is not so inclined to waste your time on trivial details.

"In conclusion, I would advise the average insurance writer, if he does not feel capable of going out into the deeper water for the 'big fish,' to stay close to shore and confine his efforts to 'the smaller fry.' There is more commission in the small ones you land than in the large ones who get away

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York

34 NASSAU STREET, NEW YORK CITY

Life Insurance Versus Liberty Loan Bonds

In a plea to life policyholders not to sacrifice their insurance to invest in Liberty bonds. C. R. Ledbetter, writes in Leslie's Weekly giving these views:

"To surrender or borrow upon one's life insurance policy for the purpose of obtaining funds to invest in Liberty bonds is, I believe, both economically unsound and contrary to the aims of the government. As a state manager, instances where this is being done have been brought to my personal attention, and if such cases reflect a general custom the results are going to be anything but wholesome. Indeed, I do not believe that I am violating any confidence when I say that, if practiced to any considerable extent, an impairment of the companies' reserves is not beyond the realms of possibility.

"The government's purpose in endeavoring to place Liberty bonds in the hands of as many individuals as possible is obvious: First, to inculcate a spirit of thrift in the American people and to educate them in the matter of government securities—thus to fulfil a sadly neglected factor in American commercialism. Second, to encourage the people to invest their incomes and savings; to coax hoardings from socks, tin cans and subterranean banks into the live channels of commerce and thus to render active funds hitherto inactive. The idea is to disturb as little as possible regular commerce. In other words, the government does not ask that assets already created be converted or impaired to purchase bonds, but rather that the incomes from these securities be so invested—a constructive policy.

"Now as to surrendering insurance policies, a concrete example will serve to point out the mistake of such a plan: A is forty-five years of age, and has an ordinary life policy for $2,000 payable to his estate or to his wife and children. The policy is ten years old and the cash value is $394. He surrenders it, invests $350 in bonds and spends the balance. What is the result? He forfeits an insurance equity of $1,606 and thereby reduces his estate in that amount. Suppose A had carried out the government's purpose, and instead of impairing his policy he had borrowed the money from his bank with the bond as security and paid it out from his regular earnings or savings. His estate then would be worth $2,350, instead of only $350 as in the former case. And, too, he would be utilizing funds otherwise unproductive. The bond once paid out, the interest income would assist A materially in paying his future premiums.

"Now let us analyze the other alternative of borrowing on the policy instead of surrendering it. By this method A could, of course, preserve his equity by keeping the interest on the loan and the premium paid. So, while the loss would not be so appreciable, it is nevertheless apparent from the following that the loan and cash values are approximately the same: A borrows $350 on his policy at 6 per cent. and purchases a Liberty bond for the same amount which nets him 4¼ per cent. His estate is the same in the end but the following figures will show the loss in the transaction:

Interest on policy loan $350	$21.00
Average annual premium	58.66
Total	79.66
Less interest on bond	14.88
Net cost of $2,000 estate	64.78
Deduct original average premium on $2,000 policy	58.66
Loss	$6.12

"The figures here used are based upon the rates of one company, but since there is no material difference in the rates of standard companies, the comparison can be generally adopted.

"The government has long since recognized life insurance as a potent factor in national economics, both as a splendid means of thrift and in reducing governmental expense incident to pauperism. And this recognition has been only recently recognized through the passage of the soldiers' and sailors' insurance bill."

DROWN MAKES CHANGE

Becomes Associate General Agent of National Life of Vermont in Washington

Washington, D. C., July 17, 1918.—After nearly ten years as general agent for the Massachusetts Mutual Life at Washington, D. C. Orville B. Drown has resigned to be relieved of the responsibilities and details of a general agency so as to have more time for personal production. Mr. Drown will accept an appointment with the National Life of Vermont and will be associated as general agent with their present manager, William C. Worthington, in the District of Columbia.

Mr. Drown has been active in the District of Columbia Life Underwriters' Association which he assisted in reorganizing in 1910 and has served two terms each as secretary, vice-president and president of that association, his presidency ending at the last annual meeting.

SOLD $176,000 W. S. S.

Thomas A. Lee, superintendent of the Metropolitan Life in Washington, D. C., reports that in the month of June the agents of the Metropolitan under his supervision sold $176,000 in W. S. S. and thrift stamps.

CENTURY LIFE INSURANCE COMPANY
CENTURY
INDIANAPOLIS, IND.

1 REASON Our Policies Sell

OUR POLICY CONTRACTS contain all provisions consistent with safe underwriting and are guaranteed by a deposit of the full legal reserve with the State. Our promises are all in our contract. Good contracts for up-and-doing agents.

THOMAS J. OWENS, Pres.
DR. ALBERT SEATON, Vice-Pres. & Med. Dir.
CLAUD T. TUCK, Secretary

Opportunity for Larger Applications

ARMY LIMIT SETS STANDARD

Average Policy To-day is for Twice Amount Before War, Says Peoria Life

The Peoria Life publishes the following in its Bulletin on the tendency toward larger policies and the opportunities for agents in this respect:

There is a wonderful opportunity for the agent today to increase the size of his application. There is every reason why this should be done. Now is the psychological moment for doing it. During the war the government has made a great endorsement of life insurance by the establishment of the Soldiers' and Sailors' insurance and when the opportunity was given to these soldiers and sailors, they have bought insurance averaging almost $10,000 per person. They realized their duty and the necessity of insurance and the records of insurance companies show that this has had an effect upon the general applications for insurance to such an extent that the average size of policies has increased very materially. Before the war the average policy was scarcely $2,000. Today it very closely approaches $4,000—just about double. The agent who takes advantage of the situation and makes his prospect realize that insurance is the one article being sold today which has not increased in cost from 25 per cent. to 100 per cent., and when he shows him that therefore he is getting from 125 per cent. to 200 per cent. for every dollar of his money expended for his life insurance today, there is sure to be an increase of the application without question.

Sentiment is Greater

There is another phase of this situation. There is today a closer and more intimate fellowship along family lines than there ever was before. The young man leaves for service and it means more than "good-bye." The fact that so many young men are absent and are risking their lives at the front has served to knit families more closely together. Even if there is no one gone out of the family into military service, neighboring families and friends have and are having this experience and one touch of nature makes the whole world akin. The family responsibility is therefore brought home to the men in a way today that has never been thought of before. The man begins to feel that it is up to him to provide for his dependents and they seem closer to him today than they ever have before. Therefore the applicant sees the necessity of more insurance and it is easier to convince him today in regard to insurance than it ever was at any other time.

Young Men Taking Larger Amounts

We want to urge every agent now to solicit the prospect for $5,000 instead of for $2,000; for $10,000 instead of $5,000, and don't be backward about looking for $25,000 and $50,000. If your prospect is able to carry it, it is your duty and his duty to make the application at least twice what it would have been expected to be before the war. If the men of draft age who have gone into government service have set the standard of their applications at $10,000, then those applicants who are in reality able to buy have lifted their standard up way above that and it is up to the agent to get his share. This argument is not confined to applicants of large means. Neither is it confined to those persons who have dependents upon them, but to every person who is a prospect for insurance, and peculiarly does it apply to women at the present time. The prospects in the United States have been increased very materially by the necessity of women taking more prominent part in the business affairs of the country.

There have been over four million women added to the business world within the past few months. So the fact that the men of draft age and those who have gone to war have been largely eliminated from our list of prospects, yet the fact remains that the size of the applications are increasing and the number of our prospects have increased to such an extent that now insurance has increased more for the first six months of this year than it ever did before and we urge our agents every place to take advantage of the present situation and get your share of the increased business.

Missouri State Life Policies Rich In Selling Points

Facts—

ALL THAT IS GOOD IN LIFE INSURANCE — INCORPORATED 1892 — AS EVERLASTING AS THE HILLS — NONE BETTER.

Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company
Fastest Growing Life Insurance Company in America
Home Office, St. Louis, Missouri

WITH FEDERAL UNION

James W. Guest has been appointed assistant medical director of the Federal Union Life, Cincinnati. The rapid growth of the Company has made necessary a readjustment of the medical department and Doctor Guest is to give his entire time to the work. Doctor Guest, for the past five years, has been a supervising examiner for the medical department of the Equitable Life of New York. Prior to his connection with the Equitable, Dr. Guest was for eight years medical director of the Commonwealth Life, Louisville.

War Time Insurance and its Endorsement of Life Insurance

In an address delivered before the Agents' Association of the Northwestern Mutual Life, William F. Atkinson, general agent in Brooklyn, pictured the effect of the Government's war insurance system upon the life insurance business as a whole, saying in part:

"In the short space of one year a life insurance company has been created having in force on June 30 2,570,000 policies to the amount of $21,565,000,000. This government bureau is carrying more insurance than all the companies reporting to the state of New York combined. With such a tremendous life insurance operation going on before us, we may well consider the effect that it may have upon the business of the life insurance companies and upon our work as soliciting agents. Is the effect detrimental or beneficial? Is it a competitor or a business builder?

Misunderstanding

"Let me speak of the bad effect first. The only bad effect that I can discover is a misunderstanding on the part of some people as to its rates and terms. They think that the Government is selling insurance cheaper than the life companies. That is only true in that the Government is dividing the cost into two parts. The net premium rate for normal, healthy lives is charged to the soldier, and the cost of management plus the cost of war hazard, plus the cost of disability insurance is charged to the taxpayer. The man who stays at home in the security guaranteed by our fighting forces should be glad to pay this share of the cost, and I believe he is more than willing to do so; but there should be no misunderstanding about it, and it is only fair to insurance interests that the man who pays his income tax should know that a part of it is to pay for the cost of management and war hazard of the War Risk Insurance Bureau.

Companies Relieved

"And now let me speak of good effects of this government insurance. First, it relieved the life insurance companies from an embarrassing and perplexing problem. It is quite conceivable that public opinion and governmental pressure might have become so strong that the life companies might have felt it necessary to assume the burdens of insuring the men in the service of the Army and Navy. I believe such has been the experience in other countries. Our rates are computed on reliable data based upon normal conditions of life and health. We have no adequate data upon which to base rates on men subject to the dangers of this war. The government stepped into a field that we were not prepared to develop, and relieved us of responsibility.

"We are apt to chafe that a million and a half or two million healthy young men have been practically eliminated from our field of soliciting, but let us put the blame for that at the door of the Kaiser where it belongs, and not at the door of the government war insurance.

Great Advertising

"I know of no feature that has been of so great value to the life insurance agent as the advertising that this plan has given to the great institution we represent. A good many agents wish that the life insurance companies would use the hundreds of thousands of dollars that they now spend in telling how big and how old they are, and how large their assets and liabilities are, and how much they have paid to dead and living policyholders, and who their presidents and secretaries and officers are,—a good many of us wish that they would devote those hundreds of thousands of dollars to concerted advertising of what life insurance is and does, — something that will help the agent get a new applicant. But until that day arrives, we may regard ourselves as fortunate that the Government War Risk Act put more columns of good life insurance talk into the newspapers of this land than could have been bought by ten times the advertising appropriations of all the companies combined.

Standards Raised

"The government has told every man, woman, and child in this country, regardless of creed, race, color, or previous condition of servitude, that life insurance is a good thing, a necessary part of the family, and it has placed its official approval upon the importance of covering the possibility of loss occasioned by death by a policy of life insurance.

"We very frequently meet the excuse that the man is willing to take the risk, or willing to let his family take it. The government has not only endorsed the system of life insurance for the protection of such risks, but has practically said that the family cannot afford to take such a risk, and the state cannot afford to let him take it.

"Another benefit that we have derived is the raising of insurance standards. People apparently have set their standard on the average for a $2,000 or $3,000 policy. The Government has placed the standard for young men who have not yet obtained their full activity value, and who are in the lower earning capacity period of their lives at $10,000. The psychological effect of this standard adopted by the government cannot help but be very powerful on the minds of the rest of the population.

"There is hardly a home in the land but what has some member or relation carrying Government War Risk Insurance to the amount of $10,000 and surely the head of a family must appreciate that if the son, or nephew, or friend, is to be valued at $10,000 he should value his own life at fully an equal amount. The doors are open for increased insurance on old policyholders.

"We have lost from our field of soliciting some two million or so of Class 1 Draft men, but we have remaining in the draft ages some eight millions of young men who are still eligible for life insurance and are better prospects than ever before. Can you imagine the effect on the young men when they realize that those of their brothers who have gone into the service are carrying $10,000 of insurance, while they are carrying perhaps $1,000 or $2,000? The very largely increased field upon them certainly makes up for any loss from the enlisted men.

"I think that every life insurance agent will grant that one of his great difficulties is to get people into a frame of mind where they want to hear about life insurance; where they are ready to grant a really satisfactory interview; where they are willing to sit down and seriously and soberly discuss their problems, and the question of whether or not life insurance offers a solution to those problems. The government insurance plan has impressed upon the minds of the entire population the importance of life insurance and the necessity of a careful consideration of it so deeply that the door is open to the life insurance agent as never before.

Method of Payment

"There is another very interesting phase of this government insurance in that it has provided the twenty year income method of settlement. The government is to pay its claims on the instalment basis only. This is practically the same as your Option B, 20 years. I am sure that you will all agree that the more experience you have in settling death claims and in advising with widows and children at that time, the more convinced you become that one of the installment provisions of settlement is the wisest. This is of very practical benefit for those of you who have consistently worked along those lines know that it is easier to sell a $50 per month income policy than to sell a $9,200 policy.

Not Sold Over Counter

"The placing of the government war insurance has also been an endorsement of the necessity for the life insurance agent. Those responsible for the system had an idea that such a wonderful opportunity offered to men who were about to risk their lives, would be seized at first announcement. Months passed by and to the great surprise of the officials, rather a small percentage of men had taken the policies. Then such men as Millard W. Mack, Clifford McMillon and Peebles of our agency forces, and many more good men from

(Continued on page 11)

State Mutual Life Assurance Company of WORCESTER, MASS.

Incorporated 1844

SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.

Our motto is SERVICE to policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

GOOD TERRITORY
still available for development by the
RIGHT AGENTS

..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.

Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

PENNSYLVANIA OPPORTUNITY

If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.

Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

15,000 PEOPLE

Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.

AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day

FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA

Insurance in force over $142,000,000

Walter LeMar Talbot, President

American Central Life
Insurance Company
INDIANAPOLIS, INDIANA
Established 1899
All agency contracts direct with the company
Address:
HERBERT M. WOOLLEN, President

BUSINESS ESSENTIALS

No. 8—COURAGE

By JOHN K. WEST

Being a successful agent is the biggest job on earth. Upon how an agent trains himself in the little habits of life depends his entire future success and happiness, for habits, little or big, are the real rulers of ourselves.

Value of Courage

A person's mind needs far more intelligent care than the most delicate watch ever made. Thousands of agents all over the country are deceitful and tricky because some bad habit of theirs caused them to be deceitful. As many more are lazy because they fail to plan the little everyday duties. Some are drifting because they do not take time to have a definite and positive vision—the one great secret of success.

In this day of keen competition, men and women insurance agents are coming to recognize the value of courage. When an agent is open, fair, honest and truthful, he is courageous. And the reverse is equally true. When an agent is deceitful, tricky, lazy and fails to keep his dream faculty awake, he is fearful, fainthearted and cowardly.

Do you fear to meet people? Do you distrust yourself? Are you always under perfect control? Do you dread tomorrow when you will have to send in your report and remittance to the company, renew a note at the bank, turn down a claim, interview the most important man in town? Are you constantly deluded and defeated by petty little fears? The mastery of these propositions is all a question of courage. You must of course decide for yourself within yourself, whether or not you have or want courage. Great works were never performed without courage and anyone can have it that really desires it.

The Mental Fear Spot

Analyze some one unsuccessful interview you have experienced. Did you have poise? Did you speak effectively? Were your words convincing and interesting? Did you speak to your prospect in a half-hearted manner? Were you sincere in what you said? Did you ramble in your talk? Did you concentrate on the policy you desired to sell? Did you allow petty little things to disturb you during the interview? Did you hasten your interview just to get through quickly, so you could go out and play golf? Did you make your proposition clumsily? Take time to answer each one of these questions. If you answer affirmatively to any one of them you have a mental fear spot in your make-up. You lack courage.

Those agents only who have poise, who speak effectively, who are sincere, who sink themselves in their work, whose words carry you along, who are thoroughly prepared, who lead you up to the point and spring the proposition vigorously like the crack of a whip, are the variety that impress and convince prospects, are the ones that have courage.

Many agents fail in life because of little peculiarities and eccentricities, which are allowed to develop into habits. Some have allowed these fatal faults of sarcasm, ridicule, egotism, indifference, to creep in and destroy their life. All agents are fundamentally just alike and the successful ones are those who have eliminated these detrimental faults from their personality.

Practice on Prospects

In your solicitation of risks you will find people generally have these habits also and you must not be suppressed by their influence upon you. To fear one who takes pleasure in disturbing you by sarcasm or ridicule is to sink to his level. It is your privilege to rise above him and shake off the feeling of fear you have of him. He cannot harm you in any way or thought or deed. You know by analysis how to adjust yourself to such a habit and can refuse to be disturbed if you want to. If you don't know how to treat with such people, just select a half dozen prospects of this kind and go to them for practice. It will do you good.

A vast multitude of agents know they are on wrong paths. They know their present methods are wrong, but they have no courage to change. It would require too great an effort and so they give in and console themselves by being satisfied to blunder along blindly with their old habits of laxness and uncertainty.

Courage cannot be defined. You must experience it. A truly successful agent is he who is courageous, who does right the whole time. On any other plan his business would go to pieces. It takes courage to sit down and plan a whole life's work. It requires bravery to carry out any program we have planned, but it is the only proper scheme of life. An agent cringing with fear, who is diffident and afraid, has no chance with his free and open adversaries.

No agent can develop courage while conscious that he is selling insurance that is not fitted to his prospect's needs. He cannot be courageous if he fears the business world. It is impossible for him to be a really free man when he is cross cutting the company for whom he works by employing sharp practices in remittances or in dishonest representations.

The anticipation of failure when you are soliciting a risk will bring its reward, just the same as anticipation of success will bring its reward. We get out of life just what we seek. Don't fear accident or illness, or loss of life, or fire. Insure your ease of mind by letting some strong company carry the risk. Don't fear poverty. Don't be superstitious about what days or hours you shall solicit. Master your mind and be fearless.

Get rid of your foolish sensitiveness, don't be afraid of criticism, plan for poise in all your interviews and practice courage in everything you do. It is inspiring and makes you breathe easier. Try it.

War Insurance and Its Endorsement of Life Insurance

(Continued from page 10)

our company and others were pressed into the service and they started agency methods. Even such insurance as this under such exceptional conditions didn't sell over the counter.

Replacing Business

"Now let us look a little into the future. Some day the war is going to be over. Some day the holders of the 2,570,000 policies are going to return to civil life. In fact, when that some day comes, the government is going to ask them what they want to do permanently in the way of life insurance, and it has agreed to allow them to convert their term policies into a permanent form of insurance. The problem for future permanent protection will be presented to these millions of young men returning to their life work.

"Two of the most prominent life insurance officials in this country have told me that in their opinion the great majority of these men are going to prefer to replace their government life insurance with insurance in the private companies. The methods of doing business, the policy contracts, the privileges offered by the private companies, the spirit and practice of service are so superior to those that the government will probably be able to offer that any man who investigates will be very glad to replace.

Will Choose Carrier

"If this prediction is sound, just think of the additional field that will be open to us when that much hoped for day of peace arrives. Over $20,000,000,000 perhaps by then 50 billions of life insurance and from 2½ to 5 millions of policies in the insurance market with the holders actively considering what kind of life insurance policy is the best in the long run, and whether it will be wise to carry life insurance on a permanent basis with the government or with the companies! This will be the greatest opportunity that the life insurance agent has ever seen, and the greatest opportunity that the life companies have ever had. But it will be determined with the stewardship that the life insurance agent and the life insurance company exercises. If they can prove that they do business on a more satisfactory basis, offer a more desirable and more progressive contract, give more satisfactory service to the public than the government can do, the field will be open to us. If we cannot meet those conditions, the insured will stay with the government, and he ought to stay there.

"And so we may sum up the situation as one most favorable to our work. We can regard it as the great boon that has been handed to us and that acts as an offset to some of the difficulties that the period of the war with its necessary readjustments of business places in our way. As to the future, it is my personal feeling that we have nothing to fear from future developments growing out of this governmental system, provided we so well serve the public and meet their wants that it will be unnecessary for the government to assume any great responsibility in the life insurance field."

New York Life Insurance Co.

FIVE YEARS OF EFFICIENT SERVICE
INCLUDING
THREE AND ONE-HALF YEARS OF WAR TIME

During the Five Years ending December 31, 1917, the New York Life

Received in Income	$667,884,000
Paid Policy-holders	382,875,000
Increased its Resources	215,272,000
Increased its Insurance in Force	503,535,000

THE BUSINESS OF 1917 EXCEEDED THAT OF 1912.

In Income	$27,325,000
In Amount Paid Policy-holders	25,337,000
In New Insurance	119,917,000

The increase in Business and Resources in Five Years equals the Business and Resources of a very substantial life insurance company, and this new Company is returning to policy-holders 92 per cent. of its entire income. It is also adding forty million dollars a year to its resources and one hundred millions a year to its insurance in force.

HELPING WIN THE WAR.

Since the war began, in August, 1914, the New York Life paid to December 31, 1917, 998 war losses amounting to $3,007,223. There were 238 reported losses for $607,084 awaiting proof on December 31. The Company had so carefully guarded itself against extra mortality by reason of war that, notwithstanding the world-wide character of the conflict, the percentage of its actual to its expected mortality has not been appreciably affected. This percentage for 1917 was 70.85—the lowest of any year since the Company has kept complete mortality statistics.

The Company owned Liberty Bonds on January 1, 1918, to the amount of $12,075,000, and subscribed for $20,000,000 of the Third Liberty Loan.

There are Four Hundred and Twenty-six Stars in the Company's Service Flag, and one of the Home Office boys—Frank J. Brandreth, of the Rainbow Division, has already won the French War Cross.

The Company has afforded the Government every assistance in its power in formulating and carrying out the plan of Government Insurance on the lives of soldiers and sailors. Agents are forbidden to accept applications from soldiers or sailors unless they have already taken the limit with the Government.

EVERY MAN'S BUSINESS.

Just now it is every man's business to Help Win the War. Our daily occupations are incidental; winning the war is our real business.

Winning the war is our real business because back of that lies the chief and ultimate purpose of life—making the world a safe place for women and children. And that is the aim of Life Insurance in war time and in time of peace.

The Government has recognized this in the provision made by life insurance for the families of those who die or are disabled in the service. The man who stays at home and does less is a slacker.

NEW YORK LIFE INSURANCE CO.

DARWIN P. KINGSLEY, President.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone 2497 John.

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TRIBUTE FROM OUTSIDE

One of the finest tributes to life insurance and its representatives came to the ear of The Eastern Underwriter a few days ago in the eulogy of the proprietor of an Atlantic Coast hotel, which recently had as guests over 400 members of the agency force of one of the great life insurance companies of America, for four days. He stated that they were the most considerate and orderly aggregation of men and women that had ever stopped at that hotel, and that if the degree of thoughtfulness evidenced by these guests, all of which rang true, was an every day occurrence with their guests, the management would not know they were in the hotel business.

CALLING FOR MEN

Can the call of General Pershing for 4,000 high grade men to help him in France with the Y. M. C. A. fail to be heard by insurance men? The task is:

To keep our fighting men physically and morally fit.

To supply them with comforts, and to keep their minds and bodies active and clean.

To steer them straight and to be their friends, counsellors and helpers.

In one word, to maintain their morale at 100 per cent.

This job is to maintain morale. It is a big job and requires men with big hearts and clear minds to do it. Men with experience handling other men are the type required. What better place to look for such men than in the insurance field, among those who sell insurance, who are able to guide the actions of others, to influence their minds. Men who have succeeded in organizing and managing other men can be of the greatest service in this noble work of maintaining morale.

To have an influence over young men, a man must be tactful, must be firm, and on the level in all his acts. He must think quickly but think straight. He must have sympathy with the other fellow's point of view. This requires patience and a cool temper. He must be able to do well the simple things of everyday life, so as to show and help the other fellow to do them. These are the kind of men General Pershing wants the Y. M. C. A. to send him.

SEEKING THE LIGHT

There is every indication that this year when car-fare is high, food is high, hotel charges are high, there will be a larger attendance of insurance men at Cleveland for the convention of the National Association of Insurance Agents than ever before. It is usual to make predictions of this kind in a general spirit of optimism and with a pardonable desire to boost, but there is an entirely different reason this year —a real reason based on facts, nothing else.

These conventions came and went in former years and the usual number turned out. The rest felt that they either could not afford the money or the time and there was that chronic belief that what was done at the conventions was not of particular importance to "me." But why is it that now there is a strong feeling the country over, that to miss this Cleveland meeting would be little short of criminal? Simply this. So many of the things that the so-called cranks, the scaremongers and pessimists have predicted have come to pass. The war has brought them swiftly into being. The Government is in the life business. Will it remain there? The Government is nibbling off pieces of the insurance structure with increasing regularity, under the "necessity of war." Socialistic tendencies are still rampant. The insurance agent must defend his position. What is the salvage to be for the insurance man? What may the insurance man look forward to after the struggle is over? How much of the old system will be allowed to remain? Insurance men are at last seeing these things in their true light. They are thinking. Their appetite for knowledge is whetted. They wish to know what the brightest minds in the business think, and they expect to get the information they seek at the Cleveland meeting.

As to the prospects for a large and enthusiastic meeting of the National Association, it is too early to give any figures. Those in charge of the meeting have been noting some rather remarkable and unexpected conditions prevailing in other organizations, which show that the war is quickening the business pulse of the nation. Men are realizing more fully their duties to themselves and their fellows. This is revealed in other conventions of business and professional men. For example: an organization of agriculturists which generally turns out 300 men and has 700 members, this year turned out 650 strong, a record for them. A convention of teachers sent just twice as many delegates to convention this season as had been the custom for many years.

In the case of the agriculturists it might be argued that they are all making so much money they were just waiting for a chance to spend it, and so went to the convention. In the case of the school teachers, the conditions are just the opposite. They are not benefiting by the war, but are losing, as their salaries will not buy what they would before.

The only solution of this increased interest is that all men have been awakened from their lethargy and made to regard seriously many of the things affecting their livelihood, which heretofore they have wilfully and persistently neglected. It is evident to all, that the agriculturists and the teachers have no more perplexing problems confronting them than have the insurance interests of the country. Therefore, if the insurance men are not to fall behind in this quickening of the business pulse, and realize the insurance history making times through which they are passing, they will turn out for the meeting in October in greater numbers than ever before.

THE HUMAN SIDE OF INSURANCE



The Aetna Life team of the Insurance Baseball League of Hartford was returned winner of the pennant this year. The keenest rivalry existed between the teams comprising the league from the beginning of the season to the end, and no little amount of interest was taken in the race by the insurance fraternity of Hartford. The key to the picture printed above of the Aetna Life team follows: Top row left to right. Bush (manager) Crowthers, s.s., Conroy, (scorer). Middle row: Atwood (captain) Whitney, 2b, Pike, 3b, Bolen, c, Schultze 1b. Bottom row: Jardine, c, Pearl, cf, Meade, rf, Farmon, p.

* * *

Messrs. Johnson and Shannon, who represent the Bankers Life of Des Moines in Northern Texas, recently ran into a cloudburst while driving home in their flivver. In the storm, a bridge gave way and the car, the men and the bridge dropped to the bottom of a raging torrent. The firm lost all its supplies, including applications and examinations for $20,000 of business, but went back to the scene of the wreck the next day, recovered the applications and examinations and resumed business just where it had left off the day before.

* * *

John O. Furniss and William K. Owrey, who have been elected assistant secretaries of the Western Insurance Company, Pittsburgh, have been with the Company for many years. Mr. Furniss has been there for thirteen years in charge of the accounting department. Previously, he was connected for a number of years with several prominent Pittsburgh fire insurance agencies. Mr. Owrey has also been connected with the Western for twelve years in the capacity of map clerk and examiner.

* * *

Major E. V. Preston, general manage of agencies, of The Travelers, cele brated the completion of his fifty-thir year with that company recently b making a trip to the top of the ne Travelers tower. The view from thi height is worth going to see and Ma jor Preston admitted that, although h had seen his fellow-Hardfordites fro many angles in eighty-one years, he ha gained a new outlook on life.

* * *

George Kuhns, President of the Ban ers Life of Des Moines, has once mo proved himself a champion angler. H recently had his first taste of muske lunge fishing at Long Lake, Wis. M Kuhns was a member of a fishing par of six and they caught six muskellun and three of the six were captured Mr. Kuhns.

* * *

Forrest F. Dryden, president of T Prudential, gave a luncheon at t Robert Treat Hotel in Newark la week in the interests of the local B Scout organization which is in need financial support and in which Mr. D den has always been interested.

* * *

William M. Moore, of Moore, Wee man & Co., Peekskill, N. Y., lo agents, has volunteered for Red Cr service and is now driving an am lance in Italy.

* * *

William C. Bamburgh, who used be with the Mutual Life, is now sa manager at Hartford for the M. S. I tle Manufacturing Company of t city.

* * *

O. F. Roberts, vice-president and g eral manager of the Chicago Bond & Insurance Co., was in New York a few days this week.

* * *

B. J. Both has purchased the ins ance interests of F. V. R. Stillman Olean, N. Y.

FIRE INSURANCE DEPARTMENT

Ball Grandstand Now Storehouse

NEW FIRE PROBLEM IN EAST

Protection Association Kept Busy By Action of Government in Acquiring Buildings

All sorts of places in the East are being turned into warehouses to offset the taking over by the government of many important storage buildings.

The old Federal Baseball League grandstand in Brooklyn has been turned into a warehouse and is now owned by the Federal Storage & Warehouse Co., Inc. The building as it now appears is a curiosity but it has been made into a good warehouse and it carries a low fire rate. It is all steel and concrete. It looks odd to see the fence down and the back of the grandstand all closed with concrete and iron, the space inside filled with goods.

Here is a portion of the survey on that building, which is in the form of a semicircle:

Construction

That portion underneath the seating platforms of the grandstand has been converted into 1-story buildings, to be used for the storage of general merchandise. This portion is constructed of reinforced concrete beams, girders and columns. The top of roof is formed by steppings for seats, inclining from the ground of the field side to about equal to 2 stories in height on the streets, and is constructed of reinforced concrete arches having a minimum thickness of 8-in. Former openings through the steppings for exit are either closed by fireproof arches, equivalent to the stepping, or are having 8-in. brick bulkheads erected, the openings to which are to be protected by angle framed iron doors. The exterior walls are 8-in. panel walls built between reinforced concrete columns and wall girders. Main floor is concrete on ground; flooring in small mezzanine floors is ⅞-in. maple on reinforced concrete arches. Finish, open except plastered direct on tile partitions enclosing mezzanines. Fire Divisions—The structure is being divided into four sections by 12-in. blank brick walls extending from ground to the under side of the steppings forming the seats. Area, as follows: Section "A." 13,417 square feet; Section "B," 15,128 square feet; Section "C," 25,926 square feet; Section "D," 26 477 square feet.

The upper portion of the structure is a former seating gallery open on sides, seats removed. Roof is plank covered with asbestos supported by unprotected steel trusses and steel columns.

What concerns the National Fire Prevention Protection Association along the Eastern seaboard just now is the readjustment which is taking place in the warehouse situation. The Government's action has thrown great quantities of storage business elsewhere and the Association is kept busy investigating buildings of property owners who are seeking to have their places listed as warehouses. Needless to say many of them are far from being of a desirable type. One man in Brooklyn has a nine story building with wooden floors and stairways, a building which he would not be permitted to erect now, which he wishes to turn into a storehouse.

At the New York office of the Association some two hundred such applications have been received from property owners. In Boston persons are renting space in private dwellings, mostly in basements, for storage purposes.

RULES ON ENEMY ACT

New York State Association Regards Control of Observance to be Unwise

The Underwriters' Association of New York State has adopted the subject-matter of Circular No. 1185, i. e., the circular in reference to "Trading With the Enemy Act." The supplement to General Rules together with the circular and the endorsement called for by Circular No. 1185 have already been sent to companies, members and local agents.

R. G. Potter, secretary, has issued the following:

Inasmuch as the observance of this rule is a matter of legal obligation on the part of the companies, I am of the opinion that any attempt on the part of the Association to control its observance would be unwise and uncalled for in view of the very evident fact that each company, for its own protection, will undoubtedly give the matter its most careful attention in order to be absolutely certain that the provisions of the law are observed in all cases.

Please note therefore that the district secretary's stamp certifying to the correctness of a daily report applies only to the question of rate and form and does not in any way refer to the attachment or non-attachment of the endorsement covered by Rule No. 64a, "Trading with the Enemy."

OSCAR V. BARGER IN HOSPITAL

Oscar V. Barger, of Barger & Powell, local agents at Peekskill, N. Y., is in the Peekskill Hospital recovering from an operation for ulcer of the stomach.

THE
TOKIO
MARINE AND FIRE
INSURANCE COMPANY
LIMITED

UNITED STATES FIRE BRANCH
J. A. KELSEY, General Agent
80 MAIDEN LANE, NEW YORK

THE AUTOMOBILE
INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36
LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,818.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Speakers for Agents' Meeting

PROGRAM IS SHAPING UP

William F. Dunbar, H. R. Clough, Guy Mason and M. J. Cleary on List

One of the addresses which will be looked forward to with the keenest anticipation at the annual convention of the National Association of Insurance Agents, is to be by former Insurance Commissioner Dunbar of Tennessee, who is now manager of the South Eastern Association of Underwriters. His subject is, "What an Insurance Commissioner Can Do to Rid His State of Irresponsible and Fraudulent Insurance Concerns and their Representatives."

No man is better qualified to talk on this subject, for Mr. Dunbar won for himself National fame by doing just that very thing in his home state. He established a unique record and he is going to tell how he did it and how others can do the same if they will, at the Cleveland meeting in October.

H. R. Clough, secretary of the automobile department of the Aetna Life, will talk on several of the most urgent problems confronting underwriters in that line.

Guy Mason, who is an expert on income and corporation taxes, excess profits taxes and the like, will give the insurance men the information they desire regarding these imposts.

M. J. Cleary, insurance commissioner from Wisconsin, and vice-president of the National Convention of Insurance Commissioners, is another speaker. His subject has not been announced. Mr. Cleary is the logical candidate for the presidency of the Commissioners' Convention, he now being vice-president.

Headquarters at Statler

The Hotel Statler has been made the official headquarters. The National Association of Casualty & Surety Agents will meet on the eighth and ninth and there will be a joint meeting of the casualty and fire men on the ninth or tenth.

As the International Association of Casualty and Surety Underwriters did not hold any meeting last year and will not hold any this year, it is proposed that the company men meet with their agents in Cleveland.

Secretary Miller, being an experienced insurance man as well as newspaper expert, knows by experience of many things which would add to the pleasure, comfort and interest of those who will attend a meeting like this. He is sparing no effort in working all the minute details out to the finest point. He has co-operating with him a committee which is no less energetic and resourceful than himself and the combined result of their efforts is anticipated in the highest confidence that the program and arrangements for the October meeting will be of the finest.

FREEMAN AGENCY SHOWS WAY

Letter Sent To All Clients Emphasizing Importance of Sufficient Insurance

The Thomas J. Freeman Agency, of Haverstraw, N. Y., has sent the following letter to all clients:

"The present high cost of labor and materials has largely increased the value of buildings, machinery, merchandise, household effects, etc., and as a rule insurance has not been increased in like ratio.

"The result is that many property owners are without adequate insurance, which is specially unfortunate where the policy contract contains the co-insurance provision.

"Adjustments in case of loss are made upon the basis of cost of replacement at the time of the fire, less proper allowance for depreciation, and if the amount of insurance carried is insufficient to cover present values, the assured will be obliged, on application of the co-insurance provision, to bear a part of any partial loss, and, upon total destruction of the property, the loss in excess of insurance, which may bring hardships.

"We therefore urgently call this matter to your attention, with a request that you inform us if you wish additional insurance.

"Where a loss is payable to a mortgagee on property upon which there is not sufficient insurance to fully protect the mortgage interest, the mortgagee should be advised.

"N. B.—This matter is herewith handled solely for the benefit of the property owner, not as a business getting device. The fact is that under present conditions most people are under-insured and do not realize it. It is our duty to make the facts known to you. Judge for yourself."

REPRESENT COMMONWEALTH

J. J. Boland & Co. Inc., Will Write Automobile in Pennsylvania Counties

The automobile department of J. J. Boland & Co. Inc., Scranton and New York, of which Harrison Law is manager, has been appointed general agent for the Commonwealth Casualty, of Philadelphia, in the following Pennsylvania counties: Lackawanna, Luzerne, Susquehanna, Carbon, Wayne, Wyoming, Monroe.

DETERMINED TO FIGHT

After being rejected three times Louis Green, son of Industrial Manager M. Green, of the General Accident in New York, has succeeded in gaining acceptance and has joined the colors.

WISCONSIN FIRE AND MARINE

State Department Figures Just Available Show Big Increases in Both Branches

Madison, Wis., July 17.—There was $1,878,404,086 worth of fire and marine insurance written in the State of Wisconsin in the past year according to the compilations just completed at the insurance department. For the year previous the amount of insurance was $1,325,706,104.

The three Wisconsin stock fire insurance companies wrote $72,781,027 of fire insurance during the past year. The nine hundred and nine stock fire insurance companies of other States wrote $1,196,866,381 worth. The thirty-two foreign stock fire companies wrote $316,878,381. This is a total of $1,586,525,789 written by stock fire insurance companies on business in Wisconsin.

The six foreign marine insurance companies wrote $132,847,629. The thirteen inter-insurance companies wrote $16,723,915. The seven Lloyds companies wrote $51,620,116 and the forty-six mutuals of other States wrote $90,686,637. This is a total of $291,878,297 of miscellaneous written in the State during last year.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

BRITISH AMERICA ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918
Assets $2,192,173.14
Surplus in United States..... 772,927.35
Total losses paid in United States from 1874 to 1917, inclusive 25,298,472.00
W. B. MEIKLE, Pres. & Gen. Mgr.

THE HANOVER FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
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Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

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NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET NEWARK Phone Market 6536
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LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
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PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Bona Fide Agent Subject Up Again

BEFORE N. J. ASSOCIATION

Ways and Means and Executive Committees Make Plans for Fall Meeting

Bona fide agents, tornado commissions, National Association delegates and the fall meeting were among the subjects taken up at the meeting in Newark on Tuesday of the ways and means and executive committees of the New Jersey Association of Underwriters.

Shortly after the meeting was called, President T. C. Moffatt, of Newark, announced that Judge Conlon, of Newark, first president of the association, had died last Thursday and that, while the association had been represented at the funeral on Monday, there had been no official action. Charles Dodd, of Newark, proposed that a resolution be embossed and signed by a committee representing the association and presented to the family of Judge Conlon. This was passed after President Moffatt had told some of the many things which Judge Conlon had done for the business and Mr. Dodd was made chairman of the committee.

Following the secretary's report on the matters taken up at the annual meeting at the Robert Treat Hotel and which had been referred to either of the committees in session on Tuesday, a letter was read from the Hudson County Board of Underwriters giving a list of New York men who were writing New Jersey business without maintaining a bona fide office in the state and asking the State Association to take action thereon. It was decided to ask the Insurance Department for information about them.

The matter of commissions in South New Jersey was then discussed at great length.

Limouze in Service

President Moffatt announced that on returning from his vacation he had found that Secretary-treasurer Percy Limouze, of Weehawken, planned to enter military service in about ten days. Mr. Limouze stated that he expected to be able to take care of the duties of his office in the usual manner by reason of being stationed at Hoboken.

Mr. Limouze reported that, in connection with the bank-draft resolution which had been passed at the annual meeting to facilitate the collection of dues, it had not been necessary for him to use this method.

The subject of commissions on tornado business came up for discussion by reason of the fact that several of those agents present had had letters addressed to them by their companies proposing to reduce the commissions on this class of business to twenty per cent. Action was postponed pending further information.

Chauncey Miller There

Chauncey S. S. Miller, secretary of the National Association entered the meeting about twelve o'clock and from then until adjournment at two o'clock the principal subject discussed was the annual meeting of the National Association in Cleveland October 9-10-11 and the mid-year meeting of the New Jersey Association which will be held September 19. In reference to the delegates to be sent to the National Association's convention Mr. Miller suggested that it would be wise to have the New Jersey representation include men from rural sections as well as from the larger cities. He also told of the work he had been doing on his trip in the West and outlined the program of the National Association annual meeting. As a means of covering convention expenses and other emergencies Mr. Miller proposed for the consideration of the New Jersey association a voluntary graded scale of dues which he said had been very successful in the West.

Following Mr. Miller's talk, the committees took up the subject of the best meeting place for the mid-year session. After much discussion, the decision lay between Atlantic City and New Brunswick.

GOVERNMENT INSURES ROADS

Insurance on all railroad properties under Federal control was assumed by the Railroad Administration, July 16. Newspapers have been saying that the change will accomplish an annual saving of $200,000,000 in premiums. This is regarded in insurance circles as merely a flight of imagination. One New York man in charge of railroad matters for a leading company says that the premiums on railroad property will not amount to over $4,000,000 and very likely will not be much over $3,500,000.

NOW STAR INSURANCE CO.

The Liverpool & London & Globe Insurance Co., of New York, has taken steps to change its name to the Star Insurance Company of America, to avoid confusion with the L. & L. & G. of England.

Seeking Power to Reinsure

ACTION ON ENEMY COMPANIES

Alien Property Custodian Wishes to Avoid Inconvenience to Policyholders

Washington, D. C., July 17.—A bill to amend the trading with the enemy act by authorizing the alien property custodian to reinsure the business of enemy or ally-of-enemy insurance or reinsurance companies, is now in the hands of the House committee on interstate and foreign commerce. The need for this authority, it is declared by officials of the alien property custodian's office, is very great and is necessary to the effective operation of the office under the trading with the enemy act.

In a statement just made public by the alien property custodian, it is announced that his office is making vigorous efforts to close out the business interests and take over the remaining properties of all foreign insurance companies classified as enemy or ally-of-enemy concerns.

Chance for New Companies

"Prior to the war these companies enjoyed a very large patronage in the United States, and the destruction of their plants will set free a vast amount of insurance to be replaced with American companies or with such other foreign companies as are privileged to continue in business. It seems probable that the necessity for insurance thus created will afford an unusual opportunity for the organization and development of a number of new American companies."

The companies now being closed out are one casualty, two life, thirteen fire, and four marine concerns, together with four companies incorporated in the United States but under enemy ownership.

The need for amending legislation along this line was explained to the members of the committee by A. Mitchell Palmer, alien property custodian, and Lee C. Bradley, general counsel for Mr. Palmer.

"At the time the trading with the enemy act was passed last Fall, of course the work of the alien property custodian was entirely in the future," said Mr. Palmer. "Now we have had something like six months' experience with the trading with the enemy act, and the suggested amendments to that law as contained in this bill are the accumulation of that experience. They represent what we have discovered to be necessary to faithfully and fully and adequately carry out the evident purpose of the Congress in the passage of the law and the amendment to it which was carried in the urgent deficiency bill in the latter part of March last.

Perfecting Machinery

"While the amendments to the act look formidable, they are not so in fact. They are simply designed to provide and perfect the machinery for carrying that law into effect, as far as the alien property custodian and his duties are concerned, most of the amendments being made necessary by the hastily drawn and short amendment to the trading with the enemy act which was carried in the urgent deficiency bill, and which gave to the alien property custodian the general power of sale of enemy property, a power which was not originally contained in the trading with the enemy act."

Mr. Bradley, in whose office the amendments to the act were drawn up, followed Mr. Palmer and explained the need for the authority to reinsure.

"That power—to reinsure—is important, because most of these companies —take the enemy fire and marine insurance companies—they have risks that run for a long period of time," he declared. "They are licensed by the Treasury Department under a delegated power from the President to do business within certain limits. The Treasury Department is willing to revoke those licenses whenever it seems consistent with the interests of our citizens that they be revoked, but if they be revoked as the matter now stands, the alien property custodian would be put in the position of taking over those assets and forcing every assured who may hold a policy to come in and file a claim under section 9 of the act, and in the event of loss on that policy, it would be a considerable public inconvenience, whereas if this power were given to reinsure we could take over the assets and reinsure and avoid that inconvenience to the public."

UNITED BRITISH APPOINTMENTS

Company now Doing Business in Eight States—T. C. Moffatt & Co. Agents in Newark

The United British Insurance Co. announced the following agency appointments on Tuesday:

T. C. Moffatt & Co. Newark; Stokes, Packard, Haughton & Smith, Philadelphia; C. J. Adams & Co., Atlantic City; Calvert & Schubert, Asbury Park; H. C. Hill & Co., Williamsport, Pa.; Arnold Rippe, Jersey City; Crum & Forster, New York City; J. S. Comer, Johnstown, Pa.; E. A. Hempstead, Meadville, Pa.; Newcastle Real Estate Co., Newcastle, Pa.; Luppold & Whitman, Reading, Pa.; and H. S. Kaufman, Ltd., New Orleans, La.

The United British is now entered in New York, New Jersey, Pennsylvania, Illinois, Indiana, Ohio, Michigan and Louisiana.

N U

NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.

TODAY IS THE DAY—

For what? For ACTION! To do the thing that lies before you.

In this age you're fighting a constant battle with Time—you can't win by letting Time have all the advantages.

In the race for Success your strongest competitor is TIME—your keenest adversary is HESITATION—your bitterest enemy is "WAIT TILL TOMORROW."

"Put it off" and you are merely welding a link in the chain of HABIT that will sooner or later render your judgment QUAKY and UNSUBSTANTIAL.

Acquire the HABIT of putting things off and very soon you will find the path of progress blocked.

"I'll think it over" has cursed many a man and wrecked many a CAREER. THINK FAST! DECIDE!

The world has no opportunities for the LAGGARD—the man who is AFRAID TO ACT. Strengthen your character with prompt decisions. What is wanted is men who have the "habit" of doing things—and doing them NOW.

Correspondence welcomed from Agents of experience and good repute.

WRITE TODAY

Preparing for Water Damage Business

LINE SELLS WELL IN NEW YORK

Premiums Run to Large Amounts—Coal Famine Convinced Owners to Danger

Water damage insurance is being written in New York to a greater extent than ever before. The reasons are obvious. As premiums run, it is a good line. From about $18 on a dwelling house the premiums run up to $3,000 and $4,000 on hotels. Now is the time to get ready for a big business next fall. One agent, a woman, in Westchester County, has written fifty policies on residences within a few weeks

After the coal famine last winter, everybody cheered up and consoled themselves with the thought that it can never happen again. That was perfectly natural. But now there is every reason to believe that we shall go through very much the same experience next winter. Perhaps not so bad but serious enough. There are plenty of indications that coal will be hard to get and freeze ups will be many and costly.

Just now there is considerable agitation in various parts of the country that fire agents take more interest in casualty lines to make up for slackness in business elsewhere. A fire agent who has not written casualty lines, and who wishes to do so, naturally hesitates as to which one is the best for him to start on. Quite possibly he is looking for an easy one with which to make his debut in the casualty circle.

Why not try water damage? It may not be generally known, but a "whale" of that business is being written in New York right now, all because of the heavy damage caused last winter by freezing. The house and office building owners have had their lesson and water damage is now an easy line to sell, whereas formerly it took much hard work to place a policy.

J. W. Rausch, of the Maryland Casualty, which is a pioneer in that line, knows all about this water damage insurance and has this to say regarding it:

"An insurance policy covering water damage is a guaranty against loss or damage caused by the accidental discharge, leakage or precipitation of water or steam from the following sources:

Plumbing systems (not including sprinkler systems);
Plumbing tanks;
Steam or hot water heating pipes and radiators;
Elevator tanks and cylinders;
Stand pipes for fire hose;
Roofs, leaders and spouting;
Rain or snow driven through broken or open windows.

"In addition to the sources mentioned above the policy may be endorsed to include loss on account of the falling or precipitation of the plumbing tank or tanks. The tank precipitation endorsement covers the damage done as a result of the tank or its component parts and supports falling, as well as the damage caused by the water discharged from the tank or plumbing system.

Causes of Water Damage

"There are a great many causes of water damage accidents. The following are some of those most frequently met with:

Freezing of plumbing pipes, plumbing fixtures and steam radiators;
Overflow of washstands and sinks due to stoppage or inadequate drain pipes;
Leakage from worn out or defective pipes;
Leakage from pipes ruptured by strains or settling of buildings;
Leakage from steam radiators;
Leakage from ruptures of elevator tanks and their supply pipes;
Leakage from stand pipes;
Leakage from roofs;
Leakage caused by stoppage of leaders and down spouts;
Backing up of water under flashing of roof;
Carelessness of servants or employes leaving the windows open during rain or snow storms;
Carelessness of servants or employes leaving faucets running;
Overflow of plumbing tanks;
Collapse or precipitation of plumbing tanks.

"There are two forms of water damage insurance—one the mercantile form and the other the private residence form. The policy contract of each is practically the same, the only difference being that the mercantile form is adapted to that classification and the residence form is used for private residences, apartment houses and other risks which do not come under the mercantile classification.

"Rates for water damage insurance are based upon the physical condition of the risk, and take into consideration the damageability of the assured's property. Certain charges are made for various exposures, and certain credits are allowed for improvements favorable to the risk. Some of the losses under water damage insurance are exceedingly heavy and, of course, like sprinkler leakage losses, they depend entirely upon the nature of the accident, the character of the goods or the building damaged. Premises protected by water damage insurance are regularly inspected. These inspections are particularly important in the case of large mercantile risks."

INSURANCE LEAGUE RETURNS

The results of the League games played last Saturday are as follows: Phoenix 8; Niagara 6; Wade Robinson forfeited to O. G. Orr.

	Games played	won	lost	Per cent.
Continental	8	7	1	.875
O. G. Orr	7	5	2	.714
Niagara	9	6	3	.666
Hartford	8	5	3	.625
Wade Robinson	8	4	4	.500
Travelers	8	4	4	.500
Aetna	8	1	7	.125
Phoenix	10	1	9	.100

The games to be played to-morrow are Continental vs. Wade Robinson at Diamond No. 14, Prospect Park, Brooklyn; Hartford vs. O. G. Orr at Marlborough Oval, 22nd Ave., Brooklyn.

CANCELLATION FEATURE WAITS

Another hearing was held Wednesday at the Rating Board rooms in New York on the proposed universal, standard workmen's compensation policy. Following the hearing it was announced that full agreement was reached on all points except that of cancellation. The brokers' association appeared in opposition to Item 6 which reads: "No similar insurance has been cancelled by any insurance carrier during the past three years except as herein stated." The policy committee held an executive session following the hearing but no decision was reached on this cancellation clause. Decision is expected in a few days.

ALEXANDER GREENE BACK

Alexander Greene, of Ballard & Greene, Inc., who has been confined to the house for the past month and a half, returned to his desk on Monday.

Firemen's Insurance Co., Newark, N. J.

January 1, 1918

Cash Capital $1,250,000.00
Net Surplus $2,384,971.20
SURPLUS TO POLICYHOLDERS... $3,634,971.20

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer — A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President — J. K. MELDRUM, Assistant Secretary

BINDERS EFFECTED ON NEW JERSEY RISKS

Irvin T. Bernhard

68 William St., New York, N. Y.
19 Elm Ave., Hackensack, N. J.

Scottish Union & Nat. Ins. Co. — Eagle & Br. Dom. Ins. Co. — Ohio Farmers Ins. Co.
Niagara-Detroit Und. — Glens Falls Ins. Co. — Yorkshire Fire Ins. Co.
Law Union & Rock Ins. Co.

Agricultural Insurance Company, of Watertown, N. Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

WALTER F.
95 William St. New York — **ERRICKSON** — 38-40 Clinton St. Newark, N. J.
AGENT

WILLIAM C. SCHEIDE & CO., Inc.
HARTFORD, CONN.
Re-Insurance in All Branches



THE AIRPLANE

—is the military eagle, aptly termed the Eyes of the Army. Rising above and before the battle line, it watches for coming attacks.

FIRE gives no warning of its coming. No eye can see where it will strike next.

ADEQUATE Insurance is the airplane of protection. Use foresight instead of actual vision. Let the

AMERICAN EAGLE
Fire Insurance Company of New York

begin today to protect you against loss by fire.

Cash Capital .....ONE MILLION DOLLARS

HENRY EVANS, President

Home Office: 80 MAIDEN LANE NEW YORK
Pacific Coast Dept., INSURANCE EXCH. BLDG., SAN FRANCISCO

Chattel Mortgage Clause Upheld

L. & L. & G. WINS FARM CASE

Plaintiff Claimed Mortgage on Barn Was Usurious and Therefore Not Legal

The Liverpool & London & Globe has won an important case involving the legality of the chattel mortgage clause of the standard fire policy. The case is that of Morris Lapidus vs. the L. & L. & G., which was decided by the Appellate Division of the Supreme Court last week.

The plaintiff was a farmer at Lafayette, N. Y., and previous to November, 1916, he had executed a mortgage for $1,100 on part of his property to secure payment of a note. In November, he took out a fire insurance policy for $4,800 on the property. In December a fire destroyed a barn. The Company refused payment on the ground that the chattel mortgage, which had not been declared, voided the policy.

Lapidus sued and set up as his principal reason why the loss should be paid that the chattel mortgage was usurious and therefore void. He stated that the mortgagee had loaned him $1,000 and had then required him to execute the mortgage for $1,100. The usurious feature of the mortgage, he held, voided it as a legal instrument and therefore the objection of the insurance company was not a good one.

Justice Irving C. Hubbs, in his opinion said: "To hold under the facts that the plaintiff can recover in spite of the fact that the property was covered by a chattel mortgage, would open the door to frauds upon insurance companies and to a great extent nullify the provisions of the New York standard policy."

Americans Plan Foreign Operations

(Continued from page 1)

America. We are told by representatives of some of the largest countries in the Southern Hemisphere that companies from the United States will be welcomed there.

Argentine Conditions Good

The conditions in Argentine are favorable to insurance companies. Buildings have little wood in their construction and fires seldom extend beyond the compartment in which they originate. Fire protection is nationally controlled and supported, and equipment modern. Protection is usually adequate. Taxes are rather heavy, but rates are not government controlled and appear adequate. Legal regulations are slight compared with many of our states. There are Municipal building regulations as to construction, materials, height, etc. Deposit required of a foreign company to enter is 300,000 paper pesos (about $127,380 U. S. money) for one kind of insurance, 50 per cent. additional for each additional line. One central deposit is sufficient to conduct business throughout the country. Nearly all provinces require an annual "patente" (business license) and some cities require a "Municipal patente."

There are about 85 companies of all kinds operating in the Argentine. About 33 foreign companies are entered, 23 of them writing fire insurance. The Equitable Life Assurance Society and the New York Life Insurance Co. of New York are entered and doing business.

Brazil is Also Favorable

The conditions as regards construction and protection in Brazil appear to be about the same as the Argentine, but conditions to enter are not so favorable. Our investigators may find that the best plan to enter some of these countries may be to take out National Charters—as low as 10 per cent. of capital is required to be paid up in order to do business under a National Charter.

Laws against incendiarism are very strict. In the City of Sao Paulo, for instance, the occupant of premises on which a fire occurs is immediately arrested and held until a rigid investigation of the cause of the fire has been made. A small fire which burns out one building there attracts as much attention as the burning out of an entire city block in our country.

As an indication of the better quality of building construction and consequent reduction of fire loss, our Consul reported from La Paz (the capital) in Dec. 1916 that there are no fire insurance companies in Bolivia. The houses of La Paz are built of adobe or stone, and fires have created little call for fire insurance.

The policies of foreign companies in the Argentine average over 25,000 pesos, and the average of the National (local) companies is about 13,500 pesos.

Admission Conditions

One of the features of the South American and foreign situation which may prove to be a deciding factor in the expansion movement is that, with the exception of Great Britain and a few other countries, the open door policy is almost universal and upon presenting proper credentials as to home office solvency the company may forthwith commence business. This feature, which is also applicable to banks, is what drew banks generally to establish branches in South America.

The European insurance companies now transacting business in South America have adopted the expedient of maintaining a three months' or more deposit premium to facilitate the payment of losses and this will probably also be done by the American companies which enter South America.

A peculiarity exists as to Dutch and French Guianas in that to do business in this territory credentials must be submitted to the home governments which is in effect entering those two countries for business.

American Companies Invited

Overtures from South American business interests to induce American companies to enter that territory were published by The Eastern Underwriter in 1915 and on several occasions since then, the last being in June of this year when the following letter to the Insurance Society of New York from Claud de Baun, representative of the First National Bank of Boston in Buenos Aires, was published:

"I am forwarding you under separate cover today a copy of volume 8 of the Argentine Third National Census.

"On pages 87 to 125, inclusive, you will find a number of interesting statistical tables dealing with the development of insurance in this country.

"On page 96, the author says that happily there are indications that North American companies will extend their radius of action. Unfortunately, they have never done so before and it is a great pity, as the Scandinavian companies have entered here and are going ahead rapidly.

Plenty of Room for Americans

"There is plenty of room for our American companies and I would cite especially, in addition to re-insurance business, the insurance of blooded livestock. Another field which is related to insurance is fidelity bonding, and there is a fine opportunity here for companies in this line."

Last week the following companies were represented at a meeting held in the office of President Elbridge G. Snow of the Home, at which time a preliminary report of the above named committee was presented:

American of Newark, Boston of Boston, Continental of New York, Firemans Fund of San Francisco, Firemen's of Newark, Fire Association of Philadelphia, Glens Falls of New York, Great American of New York, Hartford of Hartford, Home of New York, Insurance Company of North America, National of Hartford, Niagara of New York, New Hampshire of Manchester, Phoenix of Hartford, Providence Washington of Providence, Springfield Fire & Marine, St. Paul Fire & Marine, Westchester of New York.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

CRUM & FORSTER

GENERAL AGENTS

95 WILLIAM STREET NEW YORK CITY

United States Fire Ins. Co., N. Y. — The North River Ins. Co., N. Y.
Richmond Ins. Co., N. Y. — Union Fire Ins. Co., Buffalo, N. Y.
Potomac Ins. Co., Washington, D. C. — Seneca Fire Ins. Co., Buffalo, N. Y.
United States Underwriters' Policy, N. Y.

F. M. GUND, Mgr. Western Dept. Freeport, Illinois
W. W. ALVERSON, Mgr. Pacific Coast Dept. San Francisco, California

FOUNDED 1792



The Oldest American Stock Insurance Company

1792 Insurance Company of 1918

NORTH AMERICA

PHILADELPHIA

126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33
Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

National Fire Insurance Company

OF HARTFORD, CONN.

Statement January 1, 1918, to New York Insurance Department

LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79

Total Assets January 1, 1918 ..... $19,222,160.62

H. A. Smith, President — F. D. Layton, Secretary — F. B. Seymour, Treasurer
G. H. Tryon, Vice-President — S. T. Maxwell, Ass't Secretary — C. B. Roulet, General Agent

SURPLUS TO POLICYHOLDERS $5,980,020.79

THE HUMBOLDT FIRE INSURANCE CO.

PITTSBURGH, PA.

Conservative -- Sound -- Progressive

Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

WILL ADDRESS SUFFOLK BOARD

Fred J. Cox, Chairman, executive committee of the National Association of Insurance Agents, and Chauncey S. S. Miller, secretary-treasurer, will be at the meeting of the Suffolk County agents at Sayville, July 31. Both these men have traveled the country over since the annual convention of the National Association in St. Louis, last October and they will have many things of absorbing interest to tell the Board members.

How Use and Occupancy Losses Are Adjusted

Example No. 6

By L. A. Moore, General Adjuster New York Underwriters' Agency

From a paper read by Mr. Moore to field men of the New York Underwriters' Agency.

Example No. 6-A

On the use and occupancy of assured's entire property and equipment which shall be construed to mean net annual profits plus general maintenance cost to extent of taxes, interest on bonds, mortgage, indebtedness, dividends, heating and lighting, and legal liability for royalties and salaries, and such fixed charges and expenses incident to the business which may not be discontinued during partial or total suspension of operation caused by fire or lightning.

If under the terms of the preceding paragraph assured are entirely prevented from operating or carrying on their business, the companies shall be liable at a rate not exceeding 1/300 part of the insurance per day, and for impairment for actual loss in such proportion of a sum not exceeding 1/300 of the insurance as the impairment bears to the daily use and occupancy for the 12 months next preceding the date of fire.

Total insurance $100,000. Limit of liability per day $333.33 1/3. Date of fire, October 24, 1917. Business of assured, public utility of supplying water and electricity, operating 365 days per year. Non-valued form.

misinterpreting the meaning of the words "a sum" referred to in the form. The assured evidently believes "a sum" refers to the actual amount of his loss of $160.39 per day and figures his claim on that basis, whereas, according to our interpretation. the amount of the "sum" is $283.74, being the amount of the companies' liability per day in the event of total suspension. We have assumed that $283.74 per day, which was actually earned during the period of impairment, would also represent the amount of net earnings had no fire occurred, as assured made no claim for suspension of operation or loss of profits, simply for the expense of outside power and temporary repairs.

Example No. 6-D

Applying the actual conditions of the form to the figures given, the result would be as follows (illustrating the danger of overpayment, with such a form, in case of an increasing volume of business):

Impairment per day .....$	160.39
Average net profits per day for the 12 months next preceding the fire	220.55
Net profits per day (had no fire occurred)	283.74

EXAMPLE NO. 6-B

ADJUSTER'S STATEMENT OF LOSS:

Net earnings 12 months immediately preceding the fire		$80,500.91
Average per day, 365 days.....		220.55
Total earnings from date of fire to January 1 (68 days), being period of impairment.....		$19,294.36
or .....$283.74 per day		
Assured paid for hired power from Oct. 24 to Dec. 1 .....$1,500.00		
Incurred extraordinary expense for temporary and permanent repairs in maintenance and continuance of operation from Oct. 24 to Jan. 1.....$11,857.17		
$2,954.23 of which was for repairs to roof to which the property insurance of $210,000 was made to contribute in proportion as the property insurance bore to the total property and U. & O. insurance of $310,000 or 21/31, making the property insurance proportion of the roof expense of $2,954.24.....$ 2,001.25		
U. & O. insurance proportion of the extraordinary expense .....$ 9,855.92		
Total expense chargeable to U. & O. ins.....$11,355.92		$11,355.92
Difference being actual net earnings during 68 day period of impairment.....		$ 7,938.54
or		$ 116,74 per day
Average daily net earnings for 12 months preceding the fire.....		$ 220.55
Average daily net earnings 68 days' partial prevention of operation.....		116,74
Reduction in average daily net earnings.....		$ 103.81
Loss 68 days x 103.81.....		$ 7,059.08
Less salvage value of material used in maintenance of plant in full operation..		449.43
Loss .....$ 6,609.65		

EXAMPLE NO. 6-C

	per day	
We think the adjuster was incorrect in his method of arriving at the impairment of net earnings, which he shows to be.....	$103.81	
The impairment probably amounted to	160.39	
Probable average net earnings for the 68 days had no fire occurred	$283.74	
Actual net earnings during the 68 days' impairment.....	116.74	
Difference	$167.00	
Less salvage $449.43 for 68 days or	6.61	
Net Impairment	$160.39	
Making the loss for 68 days' impairment at $160.39 per day $10,906.58		
While the assured also arrived at a loss of.....	10,906.58	
He made a claim for but....	7,950.47	
arriving at that amount by apparently misinterpreting the meaning of the words "a sum" referred to in the form. The assured evidently believes "a sum" refers to the actual amount of his loss of $160.39 per day and figures his claim on that basis, whereas, according to our interpretation. the amount of the "sum" is $283.74, being the amount of the companies' liability per day in the event of total suspension. We have assumed that $283.74 per day, which was actually earned during the period of impairment, would also represent the amount of net earnings had no fire occurred, as assured made no claim for suspension of operation or loss of profits, simply for the expense of outside power and temporary repairs.		
Loss 160.39/220.55 of $283.74 or per day		206.34
and for 68 days' impairment..		$14,031.12
which amount the assured might perhaps have collected had he followed the actual conditions of the form as we interpret it as against his actual claim of.....		7,950.47

The danger of overpayment of a claim for partial suspension in event of an increasing volume of business is shown by the above illustration and could, we think, be largely overcome by the form providing that liability for partial suspension be measured as impairment of production or profit (as the case may be) bears to the amount which, but for the fire, would normally have been produced (or earned) instead of the usual formula of impairment over average for a specified period previous to the fire.

Applied to the claim in question, the fraction impairment of profit over the profit which but for the fire would normally have been earned may be expressed as 160.39/293.74 or about 57 per cent., whereas the impairment over the average profits for the preceding 12 months would be 160.39/220.55 or about 72 per cent. The first fraction represents a smaller per cent. and probably more nearly approximates the actual percentage of impairment than the latter.

Whenever a plant is of a nature (as in this case) to require operation during 365 days per year, the form should provide that the insurance shall be liable at a rate not exceeding 1/365 of the insurance instead of 1/300, otherwise a policy might exhaust itself in about ten months, and the daily limit would appear to be large, being 1/300 of the sum insured instead of 1/365.

CITY MOTORS COVERED

Upon the present city administration at Scranton going into office, it was discovered that only about one-third of the city's trucks and automobiles were covered by fire insurance. The city has therefore decided to take a blanket policy covering the entire fleet and has succeeded in getting a rate of 89 cents. Each agent who now has reinsurance will receive an increase in amount to make his premium the same as before. The value of the cars, forty-seven in number, amounts to approximately $150,000. The city will carry between $100,000 to $120,000 insurance. The report was circulated in Scranton that the city is at present paying as much as $3.75 a hundred for automobile insurance and these policies cover only fire and theft risks.

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

Binding Contracts with Guaranteed Underwriters at Lloyds and British Companies maintaining United States deposits. Immediate telegraphic binders given.

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901 Ford Bldg. DETROIT | 314 Superior St. DULUTH | 17 St. John St. MONTREAL | 23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

"STRONG AS THE STRONGEST"

The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $109,000,000
Losses Paid in U. S. $40,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY

WESTERN ASSURANCE CO.
OF TORONTO, CANADA
Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918

Assets	$4,194,579.34
Surplus in United States.....	1,667,691.69
Total Losses Paid in United States from 1874 to 1917, inclusive	43,294,154.63

W. B. MEIKLE, President

FRED. S. JAMES GEO. W. BLOSSOM WM. A. BLODGETT

FRED S. JAMES & CO.

123 WILLIAM STREET

United States Managers
GENERAL FIRE ASSURANCE CO. of Paris, France
URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England

NEW YORK

C. B. G. GAILLARD Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

MARINE DEPARTMENT

Proposed Federal Tax On All Insurance Placed With Unauthorized Foreign Companies Should Be Beneficial To All Parties In Interest

The Ways and Means Committee of the Senate is now considering placing a tax of 10 per cent. on all classes of insurance placed with companies outside of the United States.

The primary objects of this bill apparently are:

Firstly: To give the Government an additional source of revenue, estimated on a most conservative basis, of not producing less than $5,000,000 yearly, which, in these times ought to be welcome, in view of the material loss of revenue collected on imports in the United States.

Secondly: It will be of benefit to all companies doing business in the United States, to offset foreign competition operating on account of labor conditions, on a much smaller expense ratio for the salaried employees; they are not hampered with local, state and Government taxes to the extent of companies doing business in the United States.

President Rush's Letter

In the issue of the "Weekly Underwriter" of July 13th, there appears a letter from Benjamin Rush, president of the Insurance Company of North America, setting forth objections to the proposed bill. After reading Mr. Rush's objections carefully, the writer fails to find any logical reasons set forth in said letter, which would justify the conclusions arrived at, and fears that there must be some omission in printing said letter, by leaving out part of the vital arguments which Mr. Rush must have had in mind.

In order to understand clearly how the business of import and export is conducted, as far as it affects marine insurance, it is well known to those who are engaged in this business that an exporter, after he has negotiated his contract of sale, makes arrangements for financing same. This financing is accomplished in various ways, but it can safely be said that 99 per cent. of the export business is conducted as follows:

After bills of lading are signed for the shipment in question, it is necessary for the shipper to take his bills of lading, invoices and draft attached, secured by a certificate of insurance either effected with local insurance companies or a certificate to the effect that insurance has been placed by a prominent broker in London or elsewhere; then the banker will advance on or discount the drafts in question.

Insurance Necessary for Credit

On import shipments, the merchant invariably goes to a banker and obtains a letter of credit, equivalent to his needs, sometimes exceeding $1,000,000, and sets out to the various ports of the world where the commodities which he desires can be purchased. Before a banker will issue such a letter of credit, there must be lodged with him a policy of marine and war insurance, covering shipments which can be purchased under that letter of credit, making the loss, if any, payable to the banker as far as interested. It can be safely said that no prominent banking house would ever issue a letter of credit unless they are secured with policies of insurance.

So, in answer to the first argument of Mr. Rush's letter, where he states:

> In the first place there is no compulsion on anybody to insure their property at all, if they do not choose. There is no legislation existing in the United States or in any state, compelling a merchant to insure.

While it is true that there is no law compelling anybody to insure, custom and conditions of conducting trade and business makes it almost obligatory to insure, if not in all cases, in most cases.

In answer to the second argument advanced:

> Bearing this in mind, let us put ourselves in the position of the exporter or importer of goods in the United States. We will suppose that the bill has been passed, and is being enforced.
>
> The American merchant goes to his broker to effect his insurance. He obtains a certain rate, let us say 1 per cent. on the goods that he imports or on the goods that he exports. He pays his rate, obtains an American policy, charges up the premium to his consignee or shipper, in the foreign country.
>
> By return mail he receives advice that the same insurance can be effected in that foreign country for 90 cents.
>
> If the account is a large one, he writes back to his foreign correspondent that in future he will be indebted to him if he will be so good as to effect insurance on all shipments of goods between such foreign country and the United States, at the reduced rate—in other words, that he will sell his merchandise delivered on dock in New York, and will buy it delivered on dock in New York.
>
> The result will be that the merchant's entire account will go to the foreign underwriter, and no taxes whatever will be paid on it to any American State of the United States.
>
> Therefore, I maintain that the bill will fail in (a) producing revenue for the United States and (b) in enforcing the placing of marine insurance with American marine companies because it is impossible to force the American merchant to insure his goods, if he does not choose to, and in the course of trade competition it is absolutely necessary for that merchant to get as low freight rates and insurance rates as does his competitor located in countries other than the United States.

The case cited apparently has no bearing on the bill in question. In fact, it is apparently an argument in favor of the proposed bill from a logical point of view. If, as stated by Mr. Rush, a merchant finds that the New York rate is 1 per cent. for insurance and there is a market abroad for 90 cents, and if the assured wishes to avail himself of the saving of 10 cents, he surely would do so whether there was a tax law on the statute books or not. But the proposed law would make it impossible for him to avail himself of the cheaper market unless he wishes to discriminate against home security without any material gain to himself, as under the new law, all evidence that the insurance, whether placed by the party in interest or the shipper, or banker, will be subject to a taxation.

It is only fair that companies doing business in the United States, who in a great many instances are subject to a local, to a state, to a Government, to an excess profits tax, should receive some protection from foreign competitors who are not subject to the taxes which a domestic corporation or a foreign corporation regularly entered to do business in the United States have to pay: Firstly, their rent and clerical force cost them materially less abroad than in the United States. Take the largest competitor which an American marine insurance company has, the London market, they are not subject to any tax outside of the excess profits tax. There is a stamp tax on the prem-

(Continued on page 20)

WM. H. McGEE & CO.
MARINE UNDERWRITERS
15 WILLIAM STREET, NEW YORK

General Agents Marine Department
St. Paul Fire & Marine Insurance Co.
Phœnix Insurance Co. of Hartford
Great American Ins. Co., New York
Camden Fire Insurance Association
Westchester Fire Insurance Co.
Niagara Fire Ins. Co.

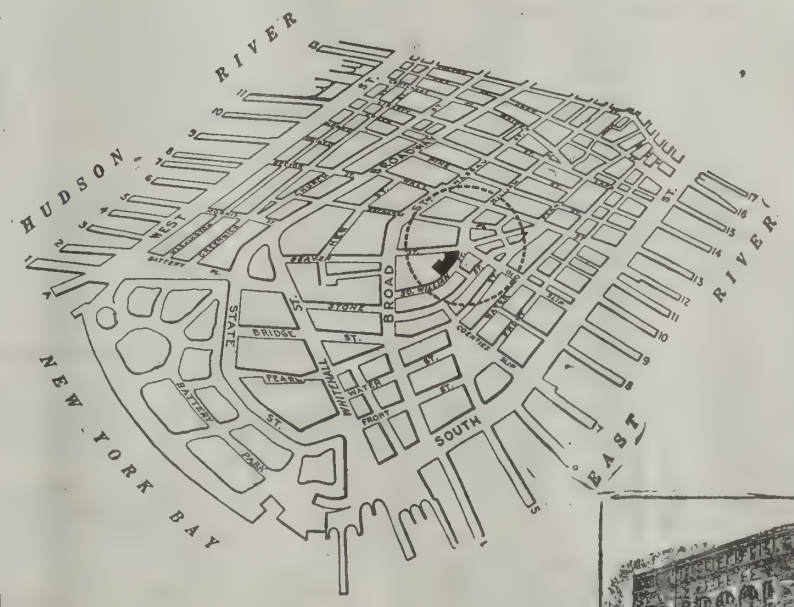
U. S. Managers
Skandinavia Re-insurance Co. (Copenhagen)

Agents Marine Department
Providence Washington Insurance Co.
Massachusetts Fire & Marine Ins. Co.

Telephone Hanover 2054 Established 1898
Marine Insurance
Local agents are invited to consult us on their marine insurance problems
OSBORN & CO.
Average Adjusters and Insurance Brokers
Insurance Exchange, CHICAGO - - 45 Wall St., NEW YORK

THE
Importers and Exporters Insurance Company
OF NEW YORK
Marine and War Risk Insurance
JESSE SPIER, Underwriter
56 BEAVER ST., Telephone Broad 2612 2613 2614

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

Replacement Values and Under-Insurance

MANUFACTURERS SHORTSIGHTED

Sprinkler Company Submits Figures Indicating Present and Pre-war Conditions

Property replacement value is closely related to the subject of co-insurance says the Automatic Sprinkler Bulletin which presents some facts in regard to appraisals, as it is only by appraisals that replacement values can be determined. The Bulletin goes on to say:

"The radical increase in replacement values—much more than compensating for the depreciation accruing annually—since the war began, is not fully appreciated by many manufacturers. Higher wages, larger profits, greatly increased cost in raw material and other matters entering into plant production and building construction have boosted replacement values to an altogether new level.

Amount of Under-insurance

"Among the textile firms the increase in replacement values since 1914 has amounted to approximately 70%. While their values were increasing 70%, their insurance carried increased only 19% so that today these forty-three firms are on the average 30% under-insured which would, through the operation of the co-insurance clause, affect the amount of money they will receive from the insurance companies in case of fire destroying their property or any considerable part of it.

"Among the miscellaneous firms the average replacement value increased from 1914 to 1918 70%, whereas the amount of insurance increased only 21%, showing that they are under-insured 29%.

"It is a strange commentary that the whole country is daily impressed with the higher cost of living whereas business men generally cannot seem to apply this same increase in values to their own business, and are therefore utterly unfamiliar with what it would cost them to replace their business property if it should be destroyed by fire.

"The reasons for increased valuations are many, and it is futile to try to outline what they are. It is enough to say that the average increase in actual replacement value, depreciation being figured at the usual rate, was about 70% during 1915-1916, whereas the increase in the amount of insurance carried was but little more than 13%.

Necessary to Know Value

"From the foregoing, it will be seen that it should be a fundamental of every business that the actual replacement value of a business property be known. Without such knowledge, it is obviously impossible to place insurance with any degree of certainty that the right amount is being carried. This is so because a fire loss is adjusted on the basis of present replacement value after proper depreciation has been deducted.

"Value as applied to business property investment does not include the money equivalent to the good will, or other so-called intangible assets but indicates the equivalent in money if the business was transferred from a willing seller to a willing buyer as a going concern. It must be remembered that the present value has nothing to do with the past costs. These simply show the purchasing power of the manufacturer at different periods in the growth of the plant investment. The most complete and accurate way to ascertain these two necessary business fundamentals, viz., present replacement value and collectible insurance indemnity, is to have an appraisal made by an appraisal company specializing in this class of work. Although an appraisal is in some cases more or less expensive, it insures full and authentic results.

"The best plan is to get in touch with the agent or broker handling your insurance matters, as they are in a position to give advice as to the proper course to pursue in obtaining an accurate valuation."

FIRST WARRANTY EXCLUDING CAPTURE

An idea of the marine business done in early days may be gained from the statement that the Insurance Company of North America, founded with a capital of $600,000, had six years later a marine premium income of $1,304,203, although no distinction was made then between marine and war risks. But the claims due to the seizure of American vessels by French corsairs involve such a high percentage of the premium income, that the directors soon began to insert in the policies a warranty excluding capture and seizure by the French. Even then no attempt was made to re-insure part of the amounts at risk and the manner in which insurance was conducted at that time would appall the underwriter of today.

NOW IN NEW BUILDING

After being located for 32 years at 30 South Pearl Street, Albany, N. Y., Frank P. Dolan has moved his real estate and insurance business into his new building at 459 Broadway. The business was established by the late John Commerford in 1872, and Frank P. Dolan was admitted to the firm some years later. In 1886 Commerford and Dolan took offices in the Beaver block, which they occupied until recently.

Proposed Federal Tax Should Be Beneficial

(Continued from page 19)

iums, which is charged to the assured, and not to the company.

Tax Is Not Hardship

Therefore, it appears, as far as any American hull owner suffering on account of this 10% tax, that the same cannot be of any material hardship to him, as compared with a foreign owner, in view of the enormous amount of revenue that it will produce for the United States Government, and the material benefits that others will derive from the same.

Take for instance, a case where an American underwriter desires a 6% rate on the hull of a vessel, and the risk can be placed in part or the whole, in the London market, at 5%. If the American owner is compelled to take advantage of the London market, and pay the Government a 10% tax, he will be ½% worse off than his foreign competitor spread over the whole year's operations, and compared to the preferential treatment which he receives in coastwise trade, no material hardship can come to him. As a matter of information, for the past year, London underwriters are charging lower rates on American hulls than they charge for British owned vessels of the same type.

As far as the importer or the exporter is concerned, he has absolutely no objections to paying higher rates or Government taxes, provided all his American competitors are on the same basis.

Therefore, there does not appear to be any logical reason why this bill should not be passed, and placed upon the statute books, and thereby be of benefit to the Government and the insurance community at large.

OBSERVER.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

EQUITABLE UNDERWRITERS OF NEW YORK
SURPLUS $793,852.75

Marine and War Risk Insurance
Losses made PAYABLE in all parts of the world

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MARINE MANAGERS PHONE 263-264 BROAD
48 BEAVER STREET, NEW YORK

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street New York

In addition to our regular marine and war risk business, we now have a department for writing FIRE insurance only on vessel property of all descriptions.

We would be pleased to receive applications from agents and brokers having this class of business to place.

FIRE, MARINE & WAR RISK INSURANCE

Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

ENCOURAGES NEW COMPANIES

Alien Property Custodian Describes Opportunity to Take Over Business of Enemy Companies

The attitude of Government officials toward new American marine insurance facilities has apparently undergone a change since earlier in the war. This is inferred from the statement made last week by Alien Property Custodian A. Mitchell Palmer to the effect that the business of the companies which his department is now taking over offered "an unusual opportunity for the organization and development of a number of new American companies." This is contrasted with the attitude of the Government as reflected by the statement of Hendon Chubb, chief adviser of the War Risk Bureau, who stated in an address in Cincinnati in April that the present marine insurance market was sufficient and that because of taxation, competition, shortage of help, etc., it was inadvisable for new American companies to enter the marine field.

AVERAGE LOSSES AND MORAL HAZARD

It is reported that sea damage and other general average losses on Government owned cargoes carried in privately owned hulls are being reported much more frequently than when the cargo was also owned and insured privately.

MARINE CLUB MEETING

A meeting of the directors and executive committee of the Marine Insurance Club will probably be held next week at which plans for the fall activities will be discussed.

Marine, Fire and War Risk Re-Insurances

The Firm of

ROBT. R. toe LAER

New York, Amsterdam and Copenhagen

New York Address, P. O. Box 616, City Hall Station

CASUALTY AND SURETY NEWS

Report on Revision of Rate Schedule

COMPENSATION TARIFF CHANGES

Payroll No Longer to Be Used in Adjusted Rate Determination

The Industrial Compensation Rating Schedule has been revised under the auspices of the National Reference Committee on Schedule Rating and was participated in by representatives of the schedule rating committees of the National Workmen's Compensation Service Bureau, the Compensation Inspection Rating Board of New York, the Massachusetts Rating & Inspection Bureau, the Compensation Inspection Rating Bureau of New Jersey and the Pennsylvania Compensation Rating & Inspection Bureau.

In reporting on the revision the committee says that for the first time in the history of schedule rating the safety standards are substantially uniform with the standards of Wisconsin, Pennsylvania, New York and New Jersey, as well as those of the United States Government, the National Safety Council and the American Society of Mechanical Engineers; this result was due to co-operative efforts among these various bodies.

Departures Made

In rating procedure a radical departure has been made from previous schedules, in that the payroll of the plant is no longer used in adjusted rate determination. It was found that, in using previous schedules, when the premium or "adjusted to payroll" charges exceeded the credit under those classes, it was possible to reduce the degree of rate advance by overestimating the payroll, and when the credits exceeded the charges, the rate reduction could be increased by underestimating the payroll. It is obvious, then, that by the elimination of the payroll element, rate results are produced, which do not, as heretofore, depend upon or vary with inaccurate payroll estimates. While this change to a degree sacrifices refinement and accuracy in rate results in those cases where the payroll was correctly estimated, the practical effect is an improvement, for the reason that it was almost impossible to obtain correct payroll estimates.

General Form Unaffected

The most important accomplishment however, is that a schedule has been produced which is adapted to varying industrial conditions, and since rating formulae will be used to calculate the rate values of the various items, it will be possible, as statistics relating to cause and cost of accidents are collected, to control or correct the item values and rate results without in any way affecting the general form of the schedule.

For rating purposes the schedule is divided into three general groups, which have been designated the "structural" "mechanical" and "moral" sections.

In addition to the changes in the application of schedule rating, there are a number of changes in the various items of the schedule, experience with the former plan having indicated that some items were unimportant, while others contributed nothing to the scientific measurement of work hazards. In fact it was found that, to retain some items, would impose a serious handicap on the plan as a whole. Accordingly, some of the items were eliminated, while others were changed or modified so that more satisfactory results might be obtained.

American Liability Issues New Policy

SELLS FOR THIRTY-SIX DOLLARS

Gives $100 a Month Indemnity—Designed for Preferred and Select Risks

The American Liability of Cincinnati has placed on the market a new income disability policy which sells for $36 a year. This policy is of the frilless variety and does not contain even a principal sum. It pays for loss of time from disability caused by accident or sickness; no exceptions. It provides total and partial disability for accident, house confinement, convalescing and non-confining for illness. It is very clearly worded and is designed for preferred and select risks, which are the only classes of risks taken under this policy. It is issued for annual premium only, allowing $100 a month indemnity; ages 18 to 55 inclusive, for $36 a year.

Besides the policy terms shown below the contract contains the Standard Provisions.

Accident Disability

Total: At the rate of monthly indemnity specified for the period, not exceeding twelve consecutive months, that the insured is totally and continuously from the date of accident disabled and prevented from performing every duty pertaining to any business or occupation, as a necessary result, independent of all other causes, of bodily injuries effected through external, violent and accidental means.

Partial: If such injuries shall continuously from date of accident disable and necessarily prevent the Insured from performing at least one-fourth of the important daily duties pertaining to his occupation, or in the event of like partial disability immediately following total disability, the Company will pay the Assured for the period of such partial disability not exceeding six consecutive months at the rate of 40 per cent. of the monthly indemnity specified; provided the maximum combined period for which indemnity shall be paid under Paragraph A and B hereof, for any one injury, shall not exceed twelve consecutive months.

Illness Disability.

At the rate of monthly indemnity specified for the number of consecutive days that the Insured is strictly and continuously confined within the house and therein regularly visited and treated by a legally qualified physician and necessarily totally disabled, by reason of illness having its cause and beginning after the fifteenth day this policy is dated; and if, during convalescence following said house confinement, or if such illness does not strictly and continuously confine the Insured within the house, and in either case the Insured shall be necessarily totally and continuously disabled from performing every duty pertaining to any business or occupation, though not confined strictly and continuously within the house, and require and receive the regular attendance of such physician, the Company will pay him indemnity at one-half of said rate for the period of such convalescence, or after the first seven days of such non-confining illness, in either case not exceeding four weeks. Provided: The maximum period for which indemnity shall be paid for any one illness shall not exceed six consecutive months.

General Provisions

This policy does not cover loss or disability due to or as a result of: (a) Injuries received or diseases contracted or suffered outside the limits of the United States or Canada; (b) Military or Naval service in time of War; (c) Participation in aeronautics or submarine operations; (d) Violating law.

Indemnity will not accrue hereunder in excess of the time the Insured is, by reason of injury or illness, under the professional care and regular attendance of a legally qualified physician or surgeon, nor unless such attendance is at least once in seven days of disability. If the Insured is disabled by injury or illness for more than thirty days, he or his representatives shall furnish the Company every thirty days or as near thereto as may be reasonably possible, with a report in writing from his attending physician or surgeon, fully stating the condition of the Insured and the probable duration of his disability.

THE TRAVELERS
INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

FREIGHT BOND PRESCRIBED

Rate Fixed at $5 a Thousand—Covers Payment of all Tariff Charges

The United States Railroad Administration has prescribed the form of bond for railroad freight bonds. It reads: "conditioned upon and providing for payment of all charges within 48 hours after forwarding or delivery of the freight." The Towner Rating Bureau has made a rate of $5 per thousand, minimum $5. This rate does not apply to steamship lines or other carriers not under Federal control.

The amount of the bond is fixed by the railroad's treasurer. The railroad may accept from any shipper one bond covering all its uncollected charges at all stations. Credit limited to 48 hours on each shipment, can be allowed only up to the amount of such bond. Failure to pay such charges within the time prescribed will automatically cancel such credit.

BERGHAUS WITH F. & C.

Paul Berghaus, who has been manager of the American Indemnity, of Galveston, for New Jersey, with offices in Jersey City, has resigned as of July 15 and is now with the Fidelity & Casualty as a special agent of the bonding department attached to the Home Office. Mr. Berghaus will develop the surburban territory.

STAFFORD BENEFIT QUITS

The Stafford Benefit Association, of Batavia, N. Y., is being liquidated by the New York Insurance Department. The assets of the Society are $763 with liabilities of $6,500.

INSURE ALL WITH STATE FUND

Such is Object of State Labor Federation at Meeting in Syracuse in August

The State Federation of Labor is securing a great deal of publicity in the up-state papers heralding the 58th annual convention in August. The Syracuse Herald publishes the following:

"Steps to reintroduce a bill to eliminate casualty insurance companies from workmen's compensation and to make the state insurance fund the sole carrier of compensation, will be discussed when representatives of the New York State Federation meet at Rochester for its fifty-eighth annual convention during the week of August 27. The officers are considering a new method of legislative procedure in an effort to insure new hearings on the bill. These will be outlined by the Legislative Committee."

RATES FOR WHEAT BONDS

Fifty Cents Per Thousand—For All Other Elevators Rate is One Per Cent.

The Towner Rating Bureau has made rates for wheat storage bonds for all elevators whose receipts are a good delivery on any board of trade, chamber of commerce or produce exchange, of fifty cents per thousand on penalty of bond; for all other elevators, one per cent. on penalty of bond.

Board of trade bonds in Chicago are twenty-five cents a bushel on elevator storage capacity; in Kansas City ten cents a bushel. Rates are graded so as to earn the same premium on elevator capacity. Elevators will be required to furnish bond in an amount equal to fifty cents a bushel on their maximum elevator capacity.

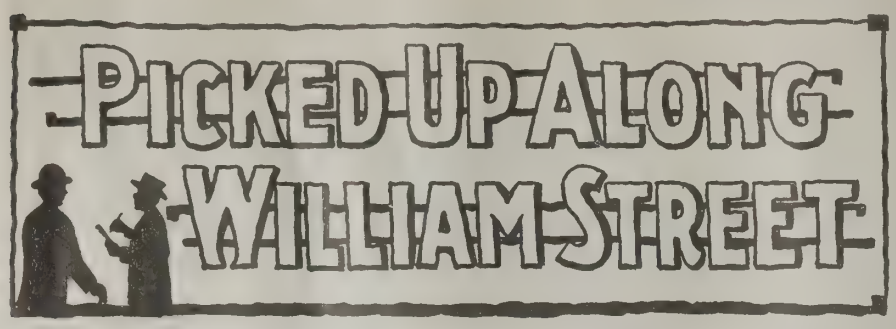
BIG AETNA MEETING

Beginning July 23, the Aetna Companies will hold their big conference of agents, which will last three days. Those in attendance will be those who have qualified in the 1917 business building campaign. About one hundred representatives from all over the country are expected. Business sessions are to be held on the 23rd and 24th. An automobile ride and beefsteak dinner at the Winpoq Club, Windsor, and a golf tournament and dinner at the Farmington Country Club will constitute the principal entertainment.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA



Resignation Rests

No further meetings of the Bureau relative to the Travelers resignation have been called. The impression appears to be that an amicable arrangement will be reached. The Company cited seven different subjects in its bill of particulars. As a result a number of things are undergoing consideration and investigation within the Bureau.

* * *

National's Brokers' Branch

The National Surety this week moved its brokers' branch from the Mutual Life's building on William St., where it has been for a number of years, to the ground floor of 50 Pine St. The Mutual Life simultaneously moved its supply department into the space formerly used by the National.

* * *

Registrations Still High

Automobile registrations still keep up to normal, indicating that as yet there has been no ultimate change in the number of cars in use, even though output may have decreased. This condition may be expected to continue for a time. It is still easy to get gasoline and the government has not made any general request to car owners to curtail the use of their cars in whole or in part. At present it is likely that more old cars are in use than normally, because of high prices and possibility of difficulty in getting new ones. It may be expected that for some time cars will not wear out in full proportion to even a reduced output.

* * *

Arranging Monthly Report

The Bureau is considering a monthly report arrangement for owners of commercial fleets. The necessity for reporting each car withdrawn or added to a fleet has been a troublesome feature of this class of business, which the Bureau companies wish to remedy as soon as possible.

* * *

L. L. Hall Advanced.

L. L. Hall, assistant superintendent of the inspection and rating department of the Bureau, has been appointed superintendent, succeeding R. S. Elberty who is now serving the Government in the Ordnance Department. Mr. Hall was formerly manager of the St. Louis Branch Bureau and came to New York as assistant to Mr. Elberty.

* * *

Compensation of Express Companies

The Eastern Underwriter is advised that compensation insurance covering all the express companies as consolidated by the Government has been placed with the stock companies through the office of J. G. Hilliard and that the premiums on same total about $175,000.

* * *

Explaining Rating Plans

L. L. Hall, superintendent of the inspection and rating department of the Bureau, and G. F. Michelbacher, its actuary, are visiting Chicago, Detroit and Louisville, explaining the new experience and schedule rating plans. The meetings were arranged at the request of five Western companies.

* * *

Another Cause of Accidents

The automobile is figuring prominently in a new class of accident. Dr. Thomas E. Turner, of Mt. Holly, N. J., was seriously injured when a tire which was being adjusted to his car burst. Both his jaws were broken and his nose smashed when a flying ring from the tire struck him. A similar accident occurred in Atlantic City when J. Neafie Bowers, was seriously injured when a tire burst while being adjusted. He is in a serious condition in the Atlantic City Hospital suffering from concussion of the brain and a fractured skull.

* * *

Effect of Government Order

In urging its customers to buy complete automobile collision cover immediately, the Chicago agency of the Georgia Casualty uses these arguments to show how the Government order curtailing pleasure car production will affect owners: "The price of new cars will undoubtedly be advanced, and the cost of replacement parts will be increased considerably. Most serious of all will be the difficulty in obtaining at any price the necessary replacement parts. The insurance companies, obligated under their policies to replace broken or damaged parts, by reason of their national scope will be in a position to give service that an individual cannot obtain locally."

* * *

Accident Claims Fewer

While monthly payment accident men are finding it hard to keep their organizations together because of the draft and other war causes, they are much pleased with the way claims have fallen off of late. One office reports a drop of twenty per cent. The policyholders are making such high wages that it does not pay them to be laid up. The same condition obtains in compensation lines.

* * *

Loss of Use Cover Sought

A New York liability underwriter has been enquiring for a company to write consequential loss of use in connection with teams liability, similar to that written on automobiles.

* * *

Sees Good in State Fund

One view of the New York State Compensation Fund is that if there were no fund, the state might order the companies to write all classes, refusing none, in which case the companies would again be placed at a disadvantage.

* * *

Special Leaflet Issued

The Hartford Steam Boiler Inspection and Insurance Co., is issuing a special leaflet which contains thirty suggestions for meeting the fuel stringency.

* * *

J. S. Mossgrove, manager at Columbus, Ohio, for the American Surety, stopped in New York for a few days on his way to Boston to say goodbye to his son who has gone to the front.

Malingering Cuts But Small Figure

VIEWS OF DR. ROYAL MEEKER

Arguments Used by United States Commissioner in Favor of State Insurance

Some idea of who is supporting the state health insurance proposals and what form their arguments take in favor of such legislation can be gained by reading what Dr. Royal Meeker, United States Commissioner of Labor Statistics, says regarding costs and malingering. In the course of an address Dr. Meeker remarked:

"Do not allow anybody to frighten you by telling you what enormous financial burdens must be borne if provision is made for health insurance. The only way in which either workmen's compensation or health insurance can increase the burden would be by its influencing industry and the health of the community in such a way as to actually increase the accident rate and the illness rate. I say that with all due deliberation. I might just as well finish up the job now.

"Books have been written about the malingerer. I think his importance has been enormously exaggerated. Now, I don't mean to say that there do not exist men who deliberately lie down on the job.

Hospitalizing Workmen

"What would you do if you lost both arms? I think you would be inclined to lie down on the job, I know I would. I want to tell you, just by way of illustration, because it happens to pop into my mind, that I have looked for jobs—I have looked a whole day for jobs, without finding one, and at the end of a day I can tell you that I was very near the hobo class. I have often wondered just how long a time it would take to make of me a thoroughly hoboized or pauperized or hospitalized workman. I don't think it would take very long. I don't think it takes more than a week to thoroughly hoboize or pauperize or hospitalize a workman vainly seeking work.

"Now, that has a very pertinent bearing upon both accidents and illness. I have always, fortunately, been possessed of a pretty good physique. I was rather a husky individual, and if anybody found work I was usually among the number. Malingering does not exist to anything like the degree to which the German special writers on malingering would lead us to believe—nothing like it. It is not more than a fractional part of one per cent. in the cost of workmen's compensation, and besides, some workers are not covered in workmen's compensation that ought to be covered. In the first place farmers and domestic servants are excluded, except in a very few instances, two industrial diseases are almost universally excluded, and non-industrial accidents are excluded, but don't think that there is no burden from non-industrial accidents, because there is no sensible provision made for the distribution of that burden.

Distribution of Burden

"Non-industrial accidents are now compensated. Don't try to deceive yourselves—they are compensated for, they are paid for, first, by the individual sufferer, next, by his immediate family, next, by his more distant relatives, and then by community in general, and that is the way we are compensating for communicable illness, the burden falls, first, on the individual, then upon his family, then upon his more distant relatives, and finally upon the community, and you can't get rid of it. You will carry it a great deal more sensibly if you provide the means for the distribution of the burden throughout the community, and you will cut down your illness rate, there is not the slightest bit of doubt about it. I think some of you present here know that you are confronted by something that is very very similar to what you are confronted by when you are asked to consider rationally the distribution of burdens caused by industrial accidents. It is not quite the same thing, because it does not alone concern industry."

FARRISH'S CHOP HOUSE
Cor. John & William Streets
THE PLACE in the Insurance District to eat lobsters
NOW IN SEASON
Whole cold lobster 65c.
Whole broiled lobster 75c.

COULD NOT REOPEN CASE

Release Once Executed, Personal Accident Claim Holds Despite Subsequent Disability

Where an insured thought he had practically recovered from an injury and so reported to the company which accepted the report and settled according to the claim under a personal accident policy, and the insured signed a release to that effect, there can be no recovery for future consequences of injury, according to a decision filed by the Supreme Court of Mississippi in the case of the General Accident, Fire & Life vs. Harris. The higher court said that the only mistake made was as to the probable duration of insured's disability. At the time he made the settlement he thought he had practically recovered, but in this he was evidently mistaken. There was no fraud or misrepresentation made to him by the Company, and the reports of the insured and his attending physician were accepted by the Company as correct. In reversing the judgment of the lower court, the Supreme Court stated that it had carefully examined authorities and found no well-considered cases that supported the contention that under the statement of facts in this case a Court of Equity could set aside a settlement duly entered into between the parties. When a mistake is a mere matter of opinion as it was in this case as to the length of time the injured party would be disabled and no fraud or misrepresentions were practiced upon him by the other party, the release could not be set aside.

DECISIONS ON SUNSTROKE

Connecticut Judges Rule Differently in Two Cases Under Compensation Act

Dependents of a person who dies from sunstroke while working in the open and where there is no evidence of another cause are not entitled to compensation according to a finding by Judge Case in the superior court of Connecticut.

Recently, in another case where sunstroke was the claimed cause of death, Judge Curtis of the same court held that compensation should be paid, as the employee of a New Haven coal dealer died while in a coal pocket, and atmospheric conditions had been the cause of the direct effect of heat.

CHICAGO BONDING AND INSURANCE COMPANY
WRITES the following lines of INSURANCE
FIDELITY AND SURETY, PLATE GLASS, BURGLARY, GENERAL LIABILITY, AUTOMOBILE LIABILITY, PROPERTY DAMAGE AND COLLISION, ACCIDENT AND HEALTH, MONTHLY PAYMENT
Charles R. Culyer & Co., Resident Manager, 428 Walnut St., Phila., Pa.
Geo. S. Dippold, Res. Mgr., 1107 Peoples Bank Bldg., Pittsburgh, Pa.
W. F. Murphy & Co., Res. Mgrs., Union Trust Bldg., Jersey City, N. J.
J. Ramsay Barry Co., General Agent, 10 South Street, Baltimore, Md.
R. H. Lambert, Branch Manager, Equitable Bldg., Washington, D. C.
Capital $500,000.00—Surplus to Policyholders, $825,544.20
O. F. ROBERTS, Vice-Pres. and Gen. Mgr. HOME OFFICE: CHICAGO, ILLINOIS

CASUALTY AND SURETY POINTERS

Can Work Burglary With Other Lines

Messenger, paymaster and office robbery protection works right in with compensation and liability lines, with group insurance and even with policies on lives, if the lives are those of important business men. The same men buy all these lines. This month of June is considered the best in the year to sell burglary insurance. This is the season at which people close their houses to leave for the seashore and mountains. It is the time of moving and upset. Homes are left unprotected or in charge of care-takers. The thieving gentry keep close track, and they profit accordingly.

The total burglary premiums written by all companies in the United States last year amounted to approximately $6,000,000. This business fell into five main classifications: Residence, store or open stock, mercantile safe, bank burglary and paymaster and messenger robbery. Figures compiled by the Burglary Bureau indicate that the residence business constituted 60 per cent. of the whole and that the others were divided as follows:

Messenger, paymaster and office	13%
Bank	10%
Mercantile open stock	10%
Mercantile safe	7%

The Travelers says that nearly one-third of its business is messenger, paymaster and office business. As this line intimately concerns the manufacturing and commercial world, it is considered of much practical value.

The Travelers is developing its residence policy containing a co-insurance clause at a rate approximately 20 per cent. lower. The following table shows the amounts of insurance that can be purchased for a private residence under each form for practically the same premiums:

Territory	With co-ins.	Premium	Without co-ins.	Premium
I	$2,000	$24.75	$1,500	$25.30
II	2.000	22.00	1.500	22.00
III	2.000	19.80	1.500	19.25
IV	2 500	15.95	2,000	17.60
V	2,000	22.00	1,500	22.60
VI	2,000	24.75	1,500	25.30

It will be noted from this, says the Travelers table that approximately $500 more insurance can be purchased on the co-insurance form than the same premium will buy on the form with no co-insurance clause. As records show many losses in excess of the policy limits, it is evident that many policyholders do not carry enough insurance. By taking the co-insurance form they will obtain approximately $500 more insurance without paying any more premium.

* * *

Making Auto Shows Pay

Frank Mead, manager of the St. Louis branch office of the Aetna, is one who believes that the cost of a booth at the auto show is money well spent. The St. Louis branch had a booth at the St. Louis show last February and Manager Mead considers it a most profitable investment. The total expense of exhibiting was $85.63. As a result of the exhibit, eighty-five prospects were secured and automobile insurance in excess of $500 was sold direct, with more to come. The complete arrangements for the exhibit at the St. Louis auto show are described by Manager Mead as follows:

"We took one of the long tables from our office, and over it we placed a glass sign with electric lights behind it, on which appeared the Aetna seal on one side and the names of the three companies and a line about our combination automobile policy. By decorating the table and putting a big Aetna sign we had in the office in front of it, the booth made a very presentable appearance. We also induced the show committee to hang a sign 'Aetna Life Insurance Company' in a very prominent place so it could be seen from all directions on the second floor.

"We put an advertisement in the automobile section of a daily paper for which we paid $15 and received two write-ups. In addition to this we had printed 3,000 tags which we had the boys in the office put on every car parked down town on Monday of show week and which caused quite a good deal of talk, and gave us a lot of advertising. These tags cost us $12. We have received a great deal of advertising and given away a large number of the automobile catalogue containers which are eagerly sought for by visitors to the show. In addition to this we gave away a lot of small mirrors which we had in the office in connection with the railroad accident department business and also some court plaster.

"I believe that we have received a great deal of favorable advertising through our exhibit and we have upwards of 25 prospects who have called at our booth and voluntarily given us the expiration dates of their policies and asked us to come and see them for insurance. The attendance at the show was good and I believe that we are going to derive a great deal of benefit not only from the public, but also from the brokers who tell us that we are the only live ones in the field."

* * *

Where to Find 124,912 Prospects

The Fidelity & Deposit is offering a special burglary hold-up and robbery cover for building and loan associations, fraternal organizations and local unions of labor organizations. In every city of any size these organizations exist. The funds collected by them are exposed to robbery and burglary until deposited in the bank the day following. Usually the secretary or treasurer in charge of the funds is compelled to assume responsibility for their safety until deposited in the bank and is in his personal care and custody while in course of collection at the lodge or meeting room, while being conveyed to his home and to the bank the next day and while in his home over night.

The Fidelity & Deposit's rider, form No. 66, grants protection under such circumstances as that of interior hold up at the meeting or lodge room, highway robbery while in course of conveyance to and from the home and against burglary while at the home of the custodian. The rate for this form of insurance is 2½ per cent. on money and securities subject to a minimum premium of $12.50 for insurance in amount of $500 or less. A great many agents have secured the fidelity bonds covering the officials of these organizations and are in a position to secure the burglary and robbery insurance. There are 124,912 building associations, lodges and fraternal organizations and local unions of labor organizations.

* * *

An Epistle on War Economy

As a war economy, the North American Accident has, until the war is over, discontinued the regular issue of the NAAIC Quarterly. In lieu thereof the agency department is using special bulletins. Agency Manager B. P. Scott speaks of other economies he will practice and gives this advice to agents:

"As far as possible, we will refrain from issuing special policy circulars, imprinted literature, watch fobs, etc. Remember—the fewer of these you request, the more money available for war work. Such sacrifices as these are small compared to the sacrifices our boys in the field are making. Guard carefully your supplies—use them where and when needed, but do not waste them. Guard doubly carefully the waste of your time—five minutes wasted time may mean the loss of an application or of a collection. Guard carefully your personal extravagances—it is the duty of each and every one of us to practice the strictest economy in order that we may promptly meet every call Uncle Sam makes upon us. Be cheerful—don't be a gloom spreader. Tell every fellow you meet—'business is good'—then make it good by putting the 'steam behind yourself.' These are the things that will help win the war."

E. R. Gregory, assistant manager for the American Surety at Austin, Texas, was in town a few days ago. He says that the wheat, corn and cotton crops in his state are something wonderful and that this will be a great year for the Lone Star State.

Some of the most comprehensive literature on TNT, that innocent looking stuff that lets loose every now and then, as in Syracuse for example, has been issued by the Travelers. The composition and hazards of TNT, trinitrotoluol, are fully explained.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE CHICAGO

F. W. LAWSON General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS Resident Manager 55 JOHN STREET New York

Elmer A. Lord & Co. 145 Milk St., Boston Resident Managers New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

PERMANENT AND PROGRESSIVE

ORGANIZED 1886

NORTH AMERICAN ACCIDENT INSURANCE CO.

THE ROOKERY

CHICAGO

AGENCY OPENINGS IN 44 STATES

Service of Quality to Policy Holders

Contracts of Superiority to Representatives

NATIONAL CASUALTY DETROIT

THE NATIONAL of DETROIT

Eastern Dept. 100 William St. New York

Western Dept. Pacific Bldg. San Francisco

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Figure on the *Simple*, Fast 10-Key Dalton

Lists every operation



The Dalton is the new way to office efficiency. New in its calculating mechanism, which reduces the total operating key board to only ten keys, making it possible for the untrained beginner to grasp its simple operation at once—giving double the opportunity for speed to the expert.

The operator is amazed at the simplicity of the Dalton. Her right hand covers the key board, her eyes rest on the work to be checked, and she works by the Touch System. The Dalton key board reduces the possibility of error seven fold over the ordinary machine—it doubles the speed because eye-reference to the keys is not needed.

The operator does not have to know the number of figures in each item to register it. The Dalton automatically places each figure in the proper column. No eye-reference to banks of keys—no time lost—no mental effort is required. The U. S. Government uses 2,000 Daltons for these reasons. The Eastern Underwriter does its figure work on Daltons.

A single Dalton will handle the most complicated work of any office. It adds, subtracts, multiplies, divides, figures fractions, cross-foots, computes interest, percentage discounts and makes out statements. It combines Simplicity, Speed, Versatility and Durability. It brings office efficiency with it.

Dalton ADDING, LISTING AND CALCULATING MACHINE

CINCINNATI, OHIO

PURELY MUTUAL THE CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, $1,604,426,324

SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued

POLICIES MOST FLEXIBLE AND EASY TO SELL

Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

GEO. E. COPELAND,
Supt. of Agencies,
Milwaukee, Wis.

Associated Mutual Agency Incorporated

B. J. ALLEY, Manager

68 William St., New York

Exceptional Facilities for Writing Business Throughout the United States

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY
of the United States

For agency openings address:
W. E. Taylor, Second Vice-President

EQUITABLE

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 30 | NEW YORK, FRIDAY, JULY 26, 1918 | $3.00 a Year; 25c. per Copy

MAY SEND MAN SOUTH IN FALL

South American Plans Maturing Rapidly—Twenty Companies Now Included in Movement

ARGENTINE AND BRAZIL FIRST

American Foreign Insurance Association is Name Selected—Constitution Framed Subject to Counsel

At the meeting on Wednesday of the fire companies interested in developing South America, plans were rapidly formulated for entering that territory as soon as possible. A constitution was drawn up, subject to the approval of counsel, which establishes the name of the organization as the American Foreign Insurance Association.

A proposal to send a man south to investigate conditions in Argentina and Brazil was discussed and it is probable that this will be done early in the fall. It is not thought that operations will be extended beyond these two countries for some time.

A committee was appointed to nominate the board of directors which, when elected, will in turn elect the officers of the Association. The committee is composed of the Great American, Glens Falls and Hartford.

Marine Insurance Added

A committee on marine insurance was also appointed in accordance with the newly framed constitution which is composed of the Insurance Company of North America, National of Hartford, Boston and Continental.

Fifteen companies were represented at the meeting on Wednesday, and four other companies had signified their desire to join the Association. Several of these companies included subsidiary corporations making the total more than twenty.

In each instance the companies were enthusiastic in their desire to get things under way as soon as possible and the questions asked President Snow, of the Home, who is the originator of the movement, were many and varied from entrance requirements to fire hazards.

The constitution and by-laws of the new organization call for the appointment of a manager with a supporting organization. It is thought that the man sent to South America to investigate conditions will later be made manager.

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager

UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

SPRINGFIELD
Fire & Marine Insurance Co.

Cash Capital $2,500,000.00

THE SPRINGFIELD for two-thirds of a century has transacted business solely under its own corporate name, without annexes, underwriting agencies or subsidiary companies. An agent of the SPRINGFIELD is not a half, a quarter or any other fraction of an agent, but is vested with the rights and dignity of an undivided representative of an undivided and independent company. The SPRINGFIELD stands today pre-eminent among American fire insurance companies.

SPRINGFIELD MASSACHUSETTS

THE GAUVIN AGENCY

LIFE MEETING TO BE MELTING POT

Americans and Canadians One in Discussing Usefulness of Underwriters in War Work

PRESIDENT WILSON TO SPEAK

International Celebrities to Make Addresses—Accommodations for Record-Breaking Gathering

"The Contribution Life Insurance Has Made and Will Make Towards Winning the War."

The foregoing forms the theme of the Twenty-Ninth Annual Convention of the National Association of Life Underwriters. This year it is to be the annual meeting of the International Association of Life Underwriters, composed of the National Association of Life Underwriters of the United States and the Life Underwriters' Association of the Dominion of Canada.

The theme is a big bite. To recite what life insurance has contributed to the winning of the World War to date would require volumes and untold time; to prophesy what will be the part played by life insurance in the future toward ridding the world of "Hunism" and "Kultur," is to undertake a task equal in importance to the war itself.

The International convention will be held in New York City on September 4, 5 and 6. The headquarters of the convention will be at the Hotel Astor, and right here we prophesy that that famous hostelry will not have in its history been the headquarters of a larger or more representative body of useful citizens of the American continent.

Importance of Meeting

Get a picture of the celebrities who will attend this meeting, both in and out of the life insurance business. The importance of the matters to be discussed is evident. Note the men occupying big places in the world's affairs, who are attracted and are willing to give up time to prepare messages for delivery at this meeting.

Life insurance men, big and little, also women, this International meeting is of vital importance to you, it is worth your moral support, and it is worth your financial support to the extent of providing for your personal presence at all of its sessions. To keep abreast of the times in this business it is necessary to be where the big things are going on looking to its ad-

THE PILOT POLICY

vancement. The big things will be in New York on September 4, 5 and 6. Get the spirit. Plan to come to the meeting. COME TO THE MEETING.

Large Attendance Assured

We learn from Lawrence Priddy, president of the National Association of Life Underwriters, that at this date more than 1,000 rooms in New York hostelries have been reserved for delegates, coming from all sections of the United States and the Dominion of Canada to this meeting. We learn also that at meetings, which President Priddy attended, and where he addressed the members of local associations in connection with the International meeting, where it was the intention of the local associations to send two or three delegates, that at the conclusion of his remarks, when the question was asked how many of his hearers were sufficiently interested in the big problems confronting life insurance men both from a patriotic and business standpoint, were going to attend this meeting, anywhere from fifteen to forty hands went up.

President Wilson To Open Sessions

The opening sessions of the convention will be held in the Metropolitan Opera House and the opening addresses will be made by President Woodrow Wilson and Sir Charles Fitzpatrick, Chief Justice of the Supreme Court of Canada.

Other Speakers Announced

In conjunction with all these the principal speakers at the convention will be Professor Mellville Cumming, of Canada. The subject of Professor Cumming's talk will be "The Relation of Life Insurance to the Development of Our Agricultural Resources." We understand that Professor Cumming occupies a position in Canada similar to that of our Secretary of Agriculture.

Thomas B. Macaulay, president of the Sun Life Assurance Co., of Canada will speak on the subject of "Canada's Wartime Experiences."

Herbert C. Cox, president of the Canada Life Assurance Co., will discuss "Life Insurance and Thrift."

Sir Edmund Walker, chairman of the board of directors of the Imperial Bank, of Canada, will speak on the subject of "Life Insurance and its Relation to Credit."

George W. Perkins, for many years vice-president of the New York Life Insurance Co., later a member of the firm of J. P. Morgan & Co., now chairman of the finance committee of the International committee of the Young Men's Christian Association, has been invited to make an address on the subject of "The Life Agent's Opportunity and Duty In View of War Conditions," and while no definite acceptance has been received from him it is hoped that he will be able to deliver the above address.

Dr. Geo. E. Vincent, president of the Rockefeller Foundation and formerly president of the University of Minnesota, will speak on the subject of "Public Health and Life Insurance."

Dr. James H. Kellogg, president and director of the Sanitarium, Battle Creek, Mich., will deliver an address on "The Influence of Personal Habits on Life Expectancy."

Hon. Darwin P. Kingsley, president of the New York Life Insurance Co.; Henry Moir, president of the Actuarial Society of America; Harry L. Seay, president of the American Life Convention and president of the Southland Life Insurance Co., of Dallas, Texas; will each deliver an address, the subjects of which have not yet been announced.

J. H. McIntosh, president of the Association of Life Insurance Counsel, will make an address on the subject of "Insurable Interest, How to Properly Designate the Beneficiary of a Life Policy."

Banquet Orators

The speakers at the banquet which will be held in the Grand Ball Room of the Hotel Astor, Thursday night, September 5, are:

Lord Reading, British Ambassador to the United States; Hon. Charles E. Hughes, counsel of the Legislative Committee now conducting investigation for the Government into the manufacture and production of aircraft; Hon. Newton Wesley Rowell, president of the Privy Counsel of Canada.

President Priddy announces that it is likely that another of America's most distinguished citizens, whose name he is not privileged to announce at this time, will speak on this occasion.

Harry B. Rosen, producer, New York City, will tell "How I Personally Sell $12,000,000 per Annum."

Dr. Edwin Weles Dwight, medical director of the New England Mutual Life, of Boston, will make an address on "Medical Selection."

Edward A. Woods, manager of the Edward A. Woods Agency, Inc., of the Equitable Life Assurance Society, at Pittsburgh, and formerly president of the National Association of Life Underwriters, will speak on the subject of "War Time Arguments in the Sale of Life Insurance."

Women To Take Part

The women are going to have their opportunity also. The program provides a section for the discussion of "Present-day Opportunities for Women in Life Insurance." It is planned to have brief addresses on the subject by several women prominently identified with the business.

Big Producers To Tell How

Three or four men whose personal sales of insurance far exceed $1,000,000 per annum are slated to give "Arguments That I Have Used to Sell Large Lines of Insurance to Provide Funds for the Payment of Inheritance and Succession Taxes."

To Be Practical Convention

President Priddy states that it is intended that the sessions of this convention shall be extremely practical and to that end and for that purpose each address will be followed by questions and answers and there will be a number of discussions on the floor of the convention which vitally affect the business with the hope that every delegate will be able to get out of the convention the particular thing that he personally most needs in his work.

Official Sessions Sept. 3.

Practically all business of both the Canadian and American Associations will be transacted on September 3, at which time there will be a meeting of the Canadian Association, and the Executive Committee of the American Association will be in session the entire day.

It is hoped that the reports of all committees and practically all business will be transacted at these meetings and all delegates to the American Association will be permitted to attend this meeting.

Order of Speakers

The order of speakers indicated above, is not the order in which they will appear on the completed program. This advance statement was made by President Priddy at the urgent request of the press, so that the insurance fraternity might be advised at the earliest possible time.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

WANTED

By an old established Life Insurance Company

A Manager for the State of Connecticut

If you can prove

(1) That your record will bear very close investigation

(2) That you are an A-1 producer and organizer

a very attractive proposition can be offered.

Address with full particulars

CONNECTICUT

c/o The Eastern Underwriter, 105 William Street, New York City, N. Y.

GIVEN SILVER SERVICE

A. A. Harris of Sohmer & Harris Agency of Equitable Honored by Associates

A. A. Harris, of the Sohmer & Harris Agency of the Equitable at 19 Liberty Street, New York, recently retired to take up other work in the Equitable service, and the agency will be hereafter conducted under the title of William Sohmer & Company.

The agency under Mr. Harris's tutelage has grown to be one of the Equitable's leaders. In June, 1918, it was seventh in the list of agency leaders and tenth for the first six months of the year, and at the recent Equitable Agency Club's meeting at Asbury Park, two members of the agency, Joseph Merber and Godfrey B. Moore, qualified for the Quarter Million Club, and five members for the Century Club.

As a tribute to Mr. Harris, a number of the agency's members decided to present him with a testimonial, July 24. An informal gathering took place when Mr. Harris was presented with a silver coffee service and tray. Godfrey B. Moore made the presentation.

WRITING OF ANNUITIES

Results Among Ten Companies in 1917 —Figures Show Wide Fluctuations

Some companies gained and some lost in the amount of annuities written last year, as compared with the year before. The Metropolitan, which led in 1916, reversed its course in 1917. This was owing to one annuity having been written in 1916 for $1,250,000. Following are the annuity receipts of ten companies as shown by the Connecticut Department report:

	1916	1917
Metropolitan	$1,834,173	$281,767
Equitable	1,234,809	1,369,741
Travelers	939,459	556,194
National Life	726,286	643,200
Penn Mutual	631,985	511,501
Mutual Life	539,896	552,69(
New York Life	430,636	513,93(
Prudential	358,455	437,92(
Aetna	302,727	563,59(
Phoenix Mutual	68,175	509,47(

PRUDENTIAL AIDS EXHIBIT

An industrial housing exhibit is being held in Newark, N. J., all this week. The Prudential has been asked to supply a large quantity of its admirably prepared literature bearing on thrift, care of the sick, food conservation, proper habits of living, etc

Hansen Elected Guardian Vice-Pres.

MANAGES AGENCY DEPARTMENT

Entire Business Career Spent With One Company—Service Rendered Brought Deserved Promotion

Time, if employed diligently, brings to man deserved recognition and merited honors. There is no more striking example of this truth than that found in the action of the directors of the Guardian Life Insurance Co. of America, at their quarterly meeting on Wednesday of this week,



T. LOUIS HANSEN

in electing T. Louis Hansen, vice-president and agency manager of that company.

Mr. Hansen is the type of man people bet on, his rise in the ranks of the Guardian Life, (formerly the Germania) has not been accompanied by a fanfare of trumpets, but it has been persistent and consistent. Born in Denmark, April 8, 1875, Mr. Hansen came to the United States at the age of seventeen and began his life insurance career with The Guardian Life of America (then the Germania) in 1896. After many years of miscellaneous service with the company he was placed in charge of the agency department in January 1910, he was appointed assistant to the second vice-president in 1911; superintendent of agencies May 1, 1914, and promoted to vice president and agency manager July 24, 1918.

Rebuilds Agency Plant

The handiwork of Vice President and Agency Manager Hansen is seen everywhere among the field force of the Guardian Life. The agency organization has been remade. From an ordinary every day plugging aggregation, it has been generalled into a live pulsating selling force, filled with enthusiasm and intense loyalty.

Just Pride in Achievements

Mr. Hansen can look back with just pride on the results of his untiring service with the Guardian Life and face the future with assurance of greater success where such efforts are put forth. His many friends both in and out of his own company will rejoice with him in this new tribute to his worth.

BANKERS LIFE IN CONGRESS

Forty-six members of Congress are policyholders in the Bankers Life of Des Moines. Of the total number, five are members of the Senate and forty-one are members of the House.

EXTENDING DISABILITY

Prudential Will Include This Feature in Joint Policies on Three or Four Lives

Heretofore the disability feature in connection with policies on joint lives has been confined by The Prudential to policies covering two lives only, as stated in the rate book. Now, however, it has been decided to include this feature in policies covering three and four lives, subject to the same rules as govern its inclusion in other policies. As is the case with joint life policies on two lives, the amount of the premium to be waived and the amount of insurance to be payable in instalments in event of total and permanent disability of one or more of the insured under such policies will depend on the number of persons covered by the policy.

Thus under a joint life policy covering three lives one-third of the premium will be waived and one-third of the amount of insurance will be payable in instalments for each one of the insured disabled while less than sixty years of age. Similarly, joint life policies covering four lives will provide for waiver of one-fourth of the premium and payment of one-fourth of the amount of insurance in instalments for each one of the insured disabled while less than sixty years of age. As is the case with other policies, in event of the disability occurring after age sixty, the amount of the insurance will be reduced by the fractional part of the premium waived. The disability feature will not, however, apply to any woman among the insured under such policies.

Consistent with the Company's practise, these disability provisions will apply to joint life policies now in force covering three or more lives for disability that occurred after January 1, 1916; subject to the general rules in this connection.

Writes Survivorship Annuities Under 45

MUTUAL BENEFIT'S CHANGES

Round House Employees and West Indies, Central or South American Travel Applicants Considered

The Mutual Benefit Life Insurance Co. has made several important changes in its agents' manual since the last published edition, December 10, 1917, in view of which a special bulletin to agents was issued recently containing revisions up to July 1, 1918. The following important changes are found in the bulletin:

Deferred Survivorship Annuities

The Company will consider applications for Deferred Survivorship Annuities on the lives of those under age 45, if accompanying the application there is an amendment reading as follows:

"I understand and agree that any bond issued upon my application or any amendment thereto shall be subject to the following provision: If, within five years from the date of this bond, the insured shall engage in any military or naval service in time of war, the liability of the Company in the event of the death of the insured while so engaged or within six months thereafter, if the annuitant survives the insured, will be limited to the return in one sum of the premiums paid hereon."

The Deferred Survivorship Annuity bond will be subject to the above provision if a war clause would be attached to a policy of insurance issued on the same life, that is if the insured is under age 45 or is over 45 and contemplates engaging in military or naval service.

Policy Reinstatements

A policy reinstated within sixty days of the date of lapse will not be subject to a war clause, provided it was not so subject at date of lapse, even if the insured is engaged in military or naval service. The short form of application for reinstatement, is used for policies with and without a war clause, and the reference to military and naval service cannot, therefore, be omitted therefrom. Policyholders whose policies do not contain a war clause may be assured that application for reinstatement under the short form within sixty days of the premium due date, will not necessitate the imposition of the war clause.

Railroad Round House Employes

Round house employes in railroad service will now be considered for insurance, provided they are not exposed to unusual hazard in going and coming from their work.

Red Cross Executives

The company will consider insurance for a moderate amount on the lives of Red Cross executives whose duties keep them confined practically to large cities such as London and Paris, with a single extra premium of $10.00 per thousand to cover travel hazard, it being understood that there will be no refund where this $10.00 extra premium is charged.

West Indies and South America

Applicants proposing to travel to the West Indies and Central or South America by way of the Atlantic will be considered for amounts not in excess of $10,000 of insurance, and will be charged a single extra premium of $10.00 per $1,000 of insurance in addition to the first regular premium, as in the case of Red Cross executives. Policies in such cases will not be issued on the term plan or with a preliminary term rate. The single premium is payable on delivery of the policy and will be refunded if the applicant does not start on his proposed journey within the first policy year, but not otherwise.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President — Home Office: NEWARK, N. J.

MORE INHERITANCE TAXES

House Ways and Means Committee Favors Fifty Per Cent. in Estate Levies

Additional heavy taxes on inheritances are planned by the Government. The House Ways and Means Committee has proposed a fifty per cent. advance.

Under the present law an exemption of $50,000 is allowed the estates of residents of the United States in computing the value of the net estate. It is the purpose of the committee not to remove this exemption. According to the scheme of estate taxation, tentatively agreed upon by the Committee, the various rates would be as follows, three ciphers being omitted from the table:

Amount of net estate.	Per cent.
Not exceeding $50,000	3
Over $50,000, not over $150,000	6
Over $150,000, not over $250,000	9
Over $250,000, not over $450,000	12
Over $450,000, not over $1,000,000	15
Over $1,000,000, not over $2,000,000	18
Over $2,000,000, not over $3,000,000	21
Over $3,000,000, not over $4,000,000	24
Over $4,000,000, not over $5,000,000	27
Over $5,000,000, not over $8000,000	30
Over $8,000,000, not over $10,000,000	35
Over $10,000,000	40

In the case of the last two items, the committee made an exception in the general fifty per cent. increase. The rates were arbitrarily fixed at thirty-five and forty per cent. respectively. These represent the only variations made in the schedule of rates from the general plan.

New York Life's New War Clauses

TEN THOUSAND LIMIT PLACED

All Policies Issued After July 22, 1918, Contain New Provisions

The New York Life Insurance Co. under date of July 20, 1918, advises its agency force, that,

In order to adopt a more general policy toward all applicants from United States whose duties may, during the war, involve travel or residence outside of Continental United States or Dominion of Canada on account of relief work or business in an administrative or executive capacity, the Company has decided to grant a maximum of $10,000 of insurance with new War Clause C, as set forth herein. The entire policy of the Company regarding War Clauses on business in the United States from and after date hereof is stated as follows:

First. The Company will not write any policy on the life of any one in the United States Army or Navy or any branch of the United States Government service, where the applicant is eligible for Government insurance, unless it is clear that the applicant has applied for the limit which the Government grants, namely, $10,000.

Second. In lieu of all War Clauses and Aviation Clauses now in use the Company will, in the future, employ three War Clauses known as:

War Clause A. War Clause B. War Clause C.

Following is the text of each of the above Clauses in full:

War Clause A.

CONDITIONS REGARDING RESIDENCE, TRAVEL, OCCUPATION, AND MILITARY OR NAVAL SERVICE

If within two years after the date of issue of this policy the insured shall die as a result directly or indirectly of engaging in aeronautics; or if within five years after the date of issue of this policy the insured shall die as a result directly or indirectly of engaging outside the boundaries of Continental United States and the Dominion of Canada in any military or naval service in time of war—then, in any such case, the insurance under this policy shall be limited to either one-fifth of the face of the policy or to the premiums actually received, whichever is the larger, unless a single extra premium of ten per cent. of the face of the policy shall have been paid to the Company.

If the insured, while not engaged in military or naval service, shall travel or reside elsewhere than in Continental United States and the Dominion of Canada, and shall die within two years after the date of issue of this policy as a result directly or indirectly of a state of war or insurrection outside the boundaries of Continental United States and the Dominion of Canada, the insurance under this policy shall be limited to one-half of the face of the policy, unless a single extra premium of two and one-half per cent. of the face of the policy shall have been paid to the Company.

The extra premium shall be due on the day the insured first engages in aeronautics, or, if he shall not have engaged in aeronautics, on the day the insured leaves Continental United States or the Dominion of Canada; and if the insured was not engaged in military or naval service at the time he left Continental United States or the Dominion of Canada and thereafter entered military or naval service, the extra premium of ten per cent. (less the extra premium of two and one-half per cent. if already paid) shall be due on the day he entered such service. The grace provision of this policy shall apply to the payment of any extra premium.

One year after the end of the war the Company will segregate into two groups the policies on which were paid an extra premium of ten per cent. and the policies on which were paid an extra premium of two and one-half per cent., respectively, and will refund any part of such extra premium as shall not have been required to pay death losses due directly or indirectly to the cause for which the extra premium was charged.

The boundaries of Continental United States and the Dominion of Canada include the waters within three miles of the coast line, but do not include the Panama Canal Zone.

War Clause B.

CONDITIONS REGARDING RESIDENCE, TRAVEL, OCCUPATION, AND MILITARY OR NAVAL SERVICE

If within two years after the date of issue of this policy the insured shall die as a result directly or indirectly of engaging in aeronautics; or as a result directly or indirectly of a state of war or insurrection outside the boundaries of Continental United States and the Dominion of Canada; or if within five years after the date of issue of this policy the insured shall die as a result directly or indirectly of engaging outside the boundaries of Continental United States and the Dominion of Canada in military or naval service in time of war;—then, in any such case, the insurance under this policy shall be a sum equal to the premiums thereon which have been paid to and received by the Company and no more.

The boundaries of Continental United States and the Dominion of Canada include the waters within three miles of the coast line, but do not include the Panama Canal Zone.

War Clause C.

CONDITIONS REGARDING RESIDENCE, TRAVEL, OCCUPATION, AND MILITARY OR NAVAL SERVICE

If within two years after the date of issue of this policy the insured shall die as a result directly or indirectly of engaging in aeronautics; or if within five years after the date of issue of this policy the insured shall die as a result directly or indirectly of engaging outside the boundaries of Continental United States and the Dominion of Canada in any military or naval service in time of war, then—in any such case, the insurance under this policy shall be a sum equal to the premiums thereon which have been paid to and received by the Company and no more.

If the insured, while not engaged in military or naval service, shall travel or reside elsewhere than in Continental United States and the Dominion of Canada, ad shall die within two years after the date of issue of this policy as a result directly or indirectly of a state of war or insurrection outside the boundaries of Continental United States and the Dominion of Canada, the insurance under this policy shall be limited to one-half of the face of the policy unless a single extra premium of two and one-half per cent. of the face of the policy shall have been paid to the Company. The extra premium shall be due on the day the insured leaves Continental United States or the Dominion of Canada and the grace provision of this policy shall apply to the payment of such extra premium. One year after the end of the war the Company will refund any part of such extra premium as shall not have been required to pay death losses due to a state of war or insurrection.

If within two years after the date of issue of this policy the insured shall engage in aeronautics; or shall travel or reside outside the boundaries of Continental United States and the Dominion of Canada; or if within five years after the date of issue of this policy the insured shall engage outside the boundaries of Continental United States and the Dominion of Canada in military or naval service in time of war—then, in any such event, the provisions of this policy for Total and Permanent Disability and for Double Indemnity Benefits shall immediately become null and void and the Company will be liable for the refund of the unearned premium, if any, paid for said benefits.

The boundaries of Continental United States and the Dominion of Canada include the waters within three miles of the coast line, but do not include the Panama Canal Zone.

All applicants,—regardless of age or sex will be considered for:—

1. **Amounts up to $2,500** with War Clause A (any insurance in force with a special War Clause covering military risk to be included.)

2. **Amounts in excess of $2,500** and not exceeding $10,000 (including any insurance in force with special War Clause covering travel risk) with War Clause C.

3. **Amounts in excess of $10,000** with War Clause B.

Where application is for an amount in excess of $2,500 the rule of the Company will be:—

1. For amounts not exceeding $10,000 to insert War Clause C unless request is made in application for $2,500 with War Clause A and balance with War Clause C.

2. For amounts above $10,000 to insert War Clause B unless request is made in the application for limit with War Clause A or C in accordance with the above rules.

3. If an applicant has joined the Army or Navy as a permanent profession or occupation the regular rules calling for advance in age for occupation will be applied in addition to War Clause.

Exceptions To Above Rules

If the application papers show that the applicant contemplates traveling on account of relief work or business outside of Continental United States or Dominion of Canada in countries or regions where the Company has reason to believe there is extraordinary hazard,—the rule above regarding $10,000 with War Clause C may not apply. The Company reserves the right to judge each case on its merits as regards the insertion of the various War Clauses, or to decline the risk.

In Virginia amounts in excess of $2,500 will be issued with a special War Clause.

Special Notes

The absolute limit that the Company will issue to anyone engaged in aeronautics or intending to so engage will be $2,500 and no more. With War Clause A.

Where policies are issued with Disability Benefits and Double Indemnity Benefits, such benefits will cease by amendment to above clauses, under the following conditions:

1. If within two years insured engages in aeronautics.

2. If within two years insured travels or resides outside the boundaries of Continental United States or Dominion of Canada.

3. If within five years the insured engages in military or naval service in time of war outside the boundaries of Continental United States and Dominion of Canada.

July 22, 1918
(Date of change)

All policies issued at Home Office on and after July 22, 1918, will contain war clauses in accordance with above.

As heretofore repeatedly stated the Company,—owing to varying conditions,—reserves the right to change any of the War Clauses now in use or the rules governing their use without previous notice; such change to apply to all business from the date set by the Company, whether applications were written before said date or not.

HOME LIFE INSURANCE CO.

(Purely Mutual)

256 BROADWAY, NEW YORK

GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to

GEORGE W. MURRAY,
Supt. of Agents.

256 Broadway, New York, N. Y.

The Columbian National Life Insurance Company

ARTHUR E. CHILDS, President — BOSTON, MASSACHUSETTS

LIFE, ACCIDENT, and HEALTH INSURANCE

covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—

A Combination That Means Money for the Agent

Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

Satisfied?

IS your story as an Agent Finished, or are you still waiting for the Big Chapter?

Valuable Openings in Productive Territory For Energetic Ambitious Men.

Maryland Assurance Corporation

Baltimore

LIFE
HEALTH
ACCIDENT

JOHN T. STONE
President

"LIVE AND DIE WITH ASSURANCE"

Insurance to Cover Inheritance Taxes

is opening new fields to Provident Agents

Men are insuring not only to protect their families and to protect their business but also to protect their estates.

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Wrong Basis Used In Assessing Tax

PHOENIX OF LONDON REPORT

Company Pays 287 War Claims Since Outbreak of Hostilities Amounting to £265,000

The annual report of Rt. Hon. Lord George Hamilton, P. C., G. C. S. I., chairmen of the board of directors of the Phoenix Assurance Company, Ltd. of London, for 1917, sets forth the facts, that notwithstanding the war, the new business is larger than in 1916, and exceeds £1,100,000, and the claims due to the war are £20,000 less than in 1916, being £70,530 in amount.

Continuing he said:

Our life assurance account, our new business, like that of many other leading offices, has shown excellent results, and it is above the total of the preceding year. This is surprising when we bear in mind the enormous number of men, within the usual insurable ages, withdrawn from civil life for patriotic duty, whose circumstances are not favorable to the effecting of life policies, and the temporary withdrawal of a host of inspectors and agents whose energies are ordinarily spent in introducing new applicants. But life assurance appeals to every section of the community, and there are scarcely any conditions of human affairs imaginable where the need of this form of protection will not exist.

Taxes and Losses Heavy

Apart from new business, however, life assurance companies have not enjoyed a very prosperous time. Death claims arising from the war, which have fallen most heavily upon young lives, have practically wiped out the profit which in normal times we anticipate receiving from favorable mortality. Since the outbreak of war the company has paid war claims in respect of 287 policyholders killed, the sum assured under the policies amounting to £265,000. Last year the amount paid was £70,530, that being about £20,000 less than in 1916.

Two other forces have adversely affected the financial position of life offices. The value of their assets has had a continuous fall, and the pressure of increased income-tax has been seriously felt. The fall in the value of securities we can only submit to, like all capitalist bodies and private investors. It is the common lot.

Tax Basis—Profits—Not Interest

But I have been greatly impressed by the universal testimony to the undue hardship which life offices have to bear in regard to the method by which they are assessed for income-tax. The tax is, as you know, levied on the interest received on their funds, and this is not, in our judgment, an equitable basis, as we contend the proper measure of our liability should be our profits, instead of interest.

PRUDENTIAL FIGURES

The Prudential of America gives to the agents of the Company the following statistics to be used as potent canvassing clinchers. For the first six months of 1918 the Company paid in death claims $17,157,746.03; the company paid in death claims during 1917, $30,100,087.61: it also paid in death claims since the Company began $350,532,152.71; and the total payments to policyholders since the Company began business up to June 30, 1918, amounted to $507,015,221.04.

MISS BULGER GIVEN PURSE

Miss Lillian K. Bulger, of Albany, N. Y., and secretary to Pancoast Kidder, manager for the Mutual Life there, has joined base hospital unit 48 for service in France. Before leaving Albany for an embarkation port Miss Bulger was given a purse by her associates in the Mutual Life office. Mr. Kidder is now a captain in the American army in France.

TRAVELERS GROUP CASE

The Travelers last week wrote a group policy covering the 325 employees of the Power Specialty Co., of Rochester. The business was written through the local agents of the Company, J. M. and E. E. Brogan.

GEO. YALE WITH BOOKSTAVER

George S. Yale, formerly automobile claim adjuster for J. N. S. Brewster & Co., is now superintendent of the claim department of the Jos. D. Bookstaver office.

Sell Young Women Endowment Insurance

PRESENT IS OPPORTUNE TIME

Systematic Thrift is the High Road to Economic Freedom Sought by Them

Advantages of endowments for young women and how easily they may be provided out of savings from small earnings, is shown by The Prudential which speaks of this opportunity for salesmen in a recent issue of the Record. This is now The Prudential writer sees the situation:

"Long before Mars flung his grim challenge to a peaceful world, the girls of America had won a place of honor in the nation's far-flung battle-line of education and industry. Clear-eyed, intelligent, enthusiastic, taught in the same schools as their brothers, and moved by the spirit of democracy, they reach out after that economic freedom which the ability to earn their own living can alone give them. Glorying in an independence that the girls of no other land enjoy, they tread the highroads of business or climb the rugged heights of the professions—teachers, nurses, stenographers, clerks, telephone operators, garment-makers, saleswomen, etc—over three million workers, skilled and efficient, yet fascinatingly feminine, the pride of the nation that bred them.

Every One a Prospect

"Have you thought of that, Mr. Canvasser? Have you made it your business to talk insurance to the grown-up girls on your debit, who, having finished school, are now earning substantial salaries? How many of them because of your efforts, are now the proud possessors of Prudential policies? Not the little industrial policy that their mothers took out years ago, but grown-up policies, befitting their grown-up years and grown-up independence.

"Nearly every girl who works for her living knows, or at least hopes, that her business or professional career is only a step toward the higher and nobler duties of wife and mother. How important it is, therefore, that she be taught without delay the value of life insurance, both as a means of protection and as an incentive to thrift. And how better can you teach her these lessons than by selling her a twenty-year endowment policy?

Does Not Cost Much

"You are not asking her to assume any great financial burden. As little as forty-five to fifty cents a week, at ages eighteen to thirty, will buy a $500 twenty-year endowment policy on the intermediate plan, while eighty cents a week, at the same ages, will buy $1,000 of this kind of insurance on the regular ordinary plan. Could there be any easier or safer way for a girl to invest small sums of money?

"Think what it will mean to her!

"In the course of time a maturing endowment policy may prove to be a godsend. Maybe it will put a son or a daughter through college. Maybe it will start her husband in business. Maybe it will be the means of buying a little home. Maybe it will make possible a long-wished-for vacation trip. Maybe it will tide over some crisis in her life—a serious illness, loss of income, or the death of the bread-winner! Many indeed are the reasons why every young woman should take thought for the morrow.

"Here, then, is a rich field of prospects, one that is too often neglected. Cultivate it assiduously and you will not only reap a rich harvest of commissions, but you will add to our great family a host of loyal Prudential girls who, in the days to come, will never give their husbands an opportunity to say 'My wife objects to insurance.'"

ADVISED TO PAY MORE

At a meeting of the Ladies' Catholic Benevolent Association, at Binghamton, N. Y., Supreme Deputy McCorry spoke on the new rate schedule, strongly advising all members to change from the old to the new rate, making it clear that the extra assessments which are sure to be necessary in case transfer is not made will prove much less satisfactory than the new rates.

WORLD LIFE ENTERS N. J.

The World Life & Accident, of Chicago, has been admitted to New Jersey for accident and health business.

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL

LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co.

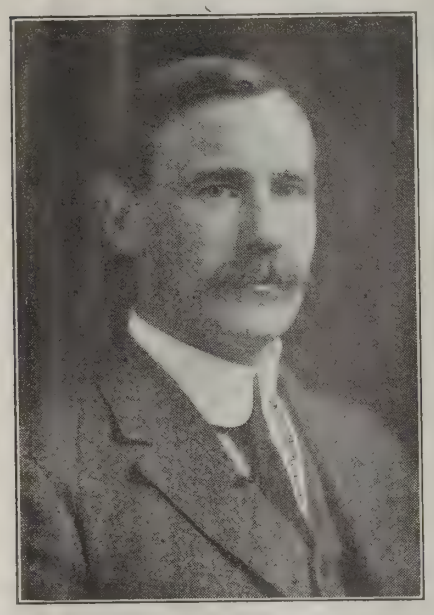
Boston, Mass.

Arthur Hunter Made Chief Actuary

WILLIAM YOUNG SUCCEEDS HIM

Board of Directors of New York Life Make Promotions at July Meeting

At its meeting July 14, the board of directors of the New York Life Insurance Co. promoted Arthur Hunter, actuary, to the position of chief actuary, and at the same meeting William



ARTHUR HUNTER

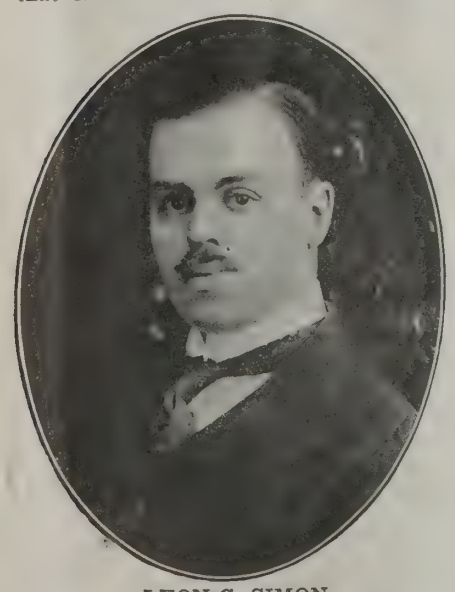
Young, assistant actuary, to the position of actuary.

Speaking of the promotions the New York Life says the Company is most fortunate in having at the head of its Actuarial Department two such brilliant and efficient young men who are so well qualified by education and experience to perform the important duties of chief actuary and actuary, respectively, of a great life insurance company.

WROTE $450,000 FIRST YEAR

Leon G. Simon Qualified for Equitable's Quarter Million Club—Was Manufacturer

One of the remarkable producing records made known at the recent Equitable Life agency meetings was that of Leon G. Simon, of the Martin



LEON G. SIMON

G. Ford general agency of the Society in New York City. Mr. Simon joined the Equitable July 1, 1917 and between then and June 30, 1918, he paid for more than $450,000 qualifying for the Quarter Million Club of the Society. For his coming year, Mr. Simon has pledged himself to write $1,000,000 of new business.

Mr. Simon is an alumnus of the Columbia University School of Mines and in 1910 he was appointed statistical engineer in the Bureau of Engineering Statistics. In 1912 he entered the mercantile field and became treasurer of the Gross-Simon Co. and also president of the International Manufacturing Co. It was while in this work that he made the acquaintance of Mr. Ford, ultimately joining his agency.

Possessed with a large acquaintance among engineers, bankers and brokers, Mr. Simon developed his clientele in this direction. He is the author of an article soon to be published in one of the technical magazines on "Psycho-Analysis in Its Daily Application" and is a member of the Efficiency Society, Travel Club of America, Intercollegiate Alumni, "Le Salon," and Art Student's League.

Big Development In Writing Farmers

MORTGAGE REPLACED BY POLICY

Companies Now Underwriting Life Insurance Instead of Mortgages—Prosperity is Reason

The writing of life insurance on farmers has taken a big jump under war conditions, the farmer as a class probably being more prosperous now than at any other period of American history.

For the same reason the investment of new life insurance funds in farm mortgages is now practically nil. Those companies maintaining large staffs in their farm mortgage departments are apportioning them to other departments to help out with the added work there.

Also, the life companies report that mortgages on real estate generally are being paid off at such a rate that these funds in many instances will have to be re-invested in other securities.

The Fidelity Mutual Life outlines the opportunity of writing farmers as follows in the current issue of its Bulletin:

"An agent who works a good deal among farmers says that in order to focus the farmer's attention he used a pad and pencil. By a few simple figures, the proposition is made plain. This agent makes it a point to know the farmer's hobby. If it is hogs, he talks hogs and acquaints himself in advance with the latest price quotations on hogs. If it is a cattle man, he talks cattle. If a grain farmer, he knows the latest grain prices and the market tendency. This meets Mr. Prospect at a point of personal interest, and the familiarity with prices and conditions establishes confidence."

The last issue of The Prudential Weekly Bulletin also encourages the writing of ordinary on farmers as follows:

"All over the United States and Canada your friend the farmer is in the best of humor. Despite the war, increased taxes, and all sorts of demands on peoples' purses, he is looking forward constantly to the near future, which promises to bring him another bumper crop, a richly remunerative harvest.

"A Washington despatch embodies a government report, which predicts a record breaking wheat crop this year. Everything combines to make it clear to live Prudential men whose territory embraces farming districts to tackle the man who tickles the soil and makes it laugh with fatness."

CONNECTICUT GENERAL GROUP

Organizes Special Department In Charge of Walter I. King, Formerly With Columbian National

The Connecticut General Life has organized a group insurance department which has been placed in charge of Walter I. King, formerly in the actuarial department of the Columbian National Life in Boston. The Company has circularized its agents pointing out the big opportunity under present conditions of writing group insurance.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST—LARGEST—STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

HOME LIFE INSURANCE COMPANY of AMERICA
INCORPORATED 1899
PROTECTION FOR THE ENTIRE FAMILY
This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.
INDUSTRIAL POLICIES are in full immediate benefit from date of issue.
ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State Endorsement.
GOOD CONTRACTS FOR LIVE AGENTS
Executive offices No. 506 Walnut St., Philadelphia, Pa.
BASIL S. WALSH, President JOSEPH L. DURKIN, Secretary JOHN J. GALLAGHER, Treasurer

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.
THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA
On January 1, 1909, rates were reduced and values increased to full 3% reserve

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

A Real District Manager
is wanted for one of the best territories in the most prosperous section of the nation. This is a real opportunity for a first class man.
Write
Bankers Life Company
DES MOINES

JONES—THE EXECUTOR

How a Large Life Insurance Policy Was Sold to an Executor After His Experience in Settling a Friend's Estate

From "The Pelican" published by the Mutual Benefit Life

Jones was a successful business man in his community. Everyone admired his ability and appreciated his integrity of character. He had more than passing knowledge of business procedure and was looked up to on every hand as a man who could be implicitly trusted and whose opinions were valuable, yet he had never before served as an executor of an estate. He had frequently been asked to serve in that capacity, but not until his closest business associate practically insisted upon it did he finally yield and allow his name to be used in that way as named in his friend's will.

His friend had suddenly died of pneumonia several months previous to the time of our story and it was then that Jones began to have a keener appreciation of the difficulties that lay ahead in the trust which had been imposed upon him. His first surprise came when the validity of the will itself was questioned. The usual petition setting out the facts required by law had been signed and executed. The signature of the testator and the two witnesses to the will had been properly proved, but the will itself was contested, although unsuccessfully, by a dissatisfied legatee.

Realized His Troubles

Jones' friend had not been a believer in life insurance, although he had carried a small policy in a fraternal society, the immediate proceeds of which met his funeral and last sickness expenses, but left very little beyond that to the widow, who had since had to borrow money at the bank with Jones' endorsement, pending the important time for her, when her husband's will could be probated. From the day that the contest was started Jones awoke to a full realization of the troubles which were probably ahead of him. The court appointed two appraisers in the usual way to determine the value of the estate. Jones' friend, in his lifetime, had often spoken in a proud manner of certain pieces of property located in a distant city. This property had been well managed, was well located, and fortunately produced, for the time being at least, a good income, and there were the usual stocks, bonds and chattels, personal property and other securities which had to be inventoried. It had not occurred to Jones and his friend that considerable time would necessarily be consumed in the appraisal, classification and inventory, and Jones' friend had forgotten that the cost of these also would be a depreciation his estate would have to sustain.

Negotiated Estate

There were practically no creditors of the estate, but the law had to be complied with and the usual notice published once a week in a local newspaper for six months, giving the creditors an opportunity to present their claims. In the meantime the widow's first note to provide necessary funds for herself and family had matured and had to be renewed for a period of three months, pending the receipt of the first funds from the estate. Jones looked over the report of the appraisal carefully, and, realizing that it was his duty to convert the assets of the estate into cash as far as possible, he determined that the property in the distant city could be sold to good advantage first. He opened negotiations with a firm of real estate men, who were glad to undertake the negotiation of a sale of the property. When it became known that the property belonged to an estate it immediately depreciated in value in the eyes of prospective buyers, but it was finally sold at some sacrifice, and when the agents had deducted their commission Jones paused again to note that what had seemed such good property to his friend had proven more or less of a burden to his wife and family.

Accounting Called For

Up to this point Jones had had little difficulty in persuading his fellow executor of the wisdom of the steps which they had jointly taken, but one of the legatees, who was especially close to the other executor, persuaded him to introduce an intermediate accounting in the estate. Jones was not in favor of this, for he realized fully that where many minds have to be satisfied there is plenty of opportunity for trouble. The legatee in question, however, pressed his point very hard and was able to arouse enough sentiment among the other legatees so that the intermediate accounting was called for and provided. The court issued its usual citation and all the interested parties were brought before the court to hear the intermediate accounting. While Jones and his fellow executor had been very conscientious in their work and had used judgment in all of their undertakings, two of the legatees, nevertheless, found some pretext for a complaint and actually filed objections to the intermediate accounting. Their purposes were only blocked after considerable delay, and a compromise affecting the interest of all parties was finally entered into. The final settlement of the estate was still months away.

Service Man Enters

It was in the midst of these troubles, which had been no small drag on Jones' time and energies, scantily paid for by the statutory fees and allowances, that Jones was one day interviewed by a real life insurance agent and counselor, a service man who frankly stated at the very outset of his interview that he was not interested in merely selling Jones some more life insurance. He even said that possibly Jones already had enough life insurance, and, from the strict necessities, surrounding the occasion of death, possibly too much life insurance. Indeed Jones was led to agree with him that, outside of sufficient cash to meet the Federal Estate and State Inheritance Taxes, several thousand dollars at the most should be sufficient life insurance to meet the needs common at death, but the agent dwelt upon the importance of properly disposing of the balance of his life insurance in such a way as to actually establish an estate. He pointed out that the average life of estates generally was only about seven years and that Jones could easly triple this time by availing himself of certain privileges which had been guaranteed to him in his policy contracts, but which, unfortunately, neither he nor the agent who sold him the insurance had ever taken the trouble to investigate.

Income For Family

The agent then showed how a life time provision could be made for Mrs. Jones, without disturbing the principal of the estate; that through the receipt of a fixed monthly income she could be saved all worry as to the investment and re-investment of funds; that she could be saved from the perilous experience of dealing with promoters and stock salesmen of one kind or another and that after her death Jones' two daughters could receive the proceeds of his life insurance estate in fixed monthly instalments that would cover their entire lifetime. Every word which the agent spoke upon the subject cut like a two-edged sword, because Jones' mind was constantly dwelling upon the estate of which he was an executor. How much easier his task would have been; how much better for his friend's widow had his friend left a properly pre-administered life insurance estate and a smaller general estate.

Must Avoid Mistakes

He very quickly and wisely allowed his mind to run ahead to that day when he, too, would permanently stop his work, and he realized as never before that if he were to avoid the mistakes his friend had made definite action must be taken. The agent had gained his confidence and so he made a frank statement to him of his present financial situation. The agent pointed out that $2,000.00 would be necessary to meet the State Inheritance Tax and that, based upon his present financial condition, $4,000.00 more would be required to cover the Federal Estate Tax. Jones recalled how he had had to sell some of the most readily convertible of his friend's securities to meet these very items and to take advantage of the discount which the Government allows for prompt payment. He had hated to sell these securities and he knew very well that he would probably leave some of his own that he would hate to have sold under similar circumstances.

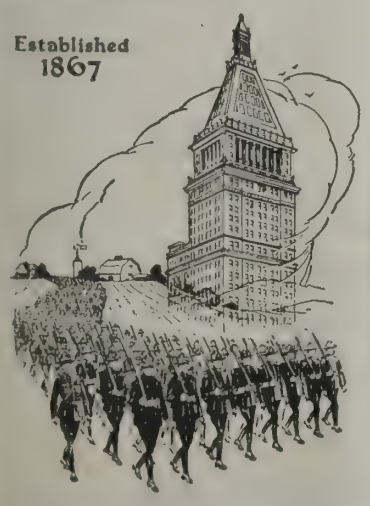
For Taxation Purposes

He therefore agreed with the agent that it probably would be wise, taking into account the natural increase of his wealth and the tendency toward increased taxation, to set aside at least $10,000 of life insurance for taxation purposes and an additional $5,000 to protect certain outstanding interests he might have to meet, current bills and to enable his wife to be comfortable pending the settlement of his estate. He then gladly signed an application for $100,000 of life insurance, the greater part of which was to be retained by the company at his death and the interest upon it paid in monthly instalments to his wife, the right of withdrawal being withheld from her. In order to increase her income for her lifetime he allowed a portion of it to be placed under Special Privilege No. 4, fifteen years certain (his daughters were aged nine and seven years and this provision in case of his wife's early death following his own would continue that part of the estate until they were each above twenty years of age.) He then provided that at the death of his wife following his death the balance of the proceeds held under Special Privilege No. 2 by the company should be transferred to Special Privilege No. 4 and paid out in monthly instalments to his two daughters for their lifetime, twenty years certain (further providing that in case they left issue the balance of the certain instalments remaining unpaid should be paid at their mother's death in monthly instalments to such issue, the right of commutation being withheld from the several beneficiaries.)

Brought Satisfaction

In the course of a few days, Jones' examination having proved satisfactory and the payment of the premium having been made in advance, the agent was able to deliver the completed program to Jones. Jones submitted the policy and the supplemental agreement to his lawyer who told him it was one of the best legal documents he had ever seen, that every contingency had been provided against, and, as stated to him by the agent, any changes in his future circumstances could be cared for by making a corresponding change in his agreement with the company. Jones now had satisfaction in the possession of his life insurance which he had never en-

(Continued on page 8)



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Estate vs. Producing Powers

Edward Jahn, an agency instructor for The Prudential Insurance Company, of Newark, gives this selling pointer:

"I was recently taken by an agent to a prospect whom he had canvassed and talked to many times personally and with his assistant and the best they ever got from him was an indefinite promise. The assistant had, however, when an agent, closed him for $1,000.

"I was greeted by the prospect with this shot right from the shoulder: 'I've decided I have enough life insurance.'

"Said I, 'May I ask upon what grounds you base your statement?' The reply was, 'I have $3,000 life insurance and some building and loan shares.'

"'Yes,' I answered, 'your $3,000 life insurance would represent an estate this minute if death or total disability overtook you, but your building and loan is worth a little more than the amount you say you have paid on it for two years. You have about nine years more to live and make the monthly payments before it matures to the amount you are now figuring on. Now, may I show you how small your estate is as against your producing powers for I am sure I can convince you that you have not enough life insurance?

"'You'll agree with me that you have at least twenty-five years of producing power left if you live—yes! Well, then, we will say that your earnings during this period will be $40,000—and this is a moderate estimate. I am sure you will agree with me that your life insurance together with your small equity in the building and loan would appear insignificant if you passed away this minute. We will say that your earnings will be only $40,000. You will readily see that you need at least an additional $5,000.'

"The prospect admitted the truth of my argument and signed the application. I find that the emphasis these days should be upon the earning power of a prospect during the course of his expectancy of life, and that that method wins when all others fail."

* * *

Vacations—Before and After

A writer in "Hot Stuff," that bright organ of the Hoosier Casualty, has this to say regarding vacations:

"I am heartily in favor of vacations. I believe that all work and no play makes Jack a dull boy, but all play and no work makes Jack a thundering sight duller boy. The trouble with this vacation business is that we anticipate it, and think of it and nothing else for about four weeks beforehand and we suffer from the effects of it about four weeks behindhand. Figuring one week's vacation, we have lost about nine weeks for our employer. If our employer happens to be ourself we have wasted nine weeks of our own time and time is all in the world that God has given us to turn into money. When I think of the time wasted by my employes and myself and look upon the multitude of idlers who wander aimlessly about our streets, I can realize why the country as a whole is not more efficient than it is, and I can realize why production is correspondingly low and why prices are skyhigh. The average man is not productive up to one-half of his ability. Consequently what is produced is twice as high as it ought to be.

"Nobody can convince me that insurance agents are producing to their full capacity and if ever there was a favorable time for them to reap a harvest it would seem to be now. People have money to buy insurance and certainly, in these hazardous and uncertain times, insurance against loss of time by sickness or accident is an absolute necessity. The extreme high cost of things is within itself an argument in favor of protecting our incomes."

* * *

Some Mid-summer Reminders

Secretary William Alexander, of the Equitable, New York, who is also editor of "Agency Items," presents these mid-summer suggestions to agents:

As we enter upon the last half of 1918, individual retrospection is essential.

Has your progress measured up to the programme you adopted on January 1?

Have you reached the half way point in new business secured on the basis of the mark set for the year?

Have you kept faith with yourself in making a given number of calls each week?

Have you made periodic visits to the policyholders in your territory to serve them in connection with their present insurance and to increase their insurance in appropriate cases?

Have you kept abreast of the times by adapting your methods to present conditions?

Have you in each instance tried to fit the policy to the applicant, to this end utilizing the Equitable's great variety of policy forms?

Have you secured introductions to new prospects from present policyholders?

Have you been awake to the possibilities of business and group insurance for small as well as for large merchants and manufacturers?

Have you talked $10,000 and $5,000 instead of $1,000?

Have you specialized among those beyond the draft ages?

Have you sought out those who by reason of war conditions are enjoying unprecedented prosperity and who should be putting a large portion of their increased income into life insurance?

If you have been doing all this, your success in 1918 will be assured, and if you are not ahead of your schedule do you recognize the absolute necessity of speeding up during this most important year?

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Jones—Executor

(Continued from page 7)

joyed before; he ceased to look upon his life insurance as a luxury and regarded it as a necessity. He no longer looked upon it as "pie and cake," but as "bread and butter," and during the remaining months of vexatious delays and trying experiences in the settlement of his friend's estate he found some considerable compensation in the knowledge that he had now permanently avoided the mistakes which his friend had made.

Insurance Carries The Man

But Jones realized that his duty toward the community did not cease with the provision which he had made for his own family, but that he had a distinct moral obligation to the community, since his judgment was so universally respected. He had always been a believer in life insurance and, as men ordinarily view things, he had carried considerable of it, but he never before grasped the thought that after all it is the life insurance that carries the man and not the man that carries the insurance. He found that his life insurance "carried" him to his day's work with greater confidence; that it enabled him to see all of his business relations in a saner and healthier perspective. He found that he slept better and had more continuous peace of mind. While these experiences were now personal to him he realized that there were many other people in the community entitled to the same enjoyment, and he therefore not only gave a strong letter of endorsement to the agent, but expressed a willingness to use his personal influence, first with his fellow executor and then with other friends, persuading them to listen to the advice which the agent could give. The letter which he wrote to the agent is of so much interest that it is here reproduced:

Investment Field Risky

"I desire to express my appreciation of the trouble you have taken in laying out the proceeds of my eight policies so that my mind can be at rest with regard to the future well-being of my wife and children. The practical result is that in the event of my death a substitute has been provided who will take full charge of my family and work for them as long as they live.

"The field of investment is always a risky one, and particularly so for widows and orphans, and no one should allow such a responsibility to be thrust upon his inexperienced dependents after his death. Insurance payable in the form of a fixed income is the only practical solution of the problem, and I deem it somewhat of a public service to call attention to the work you are doing in this direction, which demands a far broader knowledge of the science of life insurance than is necessary merely to acceptably represent a good company.

"The work you have done for me has required a special study of my needs and requirements, so as to take care of every possible future contingency, and I am abundantly satisfied with the settlement you have arranged.

"In the hope that the work you are doing may receive the full recognition it deserves, believe me, Yours very truly,"

Jones was determined that there should be more happy widows in his community and fewer troubled exe-

(Continued on page 9)

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York

34 NASSAU STREET, NEW YORK CITY

BUSINESS ESSENTIALS

No. 9—IDEALS

By JOHN K. WEST

You must know definitely and clearly just what you wish to do or have in life if you want to be successful.

In the beautiful home office of the National Fire are several large signs "Direction First, Then Distance." That expresses the whole thought in a nutshell. Have an ideal and you can accomplish anything you set out to do. Your fortune or lack of fortune is not the result of chance but of your ideals.

You make your own misery, your own happiness, your own poverty, by what you think and what you think is simply your ideals. The mind inside you is a magnet of attractive and repellant qualities. If you think you are worth while, others will think the same. Ideals make opportunities for you. It's all up to you. Strange as it may seem, some insurance agents do not have ideals, or if they have them, they are constantly eluding them. They meander along, drifting aimlessly from one thing to another in a half-hearted manner, and the result is they live in a constant state of confusion.

Pause for a moment and consider whether or not you have any definite port or goal in mind. Take ten minutes some time when you are alone in thinking this over. If you have no definite goal in life you are weak on ideals and you must turn on the power of vision by thinking quietly but positively what you ought to be or do or have. A stalled motor boat churning around in the trough of the sea is quite likely to be swamped. How different is a boat under power and control plowing through the briny deep toward a particular port.

It is of the greatest importance to you to have ideals, whether you are a brand-new agent or a battle-scarred veteran. You can never get anywhere unless you have clear-cut and definite ideals to pattern after. A kid in the lots watching various games of baseball and hearing tales about the game slowly forms his ideal "slugger" and when he steps up to the bat he tries to emulate his "Ty" Cobb and the result is that he makes a hit where the fellow without an ideal goes to the bench while he is careening around the bases joyous and happy over the hit he made.

Eye on the Ball

A golf player takes his Jerry Travers book on golf and pores over the contents, keenly taking in all the directions and paying particular attention to the pictures. When he goes out on the links he has a mental concept which will keep repeating to him the advice of an expert "Keep your head down and your eye on the ball until after it is hit." He is unconsciously making Jerry Travers his ideal in the game of golf and is copying his strokes and style and Ye Gods if ever a chance came to go out to see the wonder of the game, he will travel miles just to get a peep at him driving a ball.

A fisherman is enthusiastic about his ideals. He reads and copies and swops talk about different anglers until finally he has in mind his ideal man of the trout streams. We read history and novels to get ideals. We are constantly surrounded with the stuff ideals are made of. An individual is according to his ideals honest or dishonest, friendly or unfriendly, polite or rude, initiative or inert, enthusiastic or indifferent, a thinking person or thoughtless, etc., and no person at any time is greater than his ideals.

Do you know a calm, courageous, forceful, determined, self-reliant aspiring agent? And do you know a weak, whining, complaining, melancholy, morbid, nervous, fretful agent? Both are the results of ideals, for a man never is anything in this world that he doesn't want to be. Water finds its level and if your ideals are not kept higher you will soon gravitate toward people like yourself. Can you, for instance, conceive of a strong, vigorous, successful agent going around among strangers and mingling with despondent and unsuccessful people?

So vital is this matter of ideals that you will want to make an examination of your own mental life and see how clearly you have mental ideals in your various works and play. Improve your ideals and you will gravitate toward a better class of associates. As you make the examination, ask yourself the question why for instance anger takes hold of you when things don't go your way. This analysis will show you some simple reason why you get angry at certain times when at other times you would pass the event without notice.

Have Definiteness

You have the power right now inside of you to make your own ideals. After you have created your own ideals, you should form in your own mind a mental image of yourself and pick yourself to pieces and decide how you compare with your ideal on personal characteristics. One great ideal an insurance agent should strive for is definiteness. Don't have vague or indefinite notions. It is the lack of direction that causes you to drift. Unless you know where you are going you cannot know how to get there. Know where you are going and what you want.

Did you ever see a file of raw recruits marching in a field in columns of platoons? The right guide will almost invariably edge towards the right and the entire platoon would be over in the corner of the lot were it not for the instructor who tells the right guide to get his eye on a definite objective way in front of him and make for that.

Stop reading after you finish this article and start thinking. Look over the records you keep. Would your ideal salesman allow his prospect book to become as old and worn out as yours. Outline plans for making the best kind of records. Judging from the number of insurable risks in your territory, how do you stand toward the possibilities for you? How does your ability compare with the ability of your ideal? What are you doing to make yourself as near like your ideal as possible?

The market for you is your territory. Play the game according to rules. Your ideal isn't lazy, impatient, ignorant, rude, indifferent. He is industrious, goes about his business having self-control at all times, is afraid of no man, has a thorough knowledge of his business, is polite and courteous, has enthusiasm and knows how to express himself effectively. If you have been plodding around here and there wasting your time you have lacked direction and you need ideals. If your desire is to write a certain amount of business next week, your plans will be far different from what they are if your ambition is simply to look after the business that happens to come in.

Environment has had much to do with the making of your ideals, but you now have control of your environment and can always get above it by a little effort. Continually keep your ideals ahead of you so when you finish one task there will be no uncertainty as to what you will then do.

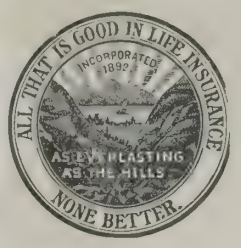
Producer's Best Secret

Fix your mind on some definite plan for your life; then write it out and from time to time check up to see how near you are living to it. Right thinking about their business is the great secret of the best producers. Create within you an ambition for right ideals. Don't live in a chaotic condition, darting around here and there and everywhere with lightning-like rapidity. Develop at once a successful ideal and grasp it firmly enough to act on it.

Make a start toward success by creating in your own mind an ideal of what you are living for and what you ultimately want to accomplish in life. Form a mental picture of your ideal home, its location, construction and environment. Adopt an ideal diet of food that will supply you with energy, enjoyment and efficiency. Fashion your ideal dress within your means. Resolve to amass a competency. Plan an ideal day of work in the field with much of your wasted time cut out, your interviews cut down to the minimum for efficiency and an absorbing interest in your work. Create an ideal body free from pain, weakness and fear of disease and continue to be and do the best there is in your line of work. You have enough knowledge stored inside you to revolutionize your world if you would only apply your ideals to your work and plan. Don't keep your ideals in sealed packages. Spread them out and make practical application of them. It is an easy task if you only make the start.

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

Jones—Executor

(Continued from page 8)

cutors, and it was no small source of satisfaction to him to witness the progress which this service agent was making in Jones' community.

Discharged by Court

The day for the final settlement of his friend's estate came. The court issued its third citation and the heirs appeared at the court on the designated day. Jones had in the meantime, at considerable personal inconvenience, kept the legatees quite fully informed of the steps which he and his fellow executor were taking. It had been a hard task, but he had accomplished it, and he was now pleased to find that their objections had been minor and could be dealt with. He was to be discharged by the court and, having faithfully met the great test of trusteeship, his conscience was clear. The widow and the other heirs seemed now to quite thoroughly appreciate the services which he and the other executor had rendered. When he left the court that day and in succeeding months these questions kept coming to him, Why don't business men take into account the certain depreciation of their general estates? Why don't they realize that the need of insurance goes with property? Why don't they buy more life Insurance and have it properly preadministered? Why are there not more "service men" in the life insurance business?

Security Mutual Life Insurance Company

Binghamton, N. Y.

Offers to men able to produce business first class territory, with direct contract providing liberal compensation.

For particulars, address

C. H. JACKSON, Supt. of Agencies

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.

PHILADELPHIA

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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ALMOST SIXTY BILLION IN FORCE

That life insurance has made rapid strides in 1917 is evident from the figures compiled by The Insurance Press. The total amount in force is now placed at $59,500,000,000. Life insurance organizations throughout the United States and Canada distributed $788,300,000 in claims and benefits during 1917. At the close of 1917 policies were in force aggregating more than $27,500,000,000 in old line companies and about $10,000,000,000 in fraternals. To this must now be added the soldiers' and sailors' insurance amounting to $22,000,000,000, making the grand total given above.

It is gratifying to note that ninety per cent of the companies show a falling off in lapsed, surrendered and purchased policies. Dividends increased and demands for loans on policies were fewer. The new insurance written last year by life companies was over $4,000,000,000.

MARINE AND FIRE MEN COMBINING FORCES

As long as the marine insurance business was a thing unto itself—a free lance as it were—not hedged about by the insurance laws of the state of New York, or other states, there was no need for the marine underwriters and the brokers to bother their heads about anything that might be done at Albany. They did not need much of anything resembling an organization such as the fire brokers have and without which the fire brokers could not get along. The fire brokers need a thoroughly developed organization with its numerous committees, each one on the job all the time to protect the members from unjust discrimination from without and bad practices within the business.

When the new laws went into effect in New York affecting marine brokers, the fire brokers, who have long felt the necessity for and the benefits of an organization, immediately saw where they could be of advantage to the marine brokers, whom they realized would need an effective organization. The fire men therefore took time by the forelock and conceived the idea that both marine insurance and fire insurance would be benefited by enlarging the scope of the Fire Brokers' Association to include marine brokers. The change was also made the occasion for bringing in the liability brokers. One large, strong organization with mutual interests was the idea, instead of a number of small organizations, the younger ones lacking the strength and experience of the larger. The Fire Brokers' Association has been in existence for twenty years.

The response to the proposal of the fire brokers has been quite generally approved and there has been a steady flow of members to it from among the marine writing offices. Just a few of the more prominent acquisitions are: Johnson & Higgins; Wilcox, Peck, Brown & Crosby; G. B. LaBoyteaux, Jr., Amerman & Patterson; Bertschmann & Maloy; Hagadorn & Co.; Frank B. Hall & Co. Inc.; Hutchison Rivinus & Co.; R. A. Corroon & Co.; H. E. Otto & Co.; Parsons & Egert; George H. Smith & Hicks.

RESEARCH WORK OF INDUSTRIAL COMPANIES VALUED

When it was decided to hold a public exhibit in Newark, N. J., devoted to health, housing of industrial workers and kindred subjects, the promoters at once realized that no such exhibition would be complete without industrial life insurance being properly represented. The companies transacting this line of insurance have given such close study to health conditions, housing, causes of disease and its prolongation, that it is but natural that the vast fund of information at their disposal should be sought by those interested in an exhibit of this kind. It is furthermore highly encouraging that the inestimably valuable work of the industrial companies should be so generally recognized. This exhibit being a Newark enterprise, and The Prudential having its Home Office there, the Company at once complied with the request for data and charts, supplemented with literature for general distribution. The valuable charts exhibited at the World's Fair in San Francisco, were again brought into play with the result that the work of the Newark exhibitors was substantially augmented in a way which brought much added interest and instruction to those who attended the gatherings which lasted throughout the week.

COMMISSIONERS' CONVENTION

Doubt as to whether or not the annual meeting of the National Convention of Insurance Commissioners should be held on account of transportation difficulties is removed by a letter sent to the state officials last week by Secretary Joseph Button. Commissioner Button states that in reply to a letter to all commissioners, thirty-three states have signified their intention of being present and the convention will be held at the Brown Palace Hotel, Denver, September 10 to 13.

Lieut. Maurice F. Quinn, D. V. M. of Norwich, N. Y., is now at Camp Zachary Taylor, Kentucky. Lieut. Quinn for a number of years has been with the Hartford Livestock Co. in the capacity of veterinary surgeon.

THE HUMAN SIDE OF INSURANCE



LOUIS F. BUTLER

Louis F. Butler, president of the Travelers, celebrated his 47th birthday on Tuesday. Born July 23, 1871, Mr. Butler is a living example of what an ideal of determination will do for a man. Entering the Travelers employ in 1890 at the age of 19, he won advancement by his wonderful efficiency, and became assistant secretary of the company in 1904. He was elected secretary in 1907, vice-president in 1912 and succeeded the late Sylvester C. Dunham as president in 1915.

* * *

T. L. Purdum, who succeeds A. M. Bowen in the management of the New York office of the New Amsterdam Casualty, has had an extensive insurance experience. He was in the fire insurance line in Baltimore until the big fire occurred. Then he engaged with the Maryland Casualty and was assistant manager of its Canadian branch office. Later he became special agent for the Fidelity & Deposit and was with that Company for six years, during which he did considerable special work and among other things opened the Company's burglary and plate glass department. Since 1913 Mr. Purdum has been with the New Amsterdam and for a year or more has been Mr. Bowen's chief aid in New York. Mr. Bowen will be located at 220 Broadway where his future interests will be centered.

* * *

Don Stehle, Jr., special agent of the Pittsburgh Fire, for Western Pennsylvania, has been elected assistant secretary of the Company. Mr. Stehle is a Pittsburgh man who has risen in his profession. He began his insurance career 14 years ago, starting with the Globe Fire, as a map clerk, and rose in the ranks until he was appointed special agent. He resigned in September 1917, to associate with the Marquette National Fire, in the same capacity, for Western Pennsylvania, with headquarters in Pittsburgh. In April this year, Mr. Stehle left the Marquette National to accept a similar position with the Pittsburgh Fire, which position he was filling when his election as an official of the Company took place.

* * *

Manager E. J. Taylor, of the South Bend district of the Public Savings Insurance Co., has been promoted to manager of the auditing department in the home office. Mr. Taylor has proven himself to be a thorough workman, a master of details, absolutely dependable and a tireless worker, all of which especially fit him for the conduct and development of the department of which he becomes the head. He has the happy distinction of being the first man promoted from the field to the home office.

* * *

Lieut. C. H. Sanders, assistant secretary of the American Liability, Cincinnati, cabled from overseas July 13 that he had arrived safely. Lieut. Sanders is assistant secretary of the Company, although he has been in army service nearly all the time for over two years. He was with Troop C, Ohio Cavalry on the Mexican Border, returning March 1, 1917. Lieut. Sanders was promoted First Lieutenant in July, 1917. He was at Camp Sheridan, Ala., and Camp Upton, New York, until sailing with the 37th Division the last week of June. He was made Staff Officer in November last and Aid de Camp to the General in March 1918.

* * *

William E. Bates, president of the Philadelphia Fire Underwriters' Association and head of the Fire Patrol in that City, is quoted at great length in the Philadelphia papers this week as being opposed to the skip-stop trolley system which is being agitated in Philadelphia. Mr. Bates claims that the system would endanger the lives of the fire department, tend to larger fires and greater conflagration hazard with the possibility of increased fire insurance rates.

* * *

Martin F. Bartlett, for many years special agent in Maine and New Hampshire of the Queen, died at his summer home, Belgrade Lakes, Me., last Thursday. As president of the Boothby & Bartlett Co., of Waterville, Me., Mr. Bartlett had been engaged in the local agency business also. At different times Mr. Bartlett had been mayor of Waterville and a member of the State Senate.

* * *

John M. Holcombe, president of the Phoenix Mutual Life, was elected president of the Mechanics Saving Bank of Hartford at its annual meeting last week. **W. E. A. Bulkeley,** auditor of the Aetna Life; **John L. Way,** vice-president of the Travelers; and **Edgar J. Sloan,** secretary of the Aetna Fire, were elected on the board of trustees at the same meeting.

* * *

Through virtue of intensive military training two prominent Hartford young men, sons of insurance officials, have been commissioned lieutenants in the United States Reserves in France; **Lieutenant Houghton Bulkeley,** son of President M. G. Bulkeley of the Aetna Life; and **Lieutenant Frederick L. Way,** son of Vice-President John L. Way of the Travelers.

* * *

H. A. Behrens, vice-president of the Continental Casualty, Chicago, and and **John J. King,** vice-president of the Hooper-Holmes Bureau, New York, are in Washington assisting the government in the work of the War Risk Bureau.

* * *

T. Houard Wright, former secretary of the Insurance Company of North America, died of heart failure at his home in Landsdowne, Pa., on July 16. Mr. Wright leaves five sons, three of whom are in the service.

* * *

E. Roger Owen, general manager in England of the Commercial Union, has been re-elected president of the Insurance Official's Society, of London.

FIRE INSURANCE DEPARTMENT

Gaillard With Westchester Fire

BECOMES ASSISTANT SECRETARY

Was Assistant Manager General Fire, Urbaine Fire, and British Dominions With Fred S. James & Co.

C. B. G. Gaillard has been elected assistant secretary of the Westchester Fire. The appointment was confirmed at a meeting of the directors held on Tuesday of this week. Mr. Gaillard in conjunction with A. B. Roome, who



C. B. G. GAILLARD

was also elected an assistant secretary on Tuesday, will have charge of the agency department of the Westchester.

One of the most popular of the younger fire men possessing managerial talent domiciled in New York, Mr. Gaillard's training and experience fits him to handle the duties of his new connection. He was born in Kentucky, down near by where Young E. Allison the talented editor of "The Insurance Field" holds fort, and Allison admits it is some advantage for a fire underwriter to have been born in that latitude.

Started with Sun

Mr. Gaillard started in the fire insurance business in 1893 as an endorse-

(Continued on page 12)

Sold Expirations No Bar to Solicit

PARTNERSHIP CASE DECIDED

Plaintiff Failed to Prove Defendant Had Any Other Record of Policies Than Memory

Having disposed of his interest in a partnership and the records and expirations of the partnership, an agent nevertheless is permitted to use what details he can remember to solicit new business in the same community. Such is the decision of Supreme Court Justice Leonard C. Crouch, made last week in Utica in the case of Stafford vs. Linck.

In 1916 Floyd H. Stafford and Alexander A. Linck, entered into a partnership and in 1917 the partnership was dissolved, Mr. Stafford bringing suit against Mr. Linck to prevent him soliciting renewals of business done by the partnership.

The Justice, in his opinion, finds for the defendant as follows:

"The plaintiff concedes the right to the defendant to solicit insurance business in the city of Utica and vicinity and also concedes that the defendant may use any information which he has in his memory regarding expirations. He contends, however, that defendant is not entitled to refresh his recollection regarding the expiration of policies from the books and memoranda which were sold to the plaintiff or from any copy thereof which the defendant may have in his possession or which may be in anybody else's possession subject to the inspection of the defendant."

"For the purposes of this case, the Court agrees with the law involved in this contention. The difficulty with it, however, is that plaintiff has failed to sustain the burden of proving facts which will enable him to take advantage of the law. The evidence does not, I think warrant an inference that the defendant refreshed his recollection regarding the expiration of policies from the information in question. It is true that the defendant did make a copy of the expiration list. He swears that he destroyed it under an arrangement with the receiver and there is no evidence to the contrary. There is no testimony from any policyholder whose policy was renewed to indicate the use by defendant of information belonging to the plaintiff.

"Judgment for defendant."

H. T. ENDRISS RESIGNS

H. T. Endriss, secretary of Ballard & Greene, Inc., has resigned to enter another business.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

[of Liverpool, England]
ROYAL INSURANCE COMPANY LIMITED
THE LEADING FIRE COMPANY OF THE WORLD

National Liberty
INSURANCE COMPANY OF AMERICA
NEW YORK
Incorporated Under the Laws of the State of New York in 1859

Statement, January 1, 1918

Cash Capital	$1,000,000.00
Assets	8,209,763.64
Liabilities	5,223,031.71
Net Surplus	1,986,731.93
Surplus for Policy Holders	2,986,731.93

HEAD OFFICE
62 WILLIAM STREET, NEW YORK

NIAGARA
Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Restricts U. S. Fire Companies

CANADIAN ACT AMENDED

Deposit Requirements for Foreign Companies Up to $100,000— Further Increases Provided

The Insurance Act of Canada has been amended to read:

"Every British and foreign company carrying on the business of fire insurance shall, before the issue of such license, deposit with the Minister in such securities the sum of one hundred thousand dollars."

Section 19 of the Act is repealed and the following is substituted therefor:

"19. Subject to the provisions of Section 125 of this Act, if it appears from the annual statements or from an examination of the affairs and condition of any company carrying on the business of fire or inland marine insurance that its assets in Canada, including the deposit in the hands of the Minister, exceed by less than 25 per cent. the reinsurance value of all its risks outstanding in Canada together with other liabilities in Canada, the company shall be notified by the Minister to increase its said assets in Canada by an amount such that the accepted value of its assets in Canada shall exceed by at least 25 per cent. its liabilities in Canada as aforesaid, and on its failure to so increase its assets in Canada within sixty days after being so notified, the Minister may withdraw its license."

NEWARK LEAGUE ENDS SEASON

Trophies To Be Awarded N. J. Fidelity and N. J. Insurance Co. At Outing To-Morrow

The Newark Insurance League closed its season on July 12 and the trophies will be awarded at an outing to be held to-morrow at Maplewood, N. J.

The team of the New Jersey Fidelity & Plate Glass headed the league with that of the New Jersey Insurance Co. in second place. The standing of the teams is as follows:

	Games won	lost	Per cent.
N. J. Fidelity	12	1	.923
N. J. Ins. Co.	9	4	.692
Firemens	5	8	.384
Travelers	3	11	.231

Early in the season the Commercial Casualty, Aetna Life and American Insurance Co. withdrew from the League, several of their players having engaged in war activities of one form or another.

At three o'clock to-morrow the New Jersey Fidelity team will play a team picked from the others of the League. Immediately following the game there will be an athletic meet, consisting of a sack race, potato race, fat men's race, etc., for which the League has provided suitable prizes and which will be under the supervision of Elmer Henofer, manager of the Travelers team.

The outing is in charge of a committee composed of the officers of the League who are Harold A. Sonn, N. J. Fidelity, president; Jos. Junior, Firemens, vice-president; Elmer Henofer, Travelers, treasurer; William Ponsford, N. J. Insurance Co., secretary; and R. A. Fraser, N. J. Fidelity, manager.

VIEW OF CO-INSURANCE

Building Managers' Association Evidently Does Not Think Highly of the Clause

The insurance committee of the New York Building Managers' Association advises its members as follows in regard to the significance of the 80 per cent. co-insurance clause:

"An 80 per cent. co-insurance clause in an insurance policy means that you carry part of the insurance yourself, unless in fact, the amount of your policy equals or exceeds the value of the property insured. If you carry such insurance to the extent of exactly 80 per cent. of the value of the property, the clause means that you are entitled to collect in full your losses up to 80 per cent. of the total value of the property insured, insuring yourself, so to speak, for the difference between 80 per cent. and 100 per cent. of the value. You can collect the face of your policy if your loss amounted to that much, provided you insured up to at least 80 per cent. of the value, and losses of lesser amounts would be payable in full. It is when you insure for less than 80 per cent. that the famous 80 per cent. clause gets in its fine work. It then operates to prevent you from collecting any loss in full, as a penalty for saving insurance premiums, on the theory that you get no more than you pay for. One hundred per cent. insurance costs 10 per cent. less than 80 per cent. co-insurance, for the very good reason that the last 20 per cent. of the risk is not worth at the same rate as the first 80 per cent. of the risk, because, again, there are more partial losses than total ones. In case of a loss under the 80 per cent. clause, when you had less insurance than 80 per cent. of the value, your collection is in the same proportion as the insurance you did have, and what you should have had, with respect to the value of the property."

Y. M. C. A. RECRUITING

The general chairman of the Y. M. C. A. overseas recruiting drive, Herbert L. Pratt, selected Mr. Messerole of the Pacific Fire as chairman of the insurance group and Charles D. Hilles of New York was asked to bring together a number of men who were thought to be interested. Mr. Messerole could not attend when the committee met and announced that he could not serve as chairman. It was then decided to request the members of the insurance group to resolve themselves into individual recruiting committees.

ASSISTANT TO SINCLAIR

The directors of the North British & Mercantile have appointed Hubert S. Milligan as an additional assistant to Foreign Fire Manager L. Sinclair with the title of assistant fire manager. Mr. Sinclair recently made a visit to the United States head office of the North British & Mercantile.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Gaillard Now With the Westchester Fire

(Continued from page 11)

ment boy in the office of the Sun of London, remaining there until July 1894, when he went with the old brokerage firm of Geo. A. Stanton & Co. He engaged there as a policy clerk, but was soon assigned to the inspection of sprinklered risks, in which specialty Geo. A. Stanton was one of the pioneers. In this inspection work he received an education in the principles and practices of sprinkler protection which has been invaluable in later years.

Becomes Colonial Underwriter

Shortly after the Colonial Assurance Co. was organized, he became an inspector for that company, but was soon brought into the home office in an underwriting capacity. In 1900 he was appointed agency superintendent and continued in such capacity until he was placed in charge of the general agency of Edward E. Hall, who, on the death of Geo. A. Stanton, succeeded to his business.

Joins Fred S. James & Co.

When the corporation of Edward E. Hall & Co. was organized he received an interest in the corporation and was made a director, remaining in charge of the general agency branch of the business. In 1910 he resigned to become associated with Fred S. James & Co. as agency superintendent in charge of that agency's eastern business, and continued in that capacity until 1916 when he became assistant manager of the General Fire, Urbaine Fire and the British Dominions Insurance Companies of which Fred S. James & Co. are United States managers.

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

BREWSTER STAFF ADDITIONS

N. V. McEvoy Made Comptroller—W. J. Kissech Treasurer and Geo. C. Coyne Assistant Treasurer

At a meeting of the board of directors of J. N. S. Brewster & Co., Inc., last week, it was decided to appoint N. V. McEvoy comptroller of the agency, W. J. Kissech treasurer and George C. Coyne, assistant treasurer. Mr. McEvoy, Mr. Kissech and Mr. Coyne have been identified with the Brewster agency.

The officers of the agency with these additions are J. N. S. Brewster, president; J. N. S. Brewster, Jr., vice-president; J. K. Upton, second vice-president; L. Estabrook, secretary; N. T. McEvoy, comptroller; W. J. Kissech, treasurer; and Geo. C. Coyne, assistant treasurer.

It was also decided at the meeting to segregate the brokerage department entirely from the agency department of the corporation, with the former domiciled at 55 Liberty Street, and the agency at 42 Cedar Street.

HOUSE BILL 12338

Alien Property Custodian Has Power Over Re-Insurance Rights and Exchange of Assets

The following is an extract from House Bill 12338:

"The Alien Property Custodian shall be vested with all of the powers of a common-law trustee in respect of all property, other than money, which has been or shall be, or which has been or shall be required to be conveyed, transferred, assigned, delivered or paid to him, or which shall be seized by him in pursuance of the provisions of this act and in addition thereto, acting under the supervision and direction of the President, and under such rules and regulations as the President shall prescribe, shall have power to manage such property and do any act or things in respect thereof, by sale or otherwise, and exercise any rights or powers which may be or become appurtenant thereto or to the ownership thereof in like manner as though he were the absolute owner thereof, **including the right to re-insure the business of enemy or ally of enemy insurance or re-insurance companies, and also the right to exchange the assets of insurance or re-insurance companies which have been delivered or paid over to him for the stock or bonds of other insurance companies, including insurance companies incorporated by him or at his instance:** Provided, That any property sold under this act, except when sold to the United States, shall be sold only to American citizens, at public sale to the highest bidder, after public advertisement of time and place of sale, which shall be where the property or a major portion thereof is situated, unless the President, stating the reasons therefor, in the public interest shall otherwise determine."

CONTINENTAL JULY 1 FIGURES

Financial Statement Shows Gross Assets of $34,295,970 with $19,126,648 Surplus to Policyholders

The financial statement of the Continental Insurance Co., as of July 1, was sent out by President Henry Evans last week. The figures show the Company to have gross assets of $34,295,970 with a surplus to policyholders of $19,126,648. The unearned premium reserve of the Company is $12,675,630 and the net surplus $9,126,648.

These figures show an increase in assets over a six months' period of $1,705,316.

MARINE USAGE IN FIRE LINE

It developed this week that a good deal of the shortage of market on warehouse risks has probably been due to the use in the fire business of an expedient formerly common in marine insurance. Brokers, hearing of a line going through or knowing they were about to lose a risk, bound up the full market facility on that specific warehouse. When the other broker had failed to place the insurance, the first broker then offered his coverage. If this failed the policies were marked off a few days before they were to have gone into effect, thus avoiding any expense attaching to the operation.

This might have gone on indefinitely had not one broker bound $4,000,000 in one of the smaller warehouses, policies to be effective August 1. The other broker, when told that the companies were full on the risk, laughed at the underwriters and showed that the goods of his assured then occupied practically the whole building.

HERKIMER AGENCY DEEP IN WAR

The Herkimer agency of Henderson, DuBois & Carter has military interests beyond the ordinary. John D. Henderson, of the agency, who was commissioned a Second Lieutenant, Q. M. C., at Madison Barracks in August 1917 and who is now in France, was recently promoted to the rank of First Lieutenant. Dewey J. Carter, the active member of the firm who is trying to do his bit at home as First Lieut., Company M, First Infantry, N. Y. G., at Mohawk, N. Y., was recently promoted to the rank of Captain and in addition the agency has done more than its share of W. S. S. and Liberty Bond selling.

MAP SHOWS CANTONMENTS

The Insurance Company of North America is distributing a war map of the United States, which shows the cantonments and indicates which are officers' training camps, aviation, etc. The map enables those having relatives or friends at any of the camps to see just where they are located and what railroads to take to visit them.

G. L. MAGER WITH CONCORDIA

George L. Mager, who has been assistant secretary of the Western of Pittsburgh, is now state agent for New Jersey of the Concordia Fire. Mr. Mager has established his office at Newark.

N U

NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.

TODAY IS THE DAY—

For what? For ACTION! To do the thing that lies before you.

In this age you're fighting a constant battle with Time—you can't win by letting Time have all the advantages.

In the race for Success your strongest competitor is TIME—your keenest adversary is HESITATION—your bitterest enemy is "WAIT TILL TOMORROW."

"Put it off" and you are merely welding a link in the chain of HABIT that will sooner or later render your judgment QUAKY and UNSUBSTANTIAL.

Acquire the HABIT of putting things off and very soon you will find the path of progress blocked.

"I'll think it over" has cursed many a man and wrecked many a CAREER. THINK FAST! DECIDE!

The world has no opportunities for the LAGGARD—the man who is AFRAID TO ACT. Strengthen your character with prompt decisions. What is wanted is men who have the "habit" of doing things—and doing them NOW.

Correspondence welcomed from Agents of experience and good repute.

WRITE TODAY

RAILROAD INSURANCE PLANS

Walter D. Hines, assistant general director of railroads, will be at the head of a bureau being formed at Washington to handle insurance on all railroad property under Government control. An inspection bureau will be established, and there will be an advisory committee with Theodore H. Price, chairman. It is expected that the wire lines' insurance will next be put under Government management.

THE ROYAL AND WAR LOAN

The information comes from London that the Royal Insurance Company has re-invested the interest on the British War Loan, which was paid on June 1, together with additional amounts in the British National War Bonds.

M. E. LIND TRANSFERRED HERE

The Niagara Fire Insurance Co. has transferred Murdock E. Lind, who has been special agent of the Company in Ohio for a number of years, to the Home Office as an examiner of Western business.

Charles L. Alsever has been appointed agent for a number of fire companies at Oswego, N. Y.

FORMALLY ENTER CONFERENCE

The Sun and the Patriotic have signed the membership agreement of the National Automobile Underwriters' Conference, covering Southern, Eastern and New England territory.

AGRICULTURAL'S OUTING

The employees of the Agricultural Insurance Co., of Watertown, N. Y., held an outing last Saturday at Cambell's Point, on Lake Erie near Watertown.

GIRARD F. & M. DIVIDEND

The Girard Fire & Marine, of Philadelphia, has declared a regular quarterly dividend of 3 per cent., payable July 19.

Charles H. Hobbs, of Harpursville, N. Y., is the latest agent of the Continental to be awarded a gold medal by the Company on the anniversary of his twenty-five years' connection with the Company.

Senator Joseph S. Frelinghuysen of New Jersey has succeeded in having railroad fares reduced between Philadelphia and seaside resorts. He is president of the Stuyvesant Fire.

LINES SOLICITED AND BOUND THROUGHOUT UNITED STATES AND CUBA

E. F. FLINDELL
INSURANCE

1 LIBERTY STREET Telephone John 2612 NEW YORK

LOCAL OFFICES

JERSEY CITY, N. J. 1 Montgomery St. Tel. 216 Montgomery

BROOKLYN, N. Y. 153 Remsen St. Tel. 2504 Main

NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

INCORPORATED 1720

Royal Exchange Assurance

LONDON, ENGLAND

United States Branch
92 William Street, New York

RICHARD D. HARVEY
United States Manager

How Use and Occupancy Losses Are Adjusted

Example No. 6-E

By L. A. Moore, General Adjuster New York Underwriters' Agency

From a paper read by Mr. Moore to field men of the New York Underwriters' Agency.

Example. 6-E

It is somewhat unusual for use and occupancy insurance to pay for repairs but if temporary repairs could be made which would enable assured to resume business at an earlier date than permanent repairs and thereby save as much or more use and occupancy loss than the cost of temporary repairs, it would seem in order to pay for the cost of the temporary repairs instead of loss of profits or reduction of production, as the case may be.

This form states, as many forms do, that for partial prevention the insurance shall be liable for actual loss sustained in such proportion **of a sum** not exceeding 1/300 of the amount of the policy per day as the use and occupancy so impaired bears to the full daily average use and occupancy. We take the reference to **such proportion of a sum** to mean that if the companies' liability for a possible total prevention is found to be less than the limit of liability per day stated in the form, contribution to partial prevention shall be on basis of the lesser sum. For example, the limit of liability for total prevention under this form is $333 1/3 per day. The full net profits for the 68 days of impairment, had no fire occurred, were found to be but $283.74 per day. We therefore figured the impairment on that amount.

If the reference to **"in such proportion of a sum"** means what we have taken it to mean, we think it would be better understood if forms stated in plain terms that for partial prevention the insurance shall be liable for such proportion of whatever sum the companies would be liable for in event of total suspension, as impairment bears to full daily average, not exceeding the daily limit of liability named in the form.

Example 6-F

In most of the cases to which we have referred the assured appears to have gotten the best part of the forms to the front. That calls to mind the story of the old darkey who sold peaches on the street in basket lots. When one day one of his customers told him he had often wondered why he always put the best peaches on top, he said: "Well, sir, I reckon that it is for the very same reason that you put the best looking part of your house to the front of the street."

The main features to keep foremost in mind in the acceptance of use and occupancy insurance are that the forms shall be based on the number of working days per year of the particular business insured; that 24 hours shall constitute a day; that liability for partial prevention of operation shall be pro rata of liability for total prevention; that if a plant is composed of more than one unit, it shall be made clear that the insurance attaches to all (unless made plain it shall only cover certain parts of the plant), so that in case of loss assured, if underinsured, could not claim that it was intended that the insurance apply only to the particular part sustaining loss, which is sometimes the case. All use and occupancy forms are supposed to be subject to full co-insurance, and if the foregoing features are embodied, 100% co-insurance would automatically operate.

Our attention was called some time ago to a co-insurance clause in connection with a form which was attached to a policy covering blanket on buildings and all contents, which read:

"In consideration of the rate at which this policy is written, it is expressly stipulated and made a condition of this contract that this company shall be liable for no greater proportion of any loss on buildings than the amount hereby insured bears to the actual cash value of said buildings, and for no greater proportion of any loss on contents than the amount hereby insured bears to 90% of the actual cash value of said contents at the time when such loss shall happen, nor for more than the proportion which this policy bears to the total contributing insurance thereon"; the policy also containing the usual form of average distribution clause providing that the insurance shall attach on each building with its contents in proportion as the value of each building and its contents bears to the value of all.

The co-insurance clause might appear, without careful analysis, to give the full protection expected of a regular co-insurance clause, but its value is practically destroyed by its reference to buildings and contents separately instead of collectively.

Say, for example,

Value building	$20,000.00
Value contents	10,000.00
	$30,000.00
Insurance (building and contents blanket)	15,000.00
Loss—building	8,000.00
Loss—contents	4,000.00
Applying co insurance clause of the form above described; Company pays on building 15000/20000 of $8,000	6,000.00
Company pays on contents (entire loss)	4,000.00
Total	$10,000.00
Under a clause applying jointly to building and contents (as per amended form described below), the company would pay 15000/29000 of $12,000, or	$ 6,206.90
Difference	$ 3,793.10

The clause was amended to provide, that the companies shall be liable for no greater proportion of any loss on buildings and contents than the amount hereby insured bears to the actual cash value of buildings plus 90% of the actual cash value of contents thereof at time of loss, nor for more than the proportion, which this policy bears to the total contributing insurance thereon, thereby eliminating the objectionable features of the clause?

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited

STRENGTH INTEGRITY SERVICE

Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND, Assistant Secretaries

JAMES H. BREWSTER, Mgr. Hartford, Conn.

A Broad Underwriting Service to Agents

Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.

Works in Harmony with American Agency Principles and Practices

Authorized Capital $500,000

Detroit National Fire Insurance Co.

DETROIT, MICHIGAN

A Company to be built gradually and along the indicated lines of permanence

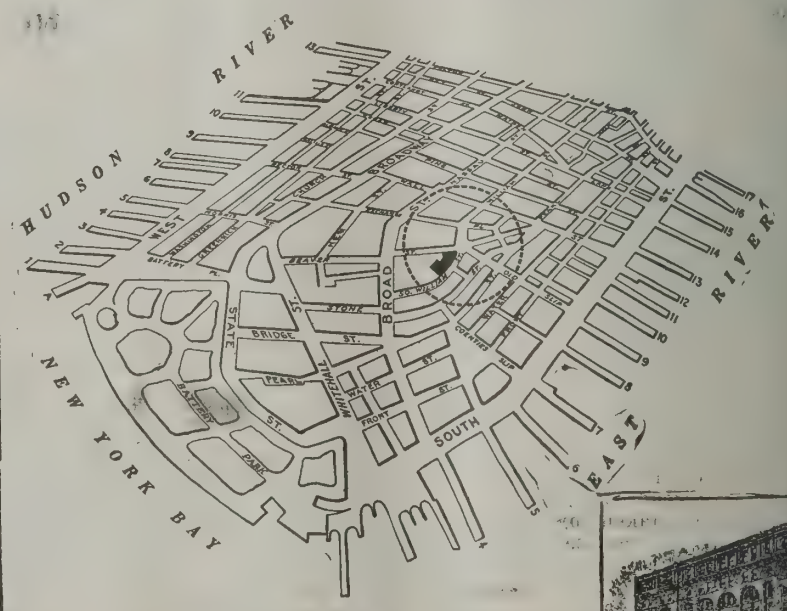
AGENCY CONNECTIONS SOLICITED

AMERICAN MERCHANT MARINE

INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House — New York City

South William and Beaver Streets

THE YORKSHIRE INSURANCE CO., LTD., OF YORK, ENGLAND

Established 1824

FIRE, LIGHTNING, SPRINKLER LEAKAGE, AUTOMOBILE, WAR AND EXPLOSION INSURANCE

U. S. BRANCH

FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager

No. 80 Maiden Lane, New York

New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York

DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

MARINE DEPARTMENT

Imperative That Steps Be Taken by American Marine Underwriters to Formulate Plans For Improving Marine and War Risk Insurance Rates

Inasmuch as six months of marine and war risk underwriting for the year 1918 have elapsed, it now can be safely stated, in view of the exceedingly heavy marine and war losses incurred in the first six months of underwriting, that marine and war risk underwriters' accounts for the year 1918 will not make a very good showing, and in fact, most of the accounts will show a material loss.

It can safely be said that rates which are being charged by marine underwriters for cargo insurance have been too low ever since the war broke out, but on account of the fact that high rates were charged for war risk insurance, the deficiency in marine rates charged was more than made up by the profitable out-turn of the war business, charged on marine shipments, and when both accounts were balanced out, there remained a fair margin of profit for the underwriters. But for the past six months, war rates have so rapidly declined that the war risk underwriting account for the year 1918 does not show a profit.

Transatlantic war rates have reached such a low basis that if the war underwriter is called upon to pay more than one war loss a month Transatlantic, his underwriting account will show a loss.

After the first submarines were reported off the coast, war rates for coastwise and offshore voyages were advanced to a basis where an underwriter could possibly make a profit, unless he ran into a serious number of unfortunate losses, but just as soon as a week had elapsed and no sinkings were reported, war rates began to fall away, and as they were reaching a basis below what they ought to be, more submarines were reported off the coast, and sinkings began again.

Inasmuch as our enemy has started on a campaign of sending submarines to our waters, war risk underwriters can look forward to hearing of the appearance of the same in our waters from time to time. In the future, there is absolutely no justification for reducing war rates on coastwise and offshore voyages.

Hull Business

It is a well known fact that on account of the increased cost of repairs, lack of docking facilities, etc., the hull business has been written at a loss the past four years, and that unless steps are taken to materially raise valuations on American hulls and increase the rates, there will be very few American companies left to write this class of business, inasmuch as a number of companies have already reduced their lines and some are seriously considering withdrawing from the same entirely. This movement might be termed unpatriotic; instead of withdrawing, steps should be taken by American underwriters to formulate rules and associations to control the cost of repairs, and raise rates to a proper basis, as it is absolutely essential that a larger American market should be developed for the insurance of American hulls, as no one can tell how long it will take to end the outrages perpetrated by our enemies, but from conservative points of view, it appears that it may be necessary for us to continue this war for at least a year longer, until our enemy is conquered and peace is made upon terms suitable to ourselves and our Allies. By that time, the American maritime fleet, at the ratio which our Government is now building, will be second to none, and for the protection and the continuance of this fleet upon the high seas, it is necessary that they have American companies behind them to insure the private capital which will have to be invested in them.

There is no doubt that foreign underwriters are losing money on hulls of the fleets which they insure, but for some unknown reason they seem to be writing marine insurance on the hulls of American fleets at a cheaper rate than they are writing similar type of vessels owned by their own citizens. It may be that they are looking more to the future than to the present, and we must guard against the contingency of American companies being eliminated from this class of insurance by foreign

(Continued on page 16)



"AMERICAN FORE"

FOR 65 YEARS—

THE CONTINENTAL has built its name to stand for all that is best in fire insurance.

FAIR DEALING has won it a leading place among agents and the insuring public.

CONSTRUCTIVE management has assured its growth in the past and assures a continuation of progress in the future.

FINANCIAL strength insures stability and guards against any conflagration danger.

[FIRE]

THE CONTINENTAL INSURANCE COMPANY

Cash Capital - - TEN MILLION DOLLARS

HENRY EVANS, President

Home Office
80 MAIDEN LANE
NEW YORK

Managing Branch Offices:
CHICAGO, MONTREAL
SAN FRANCISCO

CONTINENTAL COMMANDS CONFIDENCE

Caledonian Insurance Co. of Scotland

FOUNDED 1805

"THE OLDEST SCOTTISH INSURANCE OFFICE"

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Phoenix Chairman Gives Marine Report

PRESENTS COMPANY'S FIGURES

Pessimistic About After-War Competition—Says There is Not Room for All New Companies

The annual report of the chairman of the board of directors of the Phoenix Assurance, which arrived this week from London, contains the following on marine conditions:

"In the marine field, a phenomenal growth is shown in the premium income of the chief companies. Our own revenue from this source has risen from £1,300,000 to £2,400,000. Before the war a marine income of one million sterling was practically unknown in this country in the case of any individual company. Several companies have now exceeded this total, and a few, including the Phoenix, have passed the two million standard. The writing of war risks was not only necessary for the protection of our business, but has been of immense service to the commercial community and has enabled the trade of this country to be carried on without undue disturbance. The larger portion of the increase of our premium income was therefore the natural outcome of the necessities of the abnormal situation. This additional business must be regarded as a necessary temporary inflation, but even while the war lasts there will probably be a falling off in our premium receipts due to the more successful counteraction of the submarine peril. In the ordinary marine business the premium income is also considerably increased, partly owing to the great rise in the value of ships and cargoes, but also to the fact that in many instances the rates of premium have of necessity been raised to meet the serious extension of marine perils, abnormal in character or extent, arising from the necessity of navigating without lights and deviating from the regular course, as well as to provide for the increased cost of repairs of ships, which is in many cases three or four times what it was before the war.

After-the-War Competition

"The companies as a whole have done exceptionally well, and our own profit of £185,000 is one of the best results. As to the future, a multitude of new companies has lately been established to participate in the common prosperity, and there may be room for many if not all of them while the huge account, both of war risks and ordinary marine risks, based upon unprecedented values of cargoes and shipping, continues to be written. But after the war the situation will become much more difficult. The business of many companies will shrink by at least one-half, and the competition for what remains will be carried on with great intensity by an unnecessarily large number of competitors. Our experts are, however, well aware of the troubles ahead, and we have confidence that the skill and judgment which Mr. Sandeman Allen and his lieutenants have shown in surmounting the difficulties of the past will be successfully applied to the solution of the new set of difficulties which will arise after the termination of the war."

NEW BRITISH MARINE COS.

Under date of July 1, the following are given as the new marine insurance companies which have been licensed in England during the month previous:

Trans-Atlantic Insurance Co., capital £100,000; Eastern Company of Transport & Insurance, Ltd., capital £100,000; Great Britain Insurance Corporation, Ltd., capital £100,000; Guarantee Marine, Ltd., capital £50,000; Debenture Marine Insurance Co., Ltd., capital £500,000.

NEW ENGLISH RULINGS

Authorities Prohibit Changing Names of Vessels, Arguing War Time Emergency

"The Policy," an English paper, arriving here on Tuesday, contains the following account of the new British Government rulings regarding the names of ships taken over from enemy countries:

"Underwriters will certainly have no reason to complain of the decision recently taken by the authorities to prohibit changing the names of vessels. This is merely a war-emergency measure, taken on account of the serious inconvenience which name-changes entail to Government Departments.

"In view of the constant change of ownership in these days, and the frequent consequent change in the names of purchased vessels, this decision will not be unwelcome with those to whom it is important to know the nature of any particular ship.

"Theoretically, of course, an underwriter has the history of all vessels at his elbow; but in practice it is often a matter of memory, and when well-known vessels are camouflaged with new names, there is a necessary turning up of records which might otherwise be dispensed with.

"A further restriction under the new rule makes it impossible to use, for a new vessel, any name which is already on the register, or has been on the register during the previous twelve months. This, again is good news. One remembers the difficulties which have frequently arisen owing to the fact that several vessels have borne the same name. One occasion, particularly, comes to mind, when three steamers of similar name were all at sea on the same voyage. Imagine the heart-burnings which the receipt of some cryptic message of disaster must cause in such circumstances!"

CONTRIBUTE TO RED CROSS

Utica Agents Pay Premiums on Medical Property Stored In Local Armory

Utica fire insurance agents have made a unique contribution to the Red Cross by issuing policies covering property stored for it in the armory at Utica. The agents contributing in this manner and the amounts are as follows: Thompson, Richards & Brady, $500; O. M. Wholahan, $1,500; N. Crouse, $1,000; Egbert Bagg & Co., $1,000.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

EQUITABLE UNDERWRITERS OF NEW YORK
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Losses made PAYABLE in all parts of the world

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INCORPORATED
56 Beaver Street New York

In addition to our regular marine and war risk business, we now have a department for writing FIRE insurance only on vessel property of all descriptions.

We would be pleased to receive applications from agents and brokers having this class of business to place.

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GOLDMAN WITH OSBORN & CO.

Sidney Goldman, formerly connected with the Exporters' Encyclopaedia Co., has become associated with the New York office of Osborn & Co., in the marine department.

Improvement Must Be Made In Marine Insurance Rates

(Continued from page 15)

competitors, so that when peace is declared there will be no American competition for American hulls and that our foreign competitors will be able to penalize American hulls and charge them a higher rate in order to make up for losses of the past four years which have been incurred by the foreign underwriters, and in turn make a preferential rate for foreign built vessels, so that when the period of competition sets in for overseas trade, that this large and glorious fleet of American owned hulls will not be handicapped by an expensive ratio for operating charges.

Cannot Recoup Losses

As there only remains two mor months of what might be termed sum mer navigation, in view of the recor for both marine and war losses for th past six months, there is hardly an likelihood for marine underwriters t recoup losses which they have su tained in the past six months, unles radical changes are made in fixing rate for marine risks.

For the past two years, there wer very few offices naming marine rate It seems to be the policy of the large as well as the smaller marine broker to tell the underwriters what rates fo both marine and war risk their clien will pay, and unless the underwrite to whom the risk is submitted is wi ing to write at the rates offered by th brokers and/or assureds, he is usuall passed up, as there is such a larg market who seem to be more desirou for premium income than for a lo ratio record, and it will take about s months more of the present kind underwriting to demonstrate that m rine and war risk can only be writte on a basis of sound business logic, years of underwriting experience f writing marine insurance on simil classes of business, has taught th underwriter who is fortunate enou to have that experience. Unless sor radical steps are taken to elimina the recent method of underwriting f this class of business in the near f ture, this large market will disappe and the brokers and assureds will penalized very severely by the fe companies who have pursued a co servative course during the recent co petition, and they will, so as to sa kill the goose that laid the golden eg and their market will be narrower a their customers will pay dearly for t cheap insurance which they have e joyed in the past three or four yea.

OBSERVER

Marine, Fire and War Risk Re-Insurances

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CASUALTY AND SURETY NEWS

Machine Employee Ratio Discarded

COMPENSATION TARIFF CHANGES

Credit for First and Second Floor Occupancy Among Sections Eliminated

In addition to the fundamental changes in the application of schedule rating for compensation risks, announced in The Eastern Underwriter, there are a number of alterations in the various items of the Schedule.

The most drastic change was the elimination of the machine employee ratio item. This section applied charges and credits respectively where the ratio of machines to employees was greater or less than the average for the classification. It was found that, in many cases, the charges and credits under this item were unfair, for it considered equally those machines, which were little used and those which were continually used. Furthermore, an increase in the number of employees, which obviously increased the exposure to machine hazards, resulted in a reduction of the charge or an increase in the credit, since the increase in the number of employees without an increase in the number of machines decreased the plant ratio. The item also failed to take into consideration the number of people actually working on machines, nor did it measure the hazard in industries where the machine hazard is large, because such industries often have a ratio in excess of 100 and the table arbitrarily disregarded any ratio in excess of that figure.

The pressure apparatus section was eliminated, because of the great difficulty in erecting standards to fit average conditions, the great amount of time required to secure information and report conditions, and the relative unimportance of the hazard of these secondary vessels.

Fireproof Construction

The credit for first and second floor occupancy of fireproof structures, and charges for occupancy above the fourth floor were eliminated. This was done, because the charge for occupancy above the fourth floor was partially a catastrophe hazard owing to the possibility of disastrous fires; this hazard was then provided for under fire hazard by having proper exit requirements. The credit for first floor occupancy was retained (with the provision that it should not apply in classifications where a one story condition was inherent because of the nature of the operations.) This was felt proper because such occupancy practically removes all "structural" hazards such as those due to floor openings, stairs, elevators and hoistways in addition to removing the fire hazard.

The charge for lack of fire fighting appliances was eliminated on the ground that these charges are infrequently made and most state laws enforce proper regulation in this respect.

Under elevators the speed governor credit was eliminated, because there are many different types of these devices, some of which are not efficient, and it is difficult to differentiate between them; furthermore, it has been shown, that their presence is an average condition, and therefore not a superior one. For this latter reason, the items concerning cable locking devices, protection on top of the car and under the over head sheaves, were changed from credits to charges.

The credit where boilers are inspected by some approved agency was replaced by a charge for lack of such inspections. The lack of approved internal inspections of such dangerous vessels was considered of such great importance that it was decided that risks with uninspected boilers should be properly subjected to a penalty.

Under power transmission an additional item, allowing credit for machines driven in groups of more than ten or groups controlled by engine stop stations, was provided, and a credit per machine, equal to one-tenth of that given for individually driven machines, was allowed. This credit was provided, because such control is superior to the condition where there is no means of stopping a number of machines at once.

Measured By Results

The safety organization item, which has previously been divided into five classes, was simplified by dividing it into three classes. This allows employers to comply with the standards more easily and effectively, and makes it easier for them to bring any organization they may have into conformity with the standards. In addition to this change, the method of giving credit was revised as previously noted. The accident loss cost test, was added to the item, for the reason that safety organizations are installed for the purpose of controlling or reducing the number of accidents, and unless the work is efficient and results favorably, no credit should be allowed. It was, therefore, deemed fair and proper to measure the value of the organization by the results produced.

The item providing for medical attention to employees was changed so that instead of the 2% credit for a dispensary and nurse, a 3% credit is allowed. This was done for the reason that it was generally recognized that prompt first aid treatment, skillfully administered, materially reduces compensation cost. In further recognition of the value of medical treatment, an item was provided, allowing a credit of 5% where there is an emergency hospital with a qualified nurse constantly in attendance, supplemented by regular semi-weekly visits of a licensed physician.

While the foregoing describes the changes in the schedule, the description would be incomplete without a statement as to the slight change made in the rules governing its application. Formerly the only qualification for schedule rating was a premium requirement of fifty dollars. This has been retained, but there is an additional requirement that the annual payroll must be at least $5,000. The reason for the change was that very often small, high rated plants would qualify under the premium requirement, even though the plants did not readily lend themselves to schedule rating, with the further disadvantage that they were frequently located in almost inaccessible places, so that the expense incurred in making the inspection, would almost equal the premium for the risk.

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Freight Bond Interpreted

GIVEN ONLY IN CERTAIN CASES

Fewer Contracts May Be Written Than Was at First Supposed

Company advices to brokers regarding railroad freight bonds differ somewhat, showing that there is still some doubt in the minds of underwriters as to just what the railroad administration's order regarding these bonds really means. Surety office men are becoming more and more of the opinion that the amount of this business will not reach anything like that at first thought likely. The following interpretation of the order has been received from Washington:

Observing Cash Rule

As to the matter of bonds to be required in connection with the extension of credit for transportation charges, as prescribed in paragraph 2 of General Order No. 25:

It should be carefully noted that the giving of a bond will only be permitted or required in certain cases. It is not open to the shipper or consignee to obtain credit by the mere giving of a bond; the cash rule, as explained in P. S. & A. Circular No. 9, must be observed unless the circumstances of each case are such that this cannot properly be done. All bonds given for credit accommodations shall be taken in the name of W. G. McAdoo, Director General of Railroads, ...(Name of Railroad).

Bonds covering the extension of credit will be of two classes, i.e.:

(1) To cover patrons transacting business at one or more points with one carrier: In such cases, applications for credit accommodations shall be filed with an agent of the carrier from which the credit is desired. Such applications shall show the station or stations at which the accommodation is desired and the maximum amount of credit applying to each station; such applications shall be transmitted to the treasurer having jurisdiction by such agent with his recommendations. If, in the judgment of the treasurer, credit should be granted, he shall prepare a bond to cover the maximum credit desired and proceed to have it executed. When executed, he shall authorize the agent or agents at the stations at which the accommodation is desired to extend credit to the extent of the amount applicable to each station. Treasurers shall be the custodians of such bonds.

Dealing With Two Carriers

(2) To cover patrons transacting business at one point with two or more carriers: In such cases applications for credit may be filed with an agent of either of such carriers. Such applications shall state the carriers from which the credit is desired and the maximum amount of credit applicable to each carrier. Upon receipt of such applications by an individual agent, he shall proceed to obtain the joint recommendations of the agent of each carrier interested, after which the application with such recommendations shall be transmitted to the treasurer of the carrier with which the application was originally filed. Such treasurer shall thereupon act as provided in paragraph (1) hereof, and if the accommodation be granted or declined, he shall immediately notify the treasurer of each interested carrier of such action. If the accommodation be granted, treasurers of each individual carrier interested shall, upon receipt of notice thereof, authorize their respective agents to extend the credit.

(3) Failure to pay for transportation service within the prescribed credit period shall, as prescribed in General Order No. 25, automatically cancel the accommodation. Advice of such failure shall be promptly given by the agent with which the default occurs to the treasurer of the carrier he represents. If the bond covering such accommodation be in favor of two or more carriers, the treasurers of all such carriers shall be immediately advised of the default by the treasurer first receiving the information.

(4) In the event of default in payment of transportation charges within the credit period, and unless settlement is promptly made thereafter, the treasurer having jurisdiction shall take immediate steps to realize upon the bond applicable.

Reviewed Each Year

(5) The treasurer of each carrier shall, as often as once each year, review each credit authority and the bond in connection therewith in order to determine whether or not the conditions under which the authority was granted still exists and that the financial standing of the principals and sureties has not been impaired.

(6) Bonds given to cover credit accommodations shall not include liability for the delivery of freights consigned to order notified prior to surrender of original bills of lading; bonds for each bill of lading transaction must be given as provided for in paragraph (5) of General Order No. 25.

(7) Premiums on all bonds taken under the provisions of General Order No. 25, and all expenses incident thereto, shall be borne by the applicant to whom the accommodation is granted.

(8) It is realized that the instructions contained in this circular do not cover the many contingencies that may arise in connection with these credit matters, and agents and treasurers are therefore expected and are hereby directed to take whatever steps in their judgment may be necessary to properly and adequately protect the interests of the Director General and to prevent money losses

POLICY FOR WOMEN

Disability Contract Providing $2,000 and $10 a Week, Sells For $25 a Year

Another new disability policy for women has made its appearance; this one coming from the Globe Indemnity. It covers all accidental injuries and all diseases common to both sexes.

Briefly the terms of the policy are:

Loss of Time—Disability, Due to Injuries: $10 a week for total disability for life; $20 if total disability is caused by travel accidents, etc.; $5 for partial disability, limited to 26 weeks; $10 if partial disability is caused by travel accidents, etc.

Due to Disease or Illness: $10 a week for total disability if confined to the house; $5 for total disability if not confined to the house. Limit 52 weeks.

Principal Sum $2,000

Loss of life, limb, or sight, due to injuries. (In addition to weekly indemnity) for loss occurring within 200 weeks from date of accident providing disability has been immediate, total and continuous; otherwise for loss occurring within 90 days. Principal sum $2,000, increasing 10 per cent. when premium is paid annually; 5 per cent. if paid otherwise, and doubling for travel accidents.

Loss of Sight or Limb by Disease: $1,000 for permanent total disability due to irrecoverable loss of sight of both eyes, or permanent loss of use of both hands, both feet, or one hand and one foot, from paralysis due to disease.

Premium Rates

The double indemnity clause covers while a passenger in or on a public conveyance provided by a common carrier for passenger service (including the platform, steps or running board thereof); passenger in a passenger elevator; burning of a building or collapse of outer walls thereof while therein; lightning; cyclone or tornado; explosion of steam boiler.

Optional indemnities are provided and medical or surgical treatment of minor injuries is provided up to $10. Identification is furnished.

Freezing, hydrophobia, asphyxiation, somnambulism, drowning, choking in swallowing, assaults and blood poisoning are covered as accidents.

Annual premiums, select and preferred classes: Ages 18 to 51, incl., $25; 51 to 55, $32.50; 56 to 60, $35.00.

NOT SUBJECT TO TAX

Payments under accident insurance policies, or amounts received as the result of a suit or compromise for personal injuries are not subject to income tax, according to a ruling of the internal revenue bureau.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

Labor Takes Swat At German Insurance

CALLS IT "BRIBE AND SHAM"

Shoddy Thing Which Can No Longer Be Imposed Upon the World

Many unkind things are said about the social insurance system of Germany in a recent issue of "The News Letter" of the American Federation of Labor. It is characterized as a sham and an institution which does not prevent pensioners from becoming a charge, upon the poor law. The News Letter says:

"Many shams are being swept away by the great war. One of these is the long-maintained pretense of Germany's unexcelled social progress. It was a sham elevated to a fetich. Examined, it turns out to be a poor shoddy thing which can no longer be imposed upon the world. Pensions paid in Germany during 1914 averaged per person: invalidity, $47.79; sickness, $49.38; old age, $39.98; widows and widowers, $18.77; widows' sickness, $18.98, and orphans, $18.59. The largest pension given did not amount to $1 a week. The disabled had to get along in 1914 on a pension of about 91 cents a week, and less in previous years. The sick invalid in 1914 had to subsist on a pension of 95 cents a week, and the old age pensioners received less than 77 cents a week. Widows and widowers, sick widows, and orphans each received the munificient pension of between 36 and 38 cents a week. How they performed the miracle of existing on these sums no German official report explains.

"It is a fact of the greatest significance that of the persons becoming entitled to invalidity pensions nearly half were already in receipt of poor pensions and most of them retained this poor-law allowance, generally at a higher figure. The same was true of the old-age pension.

"Here we have the true inklings of the operations of Germany's wonderful workingman's insurance laws. Most palpably they are the rankest counterfeit. Yet, ignoring both their essentials and their effects, it is claimed that these laws prove Germany to be 'a democratically-minded country.' The doling out of miserable pittances passing under the high-flown term of pensions, of from 36 to 95 cents a week, is transformed into 'a juster distribution of wealth' and 'a more generous distribution of the gains of civilization.'

"Generosity" of Germany

"Extraordinary, indeed, have been this 'generosity' and these 'gains' in Germany, where a large proportion of those receiving these insurance pensions have already been on the official pauper list and have remained there. If the number thus getting double government alms in Berlin—about one-fifth to one-sixth—has been applied to the whole German Empire, then, self-evidently, there has been an enormous number of pensioners who, at the same time, have had to draw poor relief alms.

"What a cheap bribe! For thirty years the German people were taught to look upon their government as the 'most benevolent on earth,' and a few paltry coins tossed to them convinced them that was actually the fact."

MORE GLASS ADVANCES

Increases Affect Fifteen States and Rates Have Also Been Raised in Several Cities

Advances in plate glass rates continue, the latest additions to the list affecting fifteen States. Practically all the advances result from the increase in the cost of glass. A few apply to cities and are owing to the special hazards found there. The list follows:

Colorado, 30 per cent.; District of Columbia, 15 per cent.; Indiana, 33 1/3 per cent. for the state at large and 25 per cent. in Lake County; Iowa, 50 per cent; Kentucky, 25 per cent.; Louisiana 33 1/3 per cent.; Mississippi, 33 1/3 per cent.; Missouri, 18 1/3 per cent. for the State and St. Louis 25 per cent.; Kansas City 35 per cent.; Ohio, from 20 to 25 per cent.; Oklahoma 25 per cent.; Utah, 25 per cent. in most parts of the State; Wisconsin 33 1/3 per cent.; Wyoming, an average of 20 per cent.; Maine 25 per cent.; city of Portland, Maine, 50 per cent.; Delaware 25 per cent.

DRAFTING CANCELLATION CLAUSE

Three Proposals Before Committee Framing Suggested Uniform Standard Contract

The committee on proposed uniform standard compensation policy form is getting the consensus of its members on what shall be done regarding the cancellation clause (Item No. 6), to meet the desires of the brokers, who object to the present form. The question is whether to leave it as it is, requiring the assured to make warranty that no similar insurance has been cancelled by any other company in the past three years except as stated; to substitute one year in place of three years; or, this: "Does this insurance take the place of any insurance in any other company, which insurance has been cancelled or ordered cancelled?"

It is expected that all members of the committee will be heard from within a few days.

PENNSYLVANIA MEN AROUSED

Large meetings of the Insurance Federation of Pennsylvania were held at Beaver Falls and New Castle July 17 and 18 respectively. The Beaver County agents subscribed $500 a year for two years towards the maintenance fund of the state organization. The Lawrence County agents at the New Castle meeting subscribed $400 upon the same basis. The prospect of further encroachments into the insurance field by the national government, the certainty of a great deal of radical legislation at the next legislative session at Harrisburg and the activities of various socialistic organizations, such as the National Non-Partisan League and the American Association for Labor Legislation, are some of the factors which have greatly increased the interest of the insurance fraternity of Pennsylvania in the building up of an offensive and defensive organization. Meetings are being held in the western part of the state this week.

WILLIAM STREET

Using Payroll Basis

One of the complaints heard in automobile circles is that a company operating in New York is insuring commercial fleets on a payroll basis. This method puts the business on a teams liability basis. The operation is something like this: An assured has fifteen trucks. The insurance company assumes that three of those will for one reason or another be out of use the year through. So the company takes the risk on the payroll basis of twelve chauffeurs. Then the rate of wages is averaged at, say, $1,000 a man and at the end of the year, if it is found that the assured has actually spent for chauffeurs $10,000 instead of $12,000 as set down in the original estimate, the insurance carrier makes a refund on that basis, which would result in the risk being treated as one of ten chauffeurs. Selling automobile liability insurance on these terms is contrary to the rulings of the Bureau.

* * *

Not Much Progress Made

Compulsory health insurance did not make much progress in 1917. Bills were introduced in fourteen States, the legislatures of five of which were in session. Four of those had compulsory health bills before them. In Massachusetts, the Interim Commission reported unfavorably. In New Jersey, a bill to appoint a commission was favorably considered. In Maryland, a bill to appoint a commission did not pass. In New York, for the third time, a compulsory health bill was introduced but did not pass. The American Association for Labor Legislation apparently distributed rose colored glasses to labor leaders in New York. Whereas they violently opposed the measure for three years, they championed the new bill, and campaigned hard for its passage even though it provides 20 per cent. more cost for the wage earner than did the former bills.

* * *

Enlisted for the Tanks

After looking up the rate of mortality in the tank service and finding that it is about seventy-five per cent., E. J. Sabater decided that there is where he wishes to be. Mr. Sabater is in the employ of the American Surety in New York; a married man and beyond the draft age limit. He is eager to get in the fight; that's why he chose the tanks. Mr. Sabater's wife is now in France serving as a Red Cross nurse and his two brothers are in the service, so that his family holds a remarkable record for war efficiency. Personally Mr. Sabater is one of those quiet, unassuming persons, whom one would never suspect of being so eager for a scrap.

* * *

Against Social Insurance

The officers and members of many fraternal benefit societies see in the compulsory monopolistic insurance scheme a substitute for an adequate wage scale in factories and in stores employing women and children. They can well picture the indignation of the average American working girl if a state insurance monopoly should forcibly remove a portion of the already meager contents of her pay envelope.

* * *

Looking Seaward

Between forty and fifty members of the Casualty Underwriters' Association of Northern New Jersey, will attend the annual sun bath and ducking of that organization, at Atlantic Highlands, August 6. Headquarters will be at the Seaview Hotel. William C. Mulvey, Louis Faulhaber and William Berry are in charge of the arrangements.

* * *

Mutual Won Out

Illustrative of how keenly the compensation mutuals are seeking business: an airplane plant in New Jersey carrying a very large premium, has been held by the stock companies for some time. Then a mutual came along and offered to instal a hospital within the plant. This was an important consideration in diverting the business to the mutual.

* * *

Expanding Group Branch

H. A. Luther, United States manager for the group department of the North American Accident has had to get more room and has moved the group headquarters to the third floor of the building he is in on Liberty Street, New York. The monthly payment department remains on the ground floor, with Auditor Monroe Goldman in charge.

* * *

Bernhard Joins Navy

William Bernhard, superintendent of the accident department of the General Accident at 100 William Street, New York, has resigned to join the navy. The underwriting in his department will be handled by E. Graff and the claims by F. E. Dilson of the burglary department.

* * *

Joseph Rizzolo Dead

Joseph Rizzolo, of Syracuse, superintendent of the claim department in that territory for the Employers Liability, died suddenly July 10 following an acute attack of indigestion. He was 35 years old.

* * *

New Jersey Rating

Several meetings have been held in Newark this week relative to experience compensation rating. It is expected that by the end of the week the matters under discussion will be settled. The rating plan has been modified for use in New Jersey and will be applied as of June 30. The schedule of benefits has been split up differently from that in general use and will be divided as follows: Death; permanent total; major dismemberment and all other.

FARRISH'S CHOP HOUSE
Cor. John & William Streets
THE PLACE in the Insurance District to eat lobsters
NOW IN SEASON
Whole cold lobster 65c.
Whole broiled lobster 75c.

The Fidelity and Casualty Company of New York
92 LIBERTY STREET, NEW YORK, N. Y.
Metropolitan Office—92 William St.
ANNUAL STATEMENT DECEMBER 31, 1917

Assets	$15,077,330.62
Liabilities	10,785,343.53
Capital	1,000,000.00
Surplus over all liabilities	3,291,987.09
Losses paid to December 31, 1917	60,740,294.97

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation, Steam Boiler Insurance; Fly-Wheel Insurance.

BUSINESS=BUILDERS
DEVELOPING
Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE
APPRECIATE THE CO-OPERATION OF THE
Massachusetts Bonding and Insurance Company
BOSTON
T. J. FALVEY, President
Paid-In Capital $1,500,000
Write For Territory

CASUALTY AND SURETY POINTERS

Agents Warned of Plate Glass

Advising its agents that conditions in the plate glass field demand more than ordinary care the Chicago Bonding & Insurance says:

"The plate glass insurance situation is becoming very serious, from a company standpoint, and if we are to continue writing it, it will be necessary that all of our agents extend their utmost in the way of co-operation towards keeping down losses.

"Heretofore some agents have been rather careless in the matter of surveys, generally accepting the broker's figures and taking a look at the glass some time later when they happened to be in the neighborhood. Hereafter every plate glass risk submitted will have to be surveyed before the policy is written. This is imperative and the only basis on which we can write the business. The necessity of this action is obvious, as in view of the tremendous cost of glass, there is a strong temptation to slip in broken or damaged glass. The average broker is honest, but needs watching and we have found that where, say four lights of glass of equal size exist, the broker may only report two on the schedule. The result, if he gets away with it, is that if any of the four lights are broken the company is stuck. This, as with the case of the insurance of damaged or broken glass, can be avoided by surveying the risk before the policy is written up.

"When a loss is reported it should be investigated personally by the agent, with a view to ascertaining the exact extent of the loss, the amount of salvage and the placing of responsibility.

"This is a trying period and if any agent is not prepared to co-operate to the extent above outlined we shall, in self defense, have to cease writing glass business in his territory."

* * *

Insurance On Liberty Bonds

Last month one of the agents of the Chicago Bonding Company in a comparatively small town, wrote a bank burglary policy, amounting to $175,000, covering Liberty bonds. The policy commanded a nice fat premium and the premium a nice fat commission. It is safe to say that less than 20 per cent of the banks have increased their insurance to protect the flood of Liberty bonds, deposited with them for security or left for safe-keeping. "Why not try to get in on this," says the Company, "because it's a cinch that if you don't someone else will? Rates are not hard to figure and if you do have any trouble don't forget that we are here to help you and at all times at your service. In figuring rates, don't forget that coverage on negotiable securities is 25 per cent cheaper than coverage on money."

* * *

Showing Delinquents How They Lose

Premium payment and its relation to claims is well presented by W. N. Rose, claim adjuster for the Pacific Mutual Life. He says:

"Prompt payment of premium is essential insofar as the company is concerned, and is vital to the policyholder. This is well illustrated in monthly premium business when it is considered that the insurance is renewed from noon of the first day of the month until noon of the first day of the following month, instead of being renewed from year to year. It follows, therefore, that if a policyholder is in the habit of paying his premium seven, ten or fifteen days after the first of the month, he is not getting his money's worth of insurance, and should be so advised. For example, if he pays his premium on an average of ten days late each month, he is losing accident protection for 120 days, or four months of the year, and twice as much, or 240 days' sickness protection; for although the accident benefits of the policy are effective from the date of the acceptance of the past-due premium, sickness benefits are not effective for ten days after such acceptance.

"It is not unreasonable to assume that no man desires to pay for 365 days' insurance and get less. The policyholder probably has never thought of the matter in just this way, and should it be presented to him very likely the prompt payment of his premium will appeal to his sense of business, as he wants to get as much as possible for the money which he has invested.

"The contract between the company and the policyholder is clearly set forth in the policy, and a claim arising during the period of premium delinquency is not valid. Time is no respecter of persons. The policyholder is just as liable to sustain a bodily injury or become disabled by sickness the first few days of the month as he is the last, and he should make certain by paying his premium promptly when due that his insurance covers him continuously."

* * *

Success Getting Annual Premiums

E. H. Bascom, an agent for the Hoosier Casualty at Aurora, Ind., writes to his Home Office this letter relative to annual premiums:

"One thing I do not like about the casualty business is this monthly premium, and I have resolved since the beginning of 1918 not to talk anything but annual premiums and get the annual premium above everything else, and not write monthly until it is the last thing to get the business. It takes too much time, too many trips to collect, and it costs too much to get it.

"You will see that out of forty-four policyholders who began paying their premium in 1918 there are now twenty-two annual paying policyholders, so I think I have got a good start on the annual basis.

"Out of one hundred sixty-five policyholders fifty-three are annual. I want to eventually get them on annual so there will scarcely be any monthly paying policyholders, so reports can be early. My policyholders are scattered and it takes up so much time, and if I did not keep after them I would have many lapses. I will have to make about three reports a month until I get more on annual."

Commenting on Mr. Bascom's work the Company says:

"What Mr. Bascom is doing every other representative can do, and until you do really give annual premium collections a fair test you will not know the great advantage to you in your agency work. Many policyholders will pay annual premiums for the asking. Many others will pay by a little explanation of the increased disability benefits provided in all monthly policies—again many lapses are prevented by collecting premiums annually. I have many times heard policyholders say they did not know they could pay their premiums by the year."

* * *

Who Advances Your Salary?

E. C. Budlong, second vice-president and agency manager of the Bankers Accident, Des Moines, has this to say about salaries:

"There are days in the life of every insurance man when he is fully convinced that he is in a rotten business. Then things will come his way and he will be just as well satisfied that he is in the best business in the world.

"In the first place, what business can you get into in which you are so thoroughly your own boss or master of your own destiny? Being one's own boss means to some men merely the privilege of doing as they please with their own time. This is absolutely true, and there is no line of work I know of in which a man can, with more apparent consistency, waste time doing nothing—or worse yet, doing trivial things that do not result in profit.

"On the other hand, there is no business and certainly no other branch of the insurance business in which the results, of hard work are more quickly turned into profits than in the accident and health insurance business. Some days I listen to a string of hard luck stories that sound so plausible I would myself actually commence to believe it is a rotten business if some good live fellow didn't come in with an enthusiastic good luck story and revive my spirits.

"Here is the way one of the boys put it recently: 'I worked about ten years in a shoe store on a small salary. I didn't get many raises, and it was a case of striking the boss for it when I did get an increase. In this business, I raise my own salary. Last month, I collected $380. This month, I lost some of my renewals, but with my new business I made an increase for the month of $24, and my total commission was $6 more. Not much, but at that, I increased my salary $6, which is more than I could do when I was a shoe clerk. Next month I am going to raise my salary $10.00 or bust something.'

"That man is blessed with an imagination. He knows that every month he is adding to his earning capacity and increasing his knowledge of the business. Furthermore, he is in love with his job."

W. E. SMALL, President PETER EPES, Agency Mgr. B. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE CHICAGO

F. W. LAWSON General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS Resident Manager 55 JOHN STREET New York

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London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

The Employers' Liability Assurance Corporation, Ltd.

The original and leading Liability Insurance Company in the World

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE

United States Branch

SAMUEL APPLETON, United States Mgr.

Employers' Liability Building

33 BROAD STREET, BOSTON, MASS.

AGENTS WANTED

LABOR'S PROGRAM

Extension of Compensation Law, Federal Life Insurance and State Health Measures Wanted

The Labor League of New York City is preparing to take a definite stand in the coming fall campaign to insure the welfare of its members and their fellow workers in New York State.

The program includes the extension of the workmen's compensation law to include all wage earners; reduction of money non-benefit period, and prohibition of all forms of insurance thereunder except in existing State Insurance Fund; with provision that all payments due to non-resident enemy alien dependents shall be paid into a special relief fund created by Section 7, of Article 2, of the Law.

Establishment of state-administered health insurance, and the creation of a Bureau of Sickness Prevention and Health Promotion within the State Labor Departments.

Old age pensions for citizens who at sixty years of age are without incomes and have been residents of the state for twenty-five years.

The Federal program includes Federal life insurance and national widows' pension system.

To the Man Who is Willing—and Will



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

NIAGARA LIFE BUILDING



Mohawk Cor. Franklin Street, Buffalo, N. Y.

The Combined

Life, Sickness and Accident

policies, sold only by the

Niagara Life Insurance Co.

(WILLIAM H. CROSBY, President)

Protects the insured and his dependents.

Live wire reliable agents may obtain very favorable contracts

Communicate with

E. H. BURKE
Vice-Pres't & Gen'l Manager
BUFFALO, N. Y.

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY
of the United States

For agency openings address:
W. E. Taylor, Second Vice-President

EQUITABLE EQUITABLE EQUITABLE

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.

Home Office, United Life Building Concord, New Hampshire

PURELY MUTUAL **THE** CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, $1,604,426,324

SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued

POLICIES MOST FLEXIBLE AND EASY TO SELL

Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

GEO. E. COPELAND,
Supt. of Agencies,
Milwaukee, Wis.

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1916	$15,827,439.35
Surplus, . . - - - - -	5,460,745.59
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - - -	1,051,543.00

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $152,000,000.00

Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

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Commerce

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 31 | NEW YORK, FRIDAY, AUGUST 2, 1918 | $3.00 a Year; 25c. per Copy

NIAGARA FILES LEHIGH TEST SUIT

Total Interest of All Fire Companies Approximately $5,000,000—Negligence Charged

BLACK TOM SUBROGATION CASE

Explosion Losses Deducted—Much of Destroyed Property Was Under-insured

The first of the subrogation cases of fire insurance companies against the Lehigh Valley Railroad for the recovery of losses paid by them as a result of the Black Tom explosion has been filed in the United States District Court, Southern District of New York, by the Niagara Fire Insurance Co.

It is estimated that the interest of the fire insurance companies in this litigation will total about $5,000,000. The subrogation proceedings will be for considerably more than this amount due to the fact that losses from explosion are deducted and much of the property destroyed was underinsured.

Frederick B. Campbell, of Butler, Wyckoff & Campbell, compiled the summons and complaint in the suit which has been filed in the interests of the Niagara in the case of Daniel M. Hicks, Inc., and Niagara Fire Insurance Co., plaintiffs, vs. Lehigh Valley Railroad Co., defendant. The complaint reads in part as follows:

Text of Complaint

I. The plaintiffs are, and at all of the times herein mentioned were, respectively, corporations organized, created and existing under and by virtue of the laws of the state of New York and citizens of such state, having their principal place of business in the Borough of Manhattan, in the City of New York, in the Southern District of New York. The defendant is, and at all the times herein mentioned was, a corporation organized, created and existing under and by virtue of the laws of the State of Pennsylvania and a citizen of such state. The amount involved in this controversy exceeds the sum or value of $3,000.

II. At all the times herein mentioned the plaintiff Daniel M. Hicks, Inc., was the owner of certain merchandise, to wit, rags in bales, of the fair market value of $15,675.17, which merchandise had been placed, prior to the 29th day of July, 1916, in the custody of one National Storage Company at its ware-

(Continued on page 19)

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager

UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. **Net gain** in insurance in force during 1917, $21,764,-972.88, or 72% **of the amount paid for.**

MEN of CHARACTER can obtain further information as to the **Company** and **Opportunities** by addressing:

H. E. ALDRICH, Supt. of Agents
EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

FIX PAYMENTS TO SOLDIERS' RELATIONS

Adjustment Required in Connection With Making Allotments and Allowances

TREMENDOUS TASK AT HAND

Government Drafting Investigation Experts—Engineers' Organization Explains Difficulties

Everything in connection with the government life insurance for soldiers and sailors appears to be running smoothly except those features relating to apportionment and allotment. There are hundreds of thousands of these cases. This has given the government considerable trouble and is still doing so. In the first place the proposition, although explained from time to time, was misunderstood both by assureds and beneficiaries. It is doubtful if many really tried to understand it, preferring to let the system reveal itself in actual practice.

This is why the Department of War Risk Insurance has sought the help and advice of several insurance men familiar with extensive systems of investigation of insurance risks, in order to determine who is and who is not entitled to benefits. A large proportion of the papers of soldiers and sailors have been wrongly executed; not because any fraud was intended, in most cases, but through failure to investigate the terms of the law as it affects apportionments and allotments.

May Close Branches

Because of the confusion which has resulted from these many misunderstandings, it is probable that the investigation and settlement of these cases will be taken out of the various branch bureaus now handling it and a complete system of inspection will be installed in Washington, where the entire work will be done.

In the Bulletin of the Association of Eleventh Engineers, what that organization is doing to help straighten out the tangle is explained as here shown:

The Association has been working for some time past on cases requiring adjustment in connection with the payment of allotments and allowances by the Government. The magnitude of the work undertaken by the War Risk Insurance Bureau since it was created under a law passed October 6, 1917,

THE PILOT POLICY

has been the chief obstacle in the way of securing prompt settlements in these cases. One other very great difficulty with which the Association has been confronted, is the fact that the War Risk Insurance Bureau did not exist when the 11th Engineers went to the Front. The arrangement in effect at the time the Regiment sailed, was that allotments were to be paid through the Depot Quartermaster at Washington. When this work was taken over by the War Risk Insurance Bureau it had to be co-ordinated with the new plan of organization and system laid down for the Bureau, which made it more difficult than if the applications of the soldiers had been made to the Bureau in the first place.

Further Causes of Delay

Under the first provisions in effect, an allotment was set aside from the soldier's pay but no allowances were made. The War Risk Insurance Bureau later put into effect forms of application to be filled out by the men, naming dependents and formally applying for the Government allowance. The difficulties involved in sending these blanks abroad and the probable lack of adequate facilities for acquiring a thorough understanding of the new regulations, will account for much of the trouble experienced by the families of the men of the "11th."

When the new application forms came in, a notice was sent out by the Depot Quartermaster's Department to the effect that payments had been stopped by the soldier, and for further information to get in touch with him. This was merely a formal notice of discontinuance of payments under the old system and presumably meant only that the payments were in process of being transferred to the War Risk Insurance Bureau.

A misunderstanding of this notice caused concern to many families, and naturally was responsible for many troubled letters. But these cases are all being cleared up, insofar as the Association has been able to take care of them on this side.

Some Men Failed to Apply

There still remain, however, some cases where men of the Regiment have not changed over to the War Risk Insurance Bureau, and so dependents in such cases are still receiving only the allotment made through the Depot Quartermaster, with no allowance payments at all. Such cases should be brought to the attention of the soldier, which is being done by the Association when such cases are found.

An allotment made by a soldier is either compulsory or voluntary. It is compulsory as to wife and children, including divorced or separated wife where alimony has been allowed.

Voluntary allotments may be made by a man to others (as parents, brother, sister, etc.), subject, however, to the compulsory allotment. If he makes such a voluntary allotment to parents, etc., who have been dependent upon him, the Government may give an allowance to them also.

Allowances accordingly are conditioned upon specified compulsory allotments by the man. If he allots part of his pay to relatives, the Government will pay monthly allowances to them as follows:

Two Classes of Allowances

Class A.

a. If there be a wife but no child, $15.
b. If there be a wife and one child, $25.
c. If there be a wife and two children, $32.50, with $5 per month additional for each additional child.
d. If there be no wife, but one child, $5.
e. If there be no wife, but two children, $12.50.
f. If there be no wife, but three children, $20.
g. If there be no wife, but four children, $30, with $5 per month additional for each additional child.

Class B.

a. If there be one parent, $10.
b. If there be two parents, $20.
c. For each grandchild, brother, sister, and additional parent, $5.

Must Allot $15 Minimum

A man must allot at least $15 a month of his pay to his wife or child. But (if he draws more than $30), he may be compelled to give more than $15. In that case, the amount, up to half his pay, depends upon the size of his family, and the amounts specified in the Act. Subject to the minimum and maximum that he must allot, he and the Government share alike in this. The amounts the Government will give to Class A beneficiaries are fixed in the law, and the man must give the same, provided that sum does not exceed half his pay, and that his total allotment to Class A beneficiaries is not less than $15.

How it Works Out

If he has one child and no wife, the Government will allow $5 and the man will be required to allot the minimum of $15. If he is getting $40 and has a wife and four children, the Government will give $42.50, and the man will be required to allot $20 (he may allot more), so that his family will receive $62.50. If his pay should be $100 per month, he will be compelled to allot $42.50, the same amount the Government gives.

Distinction Between Classes A and B

A man is not required by this law to support any relatives, except wife and child, but as an incentive to a man to support or help to support his parent, his grandchild, his brother or sister, if they really need his help, the Government may add a certain amount to that which he allots. Allotments to these relatives (referred to as Class B) is not compulsory, but it is a condition precedent to the Government giving them an allowance.

The total monthly allowance to beneficiaries in Class B, added to the enlisted man's monthly allotment to them, will not exceed the average sum habitually contributed by him to their support monthly. And these allowances will be paid only if and while the relative is dependent in whole or in part on the enlisted man. In any event, the sum allowed this class by the Government will not exceed for one parent $10; for two parents $20; for each grandchild, brother, sister, and additional parent, $5, and then only if the total thus required does not exceed the difference between the amount the Government is giving the wife, children, and divorced wife, and the maximum of $50 which it allows on account of any one man.

Class B dependents (parents, brother, sister, grandchildren) are not entitled to make applications for family allowances unless an allotment has been made for their benefit by the man in the service. As a rule, such application will be made directly by the man in the course of making his allotment. Conditions precedent to the award of such allowances are dependency on, voluntary allotment by, and habitual contribution of the enlisted man. Needy members of Class B should, therefore, be encouraged to ask the enlisted man to make an allotment and apply for the Government allowance.

Who May Apply For Allowance

A wife who has received neither allotment nor allowance may make application herself by applying on a prescribed form (which can be furnished by the Association). Such an application may be made by a wife, child, divorced or separated wife given a decree of alimony, but in all other cases the application must come from the soldier himself. It should be accompanied by:

A. Certified copy of her marriage certificate, or of the public or church record of her marriage;
B. Statement of two witnesses that to the best of their information, knowledge and belief, the soldier and the applicant were never divorced; and
C. If there should be children, a statement by two persons giving the names of such children and their ages, and stating whether they are members of the applicant's household and unmarried.

Maximum Family Allowance

The total family allowance to be paid by the United States to all dependents of any one man shall not exceed $50 per month.

Allowances will be paid only upon written application by the man, or by, or in behalf of, the beneficiary.

Allowances Not Paid Unless Asked For

Every enlisted or drafted man is given a chance to apply for the allowance at the time he makes the allotment and—if granted—it is paid to the beneficiaries without any application on their part. If he does not apply for it at the time, he may apply for it later, or the beneficiary may then apply for it.

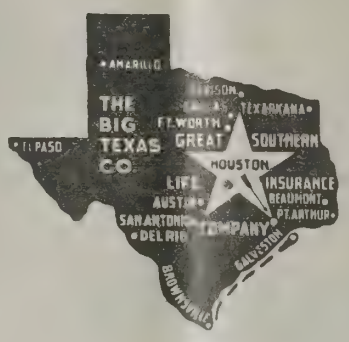
Members of Class A are entitled to the allowance irrespective of their economic condition, but payments will not be made unless the allowance is asked for, and unless the required allotment is made.

HARRISON LAW'S CHARTS

The automobile liability rate table compiled each year by Harrison Law, of Nutley, N. J., was issued recently. The table gives liability, property damage and collision rates for the entire United States in a comprehensive manner.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

EQUITABLE EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE EQUITABLE

Life Men Asked To State Intentions

GEO. W. PERKINS WILL SPEAK

Miss Constance E. Woodward, Miss Leonora W. Cowick, Mrs. Jennie Watkins, Women Speakers

It is a case of "to be" or "not to be" in attendance at the annual meeting of the International Association of Life Underwriters. In order that proper accommodations can be had it is necessary for the National Association of Life Underwriters to know whether or not the delegates assigned by the respective local associations intend to be present. To that end, President Priddy addressed the following letter to delegates appointed by the Local Associations:

"I understand that you have been appointed a delegate or alternate to the National Convention and I congratulate you on this appointment. This is to be the greatest gathering of human beings ever held in the history of the world.

Distinguished Speakers

"The opening session of the convention will be addressed by the Chief Justice of the Supreme Court of Canada —representing the Dominion Government—and President Wilson. We have been fortunate in securing a number of America's most distinguished citizens to address this convention, and we are going to discuss freely five or six matters which vitally affect life insurance, and more particularly field practices and how to secure new business. I respectfully request that you come to the convention prepared to take part in these discussions.

"The fact that you have been appointed by your association indicates to me that you have at least signified your desire to attend the convention, but as it is going to be physically impossible for us to seat the large number of people who plan to attend this convention I earnestly desire that no person will accept appointment who will not actually attend. If you do not plan to come I wish you would so inform the officers of your association immediately so that some other person may be granted the privilege of using the credentials to which your association is entitled. If you are planning to attend please write me direct at once.

"Reduced rates in most cases may be secured by purchasing round trip tickets to Atlantic City. Validation not necessary.

"Delegates should arrive in New York not later than September 3rd. Won't you kindly write me by return post saying it is your intention to attend the convention and what members of your family will accompany you?"

52 Yes—1 Gone to War

President Priddy had received 53 answers to his letter up to the time the representative of The Eastern Underwriter was in his office, 52 of which state the writer of the letter was coming to the meeting, one who sent his regrets at not being able to come, due to the fact that he was going to war.

A letter inviting all the presidents of life insurance companies in the United States and Canada was also sent out by the National Association of Life Underwriters and all of the replies which had been received, stated that either the president or other officers of the company addressed would be present, and in some cases the presidents and all the other officers sent word that they would be in attendance.

Perkins Will Be There

It was announced in The Eastern Underwriter last week that George W. Perkins, had been invited to make an address on the subject of "The Life Agent's Opportunity and Duty in View of War Conditions." At that time the Association had no definite assurance that Mr. Perkins would be present. President Priddy advises The Eastern Underwriter that Mr. Perkins has accepted the invitation and will make the address as outlined above.

Women Who Will Speak

In the preliminary announcement published last week in this paper it was stated that the program provided for a section for the discussion of "Present Day Opportunities For Women in Life Insurance." The names of the speakers were not mentioned. They are, as announced by President Priddy this week, as follows:—

Miss Constance E. Woodward, agent, Equitable Life Assurance Society, New York City. Miss Woodward is the only woman connected with the Equitable forces who is a member of the quarter million club.

Miss Leonora W. Cowick, agent of the Mutual Life at Boston, and president of the New England Women's Life Underwriters' Association.

Mrs. Jennie Watkins, agent of the New York Life in New York City and for many years the only woman member of the two hundred thousand dollar club of that Company.

Showing Men What They Can Do

APPORTIONMENT OF INCOMES

Bond Buying Table of Ives & Myrick Useful in Selling Life Insurance

When Ives & Myrick, Mutual Life managers in New York, were conducting their big Liberty Loan drive they prepared a unique tabulation showing what everybody can do in the purchase of bonds and what everybody should do if he can and what he can do if he will. The table is reproduced here.

	WHAT EVERYONE CAN DO		What Everyone Should Do if He CAN—and He Can if He WILL	
*Income		Bond Minimum		
$1000	5%	$50	7½%	$75
2000	7½%	150	12½%	250
3000	8%	250	15%	450
4000	9%	350	17½%	700
5000	10%	500	20%	1000
7500	15%	1000	30%	2250
10000	25%	2500	40%	4000

(These schedules take into consideration the Income Tax).

*These amounts are assumed to be family incomes (two adults, two or three children). Obviously, smaller families or single men can do more.

Now this firm is using the same table as an illustration of what proportion of a man's income he can and should devote to life insurance by giving up non-essentials and what those non-essentials are.

The Big Idea

In the bond campaign the idea was that if a clerk or wage earner making but $1,000 can buy a $50 Liberty Bond a year it is no sacrifice for a $5,000 man to lend $500 to the government.

The bond circular went on to explain that "the balance of all personal incomes over $7,500 can be lent to the government, given to the Red Cross, Y. M. C. A., Belgium, French orphans, etc. Enough for essentials will be left. Learn the difference between essentials and non-essentials. A soldier gives his all. His percentage is always 100. Are these percentages too much for you?"

If a man can spare a certain amount of his income to buy bonds (which he did not think he could spare until the war hit him) why can he not spare a like amount for life insurance, which he actually needs, by cutting down on some of the non-essentials which he does not need?

Men Have Learned

It is obvious that through their bond buying men have learned that they can make sacrifices and that they can devote a larger part of their income to the use of the nation and the protection of their government.

None the less has it taught them that they can spare a larger proportion to protect their families and estates. This is how the table comes into play in selling life insurance.

The remarks of Ives & Myrick regarding essentials and non-essentials are to the point and furnish some food for thought by the man who is not carrying the amount of insurance he should. Here they are:

Essentials and Non-essentials

Automobiles: A pleasure car is worse than a non-essential—it is a contra-essential. Put your car to some useful purpose or put it in storage. Don't drive down town to business. You block traffic and waste gasoline. The Allies need that gasoline. Release your chauffeur for work in the Army, factory or farm. If you must have a chauffeur, get one over forty or fifty.

Amusements: The theatre twice a month is enough for anyone. Too many moving pictures dull the mind. There can be more amusement, relaxation and mental diversion in a 6-ft. book shelf than all the shows on Broadway. Turn to the genius of Thackeray, Dickens, Lamb, Hugo, Dumas, Voltaire, Rousseau, or to our own champions of liberty: Whittier, Emerson, Holmes, Wendell Phillips, Thoreau, etc. Every library has some of these men's great works—masterpieces that stirred the minds and souls of our fathers. The cabaret is a poor substitute for them. Let the masters be your diversion and not diversion your master.

Food: Two square meals a day are enough for office workers. If breakfast and dinner are your big meals, a bowl of milk is enough for lunch. If lunch and dinner are your substantial meals, coffee and war bread are enough for breakfast. In eating, use your brains as well as your stomach. Everything that Mr. Hoover says is vitally true. Because you have always done certain things is no good reason why you must keep on doing them. For instance: Sugar in coffee is not an essential. It's just a habit.

Stimulants: If you must drink, limit yourself to one glass of beer a day. If you must smoke, one cigar after dinner will give more enjoyment than ten during the day. Let the soldiers have the "smokes."

Servants: One is enough, and often more than enough, except in large families or on the farm. HOUSEWIVES!—Learn to do your own work. Take an interest in your children's studies. Governesses, butlers, valets, etc., unless too old for other work, are non-essentials.

Travel: Don't take long vacation trips. Spend your vacation in your garden, or if you haven't any, in someone else's garden.

WHAT ARE YOU GIVING UP?

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

THE PRUDENTIAL INSURANCE CO. OF AMERICA

ncorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President — Home Office: NEWARK, N. J.

NATIONAL LIFE U. S. A.

Issues Ruling In Connection With Y. M. C. A. Overseas Workers' Risks —Limit $2,000

The National Life of U. S. A. of Chicago has made the following ruling in connection with accepting applications from the ranks of the Y. M. C. A. workers who will be in service overseas.

Robert D. Lay, secretary, announces that the Company, will until further notice, accept risks on Y. M. C. A. overseas workers, to the sum of $2,000, on the following plans: Ordinary life endowment at 85; 10, 15 and 20 pay life (endowment at 85); 10, 15 and 20 year endowments.

The only extra premiums required will be $25 per thousand for the entire period of the present war.

This ruling is made after a most exhaustive investigation into the situation and it will be gratifying information to many good men who are going abroad.

Nearly Double Their Insurance

GREAT CAMPAIGN IN JUNE

New England Mutual Life Presents Figures Outlining Results of Agents' Efforts

Perhaps the best way to get a line on just how "54 Millions from 42 Agencies" is brought about, is to read carefully the following report of the New England Mutual Life Insurance Co. of the work of the company's agents during June, "Policyholders Month":

During June more than forty per cent. of the new insurance paid for was on the lives of present members! This is probably the most significant fact, as an evidence of their approval of the Company and the service it is rendering, that we have ever experienced. What was accomplished with new prospects through their suggestion and timely interest cannot be demonstrated in figures; but we know that, in specific cases, it meant as high as ninety per cent. of the new business.

Furthermore, these men were so well pleased that they virtually doubled their present holdings. That is to say, members with $3,500,000 increased their lines by over $3,000,000!

Nearest Source of Business

Another material fact is the different degrees to which the agencies used this invaluable treasure-vault of present policyholders. The older and larger agencies, of course, rewrote more members than the newer and smaller agencies. But the percentage used made of this nearest-to-hand source of business was very diverse.

The most conspicuous record is that of Meyer's Chicago agency. Here ten men, with $188,000, were insured for an additional $180,000, thereby nearly doubling their lines.

These records and the whole of the accompanying table are full of lessons for the wide-awake agent. They demonstrate that in our thousands of members we have an asset of tremendous possibilities. This fact, however, is not yet appreciated by all our agencies; but it should be! Those, however, who did act on the foundation idea of the month, obtained the greatest results, as will be seen by referring to the statement below:

	No.	Original Ins.	New Ins.
Boston	59	$259,000	$238,000
Home Office	51	253,000	381,000
Philadelphia	50	153,000	164,000
New Orleans	33	289,000	194,000
Atlanta	30	114,000	89,000
Chicago	28	184,000	180,000
Hartford	24	131,000	110,000
Cleveland	22	206,000	162,000
St. Paul	22	62,000	78,000
New York City	20	211,000	126,000
Detroit	19	149,000	146,000
Providence	16	81,000	51,000
Omaha	15	32,000	41,000
Louisville	14	27,000	25,000
Rochester	13	139,000	101,000
Des Moines	13	78,000	54,000
Kansas City	12	82,000	56,000
San Francisco	12	79,000	55,000
Chicago—Meyer	10	188,000	180,000
Indianapolis	10	78,000	70,000
New York—Baldwin	10	53,000	38,000
Morrisville, Vt.	10	21,000	29,000
Montgomery	9	39,000	48,000
Portland, Maine	9	18,000	19,000
Pittsburgh	8	74,000	56,000
Baltimore	8	74,000	52,000
Portland, Oregon	8	58,000	34,000
Washington	8	42,000	39,000
South Carolina	8	24,000	32,000
Evansville	7	87,000	77,000
Milwaukee	6	61,000	37,000
Raleigh	6	18,000	26,000
Manchester	5	17,000	13,000
Chattanooga	5	13,000	8,000
Topeka	5	5,000	6,500
Denver	4	22,000	14,000
Buffalo	4	6,000	13,000
Syracuse	3	22,000	17,000
Cincinnati	2	21,000	22,000
Los Angeles	2	5,000	8,000
St. Louis	1	20,000	5,000
Roanoke, Va.	1	1,000	1,000
	602	$3,496,000	$3,095,500

ASSISTANT MEDICAL DIRECTOR

The Metropolitan Life Insurance Co. announces the appointment of Alfred W. Balch, M.D., an assistant medical director.

WILLIAM E. TAYLOR HONORED

Equitable Life Second Vice-President Guest at Luncheon of Philadelphia Agents

William E. Taylor, second vice-president of the Equitable Life Assurance Society was the guest of honor at a luncheon at the Philamont Country Club, Philadelphia, by the Society, at which George E. Ott, inspector of agencies and E. P. Langley, agency supervisor for the Equitable at Philadelphia acted as hosts.

The luncheon was tendered the Philadelphia agents in appreciation of their work during the Taylor campaign, when nearly $1,250,000 of insurance was written in the Philadelphia district. The campaign was held in honor of William E. Taylor's promotion from superintendent of agencies to second vice-president of the company.

Headed by George E. Ott, inspector of agencies in the Philadelphia district, the men were taken in a special train to the country club, where golf, tennis, baseball and other sports were indulged in. Later luncheon was served and addresses delivered by a number of those present. Jacob Weil was chairman of the committee on arrangements and it was through him that the hospitality of the club was obtained. Other members of the committee were Charles M. Foster, Alfred Levy and James McCarthy.

ANOTHER OKLAHOMA COMPANY

The United States Insurance Association Has Been Incorporated and Chartered at Ardmore

The United States Insurance Association has been chartered at Ardmore, Oklahoma, and is now in process of organization. The company is capitalized at $200,000, and the stock will be sold on a basis of two for one, which will provide an equal amount of surplus.

The officers of the company are: G. W. Stuart, president; J. W. Harreld, vice-president; E. E. Chivers, secretary; and H. D. McCollom, treasurer. The directors are: G. W. Stuart, J. W. Harreld, E. E. Chivers, R. A. Fox, Jno. S. Owens, B. W. Scruggs, H. D. McCollom, C. W. Dobbins, W. J. Lane and William Hutchinson.

INDIANAPOLIS LIFE

The Indianapolis Life of Indianapolis, Ind., had insurance in force on July 1, 1918, amounting to $14,384,844.54. Insurance issued to July 1st, 1918, $1,551,844; insurance gained to July 1st, 1918, $719,791; total death claims paid, $222,287.53; death claims in 1918 to July 1st, $34,956,66; total dividends to policyholders, $264,283.90; dividends paid in 1918 to July 1st, $27,455.63; total paid to policyholders, $621,052.03; assets owned by and held for protection of policyholders, $1,270,603.45; total paid to and invested for policyholders, $1,891,655.48.

MONTANA LIFE

The June 30, statement of the Montana Life of Helena, Mont., shows the condition of that company to be as follows. Assets, $2,083,719.69; net surplus, $406,689.35; surplus to policyholders, $656,689.35; insurance in force, $22,008,576.00. The Company has securities deposited with the insurance department amounting to $1,291,241.

MAILING YOURSELF MONEY

Every time you stick a Thrift or War Savings Stamp on your card you are mailing money to yourself to be received later with interest. Cashing in these stamps is going to be better than "getting money from home," for with the money comes the reminder that you contributed to the great victory which then will have been completely won.

FOUR WIDOWS OF ONE MAN

Each Shows Up With Marriage Certificate at Company Office to Claim Insurance

Lancaster, Pa., July 30, 1918.—John Brobst was a much married man, at least he was if women and marriage licenses mean anything. Four women, each armed with modern marriage credentials, put in an appearance at a local insurance office to claim the estate of John Brobst, who was recently killed in an accident on Long Island.

The circumstances in the case are so badly mixed that it will be necessary to carry it into courts to determine the legitimate beneficiary.

DETROIT LIFE MEETING

President M. E. O'Brien, of the Detroit Life announces that the seventh annual meeting of the agents of that company will be held at Cedar Point, Ohio, on August 20, 21, 22. All agents qualifying will attend the meeting at the company's expense, and all agents are invited to attend.

State Mutual Life Assurance Company of WORCESTER, MASS.

Incorporated 1844

SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.

Our motto is SERVICE to policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

HOME LIFE INSURANCE CO.

(Purely Mutual)

256 BROADWAY, NEW YORK

GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to

GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business

under our direct general agency contract

Our Policies provide for:

Double Indemnity,
Disability Benefits,
Reducing Premiums

See the new low Rates

JOHN F. ROCHE, Vice-Pres't

THE MANHATTAN LIFE INSURANCE COMPANY

66 BROADWAY NEW YORK

Organized 1850

Mr. Field Man: Detroit, July 18, 1918.

Do you know:

That the NORTHERN ASSURANCE COMPANY of Detroit, Michigan, has lived up to all the traditions of the highest purposes of life insurance;

That it stands for the highest ideals in underwriting and that its slogan is, and always has been, CLEAN MEN AND CLEAN METHODS in its field work;

That it is writing more insurance per capita per agent than any other American life company?

If you are interested in knowing something of our Home Office system which makes this possible, we will be glad to hear from you.

Address, CLARENCE L. AYRES, *President,*
DETROIT, MICHIGAN.

Extracts from Report of Examination of

SOUTHWESTERN LIFE INSURANCE CO.

By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

More Than $3,000,000 Since January First

A SUCCESSFUL PARTNERSHIP

Farmer & Duran, Special Agents New York Life Insurance Co., Together Fifteen Years

Say life men! Listen to this! Here is a partnership one-half farmer, A. L. Farmer and A. E. Duran, special agents of the New York Life Insurance Co. at Tulsa, Oklahoma, which has been in existence for more than fifteen years. They have been partners in every sense of the word for more than eleven years, sharing in every dollar of business produced by either one.

Full participating partners does not tell all the story, they have been at the same time production partners, producing a business of from two to four million dollars annually. Their business since January 1 this year exceeds three million dollars.

$1,500,000 Case

In this volume there was one case of an exceptional nature; they wrote a man 37 years of age, $1,500,000, fifteen payment life, with a premium of $70,000, the insurance having been written solely with the idea of providing against a very definite liability, i. e., inheritance taxes.



A. E. DURAN

A. L. Farmer

Traveling in Oklahoma one does not have to go far to learn who A. L. Farmer is, and if you don't want to go to Oklahoma all you need to do is ask someone who has been there. From what we can learn, Mr. Farmer is mixed up in almost everything that happens in that interesting Southwestern state. He is spending more than half of his time in war activities, Liberty Loan, Red Cross, Y. M. C. A., War Savings Stamp and Knights of Columbus campaigns. He is an ardent follower of governmental matters in Oklahoma, and deeply interested in civic affairs in Tulsa. A prominent life insurance man told the writer that the name Farmer was more conspicuous in Tulsa than the name Tulsa itself.

The New York Life published a pamphlet recently in which it said of him:

A. L. Farmer was president in 1916 of the $200,000 Club. His opinions are sought and read with great care, and are much appreciated. Formerly a lumber salesman, he came with the New York Life late in 1899. He has paid in the period for a grand total of 1,392 policies for practically $7,500,000. In his presidential year he settled for $1,401,000, and in 1917 for $746,014. The New York Life last year handed him in first year commissions, renewals and monthly Nylic checks, a grand total of $33,730.12.



A. L. FARMER

A. E. Duran

A. E. Duran, the other half of the firm, before entering the insurance business, was a druggist, and later a bank clerk. In 1916 he won the joint presidential honors of the New York Life's $200,000 club with Mr. Farmer. At 29 years of age he had acquired a substantial success in life in Texas. He served as vice-president at large in the New York Life leading producers for several years, and has been listed among the prominent writers each month. He writes from 80 to 100 cases a year. He has made a study of big business and big men and writes most of his business among that class.

If past performances count for anything, Farmer and Duran should have a record to their credit before the curtain rings down this year.

N. D. DuBOIS KILLED

Norman D. DuBois, son of the late Corneluis D. DuBois, of Frank & DuBois, has been reported killed in action in France. He was an officer of artillery.

E. W. ELLIS ILL

E. W. Ellis, general agent of the Phoenix of London, has been confined to his home for the past four weeks following a minor operation on his leg.

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

INTERNATIONAL LIFE of St. Louis
SMASHED ALL RECORDS IN 1917
It was the Special Combination and New T. O. Policies that did the work.
If you are not selling them we are both losing money.
J. L. BABLER, Vice-President and General Manager Agencies
MASSEY WILSON, President

Why Not Sell To Women Citizens

GREAT FIELD OF PROSPECTS

It is Duty of Every Progressive Woman to Create An Independent Estate

The present is an opportune time to present to women for consideration the question of life insurance. There has never been a time in the history of the world when women occupied as many prominent places in business and commercial activities. Writing on the subject of the need of "Present and Future Protection" for women and writing of insurance on the lives of our women citizens, in the Penn Mutual News Letter, Corinne V. Loomis, said:

What does the woman citizen know about investments? Does she know as much as the man citizen? Having asked the question, we will try to answer it.

Frequently the man citizen knows just as little about investments as the woman citizen, except the investment of life insurance. It is unusual to find a man who does not carry insurance as present protection to his family and as future income to himself when his earning capacity will be on the decrease; but the woman citizen is a step behind the man citizen—not because she would not be as open to the value of insurance as protection and investment, but simply because men prefer to sell to men, and so she has not had the opportunity to learn the facts. Only when you have trained expert women salesmen to present the facts will you have a proportionate number of women appreciating the value of insurance as protection and investment.

Should Create An Estate

There are many uses to which insurance can be put: the professional woman needs it as a protection and as the only way of creating an estate, as her estate so definitely depends upon her mental ability; the business woman needs insurance to increase her credit; the young mother can guarantee a college education for her child by taking out insurance on herself in favor of the daughter; the independent woman needs insurance to protect herself against her decreasing earning capacity. Insurance guarantees her present protection and a future monthly income for life. The independent business women that have never realized the value of saving a cent in their lives would do well to look into insur-

(Continued on page 6)

A Real District Manager

is wanted for one of the best territories in the most prosperous section of the nation. This is a real opportunity for a first class man.

Write

Bankers Life Company
DES MOINES

Insurance to Cover Inheritance Taxes

is opening new fields to Provident Agents

Men are insuring not only to protect their families and to protect their business but also to protect their estates.

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.

Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent

Metropolitan District

St. Paul Bldg., 220 Broadway, New York, N. Y.

Sidney A. Foster On Life Taxation

WRITES CONVENTION MEMBERS

Royal Union Mutual Official Suggests Passing of Dividend Allotment to Policyholders for 1919

Des Moines, Iowa, July 29, 1918.—Sidney A. Foster, vice-president and secretary of the Royal Union Mutual Life Insurance Co. of this city has addressed the following communication, on the subject of life insurance taxation, to the members of the American Life Convention:

"I have been making use of the following and deem it only just that you be informed:

"The time is fast approaching when Congress will adopt the new tax law to cover the eight billion loan and other expenses of the government being properly and justly incurred to prosecute this war to a finish—of the Kaiser.

"Then must come great questions to be settled; the finances of the world must find relief in the United States, and for years to come, every institution of power and property must do its share to fulfil its duty with the same spirit that our boys are fulfilling theirs by incomparable courage and patriotism in active participation among the world's heroes.

"The insurance companies of America will not hesitate in granting full support. The buying of government bonds by many western companies will work a serious hardship on the income, or profit side of their ledgers, but to this we must gladly consent, feeling thankful that such avenues have been laid for income resources to arrive unrestricted and upon which the government may rely.

Pass Dividend Allotments

"It is my judgment from present conditions that every company in the United States should pass its allotment of dividends to policyholders for the year 1919. The immense amounts involved in the mortality risk carried upon our soldiers should caution managers, as it must. For, with the war continuing another year, billions of dollars will be under contract as a possible early liability and impairment of health and longevity must be seriously considered for in addition are the billions of insurance granted by the government to its soldiers, and no human mind can conceive the outcome of this demand. Insurance is not a gambling scheme in any sense so far as the assumptions are concerned, but there is much chance from the results of the present exposure of risks.

"In making the new tax rate upon life insurance companies, Congress should be very careful not to apply too large an extra annual amount, nor to adopt extreme methods.

"The one per cent. tax on surplus or profits, as presented in the resolution by the Wisconsin Life Convention, is reasonable, if, at the earliest possible moment the companies can be relieved therefrom. An application of a tax rule is not to be denied or to be resisted if it continues only so long as extraordinary conditions demand, but after that the companies should be relieved of all taxes except such an amount as to provide the necessary means for thorough administration of supervision in the States."

Frank S. Strobridge, founder and president of the Baltimore Life, and a former senator from Maryland, died last week at Asbury Park, N. J. Death resulted from a general breakdown. Mr. Strobridge was born in San Francisco, Cal., February 17, 1857. As a child, he came east with his parents by way of the Isthmian route to Philadelphia, where he received his early education. In the late seventies he went to Baltimore and entered the insurance field. In 1881, he organized the Baltimore Life and was elected its first president. He remained the executive head of the company until his death.

CONSIDERING CANTONMENTS

The welfare committee of the Bureau is working on the government compensation insurance subject, which is receiving attention from various viewpoints. The committee has been in consultation with officials in Washington. This is one of the subjects of outstanding prominence in connection with the resignation of the Travelers from the Bureau.

Income From $10,000 Policy $1.64 a Day

COMPILATION BY BIG PRODUCER

Chris Anderson Uses Unique Table Showing Why Assureds Need More Protection

That the income on $10,000 life insurance will produce for the family of the assured only $1.64 a day will be news to a large number of men who think they "are carrying all they need." Chris Anderson, the three million dollar a year producer of the Mutual Life in Chicago, submits to his agency the following illustration of the daily income which policies in different amounts will yield where the proceeds are invested by the beneficiary at 6 per cent. interest:

$1,000,	daily income	$0.16
2,000,	daily income	.32
2,500,	daily income	.41
3,000,	daily income	.49
4,000,	daily income	.65
5,000,	daily income	.82
7,000,	daily income	1.15
7,500,	daily income	1.23
10,000,	daily income	1.64

"The Organizer," commenting on these figures, says:

"The average man thinks if he carries two to five thousand dollars for his wife or family, that he is carrying enough, and will often shout, 'No more! Don't need another cent of life insurance!' Imagine what a jolt it will be to him when informed that even $3,000 invested at six per cent. will yield his wife or family only the pittance of forty-nine cents a day.

"The illustration is, as stated, based on a net interest earning power of 6 per cent., which is almost impossible of accomplishment in these times if absolute security is to be assured. True, one can invest in securities which will for the time being yield a sufficiently high rate of interest to net 6 per cent., but generally the investment which promises a high rate of interest is not absolutely safe.

"In order to obviate the necessity of inexperienced beneficiaries investing the proceeds of a life insurance policy in any kind of securities, safe or otherwise, the old reliable companies will, where desired, pay the proceeds of the policy to the beneficiary on the income plan for any number of years certain which may be desired, or for life.

Needs More Now

"In arriving at a conclusion as to how much insurance a man ought to have in these days, and whether or no he would be justified in increasing the line he has carried for years, it is well to take into account the fact that a dollar to-day is worth approximately forty-seven cents as compared with its value just four years ago. By this line of reasoning, the man who carried $10,000 in 1914, and felt that his family was safely protected, should now have at least $20,000—and the man who a few years ago felt that $25,000 insurance would be sufficient to enable his family to live after his death in the same manner as during his lifetime should now carry $50,000. When we take into account the high cost of living in these times, and the fact that not more than 5 per cent. can be guaranteed on money invested, very few men of family—perhaps not more than one in one hundred—carry enough life insurance.

"Verily, the field for missionary work in our line of business is unlimited."

Why Not Sell to Women Citizen

(Continued from page 5)

ance, for they will find in it an answer to the problem of economic equality. It is the duty of every progressive woman to create an independent estate for herself just as it is the duty of every man to create an estate for himself.

Ninety-seven per cent. of the persons who reach the age of 55 are either wholly or partly dependent upon charity. Only 5 per cent. of our population reach old age in a position of financial independence. This would not be so if the message and the facts of insurance could be delivered to the woman citizen. The economic stability of the country depends upon scientific saving. The best earner, if she be a careless spender, is a detriment to the community. Insurance is the most scientific method of saving.

Insurance in the form of an endowment is something which every thinking, independent woman should consider seriously.

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

The Work of the Solicitor

By William J. Jones

A paper read before the Home Office Association of the Penn Mutual Life, in the Company's Auditorium

A life insurance solicitor who starts out with the idea of selling all kinds of insurance, fire, accident, automobile, compensation and all other forms, may just as well give up his life insurance contract and devote himself to the general insurance business.

A man selling life insurance should do nothing else.

If he expects to be successful, he will not have the time to do anything else, and he will find at some critical point a life insurance case will have to be neglected in order to attend to some small accident or other claim.

Then, too, it is a physical impossibility to render the best service in all lines of insurance.

Forego Small Commission

The selling of life insurance will take the undivided attention and time of any man. Therefore, my advice would be to any solicitor to forego the small commission which he would earn on other lines. You stand in a much better position with your prospect if you say to him frankly that you have not time and cannot give the proper service in other lines. You may, however, make an arrangement with an accident or fire insurance office and if you are asked to attend to some other lines, you could suggest that you would send someone who devotes all his time to this particular work.

I could tell you several experiences which I have had and which resulted in the loss of good lines of life insurance. I have not solicited an order for any form of insurance other than life, for the past five or six years.

Too Much System

One of the duties of the solicitor is to have his work and records systematized. There is such a thing as having too much system, but it is necessary to keep a correct record of future appointments and all data pertaining to your prospects and policyholders; have regular hours and do the things which you have made up your mind should be done.

When you stop to consider that every good prospect whose date of birth you have secured has cost either dollars and cents, or time, which is just the same, you can understand why it is necessary to take two minutes to place in a permanent record this data.

You may write some business in a haphazard manner, but it will not be regular and permanent.

No Personal Cards

I do not believe a solicitor should ever use his personal card. If it is necessary to send in your card, it is much better to send one on which the name of your company appears. You may find by sending your business card, some men will not see you, but those same men would be most resentful if you had sent your personal card.

If I call to see a man regarding the insuring of his mortgage, for example, I sometimes will write across the face of my card "With Reference To Insuring Your Mortgage," or other data to suit the case. This usually secures an interview.

Policyholders' Rights

Some solicitors claim to represent the company, others claim to represent the policyholder, and still others claim to represent both. I belong to the latter class. It is a mistaken idea that in representing the company you cannot give to the policyholder better service, and in so doing you are representing him. If a policyholder is entitled to certain privileges or surrender rights, I insist upon his receiving them. If, however, his demands are unreasonable, and he should not receive them, I tell him so. I can give to my Penn Mutual policyholders better service than I can the policyholders whom I have been compelled to place in other companies and I can render to this Company better service by being exclusively a Penn Mutual man.

Avoiding Disappointment

The solicitor has many discouraging days and many disappointments. The question of declined cases is, I presume, one of the greatest disappointments to the agent. I have in recent years, however, not been so keenly disappointed as in former years, and the reason is, that if I receive a tip, go to see the man, and find he is not at all interested, my disappointment is not great. If he is interested and I see him again and he finally agrees to make application for a policy and later is examined, I treat the examination as an incident and a part of the work. I do not commence to figure the commission which I will make out of the case, so that when he is examined and declined, I am not so disappointed because I have not counted the commission as earned. The agent who invariably after an interview sits down and figures his commission, or after making the appointment for the examination, sits down and decides what he is going to do with the commission, seldom receives it.

Cause of Declinations

When a case is declined by the medical department, I usually like to know why, and in knowing this, I am satisfied, and drop the case at that point, and do not have the keen disappointment which I would have had if I had planned the spending of the commission.

One of the disagreeable things which we have to do is to report to the prospect the declination. He is usually unreasonable, but it is very important that this should be done. He is then put on his guard and in many cases can remedy the cause.

Getting Names to Work On

There is a great temptation for the solicitor to waste time, and it is not always his fault at the time. There are many days when a solicitor does not know just where to go. If his list is small, his personal calls to the individual must be more frequent. We must realize that on those days the things for us to do is to enlarge the list. One very good way to secure names of firms is to go to a certain neighborhood and from the general character and outlook of the buildings, jot down the names of firms and individuals to whom you may, after looking up, either call or write.

Loyalty to your company is absolutely necessary. If you are not loyal, you cannot be sincere, and every time you advise insurance or sell a contract, you are talking or selling an untruth, for you are doing business with a company in which you do not believe.

If the solicitor is not loyal and talks against his company, the sooner he is dismissed or resigns, the better it will be for both company and solicitor.

So many people are ashamed to ask questions. They have an idea it shows ignorance, while, as a matter of fact, the contrary is the case. If I do not know a thing pertaining to my business, I am not ashamed to ask, and this is the first thing to do. You must ask questions in this business if you expect to know anything about it.

I have stated that the work of the solicitor is made up of nine points work and one point commonsense, and have tried to cover three or four of the nine points.

Commonsense is quite necessary.

If you call to see a man and find he has just started his morning dictation, being extremely busy, the tactful thing to do is to suggest that you will call again; or should you call to see a prospect and find he has just gone to the fifth floor of his factory with a customer, do not let the office boy call him down. It is better to call again.

Do not suggest to the single man who has no dependents, a monthly income contract. Before you suggest this plan, find out if he has someone dependent upon him.

Do not suggest insuring a man's mortgage if he does not own a property.

Do not try to sell the $2,000 a year man a $50,000 or $100,000 contract. You may flatter him and he may prefer to have you continue thinking that he is in a position to pay the premium rather than give you an application for $4,000 or $5,000. The reverse is also true. Do not try and sell the man with a large income $1,000 policy. He may say nothing, but unconsciously resents it.

Do not ask the prospect who will support his wife after his death.

In selling life insurance avoid technical terms. If an agent uses a mass of technical terms, it is no proof that he understands the business. Simple and homely phrases are much more effective.

Do not stay in the office on stormy days because it is stormy. The other fellow is probably doing the same thing. You have a better chance. The bright, sunny days are the ones to choose for your office work. The other fellow is more apt to be out on those days.

Do not try and sell a man one contract when you think he should have another. You unconsciously lose the force of argument.

I have tried in this rambling paper to tell you of some of the work and responsibilities of the solicitor, and the points I have tried to cover may be summarized as follows:

Be loyal to your company.

Have a thorough knowledge of the life insurance business, of the company, of your company's methods of doing business, of its contracts.

Collect dates of births. Know your prospects. Submit the proper contract. Have no side lines.

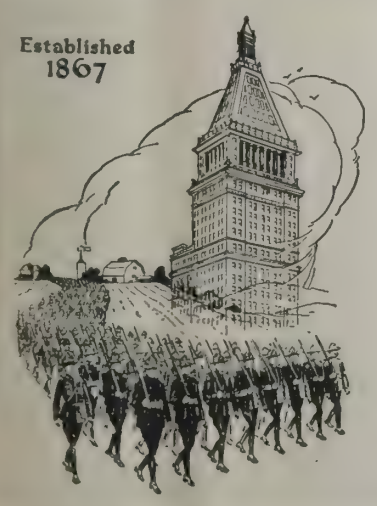
Do not start the day looking for commission; rather find the man who has need for a special service. Render it by selling a contract to suit.

Do not miss an opportunity to render service. No one should be allowed to solicit life insurance until he has a thorough understanding of the company and the policies he has to offer.

The home office clerks last year paid for approximately $1,000,000 of business and there is no reason why with the extra hour daylight and a better understanding of our contract, this amount should not be doubled this year.

Should any of you later on decide to enter the agency work, you may rest assured you will be rendering one of the greatest services possible; you will be putting into the hands of a man's family, at a time when they most need it, necessary funds which in many cases is the only estate and in others will save the remainder of the estate and keep the family from want, and you will have a knowledge that after you have sold a contract, even though the policyholder does not admit it, there is a feeling of gratefulness to the agent for having induced him to give to him that feeling of security which he can only obtain through adequate life insurance.

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Thrive By Thrift

The Puritan Life, of Providence, justifies its name by leading the current issue of the "Puritan Record" with the following article urging the general practice of thrift:

"We of the United States are just getting acquainted with this word 'Thrift' that has been hidden in the dictionary for these many years. Has the war any possibilities of good within it? Many and many of them, and one of these good things to be said of war is that it has pulled 'thrift' from an inactive corner of Webster's and made it a principle of a nation of a hundred millions. From spendthrifts seeking to see with what speed we could dispose of the money we earned we are counting pennies—actually saving them to assist our nation in financing its campaign of liberty. Isn't that very much a worth while thing?

"Life insurance has been trying to make thrift a living word for many years. It has succeeded to the extent that life insurance is one of the great business institutions of the world and yet it has but nibbled at the field. Millions have refused to listen to this talk of saving a bit now regularly that later there may be plenty. Life insurance has been so completely the sole exponent of thrift that the proportion of uninsured who leave their dependents properly cared for is pitifully small. Where the future has been safeguarded it has been done, in the main, by life insurance. So now what better plan of service awaits the non-combatant than to properly protect his family and then save and save for Uncle Sam? He knows he has performed his obligation when he has done this."

* * *

"Sell Or Fight"

By paraphrasing the sense of the Work or Fight order to mean Sell or Fight, the Bankers Life, of Des Moines, points the following moral in "Grit":

"This means you. Washington has decided that your work is essential.

"You must work at your business because it is essential.

"The government has decided that it is necessary for our people to have life insurance and it is up to you to see that they get it. The very importance of your work makes it necessary for you to keep busy. There is not even standing room in America today for the idler, and you have no business to expect food or sleep unless you get out and do your share of the life insurance work which the government considers essential. The work or fight rule applies to you just as strongly as it does to any other man. It is not required of you that you change your occupation and go out into the country and pitch hay or feed the hungry jaws of a threshing machine, but it is required that you go ahead with your regular job and redouble your efforts to accomplish your important duty. It is not only work or fight with you, but work and fight, because a man has to fight to sell life insurance. He has to have the fighting spirit and the determination to mold other wills to meet his own.

"At the same time, you have one distinct advantage over many salesmen at this time. Many men are unable to secure goods for delivery either now or at any definite date in the future. They are up against the handicap of delayed and uncertain deliveries. Your goods are ready for instant delivery all the time and the supply is inexhaustible. Many people have more money than they ever had before. Life insurance is the one commodity that has not gone soaring on account of war times and conditions. It is up to you to make the most of present conditions and do your duty by writing more insurance than you ever did before in your life."

* * *

Agents—Keep Whistling

The fine courage of a Scotch soldier, wounded, whistling cheerfully at his work is the example held up to the agents of the Reliance Life, of Pittsburgh. The Company's "Bulletin" says:

"Scotty goes to his work these days limping—and whistling. A bit of a shell tore away the back of his shoulder at Vimy Ridge and when he was out of the hospital again a machine gun played havoc with his leg as he was going over the top.

"Scotty is a naturalized American, but he could not wait for us to get into the war, so he enlisted with the Canadians. He is back here now, because they cannot use him any longer in the trenches. He will always be a little crooked and he will use a cane all his life.

"But Scotty does not whimper. He whistles with debonair nonchalance. 'The Campbells Are Coming,' as he hobbles down the street. He has had his big moments that some of us will never know, and he has paid a price for them. But Scotty is not doleful. His motto is. 'Keep Your Grin Working.' Can't you keep whistling?"

* * *

What Constitutes Gameness

Over in France the American boys are giving an exhibition of gameness that has filled their fellow English and French fighters—and the Huns too—with awe and admiration. And right here the Federal Life has something to say about gameness which is not amiss:

In the canvass for business these days when competition is keen, it takes game men to land the prospect. Faintheartedness does not mix well with an insurance man's ambition. He must be game through and through. There was a time when our interpretation of gameness meant the stamina to be beaten to death with a club without complaining, but physical stoicism was not necessarily gameness. It usually meant either cave man ignorance or insensibility.

Today the game man is the man who never permits discouragement to beat him. Big men who started with nothing but grit and climbed to the top by fighting every inch of the way were never known to give out interviews telling how they were abused. McCann, Thorp, Wood, Barlow, Barnes and many others on the Federal roster are big men through and through. It never occurred to them that they should expect anything else other than hardships if they were to succeed. That is why they are big. Gameness is the result of cultivation, and it is one of the chief ends of modern education.

The game man will fight on, not blindly, but with method and skill in the face of opposition and turn downs. He is the man who enlists the praise of even his enemies. To the truly game life insurance salesman all territory is alike, all patrons are alike, all prospects are alike. He never goes to open a new account without expecting to have to fight for it. He does not fight with his fists or with abuse; he assimilates abuse, or rather, abuse strikes him at an angle and glances off.

The game life insurance salesman need not be game in a dental chair or game in physical misery, that is the old barbaric gameness that is being bred out of modern folk, but gameness, itself admirable, is not the whole story of achievement. It is the spirit that drives the salesman out on sloppy, cold or disagreeable days that makes him foreswear little pleasures for the joy of winning. His skill, his strategy, his cunning all enter into the play and they are good only as his gameness is dependable. The man who refuses to be licked is the one who captures the grand prize.

* * *

Mid-Summer Tactics

Getting results in the summertime has received no little boost in the Boston agency of the New England Mutual Life by the use of the "Every Day Suggestions" found below, as presented in the "Pilot": Play hard for decision! Many men will offer excuses (not reasons) for delay. It is up to the resourceful agent to make certain emphatic statements, fitting each case, which will create the impulse to act now. Here are five old time statements which have proven effective at the final interview:

1. If you think I am wrong in my advice, say so, and we will drop this subject. If you think I am right in my recommendations, write your name here, and the provision of your wife will be made.

2. As long as you live and have any interest in business, there will always be business uncertainties and unknown taxes and expenses in the future; never will you feel entirely free to assume this insurance without some effort and risk. Do you honestly believe you should delay securing an adequate amount?

3. If you or your wife depended for a living upon the rental from a building, how long would you put off securing fire insurance on the property?

4. Men of means can usually buy anything they want at any time. But not life insurance, for no man can get it without a sound physical condition. More than 10 per cent of the insurance applied for is declined because men wait too long.

5. When you need life insurance, you can't buy it at any price, for the doctor won't pass you. All prudent men anticipate future needs.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

Refuting the Die To Win Theory

OLD POLICYHOLDERS' RECORDS

Insured Can Pay More Than He Receives Only in Rare Instances

It is a common error, says the Mutual Life, to suppose that the holder of a life insurance policy in a mutual company, who pays his premiums continuously during life, may pay in more money if he lives to great age than his estate or he himself will ultimately receive. This could happen only in rare instances and only in the case of certain peculiar forms of policy.

On the 14th of January, 1857, a young clergyman, Rev. Aaron E. Ballard, Jr., thirty-six years of age, insured his life for $1,500 in the Mutual Life. The policy was issued on the ordinary life plan at a semi-annual premium of $21.18, the premiums to be paid continuously until death. Mr. Ballard attained the age of ninety-six on the 27th day of December, 1916, making the seventeenth policyholder who has lived to attain that age or more.

The mortality table upon which our premium rates are based assumes that the insured will not live beyond the attained age of ninety-six, and accordingly the company is always prepared to pay the policy at that age, assuming that the insurance has not previously matured by death. To that end the accumulated reserve necessarily equals the face amount of the insurance at age ninety-six, and it is the practice of the Mutual Life to pay the policy in full at that time if payment is desired. Mr. Ballard, however, had taken this insurance as a provision for his own old age as well as for the protection of his family, and, finding himself still young and active at ninety-six, he preferred to let his insurance go on accumulating for the time being. Accordingly he continued paying his premiums every six months until April 1, 1918, although he had at that date passed the age of ninety-seven years. At the solicitation of the company he then consented to surrender his policy for its cash value, young as he was!

Was Over Ninety-Seven

We have said that the reserve of a life insurance policy equals the face amount at ninety-six. This applies also to the reserve of any existing paid-up additions. If the policy is continued in force after attaining that age, the annual dividend, or refund, will consist thereafter of a return of the premium paid plus interest on the full amount of the insurance, including dividend additions. The total premiums paid by Mr. Ballard on this $1,500 policy during sixty-one and one-half years amounted to $2,605.14, but the dividend additions to the policy during that time footed up $3,110.18, making the total cash value, which he received at the time of surrender, $4,610.18, or more than three times the original face amount of the policy, and nearly $2,000 more than the total premiums paid! It will be kept in mind also that the policyholder had insurance protection during sixty-one and one-half years, ranging from $1,500 in the first year to more than three times that amount in the last year. When he surrendered his insurance Mr. Ballard was ninety-seven and one-quarter years of age.

Reverend Aaron E. Ballard is well known in New Jersey and to thousands of people in other parts of the country. He has been active in business for many years and is president of the Ocean Grove Association, the corporation known to many as the Town of Ocean Grove.

THE WAY OF ASSESSMENTISM

Stafford Benefit Association Members Refuse to Come Across When Crucial Time Arrives

Leroy, N. Y., July 29, 1918.—The order of Justice Dudley that Jesse S. Phillips, state superintendent of insurance, close up the affairs of the Stafford Benefit Association having been filed in the office of the county clerk and also served on Dr. C. E. Dewey, of Batavia, the treasurer of the association, the officers are now awaiting the direction of the superintendent of insurance to liquidate the company's affairs, which it is thought will be received in a few days. As the admitted assets of the company are in cash, and there is no personal property and no real estate to be gotten rid of it is not thought that it will take long to close the matters up.

The total liabilities of the company, according to the moving papers filed, include thirteen death claims of $8,559.60 and assets of $890.44, which is in the bank in cash. Out of the 650 members 607 paid their assessment on March 1st, which was the last assessment made. The moving papers also state that when a circular letter was sent by one of the officers of the company to the members, asking if they would stand an extra assessment, that 225 affirmative replies were received.

An effort was made to have the Metropolitan Life Insurance Company, of New York, take over the entire membership of the benefit association and issue regular life policies, but on account of so many of the members of the association being past the insurable age, the insurance company did not consider it feasible to do so.

TO TIE UP FORESTERS FUNDS

Wisconsin Members Appeal to Courts to Determine Validity of Extra Premium Charge

Madison, Wis., July 30, 1918.—Whether the Independent Order of Foresters of Toronto, Canada, has a right to collect an extra premium of approximately $250 from all members will be tested out in the courts.

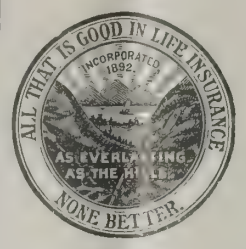
F. H. Hall, John W. Groves and W. H. Orvies, of this city, policyholders, have started an action to restrain State Treasurer Henry Johnson of Wisconsin, from releasing the Order's funds held by the state. The state insurance department recently held that such assessment cannot rightfully be made.

$172,601,640 IN FORCE

The insurance account of the Missouri State Life of St. Louis, shows $172,601,640 of business in force on June 30.

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

Government Bureau Has 2,954,609 Policies

RISKS EXCEED $25,000,000,000

No Apprehension Should Be Felt By Those Who Have Not Received Certificates

Washington, July 28.—More than $25,000,000,000 worth of War Risk Insurance has been applied for by American soldiers and sailors.

Secretary McAdoo announced today that 2,954,609 applications have been made for a total of $25,143,118,000. Within the last few days more than $1,000,000,000 of new insurance was written by the Bureau of War Risk Insurance, and the prediction is made that the July total will approximate four billions.

This means that the average amount of insurance asked for by each man is now about $8,500, and close to the maximum, which is $10,000 for an individual.

More than 1,800,000 insurance certificates have already been mailed to beneficiaries. But the bureau reassures those who have not yet received certificates that the documents are not essential to their receiving insurance, but are simply evidence of the existence of the contract. "No apprehension," says the bureau, "should be felt by persons who have not yet received their certificates," for all are indexed and so recorded that information as to the insured and the beneficiary can be obtained "instantly."

New members appointed on the Connecticut State Council of Defense are Mrs. Morgan G. Bulkeley and William BroSmith.

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

LA MONTE PRUDENTIAL DIRECTOR

Former Banking and Insurance Commissoner of New Jersey Succeeds Late Edward A. Stevens

On a petition presented by Richard V. Lindabury, vice-president and general counsel for The Prudential Insurance Company, Louis Plaut, of L. S. Plaut & Co., figuring as petitioner, Chancellor Walker, has appointed former State Banking and Insurance Commissioner George M. La Monte, of Bound Brook, as a director of The Prudential to succeed Colonel Edward A. Stevens, who died March 8 last.

The appointment was made pursuant to Chapter 81 of the laws of 1907, which provides for the appointment by the chancellor of three directors from the body of the Company's policyholders, the act providing that the appointees must not be stockholders.

The first three to be appointed by Chancellor Magie were Dr. Edward J. Ill, Isaac F. Roe and Colonel Stevens. Their terms were so fixed that a new director had to be appointed each year, and all three original appointees continued to serve together, being reappointed as their respective terms expired, until the death of Colonel Stevens made the first break in the personnel of the trio of policyholder directors.

Since the mutualization of the Company some years ago all directors are elected by the policyholders, but the distinction of directors specially representing policyholders remains.

MINOR MORTON'S CHANGE

Becomes Superintendent of Agencies of the Volunteer State Life of Chattanooga

Minor Morton, for several years manager of one of the Metropolitan agencies of the Equitable Life Assurance Society, has resigned to become superintendent of agencies of the Volunteer State Life Insurance Co., of Chattanooga, Tenn.

Mr. Morton left to take up his new work recently. At a meeting of his agents last Friday, Mr. Morton was presented with an engraved walking stick, as a token of their esteem and friendship.

HELPING BOY SCOUTS

Forrest F. Dryden, president of The Prudential, has appointed a ways and means committee of representative business men to promote the interests of the Newark Boy Scouts and keep the organization strong and active. The men with insurance applications who are on the committee are: Joseph M. Byrne, Forrest F. Dryden, Christian W. Feigenspan, Frederick Frelinghuysen, Williard I. Hamilton.

BUSINESS ESSENTIALS

No. 10—EFFICIENCY

By JOHN K. WEST

Selling is the big problem in the insurance world as it is also in any other business corporation. How to get prospects, how to make the proposition, which is clear in our own mind, clear to the person we are soliciting, how to secure the order for the policy and how to get the premium, are questions therefore of vital interest to insurance companies and agents in the conduct of their business.

A company will often spend thousands of dollars and a great deal of time and thought in developing the efficiency of the home office, inventing new methods of doing work, but expects the agent, new or old, to go out in the cold world without a thorough knowledge of the business and send in the applications and the money with which to run the business. The company and the official that specializes on getting business rather than planning a lot of fussy detail is the one that gets the business. There was an insurance company once which hired the services of an expert in office efficiency. He went so far as to check each employee in and out of the building. He put time clocks in effect. If a clerk wanted to wash his hands he would have to present a check for a towel, etc. The sales end of the business was not so carefully analyzed and was allowed to mosey along. No wonderful economies were effected in the office and on the other hand business on the outside kept constantly falling off. At a directors' meeting inquiries brought out that not enough attention was being given to the real money end of the business and too much attention was being given to minor details. As a result. the efficiency expert was fired and a real live wire installed to boost the sales end.

Giving Freely of Oneself

Have somebody go out into the field and ask the agents what they know about the business and the cultivation of outward expressions which create desirable mental states in the minds of prospects so that they may impress them properly. Send company ambassadors to the four corners of the country and find out what the agents know about the company which they are supporting. Every company owes it to itself to test its agents and find out what they know and what they don't know.

To be efficient does not mean to shackle yourself with a whole lot of red tape and bugaboo system. It does not mean to develop an all-important personality. It is not being obstinate and cocky.

Efficiency is simply the science of doing and acting in the easiest way to attain a result. This manner of conduct does not imply that you are to sit down in your office and wait for business to come in. It means giving freely of yourself to everybody you come in contact with. It means warming up sincerely to your prospects and trying for all you are worth to benefit them in every possible way. It means the proper development and control of that powerful instrument of yours which unconsciously and instinctively affects every one you come in contact with—your outward expression, your carriage and walk. It means shaking hands sincerely as if you meant it. It means keeping your clothes and linen clean. It means always doing the things you should do even if you don't feel like doing them at the time. True efficiency means to find the one best way of doing a thing and then doing it that way.

An efficient agent must keep proper records. He must have prospect lists with fairly complete histories of the men he is going to meet. He must know about the books of accounting in his office and keep proper records of each purchase and sale. He must manage his money well. He must have a stock of immediate cash and a growing reserve fund and should therefore make a systematic deposit of at least 10 per cent. of his monthly income in a savings bank. His income sheet should show commissions received, interest on his investments and other income. His expense records should explain his outgoing money spent for food, coal, insurance, telephone, light, clubs, interest on loans, automobile expense, etc.

Working on a Budget

Every agent who desires to attain full and complete efficiency should have a budget system. A budget you know is a comprehensive plan of action for a definite time in the future. The budgets you have probably been accustomed to are the financial budgets of the National Government, or the town in which you are located. You can apply the same scheme to your business and private affairs.

Efficient methods of the day require that everyone make a budget for himself, not only of definite amounts he expects to lay aside for his various household expenses, insurance, recreation, and education, but of what he expects to accomplish during a week, a month or a year, as the case may be.

You have got to have a planning department. The rest of your life is merely carrying out the details. Is your office arranged in a manner to secure quick results? Do you clean up your desk every night? Do you think out improvements?

A great institution might well be founded for the sole purpose of teaching men and women how to make budgets, how to plan their work and play, how to be efficient.

There is no magic secret to success in the insurance business. You have but to stretch out your hand and grasp the things that make for success. You don't have to go round from prospect to prospect asking favors. It is your privilege to grant them, to perform service for some one else. To constantly do good to others is to constantly benefit yourself.

All Have Personalities

The gradual degeneration of an agent's energies is because he fails to keep his business fresh in his mind, because he fails to plan his work. The inefficient agent is simply a result of a lack of vision, a twisted imagination. A poor agent wearies his brain waiting for fortune to smile upon him, but life has so many pathways and the slack agent usually follows the easiest way thinking over his past disasters and successes.

Do you remember the story of Dr. Jekyll and Mr. Hyde? How one man had two entirely different and separate personalities? One a professional man of the highest skill and the other a ravenous beast and murderer.

Well, an insurance agent and everyone else has two personalities, not we hope the same as Dr. Jekyll, but two personalities anyway. One personality is that puny, selfish thing inside you that leads you downward. Your body is filled with fear, you hate to meet your prospects. Your mind is distorted with worry, sickness, weakness and failure. You don't feel like getting up in the morning. You had rather lie

(Continued on page 11)

THE TRAVELERS
INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

New York Life Insurance Co.

FIVE YEARS OF EFFICIENT SERVICE
INCLUDING
THREE AND ONE-HALF YEARS OF WAR TIME

During the Five Years ending December 31, 1917, the New York Life

Received in Income	**$667,884,000**
Paid Policy-holders	**382,875,000**
Increased its Resources	**215,272,000**
Increased its Insurance in Force	**503,535,000**

THE BUSINESS OF 1917 EXCEEDED THAT OF 1912.

In Income	**$27,325,000**
In Amount Paid Policy-holders	**25,337,000**
In New Insurance	**119,917,000**

The increase in Business and Resources in Five Years equals the Business and Resources of a very substantial life insurance company, and this new Company is returning to policy-holders 92 per cent. of its entire income. It is also adding forty million dollars a year to its resources and one hundred millions a year to its insurance in force.

HELPING WIN THE WAR.

Since the war began, in August, 1914, the New York Life paid to December 31, 1917, 998 war losses amounting to $3,007,223. There were 238 reported losses for $607,084 awaiting proof on December 31. The Company had so carefully guarded itself against extra mortality by reason of war that, notwithstanding the world-wide character of the conflict, the percentage of its actual to its expected mortality has not been appreciably affected. This percentage for 1917 was 70.85—the lowest of any year since the Company has kept complete mortality statistics.

The Company owned Liberty Bonds on January 1, 1918, to the amount of $12,075,000, and subscribed for $20,000,000 of the Third Liberty Loan.

There are Four Hundred and Twenty-six Stars in the Company's Service Flag, and one of the Home Office boys—Frank J. Brandreth, of the Rainbow Division, has already won the French War Cross.

The Company has afforded the Government every assistance in its power in formulating and carrying out the plan of Government Insurance on the lives of soldiers and sailors. Agents are forbidden to accept applications from soldiers or sailors unless they have already taken the limit with the Government.

EVERY MAN'S BUSINESS.

Just now it is every man's business to Help Win the War. Our daily occupations are incidental; winning the war is our real business.

Winning the war is our real business because back of that lies the chief and ultimate purpose of life—making the world a safe place for women and children. And that is the aim of Life Insurance in war time and in time of peace.

The Government has recognized this in the provision made by life insurance for the families of those who die or are disabled in the service. The man who stays at home and does less is a slacker.

NEW YORK LIFE INSURANCE CO.

DARWIN P. KINGSLEY, President.

Travelers Wisconsin Men Hold Meeting

COMMISSIONER CLEARY SPEAKS

State Manager T. H. Richey Presides at Enthusiastic, Patriotic Banquet of Agents

Madison, Wis., July 30, 1918.—That insurance is an essential wartime business was the keynote of an address by Burr Scott of Milwaukee, at the banquet on July 26 marking the close of the annual convention of the Wisconsin organization of the Travelers Insurance Company, at Madison.

Mr. Scott talked on "Claims Before and After the War."

"It is the duty of every man who can go, to fight in the trenches," said Mr. Scott, "but the duty of the insurance agents who can not go is to stay on the job, and to put other men on the job.

"When we win this war, and we will win it, our fight is to give the men their compensation, or there will be a calamity in this country. Just as sure as insurance is not secure, it is not insurance. Insurance, the right kind of insurance, is an essential business, for it will contribute to the business after the war and will help save the world from financial calamity."

Other speakers at the banquet were T. H. Richey, general manager for Wisconsin, of Milwaukee who presided; Solomon Levita, a Madison banker, on "The Bankers' Viewpoint on Insurance"; T. P. Konop, member of the Industrial Commission on "Accidents and Prevention"; M. J. Cleary, state insurance commissioner, on "Insurance as Essential Under Existing Conditions"; and T. F. McPherson, a Madison newspaper man, on "Keep the Home Fire Burning."

Richey Led Discussions

The convention was held under the auspices of the $100,000 Life club, and the Madison agents, L'Hommedieu & Gasser, acted as hosts. T. H. Richey of Milwaukee, state manager of the life department, led the discussions. Seventy-five agents were present.

This was the first time Manager Richey appeared before the Wisconsin organization, and as a tribute to him the agency force presented him with applications for new business totalling $387,000 and $1,400 in accident and health premiums. Mr. Richey came from Portland, Oregon, and has been Wisconsin manager for only a few months.

O. F. Brandt of Green Bay, Wis., presided at the first session. E. F. Carey of Milwaukee, special agent, gave a sales talk on accident and health insurance.

F. E. Pettric of Wausau, district agent, read a memoriam to the late P. H. Gordon, former manager of the life and accident department who was accidentally killed in Milwaukee last winter.

J. C. Coffman, special representative of the agency department of the Home Office at Hartford, Conn., and manager H. A. Gilchrist of Grand Rapids, Mich., also spoke briefly.

Casualty Not Neglected

At the liability and compensation session, Thursday afternoon, sales talks and general business discussions were conducted under the supervision of L. H. Armstrong of Milwaukee, state manager of this department. B. J. Scott, of the legal department, Milwaukee, addressed the agents on the legal and claim adjusting phases of liability and company business. F. A. Fagan, Racine, and L. L'Hommedieu, Madison, spoke on casualty business from a local agent's standpoint.

State Manager Richey devoted three hours Friday morning to discussion of best methods of pursuit in selling insurance. He declared the government realizes that insurance is essential and in last order life insurance companies were not included as unnecessary lines.

H. A. Droege of Eau Claire, Wis., urged all agents to use surplus energies to the utmost and thereby release more men for service "over there." The Company's service flag at the Home Office contains 700 stars and several gold ones.

W. A. Schmitz of Milwaukee spoke on "Non-Participating versus Participating."

The recreational side of the meeting included a boat ride around Lake Mendota, with a chicken supper and program at Camp Indianola.

WAR CLAIM EXPERIENCE

New England Mutual Life Gives Statistics Showing Number of Persons and Policies

During the first six months of this year the number of claims occasioned by the war naturally has increased. Considering the many thousands of Americans now actively engaged in this conflict, the increase appears even less than might reasonably be expected.

The claims paid, or reported, to date, incurred before and after the entry of the United States into the war, are as follows:

	No. of Persons	No. of Policies	Amount
Deaths prior to April 6, 1917	5	5	$30,500.00
Deaths in 1917 after April 7 (all in U. S.)	5	7	17,566.00
Deaths in 1918 (in U. S.)	16	18	31,121.00
Deaths in 1918 (in Europe)	14	16	60,504.16
Totals	40	46	$139,691.16

The deaths in this country have resulted from disease or accidents in camps. Of the fourteen occurring abroad this year, eight have been met in action, one on a torpedoed vessel, two resulted from accidents, and the causes of three have not yet been established, but are reported as "in action." —"The Pilot."

Business Essentials

(Continued from page 10)

in bed an extra half-hour or so. You sulk at your family at the breakfast table. Find fault and grumble all day. You dream of a wonderful sale you made a month ago. You think of a hard throw-down you got yesterday.

Harmonize With Conditions

The other personality is that splendid structure inside you that fears nothing, that does not cringe before his fellow man. His mind is gloriously filled with good thoughts of harmony, ability and power. He does not think about the things in life he does not want, but has faith in his ability to create greater things. When business is desired he goes into his sanctum sanctorum and plans his attack to produce business in spite of conditions and environment. Failure is impossible to him who puts himself in harmony with conditions. He gets up at a certain hour in the morning, goes through some snappy exercises to keep his internal organs in physical trim. He goes down to breakfast with a smile on his face and cheer in his heart. He greets every one with happy remarks. He tackles his business full of "pep." He is a born leader. What he asks is granted. What he does is good. What he gives is service. It is needless to say which personality you should have in your zenith.

Efficiency in insurance solicitation consists in being a creator of business, having a singleness of purpose and preparedness.

By self-analysis, study and then application and enthusiasm you can arrive where there will be every greater demand for your services than at present.

Some Stand Still

Agents should be impressed with the fact that they not only represent the company, but that in many cases they are the company in their own territory. If they are slovenly in their attire, impolite, careless in conversation, unbusinesslike in their methods, their company will stand in the same light and be shunned.

Look about you and you will find hundreds of agents who are standing exactly where they stood a year ago, five years ago or ten years ago. The days have simply come and gone, and there has been no advance. There is a reason.

Others you know have gone right up the ladder and become master salesmen and leaders in the business. Find out where you waste your time, organize yourself to run smoothly, have a time for everything, carry out your plans without any exceptions, compare your efficiency with what you want it to be, speed up, set a record for yourself, and employ every moment of your time in work and play in the best interest of yourself, and you will be amazed at your accomplishments. You will be efficient.

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President

A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY

Edward D. Field, Superintendent of Agencies

CENTURY LIFE INSURANCE COMPANY — CENTURY — INDIANAPOLIS, IND.

1 REASON Our Policies Sell

OUR POLICY CONTRACTS contain all provisions consistent with safe underwriting and are guaranteed by a deposit of the full legal reserve with the State. Our promises are all in our contract. Good contracts for up-and-doing agents.

THOMAS J. OWENS, Pres.
DR. ALBERT SEATON, Vice-Pres. & Med. Dir.
CLAUD T. TUCK, Secretary

The Connecticut Mutual Life Insurance Company
PRESIDENT JOHN M. TAYLOR, HARTFORD, CT.
Insurance in force, 113,918 Policies for..... $270,243,227.37
WHAT NO OTHER COMPANY HAS DONE
To repay to its Policy-holders in Death Claims, Endowments, Dividends, Surrender Values, Annuities and other credits more than they have paid to it in premiums.
It stands alone in that result.
Total premiums received, Dec. 1, 1846, to Dec. 31, 1917 ..... $318,963,384.44
Total returned to Policy-holders, as above noted, in same period..... 326,786,585.46
Excess of amount returned..... 7,823,201.02

PENNSYLVANIA OPPORTUNITY
If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.
Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

GOOD TERRITORY
still available for development by the
RIGHT AGENTS
..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.
Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, President
GREATEST ILLINOIS COMPANY
WANTS GOOD MEN AND WILL PAY THEM WELL

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone 2497 John.

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WOMEN AND CHILDREN SUFFER

The Equitable Life Assurance Society of New York has issued a statement to the effect that during the first six months of 1918 it was obliged to decline more than 4,000 applicants for life insurance. Most of these persons could have secured insurance at some previous time, but through neglect, indifference or procrastination they let the opportunity slip by. When at last they were ready, time had taken its toll and rendered them uninsurable. Most unfortunate of all, the loss of the insurance will not fall upon them but upon their dependents. Another example of the innocent suffering for the guilty.

Illustrating further the advisability of applying for insurance before it is too late, and indicating incidentally the uncertainty of life, attention is called to the 91 death claims paid by the Equitable during the first six months of 1918 on policies in force for less than one year. This figure excludes many similar cases in the group department, where the insurance was applied for not by the individual but by his employer.

WHEN WAR SAVINGS CERTIFICATES MATURE

Life insurance men may well take a leaf out of the bankers' book. They are preparing to reap the harvest of war thrift. The bankers realize that they can do effective work by encouraging the continuance of the saving habits now being instilled into the minds of the American people. There is no better way to save than through life insurance. This is how one banker views the situation:

"Emergency is often opportunity in disguise, and the far-seeing banker today looking ahead through the War Savings campaign to 1923 sees wonderful opportunities as the result of the present national emergency.

"The world is entering a new era. How to make this era of material advantage to the banks is one of the important questions of the times, and it is fortunate that there are few bankers in America who will not see the wonderful opportunity that lies in their business path through active participation in this great educational campaign for which the War Savings Stamp stands.

"My vision of the War Savings campaign shows Uncle Sam astride a great machine that is sowing the seeds of thrift. We bankers are standing at the edge of the furrows, watching the experiment with much interest. And then, when the field is sown, Uncle Sam shouts back at us—'Now you fellows, I've done the sowing—it's up to you to reap the harvest. Better oil up your machinery now!'

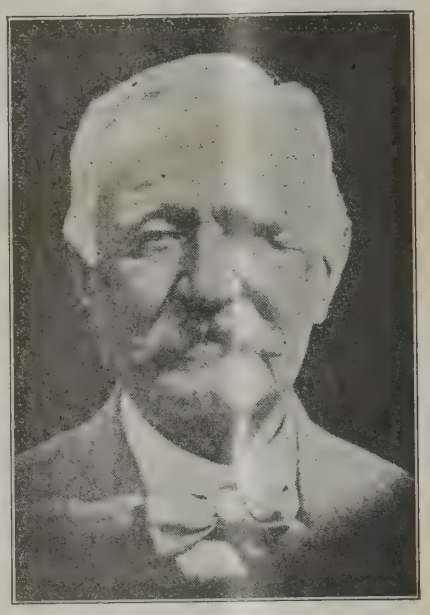
"What an opportunity lies before us. The economics of the present, forced upon a spendthrift nation by the demands of the world war, are converting our people into a nation of savers, whose patriotic thrift will bear fruit, sweet alike to the individual saver and to the American banker when, five years from now, the two billion dollars of small savings lent to the Government through the purchase of War Savings Stamps will be returned to the lenders!

"The maturing of the 1918 issue of War Savings Certificates in 1923 will mean money coming back into practically every American home. What is to become of that two billion dollars? And what lasting effect will its accumulation now, by hundreds of thousands of Americans who never saved before, and its re-distribution in 1923, have upon the banking fabric of our country?"

PART PLAYED BY UNIONS IN PROVIDING DISABILITY INSURANCE

That local labor unions do really very little toward carrying the sickness burden is the opinion of many who have given the subject of social insurance close study. Therefore, their activities in this direction are no obstacle to the man selling disability insurance. In the Bureau of Labor Statistics, in Washington, it is believed that the part played by the labor unions has been greatly exaggerated. "In the first place," says the head of the bureau, "the benefits paid, in many instances, would not pay for the medicines, let alone provide sustenance for a family. In the second place, no trade union benefit fund in existence pays for medical and hospital service—the most expensive part of the whole thing is not provided for at all. The bureau thought it was going to get a great amount of material from the local unions. Let me tell you one experience we had with the United Mine Workers. The United Mine Workers were very much interested in our study of trade union benefit funds, and they agreed, if I would send the schedules of inquiry to them the secretary of the union would send the schedules out to the local unions. He estimated about how many schedules he would need, so I sent him three thousand. I cannot now remember how many returns he got, but it was very much less than two thousand—most of them said 'We pay no benefits,' so that material was negligible and perfectly worthless. I assure you that most of them don't do anything that is worth recording—a few of them do, but the number is so small that it is not worth while making a separate tabulation of them."

THE HUMAN SIDE OF INSURANCE



HON. MORGAN G. BULKELEY

Hon. Morgan G. Bulkeley, president of the Aetna Life, Aetna Casualty & Surety, and the Automobile Insurance Company of Hartford, walked around with a broad grin on his face last week when the field men's conference of the above mentioned companies was in progress in Hartford. Those in attendance called it the "president's satisfaction smile." To gaze into the face of the man power which is conducting the affairs of the Aetna combination in the Home Office and afield, and then to get a glimpse of the figures showing what was accomplished by the institutions of which he is the head, during the first six months of this year, gave him just cause to "grin." President Bulkeley can say with just pride, that he has chosen well his subordinates. The figures for the three companies, outside the life deparment, showed a gain in premiums of more than $5,000,000.

* * *

Clifford Francis Lovell, local agent at Jacksonville, Fla., is exceptionally versatile in concocting new advertising ideas. His latest innovation is a six stanza poem entitled "America's Salute to the Kaiser" in which he uses a truly Southern vocabulary. The poem is dated July 4 and is arranged attractively with the author's photograph.

* * *

H. W. Gennerich, general agent in New York City for the Guardian Life, on the thirteenth of this month completed his fourth year with the Company. In the four years his paid personal production amounted to $3,055,100, with premiums amounting to $97,765. The policies placed by him averaged $3,100, and the Guardian says they renew like clockwork.

* * *

Lieutenant John P. Davis, of Madison, Wis., has been ordered to England and France to study night bombing for the government, and on his return will have charge of that phase of aerial fighting at United States bombing schools. Lieutenant Davis who enlisted in aviation a year ago, was with the Northwestern Mutual Life Insurance Co.

* * *

James M. Woodhouse, formerly general agent for the Phoenix Mutual for Indiana, has been transferred to Hartford, where he will be connected with the Connecticut Agency. Mr. Woodhouse made a great success in his work in Indiana and leaves many friends there. He is returning to his old home town having been born in Wethersfield, a town just outside of Hartford.

* * *

Burton M. Mason, formerly of the National Fire Insurance Company and son-in-law of Frederick A. Griswold, general agent of the Northwestern Life for Connecticut, was captain of Company C of Connecticut draftees which left for Camp Devens, Ayer, Mass., last Wednesday.

* * *

George R. Hess, of George R. Hess & Co., returned to Chicago on Tuesday after having been in charge of the New York office of the agency for the month of July during the absence of J. J. Hartnett, who was traveling in the West.

* * *

Everett K. Hawley, formerly of the Ætna Life Insurance Co., has been commissioned as a second lieutenant in the Army Aviation Service and will serve as a balloon observer. He is stationed at present at Fort Omaha, Nebraska.

* * *

A. K. Simpson, Eastern manager of the Fireman's Fund, of San Francisco is expected back in Boston this week from attending the meeting of the managers of the Fireman's Fund in San Francisco.

* * *

William Smyre, newly appointed general agent of the Philadelphia Life at Newport News, Va., has insured whole family of six. He started out with one and before the day's work was over he had landed all of 'em.

* * *

Louis Tofte, formerly of Cornwall & Stevens, was in New York for a few days this week on his way from Ithaca where he has been attending the aviation training camp, to Texas where he will complete his training.

* * *

Schuyler Ten Broeck, of the T. M. Ten Broeck agency, has been made midshipman in the Navy.

Enthusiasm In Peace Or War

It matters not what the undertaking may be whether fighting for our country and the preservation of democracy or whether building a business. Enthusiasm is applicable, not only to your country in this time of peril but it can as well be applied to your own affairs and to the company you represent. It wins business for you, it maintains independence for your country and assures financial independence for yourself.

Be loyal to your country and to your flag and be loyal to the institution which you represent. Enthusiasm not only wins battles but it wins success in any line of endeavor you may name. It has been said that "Mountains can be moved by it." Be sure that you possess it at all times, think it and feel it and in your daily rounds in solicitation of business, it will be imparted to others and it will be unusually hard for resistance to overcome your arguments.

AGAINST SOCIAL INSURANCE

Massachusetts Constitutional Convention Votes Against Proposed System by Heavy Majority

A resolution permitting the legislature to establish a system of social insurance was rejected by the Constitutional Convention of Massachusetts, July 30, by a vote of 107 to 43. The argument that social insurance ideas had enslaved the Germans killed action on the measure.

FIRE INSURANCE DEPARTMENT

No Action Taken On Enemy Alien Clause

BACK TO ORIGINAL COMMITTEE

Mortgage Companies and Brokers Present Views—To Be Taken Up in Washington

The entire controversy relating to the enemy alien clause in fire policies has been referred to the president, the chairman of the executive committee and the manager, with the request that they confer on the subject with a committee of which F. W. Jenness is chairman and with the Committee on Laws of the National Board, it being understood that those committees and counsel of the National Board have already taken steps to confer with other interested parties looking to any necessary revision of a "trading with the enemy" clause recently promulgated by the executive committee of the New York Exchange and other insurance organizations.

This week the New York brokers, acting through their board of directors, addressed a letter to the Exchange, expressing an earnest desire to co-operate in the spirit of the clause as it stands but expressing the belief that its legitimate purpose has been far exceeded and offering the following substitute:

No liability under this policy does or shall exist in favor of an "enemy" unless, by license from the President, permission has been granted to insure the property or interest of an "enemy" covered hereby. If any liability shall accrue hereunder, to a party other than an "enemy," on account of the destruction of property of an enemy the amount thereof shall be reported and paid to the Alien Property Custodian in accordance with the "Trading with the Enemy Act."

The word "enemy" as used in this rider shall be deemed to include an "enemy" or "ally of enemy" (as defined in the Act of Congress, approved October 6, 1917, known as the "Trading with the Enemy Act" or amendments thereto, or in any proclamation of the President pursuant thereto) or a party who is acting for, or on account of, or on behalf of, or for the benefit of an "enemy" or "ally of enemy."

An informal conference of company managers was held, the chairman being C. A. Ludlum, of the Home. The Representatives of the mortgage companies present at the conference said that it would invalidate so many of their policies that they would decline to accept the original clause.

WESTERN UNION MEETING

The annual meeting of the Western Union will be held in New London, Conn., September 4 and 5. Thomas E. Gallagher, of the Aetna, Chicago, is chairman of the program committee.

Auto Construction To Be Considered

CHICAGO CONFERENCE CALLED

Insurance Men, Laboratories and Manufacturers Expected to Take Part

August 6 a conference will be held in Chicago to consider a number of problems affecting automobile hazards —fire, theft and liability. The questions to be considered involve methods and styles of manufacture of cars, which have a bearing on the fire, theft and liability hazards.

This matter is being handled by a council composed of automobile insurance men, manufacturers and representatives of Underwriters' Laboratories. The work of passing on automobile locks and inducing manufacturers to place locking devices on their cars is part of the proposed system of accident, fire and theft prevention. Wiring, carburization and safety factors are among the subjects to be talked of.

Those Who Will Attend

Those who are expected to attend the conference from the East are: C. S. Timberlake, Hartford; T. A. Kruse, New York; F. D. Bennett, Boston; S. Y. Tupper, Jr., Atlanta; J. D. Vail, Chicago.

Mr. Timberlake has for some time entertained the view that all cars should be thoroughly tested by Underwriters' Laboratories for defects which might constitute contributory causes of accident, fire or easy theft. Laboratories are issuing labels in accordance with its findings, the same as is done by it now in connection with other manufactured products.

SEEKING MORE INSURANCE

Committee Appointed to Consider Provision of Larger Fire Lines on Government Work

Lyman B. Case of the London Assurance, acting as chairman at a meeting held in New York this week appointed the following committee to consider ways and means for adequately meeting the requirements for fire insurance on government work:

C. G. Smith, Great American; Fred Koeckert, Continental; Frank Lock, Atlas; F. C. Buswell, Home; N. S. Bartow, Queen.

This problem also became acute in the West in relation to grain risks. In short, the war work in many plants has grown to such proportions that the hazard has become abnormal, requiring special consideration by the companies in order to furnish the required coverage. It would not be difficult to furnish all the required insurance if all the plants were reasonably good risks but this is not the case. In the East this subject embraces not only grain risks but a large miscellaneous class.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

WANTED

"The Agency of a good American fire insurance company for this district. This is a six year old Agency, with a constantly increasing volume of business. Correspondence solicited."

Address, WILKES-BARRE
Care of
THE EASTERN UNDERWRITER
105 WILLIAM STREET, NEW YORK

Great American Insurance Company New York
INCORPORATED – 1872
STATEMENT JANUARY 1, 1917
CAPITAL
$2,000,000
RESERVE FOR ALL OTHER LIABILITIES
10,954,055
NET SURPLUS
10,759,422
ASSETS
23,713,477

HOME OFFICE No. 1 LIBERTY ST.
NEW YORK CITY

CHARLES G. SMITH, PRESIDENT
JESSE E. WHITE, VICE PRESIDENT
EDWIN M. CRAGIN, SECRETARY
ALEXANDER R. PHILLIPS, ASST. SECRETARY

THE
TOKIO
MARINE AND FIRE
INSURANCE COMPANY
LIMITED

UNITED STATES FIRE BRANCH
J. A. KELSEY, General Agent
80 MAIDEN LANE, NEW YORK

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

"ALL STARS" OUTSTARRED

Newark Insurance League Holds Highly Successful Outing at Maplewood Resort

The New Jersey Fidelity & Plate Glass ball team, champions of the Newark Insurance League, kept up its winning streak July 27 at the outing and shore dinner of the League at Maplewood, defeating the "All Stars" 8—4. A last inning rally did the trick after the Stars had taken the lead in the first. The box score:

N. J. Fidelity	Runs	All Stars	Runs
F. Bragg	1	J. Jeffery	1
R. Fraser	2	J. Junior	2
C. Knispel	1	W. Ponsford	0
J. Chip	1	E. Henofer	0
T. Bedford	0	C. Maher	1
J. Bertsch	0	T. Luehs	0
H. Sonn	1	H. Neubauer	0
G. Hastings	1	Adlon	0
S. White	0	Hulbert	0
*W. Saul	1		
Total	8	Total	4

*Batted for White in seventh inning.

								R.	H.	E.
N. J. Fidelity	0	0	0	0	0	2	6	8	7	0
All Stars	2	0	0	1	1	0	0	4	8	0

Following the ball game, races were held with the following results:

Circling the bases: Won by R. Fraser, N. J. Fidelity; Second, H. A. Sonn, N. J. Fidelity.

Seventy-five yard dash: R. Fraser; second, C. Knispel, N. J. Fidelity.

Three legged race: Hulbert, of the Travelers office, and Day, of the N. J. Fire.

Shoe Race: T. Luehs, N. J. Fire; second, J. Chip, N. J. Fidelity.

It was no surprise to the spectators that Luehs located his shoes so quickly. Managers R. Fraser and W. Ponsford, rivals in the baseball game were paired in the three legged race. They fell flat. It was said "Billie" would let his eyes wander from the track to the fascinating spectators.

The companies represented were the American Fire, Firemens, Travelers, Aetna Life, N. J. Fidelity & Plate Glass, N. J. Fire, Royal Insurance, Phoenix Assurance.

League President Harold A. Sonn, presented to Manager Robert A. Fraser, on behalf of the New Jersey Fidelity & Plate Glass, the McGregor Cup, in recognition of having won the baseball championship. Each man on the winning team was given a silver medal. The League Cup, for second place, was awarded to Manager Ponsford on behalf of the New Jersey Fire.

WAR TIME MISTAKES

Schlesinger Agency of Newark Issues Circular Asking Customers' Forbearance of Conditions

Local agents in all parts of the country are using various expedients to reconcile their clients to incompetent and insufficient help and other war time disadvantages, one of the most striking being that adopted by the Schlesinger agency, of Newark, in the form of the following circular issued last week to their customers:

"This great country of ours has asked and is asking for men and women who have been working for you and for us. These workers step from behind the counters, lay down their pens, leave their machines, and go into the country's service.

"Their places have been filled with others unfamiliar with your requirements and our ways. Due to this condition, mistakes may be made which will annoy you. The number of these mistakes will increase as the war continues, irrespective of our efforts to avoid them.

"For our mutual benefit, we ask your help during these strenuous times; notify us immediately whenever we make a mistake.

"This is the spirit in which we are working and we will appreciate your co-operation."

NOW OSCAR V. BARGER'S SONS

Peekskill Agent Following Long Confinement in Hospital Retires From Business

Oscar V. Barger, of Barger & Powell, for more than a generation local agents at Peekskill, N. Y., who, as recently published in The Eastern Underwriter, has been confined for some time in the Peekskill Hospital, has retired from business. The business has been taken over by Mr. Barger's sons, Herbert L. Barger and Henry Barger, and the agency has been reorganized under the firm name of Oscar V. Barger's Sons. Mr. Barger has long been the sole head of Barger & Powell.

Herbert L. and Henry Barger have been active in the agency since graduation from the local schools and are familiar with every detail of the work. They will represent in Peekskill the American, of Newark; Automobile Insurance Co., Commercial Union, Continental, Fire Association, American Alliance, Great American, Glens Falls, Globe & Rutgers, Hanover, Hartford, Law Union & Rock, Mechanics & Traders, North British & Mercantile, Northwestern National, Philadelphia Underwriters, Queen, Scottish Union, Security, Springfield F. & M., Fidelity & Casualty, Fidelity & Deposit, National Surety, State of Pennsylvania, Sun and Travelers.

SELLING SHIP BUILDERS

B. G. Wills, superintendent of the automobile department of the Firemen's Fund, commenting upon the increased volume of automobile premiums of the Company, says that a large percentage of the business from San Francisco brokers and business firms is on cars purchased by shipyard workers at the Union Iron Works and other plants. Automobile salesmen are taking advantage of the sudden prosperity of this class of workmen, approaching the men when they emerge from the shops. Sales are often closed on the spot, the purchaser driving his new car home.

PEACE MADE MEMBER OF FIRM

John Peace, underwriter of Willard S. Brown & Co., has been made a member of that firm. Mr. Peace has been with Willard S. Brown & Co. for about twenty years and had previously been with the former agency of Burke & Brown.

The Home Fire & Marine, of California, is now in forty-six states.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

BRITISH AMERICA ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918
Assets $2,192,173.14
Surplus in United States..... 772,927.35
Total losses paid in United States from 1874 to 1917, inclusive 25,298,472.00
W. B. MEIKLE, Pres. & Gen. Mgr.

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $109,000,000
Losses Paid in U. S. $40,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY

The Gamewell Fire Alarm Telegraph Co.
Fire Alarm and Police Telegraphs for Municipal and Private Plants
OVER 1500 PLANTS IN ACTUAL SERVICE
GENERAL OFFICES AND WORKS
NEWTON UPPER FALLS, MASS.
AGENCIES
5708 Grand Central Terminal, New York
448 John Hancock Building, Boston, Mass.
1216 Lytton Building, Chicago, Ill
335 Wabash Building, Pittsburgh, Pa.
915 Postal Building, San Francisco, Cal.
304 Central Building, Seattle, Wash.
Utica Fire Alarm Telegraph Co., Utica, N. Y
Northern Electric Company Limited, Montreal, Canada
General Fire Appliances Co., Ltd., Johannesburg, South Africa
Colonial Trading Co., Ancon; Canal Zone, Panama
F. P. Danforth, 1060 Calle Rioja, Rosario de Santa Fe, Argentine Republic

THE HANOVER FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Sayville Host To Fire Men

UFFOLK COUNTY FIRE BOARD

econd Annual Dinner Attracts One Hundred and Thirty—Cox and Miller Speak

Sixteen new members of the National ssociation of Local Agents were se- ured on Wednesday at the second an- ual dinner meeting of the Suffolk ounty Board of Fire Underwriters, at idewater Inn, Sayville, L. I. The six- een members were obtained in less han that number of minutes by Secre- ary A. C. Edwards, of Sayville.

Mr. Edwards secured the signatures f the first sixteen men interviewed nd was only prevented from procuring nore by the fact that Secretary Chaun- ey S. S. Miller, of the National Asso- iation, had not brought more applica- ion blanks with him.

The additions to the National Asso- iation were effected after Fred J. Cox, f Perth Amboy, chairman of the exec- utive committee of the National As- ociation, and Mr. Miller had made pirited talks on the benefits of the ssociation to the local agent. Mr. Cox nd Mr. Miller were introduced by oastmaster and President Henry A. Murphy, of the Suffolk Board, former New York State assemblyman from that listrict, who then introduced Henry E. Hess, manager of the Suburban Fire nsurance Exchange. Mr. Hess con- ined himself to the telling of an necdote.

Following Mr. Hess, John B. Knox, ecretary of the Phoenix, of Hartford made a short talk, and J. W. Cary, local gent at Cincinnati, O., was also called pon.

Included among the guests of the Board were S. R. Kennedy, secretary Fidelity-Phenix; George A. Clark, as- sistant secretary Home; Henry D., Layton, secretary National, of Hart- ford; Herbert Maxon, assistant secre- tary American Eagle; Paul Clark, spe- cial agent, Great American; L. C. Dameron, general adjuster, National, of Hartford; Frederick Hoadley, secre- tary, American, Newark; L. F. H. Peck, special agent, Providence-Washington; Fredk. Heath, Long Island agent; Fredk. Weissman, special agent, Au- tomobile Insurance Co.; M. S. Reeves, special agent, Pennsylvania Fire; W. A. McGuire, special agent, Glens Falls; Walter Lau, special agent, City of New York Fire; Geo. C. Damon, Jamaica agent; Max Liebler, special agent, Continental; Wm. A. Page, special agent, Phoenix, of London; Edward A. Ryan, special agent, Hanover; F. C. Smith, special agent, Westchester; C. A. Stroebel, special agent, Security; H. W. Knight, special agent, Glens Falls; F. A. King, special agent, Great American Underwriters, and Miss Eleanor Wiggins, Patchogue agent.

CENTRAL NATIONAL GEN. AGENTS

H. Donald Rickert & Co., Lancaster, Pa., Appointed for Ohio, Maryland and Eastern Pennsylvania

Lancaster, Pa., July 30.—The firm of H. Donald Rickert & Co. of this city have been appointed general agents of the Central National Fire Insurance Co., of Des Moines, for the states of Ohio, Maryland and Eastern Pennsyl- vania.

The Central National Fire, has a capital of $500,000; assets of $883,735; net surplus of $352,347 and policyhold- ers' surplus of $852,347.

TURNER WITH HARTFORD FIRE

Paul Turner, Jr., who has been spe- cial agent in New Jersey for a number of years of the London & Lancashire Fire and the Orient, has resigned and is now special agent in New Jersey and Eastern Pennsylvania of the Hart- ford Fire Insurance Co.

FEDERAL RESUMES FIRE LINE

Appoints Hartford General Agency Co., Inc., Fire Managers—R. M. Bissell Heads Agency

The Federal Insurance Co., of New Jersey, has resumed the writing of fire insurance and has appointed the Hart- ford Agency Co., Inc., manager of its fire insurance department. R. M. Bis- sell, president of the Hartford Fire In- surance Co., is also president of the Hartford Agency Co., Inc., and the other officers of the agency are also officers of the Hartford Fire.

The Federal since 1901 has been transacting a marine and automobile business exclusively, through the of- fice of Chubb & Sons as marine man- agers.

COMPLETING ORGANIZATION

President Benjamin Rush of the re- cently organized association of marine underwriters, presided at a meeting in New York, Wednesday, to complete or- ganization. Several standing commit- tees have been appointed, also the exec- utive committee. The Federal, New Jersey, Hartford, Atlantic Mutual, Bos- ton, United States Lloyds, Inc., and the American Equitable have joined the As- sociation.

LEIBOLD WITH AETNA COS.

Karl H. L. Leibold, for a number of years special agent of the London & Lancashire Indemnity, is now special agent of the Aetna Life and affiliated companies in New York and suburban territory.

William S. Naulty, vice-president of Joseph M. Byrne Co., Newark, was op- erated on for appendicitis July 24, and is now convalescing nicely at the Pres- byterian Hospital, Newark, N. J. He was stricken while playing golf at the Deal Golf Club.

Supervising Officials' Program Important

MEET AT DENVER SEPT. 10-13

Fraternals, Reserves and Special Sur- pluses, Fire Rates, Extra Premi- ums and Interinsurance on Slate

Madison, Wis., July 31, 1918.—Pres- ident Michael J. Cleary of the National Convention of Insurance Commissioners to-day announced the program for the meeting to be held at Denver, Colorado, Sept. 10-13. The announcement of the holding of the convention was held in abeyance until replies could be received from all of the insurance departments as to whether representatives would attend. The indications are that the convention at Denver will be one of the largest in the history of the or- ganization.

Among those who will appear on the program and the subjects to be dis- cussed by them are as follows:

Colonel J. R. Young, North Carolina, "The Fraternal Situation."

Hon. Rufus Elwell, New Hampshire, "Guarantee Reserves and Special Sur- pluses."

Hon. Alexander McCabe, California. "How Can Insurance Commissioners Aid in Winning the War."

Hon. John B. Sanborn, Minnesota, "Fire Insurance Rates and Their Su- pervision."

Hon. Carey J. Wilson, Kansas, "Are Extra Premiums in Life Policies on Account of War Activity Justified?"

Hon. Burton Mansfield, "The Civil Rights Act as it Affects Life Insurance."

Hon. C. F. Thomas, Kentucky, "Stand- ards for Interinsurance."

Hon. Frank Ellsworth, Michigan, "The Fire Insurance Situation."

Hon. Frank Hardison, Massachusetts, "Loss of Fire Insurance Companies on Binders and Policies Not Taken."

Department problems will be as- signed for general discussion with lead- ers to be designated by the secretary, Colonel Joseph Button of Virginia. The secretary will also designate three members to discuss each one of the papers presented.

Probation Resulting From War

One of the features of the Commis- sioners' Conventions has been the ad- dress of the president of the organiza- tion, which outlines the more perplex- ing insurance problems of the day. President Cleary has announced that he will discuss insurance problems that will result from the war.

WOOD JOINS KENTNER

Resigns General Agency of Western Assurance Co. to Associate With New York Suburban Ins. Agcy.

The George E. Wood Co., Inc., has resigned as general agent in the New York Suburban territory and the State of New Jersey, for the Western Assur- ance Co., of Toronto, effective August 15. On that date George E. Wood, head of the George E. Wood Co., Inc., will be- come assistant manager of the New York Suburban Insurance Agency, of which Fred W. Kentner, vice-president of the City of New York Insurance Co. is manager.

George E. Wood is one of the old landmarks in suburban fire insurance circles, having been identified with it for more than twenty-five years.

The office of the New York Suburban Insurance Agency is located at the Northwest corner of Maiden Lane and William Street. The companies repre- sented in the office at the present time are the County, Svea, Security and the City of New York.

N U

NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.

NOT HOW MANY BUT HOW GOOD

One trained Soldier is worth a dozen of the other kind. And so it is with the Fire Insurance Agent. Experience and qualifi- cations are the factors in his success. This Company is not so particular about having a large Agency force as it is in hav- ing a good Agency force. One of the benefits of such a plant is that the Company can extend such Agents the best it has in the way of service and facilities. Not now and then but ALL the time the NATIONAL UNION will speed up the efficiency of your office. With a known capacity for extending distinctive service which is practical, constant and real the NATIONAL UNION pre- sents attractive opportunities to experienced Agents of reliable character. Get your Agency—Now.

RELICENSED IN TEXAS

Two Russian Companies Handled by Fester & Folsom Receive Renewals

The Northern of Moscow and the Warsaw Fire have received renewals of their Texas licenses. These are two of the Russian companies whose renew- als in that State were held up by the Department on the plea that they might be affiliated with German insurance in- terests. Evidently these companies have been able to convince the Texas commissioner that clearly they are not to be classed as enemy alien enter- prises. This was expected, from the time the controversy began and the general impression everywhere was that the Texas official had overstepped his authority in undertaking to deter- mine the status of such companies, in the face of rulings on the same subject emanating from Washington. For some time the Texas incident has been re- garded as closed and it is likely that the other Russian companies affected by the Texas ruling will in time receive their license renewals in the usual way.

AUTOMOBILE AGENCY OPENED

The Motor Agency, Inc., has been ap- pointed by the Fireman's Fund, gen- eral agent for automobile insurance in the New York metropolitan district, New York City suburban and New York State. G. A. Goetschius, presi- dent of the Motor Agency, has been secretary and treasurer of Rodgers & Carr, Inc., and in charge of their agency business. He has resigned from that firm and arrangement has been made whereby Rodgers & Carr, Inc., discon- tinue their agency business, which is taken over by Mr. Goetschius.

AGRICULTURAL AGENTS

Harris & Goodridge, of Richmond, Va., have been appointed general agents of the Agricultural for Virginia and North and South Carolina.

Fire Policy Clauses Cause of Confusion

LOSS PAYABLE AND MORTGAGE

Agent Fails to Note Difference—Mortgagee Does Not Read Policy

The Supreme Court of Arkansas, in upholding a verdict in favor of an insured in a suit to re-form a fire insurance policy by substituting a mortgage clause for a loss payable clause, recently said that courts will not re-form instruments in writing, for mistake, unless the mistake is mutual and established by evidence which is clear, unequivocal and decisive. The case decided was that of the Connecticut Fire vs. J. R. Wigginton, et al.

The policy sued on was issued February 4, 1913, and provided that the Company would pay not to exceed $2,000 to Wigginton in case his certain described dwelling should be destroyed by fire within three years after date of the policy.

At the time the property was insured it was mortgaged to a certain bank and at the trial evidence was submitted by the vice-president of the bank that upon authority obtained from the owner of the property he applied to Paul Leatherwood, the Company's local agent, for the policy; paid him the premium of $50 and requested him to attach a mortgage clause in favor of the bank.

Did Not Know Difference

Paul Leatherwood, the agent, testified that he was in the insurance business and wrote the policy in question according to custom, that he did not know why he placed the loss payable clause instead of the mortgage clause on the policy; that all he remembered was that the bank had the mortgage from Wigginton on the property, and paid the premium; that he did not particularly know the difference between the clauses at that time and that he had no recollection of ever having placed the mortgage clause on any policy. He stated he did not remember about the loss payable clause and the mortgage clause, but that if he knew about the mortgage clause it was evidently his intention at the time to place a mortgage clause on the policy.

It was conceded by counsel for the Company that recovery might be had on the policy in case it was the intention of all parties to the contract, at the time the policy was written, to make a part of it a standard mortgage clause.

Intention of Bank

The agent said he did not remember who ordered the policy nor what was said to him, but his idea was to protect the bank. In giving its opinion the Court said that the bank evidently intended to procure a policy of insurance which would not conflict with its right to foreclose, and that it had done so. The higher court said it seemed from the evidence and the conduct of the parties under the contract clear and convincing that a mutual mistake had been made in the draft of the contract, and that as written the contract failed to express the intention of the parties.

A strong dissenting opinion was filed by Judges McCulloch, C. J. and Hart, J., who held that the testimony given was far from convincing. No witness puts his finger on a form of endorsement and says, "This is what we agreed upon." No witness told of a promise on the part of the agent other than to make an endorsement protecting the mortgagee in case of loss.

Did Not Specify Form

Where there has been a fraudulent representation concerning the contents of an instrument the party relying upon such representation and being induced thereby to refrain from reading the contract is not estopped to question its correctness. It is clear from the testimony that when the agent made the endorsement on the policy it was thought to be sufficient to protect the bank, and was accepted as such. If the vice-president of the bank had in mind any particular form which he wanted endorsed on the policy his testimony does not show that he specified it in his directions to the agent. The bank could have protected itself if the officers had informed themselves of the contents of the policy and the endorsement thereon, and complied with the terms of the policy, but having failed to do so the bank is estopped to assert now that the policy was not in accordance with the intent of the parties.

OFFICIAL ENDORSEMENT

Insurance Department of West Virginia Tells Local Agents They Should Join Association

The official bulletin of the insurance department of West Virginia contains the following endorsement of the West Virginia Association of Insurance Agents:

"The writer looked in on this organization for a short time when their annual meeting was in progress in this city on June 25th and 26th. I was impressed with the interest each member seemed to take in the question discussed and the unselfish position taken by them.

"The fire insurance agent in this State that does not become a member of this organization will be the loser. The same things are true concerning the fire insurance business as applies to the life insurance business which we mentioned in the last bulletin. Let us not wait until the horse is stolen before we lock the stable door. Not only can this organization be a big factor in helping to mould public sentiment after the war is over in a way that will be beneficial to themselves, the people who insure, and the public generally, but they can be a factor in the proper solution of many other great questions this country must settle.

"Now is the time to begin to make sentiment. It will be too late if we wait until the conflict is ended. By all means if you are not a member of this organization join now."

GETS AMERICAN EAGLE

Irvin T. Bernhard, of 19 Elm Ave., Hackensack, and 68 William St., New York, has been appointed agent of the American Eagle Fire Insurance Co. for the State of New Jersey. Mr. Bernhard also represents in New Jersey Scottish Union & National, Niagara-Detroit Underwriters, Eagle & British Dominions, Glens Falls, Law Union & Rock, Ohio Farmers and Yorkshire.

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET, NEWARK, Phone Market 6536 | SERVICE FIRST | 80 MAIDEN LANE, NEW YORK, Phone John 4560

THE HUMBOLDT FIRE INSURANCE CO.
PITTSBURGH, PA.
Conservative -- Sound -- Progressive
Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

Binding Contracts with Guaranteed Underwriters at Lloyds and British Companies maintaining United States deposits. Immediate telegraphic binders given.

MARSH & McLENNAN

19 Cedar St. NEW YORK | 1615 California St. DENVER | 201 Sansome St. SAN FRANCISCO | 107 S. Fifth St. MINNEAPOLIS
901 Ford Bldg. DETROIT | 314 Superior St. DULUTH | 17 St. John St. MONTREAL | 23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

Associated Mutual Agency Incorporated
B. J. ALLEY, Manager
68 William St., New York
Exceptional Facilities for Writing Business Throughout the United States

FRED. S. JAMES GEO. W. BLOSSOM WM. A. BLODGETT

FRED S. JAMES & CO.
123 WILLIAM STREET
NEW YORK

United States Managers
GENERAL FIRE ASSURANCE CO. of Paris, France
URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England

C. B. G. GAILLARD, Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

Would Limit Waste By Legislation

. B. SMITH OUTLINES PLAN

Embodied in Report to Canadian Commission on Conservation Just Published

Remedies for the fire waste in Canada re one of the features of the report of . Brose Smith, consulting engineer, to he Canadian Commission on Conservaion, which has just been published. The report delves into the fire loss of Canada and analyzes the reasons therefor.

In suggesting legislation as the only emedy, Mr. Smith says:

"There is little necessity for the reation of complex forms of administrative machinery or for large expenditures of public money to carry out a rogram such as that suggested. The neans of putting into effect comprehensive fire prevention measures already exist and only need co-ordination nd direction.

"The relationship of the Dominion Government to the work of fire prevenion should be primarily educational nd advisory, following two lines of ctivity.

"1. A bureau for the purpose of formulating standards of fire resisting nd testing structural materials and uilding equipment should be estabished in connection with one of the existing departments of government.

"2. An advisory bureau should be charged with the collection of informaion regarding legislation and administration both in Canada and abroad, comparing the results obtained under various measures, co-operating with provincial and municipal bodies in Canada to secure uniformity in regulations designed for the control of fire waste, disseminating information in regard to fire hazards and the means of safeguarding them, and generally acting as a central intelligence department in connection with all matters affecting fire and its prevention.

"The provincial governments are the units of legislative and administrative control. For the purposes of regulating fire waste in each province legislation is needed in respect to the following: Town planning, building construction, public fire protection, safety of life, manufacture, storage, transportation and use of explosives and combustibles, electrical inspection, fire marshal law, and municipal governments.

Public Co-operation

"Sufficient power to initiate measures of fire prevention rests with those who have the most to gain. The people of Canada, merchants, manufacturers and property-owners, can demand with authority the enactment of uniform laws to enforce improved conditions throughout the entire country. Through distribution by means of insurance, fire waste is a public matter and the real responsibility for improvement of conditions rests upon the people as a whole. The logical course of action, then, appears to be to arouse the public to their collective responsibility, to urge the adoption of restrictive legislation in regard to all matters affecting loss by fire and to penalize in every possible way the irresponsibility and negligence which are the principal causes of fire waste in Canada. This task presents a field for the interest and activity of associations of every description, working with the governments (the sources of power), the insurance companies (the sources of facts relative to fire waste), and the press (the sources of public information).

Cannot Compel Improvements

"Hitherto every safeguard against fire has been very largely a matter of voluntary adoption. Insurance influence has confined itself to protesting in general terms against fire waste, to the preparation of standards for its measurement and to a method of underwriting which penalizes bad conditions by charging high rates for insurance. Commercial fire insurance cannot directly compel the adoption of improvements, and voluntary progress in the matter has not brought reasonable or adequate relief. The individual who invests money in property to obtain the greatest possible return upon his investment will not, of his own volition, build properly because it is for the ultimate benefit of the community. First-class buildings will not be erected so long as cheap construction is permitted and insurance is available to cover possible loss. Neither, without some measure of compulsion, will due care be exercised in regard to fire breeding conditions. Cleanliness is one of the greatest fire prevention agencies, but annual clean-up campaigns are spasmodic efforts of limited value. Improvement must be universally enforced to achieve even a measurable reduction in life and property waste and in the cost of insurance and fire protection."

Mr. Smith quotes figures to show that Canada has suffered a total fire loss since confederation of $350,000,000 exclusive of forest fires, to which must be added the cost of public and private protection, $150,000 000 and the amount of insurance premiums paid in excess of the indemnity returned, $197,000,000.

This report may be obtained from the Conservation Commission, Ottawa, Canada, by sending fifty cents.

LISLE AGENT ON RATES

Writes Local Newspaper Telling Why Lower Charge Is Not Warranted There

The subject of lower rates is being agitated at Lisle, N. Y., and prompted F. R. Glover, a local agent at Lisle, to write the following letter to the editor of the local newspaper telling why a lower rate is not warranted at the present time:

"What about a reduction in our fire insurance rate? I note this question in your locals, Mr. Editor, in your last week's Gleaner. From the time when the first hole was dug last winter for a hydrant, I have been asked this question probably scores of times and I have endeavored to answer it to the best of my knowledge and I wish to do so here generally.

"The fact that the village has a box of fire hose in the depot and that it has been there for the past several weeks, or that they have a few hydrants along our village streets or that some of the boys broke into the box and took out a length of the hose in order to test the pressure does not entitle us to a reduction in our fire rate.

"I have taken this matter up carefully with the board of underwriters and I am informed that, as soon as we get the necessary hose and get a fire company to use it, so that we will be in a position to show them that we really have protection, they will, on request, send an inspector here and give us the proper rating. It would seem to me that these things cannot be looked after too quick as we may find ourselves with a fire on our hands at any time and it will then be something more serious than getting an insurance reduction that we will have to face.

"Furthermore you may rest assured that, as soon as there is a possible chance, your local insurance agent will do all possible to get a reduction in our fire insurance rate if for nothing more than the selfish reason that he probably pays more fire insurance than any other individual in town."

FOUNDED 1792



The Oldest American Stock Insurance Company

1792 Insurance Company of 1918

NORTH AMERICA

PHILADELPHIA

126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33

Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

National Fire Insurance Company

OF HARTFORD, CONN.

Statement January 1, 1918, to New York Insurance Department

LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer
G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent

SURPLUS TO POLICYHOLDERS.....$5,980,020.79

Agricultural Insurance Company, of Watertown, N. Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

London and Lancashire Fire Insurance Co. Ltd.

OF LIVERPOOL, ENGLAND.

BINDERS EFFECTED ON NEW JERSEY RISKS

Irvin T. Bernhard

68 William St., New York, N. Y. 19 Elm Ave., Hackensack, N. J.

Scottish Union & Nat. Ins. Co. Eagle & Br. Dom. Ins. Co. Ohio Farmers Ins. Co.
Niagara-Detroit Und. Glens Falls Ins. Co. Yorkshire Fire Ins. Co.
Law Union & Rock Ins. Co.

Rossia Insurance Company

HARTFORD, CONN.

REINSURANCE

WALTER F.

95 William St. New York **ERRICKSON** 38-40 Clinton St. Newark, N. J.

AGENT

WILLIAM C. SCHEIDE & CO., Inc.

HARTFORD, CONN.

Re-Insurance in All Branches

How Use and Occupancy Losses Are Adjusted

Example No. 7

By L. A. Moore, General Adjuster New York Underwriters' Agency

From a paper read by Mr. Moore to field men of the New York Underwriters' Agency.

While on the subject of co-insurance, we will point out an irregular application of a regular co-insurance clause in a case in which both blanket and specific insurance was involved. There was $36,000 total insurance in various companies covering blanket on dwellings subject to 90 per cent. co-insurance clause, one policy of $13,133 covering specifically $133.33 on each dwelling, with 80 per cent. co-insurance clause.

Sound value of all dwellings..$54,000.00
Loss on dwelling involved.... 892.26

The adjuster set aside a proportionate part of each blanket policy sufficient to equal the amount of loss of $892.26, to which he added the specific insurance thereon of $133.33, making the total insurance contributing to the loss $1,025.59, by which process the assured recovered from the blanket insurance $776.27 and the specific policy $115.99, total $892.26, or their full loss.

Proportion Liable For

The co-insurance clause provides in effect, as you know, that if at the time of fire the whole amount of insurance on the property covered shall be less than a certain stated per cent. of the actual cash value thereof, the company shall, in case of loss or damage, be liable for only such proportion of the loss or damage as the amount insured bears to the stated per cent. of the actual cash value of the property. The value of all the property was $54,000; 90 per cent. of that (being the co-insurance per cent. applicable to the blanket policies) would be $48,600. The liability of the blanket insurance of $36,000 would therefore be 36000/48600 of the loss of $892.26, or $660.90. The specific policy covering $133.33 on the dwelling involved, under which the co-insurance clause would not operate, would contribute on basis as $133.33 bears to the total blanket and specific insurance or $133.33/36,133.33 of $892.26 and pay $3.30 instead of $115.99 which was charged to the specific insurance in the proof of loss, making the total liability of the companies $664.20, and assured a co-insurer for $228.06.

Other Insurance

We tried to have the adjustment straightened out, but found all the other companies had paid on basis of the proofs including the specific policy which was overcharged $112.69, so we also paid. Under the form of co-insurance clause used in this case, which is now in very general use, the companies' liability is not based on the amount of other insurance, unless, of course, the total insurance exceeds the co-insurance requirement, but on basis as the insurance bears to the co-insurance per cent. of the sound value of the property insured.

Lucretius, a Roman philosopher and scientist, who was a noted interpreter of Epicureanism, expresses himself in a poem entitled "On the Nature of Things":

"Herein, lest you should ask a silent question, it was the lightning that first of all brought fire to earth for mortals and from it all the heat of flame has spread abroad.

"For we see many things flare up touched with a flame from Heaven when a stroke from the sky has brought the gift of heat.

Strenuous Times

"Yet again when a branching tree is lashed by the winds and sways to and fro, reeling and pressing on the branches of another tree, fire is struck out by the strong force of rubbing and anon the fiery heat of flame sparkles while branches and trunks rub against each other. Either of these happening may have given fire to mortals and then the sun taught them to cook food and soften it by the heat of flames since they saw many things among the fields grow mellow, vanquished by the lashing of his rays and by the heat."

The lightning, the rubbing of the branches of trees, the rays of the sun, the friction of nations, or something else, has been causing so many fires, that the Loss Department has scarcely known whether it was afoot or on horseback. We have, nevertheless, found time to endeavor to have use and occupancy adjustments made on a proper basis and hope in time to be entirely successful if the forms are not too often changed.

The End.

ELMER CAIN ANNIVERSARY

Has Been Agent of Hanover Fire Insurance Co. For Forty-Five Years

The application blanks of Howie & Cain, general agents of the Hanover Fire Insurance Co., now have an inscription in red ink reading "Complimentary application to Mr. Elmer E. Cain on his 45th anniversary with the Hanover Fire Insurance Co., 1873-1918."

Enclosed with copies of applications, Mr. Cain writes the following letter:

"On September 1st, 1918, I will have completed forty-five consecutive years of service with the Local Department of the Hanover Fire Insurance Co. and I thought it befitting the occasion I would celebrate by asking your co-operation to help me make it a Red Letter year by filling out the enclosed blank. I can use September, October and November business in this celebration.

"Thanking you in advance, and hoping to have the pleasure of a call from you, I remain, etc."

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited



What is Worth Owning is Worth Insuring

And in these days of War with all its possibilities for loss, property is more worth owning than ever. War prices make repairs and replacements more costly in case of fire.

Adequate Insurance is a necessity today.

American companies are second to none in strength, management, service and reliability. The

FIDELITY-PHENIX FIRE INSURANCE COMPANY OF NEW YORK

A STRONG, RELIABLE AMERICAN COMPANY

Cash Capital $2,500,000.00

HENRY EVANS, President

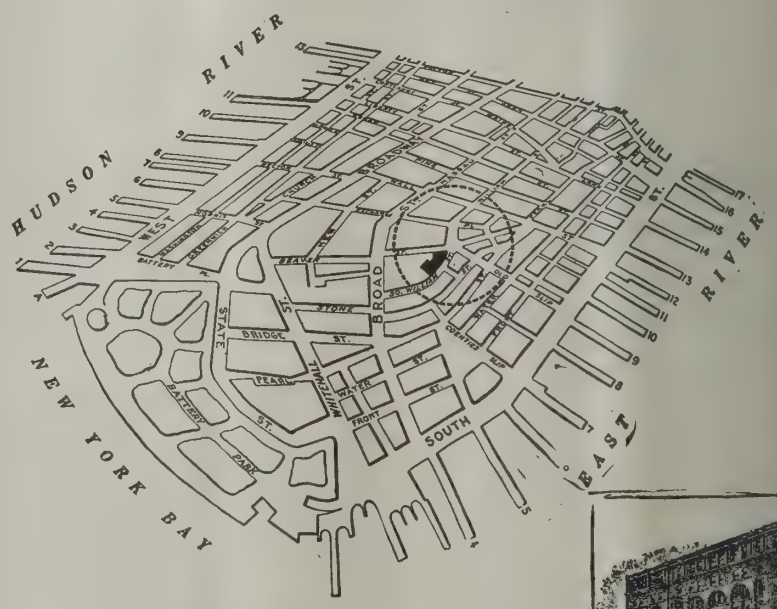
Home Office:
80 MAIDEN LANE
NEW YORK

Managing Branch Offices:
CHICAGO, MONTREAL
SAN FRANCISCO

AMERICAN MERCHANT MARINE INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House New York City

South William and Beaver Streets

Firemen's Insurance Co., Newark, N. J.

January 1, 1918

Cash Capital $1,250,000.00
Net Surplus $2,384,971.20
SURPLUS TO POLICYHOLDERS...$3,634,971.20

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer — A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President — J. K. MELDRUM, Assistant Secretary

INSURANCE SERVICE BUREAU

L. A. Sherwood's Placing-Soliciting Proposition For Out-of-town Agents Dropped

The Eastern Underwriter has received several inquiries from Western agents regarding the Insurance Service Bureau, L. A. Sherwood, general manager, 258 Broadway, New York City.

A representative of this paper called at the address given and was advised that Mr. Sherwood had discontinued his venture because of lack of replies to his circulars and that he was now in a government position.

The circular sent out by Mr. Sherwood dwelt at length on the present abnormal conditions and stated that the Insurance Service Bureau, for a consideration of $100, payable quarterly in advance, would place all excess insurance controlled by the local agent and solicit from the New York brokers controlling business in his territory, in other words, to act as the New York office of the local agent in all things for the small consideration of $100 with no additional charges.

Enclosed with the circular sent to local agents was a copy of a letter from C. B. Squire, of Squire & Co. Inc., endorsing the proposition and dwelling on Mr. Sherwood's experience as secured while with the Great American Insurance Co.

Inquiries of the Great American developed the information that Mr. Sherwood had been employed there for a few months only in a minor clerical capacity. The Insurance Service Bureau is not licensed by the New York State Insurance Department.

SHIPPING BOARD FIGURES

According to the Shipping Board approximately $30,000,000 in premiums had been set aside by it up to July 29. Estimated losses of all kinds suffered by the Emergency Fleet Corporation including damages of ordinary character, amount to about $13,500,000. Among the largest losses, through collisions, was the steamship Westerly, sunk in mid-ocean on her maiden trip, entailing a loss of $1,500,000. Other large losses due to submarine sinkings, have been the following vessels formerly owned by Germany: Actaeon, $1,250,000; Chatahoochee, $2,000,000; President Lincoln, $3,000,000, and Owasco, $500,000. Other vessels which were commandeered and which have been lost are: Lake Moore, $500,000; Florence H., $1,000,000; Carolina, $500,000; Pinar del Rio, $450,000, and Winneconne, $400,000. The grand total is about $9,600,000.

F. H. Price, of F. H. Price & Co., returned this week from Halifax, N. B., where he had been called to make some surveys.

Niagara Fire Files Lehigh Test Suit

(Continued from page 1)

houses known as National Dock Stores, situate at Communipaw, Jersey City, New Jersey, which warehouses were situated on land constituting a portion of the peninsula known as Black Tom Island and hereinafter described, and immediately adjoining the premises hereinafter described as used, occupied and controlled by the defendant.

III. The defendant, at all the times herein mentioned, was a railroad common carrier and as such was in the use, occupation and control of a certain tract of land, docks, piers and bulkheads, together with rights of access thereto and wharfage rights in connection therewith, situate on a certain peninsula extending into the waters of New York Bay from the shores of Communipaw, Jersey City, Hudson County, New Jersey, such peninsula being commonly known as Black Tom Island, which tract of land, docks, piers, bulkheads and wharfage rights, including a certain pier known as the North Pier situate at the northeasterly portion of said premises, were used and occupied by the defendant as a railroad freight terminal in its said business of transportation, for the making delivery of such freight to the consignees thereof and for the transshipment thereof to barges and lighters.

IV. Subsequent to the outbreak of the present war in Europe and for a long time prior to July 29, 1916, the defendant had used the said Black Tom Island railroad terminal in considerable part in connection with the transportation and transshipment of vast and inordinate quantities of explosives and explosive or highly inflammable ammunition and munitions of war, known to the defendant to be such, and had used such Black Tom Island railroad terminal for the purpose of storing or allowing to remain therein large numbers of railroad cars laden with general merchandise including inflammable chemicals, known to the defendant to be such.

North Pier Conditions

V. The transshipment of quantities of explosives, ammunition and munitions of war hereinbefore specified was, during such period, carried on by means of barges or lighters moored by defendant's consent to the said docks, piers, and bulkheads and particularly to that portion thereof known as the North Pier.

VI. On July 29, 1916, and for some days prior thereto the defendant had caused to be accumulated at said Black Tom Island railroad terminal a large number of railroad carloads of explosives, explosive projectiles, ammunition and munitions of war, and at the close of the day of Saturday, July 29, 1916, there were so accumulated on the defendant's said Black Tom Island railroad terminal premises a large number of railroad carloads of such explosives, explosive projectiles, ammunition and munitions of war, and there was also loaded on barges or lighters moored to said North Pier or lying alongside vessels moored to said North Pier a further vast quantity, equivalent to many carloads, of such explosives, explosive projectiles, ammunition and munitions of war, including barges whose cargo included both high explosives and detonating fuses.

How Barges Were Moored

VII. At the close of the day of Saturday, July 29, 1916, there were moored to said North Pier of the defendant's said premises or immediately adjacent to said premises or lying alongside barges so moored to said Pier ten barges or lighters, the greater number of which had no proper business or reason for being at said Pier, and which barges or lighters were fully loaded with a great quantity of the said explosives, explosive projectiles, ammunition and munitions of war, or with other similar explosives and munitions of war not transported over the defendant's railroad, including barges whose cargo included both high explosives and detonating fuses.

VIII. The explosives, explosive projectiles, ammunition and munitions of war hereinbefore alleged as being, at the close of business on July 29, 1916, and just prior to midnight of that day, upon the defendant's said premises or upon said barges or lighters moved or lying adjacent thereto, consisted of vast quantities of trinitrotoluol (known as T. N. T.), smokeless powder for cannon, black rifle powder, picric acid, guncotton and nitrocellulose, and also a quantity of detonating and other fuses or other igniting medium of various kinds, which explosives and ammunition were either in bulk or were contained in shrapnel of other explosive shells, cartridges and munitions of war.

IX. In the early morning of July 30, 1916, a fire started on the premises so used, occupied and controlled by the defendant, and a great casualty of fire and explosion occurred, as the result of which said merchandise belonging to the plaintiff, Daniel M. Hicks, Inc., was totally destroyed

X. Prior to the 30th day of July, 1916, the plaintiff, Daniel M. Hicks, Inc., had duly insured the said merchandise against the hazards specified in, and in accordance with the provisions of the standard fire insurance policy of the States of New Jersey and of New York, with the plaintiff Niagara Fire Insurance Company. Such standard fire insurance policy contained, among other things, a provision to the effect that if the insurance company should claim that the fire was caused by the act or neglect of any person or corporation such insurance company should, on payment of the loss, be subrogated to the extent of such payment to all right of recovery by the insured for the loss resulting therefrom. Subsequent to the said 30th day of July, 1916, the plaintiff, Niagara Fire Insurance Company, paid to the plaintiff, Daniel M. Hicks, Inc., the sum of $14,082.20.

First Cause of Action

XI. Plaintiffs charge that, under the law applicable to said railroad common carrier and the regulations of the Interstate Commerce Commission for the transportation of explosives and other dangerous articles as prescribed under the Act of Congress of March 4, 1909, and acts supplemental thereto or amendatory thereof, it became and was the duty of the defendant, in connection with such explosives, explosive projectiles, ammunitions and munitions of war, to exercise all reasonable care to prevent fire or explosion upon the said premises and to control and extinguish the same, the extent of such duty being commensurate with the nature and risk of the situation hereinbefore set forth; to take all reasonably possible precautions against fire, and to keep fire away; to make all reasonable and suitable provision for the safe storage thereof outside of station; to prevent unauthorized persons from having access thereto on said premises; and to take all reasonable and necessary precautions for quick isolation in case of fire.

XII. Plaintiffs allege that the defendant neglected to perform such duty in the following respects:

It neglected to watch or guard said premises and waters adjacent thereto through employees sufficient in number and competence, and to properly instruct the same, to prevent incendiary or accidental fires;

It permitted unauthorized persons upon said premises and especially upon or in the vicinity of said explosives, ammunition or munitions of war;

It permitted vessels not connected with the transshipment of said explosives, ammunition and munitions of war to lie moored at said North Pier.

It permitted or neglected to prevent barges or lighters having no business at said North Pier, and wholly or partially laden with such explosives and munitions of war, to lie moored to said North Pier or moored to similar barges moored thereto, or to lie in the vicinity thereof.

Explosive Not Isolated

It neglected to isolate or separate the railroad cars containing such explosives and munitions of war, and improperly accumulated or bunched the same in the same locality on said premises, and to take precautions for quick isolation in case of fire;

It neglected to provide employees sufficient in number and competence and to properly instruct the same for the purpose of discovering and extinguishing any incendiary or accidental fire. Such insufficient, incompetent and uninstructed employee or employees as the defendant had, were negligent in guarding, discovering and reporting the fire hereinbefore alleged;

It neglected to provide sufficient apparatus and employees for the purpose of fighting and extinguishing fire upon said premises in said railroad terminal; and

It neglected to provide sufficient means of communication or alarm of fire.

The loss of the merchandise of the said plaintiff was caused by the defendant's neglect of duty aforesaid.

Second Cause of Action

XIII. For a long time prior to said 29th day of July, 1916, it was matter of public knowledge and was known to the defendant, that evilly disposed persons were abroad in the land, seeking, through the medium of fire and explosion and in other ways, to occasion damage to property, and especially to munitions of war which conceivably might eventually be destined for the warring European nations.

XIV. Plaintiffs charge that the duty of the defendant was not only as set forth in paragraph XI herein, but it became and was the further duty of the defendant to take all possible precautions in view of the situation so existing.

XV. Plaintiffs allege that the loss of the merchandise of the said plaintiff was caused by the neglect of the defendant in performing such duty, in the respects set forth in paragraph XII herein.

XVI. That the said fire and explosion hereinbefore specified in paragraph IX herein was caused by incendiarism.

Wherefore plaintiffs demand judgment against the defendant for the sum of fifteen thousand six hundred seventy-five and 17/100 dollars ($15,675.17), together with interest thereon from the 30th day of July, 1916, and the costs and disbursements of this action.

WM. H. McGEE & CO.
MARINE UNDERWRITERS
15 WILLIAM STREET, NEW YORK

General Agents Marine Department
St. Paul Fire & Marine Insurance Co.
Phœnix Insurance Co. of Hartford
Great American Ins. Co., New York
Camden Fire Insurance Association
Westchester Fire Insurance Co.
Niagara Fire Ins. Co.

U. S. Managers
Skandinavia Re-insurance Co. (Copenhagen)

Agents Marine Department
Providence Washington Insurance Co.
Massachusetts Fire & Marine Ins. Co.

Telephone Hanover 2054 Established 1898
Marine Insurance
Local agents are invited to consult us on their marine insurance problems
OSBORN & CO.
Average Adjusters and Insurance Brokers
Insurance Exchange, CHICAGO - - 45 Wall St., NEW YORK

MARINE DEPARTMENT

Submarines Still Continue To Be A Menace to Marine Underwriters

Incoming vessels during the last week are reported as having encountered submarines within two hundred miles off the Atlantic Coast, and some even nearer shore. There apparently seems to be a number of enemy submarines operating in the Atlantic Ocean. While their operations will undoubtedly make no material difference upon the transportation of our men and supplies overseas, their presence here seriously affects the question of war underwriting, and undoubtedly a number of steamers and sailing vessels will meet with disaster, and therefore utmost caution apparently should be exercised by underwriters writing this class of business, to obtain proper rates for the hazard assumed by them.

If these submarines operate, say between longitude 70 and 40 West and latitude 35 to 45 North, with on occasional dash to inshore waters of the Atlantic Coast, by referring to the sailing chart, they would be in the track of vessels to and from all United States coastwise ports north of Hatteras to and from South America, and vessels sailing to and from the Cape of Good Hope and the West Indies, unless masters are instructed to follow different sailing routes than those laid down on the sailing charts.

Of course, vessels already on a voyage who are not aware of this presence of submarines in our waters and who have no wireless communication cannot be reached, and these vessels are the ones most to be feared for.

Having such a large body of water as the Atlantic Ocean to navigate in, our patrol fleet has a very hard task to locate them and keep them moving, as they will not stand up and give a fight to our destroyers.

The outlook for the discontinuance of this pest in the next few months is not very bright. As the winter months progress, it may be possible that these submarines will not undertake the long and perilous journey of a transatlantic voyage in the wintertime. Therefore, caution must be exercised by all underwriters engaged in this class of business for at least two months, or until proper steps have been taken by our navy to reduce the activity of this menace to a minimum.

OBSERVER.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

EQUITABLE UNDERWRITERS OF NEW YORK
SURPLUS $793,852.75

Marine and War Risk Insurance
Losses made PAYABLE in all parts of the world

C. R. EBERT & CO., Inc.
MARINE MANAGERS PHONE 263-264 BROAD
48 BEAVER STREET, NEW YORK

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street New York

In addition to our regular marine and war risk business, we now have a department for writing FIRE insurance only on vessel property of all descriptions.

We would be pleased to receive applications from agents and brokers having this class of business to place.

FIRE, MARINE & WAR RISK INSURANCE

Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

Concrete Ships Are Marine Problem

UNDERWRITERS ARE SKEPTICAL

Concede Seaworthiness But Claim Repair Facilities in Foreign Ports Are Practically Nil

The "Wall Street Journal" on Tuesday morning published a column article describing the successful tests of the concrete steamer Faith, made recently in the Pacific.

Underwriters, talking to The Eastern Underwriter this week on this form of ship construction, stated that while concrete ships might be perfectly seaworthy, as apparently established by the tests undergone by the Faith, it would be a number of years before they could be considered a first class marine insurance risk. One of the principal reasons given for this view was that it would take considerable time to erect drydocks, concrete working plants, etc., in the out-of-the-way ports of the world, to say nothing of procuring skilled workmen in this form of ship construction. For this reason, it is pointed out, the salvage charges on concrete vessels would be much higher than on other ships.

Proceeding Cautiously

Because of the newness of concrete ships and the scarcity of men who know anything about the subject, together with the absolute necessity of having just the right mixture in order to stand the various elements, the companies are being advised against going very heavily on this class for the present.

The article referred to in the "Wall Street Journal" describing the tests of the Faith is in part as follows:

"No better test of seafaring and construction qualities could possibly have been afforded than that encountered in the first trip of the Faith. There were two full days of mountainous seas when the wind velocity rose to sixty miles an hour. A. P. W. McNab, of Lloyds' Register, who made a report regarding this trip, asserted that the Faith responded to the head seas like a steel ship, that only faint hair cracks developed in the concrete and that no water entered the hold. The steel reinforcing fully offset the heavy tortion produced when the ship rode the peak of a wave, or acted as a girder between the crests of two waves."

WANT AMERICAN COMPANIES

George A. Bonnor, of Mummery, Morse & Rimmer, Urges Reciprocating British Facilities Here

George A. Bonnor, of Mummery, Morse & Rimmer, London agents, arrived in New York this week from London and in an interview with the New York Herald urged American companies to enter England for fire and marine business. The Herald quotes Mr. Bonnor as follows:

"It is high time that American companies should come to England with their branch offices, just as the English companies have come to America in years past. There are only three or four American companies represented in England as against dozens of English insurance companies who do business on your side of the water. Before the war the German, Austrian and Russian companies had the field practically to themselves in England, as far as foreign insurance business was concerned. The first two nationalities dropped out with the breaking out of hostilities, of course, and the Russian companies broke down when the revolution went to smash through the usurpation of the Bolshevists.

"The foreign field, therefore, is practically unoccupied in England, and American insurance interests should avail themselves of the exceptional opportunity that is afforded them without delay. The great friendship now existing between England and the United States would give your American insurance men easy sailing in our country."

Marine, Fire and War Risk Re-Insurances

The Firm of

ROBT. R. toe LAER

New York, Amsterdam and Copenhagen

New York Address, P. O. Box 616, City Hall Station

LOSSES $10,000,000

Country-Wide Crusade One to Reduce Number of Thefts of Goods in Transit

A conference has been held in New York to discuss the freight car theft problems which have given the inland transportation insurance underwriters so much concern. The conference was participated in by railroad and city detectives and the Department of Justice.

Phillip J. Doherty, manager of the property protection section of the National Railroad Administration, appointed a committee of railroad men to work on the problem.

In addition to the railroad representatives, members of the police departments in the Metropolitan District attended the conference. Mr. Doherty said that from 1914 to date the losses of railways in the district amounted to $10,310,780 from robberies and concealed and unlocated losses.

Mr. Doherty recommended the strengthening of railroad police agencies, packing shipments so that any tampering will be shown at once, posting printed warnings on every package that ten years' penalty may follow its theft, more accurate records by the carriers, close and accurate checking of conditions of shipments at receiving, transfer and terminal points; publicity to show that the Government, which is now controlling the roads, will stand for no tampering; general vigilance and cooperation with municipal police, and a crusade against receivers of stolen goods.

Mr. Doherty said the property protection section had taken up the work of prosecution for thefts, and a general crusade throughout the country had been started. Railroad police agencies to the number of seventeen thousand have become active in the matter, and there is now effective an arrangement which will check the depredations of those who prey on freight cars.

CASUALTY AND SURETY NEWS

Insuring Against Check Tampering

FIDELITY & CASUALTY POLICY

Rate Five Dollars a Thousand, With Reduction for Branch Offices

What is designated as a check alteration policy has been issued by the Fidelity & Casualty. Cover is provided in any desired amount to individuals, firms and corporations of good repute. Endorsements and separate policies will be issued at special rates extending the cover to checks drawn at branch offices of large houses.

The rates are $5 a thousand per annum, minimum premium $5. Additional branch offices are covered as follows:

First branch	$4.50 per thousand
Second branch	4.00
Third branch	3.50
Fourth branch	3.00
Fifth branch	2.50

Terms of Policy

The Fidelity and Casualty Company of New York (hereinafter called the Company)

In consideration of a premium of ..... dollars payable annually in advance so long as this policy shall remain in force, does hereby agree that within thirty days after due proof of loss, it will reimburse ..... of ..... State of ..... (hereinafter called the Assured), for the direct loss, not exceeding ..... dollars in the aggregate, resulting from the felonious alteration of the amount, date, number, or the name of the payee, of any check or draft drawn by the Assured, while this policy is in force, against a deposit account of the Assured in any incorporated bank or incorporated trust company in the United States, excluding Alaska and insular possessions.

The foregoing agreement is subject to the following conditions:

1. Upon the discovery of the alteration of any such check or draft the Assured shall give immediate notice thereof to the Company by wire addressed to its home office in New York City, and upon the same day shall send by registered mail to the Company at the said address the fullest information obtainable at the time, including the original check or draft in connection with which a claim is made. This policy shall not apply to any loss that is not discovered within forty-five days from the date of the payment of the check or draft by the bank upon which it was drawn, nor to any loss from the payment of a check more than ninety days after the date thereof.
2. The Assured shall balance each deposit account maintained by him, at least once in every calendar month, and shall compare such balance with the balance shown by a statement obtained from the bank, and shall obtain from the bank, examine, and verify, by actual comparison with the Assured's records, every check and draft paid during the said month.
3. The terms of this policy shall apply only to checks and drafts drawn and signed in ink in the usual customary manner, and signed by those whose signatures the bank has been instructed by the Assured to recognize.
4. This policy shall not apply to any loss, if the Assured, any partner of the Assured if the Assured is a co-partnership, or any executive officer of the Assured if the Assured is a corporation, is concerned with the said loss, either as principal or accessory.
5. Without prejudice to the rights of the Assured as respects anything that may occur during the period that this policy is in force, the Company may at any time terminate its liability hereunder, as to checks and drafts drawn thereafter, by a written notice served on the Assured, or sent by registered mail to the Assured at the address hereinbefore stated, at least fifteen days prior to the date that the cancellation takes effect. In case of such termination the unearned portion of the premium shall be paid to the Assured, and the Company's check shall be a sufficient tender of such unearned premium.
6. No change or waiver of any of the terms, conditions, or statements of this policy shall be valid unless set forth in an endorsement added hereto and signed by the president, vice-president, secretary, or one of the assistant secretaries of the Company. Neither notice given to nor the knowledge of any agent or other person shall be held to waive any of the terms, conditions, or statements of this policy unless set forth in an endorsement added hereto and signed by one of the said officers of the Company. The insurance granted hereunder may not be assigned unless the consent of the Company to such assignment is set forth in an endorsement added hereto and signed by one of the said officers of the Company. All sums that from time to time may be paid under this policy shall be accounted in diminution of the insurance hereunder.

Says State Insurance Does Not Create Cost

WASHINGTON OFFICIAL'S VIEWS

Criticises Companies, Harking Back to Enactment of Compensation Laws

That the United States Commissioner of Labor is a strong believer in state insurance is evident from an address recently delivered by him in which he took the casualty companies to task for their alleged failure to look with kindly eyes upon state health insurance. This is what Dr. Royal Meeker, the commissioner, said:

"My interest in health insurance comes from my desire to see—not that the cookies but that the bread and butter is placed on the lower shelf, where the people who need bread and butter can get at it. I have said that insurance was one of the necessities of life. It has not been so designated by the economists, but it is a necessity of life just the same.

What Creates Cost

"What I want to call your attention to, especially, in regard to health insurance is that the creation of a rational method of carrier does not create the cost. Now some of you are old enough to remember when our first compensation law was not yet in existence. You will recall that the opposition to compensation laws was exactly the same as the opposition today to any adequate means of taking care of the community burden of sickness.

Criticises Companies

"It was alleged by the casualty companies that nothing whatever was known about the industrial accident rate; that it would be fatal to jump into legislation and propose any means of providing for the burden due to accidents. It would mean years and years of investigation. You are all familiar with that scheme for postponing action indefinitely. Then, compensation legislation came, and I must say I have not yet gotten over my astonishment that it ever did come. But it came, and over night, the casualty companies suddenly discovered that they knew all about the accident rate, and they planked down before us an awful list of occupational accidents and hazards, with the corresponding insurance rates that must be paid by those engaged in the business included in the occupations named.

"Of course it is utterly absurd to suppose that the casualty companies, which knew nothing about accident rates by occupations, should suddenly, over night, become possessed with that knowledge. We have been working at the revision of industrial accident rates ever since we began enacting workmen's compensation legislation, and the work is still going on.

"The enactment of compensation legislation, instead of creating the burden of accident cost, has actually lightened it, because it has called to the employers' attention, and to the employes' attention also, that accidents cost money, and the employer has done something to cut down his accident rate. He has not done as much as he should have done, but he has done something to cut down the occurrence of industrial accidents, and thereby the cost has been relieved to that extent. Furthermore, the cost of the accidents that come in spite of all that we have done in the way of safety and prevention is more equitably distributed. It is not as equitably distributed as it should be, but it is much more equitably distributed than it was before the days of compensation laws when the burden was distinctly put, and with the sanction of social opinion, was designedly put upon the people who could not fight it because they did not have strength enough to shift the burden—I mean the workers themselves.

Did Not Create Cost

"Did it create a cost when provision was made for the payment of compensation to the worker who lost his two arms in the rolls of a rolling mill? It certainly did not. If compensation was not provided, the burden fell first, upon the individual, himself, and his immediate family; second, upon his relatives, other than his immediate family; then upon the community, and the alms houses were filled with men maimed by industrial accidents in this fashion. Unfortunately, we find them in the alms houses today, but to a lesser extent than before compensation laws were enacted."

Great Eastern Casualty Company

ORGANIZED 1892

55 John Street, New York

The New York Insurance Department in a recent examination says:

"While the business of the Company has increased, its liabilities have borne a decreasing ratio to the admitted assets and the surplus a corresponding increase in the ratio to liabilities. The growth of the Company, therefore, has been healthy.

The affairs of the Company are being efficiently and conservatively conducted. Liberal reserves have been set aside for outstanding losses and other liability items, and policyholders are being accorded fair and equitable treatment."

Over Three and a Half Million Dollars Paid in Claims

Cash Capital $350,000.00
Surplus to Policyholders $584,137.21

LINES WRITTEN

Accident-Health (Commercial and Industrial)—Burglary—Plate Glass—Automobile Teams and General Liability.

Agency applications will be considered for unoccupied territory.

O'BRIEN WITHDRAWS PLEA

Case of Brooklyn Broker Who Sold Insurance For Commonwealh Casualty

Sylvester L. O'Brien, the Brooklyn broker who had been representing the Commonwealth Casualty of Philadelphia in that territory, has withdrawn his plea of "not guilty" of the charge of selling insurance for an unauthorized company. His case came up in Special Sessions July 30. His counsel gave notice of demurrer against the complaint in that the facts alleged in the complaint do not constitute a crime, thus attacking the constitutionality and validity of Section 1199 of the Penal Code, which points have been passed upon by the Supreme Court in several cases.

LICENSES REVOKED

Michigan Department Cancels Authority of Louis V. Becker and William J. McKay

Commissioner Ellsworth of Michigan has revoked the licenses of Louis V. Becker and William J. McKay, adjudging them guilty of violating the insurance law. McKay may, however, make application for a new license October 1, 1918.

This grew out of the application of the Masonic Protective Association, Worcester, Mass., for revocation of the licenses of Becker and McKay, as agents of National Protective Insurance Company, of Boston.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building **PHILADELPHIA**

Declares Loading Not Warranted

PENNSYLVANIA COMPENSATION

Bureau Also Says Increases in Premium Rates Last Year Not Necessary

On compensation insurance in Pennsylvania in 1917 the loss ratio was 52.7 per cent., and the expense ratio 36.6 per cent. These are the figures of non-participating companies. The participating companies show a loss ratio of 55.3 and expense ratio of 17.0.

It has been impossible to show the returns of participating carriers for many items because for several of these carriers no distribution of expenses in accordance with the usual method of analysis can be made. The loss ratio of all carriers was 52.7 of earned premiums in 1917, and 55.4 for the two years 1917-1916. The expense ratio of non-participating carriers was 36.6 in 1917 and 38.3 for the two years. The Bureau says this experience does not warrant a 44 per cent. expense loading, nor does the loss experience warrant the increase in rates made in 1917.

Experience in Detail

The Pennsylvania Compensation Rating & Inspection Board has compiled the experience of all carriers operating there in 1917, from which the following ratios have been deducted:

Distribution of Expenses in Per Cent. of Earned Premium

Insurance Carrier.	Expenses Incurred.	Acquisition.	Claim Adjustment.	Inspection.	Taxes.	Home Office.	Loss Ratio.
All carriers	32.0	....	....	....	....	....	52.7
Non-participating	36.6	16.3	6.3	2.6	2.7	8.6	55.3
Aetna Life	32.8	16.5	4.5	2.0	2.0	7.8	44.7
American Casualty	27.7	12.9	1.2	2.3	2.3	9.0	38.4
American Mutual	16.1	2.7	5.1	2.2	2.9	3.2	49.4
Casualty Recip.	19.1	....	4.3	4.8	....	10.0	11.4
Continental Casualty	44.8	17.0	5.4	3.4	2.5	16.6	51.0
Commercial Casualty	42.0	17.0	....	....	2.0	23.0	280.0
Employers' Indemnity	40.4	16.9	4.8	12.6	2.9	3.1	21.0
Employers' Liability	33.6	17.3	7.0	1.2	2.6	5.6	50.0
Fidelity & Casualty	37.4	15.3	6.0	2.8	3.3	10.0	42.3
Frankfort General	35.1	12.2	9.1	3.9	2.2	7.7	45.1
General Accident	40.0	17.0	4.0	3.8	2.0	13.2	33.0
Georgia Casualty	37.5	17.5	2.4	....	2.8	14.9	98.6
Globe Indemnity	40.0	16.3	7.5	4.4	2.0	9.8	51.7
Hartford Accident	47.0	16.0	10.6	4.6	4.0	11.8	60.2
Laundry Owners	41.0	11.9	....	6.0	0.9	22.2	48.5
Liberty Mutual	22.3	7.2	6.8	2.3	3.1	2.9	47.8
London Guarantee	32.8	17.5	5.0	2.6	2.5	5.0	81.5
Mfgrs. Liability	16.5	....	3.3	1.4	2.0	9.8	44.0
Mfgrs. Casualty	33.2	....	6.4	5.4	2.7	18.7	60.2
Maryland Casualty	37.3	16.8	8.4	1.6	3.0	7.6	64.5
Millers Mutual	37.3	3.0	1.0	12.3	4.9	16.0	56.9
New Amsterdam	40.6	16.6	9.4	4.0	2.5	8.5	93.4
New Jersey Mfgrs.	23.0	....	....	....	....	23.0	31.0
Ocean Accident	35.1	18.3	7.0	1.5	2.0	6.0	52.2
Penna. Mfgrs.	14.6	0.6	3.3	3.1	.8	6.8	47.4
Republic Casualty	73.8	20.5	7.3	14.0	.8	31.2	25.4
Royal Indemnity	38.6	15.8	9.0	3.9	2.3	7.6	57.2
Southern Surety	54.0	17.4	12.3	2.0	4.0	18.3	57.5
State Fund	13.5	....	....	....	....	13.5	67.3
Standard Accident	37.8	18.0	8.1	1.6	2.0	8.1	59.4
Travelers	36.0	14.7	5.0	3.8	3.2	9.2	48.6
U. S. Casualty	43.5	17.5	9.0	0.8	4.0	12.5	52.6
U. S. F. & G.	34.3	15.6	4.2	1.2	2.6	10.7	39.6
Zurich	37.8	19.0	1.5	1.2	2.2	14.0	40.0

The figures, which include all classes of business except coal mining, show total earned premiums in 1917 of $9,255,809. The results of two years, 1917-1916, show total earned premiums of $15,358,033, with loss ratio 55.4.

The American Mutual and the Liberty Mutual wrote business in 1917 at 110 per cent. of Manual rates. Reduced to the Manual rate basis the loss ratio of the American Mutual would be 54.2 and the expense ratio 17.7. On the same basis the loss ratio of the Liberty Mutual is 52.5 and the expense ratio 24.6.

The State Workmen's Insurance Fund wrote at 90 per cent. of Manual, which is equivalent to a loss ratio of 50.6 and expense ratio of 12.2.

ACCIDENT PUBLICATION READY

"Benefits Under Accident Policies," one of the annual publications of The Spectator Company, is off the press. It is a convenient pocket reference to policy conditions.

CONGRESS DATE FIXED

The annual congress of the National Safety Council will be held at St. Louis September 30 to October 4 inclusive.

GOOD UNIONTOWN MEETING

Fayette County, Pennsylvania, to Have Permanent Executive Committee —Legislative Program Forecast

The organization meeting of the Insurance Federation of Pennsylvania at Uniontown, July 26, was one of the most enthusiastic held in the western end of the state.

Secretary Wold of the Keystone Federation warned his hearers that the insurance business was susceptible to injurious attacks from at least three quarters during the next few months. No protest, he said, can very well be made against the inroads the national government is obliged to make on account of the war, but efforts should and must be made to see to it that the people are not given wrong impressions by thoughtless and uninformed writers. State legislative bodies, he continued, will be inclined, this coming winter to radically change existing statutes with the idea of modeling and patterning state legislation after national legislation. Business will be put under needless handicaps, if not worse, for national and state legislative spheres of activity touch in common at only a few points. More dangerous than either or both of the foregoing is the growing multitude of semi-socialistic bodies, associations and leagues which have sprung up within the past few years, and whose objectives are state ownership and operation of various branches of private enterprise.

The Fayette county insurance men present guaranteed a minimum pledge of $500 a year for two years towards the maintenance and development fund of the Federation. A permanent executive committee, which will have charge of Federation activities in the county, was elected and is as follows: chairman, R. S. McCrum, Uniontown; secretary, J. Donald Porter, Connellsville; C. S. Bowman, Uniontown; J. H. Snowdon, Brownsville; Frank Steen, Belle Vernon; W. C. Dillinger, Point Marion; and I. F. Van Natta, Connellsville.

WILLIAM STREET

Headquarters Well Chosen

The Edgewater Beach Hotel, Chicago, is a particularly attractive place to hold the annual convention of the International Claim Association, August 26-28. The hotel is built out into the Lake so that one receives all the advantage of the cooling lake breeze, a beautiful marine view and otherwise charming surroundings. The importance of the Claim Association to the individual members is well understood. Since its organization, it has been a prominent factor in effecting close and harmonious co-operation among the company members, in promoting uniformity in the conduct of claims and in co-ordination of the various elements of the business of claim adjusting. The preparations now under way promise that the coming convention will be the most interesting and instructive ever held. A large attendance is expected and it is hoped that every individual member will arrange to be present.

* * *

Would Amend Law

Members of the Hartford Medical Society are interested in an effort to amend the compensation law so that more doctors may be called to give medical treatment. This interest is also shared by labor men. The law gives to the employer the right to select a physican. In case the person hurt chooses a different physican he must pay the bill. Employees feel that the selection of the physician by the employer is at times open to question. Some of the doctors feel that, as the family physican is better equipped with special knowledge of the person hurt, he has therefore more general responsibility than a physican chosen by the employer especially if the employer is a corporation which selects the same doctor in most of its cases.

* * *

Carl S. Brown's Change

Carl S. Brown, of Utica, N. Y., during the past six years executive special agent of the Massachusetts Bonding, has resigned his position with that Company and has joined the special agency force of the Fidelity & Casualty. Mr. Brown will devote his time to the development of the bonding line of the Fidelity & Casualty in New York State, being associated with Resident Manager Edgar E. Mueller, of Buffalo.

* * *

Liability Insurance Cancelled

Further claims against the city of Paterson, N. J., by persons injured in departments or by equipment of the city will not hold weight under an opinion by City Counsel Scott and Attorney Randall B. Lewis to the effect that the city is not liable in instances of this kind. The finance commission has directed that all liability insurance carried by the city to be cancelled. The city attorney says the opinion is founded on the ground that the doctrine of respondeat superior does not apply to municipalities and that a municipality is not liable for negligence in the performance of a public duty. The city, of course, is liable for injuries to its own employes under the provisions of the Employers' Liability Act.

CHICAGO BONDING AND INSURANCE COMPANY

WRITES the following lines of INSURANCE

FIDELITY AND SURETY, PLATE GLASS, BURGLARY, GENERAL LIABILITY, AUTOMOBILE LIABILITY, PROPERTY DAMAGE AND COLLISION, ACCIDENT AND HEALTH, MONTHLY PAYMENT

Charles R. Culyer & Co., Resident Manager, 428 Walnut St., Phila., Pa.
Geo. S. Dippold, Res. Mgr., 1107 Peoples Bank Bldg., Pittsburgh, Pa.
W. F. Murphy & Co., Res. Mgrs., Union Trust Bldg., Jersey City, N. J.
J. Ramsay Barry Co., General Agent, 10 South Street, Baltimore, Md.
R. H. Lambert, Branch Manager, Equitable Bldg., Washington, D. C.

Capital $500,000.00—Surplus to Policyholders, $825,544.20

O. F. ROBERTS, Vice-Pres. and Gen. Mgr. HOME OFFICE: CHICAGO, ILLINOIS

FARRISH'S CHOP HOUSE
Cor. John & William Streets
THE PLACE in the Insurance District to eat lobsters
NOW IN SEASON
Whole cold lobster 65c.
Whole broiled lobster 75c.

Hendrick With Great Eastern

A. C. Hendrick has been engaged as chief statistician by the Great Eastern Casualty. He leaves the Globe Indemnity to take this position. Mr. Hendrick has had an extensive experience in this line of work. For a number of years he was with the Massachusetts Bonding, then with the National Workmen's Compensation Bureau, and the Workmen's Compensation Inspection & Rating Board. He has done important work for the Government in connection with the preparation of statistics for the first war draft.

* * *

Undecided on New Orleans

Nothing has been done regarding the automobile liability rate situation in New Orleans. Just what may be done is not known now. The differentials there are high and there is much non-Conference competition. The agents are therefore restive and the subject will doubtless engage the attention of Bureau members until a solution is reached.

* * *

Keller Off For France

Dr. David H. Keller, of Chicago, has left with his company for France. He is commanding officer of Hospital Train No. 44. The doctor turned up in New York a few days ago very much dressed but not without a place to go. All wish him well; he has a fine company, admirably equipped.

* * *

Business Not Coming

That the much talked of freight bond business is not going to be a landslide is well illustrated by the experience of one company which engaged twenty former freight clerks to solicit these bonds. Up to a week ago the company had received but a handful of applications, the country over.

* * *

On From the Coast

William J. Gardner, Pacific Coast manager for the Ocean Accident & Guarantee, is in New York this week looking very tanned and full of vigor, evidently well pleased with his new location.

* * *

Met in Baltimore

Explanation of the new schedule and experience rating plans was made at a meeting in Baltimore, Wednesday, by L. L. Hall, G. F. Michelbacher and J. V. Duffey of the Bureau.

* * *

Tom O'Neill in Wireless

Thomas O'Neill, general liability counterman for the Aetna companies in New York, is now instructor at the radio station at Cambridge, Mass. He was in New York a few days ago on furlough.

* * *

A. M. Murray at Camp Dix

A. M. Murray, liability manager for the Aetna companies in New York, is now a corporal in Company G, 348th Infantry, stationed at Camp Dix.

* * *

With John R. Waters & Co.

M. A. Kreps, formerly with the Ice Dealers' Mutual Liability, is now in charge of the liability department of John R. Waters & Co.

James Marshall, of Willard S. Brown & Co., is expected to return from his month's vacation on Monday.

Walter Huethwohl, of E. F. Flindell's office, has joined the navy and is expected to leave in about a week.

CASUALTY AND SURETY POINTERS

Some Things Company Files Show

Speaking of buying things and having them sold to one, "The Standard Cog" has this to say relative to creating a demand:

"The main trouble is that most people don't know what they want and fewer still what they need. This is especially true in the insurance business. For this reason people seem to have trouble at times in placing our business in the proper class. That is the very reason why we have agents and why we say that agents are necessary.

"One of the strange things about our business has always been that the fancied demand becomes real without warning. Our files contain many cases where the agent tells us that the assured took the insurance just because the agent insisted. The claim files disclose that the assured took the claim money because he could use it. Our files contain many cases also where renewals are returned because the assured says he didn't need the policy. The claim files record that the claim was declined to the widow because the insurance was not in force. We assumed in all cases that the widow could have used the money if the policy had been in force.

"As a matter of fact we may all proceed upon the theory that we are selling something that is of use and something that should be demanded by the prospect. If he does not see the demand, then we say that to create a demand will never be answered later by the statement that a policy was sold rather than bought.

"We are engaged in a business so necessary that the wise statesmen of almost every state have seen fit to regard it as a public necessity. We are taxed accordingly. We are supervised by the state because we are doing a business that must be done because people must have this sort of protection.

"There is a public demand for accident and health insurance in every place. If that demand in your town has not been met by you and your company, then it is your fault."

* * *

How to Read the Newspapers

Perhaps some agents may not be following this good advice the Western Accident & Indemnity gives to its field force:

"Read your daily papers for notices of accidents and sickness. You will be surprised at the number of clippings you will have to make. Use these in your work and very likely you will find prospects among those who were closely acquainted with the injured or among those who worked in the adjoining office to the injured man or in the next block. It convinces one how unexpectedly accidents occur. It eliminates the impression that accidents only occur to a certain number. It is an argument for a man who thinks that he is immune. Read the headlines of the clipping to your prospect and supplement that with statistical information. Many an accident happens after the day's work is over and on the road to the waiting family at home."

* * *

Opportunities in Bond Business

That there is plenty of work for fidelity bond agents is shown in the record of embezzlements. During 1916, according to figures collated, more than $31,000,000 was pilfered from various corporations and other businesses, but transportation companies were the heaviest losers, the total sum being estimated at more than $15,132,750. Banks and trust companies lost $3,793,271; insurance companies more than $755,000 and benefit organizations $7,534,700. As heavy as these sums are, they do not represent all the embezzlements during that year, for many banks and trust companies, as well as mercantile houses, believe that the policy of silence concerning defalcations is best.

* * *

Figuring Insurance By the Mile

What does automobile insurance cost per mile? asks the Western Accident & Indemnity. An automobile accident may happen when the car has only been driven a city block or a half mile or a mile. In other words when an owner considers 4,000 or 10,000 miles during a season and that he and his car is exposed to accidents during every foot of the mileage, he may readily appreciate the constant dangers of automobile travel.

Almost every one tries to be careful and safety largely depends upon this—but automobile accidents continue to occur and every day the papers are full of such notices. Why not buy insurance protection and thus relieve yourself of the financial responsibility that otherwise would be involved through accident?

If you own a "Ford" and drive it 10,000 miles a season the cost of straight liability insurance would be only ¼c per mile. Which would you rather pay, $10,000 per mile or ¼ of 1c per mile? Insure.

Making Use of the Daily Newspapers

ADVICE OF WESTERN COMPANY

Tells Agents How to Use the Press to Popularize One's Business

Telling its representatives to "keep in touch with your newspaper," the Western Accident & Indemnity, of Helena, Mont., proceeds to lay out for them how this may be accomplished and what good may come of it. The Western proceeds:

Do you know that the best friend you have in your community is the newspaper? Let us tell you why and let us tell you how you can learn to appreciate more fully that friendship.

In the first place a successful insurance man has to know what is going on. Doesn't the newspaper tell you that? And in the next place you have to let the people in your community know, on a wholesale scale, who you are and what your business is. The newspaper does this both for nothing and for money. You can introduce yourself to more people through your newspaper than in any other possible manner—you can win the friendship of the newspaper management and popularize yourself (if you are a half way decent fellow) until everybody knows your name, your wife's maiden name and your children's faults, the size of the mortgage on your house and the name of your automobile if you have one; and, all this serves to help your business. What you want is to make your name as popular and as common as a Ford car, and then whenever insurance is mentioned it is immediately hooked up with you.

Cultivating the "Devils"

Get acquainted with the newspaper management, know the reporters by their first name. They are a busy bunch of devils and have their nose into everybody's business and can tell you things that happen before they have time to put them into print. And don't forget that you can win their friendship by slipping them a bit of gossip for a story quicker than by trying to buy yourself into popularity. If anything happens to yourself about yourself, or if you have something on yourself don't forget to slip it to a reporter.

Get your name in the paper as often as you can connected with as many things as you can. Use discretion in every instance, but break into print. The best way to keep into print is to be friendly with the newspaper.

Watch the newspaper boys work. Note the amount of energy the wide-awake newspaper man puts into his business. Pull yourself up to the same pitch, get out and rustle as hard, put in the same hours, use the same pep that the real newspaper reporter uses, and your commissions will double.

Notice how the reporter circulates every day in order to obtain a scant piece of gossip. Watch the number of people he stops every day and then decide to use the same vigilance in hunting for people wanting insurance that he does. You will find more business.

Give An Even Break

Take into consideration that a newspaper has to buy paper and pay help. Patronize their advertising columns to whatever extent you can afford, but patronize it. If you have two newspapers, both good, in your community, given them an even break, but if you have one well established, progressive, successful paper, give them the best of it over the other one. Be careful how you judge the papers. Do not let politics or personalities interfere, but remember the newspaper that is successful financially is almost always the best paper, because there's a reason for such success.

Don't forget to hang around the newspaper office during your spare moments.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE CHICAGO

F. W. LAWSON General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS Resident Manager 55 JOHN STREET New York

Elmer A. Lord & Co. 145 Milk St., Boston Resident Managers New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

NO COMPENSATION

Question of Whether Employe Resting in Bunkhouse Was Subject to Call

While lying in a bunk in the bunkhouse of the Holt Lumber Co., Oconto, Wis., and talking to a fellow workman, Sam Bebeau had the misfortune to have a straw enter his mouth. An infection started in his throat and he was disabled for some time. The State Industrial Commission awarded him $259.03 compensation. Judge Stevens of the Circuit Court entered an order setting aside the award and dismissing the application for compensation. Judge Stevens finds that the workmen were supplied by the Company with board and sleeping quarters in the bunkhouse as a part of their compensation. At the time of the injury, the court holds, Bebeau was not subject to call for the performance of any duty which he owed to his employer. The Industrial Commission cited cases to show that the employe is entitled to compensation when injured while occupying the sleeping or living quarters supplied by the employer but the court holds that these are cases in which the employe was in the service at the time of the injury or was subject to call for the performance of duty.

NO ACTION ON POLICY

The committee on proposed uniform, standard compensation policy met in New York Wednesday to consider a decision was reached and none is expected this week. re-draft of the cancellation clause. No

PLANTING IN THE EAST

The American Liability of Cincinnati is opening a general agency in Pittsburgh, and expects to have one in Philadelphia in a short time.



OUR POLICY FEATURES:

DOUBLE INDEMNITY FOR ACCIDENTAL DEATH
TOTAL DISABILITY—SICKNESS OR ACCIDENT—
PAYS INSURED INCOME DURING DISABILITY
PREMIUM PAYMENTS WAIVED DURING DISABILITY
AT DEATH—FACE OF POLICY, WITHOUT DEDUCTION
FOR DISABILITY PAYMENTS, PAID WITHIN 24 HOURS

WRITE US TODAY—We have territory open and best commissions

Reserve Loan Life Insurance Company

INDIANAPOLIS, INDIANA

A THRIFT STAMP a day will keep the "HUNS" away.

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 32 | NEW YORK, FRIDAY, AUGUST 9, 1918 | $3.00 a Year; 25c. per Copy

65 PER-CENT. INCREASE IN N. Y. LOSSES

Record of First Six Months of Year in Metropolis—14 P. C. Increase in Number

$250,000 PAPER LOSS THIS WEEK

Firemen Play Hose on Floor Until Water-Soaked Paper Makes Floor Collapse

The increase in fire losses in New York City has been tremendous this year, not only in the extent of the losses, but in their number also.

For the first six months of this year the losses handled by the New York Board of Fire Underwriters were $7,243,000 as compared with $4,283,000 for the first six months of last year. While this increase of 65 per cent. is in part explained by the soaring values of buildings and stock at the same time it should be noted that the increase in the number of fires was 14 per cent.

Millar Loss Unexpectedly Heavy

That the gait is being maintained was demonstrated again this week by the G. W. Millar & Co. paper loss in Crosby Street. In many respects this loss—estimated now at about $250,000—is unique. The firemen were really on the job about three days, playing water on the property to keep down the loss after the fire itself seemed to have been largely extinguished but continued to smoulder.

At the end of three days the paper had absorbed so much water that the floors could no longer stand the strain, with the result that the building collapsed. So there will not be much salvage.

GET MILITARY CROSSES

Military crosses have been awarded to both of the sons of Robert Chapman, former general manager of the Caledonian. The older son, Captain R. M. Chapman, was with the Northern Assurance previous to the outbreak of the war, but since August, 1914, has been at the front. The younger son, Lieutenant A. S. Chapman, has seen service in Galipoli, and is now at Saloniki.

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Underwriting Capacity Second to None.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

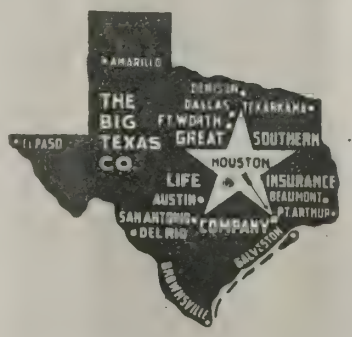
Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager

UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON
PRESIDENT

THE GAUVIN AGENCY

THE PILOT POLICY

$7,000,000 INSURANCE ON FOUR DU PONTS

One Application of $4,000,000 on Life of Pierre du Pont, Wilmington

FRED FULLER AGENT IN CASE

Details Being Handled By Ives & Myrick—Companies Still Passing on Risk

Events of the past thirty days indicate that the size of policies wanted by American millionaires is limited only to the carrying capacities of the companies. Within the past month insurance on four members of the famous du Pont family of Wilmington, Del., manufacturers of powder, has been written for an aggregate of $7,000,000. The largest application is for $4,000,000 on Pierre du Pont and the balance is on lives of his three brothers.

Written by Fred Fuller, Springfield

The honor of writing the insurance on the lives of these members of the du Pont family, goes to Fred Fuller, the remarkable life insurance agent of Springfield, Mass., who is also general agent in that city of the Equitable Life Assurance Society. Mr. Fuller has not basked much in the limelight, but he is really one of the most extraordinary insurance men in the United States. It was Mr. Fuller who wrote the line of nearly $2,000,000 on the life of Harry T. Dunn, automobile and tire man. It is said that Mr. Fuller's general agency wrote nearly $7,000,000 last year. He has been a heavy individual producer for years.

The du Pont policies are ordinary life contracts. The details of the transactions are being handled by Ives & Myrick, of this city, who also assisted in the Dunn insurance.

Companies Writing Large Lines

In life insurance circles there is considerable interest being evinced as to how much of the $4,000,000 line can be placed. The companies are still passing upon the line and it is too early to tell how much can be covered. Heretofore, the top line was that of

(Continued on page 2)

How To Sell Monthly Income

ADVICE OF CHARLOTTE AGENT

Man Must Not Be a Slacker to His Family—What to Emphasize in Canvass

In an argument for "Monthly Income Insurance," G. W. Patterson, of Charlotte, N. C., tells agents of the Pacific Mutual which points to emphasize. If the case is properly presented he does not see how the agent can fail. Mr. Patterson says:

"Any person of intelligence, preferably of the better class, who has dependents, and who has already provided insurance in one sum to supply the ready cash that may be immediately needed, is the person to whom to sell it, after you have convinced yourself that he is an acceptable risk and can pay the premium.

The Love of Family

"Every such real man who loves his family worries and puzzles over what might happen to them when he is gone. Get the facts in his individual case, and emphasize with all the force and power that is in you that this is a vitally important and personal matter for his immediate consideration. Then show him the positive answer is the Pacific Mutual Continuous Monthly Income policy.

"Explain and drive home to him and for him what it is worth to be certain that on the first day of each month his loved ones will be paid a certain fixed sum—no worry about delays—no taxes—no commissions to pay—no chance of loss—no spectre of poverty in old age—no puzzling business problems to decide—no responsibility or complications as to investments in blue sky. He knows many instances where shrewd business men have made unwise investments. He may have done it himself. He can doubtless make some more money if he loses, but he doesn't want his beneficiary to take any chances on having to do that.

Argue Unselfishly

"Put your best unselfish thought and ability in your appeal to the best that is in him, to his love, his pride, his ambition, his desire to do his full duty without being a slacker, and give these points prominence in showing him why he wants just this kind of protection, being sure to bring in the practical points to reconcile it with his good business judgment and foresight. He wants to create the largest possible estate with the lowest possible cost and risk. Show him that a smaller percentage deposited annually on this Monthly Income policy will create a larger and more ideal estate for his loved ones than he can possibly get with the same money any other way. A Monthly Income of $50 is equal to a $12,000 Estate, and whether the cost to the insured is 2, 3, 4 or 5 per cent. in annual deposits, it is a good business move for him. He cannot create this estate in any other way without sooner or later paying the principal sum and interest on deferred payments.

"Tell him how this will make him feel more a man. He knows he can provide for his loved ones and make this small deposit if he lives, and he knows he will leave his affairs in ideal shape when he dies.

"Give him every opportunity to analyze and criticise. Get him to ask questions as to what will happen in certain emergencies or contingencies. This policy has provided the answer to every one of these questions, and gives you a chance to answer in such a way as to make him want the policy that much worse. Don't forget that he is a human being, and if you make him want it the rest is easy. Watch yourself, and don't do all the talking; if you have done your part, his thinking and talking will be leading in the right direction.

Disability Feature.

"After your case has been presented from this standpoint of what it will do for his loved ones, and you have all that is best in him brought out, then let him see that he, personally, has been provided for against misfortune of any kind that is serious, by the loan values, paid-up values, and, most important of all these, the Total and Permanent Disability feature.

"This Total and Permanent Disability feature can be used in such a way as to sell a big class of men who are too selfish or narrow to provide this protection for their dependents only, but will buy it when they see that life boats have been provided and that Number One is going to be well taken care of,—and then leave the policy intact for his dependents.

"If the case with all its practical and human aspects and advantages is well prepared and presented in simple, clear and concise language, bearing in mind always that it is the prospect who is being served, and his interests are to be thought of, losing sight of the question of commission, the arguments in favor of this policy will be unanswerable. The more intelligent the man, and the quicker his mind, the easier it will be to convince him; and that kind of a man will be a booster for you, and will enable you to sell his friends and relatives."

WANTED

Assistant to General Agent in New York City of large Life Insurance Company.

His work will consist of agency building. He will help and inspire present agents, procure and develop new ones.

Advancement assured and remuneration commensurate with results.

State full particulars. Address

"New York General Agent"

c/o The Eastern Underwriter, 105 William Street, New York, N. Y.

J. A. KING WITH MANHATTAN

Jacob A. King, of Asbury Park, N. J., who has been a successful writer in the East for the Bankers Life, of Des Moines, has resigned from that Company to become New Jersey general agent for the Manhattan Life Co. Mr. King will retain his offices in Asbury Park and Newark, N. J.

WANTED

By an old established Life Insurance Company

TWO AGENCY SUPERVISORS

under direct Home Office contracts

The men we employ must be able to prove by past achievements that they are good organizers and producers.

They must be able to appoint agents and not only **tell** them how insurance is sold but **show** them how it is done.

Salary of $3,000 and expenses, but it will not remain at that figure after results prove that it should be more.

Address **"OPPORTUNITY"**

c/o The Eastern Underwriter, 105 William Street, New York, N. Y.

$7,000,000 on du Ponts

(Continued from page 1)

J. Pierpont Morgan, written by Harold Peirce, of Philadelphia, but for numerous reasons the du Pont risks are regarded more favorably by the life companies than was the Morgan risk, some of which had to be covered in Europe, as there were some companies here which would not carry any insurance upon the life of Mr. Morgan in view of the unusually important position he held in this country for the Allies, which made his office more or less a target for cranks and pro-Germans.

WOMEN WHO SAVE

There are thousands of women who would be glad to have some one come and tell them what a twenty year endowment is, and how to get it. Generally speaking, women are more thrifty than men. Employed women—not the girl whose mind is on getting married next year—are able and willing to save a substantial part of their income, and it does not require much persuasion to convince them that a twenty year endowment policy in a good company is one of the safest and surest investments a woman can make. It provides a systematic saving for the future and enables her to arrange in perfect confidence as to who shall get her money in case of her death. If it were not for their natural diffidence and the mystery with which so many of them regard life insurance, women would be walking into life insurance offices and asking for endowments.—"Fidelity Field Man."

WHEN A MAN SAYS "NO"

Don't give up when a man says "No!" You have everything to win and nothing to lose, is the tip of Miss Mary E. Warren of the Massachusetts Mutual. By this I do not mean that an agent should pester a man to death, or yet go back to him without some good point, which has been omitted on the first interview. Having racked your brain to find a good point, go to your prospect with it and with a cheerful countenance, and together they will work wonders.

* * *

Showing Weakness at the Wrong Time

Everybody knows it is the best plan to get the cash when the application is signed, says "The Federal." Pounds of printed matter have been sent out to agents urging them along this line. Why should it be necessary to talk to the agents thusly? Do they not know that it is only money that counts? But, there is another side of the subject. Lots of agents are lacking in backbone when it comes to bringing the man down to cash with a transaction such as the one in question. Why allow our fears to overcome us in the money question? We are afraid that a persistent call for settlement might make the applicant throw up the trade. Sometimes a man will take offence when he is urged too strongly for money before he receives his policy. On the other hand, if the right sort of diplomacy is used the money can often be secured upon the basis of a business proposition. Why should not the man who has been working up to the point of signing the application be in prime position for completing the case by making settlement on the spot? That is the time when the iron is hot—that is the time when the shrewd diplomatic agent will get in his work and collect. Not only does the agent save an immense amount of time by getting settlement along with the application, but he, by that stroke gets entirely away from the trouble of having to do the work over again and maybe lose out after all.

Pennell and Offner Go With L. A. Cerf

WILL ASSIST GENERAL AGENT

Former Newspaper Man and Chicago Producer Both Well Known in Wide Insurance Circle

L. A. Cerf, general agent of the Mutual Benefit Life Insurance Company in New York City, made two important announcements this week.

I. H. Offner, a successful Chicago producer of the Mutual Benefit, will become director of agents of the Cerf general agency. A luncheon to Mr. Offner was given by Mr. Cerf at the Bankers' Club yesterday.

Frank W. Pennell, a well known insurance literary man, will become personal assistant to Mr. Cerf on August 17.

Mr. Offner's Success

Mr. Offner was formerly with the George Pick agency of the Mutual Benefit Life in Chicago. He is an unusually successful writer of big business. Of him Mr. Cerf said this week: "He understands every angle of life insurance as a whole and is particularly well-versed in the understanding of Mutual Benefit life insurance. Mr. Offner is an executive and a personal salesman." Mr. Offner is forty years old and all of his experience has been in the West.

Mr. Pennell's Career

Mr. Pennell after, being graduated from the University of Michigan, where he was editor of the college daily paper, went into newspaper work in Bradford, Pa., after which he joined the staff of the "National Underwriter" at Cincinnati. Subsequently, he was made Eastern manager where his work immediately attracted the most favorable attention among insurance officials, leading to Mr. Pennell's receiving a number of offers from life insurance companies. He went with the Mutual Life two years ago as assistant manager of the literary department, of which J. A. Jackson is manager. Mr. Pennell did good work for the Mutual, but for some time he has been anxious to leave literary work in order to go into the field. That he will be as successful in the production end as he has been in his other activities is the belief of his many friends in the newspaper and insurance offices.

The Cerf agency has for years been one of the leaders in this city.

CONVENTION ENTERTAINMENT

Banquet, Coney Island Trip, Hippodrome and Hudson River Sail Arranged

President Priddy, of the National Association of Life Underwriters, said this week that more than 2,000 people will attend the convention here in September.

The entertainment feature will not be eliminated as there will be, in addition to the Astor banquet, a trip up the Hudson, a visit to Coney Island, a luncheon and matinee for the ladies, and tickets for any one who cares to visit the Metropolitan Museum of Art, the Zoo, Aquarium and other famous places.

TAYLOR CAMPAIGN

The Taylor Campaign in Philadelphia, waged by representatives of the Equitable Life Assurance Society in honor of Second Vice-President Taylor, was a success in every way. About fifty men produced applications amounting to $1,290,000. The average production was thirty thousand for each man. The campaign ran for a month. J. P. Hyatt, of Wilmington, wrote $284,000.

NEW HOME OFFICE

Connecticut General Buys Former State Armory Property, and Will Build After the War

Hartford, Aug. 7.—The Connecticut General Life has secured an option on the former state armory property at No. 51 Elm street and has until September 1 to complete the purchase of this well known and valuable site. In all probability it will exercise the option and have a new home after the war. A substantial deposit has been made. The site which the insurance company proposes to acquire includes, as well as the armory building and land, the Bessie M. Skinner property to the east which will not be taken by the city in Hudson street improvements.

The present building has been the scene of many big political meetings and exciting polo and athletic events and famous evangelists have preached there.

The purchase will result, after the war, in an important addition to the "Insurance row" which comprises companies on Elm and Trinity streets. Within a few years Elm street has begun to shift from its old time residential aspect. The tendency is towards the forming of an insurance neighborhood. The Scottish Union & National Insurance Company has its United States headquarters on Elm street, west of the armory. The Phoenix Mutual Insurance Company recently bought property on the street and intends to build a new home there.

At the corner of Trinity street is the handsome building which houses the Phoenix Insurance Company and the Connecticut Fire Insurance Company and the Orient Insurance Company and the London & Lancashire Insurance Company have a building south of the Phoenix on Trinity street, and were the pioneers in the western movement of insurance companies.

Buffalo Association Saves $500,000 Case

IT BLOCKS A "ONE CASE MAN"

Hearing Given at Request of Buffalo and National Associations—Priddy Statement

Superintendent Phillips gave a hearing this week in Buffalo to members of the Buffalo Association of Life Underwriters who objected to a real estate man, a one-case man, being generally licensed simply to land a $500,000 case. The hearing resulted in a victory for the Buffalo association.

The Circumstances

President Priddy, of the National Association, described the circumstances leading up to the complaint to the Insurance Department:

On or about July 22nd Charles G. Monser, president of the Buffalo Life Underwriters' Association, telephoned to New York, and gave me the following facts, requesting advice and co-operation:

For some time past several prominent members of the Buffalo association had been trying to interest a prominent Buffalo man in the purchase of a line of insurance, and having been educated up to the point of believing that it was good business to purchase this insurance he consulted a personal friend, the president of a leading Buffalo financial institution. This friend, being "familiar with the curves of the life insurance business," as he expressed it, suggested to the proposed applicant that he have a member of his family, or some personal friend, appointed agent, so that the commission on this business might be saved to the family treasury.

It was first suggested that his father be appointed agent, but upon deliberation this was abandoned and he then got in touch with a friend who is engaged in the real estate business. Making it plain to this friend that he was going to purchase $500,000 insurance, the real estate agent quickly made up his mind that he was eager to engage in the life insurance business. (It should here be recorded that some months previous to this, after the directors of a certain banking institution, in which this same real estate man is a director, had been convinced that they should purchase group insurance on their employes, he forthwith secured a license and negotiated the group contract. The total insurance envolved in this transaction was about $125,000. This fact did not become generally known until the Life Underwriters' Association began its investigation).

It is said that some half-dozen attempts have been made by managers and general agents to induce this real estate agent to go into the life insurance business, but he had persistently maintained that he had no desire to go into the business. When it became apparent to him that a $100,000 contract of insurance could be negotiated he became very eager to engage in the life insurance business. Immediately, he called at the office of a number of companies in Buffalo and actually made application for a license for six companies.

At this juncture the Buffalo association became aware of what was about to take place, and they immediately called together all the managers and general agents of the city and discussed the matter fully, and practically every manager and general agent in the city agreed that they would not, under any condition, take any business from this real estate agent who was trying to launch into their business.

The facts were communicated to the president of the National association, and at his suggestion a committee of the Buffalo association went to Albany to advise with the Superintendent of Insurance. The president of the National Association at once communicated with all of those companies for which the said real estate agent had applied and protested against the issuance of a license, and he also communicated with the Superintendent of Insurance about the matter. Some of the licenses had already been issued and others were under consideration by the department.

The managers and general agents of Buffalo held a number of meetings, as has already been stated, and practically everyone of them **signed a pledge not to take any business of any description from this "would be" agent.**

Realizing that an effort might be made to secure this insurance through agents located elsewhere, or by the applicant actually going to some other city to file his application, the president of the Buffalo association communicated with the president of the National association, and he in turn wrote to the home office of every company doing business in the state of New York, submitting the facts and urging that no business be taken on the life of this proposed applicant, unless it be submitted through their authorized agents in the city of Buffalo. Practically all of the companies have written the president of the National association that they were **most heartily in accord with this program on the part of National association, and that no business would be accepted from this would be agent.** Later on there was a meeting of the Buffalo association and all the facts were submitted to the entire association, and the action of the general agents and managers was enthusiastically received and endorsed by the association.

This "would be" agent pressed his case so vigorously before the department, and had so many influential citizens take up his fight, that the Commissioner of Insurance conducted a hearing in the city of Buffalo at eleven o'clock on Tuesday morning August 5th. At this hearing the Buffalo association presented its case in no unmistakable terms, and the president of the National association has just received the following telegram from the president of the Buffalo association:

"Won a complete victory from Insurance Department in ———case. He has withdrawn from ——— case entirely and we have one or two other representatives in a very bad hole in this transaction. Will write you more fully tomorrow." From this it would appear that the Buffalo association has taken a firm stand to eliminate "one-case" agents, and it is the earnest hope of the officers of the National association, and of all decent life insurance people everywhere, that **all other local associations will follow the splendid example of the Buffalo association. In this connection managers and general agents are here reminded that they are responsible for the indiscriminate issuance of licenses, and the National association hereby appeals to all such persons to support them in their fight to eliminate once and for all all such transactions.**

HOLDS UP SETTLEMENT

The courts at Pittsburgh have refused to approve the settlement arranged by the directors of the Pittsburgh Life & Trust with the Insurance Department, by which they were to escape prosecution under the criminal indictments against them on payment of $400,000 to the receiver. The court held that if the directors were liable for the losses sustained they should be held for the full amount, while if not liable they should not be required to pay anything.

NOW LIEUTENANT-COLONEL

Major Herbert Wolfe, has been promoted to Lieutenant-Colonel in the Quartermaster's Department, and has left the War Risk Bureau.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

International Has $75,000,000 in Force

MANY NEW APPOINTMENTS MADE

T. J. McGuire General Agent in Scranton—Earl Ellis General Agent in St. Louis

The agency force of the International Life Insurance Company of St. Louis, by paying for $2,474,500 of business during the month of July, produced the greatest volume of paid insurance in any single previous month in the Company's history, and has brought the insurance in force up to approximately $75,000,000. The assets now exceed $10,000,000.

Ellis Named City Manager

The Company has recently appointed Earl Ellis, well known in St. Louis insurance circles, as its city manager. Ellis already has established a lively corps of agents, organized for a home drive, and has just completed the appointment of several field representatives speaking foreign languages, who are educating new United States citizens to the thrift opportunities of life insurance.

The International Life several months ago entered Nebraska, which is now contributing insurance at the rate of $1,000,000 a year to the St. Louis company, the Nebraska State agency being in charge of Floyd L. East of Lincoln, Neb., who has already appointed 28 producing field agents in different parts of that State.

Greater Pennsylvania Production

A greater production from Pennsylvania has started on account of the appointment of T. J. McGuire as general agent of Scranton, Pa., while the far West has been invaded by the St. Louis company through E. F. Miller and M. N. Winans, State agents, who have already organized an imposing sales force in the State of California. In the Pacific Coast drive for business the International Life has also developed a strong State agency in the State of Washington, in charge of H. C. Sampson of Spokane, Wash.

IN TRENCHES; WANTS "POINTS"

Soldiering with the American Expeditionary Forces does not seem in the least to take away from the attractiveness, in the minds of former agents, of life insurance as a profession. There came the other day from Robert O. Berry, formerly of the Fargo agency of the Mutual Life, but now a corporal in the 164th Infantry in France, a cheery letter confirming this statement, of which the following is an extract:

"Here I am over here trying to collect applications from the boches, to make business look up and to convince them that they should have had all the insurance they could get before they joined the army. Doesn't it strike you that you might let me in on what the Grand Old Mutual is doing by sending me the Home Office publications? I am very much interested because I expect to write for you again when I get back to Fargo. I am only an infant in the insurance business, it is true, but I like it and feel sure that there will be plenty of work to do when I get back home again."

TREND OF BUSINESS

Farmers Buying Most Insurance in Iowa—Manufacturers Buy Largest Average

The Mutual Life prints an interesting table of figures from its Davenport agency, compiling business records for the first five months of 1918. The largest amount of insurance was purchased by farmers, with manufacturers and mechanics second; and merchants third.

Of special significance is the large number of applicants for insurance under the age of 31. Out of a total of 425, no fewer than 204, or over 48 per cent, have yet to reach this age, thereby eloquently disproving a somewhat popular belief among life insurance agents that comparatively few prospects are now to be found between ages 21 and 31, because of enlistments and the draft.

The average amount of all the policies placed by the Agency during the first five months was $3,369—another straw in the wind to indicate the constant tendency toward policies of larger amounts to offset the decreasing purchasing power of the dollar. The not inconsiderable amount of business written on women gives evidence of the growing importance of this field from the agency standpoint, because of the influx of women into good positions formerly held by men now in the service of the country.

	Total Amount.	Per Cent. in Class.	No. Apps.	Average Amount.	Average Ages.	Number Under 31.	Per Cent. Under 31
Farmers	$455,500	36.	135	$3,374	31	76	56.3
Manufacturers & mechanics	216,568	17.	40	5,414	35	16	40.
Merchants	184,122	14.3	49	3,758	40	14	28.5
Miscellaneous	148.500	11.5	81	1,833	30	48	59.2
Professional	107,500	8.4	24	4,480	34.6	10	41.7
Salesmen and clerks	89,668	7.	39	2,300	29	24	61.5
Women	79,666	6.2	32	2,427	33	16	50.

A. E. Howard of the Hartford branch of the Travelers, distinguished himself recently by writing five big mills in Tolland County, Connecticut, for group insurance with a total of $1,185,000. By doing so Mr. Howard convinced himself that group insurance affords a splendid opportunity to round out an agent's ordinary activities. The mills were the Hockanum Mills of Rockville, the James J. Regan Co. of Rockville, Talcott Brothers Company of Talcottville, E. E. Hilliard Co. of Buckland, and the Somersville Mfg. Company of Somersville.

A GOOD SIX MONTHS

In the six months of 1918 the weekly department of the Interstate Life & Accident, Chattanooga, made a gain of twenty-five per cent. in premium income over the same period in 1917. Collections are better and lapses are fewer.

BIG WRITERS
READ
THE EASTERN UNDERWRITER
Each Week for New Ideas
DO YOU?
Subscription $3 a Year

ROLPH GOES TO FRANCE

C. W. Rolph of the Mutual Life, Baltimore agency sailed late in June for France where he will engage in the service of the Y. M. C. A. as a field secretary. Mr. Rolph has been with the Company since 1910, was a member of the $100,000 section 1916-17 Field Club, and qualified during the Club year recently closed as a member of the $200,000 section.

A. A. Harris is now Harlem agency manager of William Sohmer & Co., general agents of the Equitable.

William B. Mann, of the accident department of the Ocean, is on a Western trip.

A conspicuous example of the hold that the John Hancock has upon its representatives is afforded by **George H. Lokes**, the capable head of Pittsburgh 1 District, who this year completed thirty years of service for the Company as a superintendent. His first experience in life insurance dates from January 1, 1881, when he started in the employ of the Metropolitan as an agent with no debit at Germantown, Pa. He must have shown capability in this occupation very quickly for he was promoted to the position of assistant superintendent only a year later.

WITH WAR BUREAU

Mrs. Ella G. Warner, who recently resigned as secretary of the New England Women's Life Underwriters' Association, has gone to Washingon to take service with the Government War Risk Department. Mrs. Warner was formerly connected with the Boston agency of the Provident Life and Trust.

ADMITTED TO KANSAS

The Morris Plan Insurance Society has been admitted to do business in Kansas.

HOME LIFE
INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity,
Disability Benefits,
Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE
INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

HOME LIFE INSURANCE COMPANY of AMERICA
INCORPORATED 1899
PROTECTION FOR THE ENTIRE FAMILY
This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.
INDUSTRIAL POLICIES are in full immediate benefit from date of issue.
ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State Endorsement.
GOOD CONTRACTS FOR LIVE AGENTS
Executive offices No. 506 Walnut St., Philadelphia, Pa.
BASIL S. WALSH, President JOSEPH L. DURKIN, Secretary JOHN J. GALLAGHER, Treasurer

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

THE WESTERN AND SOUTHERN LIFE INS. CO.
W. J. WILLIAMS, President Organized 1888 CINCINNATI, OHIO
The Largest Industrial Company West of the Alleghenies
Also Issues All Standard Forms of Ordinary $500 to $10,000
A Record of Thirty Years of Progress
TEN-YEAR PERIODS

	Assets	Insurance in Force		Income	Policies Issued
Dec. 31—1888	$ 104,307	$ 889,073			
1897	274,290	6,619,653	1888-1897	$ 1,744,102	387,702
1907	2,916,339	39,503,485	1898-1907	10,551,857	1,139,235
1917	14,008,422	115,099,897	1908-1917	31,845,050	1,961,674

AGENTS WANTED in the Principal Cities of Ohio, Kentucky, Michigan, Indiana, West Virginia and Western Pennsylvania

THE UNITED STATES LIFE INSURANCE COMPANY
1850 IN THE CITY OF NEW YORK 1914
ISSUES GUARANTEED CONTRACTS
Good men, whether experienced in life insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, 277 Broadway, New York City.
JOHN P. MUNN, M. D., President
FINANCE COMMITTEE {CLARENCE H. KELSEY, Pres. Title Guarantee and Trust Co
{WILLIAM H. PORTER, Banker EDWARD TOWNSEND, Pres. Importers and Traders Nat. Bank

How the Mailing Department of a Big Company is Run

By Charles H. Upton, Chief of Mailing Division, Aetna Life, Home Office, Hartford

In Hartford, with its many company offices, controlling a tremendous volume of business, its hundreds of thousands of agencies located all over the continent, safeguarding policyholders, handling thousands of payments to beneficiaries, the question of how mail is handled by those companies is of some considerable importance.

Organization and Management of An Insurance Mailing Department

Methods of handling mail vary according to the size of the business. In general, the aim is to develop a system which will give prompt and efficient service.

In transporting mail from a city post office to the various home offices most companies employ messengers who carry the sacks while other companies on account of the great quantity of their mail hire trucks for this service.

The first mail in the morning at Hartford is usually ready at the post office about 7:30 o'clock.

Arrived at the company's offices the sacks are emptied on long tables and the assortment of the mail begins. The process differs in the various companies.

Managers, general agents, district agents, and agents are usually supplied with various sized envelopes addressed to the departments of the company, which is not only convenient for them but facilitates the handling of the mail on its receipt. When the mail is received it is thrown into various receptacles destined for certain departments.

The Mail Assorters

In some of the smaller companies they have assorters of mail who are able to determine not only where each letter ought to go but also how the case should be handled. In the larger companies, however, the mail is taken from the post office at stated periods in the day and sent to the various departments of the company where it is assorted.

The first office distribution at the Aetna Life is made at 7.40 A. M. where the mail is sent by a large truck with compartments or bags for each floor to the central department on each floor where it in turn is opened and sent to the various desks so that it may be placed on the proper desks and work begun promptly at 8.30 A. M.

Different Color For Each Floor

For each floor a different colored folder is used and at the top is the number of the floor and department to which it belongs and at the bottom left hand corner the number of the floor to which it is to be returned. Deliveries are made every hour. For mail going from one floor to another each department is furnished with proper colored folders, which assists greatly in distribution.

These trips of the men from the mailing departments are made in ten minutes' time without hurrying.

Outgoing mail is collected at the Aetna every hour and is brought to the mailing room where it is assorted, enclosed, sealed, weighed and stamped and the mail kept face up. The sealing can be done by machine at the rate of 100 a minute. A sufficient quantity is tied up in bundles so that when it is received at the post office it is only necessary to cut the string and cancel the stamps. This plan saves two handlings at the post office.

Special delivery letters are taken at once to the post office and placed in the quick service box for immediate attention. Registered letters are taken in the same manner to the registry window at the post office. If a package is to be insured, it may be done either through an insurance company transacting that class of business or the government will undertake the risk at a charge of $.03 for value up to $5, $.05 for value up to $25, $.20 for value up to $50 and $.25 for value up to $100, which is the limit written.

Supplies and Equipment

Innumerable supplies are used by the mailing department to suit the taste and fancy of the department heads and officers. Clips and fasteners, various kinds of paper and envelopes, daily present problems to the supply department and sometimes trouble to the mailing department.

Thousands of dollars are invested annually in office appliances intended to increase efficiency, although sometimes the appliances do not come up to expectation. In the mailing room we are not burdened with the old fashioned copy machine, the bane of the mail boy's life for so many years, but included in the list of appliances are stamping and sealing machines, run by hand and by motor, which seal and stamp ordinary letters at a high rate of speed, stamp affixers with stamps locked in the machine; time stamps which mark the time certain letters are received; folding machines for folding letters; numbering machines for numbering enclosures; mail openers for opening mail rapidly by machines, a knife shaving off a very narrow edge on each envelope; paper fastener machines for fastening together a number of sheets of papers; photographing machines for quick reproduction of important letters, contracts, etc.; addressing machines with the names of all agents stenciled and kept in drawers alphabetically and also arranged alphabetically by states for frequent use, the machines being made either with or without motor attachment; blow torch for sealing important letters with wax; perforation machines for perforation stamps, and accurate scales for weighing mail.

Machines Replace Boys

No man or boy should be employed in a mail room at a task a machine can perform. The more we eliminate the human element the less liable we are to make mistakes that prove at times so costly to a company.

Discussion and comparison of the various kinds of wood and steel trays, filing cases, tables, mail bags, knives, pencils, ink, pens, wrapping paper, pencil sharpeners, cord, cellular cardboard for protection of packages, etc., would be of value to the companies in adopting the most efficient implements for office equipment.

The important subject of pneumatic mail chutes, and carriers saving thousands of dollars could also very profitably be discussed.

These materials and tools are a large collection of little things, but these little things are just what increase the efficiency of a mailing department and make it more useful to the company.

Delivery and Collection Plans

Insurance companies should study their mailing problem closely, find out how they can better plan delivery and collection schemes, analyze their routine and ascertain if there are not some useless motions, investigate new machinery, study tremendous wastes of postage stamps, etc.

The appearance of letters going out from the office reflects on the company and holds the standard high. Keep in mind the human element and have conditions of light, lighting, temperature and ventilation at the most advantageous standard. Have your room neither too light or too dark, not too hot nor too cold, and you will get more and better work from your employes.

In the last few years it has been discovered that some workers do not know how to work. There may be one hundred ways of doing the same job in a mailing room and, of course, 99 of them must be wrong.

A Real District Manager

is wanted for one of the best territories in the most prosperous section of the nation. This is a real opportunity for a first class man.

Write

Bankers Life Company
DES MOINES

REAL SATISFACTION

Working with **William N. Compton** and the **John Hancock Mutual Life Insurance Company** in New York City forms the happiest combination imaginable for the life insurance salesman.

If you have any doubt in your mind have it dispelled by calling at

220 BROADWAY

Phone 6030 Cortlandt

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.
PHILADELPHIA

Taxation of Business Insurance

TEXT OF MILWAUKEE PROTEST

Northwestern Mutual Life Agents Ask Other Agents to Tell Facts to Congressmen

At the recent annual meeting of the Northwestern Mutual Life's Agents' Association the following resolutions were adopted relative to taxation of business insurance:

Whereas, life insurance by corporations and partnerships on the lives of officers or members is a recognized necessity in business circles to protect and stabilize business, as fully as any other class of insurance; and

Whereas, the present income tax law, by including the proceeds of such insurance in the income of the business and subjecting the same to such heavy taxes as to make the carrying thereof prohibitive, is an unjust discrimination against this class of insurance; and

Whereas, many firms and companies by reason of discriminatory taxation have already surrendered and discontinued business protective insurance and others contemplate doing the same as future premiums shall fall due; and

Whereas, a general revision of the income tax law is impending;

Therefore, be it resolved by the agents of the Northwestern Mutual Life Insurance Company, in annual convention assembled, that this injustice and discrimination be brought to the attention of Congress; that each agent use all honorable means to convince his Representative and Senator that the law should be at once so amended that this discrimination and unfairness may be speedily eliminated and repair, so far as now possible, the damage already done.

In support of the above, we submit, stated briefly and without argument, the following as a few only of the many reasons that might be urged:

Insurance to protect business against loss is to restore assets destroyed. For this reason buildings, machinery and other property are insured against fire, damage or theft. If a loss is paid under any other kind of insurance, the proceeds are not considered income, but are treated, and properly so, as a replacement of the assets that were destroyed.

A business manager, in the full vigor of manhood, who is the financial strength, or the brains, or the energy, or all combined, of a business, is an asset infinitely more valuable than any mere piece of property can be. If such a man dies, the business sustains a loss far greater than if a building or a factory burns. Life insurance money on that valuable life paid into the treasury of that business does not begin to replace the loss as old buildings or equipment are replaced by new. The money so paid is in fact and ought to be so recognized by legislation, a replacement fund and not income. The proceeds of life insurance so paid is no more income than is a check from a fire insurance company to replace buildings or equipment.

The present law should be so amended as to not discriminate against those who carry business insurance, who follow the commendable plan of protecting creditors and business associates. There is no reason why insurance against the greater loss and one which must come should be treated with less favor than insurance against lesser losses by fire or other casualty which may never occur.

No insured is under obligation to continue the insurance. Policies may be lapsed by the owner at any time; and if, as is the fact, a large amount of business protective insurance has been or will be lapsed, the Government gains nothing by continuing the tax on the statute, for there will be no insurance proceeds to tax—illustrating again the fact that an unfair or unjust tax is bad both for the Government and the tax payer. It defeats its own purpose.

The present law, as applied to business insurance, particularly to corporations, where such proceeds are included also in computing the war excess profits tax, is prohibitive. The tax may run as high as 60 per cent. of the amount received and the result is the owner of the policy pays 100 per cent. premiums and gets 40 per cent. protection.

It does not help that the insured may survive the war and the period of high taxes; this class of insurance is carried for present protection, to replace assets destroyed; it is not a speculation on the life of the insured.

Any business produces revenue to the government under the income tax in proportion only to its earning capacity and income. When crippled by the death of an important manager and the loss is not replaced, the result is diminished net earnings—a permanent reduction of contributions to income taxes, which more than offsets the loss in revenue on one item of income for a single year. The tax is not supported by logic, nor indeed will it result in producing substantial revenue.

While pointing out the injustice of this tax, we assure the Government and Congress that there is not the slightest desire to evade the payment of any equitable tax to meet the expenses of the war. The direct personal work of life insurance agents of the United States, the financial support of insurance companies, is, we trust, sufficiently distinctive and far reaching to establish the full confidence of the Government and Congress in the hearty co-operation of life insurance companies and their representatives in these strenuous times.

Satisfied?

IS your story as an Agent Finished, or are you still waiting for the Big Chapter?

Valuable Openings in Productive Territory For Energetic Ambitious Men.

Maryland Assurance Corporation

Baltimore

LIFE
HEALTH
ACCIDENT

JOHN T. STONE
President

"LIVE AND DIE WITH ASSURANCE"

PURELY MUTUAL **THE** CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, $1,604,426,324

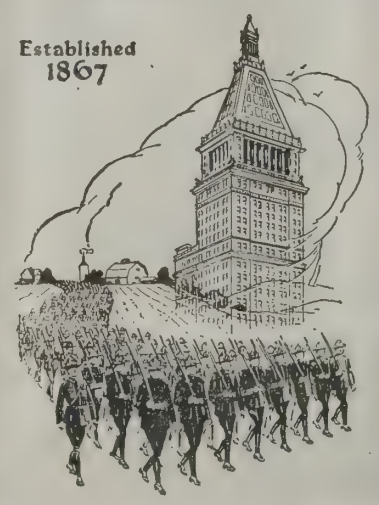
SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued

POLICIES MOST FLEXIBLE AND EASY TO SELL

Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

GEO. E. COPELAND,
Supt. of Agencies,
Milwaukee, Wis.



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. **of Cincinnati, O.** **Allan Waters, Second Vice-President**

Provident agents find that in these war times it is not difficult to convince a man he is not carrying sufficient insurance.

Provident Income Insurance is easy to sell

Write for Information

THE PROVIDENT
Life and Trust Company of Philadelphia, Pa.
Founded 1865

THE MOST VALUABLE POLICY FOR YOU
Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure prompt action in the
John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS
WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

Hepburn Article Helps Sell $30,000

WILKES-BARRE BUSINESS POLICY

Attorney for Insured Tells Why He Gave Insurance Protection Advice

In Wilkes-Barre, Pa., the Wilkes-Barre & New York Carrier Corporation has taken out $30,000 business insurance. The line is carried by the Pacific Mutual. In telling why he advised the insured to buy this insurance Attorney J. P. Lord, of that city, presented the case of business insurance in this concise manner:

"As counsel, I recommended it for the reason that we could not lose any of our officials without severe financial loss, and for the following additional reasons:

"For the credit it gives us.

"Because I believe it is as essential for all corporations to carry business insurance on their officers as it is to carry fire insurance on their property.

"Because a prominent banker here in Wilkes-Barre, George O. Motter, cashier of the Hanover Bank, recommended it as a safeguard to our business and a help to our financial standing.

"Because I am informed that all the Federal Reserve Banks are requesting information from their applicants for loans as to the amount of life insurance carried by the business or the individual.

"Because of the statement by Mr. Hepburn, the great banker, as to its necessity for a corporation.

"Because generally it is a business necessity.

"Because the whole trend of banking in the United States today is toward more scientific study of the borrower's responsibility, the development of standard forms of security and the reduction of rates of interest.

"Because as an attorney for private as well as corporate interests, I realize the financial stability it gives, especially where there are obligations."

$100,000 INCOMES

Twenty-two Insurance Agents Figured In This Fortunate Class Last Year

In Washington it is announced by the income tax office that twenty-two insurance men earned more than $100,000 last year.

Four commercial travelers showed incomes of over $100,000, as did two saloon-keepers, one professional sportsman, eighteen hotel proprietors, and twenty-two insurance agents. Actors, singers and musicians to the number of 914 showed incomes of $11,128,000, a net average of over $12,000. Five of these incomes were over $150,000. In the class of authors, editors and reporters, there were sixteen incomes better than $100,000, and two above $500,000. Twelve ministers of the gospel showed incomes of more than $50,000.

The legal profession earned the greatest total incomes among professions, although the average income among engineers was higher.

Of the 23,000 manufacturers in the country in 1916, one in every ten made returns, paying a total of 12 per cent. of the tax; of the merchants, one in ten made returns, paying 12.5 per cent. of the tax; of commission brokers in all fields, one in five, paying 8 per cent.; real estate brokers, one in four, paying 0.83 per cent.; lawyers and judges, one in five, paying 2.5 per cent.; mine owners and operators, one in six, paying 4 per cent. One farmer in about every 400 made returns, paying an aggregate of 1 per cent. of the tax, one teacher in every 200, one clergyman in about every seventy-five.

WINS ROSEN WATCH

The watch offered by Harry B. Rosen to the man who would win the presidency of the Fidelity Leaders' Club of the Fidelity Mutual Life was awarded to Clayton M. Hunsicker, of Philadelphia. The watch, of gold, was set with diamonds, rubies and sapphires.

During the last ten days the P. F. Huff Agency of the Travelers wrote $1,007,000, including three $100,000 and four $50,000 cases, all the business having been written by agents of the office.

Metropolitan Life's Employes' Disability

23,906 CLAIMS PAID LAST YEAR

Company Pays One-half of Premiums —Two-thirds Salary First 26 Weeks

In August, 1914, the Metropolitan Life offered to employes an insurance plan under which provision could be made against sickness and accident. The Company pays one-half of the premiums. On December 31, 1917, 14,893 (over 80 per cent. of those eligible) employes had availed themselves of this offer. Of these, 4,147 (about 80 per cent. of those eligible) were home office employes, and 10,746 (about 83 per cent. of those eligible) employes in the field. During 1917, a total of 23,906 claims, amounting to $268,073.26, were paid. Of these, 10,720 were on home office employes and 13,186 on those in the field.

The policy provides for the payment of two-thirds salary during the first twenty-six weeks of illness, beginning with the eighth day of sickness. From the beginning of the twenty-seventh week of sickness to the expiration of the fifth year of sickness, one-half of the original benefit is paid. After this time until the employe reaches age 65, one-quarter of the original benefit is paid.

The Company has provided for the first seven days of sickness by a graduated scale of absence credits against which an employe may charge days of absence due to sickness or other unavoidable absences not provided for by the disability policy. In other words, there is a complete provision against sickness.

Absence Credits

Absence credits are graded so that length of service is emphasized and encouraged.

Length of Service	Absence Credits
Less than 1 year	1 day for each month of service in any calendar year at two-thirds pay
1 year or over, but less than 5 years	12 days each year at two-thirds pay
Over 5 years, but less than 10 years	12 days at full pay
Over 10 years, but less than 15 years	15 days at full pay
Over 15 years, but less than 20 years	18 days at full pay
Over 20 years, but less than 25 years	21 days at full pay
Over 25 years	24 days at full pay

Life Insurance

It is but natural that as an insurance company the Metropolitan should encourage its employes to carry life insurance. Believing, moreover, in the value of group insurance by which all employes are insured under one policy, it was natural that the Company should have taken out such a policy on its own employes. During the year 1917, 48 claims were paid on the lives of members of the field force, with insurance aggregating $61,377.

Allowances

The Company has continued its practice of providing for aged and disabled employes who have been a long time in the Company's service. During the year the following rule in regard to retiring home office employes was put into effect:

"Any home office clerical employe insured under the group health policy, having passed age 65, whether incapacitated or not, may, if he desires, be referred, on the recommendation of the section head, to the executive to be retired at one-third salary."

This is one of the most liberal disability plans that has been adopted by any company, as it practically assures every disabled or superannuated employe the equivalent of one-third salary for life.

During the past year, the Company authorized the payment of allowances to 798 field employes to the amount of $251,594.11, and to 201 home office employes to the amount of $26,516.68.

WALLINGTON SUCCEEDS LONG

Following the resignation of Leo F. Long from the Grange Life of Michigan, the Company has appointed Ivan D. Wallington as superintendent of agents. Mr. Wallington was at one time state manager for the Pittsburgh Life & Trust in Michigan.

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Springfield, Massachusetts
Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Where Yearly Allotments Will Come From

A home office man recently remarked that never in his experience had so many farmers all applied for large policies. Twenty-fives and fifties now come from the rural sections, where formerly a ten was a curiosity. The "Monthly Review" of the George Washington Life observes that now the first half of the year has ended many solicitors will doubtless pause for a moment and endeavor to decide what course to pursue in order to fulfill yearly allotments. This should not be a serious problem, for there is one class of prospects who will soon be buying larger policies than they ever have before in the history of this business. They are the farmers.

Resolve at once to begin an intensive campaign among the farmers, but first of all place yourself in a position to give them the kind of advice on this subject they have not all been fortunate enough to have had in the past.

It will be important to know whether or not the farmer owns his land. Where the farm is incumbered it is necessary that sufficient insurance is carried to pay off the mortgage in case of death. Where the farm is clear it is more difficult to decide just what amount should be carried. In such cases it might be well to disregard the amount to be applied for and consider first the sum the farmer can afford to set aside as a savings fund for old age. Looked at from this angle, farmers, as a general thing, are much under-insured.

Assume that a farmer, age 35, owns 50 acres of land all of which is under cultivation. You will have no difficulty in convincing him that even in poor years he should set aside at least $3 of his income from each of the 50 acres as a reserve for the years when his age will prevent active work. This would mean $150 and will purchase $4,000 20 pay endowment at age 65. Should he live to 65, $1.38 will be returned for every $1 so invested without including the interest earnings of his deposits. Then should death occur during the 20-year saving period, his family would receive the amount he had planned to save.

* * *

Getting Something Out of Personality

Everybody has a personality. It is what makes or breaks many of us. The hardest worker with a poor personality will make but a partial success. What the Federal Life says to its representatives about personality is true to the letter. Here it is:

Many representatives possess pleasing personalities, but underestimate their abilities. They lack self-confidence and self-belief and hence do not achieve what they really are capable of accomplishing. A pleasing personality, properly utilized, will bring your prospects closer to you—will give you more confidence in yourself, and make you more sure of securing the signature on the dotted line. The glint of the eye—the warmth of the handshake—the smile of good fellowship—the frankness of expression—the general "make-up" and its myriad details all unite in making personality—something that stamps each person as separate and distinct from all others. The representative with pleasing personality and individuality makes prospects glad to see him, and if he has persuasiveness and ability back of that pleasing outward manner he secures the application. Add to personality, ability and sincerity—believe in yourself and cultivate thoroughness in imparting information to others. Personality is a heritage with some, but with many it is an acquisition. Personality and diplomacy—tactfulness and adroitness—make the approach easier, the conversation and selling talk smoother—the closing quicker, more certain and permanent. Bear in mind, however, that personality is not acting; it must "ring true." It must be backed by confidence, fortified by knowledge, and by the compelling force of truth and sincerity.

Therefore, develop personality—drop those things that jar on the nerves of others—carry the feeling of freedom, not breathless bustle and agitation. Particular attention should be paid to outward appearance—to manner and speech because personality that pleases must be the embodiment of many worthy qualities.

Progress and success will be yours so long as you believe in yourself and carry and use a personality that pleases. The world is ready to give you its best freely if you deserve it, and you will deserve much if you acquire a pleasing personality and a justifiable, well poised self-confidence.

* * *

Modern Salesman Doesn't Use Make-up

A writer in the John Hancock "Field" remarks that it used to be imagined that the man who made good as a salesman was a rare sort of animal who snared his prey or ran it till it was all tired out—stuck its head in the sand—then speared it. Maybe it's still so, but it appears to us that the modern salesman is of somewhat different get-up.

Appears to us, that the fellow who brings in the most real orders or applications, as the case may be, now-a-days, is the same one who notices and talks kindly to the little folks; who is able to see something to admire about the way Mr. Jones keeps his garden, his store, his chickens, his family or his job—sees these things and enjoys them—honestly admires them without any expectation of gain.

Instinctively, this modern sales chap believes his mission is an honest one, a worthy one, and, therefore, he does not approach people in make-up, but just as a natural human being. He has nothing to hide—he knows (unconsciously perhaps) that he is his non-professional manner breeds confidence. He feels at home in his prospect's house, and his prospect, too, feels at home. When, in the natural course of events, two men get together in such a way and one of them has something to sell—the other one is just about sure to buy. Don't suppose this salesman we're speaking of would know the "psychological moment" from the commonest species of moments, but seems to us, he is the real thing in selling.

* * *

Teaching That Interests Are Mutual

Speaking of the old days of hat passing, the "Penn Mutual News Letter" says that with the coming of life insurance, duty was substituted for dependence and co-operation for charity. The self-respecting man could now provide for his family in event of his death by the simple method of paying during his life-time for just such a contingency. All he had to do was to join with neighbors as thoughtful, industrious and thrifty as himself, each contributing to the same purpose according to benefits desired, so that when death happened to any one, the amount paid from the common fu was accepted by the family as a rig as something having been paid for a properly belonging to them and not something given to them for whi they were expected to be grateful.

Important as the business is, a undenied as its benefits are, it yet s vives and is extended only by the mo strenuous work; by the personal, fa to face and heart to heart appeal its agents; in this respect bearing close analogy to the teaching whi experience has proven necessary to t propagation of religious and ethical liefs. Its advocates therefore are the highest sense teachers inculcati the truths that men's interests are m tual, not antagonistic, that happine consists in working together and he ing each other, that in this way are benefited and none is injur and that where the cause for unhap ness lies in anxiety touching the futu welfare of dependents, adequate insurance is the sovereign remedy.

* * *

Training Young Men To Save

Before hiring a you man I always ask as old-line life insuran and when he says has a thousand or t I reason he has something in his m which will make him a more than u ally valuable man to my firm. The c of one thousand dollars straight policy at eighteen is about thirty ce weekly. How easy it is for you, af a cub has been three months in y employ, and if you want to keep h to call him into your office and expl the many advantages of life insura offering to advance the premium fo half or a whole year, the policy to main in your hands as a matter of b ness discipline to him, on condit that the applicant would leave with cashier every week a pro rata of premium to repay you, and another rata to cover the next year's premi in this way training him to have i advance.—J. W. Hamilton in the "Y Goods Report."

$500,000 A YEAR

W. A Hinshaw has just compl his first twenty-seven months as p resentative of the Bankers Life C pany. His paid-for business for t period has amounted to $1,001,500, the total number of policy holders p resented by that amount of busin is five hundred and seventy-nine. average premium for the entire amo of business has been over $38 per th sand. His total of applied-for busin is approximately $1,100,000.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York

34 NASSAU STREET, NEW YORK CITY

HARTFORD NOTES

Dr. Edward K. Root, medical examiner of the Aetna Life Insurance Co., is cruising on Long Island Sound.

David R. Woodnouse, attorney for the Hartford Accident & Indemnity Co., is spending a week on the golf courses of Manchester, Vermont and Bethlehem, N. H.

Morgan B. Brainard, treasurer of the Aetna Life, and Charles H. Remington, assistant treasurer of the same company, are spending a few days in Canada on a fishing trip.

A daughter was born last week to Mr. and Mrs. Arthur H. Hughes. Mr. Hughes is an accident underwriter for the Travelers Insurance Co.

Geo. B. Chandler, compensation commissioner in Connecticut, is touring the White Mountains in company with Lt. Paul Perigord of the French Army.

John M. Laird, actuary of the Connecticut General, and Mrs. Laird and son, have returned to Hartford after spending a month at New London, N. H.

Chas. E. Gilbert, secretary of the Aetna Life, and Mrs. Gilbert, are among the recent arrivals at the Crawford House in the White Mountains.

Edward M. Day, an insurance attorney of Hartford, and a director of the Phoenix Insurance Co., is doing important work in Washington as director of the Red Cross, Bureau of Communications.

Lt. Geo. A. Hunt, formerly of the Connecticut Mutual, but now a lieutenant in the 23rd Infantry, U. S. Army, has returned to his home in Hartford after having seen hard fighting at Chateau Thierry last June.

INHERITANCE TAX IDEA

A life insurance policy made payable to one's estate is included as a part of that estate in computing the Federal inheritance tax. If this same policy, however, is made payable to a relative such as wife, daughter, etc., it is not included in the tax. A life insurance man who is awake to this condition cannot only ingratiate himself with his client but also by endeavoring to assist other heavily insured individuals in changing policies from estate to beneficiary with insurable interest may, by so doing, find a prolific field for added insurance.

POSTOFFICE MEN PROSPECTS

The postoffice department ordered salary increases in offices throughout the country, effective July 1. Each clerk and carrier and other employes who have been receiving less than $2,200 a year are to receive a straight increase of $200 a year, while employes who have been paid more than $2,200 yearly will have a 5 per cent. salary raise. Therefore they are good prospects for insurance.

"CAN'T AFFORD IT"

Frank W. Clark, Los Angeles, Thinks That Statement Hardest to Meet

The most difficult objection for a life insurance agent to meet is "I cannot afford it."

Frank W. Clark, Pacific Mutual, Los Angeles, Cal., tells how he meets this objection, his article being printed by the "Pacific Mutual News." Mr. Clark says:

"I have found that applicable human interest stories are most effective under these conditions. It is very often that the man sincerely believes that he cannot afford to pay the premium. It is up to the representative of the Company to convince him that he cannot afford to do otherwise. Is is very likely that the policyholder will mention several expenditures that he is being called upon to make and obligations that he has assumed that must be taken care of in the future. I always endeavor to picture to this man the pitiful state his wife and children would be left in should he be taken away under these conditions, especially without any life insurance to liquidate his debts. Ask him to mention any other cause to which he is paying an equivalent amount of money each year that means so much to his family. Sentiment and sincerity will get the desired result if anything will under these conditions."

BRITISH INVESTIGATION

Will Inquire Into Industrial Insurance —Questions Discussed in House of Parliament

London, July 25.—The president of the Board of Trade was asked whether, in view of the repeated statements by members of Parliament that the life insurance companies, with profit to themselves and loss to the assured, have lapsed millions of life insurance policies during the last year or two, he will appoint a small committee to test the accuracy of these statements, to ascertain whether the provisions of the Courts (Emergency Powers) Act, which are designed to protect industrial policyholders, are being evaded; and whether there is reason to suppose that the life insurance companies are making profit out of the war, or are treating their members unjustly in the matter of war extras, etc.?

Answer: I do not think the appointment to a committee, with a reference limited to the points to which my hon. friend draws attention, would be satisfactory, but I have under consideration the question of a more general inquiry into industrial life insurance business.

W. H. Joyce, of Buffalo, led all Prudential superintendents last year in new net business. H. R. Kendall, of Louisville, was second.

Missouri State Life Policies Rich In Selling Points

Facts—

Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company
Fastest Growing Life Insurance Company in America
Home Office, St. Louis, Missouri

Security Mutual Life Insurance Company
Binghamton, N. Y.

Offers to men able to produce business first class territory, with direct contract providing liberal compensation.

For particulars, address

C. H. JACKSON, Supt. of Agencies

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

15,000 PEOPLE

Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.

AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day

FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA

Insurance in force over $142,000,000

Walter LeMar Talbot, President

To the Man Who is Willing—and Will

SAN JACINTO LIFE INSURANCE CO. - BEAUMONT-TEXAS -

We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

NIAGARA LIFE BUILDING



Mohawk Cor. Franklin Street, Buffalo, N. Y.

The Combined
Life, Sickness and Accident
policies, sold only by the
Niagara Life Insurance Co.
(WILLIAM H. CROSBY, President)
Protects the insured and his dependents.

Live wire reliable agents may obtain very favorable contracts

Communicate with
E. H. BURKE
Vice-Pres't & Gen'l Manager
BUFFALO, N. Y.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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Entered as second-class matter January 4, 1907, *at the Post Office of New York, N. Y., under the act of Congress of March* 3, 1879.

THE AGENT'S FIRST YEAR

The "Life Insurance Courant" devotes more than two pages to a condemnation of home office life insurance sales direction by an agent who has been in the business a year, during which time he was successful. This agent is amazed at what he calls lack of appreciation given the new agent, meager educational facilities offered or (when there is education), of a poor quality. He finds the average company so indifferent about the agent's financial considerations that it "will permit him to starve in the street rather than buy him a ten-cent bowl of soup." He declares that the life insurance company has no soul, that there are few men in it of ability, education and standing; and the companies "make it impossible for a man with the elements of success in him, with enthusiasm and optimism to seek out life insurance as a preferred vocation."

He even says that he has known men of his acquaintance in life insurance who know practically nothing more about the business to-day than they did one year ago.

Mostly stuff and nonsense. There is no business in this land of business where a new man can get as much assistance from others in his profession as in life insurance. Preachers and advisors are as thick as huckleberries in the Adirondacks. Everybody will help him; the man at the next desk talks his ear off advising what to do as well as what to avoid; the brother agent at the end of the room tips off the article that he read in So-and-So's magazine which has aided in landing a $100,000 case; the general agent gives him all the pointers that he can absorb, with some he can't; the home office is constantly sending out information of value. There are experience talks, lectures, quizzes, question boxes, periodicals.

There have been so many books written that it would take a library of many shelves to house them.

The agent who wrote the "Courant" article says he has been in business for a year. There is enough good literature on life insurance to keep him busy for at least a year if he will devote every night to these books and pamphlets for a year. Wonder if he did so? It takes at least two months to read and absorb the Armstrong investigation alone, in which volumes the fundamentals of insurance are discussed by experts, many of whom are dead. In this office is a book on the "Inheritance Tax," which we'll defy this agent to absorb in less than a week.

Into this highly specialized field, where there are at least 100,000 agents and many new ones constantly receiving the rate book, this agent evidently thinks that a new man can enter and be furnished a complete equipment which will enable him to master the great science of life insurance in a few weeks. Some companies have more than 10,000 agents, while they have only a handful of officers. Does this agent feel that each new agent is to be personally received at the home office and given an individual reception? It is impracticable. Life insurance cannot be rolled up into a capsule and fed the agent in such a large dose that he needs nothing but the first ministration of the medicine. The agent must have more than knowledge; its a case of going out, rubbing shoulders, getting one's own experience in addition. While there is room for considerable improvement in the treatment of novices, to say that a great deal of care is not lavished upon them is untrue, and every time an agent is employed it means considerable expense. Just how much has been figured out by E. A. Woods.

Such allegations as enthusiasm and loyalty being killed by the "indifferent manner" in which agents are treated, and that life insurance has not in it many men of ability and learning answer themselves. In short, look around you and see.

And is it not strange that despite the handicaps which this agent says are thrown about the new men in the business that he was able to write more than $300,000 his first year? If conditions were as black as he paints them he couldn't do it.

TRACEABLE TO BAD HOUSING

The effect of fatigue upon industrial workers, as a cause of accident and disease, is well known. A student of this subject said recently that in his opinion most of our hotels are admirably constructed to promote non-industrial fatigue. "The houses of the workers," he says, "are admirably located, in general, and are constructed, apparently, for the sole purpose of making it impossible for the working man to secure the rest necessary for him to go back to his work properly recuperated, to take up the burden of the day. The fatigue that comes from insufficient sleep and rest at home is not independent of industry, for it harks right back to one of the prime requisites in industrial hygiene, the most hygienic thing that any employer can do is to pay a living wage."

So much for the living wage argument. One might go on increasing wages indefinitely and the hotel keepers and the landlords who supply housing for the workers would continue to furnish just as poor quarters in just as poor locations, in just as poor condition as before, and keep increasing the rent to correspond with the increases in wages. Why not attack the evil of poor housing at its source? One cannot remove or destroy all the dwellings that are not well located or in good condition; but at least they could, in many thousands of cases, be made safe and reasonably healthful places to live in. Then there would not be so much fatigue and there would be fewer accidents and disease attributed to occupational causes.

THE HUMAN SIDE OF INSURANCE



FREDERICK W. FULLER

Fred W. Fuller, general agent of the Equitable Life Assurance Society, Springfield, Mass., found time to write close to $2,500,000 of personal production last year, and there is no telling what he will do this year as will be seen by reading the story on the front page of this paper about the du Pont insurance.

* * *

A. E. Forrest, president of the North American Accident, Chicago, made a brief stay in New York this week. He had been in Atlantic City with Mrs. Forrest and stopped in New York on his way home.

* * *

William MacGill has been elected president of the Baltimore Life Insurance Company to fill the vacancy caused by the death of Frank Strobridge. **S. D. Powell** has been elected secretary. Mr. MacGill went with the Baltimore Life in 1892, later became superintendent of agencies, and from that office was promoted to secretary.

* * *

Henry D. Lindsley, former president of the Southwestern Life Insurance Company of Dallas, is now chief of the War Risk Section in France, succeeding Major Willard D. Straight, formerly representative of the War Risk Bureau, with headquarters in Paris.

ATTITUDE ON FORMS

As an indication of the attitude companies are taking toward the proposed standard accident and health policies, what the Chicago Bonding & Insurance says to its agents is significant: "We have seen a good many attempts at reform in the past and we are firmly of the belief that the present attempt is going through. Any agent who is at all familiar with the accident business will admit that the policies sold to-day are entirely too liberal.

Charles R. Page's appointment on th United States Shipping Board dre from the "Fireman's Fund Record" th week the following comment: "It with no little pride that the marine d partment of this Company looks upo the selection by President Wilson one of its chief men, Charles R. Pag to act on the United States Shippi Board. We are glad that we are ab to loan such a valuable man to th government."

* * *

James E. Rhodes, 2d, who went France about the first of March serve with the Y. M. C. A., laying dow for the time being his work as exa iner in the liability claim departme with the Travelers, has been appoint by the Company to act as adjuster claims arising from the group insu ance on Red Cross workers. The Tra elers handles the health and accide insurance for these workers in Fran as well as a portion of the life insu ance risk.

* * *

Sergeant Frederick D. Williams, Battery B. 269th Brigade, British Roy Field Artillery, and formerly a Tra elers agent, died in a hospital France on May 1. Mr. Williams as agent reported through the Newa Branch. As a soldier he was tw gassed and twice wounded, and h been cited in general orders seve times for bravery. He was thirty-f years old.

* * *

Harold A. Dart, of the home off of the Aetna Casualty & Surety, w is now at Fort Oglethorpe, Ga., h been made a corporal.

* * *

Lloyd A. Souville, of Brooklyn, w is district manager for the Massac setts Bonding, is to run on a "d platform against Thomas E. Brown for Assembly in the Eleventh Distr Mr. Souville is well known in Eleventh Assembly District. He is father of Russ Souville, the Erasm Hall football player, and has two ot sons, Lloyd and Lawrence, now France as members of the 106th chine Gun Battalion, formerly First New York Cavalry.

* * *

Russell Andrus Simons, son of R sell M. Simons, general agent of Home Life of New York at 115 Bro way, New York City, and Mrs. Simo arrived at Upper Montclair, N. J., Saturday. Mother and son are do well.

HEAVY BURGLARY BUSINESS

One New York casualty office rep an increase of fifty-one per cent. burglary premiums so far this yr. Other offices have experienced he increases. These increases are lar owing to the war. The banks insist insurance of various kinds to co goods on which they have lent mo heavily, which goods are for acco of various foreign governments. W it not for this none of this new glary business would have been tained. It is reported that $1,000 miums are common and that often run much higher. One underwriter that $500,000 worth of goods covered in a Brooklyn wareho These goods are for Russia but will not be shipped until the conditi there are better. The losses on class of business have been few, w the loss ratio on ordinary reside and mercantile business has not b abnormal. Should this condition tinue a highly favorable showing sh be made for the year. Of course the end the foreign governments to pay for this extra insurance insi upon by the banks.

FIRE INSURANCE DEPARTMENT

Committee to Study Excess Lines

MANY PROBLEMS HAVE ARISEN

Insurance Needs of Property Owners Unprecedented Because of War—Frank Lock Chairman

So many problems have arisen in connection with excess lines that a company committee has been appointed to consider various phases of the matter. Frank Lock, United States Manager of the Atlas, is chairman of the committee.

Naturally, since the entrance of the United States into the war and the high industrial pressure to manufacture the supplies not only needed for our own armies but for export purposes the demand for insurance has been unprecedented, and the old fashioned arrangements for binding lines from office to office, with its uncertainties, irregularities and dissatisfaction with results by placers, may have to be changed, if some real improvement can be suggested.

Industry At Top Speed

With all, values changing over night, there seems no limit to the heights to which they are climbing. Plants are being enlarged, while so many new plants are being built that labor, coal and supplies are in a chaotic shape, so much so that the government has refused to permit new factories to be erected. One industrial plant in this country covers fifty acres. A grain elevator in New Jersey has $3,000,000 worth of grain stored.

All of these questions have a direct angle on insurance, and require the attention of the clearest minds in the business.

CHIEF EXAMINER ENLISTS

A. Nevin Detrich, Chambersburg, chief examiner for the Pennsylvania, Insurance Department last week enlisted as a private in the medical corps of the army.

Mr. Detrich, for several years chairman of the Washington party State Committee, has reported at Camp Meade Monday. He has been granted a leave of absence from the state service, half his salary going to his family.

OCTOBER 9

Fire Marshal Port, of Pennsylvania, has announced that October 9 will be fire prevention day in that state.

Fifty Years an Agent of Niagara

TRIBUTE TO C. H. WOODWORTH

Buffalo Agent Presented With Monogrammed Military Brushes by Company

C. H. Woodworth, of the Woodworth-Hawley Company, Buffalo, and one of the organizers of the National Association of Insurance Agents, completed the fiftieth year of his representation of the Niagara Fire on August 1, and in honor of the occasion he was presented with a set of monogrammed military clothes brushes by the Company, which accompanied its gift with this letter to the veteran Buffalo agent:

Company's Letter

"Half a century has passed since you first hung the Niagara's commission in your office. As a slight token of our esteem for your long and faithful service we are sending you a small parcel, the contents of which you will please accept with our hearty good wishes for long continued happiness and prosperity. We take this opportunity of telling you that we greatly appreciate the many years of service you have given this Company during that time. Your work for us has been reflected by an excellent loss record and a goodly share of profit in a city where many companies have not been so fortunate. This record has been made possible by your thorough knowledge of the business in your city and your loyalty to the interests of your companies. We are proud and fortunate to have an agent of your high standing during half a century and we trust you will continue as our representative for a long period to come."

WILL DISCUSS LICENSES

The representative of the New York local agents and A. C. Hegeman, representing the Brokers of New York City, will attend an adjourned conference, with Superintendent Phillips, at Albany, August 13, at 11 o'clock, to discuss the provisions of the Graves law affecting brokers' and agents' licenses.

ELGIN WITH A RECIPROCAL

The Associated Employers' Reciprocal of Chicago, Sherman & Ellis, Inc., attorneys in fact, has entered Maryland and will write compensation, liability, and all lines of automobile insurance. B. K. Elgin, formerly general agent of the Employers' Indemnity, will be the Baltimore representative.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

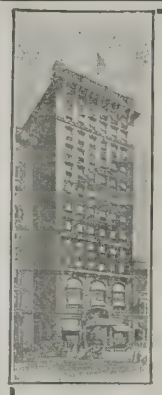
LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

The Gamewell Fire Alarm Telegraph Co.
Fire Alarm and Police Telegraphs for Municipal and Private Plants
OVER 1500 PLANTS IN ACTUAL SERVICE
GENERAL OFFICES AND WORKS
NEWTON UPPER FALLS, MASS.
AGENCIES
5708 Grand Central Terminal, New York
448 John Hancock Building, Boston, Mass.
1216 Lytton Building, Chicago, Ill.
335 Wabash Building, Pittsburgh, Pa.
915 Postal Building, San Francisco, Cal.
304 Central Building, Seattle, Wash.
Utica Fire Alarm Telegraph Co., Utica, N. Y.
Northern Electric Company Limited, Montreal, Canada.
General Fire Appliances Co., Ltd., Johannesburg, South Africa
Colonial Trading Co., Ancon; Canal Zone, Panama
F. P. Danforth, 1060 Calle Rioja, Rosario de Santa Fe, Argentine Republic



Just say:
"Insurance Man"—
the open sesame to every courtesy within our power.

Room with detached bath $1.50 and $2.00
Private bath $2.50 and $3.00

BREVOORT Hotel
Insurance Headquarters
MADISON ST.—East of LaSalle
CHICAGO
LAURENCE R. ADAMS, Sec'y & Mgr.

NIAGARA
Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

Broker Status In British Courts

SAME AS AMERICAN DECISIONS

Suit for Recovery Brought On Basis of Broker Representing Company Interests

That the broker is the representative of the assured and not the company has been established in England as well as in the United States. "The Policy," a British paper, describes the proceedings in the case of Eastwood vs. Heath and Others, at Manchester, as follows:

There was a question of non-disclosure of material facts, and it was said that these facts were actually disclosed to the broker through whom the insurance was effected, the argument being that the latter was agent for the underwriters.

With this idea the learned judge naturally did not agree. He thought it "desirable that all persons throughout the country should understand this clearly—that the insurance broker * * * is prima facie the agent of the person who wants to insure, rather than of the person who makes out the policy of insurance. * * * That carries this important consequence, which should be well noted both by the London insurance brokers and the provincial brokers, that if they are the agents of the persons who desire to insure, and if disclosure be made to these brokers of the material facts, then it is the duty of such brokers to convey these facts to Lloyd's underwriters. If a breach of that duty be committed whereby damage results to the person about to be insured, then an action may well lie for breach of duty against the agent of the person who actually insured.

* * *

Carries $300,000 Bombardment

The fact that the Brooklyn Borough Gas Co. carries $300,000 bombardment insurance at a premium of $2,800 was developed at the recent hearing on gas rates.

* * *

Gas Company's War Risk Insurance

Discussing the explosion and war risk insurance of the Brooklyn Borough Gas Company the Brooklyn "Eagle" said this week:

The $300,000 "bombardment" insurance brought out in the Brooklyn Borough Gas Company hearing before the Public Service Commission yesterday, covers no more than the value of the containers or "tanks" owned by the company, according to Miss Mary E. Dillon, chief statistician and assistant general manager.

Miss Dillon said to the "Eagle" today that the $300,000 was less than 30 per cent. of the capitalization of the company.

"It is pretty generally carried by gas companies now, because of the danger of explosion of the containers," she said. "The Borough Company's policy," she explained, "has been in force little more than a year, and only one premium of $2,500 has been paid. It is a policy requiring renewal annually and will probably cost much more this year than last."

* * *

Upton Controls Marine Risks

J. K. Upton, second vice-president of J. N. S. Brewster & Co., Inc., personally has secured control of the insurance of the Merchants, Chester and Lake Torpedo shipbuilding companies, three of the largest lines of this kind in the country.

Third Ave. Railway Line

Marsh & McLennan this week placed an additional $3,308,000 on the Third Avenue Railway System, of New York, bringing the total schedule up to $13,308,000 covering rolling stock at thirty-two locations. This is estimated to be eighty-five per cent. of the total value of the property.

* * *

Stanz Out for Self

William F. Stanz, who has been with Quinn & Quinn for several years and was previously in the New York office of the Hartford Fire, is now operating as an independent broker with offices in the Produce Exchange Building.

* * *

Johnson With Osborn & Co.

Alan Johnson, for the past seven years in the hull department of Johnson & Higgins, is now with Osborn & Co. in charge of the hull department of the New York office.

* * *

Life Men Join Brokers

Edward L. Hedenberg, Jr., for twenty-five years with the Mutual Life, has joined the forces of Finn Sandberg, Raynes & Lee, Inc. Assistant Cashier Ross, of the same company will also go with this brokerage corporation.

* * *

Submit Cases of Placing Abroad

Following the hearing this week before the deputy collector of internal revenue on the taxing of premiums for insurance placed abroad by New York brokers, representatives of the brokers agreed to submit to the customs officials two examples of risks recently placed in England to show that the broker is in no way an agent of the company and therefore the premiums are not taxable under the provisions of the war revenue law.

* * *

Breaking it Gently

For the information of plate glass policyholders, and to avoid unnecessary trouble and correspondence, one company now places on each policy this notice: "Increase in cost of glass insurance caused by increased and increasing cost of labor; heavy advance in cost of material; decreased output from glass factories; consequent enormous increase in glass value. Read your policy conditions carefully."

* * *

F. C. Moffat, 95 William Street, has been elected a member of the New York Fire, Marine & Liability Brokers' Association.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
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Home Office: No. 29 So. La Salle St.
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AN ALL-AMERICAN PROGRESSIVE FIRE INSURANCE COMPANY OF THE MIDDLE WEST

National Liberty INSURANCE COMPANY OF AMERICA
NEW YORK
Incorporated Under the Laws of the State of New York in 1859
Statement, January 1, 1918
Cash Capital $1,000,000.00
Assets 8,209,763.64
Liabilities 5,223,031.71
Net Surplus 1,986,731.93
Surplus for Policy Holders 2,986,731.93
HEAD OFFICE
62 WILLIAM STREET, NEW YORK

THE HANOVER FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
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British Parliament Invites Allied Market

LONDON MEN DISAPPROVE IDEA

Unapproachable Supremacy of British Market" Thought to Be Menaced By Move

The Commercial Conference of both ouses of the British Parliament has dopted a resolution inviting the Allied overnments to co-operate in the form- ig of a bureau looking particularly to he methodical distribution of re-insur- nce among allied corporations, to take his business away from enemy con- erns and to distribute among the En- ente countries the advantages of Brit- sh re-insurance and insurance facilities or after the war business.

The preponderance of British under- vriters have placed themselves on ecord as being against any action of he British Government in this direc- ion. They offer instead a proposal to orm an Allied Marine Insurance Jnion, whose chief office shall be in London, for the purpose of exchanging iews and information.

This attitude is a crystallization of vhat American underwriters have felt or some time, i.e., that British under- vriters and their connections both here nd elsewhere have instituted a propa- ganda to stunt the growth most par- icularly of any great foreign marine narket which would jeopardize the es- ablished supremacy of London facili- ies.

One English marine paper comments as follows on the action of the Inter- Parliamentary Conference:

"It will be remembered that in March, 1917, a scheme was suggested by the Commercial Committee of the House of Commons, to establish in London an Inter-Allied Re-insurance Clearing House. The idea was not at all favor- ably received here, the Marine Insur- ance Committee driving the last nail into its coffin by an announcement that it would be impracticable, but that British underwriters would approve the formation of an Inter-Allied Marine In- surance Union, with London as its chief centre, for the purpose of exchange of views and information.

"The above mentioned resolution seems to be an expression of this opinion, but the manner of its word- ing gives rise to some suspicion as to the intentions which lie behind it. As a matter of fact, there is some resent- ment at the matter being discussed in this way, because it is felt that the British representatives, at least, to this conference are not qualified to repre- sent insurance interests. This matter of re-insurances, particularly in regard to the eliminating of the German ele- ment, has been given considerable study, and it is certain that, even if the British market, with its unapproach- able supremacy in insurance matters, is unable to arrive at a successful con- clusion (which we do not believe), a solution will not be found by persons almost entirely ignorant of the subject."

TAUNTON AGENT IN SERVICE

Captain Frank A. D. Bullard, a local agent at Taunton, Mass., has turned over his business to others during the term of war and is now on duty.

AUTOMOBILE CHANGE

J. N. S. Brewster & Co., Inc., is re- ported to have resigned the automobile general agency of the Caledonian.

A feature of the fire business of the Fireman's Fund is that out of a total 1917 fire premium income of $5,500,000, but $125,000 was for San Francisco city business.

THE EAGLE

Present Status of Company's Finances —Underwrites Much of Million Capital

In discussing the Eagle Fire, of New- ark, and its financial plans, "Best's In- surance News" says:

"After the payment of $50,000 new capital and $40,000 of new surplus dur- ing 1917, war conditions made it neces- sary temporarily to suspend further enlargement.

"In May, 1918, the directors, feeling that the chief need of a re-insurance company was surplus rather than capi- tal, recommended to the stockholders that the par value of the stock be re- duced from $25 to $20 per share, but that the sale of stock be continued at $45 per share. The stockholders ap- proved this resolution, and the com- pany immediately proceeded with its plans.

"The Company has applied to the Capital Issues Committee for authoriza- tion to increase its capital to $1,000,000, the stock to be sold at 225 per cent. of par, or $45. Pending approval of its plans by the Capital Issues Committee, the Company has offered for immediate subscription $100,000 par value of its capital, which is the maximum amount permitted without the approval of the committee. The Company states that this offer was made to the stockhold- ers early in June, 1918, and that $50,000 of new capital and $62,500 of additional surplus were paid in and verified by the Insurance Department of New Jer- sey on June 29. This made the paid-in capital $300,000 as of June 30. The Company expects to pay in the balance of $100,000 offered to the stockholders in the near future. The secretary of the Company advised us on July 5, 1918, that a substantial portion of the $1,- 000,000 capital, for which authorization has been sought from the Capital Is- sues Committee, has been under- written."

LIVESTOCK INSURANCE

$150 on Horses and Cattle, $40 on Hogs and $17 on Sheep Fair Valuations

Commissioner Sanborn, of Minne- sota, who recently suggested the use of the standard average clause in place of the pro rata clause in writing livestock, as a result of which there were conferences among farm writing companies, followed by the adoption of new forms, has made a deep study of livestock valuations.

In order to determine a fair valua- tion of the average run of livestock, Commissioner Sanborn communicated with Barrett & Zimmerman, Cudahy, Swift, Armour & Company, as well as local agents who write a considerable amount of farm insurance. The con- sensus of opinion indicates that $150 on horses and cattle, $40 on hogs and $17 on sheep are valuations which cov- er the bulk of the livestock found on Minnesota farms. It is therefore pos- sible for the majority of insurance buyers to obtain reasonably full pro- tection under new forms, and avoid the use of the pro rata clause. If higher limits than those provided by these forms are desired for specific animals, such as a good team of horses or mules, specific insurance may be written on these animals without af- fecting the general coverage. Further- more, the method of determining the amount of insurance to be carried is a rule of practice only and will have no effect on the settlement of losses, and an increase in a herd subsequent to the writing of insurance will not im- pose a penalty on the owner in case of loss.

Wickham & Kemp have been ap- pointed general agents for New York suburban territory and New Jersey for the Western of Toronto.

SUED FOR $75,000 DAMAGES

Controversy Over Automobile Sales Under Trust Agreements—Balti- more Insurance Case

The Commercial Credit Company, of Delaware, has sued one of the fire in- surance companies in the Supreme Court, Baltimore, claiming $75,000 dam- ages for loss alleged to have been sus- tained by the plaintiff in sales of auto- mobiles under trust agreements. Losses thus sustained, it is alleged, were cov- ered by an insurance policy issued by the defendant to the plaintiff on March 27, 1917.

CHARLES T. HAYDEN DEAD

Charles T. Hayden, of Rome, N. Y., has died. For many years he had been engaged in the insurance business, suc- ceeding his father.

O. G. ORR MEN COMMISSIONED

Two of the staff of O. G. Orr & Co. have recently been promoted in the army. These are O. C. Torrey, who has been commissioned a second lieu- tenant, aviation division, and Frank A. Murphy, who has been made a corporal in the coast artillery.

207th Year
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INSURANCE OFFICE OF LONDON
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WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
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San Francisco, Cal.

WESTERN
ASSURANCE CO.
OF TORONTO, CANADA
Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918

Assets	$4,194,579.34
Surplus in United States	1,667,691.69
Total Losses Paid in United States from 1874 to 1917, inclusive	43,294,154.63

W. B. MEIKLE, President

INCORPORATED 1720
Royal Exchange Assurance
LONDON, ENGLAND
United States Branch
92 William Street, New York
RICHARD D. HARVEY
United States Manager

NU
NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.

NOT HOW MANY BUT HOW GOOD

One trained Soldier is worth a dozen of the other kind. And so it is with the Fire Insurance Agent. Experience and qualifi- cations are the factors in his success. This Company is not so particular about having a large Agency force as it is in hav- ing a good Agency force. One of the benefits of such a plant is that the Company can extend such Agents the best it has in the way of service and facilities. Not now and then but ALL the time the NATIONAL UNION will speed up the efficiency of your office. With a known capacity for extending distinctive service which is practical, constant and real the NATIONAL UNION pre- sents attractive opportunities to experienced Agents of reliable character. Get your Agency—Now.

Underwriter For Importers & Exporters

ASSOCIATED WITH JESSE SPIER

Richard D. Jones Has Had Twenty Years' Experience—Was Manager of New Zealand

Richard D. Jones, formerly general manager of the New Zealand Insurance Co., is now associate underwriter with Jesse Spier of the Importers & Exporters Insurance Co. Mr. Jones has had twenty years' experience with different prominent companies in various parts of the world and was formerly in New York with the Royal Indemnity.

The Importers & Exporters also announced this week the purchase of the building at 17 South William Street, which will be made the home office of the Company and which will be ready for occupancy about October 1.

It is also expected that previous to that date the Trans Marine and the Washington insurance companies, which will also be under the underwriting management of Mr. Spier and Mr. Jones, will have completed their organization and be ready to start underwriting.

POSITION OF LLOYDS POLICIES

It is being pointed out that the bank guaranty which formerly backed the London Lloyds policies in the United States has been withdrawn. This backing for American policyholders was furnished by British banks at a rate paid by Lloyds of 2 per cent. of the premium. British bankers are no longer willing to continue the practice, explaining that business conditions generally have become too uncertain and that as the result of heavy taxation due to the war it is difficult with any degree of satisfaction for any banking concern to depart from the most rigid lines of practice. So that as the matter now stands, Lloyds policies here stand simply on the guaranty furnished by the groups of associated underwriters making the contracts.

AUTO COMMITTEE VERDICT

Decide at Joint Meeting that a Member Has Violated Dealers' Policy Agreement

It is expected that before the close of this week formal notice will be given by a joint committee of the New England and the Eastern Automobile Conferences to a company which has been so much criticised about dealers' forms, that it had been found guilty of flat violations in this respect. As the date of notification has not been fixed, the name of the company is withheld.

The trouble also extends to part payment, or, open policies under which certificates may be issued covering cars in the hands of branches. The situation was particularly bad in Boston and in Newark. A number of companies had open policies and were supposed to file lists of the part payment policies, which would include the kind of certificates referred to.

The offending company had two risks which are regarded as a breach of the understanding that it was to get off this sort of risk. In cases of this kind the Conference constitution calls for re-insurance. There is an obstacle to this in that if re-insured the insurance would not be concurrent with the original policy. The offending company will be asked to reform the policy.

Some Hazards Best Unsprinklered

N. F. P. A. COMMITTEE REPORT

Letter Circulated Asking Opinions—Generated Gas Causes Loss of Life

Company attitude toward universal sprinklering of risks is apparently undergoing a change to the extent of recommending certain classes as being better risks unsprinklered.

The automatic sprinkler committee of the National Fire Protection Association at its meeting in May made a report on the loss of life resulting from sprinkler action in various kinds of plants and a letter was sent to members of this committee this week by the chairman asking for their views on this subject.

The letter calls attention to the fact that metallic sodium, potassium, aluminum, iron filings and turnings, zinc dust, bronze powder, or any other finely powdered metal is more or less dangerous in the presence of moistures, the first two mentioned taking fire in the presence of water.

A number of catastrophes are mentioned which resulted in loss of life as a result of explosions and fires resulting from the moistening of these various materials and the letter encloses copies of correspondence from various prominent company men who express themselves as being in favor of eliminating automatic sprinkler equipment in all plants of this nature.

The committee, of which C. L. Scofield, of Montreal, is chairman, will assemble the various opinions and submit a report at the next meeting of the association. In view of the lower rates granted by rating organizations to sprinklered risks as a class, this movement is viewed with a great interest by fire men.

BOLAND GETS SENECA FIRE

The controlling interest in the Seneca Fire Insurance Company of Buffalo has been purchased from Adam E. Cornelius and others by J. J. Boland, of Scranton, and his associates, who will take active management of the Seneca Fire at the end of August. It will be run as an agency company, and will probably issue an underwriters' agency policy in conjunction with the New York National Insurance Company.

W. C. Gibson has been appointed New Jersey Special for the New Hampshire and Country Fire.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited



THE AIRPLANE

—is the military eagle, aptly termed the Eyes of the Army. Rising above and before the battle line, it watches for coming attacks.

FIRE gives no warning of its coming. No eye can see where it will strike next.

ADEQUATE Insurance is the airplane of protection. Use foresight instead of actual vision. Let the

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begin today to protect you against loss by fire.

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A Company to be built gradually and along the indicated lines of permanence

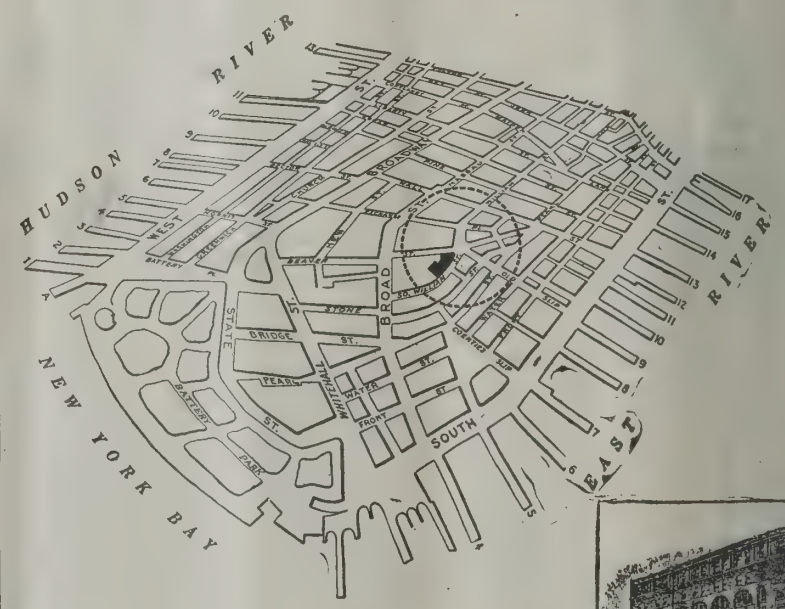
AGENCY CONNECTIONS SOLICITED

AMERICAN MERCHANT MARINE

INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House New York City

South William and Beaver Streets

Agents' Association and National Crisis

APPRECIATES ITS SERIOUSNESS

Conducts Itself Cautiously; Guards Against Precipitating Internal Dissensions Arising in Business

In a statement relative to the attitude of the National Association of Insurance Agents regarding the government insurance encroachments and its own policy towards the differences arising between companies and agents over internal problems of the business, the association in the current issue of its "Bulletin" sums up the situation in a letter written by Secretary Miller to a member of the association. This is the text of the communication:

"The Administration of the National Association has not failed to appreciate the precarious situation in which many lines of business, including insurance, find themselves as the result of conditions growing out of the war, a situation which perhaps threatens their existence. It has been thought proper to so conduct ourselves under the possibly unfriendly scrutiny of critics in legislative circles as to give them no excuse for making an assault on the insurance business.

"In pursuing this policy of probable self-preservation, it was also found expedient during this troubled period to minimize as much as could be, without abridging our principles, internal controversies, particularly those which might precipitate dissension between the agents and companies. This does not include a failure to protest against violations of our principles by companies, nor does it halt the institution by us of proper measures of redress."

The Association sees many signs of a closer co-operation between companies and agents.

BESSEY TO BE MANAGER

Eastern Office of New Fire and Casualty Mutuals' Agreement—Chicago Main Headquarters

By joint agreement between the Federation of Mutual Fire Insurance Companies and the National Association of Mutual Casualty Companies, a headquarters has been established in Chicago with an eastern office in New York City. Herman L. Ekern, of Chicago, is responsible for the general direction of both offices. John M. Bessey, assistant treasurer of the Millers Mutual Casualty of Chicago, will be in direct charge of the management of the New York office soon to be established.

INSURANCE B. B. LEAGUE

By defeating the Hartford Fire team 11 to 1, the Continental-Fidelity-Phenix-American Eagle team continued its good record in the New York Insurance League. It has won 9 and lost 1 game:

Club.	Played.	Won.	Lost.	%
Cont.-Fid.-Phenix-Amer.				
Eagle	10	9	1	.900
O. G. Orr & Co.	9	7	2	.777
Niagara	9	6	3	.666
Hartford	10	5	5	.500
Travelers	9	4	5	.444
Wade Robinson & Co.	10	4	6	.400
Phoenix	12	3	9	.250
Aetna	9	1	8	.111

H. KRAMER
ADJUSTER
FOR INSURANCE COMPANIES
105 William Street, New York City

Talking of Higher Automobile Limits

COMMITTEE TAKING MAIL VOTE

Manufacturers Advancing Prices—Prospect of Operating Costs Reducing Used Car Values

Again the agitation for increased fire and theft limits on automobiles is becoming acute. It looks as though before long the companies may be writing considerably more on old cars because of the increase in values.

There are three avenues open: To raise the percentages as was done earlier in the year; to leave the present schedule entirely alone; or, to throw the whole thing open. The last named course might result in a reckless disregard of the best underwriting principles.

The need for some action is emphasized by the experience with cars like the Cadillac and the Packard. The Packard has been advanced in about a year from $2,750 to $4,500. The Cadillac has been advanced from $2,240 to $3,220 and another advance has been made which does not show on the present schedules. Of course some cars went up more than others. As the list prices advance for the new cars the holders of used cars advance their prices until now one can get, in some cases, more for a used car than a new one would have cost a short time ago.

Taking Mail Vote

Some underwriters do not wish to see any further advances at present. They believe that the increase in the cost of operating cars will be so great and that the tax on gasoline will likely be so heavy that there will be a substantial drop in the values of all used cars. It is also hard to get good tires and they cost a great deal anyhow.

The special committee of the Conference does not wish an increase in value limits while the interim committee does. The subject now will go to the full membership executive committee and a mail vote will be taken.

BACK FROM MULDOON'S

A number of insurance men have spent a month or so at "Billy" Muldoon's famous health place near White Plains, N. Y. B. C. Scudder, of Crum & Forster, returned this week.

STRENGTH INTEGRITY SERVICE

Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries

JAMES H. BREWSTER, Mgr.
Hartford, Conn.

A Broad Underwriting Service to Agents
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Commonwealth Ins. Co. of N. Y. — Globe & Rutgers Inc. of N. Y.
Detroit F. & M. Ins. Co. of Mich. — Employers' Lia. Assce. Corp. of London
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"THE OLDEST SCOTTISH INSURANCE OFFICE"
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CHAS. H. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

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FIRE, LIGHTNING, SPRINKLER LEAKAGE, AUTOMOBILE, WAR AND EXPLOSION INSURANCE
U. S. BRANCH
FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager
No. 80 Maiden Lane, New York
New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

F. H. HAWLEY, Pres. ORGANIZED 1848 W. E. HAINES, Secy.
Ohio Farmers Insurance Co.
LE ROY, OHIO.
Ohio's Oldest and Strongest Company
Net Surplus Over $1,293,741.00
AN AGENTS COMPANY
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GENERAL AGENT
Pennsylvania, New Jersey and New York

JAMES J. BOLAND COMPANY, Inc.
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HOME OFFICE
SCRANTON, PA.
68 WILLIAM STREET
NEW YORK CITY, N. Y.
NEW YORK NATIONAL INS. CO.
THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.

MARINE DEPARTMENT

Unique Marine Loss From Which Underwriters Will Derive A Profit

War conditions have increased the value of vessels to such an extent that marine underwriters were recently called upon to pay a total loss on a vessel valued at $465,000 which has since been sold in her salved condition for $1,105,000. The vessel in question is the steamer "Cuzco." This vessel stranded north of Salverry in February 1917, and was recently floated at an expense of $246,782.

Prior to the floating of the "Cuzco," the owners abandoned the hull to the underwriters, which abandonment was accepted by the underwriters and the property passed into their possession. The vessel was sold at auction for $1,105,000, which makes a price of $640,000 realized from the wreck in excess of the insured value of $465,000, from which the salvage and wrecking expense of $246,782 must be deducted leaving an apparent profit of $390,000 over the total insured value of the hull from which other expenses will also undoubtedly be deducted. So, it can safely be said that the underwriters insuring this vessel, out of an apparent total loss, will receive dividends ranging anywhere from twenty-five to fifty per cent. under the policies of insurance which they issued.

Of course, the underwriters in disbursements and profits in this case will be the losers. They will not participate in this enormous profit and the loss which they paid is total to them.

This case is exceptional and can only be accounted for by the fact that the vessel was insured at its pre-war value, and in order to partly compensate the owners for the value of the vessel if she should be lost, an enormous amount of insurance was placed on anticipated freight earnings and profits. As a result of this, the owners of the "Cuzco" are not out money except that they underestimated the value of the vessel and probably would have been better off if they had not abandoned the wreck to the underwriters until the vessel was finally salved.

OBSERVER.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

EQUITABLE UNDERWRITERS OF NEW YORK
SURPLUS $793,852.75

Marine and War Risk Insurance
Losses made PAYABLE in all parts of the world

C. R. EBERT & CO., Inc.
MARINE MANAGERS PHONE 263-264 BROAD
48 BEAVER STREET, NEW YORK

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street New York

In addition to our regular marine and war risk business, we now have a department for writing FIRE insurance only on vessel property of all descriptions.

We would be pleased to receive applications from agents and brokers having this class of business to place.

FIRE, MARINE & WAR RISK INSURANCE

Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

Does Cover Hold On Government Ships?

APPEAL WON IN "MARERE" CASE

Vessel Requisitioned By British Carried Small Mercantile Cargo—Deviated From Course

Two important marine points covering war conditions have been decided by the British House of Lords in the case of the Str. Marere, which was torpedoed in the Mediterranean. "The Policy," a London insurance paper, describes the proceedings in the matter as follows:

One of the most interesting of recent disputes has now been brought to a conclusion in the House of Lords. This was the "Marere" case, in which, as the case was originally tried, Messrs. Benjamin Smith & Co., took action against the Crown to recover the value of some skins which were lost when the vessel named was torpedoed on January 16th, 1916. The case was referred to in some detail in "The Policy" of January 27th, and May 12th, 1917, in its successive stages.

The "Marere" was a requisitioned steamer, but having space to spare, a certain amount of cargo was shipped for private account under bills of lading giving the usual wide powers necessary for a vessel in employment which involved trooping and the carriage of supplies for troops. It was clear from these terms that very wide permission in the matter of deviation was allowable, and such liberty was used by movements to and fro between different points in the Eastern Mediterranean. The case turned upon the use of the vessel as a store ship; the vessel, while at Mudros and Imbros, discharging meat for the troops, not as might be ordinarily done, but as it was required; and at the latter place 500 tons of cargo from other vessels was put on board and discharged as required for local consumption.

Loss By King's Enemies

It was contended that the use made of the vessel was such as to constitute a departure from the purposes of the voyage from Melbourne to London, not accounted for by the powers of deviation admitted in the bill of lading, and that the Crown could not, therefore, rely upon the clause excepting liability for loss occasioned by King's enemies.

Mr. Justice Sankey, in the first court, found in favor of the Crown; but the Court of Appeal reversed his decision, and the House of Lords has now unanimously confirmed their judgment.

The effect of this case seems to be that although the power to deviate may appear to be unlimited, once the purpose of the voyage is departed from, the contract of affreightment is at an end, and the exceptions no longer operate to relieve the shipowner from the obligation to deliver the goods. The liberties must be taken in conjunction with the implied intention of a commercial adventure evidenced by the issue of a bill of lading.

Marine, Fire and War Risk Re-Insurances

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ROBT. R. toe LAER

New York, Amsterdam and Copenhagen

New York Address, P. O. Box 616, City Hall Station

SALVAGE AWARD

The substantial sum of £9,000, and an additional £1,250 for expenses, has been awarded to salvers of the Spanish steamer "M. Arnus."

The salved vessel broke down in the Atlantic on September 26th, 1917, owing to a fracture of the tail-end shaft. She was towed to Fayal, a distance of some 350 miles, by the steamer "Maplemore," the weather part of the time being very bad. The services were attended with some difficulty, and the towing vessel lost ten days over the operation, no light matter in these days. The value of the "M. Arnus," with cargo and freight, was £265,898.

JOINS BLOCK EARL & MANUEL

Block Earl & Manuel announced this week the acquisition to their staff of Arthur H. Dahringer, who for eighteen years has acted in an advisory capacity on railroad, mercantile, shipping and insurance matters to various mercantile houses and for the past two years has been insurance manager of a large importing and exporting firm.

CASUALTY

NEW COMPENSATION POLICY

Universal Contract Ready for Departments—Can Be Used Anywhere with Endorsements Attached

The committee which has been drafting a new universal standard workmen's compensation policy has had the final proof struck. Forms will now be sent to all compensation states for approval.

The outstanding feature of the policy is that it can be used in any and all states by the simple application of endorsements.

One of the framers describes the policy as simply an "old fashioned" compensation contract without innovations.

* * *

Glass Policy Prepared

W. F. Moore has prepared a draft of a new plate glass policy, at the request of companies writing that line. The new draft is now in the hands of practically all plate glass writing companies for their consideration. They are now making recommendations to Mr. Moore, and the proposed form may undergo further revision. The changes in Mr. Moore's draft are designed to provide a solution of the problems involving explosion, replacement with two lights in place of one; premium to be paid for insurance on glass broken and replaced, etc. One of the principal objects sought by the framing of this policy is that it shall be universal.

* * *

Opens Toledo Branch

The U. S. F. & G. has opened a branch office at Toledo, Ohio, with J. H. Knapp, Jr., in charge as resident secretary. The Company was previously represented in Toledo by the general agency of Barker, Frost & Chapman Co. Mr. Knapp was formerly special agent for the company with office in Parkersburg.

CASUALTY AND SURETY NEWS

Position of Labor On Health Insurance

COMPULSORY FEATURE OPPOSED

If Workers Are Capable of Performing Work Satisfactorily That Should Be Sufficient

Information that it is proposed by employers to inaugurate a plan of self insurance for workers in shipbuilding yards, carrying with it compulsory physical examination was brought to the attention of the Executive Council of the American Federation of Labor in session at Atlantic City, July 26, 1918, for consideration.

RESOLVED that the Executive Council of the American Federation of Labor is opposed to any plan of compulsory insurance. So long as wage workers are capable of performing their work in a satisfactory and efficient manner this should be sufficient qualification for them to secure and retain employment in shipyards or elsewhere without further restrictions.

It has become common to hear insurance men and others say that labor is against compulsory insurance. So far as the compulsory feature of it is concerned, that may be true in a general way, but this is what was done at the St. Paul convention, according to the records of that meeting.

St. Paul Resolution

Resolved, That this Convention of the American Federation of Labor declares itself in favor of the adoption by the Government of a comprehensive national system of Social Insurance, and instructs its executive council to take all such steps as lie within its power to hasten the adoption of this measure.

Under the captions of "Health Insurance" and "Insurance Against Unemployment" the Executive Council in its report expresses the urgent need for a careful study on the desirability of enacting laws providing for the payment of sick benefits during time of illness.

Asks for Investigation

Resolution No. 101 relating to this same subject, affirms the necessity for an investigation but seeks to extend its scope in order to determine what financial or industrial interests, if any, are supporting movements which are interested in furthering this kind of legislation.

Resolution No. 135 seeks an immediate approval of legislation of this character and denies the opportunity for an investigation.

Your committee notes that the Executive Council rightfully distinguishes trade and occupational diseases from general illnesses not attributable to employment in industry and commerce. We believe that trade and occupational diseases should be considered in law as well as in fact an obligation on industry and that those who contract for the employment of the workers should be required to provide compensation to those suffering by health impairment due to their employment. Your committee, therefore recommends approval of this part of the Executive Council's report.

Special Committee

Your committee also views with favor the recommendation of the Executive Council on the general subject of "Health Insurance" in that a special committee should be appointed for the purpose indicated in its report.

Your committee therefore recommends approval of that part of the Executive Council's report.

Your committee believes that the investigation intended in Resolution No. 101 should be considered by this special committee and therefore recommends reference of Resolution No 101 to the special committee hereby provided.

Your committee believes the action asked for in Resolution 135 is at variance with the investigation which should necessarily precede a definite conclusion or program on this subject. Your committee therefore recommends non-approval of that resolution.

A motion, was made and seconded to adopt the report of the committee.

Against Insurance Companies

Delegate Gorenstein, Ladies Garment Workers: We introduced Resolution No. 135, and take issue with the committee in the report. The object of the committee is not to establish immediately a certain plan but to have a thorough investigation. The main object of the introducers of the resolution was to back up the Executive Council and to emphasize the necessity of the Government taking control of this insurance. We do not want private corporations or companies to come out and offer all kinds of disability insurance to the workers. I therefore amend the motion that this resolution be embodied and referred to the same special committee as the other resolutions.

The motion to adopt the recommendations of the committee was carried.

Road Contractors Discuss Problems

SURETIES HAVE MUCH AT STAKE

Builders Face Bankruptcy Unless Department of Highways Recedes From Arbitrary Position

So much interest is being taken in the uncompleted road contracts in New York State that a meeting of the Association of Contractors was held in New York last Tuesday to consider the subject. There are about two hundred uncompleted road contracts involving some two hundred contractors, many of whom face bankruptcy if they do not get relief.

The State Highway Commission is the only official body which has not taken advantage of the law recently passed to relieve contractors. That law gives the Department of Highways the power to cancel road contracts in order to avoid the bankruptcy of the contractors and their material men, who have been caught in the upward swing of labor and material costs, as well as by the impossibility of obtaining labor at any price.

Surety Companies Interested.

The sentiment at the conference was that such educational work should be done as would bring the matter plainly before the Governor and compel the Department of Highways to act, as have other departments in this matter of contracts.

Of course surety companies are deeply interested in the outcome of these negotiations, for they have large amounts of outstanding contract bonds covering uncompleted work. The farmers in many sections are interested because in some counties there is a large amount of road work uncompleted and the roads are needed now more than ever before. The Canal Commission has recognized the position of contractors on that kind of work and paid large extra sums to get necessary work completed. The Federal government has seen fit to make provision in new contracts for possible unavoidable increases in wages and of other costs.

An association is being formed of material men and contractors to aid in working out their difficulties.

CANCELLATION CLAUSE CHANGED

Draft of Compensation Policy Completed and Copies Sent to Officials for Approval

The New York brokers have gained a point in their contention for a revision of the proposed uniform standard compensation policy, as it relates to cancellation. The clause (Item 6) of the new form reads:

"No similar insurance has been cancelled by any insurance carrier during the past year, except as herein stated."

The committee on policy form has now completed its work and the new policy has been sent to the insurance departments for approval.

New Amsterdam Casualty Company

A Progressive

SURETY AND CASUALTY

Company

Considering Status of Disabled Men

COMPENSATION QUESTIONS UP

No Discrimination in Rates—Ultimate Effect on Experience—New Legislation

Stock casualty companies have assured the government that in the matter of compensation rates, the carriers have no intention of discriminating against men who have been injured in the war and who shall have re-entered the industrial field in impaired physical condition. The policy will be rather to allow the cumulative effect of this impaired element in the industrial employment field find its way gradually into the experience as a whole and thus into the rates.

Assuming that these men are returned to industry by systematic methods, whereby there shall not result a concentration of them in any one industry, or in individual risks, the added hazard would be widely distributed and any increase which might result would affect industry as a whole and would be a very unimportant factor in determining the level of rates.

Conference at Washington

An informal conference was held in Washington of representatives of the Federal Board for Vocational Education with representatives of the state compensation board and the casualty companies, to discuss this problem in all its various aspects. There are, it is claimed, about five hundred occupations in which disabled soldiers may safely be employed. It is proposed that the occupations from which they should be barred shall be selected and specified.

The Federal Board for Vocational Education has been charged by the Vocational Rehabilitation Act with the duty of training disabled soldiers and sailors for gainful occupations and of placing them therein. One of the many problems confronting the board in dealing with this task is that of securing the entrance of these men into employment under fair and reasonable conditions. One of the most important conditions is that the employer of these disabled men shall not be penalized through onerous terms in connection with liability insurance, for his willingness to co-operate with the Federal government. This conference was called for the purpose of obtaining information and suggestions.

Regarded as Extra Hazard

One of the questions asked was this: "Premising that every possible mechanical safeguard has been installed, is the man handicapped, for example, by loss of one or more limbs, by chronic rheumatism, by deafness, or even by blindness, really an extra hazard, in view of the fact that his handicap will make him extraordinarily cautious?"

The answer to this was decidedly in the affirmative.

Then the question was put: "Supposing it to be contended that such a man is, in himself, an extra hazard, is he a hazard to his fellow workmen and to the plant as a whole?" This was also answered in the affirmative.

The principal discussion revolved around this supposition, which was put in the form of a question: "Assuming that the number of disabled soldiers and sailors so seriously injured as not to be able to return to employment without vocational re-education, to be 10,000 annually during the war, and remembering that these men will be distributed among professional, commercial and agricultural employments scattered through forty-eight states, and placed in a wide variety of occupations; will the presence of these men in employment constitute such a general extra hazard as to justify increased rates?"

The answer to this question is briefly set forth in the first paragraph of this article. There are three propositions before the Board and all those interested in this subject. They are, to leave the whole matter alone and let it work itself out; to leave to Congress the framing of necessary special legislation and apportioning funds, so that there shall be an equal distribution; or, to let the states handle it separately.

As to the first proposal, it is believed that this problem would never work itself out satisfactorily.

Covering Immediate Injury

As to state legislation, a uniform law might be passed, to read that in case of a second injury to an already disabled ex-soldier, and that in event of this injury resulting in total permanent disablement; the industry should pay for only the immediate disablement. Or, it might be made the subject of contract between the employer and the employee, so that the employer would be responsible for compensation covering the immediate injury only.

It may be that the War Risk Bureau will have to take up this matter; or again, a Federal Government fund may be necessary to care for it.

There was general discussion as to what amendment, if any, to the com-

Something New

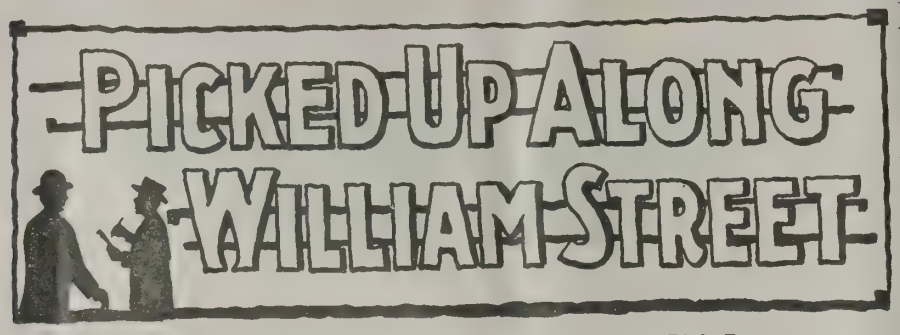
Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building PHILADELPHIA



Preparing for Elections

Surety offices are now preparing for the sale of public official bonds, in anticipation of the primary elections to be held soon.

* * *

$2,000 May be Limit

One active surety man, speaking of freight charge bonds, says that from the information he has been able to gather, the average bond of this character is not expected to exceed $2,000. It would, he says, be a very large shipper who would require a bond in excess of that amount.

* * *

Skipped His Bail

When Mancil Stoll, an alleged automobile dealer, of Royersford, Pa., failed to appear for a hearing in connection with the attempted theft of a motorcar, his bail bond of $600 was declared forfeited. According to the police, they have recovered fifteen motor cars alleged to have been stolen by Stoll.

* * *

A Little Rock Program

Gordon H. Campbell & Co., general agents at Little Rock, Ark., for the Aetna Life Insurance Co. and affiliated companies, recently held an agency convention on board the steamship "South American" on a week's cruise on the Great Lakes.

The following program of speeches was carried out during the convention: "Automobile Insurance, Prospects and Sales," J. H. Means; "General Liability in a Small Town," A. P. Eason; "Selling Burglary and 5-Point Policies," M. Ehrenberg; "Building up a Run-Down Insurance Department Through the Help of Aetna Lines," J. M. Montgomery; "Tricks in the Trade of Selling Insurance," E. P. Walsh; "The Ideal Agent," Omer Throgmorton; General Discussion; "Helps Received From the General Agency," J. A. Edwards; "Why I am Loyal to the Aetna," A. M. Butt; "Accident Underwriting," Percy I. Allen; "How to Close the Prospect and Collect the Premium," L. M. Thompson; "Brickbats and Boquets," L. G. Stephan; "Correlating Life and Casualty Lines," Hugh D. Hart; "Office Methods," Arthur Parker; "Sidelights on the Field Force," Gordon H. Campbell.

* * *

Casualty Companies Sue

Several plate glass companies have filed suits against the Lehigh Valley Railroad for alleged negligence in connection with the Black Tom explosion. The New York Plate Glass claims $60,000, the Chicago Bonding $5,290 and the Royal Indemnity $4,118.

With War Risk Bureau

Vice-President H. A. Behrens of the Continental Casualty of Chicago is serving the War Risk Bureau in Washington.

* * *

Selling "Flyers"

To cover the accident insurance needs of numerous persons incident to increased costs of living, the Chicago Bonding suggests selling "intermediate flyers" to those who already carry, say, $25 accident or $60 disability policies. For $10 an agent can sell the intermediate accident policy with a principal sum of $1,000 and $100 a month and for $24 a year the intermediate disability policy in similar amounts.

* * *

New Orleans Rates Reduced

New Orleans automobile liability, property damage and collision rates have been reduced to the same level as those of Louisiana at large, effective August 1. This reduces the rates about twenty per cent. and the change was concurred in by the Conference and the Bureau. The New Orleans automobile situation has been a bone of contention for some time. Non-Conference competition there was strong and there has never been a large volume of business on which to calculate the experience. The stock company agents have been active in seeking a reduction in the rates.

* * *

Goes to Commercial

Thomas Politan is now a special agent in New York City for the Commercial Casualty, handling various liability and compensation lines. Mr. Politan was for eighteen years with the Fidelity & Casualty, latterly as chief counterman, in charge of owners', tenants' and theater liability and compensation lines.

* * *

Results Negligible

What was heralded as an opportunity to gather in a large number of small compensation premiums, following the new law broadening the scope of the compensation law in New York, has resulted in practically naught. The action of the attorney general in declaring the statute indefinite; together with the opinions of various counsel for individuals, corporations and organizations such as the New York Stock Exchange, for example, that the law does not apply to office help, has resulted in the furor over this class of business subsiding almost completely.

* * *

E. J. Surbeck Joins Colors

E. J. Surbeck, who has been handling the burglary department of the Globe Indemnity, is to enter war service the middle of this month.

Maryland Casualty Shows Prosperity

SURPLUS FUNDS GO TO CAPITAL

Financial Statements of Last Few Years Reflect Growth and Careful Management

Continued prosperity of the Maryland Casualty is reflected in the action of the stockholders, at a special meeting August 6, when it was resolved that the capital stock of the Company be increased from $1,500,000 to $2,000,000, by the issue of 20,000 shares par value $25. The sum of $500,000 will be transferred from surplus to capital account, that sum having been paid into the surplus account in cash by the stockholders.

Stockholders are advised that by opinion of the Company's counsel this increase in stock should not be reported as income, in any tax return, either Federal or otherwise, since it is not a distribution of profits but simply an evidence of the capitalization of funds actually paid into the Company's treasury in cash by the stockholders.

Good Statements Made

The premium income of the Company in 1917 was $12,500,000, an increase of $3,500,000 over the previous year. The loss ratio has been materially reduced in the last four years, while the management expense ratio has fallen almost ten per cent. In 1914 the Company showed a combined loss and expense ratio of 95.6 per cent. and in 1917 79.4 per cent.

Policyholders are advised that the business of the Company for 1918 is so far sufficient to provide all required reserves, to offset all present depreciations in investment values and to leave a substantial balance to be added to surplus account. The Company's net interest income from investments, as of June 30, 1918, is more than $515,000 per annum, which is an increase of $68,000 since January 1, 1918.

Studying Explosives

The manufacture of explosives has become so important that it is necessary to know more about the attending hazards. Therefore, The Associated Companies, writing compensation risks, are making an intensive study of this class of risks. Prior to the war the amount of business on these plants was not enough to develop a broad experience.

* * *

Where Bad Spots Are

Mapping the general liability experience in Brooklyn and Bronx Boroughs shows that the same congested areas, peopled by certain classes of foreigners, as exist in parts of Manhattan, are where the high loss ratios may be expected. The situation in the newly mapped territories is identical with the old.

* * *

Rates to Go Up

Plans are in the making for an increase in plate glass insurance rates in New York State to apply on October renewals. The loss ratio on business written this year is running as high as seventy per cent. Not all the companies keep their records in such a way that they can tell what the loss is on business written this year. The last advance in New York was made early this year.

Considering Status of Disabled Men

(Continued from page 17)

pensation laws would be necessary to meet the new conditions, and the general method of procedure in meeting the various questions likely to arise.

Supposing it to be claimed that the handicapped man does constitute, personally, a special hazard, by whom should the extra cost of his insurance be assumed?

Division of Cost

Suppose a man has lost the sight of one eye in army service and he subsequently loses the other eye in the course of employment. It is not fair to the industry to charge its experience with a case of total permanent disability, but only for that portion of disability received in the employment. The other portion should be charged to and paid for by the agency which caused it, i. e., war service. It would appear from this that the added cost should be divided between the industry and the government.

There are many viewpoints to be considered in handling this subject as a whole. For illustration the wide divergence in the laws of different states. In New York a man would receive a large benefit for total permanent disability, whereas in New Mexico or some other states, he would receive very little. The situation in non-compensation states also complicates the problem.

Questions Asked

Following are some of the questions which were considered in the general discussion.

In the event of the disabled man being regarded as a hazard to the plant as a whole, who in that case should assume financial responsibility?

What are the possible legal and statutory limitations upon the different methods that suggest themselves for meeting such individual or plant risks as may exist?

If the matter has to be dealt with as a State insurance problem, is it practicable to bring uniformity into State legislation?

Assuming that uniform State legislation can be secured, would it be possible to do so in time to meet the immediate problem of securing employment for disabled men returning from the war?

The War Risk Insurance Act provides that unless a disabled soldier or sailor, within one year after discharge from the hospital, certifies to the War Risk Bureau that he has received an injury in the service which may at some future time result in a disability, he shall not be entitled to any insurance for such future disability. How would this affect the problem of liability insurance?

When an employer has accepted a man and the insurance conditions have been determined upon and accepted, is it reasonable that the question of recurring disability should ever be brought up, so far as the Federal Government is concerned?

Assuming that it is brought up, is it a matter which could be adjudicated in any satisfactory way, except as between the employer and the insuring company?

Assuming that there is an extra hazard with the handicapped man, and viewing all the difficulties involved in any attempt at uniform adjustment, would it be fair to take the position that, so far as concerns handicapped individuals, this burden should be met by the employing agency?

Would it be equally fair to take the position that the additional cost for special plant risk, if there be any, should be borne by the insuring employers, as a large group, so that the burden may be equalized?

To what extent can we profit by the experience of our allies in dealing with this problem?

BUSINESS=BUILDERS
DEVELOPING
Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE
APPRECIATE THE CO-OPERATION OF THE
Massachusetts Bonding and Insurance Company
BOSTON
T. J. FALVEY, President
Paid-In Capital $1,500,000
Write For Territory

The Fidelity and Casualty Company of New York
92 LIBERTY STREET, NEW YORK, N. Y.
Metropolitan Office—92 William St.
SEMI-ANNUAL STATEMENT JUNE 30, 1918

Assets	$15,684,739.43
Liabilities	12,471,369.12
Capital	1,000,000.00
Surplus over all liabilities	2,213,370.31
Losses paid to June 30, 1918	63,244,803.06

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation—Steam Boiler Insurance; Fly-Wheel Insurance.

CASUALTY AND SURETY POINTERS

Calling to Sell But Not to Help

It requires headwork to carry out the thought conveyed in this little story about the rheumatism and rats, which William G. Curtis, manager at Albany for the Aetna, has given to his solicitors. Using headwork; not being just a common garden variety, order-taking solicitor, is what makes of the business a live thing. And, incidentally, it sells policies and makes commissions. Now for the rheumatism and rats:

A man living in the city was the owner of a very fine thoroughbred Scotch collie dog. It was one that would make any dog fancier beam with delight. The owner wished to sell the dog and offered it to an old farmer whom he thought would appreciate its high qualities. The farmer had sheep, and cows, and lots of rats—and needed a watch dog. Our city friend described, in detail, the dog's beautiful coat of hair, his markings, his pedigree, and dwelt particularly on the long list of prizes he had taken at the various dog shows. The old farmer scarcely grunted and said he did not want a dog. The city man drove home and he thought what a chump the old farmer was for not jumping at the chance of getting such a valuable dog when he had the opportunity. Every mother's son of us who ever sold goods has thought the same thing about some of our customers.

A few days later the city man turned his dog over to a friend and asked him to sell it. This man drove out into the country to see the same old farmer. The new man began with the old farmer by asking about his rheumatism, and asked if it ever troubled him to run after the cows in the evening. The old farmer admitted that he was getting old and that going after the cows was a real task. He next asked the old farmer if he had any rats about the place. The old farmer assured him that the rats were a great nuisance, and he had often wished for some way to get rid of them. He next asked the old farmer if he had a watch dog to keep away night prowlers. And the old farmer reluctantly answered in the negative—saying that he did not have any protection at night at all. Our new friend then told him that he knew of a dog that would go after the cows, and would drive the sheep, was a splendid rat dog, and was very alert and watchful at night.

He scarcely finished his sentence when the old farmer asked with deep interest: "How in the world can I get this dog? That's just what I need." And in two minutes the sale was made. And this very psychological point that made the farmer want the dog will work just the same on any article you may have to sell. For all your prospects have "rheumatism and rats!"

They're working hard every day, early and late. Nine out of every ten agents who call on them are like the first man who tried to sell the dog; they call to sell and not to help!

WHAT YOU WANT AND WHAT YOUR CUSTOMERS ALL WANT IS GOODS THAT WILL HELP THEM AND THEIR BENEFICIARIES.

So, the keen little point that will help you so much is to always remember that the surest way to any man's attention and interest is through the little door: "What will it do for me?"

* * *

Effective Plan For Selling Parcel Post Insurance

An enterprising special agent in the Providence office of the Aetna evolved an effective plan for selling parcel post insurance. Here it is:

"Like all other states, Rhode Island sends out each year a considerable number of 'Automobile Registered Number Plates' or 'Automobile Markers' as they are known in some States. Our Providence branch secured an order from the Rhode Island State Board of Public Highways for sufficient coupon-form parcel post books to insure each set of markers sent out.

"The cost of insuring a set of markers is very small—one two and one-half cent coupon being sufficient to fully insure each set. As a large number of markers are sent out the premium runs into a considerable sum and is well worth going after. The advertisement secured through the insuring of the automobile markers should lead to considerable business of other kinds among the automobilists who receive their markers in that manner. Considerable personal business should also develop through the acquaintances made at the state capitol in the solicitation of this form of insurance.

"Inasmuch as our agents may possibly come into competition with the government on parcel post insurance, either in connection with this matter or some other form of parcel post insurance, we suggest that you secure information from your local post office as to the cost and coverage of the government form of policy and carefully scrutinize the rate sheets and sample policies of the Company. Such an analysis will indicate to you that the government charges three cents for the same amount of insurance for which we charge two and one-half cents, and our policy gives the assured considerably more coverage than is given by the government form of policy.

"It is possible that the annual registration date for automobiles in your state has passed and you may, therefore, feel that you can not benefit from this plan. We would call your attention, however, to the fact that automobiles are being registered throughout the entire year and there is no reason why you should not place sufficient parcel post books to take care of the needs of your state board of public highways at the present time and later, when they need a large supply of books to take care of their annual registration, supply them.

"This is a matter which should not be lost sight of by you. It is a proposition which is open to you each year and if you do not succeed in closing it this year you should without fail diary the matter for the proper time next year."

* * *

Getting Bond Business By Letter

How a postage stamp and the following letter increased by fifty per cent. the Fidelity & Deposit's premium income on master electricians' bonds is told by that Company. This is the letter:

"We are enclosing herewith form of bond which you will be required to file as Master Electrician on or before May 1, in the penalty of $1,000. If you will sign this bond on the line checked, have someone sign as a witness on the line opposite, and then return the bond to us, together with the enclosed form of application, duly signed by you, we shall be very glad to act as your surety. Our premium charge will be.....

"Hoping to have the pleasure of serving you in this matter, we are."

Then the Company goes on to say:

"There are 171 master electricians in Baltimore, each of whom has to furnish a bond annually on May 1. Last year we wrote 40 of these bonds—not a bad percentage. This year we obtained from the city hall a list of the names of all master electricians, mailed them the above quoted letter, and for this little effort we not only renewed the 40 bonds we wrote last year but received applications for 20 additional bonds; in other words, an increase of 50 per cent.

"What we accomplished in Baltimore can be accomplished in many other cities throughout the country. So—MR. AGENT—get busy today, go or send to the city hall, get a complete list of all electricians, plumbers, drainlayers, and other parties who have to furnish awning, explosives, street opening, street obstruction, and other forms of license bonds, send them a somewhat similar circular about three or four weeks before their bonds have to be renewed, and you will be more than well paid for your efforts."

Joseph Butler, in charge of collections in the General Accident's office at 100 William Street, New York, has resigned.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE
CHICAGO

F. W. LAWSON
General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers
New England

London Guarantee & Accident Co., Ltd.
OF LONDON, ENGLAND

LIABILITY DEPARTMENT

Continental Casualty Company

H. G. B. ALEXANDER, President

is now ready to negotiate agency connections covering all lines of Workmen's Compensation, Liability, Automobile Insurance in the following states: New Hampshire, Vermont, Iowa, Kansas, and portions of Michigan, Indiana, Wisconsin and New York.

Also in the various Provinces of the Dominion of Canada

Premiums written 1917.....$5,500,000
Assets over 3,000,000

Address Agency Department
910 MICHIGAN AVENUE, CHICAGO

American Surety Company *of* New York

100 BROADWAY

Fidelity and Surety Bonds

Burglary Insurance

The Employers' Liability Assurance Corporation, Ltd.

The original and leading Liability Insurance Company in the World

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE

United States Branch

SAMUEL APPLETON, United States Mgr.
Employers' Liability Building
33 BROAD STREET, BOSTON, MASS.
AGENTS WANTED

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.

Home Office, United Life Building Concord, New Hampshire

Pan-American Life Insurance Company

NEW ORLEANS, U. S. A.

CRAWFORD H. ELLIS, President

Capital.....$1,000,000.00

OUR 1916 STATEMENT SHOWS

Insurance in force	(over)....	$42,400,000
Resources	(over)....	5,600,000
New Insurance paid for		10,000,000

The High Scores in the Life Insurance Profession are won by Trained Men. We will train you in the Profession and locate you in Productive Territory either North or South. Your Opportunity is Here.

Further information on request. Address:

E. G. SIMMONS, Vice-President and General Manager

Whitney Central Bank Building

NEW ORLEANS, U. S. A.

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE EQUITABLE

C. A. CRAIG, President W. R. WILLS, Vice-Pres. C. R. CLEMENTS, Sec. & Treas.

The National Life and Accident Insurance Company

NASHVILLE, TENNESSEE

Industrial, Life, Health and Accident Insurance in ONE policy

W. F. MURPHY & CO., Inc.

RESIDENT MANAGERS

Chicago Bonding & Insurance Company

FOR NORTHERN NEW JERSEY

ATTRACTIVE AUTOMOBILE RATES.

Union Trust Co. Bldg., JERSEY CITY

Telephone Montgomery 3283

JONES, LAUNT & BARRETT, Inc., GENERAL AGENTS

Head Offices:

411-13 Walnut Street, PHILADELPHIA, PA.

We can offer to Agents and Brokers special facilities on surplus lines throughout the United States and Canada.

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $155,000,000.00

Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

U. S. Cash Assets, Dec. 31, 1917	$16,153,068.57
Surplus	4,793,978.55
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904	1,051,543.00

NEW YORK OFFICE
80 William Street

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 33 NEW YORK, FRIDAY, AUGUST 16, 1918 $3.00 a Year; 25c. per Copy

OBJECT TO TRADE NEWSPAPER "USING" STATE ASSOCIATIONS

Officers of National Association, Here This Week, Will Discuss Interference With Machinery

TO PLAN ANNUAL MEETING

Small Town Man Will Gain Much From Convention—Cleary and Dunbar to Talk

President Allen, of the National Association of Insurance Agents, and other officers and committeemen of the association will meet in this city this week to go over the program for the annual convention of the association, which will be held in Cleveland, and the dates of which have been advanced to September 18, 19 and 20. It was to have been held in October, but the change was made so as not to conflict with the Liberty Loan drive.

Say Paper Tried to Stampede Associations

One subject which will be discussed by the National Association's officers will be attempts by trade newspapers to use the association for advertising or circulation purposes. This has been done several times of late, and during the past month an effort has been made to sweep the associations off their feet, through the despatch of urgent telegrams, saying the insurance business is in danger from Washington usurpation and asking that the associations meet and act to relieve the situation by sending telegrams, passing resolutions, etc.

As a result of the newspaper's activities several meetings of associations have been held in the South.

The opinion of many association leaders is that there are regular channels by which the state association meetings can be called, and that the power should not be relegated to a couple of men in a newspaper office. Furthermore, there is also a feeling that if the associations can be called, and resolutions dictated by a newspaper office on Government insurance, a precedent is established by means of which the associations can be used to exploit

(Continued on page 14)

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Sixty-five-Year Record for Fair Dealing and Prompt Adjustment and Payment of Losses

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager

UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

SPRINGFIELD
Fire & Marine Insurance Co.

Cash Capital $2,500,000.00

THE SPRINGFIELD for two-thirds of a century has transacted business solely under its own corporate name, without annexes, underwriting agencies or subsidiary companies. An agent of the SPRINGFIELD is not a half, a quarter or any other fraction of an agent, but is vested with the rights and dignity of an undivided representative of an undivided and independent company. The SPRINGFIELD stands today pre-eminent among American fire insurance companies.

SPRINGFIELD MASSACHUSETTS

THE GAUVIN AGENCY

EQUITABLE LIFE TO ENGAGE IN HEALTH AND ACCIDENT

Supplementary Contract to Its Life Policies; Also Will Issue Regular Forms

LONG UNDER CONSIDERATION

Second Vice-President Rosenfeld to Supervise New Department—Will Co-operate on Uniformity

A few days ago a rumor reached the office of The Eastern Underwriter to the effect that the Equitable Life Assurance Society would soon enter the field of accident and health insurance. When asked if he would confirm or deny the rumor, Assistant Secretary E. E. Rittenhouse made the following statement:

"You may accept the rumor as an intention soon to be realized. The Equitable will shortly announce a contract to be issued supplementary to its life policies and providing for weekly indemnities for temporary disabilities resulting from accident and sickness. In addition, it will issue all the accepted forms of accident and health policies.

"The proposed move has been under consideration for some time, but the Society had heretofore hesitated to take affirmative action because of the unfavorable competitive conditions which have existed. The tendency of some companies to outbid one another in concessions and benefits had brought the business to the point where the 'frills' were so numerous that the body of the fabric was lost in a maze of ornament. Now that there seems to be a disposition to curb this tendency by the adoption of standard policies and to inaugurate more reasonable practices, the officers of the Society believe that the opportune time for extending their operations to this field has at last arrived.

Disability Clause Has Educated Agents

"The inception of the proposed step may be traced to the disability clause which has educated agents to the advantage of benefits supplemental to life insurance. A quiet demand for a broader coverage has come from the

THE PILOT POLICY

intelligent agents who saw the possibilities of coupling protection for the impairment of the physical forces, with the life contract.

"The disability clause had been in use but for a short time before our agents began to ask us to cover temporary, as well as permanent disability. On more than one occasion the question was brought up at our agency meetings and advocated by the agents. The demand was natural and logical but for the reason given we did not then consider it prudent to act. Subsequently, we did adopt the double indemnity clause, providing for the payment of twice the principal sum in the event of death by accident. This has proved exceedingly popular, but one effect has been to increase the demand for a broader recognition of personal hazards other than death.

"Recently we had under consideration the issuance of a supplementary contract providing weekly indemnities for loss of time resulting from accident or sickness: but realizing that this would be but one other step we decided to adopt the entire program and issue not only this supplementary policy but all forms of accident and health policies. A number of our leading general agents and managers are advised of our intention and they are delighted with the prospect of having a consistent well-rounded program, and we believe the move will be equally popular with soliciting agents.

Will Co-operate With Bureau Committees

"Our formal announcements, however, will not be made until the Committees of the Bureau of Personal Accident and Health Insurance have completed their work of recommending salutary changes in policies and in practice. The Equitable will gladly co-operate to this end.

"Personally I look upon the proposed move as a natural and healthy development of the business of a life company. There is no good reason why the contingencies of death, disease and accident should not be broadly covered. Each is inseparable from life and our object should be to give the public the full limit of service compatible with the law and our charter."

New Department to be Supervised by Second Vice-President Rosenfeld

The new department will be placed under the immediate supervision of Second Vice-President Henry L. Rosenfeld, who will assume this responsibility in addition to his present duties.

For several years Mr. Rosenfeld has been studying accident and health insurance in this country and abroad and is well qualified for his new responsibilities. He will have the advantage of the advice and co-operation of Vice-President John B. Lunger who, in his ten years of experience with the Travelers, became thoroughly versed in all phases of casualty insurance, and of Inspector of Agencies, Leslie C. York, who was formerly connected with the United States Casualty Company.

It is understood that the Equitable intends to conduct its agency, underwriting and claim departments through members of its present staff who are being especially trained for their respective duties.

WANTED

Assistant to General Agent in New York City of large Life Insurance Company.

His work will consist of agency building. He will help and inspire present agents, procure and develop new ones.

Advancement assured and remuneration commensurate with results.

State full particulars. Address

"New York General Agent"

c/o The Eastern Underwriter, 105 William Street, New York, N. Y.

WRITES $12,000,000

The Fraternal Aid Union, of Lawrence, Kan., with its "new legal reserve contracts," since January of this year has written upwards of $12,000,000 in paid-for business, the total for July having been $2,145,000.

Soldiers' After-War Life Insurance

Most naturally the attention of everyone is centered just now on war-time protection and it is well. We should not forget, however, that large numbers of the men will return to civil life and then require life insurance for years and years to come; and thus the matter of holding to the insurance they already have is a serious one to all who respond to their country's call.

Of course the Government soldiers' and sailors' insurance may be continued after the war by converting to some one of the standard old-line forms and paying the correspondingly higher rate therefor. Such policies will be at the insured's then age, and the limited pay forms will require the full twenty, fifteen or ten payments to be made. Large numbers of the men now have limited pay policies upon which 5 to 10 or more payments have already been paid. These will all save money to keep and mature their company policy, and in addition it will become paid up sooner. There are also certain advantages in dealing direct with your company.

With such a plan as this company is operating, under which at the worst all moneys paid will be refunded and hus no actual loss will be sustained; with the probabilities all so largely in the insured's favor; it is clearly to the advantage of practically all who now have policies to continue them, especially since the Company will find a way for them to do so.—The Dotted Line.

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

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A satisfied constituency gained by Fifty-eight years of public service

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W. E. Taylor, Second Vice-President

EQUITABLE

J. H. Woodward With Guardian As Actuary

SUCCEEDS ROBERTSON HUNTER

Won Distinction With New York Insurance Department and State Industrial Commission

Joseph H. Woodward, who has made a remarkably fine record as an actuary, both as a Company man and for the State of New York, has become actuary of the Guardian Life, succeeding Robertson G. Hunter, who has resigned, to become actuary of the Equitable Life of Iowa.

Mr. Woodward began in the actuarial department of the Travelers, and, while with that Company he also did special mathematical work in the Yale Graduate School. Then later he became actuary of the Connecticut Insurance Department in 1906 and the record made by Mr. Woodward in such position brought further recognition in his appointment as auditor and assistant actuary of the New York Insurance Department in 1908, at the time when the work of the department was especially difficult and trying owing to the insurance upheaval in 1905 and 1906 and the resulting new laws of 1907.

Went With State Industrial Commission

When the State Industrial Commission at Albany in 1914 looked for a man qualified to undertake entirely new actuarial work in connection with the administration of the Workmen's Compensation law, Mr. Woodward was selected and in his position as actuary of the New York State Industrial Commission and the State Insurance Fund, he did work of a difficult nature which is considered as a standard throughout the country.

Mr. Woodward's recognized ability also caused the United States Treasury Department to consult him in 1917 in connection with the organization of the War Risk Bureau. He is a graduate of Yale University, a Fellow of the Actuarial Society of America, a Fellow and Vice-President of the Casualty Actuarial and Statistical Society of America and a Fellow of the American Institute of Actuaries.

MAY ADMIT WOMEN

At the biennial session of the Grand Lodge of the A. O. U. W. of West Virginia which will be held in September at Morgantown, W. Va., the delegates will consider a proposal to admit women into the Order. Another subject will be the adoption of an amendment to the Order's laws making it possible for a member to have his beneficiaries paid in installments instead of a lump sum.

WILLIAM H. MENDEL DEAD

William H. Mendel, treasurer of the Postal Life, and owner of the parcel room and other concessions at the Grand Central Station, died a few days ago.

WIDOWS AND INSURANCE

Even when a widow is nothing to us personally it almost always makes us feel very bad to hear what kind of securities some one has persuaded her to buy with the insurance money.—Ohio State Journal.

FEWER R. R. THEFTS

Advices from Washington are in effect that a good start has been made toward lessening the number of thefts of property in the hands of railroads. This evil had become a trying one, the losses during four years being calculated at $112,000,000.

Knights of Columbus Secretaries' Policies

STATEMENT BY EDW. L. HEARN

Informs President Priddy, of National Association of Insurance Agents, of Conditions

Edward L. Hearn, former president of the Casualty Company of America, and now in charge of the insurance matters for the Knights of Columbus, has written to President Priddy, of the National Association of Insurance Agents, a statement regarding the insurance on the secretaries of the K. of C. This is incorporated by Mr. Priddy in a special notice regarding life insurance on the lives of persons planning to go overseas to represent the K. of C., Y. M. C. A., Red Cross, and other kindred organizations. It reads:

You know that some six or eight limited amounts of insurance on persons going overseas for relief work, provided a single extra premium of twenty-five dollars per thousand be paid to the company. The names of all companies are now willing to write these companies are not now conveniently at hand.

Paying the Premium

I have had occasion to publish several statements in this paper with reference to the insurance which has been taken on the lives of persons going for overseas duty with the Y. M. C. A. Under the present arrangement it is hoped that all of these overseas workers will secure this insurance before leaving their home community. The secretaries are expected to pay the regular premium on such insurance as they take, but the War Work Council of the Y. M. C. A. will pay a single extra premium of twenty-five dollars per thousand up to five thousand dollars. Under special conditions arrangements can be made by the secretary for the payment of the regular premium by the War Work Council.

I have received a number of complaints from our members located in various parts of the country with reference to the manner in which they believe the Knights of Columbus are handling their insurance. I shall not attempt here to explain these complaints, but I will say that on August 5th I had a conference with Mr. Edward L. Hearn, who has direct charge of the life insurance matters for the Knights of Columbus, and he authorizes me to make the following statement:

The Knights of Columbus will provide not to exceed five thousand life insurance on the lives of all secretaries going for overseas duty, and the organization will pay not only the war premium—which shall not exceed a single premium of twenty-five dollars—but they will pay the regular premium on five thousand for each secretary. It is not customary to give this insurance to chaplains, because a chaplain must be a priest and a priest cannot have wife and children dependent upon him. However, under exceptional circumstances where a priest may have someone who is directly dependent upon him for support exceptions are made.

Our members are urged to seek out all persons going for overseas duty and sell them this insurance and deliver the policies to the person designated by the insured and take a receipt for the same. This receipt should specify the entire premium on the policy and a bill, properly prepared, should be sent at once to the War Activities Committee, Knights of Columbus, 461 Fourth Avenue, New York City, which bill will be promptly paid by that committee.

The Red Cross

Many of you are familiar with the manner in which the Red Cross has heretofore been placing its insurance. They established what they called their "Insurance Department" in New York and Paris. In their office a person has been licensed for a number of companies and he has been placing all insurance which has been placed on the lives of persons going overseas for the Red Cross.

The Red Cross gives one thousand life insurance on every overseas worker and offers to pay the war premium—not to exceed a single extra premium of twenty-five dollars per thousand—for four thousand additional insurance, if said workers desire to buy any insurance in addition to the one thousand. In other words, this extra premium will not be paid by the Red Cross unless the insurance is taken through the Red Cross in New York. Without going into further detail, I have maintained that the Red Cross arrangement is a violation of the statutes of the State of New York, and I have had the matter up several times with the Commissioner of Insurance, and he in turn has had the matter up with the Attorney General of the State of New York, and on Friday last Superintendent Phillips informed me that the Attorney General had notified him that in his opinion the method employed by the Red Cross is a violation of the statues and must be abandoned. I have requested an official ruling on this subject and expect to receive it in the course of the next few days. Naturally enough, upon the issuance of such a ruling by the Department of Insurance the Red Cross will have to abandon their present plan, and it is hoped and believed that they will then adopt the method now employed by the Y. M. C. A. and Knights of Columbus; to wit, to

(Continued on page 9)

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Says Policy Proceeds Should Not Be Taxed

VIEWS OF MINNESOTA AUDITOR

J. A. O. Preus, Former Insurance Commissioner of Minnesota, Agrees With Warren M. Horner

J. A. O. Preus, former insurance commissioner of Minnesota, and now auditor of the state, and probable future Governor of the state, has written a letter to Warren M. Horner, general agent of the Provident Life & Trust at Minneapolis, in which he expresses the hope that the proceeds of life insurance policies will not be taxed, as such proceeds are neither profit nor earnings nor incomes, but are mere replacement for production value. It will be recalled that Mr. Horner submitted to the Internal Revenue Department at Washington a brief on what he designated, the illogical income tax law as regards the proceeds payable at death.

The Auditor's Letter

The complete text of the letter of Auditor Preus follows:

"Your communication addressed to Hon. Daniel C. Roper, Commissioner of Internal Revenue on the Taxing of Proceeds of Life Insurance Policies, was left at my office some time ago and I have just now had the opportunity to peruse it.

"The philosophy of life insurance has always appealed to me as the science which endeavors to leave a personal beneficiary, or estate, or a business in as nearly the same position after the decease of an insured individual, as the beneficiary, or estate, or business was before the decease of the insured. To be sure, the beneficiary, i. e., a wife, a son, daughter or other person, is always deprived of the society, an estate of its natural administrative head, a business of a valuable dynamic force or agent, upon the decease of the assured. For such loss, life insurance furnishes no functioning substitute. Life insurance is an economic use purely, and it constitutes a substitute for the productive value of an individual.

Endorses Word "Replacement"

"You term life insurance when paid a 'replacement.' It is easily the best term I have heard for this use. It elucidates and emphasizes the injustice of taxing the proceeds of a policy, that is the 'replacement' unit, unless that which it replaces, viz., the deceased insured individual, was personally taxed in precisely the same amount. If a person's replacement unit shall be taxed as income when he dies, then a double income tax should be laid upon him in case he lives. If this premise is thoroughly understood by Mr. Roper, I am positive that the antithesis of the contention will be complete surrender to your argument.

"The 1917 law as applied does not permit the deduction of life insurance premiums from gross incomes. If the Commissioner adheres to this interpretation surely he cannot contend that the proceeds of policies shall be taxed, for if he does he will insist upon a double income tax. First the income of the assured and then upon his replacement unit. I believe, however, that premiums paid must always be looked upon as income and should be taxed as income. They are that part of the income of the assured which he sees fit to invest in life insurance.

"I sincerely hope that the proceeds of life insurance policies will not be taxed. Such proceeds are neither profit, nor earnings, nor incomes; they are mere replacement for production value. To tax them as incomes will result in lapsations, will retard the natural growth of life insurance and dull the altruistic subconsciousness found in every person who carries life insurance, and which prompts one to take from one's own income and comfort to yield comfort and happiness to others.

"Were I still Insurance Commissioner of the State, I would gladly, on behalf of the assured citizens of the State, offer you my assistance in securing justice for them in this matter."

NEW RATES OF PHOENIX MUTUAL

Single Premiums for $1,000

	Life.	10-Yr. End.	15-Yr. End.	20-Yr. End.	25-Yr. End.	30-Yr. End.
20	$352.89	$800.60	$701.94	$620.52	$553.61	$498.95
21	357.98	800.66	702.08	620.78	554.03	499.61
22	363.21	800.73	702.23	621.06	554.49	500.33
23	368.61	800.80	702.39	621.36	554.98	501.10
24	374.18	800.87	702.56	621.68	555.52	501.96
25	379.93	800.95	702.74	622.03	556.10	502.90
26	385.85	801.03	702.94	622.40	556.75	503.93
27	391.97	801.12	703.16	622.82	557.45	505.08
28	398.28	801.22	703.39	623.26	558.22	506.34
29	404.78	801.32	703.65	623.76	559.08	507.73
30	411.48	801.44	703.93	624.30	560.02	509.27
31	418.38	801.56	704.23	624.89	561.07	510.98
32	425.50	801.70	704.57	625.55	562.23	512.87
33	432.83	801.85	704.94	626.28	563.52	514.96
34	440.38	802.01	705.34	627.08	564.96	517.28
35	448.16	802.19	705.79	627.98	566.55	519.83
36	456.16	802.39	706.29	628.99	568.32	522.66
37	464.40	802.61	706.84	630.11	570.29	525.77
38	472.87	802.85	707.46	631.36	572.48	529.19
39	481.59	803.11	708.15	632.76	574.90	532.95
40	490.53	803.41	708.92	634.31	577.58	537.07
41	499.72	803.74	709.79	636.05	580.55	541.57
42	509.17	804.12	710.77	637.99	583.82	546.49
43	518.86	804.54	711.87	640.15	587.44	551.85
44	528.80	805.02	713.10	642.56	591.42	557.66
45	538.98	805.57	714.49	645.23	595.78	563.93
46	549.40	806.19	716.05	648.20	600.56	.....
47	560.06	806.89	717.79	651.46	605.76	.....
48	570.95	807.68	719.72	655.06	611.41	.....
49	582.05	808.56	721.87	659.01	617.52	.....
50	593.34	809.55	724.24	663.32	624.09	.....
51	604.82	810.64	726.84	668.00	.....	.....
52	616.46	811.85	729.69	673.07	.....	.....
53	628.24	813.19	732.81	678.55	.....	.....
54	640.17	814.66	736.22	684.44	.....	.....
55	652.22	816.28	739.92	690.76	.....	.....
56	664.37	818.06	743.94	.....	.....	.....
57	676.60	820.00	748.29	.....	.....	.....
58	688.89	822.12	752.98	.....	.....	.....
59	701.24	824.44	758.03	.....	.....	.....
60	713.63	826.97	763.43	.....	.....	.....
61	726.02	829.71	.....	.....	.....	.....
62	738.40	832.69	.....	.....	.....	.....
63	750.76	835.91	.....	.....	.....	.....
64	763.07	839.37	.....	.....	.....	.....
65	775.33	843.09	.....	.....	.....	.....

Bankers Life's New Disability Benefit

EFFECTIVE ON AUGUST 15

Text of Benefits—Rates at Age 21—Issued on Two Forms, Lump Sum and Income

The Bankers Life of Des Moines announces a new disability benefit, in the form of a rider to be attached to the policy. There are two forms, one to be used with policies payable in a lump sum, the other to be used with income contracts. It is effective August 15.

Extracts From Rider

Part of the rider follows:

After the premiums have been paid for at least one full year and provided no premium is in default, if the insured, before the expiration of the policy year nearest the sixtieth anniversary of his birth, becomes totally, permanently and incurably disabled (not due to any cause or condition existing at the time of application for this agreement) and is thereby prevented permanently, continuously and wholly from performing any work or following any occupation for compensation or profit, the Company will grant the following benefits during the period of such disability.

1. Upon receipt of proof of such disability will waive payment of premiums thereafter becoming due under said policy during such period.

2. Will pay to the insured a monthly income of one one-hundred and twentieth (1-120th) of the face of the policy, the first monthly payment to be made one year after the receipt of proof of such disability and subsequent payments monthly thereafter during such period and until the maturity of the policy by death or as an endowment. If there is any indebtedness on the policy, the interest thereon shall be deducted from the monthly payments.

3. Upon maturity, by the death of the insured or as an endowment, the policy will be payable in accordance with its terms without deduction on account of any monthly payments made or premiums waived because of such disability.

Annual dividends will be paid during the disability period in the same manner and amount as if the disability had not occurred. The dividend and nonforfeiture provisions of the policy remain unaltered should disability occur.

Disability must have existed continuously for at least sixty days before approval of proof of disability, such proof to be furnished upon the Company's forms. Before approval of the proof of disability or at any time thereafter (but not oftener than once a year) any medical examiner or other accredited representative of the Company, shall be permitted to make such examination of the insured relative to his disability as the Company may desire.

If, at any time, it is found that the insured has recovered from his disability, or has become able to perform any work or follow any occupation for compensation or profit, no further premiums shall be waived and no further monthly payments shall be made to the insured by the Company, but the policy may then be continued in force for the full amount of insurance by payment of the original premiums thereafter due, if any.

Without prejudice to any other cause of disability the entire and irrecoverable loss of sight of both eyes or the severance of both hands above the wrist or of both feet above the ankles or of one entire hand and one entire foot shall be considered as total and permanent disability within the meaning of this agreement.

The disability benefits hereunder shall be automatically cancelled under any of the following conditions:

1. Upon the expiration of the policy year nearest the sixtieth anniversary of the birth of the insured, unless he is at that time totally, permanently and incurably disabled as herein provided.

2. Upon default in the payment of any premium under said policy or of any additional premium required hereunder.

3. In event the insured shall at any time or in any place engage in military or naval service in time of war, or as a civilian in any capacity whatever in connection with actual warfare outside the continental limits of the United States (any unearned part of the current year's additional premium paid therefor to be refunded); provided, however, that if the insured, after the termination of such service, shall furnish evidence, satisfactory to the Company, that he is physically and mentally unimpaired and in sound health, said benefits may be restored by the payment of the premiums required therefor.

4. If any change is made in the plan of said policy, except that in such event a new disability contract may be attached to the rewritten policy subject to the submission of renewed evidence of the insurability of the insured satisfactory to the Company and the adjustment of the additional rate required.

Rates

Annual premiums for total disability benefit on $1,000 insurance, age 21, follow: Ord. Life, .94; 10 Pay, 1.98; 15 Pay, 1.46; 20 Pay, 1.21; 10 Year End., .35; 20 Year End., .44.

Convention of Its Agents Justified

THE ILLINOIS LIFE STATEMENT

Never Have There Been So Many Unusual and Extraordinary Conditions

Officers of insurance companies will be interested in reading an explanation by R. W. Stevens, president of the Illinois Life, as to why that company will have a convention of its $100,000 Club. Mr. Stevens says:

In view of the fact that a few of the companies have called off their agency conventions this year for "patriotic reasons" it seems advisable to say a few words with reference to the convention of the Illinois Life's $100,000 Club, which will be held this month in accordance with our long established custom.

From the very first meeting of our leading producers' organization, held in Chicago on the 18th day of February, 1904, the original objects of this organization have been strictly followed and adhered to, these objects being as stated in the constitution of the Club:

> "To elevate the standard of the representatives of the Illinois Life Insurance Company.
>
> "To develop their productive powers and increase their earnings.
>
> "To promote social intercourse among its members and bring them into as close personal relation with the Home Office of the Company as it is possible and practicable to maintain."

The long and honorable record of the agency organization of the Illinois Life is a matter of common knowledge and it is not therefore necessary for us to comment upon how splendidly the objects of our $100,000 Club have been attained.

Annual Meetings a Help in the Past

That Illinois Life men have profited and have grown to be bigger, better and stronger life insurance men as a result of their annual comings-together and the resulting close contact with the men at the Home Office is so well known to us all as to require no comment.

The strongest as well as the most sensitive arm of a life insurance company is its agency organization, and since the men in the field are in daily contact with prospects, policyholders and competitors it is of the utmost importance that home offices should have occasional conferences with their field men in convention if the agency organization and the methods and practices of the company are to be kept up to the point of their highest combined efficiency.

If there ever was a time in the history of agency organizations when an agency convention was justified this certainly is that time, since never before in the history of our business have such unusual and extraordinary conditions and problems confronted any organization as now confront those engaged in the business of life underwriting.

Upon no other peace time business has our Government placed such a high mark of approval as it has placed upon the business of life insurance, and surely in these times when our Government has the greatest need to keep all essential business and industry going at top speed it would be a confession that agency meetings held in the past were non-essential to our business if we should call off now our Annual Agency Conference, having before us the words of President Wilson, "This is not only not a time to allow any slowing up of business, but is a time when every sensible process of stimulation should be used."

The records of the Illinois Life Insurance Company for more than a decade show that the annual meetings of its $100,000 Club had been "a sensible process of stimulation." Therefore, for patriotic reasons the agency organization of the greatest Illinois company will come together as usual this month for its great business conference.

BIG WRITERS
READ
THE EASTERN UNDERWRITER
Each Week for New Ideas
DO YOU?
Subscription $3 a Year

HOME LIFE
INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

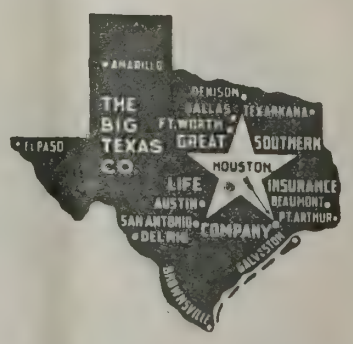
The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity,
Disability Benefits,
Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE
INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

INTERNATIONAL LIFE of St. Louis
SMASHED ALL RECORDS IN 1917
It was the Special Combination and New T. O. Policies that did the work.
If you are not selling them we are both losing money.
J. L. BABLER, Vice-President and General Manager Agencies
MASSEY WILSON, President

Great Southern Life Insurance Company
HOUSTON, TEXAS.



For Agency Contracts address
O. S. CARLTON
PRESIDENT

National Fraternal Congress Program

CONVENTION IN PHILADELPHIA

Addresses on War Risk Experiences, Health Conservation, Social Insurance, Law and Newspapers

The annual convention of the National Fraternal Congress of America will be held August 26th to 29th at the Bellevue-Stratford Hotel in Philadelphia. At the same time will occur the celebration of the fiftieth anniversary of the founding of the fraternal benefit system in America by a Patriotic Fraternal Conclave on the evening of Tuesday, August 27th, at the shrine of American liberty, Independence Square. The program is published below.

Monday, August 26th, Beginning 10 A. M.

Meetings of the various Sections of Congress.

First Day: August 27th.

10:00 A. M. Call to order by the President, R. H. Gerard, Supreme Chief, Tribe of Ben-Hur, Crawfordsville, Indiana.

Prayer, by the Chaplain, Rev. F. T. McFaden, Richmond, Va.

Addresses of Welcome:

(a) From the city of Philadelphia—W. Freeland Kendrick, Collector of Taxes, City of Philadelphia, Chairman Fraternal Conclave Committee.

(b) From the State of Pennsylvania—Chas. H. Edmunds, Chairman Pennsylvania Grand Lodge, A.O.U.W.

Responses:

(a) Leroy Andrus, First President, National Fraternal Congress, Buffalo, N. Y.

(b) A. C. McLean, President Protected Home Circle, Vice-President N.F.C. of A.

Welcome to our Canadian brethren.

Response—W. C. Mickel, President Canadian Fraternal Congress.

Report of Committee on Credentials—Gilbert Howell, Chairman.

President's Address—R. H. Gerard.

Appointing of Sessional Committees.

Afternoon Session

2:00 P. M. Roll Call. 1. Report of Executive Committee. 2. Report of Secretary. 3. Report of Treasurer. 4. Report of Committee on Statutory Legislation.

3:00 P. M. Address—Experiences and Deductions in Connection with the War Risk, by Dr. C. Day Clark, Medical Board, Independent Order of Foresters, Toronto, Canada.

3:30 P. M. Address—Health Conservation, by Dr. Lee K. Frankel, Treasurer American Public Health Association, New York City.

4:00 P. M. Report of Special Committee on National Health Conservation—Mark T. McKee, Chairman.

4:30 P. M. Report of Publicity Committee—Edward Newton Haag, Fraternal Mystic Circle, Philadelphia, Pa.

Second Day: August 28th.

10:00 A. M. Work of the Red Cross—Hon. Henry P. Davison, Chairman National Red Cross Council.

10:30 A. M. Report of Congress Committee of National Red Cross—W. E. Brown, Chairman, Ancient Order of Gleaners, Detroit, Mich.

10:45 A. M. Report of Committee on Legal Co-operation—Howard C. Wiggins, Legal Adviser, Royal Arcanum, Rome, N. Y.

11:00 A. M. Report of Special Committee on War Savings—Wm. Montgomery, Chairman, Secretary and General Manager Masonic Mutual Life, Washington, D. C.

11:15 A. M. Address—Social Insurance, by John Sullivan, Modern Woodmen of America, Kansas City, Mo.

11:45 A. M. Address—Reminiscences, by Richmond C. Hill, First Secretary N.F.C., Cuba, N. Y.

Afternoon Session

2:00 P. M. Reports of Sessional Committees.

3:00 P. M. Address—Social Hygiene, Dr. Wm. C. Gorgas, Surgeon General, U. S. Army.

3:30 P. M. Report of Committee on State of the Orders and Statistics, Miss Bina M. West, Chairman, Supreme Commander, Women's Benefit Association of the Maccabees, Port Huron, Mich.

4:00 P. M. Address, by W. S. Harding, Governor of Iowa.

4:30 P. M. Memorial Service.

Third Day: August 29th.

10:00 A. M. Address—What Should Properly Constitute the Mortuary or Benefit Fund? by Sidney H. Pipe, actuary, Independent Order of Foresters.

10:30 A. M. Reports of Sections:

1. Presidents' Section, Hill Montague, Order of Golden Seal, President.

2. Secretaries' Section, J. V. Abrahams, Knights and Ladies of Security.

4. Law Section, Robert H. Lovett, Fraternal Reserve Life Association.

5. Press Section, Mary MacEachern Baird, Woman's Benefit Association, President.

Afternoon Session

2:00 P. M. Report of Committee on Ethics, Mrs. Julia Ward Clingen, Ladies Catholic Benevolent Association, Oak Park, Ill.

2,000,000 WOMEN

According to records on file in Washington, the number of women employed in this country has increased 1,426,000 since 1914. As official records are always a bit behind present conditions, it is likely that since the beginning of the war two million women have been added to the army of American wage-earners.

PLANS OF MUTUAL MEN

Program Arranged For Beneficial Meeting to be Held in Chicago August 28

W. T. Grant, president of the Mutual section of the Health & Accident Underwriters' Conference, has announced the following program for the annual meeting to be held in Chicago, Aug. 28.

There will be no long addresses, the committee adhering to the plan it has followed during the last two meetings, of bringing into the general discussions of timely subjects as many of those present as possible. Besides routine business the program provides for the following talks:

"To What Age Should We Continue Either Accident or Health Insurance?" Harry E. Rex, Iowa State.

"On What Basis Can We Provide Insurance for Business Women?" C. O. Pauley, Central Business Men's.

"How Can We Select Good Salesmen and Make Them Better?" Elmer Loucks, National Travelers.

"The Standard Commercial Disability Policy Recommended by the Committee of Fifteen," E. L. Beck, Interstate Business Men's.

"Why Insurance Salesmanship is an Essential Occupation," S. W. Munsell, Masonic Mutual Accident.

All the addresses will be followed with a discussion by those assigned to the various subjects.

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

RIGHT AGENTS
GOOD TERRITORY
still available for development by the
..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.
Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

PENNSYLVANIA OPPORTUNITY
If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.
Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

To the Man Who is Willing—and Will



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.
FOR CONTRACTS AND TERRITORY, ADDRESS
H. M. HARGROVE, President :: Beaumont, Texas

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST—LARGEST—STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies



1 REASON Our Policies Sell

OUR POLICY CONTRACTS contain all provisions consistent with safe underwriting and are guaranteed by a deposit of the full legal reserve with the State. Our promises are all in our contract. Good contracts for up-and-doing agents.

THOMAS J. OWENS, Pres.
DR. ALBERT SEATON, Vice-Pres. & Med. Dir.
CLAUD T. TUCK, Secretary

Metropolitan May Sell $100,000,000 Stamps

ORIGINAL TARGET $65,000,000

$5,000,000 a Month Quota Looked Large at Start—Girl Clerk Sells $50,000

When the Metropolitan Life Insurance Company announced its determination to sell $65,000,000 worth of War Thrift Stamps it was generally regarded as such a stupendous undertaking that the Company would be very fortunate indeed if it succeeded.



MISS MAY R. MULVY

At the time of Vice-President Fiske's announcement to superintendents—way back in January—millions of people in the United States had never heard of the War Savings Stamps; in fact, the campaign for their general sale had not been completely mapped out by the Washington authorities.

But the Metropolitan has a way of doing things. To make good on W. S. S. became a matter of pride. Every agent, every deputy, every superintendent was inoculated with a desire to make a W. S. S. record. Clubs, societies, allotments, medals, speeches—all helped inspire sales and stimulate interest. The Company officers, some of them loaned to the Government, talked and thought W. S. S. on every occasion; and, now it is announced that not only will the $65,000,000 mark be passed, but George H. Gaston, second vice-president, who is devoting all of his time to the W. S. S. campaign says: "To-day $100,000,000 seems a far easier goal to reach than did $65,000,000 at the beginning of the year." One of the clerks at the home office, May R. Mulvy, was given $300 worth of stamps by the Company to sell. One of her friends is president of a trust company. She asked him one day if he would buy a stamp. "I will," he answered promptly, "and if you have $50,000 of stamps I'll buy them, too." Miss Mulvy went to the Second Vice-President and asked him if she could sell that many stamps. "Yes," he answered, "there is nothing to stop you from selling $50,000,000 worth if you have the customers." A facsimile of the check sent by the president of the trust company to Miss Mulvy has been mailed to the Metropolitan agents. It has been necessary for the Metropolitan to enlarge the size of the "Intelligencer," home office paper, in order to tell the many things interesting about the W. S. S. campaign of the Company.

MAJOR ASHBROOK DEAD

Was Once Vice-President of Provident Life & Trust—His Distinguished Career

Major Joseph Ashbrook, former vice-president of the Provident Life & Trust, and father of William S. Ashbrook of that company, died in Philadelphia, on Sunday. He enlisted in the famous Corn Exchange Regiment and was wounded at Antietam. Later he returned to the Army of the Potomac with the rank of captain and was promoted to major for bravery in the battle of the Wilderness and assigned to the staff of General Joseph L. Chamberlain as ordnance officer.

After the war Major Ashbrook entered the service of the Provident Life & Trust Company as superintendent of agencies. In 1881 he was made manager of the life insurance department. He was made vice-president in 1907, continuing as manager of the life insurance department. He retired in 1911.

He is survived by his widow and two sons.

W. N. GOLDEN PRESIDENT

Wins Leadership of $200,000 Club of Equitable Life of Iowa—W. J. Dwyer, Second

The annual meeting of the $200,000 and $100,000 Clubs of the Equitable Life of Iowa will be held in Chicago on August 27, 28 and 29.

W. N. Golden is president of the $200,000 Club by reason of writing largest amount of business. He is from Pittsburgh. W. H. Dwyer is vice-president. G. M. Marshall wins the presidency of the $100,000 Club.

Mr. Field Man: Detroit, July 18, 1918.

Do you know:

That the NORTHERN ASSURANCE COMPANY of Detroit, Michigan, has lived up to all the traditions of the highest purposes of life insurance;

That it stands for the highest ideals in underwriting and that its slogan is, and always has been, CLEAN MEN AND CLEAN METHODS in its field work;

That it is writing more insurance per capita per agent than any other American life company?

If you are interested in knowing something of our Home Office system which makes this possible, we will be glad to hear from you.

Address, CLARENCE L. AYRES, *President,*
DETROIT, MICHIGAN.

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President

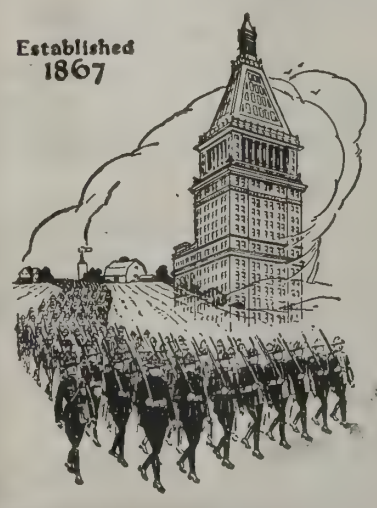
A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY

Edward D. Field, Superintendent of Agencies

THE TRAVELERS
INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF
GUARANTEED LOW COST LIFE INSURANCE
AND
CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Provident agents find that in these war times it is not difficult to convince a man he is not carrying sufficient insurance.

Provident Income Insurance is easy to sell

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

Life Insurance Salesmanship Edition of The Eastern Underwriter

Will Be Issued on August 30—Leading Producers Tell Their Soliciting Experiences—Many Valuable Articles

The annual Life Insurance Salesmanship Edition of The Eastern Underwriter will be published on August 30. The aim this year has been not so much to present the philosophical, technical and psychological aspects of salesmanship as to afford readers an opportunity to get close to the successful agent as he works every day in the field.

The number, therefore, will teem with personal experiences, particularly of agents in handling difficult cases.

In the preparation of the number The Eastern Underwriter obtained from insurance companies names of their leaders, and these agents were asked to tell this newspaper of the most interesting case they ever encountered, with an explanation of the arguments used in inducing the prospect to sign the application. An unusually large number of such experiences was received, and the best of them were sifted out and appear in the Life Insurance Salesmanship Edition, under the signatures of the agents. The men who relate their canvassing trips are from all parts of the country, small towns as well as large being covered, farm as well as urban centers.

They demonstrate that ingenuity, perseverance and logic must succeed in selling insurance. The harder the case, the more obstinate the prospect, the easier he has been to write in many instances. No agent can read these human interest documents without feeling an urge towards better, more sustained effort.

The number contains several interesting sketches about some agents of the highest rank whose work has been merely mentioned in the insurance newspapers. A splendid estimate of a great producer in the West will be one of the features of the issue, written by a confrere, and describing his methods of work.

The increasing number of women who have become prospects for life insurance is recognized by the contribution of several unusually interesting articles by successful women writers including Mrs. Edwards, of San Francisco; Miss Woodward, of New York; Miss Cowick, of Boston; and Miss Fenton, of Minneapolis.

One of these writers describes the objections which women make to life insurance and she tells how she meets and overcomes these objections. Her success has enabled her to do this authoritatively.

Two pages are devoted to a remarkably effective literary campaign which has been made among farmers.

Some unique stories about salesmanship—taken from the book of life—are told by Luther B. Little, of the Metropolitan. There is much of interest in a story on insurance conditions in Mexico. Hugh S. Ince, editor of the Connecticut Mutual, writes on "Habit Talks"; F A. Crum of Providence, on "Income Policies"; Lafeyete B. Gleason and Alexander Otis on the "Inheritance Tax Argument"; John I. D. Bristol on "Digging Up New Prospects in War Times."

Henry Moir, president of the Actuarial Society of America and T. Bertrand Graham, of the Metropolitan Life are among the other authors.

A number of important articles on group insurance salesmanship will be found in the edition.

These are only a few of the features which will make this edition alive with suggestions and pointers of value to the life insurance agent.

Convention Program Equitable of Iowa

COMPLETE LIST OF SPEAKERS

"Unworked Veins of Pay Ore" Topic of One Discussion; "Preparation for Interviews"

The program is announced of the Equitable of Iowa Agency Association convention in August at Chicago. Topics and speakers:

First Day

Life Insurance as a Career, M. C. Nelson.

Finding Prospects:

(a) Policyholders Our Best Prospects, R. J. Fry.

(b) Directory System, E. T. Paterson.

(c) Chain System, W. J. Dwyer.

(d) Proper Handling of Prospects' Names, B. W. Boyd.

Discussion.

Advantage of Daily Report of Calls and Interviews, T. B. Hutton.

Discussion.

Preparation for Your Interview by Advance Study of Your Prospect, W. B. Anderson.

Questionnaire, Secretary Hadley.

Boat ride, Str. Florida, Municipal pier. Pickering's Entertainment Committee will run the boat; Bloch's Glad Hand Committee will see that everybody is acquainted; Voedisch's Music Committee will conduct the services.

Second Day

Value of Birthday and Christmas Cards, F. C. Dibble.

Discussion.

Conservation:

(a) Close on First Interview; If Not, Why Not? W. N. Golden.

(b) Policy Delivery—Mail, Visit or Canvass for Additional Insurance, W. Christian.

(c) Settlement, L. N. Hexter.

Discussion.

Unworked Veins of Pay Ore:

(a) Life Insurance as an Educational Fund, F. T. Tompkins.

(b) Life Insurance as a Protection Against Shrinkage of Assets, W. H. Hinton.

(c) Life Insurance as a Credit Stabilizer, H. C. Finch.

(d) Life Insurance as an Old Age Pension, W. H. Howe.

(e) Life Insurance as a Creator of an Immediate Estate, J. R. Juvinall.

(f) Life Insurance to Pay Inheritance Tax, A. D. Wallis.

(g) Life Insurance as a Birthday or Christmas Gift, Walter St. John.

Discussion.

Questionnaire, Vice-President Nollen.

Afternoon Session

Life Insurance During the War, J. C. Johnson.

Discussion.

Weekly Applications, E. E. Smith.

Discussion.

Acceptances and Rejections, Dr. F. L. Wells.

Life Insurance After the War, W. F. Crawford.

Discussion.

Conferring of insignia upon members of the $200,000 and $100,000 Clubs, President Cummins.

Adjournment.

Special recital by Miss Myrna Sharlow, leading soprano of the Chicago Grand Opera Company.

Business Session—

Report of the Auditing and Resolutions Committees.

Announcements for the ensuing year.

Unfinished Business.

Reading of the Kirk Cup Essays.

Presentation of Cup, President Cummins.

Messages from the boys in uniform.

Address, "Luck in Life Insurance," Vice-President Nollen.

Address, "Men Who Bring Things to Pass," Allen D. Albert.

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Few Policyholders Die of Old Age

It develops from the experience of the New York Life that of 2,752 policyholders who died in April, May and June, only 16 died of old age. When one stops to consider this one finds that in it there lies a strong argument for life insurance and a selling point which the salesman can amplify to suit a variety of circumstances. The New York Life observes that 90 per cent. of the men one meets would probably say, if asked, that they expect to live out their expectancy and die of old age, and yet less than sixtenths of one per cent. of the company's policyholders who died in the three months' period referred to died of old age, and only 692 out of the 2,752 lived to be 60 years old.

In this age of automobiles, flying machines and all the other things which our grandfathers would have considered miraculous inventions, life has become very complex and very uncertain. No one can afford to be without life insurance if he has anyone dependent on him in any way.

In the old days a man bought life insurance to protect his wife. Later on he enlarged his view and took insurance to protect his children as well as his wife. At a still later date men began to insure to protect their partners in business. From this it was an easy step to insuring the lives of prominent men in a corporation to protect the corporation. And now one of the most popular forms of insurance is insurance to protect a man's credit. Some banks make it a rule to demand life insurance as collateral protection for their loans.

The modern life insurance man should be familiar with all the various needs for life insurance. It is the agent's duty to see that the people in his community are made familar with the new things in life insurance and that they are FULLY protected.

* * *

Income Insurance For Professional People

Observing that prominent men often die poor the New York Life cites the case of the late Senator Stone of Missouri, who during forty-five years in offce had saved little toward the support of his family. It is extremely difficult for any man in public life to save any money. Ex-President Taft has said that practically the only avenue open to those in public life to leave anything substantial for their families is through the medium of life insurance. The New York Life recounts the case of a popular moving picture artist, who like many others in that profession is earning a large salary.

Looking ahead to the future, she decided last October, in order to save something and make her future secure beyond peradventure, to lay aside funds enough to provide for herself an income of $200 a month as long as she lives. he applied for a 20-year endowment policy on the monthly income plan. When the policy was delivered, having the money in hand and being perfectly able to do so, she paid five premiums in advance, amounting to about $10,000. Now, on further consideration, she proposes to make matters certain while she still has the money by paying the remaining 15 premiums in cash, amounting to something like $24,000. Of course she could accomplish the same thing by paying in instalments, but having the money in her possession it is wise to apply it in this way to avoid losing or spending.

Our patron has given the matter thought. The reasons for her deductions are wise. She does this primarily to save her money and to have an absolutely sure and independent income 20 years ahead. She says that if she put the same amount into bonds or stocks or land or other securities the same purpose would not be served, as there would be always present the temptation to dispose of them and thus defeat the end in view. She hereby relieves herself of all business worry, her mind is free to go ahead with her work, she has no responsibility of any sort as to care or reinvestment of her funds, she has a load off her mind not only for the next 20 years, but as long as she lives thereafter and in the meantime receives an annual dividend on the money deposited. If she dies the money is payable to her estate—the commuted value of the policy is $46,890—for such disposition as she wishes to make of it by will, or the policy may be changed in the meantime to any beneficiary she desires to name. Could any plan cover the case more completely? If invested in stock or bonds or securities who knows what the value of such an investment would be in twenty years?

* * *

Give Prospect A Chance To Talk

The agent who secures the largest amount of life insurance is not necessarily the biggest talker. In fact the man who writes life insurance is much more popular with companies than the man who merely talks it. On the subject of "Talking Business Away" the Manhattan Life tells its field men that a great many agents talk their prospect to death and never get anywhere with him. This is not only the case with young and inexperienced agents, but often with those who should know better. Many a promising prospect has been driven away from the fold because the agent who was trying to interest him had got him up to the selling point, gone "over the top," as it were, and then had marched down the hill. The result was that when the agent thought he was ready to close the man, the man had no more intention of buying life insurance than he did before the agent appeared.

There are many agents who are first-class in riveting a prospect's attention and in interesting him in the life insurance proposition discussed, but when it comes to closing, they are absolutely not there. That is the reason that experienced general agents pay much attention to this feature of their business, and in a large agency, sometimes employ one or more specialists to go out and "close" for inexperienced agents who have the fish on the hook, but don't know how to land it.

It is also a common idea among life insurance agents that the solicitor can not afford to stop talking, otherwise he loses his grip and his chance for the business. This is a wrong idea.

Because the prospect refuses to stop the torrent of words, doesn't prove by any means that he is interested in the matter in hand. An agent should remember that what he says should be tactful, clear, convincing and to the point.

Useless words or side remarks in t conversation do not help to turn t prospect's interest toward the prop sition in hand.

If an agent realizes he is not a goo closer, let him do joint work for week or two with some friend of hi each alternately handling a prospe and comparing notes afterwards as the fine points developed. As a matt of fact, very few salesmen, unless great experience, can really tell ju what sort of an impression they mak They have little idea after they com out from the interview just how the impressed the man, but by listenin to another agent handling a case, the can much more readily see the de ciencies in their own methods of a proach.

Therefore, don't talk your prospe to death for then you can't insure hi

* * *

Widows and Insurance Money

Every man knows th the champion eas mark of the world a widow with her i surance money, ar that it is such a simple process swindle her that no dishonest man ca resist the temptation to do it, sa Dorothy Dix, the well known wome writer. There is not one of us wh cannot name off-hand, without eve stopping to think, a dozen pitiful, hel less, poverty-stricken widows whom w know and are called upon to help fro time to time, who were left comfortab fortunes by their husbands, but wh have been cheated out of their mone or have let it slip through their finge because they were as ignorant of a business uses as a child.

They did not know the business e of a check. They did not know th difference between a giltedge bond an Wild Cat Preferred. They were su that Deacon Smith was perfectly ho est, and that Cousin Thomas would p them back the money which they loan him, because wasn't he their own de aunt's son?

When you come to die, the happine of the woman you love and whom yo know to be so helpless—the very fo and shelter of your little children will depend upon your wife's knowin how to manage money and to take ca of what you leave her; yet you do n take the trouble in your lifetime to t to prepare her for such a contingenc

It is little short of a crime to tu this defenseless creature out to th tender mercy of the financial shark Don't do it.

THE
METROPOLITAN LIFE



Metropolitan Life Insurance Company
Home Office Building

Insurance Company
(Incorporated by the State of New York)

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York

34 NASSAU STREET, NEW YORK CITY

New Draft Need Not Affect Attendance

INFORMATION ABOUT SEPT. 5

General Crowder Informs President Priddy That Visitors Here May Register Locally

Because September 5 will probably be registration day in the enlarged draft, taking in ages 18-45, some life insurance agents have thought that it was not possible for them to attend the annual convention of the National Association of Life Underwriters. It is estimated that the average age of members of the association is forty-two.

President Priddy, in consequence, wrote letters to General Crowder and to Secretary Baker, asking for information. He was advised that the law will contain a provision that people temporarily absent from their local residences may register before the board where they may be domiciled on September 5, and these boards will give the registrant a card good with his own local board, or there can be registration by mail under regulations to be promulgated by President Wilson.

PROSPECTS

Statement of Bankers Life of Iowa To Agents, Asking for Co-operation in Furnishing Lists

"A prospect for life insurance is any man or woman who can get and pay for a policy," says the Bankers Life of Iowa to agents. "It is not only necessary to have prospects—but to have them in plenty at all times. They are your stock in trade, and you cannot do business without them any more than a merchant can do business without a stock of goods. It is a credit to agents to have a large and favorable acquaintance with the well-to-do citizens of their home town and throughout the territory in which they work. You will find such an acquaintance a valuable asset, and we will suggest that if you are just commencing the insurance business that you begin by calling on your friends, where you should find no difficulty in getting an interview. You have their friendship and confidence; consequently it should be easy to sell them insurance. Furthermore, your friends should feel an interest in the success you attain in your new line of work.

"We want you to co-operate with us by doing your part of the work in securing lists of names to be circularized on new insurance. You should send in from forty to fifty names each week. This number will be sufficient to keep you busy, but don't send names you do not intend to call on. The list should be carefully selected with names of prosperous men of insurable age, and physically able to get insurance. Select names of men whose occupations determine whether or not they are eligible for life insurance, and their occupation should also indicate something as to their income and average intelligence. Furthermore, the higher standard of physical, moral and financial risks you select for prospects the higher will be your average of approved and accepted applications by the company.

"It is not advisable to send in telephone directories, as the list is usually too large to be circularized at one time. We fully expect the agent who sends in lists to call on each name that has been circularized, and this is the reason for asking that you send in only a limited number each week, and by doing so your work can be planned at all times a week or ten days ahead. The letters and literature are not sent out with the idea that they will close the business, but as a help to the agent in locating prospective buyers and securing interviews."

DECISION INVOLVING INSANITY

Question Whether Face of Policy Should Be Reduced Because of Intentional Injury

The question of insanity under a personal accident policy has again been given consideration by the courts. In the case of Rider vs. Preferred Accident decided recently by the Appellate Division, Supreme Court of New York, it was held that under an accident policy where only ten per cent. of the face value was payable for an injury intentionally inflicted, only such an amount can be recovered where the injury was inflicted by an insane person who understood the physical nature and consequences of the act, although he did not know that it was morally wrong. The insured was shot by one Edward Sackett, and died instantly. The complaint alleged that the bodily injuries were not suffered by the insured from any of the causes to which the one-tenth clause of the policy applied except that relating to the injury intentionally inflicted upon the insured, and as to that, it alleged that at the time of the infliction of such bodily injuries by Sackett upon the insured, Sackett was insane and in such a diseased and deranged condition of mind as to render him incapable of distinguishing between right and wrong in relation of said act which caused the death of the insured.

The jury was told that the inability of Sackett to appreciate that the act was morally wrong was immaterial, and that if the act of Sackett in firing the shot was a voluntary act and that the injury was inflicted intentionally upon the deceased there could be no recovery for the full face value of the policy; but if the jury found that Sackett at the time of the shooting was irrational, of unsound mind, and did not know the nature and quality of his act, that he did not retain at the time sufficient power of mind and reason to understand the physical nature and consequences of the act by which he destroyed the life of the insured and it was involuntary and without will committed by him then the jury were to find that the injury was unintentionally inflicted and the plaintiff might recover the full amount of the policy.

The lower court found in favor of the plaintiff for the full amount of the policy, or for $7,500. The higher court stated, in reversing the case, that the undisputed evidence of the experts called by plaintiff and defendant was to the effect that Sackett, although insane, intended to shoot or to injure and kill the insured; that he understood the physical consequences and results of such shooting. In view of this, the judgment of the lower court was reduced to $750—being one-tenth of the face value of the policy, or the amount payable thereunder for injuries intentionally inflicted upon the insured by another person.

GETS TWO ORDERS

Public sentiment regarding life insurance has changed so much that we seldom hear of instances like that of the salesman who said he got two orders in one place. "Indeed," said a friend. "How?" "One to get out, and the other to stay out."—Equiowa.

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

Insurance Plans of Knights of Columbus

(Continued from page 3)

permit their overseas workers to buy this insurance from any company that does not charge a war premium to exceed a single premium of twenty-five dollars per thousand from any agent, anywhere, and the Red Cross pay the extra premium on not to exceed four thousand insurance.

Be it understood that this is only my opinion; it is not official, but I want you to have such information as is now available so that you may make it your business to secure this insurance. It is the earnest hope of the officers of the National Association, the Y. M. C. A. and Knights of Columbus that this insurance will be purchased in the home community of all persons planning to go overseas, and I wish you "good luck" in your efforts to secure this business.

DISABILITY CLARITY

The "Life Association News" points this suggestion about disability clauses:

"Every salesman of insurance should read with great care his total-disability clause and see that it totally disables everybody from misinterpreting it—especially his client or the agents of that other company. If there is any possible way to misunderstand it, he should ask his company to revise it or give him further instructions about it. I have seen companies who found considerable comfort and gathered quite a lot of business by pointing out to prospective risks of other companies the weak spots in some clauses in contracts."

HEALTH INSURANCE WARNING

The hostility of organized labor to compulsory health insurance legislation was voiced by Edward F. McCrady, secretary-treasurer of the Boston Central Labor Union, at a meeting of the state commission of public welfare at the state library in Hartford this week. Mr. McCrady described compulsory health insurance as a German scheme to keep the workingman chained to his job, and he expressed considerable concern over the source of the immense sums of money which he said are being spent to further compulsory insurance.

The Davenport (Ia.,) Association has more than doubled its membership.

Extracts from Report of Examination of

SOUTHWESTERN LIFE INSURANCE CO.

By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS



State Mutual Life Assurance Company of WORCESTER, MASS.

Incorporated 1844

SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.

Our motto is SERVICE to policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

ILLINOIS LIFE INSURANCE CO.

CHICAGO
JAMES M. STEVENS, PRESIDENT

GREATEST ILLINOIS COMPANY

WANTS GOOD MEN AND WILL PAY THEM WELL

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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EQUITABLE LIFE ASSURANCE SOCIETY EXTENDS ITS SCOPE

The decision announced elsewhere of the Equitable Life Assurance Society to engage in accident and health insurance is an insurance development which will occasion no surprise in the minds of those who, in recent years, have observed the growing tendency to broaden the scope of the life policy so as to cover contingencies incident to accidents and disease.

The genesis of the movement is found in the waiver of premium clause which, in its first form, provided only for relief from the payment of further premiums in event of permanent and total disability. This clause was rapidly adopted as a beneficent as well as a competitive measure. It was hardly established, however, as a recognized feature of the modern life policy before one company introduced what is known as the disability clause which, in addition to relief from premiums, provided an annual income of one-twentieth of the principal sum of the policy in event of permanent disability. This form of supplementary insurance was also rapidly adopted and it was not long before the annual income so provided was increased to one-tenth the principal sum. At the present time over one-half of the American companies are issuing policies containing generous disability clauses.

The next step toward accident and health insurance was taken when the double indemnity clause was introduced, whereby double the principal sum is paid in event of death by accident. This excellent innovation is rapidly growing in favor and promises to be as popular as the disability clause.

It only needed the addition of a weekly indemnity in case of temporary disability to happily combine the best features of life, accident and health insurance.

It is understood that the Equitable at first contemplated only the issue of a supplementary contract, providing for such weekly indemnities; but on reflection and after a conference with its leading agents, decided to adopt the broad program announced in our news columns.

The affinity between life and accident and sickness insurance is recognized by the laws of New York which permit a company to incorporate in its charter all three forms of insurance. In England multiform insurance has long been considered as good business and sound practice, while in this country several companies, notably the Aetna and the Travelers, have found accident and health insurance to be not only desirable and profitable but helpful to the procurement and holding of agents, and a direct feeder to their life business.

The adoption by the Equitable of the proposed standard accident and health policies is in strict keeping with the conservative business policy of the Society, and it is safe to assert that in the new field of endeavor its influence and prestige will always be used in favor of better conditions and of sound practices.

The agents of the Equitable will doubtless receive the news of the new departure with hearty good-will, as it will broaden their opportunities for writing new business and of earning larger incomes, no small consideration in these days of high prices.

The news will be read with the keenest interest by the casualty companies who have watched closely the different steps taken by the life companies relative to the disability and double indemnity clauses; and doubtless there will be some concern among the casualty companies as to whether several other great life insurance companies will also decide to engage in accident and health insurance.

J. H. WOODWARD WITH GUARDIAN

The appointment of Joseph H. Woodward as associate actuary of the Guardian Life is not only an admirable move by that Company, but is a good thing for life insurance because Mr. Woodward will now be able to give all of his time to life insurance questions. As is known his work of recent years has been devoted to compensation insurance, except the advisory connection which he has had with the War Risk Bureau. Mr. Woodward is a young man, a clear thinker, a splendid administrator, and is most favorably known among insurance men and state insurance officials.

R. C. Blase, of Schenectady, resident agent of the Union Central Life and general agent of the Eastern Casualty, has enlisted for special training. Mr. Blase tried to enlist twice during 1917 in the navy, but was rejected because of defective eyesight. He was also rejected by Board 2 of Schenectady in December, 1917. He then went to Washington, endeavoring to secure admittance in the ordnance corps, but was also rejected there. Mr. Blase's business interests have been turned over to E. J. Ryan & Son during the term of his enlistment.

* * *

Charles H. Thornton, who has been in life insurance for only two and a half years, is president of both the Green Signal Club and the $100,000 Club of the Illinois Life.

For the year ending July 31, 1918, Mr. Thornton wrote $405,000.

THE HUMAN SIDE OF INSURANCE



JESSE SPIER



RICHARD D. JONES

Richard D. Jones, associate underwriter with Jesse Spier for the Importers & Exporters Insurance Company, brings to his work here a particularly broad insurance experience. Unlike so many insurance men in America, he is not a specialist in that all his energies have been devoted to one line of underwriting. His experience covers practically every form of insurance except life. Mr. Jones was born and educated in New Zealand. He was graduated as a mining engineer. His insurance experience dates back to the inception of the New Zealand compensation law, in 1898. He also served with the New Zealand Government Insurance Department.

In 1904 Mr. Jones became connected with the New Zealand Insurance Company, Limited, as manager of one of its branches in New Zealand. He was later manager of its branch in Western Australia. The New Zealand is a marine company and, altogether, Mr. Jones was with it for ten years. So it is that he is well qualified to act as an underwriter for a marine company here which is rapidly entrenching itself in New York among those who have risks to place.

Mr. Jones also has accident insurance experience, for he was branch manager for the New Zealand Accident Insurance Company at Palmerston North, New Zealand. Later, when that company amalgamated with the New Zealand Fire & Marine, he became assistant manager in Western Australia, in full charge of the casualty department. In 1909 he assumed charge of all departments for the New Zealand, including fire and marine and held that position until at the end of 1913, he resigned his connection. After making a tour of the world he found himself in May, 1914, in New York. He joined the Royal Indemnity for the purpose of organizing and conducting that company's compensation claims department.

In association matters, which form so important a part of underwriting practice in British territory, Mr. Jones has been particularly active. He served on the Committee of the Accident Underwriters' Association of Western Australia for practically the whole of his sojourn of nine years in that State. He was three times chairman of that body and twice the State representative of the Federal Conference of Underwriters for the Commonwealth of Australia. He was also for two years on the Committee of the Marine Underwriters' Association, for three years on the committee of the Fire Underwriters' Association and was vice chairman of that body during his last year in Australia.

Last October the United States Government requisitioned Mr. Jones' services to organize the claims department of the Bureau of War Risk Insurance. This work Mr. Jones completed last April, when he returned to New York where he joined the Importers & Exporters as associate underwriter. Mr. Jones holds the proud distinction of having signed the first compensation award to be paid by the United States Government under the War Risk Insurance Act.

* * *

Jesse Spier, who is vice-president and underwriter for the Importers & Exporters, is better known to the marine underwriting fraternity in this country than is his associate, for he has for many years been a familiar figure in the insurance section of New York. Mr. Spier is, one may say, still a really young man. He is one of the youngest men occupying a similar position in marine insurance anywhere. Boston is his native town. When he was a boy, just about old enough to begin considering an occupation, it became necessary for his family to travel quite extensively. Consequently young Spier early saw considerable of the country and turned his hand to a variety of pursuits within a short space of time. What offered above ground was insufficient to satisfy his curiosity, so one of the things he worked at was coal mining in Pennsylvania. Before long, however, he found his way back to New York and there he began his insurance career.

He has made his way to success by the old unpatented method of constant and intelligently applied effort. He took a job with Despard & Company as office boy and steadily advanced until he became a partner in that firm. Early this year he severed his connection with Despard & Company and helped to organize the Importers & Exporters. He will also shortly have two other companies organized and ready for business, the Trans-Marine and the Washington Marine, the interests of which are almost identical with those of the Importers & Exporters. The last named company recently purchased a building in the marine insurance district of New York for its own use.

FIRE INSURANCE DEPARTMENT

. B. Greenslet Resigns From Glens Falls

FTY-FOUR YEARS' SERVICE

neral Agent Seventy-six Years Old—Spent Six Months Upon 'Frisco Losses

George B. Greenslet, who has been sociated with the Glens Falls Insurce Company for a period of 54 years, d as general agent during the past n years or more, this week resigned om active service with the company the regular quarterly meeting of e directors. His successor will be med in the near future.

Mr. Greenslet's letter of resignation appended:

"The Board of Directors:

"Having rounded out 54 years in the rvice of the company, 37 of them as member of the Gripsack Brigade, I n constrained to seek a more quiet d even life. I therefore ask you to rmit me to retire from active service September 1st or to suit your conience in arranging for my succesr."

The Company's Appreciation

The resignation of Mr. Greenslet was cepted and the following resolution as adopted by the directors:

"In accepting the resignation of eorge B. Greenslet as general agent this company we desire to record r grateful recognition of his more an half a century of continuous faithl service in the various positions nich he has so ably filled.

"As clerk at several office desks, as sistant secretary, as special and genal agent and as a member of this ard he has rendered satisfactory and luable service, and altogether for a nger period than any other of the ng time servants of this company.

"We would especially mention our preciation of his arduous six months' bor in charge of the adjustment of is company's San Francisco losses in e conflagration of 1906, with claims proximating $1,500,000. This was a nspicuous service involving large reonsibility, multitudinous detail, paence and judgment, and its consumation was decidedly gratifying.

"Mr. Greenslet's integrity, fidelity, ility and genial personality have conibuted to the favorable reputation of e Glens Falls among its agents, claimts and policyholders with whom he long and largely had to do.

"He has indeed been an influential ctor in the building of the company.

"We assure him of our personal regard and esteem and of our hearty best wishes.

"In view of his desire to continue such work as he may be asked to do, it is

"Resolved, That his salary be continued through the present calendar year."

Once a School Teacher

Mr. Greenslet is 76 years old. He was born in Bennington, Vt., and as a young man came to Glens Falls in November 1863 to teach school in a district school building which stood on the site of the residence of Henry L. Sherman, Glen Street. After teaching a term or so of school he returned to Bennington, and in the fall of 1864 he returned to Glens Falls and assumed the position of clerk with the Glens Falls Insurance Company. Since that time he has been one of the most valued men in the company. From clerk he rose to the position of assistant secretary, special agent and general agent and also a director of the company. While he retires from active service he will still remain a director of the company.

When Mr. Greenslet became associated with the company 54 years ago there was a board of directors of 17 members and none of them are today living.

VISITS TWENTY-EIGHT CITIES

Stanley L. Otis, the Secretary of Insurance Federation, Finds Agents of State Optimistic

Stanley L. Otis, executive secretary of the Insurance Federation of the State of New York has just returned from a successful trip through the northern counties of the state in the interest of the Federation. Twenty-eight cities and villages were visited, one-hundred and sixty-four members added to the membership roll, seven counties organized with the necessary chairman and committees appointed and much enthusiasm created in the Federation movement.

Mr. Otis also reports that while the agents generally do not believe the Federal Government desires to directly engage in the insurance business as a competitor of the established insurance carriers, yet they are keenly alive to the need and value of organization and adequate preparation to enable the carrying out of a campaign of education respecting the principles of insurance, the technical training required to transact it as well as to render efficient service to the assured, and safeguard the interests of the policyholders.

THE
TOKIO
MARINE AND FIRE
INSURANCE COMPANY
LIMITED

UNITED STATES FIRE BRANCH
J. A. KELSEY, General Agent
80 MAIDEN LANE, NEW YORK

THE AUTOMOBILE
INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

Agricultural Insurance Company, of Watertown, N.Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

London and Lancashire
Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

BROKERS ACTIVITIES

Brokerage Manager of the L. & L. & G.

JOHN B. KNOX, II, ABLE SPECIAL

One of the Quartette of Fire Insurance Sons of John B. Knox, Secretary of Phoenix

John B. Knox, Jr., a well known special agent and a member of the distinguished Knox family of fire insurance men, has been appointed manager of the brokerage office of the Company, having supervision over United States and Canada. Most of the leading companies now have brokerage managers, with headquarters in this city, the men picked for the work being particularly well equipped by experience, knowledge and personality.

Mr. Knox began his insurance work with the local agency department of the Phoenix and Aetna, under E. W. Beardsley, a leading local agent of Hartford, the office now being Beardsley & Beardsley. Next, he became secretary and surveyor of the Hartford Board of Fire Underwriters. He later went with the Reliance of Philadelphia. In 1910 he was made special agent of the Liverpool & London & Gobe, first for Connecticut and Western Massachusetts and Vermont; then for Vermont and part of New York State.

His other brothers are Frank R. Knox, special agent of the Hanover in Connecticut and Western Massachusetts; Arthur S. Knox, local agent in Hartford; and Harold S. Knox, who resigned as special agent of the Atlas in Western Pennsylvania to go into the army. There he was assigned to the war risk office in Camp Devens, and recently he was transferred to the camp at Syracuse, N. Y.

The father of the Knox boys is John B. Knox, special agent of the Phoenix. There is a third John B. Knox, son of John B. Knox II, and while he is only six years old he already says that he intends to be an insurance man.

* * *

Conference on Graves Law

Following a conference with Superintendent Phillips, in Albany, August 13, regarding the provisions of the Graves law affecting brokers' and agents' licenses, it developed that the whole matter will go to the Attorney General for an opinion. There is grave question as to the validity of the act and the proper construction to be placed upon it.

Glenn H. Johnson, Syracuse; E. H. Warner, Buffalo; and A. C. Hegeman, New York, attended the conference which was asked for by Mr. Johnson as chairman of a committee. The belief is that no law which in effect seeks to restrict one to any particular line of business is sound. The agents and brokers are anxious to know how to proceed in preparing a blank application form, for use in applying for licenses. There are about 10,000 of these to be issued.

It is argued that the law cannot legally require more than that certain qualifications shall be deemed necessary to constitute eligibility as an insurance agent. Furthermore, the insurance department cannot issue licenses to marine brokers to transact only that line, any more than licenses are issued to write accident and health, surety or liability insurance exclusively.

From the way things are shaping up it appears more than ever necessary that the marine men bring themselves under an organization like the brokers' association, in order that they may at all times be in better position to handle problems of this kind, which are certain to present themselves.

GENERAL AGENCY OPENED

F. F. Richardson Representing State Assurance and Detroit Fire & Marine in Suburban Field

F. F. Richardson has established a general agency at 95 William street. He represents the State Assurance of Liverpool and the Detroit Fire & Marine in the suburban field. Mr. Richardson formerly conducted a large local agency at Port Richmond, Staten Island. He has resigned all of his companies there, of which there were fourteen.

CHINESE ANNEX

The Allied Underwriters is the title of a newly-created annex to the Union of Canton and the latter's associate, the British Traders' Insurance Company. It will operate for a general fire business in the Pacific Coast field under the management of Marsh & McLennan, Inc., of California. This arrangement is to be independent of the activities of the Union Insurance Society, which will continue in this field under the management of Balfour, Guthrie & Co.

W. F. MITCHELL WITH NIAGARA

William F. Mitchell, who after September 1 will be the new special agent of the Niagara in New England, for the past three years has been with the inspection department of the New England Exchange. Mr. Mitchell comes to the Niagara as successor to George W. Hart who is now assistant manager of the Niagara's Boston branch office.

Efficiency Meeting Monday

A meeting of marine underwriters will be held Monday at which ways and means will be devised to handle business more expeditiously. The marine, as well as the fire offices, are so handicapped by inexperienced help, that it takes about double the amount of clerical work for the same amount of business as formerly. It is thought there can be some pooling arrangement made in the technical handling of the business.

* * *

With Marsh & McLennan

A. Duncan Cornwall, formerly with the Home, Geo. A. Stanton & Co. and the Westchester, is now with Marsh & McLennan. He was manager of the Westchester's loss department for fifteen years.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1918, to New York Insurance Department
LIABILITIES
Capital Stock, all cash $2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard 11,073,438.19
Unsettled Losses and other Claims 2,168,701.64
Net Surplus over Capital and Liabilities 3,980,020.79
Total Assets January 1, 1918 ..... $19,222,160.62
H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer
G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent
SURPLUS TO POLICYHOLDERS $5,980,020.79

[of Liverpool, England]
ROYAL INSURANCE COMPANY LIMITED
THE LEADING FIRE COMPANY OF THE WORLD

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Underwriters Preparing Plans For Handling Excess Lines

Companies Committee Met Yesterday—N. S. Bartow Chairman—Central Office with a Manager

Following the appointment of a committee to consider the various phases of the excess or surplus line question in order to see if some plan could not be devised for the protection of the great industries of the country engaged in manufacturing supplies for the war a meeting of companies was held yesterday at which the matter was threshed out. As is known the demand for insurance is so tremendous on certain risks that it has been impossible to get the complete coverage.

Judging by the character of the companies attending the meeting and their size there is no doubt that the companies' plans now being discussed will, when adopted, afford real relief.

Desire to Aid Industry

The insurance companies want to aid the business interests in every way and they will be able to do so. While it is too early to tell what the plan is it will be an innovation in the handling of surplus business. The companies in the arrangement will have a central office with a manager to whom the brokers and agents can go instead of the endless chasing about the street as is the present custom. It should be understood that every facility will be given to the regular agents of the country, and their interests will be safeguarded. The commission on the surplus business, of course, will be somewhat lower, but all of these details will be announced as soon as the plan is perfected. The excess risk manager will be guided by a companies' advisory committee.

Frank Lock, of the Atlas, who was temporary chairman has resigned, and has been succeeded by the permanent chairman of the committee, N. S. Bartow, of the Queen.

Harry B. Doremus, captain of the 114th Infantry, A. E. F., now in France, and formerly with the Niagara, has written a characteristically clever letter to one of the officers of that company. After telling how a letter from the Niagara officer "made two passes at me" before it finally caught me, he said:

We rarely see a newspaper here so our facts from the outside are largely by way of grapevine telegraph or through some orderly from other and more enlightened points; so you will see how much I appreciated your letter. You fellows know more about the war in a broad general way than we do over here.

Spent Fourth of July on a French troop ship; didn't have ice cream, beer, nor fire crackers, but there was plenty of corned willie, a la can, and good wine as an antidote. This is the third Fourth of July that I have been away from my family, all in succession, and all finding me on Uncle Sam's payroll. The spirit of the men over here is wonderful. Nothing can long withstand them. They know that back of them is a mighty nation whose people are doing and giving all the time. The work of the Y. M. C. A. and Red Cross is a marvel. Right now we are billeted in a little village that was old in years and wars before our land was born, one of those farming communities which we read about. All of the standards are maintained, stone buildings even to the roof, walled gardens, narrow winding streets, the town crier, women washing at the fountain in the plaza, the old church hard-by—the quaintest spot I ever saw. If the soldiers were absent and I had on my old clothes and wooden shoes I would expect at any moment to see coming down the valley one of the old thieves called knights, togged out in armor plate and followed by the customary band of cut-throats, with their cross-bows and lances. From what little I have seen this section strikes me as being one of the provinces that was reaped regularly by the sword.

You will note the absence of "news" from the foregoing pages. It's intentional. We do not talk shop. There are many reasons. One is that it is forbidden. As the Irishman said: "Damn the rest." Please remember me to the officers of the Niagara. I trust there will be enough of me left to put in my best licks for the company. Even if I get stone deaf I could help out in the complaint department.

INSURES EMPLOYES

The insurance office of W. W. Alverson, San Francisco, is showing its appreciation for the members of its office staff who are serving with the colors by retaining on the payroll to a limited extent all who have been with the office for a year or more prior to their enlistment. Another feature of this office is the insuring for $1,000 of all employes who have been with the office for at least a year. This insurance also applies to those who may later enter the service of the United States.

NEW FIRE PREVENTION DAY

Sixty thousand Four-Minute-Men are to speak on Fire Prevention during the week beginning October 28. Fire Prevention Day will be November 2, at the suggestion of Secretary McAdoo. It was to have been on October 9, but was postponed because of the Liberty Loan Drive.

LIMITS ON AUTOMOBILES

A special meeting will be called by Secretary Richards of the National Automobile Underwriters' Conference to consider insurable limits.

PETERSON WITH NORWICH UNION

G. Arthur Peterson has been appointed general agent in charge of the automobile department of the Norwich Union. He was with the Aetna Life.

NEW FEDERATION DIRECTOR

The Insurance Federation of the State of New York has elected Charles Bellinger of E. E. Clapp & Company a director and member of the executive committee to fill the unexpired term of the late Edward Griffith. Mr. Bellinger is so favorably known to agents and brokers throughout the state that his election is regarded with particular pleasure in Federation circles.

RESIGNS FROM EXCHANGE

The New Jersey Fidelity & Plate Glass has resigned from the Plate Glass Insurance Exchange of Chicago, which no longer has the rate making power there.

FOR STANDARD CAR

Plans Rapidly Taking Form For Reduction of Various Hazards in Motor Vehicles

The meeting of automobile men in Chicago to discuss fire, theft and accident prevention for automobile risks was well attended in spite of unusually trying weather conditions.

It became evident that this is a broad subject; in fact the limits of it would be hard to define. A committee was selected to continue the work outlined, the main object of which is to in time bring about the standardization of all cars with respect to fire prevention, safety from theft and personal safety of the owner and the pedestrian.

Plans are already made by which Underwriters' Laboratories in Chicago will be furnished with a number of cars of different makes, so that they may be inspected for defects relating to all the hazards mentioned. Interest in the proposals fulfilled all expectations of those behind the movement.

PREPARING LOSS RATIOS

The Sprinkler Leakage Conference will soon issue loss experience of the various companies in the conference.

BRITISH AMERICA ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918

Assets	$2,192,173.14
Surplus in United States	772,927.35
Total losses paid in United States from 1874 to 1917, inclusive	25,298,472.00

W. B. MEIKLE, Pres. & Gen. Mgr.

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $109,000,000
Losses Paid in U. S. $40,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY

FOUNDED 1792 — NORTH AMERICA
The Oldest American Stock Insurance Company
1792 Insurance Company of 1918
NORTH AMERICA
PHILADELPHIA
126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160.000.00
Surplus	8.317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33
Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

NU
NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.
NOT HOW MANY BUT HOW GOOD
One trained Soldier is worth a dozen of the other kind. And so it is with the Fire Insurance Agent. Experience and qualifications are the factors in his success. This Company is not so particular about having a large Agency force as it is in having a good Agency force. One of the benefits of such a plant is that the Company can extend such Agents the best it has in the way of service and facilities. Not now and then but ALL the time the NATIONAL UNION will speed up the efficiency of your office. With a known capacity for extending distinctive service which is practical, constant and real the NATIONAL UNION presents attractive opportunities to experienced Agents of reliable character. Get your Agency—Now.

BINDERS EFFECTED ON NEW JERSEY RISKS
Irvin T. Bernhard
68 William St., New York, N. Y.
19 Elm Ave., Hackensack, N. J.
Scottish Union & Nat. Ins. Co. Niagara-Detroit Und. Eagle & Br. Dom. Ins. Co. Glens Falls Ins. Co. Law Union & Rock Ins. Co. Ohio Farmers Ins. Co. Yorkshire Fire Ins. Co.

Agents Object to Press Exploitation

(Continued from page 1)

other public questions whenever a few pages of headlines are desired.

With the National Association the point at issue is not whether the newspaper is correct or not in chronicling the socialistic trend, but merely the fact that officers in state associations should be warned that they have their own machinery which should be used instead of the newspaper's machinery.

Angles on Government Situation

In insurance circles the Government situation is viewed from numerous angles.

One group of observers believes that these sensational articles will have the same effect upon Washington as did the attack of a life insurance official upon Secretary McAdoo. He retorted by saying if there were insurance propaganda he would use a little propaganda of his own, and concluded by advocating extension of the War Risk Bureau's scope.

Another group points to all that the fire insurance interests have done for the administration, and adds: "What good did it do us? Our business is in peril; let us fight for it."

By far the largest element of underwriters believes that it is a very serious thing for a small group of men to put the insurance business on record so positively on such an important question; and that insurance should speak through its own spokesmen after all interests have considered the questions involved, at a joint meeting, if necessary.

The Program of Cleveland Convention Making Good Headway

To return to the National Association of Insurance Agents the convention will appeal this year as never before to the small town agent. He will not only get the latest information about governmental questions and the newest angle on state insurance, but he will be told how his interests are being improved in many cities. The Des Moines and West Virginia cash payment solution of the collection problem will be presented to his attention by able speakers who have seen how it works in practice.

Here is an advertisement which was printed in Des Moines newspapers:

> Announcement to all policyholders on and after August 1st: All insurance premiums are on cash basis. Because of the government requirement of companies to pay tax on premiums on the 10th of each calendar month, the premiums on all fire and casualty policies after August 1st are due and payable on or before the 10th day of the month following the month in which the policies are written.—Des Moines Fire and Casualty Agents.

The new method of self-assessment of dues on the basis of premium receipts, tried out in Wheeling, San Antonio and some other places with success, will be explained.

Cleary and Dunbar to Speak

Former Commissioner Dunbar, of Tennessee, now with the Southeastern Underwriters' Association, will tell how he cleaned up Tennessee, protecting policyholders against unauthorized companies, wildcats and assessmentism.

Commissioner Cleary, of Wisconsin, who is president of the National Convention of Insurance Commissioners, will give his angle of Federal and state insurance questions.

On the night before the convention there will be a smoker which will be attended by about 200 insurance men and at which there will be a discussion of various questions to bring up at the meetings, if necessary or advisable. There will be little entertainment, by request of the National Association's officers, but the meeting will adjourn one afternoon so that everybody can go out to the yacht club.

Change in Attitude

A marked changed in the attitude of companies towards the National Association of Insurance Agents has been noted. At the recent meeting of the Suffolk County local association in New York State several company officers present advised all agents to join the association.

AUTO COMMISSION TANGLE

Keen Competition Developed Between Fire and Marine Companies For This Business

Automobile commission conditions have again become acute. The competition between the fire and marine companies is rapidly bringing this matter to a head. The marine companies, which were the pioneers in the automobile business, are naturally trying hard to hold their business, and nobody can blame them. The situation has resolved itself into one of buying the business and as has often been the case in other lines, the fellow who can pay the most gets it.

The fire companies have been gradually getting the business away from the marine companies. In the larger marine centers the marine companies of course do not feel the pressure as much as elsewhere.

Fire company specials often find it necessary to complain to their agents that the usual amount of automobile insurance is not being received. Sometimes the reply is that some marine company has appointed the fire representative a state agent at an increased commission.

The West is particularly worked up about this commission question. There is considerable talk of resorting to open counters, after the New York, Boston and Philadelphia practice.

PRESIDENT BUSWELL BACK

Returns From Vacation Spent at Algonquin Park, Canada—Manager Mallalieu on Vacation

Frederick C. Buswell, president of the National Board of Fire Underwriters, returned this week from his vacation, spent at Algonquin Park, Canada. General Manager W. E. Mallalieu, of the National Board, is now on his vacation.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited



"AMERICAN FORE"

FOR 65 YEARS—

THE CONTINENTAL has built its name to stand for all that is best in fire insurance.

FAIR DEALING has won it a leading place among agents and the insuring public.

CONSTRUCTIVE management has assured its growth in the past and assures a continuation of progress in the future.

FINANCIAL strength insures stability and guards against any conflagration danger.

[FIRE]

THE CONTINENTAL INSURANCE COMPANY

Cash Capital - - TEN MILLION DOLLARS

HENRY EVANS, President

Home Office
80 MAIDEN LANE
NEW YORK

Managing Branch Offices:
CHICAGO, MONTREAL
SAN FRANCISCO

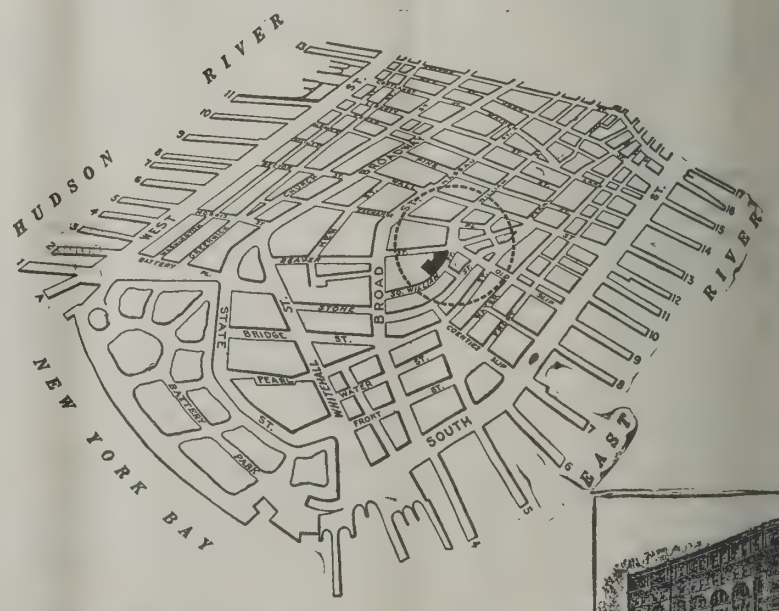
CONTINENTAL COMMANDS CONFIDENCE

AMERICAN MERCHANT MARINE

INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House — New York City

South William and Beaver Streets

THE HUMBOLDT FIRE INSURANCE CO.

PITTSBURGH, PA.

Conservative -- Sound -- Progressive

Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President

EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

James E. Garabrant Dead at Seventy-five

VALUED NEW JERSEY CITIZEN

His Firm's Insurance Business to Be Continued By His Son and Daughters

James E. Garabrant, of Newark, New Jersey, died last Friday. He was seventy-five years old and had been in the insurance business there for fifty years. By his death the insurance business in New Jersey loses a man of sterling worth and integrity; a man who has been a credit to the business always. The following minute of the Fire Insurance Society of Newark, adopted in 1914, manifests admirably the esteem in which he was held.

James E. Garabrant, a member of this Society, has been actively engaged as an underwriter in the City of Newark for a period of more than fifty years. During this time Mr. Garabrant has been identified with every organized movement for the elevation of the fire insurance business and has given such movements his hearty support. He is honored in the community and has the respect and good will of his business associates. Mr. Garabrant is a living demonstration of the fact that an honorable man and good citizen can, at the same time, be loyal to an organization such as this.

This record is worth much to the Society and every one of its members. It would be difficult to estimate its value to the Society and to the community if each of us would determine to create a like record for himself.

T. C. MOFFATT, President.
F. B. HELLER, Chairman Ex. Com.

Active in Civil War

James E. Garabrant was born in Newark, April 1, 1843. When the Civil War broke out he enlisted in Company D, Thirteenth New Jersey Volunteers. Besides accompanying Sherman on his march to the sea, he served in the battles of Antietam, Bull Run, Gettysburg and Lookout Mountain. His father was Mathias Garabrant and he was a descendant in direct line from Jasper Crane, the first justice of Newark, and of Robert Treat.

The business of James E. Garabrant & Co., was established in 1869. From 1869 to 1892 Mr. Garabrant was associated with his father-in-law, Charles Roder, who also had an insurance and realty business in Newark.

For nearly twenty-five years Mr. Garabrant took charge of the real estate interests of the Mutual Life in Essex and adjoining counties. From 1904 to 1906 he was president of the Underwriters' Protective Association of Newark, also known as the Salvage Corps. He also held various offices in the Fire Insurance Society, in all of which he rendered valuable services to his associates.

Will Continue Business

The present business will be continued under the same firm name, the partnership consisting of Florence E., James L. and Bertha L. Garabrant. George P. Enke will still be associated with the firm.

The following companies are with the agency: Commercial Union, Great American (Rochester Department), American Central (Mercantile Underwriters' Department), Mercantile of New York, Mechanics & Traders, and the Preferred Accident.

W. S. NAULTY BETTER

William S. Naulty, of Newark, N. J., is recovering from an attack of appendicitis. He has made plans to go away today, Friday, for an extended trip to regain his health.

The Philadelphia Fire Underwriters' Association has issued a circular calling attention to the heavy loss in spoiled and cancelled policies, and saying that one out of every five policies is returned not taken.

Calls Reciprocal Insurance Uncertain

NEW PAMPHLET ON SUBJECT

Sergeant vs. Goldsmith Dry Goods Company Cited to Prove Personal Liability Theory

In a pamphlet on "Reciprocal Insurance; Its Legal Status," T. H. McGregor, formerly chairman of the Texas Industrial Accident Board, says that this character of insurance is necessarily fraught with uncertainty and hazard to those who insure their own property and among themselves, and is dangerous to those who undertake to deal with the rights of third parties by means of such insurance.

Sergeant vs. Goldsmith Dry Goods Co.

Mr. McGregor cites the case of Sergeant vs. Goldsmith Dry Goods Co., 159 S.W., 1036, to show that the reciprocal concerns cannot, through their powers of attorney, place any limit on the liability of their subscribers as affecting third parties. Interpreting this decision he says:

Under this decision the subscribers are partners and each member of the partnership is personally liable for the full amount of the loss sustained. It is fundamental that an agent who is clothed with apparent authority, acting within the scope of his agency, can bind his principal, notwithstanding any limitation that might be put upon him by instructions, insofar as he deals with third parties. If, therefore, a member of one of these associations should sustain a loss to his employes, the third parties, and the association should be insolvent, such employes could sue any solvent member of the association on the theory of partnership and recover judgment on the full amount of injury sustained. Thus in such case a man's insurance, instead of being an asset, becomes a liability. There is no language which can phrase a limitation of liability in these powers of attorney or policies against third parties. If the association fails every member of it is personally liable for all debts incurred to third parties within the apparent scope of the association. This, it occurs to me, is the most dangerous feature of reciprocal insurance. The system to reciprocal insurance is fraught with much danger in dealing with workmen's compensation or liability insurance because there is no certainty of the survival of such association, nor is there such supervision or deposit as will insure the payment of long deferred claims. Under this theory of insurance it is entirely possible for a solvent concern, by becoming a member of this association, to go broke, as it becomes an insurer as well as being insured.

Firemen's Insurance Co., Newark, N. J.

January 1, 1918

Cash Capital $1,250,000.00
Net Surplus $2,384,971.20
SURPLUS TO POLICYHOLDERS... $3,634,971.20

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer — A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President — J. K. MELDRUM, Assistant Secretary

S. C. BISHOP CO.

Represented at 95 William Street, AGENTS FOR NEW JERSEY, 208 Broad Street, Elizabeth, N. J.
Phone, 447 John — 588 Elizabeth

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

Binding Contracts with Guaranteed Underwriters at Lloyds and British Companies maintaining United States deposits. Immediate telegraphic binders given.

MARSH & McLENNAN

19 Cedar St. NEW YORK · 1615 California St. DENVER · 201 Sansome St. SAN FRANCISCO · 107 S. Fifth St. MINNEAPOLIS
901 Ford Bldg. DETROIT · 314 Superior St. DULUTH · 17 St. John St. MONTREAL · 23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

Associated Mutual Agency Incorporated

B. J. ALLEY, Manager
68 William St., New York

Excepitonal Facilities for Writing Business Throughout the United State

FRED. S. JAMES · GEO. W. BLOSSOM · WM. A. BLODGETT

FRED S. JAMES & CO.

123 WILLIAM STREET

United States Managers
GENERAL FIRE ASSURANCE CO. of Paris, France
URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England

NEW YORK

C. B. G. GAILLARD, Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

MARINE DEPARTMENT

New York Marine Underwriters Called Upon Heavily for Both Marine and War Losses on Two Risks

In the issue of The Eastern Underwriter of August 3 we pointed out to marine underwriters the danger from submarines operating off our Coast, and looked forward to the possibility that in the near future they would be called upon to pay some heavy losses.

On Tuesday night the steamer "Frederick R. Kellogg," owned by one of the subsidiaries of the Standard Oil Company, is reported torpedoed right at our own gateway, which entails a very serious and heavy loss upon New York underwriters. This vessel was valued at about $1,500,000 and was largely placed in this market upon a three months' basis at the lowest possible rate at which this business was ever written.

Under ordinary circumstances when underwriters are called upon to pay a war loss and they receive a fair rate of premium for the risk assumed they do not feel very badly when they sustain a loss of this kind, but in this particular case the risk was written at such a low rate that war risk underwriters will now wonder how they ever came to assume a liability of this kind for such a premium.

The new Nova Scotia schooner "M. C. Connelly," one of the finest types of Nova Scotia vessels which was built and launched this year, upon her trip from Montreal to South Africa, has just been reported stranded upon Sable Island, vessel and cargo a total loss. It is to be regretted that a fine type of vessel, which could have been employed at a less hazardous trade, undertook such a perilous voyage at this season of the year.

A marine underwriter of twenty years' experience would have hesitated to take a line upon a vessel of this type on the voyage mentioned two decades ago, as it is very improbable that a schooner sailing out of the Gulf of St. Lawrence, encountering the foggy weather, which she was bound to meet during the month of August, could have successfully avoided the strong currents which have been known to carry steamers out of their course and deposit them on the island on which this vessel was wrecked, and which has frequently been referred to as "the marine graveyard." This vessel was valued, hull and freight interest, at about $350,000, her cargo at not less than $500,000, and it was placed principally in the New York market.

OBSERVER.

SUBROGATION CASE SETTLED

Owner Does Not Assign Right of Action For Damages—Can Sue in Own Name

Where an automobile is damaged and an insurance company partially reimburses the owner for the loss suffered, the owner, who subrogates an insurance company to his rights against the party responsible for damage to the amount of such reimbursement, does not by such subrogation agreement, assign his right of action for damages, and can sue therefore in his own name according to a recent decision in Wyker vs. Texas Company, decided by the Supreme Court of Alabama.

The accident resulted from a collision of the insured's automobile with a team of the defendant company. The damage was claimed to be $500. The collision, it is alleged, was caused by the negligent conduct of the agent or servant of the defendant, acting within the line and scope of his employment, in and about the management, charge, or control of said team of mules.

Upon cross-examination, over the plaintiff's objection, defendant introduced a release executed by the plaintiff to the insurance company, releasing and discharging said company from all liability under the policy of insurance on said car, for the damages which occurred on this occasion. This release was in consideration of the sum of $200, and further stipulated that the insurance company was subrogated to the amount of such payment to the right of recovery of the plaintiff for such loss or expense against the persons who caused or contributed to said loss. The rights of subrogation therefore, as set forth in said release, are limited to the amount of the payment of $200. Said release is here construed as merely subrogating the insurance company for recovery of the limited sum so expended by it, and not as a transfer of the plaintiff's right of action for the damages suffered.

The Supreme Court in reversing a verdict for the defendant in the lower court held that the release simply denoted that the plaintiff had given over his rights to the amount of money paid by the insurance company and might maintain a suit in his own name and the matter of the distribution of the proceeds was one concerning only the owner of the automobile and the insurance company with which the wrongdoer is not concerned.

COASTWISE MARINE RATES

The continued sinking of boats off the coast of the United States by German U-boats brought about an increase in rates for coastwise shipping. Rates which have been ½ to ¾ are now quoted at ¾ to 1 per cent. and still going up.

LARGER MARINE LIABILITY

Because of the heavy war risk losses some of the companies have been assuming larger liability on the strictly marine end. They have sought to cover the loss in war risk by additional volume of premium in marine. It is presumed that there will be the usual run of marine losses, so the piper will have to be paid, anyway.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
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CASUALTY AND SURETY NEWS

Preparing to Revise Blanket Bank Bonds

EXPERIENCE NOT SATISFACTORY

Disorganized Condition of Office Staffs and Outside Help Held Responsible

Blanket bonds for banks have not ately been as profitable as they used o be and this subject is receiving the onsideration of surety men, with the iew to making this line more attract- ve from a company standpoint.

The writing of these bonds started n this country when Lloyds introduced he system several years ago. The Lloyds cover was much broader than nything the American companies were hen willing to issue. It covered prac- ically everything. Loss of securities vas covered against mysterious dis- ppearance, robbery, hold-up, in fact verything. One per cent. was the rate harged. Then the domestic companies ffered a similar blanket bond, not so road as Lloyds, but still an exceed- ngly liberal contract. The present inimum rate is $625 for a bond cover- ng up to 25 employes for $25,000 each. This amounts to a rate of $1 a thou- and.

Shows Up Poorly

Of late there have been several heavy osses under these bonds and the im- ression is growing that the disorgan- zed conditions of office staffs and the ecessity for hurriedly calling in extra r outside help to tide over an emer- ency, has something to do with the osses. At any rate the business is howing up poorly and it is felt that his is not a time when a bad under- writing situation should be unneces- arily allowed to continue. Therefore, change in the manner of writing hese blanket bonds may be looked or.

NEW JERSEY RATING PLAN

How It Differs From That In New York —Commissioner Approves For Six Months

The experience rating plan as adopted n New Jersey differs from that adopted n New York state in the following articulars:

The plan includes definite rules for aluing outstanding losses including a able to be applied to open temporary ases and permanent total disability ases. The object of this is to promote niformity so that the risks will not iffer materially regardless of which ompany reports the experience.

In order to avoid excessive increase n rate because of the occurrences of ne serious accident on a small risk, ne plan provides that in determining ne adjusted rate the maximum effect f any one injury shall be 20 per cent. f the manual or schedule rate.

The insurance commissioner's ap- roval is for the six months ending ecember 31, 1917 with the idea that the plan works satisfactorily such pproval will be extended for a further eriod as such changes, if any, are ade in the plan if experience indicates be necessary.

The plan contemplates issuing ad- sted rates before renewal as soon as is physically possible to do this. For me months it will be necessary to mpute rates after the policy has been sued.

Thomas H. Darling, of the Great astern Casualty, is touring New Eng- nd and the Adirondacks.

Portent of Reduced Pennsylvania Rates

BOARD'S CIRCULAR CONSIDERED

Other Unfavorable Factors in Keystone Situation Which Would Curtail Income

It is with a good deal of assurance that the Pennsylvania Compensation Rating & Inspection Board says that experience in that state does not warrant a 44 per cent. expense loading. Neither does the loss experience warrant the increase in rates made in 1917, says the Board. This is the conclusion the Board comes to after tabulating the experience as shown by Schedule W.

Compensation experience in Pennsylvania is only two years old, to begin with. There was no experience rating there until recently. They are going to try it for one year. The Board is asking for the experience on all risks carrying $1,000 or more premium. It is proposed to make experience rating retroactive, which would result in the companies having to make refunds. There is a strong tendency in Pennsylvania to demand credits for safety and welfare work, these credits amounting to ten per cent.

Other Refunds

Even if it were feasible to reduce the Manual rates by a certain percentage, it would be pretty hard on the companies to have to make refunds on account of retroactive experience and to grant credits for welfare and safety work.

The Board's circular of July 26 leaves in mind a doubt as to whether the Board intends to demand some reduction in rates.

Schedule W is generally regarded as furnishing a quite loose method of establishing experience. There is much that has to be estimated in making up that document, so that in the end the figures obtained lack conclusiveness.

BOND ON COMPLETED JOB

A New York company writing surety bonds was applied to for a construction bond on a warehouse built for the Government. When the bond was applied for the applicant dropped the remark that giving of the bond was merely a matter of form; that the building had been completed and that really there was no liability.

This didn't look just right to the company and the case was investigated. It turned out that the building was ready to turn over to the Government and all payments had been made except the final. This final payment was being held up by the Government simply because, in going through the papers in the case, it was discovered that the contractor had failed to file the usual bond. However, the bond was written and thereby all formalities complied with.

To Broaden Duties of Commissions

EXTENSION OF COMPENSATION

What State Officials Expect to Discuss at Their Convention in October

When the various state industrial commissioners meet in Madison, Wisconsin, next October, it is their intention to take up accident prevention in earnest. As one commissioner has put it, "We are going to hammer on prevention until all the commissions get so tired of it that they really will try to prevent accidents." Medical care will also receive more attention. There is an element in the organization which fears that if the commissions continue their present methods, they will fall more and more under the influence of doctors, lawyers, and the insurance companies. The advocates of compulsory health insurance fear that the compensation laws are becoming on a par with the old liability laws. They believe that they have a great fight on to preserve the compensation laws from the machinations of the lawyers, the doctors and the casualty companies. As to medical care, they have come to the conclusion that it is much more costly and much more important than the mere doling out of compensation, which "becomes more and more like almsgiving."

Medical Treatment

At the coming meeting more will be heard of the duty of compensation commissions to do everything possible to prevent the occurrence of accidents. The next duty is deemed to be giving the most complete medical, surgical and hospital treatment, so that the injured worker may be restored as completely and as quickly as possible as a useful member of industrial life. Another duty which would be delegated to the compensation commission is putting the injured man back into the industry through a proper public employment system. So there is a constant tendency to enlarge the machine —to roll up the snowball, as it were.

Dr. Royal Meeker, head of the Bureau of Labor Statistics in Washington, who talks volubly on these subjects and, by the way, seldom has a kind or encouraging word to say for the insurance business, is now attacking the accomplishments of the state industrial commissions. He wishes to know what the accident commissions and the workmen's compensation commissions have actually accomplished. He says they have regarded themselves as agents for handing out compensation which becomes more and more like the doling out of alms. He says further, that the commissions have universally accepted their job as being wholly prolonged in the administrative activities necessary to determining what is the minimum price that the injured worker will sell his lost thumb or lost hand for.

Re-training Workers

The tendency now seems to be extol the Massachusetts system under which it is claimed that the state takes an intelligent interest in giving something that might be called adequate medical surgical and hospital treatment. To further illustrate Dr. Meeker's views—those which he gives to state commissions when addressing them—the following of his is quoted:

> Massachusetts law is what I might call a perpetual law—the worker comes under the jurisdiction of the law so long as he lives, unless a lump sum settlement has been made, unless the purchase price of the limb is agreed upon, and the purchase price paid, then the man can go and lose himself and be a charge upon the community. The Massachusetts law pays compensation based upon the difference between the wages actually earned by the worker under the accident and the wages he earned at the time of the accident, so it goes on in perpetuity, unless his earning increases, in which case he automatically goes off the compensation list—he ceases to receive compensation for a time, but just as soon as he drops back below his earning power before the accident, he automatically is restored, so they automatically have to keep tab on him, but more than fifty per cent. of cases were lump sum, in order to get rid of them, so they would not be bothered with them any more, and of the other less than fifty per cent. almost nothing is known as to what has actually happened to them. There has been no re-training, whatsoever, either by the insurance company carrying the insurance burden of employers, by the original employer, or any other employer, or by the Industrial Accident Commission of the State, in other words, the Commission has absolutely flunked its job of retraining the injured man. It has done a little to give him the necessary medical, surgical and hospital treatment, but it has done nothing to retrain him and nothing to replace him in industry—the most important jobs for the commissions, they have not done.

QUESTION OF DISABILITY

Business Manager Insured Under Accident Policy Went to Office But Could Not Work

An insured, a manager of a department of a wholesale plumbing and heating concern who visited his office and gave such advice as he could and performed certain clerical work to which he had not been accustomed was wholly disabled and prevented from performing any and every kind of duty pertaining to his occupation according to a decision lately filed in the Supreme Court of Missouri in the case of Bellows vs. Travelers Insurance Company.

Beaten on September 21, 1912, by footpads who robbed him he suffered severe bodily injuries on his back over his kidneys. He was confined about a month, after which he went to his office occasionally. About January 4 he became worse and continued to decline until June 29, 1913 when he died of nephritis or inflammation of the kidneys.

The compensation of the insured was derived exclusively from the profits of his partnership business in the firm. He had entire charge of his department. His duty included figuring, estimating, and everything pertaining to it.

The Supreme Court in discussing the disability of the insured said that the evidence tended clearly to support the conclusion of Mr. Kellogg, the president of the company, that the insured was mentally wholly and continuously disabled from performing any and every kind of duty pertaining to his occupation except the formal action of opening an envelope and doing such duties as a detail clerk would do and that these were not a part of his occupation.

The court therefore held the contract to mean, not that the assured was rendered absolutely and literally unable to perform any part of his occupation, but that he was disabled from performing substantially the occupation stated in the policy.

NEW JERSEY RATES UP

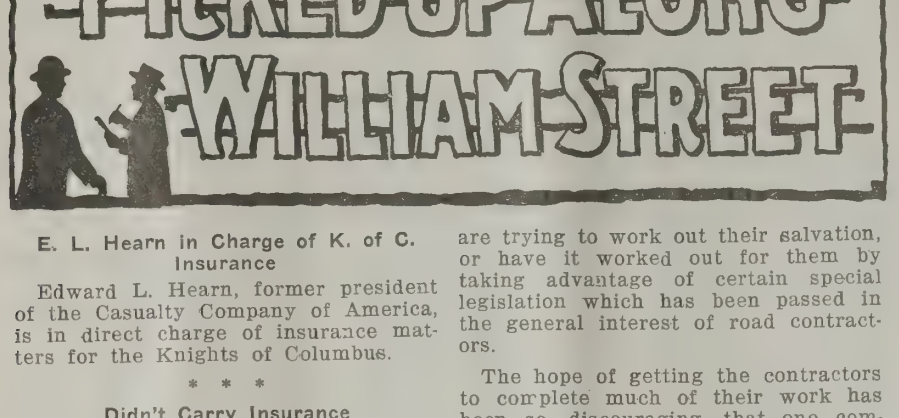
Plate Glass Tariffs Up 33 1-3 to 50 Per Cent.—Jersey City and Hoboken Zoned

Higher plate glass rates will go into effect in New Jersey, October 1. The advances range from 33 1-3 to 50 per cent., scattered throughout the state. W. F. Moore, the rating expert, has finished zoning Jersey City and Hoboken.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

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Fire and Life
Assurance Corporation, Ltd.
General Building **PHILADELPHIA**



E. L. Hearn in Charge of K. of C. Insurance

Edward L. Hearn, former president of the Casualty Company of America, is in direct charge of insurance matters for the Knights of Columbus.

* * *

Didn't Carry Insurance

"The Dangers of Self-Insurance" might well be the caption over the story of how E. A. Janssen, a San Francisco contractor, is endeavoring to prevent the sale of his property to satisfy an award of compensation which the California Industrial Accident Commission has rendered William H. Thaxter, an injured employe, says the "Underwriters' Report." The commission awarded Thaxter $1,268 for his injuries, but Janssen claims the commission acted without authority and refused to pay the award. The next step on Thaxter's part was to levy on his former employer's property, and Sheriff Thomas Finn of San Francisco was preparing to sell sufficient of the Janssen estate to satisfy the award when the contractor brought suit to enjoin the official from taking any action against him, still claiming that the compensation award is without merit. The case forms an excellent illustration of the dangers of self-insurance, for had Janssen insured his risk with a private company instead of carrying the hazard himself, it would have been up to the company to defend the claim if the latter was without justification, and the contractor would not be facing the probability of losing certain of his property.

* * *

Proves Limits Too Low

To illustrate the oft-repeated argument that $5,000-$10,000 limits for automobile liability insurance are no longer safe, the Aetna has issued a good canvassing circular reproducing a number of newspaper clippings telling of big verdicts. These clippings set forth how a widow recovered $20,000 for the death of her husband; an actress was awarded $8,000 for personal injuries; a journalist received $40,000 for injuries sustained in an accident in New York: another actress who was run down by a manufacturer's car was awarded $25,000. Several other cases are cited to prove the inadequacy of the present limits.

* * *

Road Contractors' Bonds

Until the effects of the war upon construction work had become evident, road construction bond experience had been good. There had been some prejudice against this class of work but it was rapidly being dissipated under the favorable experience. When this became known there was a general turn about, one company in particular making a special effort to get a large volume of this business through its own agencies and some was also taken by reinsurance.

A large company acquired an agency which has a strong pull with Tammany and with up-state politicians and this connection brought in a large amount of road bond business.

Then the war came, bringing the conditions with which every surety man is familiar, the bond business began to take on a different appearance. It is now a serious problem and the contractors and the surety companies are trying to work out their salvation, or have it worked out for them by taking advantage of certain special legislation which has been passed in the general interest of road contractors.

The hope of getting the contractors to complete much of their work has been so discouraging that one company went so far as to organize a construction company for the special purpose of carrying out work on a large number of contracts still uncompleted. As one office is believed to have $1,000,000 at stake in the adjustment of this road bond tangle, some idea is conveyed of the extent to which the surety business as a whole is interested.

* * *

Growth of Mutuals

One of the difficulties which confront the writing of compensation lines is the rapid growth in premium income of various mutuals doing this business. One of the contentions now being made against the present system of rating is that it lacks the flexibility necessary to enable stock companies to adequately protect themselves against this competition. The entire subject of rating is being investigated by a committee of the Bureau, seeking a solution of this problem.

* * *

Suit Over Classification

Under an insurance agent's bond covering fraud and dishonesty an unusual claim has been made upon the surety. This agent operated in a small farming community and was in position to know fully the habits and occupations of those he insured. One of his policyholders was a sort of odd jobber, who chopped wood in the winter, worked about a mill in the summer, farmed a little and took in a few boarders. The agent classified him as a hotel keeper.

In course of time the assured was killed by a tree which fell upon him while he was getting out fire wood. The company refused to pay on the ground that there was misrepresentation in the application. A controversy ensued after which the accident company had to pay. It then sought to recover from the surety company under its bond, claiming that the accident company's loss was chargeable to the fraud and dishonesty of the agent, whom it was evident had wilfully misrepresented the facts in the application after he had every opportunity to know the true conditions, being well acquainted with the assured and living near him.

The surety company admits that this is a new one on it and says that possibly, under the terms of the bond, it is liable.

Sunstroke Held To Be Accidental

DECISION BY OKLAHOMA COURT

Placed in Same Catagory With Freezing and Hydrophobia—Construction by Experts

Sunstroke has been held a liability under an accident policy in Oklahoma by a recent decision of the Supreme Court in the case of Clark vs. Continental Casualty. Evidence at the trial tended to show that the insured was a healthy person and that on July 19, 1914, in company with George Killingsworth, he drove to the country, a distance of about six miles, on a very dry, warm day and over dusty roads, and on the completion of the journey, or about the time of returning home, he suffered a sunstroke from which he died a few days later. The question at issue was whether or not sunstroke was covered under the policy. Paragraph 4 of the policy was as follows:

"If sunstroke, freezing or hydrophobia, due in either case to external, violent, and accidental means, shall result, independently of all other causes, in the death of the insured within ninety days from date of exposure or infection, the company will pay said principal sum as indemnity for loss of life."

Considered Together

In its consideration of the case, the Court said that sunstroke, freezing and hydrophobia were treated in the same paragraph of the contract which provided that when either were suffered due to external, violent and accidental means, the company would pay. When considered together and in the light of their connection with each other the Supreme Court said it seemed that the same conditions surrounding either of the injuries in the clause referred to fixing liability on the company should be the same. "It is easy," said the Court, "to understand that hydrophobia which is due generally to a bite of an animal would be suffered by accidental means unless the insured should intentionally subject himself to the bite of an animal suffering from hydrophobia, and it was equally clear that freezing would be considered to be due to accidental means should the insured suffer death by freezing in any manner save and except when he subjected himself to a condition of the weather or climate which would necessarily convey to a man of ordinary intelligence death by such action."

Considered Accidental

Accidental means as used in the policy, the Court said denoted accidental cause and that if the sunstroke was suffered while the insured was engaged in his usual avocation or going about his affairs in an ordinary manner as any other person might have been under like circumstances, and did not intentionally and voluntarily subject himself to an intense heat calculated to produce sunstroke with the knowledge that it would probably occur, then the sunstroke was suffered from accidental means or accidental cause. The Court held that while decisions generally held that sunstroke was a disease it was not regarded as a disease in the popular mind and the common understanding of the insuring public was that it was a kind of violent personal injury, from the very idea of sudden and external force carried by the word. If classed by medical authorities as technically a disease, to none but an expert mind would the provisions of this policy have carried this significance. Particularly was this true, said the Court, when read in connection with the other two provisions, freezing and hydrophobia, provided for in the same clause of the contract.

Treated All Alike

The Court insisted upon considering sunstroke in connection with freezing and hydrophobia as stipulated in the policy, and in view of the mechanical construction of Paragraph 4 of the policy in placing sunstroke, freezing and hydrophobia in the same paragraph and providing that in case of death caused by either, due to external, violent and accidental means, the company would pay. If the insured lost his life by freezing, the liability of the company would have been fixed, and if he had lost his life by hydrophobia, it would have to pay. Then why not when death resulted from sunstroke. Was not the sunstroke suffered unDesignedly and unexpectedly. To place any other construction upon this feature of the liability assumed by the company would practically read it out of the contract and the Court, therefore, held that inasmuch as the evidence tended to show that the insured on the day in question was going about his affairs in an ordinary manner, was engaged in no unusual or unnecessary exposure, the sunstroke was without his expectation, was undesigned by him and was an unusual happening, and the Court, accordingly, held that the company was liable for the full amount of the policy.

Not to be Inspected

A New York office recently lost an elevator liability risk the premium on which is about $4,000. The business was lost to a New York company and the reason assigned is that an agreement was made to waive all inspections. The risk is a large mercantile establishment comprising several buildings.

* * *

Plate Glass Men Glum

Plate glass underwriters are not at all cheerful in spite of the numerous increases being made in rates. Generally speaking the loss ratio for the year so far has shown between fifty and sixty per cent. Some company experience is worse. Cost of replacement seems to mount faster than the higher rates care for the increases.

* * *

Accident Men Helping

Commercial accident companies appear to be co-operating quite generally with the monthly premium people in support of the Federation. There is an impression in some quarters that the commercial men are not helping the dollar-a-month fellows as much as they might, but there is little to substantiate this assertion. One large company in New York has persistently held back. It may be that the dollar men are in the front trenches in this fight against socialistic insurance schemes; in fact that's just where they are. Even so, the commercial men have no reason to feel that they are out of range of the big guns which are hammering all the time. The social insurance advocates have a large and increasingly complete organization which is planning still greater activities. If the dollar men should lose out the commercial men would find their battle all the harder and less successful.

CHICAGO BONDING AND INSURANCE COMPANY

WRITES the following lines of INSURANCE

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Capital $500,000.00—Surplus to Policyholders, $825,544.20

O. F. ROBERTS, Vice-Pres. and Gen. Mgr. HOME OFFICE: CHICAGO, ILLINOIS

DEATH OF E. A. LEONARD

The death of E. A. Leonard, vice president and treasurer of the Standard Accident, is a distinct loss to the casualty insurance business.

CASUALTY AND SURETY POINTERS

Dream Imposed Upon An Experiment

Vice-President Walter G. Cowles, of the Travelers, recently received an inquiry from the manager of a large corporation who had been offered compensation insurance in the New York State Fund. Following is a portion of Mr. Cowles' letter in reply:

There is a difference in price between stock insurance which insures and state insurance which does not insure,- except occasionally, and there ought to be a difference in price. In noting your comparative figures between our rate and the State Fund rate I am surprised that the difference is not much greater. I really think it ought to be.

Getting away from theories and down to brass tacks, the situation is just this. Stock companies do business in a large number of states. This results in distribution, and the wider the distribution, the more certain becomes the continued solvency of the company, and its ability to meet the most trying conditions whatever they may be. The experience of centuries has demonstrated that the essential feature of insurance is distribution. This is peculiarly true of compensation insurance because the insurance company exposes an unlimited amount of obligation. Without distribution most extensive in its character and not limited to a particular state, solvency cannot be assured and the ability of the organization to meet an unusual condition cannot be demonstrated.

To obtain this distribution we employ an agency force. You help to pay for the maintenance of that agency force, which is of unquestionable benefit to you. It costs something to carry the business of an insurance company to the uttermost corners of this great country of ours, but we do it. No other way has been found, except by means of agency force. Other ways have been tried and have been found inefficient. If we must maintain an agency force to secure wide distribution, thereby securing for you as a customer absolute solvency and an absolute ability to meet the most trying conditions resulting in the most expensive losses, then as a natural consequence you must pay for this. We ask you to pay for this because it adds to the value of the product which you are buying. When you pay for it, you naturally pay more than you would pay to an organization which does not distribute, which has no agency organization, which furnishes you no local assistance, which is indifferent about the particular affairs in which you are interested and which in all respects fails in service, in individual interest and everything which goes to make the association between the policyholder and the company close in a matter so serious as an unlimited compensation undertaking.

Compensation is an experiment, state insurance is a dream. It is not economically wise to impose a dream upon an experiment.

Stock insurance is an absolutely proven, reliable means for the distribution of losses, however great the amount.

* * *

How Confidence Helps One Build

From an article by Clyde E. Smith of the Massachusetts Bonding the following lines regarding Confidence have been taken:

"The essential prerequisite of a successful insurance agent is absolute and unqualified confidence—in his company, its policies and himself. He then can go forth among his friends soliciting their business with the consciousness of doing them a good turn while at the same time making a success of his business. Your intimate friends will give you the severest knocks if you mislead them. Therefore, deception must not be practiced and your interest must continue during the life of the policy—and after; then your policyholders will be pleased to pass the "good word" along, making a continuous string of prospects.

"An agent should have confidence in himself and his ability to do business in whatever field he is located. Enter the fight for business as though you were in the best territory on earth, as every accident and health agent who preceded you will have planted and cultivated the field of prospects for your harvesting.

"Half-heartedness is a liability and a forerunner of failure. Anything that is worth doing at all is worth doing well. When a man or woman takes up the insurance business it must be with the sole idea of making it a success, and he must not be discouraged by failure to land all of his early prospects. 'Stick-to-it-iveness' is the thing that counts and as you persevere from day to day prospects that at first you thought hard to land, will be the very ones you write most easily.

"First decide just what YOU would appreciate most in an accident and health policy, then canvass others along those lines. With experience and study you will develop good selling arguments."

* * *

Price Not Controlling Factor in Sale

Showing that the mistakes common to salesmen in other lines are also common among insurance salesmen, "The Standard Bulletin" draws attention again to the mistake of letting price be the biggest consideration in the sale. The salesman is only a partial success who cannot talk quality along with price and the one who always sells the cheapest article is only a short step from failure as a salesman.

In our business quality depends upon the extent and comprehensiveness of the coverage hence leaving out the question of the company's standing and dependability, for it purposes to give absolutely dependable protection under all of its policies, quality consits of the scope and liberality of the policy.

Under its various forms of monthly premium policies a given amount of indemnity costs in proportion to the greater or less degrees of coverage for which the indemnity is payable. The field man who is able to write business only on the proposition of the largest amount of monthly indemnity which a certain premium will give is only partially efficient because such a proposition will not always fill the requirements of the buyer and give satisfaction. The person buying protection is very often more interested in a broader and more liberal coverage for his indemnity and is willing and able to pay the higher price. Many times the higher priced policy would give satisfaction and "stick" while the cheaper form, even with a larger indemnity, is dropped.

* * *

$4 400 Paid For Nervous Prostration

J. P. McMahon, writing for his Company, the Maryland Assurance, draws attention to the increasing number of cases of nervous prostration, sometimes called nervous tension. Since the war began the increase in the number of these cases has been noticed by many persons, among their acquaintances. Nervous tension is a disorder which, if unchecked, develops into nervous prostration. This, says Mr. McMahon, is a form of disability which not many men, either agents or prospects, would be apt to think of when considering disability insurance. Yet it is sometimes an exceedingly grave matter. A policyholder of the Maryland, a prominent physician in Milwaukee, has just come through an experience of nervous prostration which disabled him totally for thirty-six weeks, then partially for sixteen weeks, and if it had not been for his policy he would have had a very bad year indeed. The company paid his claim of $4,400.

Agencies Consolidated

The Cleveland monthly payment agencies of the Massachusetts Bonding have been consolidated under the management of F. E. Cosgrove. After a long period of service, which has been most satisfactory, B. L. Devine has resigned with the intention of moving to California.

In spite of the extra work attending the organization of the Maryland Assurance Corporation, the accident and health income of the Maryland Casualty shows a substantial increase during half of the present year.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

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INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

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Plate Glass, Burglary, Accident and Health Insurance

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THE ROOKERY

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AGENCY OPENINGS IN 44 STATES

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THE PLACE in the Insurance District to eat lobsters

NOW IN SEASON

Whole cold lobster 75c.
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CO-OPERATION No. 13

Our effective plans of co-operation with new representatives (1) attract the best type of men to the business and (2) enable them to secure a substantial production during their training period.

A group of thirty new representatives who contracted with us in 1916 or early in 1917 reported $111,671.06 in new premiums during 1917.

Phoenix Mutual Life Insurance Company

of Hartford, Conn.

JOHN M. HOLCOMBE, President

New York Life Insurance Co.

FIVE YEARS OF EFFICIENT SERVICE
INCLUDING
THREE AND ONE-HALF YEARS OF WAR TIME

During the Five Years ending December 31, 1917, the New York Life

Received in Income	$667,884,000
Paid Policy-holders	382,875,000
Increased its Resources	215,272,000
Increased its Insurance in Force	503,535,000

THE BUSINESS OF 1917 EXCEEDED THAT OF 1912.

In Income	$27,325,000
In Amount Paid Policy-holders	25,337,000
In New Insurance	119,917,000

The increase in Business and Resources in Five Years equals the Business and Resources of a very substantial life insurance company, and this new Company is returning to policy-holders 92 per cent. of its entire income. It is also adding forty million dollars a year to its resources and one hundred millions a year to its insurance in force.

HELPING WIN THE WAR.

Since the war began, in August, 1914, the New York Life paid to December 31, 1917, 998 war losses amounting to $3,007,223. There were 238 reported losses for $607,084 awaiting proof on December 31. The Company had so carefully guarded itself against extra mortality by reason of war that, notwithstanding the world-wide character of the conflict, the percentage of its actual to its expected mortality has not been appreciably affected. This percentage for 1917 was 70.85—the lowest of any year since the Company has kept complete mortality statistics.

The Company owned Liberty Bonds on January 1, 1918, to the amount of $12,075,000, and subscribed for $20,000,000 of the Third Liberty Loan.

There are Four Hundred and Twenty-six Stars in the Company's Service Flag, and one of the Home Office boys—Frank J. Brandreth, of the Rainbow Division, has already won the French War Cross.

The Company has afforded the Government every assistance in its power in formulating and carrying out the plan of Government Insurance on the lives of soldiers and sailors. Agents are forbidden to accept applications from soldiers or sailors unless they have already taken the limit with the Government.

EVERY MAN'S BUSINESS.

Just now it is every man's business to Help Win the War. Our daily occupations are incidental; winning the war is our real business.

Winning the war is our real business because back of that lies the chief and ultimate purpose of life—making the world a safe place for women and children. And that is the aim of Life Insurance in war time and in time of peace.

The Government has recognized this in the provision made by life insurance for the families of those who die or are disabled in the service. The man who stays at home and does less is a slacker.

NEW YORK LIFE INSURANCE CO.

DARWIN P. KINGSLEY, President.

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

Rossia Insurance Company

HARTFORD, CONN.

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JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY

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The North River Ins. Co., N. Y.
Union Fire Ins. Co., Buffalo, N. Y.
Seneca Fire Ins. Co., Buffalo, N. Y.
United States Underwriters' Policy, N. Y.

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Freeport, Illinois

W. W. ALVERSON, Mgr. Pacific Coast Dept.
San Francisco, California

LINES SOLICITED AND BOUND THROUGHOUT UNITED STATES AND CUBA

E. F. FLINDELL
INSURANCE

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Tel. 216 Montgomery

BROOKLYN, N. Y.
153 Remsen St.
Tel. 2504 Main

NEWARK, N. J.
9-15 Clinton St.
Tel. 614 Mulberry

Commerce

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Nineteenth Year; No. 34 | NEW YORK, FRIDAY, AUGUST 23, 1918 | $3.00 a Year; 25c. per Copy

OCT 11 1918

BANKS MAY GIVE UP INSURANCE COMPANY

Ask for Ten Per Cent. Reduction in Surety and Burglary Premiums

CONFERENCE WITH SURETY MEN

Cut in Rates the Provision to Withdrawal of Long Cherished Plan

There is considerable support for the assumption that the American Bankers Association is weakening in its long-cherished plan to organize an association insurance company to carry all the various lines now furnished to banks by stock surety and burglary insurance companies.

This assumption is based upon knowledge of a conference in New York this week. President Hinsch of the American Bankers Association, and Secretary Bartlett, of the Wisconsin Bankers Association, met with President Hillas, of the Fidelity & Casualty, and President Joyce, of the National Surety.

The bankers proposed to withdraw all plans for the organization of the American Bankers Association Insurance Company, if the insurance companies would grant some material reduction in rates for the various covers known as general bank insurance business.

Taken Under Advisement

No promises were made but there is good reason to believe that the stock companies will not grant such a reduction as was asked for; namely, ten per cent. The whole matter was taken under advisement. The bankers' plans were to have a company with $500,000 capital and $500,000 surplus. Some time ago it was learned that about half of the necessary funds had been subscribed. Of course there would be no difficulty in the bankers obtaining the necessary amount of money to handle the insurance company but in all the controversies over the proposed plan it has appeared that the larger, most influential banks have not been deeply interested in it. They are more inclined to take the view that the stock insurance companies, in many of which bankers are also directly interested, have, like the banks, an amount of money invested in an enterprise; that they are rendering a service and that they are entitled to a fair return on their investment.

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager
UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. **Net gain** in insurance in force during 1917, $21,764,-972.88, or 72% **of the amount paid for.**

MEN of CHARACTER can obtain further information as to the **Company** and **Opportunities** by addressing:

H. E. ALDRICH, Supt. of Agents
EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

TO TAX ESTATES ON INSURANCE OVER $40,000

Ways and Means Committee's Exemption Has Important Selling Argument Bearing

REDUCE GROUP INSURANCE TAX

Was Eight Cents Per Hundred, Now Four—Heavy Increase in General Corporation Tax

The War Revenue Bill of the House Ways and Means Committee is still in process of formation. Among the interesting changes is the determination to increase the general corporation tax on the purely net income phases of the law from 6 per cent. (as at present), to 18 per cent., which is a tripling of the rate, but this may be reduced to 12 per cent. on amount of net earnings distributed in dividends, surplus, etc.

$90,000 Exemption in All

The committee voted to include in estates subject to the estates tax the proceeds of all life insurance in excess of $40,000. A cash exemption of $50,000 is also permitted. The $40,000 life insurance proceeds, however, is the total "life insurance proceeds" exemption. It doesn't make any difference how many policies the insured had, or the number of the beneficaries.

Reduce Group Tax

The committee recognizes the growing importance and value of group insurance by reducing the tax on new group policies from 8 cents per hundred to 4 cents per hundred on net increase of insurance at risk.

In view of the large number of policies taken out on the inheritance tax argument the action of the Ways and Means Committee in fixing $40,000 as the untaxed limit will have a considerable influence in the field. Many agents have used the inheritance tax argument as their principal argument. At nearly every general agency or company convention which has been held the last six months, there has been a paper of some sort on the inheritance tax, and it is scheduled for discussion at the coming convention of the National Association of Life Underwriters. Chairman Kitchin, of the committee, is alleged by the "Economic World" to have made this remark in Washington: "This provision will get some of the big fellows' estates for otherwise they might tie up all their money in life insurance."

(Continued on page 2)

THE GAUVIN AGENCY

How Agents Use Disability Clause

TESTIMONY BY MEN IN FIELD

Massachusetts Mutual Life Men Say Provision Aids Increase in Insurance Amounts

The Massachusetts Mutual Life, through the editor of "The Radiator," recently asked for representatives of the Company to tell how they are using the Company's new disability clause. Replies were received from Joseph B. Thebaud, general agent at Buffalo; T. C. Hinds, of Tuscola; Henry K. Hill, manager at Louisville; and W. N. Hunter, general agent at Williamsport, Pa.

Mr. Thebaud said he uses the new disability annual feature as the reason for calling on old policyholders and inducing them to increase the amount of insurance which they are carrying.

Describes His Approach

Continuing Mr. Thebaud said:

"When the waiver of premium feature first came out a few years ago, I secured some business by making personal calls and suggesting to the policyholders that they add this feature to their policies, saying it was necessary for them to be re-examined. That point gotten over, it was comparatively easy to sell most of them additional insurance. The annuity disability feature will be an additional incentive to increase the amount of insurance in order that the policyholder may receive a larger income in the event of total and permanent disability than he would receive in most cases, as with small policies 10% of the face of the policy per annum does not amount to very much.

"My approach to a policyholder of $5,000 or more, would be: that I was calling to advise him, or her, that the Company was in a position to render real service, and that I thought it was a splendid thing for policyholders to add this disability feature to their policies. I have had some success lately in inducing policyholders who insured with me some years ago on small policies to increase their holdings up to a policy paying $100 a month income. There are a number of policyholders who have carried from three to five thousand dollars of insurance for some years thinking that this amount was considerable to leave their families; but after I have talked to them of the danger of losing this money by poor investments or of spending it, they become convinced that they should put their insurance on the income basis. They then realize how small an amount their present insurance produces and readily see the necessity of increasing their holdings, for $20 a month to the family of a man who has been making $3,000 a year or more does not seem very much. Now we have the additional advantage of saying to our client that we are able to give him a contract that will not only provide this income for his family, but also, in the event of his becoming totally and permanently disabled, will provide for the waiver of premiums and give him an income as long as he lives. This is a truly marvelous and appealing proposition.

"I think that every policyholder who is physically able to get and financially able to carry more insurance should be appealed to, and I believe in the service appeal as above outlined. It is my intention to go through the list of Buffalo policyholders and give out to the agents all the desirable cases that I can find. In other words, I believe that a drive should be made now, in order that service may be rendered to the greatest possible number of our policyholders."

New Features Always Attract Attention

Mr. Hinds said:

"I believe that in presenting the subject to old policyholders we should tell them of the Company's decision and give them the necessary papers to fill out. Most people object to paying for an examination, so it should be an easy matter to let the Company pay for the examination by taking a new policy at the same time the annuity feature is added to the old. When the policyholder realizes the service he is getting and knows that he will never be forgotten, he will be glad of the opportunity of placing his additional insurance with the Company. Time brings changes, and there is a more widespread need of more insurance now than there was a few years ago because of the decreased buying power of the dollar.

"Something new always attracts attention, and if we go to old policyholders, tell them of the new policy we are putting out, and offer at the same time to add the new feature to their old policies, explaining that it requires an examination which, if they take new insurance, will be paid for by the Company, we can get the business. To the man who has $5,000, talk about the benefits of $10,000, with $1,000 a year income in case of permanent total disability; to the man who has $10,000, talk $20,000, etc. I have already had some success talking about the new policy in terms of what it pays for total and permanent disability, and that appeals very strongly to our old policyholders who already know most of the Massachusetts Mutual features.

"To the younger class of prospects I say, 'We are issuing a new policy that, in case of your becoming disabled so that you cannot work, will pay you $500 a year as long as this disability continues and at your death pay your beneficiary $5,000'—the amount being whatever I think he can carry. I explain right there that this is not a accident policy and does not apply temporary disability or sickness."

Manager Hill's Use of Clause

Manager Hill, of Louisville, in discussing how he uses the clause said:

"I have found recently that one the most valuable points about our annuity feature is that it is useful to the agent when he strikes an applicant who states that he has all the insurance he wishes to carry. Right here I make an opening with annuity feature. 'Suppose I sell you a contract that in the event of your becoming totally and permanently disabled will provide that you will have no more premiums to pay on the policy until you are sixty years of age? In addition to this, the policy which I want to sell you will furnish you sufficient money to pay the premiums on your other policies, so that by buying my policy you are guaranteeing the payment of the premiums on all of your insurance.' Of course, I make our policy sufficiently large that the annuity will cover the premiums on remainder of his insurance and this too is an argument for a sable policy. Then, again, I would suggest to the agent that when he finds a selfish man, if he will use this annuity feature, it will appeal to his selfish nature from the fact that there may be a payment made to him during his lifetime."

Hunter Explains Two Cases

W. N. Hunter, general agent at Williamsport, said:

"The writer had two cases recently which illustrate a use of waiver and annuity and which may contain a new thought for some of our agents.

"He had two prospects, married men, age thirty-five, who both thought that they must take term insurance 'for the time being,' as they said, because they were 'all tied up.' One of them had Liberty Bonds and a mortgage on his house; the other had Liberty Bonds and new furniture. I think they both referred to the H. C. L. All these things seemed to them to make it necessary to take term insurance, when upon I exalted waiver and annuity to such an extent that they did not feel that they could afford to take any chances of having policies without these features. As these provisions can only be incorporated in the new policy at the time of the conversion of the term upon evidence of insurability satisfactory to the Company, they finally decided to secure these features at once and so took Twenty Payment Life on a quarterly premium basis. Waiver and annuity certainly saved us from writing two term policies for $8,000, and can be used to advantage in many of such cases."

WANTED

Assistant to General Agent in New York City of large Life Insurance Company.

His work will consist of agency building. He will help and inspire present agents, procure and develop new ones.

Advancement assured and remuneration commensurate with results.

State full particulars. Address

"New York General Agent"

c/o The Eastern Underwriter, 105 William Street, New York, N. Y.

WANTED

By an old established Life Insurance Company

TWO AGENCY SUPERVISORS

under direct Home Office contracts

The men we employ must be able to prove by past achievements that they are good organizers and producers.

They must be able to appoint agents and not only **tell** them how insurance is sold but **show** them how it is done.

Salary of $3,000 and expenses, but it will not remain at that figure after results prove that it should be more.

Address **"OPPORTUNITY"**

c/o The Eastern Underwriter, 105 William Street, New York, N. Y.

To Tax Estates

(Continued from page 1)

The schedule of graduated taxes n estates in the new bill, as proposed, l lows:

Tax is on the net estate remain g after deduction of funeral and adn istration expenses, claims, losses, e and $50,000 exemption.

Net After Deductions.		Rate.
Not exceeding	$50,000	3% (now %)
$50,000 to	$150,000	6% (now %)
$150,000 to	$250,000	9% (now %)
$250,000 to	$450,000	12% (now %)
$450,000 to	$1,000,000	15% (now %)
$1,000,000 to	$2,000,000	18% (now %)
$2,000,000 to	$3,000,000	21% (now %)
$3,000,000 to	$4,000,000	24% (now %)
$4,000,000 to	$5,000,000	27% (now %)
$5,000,000 to	$8,000,000	30% (now %)
$8,000,000 to	$10,000,000	35% (now %)
Exceeding	$10,000,000	40% (now %)

INSURED EIGHT TIMES

James Whalen, president of the rt Arthur (Ont.,) Shipbuilding Co., d organizer of many industrial corp a- tions, has insured with the Impe al Life eight different times. His ag e- gate insurance with the Company is $137,000.

Metropolitan's New Disability Plan

IT IS AN ADDITIONAL BENEFIT

Its Provisions Before and After Sixty—$10 Monthly Annuity Feature —Other Facts

The Metropolitan Life has issued a new total and permanent disability provision. The features of the new provision are:

In the event of total and permanent disability before age sixty, future premiums will be waived and, beginning six months from the date of receipt of proof of disability, the Company will pay an annuity of $10 monthly for each $1,000 of insurance during the remaining lifetime and continued disability of the insured. This provision is an additional benefit and does not affect the insurance under this policy. Neither the waiver of the premium nor the payment of the annuity will reduce the amount of the insurance payable at maturity or death, nor the loan or surrender values. If, prior to the maturity of an Endowment the Company has pronounced the insured entitled to the annuity such annuity will continue to be paid during the remaining lifetime of the insured (even after the maturity of the endowment) so long as he remains totally and permanently disabled.

After Age Sixty

If the insured becomes totally and permanently disabled after age sixty, the subsequent premiums will be charged against the policy as a non-interest-bearing loan, but the premiums so charged will be a lien against the policy. When disability occurs after the insured has attained age sixty, no annuity will be payable.

This new form of disability provision will be granted also under 20-Payment Life policies issued through the Intermediate Branch, but the monthly annuity payable in the event of total and permanent disability before age sixty will be $10 for each $500 of insurance, instead of $10 for each $1,000 of insurance, as in the Ordinary.

Extra premiums are necessary for this provision. Commission will be paid on this extra premium at the same rate as on the regular premium.

On and after January 1, 1919, policies in the Ordinary department, and the 20-Payment Life in the Intermediate, will not be written with the old form of disability provision. After that date, if the applicant is not willing to pay the extra premium for the new form of disability provision, or if not eligible for such provision, the policy will be issued without any disability provision. Until January 1, 1919, we shall continue to grant the old form of disability provision when preferred.

Plans To Which It Applies

This new form of disability provision will not be granted on term, joint, or special class contracts, nor on any "corporate" plan, nor if the insured is over fifty-five at the time of issue, nor to women where not self-supporting, nor in any case where the insured himself is not to pay the premium. It may be withheld in other cases where the occupation is such as to so warrant. In short, existing restrictions will be maintained.

This new total and permanent disability provision (annuity) will not be issued for more than $25,000 of insurance, so that when more than this amount is written, the excess will be issued under a separate policy.

FRED G. BURNHAM DEAD

Frederick Gordon Burnham died in his eighty-eighth year at Morristown, N. J., a few days ago. He was attorney for the Mutual Life for years.

Isaac Bier, an agent of the New York Life for thirty years, died a few days ago.

John Hancock Plan For Relief Workers

NEW RULES NOW EFFECTIVE

$5,000 Maximum on Y. M. C. A., K. of C. and S. A. Men—$25 Extra War Hazard Premium

Beginning August 15 the John Hancock Mutual Life Insurance Company will write insurance on persons who are going abroad in the service of the Y. M. C. A., the Knights of Columbus, the Salvation Army, and similar organizations engaged in Allied relief work in the war (except Red Cross) on life or endowment forms, for a maximum (including existing insurance) of $5,000 subject to payment of an extra war-hazard single premium of $25 per thousand.

Civilians going abroad on business relating directly to the war will be considered on similar terms.

As is the case with Army and Navy risks, the Company pledges itself to return, within one year after the war, such portion of the extra premiums paid as in its judgment will not be required to cover the extra hazard.

Red Cross workers will be insured as heretofore, on the regular terms for Army and Navy risks.

BOOSTS J. K. VOSHELL

The "Baltimore Underwriter" prints a column boost of J. K. Voshell for the presidency of the National Association of Life Underwriters. He began with the John Hancock; and in 1894 went with the Metropolitan Life. He is now chairman of the executive committee of the Baltimore Association of Life Underwriters.

The Complete Program of Life Underwriters

PRESIDENT TALKS ON FIRST DAY

"How to Develop Life Insurance in Spite of the War," One Theme Chosen

President Priddy, of the National Association of Life Underwriters, this week announced the complete program of the big convention at the Hotel Astor, September 4-6. The two themes of the Convention are:

"The Contribution Life Insurance Has Made and Will Make Towards Winning the War."

"How To Develop Life Insurance In Spite of the War."

President Talks on September 4

The complete program with the exception of the Committee reports follows:

Wednesday Morning Session

Convention called to order by President Priddy

"America," "The Maple Leaf," Sung by the Assembly.

Invocation—Charles Sumner Burch, Suffragan Bishop of New York.

Word of Welcome—Orra S. Rogers, President, The Life Underwriters' Association of New York.

Response—J. T. Wilson, President, The Life Underwriters' Association of Canada.

Lawrence Priddy, President, The National Association of Life Underwriters.

Convention Photo.

Address—Woodrow Wilson, President, United States of America.

Address—Sir Charles Fitzpatrick, Chief Justice of the Supreme Court of Canada.

Addresses—Reviewing activities of the two National Associations.

President J. T. Wilson, President Lawrence Priddy.

Wednesday Afternoon

Address—"Woodrow Wilson and the Doctrine of Sovereignty." Darwin P. Kingsley, President, New York Life Insurance Company.

Address—"Life Insurance and Thrift." Herbert C. Cox, President, Canada Life Assurance Company.

Discussion of above topic, with questions and answers. (Talks limited to five minutes.)

Address—"Science and War." Henry Moir, Actuary and Director, Home Life Insurance Company; President, Actuarial Society of America.

Discussion of above topic, with questions and answers.

Address—Harry L. Seay, President, The Southland Life Insurance Company; President, American Life Convention.

Thursday Morning

Address—"Canada's War-Time Experience." Thomas B. Macauley, President, Sun Life Assurance Company of Canada.

Address—"Insurable Interest: How to Properly Designate the Beneficiary of a Life Policy." James H. McIntosh, General Counsel, New York Life Insurance Company; President, The Association of Life Insurance Counsel.

Address—"The Health of Each the Concern of All." George E. Vincent, President, The Rockefeller Foundation.

Addresses of Ten Minutes Each—"Present Day Opportunities for Women in Life Insurance." Miss Leonora M. Cowick, President, New England Women's Life Underwriters' Associations; Mrs. Jennie Watkins, New York Life; Miss Constance Woodward, Equitable Life.

Thursday Afternoon

Address—"The Life Agent's Opportunity and Duty in View of War Conditions." George W. Perkins, retired; Chairman, Finance Committee, War Work Council, International Committee Y. M. C. A.

Address—"Life Insurance, Bank Credits and Thrift." Sir Edmund Walker, President, Canadian Bank of Commerce.

Address—"The Influence of Personal Habits Upon Life Expectancy." J. H. Kellogg, M.D., Superintendent, The Battle Creek Sanitarium.

Addresses—"Arguments I Have Used to Sell Life Insurance to Provide Funds for Inheritance Taxes and Succession Duties." Clayton M. Hunsicker, Fidelity Mutual; Frederic W. Fuller, Equitable Life Assurance Society; A. L. Farmer, New York Life; Julian S. Myrick, Mutual Life.

Thursday Evening

Annual Banquet, President Lawrence Priddy, presiding.

Toast to President of the United States and to King George.

Toast to the soldiers and sailors of Canada, the United States and our allies.

Speakers: Lord Reading, Charles E. Hughes, Newton Wesley Rowell.

Friday Morning

Address—"The Relation of Life Insurance to the Development of Our Agricultural Resources." Prof. Melville Cumming, Canadian Department of Agriculture.

Address—Edwin Welles Dwight, M.D., Medical Director, New England Mutual Life Insurance Company.

Address—"How I Personally Sell Twelve Million Per Annum." Harry B. Rosen, New York Life.

Friday Afternoon

Address—"War-Time Arguments in the Sale of Life Insurance." Edward A. Woods, Manager, The Equitable Life Assurance Society, Pittsburgh, Pa.; formerly President, The National Association of Life Underwriters.

Reading of Prize Essays.

Presentation of Cups and Prizes.

Report of Committee on Code of Ethics.

KINGSLEY ON NEW LOAN

Sure It Will Be A Success—Insurance Men to Take Active Part in the Campaign

In discussing the Fourth Liberty Loan President Kingsley, of the New York Life, chairman of the Insurance Committee, said this week:

"There is no question about the new loan being a success. The very life of the nation is at stake. All personal ambitions, all selfish plans must be set aside. We must save and lend that our boys over there may have the best equipment that money can buy.

"I believe that a healthy competitive spirit will be of great value to the teams who are working for high totals. This spring the New York Life offered two prizes for the man returning the greatest number of individual subscriptions and another for the largest single subscription. Other companies also offered prizes for the best showing made by their agents. Some such plan will probably be adopted for the new campaign.

"Insurance men, I know, will not feel content unless their division again heads the Rainbow Honor Roll at the conclusion of the Fourth Loan drive."

A $4,000,000 MONTH

It is reported that Harry B. Rosen had a $4,000,000 month in July. His August business has not been up to the average as a result of the serious illness of his son.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

How Managers Received Equitable's Action

A STEP IN RIGHT DIRECTION

Views of Charles E. Townsend, Boston, John M. Riehle, New York, and E. A. Woods, Pittsburgh, Typical

The anouncement that the Equitable Life Assurance Society will enter the field of accident and health insurance was received by the general agents of the Company everywhere as a step of the first importance, as a broadening of the Society's field of activities significant of the insurance trend of the times and as a step in the right direction. Views of two of the Society's managers received by The Eastern Underwriter, are typical:

Charles E. Townsend, general agent, Boston:

"The Equitable Life Assurance Society is to enter the field of accident and health insurance in accordance with the signs of the times, which are absolutely progressive. There is a tremendous opportunity in this field to increase the benefits of insurance to the public, and the Equitable with its commanding position is taking a step forward in this action. The insurance business in all of its branches as applied to the life and health of individuals is moving forward at a tremendous pace. With the Government advocacy of the idea of life insurance and with the possibility that some form of such insurance may be continued after the war, a new impetus has been given to the business. It is a tremendous advertisement for our business when the United States goes into it. I consider this one of the most important steps forward in the history of the business. When a leading life insurance company increases its usefulness, it has a significance of marked importance. We are moving ahead and the signs of the times, as regards any kind of insurance protecting the individual, are unmistakable. Just a very few years ago, a statement was made that practically only one-fifth of the insurable population had been insured. This I understand applies to life insurance.

"From now on, we may expect a real boom in every form of protection. People know more about insurance than they ever did before, and its value is being better appreciated than before. The time is fast approaching when insurance will be classed as an absolute necessity and even now, men are buying more freely than ever in the history of the business. 'Usefulness' should be our motto. The more service a great life insurance company can render the public, the more good it is doing in the world and the more opportunity for advancement. We are moving on—and rapidly.

"Since the Equitable originated the system of Group Insurance, I consider this the next more important step which our great Company has taken."

John M. Riehle, New York:

"As to the significance and importanco of the action of the Equitable deciding to engage in writing accident and health insurance, I think it is wonderful. Life and accident and health insurance go hand in hand. Assuming that a man can provide a livelihood for himself and dependents if in good health, that man has met his first obligation. By purchasing multiple protection of the proper kind, he practically performs the two other greatest obligations man can have; i. e., the continuance of that provision during his life, even through old age, and after his death.

"What grea'er service can the Society offer? Trained life insurance salesmen under the direction of the Society's officers, will perform an economic service to the nation of tremendous effect."

Broadening of Scope

E. A. Woods, Pittsburgh: The Equitable's going into the accident business is something that I have wished for for a long time. There is no reason why a company that covers its insurers from accident risk as it does under the disability, double and travel accident indemnity clauses should not cover them separately; and I do not think there is any good reason why Equitable policyholders should have to go to other companies to buy accident insurance.

It seems to me to come in most opportunely at the present time, when not only is the insurance broadening in its scope, but when this additional privilege will help us get and keep agents, and I am very glad they have undertaken it.

RE-INSTATEMENT

Commissioner of Utah Says Some Companies Are Not Carrying Out Conditions of Contracts

Commissioner Wells, of Utah, says the life insurance companies are carrying out their policy contracts so far as the war is concerned in a satisfactory manner, but with some companies there is one exception:

"Provision for re-instatement of the policy when it lapses for non-payment of premium is usually embodied in the contract, the only requirements made of the insured being to furnish evidence of insurability satisfactory to the company and the payment of past due premiums with interest thereon to date of re-instatement," he says. "Information has reached the Department that many companies are, in such cases, attaching riders with war restrictions requiring additional premiums in the event of war service in spite of the fact that the policy was free from such requirements. This Department has held and does hold that re-instatement is a right under the policy contract and means that the original policy with all of its terms intact and unchanged as to benefits, conditions and premium rates, shall be re-established just the same as if there had been no lapse in the payment of the premium; and the companies are not warranted in endeavoring to attach riders or in undertaking to change the conditions of the original policy. A reinstated policy must be identical with a similar policy kept in force by the regular payment of premiums. Unfortunately, however, many policyholders regarding re-instatement as a favor from the company rather than a right under this contract, have permitted these riders to be attached to their policies and some, unwilling to pay the additional premium, have permitted their policies to lapse and thus the companies have done a great injustice to such policyholders."

WASHINGTON APPOINTMENT

Orville B. Drown, who for several years has been the representative of the Massachusetts Mutual at Washington, D. C., has resigned and that Company has appointed John F. Cremen its general agent there.

HOME LIFE
INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contrac
Our Policies provide for:
Double Indemnity,
Disability Benefits,
Reducing Premium
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE
INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

PURELY MUTUAL THE CHARTERED 1857
Northwestern Mutual Life Insurance Co.
MILWAUKEE, WISCONSIN
GEO. C. MARKHAM, President
INSURANCE IN FORCE, $1,604,426,324
SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued
POLICIES MOST FLEXIBLE AND EASY TO SELL
Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules
Investigate before selecting your Company
GEO. E. COPELAND,
Supt. of Agencies,
Milwaukee, Wis.

Great Southern Life Insurance Company
HOUSTON, TEXAS.


For Agency Contracts address
O. S. CARLTON
PRESIDENT

The Feminine Invasion of Actuaria

By Florence P. Clarendon, Home Life

In Blue Beard's castle, so the old fairy tales say, certain doors were locked and his curious little wife was forbidden to enter. In like manner the doors of some professions have been closed to women, and the Actuarial Societies are among those that have refused passkeys.

But women in all ages—modern and mediaeval, aye, as far back as Lot's wife who was turned to salt for undue curiosity, and Eve, herself, who started the trouble by showing too much interest in fruit flavors—have been imbued with the same inquisitive instinct. Like Blue Beard's wife, the women of each successive generation have opened doors forbidden to them. It remained, however, for the woman of today to meld curiosity in facile alchemy with intelligence and ability, and with this potent fusion form a passkey which opened the doors of professions to which she had been denied access.

High Honors for Miss Martin of Canada

The Actuarial Society of America which includes some of the best known actuaries in the world has always permitted women to sit for examinations for Fellowship as well as Associate membership. Until within the last year or two the privilege has rarely been used. In 1916, there were 180 applicants who desired to sit for the examinations of that Society; six of these applicants were women. Seventy-six of the men passed and three of the women. Miss G. Martin, a member of the Actuarial Department of the Mutual Life Assurance Company of Canada, was the only candidate of either sex who passed "cum laude" in both Sections of the initial examinations for Associate membership. In 1917, eight women were applicants for examination; and this year there were thirty-six women knocking at the door of the Actuarial Society applying for an opportunity to establish their merit for admission.

The British mind accepts innovations slowly. Young women students and office assistants in Great Britain have not yet been much encouraged in their mathematical tendencies. It is true that of late, owing to the prominent part they are now taking in office activities, they have been fostered to a certain extent in their desire for a knowledge of higher mathematics; but as yet neither the Institute of Actuaries in London nor the Faculty of Actuaries in Scotland has permitted women to sit for examinations. The young women have been allowed to approach the Gates of Actuaria and permitted to peek in—but they are denied admission. Still "straws show the way the winds blow," and signs are apparent that this drastic attitude will be changed in the future. An ultra-conservative member of the Faculty of Actuaries in Scotland said recently, regarding the advisability of admitting women to membership:

> "Probably after the war we shall have to seriously consider the advisability of admitting women to membership."

Anxious for Women to be Actuaries

"Consider!" Unless all signs fail the British actuarial bodies will not only invite women to enter the profession, but will even coax them in, that they may fill the gaps and straighten the lines in the depleted ranks of Actuaria, since the flower of its young manhood has fallen in the country's defence. The following significant facts appear in the most recent report received from the Faculty of Actuaries in Scotland (June 10th, 1918):—

> "The total membership is now 217. No new student has been admitted during the year. Twelve men have died on military service. Since hostilities began 40 Fellows and 153 Students have joined His Majesty's Forces for active service."

In the Institute of Actuaries of London the official Bulletin of May 27th, 1918, states that up to December, 1917, 390 members had entered military service, of whom 46 were killed in action.

Depleted Ranks of Actuaries and Accountants

The large number of young actuaries and accountants who are now engaged in military service has created an ever increasing demand for trained helpers which must be met to a great extent by women educated along these lines. Many of the large insurance companies foresaw this condition some time ago, and placed in their Actuarial Departments college women who are trained mathematicians. Within the past few weeks one of the largest "Old Line" companies has added five Cornell graduates to its growing force of women actuarial assistants.

The opinion regarding woman's adaptibility for work in higher mathematics has changed from the old farmer's dictum that "Wimmen hev no head fer figgers." It was formerly contended that the average college "Co-Ed" scanned the subjects in the classical course of the University curriculum with greater interest than the scientific. May not this have been due to the effect of traditional influence? "As the twig is bent the tree's inclined," and time was, not so many generations ago, when it was considered unfeminine for a woman to be versed in bookkeeping and mathematics. Indeed, in old Creole days, those dainty bits of French femininity in the Louisiana of ancient regime deemed it vulgar and plebeian, when shopping, to inquire the price of a purchase!

Times have changed, and woman's broadening horizon embraces a wider knowledge of many subjects, and a more catholic viewpoint. In a course of lectures in bookkeeping and accounting recently given in New York, designed principally for the instruction of business women, it was found that over a third of the students were women of wealth with education and experience along purely social lines, who desired to acquire sufficient information on the subjects named to enable them to audit the accounts of their own households (sometimes a menage of twenty or thirty servants), and to balance their personal bank accounts.

In an address before the Insurance Institute of London, in December, 1917, Sir David Paulin, who recently resigned active management of the Scottish Life Assurance Company said:

> "Without the women we could not have carried on * * * in the Actuarial Department—the most technical and difficult of our varied work—they have shown capacity and aptitude. They study at night the theory of business and read up books about investments. It will not astonish me to hear in some future year when peace has been proclaimed that both the Institute and Faculty of Actuaries have thrown upon their doors to include in their Fellowship women as well as men."

In America a woman at the head of an Actuarial Department is not un-

(Continued on page 9)

Satisfied?

IS your story as an Agent Finished, or are you still waiting for the Big Chapter?

Valuable Openings in Productive Territory For Energetic Ambitious Men.

Maryland Assurance Corporation

Baltimore

LIFE
HEALTH
ACCIDENT

JOHN T. STONE
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"LIVE AND DIE WITH ASSURANCE"

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY
of the United States

For agency openings address:
W. E. Taylor, Second Vice-President

EQUITABLE

Advantages of Paid-up Additions

VIEWS OF A CHICAGO OFFICE

Darby A. Day Agency of Mutual Life Discusses Various Phases of Question

At a recent meeting of the Darby A. Day Agency of the Mutual Life in Chicago, I. B. Jacobs, an agent, dwelt upon the advantages of leaving dividends with the company instead of selecting one of the other three dividend options. The agency in commenting upon Mr. Jacobs' talk, said:

"He is right in his contention that more benefit would accrue to the policyholder by leaving the dividends with the Company.

"Let us take, for example, the case of a Twenty Year Endowment, $1,000, issued at age 35, applying our comparison only for ten years, since we have been issuing policies on the present basis for only about this length of time (eleven to be exact) and therefore have figures for comparison on policies from one to eleven years old.

"If the present dividend scale is continued and the insured uses his dividend each year toward the payment of premiums he will receive in this way during a ten year period an aggregate amount of $91.64; but if he leaves his dividends with the Company, the paid-up endowment purchased by such dividends would in ten years amount to $142.26. The cash value of such paid-up endowment at the end of ten years, if he desired to use it for the payment of premiums, would be $107.72, or $16.08 more than the total cash dividends if drawn out or applied on premiums. In addition to this advantage, he will be insured all the time for more than the face of the policy—in fact, the average insurance in force for the ten year period would be $1,070.

"Not only is this course more advisable than using the dividends as part payment of premium but it is much to be preferred to leaving the dividends with the Company at 3 per cent. compound interest. If the latter course is pursued, the sum total at the end of ten years would be only $103.47; whereas the reserve on the paid-up additions at the end of ten years would be $107.72.

"While the results here shown are for the first 10 years (based on present dividend scale), an idea can be gained of the results for the full twenty year period by using the same ratio of increase; and if the scale is maintained, at the end of twenty years the paid-up additions on the policy above referred to would be more than $300. Whereas if the dividends are used by the policyholder each year toward the payment of premium, the benefit he would derive in this way would doubtless be less than $200."

SERVICE MEN'S INSURANCE

Will be One Subject of Discussion at Underwriters' Convention Not On Program

There is so much discussion of various features of the Red Cross, Y. M. C. A. and Knights of Columbus insurance, that the subject may be discussed in open session of the National Association of Life Underwriters. The agents themselves are divided respecting some features of this business, and the debate—if it takes place—will be spirited.

Hotels are being swamped with requests for reservations, and the Hotel Astor the first week in September will harbor a wonderful aggregation of American and Canadian life insurance men.

CARDINAL GIBBONS ON GROUP

Says Plan Vastly Improves Relations Under Which Employers and Employees Deal With Each Other

The New York "Outlook" published an authorized interview with Cardinal Gibbons by Ballard Dunn, which had reference to the social benefit of Group insurance. In it the Cardinal is quoted as saying:

"The plan vastly improves the relations under which employers and employees deal with one another. In too many instances there is an attitude of mutual hostility. The proposed system will abolish this. It will stimulate the activities of the workmen and encourage them to put forth better efforts in the interest of themselves and their company. It will also remove dread of the future on the part of the workers, in that it provides for 'rainy days'; and, further, it will establish security and tranquility. * * *

"The employees' insurance plan is the very essence of benevolence and harmony. The employee will work more eagerly if he has a stake in the final goal for which the industry is striving. I might quote from the words of St. Augustine to substantiate this. That great Father of the Church said: 'Where there is love there is no labor, or if there is labor the labor itself is loved.'"

Roger S. Vail, for several years representative of the Massachusetts Mutual Life in Chicago, has become assistant field director of the American Red Cross and is now stationed at Camp Custer.

D. H. Johnson has been appointed agency manager of the Fidelity Mutual Life at Columbus, O.

Organized 1871

LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

OLDEST—LARGEST—STRONGEST, Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

15,000 PEOPLE

Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.

AGENCY OPENINGS FOR THE RIGHT MEN.

Write to-day

FIDELITY MUTUAL LIFE

INSURANCE COMPANY, PHILADELPHIA

Insurance in force over $142,000,000

Walter LeMar Talbot, President

Security Mutual Life Insurance Company

Binghamton, N. Y.

Offers to men able to produce business first class territory, with direct contract providing liberal compensation.

For particulars, address

C. H. JACKSON, Supt. of Agencies

NIAGARA LIFE BUILDING



Mohawk Cor. Franklin Street, Buffalo, N. Y.

The Combined

Life, Sickness and Accident

policies, sold only by the

Niagara Life Insurance Co.

(WILLIAM H. CROSBY, President)

Protects the insured and his dependents.

Live wire reliable agents may obtain very favorable contracts

Communicate with

E. H. BURKE

Vice-Pres't & Gen'l Manager

BUFFALO, N. Y.

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Provident agents find that in these war times it is not difficult to convince a man he is not carrying sufficient insurance.

Provident Income Insurance is easy to sell

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

Wide Range of Topics Chosen

COMMISSIONERS' CONVENTION

Justifiability of Extra War Premiums to Be Discussed—Mansfield on Civil Rights

The National Convention of Insurance Commissioners opens in Denver on September 10 and continues for three more days. It is the forty-ninth session. The addresses of welcome will be delivered by Governor Gunter and Mayor Mills, of Denver, the response being made by Superintendent Phillips, New York. Then will follow the address of President Cleary, of the commissioners. The balance of the program follows:

"The Fraternal Situation," James R. Young, Commissioner of Insurance, North Carolina.

Discussion. T. M. Henry, Mississippi; J. A. Taake, Iowa, and H. O. Fishback, Washington. (Five minutes each.)

"Special Reserve Funds and Special Surplus," Rufus N. Elwell, Insurance Commissioner, New Hampshire.

Discussion. Philip H. Wilbour, Rhode Island; E. Waldrop Smith, Maine, and Joseph G. Brown, Vermont. (Five minutes each.)

"State Supervision of Fire Insurance Rates," John B. Sanborn, Commissioner of Insurance, Minnesota.

Discussion. William H. Tomlinson, Ohio; Charles O. Austin, Texas, and C. F. Thomas, Kentucky. (Five minutes each.)

"The Fire Insurance Situation," F. H. Ellsworth, Commissioner of Insurance, Michigan.

Discussion. C. A. Ambler, Pennsylvania; L. K. Arrington, Tennessee, and Otto L. Klauss, Indiana. (Five minutes each.)

"How Can Insurance Commissioners, Individually or Collectively, Aid in Winning the War?" Alex. McCabe, Insurance Commissioner, California.

Discussion. John S. Darst, West Virginia; C. W. Fairchild, Colorado, and Fred W. Potter, Illinois. (Five minutes each.)

"Are Extra Premiums on Life Policies on Account of War Activities Justifiable?" Cary J. Wilson, Superintendent of Insurance, Kansas.

Discussion. Harvey Wells, Oregon; Lee B. Mosher, District of Columbia, and Bruce T. Bullion, Arkansas. (Five minutes each.)

"Standards for Inter-Insurance," A. L. Harty, Superintendent of Insurance, Missouri.

Discussion. R. S. Wells, Utah; S. A. Olsness, North Dakota, and W. N. Van Camp, South Dakota. (Five minutes each.)

"Agency and Brokerage Problems," Frank H. Hardison, Insurance Commissioner, Massachusetts.

Discussion. Jesse S. Phillips, New York; William M. Shehan, Maryland, and Frank H. Smith, New Jersey. (Five minutes each.)

"A Review of the Civil Rights Act, as Affecting Companies, Policy Holders and the Departments, as to Soldiers and Sailors," Burton Mansfield, Insurance Commissioner, Connecticut.

"My Departmental Problems," William A. McSwain, South Carolina; Alfred L. Harty, Missouri; E. Waldron Smith, Maine; J. A. Taake, Iowa; R. G. Poland, Montana, and other new commissioners.

SOCIAL HYGIENE

Mutual Benefit Asks Agents to Co-Operate in Keeping Cities Clean

The Mutual Benefit in the current edition of "The Pelican" after discussing perils of soldiers from social diseases, urges that agents co-operate wherever possible with Y. M. C. A. authorities and committees for civilian co-operation in social hygiene work in their respective communities. In some cases, it says, it may be well to go directly to city and town officials and point out to them, personally, the need for guarding the morals of soldiers and sailors who may visit these communities, as well as the young men who have not yet left for camp, but who expect to be called.

FOOD ADMINISTRATOR

B. V. Von Lenden, of the New York Life, has been appointed Food Administrator of the Globe-Miami district in Arizona.

Fidelity Mutual's New Disability Clause

PROVISIONS ARE BROADENED

With Exception of Ordinary Life, All Disability Rates Reduced—Features of Form

The Fidelity Mutual Life, beginning September 1, will issue a new disability clause. In describing its new features the Company says:

The important forward step is made of providing a substantial total and permanent disability benefit that continues throughout the life of the contract. The insured is guaranteed that in event of total and permanent disability at any age, the Company will waive the payment of all further premiums; death and maturity benefits will continue in full force, and there will be no deduction of premiums waived on account of total and permanent disability.

This feature greatly strengthens the whole proposition. It provides a permanent benefit that does not stop at age 60. Life companies in general make no provision at all for disability occurring after that age. Our former clause provided for a continuance of the insurance, by charging the premiums without interest as a lien against the policy. The new clause makes a clean cut provision free of all uncertainty and it is quite the most liberal provision that has ever been offered.

Second.—In event of total and permanent disability before age 60, the new clause provides, in addition to waiver of premiums, a monthly income to the insured, the first monthly payment to be made six months after receipt of proof of such disability, and to continue until maturity of the policy to prior death. The old clause provided for a lump sum annually and this did not commence until one year after proof of disability. Here again the whole plan has been made more liberal and more interesting.

In this connection, it is also a pleasure to state that with the broadening of the disability provision there has come at the same time a general reduction in the disability rates. With the exception of the Ordinary Life rates at the younger ages, where the coverage reaches out over a long period of years, all the disability rates have been reduced.

The maximum amount of insurance that will be issued on one life, with the new disability benefits included, is $25,000, and, of course, none but preferred risks can be granted policies containing this clause.

SALARIED OFFICERS

American Life Convention Not To Elect Them On Floor, If Amendment Passes

R. W. Stevens, of the Illinois Life, has proposed several amendments to the constitution of the American Life Convention. One amendment follows:

"The affairs of the organization shall be conducted by the Executive Committee, subject to the Constitution, By-Laws and instructions given the Committee at the annual meeting. It shall be the duty of the Executive Committee to arrange for the annual meeting, announce a program for the same and look generally after the interests of the organization. The Executive Committee shall have the sole power to elect and appoint salaried officers and employees, and in no event shall such officers or employees be elected or appointed by a vote of the Convention."

A WOMAN IN $200,000 CLUB

The first woman on the Pacific Coast to qualify for the New York Life's $200,000 club is Mrs. M. Grace Brumbaugh, of Seattle.

FRATERNAL VALUATIONS

Commissioner Cleary, of Wisconsin, has issued the Valuation Results as of December 31, 1917, of fraternal benefit societies.

THE AGRICULTURAL LIFE

Up to July 20th the Agricultural Life, of Bay City, had received 2,034 applications, representing $2,949,500 of insurance, and had in force $2,114,000. The Company is two years old.

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Talked Too Much, So Lost Sale

Lawrence C. Simon is a successful agent of the Massachusetts Mutual Life in New York City. Recently he lost a case by talking too much. His own version of the incident is this:

I was cock-sure that I was going to write my man. I had planned my interview, and everything went along very nicely until it came time to make arrangements for the doctor's examination. At this point, Mr. S., the prospect, hedged and told me he did not care to see the doctor.

I then related to him a case I had had a few months ago, of $25,000, in which the man was examined and passed, but who, before I could get his signed application and check, was taken sick with pleural pneumonia. It just happened that Mr. S. knew this man, and knew the facts to be so, and when I said to him, "What afternoon could you see the doctor, Mr. S?" he replied, "Mr. Simon, I cannot possibly see your doctor before next Monday."

While he was talking to me, I had his card in front of me and noticed that I did not have his date of birth. Just at this point I said: "By the way, Mr. S., what month were you born in?" He replied: "I was born December 19, 1865, but, Mr. Simon, let me see, I have six months before my insuring age changes, haven't I?" I had to admit that this was so, although I said to him: "We will not discuss that now; the main thing is to see whether or not the doctor will pass you." But he stuck to the change of age, and finally decided he would not do anything until June 19th, when his age changed, and told me he would buy the policy at that time.

I realize that this is one case where I had talked a little too much, and it taught me a good lesson. In the future I will not say anything more than is absolutely necessary.

This morning, while coming into the building, I met him and stopped to talk to him a moment, and he said: "By the way, Mr. Simon, when will my policy come through?" I said: "What policy?" He answered: "Oh, I beg your pardon. You are from the Massachusetts Mutual, aren't you?" I said, "Yes." He said: "I thought you were from the———Company." I then questioned him a little closer and found that about eight or ten days ago he had been examined for a $10,000 Ordinary Life policy in the other company.

Of course you can imagine my thoughts on finding out how I had fallen down on the case, but I really think that it will do a lot of good to publish this in "The Radiator" because it will show that even though a man says he intends to wait until his age changes, he can be closed immediately, if handled by a good man.

* * *

Only Fighters Can Sell Insurance

Courage is a very small word but it stands as the keystone to success, no matter what vocation one is following. It is perhaps the most important link between success and failure, says the Northern Assurance of Detroit. The first symptom of loss of courage is when the insurance salesman makes up his mind that there's no demand for insurance, and that there are no more prospects left—that the business is hard—and that he can make more at something else. Then the soul of hope and courage within his breast has been extinguished. He is a "goner" so far as selling insurance is concerned. The man who confesses these things to himself has let the light of hope flicker out—his vital spark has fled—he has lost the essential qualities of life and manhood—COURAGE. Of course, he can't sell insurance. No man can who lacks grit. An agreeable manner—the tactful ability to approach men without irritating them—these all count for nothing unless backed up by nerve and backbone.

Only fighters can win selling insurance—no man without a spine need expect to do so. Nothing brings out fine qualities like opposition.

Courageous men glory in manly strife—they know that were this business easy there would be a stampede to get into it and a consequent reduction in earnings. Under the guise of a polite interview every man who tries to sell insurance goes into a business fight. He must go in loaded for bear and ready to fight to the last or furl his flag and call for a funeral dirge for a dead one. It's either you or the other fellow who is going to come out victorious. Set your jaw and determine that it will be you.

Just remember that millions of men go contrary to their best interests every day—wilfully, blindly. Know that "your man" doesn't know his best interest and you are there to make him realize it. It takes courage to fight; and fight you must if you expect to bring men to your way of thinking.

* * *

Group Insurance and Industrial Prospects

That the writing of group insurance does not interfere with the sale of industrial policies is the view of Harry B. Kendall, superintendent of The Prudential in Louisville. According to Mr. Kendall:

"I will admit that I had a feeling that group insurance would cause the cancellation of industrial business, and for that reason was slow in giving the policy a square deal. No doubt there are other superintendents that feel the same way, but there is one way, and only one way, to get it out of your system, and that is to go out and write a group or two.

"Labor turn-over at the present time is such that employers are in a receptive mood; consequently are willing to consider such a proposition. They are at their wit's end to know what to do to get and hold employes. They are also making, in many cases, larger profits, and the small outlay necessary to carry group insurance will not be looked upon adversely as would be the case when it is hard for them to make both ends meet.

"While my experience in soliciting group insurance has covered but a part of only four months, I have found that it offers a good opportunity to solicit for a regular policy, as I succeeded in taking applications for a partnership policy in one case amounting to $50,000 and an individual policy in another case amounting to $20,000. Both these applications were secured as a result of my calling in the interest of a group policy."

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Better Than School Teaching

Mr. Eckley Hoyt of the Scranton agency, until recently a superintendent of public schools, accepted a Mutual Life rate book one year ago. He has proved himself resourceful, energetic, and the possessor of other qualities that mark the $200,000 producer. For example, a young man in his territory a few weeks ago met with a tragic death while engaged in the apparently safe business of running a circular saw. Recognizing the fact that the incident was such as to make the double indemnity clause peculiarly attractive to prospective insurants. Mr. Hoyt saw his opportunity and acted at once. Up to date he has already placed, within two miles of the scene of the accident, the following list of policies: These are identified by numbers instead of names for obvious reasons. 2,510,792, for $5,000; 2,513,998 for $5,000; 2,507,685 for $3,000; 0,129,040 for $3,000; 2,511,034 for $2,000; 2,511,702 for $2,000; 2,511,883 for $1,500; 2,507,482 for $1,500; 2,511,997 for $1,000; 2,503,651 for $1,000; 2,511,681 for $1,000; 2,510,721 for $1,000; 2,510,316 for $1,000; 2,508,719 for $1,000.—Points.

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

ONE DIFFERENCE

One man buys property on an investment plan in order to provide for those dependent upon him. Another man buys life insurance. There is one very important difference between the positions in which the families of the two men find themselves when the men die.

The dependents of the first man are confronted first with the proposition of continuing the remaining payments on the property, and second, with the proposition of disposing of the property satisfactorily. For the first, ready money must be available at the necessary time, and for the second a buyer, but who of course will drive the very best bargain he can.

How different is the position of the dependents of the man who bought life insurance. His future payments are canceled and his "property," that is, his policy, is turned into cash immediately and without loss.

—The Emancipator

Alonzo F. Baldwin, of Des Moines, where he enlisted from the home office of the Bankers Life Company, was recently killed in action on the battle front of France.

lar Association's Model Insurance Code

D BE PRESENTED NEXT WEEK

Tomas W. Blackburn and Former Commissioner Vorys on Committee —To Report in Cleveland

At the Cleveland annual meeting of t American Bar Association next vek there will be presented the re-prt of the Committee On Insurance Lw for the District of Columbia, which i to be regarded as a model code. Along those on the committee prepar-ig the code are Thomas W. Black-brn, secretary of the American Life Cnvention; A. I. Vorys, former Com-nssioner of Ohio; and three other .wyers.

Strong provisions in the report are nde against twisting false statements ai all which are designated perjury.

A provision is made that all state-nnts made by the insured in the ap-pcation shall be deemed representa-tns and not warranties.

Fights of Beneficiaries and Creditors

The provision about rights of benefi-cries and creditors follows:

"Sec. 42. When a policy of life in-srance is effected by any person on h own life in favor of some person oier than himself, or on another life in favor of some person other than hiself, having an insurable interest tierein, the lawful beneficiary thereof sall be entitled to its proceeds against t creditors and representatives of t person effecting the same; and the p'son to whom a policy of life insur-ace hereafter issued is made payable, ny maintain an action thereon in his on name; provided, that subject to t Statute of Limitations, the amount o any premiums for said insurance, pd in fraud of creditors, with interest tiereon, shall inure to their benefit fm the proceeds of the policy, but t company issuing the policy shall be dcharged of all liability thereon by p'ment of its proceeds in accordance wh its terms, unless before such pay-nnt the company shall have written nice by or in behalf of some creditor, wh specifications of the amount cimed, claiming to recover for cer-tin premiums paid in fraud of credi-trs; provided the insured under such p'icy shall not be denied the right to cinge the beneficiary when such right isexpressly reserved in the policy."

Re-Instatement

The provision about re-instatement fows:

"A provision that if, in event of de-falt in premium payments, the value o the policy shall be applied to the p'chase of other insurance, and if sch insurance shall have been in force al the original policy shall not have bn surrendered to the company and cncelled, the policy may be re-instated whin three years from such default, upn evidence of insurability satisfac-ty to the company and payment of a ears of premiums with interest, and tl payment or re-instatement of any o er indebtedness to the company upn such policy, with interest at the rte of not exceeding 6 per cent. per p annum."

The provision about lapsed policies fows:

"A provision which, in event of de-falt in premium payments, after pre-miums shall have been paid for three yars, shall secure to the owner of tl policy a stipulated form of insur-ace, the net value of which shall be a least equal to the reserve at the dte of default on the policy and on ay dividend additions thereto, specify-in the mortality table and rate of in-terest adopted for computing such re-sves, less a sum not more than 2½ p centum of the amount insured by th policy and of any existing dividend additions thereto, and less any exist-in indebtedness to the company on or secured by the policy. Such provision shall stipulate that the policy may be surrendered to the company at its home office within one month from date of default, for a specified cash value at least equal to the sum which would otherwise be available for the purchase of insurance as aforesaid, and may stipulate that the company may defer payment for not more than six months after the application therefor is made."

Want Priddy Again

At a number of meetings of life underwriters held during the past week, some of them of an informal nature, a demand has grown for the re-election of Lawrence Priddy as president of the National Association of Life Underwriters. They base their action on the fact that insurance is passing through a crisis, the world war raising numerous issues which they feel confident that the association can more satisfactorily meet with Mr. Priddy at the helm of the organization.

When seen by a representative of The Eastern Underwriter this week Mr. Priddy admitted that he had been appealed to by representative members of the association to accept re-election; that these requests had been coming to him for months; that he had had dozens of letters asking him to continue in office; and he said that in view of the tremendous problems facing insurance, and the insistent demand for his re-election in many quarters he would accept the office if he were the unanimous choice of the nominating committee, but under no circumstances would he make a campaign for the office.

Inter-Ally League of Insurance Companies

Considerable interest is taken here in the Inter-ally League of Insurance Companies to handle the re-insurance situation after the war, despite the fact that no American representatives attended the Congress. These are the resolutions passed:

The International Parliamentary Commercial Conference invites the Allied Governments:

(1) To co-ordinate legislation relative to the control of re-insurance, without prejudice to the commercial freedom of insurers;

(2) To organize in common a bureau of record and information with regard to insurance and re-insurance, in order to supply the interests concerned in Allied countries with the collective information necessary to a methodical distribution of the risks of re-insurance;

(3) To cause to be convened an Inter-Allied Conference, to consist of representatives of insurance interests, for the purpose of examining what measures the said Entente should take in order to withdraw these operations from enemy concerns and to distribute among themselves the benefits of re-insurance.

Invasion of Women Into Actuarial Field

(Continued from page 5)

known. In conservative Boston, where brains and race count more than fashions and grace, the Actuarial Division of the Massachusetts Insurance Department was for many years under the direction of a woman whose knowledge of logarithms and law command the respect of her confreres in the profession. Miss Emma Warren Cushman's long tenure of office as Actuary of the Massachusetts Insurance Department was marked by rare intelligence and practical common sense. Miss Cushman is a Fellow of the Actuarial Society of America. She leads where others of her sex will shortly follow.

LA MONTE FOR SENATOR

George M. La Monte, former superintendent of Banking and Insurance for New Jersey, is a candidate for United States Senator.

Missouri State Life Policies Rich In Selling Points

Facts—

Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company
Fastest Growing Life Insurance Company in America
Home Office, St. Louis, Missouri

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA
On January 1, 1909, rates were reduced and values increased to full 3% reserve

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.
PHILADELPHIA

HOME LIFE INSURANCE COMPANY of AMERICA
INCORPORATED 1899
PROTECTION FOR THE ENTIRE FAMILY
This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.
INDUSTRIAL POLICIES are in full immediate benefit from date of issue.
ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State Endorsement.
GOOD CONTRACTS FOR LIVE AGENTS
Executive offices No. 506 Walnut St., Philadelphia, Pa.
BASIL S. WALSH, President JOSEPH L. DURKIN, Secretary JOHN J. GALLAGHER, Treasurer

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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DOES SENATOR LEWIS TALK FOR THE WILSON ADMINISTRATION?

In an interview this week in Paris given to a correspondent of the New York "Times," who met him at the breakfast table, Senator James Hamilton Lewis, of Illinois, outlined for the reporter what he regarded as the main issues in the next Presidential campaign. In the Senator's opinion the Republican and Democratic parties are soon to be nothing more than names which recall interesting political history. The big questions, he says, will be those of an international nature growing out of our foreign policy after peace is declared, while the chief domestic question will be whether the United States Government shall continue in the insurance business, in which it has been making inroads. He uses the word "continue," not "extend."

The chief point of interest in Senator Lewis' interview is not what he says so much as whether he is giving his private views or those of the men who are controlling destiny at the National Capital. The Senator's opinion of himself and the Washington opinion of the Senator have not always agreed. Not only has he often been wrong, but frequently he has reversed himself. Washington correspondents long since ceased to grow excited over interviews given by the Illinois Senator. It is also recalled that his bill to extend the War Risk coverage to many Government employees not in uniform has not had the plain sailing that characterizes Woodrow Wilson measures. Evidently, Congress regards that bill as a Lewis, not a Wilson measure.

But whether or not Senator Lewis is a spokesman for the Democratic party he certainly occupies no such position with the Republican party and one can imagine the reception that his interview will receive from Colonel Roosevelt, William H. Taft and Elihu Root. Some such idea as the Senator harbors no doubt took possession of a group of political leaders in Michigan where at first there was evidence that Henry Ford would get both the Republican and Democratic nominations for Senator, party lines to be waived for this election anyway, but now it seems the Republicans object to Mr. Ford, while most of the newspapers in the state will have none of him.

A careful analysis of Senator Lewis' breakfast interview discerns a note which will cause considerable pain in high quarters. The Senator feels that if Wilson does not run for a third term the candidate will come out of the West, a dark horse so to speak. What a heresy to Mr. McAdoo, the leading exponent of Government insurance, and supposed to be in grooming for the Presidency! This little touch makes one almost feel as if the interview were not "official"; that the esprit de corps between the Senator from Illinois and the Secretary of the Treasury has been chilled. Undoubtedly, the Senator had a good breakfast to give such a breezy interview, and it is hoped that the next correspondent will interview him after dinner.

That part of the interview relating to campaign issues is in part reproduced herewith:

The next Presidential campaign will be on issues growing out of the international peace conference rather than directly out of the war itself. There will be then a big international issue in American politics on whether the United States should have formal defensive and offensive alliances with other countries or continue its old freedom and retain the privilege of co-operating in the future with this or that country or group of countries long enough to attain a specified worthy object, and no longer. There are bound to be two opinions on that question in America after the peace conference, and it will make our foreign policy the biggest issue of the 1920 election.

For that same campaign there will be two big domestic issues. **First shall the wartime Government insurance be continued,** and shall Government control or ownership, found necessary in the war, be continued as a permanent normal policy in America and extended to include even more of our commercial industrial activities than at present?

These are to be the three cardinal points of American politics immediately after the war, and for a long time to come. There is nothing in any one of them touching the past traditions of the existing parties, and there is nothing left of the old issues. Tariff is no longer a party issue, but a matter of international bookkeeping. The state's rights issue has been killed by the South itself by its attitude on various recent questions.

The new party alignment will be chiefly on foreign policy. We will find a group in the South and a group in New England that will favor strong permanent foreign alliances. In the West the tendency will be all the other way, because of the great foreign element of the population. No doubt there will be great changes in our immigration law. Through immigration America must make use of its unutilized land. Draw a line between Omaha and St. Paul and another between San Francisco and Seattle. Between those two lines we can find room for 25,000,000 immigrants, allowing to each of them a farm as large as the largest peasant farm now cultivated in Europe. These agricultural immigrants would be discouraged from coming if America had formal alliances with some countries, but not with others. Those from nations with which we had no formal alliances would feel that their fatherlands were being discriminated against. They would feel that they themselves were subordinate members in our citizenship. We would produce for ourselves situations out of which friction would grow. America cannot afford to have such feelings of discrimination in the future.

Furthermore, we can no longer consider our European relations as one thing and our Asiatic relations as another. When the war is over, Japan will say to her allies, England and France: "I ask you to request of America that there shall be incorporated in the treaties a statement that my people are to have the same privileges in the United States as your people." What could England and France say? And England must see that, whatever Asiatic readjustment there is, will have direct bearing on Australia. So the Asiatic question is no longer an affair between America and Japan, but a world question which would greatly complicate any alliances that we might venture to make with European countries.

The domestic issues that I have mentioned are full of possible ramifications into many economic questions. We are going to hear from the farmers as never before. The farmers will tell us that their profits have been limited and their business regulated during the war, while others have been getting rich because of the war without restraint. This protest of the farmers will be a big factor in the campaign two years hence. They will create an issue by demanding Government warehouses through which they may reach the consumer without the long string of profit-taking intermediaries that now exists. The parties will have to declare themselves as to the farmers as well as on the question of continuing an insurance system for workers and the questions of Government ownership and prohibition.

A movement of city officials in Edgewater, N. J., for lower rates is under way.

THE HUMAN SIDE OF INSURANCE



BLANCHE D. FENTON

Blanche D. Fenton, director of the women's department of the W. M. Horner Agency of the Provident Life & Trust Company, Minneapolis, is making a splendid record writing women in Minnesota, Iowa, North and South Dakota, and has found that there are many women who can be trained to sell life insurance. The percentage of self supporting women in the Northwest compares favorably with the number of women employed in the East, and, of course, the percentage is increasing rapidly. Miss Fenton has contributed an interesting article to the Life Insurance Salesmanship Edition of The Eastern Underwriter, which will be published next week, and in it she explains the objections offered to insuring their lives by some women and how these objections are met by her agents.

Fred C. Calkins, Jacksonville, Fla., general agent of the marine departments of the St. Paul Fire & Marine and Hanover Fire, has started a marine column in his pert little paper, "Florida Chit Chat."

* * *

Lieut. Frank A. Will, assistant medical director of the Bankers Life of Des Moines, is now on duty in London, as a member of the U. S. Medical Reserve. Lieut. Will was trained as an eye specialist in Vienna and is now using his expert knowledge in the treatment of English and American soldiers whose eyes have been damaged in battle.

* * *

Hendon Chubb, of Chubb & Son, **H. E. Eggert,** also of New York, and **W. R. Hedges,** president of the Boston Insurance Company, are paid a warm tribute by the United States Shipping Board in its summary of the history of marine insurance in the United States just published. Of these three gentlemen it says:

"Since taking the chairmanship of the United States Shipping Board, chairman Edward N. Hurley has made it a basic policy to surround himself with the best experts in their official lines that can be obtained. It was this policy which brought to the Insurance Committee of the Shipping Board the services of Hendon Chubb and H. F. Eggert, of New York, and W. R. Hedges, president of the Boston Insurance Company. It is through these experts all insurance problems must pass." The Shipping Board traces the history of marine insurance in the United States from its inception in 1721 in Philadelphia, to the present day, showing how it steadily increased from that date to the Civil War, when the advent of the iron vessel, together with four years of war, did much to push the American wooden clipper ship off the seas.

Approximately $30,000,000 in premiums had been set aside by the Shipping Board up to July 29 this year. Estimated losses of all kinds suffered by the Emergency Fleet, including damages of ordinary character, amount to about $13,500,000. Among the largest losses sustained through collision was the loss of the steamship "Westerly" on her maiden trip, sunk in mid-ocean with a loss of $1,500,000. Other losses of more than a million dollars, due to submarine sinkings, were the "Actaeon," $1,250,000; the "Chatahoochee," $2,000,000; the "President Lincoln," $3,000,000, and the "Florence H.," $1,000,000.

* * *

Henry Sliosberg, legal adviser in Russia for the New York Life, and a fearless opponent of the Bolsheviki, was assassinated in Petrograd, according to a Copenhagen telegram to the New York "Times." Sliosberg was the chief defender of Jewish rights and liberties in Russia, and had defended many social revolutionists.

* * *

Winslow Russell, agency manager of the Phoenix Mutal Life, who is doing splendid war work in Washington, was recently asked if he did not want to take a trip in an aeroplane, and ascended with a crack aviator Before entering the ship Mr. Russell was informed that the ascent would be about 3,000 feet. As Mr. Russell had never been up in an aeroplane he thought the adventure was one which he should not miss It was a nice day with no breeze, and after a climb of 3,000 feet the aviator went up another 3,000. All went well, so he proceeded to do various dips and other feats, winding up with a nose dive. Mr. Russell is gradually recovering from the trip, but has decided in future to confine his transportation to railroads and automobiles

FIRE INSURANCE DEPARTMENT

Higher Insurance Limits Are Voted

TEN PER CENT. MORE ON AUTOS

Subject to Reconsideration of Executive Committee at Meeting in September

By a mail vote of the Executive Committee of the National Automobile Underwriters' Conference, it has been decided to advance by ten per cent. the insurable values of cars, except the 1918 models and cars over $3,500 value, which are now on the open list.

There have been considerable differences of opinion as to whether this advance is necessary and the action of the committee members in favoring the increase has been taken, in most cases, pending the reconsideration of the entire subject at the next full meeting of the executive committee. This meeting will be held in September, most likely about the same time as that of the Western Union which is scheduled for the fourth. At that time the executive committee will also consider the proposal to make the insurable amounts advisory instead of mandatory.

Too Many Changes

It has been suggested that the limits be made advisory under the non-value form, the present limits to remain for valued forms and that the existing percentages be applied to the latest list prices instead of the original list prices.

It has also been pointed out that not only this change but several others may be found necessary. If the increase just voted upon is made at once, another change in the schedule may be made in September after the meeting of the executive committee and still another before the insurance season next Spring. Some members do not believe that the situation warrants so many changes in the schedule. These are some of the views expressed during the controversy as to the advisability of voting an increase. The whole subject has grown out of the action of the Government in ordering what would appear to be an almost complete suspension in the manufacture of passenger cars after January 1. This action was at once reflected in the prices asked for old cars.

PIKE SUCCEEDS ANDERSON

Edward Anderson, special agent of the L. & L. & G., in Maine and New Hampshire, has resigned. He is succeeded by J. Howard Pike, formerly F. W. Bauer's assistant, located at Boston. Before going with the L. & L. & G., in Boston, Mr. Pike was an inspector of the New England Bureau.

Wants Change in Enemy Alien Clause

WRITES VIEWS TO COMPANIES

Commissioner Cleary Thinks Companies Have Protection Now, But Assured Has Not

Madison, Wis. Aug. 20.—Commissioner of Insurance M. J. Cleary is having correspondence with the fire insurance companies over the clause in the policies referring to the "trading with the enemy" act.

The companies have recently inserted a clause in their policies providing that if any of the property covered by the insurance in the policy belongs to an alien enemy or an ally of an alien enemy, the entire policy is void.

"That clause is a protection to the companies under the 'trading with the enemy' act," said Mr. Cleary, "but it is not a protection to the policyholders and I am trying to obtain an amendment which will protect both the policyholders and the company."

It is pointed out that merchants, wholesalers, etc., not only carry insurance on their own stock but on goods which have been sold and are not delivered, or which for any reason may be in their keeping. If it should be shown that some of the property covered by the insurance policy belonged to an alien enemy, no matter how small the amount under the new clause the entire policy would be void.

"HERALD" MISQUOTES BONNOR

London Man Suggested That American Companies Enter British Field for Reinsurance Only

George A. Bonnor, a London insurance man who is visiting in New York, has been misquoted by the New York "Herald". Unfortunately, the newspaper's error has been repeated in the insurance press. Mr. Bonnor wishes to make it clear that what he has said regarding American companies entering the British field has to do entirely with reinsurance, whereas the articles published regarding him have represented him as being a direct insurance man. Therefore, he did not, as has been erroneously published, urge American companies to enter England for fire and marine direct business, but rather for reinsurance business solely. Mr. Bonnor's remarks to the "Herald" representative are quoted here, but with the changes necessary to place him in his correct position as a reinsurance man—not a direct insurance man. Mr. Bonnor said:

It is high time that American companies should come to England with their re-insurance branch offices, just as the English companies have come to America in years past. There are only three or four American companies represented in England as against dozens of English companies which do business on your side of the water. Before the war the German, Austrian and Russian companies had the field practically to themselves in England, as far as foreign re-insurance business was concerned. The first two nationalities dropped out with the breaking out of hostilities, of course, and the Russian companies broke down when the revolution went to smash through the usurpation of the Bolshevists.

The foreign field, therefore, is practically unoccupied in England, and American re-insurance interests should avail themselves of the exceptional opportunity that is afforded them without delay. The great friendship now existing between England and the United States would give your American insurance men easy sailing in our country.

THE AUTOMOBILE INSURANCE COMPANY

OF HARTFORD, CONN.

MORGAN G. BULKELEY, President

CASH CAPITAL

$2,000,000.00

ASSETS

$7,266,538.81

LIABILITIES, EXCEPT CAPITAL

$3,086,345.45

SURPLUS TO POLICYHOLDERS

$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with

ÆTNA LIFE INSURANCE CO.

ÆTNA CASUALTY & SURETY CO.

MOTOR CAR CO.'S PREMIUMS

The premium income of the Maryland Motor Car Insurance Company for the first half of 1918 was $230,000, a gain of 23 per cent.

WANTED

Position as Auditor—been over twenty-five years in present position and think may better myself. Know fire insurance pretty thoroughly and called an expert accountant. Can bring assistant stenographer and typist, also good at figures.

Address "AUDITOR"

c/o THE EASTERN UNDERWRITER
105 William St., New York, N. Y.

NIAGARA

Fire Insurance Company

ESTABLISHED 1850

123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Fire and Casualty Men To Meet Separately

FEDERATION AT ATLANTIC CITY

Casualty Men Will Meet at Coast Resort Too—Fire Agents to Have Big Convention

The National Association of Casualty & Surety Agents will meet in Atlantic City on October 27-28, and not in Cleveland, where the National Association of Insurance Agents will meet. This information was given to The Eastern Underwriter this week by President Burras, of the casualty agents' organization. News of the different meeting places will come as a big surprise to the insurance world.

In the meantime, the National Council of Insurance Federations cancelled the arrangements to meet in Cleveland currently with the local agents and the casualty agents and has set October 28 and 29 as the date of its annual meeting, in Atlantic City.

To many it will appear that the insurance interests have lost an unusual opportunity to have a real universal gathering just like the bankers, the funeral directors and other business men. Plans were long and carefully made to bring as many insurance men as possible, of all classes, together in Cleveland on the original date set for the local agents' meeting, October 8, 9 and 10.

At the time the meeting was planned it could not be foreseen that the government would change the date for commencement of the Fourth Liberty Loan campaign. When the government announced the change in date it was realized that the very men who would contribute most to the success of the convention would be up to their eyes in the loan campaign, and the plans were changed.

The original plans were thought to be particularly advantageous at this time, as so much is taking place in the insurance business which is viewed with apprehension.

More Speakers Announced

The program of the National Association of Insurance Agents is shaping up and is well-represented in casualty topics. The new speakers announced include Charles H. Holland, Royal Indemnity; David Rumsey, the well known insurance lawyer; John T. Stone, Maryland Casualty; Guy Mason, tax expert, and F. J. T. Stewart, president of the National Fire Prevention Association. Charles G. Meek, of the American Exchange National Bank, New York, will talk on "Insurance, the Prop of Finance." Mr. Meek was formerly president of the National Fire Prevention Association and secretary of the National Association of Credit Men.

SUPPORTS NATIONAL COUNCIL

Resolutions of National Association of Insurance Agents, Officers and Committeemen

At the special meeting of the officers and members of the executive committee of the National Association of Insurance Agents in New York last week the following resolution was unanimously adopted:

"That this Executive Committee of the National Association of Insurance Agents pledges its fullest support to and active co-operation with the National Insurance Council in the present crisis in the insurance business, and, consistent with its attitude since its 22nd Annual Convention at St. Louis, October, 1917, authorizes its officers to meet with the National Insurance Council at such times and places as may be necessary, with full power to use the forces of the National Association of Insurance Agents in such manner as it may be most expedient"

The National Insurance Council's idea is that the problems now confronting the insurance business are such that this organization which grew out of the World's Insurance Congress three years ago, and which was formed out of other insurance associations, could now be used to advantage in presenting a united front against the various inroads with which the business is threatened because of government activity in industries. The National Association of Insurance Agents quite naturally is ready and anxious to promote any movement for the good of the business as a whole.

TO BE "WAR CONFERENCE"

Federation Men to Meet Separately in Atlantic City—Plans Not Completed

The annual meeting of the National Council of Insurance Federations is to be a "War Conference." The date and place of the meeting has been changed from Cleveland, October 9, to Atlantic City, October 28 and 29.

Plans for the "war conference" have not been taken up actively yet, as the executive committee met to discuss details in New York only last Wednesday. The work done by the insurance agents and companies for winning of the war and the attitude of the government toward the insurance business will be the dominant notes. It had been intended to meet in Cleveland, October 9, with the National Association of Insurance Agents.

The annual meeting of the New York State Federation will be held in New York October 26. This will enable the delegates to leave Saturday afternoon for Atlantic City, spend Sunday there and be on hand for the annual meeting of the Council Monday.

The executive committee of the New York Federation met Wednesday and decided on greatly extending its plans for a campaign of publicity regarding the insurance business generally.

HAYDEN CHIEF ENGINEER

C. F. Hayden has been made Consulting Engineer of the Continental, American-Eagle and Fidelity-Phenix. C. W. Pierce, at present engineer of all three companies in the New England field, has been called to New York to succeed Mr. Hayden as Chief Engineer.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

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Royal Exchange Assurance
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RICHARD D. HARVEY
United States Manager

National Liberty
INSURANCE COMPANY OF AMERICA
NEW YORK
Incorporated Under the Laws of the State of New York in 1859
Statement, January 1, 1918
Cash Capital $1,000,000.00
Assets 8,209,763.64
Liabilities 5,223,031.71
Net Surplus 1,986,731.93
Surplus for Policy Holders 2,986,731.93
HEAD OFFICE
62 WILLIAM STREET, NEW YORK

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1854
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
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FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
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HOWIE & CAIN, General Agents
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Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
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Agents Responsible For Insurance in Outside Companies

BAR ASSOCIATION MODEL CODE

Prepared for District of Columbia—Close Tab on Lloyds and Reciprocals

The report of the Committee on Insurance Law for the District of Columbia, appointed by the American Bar Association, is now ready and will be presented to the association at its annual meeting in Cleveland next week. The committee consists of A. I. Vorys, Thomas W. Blackburn, Charles W. Farnham, Ashley Cockrill and U. S. G. Cherry. It is of wide interest to insurance men as there have been many conferences and an ideal code is wanted.

Provision is made for a tax of 1 per cent. on gross amount of premiums.

Regulation of Agents

In Section 23, regulating agents, it is provided that an insurance agent shall be personally liable on any contract of insurance made, issued or accepted through his agency by any company not licensed by the superintendent to make the insurance provided in such contract.

One paragraph reads: "A person who is authorized by a company to solicit insurance or application therefor shall, in any controversy between the insured or his beneficiary, and the company, be held to be the agent of the company issuing the insurance solicited or so applied for, anything in the application or policy to the contrary notwithstanding."

Unearned Premiums

A section regarding unearned premiums follows:

Sec. 29. The unearned premium on insurance other than life insurance shall be found by computing either a pro rata amount or 50 per cent. of the whole amount of premiums received and receivable on unexpired risks and policies running one year or less from date of policy and a pro rata amount of all premiums received and receivable on unexpired risks and policies running more than one year from date of policy. But on ocean marine and on inland navigation and transportation risks the unearned premium shall be found by computing 50 per cent. of the amount of premiums received and receivable on unexpired risks and policies running one year or less from date of policy, and 100 per cent. of the amount of premiums on all unterminated voyage and transit risks.

Every risk specifically rated upon schedule must be inspected and a written survey of such risk furnished the district commissioner. The anti-discrimination section follows:

"No company and no rating bureau or person engaged in making or charging rates for fire insurance shall fix or charge any rate for fire insurance upon property in the district which discriminates unfairly between risks in the application of like charges and credits, or which discriminates unfairly between risks of substantially the same hazards and territorial classification, having substantially the same degree of protection against fire."

Lloyds and Reciprocals

All associations of underwriters authorized under the title of Lloyds and their attorneys and representatives shall respectively be subjected to the same supervision by and required to make the same reports to the superintendent as are required of insurance companies and their representatives transacting similar kinds of insurance, and they shall be governed by the same laws regulating the certification of agents; they shall pay the same taxes and license fees as are required to be paid by such insurance companies and shall maintain the same reserves.

Regarding limitation of risks of individual underwriters the report provides that no one risk shall exceed one-fifth the amount of assets in the hands of the attorney and the committee and the liability assumed by the individual underwriters unless any such excess shall be promptly reinsured.

ACTIVITY IN PENNSYLVANIA

Three Successful Meetings Held By Insurance Federation—Addressed By Albert N. Wold

Three successful Pennsylvania Insurance Federation meetings were addressed this month by Albert N. Wold, secretary of the Federation.

At a meeting in Warren County on August 7th, the insurance people then subscribed $200 to the Maintenance Fund of the organization over a two year period. A similar amount was subscribed by the Crawford County agents at a meeting held at Meadville, August 9th, for Crawford County. The third meeting at Butler, Pa., was a luncheon. Butler County agents subscribed $600.

U. S. Rogers, chairman of the Warren County branch of the Insurance Federation, appointed the following committee to canvass the insurance men of the county for funds and to solicit additional members: George L. Craft, C. D. Crandall, W. F. Henry, Mayor B. G. Gregory, B. V. Lesser.

The committee in Crawford County is: Carl Bender, Lawrence B. Starr, J. Park Jackson, James G. Leslie, Arthur B. Leberman, all of Meadville.

STATE AGENCIES ATTACKED

Meeting Called in Chicago to Discuss Practices of Making Automobile Appointments

Eastern members of the state agency committee of the National Automobile Conference will meet in Chicago the latter part of September. A decided effort will be made to enforce control over state agencies. The agency situation is creating what may result in a breach between the marine and the fire companies. As has been pointed out, a number of companies, among them several marine organizations, are claimed to be appointing state agents where no such appointments should be made. It is feared that many company executives are not in sufficiently close touch with what is going on in their automobile departments and closer supervision will be asked for.

The United British has appointed White & McCurley agents of the Company at Baltimore.

AT OQUAGA LAKE, N. Y.

Many Insurance Men There on Vacation—Some Entertained by Binghampton's Mayor

At Oquaga Lake, N. Y., a number of fire insurance men and women have been spending their vacations. They include Walter Huethwohl, with Flindell & Co.; Ralph Fay, London & Lancashire; George Fay, Queen; John Gerdes, Gerdes Bros., and Miss Grace Clark, of Faulkner-Simmons Co. John J. Canning, of the Brooklyn Offce of the Continental, who returned this week, entertained Mr. and Mrs. Huethwohl on a motor trip from Oquaga Lake to Binghampton. While in Binghampton the party called upon Mayor Harry C. Walker, candidate for Lieutenant-Governor on the Democratic ticket, and later were his guests at the Country Club, Johnson City.

THE REPUBLIC FIRE

Because of delay in getting supplies into the hands of agents, the new name of the Teutonic Fire, The Republic, will not become effective until October 1st.

207th Year
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INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

WESTERN
ASSURANCE CO.
OF TORONTO, CANADA
Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918

Assets	$4,194,579.34
Surplus in United States	1,667,691.69
Total Losses Paid in United States from 1874 to 1917, inclusive	43,294,154.63

W. B. MEIKLE, President

STRENGTH INTEGRITY SERVICE
Scottish Union & National
Insurance Company
HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries
JAMES H. BREWSTER, Mgr.
Hartford, Conn.
A Broad Underwriting Service to Agents
Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.
Works in Harmony with American Agency Principles and Practices

N U
NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.
NOT HOW MANY BUT HOW GOOD
One trained Soldier is worth a dozen of the other kind. And so it is with the Fire Insurance Agent. Experience and qualifications are the factors in his success. This Company is not so particular about having a large Agency force as it is in having a good Agency force. One of the benefits of such a plant is that the Company can extend such Agents the best it has in the way of service and facilities. Not now and then but ALL the time the NATIONAL UNION will speed up the efficiency of your office. With a known capacity for extending distinctive service which is practical, constant and real the NATIONAL UNION presents attractive opportunities to experienced Agents of reliable character. Get your Agency—Now.

THE YORKSHIRE INSURANCE CO., LTD., OF YORK, ENGLAND
Established 1824
FIRE, LIGHTNING, SPRINKLER LEAKAGE, AUTOMOBILE, WAR AND EXPLOSION INSURANCE
U. S. BRANCH
FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager
No. 80 Maiden Lane, New York
New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

Tells Agents Their Business Is Menaced

LETTER OF PRESIDENT JAMES

Northwestern National Executive Recites List of Government's Insurance Activities—Warns Agents

President Alfred F. James, of the Northwestern National Fire, has mailed a letter to his agents saying the business of fire insurance is in danger and asking them to use every effort they can to combat the menace of the Government taking over the insurance business. His letter follows:

To our agents:

The business of insurance is at stake. Many of us do not yet realize it, and others have just awakened to the grave fact. Powerful forces are at work at Washington to secure governmental control of all branches of the business. Socialistic measures which smack of Prussianism have, as you are aware, been introduced in Congress, which are a serious menace to the existence of that great necessity to America's future—private insurance. Does not the following list of these activities justify this conclusion?

Governmental War Risk Insurance for Shipping.

Gans measure, prepared by Howard Gans, attorney for the Treasury Department, providing insurance for all war properties and foodstuffs (which fortunately did not reach Congress).

Proposed law to rehabilitate twenty-four enemy owned companies as American companies. **(Will not these companies be "sold to the United States" as permitted by the bill, and thus form a substantial nucleus for a fleet of Government-controlled fire insurance companies?)**

Decision not to cover merchant ships now being launched.

Introduction of bill to create a Liberty Insurance League, authorizing a Three Hundred Million Dollar Insurance Company, to carry insurance of whatever nature.

Order to railroads and railroad steamships not to renew fire insurance on their properties or cargoes.

Assumption of liability under railway mortgages protected by insurance.

Hostile attitude of Capital Issues Committee toward new private capital in insurance.

Senator Lewis' bill to extend Bureau of War Risk Insurance to include industrial workers for all classes of insurance.

Bureau of Farm Risk Insurance Bill.

Says $25,000,000 Premiums Lost

Upwards of $25,000,000 of fire and marine insurance premiums have already been withdrawn from private insurers and assumed by the Government, meaning a loss to the companies of insurance on railways, ships, cargoes, wheat in terminal elevators, etc. Further loss of insurance on telegraph and telephone properties taken over by the Government may be expected, and the end is not yet.

In view of the wholehearted, loyal support and co-operation given by insurance companies and their agents everywhere in the prosecution of this war, and the conservation and protection of our country's resources, it is difficult to understand why this great business, fittingly termed "the handmaiden for commerce," upon which all credit depends, should have been singled out for governmental competition, and it may be absorption, particularly in view of the repeated declaration of the Government to stimulate business, not to injure it, and that all business should receive a fair profit for work done, and a fair return on the capital and service involved. It is stated on good authority that several branches of the Government have negotiated directly with insurance companies, asking that the commission to local agents be cut out, and that the Government be given the insurance at less cost. We cannot conceive why our agents, performing an essential service, should be eliminated, and other lines of business allowed to make their normal profit or receive compensation on the cost-plus plan and you will endorse this position.

Present System Has Stood For Years

The present system of insurance has stood for years a mighty bulwark to enterprise, initiative and thrift, and the greatest single economic safeguard of this nation's prosperity. This business is adequate; it needs no supplement of Government indemnity,—it does need and deserve the constructive influence of its support and co-operation, not destructive encroachment, interference, shackles and suppression. We maintain that Government cannot constitutionally take over or conduct the existing system of insurance, nor deprive the states of this Union of their right to regulate, control and license insurance companies, and that such an attempt will result in the most strenuous opposition and ultimate failure. Other countries have learned by experience that no Government has or can furnish such service as that supplied by the insurance companies; nor such indemnity at as low a cost as that made possible by them, notwithstanding the ridiculous estimate emanating from Washington that Two Hundred Million Dollars will be saved annually by the Government on railroad insurance—the fact being that the entire yearly income of the companies on this classification, ignoring losses and expenses, has not exceeded Twelve Million Dollars. In the United States, this great business, classed as essential, is done by upwards of twelve hundred fire and marine companies (stock and mutual), representing approximately One Billion Dollars of assets, invested and re-invested in Government, state, municipal and other securities. These funds, not withdrawn from the support of general business, are held by the companies to safeguard the insuring public against disaster. This business gives employment to at least two hundred and fifty thousand persons, and is managed by men who, it being their lifework, may be regarded as experts in the undertaking.

Whether as individuals or as a Company, we will take second place to none in point of patriotism. In war time many things are necessary which the common good does not demand in times of peace, but we submit that insurance must be preserved, that the destruction of this system built up through a century of evolution and experience is in no sense necessary to "winning the war," that it would be manifestly unjust to private interests and contrary to public policy, and that great and ominous danger lurks unobserved in many of these "war time" measures which those committed to a paternalistic or bureaucratic system desire.

ALFRED F. JAMES, president.

"The Leading Fire Insurance Company in America"

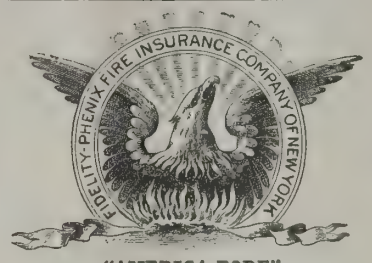


AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited



"AMERICA FORE"

What is Worth Owning is Worth Insuring

And in these days of War with all its possibilities for loss, property is more worth owning than ever. War prices make repairs and replacements more costly in case of fire.

Adequate Insurance is a necessity today.

American companies are second to none in strength, management, service and reliability. The

FIDELITY-PHENIX FIRE INSURANCE COMPANY OF NEW YORK

A STRONG, RELIABLE AMERICAN COMPANY

Cash Capital $2,500,000.00

HENRY EVANS, President

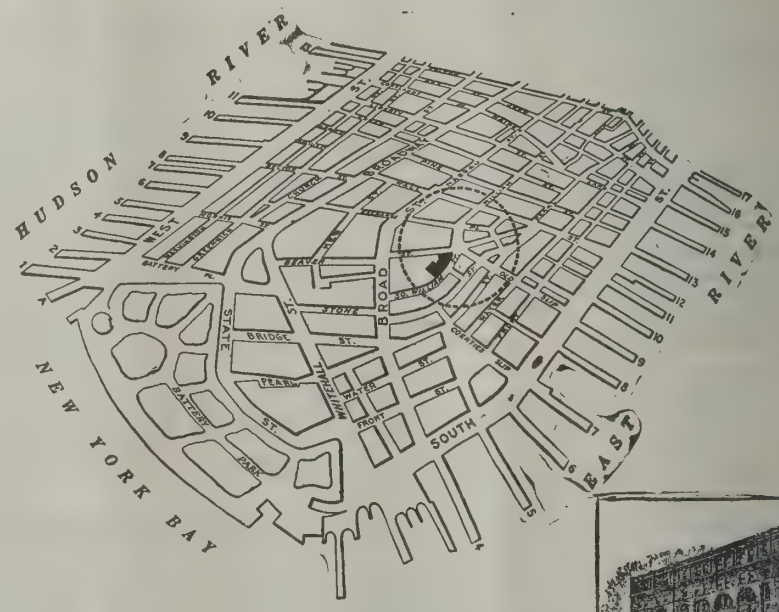
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AT

THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





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MANAGERS

Merchant Marine House — New York City

South William and Beaver Streets

Authorized Capital $500,000

Detroit National Fire Insurance Co.

DETROIT, MICHIGAN

A Company to be built gradually and along the indicated lines of permanence

AGENCY CONNECTIONS SOLICITED

BROKERS ACTIVITIES

With Naval Reserve

Having joined the Naval Reserve, James S. Bannon, placer for Bertschmann & Malory, New York, has resigned. George Denhard, formerly with William L. Perrin & Son, has taken Mr. Bannon's place.

* * *

With Block Earl & Manuel, Inc.

Block Earl & Manuel, Inc., in announcing the fact that John J. Schonenberg is now with its office says:

"We take pleasure in announcing that Mr. John J. Schonenberg has joined our staff and he will be associated with Mr. Earl in our insurance department.

"Mr. Schonenberg commenced his insurance career with Hayward & Wreaks some twenty years ago, continuing with Walker & Hughes, later with Willcox, Peck & Hughes and then with Willcox, Peck, Brown & Crosby, having resigned as of August 15th, 1918.

"There's an art in preparing, negotiating and handling insurance contracts that we understand."

* * *

Merchants and Miners' Transportation Company

Indisposition on the part of many shippers to send goods by way of the Merchants and Miners' Transportation Company, Baltimore, because that Line did not provide war-risk insurance covering U-boat activities, will probably be allayed by a new schedule, just announced by the Company, covering war risks. The insurance involved in the new tariffs will apply only at present, it is understood, to points of final and interior destination, such as, for example, from Baltimore to Atlanta. It will not apply on port-to-port shipments, as from Baltimore to Savannah. The reason of this lies in the fact that on interior shipments the railroad companies bear a part of the war risk, because they help transport the goods, but on the port-to-port shipments the steamship company alone is responsible. It is said, however, that officials of the Company now are working on a plan to smooth out this complication and that the war-risk provision will in due time be included in the port-to-port tariffs.

Increase Tobacco Insurance

At a meeting of the tobacco merchants it was decided to increase the insurance on stored tobacco in the State Tobacco Warehouse from 10 to 20 cents a hogshead. This action was taken after it was announced that because of lack of space an embargo on tobacco to be stored in the state warehouse was effective. Prices on the best grades of tobacco fell off seven cents as a result of the embargo, but it is said that the tobacco growers are not worrying over the fact that no tobacco can be shipped here until the embargo is lifted. Buyers are said to be out in the country now buying up all the tobacco they can and leaving it in the barns of the raisers. The latter, expecting higher prices shortly, are content to hold and are not even anxious to sell now, it is reported.

* * *

Watching Mercantile Floaters

In his annual report Commissioner Fishback, of Washington, says: "The Department is now gathering information relative to the methods pursued in writing what is known as 'mercantile floater' policies. A good many of such policies are written through eastern brokerage firms covering properties of large manufacturers or dealers wherever located. Such policies cannot legally be written by companies licensed in this State. If a company licensed by this department accepts such a line it must cover the Washington risks under a separate and distinct policy procured through a licensed resident agent and must not allow any brokerage commission to the non-resident brokers placing the same. Companies and their agents are both held responsible and their license to do business in the State is subject to revocation provided any part of a commission is paid to other than a resident agent or a broker licensed to do business in Washington."

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We can offer to Agents and Brokers special facilities on surplus lines
throughout the United States and Canada.

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1917	$16,153,068.57
Surplus - - - - -	4,793,978.55
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - -	1,051,543.00

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $155,000,000.00
Losses Paid in the United States
HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent
NEW YORK OFFICE
80 William Street

MARINE DEPARTMENT

Increased American Marine Insurance Facilities Imperative

The readers of our column will recollect that on many occasions we have written articles pointing out the necessity of increased marine insurance facilities to protect American shipping after the war, and that it was the duty of our Government to encourage such facilities and not to suppress the same.

We have explained what contingencies would arise, as near as human intelligence could foresee; and this article does not contain any new arguments along the lines already presented, but is occasioned by an article which appears in the best English shipping paper, "Fairplay," under date of July 25th, and in part, reprinted in this issue. The writer might add that the editor of "Fairplay" is a very learned and able writer, exceptionally well posted on all matters appertaining to world-wide shipping events, and has exceptional knowledge of marine insurance affairs, especially for one who is not actually engaged in that business.

The article in question is well written, and points out just exactly the condition of affairs which will exist after the war is over. America will be the world's competitor for the world's trade. We have always claimed that would be the case, and we now have it stated in public print by one of the best English authorities, which we must accept as final and conclusive.

After Peace

There is no doubt in our mind that after peace is declared, the keenest kind of competition will set in for the world's over-seas trade, and notwithstanding the splendid financial, shipping and man-power which we have given and furnished to our Allies, when it comes to competition for business, although it will be friendly, the same will be conducted on business lines strictly, and not on friendship basis, and it will be the survival of the fittest. Then why not prepare? It is admitted that we have the ships and the money, which no one can deny—the only one apparent weak point in the whole situation is that we have not large enough marine insurance facilities to take care of our large fleet of American vessels, and steps must be taken at once to remedy this defect, and in order to do this our marine interests must unite to build up the same, and our Government officials must recognize the importance of the same and help build up such a system, which system and facilities cannot be built up unless some of the officials change their ideas which have been recently put into effect by taking away the business which the American Companies had on their books prior to the war, by assuming marine risks on every American hull which has been commandeered, as well as considering the advisability of assuming marine risks on cargoes carried by them; also by taking fire schedules away from fire companies, which were placed by railroad companies with the fire companies prior to the Government control of the same. As far as the fire companies are concerned, they are the logical ones to look to for the up-building of the necessary marine facilities to take care of our increased marine insurance needs.

To Maintain Our Supremacy

In order to maintain our supremacy for the increased vessel property which we now have and will have after the war, we must have increased facilities to take care of the same, as capital will not invest money in vessels unless they can have insurance for the same, and if they find they are compelled to go to England for insurance and can be discriminated against by being asked to pay a higher rate for their insurance over which an English shipping firm has to pay for a similar vessel in the same trade, we will lose the material advantage which we now have and which we are entitled to have, especially as there appears to be a statement in the article under discussion that our fabricated ships are not up to the standard of English contract built vessels. We claim that every steel vessel turned out of our shipyards during the past year is as good, if not better, than any steel vessel turned out of any yard in the world. As far as wooden vessels are concerned, some of our experts do not agree as to their desirability for transatlantic trade. If they are not fit for this trade, the fact will be discovered before the war is over, and they can be confined to short coastwise voyages for which they must be serviceable.

Says Our Vessels Are of High Standard

If this idea that our vessels are not up to the standard of English built vessels continues to exist, in the event of private owners of these vessels being compelled to resort to English market for insurance, one can readily see that they will be called upon to pay a higher rate, because they are under the impression that our vessels are not well built, and in order to avoid such a contingency, should the same arise—which would surely arise, we must be prepared to see that our vessel owners receive fair play.

The writer of the article seems to take issue with his Government because vessel owners are not fairly treated, stating that the American vessel owner receives a materially higher compensation for the use of his vessel under the bare boat form of charter than an English owner receives from his Government, which is quite true, but the American owner is at a disadvantage over the English owner because he does not know on what basis he will be compensated if his boat is lost while in our Government's employ.

With these facts in mind, it will be seen that it would be to the interest of all parties engaged in shipping and marine insurance matters, as well as the entire population, to get together and work for the common interest, to see that we maintain our apparent supremacy for the over-seas trade, and as we view the matter, marine insurance is one of the most vital things which we have to provide for, inasmuch as we have the vessels and the moneyed interests to take care of the same.

OBSERVER.

"FAIR PLAY" ARTICLE

Interesting excerpts from the article in "Fair Play" mentioned in the above article follow:

So far as the military help of the United States is concerned we are only at the beginning of things. I am putting no undue weight on the effect of the counter attack on the Marne, in which her troops have gathered such laurels. The past few months have shown how astutely opportunist the German High Command can be. They may have failed in Champagne, but directly they find their efforts will be fruitless they will stop frittering away their strength. By the resistance to those efforts it not only proved how true was the American mettle and gave happy auguries for the fierce fighting months ahead of us, but also it afforded the best of omens for the years to come. If, when war ceased, we and the United States were to rush into a bitter battle of commerce it is no exaggeration to say that we should do almost as much to discount the good that Germany's defeat would bring with it as if the conflict had ended in a draw. The world will look at America and to us so to adjust the balance of trade that the basic needs of all are crushed into absolute submission. There undoubtedly will be found among the present neutral nations, not to speak of Russia and in and out of Asia, some willing to play the game.

It may be that we and America will have once more to go over the top under the peaceful drumfire of the commercial travellers. It may be that our objectives will have personal as well as international ends in view. But, whatever may happen, one thing is certain, that no dark thoughts can be harbored in the light of the memory of what she has done and is doing. And yet, in saying so, I have entirely ignored the "political" frontier posts; and it would be impossible to discuss the economic situation as between America and ourselves, if I were to hesitate about doing so at the bidding of those who, it may be, come of that rather numerous class who feel intensely irritated at reading any views which do not happen absolutely to coincide with their own. If peace were to come to-day or within a year the political situation in the United States would overshadow the whole earth, for in manhood, wealth, and productive capacity she would be far and away the

(Continued on page 18)

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

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SURPLUS $793,852.75

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Losses made PAYABLE in all parts of the world

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CASUALTY AND SURETY NEWS

Greater Need For Boiler Insurance

MUCH OLD MATERIAL IS USED

Use and Occupancy Cover Particularly Valuable—Country Being Combed for Available Boilers

How the war has upset conditions in the steam boiler insurance business is told by J. M. Rausch of the Maryland Casualty. Mr. Rausch says that the abnormal conditions brought about by the war have practically upset all former calculations, at least insofar as boiler use and occupancy is concerned. What was possible several years ago is utterly impossible at this time.

Heavy Indemnities

For example, take a case where a large line of use and occupancy insurance is asked for. Quite a number of policies have recently been written with a daily indemnity as high as five thousand dollars, and with a total limit under the policy of three hundred days. A proposition of this kind or in fact any proposition involving use and occupancy insurance is most perplexing and difficult to dispose of at this time. Several years ago it was possible to calculate within a reasonable degree of accuracy as to what could be done in the way of replacement, how long it would take to replace certain machinery, buildings, etcetera, but under the present conditions all our calculations are for nought. One might be able to locate a necessary piece of machinery to take the place of machinery which was wrecked by the explosion, only to find that it cannot be shipped on account of an embargo having been placed on shipping.

Old Boilers Being Used

Boilers and boiler materials and machinery are especially difficult to secure just at this time. The scarcity of steam boilers, for example, is so great that the entire country is being combed and every old boiler that can be found is being inspected for the purpose of putting it back into service. Factories that have been turning out certain machines are now making ammunition. An order for almost any kind of a machine today would probably take many months before delivery, so that an underwriter is altogether at sea in attempting to calculate the length of time it would take to replace a plant and put it in operation in the event of it being destroyed by a boiler explosion.

The direct property loss and personal injury coverage is, of course, not affected by these abnormal conditions to the same extent, though the cost of property replacement has increased as much as three to four hundred per cent. and even to a greater extent on certain materials.

The more important features to be considered when passing upon the application of a policy for straight boiler insurance (property damage, death and personal injury coverage) are:

First—The condition of the boiler.
Second—Care and management.
Third—Location.
Four—Moral hazard.

OPINION ON COST PLUS

While an effort is being made to obtain special rates on government work being done on the cost plus basis, the opinion is being expressed that there can be no discrimination because the law provides that rates must be based on the hazard and that there can be no discrimination among risks of like hazard.

"Snatch Theft" Losses Covered

NEW BANK BURGLARY POLICY

Safes Protected After Removal By Thieves or Robbers or Their Accomplices

The new copyright Bank Burglary and Robbery policy, to be known as the 1918 form, is now ready for use. A number of changes have been incorporated in the new policy designed to make the language clearer. There are, however, various most material improvements. A B. Ruffin, former secretary of the American Bankers Association and now New York manager for the General Accident, is author of the policy, but the copyright will be in the name of the American Bankers Association.

The principal changes in the policy follow:

All bank burglary policies heretofore have assumed liability for attacks upon the equipment of the bank only while such equipment was located in the banking rooms described in the policy. The new policy extends the coverage to the safe or safes while located in the banking rooms "or while located in any other place after removal by thieves or robbers or their accomplices."

The robbery or hold-up liability has heretofore been limited to the usual and regular office hours of the bank. The new policy provides that the insurance company shall be liable for robbery or hold-up not only during the regular office hours of the bank but "at any time while two or more officers or office employees are engaged at work in the said premises."

Dispute has arisen from time to time as to the amount of return premium due the bank on cancelled policies. In order to ensure an exact unearned return premium on all cancellations it has been provided in the new policy that all unearned premiums shall be "computed pro rata."

The liability of the insurance company for robbery has heretofore been limited to a felonious and forcible taking of property by violence inflicted upon the person or persons in the actual care and custody of the property at the time, or by putting such person or persons in fear of violence. The new policy has broadened this liability to include loss due to any "overt felonious act committed in the presence of such person or persons, and of which such person or persons were actually cognizant at the time of its occurrence." As the so-called "snatch theft" losses have never been heretofore covered except in the high-priced blanket bond or in the Lloyd's policy, it is to be expected that this change in the new policy will pay many losses of member banks covering which heretofore they have had no claim.

MAKING SHIPBUILDING RATES

A series of meetings has been held by the Compensation Bureau and the New York Rating Board relative to government contract work, especially as it relates to shipbuilding. Reports have been made by the legal, actuarial, engineering and underwriting committees. These reports are now being taken under consideration collectively and the recommendations of the committee will be then considered by the insurance department.

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause, $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000 or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And why should any man be satisfied with a policy that would do less? The cost is low.

Agents wanted in Maine, New Hampshire, Vermont, Connecticut, Pennsylvania, North Carolina, South Carolina, Tennessee, Georgia, Delaware, Maryland, Mississippi, Kansas, Missouri. An opportunity for Life Insurance Salesmen of ability. Address:

United Life and Accident Insurance Co.
Home Office, United Life Building Concord, New Hampshire

Improvement in Ohio Statement

STATE FUND REPORTS RESERVES

Method of Presenting Financial Status Still Puzzling to Many Insurance Men

Reports of the Industrial Commission of Ohio on the condition of the Ohio State Insurance Fund have always been difficult to understand. Even actuaries who are in close touch with such matters from day to day have been unable to follow those who prepare the Ohio statements in some of the most important details. Funds like that of Ohio are laws unto themselves. They can make up their statements in any way they choose. They can use terms and phrases to describe certain items of a financial statement which are unintelligible to experienced men in the business, thereby leaving in doubt what the statement is supposed to convey. The Ohio Fund can make its reports in any way it sees fit, ignoring entirely the use of the blanks prescribed for the use of all other insurance organizations. Considerable effort has been made to have the Fund report in such a way that all can understand the various items and so that just comparisons can be made with results in other states and in other types of carrier, such as mutual and stock companies.

Better This Year

The statement issued this year is rather better than its predecessors. The financial statement, as of May 15, 1918, indicates that the Fund has it seems been placed upon a capitalized value basis. In other words, that the management is setting aside reserves to bring all claims to maturity. This is shown by the fact that with assets of about $12,000,000 the Fund reports a loss reserve of $8,500,000, which amount is sufficiently large to be credible.

There is also an unearned premium reserve of $1,500,000 which makes the total reserves of the Fund $10,000,000. Assuming that the assets are of good quality, this leaves the Fund a free surplus of $2,000,000. It should be observed that there are two items in the statement of assets known respectively as "inactive account, $3,386,000" and "active account, $466,000." What these accounts represent remains a matter of mystery so far as the statement of the Fund is concerned. No such terms as these appear in the blanks on which other companies prepare their statements of condition and it seems a pity that all the work of the National Convention of Insurance Commissioners in preparing a uniform blank, the items of which are generally understood, should be ignored by a state monopoly which is supposed to do things for the people of the state even better than has been possible by the companies themselves.

Scale of Benefits

The actuary of the Ohio Fund sets forth in his report that the Ohio scale of benefits is higher than in other states and uses New York as an example. The National Workmen's Compensation Service Bureau has made a careful study of all the law differentials and has computed them for all compensation states, including Ohio. In the most recent calculations of law differentials, which take into consideration all changes in the law, the Ohio scale is to the New York scale as 1.67 is to 1.91 of the old Massachusetts law.

In the New York Manual the rates represent certain relativity of hazard. For example, the rate for a machine shop is 2.10. The rate for brass goods manufactures is likewise 2.10. In Ohio the scale rate for a machine shop is 1.25, while brass goods manufacturers are called upon to pay 62 cents. Instances of this kind are extremely numerous in the table of Ohio rates. It is at once evident that a cold comparison between Ohio and New York rates, even if all other elements were equal, is out of the question.

In addition to this the assumption which has been made by the Ohio Fund actuary, that by increasing the Ohio rates twenty per cent. they become fairly comparable with the New York rates is absurd and would still be absurd if it were correct to say that Ohio benefits are more liberal than New York benefits.

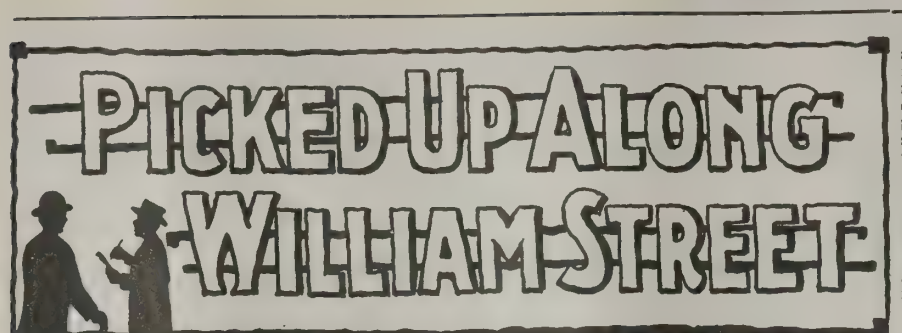
After all, in spite of the criticisms heard of the Ohio Fund's statement, it is looked upon as an improvement upon those of previous years in that it shows that the Fund is putting up a reserve. But from the manner in which the reports are made nobody knows whether the reserves put up are sufficient. Besides, the Fund's method of getting up its statements is so at variance with that in general use, that it remains difficult to tell just what is meant by various terms used.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

Among the insurance men who are prominent in the work of the War Risk Bureau in Washington, who were in New York this week, are H. A. Behrens of the Continental Casualty and Charles F. Nesbit, head of the Bureau.



Frizzell Still Missing

Lieutenant Charles F. Frizzell, Jr., is still on the list of missing and is believed to have been taken prisoner by the Germans. The hope that he is safe, although a prisoner, is borne out by the number of prisoners taken at the time he was reported to have been missed from the ranks. Since that time there have been comparatively few prisoners reported. Mr. Frizzell is son of the assistant manager of the Royal Indemnity.

Lost on Torpedoed Tanker

William T. Stillman, who lost his life with the torpedoing of the oil-tanker "Kellogg," was manager of the Providence branch of the American Surety when he enlisted in the United States Naval Reserve force in May of this year He had been with the company six years, serving first as assistant manager of the Hartford branch.

Now With Commercial

Michael Sussillo has taken a position with the Commercial Casualty as chief automobile underwriter in the automobile liability department in the New York office. He was in the claim department of the Fidelity & Casualty for 21 years.

Wilkins Offers Services

F. E. Wilkins, New York office manager for the Commercial Casualty, has offered his services to the Government and may be called at any time. Mr. Wilkins is an experienced military man. He was in the Seventh Regiment, New York, for a number of years and was also connected with the Essex Troop, the crack military organization of New Jersey.

Will There Be a B. V. D. Policy?

Speaking of frill-less disability policies one underwriter says that Henry Ford made a frill-less automobile and got away with it, making a phenomenal success by selling something that everybody wanted at the price they could afford to pay. The question is, can the disability insurance men sell a plain B. V. D. policy without lingerie trimmings that will satisfy all parties.

"Fair Play" Article on Shipbuilding

(Continued from page 16)

strongest nation in the world, and, coupled with that, is the fact that under the incentive of war she has been able to cut herself free from some of those racial incubuses which in the near past so hampered her full freedom of thoughts and movement. We dare not try to live in blissful ignorance of what the future may have in store for her; it is only by closely studying the politic-commercial situation that we can hope that we can measure our own chances against hers, and fortunately for both of us, of all the nations on earth Great Britain and America are the least prone to resent reasoned criticism, particularly if it has a business basis.

For instance, elsewhere in this number there is published a highly interesting letter written by the son of the managing director of a well-known shipping Company in this country, and dealing with the shipbuilding situation in the United States as seen by him. In the course of that letter are certain statements which in ordinary times might ruffle the feathers of those Americans who, like similar Englishmen, resent any criticism of their country, particularly if it happens to be true. But, it is a fact, that some of the boats which are being hastily fabricated with the specific object of helping us to win the war are not up to the pre-war standard of shipbuilding in this country; it is a fact that America must have much to learn. Those two facts vitally affect the post-bellum shipping situation so far as this country is concerned; but, if alluding to them were likely to lead to "political" bad relationship, then all that I can say is that the friendship of a nation possessed of so squeamish a sense of amour propre would not be worth considering. America and we will be trade rivals right enough when the time comes, and it may be that our handicap will be a heavier one than hers. If so, we shall have to carry it, that's all. What the war has done for her and for us, however, is that, just as there is not the least taint of lurking jealousy in our hearts at the success of her soldiers, so should the trade race ever go against us in the future, we shall seek for no mean excuses for our failure, but just plod on until we have relearned the trick of getting in first.

It will take some doing, and the question of the present values of British tonnage, with which I dealt last week, is very considerably involved in it. My object was to endeavor to show that the market price of £24 per ton for a new single deck steamer of 7,500 tons deadweight was not justified. Since writing those notes I have had conversation, and correspondence with many leading owners, and the general consensus of opinion is that the views expressed are entirely sound and well founded. On the other hand, naturally enough, not all the arguments which I marshaled in support of my views are accepted. For example, in one or two instances, it is held that, assuming that peace be declared on or about September next year, there will be a boom in the freight market for at least three years after its conclusion. In support of this it is urged that it will take at least three years to catch up with the demands of Europe, that by the end of September next year the British mercantile marine will show a loss on the pre-war total of over 4,000,000 tons gross, that every other European maritime nation will exhibit gaping deficiencies, and that the paper increase in American tonnage will not eventuate.

It is further pointed out what cargoes will have to be carried from a much greater distance than before the war. For instance, sugar will no longer be imported from the Continent —while the accumulated Australian wheat stocks will absorb a number of vessels, whose absence from the general market must necessarily react on the world's freight. In addition, it is asserted that, assuming our tonnage at the conclusion of hostilities to amount to 16,000,000 tons gross, a considerable bulk of it will be kept on by the Government for bringing back stores and material from the various battle areas; while, as further factors toward a boom, it is pointed out that not only will the boats taken over by the Government require many months to repair, but also that the undisclosed amount purchased by the authorities is included in the tonnage still running, and, further, that it must not be forgotten that steamers will experience unprecedented delays at both loading and discharging ports, while the demands of our Allies will be such as to prevent vessels being used in those trades which would show the best results to the shipowners.

With regard to output generally, another correspondent points out that the general opinion as to the production of new tonnage in this country and America is altogether too sanguine. In his view, it will be impossible for us, owing to the difficulties experienced in obtaining the necessary labor, to build more than a million and a half tons gross of shipping per annum during the war, and that the outturn in the United States will probably not exceed 4,000,000 tons gross next year, or only about half that foreshadowed by E. N. Hurley, the chairman of the United States Shipping Board. On the other hand, I may point out that many experts are looking forward to an output next year of at least three million tons gross in the United States; and in face of such divergent views it is wiser perhaps to keep a discreet silence, though I am quite willing to admit that a difference of five million tons is sufficient to have upset anybody's calculations as to the future of the freight market.

Turning to the other side of the shield, in another letter which I have received, an owner, in order to show what is likely to happen to the post-war boom, expresses the opinion that the Government will give up most of the shipping under requisition, and, if so, he asks, what will be the effect of 600 or 700 steamers dumped on the market in this country, either for outward cargoes, which might be unobtainable—or for fixing up homeward cargoes, which might be very difficult to secure? And yet another owner points out that, assuming that the Government by September next year owns 3,000,000 tons gross of standard vessels, such a weight of tonnage hanging over the market, and liable to be let loose upon it at any moment, would have an incalculably deterrent effect both on values and freights; and by way of remedy, he expresses the view that if the authorities acted wisely, both with regard to the owners' interests and those of the State, they would dispose of the boats by public auction as they are delivered. In his opinion, the conditions of sale might provide for the payment of a sixth of the purchase price on signing the contract, the boats to be delivered to the owners as and when the requisitioned vessels were returned, the balance to be paid in such instalments as might be arranged, with the proviso that in the event of the loss of the steamer by war or marine risks, the owner should receive back his instalment, plus 5 per cent. per annum interest. This, my correspondent urges, would cause a steady stream of boats to be placed on the market, and would not only encourage owners to bid, but, incidentally, would keep them in business and thus check the tendency to retire which unfortunately is actuating so many of them, and is largely due to the difficulty of replacing tonnage to-day at anything approaching a reasonable price.

With regard to another owner who suggests that the American boats will have a very short life, on the ground that their building and design is not up to the British standard, I rather fear that, if he is basing his views as to an after-war boom on the supposition that American built boats cannot survive beyond three or four years, he is likely to be a little disappointed. To begin with, these American fabricated boats, and our own standard type of steamer are being built for emergency purposes. It is perfectly true that in the case of both of them every British owner accustomed to building vessels to his own specification will be able to pick many holes, and other things being equal, he will doubtless refuse to purchase them under any consideration.

But not only are we working under war conditions, which render it absolutely essential that, whatever the type of vessel, it must be one of which can be produced in the minimum of time (a fact, of course, which has no bearing at all upon my correspondent's argument) but also there is no reason to doubt that the standard British boat and the American fabricated ship will not last quite sufficiently long to take advantage of any after-war boom, whether it is over in six months or six years.

It would, of course, be absurd to assume that an owner will be prepared to give the same price for a five-year-old standard or fabricated boat as he would for a boat of similar size built to his own specification. Prices will be regulated by merit and in accordance with the laws of supply and demand. But, what has to be remembered is that for the American boats of about 8,000 or 9,000 tons deadweight, the American Government is paying £40 per ton deadweight, that it realizes that after the war it will be impossible to trade these vessels at a profit, and, according to the Secretary of the United States Treasury, it is prepared to face the fact that they will be run at a loss in and for the sake of American trade. If this be so, and if the United States authorities have the fixing of the freights of these boats and are ready to meet a deficit on working, it will be a serious matter for British owners in that trade, for, obviously, they will not be able to compete successfully with what would amount to an unlimited purse.

Similarly with regard to the Commonwealth Government, if, with the aid of the swollen fleet of steamers which it hopes to possess at the end of the war, it can control Australian freights to Europe, which might mean so reducing them as to encourage owners to go into other trades where possible, it is not easy to take a hopeful view of the future of shipping as a business proposition pure and simple.

Sir Alfred Booth, at the annual meeting of the Cunard Steamship Company last week, put the matter in a nutshell when he stated that, were it not that "another factor—sentiment, patriotism, what you will—comes into play," and that if the shareholders of the Company had nothing but their own pockets to think of, it was difficult to see what inducement there would be to keep the business alive. Their boats were, he said, being steadily sent to the bottom, they were not allowed to build new ones; ships of types suitable for their trades were not being produced anywhere; there was the tendency to maintain Government control after the war, with all its deadening effect on enterprise; there was labor unrest.

Again, at the annual meeting of the Royal Mail Steam Packet Company in June, Sir Owen Philipps gave it as his opinion that though high freights might rule for a time after the war, he saw no grounds to warrant the belief held in some quarters that the conclusion of peace would be followed by many years of prosperity for British shipping. He added, however, that "no doubt a certain amount of Government control over shipping may be necessary for a very brief period in order to ensure essential supplies, but it is very much to be hoped that, as foreshadowed recently by Dr. Addison, the Minister of Reconstruction, this Government control may be relaxed at the earliest possible moment after the conclusion of peace." And he urged that the Government should seriously consider whether they should take advantage of the present high prices of vessels to sell some or all of the standard boats they have recently built, or which are in course of construction, to British shipowners, in order that they may make good in some measure the gaps which war losses have caused in their fleets. * * *

The United States Government endeavors to deal with the shipowners fairly, and not to penalize them in order that others may have the benefit. For instance, in fixing the "bare boat" rate for requisitioned ships, the Shipping Board took the value of a cargo steamer at the current market price—namely, £35 per ton deadweight—and, as a measure of "just compensation," allowed 10 per cent. for depreciation, 6 per cent., interest, and 9 per cent. profit, equal to $3.65, or 14s. 6d., per ton deadweight (against 3s. 6d. per ton gross in this country), and, to cover the marine insurance, 50 cents per ton were added. On the 23rd of May, however, the Shipping Board announced that these extra 50 cents would be deducted as from the 1st of June, the new rate being, $3.65 per deadweight ton for cargo ships (including tankers) under eleven knots speed, with an addition of 50 cents per ton for every knot or part of a knot over eleven knots; and that for passenger steamers the new rate would be $5.25 per gross ton for ships under eleven knots speed, with an addition of 50 cents per gross ton for every knot or part of a knot over eleven knots. The American Steamship Association immediately protested against the proposed reduction, and pointed out that the additional 50 cents were added for overhead charges, etc. As a result of the conference, it was decided that a committee of steamship men should go over the agreement carefully and point out concrete errors.

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

SEMI-ANNUAL STATEMENT JUNE 30, 1918

Assets	$15,684,739.43
Liabilities	12,471,369.12
Capital	1,000,000.00
Surplus over all liabilities	2,213,370.31
Losses paid to June 30, 1918	63,244,803.06

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation—Steam Boiler Insurance; Fly-Wheel Insurance.

BUSINESS=BUILDERS

DEVELOPING

Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE

APPRECIATE THE CO-OPERATION OF THE

Massachusetts Bonding and Insurance Company

BOSTON T. J. FALVEY, President

Paid-In Capital $1,500,000 Write For Territory

CASUALTY AND SURETY POINTERS

Why Premiums Are High

At times the agent finds a prospect for automobile insurance who agrees that this protection is much needed by every motor-car owner but is inclined to believe that the price asked, the premium charged, is a bit high.

Now the price asked for automobile accidents is so very much higher than the price asked for automobile insurance that the recital of a few claims paid by any company in the business will give the most sceptical prospect something to think about seriously—with the result that if the agent helps him tactfully in this thinking, he will soon see his real need for full motor-car protection and will order a policy.

* * *

Affiliations Which Help the Surety Man

That having inside information is one of the strongest assets of the surety bond salesman, is well illustrated by the Maryland Casualty, which says:

Surety bonds, more than any other form of insurance or indemnity, seem to go to those agents who combine a competent and convincing knowledge of the business with an untiring alertness to the "politics" that invariably enter into any considerable undertaking of the sort for which bonds are required. One of the western papers, in surveying the surety situation in its home town, commented upon the fact that almost all the notably successful surety agents in that city had developed such a close affiliation with influential interests that they were always given advance information which enabled them to settle big surety propositions before most of their competitors knew that anything was even contemplated. For instance, the agent who handled most of the good court bonds didn't spend much time in the courts; he had a man watching the courts, of course, but his own time was largely spent in cultivating the friendship of the best class of attorneys. And the agent who wrote most of the big contract bonds, himself a contractor in earlier years, had always maintained very close relations with other contractors and knew months in advance when any large undertaking was being planned.

It is this inside information, which can only be obtained by an agent who has patiently and thoroughly won the confidence of influential men, that determines the placing of the surety bonds that carry the big premiums. It is not easy to create such a relationship; it requires an alert, persistent tactfulness joined with the ability to render convincing service. But nothing that pays well is easy; and business connections of this character do pay an able surety agent remarkably well.

* * *

Building Large Plate Glass Business

That it is possible to build up a large and profitable plate glass insurance business is shown by the achievement of Black, Rogers & Company, New Orleans. In 1915 the premiums were $6,400; 1916, $6,770; 1917, $8,470; first six months of 1918, $5,014.

* * *

Getting a Picture of One's Self

There is only one standard by which you are able to accurately measure your success, and that is the standard by which you JUDGE yourself.

You ARE what you decide that you are GOING to be.

Success is a process—of thinking, deciding, and DOING.

Most of the failures of this world are made up from those who misjudged their own ability. And most of the successes are made up from those who most nearly understood their own capacity and who went ahead and proved it.

There are 10 times—and more—things that are possible, than are impossible. In fact, few things are impossible.

As you pass the days with yourself, what do you think of yourself? Do you look upon yourself as a limited personage? That is, one who is able alone to work within certain limits?

Did you ever hear of a forceful character who put a fence around his view?

A big man must always have a world to look across. And inasmuch as the world remains about the same in size from year to year, the same chance remains for every man to measure his abilities with those of the best.

Some time today (the sooner the better) ask yourself what you think of yourself. Perhaps it will wake you up. For there are many in this world that are dead asleep.

And maybe YOU are "walking in your sleep."—George Matthew Adams, in the Standard "Bulletin."

* * *

Value of Salvage to Company

A one hundred dollar salvage item means more to the company than a one hundred dollar premium, says the Fidelity & Deposit. Every dollar of salvage turned in by an agent on losses suffered on business written by him is a dividend paying dollar for the company and a loss ratio reducing dollar for his agency. The value of an agency to a company is determined as much by a low loss ratio as by the volume of business written. Close attention to the collection of salvage is bound to result in a reduction of the loss ratio of an agency. Both the agent and the company, therefore, benefit from their efforts in this direction. The Fidelity & Deposit maintains a special salvage department.

* * *

Finds Collection Systems Profitable

Frank Mead, manager at St. Louis, for the Aetna Life, says that the wonderful collection results obtained by the Aetna companies speak volumes for the well organized and systematic campaigns conducted by the collection department.

It is Mr. Mead's opinion the desired results are obtained through education, and the campaigns conducted have enabled him to point out to his agents and brokers the necessity of prompt collections in order to make their business desirable.

The cost of transacting business in this day and age has reached a point where it makes it unprofitable to handle the business of an agent or broker who does not remit promptly. I am happy to report, says Mr. Mead, that the Aetna-izers in this territory are up-to-date business men and watch their collections closely, realizing that the prompt payment of premiums is just as essential as the prompt payment of claims for the successful conduct of our business.

* * *

Preparing For Fall Elections

The Fall elections of the current year bring up a wealth of opportunity for the surety agent. To turn this opportunity into cash, however, and to fully realize its benefits the agent must be on the job early. The successful agent is never on the outside looking in. The winning position is on the inside, says the Fidelity "Journal," standing close to the elected or appointed official with the promise to write the bond when it is required. It is foolish to postpone the soliciting of public official bonds until after the election. The earlier you get into this political race the better. The agent whose campaign is in full swing with the ending of the primary elections stands the best chance of getting the bonds when they are to be filed. Your campaign should precede the primary elections and bear in mind that political prestige still plays an important role in this game. Theoretically all public officials are nominated and elected by the people, but we all know that "the powers that be" have a strong hand in the result. The agent should try to put himself in a position of preference and he should seek the acquaintance of the chairman and secretary of the various political committees. He should also seek entree with the influential members of both political parties.

Seventy-eight per cent. of the men employed by the National Workmen's Compensation Service Bureau are giving all or a portion of their time to the government, helping to win the war.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE CHICAGO

F. W. LAWSON General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS Resident Manager 55 JOHN STREET New York

Elmer A. Lord & Co. 145 Milk St., Boston Resident Managers New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

W. F. MURPHY & CO., Inc.

RESIDENT MANAGERS

Chicago Bonding & Insurance Company

FOR NORTHERN NEW JERSEY

ATTRACTIVE AUTOMOBILE RATES.

Union Trust Co. Bldg., JERSEY CITY

Telephone Montgomery 3283

FARRISH'S CHOP HOUSE

Cor. John & William Streets

THE PLACE in the Insurance District to eat lobsters

NOW IN SEASON

Whole cold lobster 75c.

Whole broiled lobster 85c.

The Employers' Liability Assurance Corporation, Ltd.

The original and leading Liability Insurance Company in the World

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE

United States Branch

SAMUEL APPLETON, United States Mgr.

Employers' Liability Building

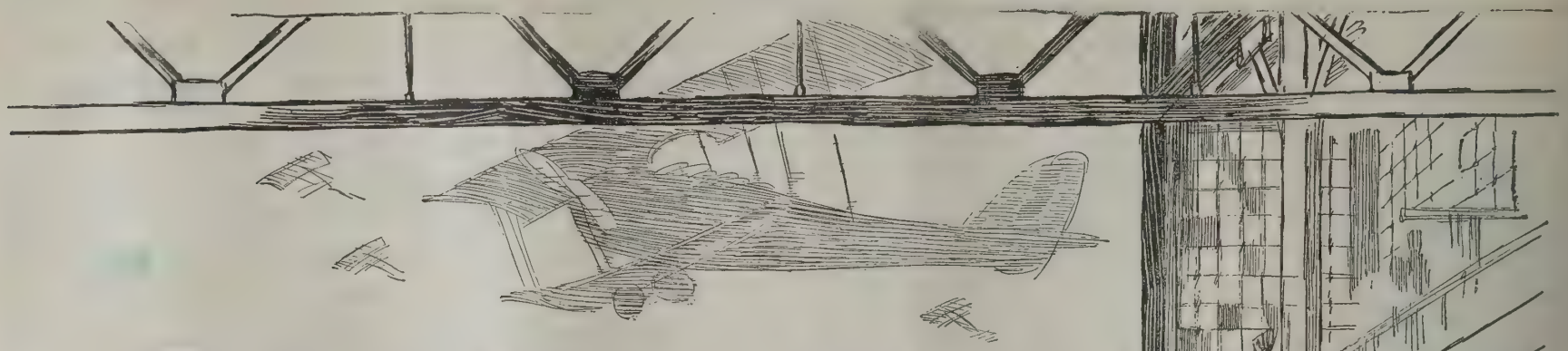
33 BROAD STREET, BOSTON, MASS.

AGENTS WANTED

WANT MOTOR MECHANICS

Motor mechanics from all sections of the United States are gathering in New York in response to the drive being made by the Motor Transport Division of the Y. M. C. A. for 500 machinists and truck drivers for important work in France. The men are over the draft age and they have been inspired by patriotic motives to take up the "Y" work, all of them making more or less financial sacrifices in enlisting.

Full details about the work may be obtained by getting in touch with the nearest Y. M. C. A. secretary or by writing E. M. Willis, Motor Transport Division, 347 Madison Avenue, New York.



The Right Men in the Right Jobs Will Win The War

THE true American wants to work where he will help win the war. He wants to fit in. America needs the Right Men in the Right Jobs. Only when this comes about can maximum production be obtained to support our armies at the front.

The needs of all war industries can be anticipated and met by the Government if employers and laborers will avail themselves solely of the nation-wide machinery which is at hand. The length of the War depends directly on our Country's ability to supply all War Industry with the best workers the country can produce the moment they are needed.

The U. S. Employment Service is the official bureau of the Federal Government in charge of the distribution of labor. The President has declared that it is the official agency for recruiting and distributing unskilled labor for war work.

PRESIDENT'S STATEMENT

"Industry plays as essential and honorable a role in this great struggle as do our military armaments. We all recognize the truth of this, but we must also see its necessary implications—namely, that industry, doing a vital task for the Nation, must receive the support and assistance of the Nation."

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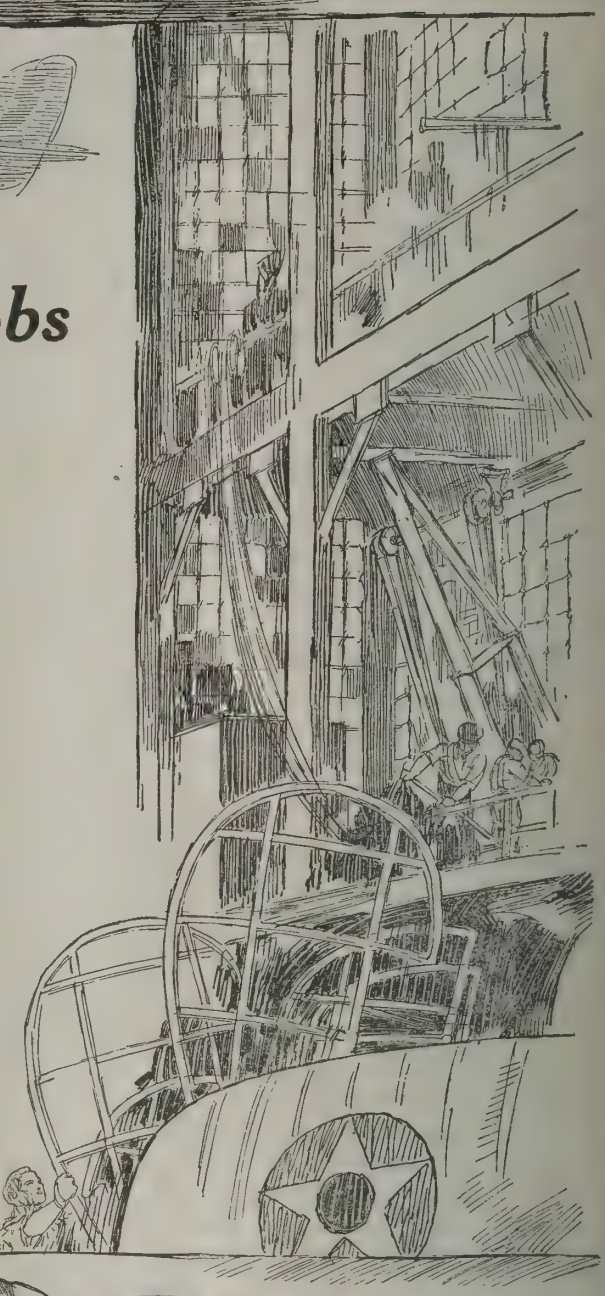
"Therefore, I solemnly urge all employers engaged in war work to refrain after August 1st, 1918, from recruiting unskilled labor in any manner except through this central agency [the U. S. Employment Service]. I urge labor to respond as loyally as heretofore to any calls issued by this agency for voluntary enlistment in essential industry. And I ask them both alike to remember that no sacrifice will have been in vain, if we are able to prove beyond all question that the highest and best form of efficiency is the spontaneous co-operation of a free people."

WOODROW WILSON.

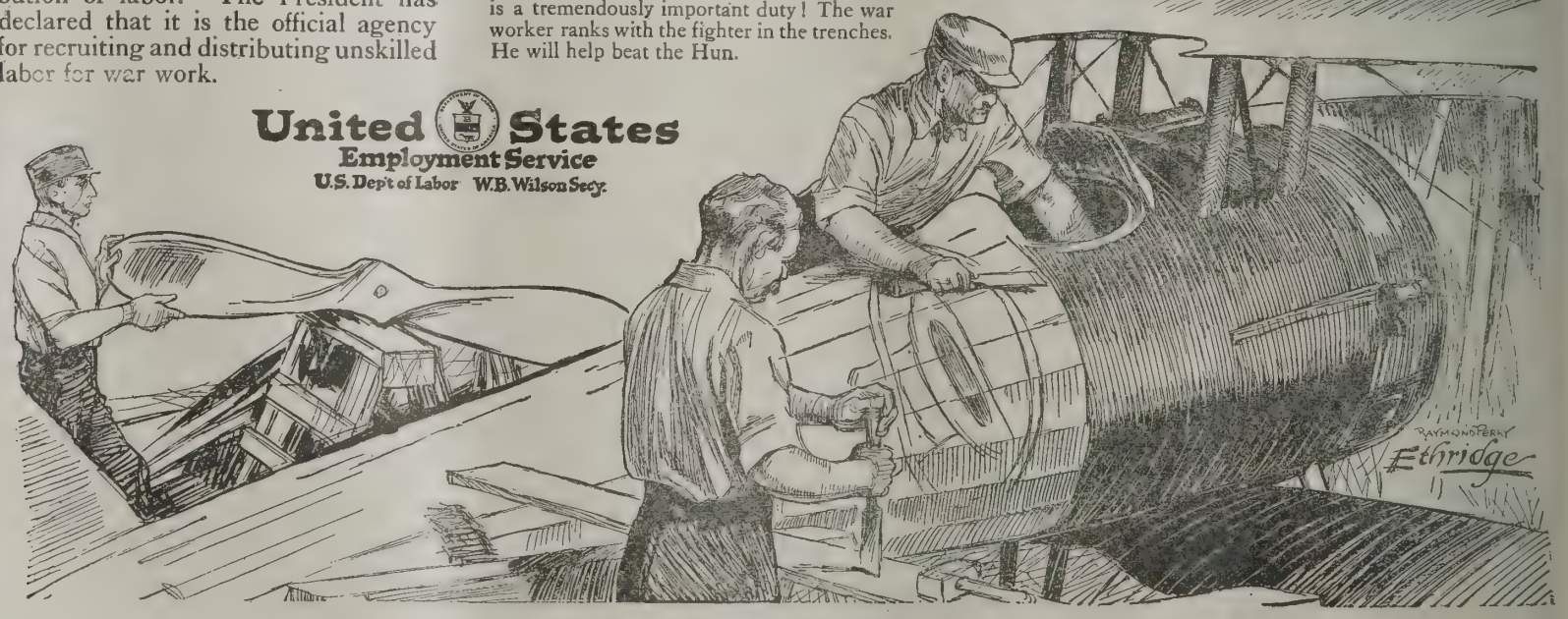
It has over 500 branches throughout the nation, and 20,000 U. S. Public Service Reserve enrollment agents. Ask the local post office or newspaper for name and address of the nearest representative, or write to the U. S. Employment Service, Washington, D. C.

Those employers in war work who seek to get labor through their own or private recruiting agencies are interfering with the Government's machinery and preferring their interests to those of the nation. Only through strict compliance with the Government's program can the constant, restless shifting of labor from one war job to another, with the consequent diminution in production and efficiency, be prevented.

Above all, the Government urges every man engaged in war work to stick to his job until the Government recommends that he change. Any man not engaged in war work should put himself at the disposal of the nation by registering with the Public Service Reserve. This is a tremendously important duty! The war worker ranks with the fighter in the trenches. He will help beat the Hun.



United States Employment Service
U.S. Dept of Labor W.B. Wilson Secy.



Contributed through Division of Advertising, United States Gov't Comm. on Public Information

This space contributed for the Winning of the War by

THE EASTERN UNDERWRITER, 105 William St., New York City

THE EASTERN UNDERWRITER

IN TWO PARTS

[SUCCEEDING THE JOURNAL OF INSURANCE ECONOMICS, ESTABLISHED IN 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

PART ONE

Nineteenth Year; No. 35 | NEW YORK, FRIDAY, AUGUST 30, 1918 | $3.00 a Year; 25c. per Copy

BIG EXPLOSION LINE PLACED BY CALDWELL

Botany Worsted Mills of Passaic Now Handled by Enemy Bureau "Insurance Surveyor"

HAS NO GOVERNMENT STATUS

Former Washington Local Agent is Licensed as Broker and Operates Only as Such

Brokers and agents throughout the country were interested this week to learn of the placing by Dean Caldwell, who has been designated insurance surveyor of property in which the Alien Property Custodian has an interest, of $10,000,000 of explosion insurance covering the Botany Worsted Mills, of Passaic, N. J., as indicating how Mr. Caldwell proposes to operate. The business of the Botany Worsted Mills has been controlled by Benedict & Benedict since the factory was built.

Caldwell a Licensed Broker

Following interviews and correspondence with Mr. Caldwell, it is the opinion of New York men that this step was taken by the Alien Property Custodian to fix on one man the responsibility of handling the insurance on all properties controlled by his office and and Mr. Caldwell, who was formerly a local agent at Washington, D. C., has further enhanced this view by stating that he is licensed as a broker in New York and New Jersey and is handling the insurance of the Botany Mills only in this capacity.

Mr. Caldwell has also stated that he has no official "status" with any Government departments or bureaus.

New York brokers are also reassured by the fact that, in the instance of the Botany Mills, the business was handled in the usual way by placing the business with the New York brokerage offices of the companies to be sent by them to their local agents for the writing of the policies. If the insurance business of the Alien Property Custodian's office is all handled in this manner, local men say that there will be no dissatisfaction.

Mr. Caldwell's relation to the Alien Property Custodian is described in a letter coming from J. T. Horner, Director of Bureau of Trusts, Alien Property Custodian's office, and in part follows:

Alien Property Custodian,
Sixteenth and P Streets, N. W.
Washington, D.C.

Dear sir:—In order to determine whether additional insurance is necessary for the proper protection of the properties in which the Alien Property Custodian has a substantial inter-

(Continued on page 15.)

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager
UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

THE GAUVIN AGENCY

DO NOT FAVOR WIRING CONGRESS

Leading Insurance Associations Think Telegraph Propaganda Puts Insurance in a Wrong Light

UNDERWRITERS AID UNCLE SAM

Haley Fiske Instructs Metropolitan Life's Superintendents to Keep Out of Agitation

A careful canvass of the different associations of insurance men and insurance companies made by The Eastern Underwriter does not disclose one association entirely sympathetic with an agitation to wire United States Senators and Congressmen asking them to protect the business of insurance from Governmental socialistic inroads. Furthermore, the statement can be made that, in the opinion of leaders of these associations, agents who send such wires are doing the business of insurance more harm than they are doing it good.

Executive Committees Unsympathetic

As is known a number of agents (fire, casualty and some life), have sent such wires to members of Congress, having been requested so to do by a newspaper. The executive committees of the National Association of Life Underwriters, the Association of Life Insurance Presidents, the National Board of Fire Underwriters, the American Life Convention, the National Association of Insurance Agents and the National Council of Insurance Federations have not asked that such wires be sent. In fact, with most leaders of insurance the campaign is distinctly unpopular as it conveys an erroneous impression of antagonism towards Washington statesmen on the part of insurance, whereas the real attitude of insurance is to extend every aid to the Government in helping these statesmen meet the grave and important problems confronting them.

There is not a week goes by that some prominent men in insurance do not join the Administration and in Washington at the present time there are several dozen insurance men who were leaders in underwriting and other divisions of insurance.

Haley Fiske's Letter

A letter written by Haley Fiske, vice-president of the Metropolitan Life, to superintendents of that Company, gives an insight into how most of the life insurance men regard the propaganda:

(Continued on page 4.)

THE GAUVIN AGENCY

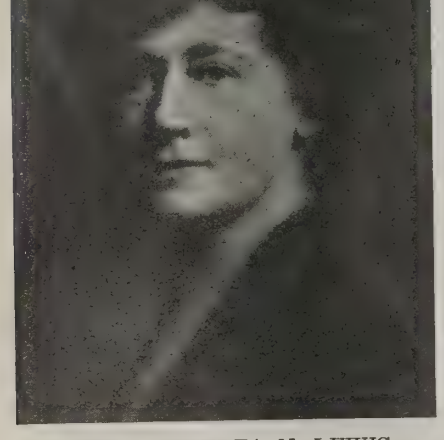
LIFE INSURANCE OPPORTUNITIES FOR WOMEN

By ROBERTA N. LEWIS, Equitable Life Assurance Society, San Francisco.

The war which has raged for four years has, in an indirect way, helped to spell economic freedom for womankind. It has opened the way to woman's activities in many heretofore untried lines of endeavor.

In the munition factories of France and England and, indeed, in many American establishments, will be found women, young and old, doing the work which theretofore had been men's exclusive prerogative. Not only in the factories are they busily engaged but in the tram-cars of London and autobuses of Paris and report is that their work is well done.

The stirring and trying time of war



MRS. ROBERTA N. LEWIS

has demonstrated that the fair sex is a power to be reckoned with and to be depended upon in the great emergencies.

In the United States, with our comparatively recent entry into the great conflict, the necessity for women to take the places of men has never been so great as the present day, when multitudes of our most active young men are being called to the front to offer their lives in defense of Democracy. The Women's Service Association was organized principally to train wives and sisters of enlisted men to become self-supporting at light tasks during the men's absence in their country's service.

Gradually, but surely, our entire population is coming to realize the momentous position we occupy in the great world conflict which is withdrawing so many thousands of our men from their business, professional and financial vocations, their places being filled in many cases by women who, even in the short time which has elapsed since their entry into active manufacturing business and professional pursuits have clearly and cleverly demonstrated their eminent fitness for the new roles they are called upon to represent.

Entering a Profession

There are many opportunities for women to get out of the beaten path and away from the more or less mediocre positions, by taking up some of the professions—one of these is life insurance. The placing of life insurance is a profession. The success of many of our American women demonstrates that it is a mighty good profession for a woman to follow, e. g., one great New York insurance company has had for many years its women's departments presided over by women managers whose active women representatives have demonstrated the field to be a most congenial and profitable one; in fact, far more so, as a whole, than can be claimed by the legal, medical, scientific or educational lines. Nor must it be understood that the woman agent is expected to devote her time to work among women exclusively. The most successful all round woman agent carries the gospel of insurance to those needing its benefits (and this means practically everybody) regardless of sex.

In my own little agency (comprising five women) by the Golden Gate my most successful agent who annually qualifies for the Century Club with premiums amounting from five to seven thousands per year, secures about two-thirds of her business from business and professional men. Where else, may I ask, can the average woman secure an income of several thousand dollars per year, even by the exertion of her utmost energy, to say nothing of the additional income which she will derive in future years from her renewals on this business? Nor is the insurance profession beyond the reach of even the average woman, as any one with ordinary intelligence possessing determination, ambition and willingness to work can make a great success in this wonderful calling.

Profit in Large Degree

Of course, a great many women will fail to succeed in this line of work, for that matter a great many men fail to achieve success, but such people would make failures in any undertaking. My point is, simply that the woman possessing the requisite qualifications and habits to succeed in any other line will find pleasure and profit to a superlative degree if her best efforts are devoted to the profession of life insurance.

It is not necessary for a woman to forego the refinement of femininity and self-respect. In fact, the more womanly the woman the better agent she will make.

Cultivating Policyholders

Given the capable woman, her principal asset will naturally be obtaining and retaining a good list of prospects to be developed later into policyholders—and to accomplish this to the greatest degree is to make a friend of every prospect and policyholder—which like a stone cast into the sea will create an increasing and boundless circle. My own limited success I attribute chiefly to constant cultivation of my prospects and policyholders by calling upon them at reasonable intervals to offer my services and to obtain additional names of their friends and acquaintances who might be interested in our line. The greatest mistake, in my opinion, is to apparently forget the policyholder as soon as you have secured his application.

With apologies in advance, I will give an illustration of one of my personal experiences in this regard, which, however, I am frank to say, is my most notable one. About four years ago I met a man for the first time and succeeded in writing his application for $20,000. The prospect already carried five thousand with another company and it was not a very difficult proposition to convince him that he should carry $25,000. I followed up this case continuously and consistently, writing him at various times for additional policies, until now I am happy to say he is carrying $185,000 with us and I expect shortly to write him for the final $15,000 which will give him $200,000, the limit in our company on a single life—nor is this all, as I have in addition written and delivered insurance on persons introduced by this policyholder in excess of $100,000. Tell me, pray, is there any other business or profession in the world offering a woman such wonderful and profitable opportunities?

My formula for achieving success in our work is—courage, industry and ambition coupled with loyalty to your company and pride n your profession.

WANTED

Assistant to General Agent in New York City of large Life Insurance Company.

His work will consist of agency building. He will help and inspire present agents, procure and develop new ones.

Advancement assured and remuneration commensurate with results.

State full particulars. Address

"New York General Agent"

c/o The Eastern Underwriter, 105 William Street, New York, N. Y.

EQUITABLE

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE

EQUITABLE

THE 15-PAYMENT LIFE

The Omaha agency of the Mutual Life has been making some use of the 15-Payment Life policy. The general agent of the Company writes the Home Office: "We find that men between forty and fifty-five, especially those who have policies either paid-up or approaching that point, are much more easily interested in the 15-Payment Life than the 20; and this contract generally strikes them as a new thing."

FROM BUFFALO

Buffalo representatives of the New England Mutual Life now with the A. E. F. follow:

Adrian W. Ely, Y. M. C. A.

B. M. Gavin, Bandsman, Infantry Regt.

Don R. Hinkley, 1st Sergeant, Headquarters Troop, 78th Division.

NEW GENERAL AGENT

The State Mutual Life has just opened an agency in western Michigan with headquarters in Grand Rapids, and has appointed Carl A. Peterson general agent there. Mr. Peterson will assume his new duties about the twenty-sixth of this month.

Harold H. Storrs, of the Travelers and Mrs. Storrs have returned from Sag Harbor and Southampton, Long Island, where they spent their vacation.

Metropolitan Life Writes K. of C. Group

COVERS PERSONS GOING ABROAD

President Priddy, of National Association, Says for Agents to Solicit Risk Would Be Time Wasted

President Priddy, of the National Association of Life Uunderwriters, on Saturday mailed the following statement to the insurance newspapers:

In the August edition of "Life Association News" I published a statement to the effect that persons going for overseas duty for Knights of Columbus could buy life insurance in their home towns, and the premiums would be paid by the War Work Council. I was authorized to publish that statement at the time it was made, but since the publication of that statement the Knights of Columbus have arranged for a group insurance policy to take care of persons going abroad for them, and for that reasons agents generally are warned that it will be a waste of time and effort for them to attempt to place this insurance along the lines outlined in my published statement.

Upon inquiry The Eastern Underwriter learns that the Company writing the K. of C. group is the Metropolitan Life. The insurance manager of the K. of C. is Edward L. Hearn, former president of the Casualty Company of America, a man who was very popular in the insurance business.

WRITES $7,000,000 GROUP

Metropolitan Insures Philadelphia Rapid Transit Company—Policy May Reach $10,000,000

A policy for $7,000,000 to protect employes under its new co-operative plan was obtained this week by the board of directors of the Philadelphia Rapid Transit Company, from the Metropolitan Life.

Continuance of men now in the service of the company for one year will bring the total amount of the policy up to $10,000,000 within that time, it was announced. About 7,000 of the 10,000 men employed by the P. R. T. are eligible for the insurance.

The plan will give each employe who has been with the company one year a $1,000 policy for a payment of $1 per month. In addition, there will be sick benefits of $1.50 per day and $40 per month pension, payable under the terms of the co-operative plan. The new insurance will also be in addition to money received through the workmen's compensation act.

The insurance is obtained through the payments of $1 per month to be made by the men, plus an annual payment of $120,000 to be made by the company.

WHAT WILL SATISFY WORKMEN?

John B. Andrews, secretary of the American Association for Labor Legislation, concluded an article on "National Effectiveness and Health Insurance," in the Annals of the American Academy of Political and Social Science as follows:

"While we make ready for the birth of a new day, in what our President has called this 'exigency of a great hour of crisis,' we will do well to remember that the workmen when they return from the trenches will demand sincere action, and that it is well for our national health and national efficiency that 'they will not be satisfied with flowers or brass bands.'"

A Y. M. C. A. GROUP

Issued By Equitable With Same Syndicate Participation of Ten Companies—Travelers Disability Benefits

The Young Men's Christian Association has arranged for a group insurance policy covering men seeing service overseas. All the details have not yet been decided, as there is consideration being given of both $1,000 and $3,000 amounts. The amount of the insurance will be determined soon. The companies' end of the transaction was handled by an actuarial committee, the committee chairman being William A. Hutcheson, vice-president and actuary of the Mutual Life. Mr. Hutcheson's work in the transaction has been favorably commented upon by the companies.

The policy will be issued by the Equitable Life Assurance Society on the same basis of syndicate participation, (ten companies) as in the Red Cross policy, which was issued by the Metropolitan, the same companies participating. As in the Red Cross policy the disability benefits will be furnished by the Travelers.

AT BATTLE OF THE MARNE

After an investigation the Metropolitan Life has ascertained that at least ten representatives of that Company were in the Battle of the Marne in the Twenty-Seventh Division, which distinguished itself so nobly.

War Clauses And Draft Extension

NO CHANGES DECIDED UPON YET

Some Maximum Amounts May Be Altered—What Some of the Companies Say

The Eastern Underwriter this week asked a number of life companies if they contemplated any change in their war clauses because of the extension of the draft ages. Some replies received up to the time of going to press follow:

Penn Mutual Life: We have not made any change in our war clauses on account of the probable extension of the draft ages, and after the bill has been enacted we have no intention of changing our war clauses. It is quite possible that there may be some change in the Company's rules as to the amounts which we will accept, and as at present of course, such amounts will depend to a great extent on the class in which the applicant may have been put.

Provident Life & Trust: We contemplate no change in the terms of our war clauses because of the extension of the draft ages. Any change that might be made would occur in the amounts of insurance that we would accept from the different classes under the extra premium war rider. Such change, however, cannot be determined upon until we know the classification that will be adopted by the Provost Marshal General's office in connection with the new ages.

Home Life of New York: We have not considered the question of modifying our rules because of the extension of the draft ages. Probably the matter will come up at an early date. Meantime the officers who pass upon individual cases will doubtless exercise their discretionary power.

Mutual Benefit: The Company's rules regarding war clauses applicable to men of the present draft ages will be extended to the new draft ages.

Manhattan Life: No changes have been made as yet in our war clause because of the extension of the draft.

United States Life: This Company has in preparation a new war clause, a copy of which we will send you when approved by the Insurance Department. The new clause is not the result of the extension of the draft ages, but has been in contemplation for some time.

Mutual Life: Our regular war clause applies to all policies without regard to age and the fact that the draft age was extended, would not necessarily make any changes. Consequently, a change in the draft age would not of itself involve any change in our clause.

MEET IN SPRINGFIELD

Twenty-Seventh Annual Convention of Massachusetts Mutual Life Agents' Association Being Held

The Massachusetts Mutual Life Agents' Association's twenty-seventh annual convention is now in session in Springfield. The program follows:

Opening address, Warren C. Flynn, president of the Agents' Association.

Address of welcome, William W. McClench, president of the Company.

Suggestions to managers, Alexander Cowen, R. Lester Dodson, Laurence E. Simon. "Working in Rural Territory," Nolan V. Bratton; "The Average Agent," John Shambeau; "What are the Prospects for the Young Life Insurance Salesman?" Julian R. Cross; "Taking the Sting Out of the B in Beginner," Mary E. Warren; "Protection," Sara Lewinson; "We Serve," Marie H. Roberts; "Some Thoughts on Life Insurance," Charles H. Angell, actuary of the Company.

FORREST DRYDEN RECOVERING

President of The Prudential Went To Hospital for Minor Operation—Will Be Out Soon

Forrest Dryden, president of The Prudential Insurance Company, is recovering in the Memorial Hospital, Morristown, N. J., from an operation performed on Friday last.

It was said at the hospital tonight that Mr. Dryden was resting comfortably and his rapid recovery was predicted, although he will probably remain at the hospital two weeks.

Mr. Dryden was spending a few days at Spring Lake, and after an ocean bath he noticed an irritation in his head, as though something had entered through one of his nostrils or ears while he was in the surf. The trouble became painful, and on Friday last Mr. Dryden accepted the advice of his physicians and came here for the operation.

PENNSYLVANIA FEDERATION

The wide-awake Insurance Federation of Pennsylvania has begun the issuance of a publication, called "The Federation Bulletin," which will be a monthly organization and educational feature. The first number sets a high pace for the others to follow.

NO OPERA HOUSE SESSION

There will be no gathering of life insurance men next week at the Metropolitan Opera House. All meetings will be held in the Hotel Astor.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Complications of Enemy Alien Act

A MICHIGAN AGENT'S PROBLEM

Court Declines to Determine Legal Heirs Until Death of Wife of Insured

Some of the complications which grow out of the alien enemy act, and which are giving insurance agents concern, are illustrated in some correspondence between J. M. Merrill, an insurance agent in Marshall, Mich., and "The Indicator," a Detroit newspaper. Mr. Merrill sent the following letter to the newspaper:

"I have two policies that come under that act, and I immediately wrote them, asking what I should do. One of them wrote back saying: 'Cancel the policy.' I notified the administrator, and he came to my office and 'kicked,' as the majority of the beneficiaries are American citizens, and as the representative of the estate he wanted protection for them. Then I wrote the Alien Property Custodian at Washington, D. C., and received a letter from F. J. Horne, Director Bureau of Trusts, asking names of heirs of Gottlieb Kast, testator, and their relationship to him, names of companies issuing the insurance, address of probate court, amount of property in estate, and names and address of executors. This I answered stating that the probate court of this county had not as yet determined who are the heirs to this estate. The probate judge is Hon. Wm. H. Porter, Marshall, Mich. Carl Maser is the administrator, Marshall, Mich. I have not heard from them further, but will ask you what shall I do to keep the companies out of danger?"

"The Indicator" made this reply:

"We advised Mr. Merrill to have the policies canceled at once, as the companies requested, and then to have the probate court determine without delay just who their heirs are, after which the insurance can be re-written. As it stands now the property is that of an enemy alien, and liable to seizure by the government if the status of the heirs is not determined upon without delay, and the estate divided among the American heirs. If the heirs are found to be enemy aliens then in all probability the government will take it over and sell it."

Court Declined To Determine Legal Heirs Prematurely

Agent Merrill followed the editor's suggestion, and wrote the result to the editor:

"The will in this case reads: 'To my wife, the use of all my property as long as she shall live, and at her death the balance to be divided between my brothers and sisters.' The probate court declines to determine who are the legal heirs until the death of the wife. One sister is in Germany or was when the American heirs last heard from her. The others are all American citizens and have been here for half a century."

To this the editor of "The Indicator" made this comment:

"This is a somewhat complicated case, inasmuch as one of the heirs is still in Germany. If Gottlieb Kast had never applied for citizenship papers after living in this country for years, we would say that he was not worthy of consideration. His property is that of an enemy alien, and as such it is a question for the Alien Property Custodian to decide what is to become of it. We would advise our correspondent to cancel the policies in any event, after due notice, and if the administrator can get the insurance in any other company let him get it. Some companies attach an Alien Enemy Clause to the policies where the insured has been a law abiding resident of this country for a number of years, and if there is a loss the money would be paid over to the Alien Property Custodian to be disposed of as he sees fit, or held until after the war. Personally we do not think that any German citizen or his estate has any right to the benefits of our fire insurance institutions, neither do we think that any American fire insurance company would carry insurance on such property."

Wiring Congressmen

(Continued from page 1)

To Superintendents: No doubt you have noticed an agitation in the newspapers and by circulars on the subject of an anticipated encroachment by the Federal Government upon the business of insurance, and calling upon insurance agents to start in now to resist such encroachment by protesting to their Congressmen and local business associations; in other words, to get up a campaign against what is called "socialistic propaganda."

In order that you may be in no doubt as to the attitude of this Company, we desire to say that we do not sympathize with this agitation and desire that you take no part in it. We have a great deal of confidence in the democratic principles which pervade the population of this country and which animate the Federal Government.

National Board of Fire Underwriters

What support the propaganda has had is largely in fire insurance but the National Board of Fire Underwriters, the leading fire insurance company association, is not sympathetic. President Buswell, of the National Board, remained on his vacation during the greater part of the agitation and so did General Manager Mallalieu.

It is the general opinion that the Saunders bill, which has caused some life insurance men to be distressed, is dead as a doornail. It is only necessary to read the Saunders bill to see its futility.

Alexander Fleisher, supervisor of the Welfare Department of the Metropolitan Life, has sailed for Europe with the Commission for the Prevention of Tuberculosis.

Morris Schwartzburg, of Jos. D. Bookstaver's office, is being congratulated on his marriage last Wednesday.

ATTACKS GROUP

Fraternal Congress President Bitter—Also, Says Social Insurance Leads To U. S. Ownership

Philadelphia, Aug. 29—In his report to the Fifth Annual National Fraternal Congress in Philadelphia this week, President R. H. Gerard, of the Congress, made a bitter attack on group insurance. He also said that social insurance was a step to Federal control of all lines of insurance.

MARSHALL WITH MISSOURI STATE

Rowland S. Marshall, of Washington, D. C., until recently agency supervisor for the Philadelphia Life, and formerly a member of the Washington City agency of the Guardian Life has been appointed by the Missouri State Life, of St. Louis, general agent for the District of Columbia and Virginia. His offices in the Kellogg Building, Washington, will be opened September first.

Mr. Marshall is favorably known among the insurance fraternity generally in and about Washington and tributary territory. He is a young man of engaging personality. Marshall is an active member of the Washington Board of Trade and the Underwriters' Association and is a delegate to the National Association's Convention. He is also a member of the University Club and several other organizations, and is active in the Liberty Loan Campaigns.

THE GET-AWAY

"A great many agents fall down by making a great event of their lief-taking by entering into a lengthy discourse," says Louis Prager, of the "Northern Assurance." "I have found that after getting the name on the dotted line, it is well to say no more Life Insurance, but congratulate your purchaser on his good judgment, and pleasantly refer to the peace of mind that follows the possession of the policy which will assure him an old age competency if he lives, or provide for his family should death occur; with these few pleasant remarks extend your hand in parting and bid him 'Good-day.'"

A CLEVER ARGUMENT

Why should I carry life insurance? asked the reluctant prospect, and then Mr. Jordan, Aetna Life manager at Raleigh, N. C., answered: "So that when your wife takes your hand for the last time you can place a check for $10,000 in her hand for the first time."—"Points."

HOME LIFE INSURANCE CO.

(Purely Mutual)

256 BROADWAY, NEW YORK

GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to

GEORGE W. MURRAY, Supt. of Agents.

256 Broadway, New York, N. Y.

Build Your Own Business

under our direct general agency contract

Our Policies provide for:

Double Indemnity, Disability Benefits, Reducing Premiums

See the new low Rates

JOHN F. ROCHE, Vice-Pres't

THE MANHATTAN LIFE INSURANCE COMPANY

66 BROADWAY NEW YORK

Organized 1850

THE BERKSHIRE LIFE INSURANCE CO.

OF PITTSFIELD, MASS.

Incorporated 1851

W. D. WYMAN, President

A purely mutual Company, issuing all desirable forms of life insurance.

ATTRACTIVE LITERATURE

Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with

W. S. WELD, Superintendent of Agencies

Mr. Field Man: Detroit, July 18, 1918.

Do you know:

That the NORTHERN ASSURANCE COMPANY of Detroit, Michigan, has lived up to all the traditions of the highest purposes of life insurance;

That it stands for the highest ideals in underwriting and that its slogan is, and always has been, CLEAN MEN AND CLEAN METHODS in its field work;

That it is writing more insurance per capita per agent than any other American life company?

If you are interested in knowing something of our Home Office system which makes this possible, we will be glad to hear from you.

Address, CLARENCE L. AYRES, *President,*
DETROIT, MICHIGAN.

Great Southern Life Insurance Company

HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON

PRESIDENT

Life Insurance Farm Mortgages

HOW AGRICULTURE IS AIDED

Life Companies Increase These Loans Nearly $200,000,000 in Two Years of War

In helping to finance the recent extraordinary demands upon American agricultural production, American life insurance companies during the two years of the world war increased by nearly two hundred million dollars their mortgage loans in those farming districts which are now supplying the bulk of the foodstuffs to this country and its allies. In addition to this net increase, which was during 1915 and 1916, the same companies made new loans of two hundred million dollars to the same sections during the first nine months of 1917. This second sum, however, does not represent the net increase for the later period, as the amount of matured mortgages, pre-payments, etc., has not been deducted. About 95 per cent. of both these funds was sent to nineteen states in the West and South. This and other information concerning one source of financial support back of the expanding agricultural production of the United States is disclosed in a printed report made to American life insurance companies by Manager George T. Wight of the Association of Life Insurance Presidents. This report is based on original statistics which have just been compiled covering 97½ per cent. of all outstanding real estate mortgages held by American life insurance companies.

Mr. Wight in part said:

Remarkable Increase In Real Estate Mortgage Loans

"The decade ending with 1914 showed some noteworthy changes in character of investments held by American life insurance companies for the maturity of obligations to policyholders. Chief among these was the remarkable increase in the amount of real estate mortgages—these being more than one-third of the entire assets held, as contrasted with one-fourth ten years before.

"The radical trend toward real estate mortgage loans that stood out as the dominant feature of the period from 1904 to 1914 is still noticeable in the experience of the companies in 1915 and 1916. The mortgage loans increased from $670,000,000 in 1904 to $1,700,000 in 1914 or more than 150 per cent. Where in 1904 they amounted to 27 per cent. of all assets they jumped to 34½ per cent. in 1914. Two years later we find them about $190,000,000 more, although there is a very slight downward fluctuation in their ratio to total assets. Side by side with this remarkable growth in real estate mortgages as a favorite life insurance investment we find a slight reduction in the proportion of railroad and other classes of corporate bonds held, to total investments.

Increasing Trend Toward Farm Loans

"The new data was contributed by 165 American companies owning more than 97½ per cent. of all outstanding life insurance mortgages. All except six of these companies segregated these investments by states in their reports. This data discloses that the life companies during 1915 and 1916 increased their farm mortgages in round figures from 655 millions of dollars to 845 millions, a net increase of 190 millions. The rate of increase for this two-year period for farm mortgage loans is 29 per cent. The rate of increase of all assets of life companies for the same period is 12 per cent. It is seen, therefore, that farm mortgage loan investments of life insurance companies have recently increased at a rate of two and a half times as great as the concurrent rate of increase of their assets generally. During the same period there was a 2 per cent. reduction—$20,000,000—in the amount of money loaned on real estate mortgages on other than farm property.

"An analysis of the new data therefore indicates clearly, in this decided change in the character of their investments, that the American life insurance companies have been a very positive factor in the increase in the production of foodstuffs demanded by the conditions created by the world war and, further, may indicate a change in their investments of a permanent character. As real estate mortgage loans amount to nearly two billion dollars, or more than one-third of the total securities held for the maturity of obligations to policyholders, this readjustment has a real significance in the economic progress of the country. The change noted is the very distinct trend from city real estate mortgage loans to farm loans. While this change had set in some time before the beginning of hostilities in August, 1914, the statistics show a noteworthy speeding up of the process during the two-year period of 1915 and 1916. If this trend has continued at the same relative rate, farm mortgages today form more than one-half of all the real estate mortgage loans held by such companies.

"The intimate connection between life insurance farm mortgage investments and the vital question of food production for ourselves and our allies is indicated in a table, which shows in detail the amount of farm loans in each state at the end of 1916 and the increase that took place during the two years of 1915 and 1916; also the new loans, totalling $200,000,000, made during the first nine months of 1917. With regard to the latter data, it should be noted that the amounts carried represent the new loans placed during these nine months without allowance for decreases by payment of matured mortgages, pre-payment, etc., during the same period. The banner state, so far as life insurance farm loans are concerned, is Iowa.

Response of Insurance Money To Nation's Need

"It is, of course, more than a mere coincidence that over 95 per cent. of the total life insurance farm mortgages and nearly 95 per cent. of increase shown in 1916 over 1914, and 94 per cent. of the new loans of 1917 are all located in a group of states containing about 50 per cent. of the area, 47 per cent. of the population and 48.8 per cent. of the wealth of the country as estimated by the United States Census Bureau. This is evidence of a logical and consistent response by life insurance mortgage loan money to the natural economic law of supply and demand. Without the additional facts that will be given presently to illuminate and corroborate this statement, these aggregate percentages indicate that for a long period of years these life insurance funds had flowed to the great agricultural producing sections, thereby aiding in increasing their efficiency; that when the world war increased the demand for American foodstuffs the expansion in supply came largely from those sections, and that the life insurance companies were quick to respond to the need by diverting still larger amounts from their reserve funds to loans in those districts best able to increase their productivity. * * *"

THE SALTZSTEIN FAMILY

Irving, youngest son of A. L. Saltzstein, general agent of the New England Mutual Life, at Milwaukee, reached fifteen years of age in April; and last month sent in his application for insurance. Thereby Mr. Saltzstein has earned what appears to be a record without parallel in the Company: He has five sons and three brothers insured with the Company, and is himself a policyholder.

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President

A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY

Edward D. Field, Superintendent of Agencies

INTERNATIONAL LIFE of St. Louis
SMASHED ALL RECORDS IN 1917
It was the Special Combination and New T. O. Policies that did the work.
If you are not selling them we are both losing money.
J. L. BABLER, Vice-President and General Manager Agencies
MASSEY WILSON, President

New York Life Insurance Co.

FIVE YEARS OF EFFICIENT SERVICE
INCLUDING
THREE AND ONE-HALF YEARS OF WAR TIME

During the Five Years ending December 31, 1917, the New York Life

Received in Income	$667,884,000
Paid Policy-holders	382,875,000
Increased its Resources	215,272,000
Increased its Insurance in Force	503,535,000

THE BUSINESS OF 1917 EXCEEDED THAT OF 1912.

In Income	$27,325,000
In Amount Paid Policy-holders	25,337,000
In New Insurance	119,917,000

The increase in Business and Resources in Five Years equals the Business and Resources of a very substantial life insurance company, and this new Company is returning to policy-holders 92 per cent. of its entire income. It is also adding forty million dollars a year to its resources and one hundred millions a year to its insurance in force.

HELPING WIN THE WAR.

Since the war began, in August, 1914, the New York Life paid to December 31, 1917, 998 war losses amounting to $3,007,223. There were 238 reported losses for $607,084 awaiting proof on December 31. The Company had so carefully guarded itself against extra mortality by reason of war that, notwithstanding the world-wide character of the conflict, the percentage of its actual to its expected mortality has not been appreciably affected. This percentage for 1917 was 70.85—the lowest of any year since the Company has kept complete mortality statistics.

The Company owned Liberty Bonds on January 1, 1918, to the amount of $12,075,000, and subscribed for $20,000,000 of the Third Liberty Loan.

There are Four Hundred and Twenty-six Stars in the Company's Service Flag, and one of the Home Office boys—Frank J. Brandreth, of the Rainbow Division, has already won the French War Cross.

The Company has afforded the Government every assistance in its power in formulating and carrying out the plan of Government Insurance on the lives of soldiers and sailors. Agents are forbidden to accept applications from soldiers or sailors unless they have already taken the limit with the Government.

EVERY MAN'S BUSINESS.

Just now it is every man's business to Help Win the War. Our daily occupations are incidental; winning the war is our real business.

Winning the war is our real business because back of that lies the chief and ultimate purpose of life—making the world a safe place for women and children. And that is the aim of Life Insurance in war time and in time of peace.

The Government has recognized this in the provision made by life insurance for the families of those who die or are disabled in the service. The man who stays at home and does less is a slacker.

NEW YORK LIFE INSURANCE CO.
DARWIN P. KINGSLEY, President.

Mutual Life's First Double Indemnity Claim

PAID ON UP-STATE FARMER

Gored By Bull Two Months After Issue of His Policies—Facts in Case

The Mutual Life has paid its first double indemnity claim. The facts follow:

On the 23d of April, 1918, Mr. George J. Hilman, then living at Sherman, New York, in the Buffalo Agency, took out $3,000 of insurance in The Mutual Life at age 34. Two days later he took out an additional policy of $2,000, making a total of $5,000, all on the ordinary life plan. Mr. Hilman was a farmer in excellent health and undoubtedly a first-class risk, but farmers, notwithstanding the fact that their outdoor life is conducive to health and longevity, are subject to accident from many causes. They handle a great variety of machinery, are often injured by their own horses or cattle, and take many other risks due to the varied nature of their calling.

On the 30th of June last, two months and one week after the issue of his policies, Mr. Hilman died as a result of being gored by a bull, of his own herd. Fortunately for his beneficiary, his policies contained the double indemnity clause providing for payment of double the face amount of insurance in case of death from accident. For that clause he had paid an extra premium of just $5.00, and in accordance with its provisions his beneficiary received additional indemnity of $5,000. The death claims on the two policies were as follows:

Policy of $3,000— death claim	$6,002.63	
Policy of $2,000— death claim	4,001.76	$10,004.39

The odd dollars and cents paid with each claim represent the postmortem dividends for the two months the insurance was in force. The double indemnity of course applies only to the face amount of the insurance, not to dividends. Only a very few companies pay a dividend of any amount in case of death in the first year.

WANT SINGERS

The Life Underwriters' Association of New York has sent out a call for one hundred life insurance men who can sing patriotic songs at the convention of the National Association.

The People's Life of Frankford held its annual agency meeting on August 15.

The Detroit Life held a meeting at Cedar Point, August 20, 21 and 22.

NEW YORK BUSINESS

Thirty-Eight Companies Authorized in This State—Gains on Loading Interest and Rents

The life volume of the annual report of the New York State Insurance Department, compiled from the audited annual statements of the 38 life insurance companies authorized in this state, covering the business of 1917, has been issued.

The total income for 1917 was $1,095,403,388, an increase of $103,950,930. The amount of premiums received was $800,904,151, or $64,584,786 more than in 1916. The companies disbursed in 1917 $761,284,266, being $40,658,875 more than in 1916; of that amount $552,366,677 was paid to policyholders, while the cost of management (including shareholders' dividends) was $208,917,589.

The total number of ordinary policies in force on December 31, 1917, was 9,517,941, insuring $18,457,378,561; a net increase of 765,339 policies and $1,758,551,803 in insurance. The amount of industrial insurance in force was $4,762,098,609, being an increase of $352,256,125; making a total increase, for both classes of business, of $2,110,807,928 of insurance.

The business in force in the State of New York at the end of 1917, and transacted therein during that year by all life insurance companies of this and other states including both ordinary and industrial insurance, was as follows: Policies in force, 8,522,058 insuring $4,146,493,776; policies issued, 1,294,000 insuring $733,104,832, an increase in insurance in force of $389,390,555, and in insurance written and paid for in 1917 of $106,084,132.

The following comparative figures show the sources and amounts of increases and decreases, in the unassigned funds (surplus), of the companies for 1916 and 1917:

	1916.	1917.
Gain from loading	$11,274,056	$4,181,818
Gain from mortality	55,002,297	69,038,817
Gain from surrendered and lapsed policies	14,378,967	13,958,463
Gain from interest and rents, less amount required to maintain reserve	82,571,403	87,427,167
Loss from annuities	182,832	300,051
Loss from investments	556,570	12,639,517
Loss from dividends to policyholders including net increase or decrease in dividend funds apportioned and unapportioned	126,879,179	153,486,880
Loss from miscellaneous sources	28,058,224	701,277
Total gain	7,549,918	8,881,094

75% MARRIED MEN

It has been estimated that 75% of the amount of life insurance written is on the lives of married men with dependent families, and under the present plans of the War Department, this is the final class that will be called upon.

Organized 1871

LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

CENTURY LIFE INSURANCE COMPANY — CENTURY — INDIANAPOLIS, IND.

1 REASON Our Policies Sell

OUR POLICY CONTRACTS contain all provisions consistent with safe underwriting and are guaranteed by a deposit of the full legal reserve with the State. Our promises are all in our contract. Good contracts for up-and-doing agents.

THOMAS J. OWENS, Pres.

DR. ALBERT SEATON, Vice-Pres. & Med. Dir. — CLAUD T. TUCK, Secretary

PENNSYLVANIA OPPORTUNITY

If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.

Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

PAYMENT OF PREMIUM

The Supreme Court of South Carolina in Wood vs. Southeastern Life, 93 S. E. Rep., 197, has decided a case as follows:

The applicant's son-in-law, Wood, was a sub-agent of a soliciting agent. The applicant died suddenly before actual payment of the premium had been made. At the time of his death, the policy was in the general agent's hands. It was contended that the premium on the policy had been paid by an agreement between Wood and the agent under whom he worked, whereby certain sums due from such agent should be accepted as payment of the premium. The court held that whether such was the agreement or not, it was immaterial. "The Company was not indebted to Simpson (agent under whom Wood worked) or to Hipp; so the company was not paid the initial premium at all, but got for its risk only the implied promise of Simpson to pay the company that which Halcombe (the applicant) owed it. That transaction does not come within the power of an agent to accept payment. * * * Our judgment is that there was no payment in the instant case."

PROTECTION IN FORCE — STATE MUTUAL LIFE ASSURANCE CO OF WORCESTER MASS INCORPORATED 1844 — PROTECTION TO-DAY

State Mutual Life Assurance Company of WORCESTER, MASS.

Incorporated 1844

SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.

Our motto is SERVICE to policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Provident agents find that in these war times it is not difficult to convince a man he is not carrying sufficient insurance.

Provident Income Insurance is easy to sell

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

Cash Loan on a Missouri Policy

DECISION OF SUPREME COURT

Loan Agreement Held to Be Valid and No Insurance in Force—Court's Opinion

The Supreme Court of the United States has decided the case of The New York Life vs. Dodge. This was a Missouri policy.

Under the statute in force at the time of its issue, three-quarters of the reserve, less indebtedness on account of the past premium payments on such policy, is required to be taken on lapse as a net single premium for temporary insurance. In this case a cash loan had been made on the policy and later premium and interest were defaulted. At the time of the death of the insured there was no insurance in force if the cash loan could be deducted from the reserve, but if not, there was extended insurance in force. The loan agreement was very specific in its provisions that the loan was made at the home office of the company in New York City, and was to be paid there, and the papers in general in connection with the loan brought out this same point. The Supreme Court held that the Missouri statute could not prevent a policyholder, whether without or within Missouri, and although the policy was a Missouri contract, from making a valid contract for a cash loan on security of the policy, if such contract was made outside of the state of Missouri. It, consequently, held the loan agreement in this case to be valid and that, in consequence, no insurance was in force at the death of the insured.

The Point in the Case

The point in this case is that although the policyholder always resided in Missouri and did not in person go outside of that state, he could and did make the loan contract outside the state of Missouri and that the Missouri statute could not control a contract made outside of the state.

In the course of the opinion it was noticed that the policy contract contained a provision that cash loans could be obtained on the sole security of the policy and it was held that this "imposed no obligation upon the company to make such a loan if the Missouri statute applied and inhibited valid hypothecation of the reserve therefor."

N. Y. FEDERATION PLANS

Will Start Educational Campaign to Tell Public of Magnitude and Importance of Insurance

The Insurance Federation of New York has issued the following statement of its plans:

"The Executive Committee of the Insurance Federation of the State of New York has decided to inaugurate an educational campaign respecting the insurance business and to acquaint the members of Congress from this state and other public officials at Washington regarding the magnitude of the insurance business: its relationship to other business and its necessity in commercial and financial transactions; its well equipped and highly trained inspection service and safety organizations; the vast army of our citizens employed at the Home Offices and in the field, the large amount of detail and intricate knowledge of practices necessary for its successful operation. It was also decided to press home by every means on all interested in the business of insurance from the smallest local agent to the highest company official, the need and value of the Federation movement and the necessity of full co-operation from all the forces engaged in the business of insurance.

"The date and place of the annual meeting of the Federation was fixed at New York City, Saturday October 26, 1918, as it was believed that a large number of the insurance men attending this annual meeting would also wish to attend the annual convention of the National Council of Insurance Federations to be held at the Marlborough-Blenheim Hotel, Atlantic City, N. J., Monday October 28, 1918. A. C. Hegeman, chairman of the executive committee, was authorized to appoint a committee on arrangements and program for said annual meeting of the State Federation."

Nurses and Teachers Make Poor Risks

C. O. PAULEY GIVES EXPERIENCE

Quotes Special Clause Found to Be Necessary—Women More Persistent Than Men

Addressing the Mutual Section of the Health & Accident Underwriters' Conference in Chicago this week, C. O. Pauley, secretary of the Central Business Men's Association, told of his experiences underwriting women. On the whole, he is satisfied that he can insure women on practically the same terms as men, and that experience will prove that the premiums need not be much, if any, greater.

Mr. Pauley said that his association has restricted its business to professional women, and in the case of salaried women to those earning not less than $15 a week, not covering more than $25 on a risk. Any company writing clerks, factory employes and low salaried women should proceed with great care. Among women in the professions the feeling of responsibility is as high as among men, and the moral hazard no greater. The feeling of responsibility is lacking in the lower paid women.

Nurses and Teachers Bad Risks

Mr. Pauley's association has had unsatisfactory experience with nurses, because of the risks of their employment, long and heavy strain and their close relation to the medical profession. Says Mr. Pauley: "The application of a nurse is nearly always secured through the recommendation of some physician and the number of operations on tonsils, for appendicitis, gall stones or similar chronic conditions, all within a few months after the policy is issued, are simply appalling. Yet in every case, both claimant and physician insist that the condition was acute."

Teachers are also unsatisfactory because of severe nervous strain, resulting in vacation claims following relaxation. A special form for teachers at a higher rate was recommended. On the other hand women are not so much given to athletics or the more strenuous sport or vacations. They do not operate automobiles to any great extent as men, nor are they as likely to be devotees of the flowing bowl. Death and dismemberment claims among women are few.

Special Clause Used

Mr. Pauley is giving women the same policy as men at the same rate. The policy contains this provision, "If the insured be a woman the insurance under this policy shall not cover disability due, wholly or partly, to a disease of organs of the body not common to both sexes." At first he used the wording commonly used, simply providing that the policy did not cover disease not common to both sexes. It was found that such a wording meant nothing. Practically there are no diseases which are not common to both sexes.

Settling claims on women is often difficult, because they fail to realize the contractual relation with the company. On the other hand women are more persistent policyholders than men.

DE GROAT ON IMAGINATION

The Faculty Which Makes the Possessor Go So Far Ahead of His Fellows

In discussing "Imagination" F. E. De Groat, of the Mutual Benefit in Boston, said recently:

"I believe the human intellect is better and more divinely used when it is permitted to reach out beyond its own environment. I believe it is the imaginative faculty that most widely separates the higher from the lower orders of ability among men in our business. It is the possession of the imaginative faculty which in the final analysis constitutes that slight line of demarcation between true greatness and mediocrity; it is precisely this faculty which distinguishes the solicitor of life insurance from the mere canvasser of life insurance. In short, imagination is one of the greatest forces making for success in life insurance agency work."

Mr. De Groat's article was furnished to Mutual Benefit agents in "The Pelican."

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

The Value of Literature

The Superintendent of Agencies of the New York Life recently received a letter from an agent, reading: "The Company does not get out enough literature." The superintendent promised to look into the matter. He did and these are his reflections:

"Upon investigation I found that we were getting out a variety of pamphlets and leaflets, if anything too many, in my judgment, as, after all, the best written literature in the world won't insure a man. You must see him personally. Many a good prospect has been lost because an agent mailed or gave him a piece of literature instead of interviewing him.

"The more I look into the matter the more I am convinced that the only two documents needed to sell New York Life policies are the detailed statement and the sample policy. With the detailed statement in your pocket you can walk into any man's office feeling that you represent one of the largest financial institutions in the world and you can quickly interest anyone by showing him the financial transactions of this billion-dollar mutual Company. Run over the income account. How many institutions in the world have incomes of over 146 millions per annum? Show the tremendous disbursements to policyholders. Then turn to the detailed list of assets. Where can such a list be duplicated? And then run over the liabilities and show how we have set aside over 40 millions in special reserve and surplus funds for the protection of our policyholders.

"I don't believe there is a New York Life man anywhere who if he will sit down and spend half an hour reading the detailed statement won't get up again a stronger and more efficient salesman.

"Then take the other great piece of literature, the policy itself. (We issue this in miniature for field use.) Read it over carefully. Have you ever seen a more liberal document? I have before me now an Ordinary Life policy with Disability and Double Indemnity Benefits. There, right on its face, is an agreement to pay $10,000 to the beneficiary in event of the insured's death, or in event of accidental death $20,000, and in addition to these benefits, it guarantees a life income of $1,000 per annum in event of total and permanent disability!

"Turn over to the next page. There you will find how dividends may be applied, also the loan and surrender values of your policy. And then on the last page don't overlook the protection provided in additional insurance to protect loans. Notice further under Section six that you have the privilege of changing to any other plan with a higher premium and without medical examination. Also additional methods of settlement contained in section seven, which gives you the opportunity, by mere indorsement on the policy, of leaving your wife an income for life.

"When you go to see your prospect, take along a detailed statement and a sample policy, or better still, an actual policy that you have written on some one's life, and you have the two greatest documents in the world with which to convince that prospect of his immediate need of life insurance.

"I earnestly urge each agent of the Company, old and new, now and then to take a quiet half hour and study again and again the detailed statement and sample policy."

Review Your Past Work

An agent of the Massachusetts Mutual Life is quoted in "The Radiator" about his methods. He says:

To get a clear idea of how insurance is best secured let us each review our past work year by year, and month by month, and see how we did do it. I think all of you who have been in the business a good many years and have written a large number of good policies on good men will, as you look back over the years and review the cases in your mind, agree with me that a considerable percentage of these cases were brought to you, or suggested to you, or made possible to you by satisfied policyholders, by friends and business acquaintances, attorneys, etc., because they believed you to be exceptionally well prepared to render them and their friends good service, and that acting on these leads you secured the business by being well prepared. And you will find that another considerable percentage of your good cases were secured because of your ability to get and hold the attention of the men and women whom you believed should have insurance, by presenting good things that you understand clearly in an attractive way. That has certainly been my experience. Out of some ten millions of personal writing, during the last twenty-five years, as nearly as I can recall, fully twenty per cent. was in fifty or sixty policies of twenty thousand or more each, of which there were at least twenty policies of fifty thousand or over. Having written a large policy in an establishment you are put in a much better position to reap a harvest of small ones. It pays to be well enough prepared to land the big ones. Those who say they have no competition, I believe, are mistaken. In practically every case, every day, all day, we are all competing with men's inertia, with their preconceived notions and preferences for this or that Agent, Company, or fraternity. In practically every large case the applicant considers more than one Company, but being supremely prepared we may sweep all competition aside so easily that we are scarcely conscious that it exists; but weak agents lose in competition with agents of even far inferior Companies when represented by strong agents, and they also lose endless cases where there is no competition, by failing to bring out vividly enough the attractive features of their proposition. No case is hopeless to an agent who is supremely prepared when his opportunity comes. I would like to give you a history of a number of cases that to most agents would have been hopeless and abandoned, but which I went at with glee and won easily. The amount and kind of preparation that is desirable depends upon what you are preparing to do. A man preparing to be a good lawyer, good doctor or expert surgeon, takes a four-year college course, then several years in medical or law school, hospital practice, etc., before he hopes to earn a dollar or is licensed by the State to even try. No one likes to be served by a dentist, doctor, lawyer, mechanic, or artist who does not know his business—nor by a clerk who does not know his stock—nor by an agent who does not know his business fully and completely. A building contractor does not make the same preparation to build a hovel that he does to build a splendid home. What are you planning to build? If you are preparing to make your whole social and business life your fortune, your usefulness and your happiness depend upon your success in serving the insuring public; then, in that case, I implore you, "be supremely prepared when your opportunity comes," and be assured that "opportunity will then wear a beaten path to your door." To be supremely prepared there are only two things we need to know thoroughly—first: "Life Insurance"—second: "Man." The first, any one with a healthy well-trained mind and body can, with a little help, do in a few months. The second, few of us, unaided, can do in a lifetime. So, as "the greatest study of mankind is man," let us go to the greatest minds of history, who have studied and understood man superlatively well, for our facts, and accept their conclusions and words literally—as from an oracle—and act on them as on the commands of a master. Those who have risen to the highest rank in their particular work, such as artists, musicians, engineers, etc., have, as a rule, in some sense, gone to school to great minds, which have preceded them. Then let us go to school to the greatest minds in history and make our own the thoughts and sayings of Shakespeare, Bacon, Spencer, Chesterfield, Tolstoy, Goethe, Ruskin, Newton, Edwin Arnold, Robert Burns, Emerson, and the Biblical writers, and use them in our everyday life and work.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

MANUFACTURERS BUY GROUP

Some July Writings of The Prudential—Concerns From California to New York—Prudential Group Sales

July sales of Group Insurance by The Prudential Insurance Company included the following:

M. Hefti, West Hoboken, N. J., embroidery manufacturers; the Calvert Building & Construction Co., Baltimore, building; Atlanta Paper Co., Atlanta, Ga., paper manufacturers; Proctor, Ellison & Co., Elkland, Pa., tanners; American Electrical Works, Phillipsdale, R. I., manufacturers wire; Louisville Bedding Co., Louisville, Ky., manufacturers bedding; Puritan Cordage Mills, Louisville, Ky., manufacturers cordage; Atlas Silk Hosiery Co., Paterson, N. J., manufacturers silk hosiery; Main Belting Co., Philadelphia, manufacturers canvass belting.

Speeches at Health and Accident Conference, Chicago, This Week

To Meet Competition Of Life Companies

CONFERENCE PRESIDENT'S VIEW

Says Time for Getting Monthly Payment Disability Business in Large Volume Has Passed

President A. E. Forrest, of the Health & Accident Underwriters' Conference made an illuminating reference to the entry of life insurance companies into the accident and health insurance business. He said:

"Life insurance companies are turning to the accident and health business as a natural part of their service to the public. During the past year a very considerable extension in that direction is noticeable—sufficient to warrant the conclusion that we shall soon have competition that will cause us to take stock of our business and count the cost of its every detail.

"We must assume that life companies are drawn into the general sale of accident and health policies solely for the purpose of better serving their life clientele, as it is patent that no profit can be derived from the casualty undertaking. On the contrary a drain on the funds of holders of life policies may be expected—if the venture is undertaken in the ordinary way.

To Hold the Business

"Written in conjunction with life insurance accident protection will naturally carry but a small renewal commission. To meet this competition will call for the devising of some way of holding our business without incurring the present outlay for collecting renewal premiums. This is a question that must interest all of us as it must be solved even though companies should come to a full appreciation of the value of close co-operation.

"The collection system that is costly must be replaced by a plan which will bring renewal premiums to the home office at an outlay not larger than that attaching to life insurance."

Must Keep Up Service

Mr. Forrest carried on his idea of a "Win the War Convention" in his annual address. He considers it of great importance that there be no let-down in the improvement in service to the public. The conditions after the war will call for the best there is in every organization. Mr. Forrest said that then the whole world will be plastic, in a measure socialistic, and "if we are to retain our individualism and preserve the business we have built and made a useful public servant we must then be ready to assert our rights, as we never have, up to the present. Our watchwords should be efficiency, service and economy and our slogan, down with State aggrandizement!"

The source of the not altogether well defined agitation for compulsory state insurance was called to mind. Organized labor has appointed a committee to investigate. Every insurance man should learn all he can about these state schemes and pass his knowledge on to the public, which knows little or nothing concerning them. Quoting Mr. Forrest again:

"Insurance men must take their stand with all business men in combating the isms that accompany and especially that follow every great war."

Agents were urged to enroll in the Federation movement.

(Continued on page 19)

Prevention Work And Education

FREDERICK RICHARDSON'S TALK

Insurance Men to Prevent Sickness and Convince Insured of Righteousness of Insurance

Frederick Richardson, United States manager of the General Accident, made one of his customary good talks, this one on "The Education of the Assured as a Progressive Factor in Insurance." Addressing the Health & Accident Underwriters' Conference he suggested two lines of advance—sickness prevention and popularization of insurance.

In this work of education the speaker declared that the insurance men may consider themselves pioneers in a work that emancipates men from degrading forms of dependency. Also, they should be committed as an organization to the task of advancing the Sickness Prevention movement. By educating policyholders in simple rules of hygiene, developing in suitable centres an adequate medical service for the treatment of minor ailments that might otherwise become serious, and associating themselves and their agents in an active way with whatever public campaigns may be started to further the movement, they shall be doing something to fight the suggestion that they are not able to cover the field by their efforts, and that, therefore, some compulsory form of insurance is needed.

Mr. Richardson pointed out that it is to meet the needs of the people who inhabit mean streets and inelegant houses that the commerce and traffic of the world is mainly directed, rather than the requirements of the less numerous and more affluent classes.

What Causes Lapses

He said there is no difficulty in selling insurance of any kind to a person who feels that he cannot be happy until he gets it; that the creation of a demand is the first step in the distribution of any commodity. The workers must be made to feel too that to be insured against loss is to be free, in large measure, from economic distress due to illness or accident; that unless they take this precaution they and their class will be subjected to a new form of slavery. They must be shown that they and their children will be compelled to accept a system of enforced patronage and enforced class inferiority.

"One reason," said Mr. Richardson, "that we have so many lapses is because we have failed to awaken our policyholders to a fervor or conviction as to the righteous of being insured. Until this is done the business will lose its clients about as fast as it gets new ones. This is why an educational campaign is needed to popularize insurance for men and women alike."

Mr. Richardson declared that something decisive should be done to prevent switching.

Distribution of Leaflets

The speaker favors sending a memorandum to each new policyholder pointing out the value of his contract and the reasons why he should preserve it in full force by keeping up the regular payment of the premiums; also warning him against any temptations to transfer his insurance to another company. Possibly he will pass this message along to his fellows and thus become the center of a circle of influence. It was also suggested that through the Conference, its members might be furnished with educational leaflets to be regularly distributed among their policyholders.

Two Reasons For Delinquents

Another point made by Mr. Richardson is that there are only two reasons why any members of the working-classes are unable to avail themselves of the benefits of insurance. Either they cannot afford to pay for them or they are not desirable risks. These are the individuals who need to be studied by the sociologist and the medical investigator. All the rest either insure or have not yet been educated enough in the need for insurance.

Mr. Richardson asked: "By what right function of government is the state entitled to demand that I deposit

(Continued on page 18.)

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company
Fastest Growing Life Insurance Company in America
Home Office, St. Louis, Missouri

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

RIGHT AGENTS
GOOD TERRITORY
still available for development by the

..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.

Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.



THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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HENRY FORD'S DEFEAT

The defeat of Henry Ford on the Republican primary ticket for United States Senator does not indicate that any one faction in this country, no matter how powerful, rules supreme in politics. This country is united on one platform and one only: make as complete and as speedy a job as possible in winning the war.

SALESMANSHIP

Of all the letters and articles received by The Eastern Underwriter in connection with its Life Insurance Salesmanship Edition not one breathed a pessimistic note, a highly significant fact in view of the number of leading producers who had a hand in the making of this number. If there is any feeling of discouragement in the field at the present time it certainly is not indicated in any of the collection of real stories from seats of the selling campaigns. Any limitation of curtailment of the prospect list can be matched by larger policies and intelligent salesmanship. This is no time for the hit or miss style of selling; for underestimation of the buyer's ability; for concentration in a limited sphere. It is the day for the agent with imagination, resource and ability.

A great many agents, who unfortunately view life from the confines of a narrow groove, are deprived of their fair share of production because they cannot adjust themselves to changed conditions. They do not understand the way bigger men think and feel. The psychology of this is aptly outlined in L. A. Cerf's article on the qualifications of a million dollar writer. His article can be read to advantage by agents who are not ambitious to reach the high figure fixed by Mr. Cerf, but who, nevertheless, should have a higher standard than that which they are at present trying to reach. The stories in this issue of actual experiences with difficult cases present problems which confront all agents, but in these chronicles the problems are met successfully, so the narratives should be of value to all agents.

It is interesting to know that in this day and generation there are still some people who feel that life insurance salesmanship does not agree with the religious principles of a certain type of prospect. Yet, two of the experiences in this issue tell of agents encountering such objects, but clever agents did not find it difficult to meet and overrule these objections, as was proven by the successful results of their canvass.

In the issue will be found stories which interest the agent in the rural community as well as his brother in the city. Lloyd Beeghly's little talks to farmers are particularly noteworthy as striking a novel bit of salesmanship.

FARM LOAN INVESTMENTS

Extracts from the report of George T. Wight, secretary and manager of the Association of Life Insurance Presidents, on the farm mortgage loan investments in war time of life insurance companies were widely printed in the daily newspapers. He forcefully shows that the collective force of these life insurance funds, made up of the small savings of many individuals have been a potent factor in the commercial and industrial development of the nation.

Lieutenant William H. Comrie, who before going into the army was a special agent for the Hartford Fire, was severely wounded in action in France. Lieutenant Comrie received his commission at the First Officers' Training Camp at Fort Snelling, Minnesota, last summer, and was sent across in September. Upon his arrival in France he was transferred to Company I, Ninth United States Infantry, which he has commanded for several months past. This company fought at Chateau-Thierry and assisted in the capture of Caux. The flags of the company have been decorated twice wih the French war cross, this company being the first American company to receive this signal honor.

* * *

Griffin M. Lovelace, Superintendent of Agencies of the Connecticut Mutual, Mrs. Lovelace and family, are at their summer home at Double Beach, Conn., for August and September.

* * *

Edward L. Duncan, superintendent of the Burglary and Plate Glass Department of the Hartford Accident & Indemnity Co., is spending his vacation at the Sheldon House, Pine Orchard, Conn. Mr. Duncan has become an enthusiastic golfer.

* * *

Miss Mary A. Rees, daughter of vice-president Henry E. Rees, of the Ætna, has enlisted in the Red Cross Canteen Service. Her brother, Henry Rees, is in training for service in the United States Army.

* * *

James M. Woodhouse, formerly general agent for Indiana for the Phoenix Mutual, has moved to Hartford and become associated with Clayton W. Welles, manager of that company in Connecticut, Rhode Island, and Western Massachusetts.

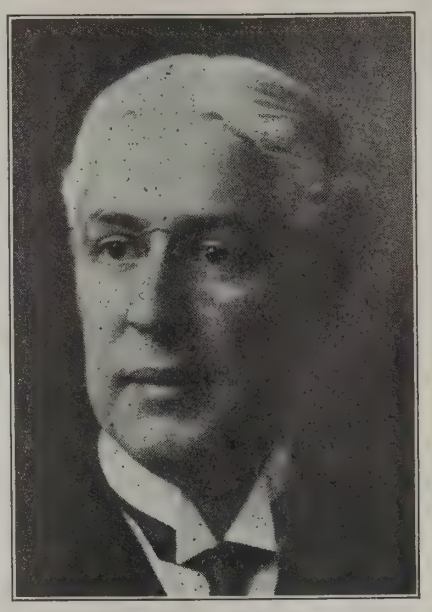
* * *

Phil M. Leakin, accident claim examiner of the Ætna Life Insurance Company, is on a business trip through the middle west. "Phil" has just been appointed a captain on the staff of Colonel Charles W. Burpee of the Connecticut State Guard.

* * *

John C. O'Brien, formerly of the Ætna Life, has been wounded in France. His right shoulder was struck by a fragment of shrapnel.

THE HUMAN SIDE OF INSURANCE



DR. LEE K. FRANKEL

Dr. Lee K. Frankel, third vice-president of the Metropolitan Life, has been made a member of the advisory committee of the War Risk Bureau. He is also a member of the Committee on Co-operation, American Red Cross, and the Mayor's Committee on National Defense.

* * *

John J. Crowley, formerly with the Travelers, and now with the War Risk Bureau where he has been one of Mr. McAdoo's right hand men, is also a captain in the army now. In the current issue of "Forbes' Magazine" Captain Crowley is given credit for "organizing the personnel of the Bureau with exceeding ability and at large personal sacrifice." Captain Crowley left Hartford June 11, 1917, where he had been appointed by Sectretary of the Treasury William G. McAdoo, as assistant to the newly-formed bureau of war risk insurance. After taking up his new duties in Washington he was given a commission as captain in the United States Army. Captain Crowley is a Hartford boy. He attended the Hartford Public High School, and after completing his studies became connected with the Travelers Insurance Company. In fifteen years he climbed until at the time of his selection for service in Washington, he was in charge of the actuarial division of the accident department. When the establishment ot the bureau of war risk insurance was authorized by Congress, the secretary of the treasury wrote to President Louis F. Butler of the Travelers, asking him if he could recommend a competent man to take charge of these new features and assume title of assistant to the director. Mr. Crowley was suggested, and Mr. Butler released him from service in the company that he might give his aid to the Government. His many friends in Hartford are pleased that their predictions of success in his new field of endeavor have been realized.

* * *

R. Perry Shorts, vice-president, of the Massachusetts Bonding, Saginaw, Mich., deserves much credit for the rousing patriotic address he delivered before the Health & Accident Underwriters' Conference in Chicago. It was full of the ring of true patriotism. He chose as his subject, "Service—The True Measure of American Manhood Today."

* * *

Perry H. Cornwall, of the claims department of the Hartford Accident and Indemnity Co., is touring Cape Cod with his family.

Frank J. Wallace will be welcomed in New York to which point he has been transferred from San Francisco by the Ocean Accident & Guarantee. Mr. Wallace has been resident manager on the Pacific Coast, and in New York will act as an underwriter in the Metropolitan department, devoting especial attention to compensation. Plans for this change were made in June, 1917, when Mr. Wallace became manager of the San Francisco office, with the understanding that later he would go to New York. He is returning to a familiar field for he was located in the Eastern metropolis before going to the Coast. Seven years ago he became casualty manager for the United States Fidelity & Guaranty, doing good work in that position. When the United States Fidelity & Guaranty retired from the compensation business Mr. Wallace engaged with the Ocean.

* * *

Oscar C. Le Bart, a successful agent of The New England Mutual in Boston, who two years ago was a teller in a large trust company, is in France with the Y. M. C. A.

* * *

James B. Whiton, dean of the New York Branch office of The New England Mutual Life, was graduated from Williams College in 1884, and after spending several years in mercantile life, entered the service of the New England Mutual. Of his work that Company's valuable paper, "The New England Pilot," says in its current issue: "He has been with us continuously since 1897 and is now dean of the New York Branch Office. Further than this, he is one of its largest producers —a record that he has been building up consistently all these years. For some time he held the responsible position of agency cashier, but realizing the much broader scope of field work, he made the choice whose wisdom time has so fully demonstrated. Mr. Whiton has given the Company the most sincere loyalty. He is a man of wide interests that have developed steadily with his growth in years and experience."

* * *

Paul B. Hamilton, son of the general agent of the New England Mutual Life in Fort Riley, Kan., is in France with a Base Hospital Unit.

* * *

David A. Holloway, general agent of the New England Mutual Life in Montgomery, is the Red Cross associate director of the Bureau of Personnel for Montgomery County, Alabama.

* * *

T. Bertrand Graham, assistant manger of the Ordinary Department of the Metropolitan Life, has been made a captain in the army and is attached to the Finance Division of the Quartermaster's Department.

His work as a life insurance man has been of the highest class, as he is not only an all-around life insurance man but knows how to communicate his ideas to others. A book which he wrote explaining Metropolitan Life contracts has been widely read by agents and suggestions therein followed.

He is a brother of William J. Graham, of the Equitable Life Assurance Society. These brothers were high school students in Louisville where they stood so high in mathematics that the president of an industrial life insurance company in the town hired them. They showed immediate aptitude for actuarial and other life insurance work and have been making steady progress in the insurance business ever since. When the Metropolitan re-insured the Louisville Company T. B. Graham came here and remained with the Metropolitan until last week when he went to Washington.

FIRE INSURANCE DEPARTMENT

Clark With Darby, Hooper & McDaniel

WILL HAVE CHARGE OF LOSSES

General Adjuster of Norwich Union Goes With Metropolitan Agency on September 1

Alvin D. Clark, for the past six years general adjuster of the Norwich Union, will assume charge of the loss adjustments of the Darby, Hooper & McDaniel agency on September 1.

Previous to his connection with the Norwich Union, Mr. Clark for two years had been at Atlanta for the General Adjustment Bureau and had also been attached to the loss department of the Home Insurance Co. for five years, with which Company he started and where he was associated with Clarence McDaniel, of the Darby, Hooper & McDaniel agency.

With Darby, Hooper & McDaniel, Mr. Clark will handle the metropolitan losses of the Caledonian, Insurance Company of North America, Alliance and Century, for which companies the agency is metropolitan agent.

WILL WRITE AUTOMOBILE

Potomac Fire Preparing to Handle Fire, Theft and Collision Lines—Will Follow Conference Rules

The Potomac Fire, of Washington, D. C., is preparing to write fire, theft and collision lines on automobiles. Control of that company lies with the General Accident, Fire & Life, of Philadelphia. The General Accident is not a Bureau company. It also writes automobile collision, property damage and liability. In order that the Potomac might join the Conference it would be necessary for the General to enter the Bureau. However, it is understood that the Potomac intends to follow Conference rules and rates.

E. C. McCOLLEY MAKES CHANGE

Eugene C. McColley, special agent of the Law Union & Rock, has resigned to go with Beidler & Bookmyer, Philadelphia, as secretary to Mr. Bookmyer.

GOVERNMENT TOOK SPACE

The United States Government has taken the top floor of the building in Pine street occupied by the Caledonian and the company has had to hurriedly accommodate itself to the curtailment of space resulting from the Government's necessities.

OSCAR V. BARGER DEAD

Local Agent of Peekskill, N. Y., For Generation and Represented Twenty-Seven Companies

Oscar V. Barger, local agent at Peekskill, N. Y., died last Saturday from a complication of illnesses after a long confinement at the Peekskill Hospital. The funeral was held at his home in that city on Tuesday and was attended by a large number of insurance men both from New York City and other parts of the State. Mr. Barger is survived by two sons who have already taken over the business under the firm name of Oscar V. Barger's Sons, as reported in The Eastern Underwriter of August 2.

Mr. Barger for a long term of years was president of the Westchester County Board of Fire Underwriters and has always been active in agency activities. He has been a local agent in Peekskill for a generation and more, having taken over the old agency of Barger & Powell, and at the time of his death he represented twenty-seven of the best companies in the business.

L. M. IRVING JOINS Y. M. C. A.

Well-Known Malone Agent Preparing at Columbia University—Will Sail Soon

Lewis M. Irving, a well-known insurance agent of Malone, N. Y., and an active member of the local agents' association, has been accepted for appointment as a Y. M. C. A. secretary abroad and will report for special instruction at Columbia University Sept. 10th to prepare himself for service overseas. Mr. Irving was for years a prominent member of Co. K, Malone, with which his son entered the Federal service. His son, Heywood Irving, is a sergeant.

During his absence his insurance business will be continued by Mrs. Irving and the competent force which the office employs.

USE OF $50 DEDUCTIBLE

Question As to Whether This Clause Should Be Applied in District of Columbia

Washington, D. C., is the only territory not now affected by the new automobile rules and rates recently put into effect. The question has arisen as to whether Washington agents should issue the new $50 deductible cover on automobile risks. The opinion of the Conference is that there is no objection to using the $50 deductible there if the present rules and rates for that cover are adhered to.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

Agricultural Insurance Company, of Watertown, N.Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

THE TOKIO
MARINE AND FIRE
INSURANCE COMPANY
LIMITED

UNITED STATES FIRE BRANCH
J. A. KELSEY, General Agent
80 MAIDEN LANE, NEW YORK

THE WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

"Five or More Cars" Rule Will Be Used

"DRIVERS" RULE TO BE DROPPED

Provides Automatic Protection on Large Automobile Risks, at Full Manual Rate

On or after October 1 the "Five or More Drivers" rule in automobile insurance is to be eliminated. The following "Five or More Cars" rule is substituted in lieu thereof and becomes effective immediately:

Where an assured owns five or more commercial automobiles and/or private type cars used for business purposes and desires coverage for liability insurance (with or without concurrent P.D. and/or collision insurance) on all such automobiles owned by said assured at all times during the policy term, a policy may be written specifying (by factory number) each such automobile owned by said assured at date policy becomes effective and providing that all such automobiles purchased thereafter shall be automatically covered on a pro rata premium basis and that automobiles disposed of shall be automatically cancelled off on a pro rata premium basis and that notices of said purchases and disposals shall be immediately transmitted to the company on printed "Change Slips" provided for that purpose. An endorsement to the following effect shall be used:

In consideration of premium herein provided and of the assured agreeing to carry personal injury liability insurance with this company on all commercial and private type automobiles used for business purposes owned by him during the term of this policy, it is understood that the policy subject to its provisions and limits covers all such automobiles operated for the purposes described in the policy.

The assured warrants that the automobiles described in the within schedule are all the commercial and private type automobiles used for business purposes that are owned by him at the time this insurance attaches. The sum of the premiums for such described automobiles as set in said schedule shall be the premium for the policy.

The assured agrees to keep a record of all commercial and private type automobiles used for business purposes that are purchased by him during the term of the policy and the dates such automobiles are put into use and likewise of all such automobiles sold and disposed of during the term of the policy and the dates of such disposal, and shall promptly report each purchase and disposal to the company. An additional premium shall be due and payable to the company each month on additional automobiles purchased and put into use by the assured during the preceding month (equal to the sum of the pro rata premiums for coverage on each such automobile to the end of the policy term at the company's rate in force at the time of purchase as shown on the company's printed rate sheet) in excess of any pro rata return premium allowable for automobiles sold and disposed of during said preceding month. However, if the return premium for automobiles sold and disposed of during the preceding month should exceed the premium on additional automobiles purchased and put into use by the assured during the preceding month, there shall be no return of premium to the assured until termination of the policy, at which time a final adjustment shall be made and any premium paid by the assured in excess of earned premium shall be returned to the assured and any earned premium in excess of premium paid by the assured shall be due and payable to the company.

It is further understood and agreed that no return premium (nor any reduction in earned premium) shall be granted for suspension of coverage on any automobiles laid up for repairs (or for any reason other than disposal) except upon the customary short rate cancellation basis.

The books and records of the assured relating to the ownership (including purchase and disposal) of automobiles of the assured shall be open to inspection at any reasonable time by any authorized representative of the company.

Extension of Cover

If an extension of the automatic coverage privilege is desired to include all commercial and/or private type of automobiles used for business purposes that are owned by salesmen or other employes of the assured and regularly operated in the business of the assured for the purposes described in the policy, this "Five or More Cars" rule may be applied (to cover the interests of the assured only, except for the private type cars where the omnibus coverage endorsement may apply) providing that said employes are specifically mentioned either by name or as a definite unmistakable class and that the assured warrants he will keep an accurate record of said employes and their automobiles.

Effect of the Change

The "Five or More Cars" rule merely provides a uniform means of obtaining full Manual premium and furnishing automatic protection to the large risks. It requires the assured to promptly report each purchase and disposal. The fire companies handle this reporting for the fire end of the insurance by means of so-called "change slips." One colored slip is used for reporting purchases while another is used for reporting disposals. There is also the choice of using the same blank for commercial cars as for private pleasure cars or separate blanks for each.

It is suggested by the Bureau that a company might save time and labor in the handling of large risks under the "Five or More Cars" rule if a special blank for listing the cars be attached to the daily application submitted to the home office. Appropriate columns may be provided so that all subsequent additions and subtractions may be immediately transferred from the "change slips" to the blank.

The following headings to the columns are suggested:

Name of make.
Number of change slip (if any).
Specifications for each car listed: showing year, model, type of body or load capacity, motive power, factory number, list price and insurable horsepower.
Territory in which car is used and garaged.
Date on which coverage commences.
Date on which car is disposed of during policy term, if at all.
Premium.
Return premium, if any.

COEYMAN TO JOIN ARMY

Howard S. Coeyman, of the Liverpool & London & Globe, a well known automobile insurance man, will soon join the National Army.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

LINES SOLICITED AND BOUND THROUGHOUT UNITED STATES AND CUBA
E. F. FLINDELL
INSURANCE
1 LIBERTY STREET Telephone John 2612 NEW YORK
LOCAL OFFICES
JERSEY CITY, N. J. Montgomery St. Tel. 216 Montgomery
BROOKLYN, N. Y. 153 Remsen St. Tel. 2504 Main
NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $109,000,000
Losses Paid in U. S. $40,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

May Send Representative to the Philippines

FOREIGN INSURANCE ASS'N

Argentina and Brazil to Be Visited By Special Agent Michaels—Banking Facilities

A meeting of the board of trustees of the American Foreign Insurance Association was held in New York yesterday at which the constitution and by-laws of the association were finally adopted.

The subject of sending a man to investigate conditions in South America was discussed and it was proposed that the association take advantage of the trip now being made to South America on behalf of his company by U. O. Michaels, special agent of the Insurance Company of North America. Mr. Michaels was in New York on Tuesday arranging for his passports. He expects to sail about September 5 and to return about December 1, after visiting Argentina and Brazil.

May Send Man to Philippines

The board of trustees also considered the advisability of sending a representative to investigate insurance conditions in the Philippine Islands. The point was made in this connection that the laws of the Philippines favor companies having a deposit under the New York State safety fund deposit law and the association also has a number of attractive applications from the Philippines. For these reasons it is thought that action will probably be taken at the next meeting of the association favoring immediate investigation of conditions in the Philippines.

The board of trustees also decided that it would be desirable for the association to avail itself of the interest expressed by American banks and bankers with foreign connections in the association and their offer of their facilities.

AEROPLANE HAZARDS

Referred To By Congressional Committee on Aircraft Investigation.—Recommendations Made

In the Congressional aircraft report the following paragraphs were of interest to underwriters:

Your committee in inspecting the aircraft plants has noticed the great danger of construction by fire, owing to hazardous processes of manufacture, hasty construction, lack of automatic sprinkler, and other fire protection. The burning of any of these factories, in whole or in part, at this time would be a catastrophe, for it would greatly cripple the aircraft program.

We urgently recommend that the requirements of the Fire Prevention Bureau of the National Council of Defense, composed of fire insurance experts, for better fire protection in these factories be made immediately compulsory by the Director of Aircraft Production, and that a stipulation be inserted in future contracts compelling a compliance with such recommendations.

ASBURY PARK CHANGE

William P. Sherman, former treasurer of the T. Frank Appleby Company, Asbury Park, N. J., has been made manager of Pawley & Co., an Asbury Park insurance agency. Mr. Sherman went with the Appleby agency in 1904. He was former secretary of the Asbury Park Public Grounds Commission.

Can Organize New Insurance Companies

CAPITAL COMMITTEE'S ATTITUDE

Rumor Unfounded That Committee Has Ruled Against New Marine Insurance Companies

A rumor was current along Beaver Street this week that the Capital Issues Committee of the War Trade Board, which passes on new corporations of every kind before they are permitted to commence operations, had made a ruling to the effect that no new marine insurance companies would be passed by the committee. The Eastern Underwriter investigated this rumor and found it to be unfounded.

The Capital Issues Committee in the past two weeks has approved of two new marine insurance companies, the Trans Marine Insurance Co. and the Washington Marine Insurance Co., and word is expected soon that the committee has approved the organization of the Hudson Insurance Co., of New York, which is identified with the Svea Fire & Life.

It is reported, however, that two fire and marine companies being organized in the West were not approved by the committee. One of the companies was said to be organizing in Milwaukee and the other in Chicago.

The object of the committee in passing on new companies is apparently to base its judgment on whether the companies are being formed for permanent exploitation by responsible parties or whether they are temporary only.

A BIG MEETING

All Interests in Insurance To Be Represented At Convention of Insurance Federation

The convention of the Insurance Federation which is to be held in Atlantic City the last week in October is to be an important gathering of the insurance interests at which great national questions are to be discussed. An attempt will be made, it is said, to have men present representing every phase of insurance.

It is too early yet to describe the plans of the meeting, but it is the general opinion that one result will be to present insurance in the favorable light to which it is entitled by reason of the work which the insurance interests have contributed to the government, and, also, the sympathy which the leading men in insurance have extended to the Government. In no sense of the word will it be a "protest" meeting of any kind.

Among the visitors to New York this week was Counsel Turner of the Federation. Beyond saying that the meetings would be of extreme importance and that the best thought in insurance will be represented he did not care to be quoted.

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

Binding Contracts with Guaranteed Underwriters at Lloyds and British Companies maintaining United States deposits. Immediate telegraphic binders given.

MARSH & McLENNAN

19 Cedar St. NEW YORK | 1615 California St. DENVER | 201 Sansome St. SAN FRANCISCO | 107 S. Fifth St. MINNEAPOLIS
901 Ford Bldg. DETROIT | 314 Superior St. DULUTH | 17 St. John St. MONTREAL | 23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

Associated Mutual Agency Incorporated

B. J. ALLEY, Manager

68 William St., New York

Exceptional Facilities for Writing Business Throughout the United States

THE HUMBOLDT FIRE INSURANCE CO.
PITTSBURGH, PA.

Conservative -- Sound -- Progressive

Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

N U

NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.

NOT HOW MANY BUT HOW GOOD

One trained Soldier is worth a dozen of the other kind. And so it is with the Fire Insurance Agent. Experience and qualifications are the factors in his success. This Company is not so particular about having a large Agency force as it is in having a good Agency force. One of the benefits of such a plant is that the Company can extend such Agents the best it has in the way of service and facilities. Not now and then but ALL the time the NATIONAL UNION will speed up the efficiency of your office. With a known capacity for extending distinctive service which is practical, constant and real the NATIONAL UNION presents attractive opportunities to experienced Agents of reliable character. Get your Agency—Now.

New Enemy Alien Clause Drafted

BROKER OFFERS SUGGESTION

Believed New Form Would Overcome Objections to That in Use at Present

Hoping to reach a solution of the perplexing situation which has arisen in connection with the use of an enemy alien clause, a prominent member of the New York Fire, Marine & Liability Brokers' Association has drafted a new form which reads:

No loss under this policy shall be paid to, for, or on account of, or on behalf of an enemy or ally of enemy (as defined in the Act of Congress, approved October 6, 1917, known as the Trading with the Enemy Act, or amendments thereto, or in any proclamation of the President pursuant thereto) or to or for any person who is acting for, on account of or on behalf of any enemy or ally of enemy unless the interest of enemy or ally of enemy has been conveyed, transferred, assigned and delivered to the Alien Property Custodian, or unless with a license from the President of the United States permission is granted to insure the enemy or ally of enemy.

Organizations Interested

This clause will be given consideration by the brokers' association and other bodies interested. Its object is to overcome the objections made to the "Trading with the Enemy Clause" as used by some companies, of which the following is a sample:

This entire policy shall be void if the insurance hereunder, directly or indirectly, is for, or on account of, or on behalf of or for the benefit of, an "enemy" or "ally of enemy" (as defined in the Act of Congress, approved October 6th, 1917, known as the "Trading with the Enemy Act" or amendments thereto, or in any proclamation of the President pursuant thereto) or is for any person who is acting for, or on account of, or on behalf of, or for the benefit of an "enemy" or "ally of enemy" unless the interest of the "enemy" or "ally of enemy" has been conveyed, transferred, assigned and delivered to the Alien Property Custodian, or unless with a license from the President of the United States permission is granted to insure the "enemy" or "ally of enemy."

Many companies are not using any clause whatever and the situation is by no means clear to agents, brokers and underwriters. Insurance men seek to obtain a clause which will cover the intent of the Trading With the Enemy Act and at the same time not void all the insurance protection of an assured where only a portion of it might be considered subject to the terms of the Act. It is believed that the clause first quoted above covers the desired points and carries out the idea expressed by Insurance Commissioner Cleary of Wisconsin, as published in The Eastern Underwriter last week. Insurance lawyers have evinced considerable interest in Commissioner Cleary's argument that the clause now being used by some companies protects the companies but not the assured. In other words the commissioner believes that the assured should be paid for the loss on that portion of a risk which is not enemy owned, but should not be paid on that portion which is enemy owned. To put it another way, the innocent should not be made to suffer with the guilty.

Robt. R. toe Laer, of Amsterdam and Copenhagen, has opened a New York office at 15 William Street.

WOULD CUT CLAIMS

Automobile Underwriters Expect to Be Helped By Fuel Administrator's Regulation

If the proposed government restrictions on the Sunday use of motor vehicles should continue until the close of the year, automobile insurance men, especially those in the liability branches, see how their losses may be reduced twenty-five per cent., possibly more.

Sunday is the big day for smash-ups. In the claim departments Monday, Tuesday and Wednesday brings a flood of claims, by far the greater number of which grow out of Sunday mishaps.

With the new request (which later may become an order) in effect, comparatively few of those who drive so freely on Sunday can use their cars during the other days of the week. Even if they do drive more on other days the same conditions of congestion are not likely to obtain.

J. L. WOODS BACK SOON

J. L. Woods, examiner in charge of the complaint bureau of the New York State Insurance Department, is expected to return to his office soon after recuperating from a severe attack of acute rheumatism in the shoulders by which he was rendered helpless while traveling on a train. Mr. Woods has been home for more than a month.

BECOMES A LOCAL AGENT

Special Agent P. B. Travis of Atlanta, for the past two years in charge of the Georgia, Florida and Alabama field for the Niagara Fire, has resigned, to enter the local agency business at Jacksonville, Florida. Mr. Travis has purchased a partnership in the business now conducted in the name of Strickland & Tucker, and expects to take up his new duties October 1st.

THRESHERMEN'S MUTUAL

Commissioner of Insurance Cleary has granted a license to the National Threshermen's Mutual Insurance Company of Madison, to do business in Wisconsin. The new company, of which B. B. Clark is president, and Len Clark, secretary, is a mutual company organized primarily to insure the property of threshermen.

GOES TO NATIONAL UNION

D. M. Murchison, special agent of the American Eagle Fire for Virginia and North Carolina has resigned to become special agent for the National Union Ins. Co., for Oklahoma, his former home state.

William G. Stark, formerly a clerk in the Survey Department at the Home Office of the Hartford Fire, was officially reported gassed Feburary 26, 1918.

S. E. Locke, secretary of the Hartford Fire and Mrs. Locke, have gone to Eastern Point, Groton, Conn., where they will spend a few weeks.

Robert A. Boit & Co. have been appointed representatives of the Tokio F. & M., for Boston.

"The Leading Fire Insurance Company in America"



AETNA INSURANCE COMPANY

Aetna Fire Underwriters Agency

of Aetna Insurance Co.

Application For Agencies Invited



"AMERICA FORE"

THE AIRPLANE

—is the military eagle, aptly termed the Eyes of the Army. Rising above and before the battle line, it watches for coming attacks.

FIRE gives no warning of its coming. No eye can see where it will strike next.

ADEQUATE Insurance is the airplane of protection. Use foresight instead of actual vision. Let the

AMERICAN EAGLE

Fire Insurance Company of New York

begin today to protect you against loss by fire.

Cash Capital .....ONE MILLION DOLLARS

HENRY EVANS, President

Home Office
80 MAIDEN LANE
NEW YORK

Pacific Coast Dept.,
INSURANCE EXCH. BLDG.,
SAN FRANCISCO

Firemen's Insurance Co., Newark, N. J.

January 1, 1918

Cash Capital $1,250,000.00
Net Surplus $2,384,971.20
SURPLUS TO POLICYHOLDERS...$3,634,971.20

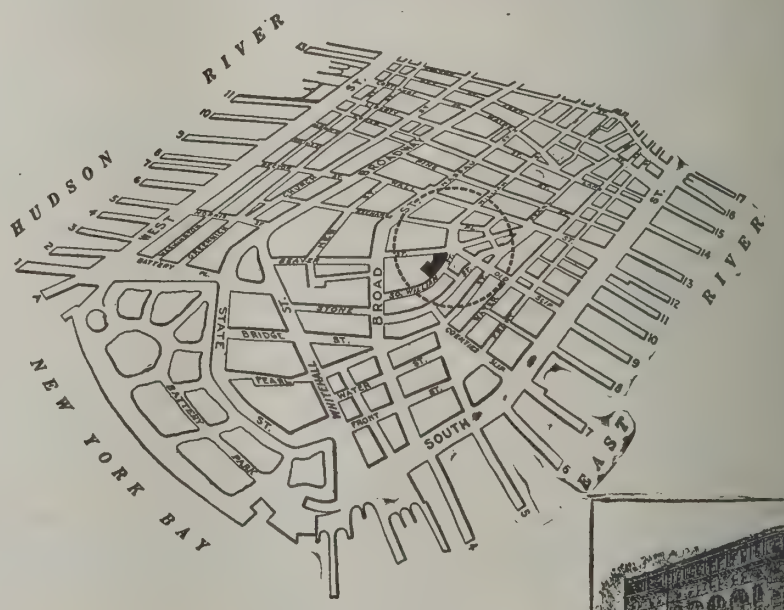
DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer — A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President — J. K. MELDRUM, Assistant Secretary

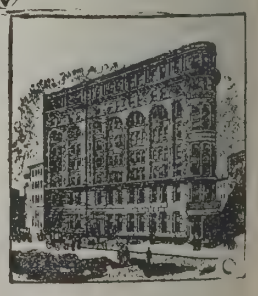
AMERICAN MERCHANT MARINE

INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House — New York City

South William and Beaver Streets

BROKERS ACTIVITIES

STATE AGENCY ABUSES

Branch Offices Corral Higher Commissions—Growing Evil in Automobile Insurance

A practice of automobile writing agents in Eastern cities of establishing branch offices at other Eastern points, in order to take advantage of the differences in commission, is becoming an additional annoyance in automobile insurance circles. Business belonging in a low commission area is being placed in the higher commission centers.

Before long the whole question of automobile insurance commissions, together with state agency rules will be placed before the Conferences for permanent adjustment. The situation has become the source of so much dissatisfaction that it is thought when it is finally taken up by Conference men representing the whole country it will not be dropped until a solution is reached.

A decided effort will be made to obtain a state agency and commission rule for the whole country and the largest cities which will do away with the difficulties now experienced under the present system with its differences in commission rates and its open counters.

Philadelphia, for example, is paying fifteen per cent., while New York and some other points pay twenty. The casualty companies have a 17½ per cent. rule. The old competition between the marine and the fire companies continues with no sign of diminution and has become acute as to the application of the state agency rule. Both in Conference and Bureau circles the need for a thorough overhauling of the subject is daily becoming more apparent.

LIEUT. LUDLUM WOUNDED

Son of Home's Vice-President Hurt In Action—Doing Well At Last Reports

Friends of Vice-President Ludlum, of the Home, will regret to hear that his son, Lieut. Clarence A. Ludlum, Jr., was wounded severely in action on the Western Front some time between August 1 and 9. This information came to Mr. Ludlum from the War Department.

Later, a cable was received from Lieutenant Ludlum's sister, attached to an American Red Cross receiving station somewhere near the sector where Lieutenant Ludlum was in action, saying that he was doing well at the time of her latest information, August 13.

Frank H. Gibson Recovers

Frank H. Gibson, of Cornwall & Stevens, who was seriously ill in a Brooklyn hospital with appendicitis is recovering, and has left the city.

The Star Fire of New York has applied for admittance to Maryland. H. E. Reisinger is Maryland special agent.

BRITISH AMERICA ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918

Assets	$2,192,173.14
Surplus in United States	772,927.35
Total losses paid in United States from 1874 to 1917, inclusive	25,298,472.00

W. B. MEIKLE, Pres. & Gen. Mgr.

Big Explosion Line Landed By Caldwell

(Continued from page 1.)

est and for the purpose of obtaining an accurate and reliable report as to the amount of existing insurance the Alien Property Custodian has deemed it advisable to have a survey made of all such properties and has designated Mr. Dean Caldwell of Washington, D.C., to make this survey.

Mr. Caldwell will make his report and recommendations to you, and in turn we ask that you submit the same to us with any further recommendations you may have with respect to insurance.

Since the properties involved will secure the benefit of Mr. Caldwell's services, it seems proper that his compensation should be borne by the properties rather than by the Government. It has been arranged with Mr. Caldwell that he will accept as his compensation the brokerage to be derived from placing any additional insurance which may be necessary, in the event it is seen fit to allow him to place the same. In the event additional insurance is placed, Mr. Caldwell should of course receive a reasonable fee for his services. The method of compensation is intended to be left wholly to your option. And it will be understood that Mr. Caldwell will not interfere in any way with existing insurance, or with the contracts of companies for such insurance with insurance companies, agents or brokers now handling same.

You will facilitate our work in this connection if you will be good enough to see that proper credentials are given to Mr. Caldwell by the company in which you are director.

In view of the unusual hazard growing out of the conditions incident to the war, we wish to suggest to your board of directors the necessity of placing insurance to cover malicious explosions, bombardment and other damage which might occur because of war conditions. The nature of the insurance that may be secured is as follows:

Explosion Insurance which is intended to cover malicious explosions occurring on the premises of your plant, and protects against loss or damage caused thereby. It may be also made to cover explosions caused by any of the materials, processes incidental to the business, and further, loss due to explosions occurring on adjacent or remote premises.

Full war cover insurance which is intended to indemnify against all the hazards of war, invasion, insurrection, riot, civil war, civil commotion, military or usurped power, bombardment, fire and explosion caused by all of the foregoing, and explosion.

Explosion insurance rates depend upon the class of the plant insured and vary from twenty cents to $1.50, according to the degree of risk involved in the nature of the plant.

Bombardment and full cover insurance depend (1) upon the location of the plant, varying from $1 for property situated on the ocean front, to fifty cents for property more than twenty miles from ocean front and more than twenty miles from navigable channel thereto; and (2) upon the character of the plant, varying from twenty cents to $1.50 according to its nature. The total rate is arrived at by adding the zone rate to the plant rate.

Very truly yours,
J. T. Horner,
Director Bureau of Trusts.

In the correspondence of the Alien Property Custodian the word "enemy" is used as meaning "enemy" or "ally of enemy," as defined by the trading with the enemy act.

The Bureau of Trusts' letter was printed in "The weekly Underwriter" last week.

W. B. HOLMES RESIGNS

W. B. Holmes has resigned as supervising automobile underwriter for the North British and affiliated companies, effective September 9. Mr. Holmes has been with the company for three years. Before that he was with the St. Paul Fire & Marine and William H. McGee, in the marine and automobile department.

WALTER F. ERRICKSON
AGENT
95 William St. New York
38-40 Clinton St. Newark, N. J.

S. C. BISHOP CO.
Represented at 95 William Street,
AGENTS FOR NEW JERSEY
208 Broad Street, Elizabeth, N. J.
Phone, 47 John — 588 Elizabeth

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET NEWARK Phone Market 6536
SERVICE FIRST
80 MAIDEN LANE NEW YORK Phone John 4560

BINDERS EFFECTED ON NEW JERSEY RISKS
Irvin T. Bernhard
68 William St., New York, N. Y.
19 Elm Ave., Hackensack, N. J.
Scottish Union & Nat. Ins. Co. Niagara-Detroit Und. Eagle & Br. Dom. Ins. Co. Glens Falls Ins. Co. American Eagle Ins. Co. Ohio Farmers Ins. Co. Yorkshire Fire Ins. Co.

National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1918, to New York Insurance Department
LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President; F. D. Layton, Secretary; F. B. Seymour, Treasurer
G. H. Tryon, Vice-President; S. T. Maxwell, Ass't Secretary; C. B. Roulet, General Agent
SURPLUS TO POLICYHOLDERS $5,980,020.79

FOUNDED 1792
1792 Insurance Company of 1918
NORTH AMERICA
PHILADELPHIA
126th ANNUAL STATEMENT DECEMBER 31, 1917
The Oldest American Stock Insurance Company

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33
Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

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UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

MARINE DEPARTMENT

August Another Unprofitable Month For New York War And Marine Underwriters

We have commented in our past issues upon the exceptionally heavy marine and war losses which New York marine underwriters have been called upon to pay, and in our issue of the 16th we made reference to the heavy losses sustained by war risk underwriters on the "F. R. Kellogg," and by marine underwriters on the "M. C. Connelly," in addition to which are the following:

Steamer "Penistone" (war loss) which was sunk off Nantucket about August 15th while on a voyage from New York to Bordeaux. Figures representing the amount of loss to New York underwriters are not available, but at the least they will run into a very serious sum.

"Proteus" Valued At $520,000

Steamer "Proteus" (marine loss) which was sunk by collision with a Government vessel near Diamond Shoals. Will fall heavily on local underwriters, as she was valued at not less than $520,000 and her cargo would probably run in the neighborhood of $500,000.

Auxiliary Schooner "Madrugada," bound from New York to Santos, which was destroyed by a submarine August 15th, near Norfolk. Another heavy war loss falls to New York underwriters, the vessel and her cargo being placed in the local market. Will probably fall short of $1,000,000.

Steamer "Canada Maru," on a voyage from the Far East to the Pacific Coast, stranded on the Pacific Coast, and was later salved and incurred heavy salvage expenses. Had a very valuable cargo which was largely insured in the New York market.

Steamer "Huttonwood," which was on fire in the Port of New York August 7th, with a very valuable cargo destined to a French port. Will make another heavy loss for marine underwriters.

Schooner "Dornfontein," destroyed August 5th by a submarine. Cargo placed in this market, valued at about $75,000.

Portuguese Bark "Porto," bound from New Orleans to Oporto, sunk by submarine. War risk probably placed in this market for a fair sized sum.

Abandoned At Sea

Norwegian Barge "Sardhana," Montevideo, for a United States Atlantic port, with a full cargo of linseed, abandoned at sea. Cargo insured for $400,000 to $500,000 in this market.

Steamer "Gasconier." New York to Rotterdam, loaded by the Belgium Relief Commission. Was sunk by a mine in the North Sea. Partly insured in this market.

Steamer "Lake Manitoba," damaged by fire. Amount of damage not known at this writing.

Norwegian Bark "Nordhav," bound from River Plate to United States with a full cargo of linseed, destroyed by submarine. Cargo probably valued at $400,000.

Estimated Loss On "Seguranca"

Steamer "Seguranca," New York to Greece, with a very valuable cargo, was beached at Bermuda. Cargo probably valued in the neighborhood of $1,000,000, on which there will probably be a 50% loss, and the hull valued at $650,000 probably total loss, or 75% loss. Largely placed in the New York market.

Motor Ship "Leonidas"—destroyed by fire on a voyage from New York to River Plate, with a full cargo of oil. Cargo valued at about $250,000, hull $200,000. Largely insured in this market.

Rate Improvement Necessary

Taking all these losses into consideration, in addition to the numerous other losses which underwriters have been called upon to pay, there is no apparent profit in sight for local underwriters for the year 1918, nor for the year 1919, unless steps are taken to advance marine and war rates considerably over the rates which have been obtained for the past eight months, as a great many of the companies will not be able to continue to do business unless radical improvement is made along the lines suggested. Some of the newer companies who are strong enough financially to withstand the losses which they have sustained will either discontinue the business or seek other fields for revenue. Some of the smaller newer companies who have been writing exceptionally heavy lines will either be compelled to write materially smaller lines or discontinue the business entirely.

It will therefore be seen that underwriters, as well as large marine brokerage offices who are interested in the continuance of the large American facilities which have been established for writing marine business, will find it to their interest to get together and see that improvement is made, so that the underwriters will be compensated for the risk which they are asked to run.

OBSERVER.

ENTERS MARYLAND

A. H. Ehrhart Appointed Manager of the Automobile Owners' Indemnity Exchange

The Automobile Owners' Indemnity Exchange of Philadelphia, an inter-insurance concern recently admitted to Maryland, with A. H. Ehrhart, resident manager, has issued a circular explaining its plan of operation. Apparently no provision is made for the accumulation of surplus. It is assumed that whatever funds may be left after paying claims are applied to that account. The premium income is split in two parts, 25 per cent. for expenses and 75 per cent. for loss claims. All losses will be paid out of the 75 per cent. The "Baltimore Underwriter" says: "What the insured motor owner may have to do in case that amount is insufficient to pay the claims, it is not stated. It can only be imagined."

AUTOMOBILE PREMIUMS

A statistical survey of the automobile business transacted during the first six months of this year by the Automobile Department of the Fireman's Fund Insurance Company, justifies the expectation that the total automobile premiums for 1918 will show an important increase over those of 1917 unless production is radically cut down for the remainder of this year.

Gus N. Brown, local agent at Scranton, Pa., was in New York this week.

* * *

William Umbrie, local manager in Philadelphia for the Insurance Company of North America, spent several days of this week in New York City.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

EQUITABLE UNDERWRITERS OF NEW YORK
SURPLUS $793,852.75

Marine and War Risk Insurance
Losses made PAYABLE in all parts of the world

C. R. EBERT & CO., Inc.
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48 BEAVER STREET, NEW YORK

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INCORPORATED
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In addition to our regular marine and war risk business, we now have a department for writing FIRE insurance only on vessel property of all descriptions.

We would be pleased to receive applications from agents and brokers having this class of business to place.

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EXCESS ASSOCIATION

Splendid Progress Being Made—Several Meetings Held—Its Plan of Operation

The Fire Underwriters' Excess Association has held several meetings and is making splendid progress. The plans of the association in brief follow:

First—The Association shall deal only with surplus or excess amounts which cannot be placed through regular company and agency channels.

Second—The total cost to the members for commission and/or brokerage combined shall not exceed 5% for such excess amounts.

Third—Operations shall be conducted through the Association's office in New York, where a competent manager and staff shall be employed under the supervision of an Advisory Committee of nine company officials, the latter to be readily available for consultation.

Fourth—A joint policy or certificate (the liability being several, not joint) shall be issued by the manager, who shall be vested by each company with binding power.

Fifth—Participation of each member in each risk accepted shall be on the basis fixed by the member for its interest as hereinafter provided.

Sixth—Each member's participation shall be obligatory.

Seventh—An Open Policy from each member shall be supplied for each State. In such States where members are not licensed the Open Policy may be issued at the Home Office for the particular State or States, subject to local State laws. The Open Policy shall be the "Standard" of each State. In such as have none, the New York Standard will be issued.

Eighth—The manager shall arrange for proper accounting and for collection of premiums and shall remit within ninety (90) days to each company.

Ninth—Losses shall be reported by the manager and shall follow the adjustment of the agency line, but proof and drafts shall pass through the Association office.

Tenth—The Association shall in no way conflict with other organizations, such as the Underwriters' Grain Association, and shall specifically exempt the properties coming under the jurisdiction of the latter.

Eleventh—The Rotating Committee shall be the judge of what constitutes a single risk.

Twelfth—The manager shall arrange with the agent or broker that in the event of any reduction in amount of insurance on a risk that the Association's line shall be reduced first.

CASUALTY AND SURETY NEWS

Compensation Not Yet Profitable

NEW YORK EXPERIENCE SHOWN

Last Year's Figures Show Improvement—Mutual Reserves Adequate—Stock Acquisition Expense 17%

In the forthcoming annual report of the New York Insurance Department it will be shown that the stock companies writing compensation lines experienced a loss ratio of 64.22 and an expense ratio of 38.98 for the period July 1, 1914 to December 31, 1917. The mutual companies' loss ratio is 66.52 and expense ratio †13.53. For all companies the loss ratio is 64.77; expense 32.87. These percentages are computed on earned premiums, incurred losses and expenses, the volume of premiums being as follows: All carriers, $56,553,581; non-participating, $43,013,806; participating, $13,539,775.

Results Last Year

For the calendar year 1917 the experience is a little better, showing that while the companies have been losing money they are now about breaking even. All carriers show a loss ratio of 61.07, expense 31.89; stock companies, loss ratio 59.78; loss expense 37.85; mutuals, loss 64.59; expense 15.66. The premium volumes are: All carriers, $21,342,405; non-participating, $15,605,402; participating, $5,737,003.

Premiums, Losses and Indicated Loss Ratios, by Policy Year of Issue (All Carriers Excepting State Fund).

Experience end of calen. year.	Premiums Earned.	Losses Incurred.	Indicated Loss Ratio.
Policy Year 1914			
1915	$12,832,478	$6,102,058	47.55%
1917	12,958,648	6,711,583	51.79
Policy Year 1915			
1916	12,682,601	8,355,497	64.96
1917	12,922,629	8,470,884	65.55
Policy Year 1916			
1917	15,532,305	10,673,520	68.72
Policy Year 1917			
1917*	8,526,792	5,515,512	64.68

*Representing an average exposure of six months.

This table develops the true loss ratio of the business underwritten in a given calendar year tracing the subsequent developments as to premiums and losses to an ultimate conclusion so far as may be with a considerable proportion of losses still remaining unliquidated.

State Fund Status

It is pointed out in the report that the expenses of the State Insurance Fund until June 30, 1916 were not a charge against the premiums received but were paid out of the general funds of the state. For this reason the apparent expense ratio of the State Fund for the period covered by the report was only 3.5%.

An analysis is given of the expenses of the stock companies the result of which conforms closely to the loadings which have been established for rate making purposes. The table shows that it has cost approximately 17.0% of the premium for acquisition or business getting expense, 7.5% for claim adjustment, 2.2% for inspection and accident prevention work, 2.3% for taxes and 8.9% for general administration or home office expense. This distribution of the expense items of the business does not, of course, hold true for individual companies.

Loss reserves carried by the mutual companies and by the State Insurance Fund have proved adequate.

†Includes State Fund.

Cost Plus and Lump Sum on Same Basis

RATE OF 4.36 FOR SHIPBUILDING

Compensation Inspection Rating Board and New York Department Agree on Terms

All distinction in rates between contracts for construction work undertaken for the government on a cost plus basis and for a lump sum, has been eliminated by the Compensation Inspection Rating Board. The action of the Board has the endorsement of the New York Insurance Department.

All reference to cost plus basis is to be stricken out. Special rates for classifications named in Bulletins R. C. 236 and T. C. 238 shall be made available only upon specific approval by the Board, provided satisfactory evidence in each case is submitted to the effect that the work is essential to the successful prosecution of the war, and that the commission will not exceed 7½% of the premium.

4.36 For Boat Building

Relative to boat building operations for the government the New York Insurance Department, acting upon the recommendation of a special committee, has authorized the following amendments to the provisions of Circular Letter R. C. 238, of the Rating Board, June 5, 1918:

Boat building—wood—not otherwise classified, No. 6801.....4.36
Boat building—constructing sand boats, scows and barges (not available for division of payroll No. 6803 .....4.36
Boat building—iron or steel—not otherwise classified, No. 6840....4.36

The foregoing special rates will be made available upon proper evidence submitted to the effect that the work is to be performed under contract executed by the United States Shipping Board Emergency Fleet Corporation and that the commission will not exceed 7½ per cent.

The special rates for Classifications 6820, 6821 and 6823 appearing in Bulletin R. C. 238, are withdrawn on the ground that the classifications do not involve work for the United States Government.

MISS MAYCRINK WITH BUREAU

Leaves New York Insurance Department To Go With Compensation Inspection Rating Office

Miss Emma Maycrink, formerly with the New York Insurance Department, has gone with the Compensation Inspection Rating Bureau.

She was with the auditing division of the New York Insurance Department, where her work had attracted considerable favorable attention. She is a fellow of the Casualty Actuarial Society, and has completed a course at Columbia University.

THE TRAVELERS
INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

Old Man Considered Good Accident Risk

H. E. REX TALKS ON AGE LIMITS

Members of Traveling Men's Associations Against Turning Down Men of Mature Years

H. E. Rex, secretary of the Iowa State Traveling Men's Association, believes that a man 65 or 75 years old, or even older, is, if in good physical condition, a safe risk for accident insurance. Mr. Rex addressed the Mutual Section of the Health & Accident Underwriters' Conference this week on "To What Age Should We Continue Either Health or Accident Insurance?" He made this exception: that if injured, an old man would not make as rapid recovery as a younger person.

Mr. Rex argued that the old man has reached the years of discretion and takes fewer chances than the man under fifty. He is not plunging recklessly toward his goal but proceeds with caution. There is need to be careful of the unprincipled men of mature age, who have means, whose time is of no monetary value, but when disabled might malinger. The same complaint is made of younger men, however.

Glad To Pay Young Man

When an old man makes a claim there is always the impulse to cancel but in the case of a young man, under like conditions, no word of complaint comes from the claim department, and he gets a letter something like this: "Enclosed please find check; lucky you belonged to our association; it is a pleasure to pay your claim; please send us a new member."

Again, the personal or selfish element enters into the situation. If the sentiment of the members of an association like this is considered, there would never be an age limit. Members will pay an additional premium but they do not wish a limit. If, carrying the old man until he dies a natural death should cost a little more, it would be only a trifle each year and Mr. Rex favors paying it.

The health feature is not parallel to the accident feature. Old men suffer prolonged illnesses. Members would probably favor an age limit for health insurance.

NEW YORK STATE RATES UP

Plate Glass Schedule Advanced to Manual Plus 33 1/3 Per Cent. Effective October 1

New plate glass rates for New York State, of Manual plus 33 1/3 per cent., have been made by W. F. Moore. This does not affect Greater New York. The compilation of experience there has not been completed. The new rate also does not affect the counties of Broome, Tioga and Chemung, where a rate of Manual plus 50 per cent. has been in effect since July 1. The 33 1/3 per cent. advance becomes effective October 1.

LABOR ATTACKS COMPANIES

Stock casualty companies are being bitterly attacked by the New York State Federation of Labor. A pamphlet is being issued from the offices of the New York State Insurance Fund and the State Industrial Commission, presenting the arguments before the Senate Judiciary Committee in favor of eliminating companies organized for profit from doing business under the compensation law. These arguments are by F. Spencer Baldwin, manager of the New York State Insurance Fund; and Thomas J. Duffy, chairman of the Ohio State Industrial Commission. The Foreword is by Edward A. Bates, secretary, New York State Federation of Labor.

BIG CONSTRUCTION BOND

The London & Lancashire Indemnity has written the bond of the Dinwiddie Construction Company, covering the latter's contract for erection of 116 buildings for the United States Housing Corporation at Vallejo, Cal., to accommodate workers at the Mare Island Navy Yard. The contract, which is on a fixed fee basis and for a total of nearly $1,000,000, covers the erection of residences, apartment buildings, hotels, kitchens, mess halls and other buildings to house the navy yard workers.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

Health and Accident Conference

(Continued from page 9)

W. C. Faxon's Plea For Uniform Policy

DEPLORES SPECULATIVE TREND

Business Easier to Sell Now—Standard Form Would Save Agent's Time and Energy

What Walter C. Faxon, vice-president of the Aetna Life, had to say to the health and accident underwriters in Chicago was of particular interest, as his subject was "Co-operation or Competition; Which is Most Effective in Reaching Results." Mr. Faxon is also chairman of the Committee of Fifteen which prepared the proposed uniform policy contracts.

The speaker pointed out that through the increasing liberality in accident and health insurance, the strictest kind of selection of risks has been made necessary, refusal of many risks that might have been carried under less "wide-open" policies has become compulsory and a certain prejudice against companies for their methods has developed and undesirable regulative statutory legislation has ensued.

Furthermore the liberal policy forms have created a speculative atmosphere in accident insurance and paved the way for the payment of very large sums of money into the estates of wealthy people which have made appalling inroads upon the premiums received without creating a corresponding benefit to the companies or to the public welfare.

Mr. Faxon said it is a wise underwriter who has the courage to hold down his limits and consistently resist the temptation to accept large risks even though the acceptance of them might establish a sort of prestige for his company. No one company has enough $50,000 risks to establish an average loss ratio in a class composed of $50,000 risks alone and such payments as are made of these large losses must be provided for by the premium payments on smaller policies thereby materially advancing the loss ratio for death losses upon the entire business.

Situation Has Changed

Mr. Faxon reminded the Conference members of the fundamental province of accident insurance and recalled that twenty years ago it was necessary to do extraordinary things to attract public attention to accident insurance, but a person today being injured by accidental means is loath to admit he had no accident insurance, while a person killed by accident without having accident insurance is generally regarded in the same class with those whose houses burn while uninsured. The public, however, is exceedingly indifferent and unmindful of the chances of accident to which it is daily exposed.

Co-operative adoption by all companies of policy forms substantially alike as to coverage and cost, and the same classification of risks will be of wonderful help toward the standardization of the business so greatly to be desired. And to this as nearly uniform methods in the administration of the business and in the settlement of claims as possible and the energies of agents can be concentrated to insuring the great majority of the now uninsured.

How Agents Would Benefit

Mr. Faxon advocated the adoption of a standard form of policy on the ground that it would save the time and energies of all agents in that they would not have to analyze policy contracts of competitors and argue the merits of relatively unimportant differences with their prospects. The insurance would be sold on the personality of the agent plus the standing and reputation of the company and not upon some inconsequential difference in benefits or in phraseology of a policy.

Frederick Richardson's Talk

(Continued from page 9)

my premiums in a fund that will mainly be used to provide benefits for people who are not hard-working, or normally healthy or honest or sober?"

Where State Schemes Start

The Conference was reminded of the disinclination of the working class to maintain insurance for themselves, due to improvidence or ignorance, which in turn suggests the false remedy of compulsory State insurance to overcome the evils that are certain to ensue where insurance has not been provided.

Still another thought was that insurance men must not make the mistake of assuming that the agitation for State schemes of compulsory insurance starts from nowhere. It starts from the fact that there is a large amount of unnecessary suffering in the world which preventive medicine and the application of the principles of insurance would help to reduce and to mitigate.

The supply of insurance facilities is only limited by the strength and capacity of existing insurance institutions, and it would be criminal folly to substitute for the voluntary efforts of responsible persons and societies a government's power to tax and to confiscate unrelated assets for the purpose of meeting its liabilities.

Governmental Guarantees

It is a mistake to assume that governmental guarantees given to persons engaging in dangerous enterprises for the protection of the State in time of war constitute in any real sense an exercise of insurance principles.

Work For Other Agencies

Again referring to prevention, Mr. Richardson said that the lapse ratio "will begin to fall when we begin to carry on our business intelligently." Let us forget the stupid idea that we gain at another's expense and by diverting one another's business. Other agencies must also be at work. There must be great schemes of housing reform and liberal endowment of light and air and green cool spaces in the cities of the future; developments of social hygiene for the treatment of all forms of degeneracy; nurseries for the cultivation of those finer strains of character, impulse and intellect which make men infinite in faculty and divine in purpose.

Ready For Safety Congress

INSURANCE MEN ON PROGRAM

W. B. Bilheimer, Toastmaster at Banquet—Speakers Number 174—Government Taking Active Part

Of the 174 speakers at the Seventh Annual Safety Congress, nine are connected with the insurance business. The Congress is to be held at Hotel Statler, St. Louis, September 16 to 20, inclusive.

J. J. Heelan, superintendent, Bureau of Inspection and Accident Prevention, Aetna Life, Hartford, will speak on "Modern Methods of Safeguarding."

Dr. Leroy P. Kuhn, surgeon, Lumbermen's Mutual Casualty Company, Chicago, "Infections and Blood Poison in the Woodworking Industry."

Alexander Fleischer, supervisor, Welfare Division, Metropolitan Life, is secretary of the Health Service Sectional Meeting to be held September 17.

The other insurance men who will speak are H. L. Geisler, secretary, Builders' Limited Mutual Liability Insurance Company, Madison, Wis., whose subject is "Effect of Accident Prevention on Compensation Bureau"; Harry A. Mackey, chairman, Workmen's Compensation Bureau, State of Pennsylvania, "Responsibility of the State for the Industrial Cripple"; F. L. Hoffman, statistician, Prudential Insurance Company, "The Dust Hazard to Health in the Stone Industry"; A. W. Whitney, general manager, National Workmen's Compensation Service Bureau, "Public Accidents—What They Mean in Monetary Loss"; Frederick C. Crum, assistant statistician, Prudential Insurance Company, "The Classification of Public Accidents"; Dr. Geo. E. Tucker, Aetna Life, San Francisco, "The Medical Administration of Workmen's Compensation Laws."

Message From President Wilson

A message emphasizing the pressing need for the conservation of man-power will be received from President Wilson, a member of the Cabinet delivering the principal address at a public meeting to be held the opening day of the convention. "Safety as an Asset in Winning the War," by the Hon. Franklin K. Lane, will express the views of the national government in its determination to prevent every avoidable accident in industrial America. Charles M. Schwab, director of the Emergency Fleet Corporation, will give the principal address at the opening session of the convention, his subject being "The Democratization of Industry." Mr. Schwab's address will be given immediately after the noon intermission, September 16 and he will be followed by John Ring, Jr., president of the Advertising Club of St. Louis, who will discuss the "Nationalization of the Safety Idea." "The Economic Value of Health of Industrial Employes" by Dr. Thomas Darlington, American Iron and Steel Institute, New York, will be one of the noteworthy addresses at this session. As a closing feature one of the latest industrial safety films will be shown.

The third session of the day will take the form of a public mass meeting and at this gathering the Secretary of Interior will be the principal speaker.

For Safety Engineers

Tuesday's program will open with a general session, arranged primarily for the benefit of safety engineers desiring to familiarize themselves with the fundamental principles and methods of securing success in their safety work.

Specialists in applying the national message to local needs will present scientific analysis of the work of the past year.

Tuesday afternoon a general round table discussion, under the direction of Chairman Phillip Stremmel, general superintendent, Granite City Steel Works, will occupy the full time of the convention. Among the principal topics to be discussed will be "How to Get the Manager Interested in Safety" and "The Promotion of Community Interest in Safety as an Industrial Asset."

Tuesday, Wednesday, Thursday and Friday will witness the inauguration of Sectional meetings, where the delegates will gather to discuss problems of accident prevention peculiar to their calling or industry.

An informal dinner will be held Wednesday evening, September 18, with W. B. Bilheimer, general manager, Franklin Life Insurance Company, St. Louis, toastmaster. A novelty in the form of a five-minute address by President Woodrow Wilson, by long distance telephone, through courtesy of South Western Bell Telephone Company, will be a leading feature of the occasion. The new director of the American Museum of Safety, Mr. R. M. Little, will speak on "Forethoughts and Afterthoughts on Safety" and a patriotic address will be made by Mr. James Schermerhorn of Detroit, and "The New Place the War Has Given Women in Industry" by Miss Jane Addams, Hull House, Chicago, Illinois, will complete a most enjoyable evening.

J. G. MADIGAN PRESIDENT

Heads International Claim Association Convention Held in Chicago This Week

At the closing session of the International Claim Association held in Chicago there were several discussions on technical topics and various items of business were closed up, and the following officers were elected for the coming year: President, J. G. Madigan, Great Eastern Casualty, New York City; vice-president, L. B. Gregory Reliance Life, Pittsburgh; secretary, E. C. Beck, Interstate Business Men's Association, Des Moines; treasurer, F. LeRoy Templeman, Maryland Assurance, Baltimore; librarian, Bayard P. Holmes, New York City. Executive Committee—Dr. W. L. Gahagan, chairman, New York City; J. J. Dorn, United States Casualty, New York; David N. Case, Travelers, Hartford; W. T. Grant, Business Men's Accident Association, Kansas City; and W. A. Budlong.

Frank C. Moffatt, of 92 William Street, an F. & C. man, has entered the government service.

The Armstrong Agency, Inc., which has been located at 55 John Street, has removed to 100 William Street, eighth floor.

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

SEMI-ANNUAL STATEMENT JUNE 30, 1918

Assets	$15,684,739.43
Liabilities	12,471,369.12
Capital	1,000,000.00
Surplus over all liabilities	2,213,370.31
Losses paid to June 30, 1918	63,244,803.06

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage), Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation—Steam Boiler Insurance; Fly-Wheel Insurance.

BUSINESS=BUILDERS

DEVELOPING

Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE

APPRECIATE THE CO-OPERATION OF THE

Massachusetts Bonding and Insurance Company

BOSTON

T. J. FALVEY, President

Paid-In Capital $1,500,000

Write For Territory

CASUALTY AND SURETY POINTERS

Bungling Agent Not Public At Fault

Commenting on how the public buys all sorts of things, some good and some bad, some necssary and some unnecessary, the National Casualty observes that health nd accident insurance is one of the ings the public needs and it only requires a salesman to place it.

The result of employment is wages. The result of insurance is equivalent o wages. Nothing else can fill the lace of wages except insurance. There tands exposed the whole brief argument. It rings true, and value and merit are behind it, and yet it requires a salesman to round up the public, get it in a corner and make it want to buy.

The one great weakness in salesmanship is that desire to close up a isk rises above all else, and in many ases a prospect is spoiled by poor andling. It is a good deal like making cake. It doesn't matter how carefully the ingredients may be selected, or does it matter how carefully it is ut in the oven. The fact remains that hat if the cake is pulled when half aked, it is spoiled. Care to leave it ust long enough, and pull it out carefully, is all that will insure success. The same care is absolutely necessary n selling insurance. The public is airly intoxicated with prosperity. Wages re higher than men ever dreamed of, nd they need more protection than ever before—and they know it. But uman nature is prodigal, and the man who buys insurance is the man who is arefully rounded up and properly educated. The fault is not with the public, but it is with the bungling agent who doesn't study his own game until e knows how to play it.

* * *

Up to Agents and Companies

Everybody in this business is accustomed to hearing talk about "service" until the term has become hackneyed—what in the newspaper business is referred to as a "bromide." Nevertheless what the Continental Casualty says to its agents on this subject is of special interest at this time:

"Speaking on service rendered by insurance men to the public calls to mind a subject that has been discussed somewhat at length by the insurance newspapers of the country; namely, the possibility of the government extending its insurance activities to branches of insurance which do not come under the head of what might be termed war risk insurance. Democratic government reflects the will, the desire and aspirations of the majority of its citizens. The government cannot and will not engage in any form of insurance which the public feels is being satisfactorily handled by the present insurance institutions, and the degree of satisfaction of the public with the present institutions depends upon how efficient is the service which those institutions are now rendering to the public. It is more important than ever, therefore, that the field men continue to render satisfactory service and that they go a step further and educate the public to the fact that this service is satisfactory.

"The writer of this article is so thoroughly imbued with the fact that the American brand of democracy will not develop into paternalism that he does not believe that the government has the slightest intention of extending its insurance functions beyond those which have already been made necessary by the exigencies of the war. Hence, the only reason for bringing the point to the attention of our field force is to impress upon them the necessity from this angle for constant improvement in service."

Decision—A Banker's View

Men in other lines of business have very much the same problems as do those selling insurance. A health and accident insurance man, if he desires to build up an agency, must decide in the beginning what he wants to do and what he desires to accomplish, then to go to it.

George M. Reynolds, president of the Continental & Commercial Bank, Chicago, covers this point very clearly. He says: "I believe that decision is the most vital element in life whether it is in business, in politics or in every day social affairs. The man who knows what he wants to do is almost certain to be a winner. The reason is he has a definite goal that he tries to reach. The very fact that he has picked out a goal means that he wants to reach it. If I were asked what quality in a man would help him more than anything else to win success I should say without hesitation that it is knowing what he wants. The power of decision when backed by industry and observation, is practically certain to bring success, or rather to bring a man to success for success does not come to us. We have to go out and get it."

* * *

What Each Town Should Produce

One reason why some agents get so little business out of their territory is that they have never drawn a mental picture of how much a town should produce in business. The Hoosier Casualty has grasped this point and presents it to its agents.

If located in a town of five thousand inhabitants an agent should consider that a town of that size is good for three hundred policy holders; if a town of ten thousand, four hundred policy holders; if twenty-five thousand, six hundred. It is a positive fact that one company has in a town of six hundred thousand inhabitants, ten thousand policy holders.

It's all in deciding what one wishes to accomplish. So decide how many policy holders you would like to have in your town and then go to work and get them. It's the only way.

* * *

Disturbed Conditions Create Opportunities

The best time to sell insurance is when a community is disturbed on account of some particular loss. This is just another way of saying that most men never appreciate a thing until it is taken away from them. A fire in a residence block which brings a demand for fire insurance; a man dies suddenly and leaves a family short of money. That brings a demand for life insurance in that locality. Another man suffers and is laid up for months by a bad automobile accident, which causes a demand for disability insurance. This world war has unsettled things, and has made everybody think seriously; so now is the time to solicit health and accident insurance, while people are in a serious mood.

* * *

Holcombe G. Johnson of Johnson & Adams has for three years qualified for the Continental Casualty's One Hundred Thousand Dollar Life Club. This year he has the distinction of leading the entire agency force in personal production which entitles him to the honor of the presidency of the 1918-19 Club. His paid-for business shows an increase considerably over one hundred per cent. as compared with former years. This is a most excellent record considering that Mr. Johnson is compelled to devote a large portion of his time to the handling and producing of casualty business. His territory is the South-eastern agency.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

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W. F. Murphy & Co., Res. Mgrs., Union Trust Bldg., Jersey City, N. J.
J. Ramsay Barry Co., General Agent, 10 South Street, Baltimore, Md.
R. H. Lambert, Branch Manager, Equitable Bldg., Washington, D. C.

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F. O. ROBERTS, Vice-Pres. and Gen. Mgr. HOME OFFICE: CHICAGO, ILLINOIS

President Forrest's Talk at Chicago Meeting

(Continued from page 9.)

In view of the possibility of a flood of insurance legislation next year, Mr. Forrest suggested the appointment of a legislative committee by the Conference.

An encouraging feature of the business is the increasing absence of cause for complaint by supervising state officials. Mr. Forrest referred to the work of the committee on uniform, standardized policy forms as having been highly successful. He urged that all members co-operate in the movement.

Many Shifts in Business

Regarding business in volume, women and group insurance, Mr. Forrest said:

"The time when monthly pay health and accident risks can be secured in large volume and easily, seems to have passed; the cause is obscure. Possibly it may be attributed to the grouping of labor in large units and in the closing of many small shops which have furnished monthly pay companies a goodly clientele. We are poor generals if we cannot shift our forces to meet changed conditions.

"The insurance of women at rates slightly higher than men's rates is now successfully carried on. The company granting sickness insurance to women at ordinary manual rates will soon find them inadequate.

"The majority of the large manufacturing plants are equipped with societies and bureaus for the giving of service and a small sickness disability benefit, the workmen's compensation laws taking care of the accidents of occupation, therefore the securing of individual applications is difficult. Those of us who are equipped for the handling of what is known as group insurance may turn to that line, the others, it would appear, must see the necessity of seeking business among the less hazardous classes.

"Service by the insurance company, a system looking to prevention rather than compensation, a saving in the turnover of labor, meaning a decrease in the shifting of operatives, is all a part of the new order of things."

Mr. Forrest regretted that little progress has been made toward lessening acquisition and maintenance costs.

FARRISH'S CHOP HOUSE

Cor. John & William Streets

THE PLACE in the Insurance District to eat lobsters

NOW IN SEASON

Whole cold lobster 75c.
Whole broiled lobster 85c.

Watch for Registration Day

The President of the United States will soon announce by proclamation, a Registration Day to be held as early in September as possible.

More than 2,000,000 men are needed to put our army on a 5,000,000 men basis. 13,000,000 are expected to register.

Class one is nearly exhausted. This Class must be replenished from new registrants not later than October 1st.

Who must register:

All men from 18 to 45 years of age (both inclusive) should watch closely for the President's Proclamation, definitely designating who must register.

Where you will register:

In the customary voting precincts in the jurisdiction of your Local Selective Service or at other points to be designated.

Sick and non-resident registrants:

These will be furnished cards by their Local Boards. The sick will be registered by persons deputized to do so. Non-residents may register by mail through the County or City Clerk of the place at which they are stopping. Special provision will be made for felons, persons awaiting trial and others confined in jails or institutions.

The Government of the United States asks your hearty co-operation with your Local Board in making the registration a complete 100% catalogue of every man of the ages to be announced in the President's Proclamation. Selection will take place later by the usual classification method.

The penalty for failure to register is one year imprisonment and NO man can exonerate himself by the payment of a fine.

WATCH FOR REGISTRATION DAY!

Approved by
NEWTON D. BAKER
Secretary of War

E. H. CROWDER
Provost Marshal General
United States War Department

Contributed through Division of Advertising — *United States Gov't. Comm. on Public Information*

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THE EASTERN UNDERWRITER

IN TWO PARTS

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

PART TWO

Nineteenth Year; No. 35 NEW YORK, FRIDAY, AUGUST 30, 1918 $3.00 a Year, 25c. per Copy

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LIFE INSURANCE COMPANY

Incorporated 1851

SPRINGFIELD, MASSACHUSETTS

JOSEPH C. BEHAN, Superintendent of Agencies

"The Most Interesting Case I Ever Had"

Men Who Lead Their Companies In Production Tell THE EASTERN UNDERWRITER of Their Experiences In Making Difficult Prospects See The Value of Insurance—Ingenuity, Resource and Patience Triumph Over All Mental Obstacles

The Eastern Underwriter wrote to a number of life insurance companies, large and small, and asked them for the names of the men who led these companies in production last year. Names being furnished, this paper asked each agent if he would not furnish The Eastern Underwriter with an account of his most interesting experience in selling life insurance. The response was quick and genuine, because every successful agent feels that he has a duty to his fellows in letting them share knowledge, hard won in the field; and the best of these stories are presented herewith, in the hope that from the narration of difficult cases actually won other writers may see a solution of some of their own difficulties, may profit from this inside view of the work of others, and undoubtedly will receive stimulus to harder effort. No attempt has been made to edit the stories so as to give them a literary finish. They are actual happenings and speak for themselves.

The leading personal writer of the Provident Life & Trust Co. last year was Sigourney Mellor, who was to have contributed to this symposium. However, his appointment as assistant secretary of the United States Shipping Board made this impossible, and The Eastern Underwriter asked Warren M. Horner, a general agent of the Provident Life & Trust Co., one of the largest writers in the country and a man who is second to none in analyzing a sale, if he would not write one of his selling experiences, which he consented to do.

Spent Day to Win Friend Worth Having

By F. A. Dickey, Manager, Northwestern Department, Security Mutual Life, Minneapolis

In Jaspar, Mo., some years ago, I spent several days soliciting business, when our examiner, Dr. Schooler, proprietor of a drug store, who had his office in the rear of his store, mentioned a man seven miles out in the country who was well able to carry a large amount of insurance. I told the doctor that should Mr. Blank come to town while I was there, I would appreciate an introduction.



One morning about 8:30 o'clock I was in the rear of the drug store at the doctor's desk, looking over my mail, when I heard the door open and Doctor Schooler say: "Good morning, Mr. Blank." In almost the same breath, the doctor added, "Mr. Blank, I have a friend I want you to meet." Mr. Blank asked: "What is his business?" The doctor replied: "Life insurance." Mr. Blank then opened up: "I do not want to meet any life insurance men. Last week an agent for one of the big companies came out to my house and thought he could drive me to buy something I did not want. I drove him off the place."

When Mr. Blank quieted down I walked out and the doctor introduced us. I, of course, was very glad to meet him. I told him I had heard a great deal of him while in that locality, that I understood he was one of the most prosperous men in the community, and it was a pleasure to meet him. I asked him to have a cigar with me, and we talked over many subjects other than life insurance. A fine story-teller himself, Mr. Blank enjoyed a good story. Time passed rapidly. It was soon noon. I invited Mr. Blank to go to the hotel and lunch with me. He said he did not want to impose on me. I told him: "Not at all. It is a pleasure to have you with me, because it is rather lonely, lunching without good company."

Stuck Right to Him

He accepted. After lunch we sat around the hotel lobby until about 2 o'clock, when he advised me that he was in town to attend a bank directors' meeting and would have to be excused. We walked up town together. He went to the bank; I returned to the doctor's office. The doctor asked: "Did you get him?" I replied: "No, I have not even mentioned life insurance."

I waited around until the bank directors' meeting was over. Mr. Blank came to the store and we had a few more stories and cigars together. It was approaching supper time. I again invited him to eat with me. He rather thought it an imposition, in view of his having had dinner with me; but I insisted on his joining me, and he did. After supper, we sat around until 8 o'clock, talking about everything but life insurance. About 8 o'clock, Mr. Blank said: "Dick, I will have to leave you. I have a seven-mile drive to make."

You will note, that by this time, we were old friends. He was calling me Dick. He added, "Well, Dick, if I hear of your leaving this country without coming out to my place, you and I are going to have trouble." I replied: "I would like very much to see your place. I have heard you have the finest ranch in southwest Missouri. I am not sure I shall have time but, if possible, I will drive out Friday." Friday I found it entirely convenient to visit Mr. Blank. When I drove up, he came out and greeted me. One could not have received a warmer reception. He took me all over the place and, after we had looked at his fine stock, buildings, etc., he invited me to have dinner and meet his family.

When the table was cleared, I said: "Mr. Blank, I can't understand why it is that a man who has been so successful in his business life as you have is not carrying a big line of insurance." He replied: "The reason is that the right man has never got hold of me." I then went to the table, where I could get close to him, and wrote his application for $25,000, twenty-year endowment, in a few minutes, simply informing him that he was well able to carry that amount of insurance and pay the premium; and he fully agreed.

Wrote the Sons

"Dick, where are you going now?" I told him I had no definite place in mind, and he said: "Well, I have two sons about twenty miles from here. One of them attends a Normal School. The other is in the coal business. Both of the boys should carry life insurance. If you will send the driver back with the team, I will take my machine and drive you to that town." He took me to his son's office and said: "Frank, meet my friend, Mr. Dickey. You ought to have $10,000 of insurance and I want him to fix you up."

After writing his son's application, we went to the hotel. While we were dining, the other son, Charles, from the Normal School, came in. His father introduced him to me and said: "Charles, I think, can handle about $5,000."

We stopped in the hotel over night. Next morning, Mr. Blank said: "Dick, I have an old business partner in this town. He has not a dollar's worth of insurance. We will go down to the mill and write him for $25,000." He took me to his former partner, Mr. Grunder, and said: "I want you to meet my friend, Dickey. I have just taken on $25,000 insurance with him. I know you haven't a dollar's worth, and I want you to take with Dick the same policy I did." This, Bill did, without any argument.

A Friend Worth Having

Mr. Blank was obliged to return to his ranch that day, but I remained in town one year and wrote more than $500,000 of business through his influence. I raised his son to $25,000, the limit with our company; and secured a number of other $25,000 policies, all on introductions from Mr. Blank.

I call your attention to the fact that throughout that first day I did not once mention life insurance. I spent the entire day getting acquainted with Mr. Blank, making him my friend. Be tactful. Watch for your opportunity. Never be in too much of a hurry to present your proposition. Do not give the impression that you are overly anxious for business.

One Case Where An Agent's Sharp Retort Won

By H. C. McCann, Federal Life, Bay City, Mich.

For some years a number of agents, including myself, had endeavored to sell a prominent business man in my territory. He would invariably greet us with a smile, shake hands, and after listening for a few moments would get busy at his desk with matters which in my judgment were not so important as the subject at hand. It was his custom to say: "That's all right. Keep on with your story. I can listen to you and do this work, too, as the story you insurance agents have to tell goes into one ear and out the other with me. As I have told you several times in the past, I am not at all interested in life insurance as I am perfectly capable of handling my own money." When he made this sarcastic remark to me I took my fountain pen, tapped sharply on his desk, looked him squarely in the eye, and asked that he kindly repeat the remark, which he did. Still looking him in the eye, I said to him: "I wish to ask you one question, whether this statement you have just made is a jest or are you serious?" He replied that he never was more serious in his life. I then said to him: "Your remark only confirms my first impression of you. I am positive now that there is nothing between your ears, in front of them or above them in your cranium that is capable of absorbing the greatest thing in the world, your gray matter has become so honeycombed with self-conceit. So far as I am concerned, I shall never bother you again on this subject."



I turned and left. As I reached for the door, he called after me: "What does that insurance cost?" In less than twenty minutes I had his application for $10,000, 20 Payment Life and his check for the premium. I would not suggest this method of getting and holding a man's attention as a general proposition, but I do believe there are cases where agents are perfectly justified in doing as I did in this case. The above gentleman is at present and has been for several years a warm, personal friend of mine and has put me in touch with a great many people that I have closed that I am of the opinion I would not have got as policyholders if I had not closed him first.

Ten More On Wealthiest Man in Small Town

By Charles H. Thornton, Illinois Life, Chicago

One of the county seat towns in Illinois had long resisted any effort on the part of our men to place business, so we determined to attempt the impossible.



Arriving there we called first to see our examiner and were given the cheering information that everybody was sold up to the eyes, and it was useless to try to sell insurance there.

Finally he was prevailed upon to give us the name of the wealthiest man in town, but when we told him we were going to sell him, again he said such a thing was impossible as the man was 58 years of age and too old and was carrying $75,000 of insurance at the present time.

However, my company demanded business there and this man had the money and if he was an insurance risk at all it was our only chance, so we determined to "do or die."

It Was a New One On Him

Calling a taxi we drove to the man's building and ordering the chauffeur to keep the engine running we went into his office. His secretary met us and asked our business. In tones loud enough to be heard in the "Sanctum-sanctorium" we said that our business was strictly with Mr. A. To our surprise and delight he came out and we told him our company had sent us to his city for the sole purpose of having Dr. C. examine him. Surprised, he asked "what for?" Then we intimated we were not quite certain but our business was to have men examined and the company did the rest. At the same time we told him the taxi was waiting to carry him to the doctor and back again. Scratching his head he said, "I have never heard of such a thing but I will go."

Doctor Surprised, Too

When the doctor had recovered his equilibrium he examined him. As he came from the doctor's office we were waiting to take him back, and on the way, quietly asked him if in the event he was the man our company thought

The Most Interesting Case I Ever Had

he was, and which fact this examination would determine, and should it decide to make him one of the honored policy-holders of the company, should it issue $25,000 or more? To our surprise he answered, "No, not that much, not more than $10,000." We are happy to state that the $25,000 was issued and after some persuasion Mr. A. gave us the check for the premium.

Our reputation as a salesman was saved. The company had its quota from that town. The man had a policy in one of the best companies in the U. S. A. and our kiddies had bread and butter for another six months. We are happy to be life insurance men.

Argument That Won a Crusty Citizen

By D. S. Bromley, Clarksburg, W. Va., Ohio National

The case in which I take the most pride is a $5,000 Fifteen Year Endowment on the life of one of the most selfish men whom I have met.

This man, as I afterward learned, was the terror of the life salesmen in his city, and had verbally, if not bodily, kicked out of his place some two or three life men. A policyholder friend gave me his name and suggested that I call. I did so immediately, was courteously received and invited to have a cigar. However, the moment I mentioned life insurance he froze. He "cussed" life insurance and life salesmen. When he had talked out of breath I asked the reason for this belligerent attitude. It developed that some years before he had been sold a limited accident and health policy which had not paid a claim specifically excluded in the policy, but which had not been brought to his attention at the time of delivery. Possibly, an unintentional misrepresentation on the part of the agent.



The Bank Simile

After getting him back to a rational frame of mind I asked him if because I might at some time have been deceived by a man in his own line would he think me justified in believing himself a crook and all others in his line of business. Possibly not, but he absolutely did not want any life insurance. He wanted something for himself and did not propose to leave a lot of insurance money for his wife's second husband to spend. I told him that possibly if he left his wife a living she would not care to risk marriage the second time, but his skin was too thick. It didn't feaze him! I asked him if his bank were to propose to him that if he would agree to deposit with them only the interest on $5,000 for only fifteen years and at the end of that time turn over to him the $5,000, or, in case he should become permanently disabled from any cause at any time after entering into the agreement they were to waive the deposits as they became due, and in addition pay to him $50 per month for the balance of the fifteen years and still stand ready to hand him $5,000 cash at the end of the fifteen years, or to his wife in case he should die at any time after making the agreement, would he think such a proposition worth considering? He agreed that it would, but that no bank would make such contract. I agreed with him and added that that was exactly what I proposed to do with him and that my contract would be made by an institution much stronger than his bank.

He finally agreed to be examined and let me submit such a contract for his inspection. When the policy came he read it through with me carefully from beginning to end and after discussing several of the features counted out the premium and wound up by sending me to a friend with whom he has discussed the proposition between my calls. I wrote the friend, and have since closed several cases which I can trace directly to his influence.

Glad He Was Ignorant

This is only a case of "when ignorance is bliss, 'tis folly to be wise." If I had known his attitude toward insurance salesmen I would simply have classed him as a crank and forgot about him.

Overcoming a Lady's Religious Scruples

By W. W. Williams, Southern Insurance Co., Chattanooga

Having handled both ordinary and industrial insurance, I find the industrial class sometimes harder to handle than the well-to-do ordinary prospect. This is not only because the industrial prospect lacks knowledge of the rudiments of insurance, but is also hard to convince, in some cases, as a result of religious scruples. At the same time they are just as good risks, just as permanent and profitable, from a monetary standpoint, as the ordinary class. One day I called upon a prospect whom I shall call Mrs. X. She was of the well-to-do industrial class. After I had made my preliminary canvass of her, she politely informed me that it was not right to carry insurance. "Why?" I asked, just as politely. "I do not believe God intended that it be carried on people," she replied. I told her that God sometimes did things in a mysterious way, and that He might have meant for me to come to her house, as He gave me health, strength and a tongue that was not cloven to the roof of my mouth and that I did not believe that the Devil could have prompted me to come into her home, as I believed that I was in a righteous calling. It was an honest, legitimate occupation, and I informed her that she should not "Judge, lest she be judged," as there was always "Handwritings on the wall," and that if she disputed my work, she might be disputing the will of her Divine Creator. I told her that it was He who gave me strength and inspired me to come to her, and that He might have willed it so for me to show her the error she was in. She could not dispute my assertion for fear of disputing the will of Him that does all things.



Won Out

Having put her on the defensive, I informed her that if she would convince me that I was in the wrong calling, and that God did not intend for me to engage in the insurance business, I would immediately sever my connection with the company and engage in any calling that she thought was right and harmonious with God, as I wanted to live right and uphold the tradition taught in the book of "Holy Writ," instead of teaching people to do what is wrong.

Believing all that I said to her myself, I put her on the offensive and she wilted, as she could not answer the argument set forth. I wrote 40 cents industrial insurance on her and the members of her family, and, through handling Mrs. X carefully I made a good friend of her without disturbing her religious inclinations whatever, and for myself had the satisfaction of doing a good turn and felt both mentally and morally that I convinced her with the "Truth."

Wife Wanted Evidence Stronger Than St. Paul's

By Charles W. Halfhill, Ohio State Life, Lima, O.

I once called on a man past middle age whose family consisted of a wife considerably younger than himself and two children not yet in school. I urged him to take insurance for the protection of his family and partially to supply the salary that would stop if anything should happen to him. He did not "warm up" to the proposition as I had hoped but "put up" what he thought were good reasons for not doing so. After I had overcome all his arguments he said that his wife was a "conscientious objector," that she believed it to be against the teachings of the Bible, etc. This was shifting the responsibility and required different tactics. I asked permission to interview his wife which was granted, and about 6 o'clock that evening I made it convenient to call at his home.



Said Bible Didn't Teach Life Insurance

As I did not need an introduction, I at once said: "Mrs. S——, I have been trying to interest your husband in a little protection for you and the boys and he tells me you are not very friendly to the proposition."

Her answer implied that she was not. Knowing her to be considerable of a church worker I said: "Do you recall what Paul said: 'But if any provide not for his own, and especially for those of his own house, he hath denied the faith, and' "——here I hesitated. "Do you know the rest?" She replied with spirit: "Yes I do. But it will take something stronger than anything Paul said to convince me that the Bible teaches life insurance."

I at once realized that I had a stubborn case, one that required heroic treatment. I said: "My dear woman, Joseph, the ancestor of Jesus Christ, was the president of a life insurance company." She looked at me as though I was a blasphemer. It so happened that the Sunday School lesson of only a couple of weeks previous had been the story of Joseph. Without giving her time to reply I said: "You remember the story of Joseph how he was sold into slavery by his brothers. How the King dreamed that seven slick fat beasts came up out of the river. How they were followed by seven lean beasts who devoured the fat ones. How the wise men failed to interpret the dream and how Joseph was called and said the seven fat beasts represent seven years of plenty and the seven lean beasts were years of famine. Then followed the organization of the first life insurance company, the great Egyptian life insurance company of which Joseph was president and general manager. There were no agents. The King issued a decree that every man should take out a policy. The premium was a per cent. of his crop. That," I said, "was simply modern life insurance, putting aside in the years of plenty for the years of adversity that often come."

As I had related this brief story rapidly without giving her any opportunity to talk, I stopped, expecting her to say something, and was agreeably surprised when she said: "Well, if Jake wants to take life insurance, I do not care." The rest was easy.

Insight and Courtesy Win for the Agent

By Warren M. Horner, Minneapolis, Provident Life & Trust

After twenty-five years' experience in the life insurance business as a salesman it is rather hard to pick out the one single case from a great multitude of transactions, large and small, that would be of the most interest and greatest help to salesmen in the profession.



I am, therefore, going to cite briefly two instances where there is psychology of salesmanship involved in treating with the clients that may serve as lessons to the readers of The Eastern Underwriter as to the efficacy of treating those to whom propositions are being presented with a great deal of punctilio, instead of riding over them rough-shod.

I have written smaller and larger transactions where much more time was consumed and study and attention given the situation, but, as stated, these two cases seem to offer suggestions of value.

$3,000 Policy On a Lawyer

Way back in 1897, I was in competition with several prominent companies to obtain a small policy of $3,000 on a lawyer who was a brainy man in his profession and a fundamental thinker along all lines as evidenced by the fact that at that time he was a successful contributor to the "North American Review."

The case covered about a week of earnest effort upon the part of all the agents and at my final interview I was talking earnestly and enthusiastically for my Company, when it suddenly dawned upon me right in the middle of a sentence that the man was weighing carefully in his mind the pros and cons to come to a decision.

I pulled up short right in the middle of a sentence without completing it and sat perfectly still and let the prospect think.

I can see him now, rocking back in his swivel chair, apparently in deep thought. I believed then and have felt since that the man recognized my intuitiveness and courtesy for the moment and that worked in my favor, in addition to the strength of my Company and the proposition presented.

At any rate, after enough time had elapsed to make it almost impossible for me to sit perfectly still any longer, he said: "I think you are right, and you may have the business."

This man became a life-long business friend and afterwards bought considerable more insurance of me.

$250,000 20 Year Endowment

In another case where a quarter of a million Twenty Year Endowment was closed in conjunction with one of my associates, the same consideration for a client, although in a different manner, is involved.

A preliminary interview was had with

The Most Interesting Case I Ever Had

this client in presenting the desirability of Business Life Insurance. He was attentive and gave the opportunity for a careful dissertation on the subject, but insisted that there would be nothing done for at least six months and in that case we decided to let the matter rest for a time at least, although I might say parenthetically I have always found it advisable to go back ahead of the time set by the most decided prospect. This because experience shows that of those who promised or indicated that they would do something at a certain time, the majority of such that have been written have been written ahead of the time that they themselves set.

At any rate, in this particular transaction, within a comparatively short time after the interview, the man himself wrote to the agent, asking that figures be submitted on a hundred thousand. A carefully prepared bill of particulars was written and in company with the agent, was taken to the client, the figures, however, being for one Quarter of a Million, I having looked up the responsibility of the man to the business and the amount of money invested in the business.

I asked his permission to read what I had presented, which was given, and, after the reading thereof, the figures were explained and then the gentleman looked over the matter carefully himself and looked at me across the table, saying rather sharply, he being a positive, decided individual: "Why did you make these figures for a Quarter of a Million, when I asked for them for only One Hundred Thousand?"

A Good Guess

I looked him straight in the eye and said: "Not because I had the remotest idea in my mind that I could put anything over on you or sell you any kind or amount of insurance which did not appeal to you in your judgment as being sound and efficacious for your business in every respect. But I adopt a cardinal principle of working in behalf of the client and only say and do those things which he will deem at least directed for and in his interest.

"Now without any undue impertinence or investigation, I have looked into the amount of capital invested in your corporation and your responsibility to it and believe that if you do anything in this matter, it should be a Quarter of a Million, otherwise it is not worth while."

The answer was, "You have made a good guess because in talking it over with my associate, we came to that same conclusion."

The check, over $13,000, for the first year's premium was handed me on the spot with a facetious statement about not spending the commission recklessly.

This party has also always been a good booster for The Horner Agency.

Working For and With the Public

It is not necessary to the intelligent class of men and women who will read these statements to amplify on the lessons to be drawn in working with and for clients at all times.

I am going to add that I have learned the lesson so well as to the advisability of working for and with the public, educating them and playing fair with them that this is the reason I am willing to stand publicly so positively and boldly for that kind of treatment of the public with regard to all constructive and corrective measures, including the much-mooted question at the present time of the income tax proposition.

It seems pre-eminently right from an ethical and moral standpoint and also from a practical business standpoint as a far-sighted issue for Home Office officials and agents in the field to analyze every question down to fundamentals and then so move and act in matters of legislation and in dealing with the public as will stand the test of time in all these three important matters.

A temporary advantage that is not sound logic or good business practice and especially, if illegitimately gained or carried out, always reacts.

It is only those principles and practices in the life insurance business that will endure as the Rock of Ages which should be indulged in by the entire fraternity in dealing with the public.

Salesmanship is intellectual straightforwardness, manliness, conscientiousness and this is true in its larger, composite sense, as well as when brought down to the consummation of an individual transaction.

Writing $10,000 Policies On Live Wire Citizens

By G. H. Albers, San Antonio, Tex., Agency Manager West Coast Life

On July 13 of last year I received the application from one of the leading business men in a certain town and secured his check for the premium. The thought happened to come to me that I might capitalize the fact that I had written this well-known party and I introduced myself to the secretary of the Board of Trade of that city, telling him that I represented the West Coast Life Insurance Company; that I wanted ten live wires in ten live towns in his part of the State to take a $10,000 policy in my Company; and asked him if the party to whom I had written was a live wire and if he would certify that I had written this party, showing him the application and the check. He said he would gladly do so. I told him I would return at 5 o'clock in the evening. In the meantime, I interviewed another prospect on that day and closed him for $10,000. I then secured a letter from the Secretary stating that I had written two live wires who had given an application for $10,000 each and that they were surely representative men, and closing the letter with the wish that he would be glad to see me secure a live wire from several live towns to do likewise.



From Town to Town

With this letter, I went to the next town, became acquainted with the Secretary of the Board of Trade, secured from him the names of three or four progressive business men who were capable of handling a $10,000 policy, and on July 16 I wrote another one in that town for $10,000, securing a letter from the secretary of the Board of Trade that I had done so.

On July 17 I went to another town, secured the name of a prominent, progressive citizen, wrote him for $10,000, and obtained a letter certifying thereto.

Two days later I wrote a live wire in another town and secured a letter from the Chamber of Commerce certifying thereto.

On July 20, I went to the next town; wrote a man for $10,000 and secured a letter from the secretary of the Chamber of Commerce certifying thereto.

On July 26 I was equally successful in another town; and secured a letter from the secretary of the Business Men's Club certifying thereto, and on July 31 in still another town, wrote two other parties and secured a letter from the Secretary of the Chamber of Commerce certifying that I had done so.

This process was of special value from the fact that I insured the very best men, physically and financially, in each town and it created an interest on the part of the Secretary of the Chamber of Commerce in each town. They were solicitous about my procuring good men because they wanted it distinctly understood that their city was as wide awake and had as progressive a citizenship as any that I had previously written. The towns were all rivals in a sense; the conditions were exceedingly good and the people whom I interviewed immediately became interested in the novel and unique way of presenting the proposition.

This, I think was the most interesting group of insurance that I wrote. I might state in this connection, that I have not been fortunate in writing any big policies; $10,000 seems to be my limit. Whether it is on account of lack of caliber for any larger amounts or whether a person gets into a groove and just schools himself along certain lines I do not know.

Interrupting Card Game To Sell Insurance

By E. C. Hurlbert, Phoenix, Ariz., Great Republic Life

I received a letter from the agency director one morning asking me to go down to the town of "B" in South-eastern California and try and get some business. He said he was sure that there was some to be had, but stated that one of our agents had been there three weeks and had not closed one case.



I investigated and found that the farmers in that valley were quite prosperous, therefore, I knew if they were handled right, could be sold insurance.

It took me four days to drive across the desert on account of the shifting sands, and I want to say to any of the boys selling insurance that if they want to generate will power and patience, to start across the desert with an automobile. They couldn't help having all the attributes of a good salesman.

Asked Agent to Show Him the Roads

I met an agent of another company coming out from "B," who told me he had sold all who were salable and I may as well go back. I replied to him that I would increase their policies, if that was the case.

The first man I met when I arrived at "B" was the agent of my company, who not having written one application in three weeks was discouraged, was out about $80 for expenses, and ready to leave. I felt sorry for him, so said: "You stay with me and ride out and show me the roads, and I will pay you well for it." His answer was: "You certainly have nerve if you think you can afford to pay me for that and expenses too."

I did not know anyone in the valley; so the first thing I did was to introduce myself to the banker of the village. He was a first-class grouch, but I soon warmed him up by telling him he could have some of the notes at a discount that I would get. I did not say may get, or might get, but "would get." He warmed up and gave me the names of some of the financially good people and I drove out a couple of miles to see one of them, a man named Jones. It was late in the afternoon and he was not at home, so I made an appointment with his wife to call in the evening and see him. I stated my business however, to her, in order to find out if he had a policy.

Wanted a Card Partner

It was after dark when I rapped on his door and he opened it and said: "If you are the insurance agent you need not come in, as I am eating my supper and don't need any insurance anyway." Here is where desire within me was necessary, backed by will, to create action. If I did not get his attention now, I never would and I was determined to sell the first man I talked to in "B". I replied that I certainly was going inside where there was a light so I could take a look at a man who knew at once what he wanted.

I hit the weak spot that is in nearly every human being. I appealed to his egotism and also by the positive statement that I was going inside and made it necessary for him to appear rude if he refused to allow me to enter. I gained the first round, for he stepped back and said: "Come in" and looked at me and said: "After I finish supper we can play cards, even if you can't write me a policy."

Turning on the Pressure

I will not repeat all the conversation that followed, but I visited with him while he finished his supper and the table was cleared off. All at once I said to him, in a commanding tone of voice: "Bring your chair up to the table and I will show you my proposition." At the same time, I seated myself at the table. He could not refuse, but said it was no use showing him the policy; that a friend located in town was agent for a company and that he had promised to take a policy with him. I replied: "If you have made such a promise I will not write you under any conditions unless you give me only part of it and take the rest with your friend." That pleased him and he was interested, even before he had heard what my contract was. I could see at once that he was interested in the way I had talked to him instead of anything that I might have to sell. At that moment, two neighbors came in to spend the evening and play cards. Any insurance man knows what it means to have someone come in just at the wrong time.

Game Waits Upon Insurance

I was introduced to the friends and at once made up my mind to sell them, as well as the man that I came to sell. I said to the neighbors: "If you gentlemen will kindly excuse me for taking Mr. Jones's time for a short while, which may be of a benefit to you, as well as him, if you will listen, then we will have a friendly game of cards."

I then explained my contract, spread the policy out on the table and went over it carefully. At the same time watched the prospect as well as the neighbors. "I like your proposition, but would rather play," said the prospect, at the same time getting a pack of cards. I said to myself: "I will get this application in some manner, for if I do, it means that I have also sold the neighbors." I could see they were deeply interested. Turning to the prospect I said: "I want to ask you two questions and then I am through. First: Is the proposition good enough for you? Second: Can you handle the financial end of it?" If you will notice I had not quoted a rate yet. He did not know what it would cost him. Therefore, I got him to ask the question: "What is the rate?" I knew he was interested at once, and yet, when he asked me the rate he again proposed a game of cards, to which I replied: "To show you that I am as much of a sport as you are, I will cut the deck and if you get highest card you have to take a policy and I allow you 10 per cent on any business

(Continued on page 47)

An Inquiry

Into the Causes of Our Growth Would Reveal the Following Facts:

1 We hold life insurance to be a profession whose intelligent practice requires prolonged study; we therefore contract only for the services of full time life insurance men and women.

2 We regard as detrimental to the profession the practice of handling life insurance as a mere side line; we will not license any man or woman acting as a part time agent.

3 It is our belief that $200,000 of life insurance business is the minimum that any full time agent working in a metropolitan district should write annually to properly represent the profession; we will not pay full renewals to any agent writing less than $200,000.

4 Our contract provides for full protection to the agent and his cases against other agents and brokers, regardless of their standing; it prohibits the payment of rebates, the "twisting" of policies, the sharing of renewals by our agents, and other practices contrary to the ethics of the life insurance profession.

To Summarize: "Life Insurance Commissions for Life Insurance Men Only."

Life insurance men and women visiting New York are cordially invited to call on us at our offices in the Singer Building, 149 Broadway.

THE

MELLOR & ALLEN

AGENCY

of The Provident Life and Trust Company of Philadelphia, Penna.

New York City

Doctor Albright, Who Leads The West Every Year

An Associate Tries His Best To Analyze This Success

By Henry F. Tyrrell, Northwestern Mutual Life

For twelve consecutive years Dr. Charles E. Albright, of Milwaukee, Wis., has led the entire agency force of the Northwestern Mutual Life in the amount of new business paid for, and for twelve years, in unbroken sequence, he has told his fellow agents how he did it.

That his expose has failed to react is due to the fact that his words, intended to reveal, did, as a matter of fact, most ingeniously conceal, and the good Doctor has gone on his triumphant and victorious way without let or hindrance.

Dr. Albright has twelve or more efficient selling "systems." He adds a new one after each victory. So far, he has ascribed his success to: The superiority of the contract he has to offer; the standing and reputation of the company by which he is employed; the kindly aid and co-operation of its officers; his method of picking out and pursuing prospects; the deep sense of duty and responsibility he feels toward clients; the employment of so-called efficiency methods which break the ground; preliminary study and survey of prospects; intimate acquaintanceship with what he has to sell, and unceasing, untiring and concentrated energy.

All of which are recognized as the stock in trade of every other life insurance salesman.

Why, then, does Dr. Albright reach the heights?

A personal acquaintanceship of twenty-five years still leaves room for speculation. The librarian of the company thinks it is because he is so forgetful!

Absorbed in Business

Twelve years ago, when Dr. Albright won his first prize, he stepped into the library, and after talking business for a short time, departed, leaving the token of his victory lying on a table. It stayed there three or four months while the Doctor was away from Milwaukee, laying the foundation for a victorious succeeding year.

Some time after that, and following mighty brisk competition, when he had won again, Dr. Albright went out and bought Mrs. Albright, who, by the way, is an Uihlein, of the Schlitz brewing interests—a token in celebration of the occasion, which he also left in the library. Mrs. Albright got her present several weeks afterward.

A few days ago, when it was definitely decided that he had broken all previous records by twelve straight victories, he came again to the library and unwittingly left a perfectly new straw hat, he had recently bought in New York, to the tender mercies of the librarian who now swells around Milwaukee with the latest Broadway creation for men upon his venerable head!

The point is, Dr. Albright is always and everlastingly thinking about his business. He forgets everything else Prizes and evidences of victory, baubles and head-gear are mere incidents to him. The real, essential, paramount thing with Dr. Albright is LIFE INSURANCE!

He neither works nor plays like other men. He is wealthy and has business interests galore. He looks after them



DR. CHARLES E. ALBRIGHT

perfunctorily. He belongs to city clubs and country clubs all over the United States, but finds little recreation in them. Once in a great while Mrs. Albright induces him to try golf, but he does not keep his mind on the game. He could not win a golf prize in a thousand years—unless he abandoned life insurance!

But this procedure violates all traditions of biographical story-writing. The rules require one to tell when and where he was born and "all that sort of rot." Very well, then, Dr. Charles E. Albright was born January 1, 1867, at Dancyville, Tenn., but if that fact has ever had any bearing on his success as a life insurance seller, no one has discovered it up to this time. He got some local schooling and then went to Rush Medical, from which he was graduated. That is worth telling, because it has helped him in his business. He entered the employ of the Northwestern in an official capacity in April, 1891, and remained as one of its assistant medical directors until July, 1903. That, too, is noteworthy, since his official connection with the company unquestionably has been of great help to him in his field work.

Record by Years

After traveling in Europe for about two years, Dr. Albright entered the agency force of the company January 1, 1905. The first six months he wrote $305,000; the second year, $607,000 and the third, $936,500, which won him his first record-breaking prize. It is interesting to learn that so little was he concerned in the contest that he did not know he had won until every other competing agent in the field had been so informed. He was too busy writing life insurance; he was not concerned with prizes.

His annual record after that is as follows, figuring from June to June of each year:

1907 to 1908	$1,257,750
1908 to 1909	1,516.000
1909 to 1910	1,622.500
1910 to 1911	1.719.000
1911 to 1912	1,817,000
1912 to 1913	1,850,750
1913 to 1914	1,509,000
1914 to 1915	1,070,500
1915 to 1916	1.103.500
1916 to 1917	2.294.500
1917 to 1918	1,503,000
Total	$19,112,000

These figures are startling. To the anxious and earnest toiler in the vineyard who diligently works to report a "hundred thousand" each year, they are probably inexplicable, but even they do not tell the whole tale. Note this: The Northwestern has a limitation of $100,000 upon a single life. Dr. Albright deals in larger figures. Had this limitation been $300,000 last year he would have written over five million for this company instead of the million and a half which he did write. One need not be an actuary to figure out the approximate size of the policies in which he deals.

Dr. Albright will not tell the total amount of his annual sales. That written for the Northwestern is sufficient for publication. It is a part of the records. What he writes for other companies, he is perfectly willing should be the subject of surmise. It may be five million or ten million—he makes no claims. He is content to give out what he can prove and no more. This much may be said: He writes enough for the Northwestern to convince the most skeptical that he can certainly "place the business." And it may be added that he has written as high as $800,000 and as low as $1,000 on a single life. Everything that comes to his net is fish!

One does not indulge himself in the extravagant use of words—and surely those here set down are not unpremeditated—when he notes that **Dr. Albright is the largest individual writer in the field of any life insurance company in the world today!**

How does he do it?

No man knows.

Example of Secretiveness

Even Dr. Albright himself fails to explain. He thinks he tells all about it, but he doesn't. Every single year, just as certainly as it comes around, he walks modestly up to the front of the assembled agency force of the company, and in response to the importunities of his superintendent and the clamorous calls of his fellows, he modestly and diligently undertakes to let 'em all in on the ground floor, but when he has finished and gone to his seat, they look more bewildered than ever! He appears to cover the ground. He tells them how good everything is; what a wonderful contract they sell; how diligent they must be and how easy it is to place a million or more insurance, but for some reason or other, his talk does not stick. It sounds plausible enough, but it lacks zip. Possibly the point of this statement will be illustrated better by the introduction of a letter supposed to have been written to the president of the Association of Agents of the Northwestern by Dr. Albright in response to a request to tell how he "gets the business." The supposititious reply is as follows:

I am sorry that I cannot arrange to accept your invitation to give a short talk at the annual dinner on the subject "How I Get the Business," as it is very likely that I shall have to leave the city during the day as soon as possible after receiving my regular annual prize. A year is a very short time, indeed, and I usually make it a practice, after receiving my annual prize, to start at once, or within the hour at least, to lay the foundation for the following year. As I have just said, a year is a very short time, and as some of the agents have, from time to time, been successful in developing their volume alarmingly, I find that some years are very much shorter than others.

I have no objection, however, to outlining a few points that might be helpful to some agents and I do not know anything better than to recite the details of a case I had some time ago in Cleveland.

I called on a prospect, who I will refer to as Mr. Thomas. I had every reason to believe he might be written for a large line. I knew he was a man of considerable means but had never been interested to any extent in insurance. It was a very fine day and we took a drive in his car up Euclid Avenue, which I think is one of the prettiest streets in Cleveland if not anywhere, not excepting Wisconsin Street in Milwaukee. He introduced me to his two daughters and we later took a trip on the lake in his private launch. Mr. Thomas is quite an admirer of Roosevelt and affirms that experience has proved that the foreigner does not pay the tax. We found the water was quite rough, owing to a high wind. On leaving the theater that evening he remarked that the last time he saw Bernhardt he felt that she had lost much of her art, which I was ill disposed to deny because I never like to affirm or deny anything about art, especially the art of writing applications, as each has his own ideas and methods which may be right or wrong, and I have always felt that a pat on the back and a word of advice would go a long way toward helping a man even on the wrong track, whereas a kick in the small of the back will often discourage the man on the right track and with the stoutest kind of a heart.

Example of Horsemanship

For this reason, if I find I can't be helpful to a man I don't say anything to discourage him and then he can

never charge me with giving him bad advice. Speaking about being kicked in the back reminds me of an incident when I went down to see a wealthy manufacturer who had a farm near Loogootee, Indiana, where he spent some of his spare time. I hired a saddle horse, which, although claimed to be gentle, no sooner hit the country when he began to caper and behave in the most fractious manner. But having some experience in horsemanship and in hanging on to tough prospects I felt no apprehension, or alarm, until the animal jumped over a 20-foot creek sideways and then finding me still in the saddle stood on one hind leg and deliberately kicked me in the small of the back with the other, time and again, until finding my life's blood oozing out I fell unconscious in the roadway where I was discovered a half hour later. When brought to I learned that my prospect had left only 15 minutes before on the 2.10 for New York where he would arrive just in time to catch his boat for Europe. On his way back he went down on the ill-fated "Titanic," so I lost a nice commission on a $100,000 case. I think there is a great lesson in this for the younger agent especially, which is, never try to ride a hobby. Use a motor car, Packard or Pierce-Arrow preferred.

But to return to Mr. Thomas. I have been particularly successful in getting a settlement with the application. I seem to handle this feature better than any other part connected with my work. I do not know just why this is so, unless there is some connection with the fact that brown bottles, by excluding the ultra-voilet rays and diminishing the actinic value of the light, are more effective than plain white bottles.

However, I mailed Mr. Thomas his policy from Milwaukee, it being written for very near our limit, and received a nice letter from him thanking me for my attention to his interests and for the services I had rendered. I have thus given you all the details and pointed out just how I handled this transaction, step by step, and I feel quite sure any other man could have gone ahead and have written up the business just as I did by using the same arguments which I fear I have gone into tiresome detail to make clear to you.

And it is on just these same arguments I get most of my business.

I trust these points will be helpful to the younger men at least, and I want to make plain that any time during the year I stand ready to answer letters from those having doubtful cases and be of what assistance possible.

As for my own work, I am always ready to explain details of my cases just as fully as I have in the foregoing.

With very best wishes, I am,

DR. C. E. ALBRIGHT.

Hard to Size Him Up

This letter is palpably spurious, of course, but it is cleverly satirical of the unconscious secretiveness of Dr. Albright.

In the absence, therefore, of direct revelation, let us endeavor to discover the great secret of his success.

There is nothing particularly striking nor conspicuous in his personality. He dresses modestly, but modishly, as becomes his vocation and station. He is quiet and earnest in demeanor, indicating a forcefulness that certainly is his. He lacks that effervescence which some consider an asset in salesmanship, and what affability he has, is that of the gentleman. Indeed, in appearance Dr. Albright is exactly like countless other successful American men; nicely groomed, sure and certain of his steps, calm and sane in his actions and earnest and sincere in his endeavors. He is not a rusher, but a plodder. He may lack "pep," but he has stability. The "high pressure" man viewing him for the first time, and not knowing upon whom he looked, might size him up for about a $200,000 producer and not be uncertain of his judgment. Dr. Albright, himself, once said to his fellow-agents that he had heard one of their number say, after listening to one of his speeches: "Well, if that man can sell life insurance, I certainly can!"

So it is not personality that characterizes his success. It is something else and something Albrightesque.

We know what the Doctor has said about it. He has ascribed his success to all the commonplaces of salesmanship. Let us analyze him a bit ourselves.

Item No. 1: Dr. Albright has the advantage of an unusual equipment. His service as an officer of the company has given him an insight into certain features of the business that the average agent never knows. This is a big advantage, too, especially as he makes that knowledge and experience co-ordinate nicely with a splendidly developed selling system. Just how this advantage has frequently redounded to his favor might be illustrated by numerous citations, but the fact is too apparent to need illustration.

Can Approach Big Fellows

Item No. 2: Dr. Albright has the advantage of unusual business relations. He is financially interested in numerous successful industrial concerns and is a director in one of the largest banks in the middle west. He maintains offices in several of the big cities of the United States and has the personal acquaintanceship of a larger number of the national leaders of industry and finance than any other life insurance solicitor. This gives him a tremendous prestige. He approaches big men as one of their number and has entree where mere life insurance agents would seldom get.

Item No. 3. Dr. Albright takes advantage of unusual methods. He never talks life insurance until invited so to do. This remarkable statement is literally true. Dr. Albright makes it an inviolable rule never to introduce that subject. He always lets the "other fellow" do it and the best of it is, the "other fellow" always does. One cannot truthfully say that the Doctor endeavors to dodge it, but he never takes the initiative. When he does start, though, his auditor—now a prospect—is astonished at the intimate knowledge Dr. Albright has of his business and family affairs. How he finds these things out, is another story. This much must be said, however, and that is, that when Dr. Albright talks life insurance he is equipped. He knows what he is talking about and is never surprised. He is ready when a prospect is.

Item No. 4: Dr. Albright has the advantage of an unusual disposition. He loves his work. Not long ago, a good friend suggested to him that as he had plenty of money and was about the right age, he would better retire and give up selling life insurance. "No, sir," he replied. **"I am getting too much fun out of this business to retire from it."**

Has Never Been Headed

Visualize this situation for a moment. Here is a man a little over fifty years of age, wealthy beyond the needs of any man, with business connections enough to keep him active and with a splendid home and wonderful family, who works harder every day of his life than most men in shops; who knows nothing of time and little of diversion; who is in New York today and possibly in San Francisco the next time one hears of him; a man who never tires and seldom rests and who refuses, withal, to retire and watch the world go by. Why? Because he is getting "fun" out of his work! As our English friends would exclaim, "Fancy!"

Item No. 5: Dr. Albright has the advantage of a **sustained interest** in his work. Possibly in this we have discovered the true secret of his success. Other men may have won first prizes as many aggregate years as he, but none so many in succession. He has never been headed since he started. For twelve years straight, he has distanced the field—last year writing more than the winner of second, third and fourth prizes combined—and he has already laid a strong foundation for 1919.

Summing up Dr. Albright uses all the equipment which the science of selling recognizes and recommends; he has the advantage of the special items noted and he does all with a wonderful **sustained interest** that cannot help bring him his paramount place in the world of life insurance salesmanship.

RECOMMENDATION TO INSURED

The Pacific Mutual has recommended that the policyholders who are carrying their insurance for the protection of dependents and have their insurance payable in one sum, arrange to have at least the greater part of that insurance payable in instalments. The Company will grant reasonable arrangement and will endorse the policy, if necessary, so as to make it payable in instalments, monthly, quarterly, semi-annually or annually, and for such period as the policyholder may choose. We desire to pay our claims not only promptly and fully but in such manner as will in greatest measure protect the beneficiaries of our policies. To do anything short of this would not be giving our patrons the service which is due them.

EACH INTERVIEW WORTH $9

According to Harry T. Wright, the assistant manager of the Hammond Agency of the Equitable Life Assurance Society, Chicago, each actual interview which he succeeds in securing is worth $9 to him. He further states that when he wants to earn a stated sum of money he simply makes enough calls to secure the desired number of interviews. Mr. Wright is system personified. But that is not the entire secret of his success. He makes it a point to fit the policy to the applicant, which explains why he writes so many Life Income policies. In our weekly list of large cases he is frequently credited with income cases for $100 a month and upward.

Even Superstition Has Its Advantages

By L. SETON LINDSAY
Superintendent of Agencies, New York Life

Most of the difficult cases that I have known have been closed up by ordinary every-day arguments. My experience has been that when the psychological moment arrives, the applicant will be closed, and that the agent owes his success more to plain hard work in following up his business than to any specially well-contrived argument.

However, I do recall one very extraordinary case, which may be of interest, although it is in the nature of a "freak" case.

There was a certain gentleman in a western town whom every agent in the city had tried to write, but no one had ever seemed to make the slightest impression, and so far as any of us knew, Mr. B. carried no life insurance.

One day a friend of mine, who had been in the business some years, made the remark that he was going to try a new plan to land Mr. B., and he asked me if I cared to lunch with him to see how it would work.

On the way to the restaurant where we were to meet Mr. B., my friend said: "Every man has a weak spot, the difficulty is to find it. The other day as B. and I were walking down Main Street, we came to a ladder under which B. refused to pass, although he had to go out into the street to get by. I bet you he is as superstitious as an old woman and that is going to be my line."

Felt a Personal Responsibility

At the luncheon everything went along quite comfortably until it came to coffee and cigars. Then my agent friend became quite serious and talked about the responsibilities in life, etc. Turning to me he asked me if I remembered a certain case where an applicant had died before accepting and paying for a policy he had applied for. He ended up by saying that he had always felt some responsibility in that case for not having forced the man to take the policy even against his own will. Then turning to B. he said: "Do you know you have been worrying me of late. Two months ago when I talked life insurance to you, I filled out an application for your signature, but for some reason known only to yourself you refused to sign the application. The other day I was going through my desk destroying old papers; I came across your application as he said this he pulled the application from his pocket). You will see I began to tear it (pointing to a small tear on the margin of the paper) but somehow it seemed to me that I was tempting fate; I had in mind the experience I have just related to you about our friend A., who died before he paid for his policy. The human mind is a queer structure, and it seemed to me that if I tore that application up, I was tearing up something belonging to your family. Of course, I know it was only foolishness on my part, but somehow I could not quite bring myself to do it."

During this conversation I noticed my friend Mr. B. was getting quite white, and as my friend went on much in the same vein, B. became more and more agitated. Finally, when the agent turned to him and said: "Here, B., if you do not want this insurance, at least take the responsibility yourself of tearing up the application." He was all in. Instead of tearing it up, he signed it. Later, he was examined and paid for the policy.

Whether he ever took any more or not I do not know, but I have always remembered this case as a curious one.

The Inheritance Tax and Life Insurance

By Lafayette B. Gleason, Attorney for State Comptroller for New York City, and Alexander Otis, of the New York City Bar

We have been asked to write on the subject of inheritance taxation as related to life insurance. This subject has recently been brought to the attention of life insurance companies because of the heavy increase in inheritance taxes within the last few years. The important and significant point being that the beneficiary of a life insurance policy does not succeed to the proceeds by inheritance!

The writers called the notice of the bar to this fact in their recent work on "Inheritance Taxation," where they say, in the introduction: "No statute taxing inheritances taxes life insurance, when payable direct to the beneficiary, and not to the estate of the insured. No subsequent statute can constitutionally tax such insurance when once taken."

As a matter of fact, life insurance is practically the only form of investment which is not subject to inheritance taxes, unless it is the first issue of Liberty bonds. Even as to these there may be a serious question whether the Congress can create a class of property which the states cannot tax. No such power would seem to be given to the Federal Government by the constitution.

When Insurance Is Not Taxable

Of course when life insurance is made payable to the estate of the insured the proceeds become a part of his estate and pass under his will or under the intestate laws.

Matter of Knoedler, 140 N. Y. 377, 35 N. E. 601.

On the other hand, when a contract is made by the insured whereby a life insurance company is to pay the avails to a third person in return for the premiums paid to the company by the insured, the transaction is a completed business arrangement between the company and the insured, although for the benefit of the third person. The beneficiary named in the policy does not receive the proceeds as an inheritance but by contract and, therefore, the transfer to him is not taxable under the inheritance laws.

This was pointed out very clearly by the surrogate in **Matter of Elting,** 78 Misc. 692 N. Y., where the Court said: "This policy, to my mind, is merely a contract between the decedent and the company for the benefit of his wife and children and no one else is or can be interested therein, and the same does not pass by reason of the provisions of his will but by reason of the clause in the policy itself."

So, in **Matter of Parsons,** 117 App. Div. 321, N. Y., the Court states the policy of the state in this regard thus: "The statutes of this state favor and encourage insurance for the benefit of a wife, and the state is at a disadvantage when it seeks to tax such a provision for her and all others recognize her right to the benefit intended."

But the rule does not rest in policy, it is established on the broader and more solid foundation of reason which applies in all states of the Union. The transfer to a beneficiary named in a policy of life insurance is by virtue of a contract in the ordinary course of business between the living and not by virtue of the statute of distributions



LAFAYETTE B. GLEASON

or the provisions of the will of the insured.

Tyler v. Treasurer (Mass.), 115 N. E. 300.

The subject receives attention in Mr. Heaton's recent work on Surrogate's Courts at page 1100, where he takes the same position outlined here. The first proposition of interest to the life insurance agent and his possible customer is that life insurance, unless payable to the estate of the insured, is not subject to inheritance taxes.

Subject to Double Taxation

Assume, therefore, that a man desires to invest $100,000 for the benefit of his wife or daughter. If he buys any kind of securities, mortgages, bonds, stocks, real estate, on his death the transfer of this $100,000 to his wife or daughter or other object of his affection, must pay a tax to the state of his domicile, to the government of the United States and, if the investment be in stocks, to the state where the stock corporation is located.

Thus, for example, a resident of New York who dies owning stocks in a New Jersey corporation leaves that part of his estate subject to inheritance taxes both in New York anad New Jersey, as well as to the Federal government.

It is for this reason that many wealthy men who desire to transmit their accumulations in such a way as to avoid or minimize confiscatory inheritance taxes are beginning to consider the advisability of taking out large insurance policies for the benefit of the natural objects of their bounty. The investment feature of insurance has long been a "talking proposition" sufficiently attractive to induce the taking out of large policies on that ground alone; but where large estates pay, in many instances as high as thirty per cent. in inheritance taxes pursuant to the provisions of recent statutes the argument for life insurance purely as an investment receives additional force and appeals to common sense and business prudence. It also has the advantage of not being subject to the objection of "tax dodging" or evasion, nor is it in any way unpatriotic, as a man taking out such a policy will doubtless leave an estate which must pay inheritance taxes in any event.

Ignores Existing Policies

A mere glance at the progressive rates of tax imposed by the state and Federal governments, mounting as high as 30 per cent. in certain cases, is enough to enforce such an argument. The rates of the Federal tax are given in Gleason and Otis on "Inheritance Taxation" at page 494, and those of the several states may be found in the appendix pages 647 to 790, the state statutes being given in alphabetical order.

Attempts have now and then been made by state statutes to include life insurance under inheritance taxes, but there are grave constitutional difficulties in the way and it is certain that no such taxes, even if levied, could apply to policies already in force. This would be obnoxious to that provision of the United States Constitution which restrains the states from passing any law which violates the obligation of contracts. This doctrine has consistently been applied by the courts to questions arising under the Inheritance Tax Law.

Matter of Pell, 171 N. Y. 48, 63 N. E. 789.

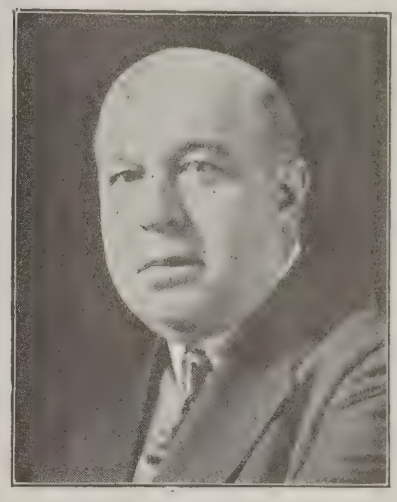
Matter of McKelway, 221 N. Y. 15, 116 N. E. 348.

The Treasury Department Rules, Article X (Gleason and Otis on "Inheritance Taxation," p. 501), specifically exempts life insurance when payable to the beneficiary. The article provides: "If the contract of insurance has named a definite beneficiary and the insurance is paid directly to such beneficiary, it is not a part of the gross estate." This ruling, of course, is simply declaratory of the law as laid down by the courts, but the Treasury Department has assumed such broad powers of construction it is well to know that it agrees with the doctrine established by the judiciary.

As has already been pointed out, life insurance is not evasion or tax dodging. Almost any other method of so investing money that the estate of the investor may hope to escape inheritance taxes is not only open to this objection but such attempts usually result in costly and unprofitable litigation. Gifts in contemplation of death and gifts to take effect in possession or enjoyment at or after death have been prolific sources of such controversy. The same is true of trust deeds and vexatious questions arising constantly over powers of appointment, joint estates and survivorship agreements.

Founded on Common Sense

All such devices when testamentary in character, whatever the form of the



ALEXANDER OTIS

transaction, have been pronounced subject to inheritance taxation in the more recent decisions. On the other hand, only half a dozen cases have arisen in the courts over the taxation of life insurance and it is in those cases that the doctrines here set forth have been established.

Life insurance agents are not lawyers and their customers are not usually lawyers. It is not for this reason that this phase of the question has received comparatively little attention in the solicitation of insurance. The legal rules are not of recent origin nor difficult of comprehension, being founded on common sense. One has only to bear in mind that the inheritance tax is imposed not upon the property but upon the transfer of property at death from the estate of a decedent to a beneficiary pursuant to the law of wills or of intestacy to understand that a contract whereby Jones agrees to pay Smith a sum of money on the death of Robinson, in consideration of certain payments by Robinson to Jones while Jones is alive has nothing to do with the laws of inheritance.

The only reason why the subject has recently come so prominently to the attention of the life insurance fraternity is the double and often triple taxation of inheritances by the state and Federal governments within the last year or so.

Many states which formerly taxed only collateral inheritances now tax direct inheritances as well. Among these

(Continued on page 34.)

Pardonable Pride

¶ Be PROUD of your business, always remembering that LIFE INSURANCE SELLING is an INDEPENDENT PROFESSION.

¶ Give to your policyholder the BEST that is in you at all times.

¶ These principles, plus WORK--HARD WORK--secure WORTH WHILE RESULTS.

WILLIAM N. COMPTON
220 Broadway
NEW YORK

Lloyd Beeghly's Circulars for Farmers

Clever Illustrations and Talks To Interest Them in Life Insurance

Lloyd Beeghly, a Milwaukee advertising man, has conceived a number of unusually clever leaflets prepared for the purpose of selling life insurance to farmers, a few samples of which are published in this article, together with the selling talks he originated and which appear on the back of the leaflets. The strongest point he makes is that the series is written for the different type of farmers so that when the agent hands a copy of one of them to the class of farmers for which it was written it reads to the farmer almost as if it were printed for him alone. Mr. Beeghly does not pretend that the circulars will take the place of agents any more than lubricating oil will take the place of gasoline in an automobile, but the oil does make the gasoline go further, and the leaflets do make the work of the agent much more effective when properly used.

These pictures and articles are copyrighted by Lloyd Beeghly, Milwaukee. All rights are reserved, and they are printed in The Eastern Underwriter by special permission.

Dehorning the Mortgage

Dehorning the Mortgage. A mortgage is a great thing to help a man buy more land or machinery and to hustle and save, but it isn't so inspiring as a legacy to his widow and children.

What rate of interest do you pay on your mortgage? About 5½ or 6 per cent? That mortgage wouldn't worry you if you only knew you would live for ten or fifteen years longer. But did you

Dehorning the Mortgage



ever lie there in your bed at night when all is quiet and wonder just how the family, without your leadership and your help, would meet that mortgage which would loom up like an evil spectre before them if you were gone?

Many a farm home, around which centered the memories of years of early struggle and coming success, of happy family life and good friends and neighbors, has been sold under mortgage foreclosure, because, just when the tide was turning and the outlook brightening, the husband and father who led the little group was forced to muster out for all time. A few years more—but why go on?

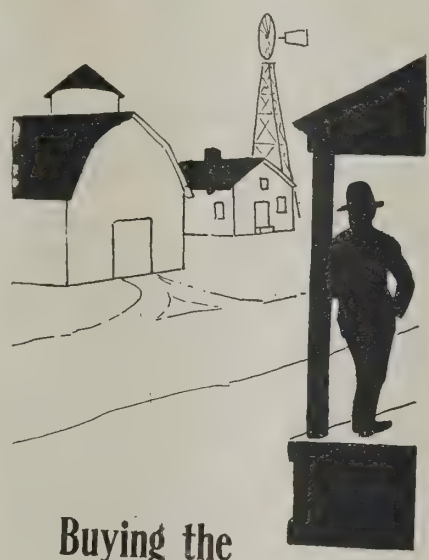
If you were given your choice of paying 5 or 6 per cent on your mortgage or adding an average of 2¼ or 2½ per cent more for another separate contract with a good life insurance company that would cancel that mortgage at your death, even if it occurred tomorrow, wouldn't you take it in addition to your mortgage?

The loss of the head of the family brings all the grief his wife and children should be called upon to bear—without the additional suffering which creditors and mortgage holders can inflict. With funds from life insurance all the plans can be carried out which he may have outlined to his family a few years or a few months before—never dreaming that "long distance" was about to call him.

Buying the Adjoining Farm

How would you like to add another eighty acres or more to your present farm? Would you buy this extra land if the owner said:

"Pay me an average of 4 per cent in advance annually on the total valuation of my farm for twenty years and it is yours. Let me use the farm during those twenty years and I will execute a deed and deposit it in the bank with



Buying the Adjoining Farm

a contract authorizing the bank to turn the farm over to you clear and free of all indebtedness at the end of twenty years.

"I will agree in the contract to cancel all future payments in case of your death and to turn the farm over to your wife immediately and guarantee a clear title. If some year you get too short of money to pay me the annual charge, I'll loan you money from the fund you have paid me, the amount depending on the years you have been paying. Pay back the loan as you are able."

If the owner made such a proposition, would you buy the farm? Do you know that the above conditions are similar to those of a 20-Year Endowment policy at age 35 in a good life insurance company? One big difference is that an endowment policy is absolutely sure and cannot possibly depreciate in value as a farm can through floods, storms, fires or other calamities. Its value is guaranteed.

In later years, if a man wanted to move to another state to be near his children or to enjoy a milder climate he can stick that kind of a "farm" in his inside coat pocket and take it along with him instead of worrying about getting a good tenant and keeping up repairs.

Do you want a "farm" like that?

A Lift to the Boy

Every real man finds his greatest pleasure in watching his children make a success of life's battles and stands ready to help them if necessary. If they fail he usually dies of a broken heart—and if they succeed—his declining years are full of contentment and his early struggles seem to have been worth while.

When a man began farming for himself years ago, it was much easier to get a start with small capital than it is today. The young man setting up for himself required very little cash, as he usually started by taking up Government land, or buying it very cheap—he built his cabin of logs or a dug-out of prairie sod with the help of his neighbors. His living was very crude—home cured meat, eggs, milk and flour completed his commissary. Railroads, street cars, electric lights, air dromes, movies, Sunday clothes, diamond rings, silk hosiery, fancy breakfast foods, teddy bears, roller skates, high top shoes, farm tractors, milking machines, aeroplanes, cream separators, silos, farm papers, and automobiles, were unheard of—it was a fight for existence those days.

Furnishing A Lift To the Boy



But with all this hardship his returns were much greater on his investment than they are today. If he farmed on shares, he gave the landlord only one-fourth or one-third of the crop—now in many sections of the country he must give one-half or even three-fifths of the crop that costs much more to produce. Then he could sometimes pay for the farm with one year's crops. Could he do anything like that today? The demand for land is so great that it has become very costly.

If the boy is the right kind and unafraid of work, you are not likely to spoil him with assistance. With the present high development of farm machinery he faces almost a hopeless task if he tries to begin empty handed in establishing himself on a farm. Farming and farm life are more attractive today than in all the world's history, if one can have proper equipment. How are you going to aid him?

What better plan could you devise than an endowment policy in a good life insurance company to insure your hopes for him? By means of this policy you would provide, in case of your death, immediate cash for the young man to get started. Your own farm could be kept intact for your wife. If you survive until the policy matures the full amount would be paid to you and you could take more active interest in helping your boy to farming for himself.

What would only $2000 or $3000 more in cash have meant to you when you began?

The Missing Acres?

How much is your farm netting you per acre while you are handling the crops for yourself? $12.00? $14.00? $8.00? If it is netting you $12.00 an acre while you are farming it yourself, what rental would it bring from a tenant?—Not over $6.00 an acre.

What is responsible for the difference of $6.00 an acre in returns? Where



The Missing Acres? Partner?



does it go when the change is made from owner to renter?

It goes with YOU. You are the difference. In case of your death your wife could not run the place. She would have to rent it and move out. To your family it would be as if the farm had been cut in two by a flood and half of it lost. In other words, if the farm is worth $25,000, your own earning power is worth $25,000, because you make the farm pay twice as much income per acre while you are managing it as it would return without you on it.

The crop represents half soil and half labor, or possibly one-third soil and two-thirds labor and management. You are Nature's partner in an undertaking where both are needed. The dissolution of the firm often brings poverty where plenty has reigned.

But the loss of a member of the firm can be partially covered in this busi-

ness, as it usually is in all other lines of business, if you, Nature's partner, see wisely and protect in a good life insurance company those for whom you labor.

Cream Checks

Did you ever have cream checks or milk and butter money pull you through a hard winter on the farm, after a dry summer of light crops was followed by rainy weather and good fall pasture? Even if the checks amounted to only fifteen or twenty dollars a month,



didn't they help wonderfully? Larger checks were that much better.

Would you like to know that you will be sure to have a "cream check" of thirty dollars a month coming in every month for twenty years after you are sixty-five? Wouldn't they be welcome in the winter of old age, if by chance the summer of life had ended in misfortune and loss of "crops"? If you prefer you may make the "cream checks" forty or fifty dollars per month, or much larger. You can also arrange to have them paid either for a definite period of ten, fifteen or twenty years, or for life. You can provide for continuing them to your wife as long as she lives, if she survives you.

No matter how strong and active you are now there will come a time when it will be hard to roll out early on a cold, stormy morning and take care of a herd of cows. Advancing age will slow you down; your circulation will be sluggish and your muscles and joints more subject to rheumatism.

If you enjoy a comfortable rocker near a warm, cheerful fire at your present age, think how much more you will like it at sixty-five.

But just as in summer on the farm you make ready for winter, so in youth and middle life must you prepare for old age. An endowment contract in a good life insurance company is the wisest and safest provision any man can make. It creates a regular monthly income for old age that is guaranteed by financial institutions which great bankers and financiers admit are the strongest in the world.

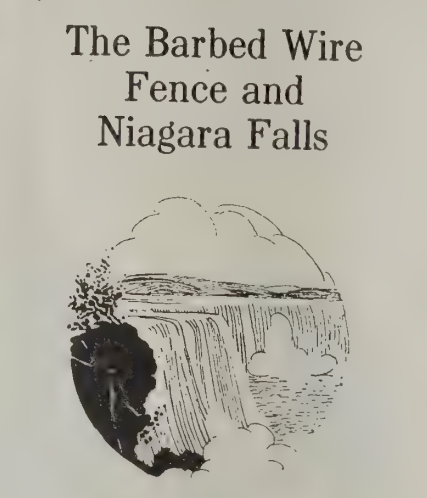
There will be no high cost of feed or severe hardships of winter choring to take away the pleasure of receiving such "cream checks." It will make no difference whether you are still on the farm or have moved to a nearby town or have gone to a distant city or state to live—those "cream checks" will come to you each month, without work or worry, to help make your old age independent and care free.

The Barbed Wire Fence

Many farms are enclosed by a fence of three or four strands of barbed wire. During electrical storms these wires sometimes are struck by lightning. They are charged for a moment with as much electrical force as that generated by the great power plants of Niagara Falls.

One bolt of lightning may kill an entire herd of live stock—horses, cattle,





hogs, sheep—everything near the deadly wires. A sorry sight for the owner to behold the next morning!

But in many cases he has foreseen such danger and is protected by live stock insurance. Yet sometimes the same man has not placed as much value on his own life as he sees in his stock. The land enclosed by that barbed wire fence is worth only half as much to his family when he is gone, because they can seldom rent it for more than half of the crop. And in the hands of an inexperienced or a careless tenant family the farm may be run at an actual loss instead of a profit. This often happens, especially on very valuable land with good buildings where interest on the investment alone amounts to a large sum.

His house, his barn, his granaries, his horses, his cattle, his hogs, his sheep, even his crops growing out in the fields, he insures; but his life, the most priceless to his family of all his possessions, is frequently unprotected.

The loss of live stock is only a temporary setback which the farmer can soon make up—but if the lightning flashes out the life of the head of the family, the main financial support, it is a loss which the family will never live long enough to overcome.

To his wife and children his death from any cause during the prime of his life seems like a stroke of lightning from a clear sky.

The policies of good life insurance companies, offer the best security against such disasters that men have ever been able to devise.

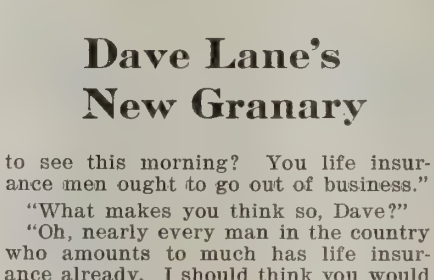
Dave Lane's New Granary

One morning I drove out to see Dave Lane, a prosperous farmer east of town, who carried a small policy in our good old company. When I reached his barn yard I found him with a contractor staking out a foundation for another building.

"Hello, Dave. What are you planning now?"

"Good morning, John—I'm putting up another granary. Who are you going





to see this morning? You life insurance men ought to go out of business."

"What makes you think so, Dave?"

"Oh, nearly every man in the country who amounts to much has life insurance already. I should think you would run out of prospects."

"Why don't you go out of the insurance yourself, Dave?"

"Come out of it! What you driving at?"

"You said you were going to put up another granary here, didn't you, Dave? Well, what is that but insuring an abundance of grain for your stock during the winter? You already have one big granary over there. What is that big stack of hay that you and your men sweated over but an insurance policy to see your cattle through the winter months when there is no pasture? What is your silo over by the dairy barn but more insurance for an abundant supply of milk-producing feed for your cows? What about the big water tank on top of the silo? Doesn't it insure plenty of water in the house as well as in the tanks around here, even if the wind mill isn't running? Then you insured the windmill's job by having an attachment on the pump where you can hitch your tractor engine if necessary. Why, Dave, you are in the insurance business as much as I am and don't realize it.

"You have a much larger hay mow than you need for your own horses and cattle, but you want to be sure. You put up more alfalfa every summer than you expect to feed the following winter but you want to insure enough to take the place of some other feed if you are short in it. You even put aside more wheat than you would have to save for the chickens but you play safe. You always keep more straw on hand for bedding for your hogs than you use in a winter but that is your way of insuring good luck with early pigs. Everything about this place shows that you provide more than enough for your live stock each winter and sell what you have left each spring. You look ahead. That is good business, Dave, anywhere we see it.

"Now why don't you go as far with your family, Dave? You give them good clothes, good food, a good home—but you only carry one small life policy to insure these things for them, no matter what might happen to you or to the farm. Why not play equally safe with the wife and kiddies? You can easily carry ten thousand more if you see it in that light. You are putting up another granary here. Why not put up two—one for your stock right here and another in life insurance for the folks? Then fix this second policy like you fixed your windmill."

CORPORATION INSURANCE

Two Incidents Which Forest A. Kigor, Massachusetts Mutual Life, Uses to Advantage

Forest A. Kigor has been successful in writing corporation insurance for the Massachusetts Mutual Life. Here are two incidents that have caused a number of policies to be written. He says:

"I have had within the last month a very convincing argument in favor of corporation insurance in the form of a check, to hand over to an automobile corporation. Two men were the active heads in the concern, and each carried an equal amount payable to the corporation. The policies were not three years old, and the payment of the claim has enabled the concern to reconstruct its business and go on without serious loss. I have had made a photographic copy of the check and will use it in driving home the arguments that corporation and firm insurance is a vital asset. I may add the surviving member was easily persuaded to increase his personal protection with us.

"I recently placed a policy for our limit on the general manager of one of Marietta's prosperous manufacturing concerns. The policy is not four months old. The insured was a few days ago in a railroad wreck in which three were killed outright, everyone in his coach being injured and all having a narrow escape. Our general manager escaped with minor injuries, but is today a walking testimonial of the frailty of human life. Reference to the accident makes a deep impression."

THE IDEAL AGENT

His Qualifications Described By Assistant Secretary Fred W. Tasney of The Prudential

In one sentence Fred W. Tasney, assistant secretary of The Prudential, has summed up the ideal industrial insurance agent.

"He is, first, a man of character, and honest mentally and morally; of pleasing personality; in good physical condition; preferably married, and with the responsibility of a family; a resident of the town in which he operates; one whose previous occupation was not too much above or below his present position; not so old as to have lost a full measure of optimism; not too young to realize the nature of the duties devolving upon him; and one who is blessed with a wife in full sympathy with him and his work, a real helpmate; a man who can successfully meet people, write their applications and collect the premiums thereon; who treats those on his debit as friends, and conscientiously looks after their interests; who has a reasonable Industrial increase every week, a low lapse rate and high advance payments; who secures a good volume of Ordinary, and who follows fairly and squarely the rules of the Company and the instructions of his superiors. Such is the ideal Agent, who, because of his cheerfulness of manner, his ready tact, and his knowledge of the business, will be affectionately referred to by the people on his debit as 'Our Agent,' and will compel the respect and the regard of all who know him."

The Power To Sell Insurance

By John K. West

The power to sell insurance does not primarily depend on the company you represent but on being stronger than your prospect and not letting him know it. That's an old story and sounds easy but listen to the requirements.

To have this power you must cut out all sense of fear of yourself and of your prospect and concentrate on an explanation of the reason for the insurance and not the price.

Some agents are continually procrastinating the promised drive for business. They sit contentedly in their office chairs or are buzzing around like house flies without getting anywhere. They fear even to plan. They lack the power of initiative. They cannot attend to one thing at a time. They are not efficient. This class of agents takes hold of its work with the tip of the fingers hanging upon the slippery surface of possibilities.

Agents who get the most out of business do things in a certain way. They plan their work, and execute their plans. Those who do not perform things in this certain way do not succeed. The rules are simple. Anyone can carry them out.

Tons of literature have been written about the qualities an insurance agent must possess in order to succeed, much of which is profitable reading but five of the most important essentials to develop power in an agent selling insurance are knowing your policies, knowing your company, knowing yourself, knowing human nature and knowing how to arouse interest.

Knowing Your Policies

Every agent who does not know the policies he sells is a prodigious failure no matter how much business he writes. All the best agents in the country study their policies inside and out and find out the fundamental principles of the contract they sell, for their own benefit and for the protection of their clients. They know their policies from the ground up.

Questions are bound to be asked by your prospects about your own and your company's policies, and you as a salesman are the only person to answer the problems. You cannot know what questions will be asked and you must be prepared for every angle that may be presented. In order to satisfy your prospect you have got to tell the truth about your business calmly and effectively. You cannot afford to guess. You cannot be at ease unless you know the foundation of the sale you want to make. Half knowledge results in confusion, misinformation and crooked thinking.

If you know about the purposes of the insurance you want to sell, how premium rates are computed, how special risks and inspections under fire policies are handled, the meaning of coinsurance, subrogation, etc., the various forms of life insurance, how annuities are calculated, how policy loans are made, cash surrender values, etc., the classification of risks, etc., etc., you can make more and better sales.

Even though you are not often required to discuss the technical meaning of your policies you will unconsciously have more poise in your interview. You will by knowing your contracts have better confidence in yourself because you have a close familiarity about the insurance you have to sell.

There are various text books which can be had which will give you the knowledge of your contract phraseology. Insurance papers which you should read are constantly giving reports of court decisions construing policies which you are selling and other helpful data.

Contact with other agents and discussions of insurance problems with them, a careful and fair comparison of your competitors' policies with your own, all help to give you a thorough knowledge of the contracts you have to sell.

Knowing Your Company

On the staff of agents of every insurance company are found one or more who forge ahead of the others, although they may not seem to have any better physical and mental equipment than the ordinary fellows. These gentlemen are usually of the class that love the game and they enjoy their work because they have an intimate knowledge of their company. The traditions and achievements of the company, its standing in business and its ideals, should be known by every agent who represents the company. The importance of loyalty cannot be over-estimated. An agent's interest in the business is absolutely interlocked with the company unless there is something the matter with the company or with him. Lack of loyalty will give but half-hearted service. The future of the company you are working for depends upon the faithful service of its agents in the field. To be loyal you must not permit your mind to dwell with dissatisfaction upon things as they are, for the moment you do so you begin to lose ground. To fix your mind on the best in the company is to surround you with the best environment. To permit your mind to dwell on the petty little disturbances between you and the company or anyone else is to choke up your progress.

Everything connected with your end of the business should be bathed and permeated in loyalty.

To obtain this wonderful quality of loyalty is an easy proposition. All you have to do is to know your company for all you are worth. Don't treat the officials of the company in a cold-hearted stiff way. Warm up—get acquainted. Find out the big achievements of the company, how much it is worth, something about its founders and officers, where they live, what they have done, the kinds of business the company pursues, etc. It will be an inspiration for you to add personal information of this kind to your knowledge and make you a better agent. Don't bother about yesterday's successes or failures. Don't try to do tomorrow's work now. Don't wait for a change of environment. Give your attention wholly to becoming a successful agent.

No liar or thief in the insurance business, no agent who ever misrepresents a policy to a prospect or a prospect to a company, no grouch, is loyal. He is a pitiful contemptible fellow, respected by not even himself and the smiles he gets are only hypocritical. It does not pay to misrepresent. The agent should represent his policies exactly as they are. Real enthusiasm comes from honest knowledge of the company and honest knowledge of the company breeds honest confidence in the agent and honest confidence in the agent writes the business.

Knowledge of Yourself

It is impossible to render efficient service and be powerful in the sale of insurance unless you know yourself, inside and out. You are primarily working for yourself and you, to yourself, are the most important personage in the whole universe. Don't get a swelled head just because you are the most important man in the world but put yourself under the magnifying glass and analyze your qualities.

Most of the trouble with people in this world arises because they don't understand and respect themselves or are butting into things that don't really concern them. You can perform your duties better if you understand yourself. Study your weak points as well as your strong points. By taking an inventory of one's weaknesses we can find and correct them as the poet says:

"We train ourselves to watch
ourselves
Until we find at length
We've made our very weaknesses
The secret of our strength."

You may have repellant qualities, such as sarcasm, impatience, indifference, etc. You may have the antagonistic bug, fighting every thing and person in sight. You may lack poise and self-control. You may fear. You may have too large a sense of your importance. You may be cold-blooded. You may be over-anxious to be heard, understood or sympathized with. You may lack initiative, ambition, enthusiasm, concentration, judgment, etc.

Analyze and experiment with yourself and consider your "outs", your negative qualities. With a little effort you can eliminate your faults and be a stronger man and a better agent.

It is possible you may be afflicted with too much modesty. You may fear to ask a man for money he owes you for a premium; you may be afraid of yourself. Be absolutely honest in your analysis of your minus characteristics. Go into the silence fifteen minutes a day alone, and think, concentrate solely upon your powers and not what you shall do but what you ought to do and you will reap a harvest, the like of which you have never experienced.

Knowing Human Nature

You are constantly up against other peoples' foibles and notions. You cannot make sales unless you become acquainted with prospects and you cannot make yourself easy with people unless you know human nature.

A superior knowledge of human nature is of immense power to an agent, for it aids him to guard against surprises. Analyzing personal characteristics is an intensely fascinating subject which all who meet people for business should learn. You should know the characteristics of the fat man, the thin man, the man of bone and muscle, the blonde, the brunette, etc. Books on physiognomy and character analysis are easily obtainable and will be especially useful to you.

To size up your prospect you must know something about the minds of men. You must know what, inside of them, makes them think and act in a certain way when you do or say some particular thing. You must know their dispositions, their natures and their qualities.

People generally are subject to calms and storms just as the waves of the sea and with a knowledge of what disturbs them and influences them, you can present your proposition in a better way.

Become acquainted with their tendencies and weaknesses, and you can handle them in time. You can become acquainted with anyone you want to if you will only be determined enough to get their attention properly and hold their interest. You can know human nature if you make the necessary effort and to know your fellow-man inside is the greatest lever an insurance salesman can have.

Knowing How to Interest

To take an interest in your work you must play it like a game. Indifference, ruts, going stale, and drudgery, and coldness, all result because you are not having fun. Practically no results can be obtained in our business life unless we keep the spark of enjoyment alive in us. Nothing great was ever accomplished without enthusiasm and we can't be enthusiastic about something we don't enjoy. The agent who does not take an absorbing interest in his work, who does not know how to continually work up a demand for insurance, will never have his name written among the leaders of his company.

It is easy to force an artificial feeling of interest in our work if we but swing over the mental levers. One-half the battle of our life's work is won by knowing how to interest other people.

Of several methods employed by insurance companies to arouse the interest of its agents are contests, company publications, advertising, company schools, conventions, agency meetings.

Contests

To interest its agents and wake them up from every-day ruts several companies have periodic contests. Some contests are held in honor of certain officials of a company and prizes are given for results; others are on the quota basis, others follow some game, others qualify for some convention, at the home office or summer resort; still others follow army drives over trenches, policyholders' month, etc.; all intended to keep the agents alive and the business going. Some companies go as far as to have contest managers, who weeks in advance, plan and schedule every detail of the game from the first letter announcing the event to the distribution of the prizes.

The Quota Plan

Prominent among contest plans is the so-called quota. The idea in this plan is to establish a definite basis upon which the agents shall plan their work as well as give them an understanding as to what the company might reasonably expect in the way of results for a certain period of time. It is easy to understand that new agents with little experience cannot write as much as the older veterans. It is also known that certain territories are apt to prove more productive than others. A careful and exhaustive analysis of conditions is made and the quota finally given each agent represents the company's expression of what every agent must sell in order to be a real producer. The quota represents a record that the agent will fight throughout a given time to beat if possible.

All contest plans are designed to help agents. The agents immediately recognize the value of having a definite task set before them. Following the an-

(Continued on page 41)

Where $15,000,000 Was Paid For Last Year



The picture shown above is of the corner of the building at Nassau and Liberty streets, New York City, where more life insurance was written last year than in any other general agency office in New York. Just above the entrance are the offices of IVES & MYRICK, managers of the MUTUAL LIFE, who paid for more than $15,000,000.

Hot Weather Thoughts on Salesmanship

By Luther B. Little, Manager of Publications, Metropolitan Life

One hot day, a few years ago, a well-known New York lawyer sat in his office on lower Broadway, engaged in the preparation of a case, so late in the afternoon that the office boy and all the rest of his working force had gone. A life insurance agent, small and with a high soprano voice, was evidently making a straight canvass in that neighborhood. He stood in the doorway of the room in which the lawyer sat and squeaked out:

"You look like a bad risk. I don't believe you could get life insurance if you wanted it."

The lawyer asked him in and for a minute was in doubt whether to throw him through a window or to engage in conversation with him. When the agent went away he had an application. This was one form of salesmanship.

Fire Gave Agent an Idea

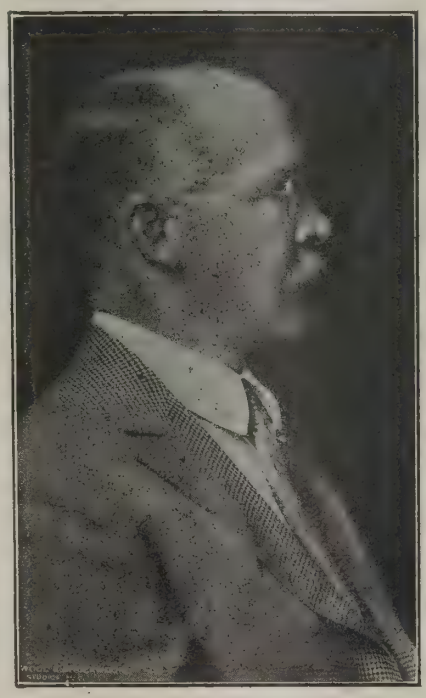
The day the Equitable building burned an Equitable agent went to the office of another life insurance company in this city and called on some of the officers. He told them it would be a grand and glorious thing, and show a kindly, sympathetic feeling existed between great companies in this city, if all the officers of the other companies would take a policy in the Equitable on that particular day, as a testimonial of confidence, esteem and sympathy. Some of the officers of the other company "fell for it." Those who took policies still speak of "having fallen for it." That expression takes this operation out of the list of real illustrations of "salesmanship."

Fine Start; Awful Finish

About ten years ago a newspaper man, who had been covering various political headquarters, decided to go into the life insurance business as an agent. He was on speaking terms with a large number of public men, and had close friendly relations with other writers of politics on daily newspapers. Within the first two weeks after he became a life insurance agent he had sold enough insurance to public men so that he ranked as one of the leaders in his company in the first three months of his service. He attended some insurance men's conventions and made some speeches on how to sell life insurance. Since that time he has not sold a policy and within eight months of the time he began his career as a life insurance agent he had ended it. If this has any bearing on salesmanship everybody may draw their own inference.

How People Buy Insurance

People buy life insurance as they buy granulated sugar. They want the sugar; they know where it is to be bought; they know what the standard price is, and they have the money.



LUTHER B. LITTLE

When life insurance agents, life insurance newspapers, life insurance companies, and all other individuals and interests which know that the general public needs life insurance as much as it needs sugar, have educated the general public to regard life insurance as a staple thing, then all these freak salesmanship notions will come to an end. More crimes against the patience and good-nature of insurance agents and the general public are committed in the form of preachments about salesmanship than almost anything else I can think of. I know of one man who used to go around the country lecturing on salesmanship. He made several notable addresses to life insurance men on this topic. He had a business which would be a success if he had enough sales of the product which he made to establish it as a business. While he was lecturing on salesmanship his concern went out of business because there were not enough sales to make it go. This gives an idea of the real value of a lot of the hot air which is handed out in the way of advice to life insurance agents who are generally pretty expert in their own line, have a pretty good idea of the goods they have to sell, and are reasonably familiar with all phases of human nature.

People do not buy life insurance to please life insurance agents as a general rule. They buy it because for some reason they have come to think that they want it.

Omniscience

There was once a ball game played where a keg of beer was put near the third base, and every man who reached third base was entitled to a schooner. A man who never before had seen a ball game, and thought the beer drinking was a part of it, a little later undertook a discussion of baseball and pointed out that in a professional game he had seen afterwards there was not the incentive to three base hits that there had been in the first game, because they had no beer at third base. He knew as much about baseball as some strangers who tell life insurance agents how to conduct their business.

There are several million men, women and children in the United States, yet uninsured, and who need life insurance. No two of them are alike. Life insurance is a substantial, steady-going, staple thing and when these million people find out that they need it they will buy it. No rules can be laid down as to how to tell these people their needs. A celebrated ward politician in Chicago, a quarter of a century ago, gave this definition of a politician:

"Some people think that a politician is a man who can persuade a few of his friends to vote as he wants them to. This is wrong. A politician, mind you, is a man who can corral the whole human procession at the ballot box, from the dude in the front with a cologne bottle, to the crook at the end of the procession with a jimmy."

This kind of a politician might have some expert ideas on salesmanship.

C. F. Kuhns' Famous $2,000 Check Story

IN DEMAND AT CONVENTIONS

An Argument That Sold Three Policies Aggregating $31,000—Clever Baltimore Soliciting

When T. Louis Hansen, vice-president and superintendent of agencies of the Guardian Life, asked some of the Company's field men for an account of the most difficult cases which they have closed, an especially good one came from Charles F. Kuhns, manager of the Company at Baltimore. This story is generally known to life underwriters, and Mr. Kuhns has been asked several times to narrate it at conventions. Here it is as Mr. Kuhns tells it:

I was very anxious to interview a very prominent manufacturer in this city on the subject of life insurance. Every time I called to see him he would throw up his hands, saying: "Not interested." After having called on him about three times, I succeeded in writing his clerk for a $2,000 policy. The annual premium was paid on this policy, but before the second annual premium fell due the young man died.

When I submitted the Proofs of Death papers to the Home Office, I particularly requested that a copy of the check given in payment of this claim be sent to me which the Home Office did.

When turning the check over to the young widow who came to my office, she looked up into my face and said, "Mr. Kuhns, this is a godsend; it is all I have except this little boy," who was standing by her side. I fully realized what a great service I had rendered the insured, his widow, and his child, and I made up my mind to call again to see the prominent manufacturer. I did so, and was greeted by his Secretary who inquired as to the nature of my business. I immediately handed him the copy of the check which was sent me and said: "Take this in to Mr. Brown, and tell him Mr. Kuhns wants to see him about this check."

I was ushered into the office and said: "Mr. Brown, I have called to see you on the subject of insurance a number of times, but you have never granted me an interview. A little less than two years ago I wrote your clerk for a $2,000 policy, and today my Company paid his widow this amount of money, which you will see by this copy of the check. There is one sure thing in life, and that is death, and the most uncertain thing in life is the time of its coming. Mr. Brown, let me ask you one question. If the Grim Reaper had visited your home instead of that of your clerk, would you have left your family with sufficient means to afford them a comfortable living?"

The prospect thought for a moment, looked at the copy of the check, and said to me: "Mr. Kuhns, how much would $25,000 of insurance cost me?"

I sold this man $25,000; I sold his bookkeeper $5,000, and sold another clerk in his office $1,000. This was how I closed what I regard as my most difficult case.

JOE RUSSELL'S METHODS

Sample Conversation Used By Louisville Mutual Benefit Agent

Joe Russell, of the W. W. Dennis & Co., General Agency of the Mutual Benefit Life, Louisville, has his own way of doing things, and that they are successful is evidenced by the fact that he ranked first in the agency on paid-for business for some months of 1918.

When Joe goes into a town, he inquires from the local agent about the first man that they intend to see, learning his approximate age, what family he has, and something of his personal history, his income, his indebtedness, and his hobby.

Then, when he meets the prospect, the conversation goes something like this:

"Mr. Robinson, I'm glad to know you. I know your father, Mr. Walter Robinson. He had a policy in our Company.

"Mr. Robinson, I'm going to talk to you a few minutes about Life Insurance. I cannot sell it to you. If you need it, you will buy it. If you don't need it, I don't want you to have it. You need three meals a day. You don't have to have them. You could get along on two. But you need three. If you don't need the policy, don't buy it.

"Mr. Robinson, you are a man of about thirty-five?"

"Yes, sir."

"You have a wife—and three children?"

"Yes, sir."

"Ten years ago, you started without a dollar. Last year, you sold $5,000 worth of corn, and $2,000 worth of live stock off your farm."

"Yes."

"Mr. Robinson, you are a success. If you were a failure I wouldn't be calling on you. I don't call on failures. You never heard of insuring a vacant lot. We don't insure vacant heads."

After an explanation of the policy, Mr. Russell says:

"Mr. Robinson, this policy shan't cost you a penny."

"How's that. Are you going to give it to me?"

"How many acres have you?"

"Two hundred."

"How many are you going to put in corn?"

"Fifty."

"Mr. Robinson, you have a neighbor here who is a very close friend of yours. Suppose he should die and leave his wife and children penniless. Suppose that by cultivating three acres of corn for them, you could keep them from the poor house. Would you do it? You bet you would.

"Mr. Robinson, cultivate three acres extra for Mrs. Robinson and your children."

The above is a rather mild reproduction of the points which Mr. Russell made. It fails to carry with it Russell's impressive manner, and quick mind, but it contains some splendid phrases.

THE OLD, OLD STORY

By R. J. MIX, The Prudential

You know the old, old story well, but it can't be told too often. Let's put it in the form of questions and answers:

Q. Which, among all his possessions, does a right-minded man value most highly?

A. His family.

Q. What is the first duty of every married man; what duty should take precedence of all others?

A. To protect his family.

Q. Is it his duty to protect his family after he is dead as well as while he is living?

A. Yes.

Q. What is the surest thing in the world?

A. Death!

Q. What is the only security in the world of which it can be truly said that under all circumstances it increases in value every year?

A. A policy contract issued by a sound life insurance company.

Q. If a man who is carrying a goodly amount of "old-fashioned life insurance" dies without leaving any other estate, is his family protected?

A. Not necessarily.

Q. Why.

A. Because the proceeds of the old-fashioned life insurance policy may be dissipated, just as is the case with ninety per cent. of estates!

Q. If that's true, isn't life insurance a good thing for a man to buy?

A. Yes, it's a "good thing," but it isn't the best thing, and a married man is in duty bound to secure the best thing in the world for his family!

Q. What, then, is the "best thing" for a man's family? Is there any way by which a man who loves his family can make absolutely sure that after his decease his family will positively be protected?

A. Yes, there is such a means and it's within the reach of every insurable man. It's called Monthly Income protection!

Q. Why is Monthly Income protection so much better than so-called "life insurance"?

A. Because it guarantees to do what "old-fashioned life insurance" tried to do but didn't—it guarantees to protect his family from want! Because it guarantees a fixed, monthly income to the beneficiary for the rest of his or her life! Because it enables a man to become the administrator of his own estate! Because, while a man may leave money to his wife and children, he cannot leave them his experience with which to take proper care of the money so that it will take care of them! Because it brings peace and comfort to the mind of the husband or father who possesses it, and thereby brightens and lengthens his own life, for he knows that whatever may happen to him, his family is provided for! Such a man need not worry about panics, hard times, bank failures or mortgage foreclosures, for he knows that his security—his Monthly Income contract—is bound to grow more valuable every day, and that it is practically the only part of his estate which, under any circumstances, cannot become depreciated or lost!—Prudential Record.

"You can't get men to endure extraordinary labor unless you arouse enthusiasm," says Charles M. Schwab. "You can't get them to go a stiff pace unless the man who tries to arouse them to such an effort is himself a setter of the pace."

RAISES STANDARD OF LIVING

A Tribute To Life Insurance By Secretary Hamilton of The Prudential

"Life insurance is a product of the growing consciousness that the principle of mutuality of interest should, more and more, dominate the affairs of men, and it has thus done more than almost any other single factor to raise the standard of living in the community to a higher level," said Secretary Hamilton of The Prudential recently.

"Life insurance represents in its very essence the stupendous truth of the brotherhood of man; nay, more, gentlemen, it is the brotherhood of man on a business basis, for life insurance is the highest form of social co-operation, and it is within the truth to say that there is no institution or agency under the sun which so nearly realizes that ideal condition where every man contributes according to his ability and receives according to his needs, as life insurance.

"A college is an organized mind, a church is an organized conscience, a benevolent institution is an organized heart, but is it not true that life insurance in some essential respects is the sum of all three?—for surely it has required the keenest intellectual power, the profoundest regard for the rights of the present and future generations, and the most discriminating benevolence, to bring life insurance to its present splendid development where its beneficence is universally recognized.

"Great truths require great advocates, and here it is that life insurance makes its supreme demand for the best there is in every man who undertakes to deliver its message of sacrifice and self-help to men and women."

AMERICAN CENTRAL LIFE INSURANCE CO.

INDIANAPOLIS, IND.

ESTABLISHED 1899

HERBERT M. WOOLLEN
PRESIDENT

The Qualifications Of A Million Dollar Writer

By L. A. Cerf, New York, General Agent Mutual Benefit

What are the qualifications that fit a man for the million-dollar-a-year class in life insurance?

What is there about the question that should make anyone pause? Is it not obvious that the same measure which determines success in the professions, in literature and in art is applicable here? Is he not simply a better insurance man? Does he not know more about it; has he not a clearer conception of its possibilities for service, etc., etc? Would it not appear that by the same token of success in the professions perfection in insurance science must also necessarily make the super-salesman in life insurance?

On the surface this idea looks logical. Indeed it may not be assuming too much to say that the average life insurance man believes it to be true; yet nevertheless, there are many facts that seem to contradict this view completely.

Two Spheres

When the problem before the man seeking to make his mark as a solicitor in the profession of life insurance is analyzed it is seen to divide itself broadly into two spheres: (1) The theory and technique of life insurance science, and (2) the psychology of the insuring public. Both these departments are important; neither can be neglected. But from the point of view of the large producer they can hardly be considered as of equal importance. The moderately successful insurance writer generally ascribes his success to his knowledge of the business—of the technique of insurance. And he is generally right. But the reason that he remains only a moderately successful writer instead of graduating into the class of the big writers—the million-a-year men, is because he underestimates, if he does not entirely neglect, the preponderating importance of the other phase of his problem—the psychology of the prospect. Only through the mastery on this part of his problem can the life insurance solicitor achieve real distinction as a salesman. A careful consideration of the factors involved in the writing of large policies is therefore of the first importance.

It is an accepted fact that life insurance salesmanship is different from all other salesmanship. It is not a question of barter and sale in which the selfish element predominates. Life insurance makes but faint appeal to the mass of individuals from the standpoint of its intrinsic value. Experience has proven that life insurance requires the human touch to make its propaganda a success, and so it has become a by-word that life insurance is sold but never bought.

The Average Rich Man

Laying aside the difficulty of access, a condition which is confined to but a few large cities, the average rich man is easier to sell than the average man in the middle classes. Broadly speaking, his success has been attained by virtue of an unusual native acumen, good judgment and energy. He has a better mind than the less successful man, and, as a result, a good proposition is sure of intelligent consideration and analysis. If he is a man of parts, he has been trained to make quick decisions. All that is necessary is ability to put a proposition before him in a lucid and comprehensive way. The fact should not be forgotten that in America it is almost the rule that the rich man to-day was the poor man of twenty or thirty years ago. The only difference between the two is that he has more money and time and experience has broadened his vision and therefore made him more susceptible to a proper presentation of the compelling necessity of life insurance.

The average agent on account of his environment is psychologically unfitted



L. A. CERF

to sell to rich men The inhibiting factors are first—an inability to visualize the rich men's condition, even in the most general terms. Unless he has made a particular study of the subject, he would find it difficult to determine the reasons why the rich men do insure. He may know one or two influencing factors and yet miss the real point of contact that would sway the particular prospect on which he is working.

Because of his more or less straitened circumstances, the agent finds it difficult to realize that the sum of $5,000 invested in a premium would have no more significance in his client's eyes than would $50 in his own. He fears to frighten his prospect by asking him for such a sum as his logical convictions prove would be entirely reasonable.

Standing In Awe

Then again, there is a queer characteristic in the human mind which causes the average agent to stand more or less in awe of the rich prospect. Hence when he meets him he is so flustered he lacks that veiled aggressiveness and tenacity so essential to his success.

Again, his discomfiture is apt to hold him so strongly in restraint that his appeal, instead of being logical and persuasive, lacks the pith and point of coherent persuasiveness and degenerates into what might be almost termed a piteous appeal for business. The agent in his uncomfortable environment moreover assumes that his client's wealth implies an extensive knowledge of insurance; whereas quite the contrary is true. The agent, if he only realized it, is just as much in command of the situation as if his client were a pauper. This simple fact in itself would often bring victory if thoroughly appreciated.

It would seem, therefore, that the foregoing and other facts would warrant the following broad generalizations. First: In the main, a rich man is often only a poor man grown rich. Second: A rich man having proven his ability to succeed through intelligent perseverance is an easier prospect to sell than a poor man, because of his ability to see the advantage. Third: The average agent is awed and afraid of the big man. Fourth: Wealth does not carry with it an unusual knowledge of life insurance. Fifth: The rich man needs life insurance proportionate to his circumstances, as much or more than the poor man. Sixth: The average agent through environment rarely understands the conditions that hedge about the rich man, and hence is unable to emphasize the crucial points of contact. Seventh: The agent is afraid to ask for a big premium. Observe now that in all the inhibiting phases set forth above there are none that are necessarily final in precluding the average agent from successful solicitation among the rich.

Truths and Half Truths About the Rich and Poor

It is clearly possible for an agent by painstaking study to understand the living conditions and circumstances of the rich man as well as the poor and the natural awe that psychologically affects him will quickly disappear after a few brief interviews with his rich clients. Someone has said that the nearer you get to a rich man the smaller he gets. This is obviously only a half truth; but the main point of the saying lies in the fact that there is a glamor about the rich man that exists only in the poor man's mind, and once he has passed the threshold and has seen for himself how unreal it all is, he ceases from that moment to hold in awe either the rich man or his wealth.

In the last three decades I have had the pleasure of knowing a number of the largest insurance writers in this country, and in no instance have I had reason to doubt the correctness of the above conclusions. That they are in the main unusual men lay principally in the fact that they had a positive genius for carrying out in the highest degree the homely virtues which the average man often affects to despise. Almost without exception they were prodigious workers who were willing to sacrifice their own health, convenience and comfort on the altar of their business success. Realizing that having familiarized themselves with their client's environment it was as easy to write the rich man for a large policy as the poor man for a small one, they confine their time wholly to the writing of big policies. Constant effort and study have made them familiar with the dominating motives that actuate the rich, and they cast their arguments accordingly. But the most significant quality of the big producer, and one that marks him as a man apart from the mass, is his courage. All men look alike to him. He can observe no difference between the man plus money and the man sans money. He is talking simply to a human being—to a man who loves his family and who is desirous of providing for them along lines and by methods that are sane, tried and practical. He is talking to a man who has proven his ability in the struggle of life; who wants above all things else to conserve what his effort has created; who grasps an idea quickly and who acts quickly and who through training is quick in his conclusions. Here he can make as large a commission in one case as he would make in twenty or thirty small ones. Why should he not confine all his efforts to the larger transactions?

The One Great Secret

Finally, he has learned the one great secret that every large writer possesses; namely—that if he can visualize his prospect's position correctly, if he writes him at all, he can write him for the utmost limit that he should carry—please mark this well. He knows he cannot write every man. Being human, he often fails, but a part of his campaign is to portray to his prospect the value that life insurance has to the utmost farthing and if he writes him at all he is apt to write him for the absolute limit that the man should carry.

Mr. Schwab is said to have made the statement recently that the great men of this country were not geniuses by any means; quite to the contrary, they were men of ordinary ability who had to an uncommon degree the quality of common-sense and the good judgment to cultivate the homely qualities which ages of business experience have pointed out as a sure and certain guide to success. I think this can be equally said of life insurance. The great insurance writers whom I have met were not geniuses; they were not actuaries, they were not even unusual in their knowledge of the technique of the life insurance business; but they did possess the quality of courage to an uncommon degree—they were energetic far beyond the average man—they were students of human nature in all its phases. Above all else they gained by studious investigation of the mental habits and psychology of the rich a complete understanding of the reasons which impel the wealthy to insure and have concentrated all their efforts to an irrefutable presentation of these reasons.

* * *

Like all preachments, this too has an end and a moral. The road to success is not easy—nothing worth while is—but hard work and sacrifice are the spiritual levers which will remove all obstacles.

And so—back of the fact lies the principle which needs only the magic wand—THE WILL—to invoke wonders at bidding. There is no other coin avails here. No other "open sesame."

ESSENTIAL? YES.

But Agent Must Be Effectively Employed—An Apt Remark By R. W. Stevens.

R. W. Stevens, vice-president of the Illinois Life, hits the nail on the head, as usual, when he says in the current Illinois Life "Bulletin."

"While the work of the life insurance agent has been recognized as essential, yet a man in an essential occupation who is not effectively employed therein would not derive any benefit from that ruling. Effective life insurance men will undoubtedly be encouraged and urged to continue their work, but those agents who are not able to prosecute their work successfully under present conditions will likely be re-classified for employment by the Government in some other essential occupation."

"CERF SERVICE"

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New Business
Paid for in 1917

For particulars see

L. A. CERF

Manager for Greater New York

THE MUTUAL BENEFIT LIFE INS. CO.
OF NEWARK, N. J.

Women Write of Life Insurance Opportunities

Life Insurance for Everybody and Everybody for Life Insurance

By E. Constance Woodward, Equitable Life Assurance Society

The sons of prince and peasant are dying a common death. Noble and nobody are fighting shoulder to shoulder in the shell-torn fields of France. Class distinction is dead. In fighting to make the world safe for democracy, we have made ourselves safe for democracy.

Behind the lines at home, men and women are working side by side in the support trenches of industry. Business has come to recognize brains and ability whether masculine or feminine, and to make capacity its only standard of employment. Sex distinction is dead. In fighting to make the world safe for democracy, we have made ourselves safe for democracy.

The old world with its antiquated traditions and prejudices is a thing of the past, and from its ashes a new world is being created—a world of freedom both political and economic, with liberty, equality for all.

Success Doesn't Draw Sex Lines

The field of life insurance has been very much in advance of its time. For the past twenty years it has accepted anyone who could sell life insurance as agent without regard for sex. The fiction of the woman agent who succeeded by means of personal charm or a hard luck story is only a relic now. We know that life insurance offers equal opportunity for women, and their only limitation is their own capacity. They succeed just as men succeed, through the exercise of feet directed by brain and imagination, and they receive the same compensation. I have no doubt that in relation to the number of women who have gone into life insurance work, the percentage of successes is quite as large, if not larger than among men. The life insurance agent rises or falls by his or her individual ability, for the opportunities that the business offers to men and women are identical.

However, there is one direction in which life insurance has neglected women. It has never taken them half seriously enough as clients. The only reason that women have not bought life insurance to a greater extent is that it has not been sold to them, and we all know that people never do buy life insurance until it is sold to them.

All Lives Have Cash Value

It is true that certain obvious classes such as nurses, teachers, etc., have been solicited, but women in general have been decidedly neglected because a popular tradition prevailed that women didn't need insurance. Just as if every human life didn't have a cash value, and the world didn't need to be indemnified against its loss. Surely the time has come for modern agents to extend their service, and try to sell insurance to all who need it. Surely they must realize that they cramp their style by neglecting a whole class of people who could be made willing and eager purchasers of insurance if they but knew its benefits.

The needs of every individual are different, and the needs of every woman who buys life insurance are different. The life insurance companies have supplied a variety of contracts to meet these needs. Yet we find that women buy mostly endowments and annuities. Is it not because these are the only contracts ever offered to them? Is it not that it is easier to sell something from which the person derives a direct benefit than it is to ask him to pay good hard cash for the good of some-



E. CONSTANCE WOODWARD

one else? Is it not another instance of the work of the agent who puts surplus above service, and prefers to make a quick and easy sale to working up a sale that will bring help and satisfaction to all concerned?

It is of course impossible to overestimate the value of endowments and annuities when properly used. They have a vital function of service for both men and women. They make thrift compulsory, and old age safe. They are the ounce of prevention for the man who thinks he is sure to make a fortune next year, and for the woman whose heart loosens her purse strings upon the slightest provocation. But it is absurd to think that these are the only forms of insurance that women will buy—especially when we are always lauding them to the skies for their sacrificial instinct. They give their sons to their country, and the only sign they make is to pin on a little service flag. Will they not be willing and glad to invest a few dollars for the protection of the people they love?

Women as Providers

After three years' experience selling insurance to wage-earning women, it always makes me smile when some well-meaning man says: "But it must be awfully hard to sell insurance to women because they never have anybody to protect." Let me say right here that not one woman out of fifty who is earning her living to-day is not contributing to the support of someone else, and you will find her very eager indeed to find a means of taking care of her obligations whether she lives or dies. No, women are not working for pin money. They are working to live, and that others may live. Surely these lives are worth something.

The same general principles are true of the field among wealthy women for selling Inheritance Tax Insurance. The law doesn't exempt their estates from taxation, so it is quite natural that they should be interested in a plan to safeguard their estates. And from their viewpoint, they often have more at stake than most men in conserving their interests.

It is only in rare instances that a woman is the sole beneficiary of a large estate. She usually gets a share only, and looking into the future, she sees that share again subdivided among her heirs. No matter how large the share is, it looks none too large. Here is a typical case that has recently come to my attention. The daughter of a world-known financier received $3,000,000 as her share of an estate valued at $100,000,000. Her two children at her death will receive $1,500,000 apiece, less taxes. Now to most of us, three million dollars or even half that sum seems ample to keep the proverbial wolf from the door, but when you have lived with the security of one hundred times that amount behind you, it is not so reassuring. Reduce the sum to a smaller proportionate amount, and you will see the result. If your father were worth $100,000, and left you $3,000, you would feel quite poverty stricken.

Points to Remember About Inheritance Tax

No one can tell you how to sell insurance because the very essence of insurance salesmanship is individualism. But in selling Inheritance Tax insurance there are certain definite things to be remembered.

In the first place, the term "idle rich" is a misnomer, and very misleading. There is no class quite so busy, quite so crowded with responsibility and activity as the rich these days.

The best you can expect is a ten-minute interview, and it may take you two or three months to get that. Also you can't expect to just walk in off the streets, and secure the kind of interview that will bring results. You must be vouched for before hand as a person of absolute integrity. You must have the strongest possible introduction, the kind of introduction that will open the door of the prospect's confidence, and admit of a frank and immediate discussion of personal affairs. The prospect must be sure that you are thoroughly trustworthy, because in the end, all the details of the transaction, the policy form, etc., are left in the hands of the agent, for these people are too busy to consider anything more than the skeleton of the proposition.

As a matter of fact, the case is usually sold before the interview, and must be prepared with the utmost care. You have informed yourself thoroughly

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The Chief Requisite for Women (and Also For Men) Agents: Courage

By Leonora M. Cowick, Manager Women's Department, Mutual Life, Boston

The woman who chooses the vocation of selling life insurance as a livelihood, must have, in my opinion, a most important asset, especially for the first year she is in the business; and that most important asset is—courage. If she will keep her courage up and work she will soon get over the worrying stage and learn to be philosophical. By that I mean, she will learn that she must not expect to be the most successful life insurance woman in the world in a month or even in a year's time. There are several stages a life insurance agent has to go through and I happen to know this applies to the men as well as to the women.

Don't let Early Discouragements Bother You

The first month an agent goes out, calls on her friends and says: "You don't need any life insurance. do you?" Nine times out of ten, they "don't need any life insurance." Then the agent returns to the office and thinks she will take a job in Woolworth's or some place where she can get a salary! At this stage, she has not been in the business long enough to believe in it herself, and to sell life insurance one must believe in it.

However, after encouragement, the agent goes out again and after she has secured several applications—and commissions on the same—she gradually learns to like the business and to realize that it is a hard business, but it can be done. When agents have been in the business two years I don't think anybody could make them leave it. There is a fascination about it which makes one keep on trying. (I have been in the business 19 years and I would not think of doing anything but life insurance.)

I have an agent connected with me who worked part time until she could learn the business sufficiently well to sell it. She is one of those plucky, hard-working little women for whom I have the greatest admiration, and I do admire a worker. She spoke about insurance to a man whom she knew had sufficient on his own life, but let him know she was in the business. She planted seed and a $20,000 Ordinary Life business insurance policy was the result!

Dig and You Will Close

There are some agents who are "diggers" and some "closers." When they work together the results are most gratifying. A woman who has been connected with me for about two years has been able to "close" cases from the first week she went into the business. Of course as time goes on she learned that the larger case she goes after the

MY PLATFORM

Absolute Belief in the Gospel of Life Insurance for the Protection for All Mankind

H. B. ROSEN
NEW YORK CITY

larger cases she closes. I can't make her work every day, though. She won't!

When an agent goes to see a prospect, she has most of the information about him. When I am trying to sell insurance to a man and he consents to be examined but refuses to sign a paper, I only get his date of birth and the doctor gets the rest which he is most willing to do. Nine times out of ten, the policy can be placed. Right here I want to dispel that erroneous opinion that women do not want to give their age. Nothing to it! We all tell our correct age (when we have to).

Keep on Following Up

The hardest case can be closed if you will follow up the case long enough. I have had prospects tell me they let the agent insure them to get rid of him! What helps out in one case, helps out in another. Keep right after him! My personal experiences in this respect have been rather sad—for me. I finally got 'em! Both had heart murmurs, and I had been trying to have both cases examined for at least four years. However, it gave me a chance to talk about a $50,000 case—which I didn't get!

There is plenty of room in this business for women. They will find it a most lucrative one, besides giving a woman a chance to be in business for herself, as the insurance business is a business of building. It takes time to be efficient in any trade. Why not give the insurance business the same amount of energy and study in order to be efficient?

Believes in Part-Time Agents

At the present time I believe in the part-time agent. There are many widows left with some income; they have enough, so do not have to confine themselves to hours, but not enough to live on without doing some work to help out. During the year they may close $25,000 to $50,000 which helps them and helps humanity in general because every life insurance policy written is a help to humanity.

The Government have done wonders for the agent in the insurance business and when the war is won and business is normal again, I venture to prophesy there will be many more fine women in the insurance field.

What Women Prospects Tell Agents; What Agents Should Tell Women Prospects

By Blanche D. Fenton, Director Women's Department of Horner Agency, Provident Life & Trust

So much is being said and written about insurance for women that more seems almost superfluous. However, emphasis comes from hearing the same thing said many times in many different ways. There is no doubt that there is a greater field among women at the present time than even the most careful observer among us believes.

The main question is one of how we are to reach and to interest these women. It will be done more easily, perhaps, than it was among men, because the pioneer work done there will count in the new field, but there are difficulties inherent in the work distinct from those connected with work among men. The solicitor who gives no thought to this as a distinct problem but sells all alike is missing the fine points of his work.

How to Reach Women in Day Time

In the first place, it is much more difficult to find women to whom one can talk during business hours. There is a small class of professional women, of secretaries, whose time can be adapted to their needs, but the larger percentage of business women, including teachers and nurses, feel that their work is mapped out and must not be interrupted for personal considerations during business hours. These can be seen only at home in the evening, and often without definite appointment since time enough to gain a real interest is necessary for making an appointment. This is true for a large class of men also but not to such an extent. The only remedy seems to lie in being able to get a community of interest through the first women written in any one building. Insurance well presented to the few is an interesting and oftentimes new idea, and as such will certainly be discussed at leisure moments. In a small town I recently wrote every uninsured member of a small business-girls' club through a friendship formed with the first member written. If we are willing to take the time and the effort to explain insurance and to make it attractive even to poor prospects we are best paving the way to good prospects. When women as a whole realize what income policies may mean, the work is half done for the solicitor who finds the time right for closing the case.

The Slant of Mind

Then, too, there must be a slightly different attitude toward insurance, a different "mind-slant" on the part of the solicitor. Among men we have constantly in mind their responsibility to their dependents. Women will be influenced by this to a certain extent but only as a secondary consideration, since they have too long had the feeling of dependence upon others themselves. They will invest in insurance more readily upon the income or endowment idea than upon any other—and rightfully so, since it accomplishes two objects rather than one.

Of old the agent soliciting insurance among women used the personal plea almost entirely. Today he is meeting business women to whom he must present a business proposition, but business women with much the same personal traits and personal habits that have grown up with the feminine sex. How to combine these characteristics and to meet both sides is another problem presented.

On her business side the girl in the well-paid and responsible positions wants to know how insurance applies to her directly, is interested in its provisions, listens to the story of the growth into the legal-reserve system. But she has to be convinced, as her brother has had to be convinced, that it is wise for her as an individual and that now is the time to begin.

Overcoming Objections

Certain objections are heard so frequently that we answer them almost automatically. "I must consult my parents." To which we reply, "That seems natural but you as a business girl must learn independence of judgment and the ability to make your own decisions, right or wrong, if you are to become a real factor in the business world."

Or, "I am surely going to start an endowment but I think that I shall wait until I am ready to make the whole payment. I will be ready in the fall." We ask her how many suits she waits to buy until she has the actual cash. We know the average girl's system of finance, you see, because we are an average girl ourself.

We point out the fact that she meets whatever obligations she may make and that if she obligates herself to save, the first step has been taken. We also ask her if it isn't true that every season of the year and every time of her life brings its own responsibilities. With few exceptions, one time is as good as another to start saving.

She will also tell us, "Yes, I think that it is a very good thing and I think that I shall begin a policy but I want to think it over. If I decided now, I might be sorry and want to change my mind." We tell her that that is what we are afraid of; that we want her to decide now so that when she goes home and says, "I wonder if I should have done that," she will answer, "Well, it's done now and there's no use wondering," instead of saying, "I wonder if I should do that. I think I'll wait awhile."

In this way, she loses valuable time, sometimes years. One may stop what he has begun if he is sorry, and, in the case of insurance, with very little loss, but it is impossible to stop what has never been begun. The danger lies in standing still instead of taking the chance on the safe side.

The Home Women

We have spoken of insurance only among business and professional women. There is another field almost as large and to which we have given very little attention. That is the home women, whether of large, moderate, or even small means. Women can not gain a sense of independence and responsibility such as they are acquiring in the business world without that same feeling spreading in time to all women. The assumption of a greater degree of responsibility for the financial welfare of their children will cause most women to wish to carry insurance, however small it may be. And the fact that this insurance will also provide for their own old age makes a double incentive to save for it.

With home women the question almost invariably becomes one—for the present at least—of interesting two people, since the source of income is indirect in most cases and individual expenditures must each be passed on according to merit by the husband. Where there is a private income or a personal allotment made from the household budget that is a different problem and to be met much the same as for the self-supporting woman. If agents who visit their men prospects at their homes would put more time on this question of insuring the women of the household also, there would be more insurance written among women, not only immediately, but when these women are left by the death of their husbands as the heads of their households. Then, too, the educational side would count heavily. These women have sons and daughters who will be guided by suggestions from their mothers long after they have become wage-earners. There will be no better ally than the mother who understands and believes in insurance.

The day will come I confidently believe when it will be as general a practice among women to carry policies adapted to their needs and their incomes as it is among men today.

RIGHTS OF PARTIES

In McGowin vs. Menken, Supreme Court of New York, Appellate Division, the policy was payable to wife, if living; if not, to assured's executors, administrators or assigns. Both the insured and his wife were lost in the sinking of the "Lusitania." The question was whether the administrator of the wife or the insured was entitled to the proceeds of the policy, there being no evidence to show which died first. The court held that according to the law of New York the administrator of the assured should collect.

Agents' Chances As Seen By J. I. D. Bristol

TEAR UP OLD PROSPECT LIST

Get New Names, Double Existing Policies, Advice of Veteran Northwestern Mutual Manager

John I. D. Bristol, general agent of the Northwestern Mutual Life in New York City, not only smiles at the passing years, but does not worry about present day problems, such as the elimination of hundreds of thousands of prospects to the maw of war. His theory is that there are plenty of good fish in the sea even after a school of other fish have gone by swallowing all within reach. It is only necessary to know where the fish are and how to catch them. He thinks that the anglers in his general agency will average more than $1,000,000 a month this year just as they have been doing for ever so long. Inasmuch as Mr. Bristol has been a general agent for more than three decades and has trained many hundreds of life insurance men his August, 1918, views should be of interest to many.

Six Tips For Agents

Mr. Bristol sums up the advice he is now giving new agents and old ones, too, in six nutshells:

1. Forget your ante-bellum theory of dependable lists of prospects; and dig up entirely new ones.
2. Write larger policies.
3. The decreasing value of a dollar.
4. Remember that new complications are continually hampering the settlement of estates.
5. It is every day becoming more difficult for women to invest money.
6. The inheritance tax.

New Fortunes Numerous

As for advice No. 1 the agents and general agent can work together more systematically than ever before.

The thing to do is to concentrate on people not in the draft. This is a pretty big country and if the agent uses his brains he will not have much difficulty in finding names of men, especially when so many fortunes are being piled up by people who formerly didn't have them. Despite the fact that we have been in the war more than a year the general agencies, (of New York City), at least are holding their own. The subject of prospects is worth an article of its own.

All of Mr. Bristol's men are told to talk larger policies. Agents have been surprised at the ease with which they have fallen into it. Maybe the fact that the Government has educated the public to the $10,000 standard is responsible. Anyway, the agent who has been selling $10,000 finds it perfectly simple to ask for $20,000; the $2,000 application gives way to $5,000; while the fellows who talked $5,000 are talking $10,000.

The new crop of rich men smooths the way for all this. When woolen manufacturers are making $1,000,000 a year; clerks in munition plants are using inside tips to pile up fortunes in the stock market; and men stenographers are earning as much as $75 a week it is not hard to readjust one's views regarding the suitable size of policies.

The Diminishing Dollar

As for the decreasing size of the

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APPRECIATION

IF there is one thing more than another accountable for the measure of success I have attained in life insurance selling, it is my ability to use unstintingly the experiences of others, who have and are blazing the trail in our vocation, and my willingness to pass along such helpful experiences as I have had.

For the educational co-operation of my company, my associate field workers, my fellow life insurance salesmen and their companies, and the great organization representing the selling end of our business in its best light, I express due thankfulness.

My Agency Motto:
"SERVICE that SATISFIES"

R. M. SIMONS, General Agent,
Home Life Insurance Company
115 Broadway
New York

How I Wrote A $500,000 Corporation Insurance Case

By Alexander J. Faerber, Davenport, Ia., General Agent for National Life of U. S. A.

The writing of large policies in my opinion is a separate and distinct business and the methods pursued are so entirely different from those used in writing smaller amounts of insurance that the agent should early determine whether or not he is qualified to graduate into that class which specializes on the larger business.

In order to picture the difference as strongly as possible, I will cite you a case which was written by me in November, 1911, and which I think will prove that different methods are to be pursued.

To begin with men should be classed according to type, because men have different habits, different ideas and different methods of doing business, but I sincerely believe that if you master the art of placing your man in the right class, because of his type, you will have made writing life insurance very much easier.

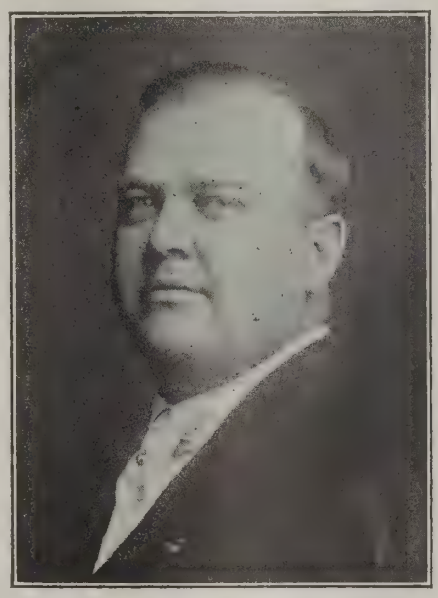
The Personality of George H. Paul

The case in point was George H. Paul, millionaire real estate man, who resided in the small city of Washington, Ia. He was a man who had a limited schooling, but who had a wonderful personality, who was possessed of great energy and as it afterwards developed, of great business capacity. When he left school he started out by working on the farm as a hired hand. After he tried this out, he decided that the city of Washington needed a dairy, and so he purchased two cows and started delivering milk by hand, having no conveyance. After following the dairy business for a time he decided there was not much money in that and so he obtained a job selling real estate, and as he has told me himself, made $50,000 in commissions his first year. This all happened along during his early twenties. At the age of twenty-seven or twenty-eight he went into business for himself. Then it was shown that he possessed great business capacity.

I first met Mr. Paul in June, 1911. I had heard considerable about him, and at the time made up my mind that if he did not already have a good line of life insurance that I was going to bend every effort towards selling him the required amount. I can very well remember my first interview with him. He was a man who attended to a great deal of the selling part of the business himself having subordinates who took care of the other different branches of work for him, but the selling he considered the big part of his business and so he kept his hand pretty much on that part of it himself. I determined all of these things before I ventured to call upon him and when I went to his office I purposely informed his secretary that I had no card, but that she should tell Mr. Paul that Mr. Faerber, a salesman, wished to see him.

Never Overlooked a Chance to Meet a Good Salesman

From the way Mr. Paul had been building up his organization, I knew that he never overlooked a chance to meet a good salesman and figured that he possibly would give a salesman an interview quicker than any one else and it was so proven, because I was immediately granted an interview. Always believing that it is good business to come to the point immediately, I ploughed right into the middle of my subject, told Mr. Paul that I had come for the specific purpose of going into the question of his line of life insurance and for the purpose of increasing it up to an adequate amount. He immediately replied that he felt that he had a sufficient amount, as he had $30,000 20 year endowment insurance, and that his wife was a very economical woman, who had not yet accustomed herself to life on a millionaire's income and who, he said, would never care for very much money. He admitted, however, that he had two sons growing up and that he,



A. J. FAERBER

like every other father, was planning to provide for them permanently in the way of sufficient income.

I immediately took advantage of that statement and started talking income insurance. This, however, did not interest him, as he did not believe in that method. I did not try to convince him of the advisability of buying income insurance at that time. However, I did say to him that no doubt he had not yet realized the fact that at the time he had taken out the $30,000 of endowment insurance he was only a $30,000 risk, but that now he was a one-half a million dollar risk at the very lowest and, therefore, he should be carrying that amount of insurance. He replied, of course, it would have to be proven and if I could make up a good enough case he would not be averse to listening to me. I told him I would go back to my office, make up a case and submit it to him in writing and if my figures and statements did not prove I was right, then I would not bother with the request for any further interview. I thanked him for his time and left.

Sizing Up the Case Before Action

On my way home I gave the case considerable thought and I went over the ground carefully and I studied the man to whom I had talked. I then classified him as to type. He was a man who was short of stature, 5 feet 5 inches tall, 34 years old at that time and weighed 126 pounds. He made his decisions quickly and stood by them. I also made up my mind that he was a man of honor and that his word was good, and I figured if he bought life insurance, he would have to be convinced he ought to buy it, the merit of the whole thing would have to be clearly presented and his decision in the matter would be final and it would be quick. I felt, however, that he was going to be hard to convince, because just at that time he was in the heydey of his prosperity, and I was quite sure he himself felt it would be pretty hard to have anything happen which would cut off his income of some $2,000 a day, which it was then.

Tipped Off Other Agents.

After thinking the whole thing over carefully for a day, I decided that it would be a good thing to have some competition in the case and so I let the information leak out that Mr. Paul at Washington was in the market for a large life insurance policy. I knew the methods ordinarily pursued in the canvassing for life insurance, and I felt that this was a different kind of a case, and that ordinary methods would not do and I figured that if three or four agents pounded Mr. Paul pretty hard that it would do two things for me: it would verify the statement that I had made to him that he needed a large amount of life insurance, because many other life insurance men told him so, and I figured that if he finally was convinced that it was a good thing that he would endeavor to buy it and get it over with rather than be pestered by interviews; and I have always felt since the case was closed that my judgment in the matter was right.

There were four of the big Eastern companies who were in competition and one company, as I understand it, even went so far as to write an application, but was never able to get Mr. Paul examined. Anyhow, after about a week or ten days I submitted to Mr. Paul a chart on the basis of $500,000 of 20 year endowment insurance with a premium of $25,175 per year. I had learned while in the city that he was president of five different corporations; that he owned the majority of the stock in each one. In other words, the five corporations were pretty much a one-man concern. I also learned that those holding stock in the different corporations were old schoolmates of Mr. Paul's, neighbors and home folks, whom he had known all his life. They had bought it because of their confidence in him and the belief that he would make them a great deal of money and he let them in, because he liked them, and because he wanted to make everybody in his home town rich with him.

A Clever Chart

In later years I learned that this really was Mr. Paul's desire. I capitalized all of this knowledge in drawing the chart to submit to him for his perusal and consideration. The preamble accompanying the chart dwelt upon the possibilities of what might happen in case his energy and business capacity were suddenly taken away from these different concerns. I also enlarged upon the fact that he individually owned about 75% of the stock, and taking into consideration the fact that the combined capital of the five different corporations, of which he was the head, amounted to considerably over a million dollars, that his duty to his old schoolmates, friends and neighbors ought to be very plain, and that he ought to carry life insurance enough at least to liquidate the indebtedness, which through his management might have been incurred. Also that the possibilities of a business man's early demise was not quite so remote as he might think. I tried to picture to him what a grand monument to his memory it would be if anything of that sort should happen and his friends and confidents then would be able to say that his management not only endured through the period of his life, but he even was thoughtful enough to carry it beyond the grave and provide for the taking up of such paper as he himself had endorsed.

I advised him in the letter which I wrote at that time to take ample time in going over the chart and to read carefully the argument which I presented therewith; that I felt it was of such great importance to the welfare of his business that it deserved the greatest possible amount of consideration; and I suggested to him in this letter that it might be well for him to consult with other life insurance men who represented good old-line companies and whose statements could be relied upon. In that way he might be better convinced that my statements were based upon sound reasoning.

After submitting this, I did not hear from Mr. Paul for about three weeks. I did not go near him nor communicate with him, because he had given me his word that after going over this chart and my arguments, if it appeared reasonable to him he would write and grant me an interview. I felt that because of the long time taken by him in answering that he was following out my suggestions and interviewing other life insurance men, and in this I was perfectly correct, because that is just exactly what he did.

Wanted Only $100,000

At the end of the third week I received a letter asking me to come to his office. I took the next train to see him. He said: "Mr. Faerber, I have gone over your proposition carefully. I have had other life insurance men come to see me and I am convinced that I ought to buy some life insurance, but I think that you have the amount placed too high, and I have about made up my mind to buy $100,000, but I have not made up my mind what company I intend buying it from." I replied that I assumed that he would want to give that part of it some consideration, but that I would not do him the injustice of selling him less life insurance than he ought to buy. We argued this part of it back and forth for a considerable length of time and he finally decided that maybe there might be some merit to my argument, and agreed to let the matter go for a short period and consider it further.

I made a new appointment for the following week. I went to Washington again at that time and we finally got the amount up to where he was willing to consider $200,000, and I still argued that he needed $500,000, until finally I got down to what I considered a closing point with him, but it developed that there was no possibility of closing him at that time, so after making one or two pretty strong efforts in regard to getting the application, I said: "Mr. Paul, you have got to make your decision within the next forty-five days, because your age changes on December 6, and unless you get your application in and get examined prior to that time it will make several hundred dollars' difference in your premium per year."

This conversation took place the latter part of October. In reply he stated that he had to leave in a day or so for Texas and would be gone thirty days and that he would not have the time before he left to close the deal, and he would simply have to let it go until he returned. I asked him whether or not that was his final decision at that

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OUR CREED

We believe in the life insurance business, our company and its administration.

We believe in a standard contract for all agents, large or small.

We believe in holding agents by the ties of satisfaction and confidence.

We believe in boosting instead of knocking competing companies and competing agents.

We believe that rebating and twisting are vicious habits that will demoralize an agent or agency.

We believe that no commission should be paid to any person not devoting his entire time to the insurance business.

We believe in constructive, not destructive, underwriting and in the observance of a code of ethics tending to uplift the business.

The practical application of the above has, we believe, been responsible for the increase of from $2,000,000 per year to $1,000,000 per month as a result of four years' effort in this agency.

C. B. KNIGHT, General Manager

Metropolitan Agency

UNION CENTRAL LIFE INSURANCE COMPANY

Woolworth Building, New York City

Former Athletes Make Good Insurance Agents

Leo E. Thomas, Navy Pugilist, With Mutual Life; Fred Tenney, First Baseman, With Equitable; L. H. Andrews, Yale Star, Now a General Agent

Just as men in all walks of life are candidates for insurance it follows that it takes all manner of men to write applications. In the ranks of insurance agents are men recruited from every profession and occupation. Among the most successful of the agents are former athletes. One of the reasons why a leading athlete makes a good insurance agent is that he won success at an early age and so has the habit. After reaching thirty an athlete must look elsewhere as he slows up.

Football stars are especially good insurance agents. L. H. Andrews, of the Phoenix Mutual, was a gridiron star at Yale. Hamilton Fish, a captain of the Harvard team, was a very successful insurance broker until he went to France with the army. G. Foster Sanford, Rutger's coach, is also an insurance agent. In baseball, "Christy" Mathewson, manager of the Cincinnati "Reds," and former idol of the Polo Grounds, was with The Prudential at one time, while Fred Tenney, who was the greatest of all first basemen, is now with the Equitable in Boston. Fred Titus, the oarsman, is a New York insurance broker.

Leo E. Thomas, of the Mutual Life, in Bridgeport, won honors in the ring before he took up a rate book. He was also in the United States Navy. The Eastern Underwriter asked Thomas to tell why he went into insurance and about his insurance experiences. This is his story:

"First, I will start by saying that I spent four years in the Service (Navy) and during that time I acquired the art of boxing in a professional way and had some experience boxing in England, France and Cuba and in the principal cities of the East. It was in Fort Lee, N. J., that I was imbued with the idea of becoming an insurance man, as the first life insurance policy to my knowledge that I had ever seen was issued on my life for a thousand dollars by The Prudential, and the assistant manager who induced me to buy the insurance talked to me about entering the insurance world as an agent for The Prudential.

"I had many consultations with business acquaintances. I had many whom I had met at the clubs and elsewhere. As a result of these conferences I decided that I would try the insurance business as a more reputable occupation. Not because I was not a success at boxing for I have never lost a decision, but I thought it would be something that would stay by me when I got older. I was at that time 21 years old.

Took the Lead Immediately

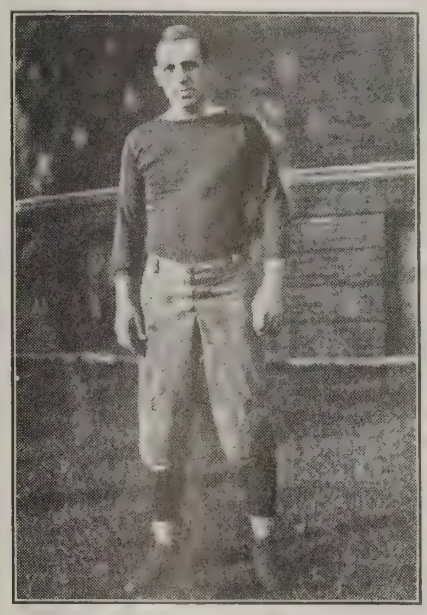
"Having been introduced on the debit and having acquired some facts about



LEO E. THOMAS

policies, which I intended to sell and of which I had never seen before, or, in fact, knew nothing about, I began. I believe the first week my commissions amounted to $64 and, as my records show, the end of the first month, I was leading the "Passaic district" in actual results and the next year just about the time I decided to quit the industrial insurance company, I was leading the country out of 47,000 agents employed by the company in the Number Seven Billett, in joint results.

"At that time I went to Bridgeport, Conn., where things were not going so well and opened up a general insurance business of my own and did exceptionally well during my two years there, having made about $11,000.



L. H. ANDREWS

Belongs to $200,000 Club

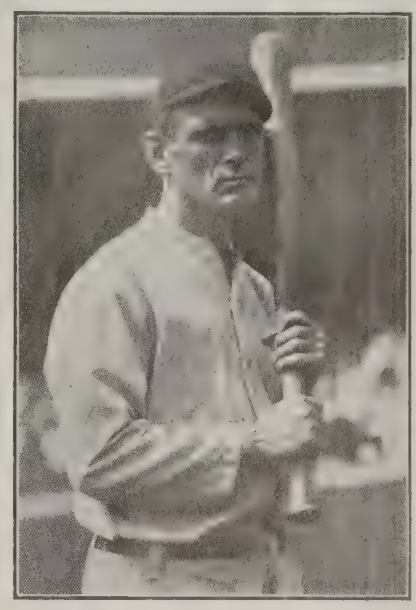
"Inasmuch as I was born in Missouri out here on a farm, I decided that I would again go West, as I had not been West for fourteen years, having left St. Louis a young boy. I have paid for in the last twelve months $260,000 of insurance, having been admitted to the Two Hundred Thousand Field Club of the Mutual Life Insurance Co.

"I will say on behalf of the insurance business as a profession that it stands out as the greatest business for the man who has not had a college training or technical education. It is the business where he can score a sure success if he follows the straight and narrow path and works intelligently and hard.

"I am twenty-five years old and know of nothing else in the world where I could have done so well as I have in the insurance business."

L. H. Andrews a Football Star

One of the most famous of the football players who has made good in life insurance is L. H. Andrews, of Rogers & Andrews, managers of the Phoenix Mutual Life in New York City. Mr. Andrews was one of the best players on Tom Shevlin's team at Yale, and after graduation he became a football coach in which capacity he continued to shine as in 1910 a Texas college team which he coached won the Southwestern football championship.



FRED TENNEY

Mr. Andrews' first business venture was with the Library Bureau. Then he went into life insurance, becoming an agent for the Phoenix Mutual in Boston. He showed general agency caliber and was transferred to New York, where Orra S. Rogers was manager. Mr. Rogers is president of the Life Underwriters' Association of New York City. The firm of Rogers & Andrews is held in high repute among other insurance men. As a personal producer, Mr. Andrews has met most success in writing business insurance.

John I. D. Bristol's Advice to Agents

(Continued from page 21)

dollar look at your grocery and meat bills and draw your own conclusions.

For a clearer understanding of the economic principles involved read the recent writings of the Committee on "The Purchasing Power of Money," the chairman of which is Prof. Irving Fisher and the other members are four other college professors and a commissioner of labor statistics. One paragraph of a statement issued by this committee as long ago as last February reads:

> Between 1896 and 1914 wholesale prices in the United States rose at the average rate of 1 per cent. per month. Since the war wholesale prices in the United States have been rising at the rate of nearly 2 per cent. per month, many more times as fast as before the war.

The big life insurance argument in the decreasing value of the dollar is that the average man is less prosperous than he thinks he is. A man worth $500,000 in 1914 may find its productiveness worth only $200,000 now. Continuing the argument the decreasing value of the dollar makes it advisable to carry heavier insurance.

Settlement of Estates

It will pay the agent to follow in the newspapers stories regarding the difficulty in settling estates. The court dockets are as clogged as the railroad freight yards; lawyers can't get action; all litigation is more expensive as well as being more cumbersome. Often estates are dissipated between the time of death of the insured and the final settlement. It is not necessary to cite the Campbell estate, St. Louis. Everybody in life insurance has heard of that.

"I suppose the biggest shock the people in this country ever got in the matter of estates vanishing into thin air was that of Eber Ward, the Detroit millionaire, who was the father of the notorious Princess de Chimay, who eloped with Rigo, the gypsy violinist. Ward had no life insurance, but properties of vast value, supposedly. However, the year in which he died was one of those periods of panic formerly common in this country when nobody wants to buy anything. His cashier told me that if Ward had left $300,000 of ready money the estate would have been saved. As it was, nothing was realized for the heirs, although three years afterwards the identical property was sold for $3,000,000.

"That incident—in 1874—made a tremendous impression upon me which I have often applied to illustrate a life insurance point," said Mr. Bristol.

The inheritance tax makes it possible for the agents to approach the biggest men in the country.

His First Policy

Mr. Bristol began his life insurance career in 1868, when he answered an ad in a Michigan paper. Boys were not scarce then and 520 of them applied for this particular job. The general agent of the Connecticut Mutual who inserted the ad liked John Bristol's looks and hired him. Soon he was running the office, outside of the bookkeeping department; and later went into the field, where it took him two weeks to sell his first policy; and he sold that one to an attorney. That job done he never had any more difficulty in selling insurance.

He left Michigan to go to Leavenworth, Kan., where he was superintendent of agencies for thirteen states in all. He returned to Michigan as state agent of the Connecticut Mutual in 1874. His long connection with the Northwestern began in 1880 as a special. Three years later he came to New York.

Mr. Bristol's success as a personal solicitor has been lost sight of in his success as a general agent. In 1888 he wrote $883,000, pretty good in view of the smaller limits then. His all around life insurance activities have helped him naturally in training agents. For The Eastern Underwriter this week he estimated that he has appointed about 3,000 in his time.

The Kind of New Agent in Demand

"This is the time for new men to enter the insurance business," concluded Mr. Bristol. "They need not be actuaries of wide business experience. Just straight-forward, decent, clean fellows will do; who can tell the truth by going straight to the people and telling them why they should double their life insurance. They will become experts as soon as they can write tens, twenties and thirties. Agents nowadays must not waste their time on small fry. Insure the small fellow if the opportunity presents; do not pass him by, but spend your energy on the large cases."

To "CARRY ON"—

SELL *To Others* *and* *BUY* *Yourself*

LIBERTY BONDS
WAR SAVINGS STAMPS
LIFE INSURANCE

Volunteer Your Services and Support the War Chest of:

The Red Cross
The Young Men's Christian Association
The Knights of Columbus *and*
The Young Men's Hebrew Association

Adjust your business so that you can give three days every week to the Government and help win the war. Following the above formula will promote lasting peace and happiness.

HARRY A. ROSENBERG
New York City

Mobilized *vs.* Single Security Units

By Francis A. Crum, Manager Equitable, Providence

(EDITOR'S NOTE:—*This article is the personal opinion of annuities, particularly of the Refund type issued by the Equitable Life Assurance Society. Mr. Crum, who is the agency manager of the Equitable in Providence, R. I., has made a real success with annuities. In his opinion the most important requirement for an annuity salesman is a proper conception of the investment and the security back of it. He should convince himself. Mr. Crum feels, that no better investment "all things considered" is procurable. After that it is merely a matter of sustained industry among the class of people financially able to buy annuities.*)

Capital is constantly seeking the "ideal investment"—viz.:—one that combines the important elements of (a) Unquestioned Safety—(b) Substantial and continuous income yield—and (c) Dependable, ready convertibility into cash. Such investment is certainly available to those who are able to intelligently study the problem.

Investors are accustomed to think in terms of "Single Security Units"—not in terms of "Mobilized Securities"—largely because, until recently, Single Security Units were practically the only investment avenue open to them. Mobilized Securities, in a large sense, have not long been available as a concrete investment base. By a single Security Unit is meant a single Industrial or Railroad enterprise—or a Municipality or State or Government that issues Shares or Bonds or other investment media the value of which depends upon the success or failure or integrity of a single issuing unit.

By "Mobilized Securities" is meant aggregated securities of diversified character—securities en masse.

We are quite familiar with the mobilization of special industries as, for example, the Standard Oil and U. S. Steel Corporations—and the effectiveness of mobilized labor and mobilized railroads and food and fuel supplies. Now we have the mobilization of the world's prime investment securities by the great life insurance companies whose size, organization and character permit the acquirement and holding of high grade long term bonds—huge financial machines built for safety, continuous progress, perpetuity—and operated, in most instances, solely for broad public service—a service that not only safeguards millions of homes after the bread winner has passed away, but one that provides opportunity for indisputably safe and attractive outright investment for all classes.

Individual investors, in attempting to select or "pick out" a Single Security Unit investment—no matter what its character may be—simply guess or gamble—their judgment is usually based upon mere superficial observation. They have not, and cannot afford, equipment for thorough analysis of a railroad or State or Government nor even—as a rule—an industrial or commercial enterprise of consequence. They inform themselves as best they may from general report—from newspapers and magazines or through advice of their bankers, brokers or friends (who, as a rule, can only guess)—and then, take a chance—for better or for worse. Recent history shows that it required an eminent, highly trained lawyer assisted by a corps of government experts, many months to thoroughly investigate a prominent New England Railroad—with results too well known to need recital herein.

I wish to emphasize that this is no attempt at pronouncement upon the merit or demerit of any Single Security Unit investment—my contention is wholly on the fundamental proposition that no Single Security Unit—not even the best—is comparable from point of Safety, with scientifically selected, mobilized securities in volume sufficient to allow the outworking of the great "law of average" which is so dependable but so little understood by the public at large. An army (a military mobilization) is stronger than any man—company—or regimental unit of which it is composed. A 1,000 strand wire cable (mobilized wires) is stronger than any one of its single strands—the ocean is more consistent in volume than any one of its tributaries—the United States is stronger than any one of its component States—a well established and ably managed life insurance company, with its vast resources of mobilized securities, is structurally stronger than any Single Security Unit can possibly be. This is self evident—it must be so.

It will be conceded that the field of "Safe Investment" may properly be divided into five major classes—viz.:—Government Bonds—State Bonds—Municipal Bonds—Railroad Bonds, and first mortgages upon real estate. There are, of course, other kinds of Bonds and securities, but no sound financial judgment will par them with those named. Prior to the beginning of the war, the Bonds or notes of first rate Governments outranked—from point of safety—all other forms of investment, because they are national obligations—the national wealth and credit is back of them. But, the question arises, which Government Bonds are safest? In the absence of positive knowledge on that point, it is obvious that Bonds of a number of first-rate Governments, mobilized and averaged, must be safer than the issue of any single Government.

The same principle applies to the other major classes of safe investment, viz.: State, Municipal and Railroad Bonds and first mortgages. Consolidation—concentration—mobilization—under able and experienced direction, undoubtedly conduces to greater strength, endurance and effective operation than is otherwise possible.

Assuming that the strength of mobilized securities has been made clear—let us take up the problem of locating the "Ideal Investment."

The financial body of a great Life Insurance Company is composed of exactly the aforenamed major classes of Investment Securities, mobilized and averaged within each class. Its Investments—scientifically selected—are so distributed sectionally that no epidemic or business depression occurring in one part of the country will materially affect the whole investment area. Its vast operations permit the maintenance of an able investment bureau commanding avenues of information respecting securities that are not open to individuals or smaller institutions. Its income, drawn from hundreds of thousands of widespread sources, is contractual—not merely voluntary nor optional—and its outgo is regulated mostly by the "law of mortality average," than which, in large groups, nothing human is more fixed and dependable. Its calculations as to time, interest and contingencies are safe beyond question. Its affairs are administered by men of the highest standing, ability and integrity—men of special training and broad experience. It is governed by the most stringent laws, under the supervision of the insurance departments of many states, and it is constantly subjected to the most glaring publicity. The wonderful and continued success of life insurance companies is evidenced by present aggregate assets of over $5,500,000,000.

To be specific—the ideal outright investment is found in life insurance annuities. The type I sell is the Refund Annuities, devised and issued by the Equitable. They combine supreme safety—contractual, ready convertibility into cash—and substantial income yield throughout life. They provide that in event of the annuitant's death before having received the full capital invested, the balance will be refunded to such beneficiary as may be named. The income is expressly exempt from taxation under the Federal Income Tax Law, up to the full capital invested. Income warrants, drawn to the order of the payee, are mailed with unvarying regularity so as to reach him or her on the due date.

The income from a Refund Annuity depends upon the annuitant's age—for example, $10,000 invested by a male aged 65 will secure him $834 annually (8.34%) throughout his life—at age 50 the annual return will be $592.

All things considered—Refund Annuities provide the most attractive Safe Investment (not speculation) procurable. In all my experience—I have never known of a dissatisfied Annuitant.

HARD TO CONVINCE BOARD

Agents Selling Corporation Insurance Should Present Case to Directors as Individuals

All agents who write group insurance have found much to commend in the advice of L. A. Woods, of Pittsburgh, to present the case of corporation insurance to the individual rather than to the board of directors. Forest A. Kiger, of the Massachusetts Mutual, tells what the agent encounters when he meets the board, saying:

"You probably will have first to develop your case with members of the board of directors, individually and then collectively. (Believe me, gentlemen, it is some task, too, to meet the objections of five or seven men and finally to get the whole board to a point of closing your case). Especially is this true when you think you have your game bagged and suddenly discover that competition has entered. In attempting this line of work, be prepared for many a disappointment, anxious moment, and sleepless night while your case hangs and until it is finally closed. My observation and experience has been that if you are first on the case—and have laid out your proposition well and studied every phase and angle of the business—that you have big odds on competition, and I urge you to get in your best and heaviest licks in the very beginning of your case.

"The time is not far distant when corporation or firm insurance will be universally recognized and bought, as is individual insurance today. Much work is to be done in developing this important branch of our business in the meantime, and it well behooves the agent to recognize and study the matter thoroughly and be prepared to handle the business in his respective field.

"Much profitable business can be secured among smaller business concerns, and partnerships, such as professional firms, retail stores, automobile dealers, repair shops, etc., by placing a business policy to be paid for out of the earnings of the business for the protection of the firm."

Too many people have opinions and no information.

Some fellows hang around quite as long as if you'd offered them a chair.

Talk in Insurance Units of $10,000

U. S. WAR RISK MINIMUM $8,500

Advice To Agents of Mutual Benefit—Discusses Adequate Protection of Family

When the Government's insurance on its fighting men had reached $25,000,000,000, the Mutual Benefit said to its field force in "The Pelican":

Over twenty-five billions of U. S. Government insurance is now in force on the lives of American fighting men. The Bureau of War Risk Insurance, therefore, has nearly as much insurance in force on the lives of soldiers and sailors as the total "Old Line" on the lives of civilians in all the companies of the U. S. Moreover, it is significant that the average policy on the lives of soldiers and sailors is now about $8,500. Any civilian, therefore, who has less than $8,500 of insurance is doing less for the protection of his family than is the average man in Federal Service, notwithstanding the fact that in case of death in service the Government will pay to the family of a soldier or sailor a guaranteed compensation, in addition to the insurance, amounting to $25.00 a month for a widow alone or $47.50 a month for a widow and two children.

A Comparison

Let us take the case of the soldier who has a wife and two children and compare him with the civilian who has a wife and two children. In case of death in service the soldier's family will receive a guaranteed compensation, as above, of $47.50 a month. If he has only the average amount of life insurance with the Government and no insurance whatever with private companies, the monthly income for 240 months from his insurance nevertheless will be $48.87 ($5.75 per thousand), which means a total, insurance plus compensation, of $96.37 per month. The chances are, besides, that this man has at least a little insurance with some private company, which can reasonably be expected to bring the total monthly income for his family up to approximately $100.00 a month.

How about the civilian? His family, of course, is not protected by any guaranteed compensation from the Government, and he must under ordinary circumstances depend absolutely on his life insurance. In order to give his family substantially the same protection as that afforded by the soldier he should carry between $16,000 and $20,000 of life insurance on the monthly income plan.

Talk $10,000

If we eliminate the compensation feature altogether, he should carry at the very least $8,500 of insurance, which is the average policy applied for optionally by the soldiers and sailors in service. If he has dependents, he ought to carry more, for most of the soldiers and sailors in the U. S. Army and Navy at the present time are not married. It is significant that in the case of married men the Government compels the soldier or sailor to allot at least $15 a month from his salary to his wife. The Government then adds another $15, bringing the total to $30. In case there is one child this is increased to $40 and where there are two children to $47.50.

Mutual Benefit agents, therefore, will do well to talk in units of $10,000 of insurance rather than $1,000 of insurance. The man who carries less than $8,500 has really only begun to protect his family.

Life Men—Be Big

Get out from under, and Go "OVER THE TOP" by being just as BIG and UNSELFISH as your business

The trenches you capture will be WORTH WHILE

JOS. D. BOOKSTAVER

General Agent

THE TRAVELERS INSURANCE COMPANY
OF HARTFORD, CONN.

76 William Street NEW YORK

Life Men—Be Big

The Reality of Group Insurance

By Henry L. Rosenfeld, Second Vice-President Equitable Life Assurance Society

Group Insurance, like all great movements, owes its existence to actual economic need for the service which it alone can render. One of the causes responsible for its being was the fact, as a writer in a recent issue of "Atlantic Monthly" stated, that we had forgotten that "while labor may be a commodity, the laborer is not." It was with the purpose of aiding the movement so strongly in evidence, especially during the past decade, of establishing this conception, that Group Insurance put its shoulder to the wheel of human progress with which the improvement of relations between employer and employe is inseparably associated. Group Insurance was a broad and liberal sign of the times. It was a precursor of that great social movement which has for its object betterment of unjust and unfair conditions wherever found, seeking constantly to improve the welfare of the large majority whose margin of safety between income and outgo is at an irreducible minimum. That the fundamental principle underlying Group Insurance is sound in fact, as it was deemed by its pioneers so to be in theory, has been proved by its survival against assault and opposition; by its recognition by the state; by its acceptance by capital; by its proved value and genuine service to labor. Group Insurance stands indisputably established today.

A continuous renewal of Group Insurance policies by original patrons; the constantly enlarging circle of life insurance companies undertaking this form of insurance service; the unparalleled growth in the numbers of industrial and commercial institutions affording the benefit of this protection to an increasingly large number of employes; the expressions of satisfaction as to purpose accomplished, not only in amelioration of conditions caused by the death of the breadwinner, but as a factor in the stabilization of employment amidst such difficulties surrounding labor as war conditions impose—all testify to the soundness of the idea and to the strength and permanence of the institution of Group Insurance.

Reaching the Proletariat

In the era of life insurance preceding 1905-1906, it was too often charged that the patrician rather than the proletariat was the object of solicitude on the part of the great life insurance companies. The adoption of the Group Insurance principle and its installation was the first broad step taken away from this former trend.

It was the first serious attempt to bestow in generous measure the benefits of life insurance upon that class which was not only large in numbers, but which was most seriously in need of its advantages. These benefits were given without direct cost to the employe, other than such cost as enhanced appreciation of employment and greater loyalty to employer, with consequent increase of efficiency. They were given by the employer not in lieu of, nor as a substitute for adequate or sufficient wage, nor yet as a concession grudgingly bestowed in an attempt to remedy unjust labor conditions, but were given rather as a plus proposition, something over and above



HENRY L. ROSENFELD

fairest wage in fullest meaning of that word. Thus a great forward step was taken in a movement which has been significantly in evidence especially during these past four years of world war, a movement tending to distribute more generally and more generously among the producing classes all the benefits of mankind. Note the use of the word "given." "Giving" is defined as: "The act of bestowing voluntarily without expectation of return." It is only when applied in this spirit that Group Insurance reaches its fullest measure of usefulness. And, yet, as the "New York Times Annalist" said of it early in the history of Group life insurance: "A man may take it upon his conscience to do more for his employes and then find that what he thought philanthropy was only very good business."

Altruistic in its plan and motive—hoped to accomplish the impossible or to perform miracles in revolutionizing conditions between employer and employe. It was expected, and in this anticipation success has been beyond expectation, that Group Insurance would provide one convenient, inexpensive and helpful factor in the promotion of good will and the betterment of relations between employer and employe. It gives the employer an opportunity to effectively show his interest in the welfare of the employe in a way which most humanly touches the vibrant factors of the employe's existence: the assurance of provision for and the well-being of his family whose existence and whose necessities are the mainspring of his daily toil. Strong claims for Group Insurance? Yes, but no stronger than actual proved results justify.

How has Group Insurance affected life insurance companies? First, by a deeper appreciation on the part of the public that life insurance companies fulfil important functions as public service institutions. When the companies evinced a spirit of service impelling an innovation in the operation of Group Insurance such as the acceptance of large numbers of employes collectively rather than individually, irrespective of medical selection, great progress was made in the universal application of the benefits of life insurance to every human life having an earning capacity. The weak were thereby given the benefit of association with their stronger fellows. At the same time there was no violation of the fundamental principles underlying medical selection in individual voluntary application for life insurance. By grouping large bodies of employes for insurance purposes in the aggregate rather than as individuals economies were effected which enabled such service to be rendered at the lowest possible cost. It is not strange, therefore, that the companies found amplest recompense in benefits conferred and consequent appreciation and understanding on the part of the communities in which they labor. Nor has this recognition been confined to the public as such. The States, acting through their Insurance Commissioners, strong guardians of that which is just and safe in life insurance principle and practice, have also recognized the necessity for the existence of and the consequent need for safeguarding Group Insurance.

The Agents' Opportunity

How has Group Insurance affected the life insurance agent? By giving him broader opportunity to play his part in social service and welfare work beyond the already important sphere of activity which his ordinary daily occupation necessarily imposes. The alert and the progressive life agent has been quick to recognize the benefits conferred upon the class who need most and who have hitherto enjoyed least, (without undue drain upon a purse none too strong), the service rendered by life insurance. The modern and altruistic agent has found that by preaching the gospel of Group life insurance and spreading its propaganda, doors are open to him which formerly were impenetrable. The agent with a vision has been quick to appreciate the opportunity for moral and mental education which is offered by the study and active application of this modern and more complex branch of his work. He has found corresponding compensation in increased volume of business, enhanced earning capacity and still greater dignity in his labor, as the inevitable accompaniment of success in Group Insurance salesmanship.

Group Insurance has benefited every individual and every strata of Society which it has touched. It has worked no hardship to any person or any institution within or without the scope of its service. Any great movement which can within the short space of a decade between inception, inauguration and successful operation, prove itself to have been founded upon fact; which has builded upon rational altruism, efficiency and economy; which has had as its axiom: "Service in greatest measure to greatest numbers," is destined to survive and to serve. Group Insurance today is in the vestibule of its opportunity for usefulness. Its future growth for general welfare is destined to make its present accomplishments, large though they have been, seem infinitesimal by comparison.

A PERT QUESTION

It is Asked by Richards & Allis and Has Only One Answer—"I Am Not A $1,000 Man"

Richards & Allis, managers of the Massachusetts Mutual Life in Springfield, Mass., ask an effective question in a page advertisement. It is headed: "What Answer Would You Want Her to Give?"

This is the question and what Richards & Allis have to say about it:

Suppose that your widow were on the witness stand testifying in a suit for damages for the loss of her husband, who had been killed by an automobile. The case is almost finished. Her lawyer has shown that you were killed by the defendant's car and that he was driving carelessly at the time, while you were using reasonable care in crossing the street. Everyone feels that she is sure to recover something, but there is still a question as to the amount of the damages.

The defendant's lawyer asks her: "Do you consider that, from an economic standpoint, your husband's life was worth $15,000, the amount which you are seeking to recover?" Would you want her to have to say, to avoid committing perjury: , "Honestly, I don't think that it was. Jim was a $1,000 man and he knew it. That's all the insurance he carried. Give me a thousand and call it square."

If you think that you are a $1,000 man, don't carry any more insurance. The insurance problem is solved forever for you, for if you do not think that you are worth more than $1,000, you never will be. But if you place a greater value on yourself than you would on a first-class draft horse, do not let another day pass without acting up to your belief.

You are earning more money than ever before. You are worth more to your family and your firm. Owing to the increase in the standard and the cost of living, your family need more protection than they needed formerly. Your self-respect, your pride, should tell you to increase the protection you are now giving them until it is adequate. You can do this, and by doing it you can prevent your wife from feeling, even though she is not called upon to say it in court, "My husband assessed himself at $1,000. I guess that he knew what he was worth."

GROUP INSURANCE AS SEEN BY AN ACTUARY

By E. E. Cammack, Aetna Life

Group insurance is a development in the field of social insurance. As in all social insurance, its aim is to improve the welfare of the industrial worker and in so doing to increase his efficiency both for his own benefit and in the interests of our whole social organization.

Industrial activities are continually being more and more concentrated in great industrial corporations employing thousands and tens of thousands of workmen. The days of small undertakings when employers were personally acquainted with their men and their families and when employers were able to take a personal interest in the welfare of their employes are of the past.

Employers are, nevertheless, being more and more forced to realize and accept obligations beyond the mere payment of wages. A rising scale of wages does not necessarily bring with it increased efficiency. It must be accompanied by a spirit of co-operation and loyalty. Indeed, the complaint is frequently heard from employers, not that they have been compelled to double or treble the rate of pay of their employes in the past few years, but that the great increase in wages has often actually been accompanied by a decrease instead of an increase in the production of the wage earner. With the constant and unprecedented increases in wages that have been taking place since the war began, there has been an obviously increased tendency amongst workmen of all classes —skilled, partially skilled and unskilled—to move from place to place with a view to securing the best wages in sight. To such an extent has this restlessness amongst industrial workers developed that many great industrial companies consider themselves fortunate if their labor turnover falls below two hundred per cent. Such labor turnover is inevitably the source of enormous waste.

Making Work Attractive

It is evident that a solution of the problem, or at least a partial solution of it, lies in so improving the working and living conditions and environment of the industrial wage earner that a change in occupation becomes unattractive except for a really material increase in pay. Good and adequate housing, bright and healthful surroundings in the factory and in the homes, the adoption of measures eliminating accident and disease, proper medical and surgical attention and nursing service are all important factors in stabilizing labor and increasing its efficiency. These varied activities of the employer are manifestations of the interest shown by him in improving the standard of living of his employes towards a standard which he realizes carries with it a corresponding improvement in their stability, efficiency and loyalty.

Group insurance already has an established position of wide and accepted usefulness in this direction in modern industry.

The payment of compensation for industrial accidents is now almost universally recognized as only a fair indemnity to employes for injuries incurred while at work and it is now accepted that the adoption of the compensation principle has proved to be beneficial not only to the industrial classes themselves but also to employers and to society at large.

Group insurance is an extension of this principle. Under our compensation laws provision is made for the dependents of an industrial worker meeting with accidental death in his employment. Group insurance, on the other hand, makes provision for the dependents of an employe in the event of death from any cause. Frequently the death of an industrial worker leaves his dependents destitute and almost inevitably the employer or fellow employes are called upon for assistance. Group insurance avoids the necessity for such exigent charitable calls by making provision in advance and in a uniform manner against the sudden stoppage of the family's pay envelope in consequence of the death of the wage earner.

Keeping Insurance in Force

Up to the present, group life insurance has been written almost entirely upon the one-year-renewable term plan. All the men and women on the payroll of an employer are insured, although it is usual to exclude employes of a

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Sound in Principle Built upon Foundation of Integrity

THE EQUITABLE LIFE OF IOWA
DES MOINES

Fifty-one years of continuous service to policyholders

We have some opportunities for general agents with managerial abilities

J. C. CUMMINS, President H. E. ALDRICH, Supt. of Agents

Some Pointers In Selling Group Insurance

By Edward S. Andrews, Manager of Group Department, The Prudential

Among the numerous comments made by life insurance men who have placed one or more Group contracts, none appeals to me with greater force than this: "I can well afford to devote a large share of time to Group life insurance for it takes me among a class of business men with whom I ought to be better acquainted." To the value of this observation most life insurance men will subscribe for it is undeniably true that the salesmen whose names have graced the leading producers' lists year in and year out, have followed the practice of meeting new faces and adding to their lists of acquaintances.

The Group Insurance man cannot help but meet the right kind of business men when engaged in this work of helping inaugurate a Welfare Plan which can be correctly styled the Keystone of the Business Welfare Arch.

See Welfare Man First

It is desirable, and we are inclined to believe that it is almost essential, that a conference on Group Insurance should be held with the Welfare Manager, Efficiency Engineer or Works Superintendent, rather than with the higher executive officers who, though they will be consulted ultimately, cannot be expected to discuss the subject of Group Insurance with the salesman as satisfactorily as it can be done with the official whose business it is to install every known device which will improve the shop spirit, and decrease the labor turnover.

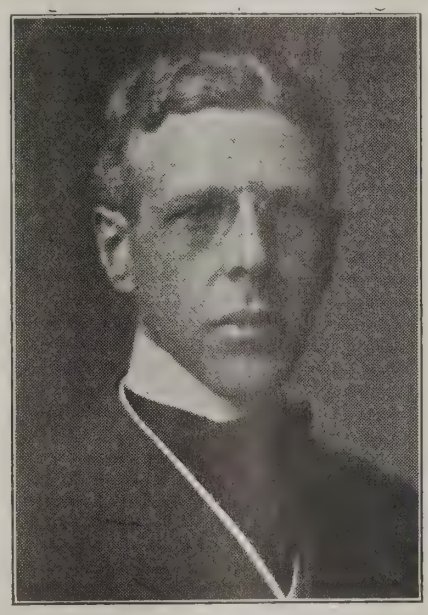
An appointment with the Welfare man can be secured with surprising ease for his own welfare and progress will depend upon the results of the operation of office and shop welfare plans which he may recommend. To be sure, he will not endorse any scheme which he does not believe will have a favorable effect upon the fortunes of his employers' business, but he will be quick to get back of any plan the merits of which are conceded by other employers who have given Group Insurance a fair test.

Some of the quickest sales have been made in cases where the salesman has not been brought into contact with a higher executive than the man in charge of welfare work, and these results suggest that the employment man can, if the salesman has covered the ground thoroughly, get a quicker decision from his superior than would be the case if the salesman went directly to the latter.

Act Quickly Upon Inquiries

It is an accurate statement to say an inquiry about Group Insurance is an urgent invitation to the agent who receives it to put in an appearance at once. Inquiries relative to individual insurance do not appear with such frequency that life insurance men become overwhelmed, and if they depended to any extent upon being sent for to write an individual application they would not be subject to the "excess profits" tax.

The salesman derives large benefit through inquiries which he does not have to initiate, and it is reasonably safe to assume that many inquiries which reach the Home Office are the results of conferences between business men at clubs, trade gatherings, or



EDWARD S. ANDREWS

periodical meetings of department heads. These employers rub elbows with competitors who refer to the beneficial effects of Group life insurance. The interest of the uninsured employer is aroused and he is certain to seek information from the Group man, and his invitation to the latter is sure to be cordial.

There are manufacturers who, not to be outdone by others in any plan that has to do with Welfare work, take on Group Insurance for no other reason than that they believe it is the thing to do.

Make Good Use of Letters Endorsing Group Insurance

Again, the salesman is greatly aided through the presentation of letters endorsing Group Insurance, and written by those who have experienced its benefits. A dozen strong letters from employers who have profited through the operation of Group Insurance, place the salesman in a position to hasten a sale and frequently without resort to any other literature.

Canvassing for Group Insurance leads the salesman into many new fields of thought, and compels the abandonment of certain pressure arguments to which he is accustomed in selling individual insurance.

Keep Close Tab on Industrial Growth

In urging upon the employer the advantage of embracing the "last word" in Welfare development there is no place for reminders such as "Buy now while your physical condition makes it possible for you to increase your line"; or, "Apply to-day and secure the benefit of the lower age rate." These always available hasteners, so reliable in closing individual insurance, must make way for a wholly different system or line of approach. It, therefore, behooves the salesman to keep in close touch with the growth and development of all commercial and industrial lines in the community. He should know something, before entering the concern, about the bonus, pension, and other Welfare systems now in operation in a given group. He should have a general idea of plans in operation in nearby plants or business houses, and if Group Insurance has been installed it should be drawn to the attention of the prospect. The names of concerns in his line of business, which have purchased Group policies, should also be noted, though they may be located in other parts of the country. If a neighboring factory enjoyed a more favorable condition in the labor turnover, and the improved condition is said to be due to Group Insurance, use the lesson and drive it home.

Superior Worth of Group Protection.

Employees, always sympathetic and invariably willing to contribute beyond their means toward the expense of burial of an associate, or to help raise funds for the immediate need of widows, are at once relieved through Group protection, and employers, while themselves contributing to these funds, regret that this practice has fastened itself upon the business or factory, and know that its effect upon the workers and their families entails an inordinately heavy drain. Group Insurance installed at the expense of the employer (and that means at the expense of the business) removes at once the necessity of individual donations. The payment of the first death claim brings to the employer as well as the employees the true significance of this Welfare plan, and emphasizes, as nothing else can, the superior worth of Group protection. Comments of workmen and members of their families are passed around the plant, and as widows invariably need all the ready cash possible, the prompt payment of the claim makes talk and the kind that brings gratification and satisfaction to the heads of the business. Salesmen have, through Group Insurance, entered an entirely new and prolific field for finding business of all kinds, and the evidences of increased production of regular insurance are so numerous and widespread that the limited space here allotted precludes more than a brief reference. Producers whose normal annual sales of individual insurance have rarely exceeded the accustomed figures, have seen their records run into new high totals, seemingly impossible of attainment through other than the Group insurance route.

The Agent's Opportunity

When a life insurance man arrives on the scene and finds a receptive and attentive business man as his prospect, his spirits rise, his assurance holds, and he becomes the master for the moment, for in presenting a Group plan he is proposing something out of the ordinary which has to do with the general business interests of the prospect; in numerous instances, the agent has actually been invited to a personal interview, or to conference with a committee. This leads us to emphasize the point that the salesman is "in" and may present, under ideal conditions and surroundings, monthly income protection, annuities, or any other plan of life insurance, regardless of the outcome of his efforts to install Group. An instance in mind relates to a beginner whose courage and enthusiasm were fast ebbing because he could not "get in." He knew his business, believed whole-heartedly in it, and could talk with force and conviction. While nearing the end of his resources it occurred to him that every employer of labor ought to be not only interested in Welfare work and efficiency measures, but they might be eager for information on Group Insurance. Disregarding the number of men employed by the man whose office door he was then passing, he entered, proceeded to show his prospect what Group Insurance had done for others, and would do for him. Expressing "surprise" that there were fewer than fifty people employed, and regretting that his Company could not, therefore, cover them under a blanket policy until the office force had expanded, he switched promptly to the topic of individual insurance, made his talk without the feeling that he was unwelcome or ill at ease, and sale was consummated. Here was salesmanship of a high order, and it is reasonable to assume that this gentleman is still searching for Group Insurance prospects whether they are eligible for this coverage or not.

A Suggestion Well Received

An agent, in delivering a blanket policy to the president of a large man-

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An Interview With Lawrence C. Woods Who Wrote Nearly $12,000,000 Last Year

Including group insurance, Lawrence C. Woods, of the Equitable Life Assurance Society in Pittsburgh, wrote nearly $12,000,000 in 1917. This despite his duties as vice-president and assistant manager of the Edward A. Woods, Inc., general agency. Mr. Woods was seen by a representative of The Eastern Underwriter and asked if he would not discuss his work. He said that his achievement did not entitle him to distinction above hundreds of other insurance writers in the country.

"I would not compare my work with that of Adolph Hollander, of the Equitable, of New York, who has frequently paid for more lives in a week than I accounted for in my regular business last year," he said. "And I would not for an instant place myself in the same class with Harold Peirce, of the New York Life, who has placed on a single life more than twice as much insurance as I placed on my entire regular business for last year.

"To start with, I am spotty in my work. I rarely if ever follow up a big year with a repeat for the next year. Another thing, I am more fortunately situated than a lot of other men. Living here in Pittsburgh, I have opportunities that are not enjoyed generally. This is a remarkable business district, enjoying as it does the distinction of being the second city in the country in income tax.

Pittsburgh Advantages

"In such a district as this, life insurance means far more to the average man that it does in certain other portions of the country, as for instance, districts in New York and New England, where wealth is entailed, passing on by inheritance from father to son for many generations.

"When men make their own fortunes, when they have an actual part in the development of huge business concerns and the conduct of big affairs from which they amass wealth and enjoy large incomes, they are inclined to think much more seriously of the problems which this money carries with it. They have a close-up view of finance; they have learned, some of them to their cost, the extreme uncertainty of fortune's smiles, and they are glad to give their families more security in this respect than they themselves have enjoyed. For that reason, active business men such as I encounter in this district are disposed to invest in insurance. This may in part account for the fact that my business has always been comparatively easy to write. And, living here all my life, I naturally know a great many of these business men and have many friends."

The interviewer interrupted to ask: "I presume, that when it comes to the last analysis, the element of friendship is a very large factor in one's success in writing insurance?"

"Yes, indeed," was the emphatic reply, "but not in the way you imagine, in my case at least. I have found my friendships a positive handicap. I started out with the determination to write insurance on a strictly business basis, resolved never to use friendly or social connections as a lever to assist me in selling policies. More than that, I have always had an intense respect and belief in insurance.

"When I approach a man I have always felt that it was possible for me to help him and do him and his family a lasting service. Consequently, I never believed that I was under any obligation to the man who bought insurance through me. I have very often turned down business that was proffered me on the grounds of friendship. Many a time people have said to me, in effect, 'Well, Lawrence, I do not need this insurance and I don't believe in the old thing any way, but I guess it won't do me any harm, and I know it will help you, so I'll let you write me up.' And every time that has been said to me, I have informed my friend that much as I appreciated his motives, I could not think of accepting a donation, and I had the pleasure of tearing up the application before his eyes. Experiences like that have deterred me times without number from talking life insurance to men whom I knew ought to have it, and who were in a position to take large policies, simply because I feared that they might think I was presuming on our friendship."

"Well, do you mean to say that you wont sell insurance to your friends?"

"No, indeed," he replied, "I am always delighted to place insurance for my friends when I know that they are simply after life insurance and not trying to do me a favor. And I'll allow them to do me favors too, when it comes to suggesting possible legitimate business for me. I'm glad to act on such bits of advice, just as any man can with perfect propriety receive kindly intended tips or learn of new customers from his personal friends. But I feel I am giving a good deal more than I get when I write insurance for any one.

Never Thinks of Personal Gain

"Now I'm going to tell you something and you can use your own judgment in accepting it and putting it into practice. I honestly never think of the financial benefit that I am to get out of a policy. I try to trade places with the man who is thinking of taking out insurance. I study the case earnestly, entirely from his standpoint, and determine exactly what kind of insurance and what amount will do him the most good. Before the interview I have carefully digested all obtainable information relative to his business and financial matters. When I talk with him, I am in position to know what he should do.

"The business of the real life insurance man is to be an expert in the proper meaning of that much abused term, in the safeguarding and care of a man's family, business or estate after he is gone.

The Need of Expert Advice

"Such expert advice is just what the majority of men of large affairs need and crave. In the back of their mind they have the constant lurking fear that perhaps disaster may sometimes touch their loved ones when they are not here to fight their battles and shield them from the world's buffets. They have a brooding consciousness that something ought to be done, but in the rush of their business life they haven't the time to figure out a plan to follow. That is where an insurance expert can genuinely help these busy men, and it is more than a cold blooded proposition and deserves to be approached only after much thought and with the view of service in the foreground.

"One of the policies I wrote last year illustrates the point I am trying to make.

"A dear friend of mine, wealthy, exceptionally busy, decided to trustee in the neighborhood of $100,000 for his children. He had no reason to dread any financial reverses, and his children already had more money than they knew what to do with. But that thought in the back of his mind persisted that perhaps something might happen, and he had the desire to make at least sufficient provision for them to give them an education and a fair start in life. But this man did not believe in life insurance. He had plenty of money, more than he needed, and whenever the subject had been mentioned to him he would declare, 'Life insurance? No!'

Single Premium Life Policy of $100,000

"I heard about his desire to trustee and finally approached him on the subject. He said he could not decide on any of the many plans which had been put forward; each entailed so much fuss and red tape and bother in general. I then showed him how he could trustee without any trouble and at the same time make an investment that would be more profitable than any of the other plans. It appealed to his business judgment, and he took out a single premium life policy for $100,000.

"I did not advise him nor do I ever do so in writing insurance. I never use the word 'argument'. I simply 'suggest' and in this case I simply suggested the single premium life policy, and he took it.

$3,000,000 Group Policy

"One of my large writings last year resulted from friendship, but was not secured through friendship.

"I was introduced to the vice-president of a large corporation in January, 1914, and soon developed a profound regard for him and admiration for the company on account of his high character and that of his associates. They were doing welfare work in their corporation, and from my intimacy I was enabled to keep in touch with their activities and learned that they had a genuine regard for the well being of their employes. Last year, three years after meeting him, I sold the corporation $3,000,000 worth of group insurance, because I showed them how it would benefit the persons thus employed.

Where It Paid To Suspend Judgment

"Another of my experiences last year may be of interest, showing as it does that it sometimes pays well to suspend judgment and to think kindly of other men. A prominent Pittsburgher failed some years ago, and through that failure I sustained a loss. This man came in for a good deal of censure and lost a good many friends. I could not see that he was to blame, however, and I did not allow his business reverse to affect my relations with him. Now this man 'came back' not long ago, partly due to the war, and last year he placed $400,000 insurance through me."

Convince Yourself Or You Can't Succeed

"Well, Mr. Woods, you have been proving to me that all your work is easy and that you do not deserve credit on account of your location, etc., now just tell me what you consider essential in writing insurance, and how you do it."

"I'll answer your last question first," he replied. "To begin, I seldom if ever am able to use more than a quarter to a third of my time in the actual business of writing business. I cannot get away from the office for more time than that. But in the first place, I try to so thoroughly prepare myself that one call is sufficient. In the next place, I never allow myself to feel aggrieved if a man breaks an appointment with me. Far from feeling that I am ill used, I have a right to consider that if a man calls me up and postpones an appointment, he cannot avoid feeling obliged to give me more consideration the next time, and the chances for success will be helped just that much.

"Now as to the prime requisite, absolute conviction helps most of all. I believe in life insurance, and I believe every word I say to a man. That helps me a great deal. Also, I use life insurance to the fullest extent that I am capable. A man may say that he believes in physical recreation, but if he never indulges in any outdoor exercise, he does not believe in it. One must practice what he preaches."

"Have you always felt this way about insurance? Did you ever contemplate any other career in life?"

Took Three Years To Brace Up Courage To Become An Agent

"I never thought of anything less. I grew up in an atmosphere of life insurance and I think I was always subconsciously preparing for my present work. When I was graduated from college, I came to the Equitable office and started to work before going to my home in Sewickley. And I have been working here ever since. But I did not at once start writing insurance. It took me three years to get courage to do that.

"When I went to Princeton, my father took out a $5,000 policy for me and paid the premiums for it. After graduation, he handed it to me and explained what it was saying: 'Now if you want to keep this up, do so.' That's all there was to it, and I decided to keep up that policy. It meant a lot to me, though. I'll never forget it. The premium amounted to $136.95 and it was due April 29th.

"I started to work for the Equitable for $60 a month, in 1891, and I kept up my policy, but I had to sacrifice to do it, for after paying my weekly board at home and other incidental expenses, and deducting about $11.50 for my insurance, I had about $8 to go and come on with the balance of my salary.

Voluntary Compulsion

"I did it though, and in doing so, I learned one of the prime truths and benefits of life insurance, that it helps a man through the voluntary compulsion it entails in the matter of saving."

"After I had been several years at work, I had succeeded in saving a little money and had it in a bank. It began to take on very imposing proportions to me; I felt that I had some capital. With this feeling came a steadily growing desire to spend and enjoy my savings. I soon was convinced that I absolutely needed a trip up the St. Lawrence river. I took it. Not long afterwards I discovered that my health demanded that I buy a bicycle. I possessed myself of one. And then my health received a rather severe shock when I discovered that my savings were almost nil. My trip and the bicycle had just about cleaned me out. I took stock and found that almost every cent that I had in the world was represented by the payments I had made on my policy.

"That settled me some and made me believe more firmly than ever in life insurance."

"Did you always find it easy to write insurance?"

Given Vision Confidence Came

"Well, at first, when I had just entered the work, I had such profound respect for it, it seemed to me that I never could fit myself to write insurance. I worked in the office for three years, and worked hard, before I ever thought of writing any business myself. I was satisfied by that time that by nature I was so handicapped that I could never sell insurance. I don't know how long I would have remained at desk work if it had not been for Gage E. Tarbell. Mr. Tarbell gave me a heart-to-heart talk one day after I had been in the office for three years and told me that I ought to get out and write insurance. I endeavored to explain to him that I was totally unfitted for that sort of thing. That my stature was against me; that I didn't know enough and that because of a number of other very strong reasons I could never hope to succeed anywhere but in the office.

"Mr Tarbell listened to what I said, pooh-poohed my every argument and then talked to me for an hour or so in a way that left me almost dazed with the vision of achievement that he spread before me. I agreed to try. I did try, and I have been trying ever since to justify his faith in me."

Cammack on Group Insurance

(Continued from page 30)

probationary term of service of from three to twelve months. The insurance is effected without medical examination. New employes are automatically insured as they complete the probationary term of service. When an employe terminates his service, the insurance on his life is cancelled and refund is made to the employer of the full unearned premium. The employer is, however, allowed to keep the insurance in force upon the life of any employe stopping work on account of ill health or in the case of any employe who is retiring from old age or disability even though the employer removes the man's name from his payroll. This is a very important feature, especially from the standpoint of both employe and employer, because otherwise insurance under a group policy would really cover only death arising from accident or sudden illness.

Group policies also give each employe insured the right upon termination of insurance by his employer to take, without medical examination, a regular life insurance policy for the amount of insurance terminated on his life in the group. Insurance commissioners have insisted that this option shall be incorporated in all group policies, and rightly so. They contend that an employe may be influenced against taking insurance on his own account because of the protection furnished to him by his employer under a group policy and that a hardship would be imposed if he were unable, as he would be if not in first class health, to replace an insurance terminated by reason of change of employment.

Error Regarding Experience

The belief is so widespread and persistent that insurance cannot be issued without medical examination that many employers do not realize that insurance companies are dispensing with the medical examination in writing group insurance. Statements have been made in the insurance press to the effect that the reason why no medical examination is required is that in a group of employes to be insured under a policy there are persons sufficient in number to guarantee an experience in the group itself that will closely follow the average rate of mortality shown by the population or other accepted standard. There is a fallacy in this reasoning. The mortality amongst a group of several thousand lives is subject year by year to wide fluctuations, and in a group of a few hundred lives the mortality in any year may exceed the average mortality by several times such average. The reason why an insurance company can accept a group risk without medical examination lies in the elimination of the likelihood of selection by the insured against the insuring company. If an individual were able to obtain insurance without medical examination there would be a strong tendency for good lives to hold back while those who anticipated an early death would freely apply for insurance. But in group insurance with all insured this adverse condition for the insuring company does not exist. It is hard to believe that the fact that an employer with several hundred employes knew that amongst them there were more in poor health than might be expected on the average would be an inducement for him to insure them all under a group policy upon which he pays the premium for the benefit of their families. Thus, while the insuring company cannot obtain an average in each group, yet amongst the large number of persons insured in all the groups written, the law of average will protect the company and will not be subject to disturbance by reason of adverse selection exercised by the employers adopting group insurance.

Effect of New Entrants

The aggregate premium under a group policy is the sum of the premiums for each individual to be insured, calculated according to his attained age, by a one year term basic rate. While the premium for each employe increases, of course, year by year, it is not to be expected that the aggregate premium for the same number of employes and amounts of insurance will vary much because of the entrance of new lives to take the place of employes upon whose lives insurance is terminated by reason of death, retirement or change of occupation. If a census of employes in a large industrial plant were taken at five year intervals, it is not to be expected that there would occur very material changes. In other words, the average age might be expected to remain about the same, involving no change in the annual premium for group insurance.

The insuring company's standard basic rate is applicable to groups of employes engaged in industries where there exists no special risk from fatal accidents and industries which are not peculiarly unhealthful. For industries with an accidental death hazard much above the normal, and in which the process of manufacture and general conditions involve exposure to special occupational and other diseases, extra premiums are charged. This is done usually by imposing a level extra premium per one thousand of insurance for all ages, as is the rule in the writing of regular life insurance upon applicants engaged in extra hazardous occupations. Generally speaking, the premium upon group insurance amounts in the aggregate to approximately one per cent. of the sum insured.

Surrender Values

One-year-term insurance, with increasing premiums each year, is objectionable as a plan for insuring industrial workers under individual policies upon which they pay their own premiums, because in the end it cannot but lead in many cases to dissatisfaction. This dissatisfaction will most assuredly arise when the persons insured find their premiums rapidly increasing with advancing age, and when they realize after paying premiums for many years that their policies carry no surrender values. The experience of many assessment companies has shown how hard this is to explain; that premiums paid in the past have covered only current cost of insurance; and that consequently full value has been given, and that no return can be made in the event of discontinuance of insurance. But a group policy written upon the one-year-renewable-term plan is free from these objections because in the aggregate the premium is more or less a level one. Group insurance upon the ordinary life plan has been found to be unsuitable because with the considerable labor turnover, which every employer does and must experience, it involves an unnecessarily high initial cost, and needless complications in the return of surrender values.

Group life insurance policies are usually renewable at the option of the employer either indefinitely or for a long term of years. The insurance company does not reserve the right to cancel the policy. It does, however, usually protect itself by inserting a clause in the contract providing for an adjustment in premium scale at the end of five year periods.

Informing Employes

Some insurance companies in undertaking group insurance require an individual application from each employe who is to be insured. This is done with a view to affording an opportunity for fully informing the employe with regard to his insurance, and in order to obtain from him the name of the beneficiary to whom he wishes payment of claim made. Other companies waive individual applications, and are content with an application for insurance from the employer, accompanied by a list of employes, with their ages and amounts for which they are to be insured.

It is customary to issue with the policy contract, which is a blanket policy issued to the employer by the insuring company, attractive individual certificates of insurance for each employe.

The amount of insurance for each employe must be determined by some fixed standard, as for example, uniform amount or annual wages. Another and a popular plan is to fix the amount of insurance according to the term of service of the employe. As an example, the employe of from three to twelve months' service might be insured for $500; of one to two years' service, $600; of two to three years' service, $700; and so on up to $1,000 of insurance for all employes of five or more years' service. Under such a schedule increases of $100 are made automatically as each employe completes a year's service. This plan appeals strongly to the employer, because it offers increasing insurance as a reward for continued service and undoubtedly tends towards stabilizing labor, especially through the influence of the wives of the workmen. It also appeals to the married men with families who from almost every point of view are the most desirable class of labor for an employer to have upon his payroll.

Labor Turnover

In these days of extreme pressure upon industry, when it is of such vital importance to increase the efficiency of the industrial worker, any plan that promises assistance to the employer in meeting the problem with which he is confronted to-day by reason of the present abnormal labor turnover must be of immediate interest. In the history of industry on its modern scale there never has been a time before when group insurance would have appealed so strongly as it does appeal to-day. There is convincing evidence of the nature of this appearing in the recent remarkable growth of the business. A year ago, information gathered from the companies writing group insurance disclosed the fact that at that time three hundred and twenty-five thousand industral workers were insured under the plan. Since that time the number insured has approximately doubled. This growth is being largely augmented by reason of the expressed satisfaction of those employers who have adopted group insurance with a view to improving their relations with their employes. There has accumulated experience of thousands of employers throughout the country.

The attitude of one large corporation towards this new beneficial factor in the relations of employers and employed is shown by the note which the New York Shipbuilding Corporation address to each employe when he receives from the shipbuilding corporation his certificate of insurance. It reads:

This certificate is presented to you as an expression of our appreciation of faithful service. We have chosen what we believe will be most acceptable to you, namely, insurance to help in providing for the care of those dependent upon you at a time when they may need it most.

The insurance is furnished at no expense to you and does not in any way take the place of any payments for accidents to which you may be entitled under any workmen's compensation laws.

Our present plan is to place insurance upon the life of each employe to the amount of $500 for the first year of his continuous service with us, and $100 more for each additional year of such service, with a maximum of $2,500 on the life of any one employe.

In the event of your death at any time or place from any cause whatsoever, while you are in our employ and so long as we are able to continue this plan of insuring employes, your family or beneficiary will receive the amount of insurance then in force on your life.

This form of policy is known as "Group Insurance." It makes insurance available without physical examination and irrespective of age, and so covers cases where, by reason of physical condition or advanced age, an employe might not be able to obtain insurance at all or only at such a high cost as to be impracticable. This fact, that all our employes can enjoy the benefits of insurance dependent on their length of service, is a source of satisfaction to us.

We hope that our mutual relations will remain so satisfactory as to cause the amount of your insurance to grow through years of continued service until it shall have reached the maximum amount.

With the existing conditions in the industrial world, the field for group insurance is to-day one of the most attractive for those who are in touch with the general insurance business of employers. But careful study of not only the practices of insurance companies transacting this class of business but also of the principles involved is essential to the successful pursuit of the business from the standpoint of the agent or broker.

Gleason and Otis On Inheritance Tax

(Continued from page 9)

may be mentioned Pennsylvania, Kentucky, Virginia and half a dozen others. When the late Hetty Green died her home was adjudged to be in Vermont. She left all her vast estate to her son. Vermont did not then tax direct inheritance by a son from his mother. The estate, therefore, escaped inheritance taxation, but the legislature of Vermont immediately imposed a tax upon all direct inheritances thereafter.

All but five states in the Union now impose inheritance taxes. These are South Carolina, Alabama, Florida, Mississippi and New Mexico. Of the other states only five still confine the tax to the succession of collateral heirs. These are Iowa, Kansas, Maryland, Ohio and Texas. Thirty-eight states, therefore, tax all inheritances.

To Reduce Heavy Imposts

These conditions are recent. The large estates have to pay higher rates in proportion than the small estates and the latter are also protected by liberal exemptions. All of these reasons have tended to make large investors eager to find some method of reducing the heavy imposts. There is no doubt that the safest and easiest, as well as the surest and most honorable, is life insurance.

In truth, as authors of a work for lawyers on the subject of inheritance taxation, the writers of this article could not well afford to recommend any of the numerous devices for evading or dodging inheritance taxes. The Federal Government needs money successfully to prosecute the war and the states are seeking new sources of revenue to meet their pressing needs and problems. Legislatures, perhaps, have gone too far in the imposition of excessive rates of tax on large estates, but if it is an evil it is the province of the legislature to correct it by more judicious statutes.

On the other hand, it is obvious that investment in life insurance must receive an impetus from present conditions.

[Editor's Note: Since this article was written the Ways and Means Committee has included in the inheritance tax proceeds of life policies above $40,000.]

E. S. Andrews on Group Insurance Salesmanship

(Continued from page 31)

ufacturing concern, offered, as a matter of "courtesy" or "accommodation," personally to deliver two hundred individual Group certificates to the employees, and to make delivery at the homes of the married men. The suggestion was received with favor by the president, who admitted that the wisdom of the expenditure would depend very largely upon how well the wives understood the conditions under which the insurance was granted; both felt that the wives should know that, whether their husbands were insurable or not, they would have this protection, and without expense to the family so long as the Group policy was carried, and subject to unbroken employment on the part of the husband. The agent received the thanks of the president, the employees, and the wives, together with a number of signatures on the dotted line in the shape of applications for additional insurance.

It is the belief of those who are qualified to write or speak, that canvassing for Group Insurance offers a wider field for cultivating new prospects than any opening devised in recent years, and the experience of most companies reveals records of increased individual production by agents who have been quick to grasp the importance of making themselves better known to a class of prospective buyers who have, by no means, purchased their limit, of Ordinary Insurance. An agent who can point to a group of buildings in which one hundred, two hundred, or one thousand men and women find employment, and say that he has insured every one of them, is looked upon in his local community, as he has a perfect right to be, as a salesman of high caliber, and the prestige thus gained may be looked upon as an asset of great worth.

Male and female employees, in possession of Group Insurance certificates, become familiar with the name of the insurance company in which their group is carried. These people constitute a fertile field for direct personal canvassing for the agent who consummated the Group Contract, and the new business on these lives will run into large volume. One large group, or a series of small ones, opens up a working area for the sale of Group Insurance and other forms, and the worth of such an opportunity is so apparent to the enterprising salesman that the point does not need to be stressed.

AN ENGLISH VIEW

Senator Everett Colby, of New Jersey, is deeply interested in social insurance. He has been in England and on the Continent since the war began and while in England gathered some impressions of the English view of health insurance. He says that in England those who are administering the law understand the philosophy of their work. They do not think, for instance, that health insurance is going to relieve entirely their social distempers. In an English official report on this subject the authorities say that the right policy to be adopted in regard to sickness claims is less to be found in the provision for sickness payments than in the securing of industrial conditions under which wages are high enough to ensure the welfare of the worker. The fact that led to this observation was the decrease in sickness payments since the war began. The point made in the report is that while health insurance is doing much good it does not go to the root of social disorders.

Mr. Colby found in England opposition to established systems of industrial insurance, the opposition coming from those who are most deeply interested in social insurance. He predicts that industrial insurance there will be taken over by the State and that the agitation there will in time react in the United States.

SELL

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SUN LIFE ASSURANCE COMPANY OF CANADA

Head Office: MONTREAL

The Measure of Salesmanship

By T. B. Graham, Metropolitan Life*

However analyzed, salesmanship is finally measured by results accomplished. Adherence to rules is good only to the degree of getting better results. Beyond this point, rules and admonitions are less than of no avail. I recall, for example, some years ago carefully reading an article in a well-known magazine which consisted of the compilation of a list of foods to avoid if you were to be blessed with good health and longevity. The writer had well-known authorities for each and had rearranged their listing so that as he summed up all the items of diet, disapproved by various authorities, one was forced to the conclusion that the great secret of health must be ultimate starvation.

Different Approaches

Now, the agent who thinks that all he needs in the matter of salesmanship is to get himself in the right mood, fails to understand that a sale is made up of many factors—the agent, the article, the need of the article, the prospect. To begin with the last named, we begin with the problem of getting the audience. One agent warns you to be very careful not to have your card contain the name of your Company—merely a plain social card—and not to give the nature of your mission, but just to ask for a five-minute interview, or get in when the outer guard are not looking. Another agent will go even further and say that you must completely camouflage yourself as an insurance solicitor; that you must let the outer office believe that you are in some entirely different line of business, or a personal friend. While a third agent will tell you that this system is all wrong; that you should never enter a man's office until he knows exactly what is the nature of your errand and has determined, in advance, whether he desires an interview.

That all of these salesmen obtain results on their different bases of approach is probably accounted for by the fact that they are soliciting a different clientele. No doubt, the methods used with one class would be unsuccessful with the other. Successful salesmen of the larger policies are pretty much a unit; that you must study the needs of your prospects, unbeknown to himself, both as to plan and amount. The need of the article is, perhaps, the most important factor in the ultimate sale. We don't sell the man, he buys—and reluctantly at that—what we show him to need. Here the article—namely life insurance—grows in need, as we most nearly fit it to suit the case in hand. To show the general need is constructive salesmanship. To fit the policy exactly to the particular case is expert underwriting service.

In recent years, there has been placed in the hands of agents two new factors that have been a great aid in securing larger policies. I refer to the Inheritance Tax Laws and the introduction of Monthly Income Insurance.

It has always been difficult properly to impress a prospect with the correct amount of insurance that he actually needs on his life to adequately cover the death hazard. Formerly, when a rich man carried $25,000, $50,000, or possibly $100,000 of insurance he labored under the wrong impression that he was heavily insured. The amount he was carrying no doubt was substantial, but not the requisite amount to cover the death hazard.

What Can He Use a Month

There is no better way of bringing this point home than finding out, in an approximate way, what his probable annual and then easily divisible monthly income amounts to. You can tell from the manner in which he lives about what is the probable cost of maintenance for his family. If you based your solicitation for the proper amount of insurance such a prospect should carry on the fixed sum of insurance that will provide an adequate income by its investment, he would say to you, "that is largely in excess of my needs and more than I can afford to carry." But if you reverse the proposition and ask him whether his family could maintain itself at his death on less than $1,000 a month, he would readily agree with you that they probably could not live on that. Then, when you show the prospect the premium he has to pay in order to secure such a result—eliminating from your canvass entirely the question of the amount of insurance involved—you will not have the same difficulty in convincing him that he should make this annual outlay in order to place his family in an independent position at his death.



CAPT. T. B. GRAHAM

Nor will you find it difficult to have a prospect admit to you that at his death he would like to leave to his family the entire amount of his estate. Such an admission is another wedge for additional insurance to cover the necessities of the Inheritance Tax Laws. These laws will eat into his estate, and it is only by life insurance that he can protect his heirs to the full enjoyment of his estate. So by carefully supplementing the good tools of life insurance, by including a thorough use of the income policies and policies to cover Inheritance Tax, you will materially increase your placed business.

Don't Drive for a Fixed Definite Amount and Plan

The shrewd insurance salesman will learn well his prospect, and not drive for a fixed definite amount and plan until he, himself, has well in mind the needs of the applicant and what will appeal to him in the way of protective insurance. The agent, himself, is, of course, a big factor. He is naturally discounted because he is selfishly interested in the commissions. But when the agent has planned to render the best service to a prospect, he need not worry about being a not disinterested pleader. It is fully within his power to win the complete confidence of the prospect. That is a job he cannot delegate. He either gets the confidence or he fails. This confidence is based on many things: the man, apparent character, knowledge of his business, clearness of presentation and the Company he represents.

Actual competition with other companies is, for the most part, avoided by successful agents. Do not say anything derogatory about any other company of standing. You hurt yourself and the whole business. Put the figures of your Company favorably to the front, but do not hinge your whole case on the fact that your policy may be cheaper. The higher premium agent might be able to show the prospect that although the original premium is higher, the prospective dividends will make the net cost lower. You may lose the business this way by depending entirely on mere premium quotations. So you would be safer in your competition if you avoided it in all ways possible, and if you guided your prospect along the lines of your greater knowledge of the business—without telling him so. Talk his needs and your own wares.

Sell; Don't Orate

Another caution to a successful canvasser must be to sell the insurance to his prospect—not to orate to himself. Some agents go at a prospect with hammer and tongs and actually belittle him as to how lacking he is in insurance knowledge. Such a man may be entirely successful in convincing a prospect that he needs enlightenment as to the proper amount of insurance that he should carry and that he is at the present time under-insured. But the prospect is less likely to actually sign the application for the one who convinces him by such methods than he is for some more tactful agent that follows and reaps the benefit of the original agent's educative system. The first man would be an educator, but the second would be the real salesman.

*Since writing this story Mr. Graham, who was assistant manager of the Ordinary Department of the Metropolitan Life, has been made a captain in the U. S. Army. He is attached to the Finance Division of the Quartermaster's Department.—Editor, The Eastern Underwriter.)

Constance Woodward on Life Insurance

(Continued from page 19)

about the prospect's affairs. You know the approximate size of the estate to be protected, and the probable heirs. Of course, the ideal prospect is one who has just been engaged in settling up an estate.

The Argument in a Nutshell

The interview itself should present only highlights, dwelling more on the disastrous effect of taxes, and less on the general life insurance idea. All pressure should be put on the six great salients of Inheritance Tax Insurance.

1. The Federal and State Taxes now levied on an estate of $1,000,000 or over represent an immediate depreciation of from 11 to 25%, if these taxes are not provided for.

2. These taxes must be paid within one year.

3. A forced sale of securities may result in further tremendous losses. (A chart showing the fluctuation of the past five years in standard stocks and bonds is helpful in illustrating this point.)

4. A sufficient amount of ready cash enables an estate to hold securities that might otherwise have to be sacrificed at a time of depression. It thus acts not only as a sinking fund to provide for inevitable expense, but as a stabilizer of values.

5. If these taxes are paid within three months, the Government gives a discount of 5%, whereas if the taxes are not paid until after a year has elapsed, it penalizes the estate by an additional charge of 10%.

6. If the money to meet taxes is left in life insurance payable to a beneficiary, the amount thus provided is not taxable—a saving of 20% or more in actual tax expense.

The Only Solution of the Tax Question

Any person with an estate to leave, who wishes to leave that estate inviolable and intact, will be interested in these things, and if the emphasis is given to the amount that must be paid in taxes, the amount of the insurance premium necessary to cover it will seem puny.

Life insurance is really the only efficient solution to this tax problem, and the only economical solution. The real function of a life insurance company is to supply ready cash at some uncertain though inevitable date, and the life insurance company does it inexpensively because it does a large wholesale business. As William C. Johnson once said: "It is just selling money for future delivery."

If you have a hunch to see a man today follow it. Don't mistake intuition for superstition.

* * *

Don't fall into the rut of being a $2,000 or a $5,000 man. Try for a ten, a twenty or a fifty for a change.

How I Wrote $500,000 Corporation Insurance

(Continued from page 23)

time, and he said it was. I told him that I would wait until he returned. "Now, you understand," he said, "that there is nothing certain that you are going to get this business if I buy it," and I assured him that there was nothing certain except death and taxes and that anyhow, there was nothing certain that he was going to pass the doctor either and so there was no use of counting the money before we had it. I gathered up my supplies and told him that I thought it would be wise for him to take along the chart which I had submitted to him and also my letter setting forth the different arguments and read them over again as he was traveling south. He said he would do so because the matter had become of considerable interest to him and that he would let me know as soon as he arrived home.

Hung On For Bigger Game

Naturally I was considerably exercised over the fact that a $500,000 prospect was going to get two or three thousand miles away from me and have thirty days in which to consider the proposition in his own mind, and willing to buy (which I think he really was at that time), $200,000 of life insurance. I really believe I could have closed him for the $200,000 prior to his leaving for the South, but I figured by hanging on I could write him the $500,000.

I waited until three days before Thanksgiving and then I called up Mrs. Paul on long distance and asked her if Mr. Paul was coming home for Thanksgiving, and she said "Yes." When she answered in the affirmative I asked: "Do you know on what train he is leaving?" She said: "I have received a wire from him stating when he is leaving," and told me. I thanked her, told her my name and hung up.

I immediately cleaned up my work at the office, went home, packed a grip and took the first train for Kansas City, where I waited for his train to arrive. When it did I got my ticket, boarded the train, and then started on a hunt to find the Pullman Mr. Paul was in. The second Pullman I entered I found the treasurer of the Paul Company, Fred Smith, and I asked him "whether Mr. Paul was on the train?" He said: "He had the drawing room at the end of the car, but had not yet arisen."

I might state that it was about 7:30 o'clock in the morning. The distance from Kansas City to Washington is about three hundred miles. I figured that we had about 7½ hours' ride and I had fully made up my mind that I was going to get that business before Mr. Paul got off the train and so I went to the drawing room and knocked on the door. The porter tried to stop me, saying that Mr. Paul was not awake yet, but I hammered on the door again. Finally, Mr. Paul arose, stuck a sleepy head through the door and wanted to know what was the trouble. I said to him: "Mr. Paul, I am sorry to have to trouble you at this time of the morning, but while you were gone I thought a lot about the proposition you and I have been considering and I became just a trifle nervous about it. I called up Mrs. Paul over long distance and found out what train you were on; so I figured that you had 7½ hours between here and Washington in which you had nothing to do and when you get home you will have an accumulation of thirty days' correspondence and business matters to take up your time. How in the world are you going to be able to give this life insurance proposition any consideration after you get home, in time to have the application written and your examination made prior to December 6? I figured that this matter was of so much importance and of such magnitude that it deserved every possible consideration and that you would be in a fine position to give it your consideration, and make your decision and finally give me your answer between Kansas City and Washington, Iowa. Now, if you are willing to get your breakfast, then you and I can go into your drawing room, close the door and go to it."

Made No Mistake

His reply was characteristic of the man. "Faerber, you have done me a real favor and you are absolutely right about the multitude of things which will be awaiting my consideration when I return and I would not be in a position to decide this thing in a clear and concise manner when I get home, at least not for some time, and it is a peculiar fact that that was one of the things that was bothering me considerably last night. I shall be only too glad to hurry through with my breakfast and would like to have you join me if you will, and come back and go into the matter thoroughly, and help me reach some final decision between here and Washington."

I thanked him for the invitation, told him I had already breakfasted before I got on the train; and I waited for him. He hurried through his breakfast and came back, and we went into the drawing room, closed the door and stayed there until the deal was closed.

Mr. Paul signed the application for $500,000, 20 Year Endowment, with a premium of $25,175 a year. He gave me in settlement on checks which I provided, one check for $11,175, one check for $1,750 and seven notes for $1,750 each, due one each month until paid.

Had Doctors on the Job

I did not get off the train at Washington, Iowa, but Mr. Paul did. I came through to Davenport, made my appointment with the doctors and took them to Washington the next day to have the examinations made. The policy was issued, trusteed to the Washington National Bank of Washington, and instructions given to them as to how it was to be distributed amongst the different corporations in case of Mr. Paul's death.

I have written many large cases in my life insurance experience, last year writing twenty-seven cases for $891,000, but I never wrote a case which gave me quite the satisfaction (aside from the money consideration) the writing of Mr. Paul's policy did, because today Mr. Paul is one of my greatest and most beloved personal friends. We have had many other business dealings together since then, all of which have terminated satisfactorily and happily, and I believe that one of the chief things toward the making of success in business is that of retaining the confidence and esteem of those with whom we deal.

Minnesota

Attitude of Companies in War As Seen By Insurance Commissioner

Commissioner Sanborn, of Minnesota, said this week:

"I believe that the Government should not take over insurance of various kinds of property unless the insurance companies are unable to furnish the facilities for insurance that the Government must necessarily have at this time. The taking over by the Government of insurance would be an indication that the insurance companies had failed to fulfill their proper functions during this period, and the effect would, of course, be damaging to the companies themselves and to their agents throughout the country.

"The companies should endeavor to so organize their business at the present time as to assist the Government in every possible way in obtaining necessary protection of property, even though it meant the pooling of all insurance organizations of the same class. A great many of our largest industries have had to combine their facilities in order to meet the added strain of war conditions, and it is entirely possible that the insurance business will have to be placed upon a similar basis."

"PROTECTION 1620"
STATE MUTUAL LIFE ASSURANCE CO
OF WORCESTER MASS.
INCORPORATED
1844
PROTECTION TO-DAY

THE
STATE MUTUAL LIFE ASSURANCE CO.
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has for **SEVENTY-FOUR YEARS** furnished to policyholders perfect protection, absolute security and maximum liberality of contract.

The Company's reputation combined with the constructive co-operation from the Home Office are important factors in the success, happiness and prosperity of our agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President **D. W. CARTER, Secretary**

STEPHEN IRELAND, Superintendent of Agencies

A General Agent's Observations on Salesmanship

By William N. Compton, John Hancock Mutual Life, New York City

Only a few days ago a big, fine-looking man came into my office and said impressively, and in a manner which was aimed to make me sit up and take notice, else I would be missing one of the greatest opportunities in the world:

"I want you to buy this book which will teach you and your agents how to sell life insurance."

"All right," was my comment, merely glancing at the cover of the volume, "I will take a copy for myself and for each agent in my office, also, and if the book does what you say it will—teaches agents how to sell insurance—I will give you $500 a copy, and feel that I have a bargain." He looked pleased. Then I continued: "Seriously, please sit down and tell me all about this wonderful book."

Searched In Vain For Ideas

He did. After glancing through it, I found it contained nothing more than a rehash of the old stock principles of general salesmanship applied to life insurance. It was just what I expected it would contain. Many insurance papers, have had, have now and will continue to have articles along the same lines. You know what's in the last paragraph after reading the first one. It seems such an easy matter to sit behind a desk and tell the other fellow how to do it. There is more rot written about selling life insurance by those who cannot sell it than about anything on earth. When people, however, who have been in close touch with life insurance and have sold it or directed its sale, discuss the subject there is bound to be some illumination, if they tell the truth. Insurance men learn by experience, and there is no particular advantage in not profiting by the other fellow's as well as your own. So out of all the written and spoken words on salesmanship, wheat will be found and the chaff can be ignored.

This article simply consists of a few observations and incidents in my own experience.

I am convinced that the old days of "Hip! Hip! Hurrah! Go Out and Get Them, Boys," are gone forever. The life insurance business of today is a profession and the man who can sell it, as it should be sold, is the most independent man in the world.

More Than Learning and Graces Necessary

After many years of experience as manager and general agent, I do not feel able to tell by appearances or by conversation with a man, anything about his ability to sell life insurance. Some men who appear to have every qualification, fail absolutely and others who seem utterly unfit produce large volumes of business. I have in my office now a man who is an accomplished actuary, a splendid talker, a graduate of one of the big colleges, who is thoroughly conversant with the history, the traditions, and even the technicalities of life insurance, and who works like a beaver, but can't make a living in the field.

There is a lack of something about this man which I have not been able to discover. I have loaned him to two other general agents, who thoroughly tried him out with different methods but who returned him to me saying, "He just can't sell things." On the other hand, I know a man whose volume of business for the past twenty years has been in excess of $500,000 a year, but who literally knows nothing on earth about the inside of life insurance. He has, however, personality, perception and initiative. A few days ago this man came to my office and asked me to explain disability clauses of the various companies, and when I had done so, he said: "I am very glad I didn't know anything about this, as such



WILLIAM N. COMPTON

knowledge simply complicates matters and it is of no value to the class of men I sell."

Had to Fix Laws.

Successful personal soliciting depends upon so many different conditions that it is practically impossible to lay down any fixed laws. I am hardly competent to judge of it from any standpoint, except that of a large city, where all my experience has been. New York City I believe to be a field entirely apart from all the rest of this country when it comes to selling an abstract proposition. If I were asked to state the qualifications necessary to success, I would say, first, hard work, for that is fundamental in any business, and, second, that personality and initiative count more than any other two qualifications. By personality I mean that subtle combination of integrity and force of character—that indescribable something, which makes you remember the man as a factor to be reckoned with in his own business at least. I once said, and I meant it, that I would rather have some one say, "Compton, yes? I know him, but I don't like him," than to say. "Compton? Who is Compton?" By initiative I mean the ability to ferret out prospects, and to discriminate between a delightful call on the subject of life insurance and a business interview on the same subject. The man of initiative interests his prospect instead of merely entertaining him.

Life insurance is a business of which I am proud. I always feel that a man is ashamed of his business if he tries to get into a man's office by any sort of false pretense or by the common apology, "I just happened to be in the neighborhood." I never happened to be in any neighborhood. When I get into a "neighborhood" it is because I have the fixed idea that a real prospect may be found there, and it is my distinct and definite purpose to sell him the kind of life insurance that most perfectly fits his individual needs. When that is done, I aim to retain his friendship and influence for the purpose of selling other people.

Asks Novices Why They Picked Insurance

I often wonder if the general public ever stops to consider the trials and tribulations of the general agent—the sifting of the wheat from the chaff in the multitude of men who pass through an agency like films through a cinema.

One of the first questions I always ask an applicant for a position in field work is, "What makes you think you can sell life insurance and why did you select life insurance rather than some other occupation?" Many can't answer the question at all and very few give a sensible answer. One of the best men in my agency said to me some years ago, when I asked him this question: "Because I have met some very high-class men in the life insurance business who seem to be succeeding better than I am, [he was a public accountant,] and I became convinced that I had the qualifications necessary to succeed as they have done." That man did succeed. The great majority of men who apply have no definite idea of the real side of the business of selling. It appeals to them as an easy way to make a few dollars with the least possible effort.

Some of these men can be trained to become high-class producers, and all can be taught by following a certain set program to produce something—but simply to produce something hardly measures up to the requirements of a real insurance man.

Our business is changing rapidly. It has already changed much and no doubt will continue to change in order to meet unforeseen conditions in business and life as they arise. I do not believe that there exists a solitary man or woman in the United States—or anywhere else for that matter—who does not need life insurance in some of its various forms. It is the peculiar function of the life insurance solicitor to provide that form of policy which most adequately meets the requirements of each individual prospect.

The Disability Clause

Suppose fifteen years ago some one had suggested the possibility of a disability clause. He would have been thought crazy, or regarded as a fanatic or simply a harmless crank. The disability clause in most policies has now been made so elastic that it is almost a necessity and we wonder why it was not thought of before. Personally I do not believe that the end is near but that some day some company will begin by writing a policy that will cover every corner of personal indemnity and that it will be found actuarily feasible and possible from every standpoint. When one stops to consider all of these things we have to sell and the splendid men connected with the companies to sell them, is it not a wonder that we do not have an absolute overflow of able men on our hands and also more voluntary applicants for insurance than the various companies could easily take care of?

Work the Best Way to Win

There are so many ways to sell life insurance and no two ways alike that I hardly feel justified in expressing an opinion. My one way is by work and by work I do not mean physical labor, but brain work, being in business twenty-four hours in the day without talking it all the time and to everybody indiscriminately.

Never in the history of the world has there been the necessity for life insurance that exists today and never has it been so impressed upon the human mind. The casualty lists that the papers give us day by day, while they bring sorrow and grief to many, are but vital statistics to us, which bring forcibly home the protection of life insurance against death.

There is no business on earth whose ethics are upon a higher standard than is the life insurance business and the bigger the man the more clean-cut and high class his principles and his loyalty to his own company, to other companies, and to life insurance in general. I am sometimes shocked by the opinions expressed by solicitors in regard to their own companies. Apparently, they do not want to deceive their companies, but if they can "put something over" without the company's knowing anything about, they feel that they have turned a sharp trick and are rather proud of it. Other solicitors have the idea of commissions always uppermost in their minds. Such men never succeed in the long run. The sum and substance of this rather rambling articles is that if you are an average red-blooded American citizen, there is no reason why you can not succeed in the life insurance business. But, as I said some years ago in an article in The Eastern Underwriter, if you have worked earnestly and honestly and find that you can not sell life insurance, then, in Heaven's name, quit and try something else, for of all things on earth most to be pitied is the man who thinks he can write life insurance but never does.

WATCH THE PAPERS

A Specific Case Where An Illinois Bridegroom Bought Insurance Cited

The value of keeping informed on the local affairs through the medium of the newspapers is admirably illustrated by this letter from Challis & Fischer, general agents in Peoria, of the Massachusetts Mutual Life:

"In December, 1917, we wrote to one of the Company's general agents as follows: 'Please find attached hereto a clipping from the Peoria Journal of December 25th. It occurs to us that the "groom" in this case may be a prospect for life insurance.' It so happens that the groom, residing in another city, had just been married to a Peoria girl. We had never met either the groom or the girl. The general agent at the other end acknowledged receipt of our letter, thanked us, and stated that if any business was secured we would be remembered.

"Several days ago we received a check, being our share of the first year's commission on a case for $2,000, Ordinary Life, written on the 'groom'. It took us a little while to figure out how the check came to us—we thought it must be a mistake. However, it finally dawned upon us that this was the result of the newspaper clipping of last December, and you can rest assured that we shall keep our eyes open for other clippings. It occurs to us that a lesson of interest may be drawn from this case."

Answers Objections To Taking Out Insurance

PAT REPLIES FOR THE AGENT

Insurance Not Luxury—When Funds Are Tied Up—Value of a Life

The "Fraternal Monitor" prints a list of objections to insurance and answers thereto.

"I am cutting down luxuries and cannot afford more insurance protection," is one question. The answer follows:

"Your purpose is a mighty good one at any time and it is good patriotism now. Your abstinence from luxuries enables the manufacturers to produce munitions for the government. The money you save, placed at the disposal of the government, enables it to buy the materials it needs in conducting the war. But you make a mistake in classifying life insurance with the luxuries you can do without. Life insurance is a necessity, as attested by our government in insuring its fighting men. Life insurance protects dependent women and children and prevents their becoming charges of the government. It is as much your duty to protect your dependents from poverty in the future as it is to furnish them with food and clothing now. Therefore, life insurance is a necessity, and any economic conditon that requires cutting down on luxuries makes it vitally necessary to make your necessities secure."

Other questions and answers follow:

"I am paying off a mortgage on my home, and that is all I can handle now."

"How do you suppose your wife and children could handle that mortgage without your assistance? If it is all you can handle now, how much more difficult it would be without you. There is only one way to safeguard a mortgaged home. That is to cover the mortgage with life insurance certificate in a good fraternal society, and, if you die, your widow can pay off the indebtedness at once and have her home free with a clear title. It is a sound business proceeding. If you die, your home may have to be surrendered to pay the mortgage. Let life insurance clear the debt."

"Health and accident insurance is a good thing, but I am loaded to the limit with life insurance, and that ought to be enough."

"It is pleasing to learn that you are a believer in insurance. It is splendid that you are protecting your dependents and that they will live in comfort after your death. However, it is as necessary to insure your time as it is your life. In the event of a long sickness, or an accident, would not your income suffer? Does your ability to keep your business going and to meet the expenses of your home and pay your life insurance premiums depend upon your close attention to your buisness or your job? Can you stand a decrease of income and pay hospital and doctor's bills besides? An accident and health policy takes care of all these. It guarantees income and pays the extra costs of sickness."

"I guess the insurance I have is as much as my life is worth."

"So far as your life is worth in dollars and cents to yourself, that may be true. But what is your life worth to your family? Did you ever consider that the cost of supporting your dependents represents the interest income on the capitalized value of your life to them? A statistician has estimated that if the cost for a family outside of the breadwinner's personal expenses is $800 a year he should carry at least $16,000 of life insurance to keep the family going after he has gone. If the family upkeep is $1,600 a year, the insurance should amount to $32,000. Do you carry as much life protection as you should?"

"I intend to take more life insurance later and a lot of it."

"Good intentions are—well, you have heard the saying. Meaning to insure will butter no bread for your children. Think of the things you have intended to do in past years and put aside until later; did anything come of them? Your statement that you will take a lot of life insurance shows that you realize its necessity. Make good now on your good intentions."

CLERICAL MISTAKE

The Supreme Court has decided the case of Equitable vs. Buck: A $1,000 policy was issued in 1901. By clerical error, the guaranteed cash value, at the end of the fifteen year period, was stated as $1,000, whereas it should have been $408. In 1904, the error having been brought to the attention to the insured from the home office stating the error and stating that the guaranteed surrender value would be $408 instead of $1,000. No reply was received to this letter, and at the end of the period, the surrender value of $1,000 was demanded, and suit was brought. The court held that, inasmuch as the application and the premium paid called for a policy with a surrender value not to exceed $408, and the Society, as soon as it knew of the mistake, had notified the insured it would not pay him more than $408 as a surrender value and the insured had not replied to this letter which indicated his acquiescence in the correction, the Society was not liable for a greater surrender value than the $408.

BACK OF THE BONDS

A Love Interest That Applies Equally To the Purchase of Life Insurance

What is the big appeal behind the Liberty Bonds, asks The Massachusetts Mutual Life?

This is the answer as that Company sees it, and a sane conclusion is drawn: "Love America! Love for some boy who had gone across! Those who bought hated the Kaiser and all his works—but that was not why they bought. The interest rate was attractive—but that did not sell the bonds. They were sold because Americans loved something or somebody more than they loved money. They still do. A man will not let his love of the dollars prevent his doing his duty to his family if you put the proposition up to him in the right way and keep putting it up to him. Those same men who bought the bonds will buy insurance, but you must sell the policy just as the bonds were sold. You can do it."

A TALK ON SAVINGS

Very few people accumulate savings enough so that the interest on their funds will support them after they retire. Five per cent., exclusive of taxes, is a very high rate of interest to earn in a safe investment, yet savings of $12,000 invested at 5 per cent. would yield an annual income of only $600. If the interest alone upon your savings will not provide an adequate income you will be compelled to use the principal. Will it last as long as you live?

—Equitable Items.

Sometimes the quiet fellow has said all he knows.

* * *

Some fellows get credit for being close mouthed just because there's no thought in their head.

Detroit, August 30, 1918.

Dear Mr. Field Man:

There are too many of us life insurance salesmen who work to a lack of organized purpose. There is too much lost motion. We do not make the hours and days tell as they should.

If you want to know something about the NORTHERN system of "taking up the slack," write us at once.

More business per capita of men employed than any other American life company.

NORTHERN ASSURANCE COMPANY,
CLARENCE L. AYRES, President.

What Is Most Interesting To Insurance Agents In The Present Economic Situation?

By Arthur Richmond Marsh, Editor of "The Economic World"

The larger outlines of the present economic situation hardly need to be drawn here, inasmuch as they are as clear to insurance agents as to any class of experienced and intelligent persons in the community. The great war has, of course, profoundly changed the financial, industrial and commercial —that is to say, economic—relations of things in all the countries in the world, belligerent and neutral alike. It has also brought about the most far-reaching changes in the economic inter-relations of the various countries of the world, one with another.

Within the several countries themselves there has been the most extensive shifting of the occupations of the people, of the relative positions in the national economy held by the different industries and forms of service, of the financial rewards obtained by the various classes of workers and renderers of services, and of the financial burdens imposed upon these various classes of persons. As between the different countries there has been a similar change of relations: The normal courses of international commerce have been so modified by the war that they are now scarcely recognizable by those familiar only with the state of things obtaining before the war; creditor nations have become debtor nations and debtor nations have become creditor nations upon an almost unimaginable scale; the old relations of international exchange and credit have become so distorted in certain respects that even the exertion of the full financial power of the strongest Governments has been unable to set them straight; and the interruptions of customary commercial intercourse, taken in conjunction with the vast abnormal financial operations made necessary by the war, have directly or indirectly touched virtually every citizen of every country on the globe, affecting his economic status favorably or unfavorably as the case might be. It goes without saying that the burden of the cost of the dreadful struggle in which humanity is now engaged has not yet been adjusted to the backs of those who ultimately must carry it and pay it.

Immediate Effects of the War Itself Upon the Business of Insurance

As regards the immediate effects of the war itself upon the business of insurance, it is probably quite safe to say that nothing has occurred during the past century and a half—the period of the true rise and development of modern insurance in all its various forms—which has so profoundly and favorably affected the thought of the world at large about insurance, as has the great war itself.

The specific word insurance has been more in the mouths of men during the past four years of stress and strain than ever before in the history of society. It would seem as if the very conception of insurance and what it stands for has achieved a new and very vivid significance for multitudes of persons in all the civilized countries, who heretofore have regarded it as scarcely more than a convenient commodity, bought like any other commodity for the purely personal use and advantage of the individual buyer. The correct idea has begun to obtain wide dissemination by reason of the experience of the war, that there is an element of duty to the community in insurance, and that the individual who holds aloof from insurance is somehow not doing just what he ought to do from the community standpoint.

The student of the insurance statistics of the past four years, cannot have failed to be impressed by the general growth of business volume in substantially all branches of insurance—except perhaps life insurance in the belligerent countries subjected to the severest economic pressure—and also in what scientists might call the proliferation of insurance, i. e., its rapid development of new forms or types, the need for which resulted from the novel kinds of military and naval practice, chiefly introduced by the ruthless and lawless Germans, but perforce adopted to a certain extent in self-defense by the Allies. In fact, one of the most interesting features of the insurance history of this period of war has been that of the numerous accommodations of the principle of insurance to war hazards which in the recent past would have been regarded as completely outside the legitimate domain of insurance.

Never Has Demand For Indemnity Been So Great

The causes just described, and other causes, such as the increase of turnover in the indemnity branches of insurance necessitated both by the hazards of war and by the remarkable rise in the prices or market values of most classes of insurable property, have added vastly to the income of insurers during the war years, and have also for the most part resulted in an enhancement of the underwriting profits. Never before has the volume of business been so large for most branches of indemnity insurance; never before have the assets in the hands of underwriters been so great; and in few periods in the past have insurance companies and underwriters of all kinds been more prosperous. It is a fact of significance in this connection that in Great Britain, which may be called the home of world insurance, the movement of the prices of the shares of insurance companies has been directly opposite to that of the shares of virtually all other companies, except in the case of a few munitions and similar war enterprises. The great increase in British income taxation has been reflected by an average decline of the best securities dealt in on the London Stock Exchange, between early 1914 and the present time, of between 22 and 23 per cent. The average values of British insurance company shares, on the contrary, not only fail to show a corresponding decline for the war years, but are actually some 9 per cent. higher now than they were in early 1914—and this despite the fact that the same severe income and excess profits taxes must be paid by insurance companies as by other British corporations.

World's Insurance Turn-Over

These figures speak for themselves, as regards the effects of the economic situation produced by the war upon British insurance. Comparable statistics are not available for the United States, but such figures as we have point with few exceptions to a very considerable enhancement of the prosperity of the insurance companies and other underwriters in all countries in consequence of war conditions. It will be said, however—undoubtedly in the main true—that it is unsafe to count upon the long continuation of this happy state of things because of the essential impermanence of war and of the conditions produced by it. Nevertheless, while the end of the war may, and probably will, bring a sharp reduction in the world's insurance turn-over, expressed in terms of money, and also in the premium income and not improbably the immediate profits of the insurance business, the seeds will have been sown for an unprecedented extension of the principle of insurance to the multitudinous hazards of human affairs—an extension which must assuredly within no long period after the war give rise to the most remarkable growth of the business of insurance ever witnessed by the world.

The Government and Insurance

So far as the present writer can see, the one thing that can prevent this great unfolding of insurance after the war is the threatened usurpation of the entire domain of insurance, or a large part of it, by Government. It is a rule virtually without exception that whatever department of economic activity is touched by Government withers under its hand. From their very nature and function the bureaucracies which Government must create for the administration of businesses like insurance hate and oppose with all their might every form of change, every departure from the hard and fast original plan, every essay in the way of adaptation of this original plan to new needs and desires on the part of the public. But the abundant flowering of insurance which is envisaged here can be accomplished only through incessant change and incessant adaptation to new conditions and requirements. Hence the worst fear of those who hold that the insurance business of the years after the war will naturally and by its own evolution become infinitely greater than the insurance of the pre-war days, is that the blasting intervention of Government may bring all to a standstill.

The More Subtle Influences

Turning now to those more subtle forces and influences of a fundamental character, resulting from the world-wide economic situation produced by the war, which may be expected in the long run powerfully to affect the practice, if not the theory of insurance, especially in the United States, we may say at the outset that the so-called capital insurances—namely, life insurance and the insurances allied to it—will probably show the effects of one set of these forces and influences, and the indemnity insurances—namely, fire, marine, accident, liability and similar insurances against the loss of property or its equivalent—will show the effects of another set.

Life Insurance

Taking up first the capital insurances —the chief of which, of course, is life insurance, the average rate of interest obtained by the life insurance companies on their invested assets, has not fallen below 4½ per cent. in more than a quarter of a century; and during the past decade it has been steadily rising until in both 1916 and 1917 it was above 4.9 per cent. The war has strongly accentuated this rising tendency of the average interest rate obtainable on investments of the first class, and there can be little doubt that American life companies are now obtaining a rate considerably above 5 per cent.—perhaps even above 5½ per cent.—on new investments other than Liberty Loan bonds. In the writer's opinion, however, we are still very far from having reached the culmination of this rise of the average interest rate, this culmination probably not being due until at least a year and very possibly two or three years after the war is over. In truth, a totally novel factor is probably coming into play, as soon as the war is over, as the major influence determining the interest rate,—i.e., the rent of the use,—of capital. This new factor is the universality with which in all the rich countries in the world, now engaged in the war, large quantities of the enormous mass of war obligations will continually have to be sold, either in the settlement of the estates of the millions of the holders of these obligations who will die from year to year, or by the other millions who from year to year will for one or another reason reach the end of their resources and be compelled to sell out whatever possessions they have, or by immense numbers of the business class in all countries who will come out of the war with their entire liquid capital locked up in war bonds and must dispose of a considerable part of their holdings in order to finance their business on the necessary scale. There will be an important difference in this respect between the present war and former severe wars since the capitalistic system was fully developed. In the case of the former wars a majority of the wealthy countries were not themselves involved, and their investors eagerly awaited the return of peace to become buyers on a large scale of the high interest bearing obligations issued by the warring nations. Thus at the conclusion of our own Civil War, British, French, Dutch and other European investors were only too glad to buy the war bonds of the United States at advancing prices,—i.e., at a declining rate of interest. But when the present war comes to an end there will be no foreign investors in a position to acquire the war bonds of the great belligerent countries, because all investors of all countries will be in the same boat—they will all have war bonds to sell for the purpose of easing their own financial position, while the purchasing power necessary to absorb these sales must come chiefly from the comparatively slowly accumulated fresh savings of the several nations. While this process is going on, it is practically certain that the prices of war obligations and of other securities will more or less continuously decline, with the necessary consequence that the average rate of interest obtainable by those in a position to invest will correspondingly rise. Here then, at least for some years after the war, will be found the true determinant of the rate of interest obtainable on investment capital.

Cheapening of Life Insurance

The results of all this for American life companies—on the whole decidedly favorable rather than unfavorable—are easily apparent. The market values of the older securities carried by the companies will probably decline considerably more than they already have, in comparison with the so-called amortization values; but this will in no wise unsettle the affairs of the companies,

first, because the actuarial calculations upon which all their outstanding contracts of insurance were predicated assumed even lower interest rates for investments than those obtaining when the contracts were made, so that no question can arise as to the absolute validity of those contracts; and, second, because the average interest rate enjoyed by the companies on the totality of their invested assets will rapidly rise as new investments of premium income, interest and proceeds of maturing older investments are made at the new and much higher interest rate that will be obtainable. In other words, the interest earnings of the American life companies will be greatly enhanced in proportion both to their investments and their policy obligations. The policy dividends on outstanding participating policies will tend to increase; and the premium rates for new policies will not improbably tend to decline. This relative cheapening of life insurance may easily become a matter of much importance to agents and others engaged in the business.

Other Influences

Philip Burnet, the accomplished president of the Continental Life, Wilmington, has recently shown that the curve of new life insurance business and that of commodity prices in the United States in the fifteen years following our Civil War almost exactly parallel one another, both in their rise and in their decline. If past experience will serve as a guide, the cost of living will continue to rise throughout the rest of the war and for two or three years after the coming of peace; then will ensue a long and, in the aggregate, severe decline of commodity prices, almost certainly not as welcome in actuality as in anticipation, because accompanied by a similar decline in the wages of labor, the profits of business and the like. This will be the period during which American life insurance—assuming it to remain in private hands—will undergo sharper trials and worse discouragements than the war itself has brought upon it.

Savings

One more point of primary importance to life insurance may perhaps be touched on, viz: the rate of saving and the method of saving in this country. War in a variety of ways stimulates savings. The savings of the war period itself, however, has from the point of view of the national economy scarcely more than a phantasmal quality, because what is saved is immediately destroyed in the military and naval operations of the war. We get thus the startling paradox that at the end of a great war the great majority of persons have saved, if we take the mere figures of Government obligations bought or of deposits in savings banks and the like as the criterion, whereas in real fact the country as a whole,—and hence its average individual citizen is necessarily poorer,—i.e., has not saved at all,—because practically every item of the country's wealth has been diminished. Thus it has been customary to speak with some admiration of the increased savings of the population of Germany during the war, at the same time that we all know that Germany has as a result of the war enormously decreased supplies of foodstuffs, metals, textile and other raw materials and all other essential commodities. In short, the Germans taken as a people have not only not saved anything whatever, but have expended in the past four years a large part of what they had formerly saved. Their asserted savings, therefore, are merely figures in books and not realities. And so, in a lesser degree, it is with our own war savings.

When Peace Comes

When peace comes, however, the savings of a nation, partly induced by the habits of the war period and partly compelled by the taxation required to meet the interest and instalments of the principal of the war debt, immediately become real savings, making the nation richer at a far more rapid rate than as if there had been no war. Through these real savings of the post-war period the nation rapidly regains all the wealth it has lost during the war and before long finds itself richer than ever it was. What is most notable in this connection at the present time, however, is that the new savings in the United States, except insofar as it is devoted to the direct purchase of the war obligations of our Government, is manifestly flowing to a greater extent than ever before through the channel of life insurance. If the present writer is correct in his reasoning, we shall see the post-war saving of the United States associated to a very astonishing extent with life insurance.

International Activities

As regards the indemnity insurances—fire, marine, casualty, liability, etc.—that which is of the utmost importance to bear in mind is that the international financial and commercial situation for this country created by the war is such that all the leading economic activities of the United States must henceforth be international in character, and that the indemnity insurances, as Mr. Henry Evans has pointed out, must be internationalized also if they are to play their proper part in the country's future. The internationalization of our industry, commerce and finance, long rather vaguely dreamed of by a certain number of our forward-looking citizens, has now been brought to pass, almost without the slightest perception of the great change by the average man, by the necessary war measure of our immense loans to our Allies—loans so immense that, as Mr. George E. Roberts, of the National City Bank of New York, has recently shown, all the gold annually produced in the world will speedily be insufficent for the payment of the mere interest upon them—to say nothing of the principal; so that the borrowing countries would be thrown back upon huge shipments of goods to the United States—shipments far in excess of anything we have ever known or now desire—if they were to attempt to meet their interest and pay off their indebtedness in this country itself. The fact is that within no calculable period of years can they meet their interest and pay off their indebtedness in this country; the money, or a large part of it, must perforce remain abroad, because no practicable means exist for getting it to our shores. And if Americans are to have any use of it, they will have to go abroad to give it employment. They will have to use this vast capital for the development of American enterprises—industrial, commercial and financial—in foreign lands, remitting to the United States no more than the annual usufruct of it. Moreover, the case just stated is made much stronger, if our financiers and industrialists persist in their efforts to build up a great foreign trade in the products of this country, increasing by so much the annual amounts due us from other countries, but which we shall not wish to have remitted to us either in gold or goods. All this means a world-wide extension of American industry and commerce; and the American indemnity insurances must expect to go wherever American industrial and commercial enterprise goes. But all this will open up a vast new field for the energy and enterprise of American insurance agents, as well as for American insurance companies.

S and
A im
L oyalty
E nthusiasm
S incerity
M emory
A ffability
N eatness
S ystem
H onesty
I magination
P ersistence

WHEN a man who possesses these necessary qualities (and you are not willing to admit that you **lack** any **one** of them, are you?) joins the field force of a Company which issues policies containing **Double Indemnity, Disability, Annuity and Waiver of Premium Clauses** in addition to many other attractive features and besides, grants Health Service, Insurance Money Investment Service, etc., free to all policyholders.

HE'S SURE TO WIN



Such a company is

THE

GUARDIAN LIFE

INSURANCE COMPANY OF AMERICA

Established 1860

Assets January 1, 1918	$54,664,135.11
Liabilities	48,783,312.38
Guarantee and Dividend Fund	5,880,822.73
Insurance in Force	169,043,316.00

Paid business 1917, $24,816,657.00, exceeding by over $3,750,000, the largest amount paid for in any other year in the Company's history.

For a direct Agency connection, address

T. LOUIS HANSEN, Vice-President and Agency Manager

50 Union Square, New York, N. Y.

The Power to Sell Insurance

(Continued from page 13)

nouncement of the contest personal letters are sent to all participants and attractive printed matter mailed to them which stirs them up and gets them working and a corps of experts continually coach them from the Home Office.

To enter any athletic game wholeheartedly, one must have a keen zest for combat. A man who does not play to win, loses interest. An agent who does not enter a contest enthusiastically is usually not a good loser and has a faint streak of yellow in him, for analysis will usually show that the reason for it is that he is afraid of being beaten. Such agents don't really enjoy games at all and do not play them with persistence.

The recent great June Drive of the New England Mutual, which was called Policyholders' Month 1918, in which the producers of that company went "over the top" with more than $7,500,000 production paid-for new insurance is a fitting example of what response loyal agents will make to a vigorous well-organized contest for life insurance.

Company Publications

Company papers containing live articles of interest and illustrations about the company and its policies are inspiring to the agent in the field. The trouble with most company papers is that there is too much slapdash about them or there is too stiff a dignity in them. Between these two is a happy medium.

Agency Meetings

Some general agents and managers get their agents together every morning, even for a minute only, to talk over conditions and to send them out in the field with a cordial word or a bit of advice on some particular subject.

Advertising

Advertising intelligently directed is one of the greatest powers in the sale of insurance and is practically invincible. Unless a company and agent advertise they remain stationary and do not prosper. Competition requires them to keep their business and names constantly before the public, for if they do not, they will be pushed aside by more enterprising companies and persons.

A study of the big companies will convince even a casual observer that these business-getters have efficient power plants, known as selling departments or agency departments.

These departments are constantly inventing new schemes to get business and their job is to direct the publicity of the company.

Advertising consists of:

Direct publicity by means of letters, circulars, posters, booklets and national advertising in magazines and newspapers and insurance weeklies.

General publicity by means of articles of real news concerning the company being sent to the daily newspapers and the insurance weeklies; and advertising schemes, such as the issuing of calendars, blotters, key rings, rulers, paper cutters, and other novelties, and the preparation of posters, window displays, policy labels, attractive inserts, household mementos, etc.

Successful agents usually follow up the company's program of publicity with local advertising. The question of advertising for local papers must be a direct appeal to people who need insurance. The proper seasons for this class of advertising are directly after fires, during dry spells, building and moving seasons, after a terrible railroad wreck or an automobile accident, or the robbery of a home, etc., depending on the class of insurance to be sold.

Cites Some Cases

One of the foremost National advertising campaigns is "Get Aetna-ized", the accident insurance advertising of the Aetna Life. Harry Porter, the agent of this campaign, in an address concerning this series said that "cold arguments in accident insurance advertising lacked warmth of appeal. Known primitive emotions were taken advantage of today and a decision was propelled by making up a reader's mind for him. After his interest and possibly his fears were aroused, we make him sign the coupon and leave him little else to do."

Another national campaign of advertising is that of the Hartford Fire Insurance Co. In speaking about this campaign the excellent company publication, "The Hartford Agent," recently said that every Hartford advertisement was an opportunity to boost; that "Hartford protection" was now a household word and was spreading the gospel of insurance, more insurance and complete protection.

Newspaper cuts of advertisements are furnished by the company and an illustrated letter to send out to the agents, mail list and a large reproduction of the advertising are furnished on request.

Indiana Window Display

James M. Woodhouse, who was the capable manager of the Phoenix Mutual for Indiana, recently evolved a window display of life insurance at Evansville, Ind., which brought throngs to see his interesting exhibit. A vacant store on the main street of the city was hired. Prominent in the window was an electric light which flashed on and off. A big sign in the window called attention to the fact that every time the light went out some one died. Various life insurance facts were bulletined in the window and attractive circulars were issued inside the store.

Robert C. Knox, manager of the Aetna Life for Connecticut, has introduced a new system of sign advertising in Hartford. He has a display case in front of his office containing up-to-date pictures of the war, etc., in addition to which he has something original to say each day about a burglary policy, an automobile policy, a fire policy, a workmen's compensation policy, a surety bond, etc. Crowds read his daily pictorial letter.

Company Schools

To develop power in its agents in the selling end of the business some companies undertake to have home office and correspondence schools. Fundamentals of the business are taught by experts. In the home office schools candidates apply for positions and if they show aptitude for the work and have the right sort of disposition they are taken into the school and a whole lot of concentration put in on them.

The objects of the school are to get agents into a state of mind where they will continue to teach themselves. They are taught to observe, listen, read, discuss and think.

The course covers a certain period of time. The students' expenses are usually borne by the company and they are paid salaries as well. The school is in charge of an instructor who is an experienced teacher in salesmanship. The prospective agents are taught to know the policies the company is selling, the history of the company and become personally acquainted with the home office officials and heads of departments so that when he goes into his territory he is a thorough company man.

He is taught in these schools to find the right kind of prospects and how to follow them up. He is told how to get advance information about every prospect he is to meet. How to sell insurance is the science he must learn before he goes forth to conquer in the field. He must find out how to prepare for the interview, how to approach his prospect, how to describe his policies, how to close, etc.

He is told not to do all the talking and not to bore the prospect. All the prospect desires is a good proposition. He should pause at the right time and give the prospect a chance to sign. Above all, he should always keep something in reserve for final arguments.

Among home office schools, one of the best known is that of the Travelers Insurance Co., Hartford. This school is very successfully conducted by Louis N. Denniston and assistants and several sessions are held annually. Graduates of the school are sent out as cashiers and eventually become branch office managers.

Metropolitan's Course

Many companies have reading courses in life insurance. A course issued by the Metropolitan Life Insurance Co. contains the following:

Lesson I. History of Life Insurance.
Lesson II. Mortality.
Lesson III. Interest.
Lesson IV. Natural Premium and Assessment Insurance.
Lesson V. Level Premium and Legal Reserve Insurance.
Lesson VI. Analysis of a Premium.
Lesson VII. Types of Policies.
Lesson VIII. Types of Policies.
Lesson IX. Industrial Insurance.
Lesson X. Moral and physical hazards in Life Insurance.

The Insurance Institute of America, an organization for students of fire, life, and casualty insurance, conducts courses of instruction and examinations in various insurance centers of the country, including New York, Chicago, Boston, Hartford, Philadelphia, Baltimore, Memphis, Pittsburgh, etc.

The National Association of Corporation Schools is a sort of clearing house for business instruction schools. The functions of this association are to develop the efficiency of the individual employee, to increase efficiency in industry and to have the courses in established educational institutions modified to meet more fully the needs of the industry. A valuable publication is issued monthly giving methods of selecting men in business, methods of conducting schools and other business educational plans.

Conventions

Meetings of agents stimulate ambition and impel confidence and courage. Every agent wants to make the convention and puts his heart and energies into qualifying by writing the required amount of business so that he may be recognized as one of the leading field men of the company. The big value of these meetings is the exchange of ideas and the talking over of business problems.

In the field an agent is up against men of all kinds of ability. He must interview the practical men, the impractical, the energetic, the shrewd, the impulsive, etc. In conventions he hears how other agents meet these various classes of people. He swaps experience and discusses plans with them and listens to important home office announcements. The oldest veteran in the service does not know it all. There is always something more to know and to discard. He becomes personally acquainted with the company's leaders; he is inspired at these conventions to go back home and do more than ever before.

Wives of agents should be asked to come to conventions for the purpose of securing their co-operation in their husband's business of selling insurance. The National Cash Register Co. employs this plan to great advantage. Too many wives do not know what their husbands' business is like and special meetings of their own at conventions, tell them through snappy demonstrations just what their husbands do and where they stand. Such meetings secure a better spirit of co-operation between husband and wife. She is told at the convention to give her husband encouragement and assist him in the little ways that count for his good health and efficiency.

The stories of the activities of the recent Equitable Life convention at Asbury Park tells the reasons why meetings of agents result in great profit. As reported in a recent issue, The Eastern Underwriter said concerning the usefulness of these meetings:

"After plugging all year to win membership in one of the Equitable Life's Clubs, those who are fortunate enough to qualify gather in various sections of the United States to indulge in several days of the most strenuous work possible, swapping experiences, discussing plans and listening to important announcements from the Home Office. The Equitable Life Club meetings are bee-hives of activity. They are filled with action from beginning to end. There is a real Equitable spirit which dominates the delegates on this day. It is a spirit that puts life into life insurance. It is a spirit that gets more for delegates attending any meetings. It is a spirit that should be found in all meetings of life insurance men where they are gathered together for business conferences."

The indifference of prospects as to who shall insure them, the following up of things begun, the laying out of a sales campaign for more and better business, character building and health conservation are problems for producing power in the man, in the field, but by equipping himself thoroughly with all possible knowledge on insurance subjects he will create in his prospect the desire to purchase and in himself a more intensive desire to sell.

Cackling of Hen Gave Inspiration For Sale

By Albert M. Walls, Salisbury, Md., General Agent Continental Life

It was a cold day in January about three years ago, and I drove out to a farmer's house about ten miles from town to deliver a thirty-year endowment. I found the husband and wife at home. Both were pleased with the contract, but Mr. MacIntyre, (the applicant), an extremely cautious person, said that while he had the money at that time to pay the first premium, he was not so sure of the future. Of course, I used every argument to overcome this objection, but seemed unable to do so until a hen cackled and Mrs. MacIntyre ran out of doors to bring the egg in to keep it from freezing, the weather being bitterly cold.

As she returned to the room, holding the egg in her hand, I said, "Mrs. MacIntyre, what are eggs worth?" "Thirty-six cents per dozen," she replied. I immediately asked if they did not average twenty cents per dozen the year round, to which she answered, "Certainly, and possibly more."

No Argument Like An Egg Argument These Days

That was my cue. I immediately pointed out: "Why, you and your husband should not worry about this policy. You have the money to make the first payment and all that is necessary for you to do is to put a half a dozen hens in a coop and the eggs from them will take care of the premium on this policy, which will amount to about ten cents per day."

The wife thought the idea a bright one. Seizing her husband's check book, which was on a table, she said to her husband:

"Darling, I like that idea. We will shut up six hens and take the eggs from them and let them pay for the policy." During this time she was writing out the check, which she passed over to her husband for his signature. He signed it.

I might add that this policy is still in force and the husband and wife are counted among my best friends today.

Soliciting as Seen By A. L. Farmer

GOOD ADVICE FROM OKLAHOMA

Man Who Helped Write $70,000 Premium Says, Know Insurance Need When You See It

Since January 1 the business of A. L. Farmer and A. E. Duran, New York Life special agents in Tulsa, Okla., is in excess of $3,000,000. *They wrote one premium of* $70,000. *Mr. Farmer was asked by The Eastern Underwriter to write something about salesmanship especially for this edition. What he wrote follows:*

There are many important essentials to the successful conduct of a life insurance agency, but to my mind the three greatest are these:

First, hard and continuous work.

Second, the cultivation of the faculty of determining what constitutes a prospect.

Third, the employment of tact and judgment in the solicitation of business.

The man without education, tact or judgment will get some business if he continually works. The man having the maximum of tact and judgment will get very little business if he does not work. I have seen men produce large volumes of business with apparently little effort, but on closer investigation of their methods I discovered that while they were not always on the street hunting people, they were always studying their business and mentally scanning the horizon for possible applicants.

Getting Established

The most successful life insurance men of my acquaintance are men who have settled in thriving, prosperous communities, and become an active, integral part of these communities, interesting themselves in its affairs and making themselves generally useful and helpful to the public in general, and to their clients in particular. As time goes on such men come to be known as representative men, and the public is inclined to look upon them, not as a representative of their respective companies, but as the company itself. Having established themselves as being reliable, and as setting the interest of their clients above their own selfish interests, the public is inclined more often than not to leave not only the character of policy to the judgment of the agent, but to leave the amount of insurance to be taken to his judgment.

Thus, this agency often does not refer to the amount of insurance in discussing an increase with the prospective applicant, but we direct our attention to impressing the prospect with the need for a given form of policy, or the need of protection along certain lines. Having fixed this idea in the applicant's mind, he is usually willing to abide by our judgment as to what the amount of insurance shall be. Generally speaking, an agent living in the ordinary city has sufficient knowledge before talking to his client of that client's business to determine better than the client himself, not only the form of policy best suited to his needs, but the amount of insurance which he can carry without serious difficulty.

In our experience of nearly eleven years in one district, we have in less than a score of instances written a man so small an amount of insurance that he subsequently was induced to buy an additional sum from another agent within twelve months thereafter. During the same experience we have been forced to reduce the amount of insurance written in only an occasional instance.

When Insurance is Wanted

It would appear that many agents fail of success because they do not know a prospect when they meet it in the middle of the road. They fail to take note of the need for insurance where a man is enlarging his business; they fail to write wealthy men because they do not bring to the attention of these men the need of insurance for inheritance tax purposes, or they do not sell an income policy in such a case because they do not impress the wealthy man with the certain fact that wealth is the most elusive thing in the world. They do not grasp the idea that a sudden death in a family is likely to impress other members of that family with the uncertainty of life; they do not see that an increase in a family should call for additional insurance protection, because that increase means added liability. Many such agents do not undertake to discover who makes mortgages, what concerns issue bonds, and they are not in touch with any banking institution who could give them data upon heavy borrowers of money. They do not take advantage of the fact that even though a man may be involved in bankruptcy, he may save from the wreck enough to buy insurance to secure his dependents because of their loss of fortune.

To my mind the life insurance business is the one and only business in the world which enables a representative to profit from almost every turn in human affairs. If people in his community grow richer, he gains by reason of the fact. If they grow poorer there is a greater need for his goods. If death enters the door, his opportunity is there. If he buys groceries, dry goods, jewelry or clothing, the man with whom he transacts business is almost sure to return that favor in time.

With such an unlimited field of endeavor, is there any reason why any normal man, or one with reasonable intellect, should fail of success in the business of life insurance?

TERM POLICIES

This is Time to Make a General Canvass For Purpose of Converting Them

Term insurance is temporary insurance. Nine out of ten men who buy Term policies fully intend to place their insurance on a more substantial footing a little later on, but it is well established that these policyholders seldom convert of their own initiative. They wait for an agent to come and persuade them into it or they wait for the Company to notify them that the term period has expired and the policy must be converted.

"At present writing, we do not know offhand how many Term policies we have in force throughout the United States, or how many of these are ripe for conversion, but we do know there is a tremendous amount of money in circulation just now and that thousands of men are financially able to-day to negotiate permanent insurance who might not have been able to do this a couple of years ago," says the "Fidelity Fieldman," published by the Fidelity Mutual Life. "Every man with money is trying to find a safe place to put it. A man with money and a Term policy couldn't find a safer place or a more logical business arrangement than to put some of his surplus into the immediate conversion of his Term Policies into a more stable and enduring form of protection. The prosperous conditions all around us argue strongly for a general canvass of all our Term Policyholders. Every case is worth a call.

"Incidentally, it is quite common just now to receive applications for additional insurance growing out of the agent's effort to convert term business."

"Even a life insurance company cannot afford to insure one life—it can only afford to give insurance when there is a group of policyholders. If a life insurance company cannot afford to insure one life, how much less can you?"—The John Hancock Satchel.

We Desire An Able Underwriter

to Organize and Develop

A Large City Agency



Apply to the Home Office

IF I WERE KING

By Henry Moir, President of Actuarial Society of America, and Actuary of Home Life

We all build castles in the air and drink from a bubbling spring of joy when we give vent to our imagination and dwell upon what we would do, if we were someone else—a really important personage! So the actuary often fancies himself an agent, and discards his modest fixed salary in favor of a proper system of remuneration depending upon the results achieved. At such times, with pipe in good order and luxuriously lounging in a library chair, he writes—not $12,000,000 a year as does Mr. Rosen—but $100,000,000 or more, as his vision follows the smoke drifting towards the ceiling. After all there is some solid foundation for these happy fancies, because the planning of policies, the special features, the privileges and benefits, all rest with the actuary, and hundreds of millions of insurance are written as the result of his efforts. Would that he might also secure a commission on results!

If I were an agent, mixing with the same class of people I meet from day to day in business, on the train in the morning, or on the golf course, I should devote most of my energies to the writing of Limited Payment Policies. There is a flexibility about them and an attractiveness to thoughtful men which does not hold in the case of the Ordinary Life or the Endowment Policy.

We All Expect a Long Life

In the first place it is so easy to get a thoughtful man to endorse the view that his old age must not be burdened with premium payments. The basic thought in life insurance is compensation for early death; but, in spite of this primary intention, nearly every man has within him a strong feeling of hope and expectation that he may reach a ripe old age, to be then honored and respected by his fellows. He does not want the burden of premium payments after age 65 or 70.

The point of resistance to meet is that the cost is decidedly greater than that of the Ordinary Life Policy; but many agents forget that there is no particular magic in the 20 Payment Life form; if they study their rate books properly they will usually find that a 30 Payment rate is available. For a young man of 40 the difference between a 30 Payment rate of $33.50 and an Ordinary Life rate of $30.94 is a small matter that a good agent can waive aside. The higher rate carries greater cash values and dividends. At younger ages a longer period can be used, if necessary. For example, at age 25 the 40 Payment Life rate of $21.57 compares with an Ordinary Life rate of $20.14. These long term policies need only be urged when the applicant wants a large amount of insurance for the premium he can pay,—as in the case of a young man recently married or with a young family and increasing responsibility and expense. So far we have dealt with the Limited Payment in relation to the Ordinary Life Policy.

The Other Side of the Shield

The other side of the shield is equally interesting. Many prospects for life insurance want to make a provision for their own old age. They can do this better by the Limited Payment Policy than they can by taking an Endowment. Several of the progressive companies have for several years been writing Limited Payment Policies containing what is called an "Endowment Option." It was one of the simplest developments which came from the actuary, the force and benefit of which has not been realized, even yet, by agency men. At age 25, the 10 Payment Life rate is nearly the same as a 20 Year Endowment premium. If an applicant of age 25 suggests that he would like a 20 Year Endowment Policy, a good agent can convince him in a few minutes that he can get a much more flexible contract in a 10 Payment Life. At the end of ten years he may discontinue premium payments and keep his insurance paid-up; but if at that time he still wishes an Endowment, he can continue paying the same premium he has paid during the first ten years and secure the sum insured for himself at the end of twenty years. He would get an additional cash payment at that time of $30 ($1,030 in all) which equalizes, completely and exactly, the slightly larger premium he paid over the regular 20 Year Endowment rate. The same principle can be and is applied to all the other forms of Limited Payment Policies. For example—a 15 Payment Policy at age 46 has a premium nearly the same as a 20 Year Endowment at age 46. The 20 Payment Policy at age 30 has a premium nearly the same as a 30 Year Endowment, and so forth. What defense has Mr. Endowment against a suffrage attack like this by Miss Limited Payment?

Fair Play and Flexibility.

At all ages there is an Endowment period which represents the equivalent premium to that of the Limited Payment Policy. At age 35, a 20 Payment premium is just about the same as an Endowment maturing in twenty-eight years. An applicant may take the 20 Payment Policy; at the end of twenty years he may either take his paid-up insurance at that time or he may find himself in a position to continue paying the same premium for eight years more, when he draws the sum insured in his own lifetime, with a small bonus to compensate for the few cents which he has paid each year in excess of the mathematical 20 Year Endowment rate. Fair play and flexibility are the feature of such policies.

Agents, put on your thinking caps and enjoy a pipe or cigar with the actuary—you will find something besides foolish fancies in the curling clouds.

The Habit Talk

By Hugh S. Hince, Editor The Connecticut Mutal Life

The habit talk is something like the artist's box of water colors. Each color is in its own place, which never changes, and at no time are two colors to be found in one position in the box. The artist, by constant use, becomes so accustomed to the position of the various colors that he is often able to dip his brush into them without looking to see exactly what he is doing. Indeed, he can keep his eyes focused on his subject without being at all distracted by the mechanical process of taking up more color with his brush. This makes it possible for him to keep his attention on the effect of the color which he applies to his painting of the subject.

Very similarly with the habit talk. The principles of the sale always remain constant, and it is only the phraseology which we use in presenting our proposition which is subject to frequent change. With a habit talk properly arranged in correct sequence and habitually used, the time will come when we shall be able to apply colorful arguments without having the mechanics of our sales talk intrude upon our consciousness in any way, and we shall be able to study the results upon our prospect of what we say, without dividing our attention between his reaction and the task of memorizing the various steps of our habit talk.

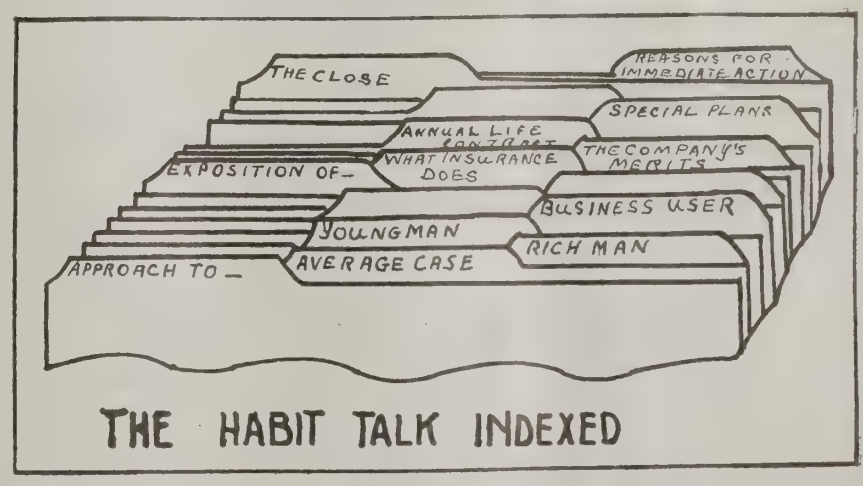
Perhaps a more concrete illustration of a habit talk is to liken it to a card-dex filing system containing guides and cards headed so as to be convenient for the framework and material of a habit talk.

Some one has said that a good picture is worth a million words, so we will try to picture the relation between a habit talk and a card file.

The illustration given shows roughly how the main divisions of a habit talk may be marked out on large guides, having tabs on the left of the file. Behind them, having tabs to the right of the file, are the various cards to be used for the actual wording of the parts of the habit talk.

It is quite obvious that the headings in our illustration have not been carefully studied and are only presented to show the method of building a habit talk. Of course each selling organization which wishes to develop a habit talk will first of all develop a frame on which to build it. It is this frame that is illustrated above. The actual sub-divisions in the frame require a good deal of careful study. Once decided upon, the frame of a habit talk will seldom, if ever, change. But the material on each of the cards under the various headings will change frequently; indeed, probably no week will go by without the agent learning something which will cause him to change his method of presenting some part of his proposition. As soon as he has decided upon such a change he should take the corresponding card out of his habit talk and rewrite it to suit the better plan which he has found by experience.

It is not readily understood why the salesman should feel himself competent to proceed without a habit talk any more than an actor might consider himself competent to "put over" a vaudeville sketch without rehearsing it or knowing anything at all about what he was going to do when he went on the stage. Of course, we all know that vaudeville artists study each part of their lines very minutely and know exactly what they would do in almost any circumstance which might arise in their experience. And it is this finish and polish and studiousness that allows the successful vaudeville artist to, as they say in the theatrical business, "put over" his act.



THE HABIT TALK INDEXED

What Counts Most in Personality

IT'S HEART, SAYS LORIN HORD

Minneapolis Man Explains Why Many Agents, Not Physically Attractive, Win Out

By Lorin Hord, Manager Home Life, Minneapolis

Webster gives three definitions of personality. Number one being "That which constitutes distinction of person." Passing number two, number three says, "That quality of the law which concerns the condition, state and capacity of persons." Definition number one is the thought I have in mind: i. e., that which constitutes distinction of person or individuality.

Judge Ben Lindsay, of Denver, recently had a case before him of a boy who stole a pocket book. The lad was questioned by everybody about him charging him with the theft, and he denied it vehemently every time. When he was brought before the judge the latter said: "Well, Robert, did you take the pocket book?" and he immediately replied: "Yes, sir." The Judge asked him why he denied it to everybody and he said he did not know except that he guessed he did not like their faces.

Personality of Christ

I wonder how many of us have tried to contemplate the personality of the Christ, how He drew thousands to Him. I have often thought that the painters who have tried to imagine His face have failed utterly in picturing that wonderful personality, except one phase, the Man of Sorrows. We know that He had red blood in Him and we know that He had fighting blood. We, of course, know above all else of His tremendous power to love His fellow men. Right here is the keynote in my judgment of a salesman's capacity for doing business and for having the kind of personality that draws men and customers to him and puts shekels in his pocket.

This keynote that I am trying to indicate and the one that rises above all in my judgment is the ability of the salesman to love his fellowmen. To have the fulness of this gift would be to become the personification of Christ, but this quality will do more toward bringing results than any other that harks back to the fruits of the spirit as indicated by scripture.

Creating Your Own Atmosphere

Have you ever asked yourself this question: Why is it that one man can write $1,000,000 of business in a year, while I have a hard time producing $100,000? Why is it that I have trouble getting into a man's office, being obliged to spend time thinking up ways and means to accomplish this, while other life insurance men enter without even a card? Why is it that I create an atmosphere that shows in the customer's manner that he wants me to leave, while another salesman has been invited to remain and even lunch with the customer? Why is it that my own brother-in-law (and without any family fights that I have ever heard of) will quietly buy insurance of the other salesman? Why is it that the president of the bank who has a dozen life insurance accounts, will favor personally one or two men with his business? Why is it that some life insurance men are taken into social clubs in a hurry while others are put on the waiting list until they withdraw their names? Why is it that some men do a good business with lesser companies, and others do a poor business with better companies?

The Man Physically Handicapped

The answer to these questions is personality. If nature endowed you with six feet of stature, with a well-chiseled face, a clean-cut expression and an honest eye, a firm mouth and a fighting jaw, a pleasant smile and 180 pounds of bone and sinew, you already have many of the attributes which are effective, but suppose you haven't even one of these things to your credit. Then, of course, you are handicapped, and then what? Why it is up to you to develop the spirit I have indicated of loving every one and your countenance will soon brighten and you will have touched the responsive chord in most hearts so that many will patronize you and the remarks of your jealous competitors will be not different from that of the jealous woman who says: "I do not see what she sees in him." That's the spirit that sells and that's the spirit that makes them stay sold. A man does not have to be small in stature to be a shrimp. Neither does he have to be large in stature to be big, whole souled and responsive. You can somehow cultivate bigness, real bigness that can stand criticism, bigness that can rise above small dealings, bigness that can lose with a smile, bigness that will want you on committees, bigness that will make the office always seek you and not you seek the office, and finally bigness that can forgive a wrong and trust to God Almighty to handle the wrong doer, then you have begun to live and be a real insurance salesman.

Quotes J. I. D. Bristol

This is the most ideal time to stop this paper, and this thought is not exactly relevant, but it is a thought that bothered me for years and I expect it has bothered many others. And it has not to do with the man of ordinary caliber. I will try to show you what I mean, by quoting something I heard John I. D. Bristol, of New York, say more than ten years ago. "One hundred and ten calls will write $6,000 of business. $6,000 of business will make $110. It is a dollar a call and it is a question of how many dollars you want to earn by how fast you work."

Of men whom I know very well one who is a high-grade man in every particular, seems to follow this method. He is on the streets shortly after 9 o'clock and is still on the go as late as 5.30 in the afternoon and he has told me that he even turns to the city directory for names at times. Mind you, he has a premium collection of over $300,000 and he has been on our streets for twenty years and still this is the way he plays the game. He is successful and his methods have worried me very much. I have turned these methods over in my mind, until I finally decided I would depend upon a woman's intuition to settle it once for all; so I I put it up to my wife. I asked her if I should develop a card system along the lines of this man whom she knows about. She replied abruptly: "Most certainly not. You couldn't follow a system like that two days." Yet I happen to know that my personal business for the past five years has been in excess of this general agent's. He must see thirty people a day and I must confess to the weakness of not seeing more than two people a day.

Loves His Fellowman

Now then, both of us have a system. His is the modern efficiency system. Mine you might call the follow the line of least resistance system. And if you were to ask me how I manage to produce half a million of personal business a year, that is of actual writing not brokerage, I will lay no claim to any efficiency for I haven't a single attribute of efficiency, if it is to be counted on the conventional line of actuarial knowledge and plodding, but I do believe there is developed in me the quality I have already indicated, and that is I have more than the average person's love for my fellowmen, and I believe that is the thing that touches the responsive chord for me when soliciting life insurance.

Illinois Rated First As War Food Producer

ILLINOIS this year is producing its greatest food crop, and with the greatest labor shortage the state has ever had the crops are being cared for.

There are five counties in Illinois, any one of which produces more bushels of cereal crops than the combined total cereal crop of the six New England states.

We have several splendid openings in Illinois for men who can write life insurance and handle territory.

ILLINOIS LIFE INSURANCE CO.

CHICAGO

JAMES W. STEVENS, President

—GREATEST ILLINOIS COMPANY—

Writing Insurance In Mexico

By James H. Washburn, Consulting Actuary

Editor's Note.—Mr. Washburn, who is now located in New York, recently returned from Mexico, where he had unusual opportunities of studying life insurance for some time.

The business of writing insurance in Mexico might at first thought be presumed, in view of the vast wealth of the country, to be governed by the same principles as those which guide that line in the United States. While this is true in a general sense, it is quite different when considering details.

Great Distances a Handicap

In the first place the distances between the large cities in Mexico are much greater than those in the United States. It takes at least a day to travel from one important city to another, while, for a similar trip in the United States, the time required in the most populous portions of the country, is a matter ranging from a few minutes to four or five hours. For example, a man with headquarters in New York City may reach Jersey City, Hoboken or Weehawken in five minutes by ferry. Newark, Yonkers, Mt. Vernon or New Rochelle may be reached in from fifteen to forty-five minutes. Taking a similar trip from the City of Mexico, the time required to the nearest important city to the north, Queretaro, is at least eight hours, to the east is Vera Cruz requiring twelve or more hours. To reach Pueblo to the south one must travel all day, and to the west lies Guadalajara requiring another day's ride. The only exception is the city of Pachuca which is about four hours' run from the City of Mexico. Then, too, the large haciendas (ranches) are so vast in extent that it takes an agent most of a day to interview one or two prospects.

Small Insurable Population

It is interesting to note that, although Mexico is about one-fourth the size of the United States, geographically speaking, it has a population approximating one-seventh that of our own country. When we realize that only three or four million people in Mexico are insurable and that these are very irregularly distributed, the insurance man constantly encounters another serious handicap.

Difficulties Encountered

Mexico has 16,000 miles of railroads while Continental United States has more than 231 thousand miles. Thus we see that, taken man for man and acre for acre, the railroad facilities of the United States of America are twice as good to the insurance salesman as those of Mexico. However, when we compare the insurable populations of the two countries, it is evident that the insurance man in Mexico encounters sixteen difficulties while his companion in the United States is laboring with one. When we also consider the infrequent intervals at which trains are run in Mexico, then the insurance man's lot is still harder.

During recent years paper money has proved a serious stumbling block to the insurance salesman; that however, has been remedied by the Governmental Decree of December fifteenth, 1916, which placed all activities of Mexico on the gold basis. The best results are still unobtainable, however, on account of the serious lack of banking facilities throughout the country. There was a time when one could pay his debts by sending the customary check. Nowadays all business is transacted by the direct exchange of metallic money. Consequently the insurance field man must be not only a salesman but an expressman as well. Coupled with this s also the serious lack of liquid currency which is daily becoming more evident.

Advantages Enjoyed in Mexico

While an insurance agent works in Mexico is under many difficulties, he enjoys a great many counterbalancing advantages.



JAMES H. WASHBURN

The first element in favor of one pursuing any line of enterprise in Mexico, is the climate. During only a few hours' travel a man may encounter every variety of climate, from the heat of the tropics on the Gulf and Pacific coasts and the Isthmus of Tehuantepec, to the crisp, energizing atmosphere of Mexico's vast table land which contains its largest, most important cities and its richest mines. One can never neglect his work on account of snow and ice or the intense cold, his opportunities are limited only by his capacity to do things.

Unlimited Natural Wealth

The natural wealth of Mexico is so great that the average insurable man in that country carries a much larger amount of insurance than the same man in the United States. It is no uncommon thing to see applications for amounts ranging from five to ten thousand dollars each. The wealthy ranch owners fly for even higher game and the usual application from that source is for amounts from twenty-five thousand dollars upwards. This condition naturally neutralizes many difficulties under which the insurance agent must operate. After he lands his prospect his reward is both easy and munificent, and, if he has used proper methods and maintains these afterward, he will be sure to reap a rich harvest with each and all of his prospects.

High Commissions Paid

The commissions paid in Mexico are much higher than those in the United States. This is true both from the viewpoint of rate of commission and from the number of dollars and cents paid for each unit of insurance. The tropical rate of life insurance premium is now being charged throughout Mexico; this premium averages ten dollars more per thousand dollars of insurance than that charged in the United States. The commissions paid on the usual kinds of policies in Mexico average 10 per cent higher than those paid in the United States. After we have stopped to figure the whole thing out we find that the insurance agent in Mexico, especially as applies to life insurance, is about nine dollars richer in commissions for each thousand dollars of insurance placed, than his brother in harness here in the United States. When we think further and realize that the insurable man in Mexico takes a much larger policy than the same man in the United States, then we see the salesman's grin broaden into a hearty twenty-five or thirty dollar laugh when comparing accounts with his co-worker up here. Let us not forget that the insurance salesman although making much more than his northern brother, is certainly worthy of his hire. He spends money to go long distances, probably finds his prospect away on business for a protracted period and there are other vexations for which his larger commission earnings compensate him.

Whole Life and Endowments

Endowments have been written for the most part in Mexico, although, during recent years the ordinary life policy has been extensively placed, in fact, the writer knows of one instance where the ordinary life predominated.

Industrial Insurance in Mexico

Although the working class in Mexico is large, the time has not yet arrived to introduce industrial insurance. There are two important elements which militate against the successful prosecution of this class of insurance: The first is that the climate is so mild and the Mexican workman's habits are so nomadic, that it would be next thing to impossible to collect more than a few weeks' successive premiums from him. The second element is that the working classes are so widely separated and so unevenly distributed that the cost of maintaining the business would be prohibitive. One company, now defunct, tried industrial insurance in Mexico some years ago and dropped a cool million dollars in the venture.

Group Insurance Becoming Popular

Group insurance is rapidly coming to be understood in Mexico. Already the employers of more than sixteen thousand people have been shown the advantages of this kind of insurance. When we consider that this figure represents about 5 per cent of the total number of employees insured in the United States under group policies on June thirtieth, 1917 and, when we also know that at present, nearly all of the industries of Mexico are completely closed, then it is clear that, with the return of normal times, there will be opened to the insurance salesman an inexhaustible field for this kind of insurance.

Workmen's Compensation Law Recently Enacted

The recently enacted workmen's compensation law of Mexico has naturally enlarged the field for insurance. However, this line will scarcely be expected to develop to any great extent until the advent of better times when all wheels of enterprise will be turning.

Installations of pension systems will go hand in hand with regular and special underwriting lines. However, these too, must await an epoch of security.

Long Term Endowments Growing in Favor

Long term endowments, while not yet generally understood throughout Mexico, are becoming more popular each year and are the best defence the agent has against the oft-repeated statement, "I must die to win."

Good Field for Accident Insurance

Accident insurance was very successfully written during normal times by a few American companies at rates about fifty per cent higher than those charged in the United States. The nominal, normal accident and catastrophe hazard in Mexico are much lower than those of the United States and were naturally a source of considerable profit.

Fire Insurance Thrives

Fire insurance has been successfully written in Mexico for many years at the same rates as in the United States. The fire record for the whole of Mexico is an average of one serious conflagration in ten years. Consequently the underwriting features of this branch are both easy and profitable.

The Way to Achieve Success

While the essentials of writing insurance are the same in Mexico as those in the United States, the methods used are quite different. The salesman who breezes into a Mexican business man's office and, without further ado, comes right down to cold figures, will very shortly learn that he is a complete loser.

The insurable citizen of Mexico or more broadly speaking, the Mexican people, are most sensitive in the matter of formality. By instinct they are polite, refined and gracious and it is difficult for them to understand the sometimes abrupt though kindly manner of his northern neighbor. Respect the customs and, if you will, idiosyncrasies of the Mexican people, and you will find a warm welcome anywhere in the Republic. The insurance agent will find his prospect a veritable host and once he is able to write him, he has gained a friend who will not only repeat for him as often as he can afford, but, will recommend his newly made friend, the insurance salesman, to family and friends alike.

Habit Talks

(Continued from page 43)

Of course, it is not thought that the salesman will ordinarily use the whole of his habit talk, word for word, as it is written, but he should have all of it so well studied and rehearsed that he could automatically use any part of it as the occasion of a sale might demand. And, furthermore, he should invariably proceed by the steps indicated in the frame of his habit talk. From this there should be no exception.

The subject of the habit talk is an extremely broad one and any discussion of it that might be considered at all comprehensive would take a great deal more space than is here available.

Some office buildings in New York have a population of 10,000. As many prospects as there are in hundreds of towns.

Writes Annual Premium Plan Only

EASY TO WRITE; PERSISTENT

D. M. Allen, Agent of Mutual Life in Columbus Grove, O., Explains His Work

D. M. Allen, a successful agent of the Mutual Life in Columbus, O., writes all of his business on the Annual Premium Plan. The Eastern Underwriter asked him why he did this.

"The first reason is that it comes cheaper to the assured, than on either the semi-annual or quarterly plan," he explained.

"It is more convenient for the assured and saves the company expense and annoyance in collecting the premiums, and I have found in my experience that the annual business is more persistent, as the assured is not so liable to allow his policy to lapse. I have always made it a point to solicit men who are able to pay their premiums annually. In fact, I always very carefully scan the moral and financial, as well as the physical hazard before I approach a man on the subject of life insurance. Consequently out of the last twenty-six applications that I have written I had no rejections and but one postponement.

Temperate Town Furnishes More Insurance Opportunities

"In fact, I never approach a man without first knowing all about him that I can possibly find out. I never solicit a man who is in any way addicted to the drink habit, and in that respect will say that the young men in this locality are very free from that habit. About fifteen years ago this town did away with saloons and I have found that it has quite materially increased the demand for life insurance, as it has built up the moral tone of the citizenship of the young fellows just budding into manhood. They have a higher regard for those depending upon them and are more frugal and have money with which to buy life insurance, while in the old days of the saloons so many of the young men debilitated themselves and were uninsurable, and, furthermore, did not have the money with which to buy insurance. This is not a temperance



D. M. ALLEN

lecture but a mere statement of facts.

"I make settlement with all my applicants as soon as they sign the application and leave a binding receipt with the examining doctor to turn over to them as soon as he has passed them. I then attach my check for the full amount of the first premium. In this way all the business that I write is taken and I have to sell the insurance but once. If I did not follow this plan many times, I would be unable to place the policy because of the interference of some other unscrupulous agent or because the man may have changed his mind. I find out that a man always likes what he pays for much the best.

Watches Progress of Young Men

"I watch very closely for the opportune time to approach men. As their responsibilities and ability to carry insurance increase I impress upon them that fact and have written several from two to six times. I am always very careful not to overload a young man just starting out in life. To do so very often times causes him to lapse his insurance and makes him an enemy to the cause. There are innumerable things that an agent located as I am can do to build up a good life insurance business, if he has the disposition and does things in a tactful way. I never antagonize a man or keep drumming him continually, in fact, I write most of my business on either the first or second interview, and if unable to write him then, leave him in an approachable way for a more opportune time."

Art of Letter-Writing Anything But Dead

By W. J. Jones, Philadelphia, Penn Mutual

Some years ago I started on Market Street at the Delaware River, taking every other store on the North side as far as Eighth Street, then taking the South side from Eighth Street to the River and coming up on the North side taking in the stores, which were not taken in the first day, repeating on the South side. I do not believe I wrote $1 of business, but the experience which I gained in that week or ten days of discouraging work, has been a benefit to me all these years.

Quite a number of the men I inquired for had been dead for some years; some were too old to even listen to insurance; others were utterly indifferent and not interested. Some were inquisitive and it was from this set that I gained "Knowledge."

I made it a practice, if I could not give an intelligent answer, to make a note of the inquiry and find out the correct answer from the Company. In fact, this has always been my practice. If I am asked a question today, I give the answer as I think it should be and if there is any doubt in my mind about the correctness of it, upon my return to the office I have the answer confirmed. If I find I have given the wrong answer, even in an apparent immaterial thing, I will 'phone the man and tell him so.

Another method of securing propects is by circularizing. I have always found better results may be obtained in circularizing the same list and on a specific proposition rather than on a general form. For example: If I were going to circularize the marriage licenses, I would use a Monthly Income letter; if to insure a mortgage, I would use a Five-Year Term contract; if to merely increase a man's estate and leave a lump sum, I would use the life form; for saving, the Endowment.

These letters will bring a small percentage of replies. Then, too, prospects may be secured from your own prospects and policyholders. You may often secure the names from people you know, or with whom you have done business; and while you are at times requested not to mention their names, you have a specific reason for calling and a good opening.

Build Your Own Business



under our direct general agency contract. Our Policies provide for:

DOUBLE INDEMNITY
DISABILITY BENEFITS
REDUCING PREMIUMS

See the new low Rates

JOHN F. ROCHE, Vice-President

Organized 1850

The Manhattan Life
Insurance Co., 66 Broadway, New York

The Most Interesting Case I Ever Had

(Continued from page 5)

you direct me to. Should I get highest, you take a policy and get no commission on any business you direct me to." He at once consented and got the highest card, which I was very glad, as he thought the joke was all on me. I immediately filled out the application, which he signed without another word, giving me a check in full for the premium.

I visited with them a few minutes and left, but not until I had made an appointment for the next day with the neighbors. The following day I closed with the two neighbors and received their checks for $650.

I get a personal letter of recommendation for myself and company from all whom I do business with, which I find a great benefit in getting new business. I sold $80,000 worth of insurance in that territory and came home in two weeks with $3,000 for my work.

I had the desire generated, backed by will, which gave me motive force or action and was always positive. I sold myself instead of my contract and induced my feelings and desires in my customer.

To close my story, I will tell you what became of the other agent. He stayed with me two weeks and went into the Home Office at the same time I did. I gave him $750 in cash for his two weeks' riding with me. He thought the insurance business so good that he purand started out again alone. That was four months ago. He is now making a success as a salesman and I am sure that any man who has desire within him, backed with will power, intelligently used, can do the same.

Even a Crab Will Succumb to Treatment

By H. A. Kneeshaw, Devils Lake, N. D., Scandia Life

The hardest nut that I ever had to crack was a farmer that a banker at Peekin, N. D., with whom I was working, told me about. The banker and I were doing a good business, and I had noticed the beautiful home of the farmer in question.



"Why don't we call there?" I asked, as we were driving past. He looked horrified. "That man is the biggest crab in this township. Once he overdrew a draft and when I wrote him a polite letter about it he came in, closed his account, and I thought he was going to shoot up the bank," he answered.

"Oh, come in anyway," I said. "He will not eat us."

I was only partly right, as the dog came running out to scare us away. Back of the dog was the farmer. I pretended not to see the stormy look on his face, but attempted to shake hands and tell him what a beautiful place he had. He would not unbend. I stuck to him until he invited me to dinner. I told him that I never ate what I did not pay for. That angered him.

"You paper collar dude," he said, "if my home is not good enough for you, get off my farm."

I did my best to explain that I was trying to save his wife some bother and that I was not ready to leave as I had come to get acquainted with him. I told him I wanted his life's story; that I was sure it must be very interesting inasmuch as he had succeeded where so many others have failed.

It was below zero out, and after he was convinced that he had frozen me enough, he said: "I know you are going to try to sell me something, but you will not get a chance until you will come in and eat with me." I consented.

After dinner he asked me what was on my mind. I took out of my pocket a list of policyholders of that community, arranged in order of the size of the policy. He glanced at it and said: "Well, I will beat most of these guys anyway; I'll take $7,500." When I told him he should go to Peekin, N. D., to be examined, he said that I had another guess coming for he was done with that town for good. I took five minutes more and made him promise to go there.

Eye Specialist Helps Land Some Good Cases

By A. Alvin North, Dayton, O., Union Central Life

I had been in a city two hundred miles from home, and from some clue of acquaintance called upon a very busy man, an eye, ear, nose and throat specialist, aged 53. I sold him $5,000,



which was delivered by mail. In a few days a letter came from him, and, as I opened it, a fear that some interference had come in entered my mind, but his letter, very short, recited that he appreciated my acquaintance, and, if again in the city, he would gladly suggest to me a few approaches. This was sufficient to occasion an early call. He gave me seven suggestions, although he, immediately, killed the first by calling him on the 'phone and telling him, before I could warn him, that an insurance acquaintance was at his office and he wished to send him down. He was very promptly told to keep him as far away as possible, and, of course, no sale resulted.

Took Six Prospects

I asked him to give me the names and profession of the other men and tell me of their success, which he did. I took them in the order he suggested, the president of a soap company, leading attorney, two doctors, and two other prospects. To none did I tell that I knew the eye specialist. My success was the most marvelous of my entire career. Except one doctor, I sold each of the others $10,000 apiece, and the private secretary of the soap manufacturer $5,000. With these applications, taken and examined in forty-eight hours, I returned to the specialist, and told him there had been a very serious mistake made, that the mistake was all mine and not his, that five of these men had taken $10,000 each, but the most eminent of all, the specialist, had only $5,000.

A Little Oversight Corrected

"We must correct this at once," I continued, and I immediately began writing an application for the additional five. He did not hesitate, said he was glad of my success, and declared that he shared a pride in the result.

The only thing which disturbed him was that Dr. B. did not buy. "He is making big money," he reflected. "He moved in here from a smaller city, and in two years has become the second leading surgeon, and some day will be the first."

"I told him all that, Doctor," was my comment, "but you know how gruff he is and how self-willed. I could scarcely get into his private room, and the moment he discovered I had insurance in mind, he broke off and said: 'Save my minutes; no one can sell me a policy until the 14th of April—about seventy days hence—and that day I am going to buy $10,000, as my age changes the next day. If you want to come that day with the others, I will be glad to see you; although I warn you that you must have the best, for Mr. X the ———— man, recently paid me $200.00 for an operation, and Mr. Y, the ———— man, belongs to all the clubs I do, and Mr. Z, the ———— man, is an old friend back home, and I have always told him that when I buy he shall have a chance.'"

I said: "Doctor, I will take down the date of your birth and your wife's first name, and write in $10,000 as an amount," which I proceeded to do, and then I said: "Add your name there, and, living far from here, I will carry it just as a reminder, and I am very glad to have met you." He said: "I will not sign if there is to be any implied obligation to buy," and I answered: "Certainly not." So he signed, and, as I put the blank out of his sight, I said: "Doctor, I am going to undertake to do you a great turn which will be only in line with our plan. I know a doctor in a county seat near by, and he is our Company's examiner there. He is young and alert, and is building a good, general practice. A meeting between you two might result in his bringing his surgical cases here. He will welcome your acquaintance and will gladly examine you here in your office, and you will do me the favor of being able to see you later and present you a policy under seal, which will be submitted to you only as a sample, and you can buy anybody's on that day just as you now intend." He did not oppose this, though at first approach, he was an exceedingly gruff man.

Policy Issued

Before going to my home, I arranged with the county seat doctor for the examination, and asked him to wait ten days, so my policy would be less than sixty days old, a Company requirement, when the contest day arrived. All this worked well, and the policy was issued.

I called on the morning preceding the day when he was going to buy for sure. The gruff man greeted me cheerfully, waving me into his private room, and of all the "samples" not under seal I had ever seen at any one time, that big, long table of his contained them, and he had all but placed his chairs for the salesman. He said:

"Look them over, and here is a place saved for your samples." Not a single one of them did I unfold, but I said: "Doctor, I have no samples. These are all good samples and I shall not help you decide which one should become a policy." Then I added: "My policy is under seal. I would not dare treat it as these blanks here before you. A few weeks ago, the eye specialist bought $10,000 of me, no samples submitted; and the president of the soap company bought $10,000 of me, no samples submitted; and D. W. A., the attorney, $10,000 of me, no samples submitted; and the doctor you pay rent to, $10,000 of me, no samples submitted, etc., and all of these men are older than you, and some of them much older than you. Now, Doctor, I am not going to see you tomorrow; you can lean my chair forward and they will think I did not come. You are a $20,000 man, and you can put my policy away and choose the second best tomorrow."

He answered: "Well, it seems so natural, I believe I will do it." And he wrote me his check, and I receipted him and went my way.

Never Too Tired To Write a $100,000 App.

By Harry B. Rosen, New York Life

It is difficult for me to say what is the most interesting case which I have ever had, but one which was rather unusual I'll tell you about. I had had a particularly hard day, leaving my home early in the morning and seeing many people, including doctors. After a bite to eat I reached home "all in." It was about 11 o'clock at night and I immediately retired. At midnight the telephone bell rang and a friend of mine, at the other end of the wire, told me that he was at the Hotel Knickerbocker, and had with him a prominent Chicago business man whom he wanted me to meet.

"But, I am in bed," I said, "and never was so tired in my life."

"O, you can go to bed any time," was his comment, "but Blank only comes to New York once a year, and here's your chance to meet him. He leaves for home in the morning."

Insurance Always a Part of the Conversation

"I'll be there," was my reply, although I didn't have the faintest idea what he wanted to see me about. I met the gentleman. He and my friend were having late supper in the big room down stairs. We hadn't been together very long before insurance cropped up.

It is impossible for me to talk very long with any one without the conversation taking an insurance turn. I do not introduce the subject, but the other fellow always does sooner or later. When the restaurant closed I had this man's application for $100,000 in my pocket and went home and had a good night's sleep.

Sold Planter While Other Agents Watched

By M. C. Tyler, Clarksdale, Miss., General Agent Gulf Coast Life

Mr. H., a cotton planter, was in the market for $25,000 insurance, while two participating men were fighting each other for the business, the prospect being a cotton planter, and not a wizard at figures.

I got wise to the situation, telephoned one of my competitive, non-participating men, put him on, and told him to suggest that the prospect make a cross table competitive case of it, then use his own good judgment. They agreed, making engagement at 7:30 o'clock that evening.

I stopped by the doctor's home at 8:00 that night and asked him to go with me. My reason for being late, was I wanted the prospect to get a good ear full of dividends and alleged dividends, return of over charges, etc. Upon my arrival I asked the doctor to sit in the car a few minutes. Entering the office, I was offered the floor.

Addressing the prospect, I said: "Mr. H., you are a very busy man; you have heard more about rates, dividends, net cost and return of over charges, the last two days than you wanted to hear. Isn't that true?" Mr. H. answered "Yes. These gentlemen have got me about half nutty. What kind have you got?" "Mr. H., I am representing a legal reserve company, grown at home." (Taking watch out of pocket and laying it on the table.) "Since I have the floor, gentlemen, I will ask you for five minutes' time." Being accepted, I turned to my competitors, asking if they would yield to two questions. Every one of them was willing.

I singled out one of them. "Mr. D., as a man with many years' experience,

as a life underwriter, do you believe a beneficiary would collect the money for a life insurance policy, carried by the insured, in any legal reserve life insurance company?" Mr. D.: "Yes." I said: "Thank you." Then turning to Mr. F. I asked him if it was a fact that all legal reserve life insurance companies were based on the American experience table of mortality? Mr. F. answered: "Yes."

I thanked him, turning to the prospect, saying: "Mr. H., I have proved to you that a policy contract in my company is safe. I have also proved to you, using my competitors as evidence, that all companies start on the same table, their rates being figured from that table, and surely there is not a great deal of difference in any of them. You are too busy a man, Mr. H., to worry yourself about thirty-nine cents here and sixty-nine cents there. I have asked my competitors two questions, now I want to ask you one. Mr. H., if you can buy your protection in a home company, don't you think you owe them the preference?" Without waiting for his answer, I placed an application in front of him, taking fountain pen from my pocket, as I said: "Mr. H., you want life insurance protection and your home company can sell it to you." Mr. H. very proudly wrote his name on my application. I stepped to the office door, called the doctor, and it was all over.

The highest non-participating rate present was mine.

Increasing Insurance On Man Who Is Worth $250,000

By H. A. Wittliff, Dallas, Southland Life

My most interesting case was a prominent lawyer, former Judge, stock-raiser and property owner, aged 50, and worth $250,000. He was uninsured and a half dozen or more home office specials from different companies had failed to make any notable impression on his mind. A bank president, his friend and mine, arranged the interview, explaining to me at the time that the case was in his judgment, hopeless.

"Judge, I didn't seek this interview in the hope of writing your application," I said, "because I know that more capable life agents than I ever hope to be failed to interest you in the subject, but I am a young man, have selected life insurance as a profession and as my life's work, won't you please tell me why you are not carrying a $100,000 or more on your life?"

In this way I put him on the defensive and in the attitude of arguing the negative side of the question. I answered all of his objections, and emphasized the moral objection of a cash indemnity, that no one interested in his life should suffer financial distress at his death.

Not a Side Issue

The last objection made was that he had maturing obligations that must be met, and could not divert any part of his income to side issues. I explained to him that life insurance was not a side issue, but an essential part of a properly rounded estate; that it was the balance wheel that held a big business steady, and that it was the cement which held the parts together. I then closed my talk with this statement:

"If you can owe $100,000, you can afford to owe $4,000 additional. Make your indebtedness $104,000, and let this four thousand pay off the $100,000 at your death. Will you do it?" He said, "Let's go over to the bank," and within the hour following he was written and examined.

This case was doubly interesting, because the Judge immediately became as enthusiastic as the converted Turk; and has directly and indirectly influenced, to my benefit, something over two hundred thousand additional business.

Question About Weight Caused Query About Rate

By Clinton M. Odell, Minneapolis, Northwestern National Life

During the first year of my Life Insurance experience, I was introduced to a banker in Southern Minnesota by a prominent man who had interested himself in my success. The two of us invited this banker out to dinner, and after the cigars were lighted, opened up on life insurance. He listened to what I had to say, and after I had finished stated that he had all the insurance which he desired to carry for the present.

When I returned to my office I outlined a "very attractive" proposition and mailed it to him, still hoping that something might come of the interview. In this letter I told him that I was figuring on coming down to see him again. He didn't extend to me the courtesy of a regular reply to my letter, but wrote on the bottom of it, "Don't come" signed his name and sent it back.

I don't know to this day why I did it, but when I received my letter back with his notation, I took the next train for his town, arrived there in the morning, found him in the bank reading the morning paper. He greeted me: "Are you back here again?" "Yes," I said, "Can I come in if I won't talk life insurance?" He said, "Come on in; talk anything you like." Well, we discussed politics, religion and crops, and all the while I was figuring hard on something to get him interested in the real issue.

Suddenly I got an inspiration, and I said: "You are getting pretty heavy. How near the limit are you?" "What limit?" said he. Very impressively "The limit over which no man buys life insurance." "What's that," he replied. I got out my rate book with the table of ages and weights in it and found he was just one pound under the maximum. "What is your rate on Ordinary Life?" said he. The rate was forthcoming and inside of five minutes I had him signed up for $5,000 Ordinary Life.

He was examined, and before noon I was doing a cakewalk on the railway station platform, wholly satisfied with myself and delighted with the business of life insurance.

I recite the writing of this little policy as my most interesting life insurance experience, because it was one of the incidents which gave me confidence in myself and made me permanent in the business, and taught me the real meaning of the life insurance motto: "You never can tell when you are going to strike pay dirt."

Didn't Insure Early; Saw That Sons Did So

By E. P. Bean, Cotton States Life, Memphis, Tenn.

Ever since I became an insurance man, 18 years ago, I have always avoided telling a man that his policy would cost him something. I think that is a fatal mistake—instead, I have tried to show to my prospect that he is not spending any money by investing in an insurance policy, but opening the best kind of a savings account for himself and family. It is a 20-year Christmas savings fund should he live. It is a far more useful present to his wife and family should he be called by death.

Some years ago I was in South Alabama and called on a gentleman about 60 years of age. I told him my business and the company I represented. His reply was:

"Unfortunately, I took out no insurance for myself when I was a young man. I think it is a good thing. It would cost me a great deal of money now, even if I could pass an insurance examination. But if agreeable to you, see my son and try and interest him. If you can persuade him to take out

THE FEDERAL LIFE INSURANCE COMPANY, Chicago, the OLDEST and LARGEST Illinois Legal Reserve Company, originally organized and ever since continuously operated as such, now operating in its nineteenth year and in eighteen adjoining central states, with over $26,000,000 of high grade insurance in force, over $4,250,000 of assets, $500,000 of surplus to policyholders and a premium income of over $3,000 per day, desires to contract with State and District Managers and Solicitors in South Dakota, Colorado and Montana.

It wants only determined, capable, industrious men of high character and correct habits, who stand well in their communities, who will be ASSETS (not LIABILITIES) to the Company, preferably inexperienced in insurance, desirous of life-long connections, willing to be taught the profession by a company of enterprising, conservative and honorable management, whose policies and agents' contracts are unexcelled in fairness.

Such men (or women) may secure contracts, affording an opportunity to establish a COMPETENCY and a CONTINUING INCOME, to represent either the LIFE DEPARTMENT, or the ACCIDENT and HEALTH DEPARTMENT, or BOTH, as may seem mutually most advantageous.

For detailed information address, giving references,

ISAAC MILLER HAMILTON, President
or
CHARLES S. RANNELLS, Secretary

FEDERAL LIFE BUILDING, Chicago

NEW WORLD LIFE
INSURANCE COMPANY

Financial Condition
December 31, 1917

ASSETS

First mortgage loans on real estate, Liberty bonds, loans on policies, accrued premiums, interest, etc., $2,625,837.75.

LIABILITIES

Reserve needed to mature all policies, pay accrued policy and all other claims of whatever nature, except on capital stock account, $1,014,497.49.

Excess of Assets Over Liabilities —

Capital and Surplus
$1,611,340.26

1917 Greatest Year
of Growth in Company's History

Insurance in Force
$17,142,000.00

1917 Gains Over 1916

Increase in Assets
$714,917.00

Increase in Insurance in Force
$11,039,961.00

Pyramids of Progress

End of Year	Insurance in Force	Assets
1915	$4,572,495	$1,827,408
1916	6,102,075	1,910,920
1917	17,142,000	2,625,837

New World Life Insurance Company is carefully and scientifically managed and has never impaired the strength of its protection to policyholders.

Since its organization (1911) it has invested $3,242,632.00 in Bonds, Warrants and Mortgages.

It has averaged 7.2 per cent. interest annually on its mortgage investments and its losses on investments since organization have been less than 1-3 of 1 per cent.

Surplus to Policyholders - $1,611,340.26

Home Office, SPOKANE, WASHINGTON

JOHN J. CADIGAN, President

a $5,000 policy I'll pay the premium."

Son Signs for $5,000

I found my man, explained to him the value of a policy taken out early in life (he was only 25) and told him that his father now realized his mistake in not taking out a policy when a young man. Like the average person of his years, the son could not see the necessity of taking out a policy. I told him in detail what his father had said to me; he was reluctant, but I finally closed with him for a $5,000 policy, although he didn't seem to want it even if the premium was paid by some one else.

About ten days later I delivered the policy to his father and received a check for $165. Before leaving I thanked him for the policy and asked him if he knew of anyone else in the neighborhood whom I might interest and write. He gave me the name of his son-in-law about three miles away. I called on the young man; introduced myself, showed him the check endorsed by his father-in-law and explained why I had called. He didn't want any insurance; had never bought any; didn't want any then. He was well-to-do and intelligent. I persisted and showed him that a 20-Payment life insurance policy, obtainable by depositing $187 a year, was like a savings account. He was not buying anything he didn't want, but putting money away in the soundest kind of a bank. In other words, he was buying a bond of the safest kind that would mature in either one of two ways.

One way was to live 20 years and make 20 annual deposits. In that case, I explained we would return all the money he had deposited with us—$3,740.

The other way was to die at any time after the first year's premium had been paid and his family would receive the full amount of the bond—$5,000. I closed him.

Four More Sons

About three months later I received a letter from the father of my policyholder stating that he had four more boys for whom he wanted to buy insurance and asking me to call on him the next time I was in his section. I called the following week. He told me that his letter was doubtless a little unusual, but the reason for writing me was that several men had visited him after it became known that I had sold policies to his son and son-in-law—men in the insurance business who wanted to place more policies with the family, but he had told me that when the business was ready he wanted to place it with a man in whom he had confidence, and that was the reason he had asked me to call.

He had four boys he wanted me to sell—17, 19, 21 and 23 respectively. He asked how much I thought he could afford to carry on the younger boys and how much they could afford to carry after they were 21. That was an embarrassing question, and I explained that I naturally wanted to sell the boys all I could but at the same time I didn't want to take advantage of them, and his answer was: "That is why I want you to sell them."

I told him what $5,000 would cost each boy; he said he could carry that until all were 21, then he questioned as to whether some of them could carry that amount when the burden fell on themselves. I suggested $2,500 each as a burden that all could carry. He called the boys up, and two of them had to go to their mother to get their exact birth-dates, but we closed the deal. Their premiums have been paid promptly ever since.

Agents' Self Confidence Gives Prospect Confidence

By S. L. Morton, St. Louis, General Agent Connecticut Mutual

As I have had a great many competitive cases it is hard to look back and state which one I consider my most difficult case. I believe, however, that the following is about as good an example as any:

Prospect, age 38, wife 37, son 12 years old. Secretary and sales manager of large and prosperous manufacturing concern in which he was heavily interested. Wife in frail health. Dividends on his stocks representing practically all of his estate passed previous year because of uncertainties ahead. This made him susceptible to monthly income proposition as he did not know but some such thing might happen again after his death, making income to wife (not physically strong) an uncertainty.

Informed that this party was contemplating insurance, I found that there were seventeen good companies ahead of me.

Visualizing Contingencies

I secured an interview and was asked to submit a sample policy on monthly income, $100 per month, twenty years, and for life, on 20-Payment Plan, as every one of the seventeen companies had been asked to do. I told him that I did not deal in sample policies but that if he would give me a few minutes I could demonstrate to his satisfaction that the Income Service we were offering would, I was convinced, cover all the contingencies he wished to provide. I visualized this by presenting checks made out for the income suggested. He smiled and appreciated the simplicity of my proposition as compared with the idea of wading through sample policies so I saw that I was in the running. I told him that if he would satisfy himself as to the best proposition offered by the seventeen different companies, I would then prove to his satisfaction my proposition superior to that. In other words, I let the other companies cut each other's throats and then figured against the one company he thought the best of all.

A few days later he came into my office by appointment and informed me that he had decided to take his policy with such and such a company that had been conspicuous for its large dividend returns. I told him that company was a first-class company and would give him splendid service but that I could show him that my proposition was more fully adapted to his needs. I ignored this other company and explained to my prospect in detail the many advantages of my policy.

Wanted Whole Amount

Naturally, being perfectly familiar with my goods I grew enthusiastic about it and it seemed to be infectious because my prospect turned to me and said: "Well, Morton, I'll tell you what I'll do! When I came in here I had decided to give this business to the .....Life Insurance Company, but I will just give you half." I reached for an application blank and said: "Mr. .....if my proposition is not good for the whole thing it is not good for half," and began asking him the questions in the application.

I left the amount blank and he signed it that way but did not refer again to the amount he would give me. I had him immediately examined and in the meantime prepared a receipt and a note for the full annual premium for the total amount under consideration. When the examination was over I asked him if he had passed alright and he said he thought he had. I then handed him the receipt for the full premium on $18,140. He asked what that was for and I pointed out the advantage of paying his premium in advance. He wrote me a check for the amount I had given him which was for the total insurance I had talked to him. He made no reference to the amount. When I delivered the policy he said: "Morton, do you know what sold me that full amount?"

I asked him what. He said: "Your confidence in your proposition as evidenced by your statement that it was good for all or none."

I tried to interest him in some more income insurance but found that I could not do so. Then I said: "Mr. Blank, suppose you should go to the bank to borrow $10,000 and they said. 'We will let you have the money for 6 per cent., but if you pay us 7 per cent. we will cancel your loan in the event of death.'" He said: "Say that again." I repeated my statement and added, "There would be no question about your taking them up on it." "Of course," I continued, "no bank could make such a proposition but you pay the bank 6 per cent. and us 1 per cent. and you will accomplish the same purpose." "You have made me say 'Yes'," he said, "after saying 'No'. I have contemplated buying some more stock in my concern." I wrote him for $10,000, Five Year Term, dated a few months ahead and at the end of those few months, before his regular annual premium was due, I converted this policy into $10,000 Annual Life.

Incorporated 1851

BERKSHIRE
LIFE INSURANCE COMPANY
PITTSFIELD, MASS.

W. D. WYMAN, President

A purely mutual company, issuing all desirable forms of life insurance.

Its attractive literature is of material assistance to its agents.

This Company's record of fair treatment of policyholders and agents alike, makes an affiliation with the Berkshire very desirable.

Correspondence solicited with ambitious and trustworthy producers.

For particulars address—

W. S. WELD, Supt. of Agencies, Pittsfield, Mass.

Overheard Lunch Talk Landed $500,000 Case

By Perez Huff, Travelers, N. Y. City

Rather than to give you a story of the most difficult life insurance case written by me, I believe that it would be more helpful to your readers if I relate a case which I wrote for $500,000, as it will clearly indicate that it is possible to write absolute strangers for large amounts.



While lunching at a prominent restaurant I overheard a conversation between two life insurance agents, one of whom was happily telling the other of his success in writing a $100,000 case. He said that the applicant had promised him the insurance for some time; that he had made several calls, and the last one that morning resulted in closing it. The other agent congratulated him, and inquired how much insurance applicant was carrying, to which the successful agent replied, that with the $100,000 applied for, it made a total of $500,000.

Making the Private Secretary Sit Up and Take Notice

The name and business of the applicant being distinctly overheard by me, I made a note of it, and upon my return to the office ascertained that the party referred to was a man of considerable means, at the head of a large corporation. I called on him immediately, but his faithful private secretary would not allow me to see him until I had used every resourceful method to gain an audience, the successful one being that I assured him it was a personal matter of great importance, and that it was necessary for me to see his employer privately, especially as it had reference to his corporation.

After being admitted to the inner office, I assumed a dignified attitude—stating that I came upon a special mission, deeming it wise not to mention the nature of my visit to his private secretary, and that I would appreciate very much if he would give instructions that we were not to be disturbed for at least fifteen minutes, which had the desired effect.

I repeated the conversation overheard at lunch, and after remarking that I had made an investigation and discovered that prospect was reputed to be worth so many thousands, and that he had made his corporation very successful, he was in rather a pleasant frame of mind. I impressed him with the fact that he was of considerable value to his corporation, and that if he would die it would prove a serious loss to the corporation, as it would be a difficult matter to replace the value of his ability to the corporation, and I deemed it wise, as long as he had evidently passed a successful physical examination, to call at once, as this was the psychological moment to make him realize the value of corporation insurance, and thereby

take advantage of the auspicious circumstances.

He was rather stunned at first, but being a quick thinker and a clever business man, told me frankly that he admired me for my nerve, and after satisfying him that I was responsible, as well as thoroughly versed with the matter in hand, I succeeded in writing him for $500,000, on the Ordinary Life plan, making same payable to his corporation.

I now count that gentleman as one of my intimate business friends, and have secured a considerable amount of insurance through his influence and cooperation.

My agents are taught scientific salesmanship methods, which enable them to realize when the psychological moment arrives, so as to take advantage of it. This embodies the art of making a cold canvass and to develop the endless chain system. We have several splendid examples of highly successful insurance salesmen, who have written nearly a million dollars of life insurance the first year and whose production has increased in subsequent years.

Doctor Won By A Bit of Repartee

By Emory D. Bream, Des Moines, Ia., Berkshire Life

An interesting case I recall is that of a doctor whose practice was confined to pathological work and whose standing in the profession was very high. From his experience as a salesman during vacation while in college he was peculiarly suspicious because of the tactics he had been taught, and doubtless employed, in extracting money from people with little regard for what he returned. Other companies had been trying to write him; one in particular was enlarging upon a certain special deferred dividend proposition promising large returns at the end of twenty years.

As the interview drew nearer the point of trying to close it, he finally remarked that his wife wanted him to reduce the amount materially now and take small policies at intervals. Looking him square in the eyes my response was "Doctor, I did not know that you were a homeopath."

That did the work. He burst out laughing, grew confidential about his finances, and explained that he expected to go to Europe to study further but would have to borrow money for that trip. He was then in an attitude of mind to listen to advice. At first he would think of nothing but 20-Year Endowment; but his application was secured for a life policy for more than he at first contemplated. He took the trip to Europe and had the benefit of a larger amount of insurance for his family and felt that a real service had been rendered him.

Farmer Owed On Mortgage; Insurance Saves Worry

By M. M. Robertson, Omaha, Commonwealth Life

I was driving through the country last year on my way to see a prospect in a small town and was delayed on account of tire trouble. At noon I was passing a beautiful little home, saw a gentleman in the yard and asked him if it were possible to get dinner with him. He made inquiry of his wife and told me that they could take care of me. While eating I broached the subject of life insurance. He said he had never given the matter much consideration, but that of late he had been getting the opinion of different successful men of his acquaintance and that he had come to the conclusion that it might be a good thing, and asked me to explain to him the different policies. I did so, and he immediately said: "Well, I'm in debt $10,000. I am paying 7% interest. We have no children and I don't want to think that, if I should die, my wife would have to struggle to save our equity in the place, and I believe that I can dig up the extra 4% that I will have to deposit in order to make a certainty out of an uncertainty. If I die, you people pay the mortgage; if I live, I'll pay it; and if I don't want your policy at that time I can take out nearly as much cash as I have invested.



"I can also see that it will be an added protection to my banker if at any time I should have to increase my credit at the bank. And then I'll just consider at the end of the year that I did not raise quite as much crop as I usually do and then I won't miss the money I have invested in this policy."

I got his application for $10,000.

I have met and written insurance for people in all walks of life, but this man's arguments and his method of reasoning have always appealed to me, and if everyone would look at insurance from the same common sense standpoint our task would be much easier. I have made it a practice, during the last few years, to confine most of my soliciting to men above forty years of age as it seems to me that the arguments in favor of an older person taking insurance are much greater than in the case of the younger man. The older man's earning capacity is getting less every day and he could add to his estate by purchasing insurance much easier than by any other method. I have never preached investment in the selling of insurance. I have always advocated protection and the purchasing of an estate on the easiest terms possible and advised the applicant that there were only two things in insurance that it was really necessary that he understand: First, what is the policy worth if he lives, and what is it worth if he dies; and that his motto on the wall should be: "I hope and pray that I live until I pay for it."

In fact my idea of an argument for life insurance has always been the application of common sense. I sincerely believe that the average life insurance solicitor talks over the prospect's head, and that the average solicitor will have a better business and less lapsations if he will confine himself to the simple argument produced and set forth by this uneducated farmer.

WHY BROWN SUCCEEDS

Good Company, Business Sense and Energy Will Carry Any Agent To Goal

Le Roy D. Brown, an agent of the Travelers in Hartford, made such a splendid record in such a short time that the Company informed other agents about his work.

When asked by The Eastern Underwriter to explain his success Mr. Brown's response was strictly to the point:

"When you have a good company and then apply good sound business principles, plus energy, the business comes."

FORGET TO INSURE LIVES

The statement was made in a recent issue of Leslie's that out of 12,000,000 dwellings in the United States, 6,000,000 are protected by fire insurance, but that out of a population of over 100,000,000, only 18,000,000 have taken out life insurance policies. This shows the strange contradictions of human nature.

The medical profession which was originally bitterly opposed to the Health Insurance Act, is now, Senator Colby says, entirely reconciled. As for labor, he says it would "start a revolution should the Act be repealed."

Mr. Life Man—
You Need the Continental Casualty!!!

The **Continental Casualty** has had more than 30 years' experience in dealing with Life Insurance Agents

The **Continental Casualty** has paid Twenty Million Dollars of Indemnities to policyholders throughout the United States. Thus it has created a source of valuable prospects

The **Continental Casualty** is America's largest and greatest Accident and Health Insurance Company

The **Continental Casualty** has assisted thousands of other Life Men. It can assist you

CONTINENTAL CASUALTY COMPANY

H. G. B. ALEXANDER, President

General Office: CHICAGO

SERVICE *EFFICIENCY*

THE HORNER AGENCY OF THE PROVIDENT LIFE AND TRUST COMPANY OF PHILADELPHIA

An agent in the field must be sure of two things to be an absolute success:—

The quality of his goods
Co-operation from headquarters

To better serve prospects, policyholders and agents, the following Departments of the Horner Agency are fully equipped and anxious to render any possible service:

Department of Women, for Women, by Women.

Department for writing of Business Insurance in charge of an experienced Manager.

Junior Department devoted to the proper insuring of young men.

Service Department; a veritable mine of information for both clients and agents.

"We believe the Life Insurance business is a great vocation, offering untold opportunities for business building and service to humanity for both men and women. We think it is a business where sporadic, unsystematic procedure should give way to intensive, standardized effort. It is a business where frankness, probity and high-souled courage should crowd out intrigue, deceit and mediocrity."—Quoted from the "Office Plans" of the Horner Agency.

W. M. HORNER, General Agent

McKnight Bldg., Minneapolis, Minnesota

QUALITY *CO-OPERATION*

¶ Give ear to the amateur, the cynic, or the failure in life insurance selling, and he will tell you that no man can succeed in the profession unless he wears a flock of lodge emblems, has numerous healthy and affluent relatives, visits at least six different clubs every night, and is in right politically.

¶ But, the successful life insurance salesman succeeds, as every other successful salesman, by a healthy knowledge and unceasing study of his business, by serving the best interests of his clients, by square and open methods, and by an unfailing pride in the great work he is doing.

¶ A successful-in-every-sense life insurance salesman is the highest kind of a high-grade man.

¶ And The Prudential numbers that sort of salesman, not only in tens and hundreds, but by thousands amongst its great staff.

Founded by JOHN F. DRYDEN
THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR
Pioneer of Industrial Insurance in America

THE
PRUDENTIAL
INSURANCE COMPANY OF AMERICA
Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President

Home Office: NEWARK, N. J.

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

Nineteenth Year; No. 36 | NEW YORK, FRIDAY, SEPTEMBER 6, 1918 | $3.00 a Year; 25c. per Copy

SEND LIST OF RISKS REQUIRING COVERAGE

Added Impetus Given Fire Underwriters' Excess Association By Action of Seattle Agents

GRAIN ASSOCIATION ALSO ACTS

A. A. Maloney, Continental's Pacific Manager, Heads Committee Seeking Full Coverage

Further impetus is given to the Fire Underwriters' Excess Association by the action this week of the Grain Association and the Seattle Local Agents' Exchange through the Pacific Coast Board of Fire Underwriters.

The company members of the Grain Association found at a meeting that they had only sixty-six per cent. of the coverage necessary for certain essential plants with each company carrying its maximum line and it was necessary for the members of the Association to personally secure the full coverage.

A similar condition has developed on the Pacific Coast and the home offices of companies this week received a circular letter from a San Francisco committee of the Pacific Coast Board of Fire Underwriters naming twenty-two risks on which more insurance was needed. A. A. Maloney, manager of the Pacific Coast department of the Continental is chairman of the committee.

The circular letter reads:

Seattle Risks Needing Cover

"To the Companies Doing Business in Washington:

"The committee representing the Seattle Local Agents' Exchange now in this city is anxious to be advised by this office as to the amount of capacity open on the risks listed below; and will call at your office to-morrow for the purpose of securing this information.

"In order to expedite matters, the undersigned committee respectfully requests that you prepare the data at once so that it may be given promptly to the committee when it calls."

The risks listed as requiring coverage are: Rogers Brown, Seattle Cedar Manufacturing Co., Salmon Bay, Virginia Street Warehouse, Fisher Flour Mills, Milwaukee Dock, W. W. Robinson, Stacy Street Dock, Lander Street Dock, James Henry, Smith's Cove Terminal, Great Northern Elevator, Great Northern Terminal, Pier No. 14, Pier No. 5, Union Pacific Dock, Spokane St. Dock, Erickson Shipyard, Albers Bros., Frye & Co., Barton Co., and Boeing Airplane Co.

THE GAUVIN AGENCY

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

The Largest Cash Assets of any Fire Insurance Company in America are Back of Every Policy Issued by "THE HOME"

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager
UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES, IA.

WAR RISK BUREAU PASSES 30 BILLION

By September 1, 3,400,000 Applications for Insurance Had Been Received

2,000,000 CERTIFICATES MAILED

More Than 5,500,000 Government Checks Mailed to Date—College Professors Help on Correspondence

More than thirty billion dollars of Government insurance has been written up to September 1.

Approximately 3,400,000 insurance applications have been received by the Bureau of War Risk Insurance of the Treasury Department. An unprecedented rush of business in the last fortnight has eclipsed the billion-dollar-a-week record. The total for the month of August will be approximately five billion dollars in new insurance applications.

Unofficial estimates indicate that the United States Army is substantially more than ninety per cent. insured.

New men joining the colors are almost without exception availing themselves of the maximum insurance protection permitted by law, $10,000. In the opinion of army officers this is strengthening the morale of the nation's army to a very considerable degree.

More than 2,000,000 insurance certificates have been mailed to date. They are being dispatched at a steadily increasing rate. Persons who have been named as beneficiaries under the War Risk Insurance but have not as yet received their insurance certificates are again reminded that these certificates are not essential to make the insurance protection effective.

The Bureau has sent forward to date close to five and a half million Government checks.

Checks are being mailed at the rate of approximately a million a month.

150,000 Letters a Week

The Bureau of War Risk Insurance of the Treasury Department probably has the largest correspondence problem of any single establishment in the world. More than three million pieces of mail have been received in the bureau since the enactment of the law, providing for allowances and allotments, compensation and insurance for our soldiers and sailors and their dependents. The flood of correspondence is steadily increasing and now amounts to about 150,000 communications a week.

To aid in meeting the intricate problems connected with the bureau's correspondence, 25 college professors from

(Continued on page 2.)

THE GAUVIN AGENCY

Insurance Interest In New Revenue Bill

PROVIDES $40,000 EXEMPTION

Monthly Payment Industrial Policies Under $500, Taxed 20% of the First Month's Premium

That part of the new revenue bill as finally submitted of interest to life insurance provides the following:

"The gross estate section has been amended to specifically include (1) insurance receivable by the executor under policies taken out by the decedent upon his own life and (2) insurance in excess of $40,000 receivable by all specific beneficiaries under policies taken out by the decedent upon his own life. Agents of insurance companies have openly urged persons of wealth to take out additional insurance payable to specific beneficiaries for the reason that such insurance would not be included in the gross estate.

"Section 403, which takes the place of Section 203 of the original act defining the deductions for the purpose of arriving at the net estate, inserts a provision that income taxes upon income received after the death of the decedent, and estate, succession, legacy, or inheritance taxes, are not to be deducted.

"An additional subdivision has been added to Section 403 which will grant a deduction of amounts which have been received by the decedent as a share in the estate of any person who died within five years prior to the death of the decedent. It has come to the attention of the committee that persons closely related have died within such a short space of time, that the same estate passing within a short period of time has been subjected to the estate tax and thereby diminished unreasonably because of the short period within which the two levies have been made.

"Section 404 includes a provision that returns shall be made in all cases where the gross estate exceeds $50,000 instead of $60,000, as provided under existing law.

"A tax equivalent to 8 cents on each $100 or fractional part thereof of the amount for which any life is insured, is levied under existing law, and this same tax is retained in the proposed bill.

Monthly Payment Policy Tax

"It is found that some industrial insurance is written on the monthly payment plan. A new provision is proposed in such cases to harmonize more nearly the tax upon such insurance with the tax upon industrial policies issued on the weekly payment plan providing that in the case of industrial insurance upon policies by which a life is insured not in excess of $500 issued on the monthly payment plan, the tax shall be 20 per cent. of the amount of the first monthly premium. This bill also provides that in the case of such policies issued on the weekly premium plan that tax shall be 40 per cent. of the amount paid for the first weekly premium, the same as under existing law. The bill contains a new provision in the case of group life insurance covering groups of not less than 25 lives in the employ of the same person for the benefit of persons other than the employer, providing that the tax shall be equivalent to 4 cents on each $100 of the aggregate amount for which the group policy is issued and of any net increase in the amount of insurance under such policies.

"The bill re-enacts the tax of 1 cent on each dollar or fractional part thereof of the premium charged under each policy of such insurance without change.

"During the period the insurance provisions were in operation during the fiscal year 1918 the revenue receipts from insurance amounted to $6,492,000. It is estimated that the receipts from insurance during the first twelve months this bill is in operation will amount to $12,000,000."

WANTED

Assistant to General Agent in New York City of large Life Insurance Company.

His work will consist of agency building. He will help and inspire present agents, procure and develop new ones.

Advancement assured and remuneration commensurate with results.

State full particulars. Address

"New York General Agent"

c/o The Eastern Underwriter, 105 William Street, New York, N. Y.

PHOENIX MUTUAL FEATURE

Issues "Protection Doubly Protective" Circular In Connection With Double Indemnity Provision

An interesting circular has been issued by The Phoenix Mutual Life in connection with the Double Indemnity Provision of its policies. The circular reads:

Protection Doubly Protective

With accidents occurring every day, have you ever thought that you might be one of the many to become a victim? If you knew this would happen, wouldn't you increase your life insurance? Here is an opportunity for you to double it should you die from accident.

$20,000 Instead of $10,000

If you have a Phoenix Mutual policy for $10,000 with the double indemnity provision, should you die from accident before reaching the age of 60, your beneficiary will receive $20,000.

$100 Monthly Income

If you become totally and permanently disabled before reaching the age of 60, the same policy of $10,000 with the disability clause will relieve you from payment of premiums, will pay you a monthly income of $100 while so disabled, and at your death will pay your beneficiary the full face of the policy.

The two months' contest between the Downtown New York and Boston offices of the Continental Casualty was won by the "Giants."

? DO YOU READ ADVERTISEMENTS ?

Once in a while it pays a man to read an advertisement.

For instance, do you know why the $24,816,657.00 of new business paid for in 1917 by the fieldmen of

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

exceeded by $3,751,129.00 the largest amount paid for in any other year since the Company was organized in 1860?

Do you know why very few men who can make a living selling life insurance leave this Company?

The answers to these questions will be of great value to the man who wishes to form a connection with

A Growing Company For Growing Men

For a direct Agency Connection address:

T. LOUIS HANSEN, Vice-Prest & Agency Manager

50 Union Square NEW YORK, N. Y.

Reviews Half Century of Life Insurance

AN ARTICLE BY D. P. FACKLER

Many Restrictions on Policies in the Old Days—Excitement Over Tontines

The history of American life insurance in the fifty years—1868 to 1918—is very remarkable, and is probably without parallel in any part of the old world. Though our oldest life company, the Mutual Life, completed its twenty-fifth year in February, 1868, and the Equitable had been running for nine years as the prototype of all enterprising institutions, the features of the business in 1868 had not been much changed from those adopted at the outset, says D. P. Fackler, the well-known actuary in a review of life insurance during the past century, printed in the anniversary number of the "Insurance Index." An examination of the applications and policies of those days shows that restrictions on travel and occupation were numerous and oppressive. Policyholders had to pay extra premiums for permits to go West of the 100th degree of longitude or North of the 50th degree of latitude, or South of 36:30 North latitude, between July 1st and November 1st. Few policies promised definite amounts of paid-up insurance on lapse or surrender, and the guarantee of definite cash or loan values was unknown, though long practised in England. There were no days of grace for payment of premiums, and absolute forfeiture was the penalty for failure to pay when due, except in the case of policies issued by Massachusetts companies. Death under a number of circumstances besides suicide would invalidate the insurance, so that humorists said a man must consult his lawyer to know how to die and have his policy become a legal claim.

Actuarial Practices

Actuarial practices in those days were often very primitive, and some companies valued their policies for December 31st according to the exact date of issue—requiring a tedious amount of detailed calculation which is now and for many years past has been avoided by the assumption that all the policies of any year were issued upon July 1st, on the average, which enables a company to make rapid and simple valuations of policies in groups, reducing the labor immensely.

Many changes were inaugurated soon after the last fifty years began. Late in 1868 the practice of endorsing definite cash surrender values was introduced by the Brooklyn Life Insurance Company, but that company lacked the able management which might have made a success with the new feature. Its second and last president compelled the resignation of its able secretary, William Dutcher—who immedi-

(Continued on page 9)

War Risk Bureau

(Continued from page 1)

different parts of the country have patriotically joined the bureau's staff for the period of their summer vacations, and a large number of school teachers has also been added to the bureau's working force, which now consists of more than 10,000 persons.

The bureau has received to date 3,200,841 allotment and allowance applications. In 1,880,087 of these no dependents were named. More than 1,275,000 allotment and allowance awards have been made to date.

In addition to the allotment and allowance problem the Bureau of War Risk Insurance handles more than $27,000,000,000 of Government insurance on soldiers and sailors and pays indemnity compensation for deaths and disabilities incurred in line of duty. The insurance is being increased at the rate of $1,000,000,000 a week.

High Honor For Dr. E. G. Simmons

HEADS COMMUNITY CAMPAIGN

Southern War Camp Service to be Directed by Pan-American's Vice-President

New Orleans, September 3.—Dr. E. G Simmons, vice-president and general manager of the Pan-American Life, since its organization, has received an appointment from the headquarters of War Camp Community Service, a branch of the Commission on Training Camp Activities of the War and Navy Departments, to the position of chairman and director of the Southern division of the finance campaign of the War Camp Community Service. This appointment makes him ex-officio a member of the national executive committee of this service.

The states included in the Southern division are Louisiana, Arkansas, Tennessee, Mississippi, Alabama, North and South Carolina, Georgia and Florida.

Move Headquarters to New Orleans

This appointment is of especial interest because it brings the headquarters of this activity of the Southern division to New Orleans. Since the beginning of the war the headquarters of the Southern division have been at Atlanta.

Dr. Simmons has taken up his duties and responsibilities in connection with this campaign, preparing for headquarters and arranging for the appointment of state chairmen. Because time is a very essential element, the national officers are personally taking an interest in the appointment of all state chairmen.

An interesting feature in connection with the fall campaign for the finance for this work is that it will be a merger campaign of the Y. M. C. A., the Y. W. C. A., War Camp Community Service and the American Liberty Association.

Dr. Simmons, being divisional director of the War Camp Community Service will be ex-officio a member of the merger council of the Southern division. This merger council will be in charge of all details of the campaign.

This honor which has been conferred upon Dr. Simmons is one of special note since the work of the Commission on Training Camp Activities has received such favorable notice not only in America, but in all European countries. The War Camp Community Service is in charge of the work outside of the camps, having to do with the mobilization of organizations and individuals throughout the community adjacent to all training camps and concentration camps in order that the normalities of life may be accorded to the young men in the army and navy.

Dr. E. G. Simmons has been actively identified with the life insurance interests of the country for many years. Besides being vice-president and general manager of the Pan-American Life Insurance Company of New Orleans, he is a member of the executive committee of the American Life Convention, which is one of the national bodies of life insurance men. Dr. Simmons' home is in New Orleans where he has been prominently identified with the business and social life for many years.

NEW WAR CLAUSE

Adopted by Fidelity Mutual Life—No Change to be Made by New York Life

Additional letters received by The Eastern Underwriter relative to the war clause situation follow:

Fidelity Mutual Life: This Company has adopted the following war clause for use in policies becoming effective as of September 1:

"Military or Naval Service.—If within five years from the date of this policy, the insured shall engage, in time of war, in naval service or in military service outside the limits of Continental United States and Canada, and shall die while so engaged, or within six months thereafter; or if within two years from date hereof the insured shall die as a result, directly or indirectly, of engaging in any work as a civilian in any capacity whatsoever in connection with actual warfare outside the limits of Continental United States and Canada, then the liability of the Company under this policy shall be limited to the return of the premiums paid hereon, exclusive of any extra premium paid for military or naval service or for such work, less any indebtedness to the Company hereon; unless before engaging in such service or work, or within one month (of not less than thirty days), or at the time of paying the first premium due hereon, if the insured shall be then so engaged, the insured shall pay to the Company at its Head Office such extra premium as may be required by the Company, and in like manner shall pay annually thereafter on each anniversary of this policy or within one month (of not less than thirty days), while the insured shall continue to be so engaged, such extra premium as may be required by the Company. Within one year after the termination of the war the Company will return such portion of the extra premiums as in its judgment will not be required to cover the extra hazard."

New York Life: We have not made any change in our war clauses because of the extension of the draft.

The Prudential: The extension of the draft does not necessitate any change in our war clause. The only question that might arise would be as to the limitation of amount at the higher ages, but no decision has yet been reached on this point.

Social Insurance Scored By Fraternals

GERMAN PAUPERISM CITED

Some Points in Address of President Gerard—Makes Arguments Against Health Insurance

In paying his respects to social insurance in his annual address at the National Fraternal Congress in Philadelphia last week, President R. H. Gerard said that the German brand of social reform was never destined to help the common people.

. It was a scheme first devised by Frederick the Great, who after starting his wars desired to pose as a social reformer. His people were nothing but feudal serfs. It was in reality for the landed aristocracy that his social measures were drawn.

The climax of falsehood that the German government succeeded in imposing on the American people was that there was little or no pauperism in the German Empire before the war. The idea that pauperism was about extinct in Germany was more than an impression; it was a fixed belief and was held by many American socialists, who used Germany to drive home points in their American political speeches.

Fooled Themselves

Well-informed Germans knew that there was plenty of pauperism. They knew that much of it was downright destitution, but the mass of Germans were effectually chloroformed by the Government; with every motion of their life regulated. Officially assured that pauperism had been immensely reduced they believed this, accepting the official word against the evidence of their own observation and experience. Their national pride was flattered by this agreeable misinformation.

Germany's accident insurance system dates from 1885. Its invalidity and old age insurance from 1891. The main compensation argument used in adopting these compulsory schemes was that the powerful invention of the state was necessary to force people to submit to measures that would protect them against want. As a result pauperism instead of decreasing increased. Under the American workmen's compensation insurance scheme the injured does not lose his self-respect.

Mr. Gerard made a splendid argument against health insurance and quoted William G. Curtis, of the Federal Casualty Company, and the majority report of the Special Commission on Social Insurance appointed by the 1917 legislature, giving arguments against social insurance. He believes it to be the next step to government ownership of insurance. The failure of the Nova Scotia state fund was brought out by Mr. Gerard.

Attack on Europe

Later in his talk President Gerard made an attack upon group insurance that was bitter. His arguments against it follow:

"It is yearly, renewable term insurance. Its practical value to a person who needs protection continuously is questionable because his insurability may cease at any time.

"The coverage ends with termination of employment.

"The greatest evil comes with the fact that most of the workers are led to believe that their group insurance is really life insurance and they hesitated to take sufficient protection in other forms of insurance and by the same token are prone to lapse that which they are already carrying.

"If group insurance must be written let it be of the kind that will be of service and benefit to mankind. If it cannot qualify under these requirements, we should use all reasonable efforts to defeat it."

Fall For "Writing Congressmen"

At the Congress resolutions were passed against inroads by the Government on insurance, and members were asked to make energetic protest to Congress.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President — Home Office: NEWARK, N. J.

ELECT WALLACE PRESIDENT

Utica Man Heads Agents' Association of Massachusetts Mutual Life—Successful Convention

The annual convention of the agents' association of the Massachusetts Mutual Life was an unusually successful gathering. Officers elected for the coming year are W. F. Wallace, Utica, president; Frank T. McNally, Duluth, first vice-president; Miss Georgia Emery, Detroit, second vice-president; J. Putnam Stevens, Portland, Me., secretary.

George H. Parks, of Providence, was again the largest writer of business. He read a paper on "Life Insurance and the Inheritance Tax." Mrs. Marie H. Roberts, of Columbus, O., told her experiences in writing more than any other woman agent of the Company. E. W. Hester, of New York, won the golf tournament. J. M. Blake, of Philadelphia, won the tennis tournament.

OPTIONAL ENDOWMENTS

The Penn Mutual has issued new forms of optional endowments. Of them the Company says: "They contain all the modern desirable provisions and meet the need, which is daily becoming more pressing for a workable plan to provide funds during the insured's life-time."

The Shenandoah Life of Roanoke, Va., has appointed John Holmes state agent of West Virginia, with headquarters at the Kanawha Bank Building, Charleston, W. Va.

John T. Stone Writes About Life Prospects

"INDUSTRIAL WORKERS" FIELD

New Conditions Make Possible the Purchase of Ordinary Life Contracts By This Class

In "Protection," the agency paper of the Maryland Assurance Corporation, John T. Stone, president of the corporation, discussed the question of prospects for life insurance among "the industrial workers." He said in part:

A big, new field for the life insurance prospector exists, and so far does not seem to have been worked. It covers the whole country. Every life agent can work it with big results, if he will. It is that portion of the population known as "the industrial workers." Until these war times came, bringing so many great changes in the incomes of all manual workers, those men were, with few exceptions, insured on the weekly payment plan, commonly called "industrial" because of the occupations of the great majority who patronized it. This plan was a great boon to industrial workers, whose wages were usually moderate or even small, whose living expenses left not much for insurance, and who could not, therefore, get together at one time enough to pay a quarterly or semi-annual or annual insurance premium.

New Conditions Favorable

Now, the conditions of industrial workers have changed. Their wages have increased substantially in the case of every one; and in very many cases the increase is two or three times the old wage.

There is hardly a wage worker in America who is not now earning enough to buy a one, two, three or five thousand dollar policy and pay the premium either annually, semi-annually or quarterly, without financial inconvenience.

Possibly they will be accessible to you during working hours; and they can always be seen at their homes when not at work, thus giving the solicitor not only a new field as to personnel but also more working hours to turn into commissions.

Like every other worth-while prospect, this new field must be studied, platted, the hours of accessibility ascertained, and the most convincing presentation must be thought out. With that sort of intelligent industry it will produce big results promptly.

Moreover, many of the young men who are now making big wages as mechanics, will not many years hence be the proprietors of industrial plants. They will then be the big purchasers of life insurance. The agent who now introduces them to the advantages of an "ordinary" policy and induces them to purchase one, will be the agent who will have their first and favorable attention in those coming days of leadership and influence and larger purchasing power. The cultivation of this big new field has the promise not only of the possibilities that now are, but also of the much greater possibilities that are to come.

LITERATURE OF INSURANCE

Topic of Paper Read Before Aetna Life Club by Charles R. Green, College Librarian

Insurance literature was the interesting subject discussed before the Aetna Life Club some time ago by Charles R. Green, at present librarian at Amherst, Mass. He made a general division of all insurance literature into seven general classes as follows:

1. Text Books;
2. State Insurance Commissioners' Reports;
3. Books of a general character;
4. Law Reports (Supreme Court reports and unofficial collections);
5. Magazine articles;
6. Insurance Journals;
7. General Reference Works, such as handbooks, encyclopedias, year books, maps and surveys and rate books, reports of conventions, books on advertising, salesmanship, accounting, etc.

Under the head of "Text Books," he said this class of literature was already large and was constantly growing larger by reason of the enormous growth of all branches of insurance. It was represented by books compiled by such notable authorities as May, Marshall, Joyce, Elliott, Fuller, Cooley Beach, Kerr, etc. In these books insurance is treated as school books take up grammar and geography, beginning with a history of insurance and going through all the forms and legal processes that beset the path of the insurance man.

Under "Books of a General Character," he outlined such works as Dunham on "The Business of Insurance," a compilation of articles written by insurance executives all over the country; Bradbury's Workmen's Compensation; Rhodes' Workmen's Compensation; "The First Business of the World," by Darwin P. Kingsley, which contained among other things an insurance man's creed, splendidly done in black letter and illuminated text.

Paul A. Cook, of the Stegner Agency of the Equitable Life of Iowa, Bismarck, N. D., recently insured ten brothers named Bailey. The oldest is forty-eight; the youngest twenty-five.

The Clarke & Murrell agency at Pittsburgh, for the Bankers Life of Des Moines, is the first agency of the Bankers Life to win the Secretary's trophy two times in 1918. This agency won the cup for the months of June and March and now has the advantage in the race for the permanent possession of the trophy at the end of the year.

The ideal best may be beyond us. If we wait to make a friend till we meet some one who exactly fulfils our ideal, we are likely to go through life lonely and solitary. But at least we can make it a practise to choose the best within reach. Make friends of the best people of your acquaintance. Aim at the best you know. As you go forward and find something better than your present best grasp it.—Exchange.

Everything Depends Upon Income

Why income insurance is a most valuable asset to the American people. From his income the average American has produced everything that he possesses. His home, the improvements thereon, his investments of the payments on it, depends entirely upon his income being permanent. He prides himself in his ability to accumulate, and in all his dealings his success depends upon his continuous income which can be guaranteed only by income insurance that will take the place of salary or pay for a substitute when the producer is halted in his productive efforts by Emperor Sickness or King Illness, which is bound to overtake all of us at some unexpected period, and usually just at a time that everything, by way of success, depends upon our income being permanent and not burdened by excess expenses.—The American.

HOME LIFE INSURANCE COMPANY of AMERICA
INCORPORATED 1899
PROTECTION FOR THE ENTIRE FAMILY
This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.
INDUSTRIAL POLICIES are in full immediate benefit from date of issue.
ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State Endorsement.
GOOD CONTRACTS FOR LIVE AGENTS
Executive offices No. 506 Walnut St., Philadelphia, Pa.
BASIL S. WALSH, President JOSEPH L. DURKIN, Secretary JOHN J. GALLAGHER, Treasurer

NIAGARA LIFE BUILDING



Mohawk Cor. Franklin Street, Buffalo, N. Y.

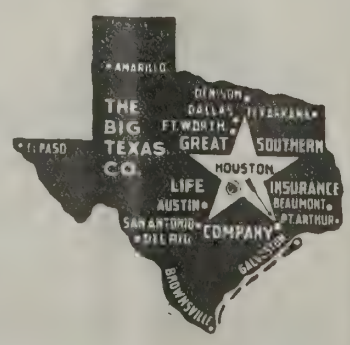
The Combined
Life, Sickness and Accident
policies, sold only by the
Niagara Life Insurance Co.
(WILLIAM H. CROSBY, President)
Protects the insured and his dependents.
Live wire reliable agents may obtain very favorable contracts
Communicate with
E. H. BURKE
Vice-Pres't & Gen'l Manager
BUFFALO, N. Y.

HOME LIFE INSURANCE COMPANY
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President
The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,-542,304.08.
For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Great Southern Life Insurance Company
HOUSTON, TEXAS.



For Agency Contracts address
O. S. CARLTON
PRESIDENT

Why Women Should Insure Women

HAVE ADVANTAGE OVER MEN

More at Ease in Dealing With Their Own Sex—Better Fitted for Many Reasons

Miss Georgia Emery, who represents the Massachusetts Mutual Life in Detroit, has told why a woman can write a woman much more easily and comfortably than a man can.

"Many men have failed to note the fall of the old traditions or have failed to grasp the real situation," she says. "To them the stray Jill here and there, who happens to have been overlooked by her Jack, and must needs support herself, is a prospect for insurance because her mother or a sister would be glad to have a remembrance in the event of death. They miss entirely the mental attitude of the independent woman who dreads the thought of the day when she may become dependent. What man would have the audacity to suggest that she might be 'unappropriated' twenty years from now! How can he urge her to save and help her to plan for her future without implying that she may not be a good manager of her finances?

Delicate Subjects

"The young woman who earns her own money hesitates to own to the opposite sex just what she does with her earnings. He cannot understand or sympathize. A certain pride forbids her to mention to him her home obligations, her necessary expenses, and her feminine foibles, just as it prevents her from discussing 'six weeks in a hospital,' 'a running ear,' 'a slight goiter,' or other physical defects.

"The man agent is much handicapped, too, in meeting women prospects. If he calls upon a nurse during her 'time off,' clad in her kimono, she will not admit him. If he calls upon a teacher at school, every other teacher in the building knows he is an agent and avoids him.

"And when finally the woman has been written by a man, he must find it difficult to keep in close touch with his policyholder—that often unappreciated source of much new business. She cannot come into his office a dozen times a year just to pass the time of day, and he cannot drop into her room when passing, just to remind her that he is at her service, without provoking comment. That valuable and desirable close friendship with his patron is lost to the man agent when his policyholder is a woman.

The Self-Supporting Woman

"Who, then, is best fitted by nature to locate these thousands of women in the industrial world, to meet them in the most natural way, to appreciate with genuine sympathy their needs and possibilities, to give them advice based on real experience and not theory, to sell them insurance best adapted to their individual cases,—who but a self-supporting woman, with the ability to inspire the confidence, without betraying it, of other self-supporting women?"

AN INTERESTING SIMILE

Very few people realize it, but everybody buys insurance on the instalment plan and it is merely a matter of choice whether it is paid for in ten years, twenty years, or a lifetime, says J. S. Hale, assistant actuary of the Northwestern National. Hence comes the designation, Ten Payment Life, Twenty Payment Life, or Whole Life, depending on what number of instalments the insured chooses to pay. But what a vast difference there is between a paid-up life insurance policy and a paid-up piano. The latter is a truly doubtful asset of constantly depreciating value, while the policy is ever increasing in value and is returning cash to the owner every year in the form of dividends.

CO-OPERATION No. 14

85 PER CENT of our 1917 business was produced by full-time representatives; 10 per cent. came from a small group of part-time men located chiefly in rural communities, and 5 per cent. was the surplus line business of full-time representatives of other companies.

Our effective plans of training and co-operation are being devoted chiefly to full-time representatives.

Phoenix Mutual Life Insurance Company
of Hartford, Conn.
JOHN M. HOLCOMBE, President

EQUITABLE EQUITABLE EQUITABLE EQUITABLE EQUITABLE EQUITABLE

Mutual in Principle and Practice
Impregnable in Strength
Enterprising, Conservative Management
Comprehensive, Adaptable Policies
Low Mortality Rate
Prompt Payment of Death Claims
Efficient Service to Policyholders
Training and Education for Agents
A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of
THE EQUITABLE LIFE ASSURANCE SOCIETY
of the United States
For agency openings address:
W. E. Taylor, Second Vice-President

Satisfied?

IS your story as an Agent Finished, or are you still waiting for the Big Chapter?

Valuable Openings in Productive Territory For Energetic Ambitious Men.

Maryland Assurance Corporation
Baltimore

LIFE
HEALTH
ACCIDENT

JOHN T. STONE
President

"LIVE AND DIE WITH ASSURANCE"

What Should Properly Constitute The Mortuary or Benefit Fund

By Sidney H. Pipe, Toronto, Canada, Actuary of Independent Order of Foresters

From Paper Read Last Week Before National Fraternal Congress

Fraternal societies value upon a basis more closely following the mortality actually experienced, and use a higher rate of interest. The life companies are now working upon a new mortality table, which will no doubt replace the American Experience Table. But this does not alter insurance principles, and the "tabular" or "usual" reserves under the new table will be substituted for the American Experience reserves. The change will not alter the cost of insurance to the public, thereby demonstrating that if the life company method of valuation is right, the fraternal society method is unnecessary and burdensome. Can you imagine the vigorous protest which would go up from companies charging practically net valuation rates if the Insurance Commissioners ruled that in all cases the net premium to be valued must be the gross premium, less actual expenses?

Let us all make some moderate assumptions as to expenses and give an illustration of how such a ruling would affect the reserves in the case of the company above mentioned.

At the age of 20 the whole life rate is $13.48 per $1,000. Expenses at the rate of $2.75 per $1,000 per annum to cover all commissions and head office expenses would not overstate this item, leaving a net premium of $10.73, which is the Medico-Actuarial 3½% net rate.

Valuing this net premium upon the American Experience 3½% basis, would produce the reserves shown in the following table. The "usual" or "tabular" American 3½% reserves are shown for comparative purposes.

	Per $1,000		
At the end of	Reserves valuing actual net premiums.	"Usual" or "Tabular" Reserves.	Difference.
1 year	$ 63.93	$ 6.19	$57.74
3 years....	76.22	19.24	56.98
5 years....	89.39	33.23	56.16
10 years....	126.65	72.78	53.87
15 years....	170.82	119.68	51.14
20 years....	222.83	174.90	47.93

It would appear that under such a method of valuation the company would be insolvent.

The question will naturally arise in the minds of my audience why the "usual" or "tabular" reserves only are required when the higher reserves appear to be necessary.

To answer that question I will give some figures. The mortality table which most accurately represents the actual experience of the life companies as far as we know at present is the Medico-Actuarial Table. For purposes of comparison I am giving in the following table the death rate per 1,000 at quinquennial ages by that table, and also according to the American Experience Table.

Mortality per 1,000

Age	Medico-Actuarial	American Experience
20	.....	$ 7.80
25	$ 4.70	8.06
30	4.90	8.43
40	5.70	9.79
50	10.60	13.78
60	24.00	26.69
65	39.00	40.13
70	61.70	61.99
80	137.20	144.47
85	203.70	235.55

It will be seen that below age 70 the Medico-Actuarial Table is very much lower than the American Experience Table. At the younger ages the former table is only about 60 per cent. of the latter. Naturally there is considable difference between the net premiums, as the following table of whole life premiums will show.

Net 4 Per Cent. Whole Life Annual Premiums—Per $1,000

Age.	Medico-Actuarial.	American Experience.
20	$ 9.90	$12.67
25	11.44	14.21
30	13.47	16.21
35	16.20	18.84
40	19.91	22.35
45	24.97	27.12
50	31.80	33.70
55	41.05	42.79

Since the Medico-Actuarial Table represents actual experience, it will be quite legitimate to assume that a company may experience the mortality shown by that table and charge the lower premiums accordingly, and also value its business upon that basis. It would under such conditions be just as solvent a company as one which experienced the American Experience mor-

(Continued on page 7.)

F. D. Macorquodale has been appointed inspector of foreign agencies of the Sun Life. Mr. Macorquodale came to the Sun Life when that company reassured the Prudential Life of Winnipeg, of which company he was actuary and manager.

Thomas W. Russell, director of the Connecticut General and Federal fuel administrator of Connecticut, has been in Washington for the last week in conference to adopt plans to equalize the supply of coal in New England industrial plants.

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

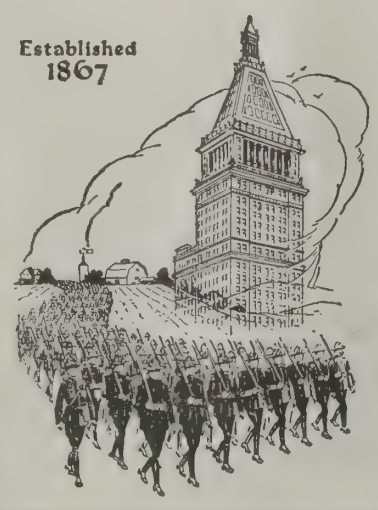
GOOD TERRITORY FOR LIVE AGENTS

Security Mutual Life Insurance Company
Binghamton, N. Y.
Offers to men able to produce business first class territory, with direct contract providing liberal compensation.
For particulars, address
C. H. JACKSON, Supt. of Agencies

15,000 PEOPLE
Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.
AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day
FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA
Insurance in force over $142,000,000
Walter LeMar Talbot, President

PURELY MUTUAL THE CHARTERED 1857
Northwestern Mutual Life Insurance Co.
MILWAUKEE, WISCONSIN
GEO. C. MARKHAM, President
INSURANCE IN FORCE, $1,604,426,324
SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued
POLICIES MOST FLEXIBLE AND EASY TO SELL
Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules
Investigate before selecting your Company
GEO. E. COPELAND, Supt. of Agencies, Milwaukee, Wis.

Established 1867



THE REAR GUARD
No more virile and efficient body of men can be found than the large army of life underwriters.
Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.
Four big success factors in the work of the Union Central Agency Force are:
The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.
The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.
The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.
The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.
THE UNION CENTRAL LIFE INSURANCE COMPANY
of Cincinnati, O.
Jesse R. Clark, President. Allan Waters, Second Vice-President

Provident agents find that in these war times it is not difficult to convince a man he is not carrying sufficient insurance.

Provident Income Insurance is easy to sell

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

FOURTH LIBERTY LOAN

John Hancock Expects Every Man Connected With Company To Volunteer His Services

The John Hancock Mutual Life through its agency paper the "Field" sends the following message to its field force in connection with the drive for the Fourth Liberty Loan:

The drive for the Fourth Loan starts Saturday, September 28, and closes Saturday, October 19.

We expect every man connected with the Company to volunteer his services to help place this loan. The Company would like every man to ally himself with the local committee of his section. Do not be afraid to volunteer your service; impress upon the committee your ability to sell Liberty Bonds. It is the intent of the agency department to aid our agents in the work of solicitation of Liberty Bonds in every possible way, and we desire a record of all sales made, in order that, at the end of the drive, we may know the number and amounts of Bonds placed through our men.

The Company will purchase its share of the new loan. It already owns more than eight million dollars' worth of Liberty Bonds. This big investment should encourage every one of our men to great effort. Let us show the six hundred and seventy or more John Hancock men, now in the service that, through the Company's purchase of bonds and through the efforts of our agents we will guarantee them food and raiment, and shot and shell, in sufficient quantity to insure an Allied success.

Mortuary Benefit Fund

(Continued from page 6)

tality, charged American Experience premiums, and valued its business upon the American Experience Table, as the actual cost of insurance only is charged in each case. We will, therefore, compare the reserves which two such companies would accumulate. Since reserves upon a 3½% basis according to the Medico-Actuarial Table have been calculated for certain ages and durations, and we are merely comparing results, I am giving the 3½% reserves in each case. Evidently if one table gives higher reserves than another upon a 3½% basis, the same result will happen on a 4% basis.

Table of Reserves Accumulated per $1,000—Ordinary Life Policy

At end of	Ordinary Life Policy —Age 25 at issue— American Experience.	Medico-Actuarial	—Age 35 at issue— American Experience.	Medico-Actuarial.	—Age 50 at issue— American Experience.	Medico-Actuarial.
1 year	$ 7.63	$ 8.18	$ 11.76	$ 12.84	$ 22.74	$ 23.96
3 years	23.70	25.33	36.45	39.94	69.37	72.48
5 years	40.91	43.77	62.73	68.89	117.31	122.01
10 years	89.42	96.32	135.76	148.37	240.96	248.97
15 years	146.54	158.58	219.15	235.78	365.70	374.18
20 years	213.04	230.40	310.75	329.02	485.23	488.22
30 years	372.38	393.65	504.71	521.33	694.75	679.03

We, therefore, see that a company charging the lower rates and experiencing the lower mortality would accumulate slightly higher reserves than the company charging the higher premiums and experiencing the higher mortality. Consequently any higher reserves than the "usual" or "tabular" reserves upon a well-established basis are unnecessary and burdensome.

The company charging the lower premium and experiencing the conditions assumed would, of course, be "accumulating and maintaining the reserve computed by the American Experience Table" referred to in Section 5, Subsection 2, of the New York Conference Bill. No other construction could be placed upon this sub-section which would be in accord with the practice of prominent companies, which is permitted by the Insurance Departments, of making what is practically a gross premium valuation upon the statutory basis.

Says Practice Is Entirely Wrong

I think it is evident from the foregoing analysis that the usual practice adopted under Section 11 of the New York Conference Bill of segregating the net premium and expense elements is entirely wrong from the standpoint of sound underwriting. It is conceivable that in the early days of Fraternal Insurance when the premium rate charged was anything that the minds of the executive officers conceived to be sufficient, a provision that some definite portion at least of an insufficient premium should be set aside as a "mortuary or benefit fund" was a proper means of protecting its members. In these days, however, when adequate reserve provision is admitted to be a condition precedent to our continued existence, this practice becomes archaic and unworkable. If we have changed our basis of operation from rates which were manifestly inadequate to rates which we claim are adequate, the test of this claim lies in the reserves "accumulated and maintained" under these rates, and if these reserves are of an amount equal to the "tabular" or "usual" reserves upon an established basis, further provision aiming at the protection of the policy contracts issued by the Society is unnecessary.

It is possible under a wide, but sound, interpretation of Section 11 to divide the gross premium, or premiums charged, into a net premium and an expense margin which are variable, so that the assured is amply protected and at the same time the Society's expense margin is not unduly restricted. The gross premium charged is presumed to be sufficient to provide the benefits promised and the reserves necessary to protect the certificate issued and to pay the necessary expenses in connection therewith. It has no other function to perform, and the size of the premium, which is erroneously supposed to decide its adequacy or otherwise, is dependent upon the quality of the business written and the management of the Society.

Sums Up

Acting upon these assumptions, it would be legitimate to provide, first, that the Mortuary or Benefit Fund shall consist of such proportion of the premiums collected, together with the interest accretions thereto, as shall be adequate to meet matured claims and to maintain the "usual" or "tabular" reserves upon a stipulated basis of mortality and interest. Second, that the expense fund shall consist of such proportion of the balance of the premium after providing for the first item, together with interest accretions as is necessary to pay expenses. Third, the balance of the premium not required for items one and two, together with interest accretions shall constitute the surplus of the Society.

Under Provision One the assured is adequately protected. The expense provision in the second clause is sufficient and no more, and is not operative until the reserves are provided for. After this point, which secures the protection of the policyholder, the expense provision is not restricted to any fixed percentage of the premium charged. Having provided for liabilities and expenses, any other funds accumulated out of the premiums constitute the surplus. Naturally, such an arrangement on the part of a society calls for an undertaking in its by-laws or otherwise to maintain the reserves out of the premiums and interest accretions from business to which arrangement is applied.

If the reserves so maintained are equal to or greater than the American Experience 4 per cent. reserves, the society comes under the operation of Section 5 of the New York Conference Bill permitting it to grant surrender values. Whether it could do so or not would depend upon the premium charged.

Question of Expense

My reasons for this paper are stated at the outset. The question of the development of our societies is primarily a question of expense, because no matter how sound a society may be or how favorable its rates are, a force of agents or deputies is necessary. It becomes an acute practical question how to meet expenses and at the same time sell sound insurance at competitive rates of premium. This, in my opinion, can only be done by treating the premium charged as an undivided source from which claims, reserves, and expenses are to be met.

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

When to Prescribe Ordinary Life

In a symposium on "When to Prescribe the Ordinary Life Policy," published in The Massachusetts Mutual Life's "The Radiator," J. Maynard Barney, of Syracuse, argues that this is his favorite contract. He says:

To prove my success so far in selling Ordinary Life—all my business to date has been Ordinary Life excepting $4,000 in 4 policies. Just now, three cases in the past two weeks, from hard competition, and it was Ordinary Life that did it. My competitors talked Twenty Payment to the young men. I talked Ordinary Life and won.

I can't sell anything else. Occasionally you find a man who wants a contract where he does not have "to die to win." Sometimes he can't be shown. He is so bull-headed that he cannot and will not see. Then, to sell anything, I have to let him have Twenty Payment Life or Endowment. I try to get long term Endowments, if possible. My most sincere hope is to be able to find an argument to reach these cases and get them back to real protection—Ordinary Life. The following short article gives my views:

When do I advise Ordinary Life? Every time I find a man who needs insurance. The Ordinary Life contract is the best insurance policy for anyone.

The Ordinary Life contract gives the most protection each year for the least cost. Lowest premiums, and largest dividends per dollar of premiums. (Term insurance is not considered at all, because a man can never buy Term insurance to cover his full expectancy. Thus it is not life insurance.)

In the second place, no man buys clothes, shoes, coal, groceries, or any other commodity, except from month to month, or from year to year. Or, in other words, would you consider the following proposition?

"The best clothing store in the United States offers you this contract:—For the next twenty years you pay $30 a year for a $20 suit. At the end of the twenty years they give you free a $20 suit each year as long as you live."

Would you consider it? I hardly think so. Why then buy Limited Payment insurance contracts when you can pay less each year for Ordinary Life?

Then take the case of the young man. He is our best prospect. Why do so many agents talk and advise Endowments and Limited Payment contracts? Usually the larger commission, isn't it? To prove that he should have Ordinary Life let us first consider his reasons for needing insurance.

First, he wants his protection at the lowest cost; and secondly, to start systematic savings for his own old age.

If he buys Ordinary Life he gets more protection from the amount he can spend each year, than from any other policy. This protection during his producing years is what he needs most of all. He needs all the insurance that he can possibly carry, and must make every dollar go as far as possible in buying insurance. Why?—because that is the only time he needs insurance. To perpetuate his income to his family if he dies prematurely, is why he needs insurance.

If he lives his expectancy he will have less need of protection. He will want to utilize his savings, etc., in enjoying his after years.

Now, just why has he had the most protection? Does the average agent tell him what his protection really is? Does he tell him that his protection is not the face of the policy but the difference between the full amount and the cash value?

Thus, when he has lived to 55 or 60 years of age he has much less protection, and, not needing so much protection, can use part of his insurance in cash values as needed.

There is another way by which a young man can make Ordinary Life contracts his best insurance. Take a case at age 25. Ordinary Life at $20.14 per $1,000, while Twenty-Payment at $30.07, or a difference of $10 per year.

He buys Ordinary Life and puts $10 per year in bank at 4%. $10 annually for 20 years at 4% equals $309.70 at end of twenty years. He takes out all dividends. Then, twenty-first year his net cost per Ordinary Life on present schedule of dividends would be $20.14 —7.48=$12.66. The interest on $309.70 at 4% is $12.39. Thus he has a policy supported entirely by interest on his savings, and he is $309.70 ahead in case of death.

I don't advise this method, because of uncertainty of savings, but I use it to show him superiority of Ordinary Life for him. Then if he has $30 or $60 to spend each year, I have him take $1,500 or $3,000 Ordinary Life instead of $1,000 or $2,000 of Twenty Payment. He buys for protection and gets the most of it for every dollar. I am also better off, having sold more insurance.

Whether his policies are paid-up in twenty years does not affect him at all. If he dies, he has left more insurance money. If he lives, he is only coming gradually to the same result. If he lives his full expectancy, one policy costs the same as another. Figure compound interest and prove it. That is, if a man lives to 96 he pays himself $1,000 on ANY Life policy. While in 40 years or more he might pay more in net premiums on an Ordinary Life contract, he would have paid the same amount, figuring interest lost on extra cost of a Limited Payment contract.

There is absolutely no case where Ordinary Life is not the best policy from an insurance viewpoint. I am selling insurance!

When we try to sell other contracts and attempt to show them better from an insurance viewpoint, we are not selling protection—we are following the lines of least resistance. That is not salesmanship. We are not doing what our business provides first and above all—selling protection. That is our only argument—and that means Ordinary Life.

* * *

Set the Pace at Home

Don't lag mentally or physically for these are war times when in every line the greatest pressure is felt. We don't want our boys at the front to lag, do we, when there is so much at stake—have you noticed any letting down in the work of our American Army of which we are all so proud? asks the "Security Agent," published by the Security Mutual. Ought not we at home to keep pace with them in our own special lines? When business men in every line are leaving their offices and their factories and devoting themselves to public work of one sort or another to help in this mighty conflict, when the farmer is working long hours in the interests of the best crops the country has ever produced, when women in the homes and women in business are employing all the time they can possibly give from home interests and business in supplying comforts to the soldiers and necessities to the hospitals, it is not a time for anyone in any line to lag. We must work on and on, neither faltering nor failing till the big task is finished. Cultivate this work habit each day and every day to that end, weed out all the little tufts of laziness from the garden of your life and prune and tend that fine plant, work, which will in the end bring you great rewards.

* * *

Would Stick To Old Policies

Agents have not thus far evinced much interest in the proposed new health and accident forms but R. A. Hoffman, general agent of the Fidelity & Casualty at St. Louis, favors the continued use of the present policies. In an interview in "The Mutual Underwriter," he says: "It's my judgment that the elimination of frills, so-called, would result in severe loss to the regular companies indulging in it, because all companies will not eliminate the frills, and those who do will drive the business, brokers and agents into the offices of such companies. It's my judgment that the present day features of both accident and health contracts are largely responsible, decidedly so, for the tremendously increased volume in late years. While I concede that the great volume of business written in accident and health branches begets us but a small margin of profit, if any, it, nevertheless, gives us a large fund for investment purposes, and after all, that's where we get our dividends for our stockholders. As a fellow once put it, 'We are no longer insurance companies—we are banking and investment institutions.' Personally, I think it would be a great mistake for the companies to abandon the present day forms. I also think that every company ought to stand on its own bottom. If I were a large stockholder and in a managerial capacity in any one of the several large institutions, I might have a different view of the proposition, but from the viewpoint of a business-getter, it is my judgment that we will go back twenty-five years if we undertake to go back to original first principle forms of accident and health insurance. Bureaus and combinations may be all right in certain respects, but in the main I beg to be excused. I would rather see an increase in rate or a reduction in commissions, than an abandonment of features that have made accident and health insurance attractive to the public."

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

Fackler on Life Insurance

(Continued from page 2.)

ately became a leading agent for The Prudential, and the Brooklyn Life reinsured shortly afterwards.

The Tontine System

Early in that same year, 1868, two life companies in New York City endeavored to revive the old-fashioned pure Tontine business. I am not referring to what was known as the Tontine Dividend system introduced late in that year, but to genuine Tontines based on the original idea of Tonti, the Italian, who introduced them two centuries before in Europe, where they had become popular. They had been occasionally employed in New York City, New Haven, and possibly somewhere else in this country. There was a Tontine Coffee House in Wall street, New York City, and a Tontine Hotel in New Haven, Conn. In both cases the funds with which the buildings were erected were subscribed by a number of persons who mutually agreed that all the income derived from the funds should be divided among the survivors, who should become the heirs of all who died. This arrangement was to continue until the end of a certain period, or until a time when the number of survivors should be reduced to a certain small number, when the funds should be divided among the survivors, each of whom should become the absolute heir of the share so assigned. All divisions of interest and principal were made in proportion to the original subscription of each survivor. Despite the old-time popularity of Tontines, neither of the life companies above mentioned was able to make a success with the pure Tontine business and they soon retired.

The original Tontine Dividend system, which was introduced late in 1868 by the Equitable, was a "cast iron" contract, under which failure to pay premiums would cause an absolute forfeiture of the policy, even though a very large amount of reserve and undivided surplus had accumulated from it. The harshness of this contract made it so unpopular in a few years that it was discontinued as to new issues, under which only accumulated surplus would be forfeited in case of lapse and the insured would be entitled to paid-up insurance, in accordance with the rules of the company. The propriety of both of these Tontine systems was hotly disputed by such companies as the Connecticut Mutual and the Mutual Benefit, and also for a time by the Mutual Life Insurance Company, but at last that company went over to the Semi-Tontine ranks. Thus, for a time it appeared that practically all companies had adopted the Semi-Tontine system, which was popularized by dazzling estimates of large dividends at the end of the Tontine periods, and enabled the Tontine companies to attract agents from other companies by paying larger commissions, as they did not have to pay out dividends annually. The high commissions thus given in the keen competition engendered the scandalous system of rebating, which, together with the indignation caused by the Tontine companies' failure to make good the "estimates" of Tontine dividends, aroused public wrath and finally in 1906 brought about the Armstrong legislation in New York State, which put an entire stop to the issuance of any new policies with deferred dividend provisions.

The radical and sweeping changes made by the Armstrong laws had some undesirable results. There were some forms of insurance in which the deferring of dividends for a limited period of, say 5 or 10 years, was not objectionable—I refer particularly to the 10-Year Renewable Term policy, which was issued by the Aetna Life Insurance Company for 40 years before the Armstrong laws. It had worked very satisfactorily for all its patrons, but had to be discontinued as to new issues under the general law against deferring a division of surplus.

Rate War

One of the most remarkable events, since 1868, occurred late in 1872, when one of the very largest insurance companies decided to crush the rivalry of new companies by a reduction in rates. It announced that in 1873 its rates would be cut down very greatly; the new premiums would be based upon the American table and 4 per cent. interest, with 10 per cent. loading for all forms of policies; in this way, its Ordinary life premium of $26.38 at age 35 would be reduced to $20.72. This was followed by a storm of protest, first from the other life insurance companies, and then from the policyholders of the company itself. The other companies sought the opinions of three consulting actuaries—Elizur Wright, Sheppard Homans and the writer, all of whom joined in an opinion condemning the proposed action as a greater reduction in premium than was warranted by mortality experience, so far as compiled. This opinion, along with a protest signed by prominent policyholders, was published December 4, 1872, in the leading daily papers of the large cities throughout the country, and ten days afterwards the offending company rescinded its action. It will be noted that the rate above stated for age 35 is decidedly lower than the participating rate of any company at this time. Six years later, the same large company again adopted rates decidedly less than were generally charged by mutual companies, the premiums for Ordinary Life policies being made just 15 per cent. lower than its previous rates. As these reductions were much less than proposed in 1872, they were not opposed by its policyholders or the other companies. After employing these lower rates for five years, the company abandoned them, and adopted premiums higher than those used by other companies, having found, apparently, that lower rates did not attract business.

First Non-Forfeiture Law

In 1879, New York passed its first non-forfeiture law for the protection of policyholders, providing paid-up insurance in case of lapse. It was thus many years behind the State of Massachusetts, which had passed such a law in 1861, and later, in 1881, extended the former law so as to provide cash surrender values as well as paid-up insurance in case of lapse or surrender. It was not until 1906, however, that New York State legislation provided in any way for cash surrender values or loans.

The scandalous conditions in life insurance which brought about the passage of the Armstrong laws in 1906 had long been recognized as the direct result of the "high pressure" competition between the largest companies to obtain the largest volume of assets and insurance. * * *

Growth of Industrial Insurance

In any review of the last fifty years, due reference must be made to the introduction and wonderful growth of Industrial insurance, which was begun by The Prudential in 1875, and by the Metropolitan in 1879. The writer of this article well remembers the insignificant size of The Prudential in 1879, when he made a valuation of its policies for the State of New Jersey; also how Mr. Hegeman, of the Metropolitan, in the early eighties of the last century worked in his shirt sleeves to give his company a start in the same line. No one could have believed forty years ago that a nickel-a-week business could be the foundation of such wonderful results in so short a period. The names of Dryden and Hegeman are entitled to enduring fame.

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.

PHILADELPHIA

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

The Connecticut Mutual Life Insurance Company
PRESIDENT JOHN M. TAYLOR, HARTFORD, CT.
Insurance in force, 113,918 Policies for..... $270,243,227.37

WHAT NO OTHER COMPANY HAS DONE

To repay to its Policy-holders in Death Claims, Endowments, Dividends, Surrender Values, Annuities and other credits more than they have paid to it in premiums. It stands alone in that result.

Total premiums received, Dec. 1, 1846, to Dec. 31, 1917	$318,963,384.44
Total returned to Policy-holders, as above noted, in same period	326,786,585.46
Excess of amount returned	7,823,201.02

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

THE EASTERN UNDERWRITER

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TAXING BENEFICIARIES OF LIFE POLICIES

Life insurance agents will feel encouraged by the expression of opinion given by General Counsel James H. McIntosh, of the New York Life, that inheritance taxes do not apply and cannot be made to apply to life insurance which is payable to the beneficiary. While this is only the opinion of one man at the same time Mr. McIntosh occupies a position in the life insurance legal fraternity which compels the deepest respect, and he would not and does not make such a statement without having a pretty clear acquaintance with the situation.

ANOTHER GROUP ATTACK

In his fifty-two page report to the National Fraternal Congress, President Gerard, of that body, launched into an attack upon group insurance which he termed "the greatest outlaw in the insurance field." That's pretty strong language. A careful reading of his report indicates that his conclusion is based upon the fact that a great deal of this class of business is written in states where there is no law authorizing same, but authorized under Insurance Department rulings. If the business were not authorized by insurance department rulings we should say that the business is "outlaw."

As it is authorized, why it isn't outlaw. The insurance departmental rulings on the subject are made by the insurance commissioners of the country inasmuch as these rules were the result of conferences between a committee of the commissioners' convention and a committee of actuaries. The position of an insurance commissioner in this country has grown to such stature that the average commissioner's wishes are followed by legislators in nearly every case whenever these officials appear before the legislatures and request change in laws. The National Fraternal Congress leaders understand this perfectly.

The real objection of the fraternals to group insurance is that the group contracts have made inroads into the business of the fraternals. In his list of objections against the group insurance idea, President Gerard says that the lapsation in the fraternals caused by group insurance leaves the workers unprotected. If his statement were correct it would have great weight in this connection, but the fact is that group insurance widens the circle of workmen's insurance protection. Investigation discloses that a large percentage of the workmen insured under group certificate were formerly not insured at all.

THE FOREIGN COMPANIES

It is not believed that any fire insurance field man could be or would be so shortsighted in this great international crisis as to attempt the persuasion of agents along lines of representing solely American fire insurance companies, nor is it conceivable that any American fire insurance company will sympathize with special agents conducting any business-getting propaganda of such a nature. To induce a local agent to surrender his foreign company supplies is not only unpatriotic, but is economically unsound. The fire insurance companies having head offices in the nations standing shoulder to shoulder with us in this war are just as much our allies as are their troops or their ships. One of the crying needs in this country at the present time is for adequate insurance coverage. If the risks engaged in making the supplies with which the war is to be won cannot obtain sufficient protection these manufacturers may appeal to the administration for assistance. Recognizing the insurance needs of these risk owners, whether they be manufacturers or grain elevator owners, the companies have determined to exert every effort to see that the protection is furnished. As a result lines have been enormously increased and there are associations of companies which are doing splendid work in coming to the rescue.

It is real public spirit which impels a company to increase its carrying capacity ten or fifteen times the normal line on a risk where the construction and housekeeping are such that a great loss is possible at any time. The foreign companies are doing their bit in this direction. The Eastern Underwriter learns of one foreign company which in the case of a $5,000,000 powder plant line is carrying $1,000,000 of this amount.

Wm. B. Gerwig, former employee of the Fidelity and Deposit, in the Regimental Games held in France on July 4th, won the 80-yard dash, the 220-yard dash, the broad jump and made a long hit which won the baseball game for his team.

R. C. Watters, superintendent of the rate manual department of the Fidelity and Deposit, has been appointed secretary of the committee handling the convention of the Spanish-American War Veterans to be held in Baltimore in September.

Walter G. Cowles, vice-president of the Travelers and Mrs. Cowles have returned from their summer vacation at Eastern Point, Long Island Shore, Connecticut.

Walter C. Faxon, vice-president of Aetna Life, is on a business trip to Chicago and St. Louis.

THE HUMAN SIDE OF INSURANCE



MISS LEONORA M. COWICK

Miss Leonora M. Cowick, president of the New England Association of Women Life Underwriters, and manager of the women's department of the Mutual Life in Boston, is now Miss Leonora M. Cowick, of the Young Women's Christian Association. For some weeks she has been preparing at Barnard College for service overseas and she resumed her life insurance role for one appearance only at the convention of the National Association of Life Underwriters. Miss Cowick was also a guest at a luncheon of New York women underwriters, some others present being Miss Little, manager of the Equitable's women's department; Miss Marie Smith, of the Equitable; Mrs. Evelyn Edwards, manager of the Union Central's women's department; and Mrs. Jennie Watkins, of the New York Life. Miss Cowick has made a brilliant record in Boston, where her department has about twenty-five agents. She is succeeded there by Mrs. Frances Pote, who has been with the Mutual Life only two years, but in that time has made a splendid record as a producer.

VOSHELL ELECTED PRESIDENT

The International meeting of Life Underwriters held this week at the Hotel Astor was largely attended in spite of the difficulties of railroad transportation. One hundred registered from Canada alone.

J. K. Voshell, Metropolitan Life, Baltimore, was elected president of the National Association of Life Underwriters.

Pittsburgh was selected as the place to hold the next annual meeting of the National Association.

Presidents of local associations were instructed to go home and advise their members not to write to members of Congress to protest against Government action relating to insurance.

A Code of Ethics prepared by Chas. W. Scovel was adopted.

A complete report of the International meeting will be published in an extra edition of The Eastern Underwriter dated Saturday, September 7, which will be mailed to all subscribers.

William H. Kingsley, second vice-president of the Penn Mutual Life, has been selected by Henry P. Davison, chairman of the War Council of the American Red Cross as a member of his executive staff. He has been granted leave of absence by the Penn Mutual. In discussing Mr. Kingsley's new position and his qualifications the Penn Mutual says: "Mr. Kingsley has been granted leave of absence beginning September 1, and from that date will carry on his new duties as associate director, Bureau of Personnel, attached to the National Headquarters at Washington. His abilities along administrative and executive lines combined with his wide acquaintance among the prominent business and financial men of the country especially qualify him for this important position. He has been intensely interested in patriotic effort and his ability to organize and develop public enterprises was demonstrated in connection with the highly successful War Chest Drive for the Philadelphia District. Mr. Kingsley takes with him to Washington the confidence and warm good wishes of all his many friends and associates for further successes in this new field where he is sure to render public service of the highest type."

* * *

Walter E. Batterson, a grandson of James G. Batterson, who founded the Travelers Insurance Company, has left for the machine gun officers' school at Camp Hancock, Ga. Mr. Batterson, who is assistant secretary of the department of liability and compensation of the Travelers Insurance Company, was a member of the class of 1911 at Trinity College and since entering the employ of the insurance company has worked in the Chicago and Detroit branch offices. Mr. Batterson is married and has one child. His office associates, to the number of 300, met in the assembly hall Tuesday afternoon and gave him a wrist watch.

* * *

Lieutenant Ronald Diplock, of the British Army, formerly with Frank & DuBois and who is a nephew of Frank Lock, United States manager of the Atlas, was in New York this week on sick leave convalescing from a wound received in action. He was struck by a shell and wounded severely in the leg while the men on either side of him were killed. Lieutenant Diplock expects to return to active duty about October 1.

* * *

W. A. Hinshaw, of Des Moines, started to sell insurance for the Bankers Life of that city twenty-seven months ago. His total of paid for business since that time has been $1,001,500 and the total of applications has been 579, with an average premium of over $38.00 per thousand. His total of applied for business for the same period has been $1,100,000.

* * *

Lewis B. Herrick, of the Automobile Insurance Company of Hartford, and formerly with the Phoenix Insurance Company, has enlisted in the army and left for Camp Greenleaf, Lytle, Ga.

* * *

James R. Manning, a former valued employee in the liability claim department of the Fidelity & Deposit, has been reported in the casualty lists from France as seriously wounded.

* * *

James Wyper, vice-president of the Hartford Fire Insurance Co., and family have returned to Hartford after spending a few weeks at Norfolk, Conn.

* * *

Benjamin Rush, president of the Insurance Company of North America, is expected to return next week from a three weeks' vacation.

FIRE INSURANCE DEPARTMENT

Motor Truck Cover Is War Necessity

NEW YORK BROKERS' VIEWS

Hartford Companies Reported to Be in Conference on Subject of Broader Forms

That broader coverage for motor trucks engaged in inter-city transportation and for goods carried in this method is a war necessity, is the view expressed this week to The Eastern Underwriter by New York brokers handling this class of business. One of these brokers says that there is only one New York company which will give a form of cover approaching what is necessary to protect shippers and transportation operators by motor truck routes.

This broker denies the report that any of the Hartford companies to date have offered an acceptable form of coverage.

It was published on Saturday that a committee of the National Council of Defense in Washington had taken this matter up and had approached the Hartford companies on behalf of the motor truck operators and that one of the companies had expressed its willingness to the Hartford Chamber of Commerce to co-operate in this respect.

LIEUT. LUDLUM "ALL BETTER"

Vice-President Ludlum of the Home Receives Word Direct From His Son

Vice-President Ludlum of The Home Insurance Company has received a cablegram from his son, Lieutenant Clarence L. Ludlum, Jr., dated Paris, July 31, which says, "Slightly Wounded, 'All Better.'" It is presumed that Lieut. Ludlum was at that time confined in a base hospital in Paris. The "All Better" used in the cablegram is a childhood expression of the Lieutenant's indicating that he was feeling all right after recovering from some childhood hurt or sickness.

J. J. BOLAND PRESIDENT OF SENECA

James J. Boland, president of the New York National and of the James J. Boland Co., Inc., has been elected president of the Seneca Fire, of Buffalo, following the purchase of the control of that company recently by interests affiliated with the James J. Boland Co., Inc.

The Columbian, of Indianapolis, has been admitted to do a fire business in West Virginia.

MORE SPEAKERS FOR AGENTS

Alfred M. Best and Thomas F. Daly To Address National Local Agents' Convention

Two additional speakers at the convention of the National Association of Insurance Agents were announced on Tuesday by Secretary-Treasurer C. S. S. Miller. They are Alfred M. Best, publisher of Best's Insurance Reports, and Thomas F. Daly, of Denver, president of the Capitol Life Insurance Co., and general agent in that city for a number of fire and casualty companies. Mr. Best will talk on "Competition of Mutuals and Inter-Insurers," and Mr. Daly on "Government Insurance Encroachments."

Mr. Miller also announced that great interest is being taken in the awarding of the President's Trophy, which is to be presented at the convention to the officers of the state association showing the greatest percentage of increase in paid membership for the past year. Complete returns are not available yet but there is great competition for first place between Texas, Georgia, Kentucky, New Jersey, Illinois, Wisconsin, and Iowa.

HARTFORD MAIL INSURANCE

Figures just available show the registered mail business of the Hartford companies for 1917 to be as follows:

Aetna, net premiums $18,603, net losses $267, and ratio of losses to premiums 1.4 per cent.

Automobile Insurance Co., net premiums $91,400, net losses $52,589, and ratio of losses to premiums 57.5 per cent.

Hartford, net premiums $18,230, net losses $148, and ratio of losses to premiums .8 per cent.

Phoenix, net premiums $333 with no losses.

NOW IN HEAD OFFICE

Stephen E. Cate, for many years special agent and adjuster of the North British & Mercantile in Missouri, has been transferred to the United States head office of the Company and he will act in the capacity of adjuster for the North British and the Commonwealth.

SUCH A HEADACHE!

Oh boy! $3,000,000 fire loss! And still they had the nerve to advertise that Green River wouldn't give one a headache.

The Union Agency Corporation, Wilmington, Del., has been incorporated with $95,000 capital. Jonathan H. Brown, M. E. Brown, of Wilmington; and Edward Everett, of Washington, D. C., are incorporators.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NIAGARA
Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

J. H. Brewster's Early Insurance Days

BEGAN WORK AS OFFICE BOY

First Job Was With Connecticut Fire —Fifty-one Years in Fire Insurance

James H. Brewster, United States manager of the Scottish Union and National, has been a fire insurance man for fifty-one years. He has written some reminiscences for the "Insurance Index," which are reproduced herewith:

"This story begins early in 1867. The Connecticut Fire Insurance Company was then located at No. 12 State street, Hartford, in the small office occupied from its birth in 1850.

"After serious reflection, the president decided that an office boy might prove a useful and not an expensive ornament to the company's limited staff. Without solicitation, I was offered the job and began my duties on the 25th of February, 1867. When this organization had been made effective, the official and clerical force consisted of President, John B. Eldredge; Secretary, M. Bennett, Jr.; Chief Clerk, Chas. R. Burt, and Office Boy, Me.

First Underwriting Experience

"The assets of the company were $265,000; net surplus, $15,000; annual premium income, $113,000. Evidently, the injection of new blood exerted a favorable influence as, during the following year, premiums increased $45,000 with a corresponding increase in the loss ratio, but to remove any reflection this statement may cast on the ability of an embryo underwriter, it may be explained that one of the first policies I was told to write covered $37,500 on the Hartford Carpet Company's mill at Tariffville, Connecticut —proofs for a total loss were presented and honored a few months later.

"Fifty years ago, twelve o'clock noon was dinner time and everybody went home. The last man to leave the office at noon, or at night, locked the door and as the company had but one key, it was left either in the door or under the doormat.

"The company pursued an extremely conservative course, making little headway in premiums or in surplus, a harmless, yet slowly progressive policy that was arrested by an appalling loss at Chicago in October, 1871. The details of that disaster, fatal to a great number of fire insurance companies, may be passed over, and it is sufficient to say that the Connecticut came through the ordeal proudly, preserving its enviable name and perpetual charter, and was able, at once, to enter upon a progressive policy with $500,000 fresh capital, and also able to meet a loss of $150,000, unflinchingly, at Boston in November the following year.

Becomes Assistant Secretary

"An official change of supreme importance is recorded in 1873. Mr. Bennett succeeded Mr. Eldredge as president and Mr. Burt was elected secretary, while the office boy became assistant secretary. The capital was increased to $1,000,000 in 1875. All these and previous changes made larger quarters necessary. The little office on State street of less than one thousand square feet was conspicuously out of date and outgrown. Arrangements under way for more adequate accommodations were hastily concluded by the necessities occasioned by an early morning fire, extinguished too late to save important books and papers and much of value outside the safe. Refuge was found in the Hartford Fire Insurance building on Trumbull street where the company remained until the completion of its newly erected building on the corner of Grove and Prospect streets.

"At the close of business on the 31st of December, 1880, the company's assets amounted to $1,636,382.82; net surplus $287,722.92; net premiums $507,871.98. Just previous to the end of the year, Mr. Bennett dissolved his connection with the company, resigning the presidency to accept the management of the Scottish Union & National Insurance Company, a connection retained until his death in 1899.

"Purposely, I have alluded to only one of the many Hartford companies doing business fifty years ago that survived that fateful day in October, 1871, and here, lest I be drawn into a hopeless maze of reminiscence, my story ends."

R. S. BRITTON AT CAMP MEADE

President of United States Brokerage Company Joins Army—Active In Insurance

New Brunswick, Sept. 3.—Russell S. Britton, the largest stock-holder, a director and the president of The United States Brokerage Company, left on August 27th, for Camp Meade, Md. Mr. Britton is well-known throughout New Jersey and in New York. He is a large real estate operator along the summer resorts in New Jersey and was formerly connected with the Firemen's Insurance Company of Newark. He has procured the representation of many companies for The United States Brokerage Company, Inc., which is a $100,000 corporation at New Brunswick. Some of the companies represented are the Girard, American, Old Colony, Northwestern, National, Ocean Accident, Lloyd's Plate Glass.

Mr. Britton's friends are wishing him much success with the hope that he will soon again be among them on the Street and in the field as his friendliness and willing ways were much to his credit.

FIREMAN'S FUND PRIZES

In accordance with the reward system that was inaugurated by the Fireman's Fund to encourage the development of improved methods in transacting the routine business of the head office three prizes have recently been awarded as follows: Mrs. E. R. Runkle, for improving the records for the fire loss department and enlarging the index system; Chas. Preston, for an accounting system for segregation of the marine war tax; and Chas. T. Dodge, for indexing system for the auto loss department. These three suggestions have been put into operation with a resulting increased efficiency, economy and service.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Authorized Capital $500,000
Detroit National Fire Insurance Co.
DETROIT, MICHIGAN
A Company to be built gradually and along the indicated lines of permanence
AGENCY CONNECTIONS SOLICITED

National Liberty
INSURANCE COMPANY OF AMERICA
NEW YORK
Incorporated Under the Laws of the State of New York in 1859
Statement, January 1, 1918

Cash Capital	$1,000,000.00
Assets	8,209,763.64
Liabilities	5,223,031.71
Net Surplus	1,986,731.93
Surplus for Policy Holders	2,986,731.93

HEAD OFFICE
62 WILLIAM STREET, NEW YORK

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

WASHINGTON, N. J., AGENT DEAD

William G. Creveling Was President of Warren County Agents' Organization—Had Largest Agency

William G. Creveling, who had the largest agency at Washington, N. J., died last Thursday following an operation at the Post Graduate Hospital, New York City. Mr. Creveling has been an agent at Washington for more than forty years and was at the time of his death president of the Warren County Underwriters' Association. He represented the Caledonian, Commercial Union, Connecticut Fire, Continental, Fidelity-Phenix, Fire Association, Franklin, National Liberty, Hanover, Hartford, Liverpool & London & Globe, New Hampshire, Niagara, Northern Assurance, Royal Exchange, Security, Springfield Fire & Marine, Standard of N. J., Standard of Hartford, Williamsburg City, Fidelity & Casualty, United States Fidelity & Guaranty.

CHARLES MATHER DEAD

Former Well-Known Philadelphia Insurance Man Was Ninety-Six Years Old

Charles Mather, the Philadelphia insurance man who died a few days ago at the age of ninety-six, had a brother who lived to the age of 100. Born in 1823, he was educated in the Friends' School at Jenkintown, was in Rochester, N. Y., for several years and then was in the manufacturing business in Philadelphia for a number of years. He located permanently in Germantown for fifty years and was in the insurance business until a few years ago, when he was compelled to relinquish all activities. The Mather family traces ancestry in this country to Joseph Mather, who came to this country in 1682, prior to the arrival of William Penn.

PLANTS BROOKLYN BRANCH

American Eagle Fire Business Now Co-ordinated With Continental's Branch Office in Brooklyn

Cavanagh & Kuhn have resigned the Brooklyn agency of the American Eagle Fire and the Brooklyn business of the American Eagle will in the future be handled through the Brooklyn branch office of the Continental.

TRIBUTE TO LATE B. A. CLARK

In commenting upon the recent death of Benjamin A. Clark, of Utica, N. Y., the Glens Falls "Now and Then" says: "Mr. Clark was the esteemed agent of the Glens Falls continuously for fifty-two years and the personal friend of the company's officers during all that period. He was active and influential in the municipal and business affairs in his city and one of its oldest citizens. Besides insurance he had a large real estate business. For some years his son had been associated with him under the firm name of B. A. Clark & Son."

G. O. HOADLEY IN THE EAST

Geo. O. Hoadley, manager for the Pacific department of the American Insurance Company, Camden and Rochester Underwriters, is visiting the home offices of his Companies.

RICHARDS SUCCEEDS CLARK

Former New Jersey Special Agent of Norwich Union Becomes General Adjuster of Company

Herbert A. Richards, Jr., special agent and adjuster of the Norwich Union Fire Insurance Society in New Jersey, has been appointed to succeed Alvin D. Clark, who recently resigned to take charge of the losses of the Darby, Hooper & McDaniel agency, as general adjuster of the Society.

TROY RATE HEARING

Fire insurance rates in Troy, New York, having been increased 30 per cent. in the city and 20 per cent. in residential territory, a hearing is to be held at the insurance department in Albany, August 26. The city officials will endeavor to show that the action of the State Board in advancing the rates is unjustified. Mayor Burns and City Engineer Roche conferred with Superintendent of Insurance Phillips August 12 on the same subject.

WITH THE STATE OF PENNSYLVANIA

Harry W. Birchard has been appointed special agent for the Insurance Co. of the State of Pa. for Western Pennsylvania and West Virginia, succeeding Walter C. Perry, who is now state agent in Ohio for the American Central. Mr. Birchard previously represented the New Jersey Fire in New York, and before that the First National Fire in Pennsylvania. His office will be in Pittsburgh.

MANUFACTURERS' MUTUALS

The net losses paid by Massachusetts manufacturers' mutuals last year were $802,679, the heaviest being the losses of the Boston Manufacturers, $328,218. Of manufacturers' mutuals of other states which are transacting business in Massachusetts the Central Manufacturers' Mutual paid $466,790 and the State Mutual Fire $457,231.

TWELVE NAME CHANGES

A complete list of companies operating in Massachusetts which have changed to new names follows:

National Lumber, to New York National Insurance Company.

Germania, to National Liberty Insurance Company of America.

Buffalo German, to Buffalo Insurance Company.

German Fire of Pittsburgh, to Globe Insurance Company of Pennsylvania.

German American of Pittsburgh, to United American Insurance Company of Pennsylvania.

German American of New York, to Great American Insurance Company.

German Alliance, to American Alliance Insurance Company.

New Jersey Fire, to New Jersey Insurance Company.

German Fire of Wheeling, to Wheeling Fire Insurance Company of Wheeling, W. Va.

German American of Baltimore, to The Baltimore American Insurance Company.

Tokio Marine, to Tokio Marine and Fire Insurance Company, Limited.

Liverpool & London & Globe of New York, to Star Insurance Company of America.

STRENGTH INTEGRITY SERVICE

Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries

JAMES H. BREWSTER, Mgr.
Hartford, Conn.

A Broad Underwriting Service to Agents
Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.
Works in Harmony with American Agency Principles and Practices

INCORPORATED 1720

Royal Exchange Assurance

LONDON, ENGLAND

United States Branch
92 William Street, New York

RICHARD D. HARVEY
United States Manager

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

WESTERN ASSURANCE CO.
OF TORONTO, CANADA
Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918

Assets	$4,194,579.34
Surplus in United States	1,667,691.69
Total Losses Paid in United States from 1874 to 1917, inclusive	43,294,154.63

W. B. MEIKLE, President

N U

NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.

NOT HOW MANY BUT HOW GOOD

One trained Soldier is worth a dozen of the other kind. And so it is with the Fire Insurance Agent. Experience and qualifications are the factors in his success. This Company is not so particular about having a large Agency force as it is in having a good Agency force. One of the benefits of such a plant is that the Company can extend such Agents the best it has in the way of service and facilities. Not now and then but ALL the time the NATIONAL UNION will speed up the efficiency of your office. With a known capacity for extending distinctive service which is practical, constant and real the NATIONAL UNION presents attractive opportunities to experienced Agents of reliable character. Get your Agency—Now.

THE YORKSHIRE INSURANCE CO., LTD., OF YORK, ENGLAND
Established 1824
FIRE, LIGHTNING, SPRINKLER LEAKAGE, AUTOMOBILE, WAR AND EXPLOSION INSURANCE
U. S. BRANCH
FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager
No. 80 Maiden Lane, New York
New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

Capt. H. B. Doremus Writes From Front

TROOPS IN FINE SPIRITS

Tells of Billeting Badinage and Voices Thrill When American Woman is Met

Capt. Harry B. Doremus, of the Niagara Fire, who is at the front, has written a letter to the officers and staff of the Company, which throws interesting sidelights on conditions over there.

"The letter to me from the Niagara's Committee has just been read," he writes. "I freely admit that the communique stirred me deeply for the Company, its officers and staff are always in mind. This month would have added a fifth service stripe on my sleeve had I stayed to fight the Niagara's battles. Twenty-five years of all kinds of service from picking missing D/R's from behind the clock to sticking my feet under a real desk and committing the company to liability.

"Since 7 June we have traveled far, seen much and experienced more, but as our case is one of a million and is far better told by others, I will not take your time to read my story. Two facts bear repetition. First, you live in the greatest and grandest country on earth. If you are taxed and squeezed for cash to keep us alive, believe me I have seen for weeks where your money goes and it has worked miracles. This, mark you, in the eyes of nations that were old in wisdom and accomplishment before our colonies hung out their shingle and began a bid for existence. Second (and kindly allow for Yankee pride and except present company), these soldiers of yours are magnificent. You all know what has been done by them against the Boche. They are very human, have their weaknesses, grumblings and differences, but still they are simply great. Association with them is a cure for the blues. For instance, their slogan right now is, 'Heaven, Hell or Broadway by Christmas.'

"About billeting: Your company drags almost all night. After passing hamlet after hamlet you enter one in which you are halted by the billeting officer, who preceded you by a day or so. He gives you your sector of the tour, number of billets and their capacity and gives you a guide. The march is resumed. Building, No. 1 is reached. Good (?) for sixty men. Alright. You count off that number. The men file wearily into the barn, shelter or house, throw themselves down and sleep before they touch the floor. Number 2. Same thing and so on.

"But the next morning after a hot meal, soap, water, monologues by the squad humorist, and all is serene once more. The funniest things are said and done.

"One wrote home: 'I am sleeping with two cows. They got in before I did last night so I had to sit up all night.' Another wrote: 'Rats ran over my face last night. To-night we are going to cover our heads up and they will run over J.'s feet, be gassed and die.'

"Nothing is wasted here. All of us do our best to conserve Uncle Sam's money and issues, but they will have their joke. So it was that recently when prunes were up for dessert, one of the recipients with serious face inquired whether the supply sergeants would take the pits, count them and give a receipt. So it goes.

"What about the other side of the business? Well, you know more about the war than we do, and as far as troubles are concerned I hope that I never will so far forget myself as to commit them to writing, at least unofficially.

"Recently we had a Niagara outing. The Niagara men were in different branches of the service. These men look fine.

American Women Bring Cheer

"And that causes me to revert to the outing you had in June. How I wish I were there. We had them in the past but at only one of them was a lady present and I believe five of the gentlemen took her home. Really, we are starved for a chin with an American woman. After one long rail trip, I went into a Red Cross hut to get a bite to eat and when one of the lady attendants asked me politely if I took sugar in my coffee, I almost stammered my reply. Recently, in a French village the Y. W. C. A. put on an entertainment one night which included an American soprano. Say, it fussed up the most hardened to hear her sing those favorites in our own tongue.

"Most all have a working knowledge of the French language, or, more correctly, we can sail in smooth, shallow water. I have two Louisiana men who are my companions when French must be used. Both bear old Creole names, but their palaver is good enough to get me what is needed."

BURNING UP FOOD

One Fire Destroys Enough Bread to Supply Army in France for Five Years

"In one elevator fire in Chicago, not much noticed, enough wheat was destroyed to furnish bread to the first American army under General Pershing in France for five years and two months," said Commissioner Young of North Carolina in an address this week before the convention of the Fire Marshals' Association of North America. "In one Brooklyn fire nearly $3,000,000 was destroyed—over $2,000,000 in grain and $500,000 in clothing and army supplies. In Kansas City a stockyard fire gave a loss of 11,000 cattle and 33,000 hogs. In an elevator fire in Rochester, N. Y., nearly a million dollars was the loss in grain.

"During last year in five and a half months, May to middle of October, there was destroyed in fires, of which we have a record, $12,274,050 of foodstuffs. Enough food was lost every minute to feed an American soldier 136 days, or 136 soldiers for one day. It is estimated that every fortieth building is burned, that one-half in value of all buildings erected each year goes up in flames, and that the annual fire loss in this country exceeds the output in gold, silver, copper, and petroleum. Can we realize it or conceive how an enlightened business nation will stand for it?

"Again, conflagrations are ever occurring, conflagrations in many large cities and in smaller cities like Nashville, Tenn., Paris, Tex., and like the one in Atlanta, Ga., burning over 300 acres, destroying 1,938 buildings—insurance paid, $3,000,000 on $5,000,000 of losses—10,000 people left homeless."

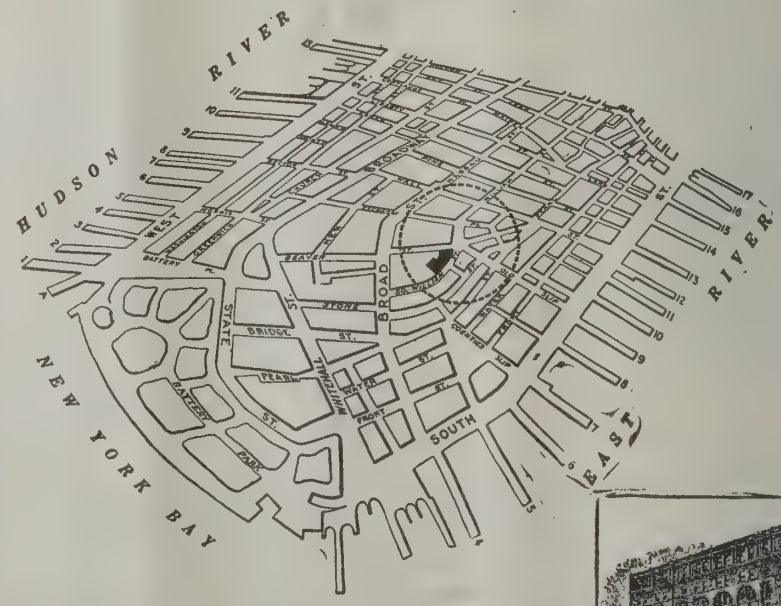
ÆTNA (FIRE)
HARTFORD, CONN., U.S.A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.



FOR 65 YEARS—
THE CONTINENTAL has built its name to stand for all that is best in fire insurance.
FAIR DEALING has won it a leading place among agents and the insuring public.
CONSTRUCTIVE management has assured its growth in the past and assures a continuation of progress in the future.
FINANCIAL strength insures stability and guards against any conflagration danger.

[FIRE]
THE CONTINENTAL INSURANCE COMPANY
Cash Capital - - TEN MILLION DOLLARS
HENRY EVANS, President
Home Office 80 MAIDEN LANE NEW YORK
Managing Branch Offices: CHICAGO, MONTREAL SAN FRANCISCO
CONTINENTAL COMMANDS CONFIDENCE

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

Caledonian Insurance Co. of Scotland
FOUNDED 1805
"THE OLDEST SCOTTISH INSURANCE OFFICE"
UNITED STATES HEAD OFFICE
Caledonian Building, 50-52 Pine Street, New York
CHAS. H. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

BROKERS ACTIVITIES

A DANGEROUS DEPARTURE

Where Reciprocals Do Not Secure All Members Through Direct Solicitation.

Some inter-insurance exchanges do not secure all of their members through direct solicitation, but, on the contrary, depart from the plan of operation of the old and conservative reciprocal exchanges by accepting some business through brokers to whom they pay a commission.

This practice leads Alfred M. Best to make these comments:

This we consider a dangerous departure from the practice which has been evolved as the result of years of experience. Unless every member of a reciprocal exchange insures a portion of the risk of every other member, the fundamental basis of such an organization is destroyed. If risks are to be written by so-called reciprocal exchanges upon terms which relieve the policyholder of assessment liability and on the other hand give him no interest in possible savings, the transaction becomes entirely commercial in character without any element of mutuality, and the other members of such an exchange thereupon engage in a speculative insurance venture for the sake of any profit which may be derived therefrom. No institution should be permitted to so operate unless it has a cash capital or other guarantee fund of legal and substantial character. The whole scheme, as now practiced by several concerns falsely claiming to be reciprocal insurance exchanges, is in effect an evasion of the insurance laws which should not be tolerated; and we are certain that no property owner would accept such a policy if he understood its very doubtful legal status and the nebulous character of the "security." Such policies must necessarily be sold by misrepresentation, or, at least, suppression of facts equally reprehensible.

In this connection a special article entitled "Principles and Practices of Reciprocal or Inter-Insurance Exchanges," printed on pages 583-585 of Best's reports upon Fire and Marine Insurance Companies, should be read. This new departure is fraught with peril for the policyholder, and prompt and vigorous corrective measures should be inaugurated.

* * *

Insures Gloucester Fishing Vessels.

Some interest is expressed by Boston insurance men regarding the effect of the submarines on the risks of the Gloucester Mutual Fishing Insurance Company, of Gloucester, Mass., which commenced business in 1847, and which has a surplus to policyholders of $5,005. The stock of this mutual is subscribed annually, in November, in shares of $1,000 each, for which a stock note is given of $200 per share, upon which all assessments are made. Each subscriber is required to insure vessel property to at least seven-eighths of the amount of stock taken by him. No vessels are insured except Gloucester fishing vessels. No one risk exceeds $10,000. All risks terminate on the fifteenth day of November of each year, and each year's business is settled at the close of the year. Premiums commence in November at 9%, and decrease as the season advances to 4 per cent., which is the lowest premium.

* * *

Interest in Enemy Clause

It is easy to understand how the enemy alien clause should be of particular interest to fire underwriters, because in fire insurance the insurable interest is not always known. In casualty lines the importance of the clause is not so clear. In fact there are some insurance men who do not see how a casualty company can have much interest in the matter. They say that their insurable interest is known and if it is not satisfactory they can simply refuse to pay, and would certainly do so without any pressure being brought to bear upon them.

* * *

Churning Up the Sound

Three hundred miles in a motor boat along the Connecticut shore is the way Miss Estelle Liebmann spent her vacation with two of her lady friends. Miss Liebmann is librarian for the National Workmen's Compensation Service Bureau. If the government should be looking for able navigators, there is some good material. They know how to manage a boat. One smart clam digger tried to put over on them the old gag of "What's the best way to jibe a motor boat," but the girls know all that stuff. They can't be fooled on nautical terms.

INSURANCE SOCIETY PLANS

Under the auspices of the Insurance Society of New York, two series of lectures for women will be given this Fall, each by one man only whose identities and subjects will be announced later. There have also been numerous requests to the Society for a course of lectures on casualty insurance for women and this proposal will also be taken up at a later date.

Great American
Insurance Company
New York

INCORPORATED - 1872

PAID FOR LOSSES
$96,971,238.06

STATEMENT, JANUARY 1ST 1918.
CAPITAL
$2,000,000.00
RESERVE FOR ALL OTHER LIABILITIES
12,927,269.91
NET SURPLUS
8,527,719.31
ASSETS
23,454,989.22

THE SECURITIES OF THE COMPANY ARE BASED UPON ACTUAL VALUES ON DECEMBER 31ST, 1917

HAD THE SECURITIES BEEN TAKEN AT THE VALUES AUTHORIZED BY THE NATIONAL CONVENTION OF STATE INSURANCE COMMISSIONERS THE ASSETS AND SURPLUS WOULD EACH BE INCREASED BY $2,321,032.00

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INGRAM & LERCH, Managers
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We can offer to Agents and Brokers special facilities on surplus lines
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MARINE DEPARTMENT

New York State Marine Investigation Attracts Comment In England Tending To Some Brokerage Regulation There

The comment of British underwriters and marine insurance papers on the results of the investigation of the New York State Insurance Department into marine insurance brokerage conditions and the enactment of the law requiring the licensing of marine insurance brokers are just reaching the United States. They indicate that serious thought is being given the subject of some regulation of brokers in England also but I do not believe any action will ever be taken in this direction because of the peculiar conditions of the British market and this view is supported by an article in the current issue of "The Policy," a British insurance paper, part of which is quoted below:

"We also have our own difficulties which lead, in one respect, to the same effect, i. e., the raising of rates to the detriment of bona fide shippers. The method followed here, however, differs in its bearing upon underwriters, inasmuch as the final result may leave them with no line at all, or with a full line at a higher average rate than could have been obtained in the ordinary way. One has not heard of anything similar to the New York method having been practised on this side, nor does it seem likely that such a scheme could be worked except in a minor way. The practice here, as we before remarked, being to place extensive provisional risks 'on spec,' which are very often cancelled when it has become clear that the opportunity of using the cover thus fraudulently obtained is not likely to arise. Meanwhile, the market, in consequence of having to bear considerable inflation caused by fictitious addition to genuine lines, has hardened its rates for genuine business which, being based on actual shipment or expected shipment, is later in the day than that which was based on nothing more solid than air.

"No doubt there have been occasions when such a position has been used by passing on the cover obtained, but, if so, it would have to be at original rates in almost all cases, since it is usual for rates to be stated in the policies. The practice of stating rates 'as arranged,' or in similar phrases, seems to be rather mischievous as aiding such practices as are in discussion. The position on this side, therefore, is even more unsatisfactory than it is in New York, so that the need for some control is the more obvious. The method now adopted, which aims at this end, is not likely to be so effective as the New York system; but, after all, it places in the hands of underwriters the opportunity of seeing that the initials or name of the principal, which brokers' slips must now bear, are correctly used, and any cancellations or short closings should be scrutinized with this end in view. As a means of placing a check upon possible abuse, the initials appearing on the slip might be incorporated in the policy, so that possible claims would be a sure guide to the bona fides of the parties.

"The licensing of brokers has been suggested in this country also, and there is no doubt that something of the sort would, if accompanied by penalising powers, have some useful effect; but the voice in favor of official control has yet to be raised. Our experience in such matters is sufficient to prevent us hungering after officialdom in any form, the advantages not being sufficiently obvious to over-ride our prejudices."

OBSERVER.

THE "CANADA MARU"

The Fireman's Fund has sent Marine Claims Agent G. Kirkham Smith, together with its General Agent Frank G. Taylor, of Seattle, to Esquimault, B. C., to assist at the salvaging of the valuable cargo of the "Canada Maru" stranded at Cape Flattery on June 30th last.

MACKEY WITH COMMERCIAL

Superintendent of Business Extension Department of Aetna to Be Special Agent From Home Office

William G. Mackey, for the past year and a half superintendent of the business extension department of the New York office of the Aetna Casualty & Surety and affiliated companies and for a long term of years attached to the New York office of the Aetna, has resigned and has been appointed special agent of the Commercial Casualty, of Newark. Mr. Mackey will be attached to the home office of the Commercial Casualty.

W. W. Archer, of 92 William Street, has joined the marines. Mrs. Archer is in the Red Cross service as a nurse.

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SURPLUS $793,852.75

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In addition to our regular marine and war risk business, we now have a department for writing FIRE insurance only on vessel property of all descriptions.

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San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1917	$16,153,068.57
Surplus - - - - -	4,793,978.55
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - -	1,051,543.00

Liverpool AND London AND Globe Insurance Co.
LIMITED

Over $155,000,000.00
Losses Paid in the United States

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HUGH R. LOUDON, Deputy Manager
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NEW YORK OFFICE
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CASUALTY AND SURETY NEWS

Sickness Prevention Versus Insurance

PLAN FOR NATIONAL CAMPAIGN

National Industrial Conference Board Proposal Involves Extension of Workmen's Compensation Laws

In the arguments for and against compulsory state sickness insurance, one hears more and more about sickness prevention. It would appear that even if the advocates of state health insurance should not carry their point they may accomplish something far more important. That is, an awakening for sickness prevention; a searching inquiry as to causes of sickness, and the placing where it belongs of responsibility for contributory agencies.

A research report of the National Industrial Conference Board contains the following regarding sickness insurance versus sickness prevention:

There can be no question as to the reality or the great magnitude of the burden which sickness and disability now impose on the nation. The estimated wage loss is over $500,000,000 per annum by sickness. Such conditions call for a vigorous policy of remedial action. Not all of this loss is preventable, but to the extent that it is preventable, the desirability of prevention is undeniable.

What Experience Shows

That sickness insurance would afford some measure of relief cannot be denied. Sickness insurance, however, proposes to reach only a portion of one class of the population. It makes almost no provision for a great number of disabilities which impair efficiency and it leaves practically untouched the enormously important problem of feeble-mindedness. Yet even in its limited application the annual cost is estimated at the stupendous total of from $700,000,000 to $1,000,000,000; that either estimate would eventually be exceeded is practically certain.

A program calling for any such expenditure would in any case challenge critical examination and compel convincing demonstration of its merit. This evidence is not to be found in the experience of foreign countries where sickness insurance has been tried and where on the one hand it has failed as a preventive agency and on the other hand has placed a premium on inefficiency and fraud.

Underlying these considerations is the fundamental fact that all sickness and disability which can reasonably be prevented should be prevented instead of being allowed to remain unremedied until they impose a burden of misery and poverty on the individual and a burden of cost on society.

Nation Wide Program

The results already achieved in sickness prevention through local effort with limited funds establish beyond a doubt the urgent need for a thoroughgoing investigation of its further possibilities under a definite national policy. Such an investigation should be undertaken at once.

Since the occurrence and the results of sickness are nation wide and not local, such an investigation, to be effective, must be conducted by some Federal agency, possibly the United States Public Health Service, under the authority of Congress and with an appropriation sufficient to permit of thorough work and conclusive results.

Periodic physical examination, not only of industrial workers but of the entire population, is another important matter for consideration. Such a commission may also very properly consider whether and to what extent nationalization of medicine may be advantageous.

Compensation Feature.

So far as strictly occupational diseases are concerned, where the responsibility of industry can be clearly established, these apparently can be most effectively dealt with on a workmen's compensation basis.

In thus urging a searching study of the merits of a preventive policy there is no desire to prejudice unfairly any proper or necessary measures for alleviating unavoidable sickness and disability or for dealing with individual cases worthy of special consideration.

First a national study of prevailing sickness and its causes; then a national program for the prevention of all preventable sickness, with liberal but intelligent provision for unpreventable sickness through compensation or otherwise, as a duty of society to its members:—this is submitted as a rational, constructive and humane program for dealing with the sickness problem in its individual as well as its social and industrial aspects.

BOARD WON'T REDUCE RATES

Wisconsin Insurance Officials Refuse Standard Accident's Request Affecting Breweries and Tanneries

The petition of the Standard Accident, Detroit, asking for a reduction in the brewery and tannery rates was denied by the Compensation Insurance Board. January 1, 1918, the Standard Accident, together with other stock companies, increased its rates. The companies contended that the 15% loading for abnormal conditions, which had been approved by the Board, was inadequate and that a loading of 22½% was necessary. They further contended that due to an abnormal accident frequently in Wisconsin, a loading of 5% was necessary; also, due to increased management cost in the forms of postage, traveling expenses, paper, etc., a further increase of 5% was necessary to offset this element. With all these loadings applied, the brewery rate was increased to $2.72 and the tannery rate to $1.80. The Standard Accident now contends that the present rates on tanneries and breweries are too high and a reduction is sought. The Board has denied this reduction on the grounds that the pure premium or loss cost which the Board has approved is based upon the best judgment and experience available.

It is claimed that the only other way in which the rates could then be reduced would be to eliminate some factors of loading which are introduced in the rates for all other classifications. If abnormal conditions, brought about by the war, have increased the hazard in Wisconsin industries by 22½%, that increase must obviously be applied uniformly to all classifications.

Mr. Successful Life Insurance Agent:
Do you want to secure a General Agency for yourself? If so, read this, it is
WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000, or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And WHY should any man be satisfied with a policy that would do less? The cost is low.

General Agents wanted in the following States: Pennsylvania, Delaware, Kansas, Michigan, Ohio and the District of Columbia. Address:

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Home Office, United Life Bldg., Concord, New Hampshire

Paying Expenses of Pennsylvania Fund

ATTORNEY GENERAL'S OPINION

After July 1, 1919, All Administration Costs Must Be Paid Out of Premiums

A recently published press dispatch, regarding the use of funds for expenses of the Pennsylvania State Workmen's Insurance Fund, leaves some doubt as to the meaning of the opinion given on this subject by the attorney general. The situation is explained in the following letter of the attorney general to the manager of the Fund:

Dear Sir:

We have your favor asking to be advised whether the moneys received from premiums since January 1, 1918, may be in part used for the expenses of the administration of the State Workmen's Insurance Fund.

I see no difficulty in the phraseology of the Act of July 20, 1917, P. L. 1139, amending the Act of June 2, 1915, creating the State Workmen's Insurance Fund.

Section 1 of the Act of 1917, amends Section 8 of the Act of 1915, so as to read as follows:

> The expenses of the organization and administration of the Fund shall, until the first day of July, one thousand nine hundred and nineteen, be paid out of the money appropriated by Section 28 of this act, and out of such money, part in premiums by subscribers, as is made available for the expenses of the administration of the Fund by Section 11 of this act.
>
> Expenses of the administration of the Fund shall, after the first day of July, one thousand nine hundred and nineteen, be paid out of such money, part in premiums by subscribers, as is made available for the expenses of the administration of the Fund by Section 11 of this act.

Section 2 of the Act of 1917 amends Section 11 of the Act of 1915, and provides, in part:

> The money paid in premiums by subscribers is hereby made available for the expenses of administering the Fund. The Board shall keep an accurate account of the money paid in premiums by the subscribers, and the disbursement on account of injury to the employes, and on account of administering the Fund.

The Section then provides for the distribution of the balance.

Section 4 of the Act of 1917, which is a new section, provides as follows:

> The provisions of sections 1 and 2 of this Act shall become effective on the first day of January, one thousand nine hundred and eighteen.

Section 28 of the original Act of 1915 appropriated the sum of $300,000 "for the expenses of the organization and administration" of the said Fund.

It is, therefore, apparent that after the first day of January, 1918, if the appropriation made by Section 21 of the Act of 1915 is exhausted, the expenses of the administration of the Fund may be paid out of premiums paid in by subscribers until the first day of July 1919. When that time arrives, even though the appropriation made by Section 28 of the original Act has not been exhausted, all of the expenses of the administration of the Fund must nevertheless be paid out of the premiums paid in by subscribers. In other words, the appropriation made by the Act of 1915 must first be used, and, if necessary, the money paid in, in premiums, may also be used for the expenses of the administration of the Fund, until the first of July 1919, when the Fund must be entirely administered out of the money paid in, in premiums.

Very truly yours,
WM. M. HARGEST,
Deputy Attorney General.

In the opinion of a number of local insurance men it has only been possible for the State Fund to pay large dividends because most of their expenses were paid out of the appropriations made by the Legislature. But after July 1 next, when the Fund must be entirely administered out of the money paid in as premiums, there will be little if any money left for dividends, and from the date just mentioned it is believed the Fund will fail to make a good showing and consequently will start to travel on the road of trouble and be obliged to assess its policyholders as has been the case with so many other State insurance funds.

C. E. SCATTERGOOD RESIGNS

C. E. Scattergood, actuary of the Morris Plan Insurance Society, has resigned to take a position with the Sperry Gyroscope Company, Brooklyn.

Mr. Scattergood had been in life and casualty insurance work for a number of years. Before going with the Morris Plan he was associated with the Fidelity & Casualty Company.

NEW JERSEY RATING PLAN

W. G. Curtis, president of the National Casualty, was in New York last week conferring on certain Federal legislation and state health insurance measures. He had been sojourning in Atlantic City.

H. M. VAN SANT DEAD

Horatio M. Van Sant, for years a prominent representative of the Travelers in New Jersey, died in Newark last week. He was well known in that city, having been active in civic affairs.

Something New

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Official's Views On Policy Fee

PREMIUM TO COVER FULL TIME

Better Underwriting Instead of New Schemes Suggested for Accident and Health Companies

In his talk before the Health & Accident Underwriters' Conference in Chicago, H. D. Huffaker, president of the Interstate Life & Accident, Chattanooga, devoted his remarks mainly to the initial premium and policy fee. Mr. Huffaker quoted from letters he has received on this subject, in which the opinion is expressed that the premium for the first insurable period should be larger than the renewals. The company should be fully reimbursed for all expenses of issuing the policy. A large initial premium also prolongs the life of the policy.

While no reason is found for maintaining a uniform policy fee among all companies, it is just as much trouble and expense to solicit and issue a policy with a monthly premium of $1 as $5, so it is equitable that every policyholder of the same company should pay the same amount for this specific purpose.

Payment of Commissions

The amount of commission paid to agents is a matter which should be left to the judgment of each company and the Conference companies might better not undertake to establish a uniform rate.

Another company official believes that this is not the time for the companies to get together on a "revolutionary" plan which contemplates the remittance to the company of a portion of the initial premium, or policy fee. The business has been built up on the present system and it is common knowledge that the agent derives the greater portion of his income from the policy fee and initial premium. Just now the operating expenses of agents are greater than ever before. To help the companies meet the increased costs of operation an advance in premiums of from twenty to twenty-five per cent. was recommended.

All business is written with the idea that it will renew and the fact that a company is willing to pay 100 per cent. of the first premium to its agent is a matter in which the policyholder is not interested, and it is doubtful if it is proper for the company to ask him to pay a larger initial premium in order that it may get something for itself out of the first payment.

Thirty per cent. should be the limit for so-called acquisition cost, including every other expense incident to the getting of the business outside of the home office.

Cost of Business 25 Per Cent.

A company official told Mr. Huffaker that if the companies would pay more attention to underwriting instead of trying new schemes they would be better off in general. This official is generally in favor of securing the premium for the first month, or the policy fee period, as he thinks it is not only sound, but entirely possible, but believes it would be unwise to disrupt the business by any new scheme under existing conditions.

Another company expresses satisfaction with the present arrangement as to first month's premium and renewal commissions. It enters every first month premium as income and charges it off as 100 per cent. commission, and the cost of its industrial business does not exceed twenty-five to twenty-seven per cent. as a whole, because it has always recognized this heavy initial expense and covers it by paying smaller removal commissions. It was suggested that when the companies are willing to issue monthly payment policies taking effect in fifteen days for sickness and including other more liberal features, that they can justify the collection of the larger policy fee and the first month's premium.

Another underwriter does not favor a uniform policy fee, as many policies are written at a rate on which no fee can be charged and many states require a larger fee than others as traveling has to be done. The idea he would like to see brought out is that it is wrong for the company to issue policies to be covered for any time without their receiving at the home office some money. It gives too large a latitude to the unscrupulous agent. The collection of eleven months' premium on a twelve months' business, the average life of which is only eight months, makes poor reading when reduced to statistics.

Declares Mutuals Cannot Co-operate

POSITION ON ACCIDENT POLICY

E. L. Beck Declares New Forms Committee Addressed Associations Merely as Matter of Courtesy

E. L. Beck, claim department manager for the Inter-State Business Men's Accident Association, Des Moines, told the Mutual Section of the Health & Accident Underwriters' Conference that he believes the mutuals cannot concur in the present plans for policy revision. Early in his talk he said:

Either the Committee of Fifteen has directed its communications to us merely as a matter of friendly courtesy in order that we may observe their progress along the path of more conservative coverage, or they are so happy in the enthusiasm of their anti-frill campaign that they have not observed that the adoption of their program by the mutuals would in the course of events eliminate the mutuals themselves as if by suicide. I have carefully examined the policies and I cannot find that they cover suicide either sane or insane in any such an unfortunate and disastrous event. Therefore, I am forced to the conclusion that the Committee of Fifteen, representing our Eastern stock company friends, is merely writing us these kindly epistles seeking a merited encouragement for their new found economy in ripping out the frills in their own overdraped lingerie.

Basis Not Adaptable

Mr. Beck says that the mutuals were not considered in the deliberations of the committee; that the successful mutual organization is most often a class organization, writing a single unit complete policy, with sometimes a limited line of slightly varied forms. With most of the organizations, the policy provides a fixed schedule of benefits which must be taken in its entire unit and but few, if any, of the mutual assessment organizations therefore are writing business upon the multiple unit basis of $1,000 and $5.

A multiple unit basis does not adapt itself to the present day mutual assessment organization. It does not adjust itself to the mutuals' method of solicitation. The economy of the single unit policy is one of the cardinal principles upon which the mutual assessment organizations operate. It does not seem possible that the Committee of Fifteen, representing these stock companies, could by any remote process of reasoning expect for the adoption by the mutuals of these new policies or any program wihch would substantially place them upon the same premium basis as the stock companies.

Could Not Face Field Force

Even if all other objections could be overcome, where is there the mutual management whose conscience would permit of the adoption of the old line stock premium rate? For this is what the multiple unit rate committee question would seem to mean. After all these weary years of educational propaganda, where is there a mutual agency director who could look his field force in the face and explain his reversal upon all the good old stand-by, economy-low-cost arguments which you and I know so well?

Personally I do not believe that the communications sent to such mutual organizations were sent otherwise than as an act of courtesy. The inspiring motive for the change, regardless of the detailed form in which it has presented itself, is one of progress which must eventually place Accident and Health underwriting upon a more substantial foundation. Much of credit must be given to these magnificent old line companies who have had the courage to make this stand among themselves.

Asks Proper Representation

It would seem that by eliminating the matter of coverage and rates, there still remains a very broad foundation for more and better co-operation between all of the accident and health organizations in the matter of policy construction. Surely the tendency of courts to wander even beyond the twilight zone of accidental means; to roam into the sympathetic church yard where linger those of natural death, offers a matter of pressing need for a more absolute insuring clause. The composite genius of all the legal talent of this great business would find a worthy field in designing such a clean-cut insuring clause that once incorporated into all policies would check the costly wandering dreams of judge and jury.

There is ample room for uniformity in much of the other phraseology of both our stock and mutual policies, but any attempt at such a standardization should only be made upon a plan broad enough to give to each branch of this great business of ours proper representation.

ACCIDENT BOARDS TO MEET

Speakers from all sections of the country will participate in the program of the International Association of Industrial Accident Boards to be held in Madison, September 24-26. Upwards of 300 delegates representing the accident boards in the United States and Canada will attend the convention.

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It isn't the hooray of a campaign that wins a war. It's the will to hang on, to make sacrifice today, that tomorrow may bring victory.

And your investment. Those bonds are the safest investment you ever made. Don't be lured into exchanging them for the "securities" of some suave get-rich-quick operator. Big returns may be promised, but the bigger the promised returns the bigger the risk.

If you have to have money, take your bond to any bank and use it as collateral for a loan. There is no security the banker would rather have—nothing on which he will lend more willingly.

Don't use bonds to buy merchandise. The average merchant, accepting your bonds in trade, sells them immediately, thus tending to lower their market price and taking away from the buyer of your bonds the ability to lend a corresponding amount of money to his Government. Liberty Bonds are meant to help your country at War; are meant for investment and to provide an incentive for saving and a provision for the rainy day.

Hold fast to your Liberty Bonds. Hold fast for the sake of the boys "Over There". Hold fast because it is good business.

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EXTRA EDITION

[SUCCEEDING THE JOURNAL OF INSURANCE ECONOMICS, ESTABLISHED IN 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

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ASK AGENTS NOT TO WRITE LETTERS TO CONGRESS MEMBERS

National Association Executive Committee Make a Request

SEE MORE OF HARM THAN GOOD

Local Associations Should Not "Butt In" on Laws and Legislation Committee

The executive committee of the National Association of Life Underwriters quickly put itself on record against the attempt which has been made to stampede the insurance fraternity into the offices of the Western Union and Postal Telegraph companies for the purpose of wiring United States senators and congressmen against Government ownership of insurance and socialistic inroads on the insurance structure. The committee decided to request all committee members and officers of state associations to return to their homes and stop at the earliest possible moment newspaper propaganda which has as its aim the writing and wiring to Washington.

To those who understand the resentment in life insurance circles over the interference with association legislative committees it was expected that the "propaganda" would be given some sort of a knock-out punch as soon as enough level-headed life insurance men could gather into a room and take counsel among themselves.

Making Colonel Powell's Job Difficult

The occasion came on Tuesday morning when Colonel Powell, of Louisville, manager of the Equitable Life of New York, the masterful and sagacious head of the committee on laws and legislation, interrupted his report to say:

"The power of suggestion is the biggest thing in the world. If you go out and suggest that something awful is going to happen why you are tipping off some person that it may happen. You are suggesting ideas for action where there weren't any ideas before, in many cases. Now, my friends, do not send any letters to any congressmen or senators unless you are requested to do so by your committee on laws and legislation. Nothing can do you more harm than to have somebody 'butting in' when you are trying your level best to protect the interests of insurance. The man on the ground has certain plans and they are interfered with when outsiders claiming to speak for

(Continued on page 29)

Saving "Money Scraps"

PAYMENT of the first premium for a life insurance policy calls for a revision of the family budget. It is usually the hardest premium to collect.

After a man has decided to save so much a year for life insurance, why not encourage him also to save his annual dividends by selling him a Mutual Benefit policy on the Accelerative Endowment plan? This unique Mutual Benefit feature was originated in 1875 for the benefit of the man who desires the low Ordinary Life rate, but who doesn't want to "die to win."

Americans are being urged to save food scraps. They should also be encouraged to save their money scraps—not only for their own but for the National good. Life insurance dividends are in a sense "money scraps" in that when they are received in reduction of premiums they frequently slip away from the insured without doing any material service. When they are systematically applied on the Accelerative Endowment plan by the man of thrift, not only do they have the effect of changing a "Life" policy into an "Endowment," but also every dividend applied on this plan becomes itself the source of future surplus, thus causing bigger dividends. The Mutual Benefit is the one Company that can show actual maturity results under this unique and attractive saving plan, which was selected by applicants for 46% of the Mutual Benefit's new business last year.

Send for our Leaflet showing "How it Works in Practice."

THE MUTUAL BENEFIT

LIFE INSURANCE COMPANY

FREDERICK FRELINGHUYSEN, President

Home Office - - NEWARK, N. J.

PATRIOTIC SCENES AS INTERNATIONAL CONVENTION OPENS

Cheers For Speakers From Two National Administrations

TWO THOUSAND IN ATTENDANCE

Pres'dent Wilson Unable To Be Present—Women Take Interest in Proceedings

Never has so much enthusiasm been in evidence at the opening session of a life convention as was observed at the first joint annual meeting of the National and Canadian associations of life underwriters held in the big ball room of the Hotel Astor on Wednesday morning. Delivering their addresses under the great flags of the Allies speakers from the administrations of the two governments time and again brought the large audience to its feet with resounding cheers as they told the aims and the hopes of the Allied nations, prophesied the early winning of the war, and denounced all diplomatic movements toward peace emanating from neutral countries. Canada sent her Solicitor General, Hugh Guthrie, and America her Assistant Secretary of Agriculture, Clarence Ousley.

2,000 in Attendance

President Priddy made good on his prophecy that there would be two thousand present. There were at least that number, while hundreds of other agents attended at subsequent sessions. Several hundred women were eager listeners. In the gallery was the Police Band of sixty-five pieces, led by a lieutenant. The Canadians were present in force, taking an active part in the proceedings. That this was highly appreciated was shown by the tremendous applause which greeted Canada's "The Maple Leaf," in the singing of which everybody joined. In the audience were many prominent life men who came as guests. President Priddy was in the chair and beside him sat J. T. Wilson, who was president of the Canadian association. As usual the announcement was made that doors would be locked during the delivery of speeches, and that smoking would not be permitted. Twenty-five good Hoyo de Montereys being smoked at the reporters' tables immediately doused their glims.

The President Could Not Attend

It had been announced that President Wilson would address the convention, but the Chief Executive found

it impossible to leave Washington and he wrote a letter to that effect to Mr. Priddy. At the mention of the President's name the convention cheered.

One Delegate in Distress

In his first talk to the convention Mr. Priddy said that the duties of a national convention president are variegated and he cited the fact that one of the delegates had been held up at the railroad station, asked for his registration card, and had been taken into custody. Mr. Priddy and Charles Jerome Edwards, of New York, went to see him.

"We found about 2,000 men there, most of whom were scheduled to spend all night under restraint. We sent another man to hunt for our man this morning, but we don't know yet whether he is here or not. If he is I wish he would stand up."

"I got out all right, and thank you for helping me," said a young man, who arose, a happy smile reflecting his pleasure at being released from an embarrassing incident. It was W. A. Buchhotz, a member of the $200,000 Club of the New York Life. The convention gave him a rousing greeting.

Orra S. Rogers, president of the New York association made the address of welcome and explained the sights of New York.

The Nation's Appreciation

In addressing the convention Clarence Ousley said he wished to acknowledge the nation's appreciation of the international event to which he had been invited. He started right off with a tribute to the Canadians, telling of their wonderful endurance during the war in sustaining the valiant sons of Britain and France. He said this nation well understood that if it had not been for the Canadians and the other Allies the Huns would now be desolating this land.

Next he desired to acknowledge this country's indebtedness to the life insurance men. No set of men, he continued, had rendered more faithful service than the life underwriters. He called them benefactors of humanity. "You are in a noble profession," he said.

The responsibilities of life underwriters and all other citizens were then outlined. He declared that this is a war of the people, and that the Government simply reflects the voice of the people. The people have decided that the war must be prosecuted until it is won, and the people must furnish the funds.

"We have $250,000,000,000 of wealth in this country; it is not the Government's; it is yours," he asserted. He made a rousing appeal for support of the next Liberty Loan.

The Labor Situation

The speaker than discussed the labor situation, saying that before the war there were 1,000,000 emigrants to these shores every year of whom 250,000 were laborers. Since the war there have been no emigrants, and not only did the nation lose those 250,000 laborers each year—a million by this time—but 1,500,000 of our best have left industry for France. Many new industries have come into the field and it is necessary to have the men to man these. He also spoke about the labor necessary to work the farms and advised that men and women go from the cities to the farms or the factories, and he declared emphatically that any man who was employing a worker to do unessential work was not a good citizen. He told of the world's food needs and said they must be furnished. He closed by saying that Americans will soon take part in the great offensive, and while our deeds may not excel those of the French, British, Canadians and Australians, "nothing can stop our boys under the leadership of Black Jack Pershing." The audience agreed with him, the speaker receiving a tremendous ovation.

The Solicitor General of Canada

A similar reception was offered the Solicitor General of Canada. Mr. Guthrie was listened to with the closest attention when he told of Canada's great sacrifices, on some days as many as 10,000 casualties being reported. At Vimy Ridge the Canadians had lost 10,000 men, but they captured 11,500 prisoners, as well as killing many of the enemy. He gave the lie to the German propaganda that Britain was not doing her part in the war, an attempt to spread ill feeling among the Allies. He said that the little islands of Great Britain, not so big in area as the State of New York, had raised an army of 6,000,000 men, while with her colonies the army was 8,500,000, larger than any of the Allied armies, and that the casualties of Great Britain had averaged 2,000 a day. They have been 3,000,000 to date.

The Diplomatic Mistakes of Germany

Solicitor General Guthrie told of the diplomatic mistakes of Germany, her blunder in thinking England would not go to the defense of Belgium; in thinking that the American troops would not be a factor in the war; in feeling that the silken thread binding British colonies would be broken.

"That silken thread is now an iron chain," said the solicitor general. "Nothing can break it." He felt that there were no longer any geographical or other lines of demarcation between Canada and the United States. "We regard you as brothers, now," he said, "and shall for centuries to come."

The Solicitor General has two sons who have answered the call. One of them returned to Canada wounded. When asked by his father what had most impressed him he declared that it was while in Liverpool where he saw 26 transports filled with troops in the harbor. They were American troops. The population simply went crazy with joy, because the Americans at last had come, and they were coming on every ship.

Solicitor General Guthrie concluded by advising Americans to pay no attention to peace propaganda from Germany. The only way to whip the Germans is to do so on the battle field.

President Priddy's Report

The first morning's session concluded with reports of the presidents of the two associations. President Wilson told what the Canadian association has been doing. President Priddy outlined the activities of the American association. He described the Liberty Loan achievement—over 700,000 bond subscriptions for $700,000,000. He told of the record of various cities: Baltimore, which had sold $1,800,000 bonds in a single day; Cincinnati, with the sale of $4,750,400; New York, $11,086,750; Detroit, $2,405,750. He recited the W. S. S. sales record of the Metropolitan, $65,000,000 to date. He discussed the increase in membership. The association has over a 1,000 members more than it had a year ago.

During the course of his talk Mr. Priddy sharply criticized the members of the executive committee, which he said had not co-operated with him. This will be discussed in another part of this issue.

In conclusion President Priddy made a stirring talk about the war, and finished by forecasting a great victory for the Allies which would forever wipe out the Hohenzollerns, concluding by pulling an American flag from his pocket and waving it amidst scenes of tremendous enthusiasm.

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International Council to Draw American and Canadian Associations Together

Each Country to Have a Member on Other's Legislative Committee —Closer Relationship Between Organs of the Two Associations—To Participate in Each Other's Congresses—Speakers on Subject Well Received.

The International Council of Life Underwriters is now an established fact. Its object is to bring the National Association of Life Underwriters and the Canadian association into closer relationship.

At a meeting held at the Hotel Astor on Monday night three members of each association were named for the purpose "of correlating work along administrative and legislative lines."

The members of the Canadian association are: John A. Tory, Toronto; J. T. Wilson, Halifax, and W. Lyle Reid, Ottawa, all former presidents of the Canadian association. The members of the American association are E. A. Woods, Pittsburgh; Neil D. Sills, Richmond, and Ernest J. Clark, Baltimore, all former presidents of the National Association.

Tentative Recommendations

In a talk before the executive committee of the National Association of Life Underwriters Mr. Reid outlined what the International Council has in mind, the recommendations (of a tentative nature), being as follows:

We would recommend that the legislative committees of the two associations make it possible for a corresponding member of each association to serve with the legislative committee of the other, viz.: a Canadian member with the American committee and an American member with the Canadian committee, so that matters affecting life insurance in both countries may be watched with the most careful attention.

We would recommend that the journals of the two associations—the Life Association News of America and the Life Underwriters' News of Canada be brought into closer relationship with a possible uniform publication at stated intervals so that your members may know what our members are doing and vice versa.

We would recommend that there be closer co-operation in the matter of congresses.

The idea of the International Council while it had its inception in St Louis, really received its first important committee attention at Pittsburgh. It is now an assured fact as the report of the two chairmen—Mr. Reid, of Canada, speaking before the American executive committee, and Mr. Woods, of America, speaking before the Canadian executive committee, were well received.

Lawrence Priddy's Withdrawal as President of National Association

Made Numbers of Friends and Some Enemies, But Performed His Work With Rare Enthusiasm and Zeal—Known From One End of the Country to the Other—Threw Tact to the Wind to Get Results.

There was no contest over the presidency of the National Association of Life Underwriters. At the meeting of the executive committee the day before the convention opened Lawrence Priddy, the dynamic and whirlwind president of the National Association of Life Underwriters, came in late in

the afternoon and announced in a characteristic way that he had decided not to run again.

The passing of Lawrence Priddy as president of the National Association of Life Underwriters, as picturesque a figure as ever held that office, is worthy of more than a mere paragraph. So well known was Mr. Priddy and so large was his personal following in the rank and file, that it was a surprise to most members of the association to learn that he was only an agent of a life insurance company inasmuch as the other presidents have been general agents or managers.

His Forceful Personality

Mr. Priddy was a Y. M. C. A. secretary who went into life insurance. He is one of the frankest talkers that this country has yet produced; he isn't afraid of anybody living; and there is a force about what he says which stirs his auditors sometimes to a point of frenzy. He never cares so much for tact as he does for results, and whether he makes a man a friend or an enemy is all in a day's work. Both his friends and his critics say that he dearly loves a scrap and the bigger and stronger his opponent the more satisfaction he gets out of it. Naturally, his pugnacity and sharp speech sometimes stirred up a hornet's nest.

Mr. Priddy came here about the time of the Armstrong investigation and with his inherent qualities quickly became a leading producer of the New York Life. He went into association work and was elected president of the Life Underwriters' Association of New York. So much vim and ginger did he put into the meetings of the associations and so much attention did he attract by his original and piquant way of doing things, that the membership was greatly increased and he attracted national attention. Two of his activities were against special policies, (which were done away with largely through agitation which he set on foot,) and against crooked and one-case agents. In the latter fight he was unusually successful. Judge Hasbrouck, then superintendent of the New York Department, made the statement to newspaper reporters that Mr. Priddy called upon him at least once a day, demanded the scalp of some agent whose methods were not what they should have been, and if he proved his case the scalp was forthcoming.

The San Francisco Meeting

About this time Mr. Priddy's activities became so displeasing to two large companies that it is said the executive heads of these companies advised their agents to drop out of association activities.

By the time the National Association of Life Underwriters met in San Francisco two years ago there had grown up a strong sentiment for Priddy's election as president. J. Newton Russell was elected with the understanding that the New York man would get the office the following year. In New Orleans this came to pass.

As president of the National Association of Life Underwriters Mr. Priddy was on the job every minute. He made two flying trips around the country, talking to life underwriters in his straight from the shoulder way. To say that he was often a sensation is putting it mildly. In one city he began his talk by lashing the members for not making a demonstration when the name of the President of the United States was mentioned. In all towns he told exactly what he thought. Always he was without mercy for the agent who does not observe the ethics of his profession, and always he made it a point to get into the membership everybody at a banquet who was not a member of the local association. He was out after results and he got them.

As an organizer and a stimulus to membership no one has proven his equal. He spent a large part of his time in Washington, and was always ready to sacrifice his private work. He went into the Liberty Loan work with his whole soul, talking it everywhere during the drives.

Often Acted Alone

While appreciating the great qualities of Mr. Priddy's work some of the leaders in the association felt that he was too much of a leader, had too strong a sense of individuality, and began to comment upon the fact that he did not advise enough with the National Council and the members of the executive committee, some of whom said that periods of several months would go by without having heard from the president. Former presidents did not think that President Priddy's activities in Red Cross, Knights of Columbus and Y. M. C. A. business was the correct one to take, and a page ad which he inserted in the Life Association News was criticised. Anyway, he decided not to run again. There were many phases of his administration which were brilliant, and he retires with many valuable friendships in the rank and file of life underwriters of this country.

Sanitarium Director Tells How Over-Eating, Tobacco and Alcohol Kill

Longevity of Men Seven Years Less Than of Women—City Life Also A Great Penalizer—The Battle With Venereal Diseases—Priddy Says Paper is Worth $5,000 to National Association—Appeals to Life Insurance Companies to Extend Campaign.

Dr. J. H. Kellogg, superintendent of the Battle Creek Sanitarium, after studying personal habits upon life expectancy for forty-five years, has seen 120,000 patients pass under his review. He made a rousing talk against tobacco, alcohol, over-eating and sedentary life at the Thursday morning's session. When he concluded President Priddy said that the association would not take $5,000 for his paper.

Among some of the statements made by Dr. Kellogg were these:

"Men who live in the cities as well as those in the country pay the penalty by having seven years chopped off their lives.

"Just what the outdoors will do for a man coupled with strenuous exercise, regular hours and sane eating, is demonstrated by the hundreds of thousands of flat-chested, sallow faced, round-shouldered young men who are among those who have joined the army and after three months get muscles as hard as iron, can double trot for miles without being winded, and are in perfect health."

Women Live Longer Than Men Do

Women live much longer than men and do not suffer nearly so much from hardening of the arteries and other diseases as do men. The reason is largely because they do not use alcohol or tobacco to the same extent that the men do. About ninety per cent. of the men are heavy smokers. A man is as old as his arteries. Hardening of the arteries is not the result of old age but of abuse of the system. A youth of seventeen, an inveterate smoker, was found with this trouble.

The nation is in the toils of drugs and alcohol. This is because of the general use of tobacco, liquor and coffee Fortunately, the hold which alcohol has had on the people for centuries is losing its grip.

Hope Tobacco Will be Prohibited

When the delegates applauded the last statement Dr. Kellogg said:

"I hope you will applaud this one, too." He then said:

"Inside of twenty-five years we will toss tobacco overboard just as we have alcohol."

The convention cheered him.

After telling how temperate and sane habits of living and of eating would put the chronic diseases to rout Dr. Kellogg called attention to the spread of venereal diseases, saying that 10 per cent. of the people of this country had syphilis.

"We think we are civilized, when we are in reality syphilized," he said. He is an advocate of quarantining people with venereal diseases, saying that only in that way can this great scourge of humanity be stamped out. He added that there were more cases of syphilis than of tuberculosis. He concluded with an earnest appeal for the life insurance companies to aid in the extension of life by scientific battle with chronic diseases, declaring that the health boards throughout the country had fallen down in this respect.

This is Day and Opportunity for Women Writers of Life Insurance

Hundreds of Thousands of Their Sex Flocking to the Industries Must Have Protection—Nine Women Out of Ten Have Dependents—Women Easy to Sell—Women Agents Bring to Salesmanship Qualities of Tact and Intuition.

One of the unusually bright spots in the convention was the half hour or so devoted to women under the topic "Present Day Opportunities for Women in Life Insurance." That these talks were worth coming to hear it is only necessary to say that the speakers were: Miss Leonora M. Cowick, president of the New England Women's Life Underwriters' Association; Mrs. Jennie Watkins, the only women member of the New York Life's $200,000 Club; and Miss Constance E. Woodward, one of the two women members of the Equitable Life Assurance Society's $250,000 Club.

In the opinion of all of these speakers this is the time for women to write life insurance. They must fill the depleted ranks caused by men going to the war.

Miss Cowick said that there are about fifty women in the New England Women's Life Underwriters' Association, the only association of the kind in the country. She has been in the business more than a decade and has had splendid opportunities to see women agents at close range. Her studies of their achievements, their characters, their prospects, convince her that the woman agent is a decided success. All that these agents need is training.

All a Question of Training

"Train a woman as you do a man," she commented, "and you will have an equally successful life insurance seller."

Men have had a long start on the women. They sold policies for generations many years before the women got into it, although Mrs. Florence E. Shaal, of Boston, has had about nineteen years' experience which has been of the pioneer quality and has done much to teach women the insurance ropes. Life insurance in Miss Cowick's opinion is not only a business, but an industry.

"And to win out," she declared," you must be industrious."

Therefore, women who enter the business should expect to work, not harder than in any other business, but just as hard. The sales girl is on the job at 8.30 in the morning, and is not through until nearly 6 at night. Surely, a woman agent can give of her time from 10 until 4. Before the war only 7 per cent. of the people were insured. The Government changed all that. The life agent should feel a personal as well as a business responsibility to see that everybody is insured. There are too many object lessons observable to show the degradation and misery that follows in the trail of the bread-winner who didn't take the time to get insured or was not convinced that insurance was necessary.

Win by the Law of Average

Miss Cowick gave her opinion that women agents should try and produce business every month. They should not be intoxicated by the success of lucky cases, but should keep plugging and win out on the laws of average. She pointed out the economic side of

(Continued on page 29.)



"Look Up and Not Down"

To stimulate public subscriptions during the Red Cross Drive in May, Harry H. Gardiner, the "Human Fly," climbed our Home Office Building. Five thousand people stood in Post Office Square, Boston, and were thrilled by this performance. The photograph shows him on his way to the top of the building, which he successfully reached in less than thirty minutes.

THIS PICTURE IS A SYMBOL

Progress—Upward:

two principles that embrace pretty much all that is worth while in life!

During three-quarters of a century, the New England Mutual has tried, with consistent purpose, to make each year a stepping stone to a higher plane of insurance service.

It is a supreme satisfaction to New England Mutual men that, in the insurance field of "essential" usefulness, the ascending victories of progress have been won, in conspicuous part, by their Company—"the First Mutual."

NEW ENGLAND MUTUAL LIFE INSURANCE CO.
BOSTON, MASS.

Canadian Men Take Important Place at First International Meeting

P. A. Wintemute, Calgary, Chosen President—J. H. Castle Graham, Re-elected Secretary-Treasurer—International Advertising to Be Developed—Each Province to Have Vice-President—Sectional Debates and Educational Work Planned.

Relations existing between the United States and Great Britain, the outgrowth of the great war, gave added significance and color to the twelfth annual convention of the Life Underwriters Association of Canada. The meeting opened at the Hotel Astor, New York, September 3. The Canadians met the following day with the National Association, which held its twenty-ninth annual convention this week. This is the first international convention of life underwriters, an event which has long been looked forward to.

For Advertising Campaign

Institutional advertising is to be taken up vigorously by the Canadian Association this year. It will be in charge of a committee of which Secretary-Treasurer J. H. Castle Graham is chairman. F. T. Stanford, Toronto, will prepare the "copy." Each local association will finance the campaign in its own district. The opinion was expressed by one member that it is a crying shame that the companies themselves do not recognize the necessity for and the benefits of this institutional advertising of life insurance, in which the identity of companies is lost and the value and meaning of life insurance is brought to the front.

Keen For Victory Loan

The life men are going to take a grand part in placing the Victory Loan. They will have life insurance divisions and life insurance teams. They are not satisfied with the way previous government war loans were handled, when life men did remarkable work for which ordinary bond salesmen got most of the credit, besides being paid for their time. A committee of the life men will be chosen to better arrange the bond selling plans of the life men.

An innovation this year is the selection of nine provincial vice-presidents. Heretofore there have been only four.

An executive committee was chosen on which every local body is represented in accordance with its membership. There will be one representative for an association having up to fifty members; two for one of from 51 to 100 members and three for one of 101 or more.

Sectional Debates Planned

The essay committee proposed that the association consider inter-association debates instead of an essay competition. The country is to be divided into districts and the debates carried out to finals, which will take place at the annual convention.

The subject of provincial licenses for a broken term was referred to the legislation committee.

Affiliation with the Insurance Brokers & Agents, an English organization, was favored.

The work of retiring President Wilson and Secretary-Treasurer Graham received the warmest of praise.

International Council Recommendations

As a member of the International Council, Edward A. Woods made four recommendations:

That there be closer affiliation between the two association journals and that there be an exchange of material by them.

That the law and legislation committee of one association should have representation on the committee of the other association.

That there be sectional congresses held from time to time at points near the border and that they be international in scope.

That an international convention be held triennially.

Mr. Woods said that Canada is ahead of the United States in the political treatment of life insurance and that it would be helpful to know at all times how the Canadian Parliament has handled life insurance matters. He favored holding the triennial international meetings in the smaller towns away from the distractions of the larger cities.

Many Men Overseas

With the four new locals it has gained the Canadian Association now embraces thirty-seven local bodies, with 1,500 members, 250 of whom are engaged in the war overseas.

The next annual convention will be held at Calgary, the home of the new president. Unique invitations were sent by telegraph from Calgary men showing that there will be a rousing welcome for the life men there in 1919.

Educational Work Progressing

President J. T. Wilson in presenting his report announced the formation of four new local bodies. These are at Lethbridge, North Battleford, Sault Ste. Marie and St. John's, Newfoundland.

The educational program of the association has made progress. It is probable that the universities of the western provinces will this year offer a course of extension lectures. In these same provinces a revision of some of the text books is going on. The importance of including problems bearing on life insurance has been impressed upon the educational authorities.

Uniform legislation affecting life insurance has been advocated and its value recognized by the provincial governments. The outlook in this respect is highly encouraging.

President Wilson advocated meetings under the auspices of groups of associations. For instance, the Maritime Province group, Quebec and nearby towns, and another group in the West.

Public Favor Growing

Chairman George E. Williams of the executive committee referred in his report to the last twelve months as the most active and the most expansive in the history of life insurance. It has also been a year of public favor. The people generally are recognizing more and more the sure and large place occupied by life insurance in the national economy and in individual thrift and providence and are lending a favorable ear to the really wonderful story life men have to tell. This favor has been greatly increased by the self-sacrificing way in which the field men have thrown themselves into the great public campaigns of the day.

There has been much expansion in the association itself. Having a secretary who gives all his time to the association has been found beneficial. Labor saving devices have been obtained and the association has had to engage larger headquarters.

"News" Growing Fast

The directors of "The Life Underwriters' News" presented an encouraging report, stating that the circulation of the "News" is now 2,000 and that practically every company operating in Canada carries regular advertising in its columns.

It was recommended that the association introduce a review and research service for its members. This would furnish field men with information on legislation, companies' selling methods and a variety of other material.

Work of Education Committee

The Canadian Association is doing a good work through its education committee. The most effective work in this respect appears in the London association through the activity of President Parkinson. An excellent course of lectures was delivered before the students of the secondary schools there, culminating in a large public meeting. Good results followed similar activities elsewhere.

Edmonton university authorities have agreed to consider such a course of lectures next October. The committee has the written promise of the heads of the education departments of most of the provinces to consider the incorporation in revised arithmetic textbooks of a treatise on insurance.

Another opportunity for service in this connection is being taken advantage of by the committee in interesting the teachers' institutes throughout the country in having addresses given on insurance.

Twenty-One Reasons Why Life Insurance Production Should Increase

Edward A. Woods Finds Encouragement For All Producers of Insurance—Great Prosperity, Everybody Employed, Country's Wealth Goes Ahead By Leaps and Bounds.

That while contributing their best energies to winning the war life insurance men can at the same time increase their production is the opinion of Edward A. Woods, the famous Pittsburgh agency manager of the Equitable, and head of the largest general agency in life insurance.

Mr. Woods has compiled twenty-one reasons why life insurance should be good in war times, and here they are:

1. Everybody is employed and certain of employment at good pay while war lasts.

2. Business is certain to be good, commodities salable at high prices and money abundant while war lasts.

3. A period of inflation is likely to follow the war, after which will come uncertainty, disturbances and depression.

4. The country's income has increased from 35 to 50 billions.

5. The country's surplus income has increased from two to eleven billions.

6. The country's wealth has increased from 188 to 275 billions.

7. The object lesson of a most unexpected need for insurance and simultaneously millions of it being placed on the youngest and healthiest lives unable to secure this insurance at normal rates is striking.

8. The Government itself has been obliged to come to the rescue to furnish this new need.

9. New conditions require increased insurance; (a) increased cost of living—inflation of dollars; (b) inheritance and other taxes.

10. Object lesson of 20 billions new insurance.

11. Thrift taught.

12. Object lesson of daily casualty lists of insured soldiers.

13. Effect of prohibition on life insurance.

14. Women in industry as prospects.

15. Foreigners as prospects—an American institution.

16. Object lesson of insurance required by Red Cross, by Y. M. C. A., by K. of C., etc.

17. The patriotic duty of insuring workers.

18. The object lesson of wholesale life insurance.

19. Buying life insurance when the dollar is cheap.

20. Average age of insurers increasing.

21. People can afford to buy what they want badly enough.

Here are some points for agents to remember:

Bankruptcies has been cut in two.

Bankruptcies in England:

1913	5,807
1914	4,484
1915	4,043
1916	3,878
1917	2,777

Canadian Bank Savings:

1914	$659,806,000
1917	985,790,000

Canadian Bank Clearings:

1914	$ 8,073,000,000
1917	11,470,000,000

(Eleven months only.)

Great Britain: Number of employes in twelve trades before the war, 2,732,000; in 1917, after the war had taken 6,000,000 men into service, 2,917,000.

Canadian new business:

1913	$152,145,937
1914	148,298,365
1915	167,818,848
*1916	168,818,848

(*Five companies missing.)

Possession
of
Present Insurability
is Priceless
But
it may pass from you
At Any Moment

Procrastination
may spell disaster
for your
DEPENDENTS

Protect them NOW
by a POLICY in the

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

J. K. Voshell, of Baltimore, Elected President of the National Association

Superintendent of Metropolitan Life and Chairman of Executive Committee of National Association—Occupies Position of Honor in Baltimore Civic Life—Appointed By President Wilson Member of First Draft Board in Baltimore.

J. K. Voshell, of Baltimore, superintendent of the Metropolitan Life, who was elected president of the National Association of Life Underwriters, has long been an active figure in life insurance.

His old district in Brooklyn, over which he presided so brilliantly for



the Metropolitan, was one of the best in the Company's field. Mr. Voshell's intimate knowledge of the industrial, as well as the ordinary, agent's perspective will work to the advantage of the National Association of Life Underwriters now that he is at its head.

Mr. Voshell was born July 17, 1864, in Kent County, Delaware. He was educated in the public schools, and when he was seventeen years old became an agent for the John Hancock in Philadelphia. In September, 1884, he was transferred to Boston, as assistant superintendent of agencies. This position he held until June 2, 1887, when at his own request, he was given charge of the Providence office.

September 1, 1894, Mr. Voshell accepted a position with the Metropolitan in Pittsburgh, as superintendent, and in the following March was transferred to Brooklyn, where he remained until May, 1903. His success there was of the first order and he became known the country over as a life man of more than ordinary ability, in whom his company placed the fullest confidence and in whose judgment full reliance could be put.

It was at the personal request of the vice-president of the Metropolitan that Mr. Voshell took charge of the Calvert District in Baltimore, where he now is located in a thriving agency.

In life association work Mr. Voshell has been active since he entered the Providence Association in 1890. His ideals in life association work turn to development of the agency side. He believes that the association is solely, purely an agents' proposition. It should not be connected with, directed or influenced by the companies except in an advisory capacity. He views agency organization as akin to the lower house in a legislature; that it can be worked in connection with company officials, but not to be directed by them.

Mr. Voshell was sought out and appointed by President Wilson, as a member of the first draft board appointed in Baltimore.

Other officers of the National Association of Life Underwriters are: Vice-presidents A. O. Eliason, St. Paul, Minnesota Mutual; Warren C. Flynn, St. Louis, Massachusetts Mutual; secretary, Hiram M. Taylor, Wheeling, Northwestern Mutual; treasurer, W. M. Wood, Pittsburgh, United States Life.

Arguments Used by Fred W. Fuller in Selling to Large Estates Owners

Springfield Man Who Wrote du Ponts and Harry T. Dunn, Tells How He Does It—Starts With Admission That Prospect Thinks Insurance Desirable—J. S. Myrick, A. L. Farmer and C. M. Hunsicker Talk—Discussion Stopped Abruptly.

It was too bad that the Chair did not introduce the speakers on the subject of selling life insurance to provide funds for the payment of inheritance and succession taxes by devoting a few words to announcing their achievements instead of presenting them by name only. Considerable of the force of what they said was lost because to most of the delegates the speakers were not well known. As a matter of fact if the program makers had searched the entire country they could not have found four men better qualified to discuss the estates taxation question than Frederick W. Fuller, A. L. Farmer, J. S. Myrick and C. M. Hunsicker.

Who They Were

Mr. Fuller, for instance, is the young and brilliantly successful manager of the Equitable Life Assurance Society in Springfield, Mass., who succeeded in writing $7,000,000 on the du Pont family; $1,800,000 on Harry T. Dunn, known to the automobile world as one of its leaders, and other cases. Mr. Myrick is a member of the firm of Ives & Myrick, writers of $15,000,000 last year, and handlers of the placing of some of the biggest lines that have been written to date on the inheritance and succession taxes. Mr. Farmer is one of the greatest writers in the Southwest, and is a manager in Oklahoma of the New York Life, another young man of equal caliber, and he spoke by the book as he recently closed a $1,500,000 inheritance tax case. Mr. Hunsicker is the president of the Fidelity Leaders' Club, a man with more than three decades of insurance experience.

Big Talking Event Crowded Into Forty Minutes

It was rather unfortunate that this estates taxation question—the biggest new argument that insurance agents have had in years—should have been crowded in at the fag end of a program. Of course, people who run conventions have many things to contend with that those on the outside do not know of, but when men of the type and prominence of the four speakers had consented to address the life men, they should not have been limited to ten minutes on this particular subject. It was too important. It is true the hotel wanted the room at 5 o'clock, but some of the speakers might have been switched over until the following morning, or a couple of preceding talkers eliminated.

Misunderstood Status of C. M. Hunsicker

Then, too, there was an unfortunate bit of handling of the first speaker, Clayton M. Hunsicker. Mr. Hunsicker began by explaining the remarkable inheritance tax charts compiled by Frank W. Shanbacher, which had helped him write a great deal of life insurance. Because Mr. Hunsicker had not been properly introduced and because many at the convention had not heard the unusual story of the imaginative, ingenious and extraordinary invalid who compiled these charts, some at the meeting got the erroneous idea that Hunsicker was trying to sell the charts, and he was cut off at the beginning of his argument, much to the dissatisfaction of the rank and file present who had been waiting all afternoon to hear the estates tax talk.

The Chart Compiled

A word at this point is due both Mr. Shanbacher and Mr. Hunsicker. The former is an agency manager in a small town (Ridgway, Pa.), representing the Fidelity Mutual Life. A chronic invalid, suffering pain every day, he began to think of the possibilities of the inheritance tax as an argument for life insurance while in a sanitarium. Leaving the sanitarium he sent for data and laws and compiled his charts and a digest of all the Federal and state laws on the subject. Since last November, despite his pain-wracked body, he actually and individually sold $2,000,000 of life insurance. This was all done by the inheritance tax argument and his own charts. His work attracted the attention of some of the biggest men in insurance who sang his praises so loudly that the National Association wisely asked him to make a talk at the convention. He was too weak to make the effort so delegated the leading writer of his Company, Clayton M. Hunsicker, to speak for him.

Hunsicker a Leader

Mr. Hunsicker has three times been elected president of the Fidelity Mutual's Leaders' Club, and is one of the most reputable and successful agents in Philadelphia. When he was chopped off in the middle of his argument an exciting scene followed, and there were demands that he be allowed to continue. In view of the fact that Mr. Hunsicker had courteously consented to substitute for another man he got what might be called a rough deal, which was recognized by the association in asking him to re-appear on Friday morning.

Mr. Myrick's remarks on the inheritance tax will be found elsewhere in this issue. Mr. Farmer's story has already been printed in The Eastern Underwriter. In brief Mr. Fuller's talk follows:

Mr. Fuller's Arguments

In the first place I have to say that the prospect's needs for inheritance tax life insurance and his attitude of mind must be studied just as carefully as the prospect for life insurance for any other purpose—in fact more carefully because the reasons which ordinarily influence prospects to buy life insurance, such as making certain to their families their future income in case of premature death, or the saving of money for their old age, does not apply to this prospect because in advance of the agent's interview he has already done enough saving and his income not depending entirely upon his personal efforts will go on to his family through means of invested securities; therefore the question to be decided is whether or not life insurance is one of the best methods for providing cash for this tax.

At the present time, men with property subject to inheritance taxes cannot afford to carry on hand enough cash to meet these taxes, because the income taxes are so large and the income from cash on deposit is so small. An internal revenue examiner of the treasury department recently told me that out of 150 estates which he had examined, which were subject to inheritance taxes, only one estate had enough cash on hand to pay even the Federal tax. Where a known payment must be made at an unknown time as for inheritance taxes, a sinking fund should be established and life insurance is the best way to do it.

How He Starts Interview

When I have determined that a man is a good prospect for inheritance tax life insurance, I generally start my interview by asking him if he believes that a wealthy man, owing a lot of money, or having considerable debts, ought to carry life insurance, particularly at this time with the world war conditions such as they are. My prospect will generally reply "yes" and will say that while a man is living, he might arrange to renew his loans and take care of his debts, yet his estate might have a hard time to meet them, and so life insurance would be desirable. I then immediately ask him if he would mind telling me how much life insurance he carries to take care of his debts, explaining that his debts, so far as I know, consists of Federal and state inheritance taxes. This opens the subject and the discussion is on.

Non-Income Producing Property

A good many prospects will tell you that they have already been solicited for life insurance for inheritance tax purposes and have decided against it, as they will leave their dependents well enough provided for after the tax has been paid, and in order to guard against the sale of securities in a depreciated market, they constantly keep on hand enough short term notes to meet the taxes, etc., etc. I have been able to sell a number of these men life insurance by pointing out to them what a good investment it is for their estate, especially as life insurance is non-income producing property.

Most successful men not only have families to be looked after, but being men of affairs they have business associates or partners whose interests may be vitally affected by their death. Where the man dies without adequate cash to pay his inheritance tax certain stocks or holdings or participations in syndicates may have to be disposed of to raise money and this might throw an enormous strain upon the decedent's business associates and disarrange large programs in which they are vitally interested.

We should study every article written on this subject.

Lawrence C. Woods has written one of the best short articles on "Life Insurance for Inheritance Tax Purposes" which I ever read, and the president of the New York Association, Orra S. Rogers, has issued a leaflet or pamphlet which ought to have the title "What it Costs a Rich Man to Die," in which he shows a schedule of the state and Federal taxes, lawyer and executors' fees, setting forth the amount of cash necessary to settle estates after the owner dies.

Will Meet In Pittsburgh Next Year

The thirtieth annual convention of the National Association of Life Underwriters will be held next year in Pittsburgh, where larger policies (in proportion to the size of the city) are being written than in any other town. Some of the most faithful National Association convention attendants live in Pittsburgh. In that city life insurance men are strongly welded together, and they work most effectively in patriotic drives.

WE SERVE

Second to None in Service

LONG established and thoroughly modern, providing perfect protection for a net cost which is notably low, and rendering service which is unexcelled, the Massachusetts Mutual stands out as an ideal company in which to insure. Sixty-seven years of square dealing are back of every one of our representatives. They will tell you how great an asset that record is in their work.

MASSACHUSETTS MUTUAL

LIFE INSURANCE COMPANY

Incorporated 1851

SPRINGFIELD, MASSACHUSETTS

JOSEPH C. BEHAN, Superintendent of Agencies

Life Insurance: A National War Need

FIRST PRIZE ESSAY

By Charles W. Scovel

Life Insurance a National War Need! Yes; American Life Insurance is just that—a national institution, now become a war need.

Always a National Institution. The American people have made it their permanent reservoir of social and economic power; already vast; capable of limitless expansion.

Through its 223 companies, Life Insurance now holds over six billion dollars, invested throughout the country, 97 per cent. of which belongs as trust funds to some thirty-five million policyholders. Over a billion dollars yearly are their current deposits, carrying total insurance of nearly thirty billions —far surpassing the total of all other nations combined.

Always the people's own institution. All scientific, legal reserve Life Insurance is essentially a co-operation; over 90 per cent. has no owners whatever but its policyholding members. Its rates have not increased. Complete figures, available for 194 companies since organization, show that the totals paid policyholders and held for them exceed the total received from them by over a billion dollars. No "profiteering" here!

Swells the Government War Chest

Today, Life Insurance is specifically a War Need, because it mightily swells all three national resources: Money, Materials, Man Power.

First, Money. Life Insurance swells the government war chest through the Liberty Loans, in which it has already invested on a huge scale, and will keep increasing that scale. In England and Canada it has become the largest lender to the nation.

On a still huger scale, in peace or war, Life Insurance serves the nation as the largest lender to the farmers, railroads, and main public utilities.

These loans, too, swell the war chest. The government itself has undertaken to aid these basic national interests, has already furnished them scores of millions from the treasury, and will furnish just so much more as they need. Every dollar, therefore, drawn by them from Life Insurance means one dollar less to be needed and drawn from the treasury. One dollar more for other war work.

Nearly three billion dollars is about the present total loaned to these basic interests and to the nation direct. Growing fast. Today, for every dollar of new premiums received, Life Insurance is adding between two and three dollars to this total.

By hundreds of millions per year these dollars are now flowing to swell the war chest. If our life values were as fully insured as our properties; nay, if our workers carried only as much as our fighters, these war dollars from Life Insurance would now be flowing by the billion.

Our National Thrift Campaign

Second, Materials (including labor, transportation, etc.). An ounce saved is an ounce made. One ounce more for war work. But it is a staggering problem to get a hundred million individuals to buy and consume less.

It simply cannot be done while there are so many loose dollars burning holes in so many million pockets. These dollars must be gathered where they cannot keep on thoughtlessly or selfishly buying up the materials vitally needed to win the war.

Patriotic drives, which have gathered a goodly share, will get more and more. But not nearly enough. Even the mastering motive of patriotism will reach only part way down the people's pockets—leaving there plenty of dollars still burning to be spent.

Varied motives, normal, common to everybody, are required. Also nation-wide, special machinery. Savings Banks can help. But only Life Insurance is fully equipped.

Its motives? Universal; centering in one's family, business and estate, plus personal Thrift through life and for old age. Machinery? Two hundred staffs of officers and employees; specialized, experienced; numbering many thousand. Scores of thousands of picked solicitors; veterans, shock troops; organized everywhere; reaching all classes every day.

Life Insurance has long been our National Thrift Campaign—chief specialist in gathering and conserving the people's loose dollars. It is now by far the fittest economic force for the nation to summon (and for every patrol to back up!) in a determined campaign to get those dollars where they will quit delaying victory.

Strengthens Man's Spirit and Morale

Third, Man Power (fighters, workers; men, women). When a man insures his life he strengthens his manhood, his spirit, his morale. Of his own free will and high purpose, he undertakes and pays. That is what uplifts.

Uncle Sam wisely urges his fighters to insure. Rightly he bears the heavy war hazard, and they pay the full peace rates for private group insurance. Over 95 per cent. of them are carrying an average of $8,400 apiece. And Pershing cables, "Insurance hearteens our men."

Workers and fighters together, we carry fully fifty-five billions of Life Insurance—a cardinal factor in our national morale, swelling our man power everywhere.

Other factors likewise can strengthen a living man power. But only Life Insurance can at all renew or extend a dead man power.

The policy's proceeds, made alive by the man's death, step into his very shoes. They alone stand in place of his life value. Except for them, his man power had stopped dead. But those proceeds are there! Alive. Personal. Carrying on certain of his own essential, vital functions in his family, his business, his community.

This is the supreme service. For life itself is the supreme value; all else has value only as related to it.

The nation's man power, as it dies off, is thus renewed and extended by policy proceeds aggregating hundreds of millions yearly. Averting damage immeasurable, from hundreds of thousands of death shocks. Even the business values saved greatly, exceed the cash that saves them. And the home values—none dares measure them in cash.

Gathering, investing, repaying—at every stage, Life Insurance gives the people's dollars national purpose and power.

Expand Life Insurance and Hasten Victory

Men and women of America: Far beyond what we have yet supplied, our country needs money, materials, man power. We possess one social and economic force which, in its normal activity, mightily swells and conserves all three. It is capable of immediate, limitless expansion.

Should we not, all of us, as patriots, do everything we can to expand American Life Insurance and thereby hasten Victory?

The Need of the Production and Conservation of Legal Reserve Life Insurance in Relation to War Time Economics.

SECOND PRIZE ESSAY

By John R. McFee

Economics is a term derived from two Greek words, meaning respectively house and rule and hence means house-rule or house-hold management.

It embraces a study of conditions of human livelihood as factors of human welfare. As a science, it generalizes thereby, deductively and inductively, the laws controlling the production and the utilization of wealth. It includes conservation as well as positive production. Opposed to conservation is waste. Hence waste requires economic consideration. Waste is more than the negative aspect of conservation. It is positive impairment, dissipation in whole or in part, of the corpus of tangible property. In its broadest consideration, economics reaches from the individual to the family, from the family to the community, from the community to the state and nation. We give it the synonym political economy, because, as its study concerns wealth, it concerns the state.

Conflict Against Poverty

The strategy in the human conflict against poverty, the struggle to attain individual and collective prosperity, it is part of the business of government to aid. When forced into war, the government requires co-operation between its industrial and military resources. Their co-ordinate organization becomes imperative. Waste then becomes a national sin, as refusal to fight or work becomes a national crime. Thrift corrects waste. So, in war-time, thrift mounts from an individual virtue to a patriotic observance. Thrift is primarily saving by curtailing an accumulation over personal needs, made in the discipline of restricted desires and restrained impulses. For its fullest realization, thrift needs the adjunct of sound investment. Its highest result comes when individual savings are gathered for co-operative investment, for thereby pittance grows to power.

Thrift is neither miserly accumulation nor venturesome profit, for thrift neither hoards nor hazards. Legal reserve life insurance is an adjunct and aid to thrift. Like thrift it covers no wagers and pays no winnings. It is the antithesis of hazard. When continuously invoked by the fixed premium required, it makes inevitable distribution under its contract. Its security rests on its reserves, fixed by statute, computed as sufficient to guarantee its contract by data obtained from the mortality experience of the race. The power to earn a fixed rate of interest, small enough to be obtainable from the investments beyond reasonable hazard, is assumed. So legal reserve life insurance, so long as the mortality experience remains normal, can know no peril but impairment of its investments. Just a record of human doom is this mortality experience, the normal decline of groups of lives at each age to extinction. We know the persistence of the group, but no prophet can foretell the time of an individual death. Legal reserve life insurance hypothecates the security of the group for the fortuity of a single life, a constituent of the group. Thus it is the very culmination of human economy. By it, earnings produce estates, usually beyond the aggregate of accumulations by accretions, estates vesting in possession when the insured dies and earnings cease, estates even already invested to yield guaranteed life incomes to beneficiaries. Life insurance thus continues prosperity from the insured to his dependents.

A Community Aid and Economic Achievement

Thereby it is a community aid as well as an economic achievement. When evil stalks and ruin threatens, when war imperils people and government, the need for legal reserve life insurance increases. War brings unavoidable waste—of manhood, the nation's strongest asset, of treasure, wealth's accumulations, of commodities, wealth's industrial production. A free nation fights for its people's heritage, its traditions, its ideals, won in the blood and tears of forefathers. Conceding to others what it demands, the nation fights that freedom shall remain as a right guarded by law, inherent, beyond barter, never to be confused with privilege vouchsafed in the impudent grace of masters. But great wars strain the nation's resources. The men called to the colors no longer produce, but consume, wealth. Markets are curtailed and commerce is restricted, for the government becomes sole purchaser of many commodities. Luxuries are discouraged in manufacture and in use. The workers in industry are largely assembled for production of military value. So the value of the producer is enhanced. The country looks for the fullest realization of his competency. To obtain this, the individual worker should be financially secure now and feel financially secure for the future. Anxiety for necessities is ever the enemy of continuous achievement. Death is the great threat. It is always insiduous, because its visitation is uncertain in time. Legal reserve life insurance, ever ready to begin serving those in sound health who are not engaged in extra-hazardous occupations, removes the anxiety of the workers in its membership, the fear that financial ruin may come to their dependents at their death. So life insurance heartens men to endeavor. Our government recognizes this truth, for it uses life insurance for its soldiers and sailors, assuming the war hazard as a governmental obligation, not merely as a duty to its defenders, but in the knowledge that with the protection comes increase of military morale. Life insurance always brings with its service a benediction.

Breadth of Protection

The average size of life insurance policies issued by the legal reserve companies, is under three thousand dollars. Hence the protection is largely to comparatively humble lives. The premiums usually come from sacrifice. They are of the nature of a tax, a tax on an ultimate consumer. Hence life insurance should be taxed by the government with extreme caution.

It is now submitted that legal reserve life insurance is not only an individual, but a sociological service and therefore a governmental need.

It stands sentinel at the door of the home and in the nation's homes is the nation's heart.

Its challenge to those who would assail it, should be the nation's challenge. Its continuing production, whether war frowns or peace smiles, it should be the concern, if not the obligation, of wise government to conserve and protect.

Co-operation No. 1

Our methods of co-operation with our representatives in the production of business are most effective when limited to the real producers.

In 1917 our licensed representatives produced 47 per cent. more business than three times as many agents secured in 1914.

Co-operation No. 2

Over $5,000,000 of insurance was paid for in 1917 as a result of the leads furnished by our prospect bureau. Several years of experience have proven that each lead furnished is the potential equivalent of a check for $3 in first year commissions.

Co-operation No. 3

Our effective plans of co-operation with new representatives (1) attract the best type of men to the business and (2) enable them to secure a substantial production during their training period.

A group of thirty new representatives who contracted with us in 1916 or early in 1917 reported $111,671.06 in new premiums during 1917.

Co-operation

"Operating jointly to the same end"

Co-operation No. 4

A full measure of agency co-operation to the real producer in securing business is responsible in part for the result in one of our agencies.

14 representatives in 1917 paid for more business than 42 did in 1913.

Co-operation No. 5

A full measure of agency co-operation is responsible in part for a material increase in the number of real producers. In 1917 the number of representatives who paid for $3,000 or more in new premiums increased 200 per cent. over 1914.

Phoenix Mutual Life Insurance Co.
of Hartford, Conn.
John M. Holcombe, President

Co-operation No. 6

A decrease of 28 per cent. in actual amount of business lapsed and surrendered was experienced in 1917 as compared with 1915.

This improvement in the quality of the business can be traced in part to the fact that our effective plans of agency co-operation are being devoted chiefly to carefully selected full-time representatives.

Co-operation No. 7

LIFE ANNUITIES

Revised Annuity rates and co-operation with our representatives in the placing of these contracts led to an increase of 500 per cent. in Annuity premiums last year over the volume for 1916.

Co-operation No. 8

85 per cent. of our 1917 business was produced by full-time representatives; 10 per cent. came from a small group of part-time men located chiefly in rural communities, and 5 per cent was the surplus line business of full-time representatives of other companies.

Our effective plans of training and co-operation are being devoted chiefly to full-time representatives.

Income and Inheritance Tax Laws As They Affect Life Insurance

By James H. McIntosh, General Counsel, New York Life Insurance Company

Government that is worth having is worth paying for. Every person who enjoys the benefits of government should willingly pay his fair share for the support of government. And whether he does it willingly or not, fortunately he must do it anyhow. A right-minded citizen pays the taxes he ought justly to pay, state or national, with the same spirit that he pays for the food, clothing and shelter of himself and his family. It is not my purpose here therefore to undertake to show you how to escape just taxation.

But in the comparative balancing of duties, some outweigh others. On the one hand, the duty to pay taxes is general, devolving upon all alike according to their respective abilities to pay. On the other hand, the duty to provide for and support one's family is special to each family head, sealed by solemn vows voluntarily taken, enjoined by morality, and, if necessary, enforced by law. It is the paramount duty. And this is why you here who are devoting yourselves to the business of insuring lives have a right to feel that you are doing a great service, the service of inducing and helping men to do their paramount duty in life.

The Service of Insurance

And what is the best way to perform this service? To insure men's lives, to be sure. But this is only one part of it. Another, and equally important part is to insure their lives right. You know the terms of the insurance contracts and understand what they mean; your client probably does not. He trusts you to give him what he ought to have; and it is just as much up to you, with your expert knowledge of insurance, to see that your client is insured right as it is to see that he is insured at all.

The ordinary man has not insured his life right, unless he has named as beneficiary of the insurance the person or persons he is most in duty bound to provide for, and has also reserved in the policy the right to change the beneficiary. A contract of this kind the insured can always control; and when the insurance becomes payable, the beneficiary will receive the amount of it probably undiminished by any income tax, and certainly undiminished by any inheritance tax.

Proceeds of Policies and the Income Tax

An income tax, the state, it may be, could impose on life insurance paid to and received by a named beneficiary, but down to this time this has never been done and I do not believe it is likely that it ever will be done, because so obviously it ought not to be done. The Federal Income Tax Law expressly exempts from the tax "The proceeds of life insurance policies paid to individual beneficiaries on the death of the insured." States that have adopted income tax laws have inserted therein a like exemption.

The policy of the Nation and of the state alike thus recognizes the importance of encouraging thrift, forethought and self-help, and the public value of independent homes, and of self-sustaining, and therefore self-respecting, families. They well know that in a democracy the family is the life of the state, and that if the family is not kept together and strong, the state cannot endure. It is for these impelling reasons that I do not believe life insurance payable to individual beneficiaries is likely to be subjected to an income tax.

Policy payments made to the insured in his lifetime, such as dividends and endowments, are either the return of his own to the insured, or the receipt of a sum to the credit of capital account. In no case are they income. Congress recognizes this by exempting from the income tax, in substance and effect, all sums so received.

Says Inheritance Tax Cannot Apply to Life Insurance

Inheritance tax laws do not apply, and, in my opinion, they cannot be made to apply, to life insurance which is payable to a named beneficiary.

In their present form the language of all inheritance tax laws is very comprehensive. Such laws usually provide for taxing all property "which shall pass by deed, grant or gift * * * made or intended to take effect * * * after the death of the grantor."

Cites Massachusetts

In Massachusetts, the State Treasurer, in administering such a law, claimed that life insurance payable to a named beneficiary constituted a gift which was intended to take effect after the death of the insured, and therefore he exacted an inheritance tax from the beneficiary of such a policy. The company that made the policy undertook to protect the beneficiary in her rights; and when the Treasurer refused to see why the statute did not tax money paid on such a contract, the company brought a suit in her behalf to contest his claim. The Attorney General of the state insisted, for the Treasurer, that the statute by its plain terms taxed all gifts intended to take effect on the death of the donor; that "The purchase of a policy of life insurance upon the life of the purchaser payable upon the death of the insured to a named beneficiary, the latter giving no consideration and the insured paying the premiums, constitutes a gift by the insured to the beneficiary, to take effect in possession and enjoyment upon the death of the insured"; and hence he claimed that the court should sustain the tax as a tax upon a gift to take effect on the death of the insured. But the court held against him, and decided that the insurance was not a gift to take effect on the death of the insured; but that the right to receive the death benefit vested in the beneficiary at the very moment the policy first designated her as beneficiary, and continued to be vested in her unless and until the insured devested her of her interest by exercising his right to change the beneficiary in the manner agreed to in the contract; that this beneficial interest thus vested in the beneficiary was hers, not the insured's, and that in so far as it was a gift at all it was a gift that took effect when the insured designated the beneficiary, not when the insured died.

A Vested Interest

Undoubtedly the interest of the beneficiary in a life insurance policy in which the insured has reserved the right to change the beneficiary is a vested interest. For such a right is property and every interest in property necessarily is always vested somewhere. If this interest is not vested in the beneficiary, whom is it vested in? Certainly not in the insured. Clearly it is vested in the beneficiary subject to be devested by the exercise of the power which the contract reserved to the insured for that purpose; and this was the sound basis of the Massachusetts decision.

But some courts have held, and wrongly held, and some of them are liable to continue to hold, that the beneficiary's interest in such a contract is not a vested interest, but is a mere expectancy; and they undertake to sustain their position by drawing an analogy between insurance contracts and wills—a form of reasoning always dangerous at best, but fatal here for the obvious reason that not a trace exists of such an analogy. An insurance policy, on the one hand, is a contract, governed by the law of contracts; it is more—it is property, valuable at its inception and of increasing value as time passes, in which every interest is governed by the settled laws relating to property. A will, on the other hand, is neither a contract nor property, nor governed by the laws of either; it is merely a formal statement disposing of property at the owner's death, and is governed by the statute of wills. There is no likeness between the two and where there is no likeness there can be no analogy.

A court, however, which could not adopt the reasoning of the Massachusetts court would hardly be expected to reach the same conclusion as that court on the same subject unless it found other satisfactory reasons for doing so. And this brings me to the broader ground upon which I claim the state cannot impose a valid inheritance tax on life insurance which is payable to a named beneficiary.

The Nature and Validity of the Inheritance Tax

In approaching this broader ground, let us, at the outset, see just what is the nature of an inheritance tax, and why its validity is sustained.

The right of an owner of property to direct the disposition of it at his death, or to let it pass under the statute of descent, is not a natural right; it is merely a privilege created and conferred by law. In like manner, the right to take property under a will or by descent is not a natural right; it, also, is a privilege created and conferred by law. The state which creates a privilege, clearly may impose whatever condition or burdens it sees fit to impose on the enjoyment of the privilege, and inheritance tax is not a tax on property at all, it is a tax imposed by the state on this privilege which the state created. And its validity is sustained for the very good reason that the state may tax a privilege which the state itself gave.

This true nature of an inheritance tax, as a tax upon a privilege conferred by law, and its validity as a tax on the ground that the state may tax a privilege it gives, discloses the inapplicability of such a tax to the proceeds of life insurance payable to a named beneficiary.

What does the beneficiary of such a policy inherit? Obviously nothing. She simply receives money under a contract to pay money, and because the event has happened which made the payment due. In receiving the insurance she enjoys no privilege which the state gave her, she merely accepts and receives the benefits which the contract gave her. And she does this in the exercise of a natural right which belongs to her as a person—a right which the state not only did not give, but which the state cannot take away nor impair. Hence a tax which is imposed upon a privilege has no application here because in receiving the insurance the beneficiary enjoys no privilege, but merely exercises a natural right belonging to her as a person and secured to her by contract.

A Discrimination Between Property Owners

Moreover, an insurance contract is an agreement to pay money at a specified time. So is a promissory note or other agreement to pay money. Shall the state tax the proceeds, or the right to take the proceeds, of one of these, and not tax the other? To do so would constitute a discrimination between property owners, which the Federal Constitution will not permit.

It seems to me perfectly clear therefore, that even if the state wanted to do so it could not impose a valid inheritance tax on the proceeds of life

(Continued on page 18)

THE FEDERAL LIFE INSURANCE COMPANY, Chicago, the OLDEST and LARGEST Illinois Legal Reserve Company, originally organized and ever since continuously operated as such, now operating in its nineteenth year and in eighteen adjoining central states, with over $26,000,000 of high grade insurance in force, over $4,250,000 of assets, $500,000 of surplus to policyholders and a premium income of over $3,000 per day, desires to contract with State and District Managers and Solicitors in South Dakota, Colorado and Montana.

It wants only determined, capable, industrious men of high character and correct habits, who stand well in their communities, who will be ASSETS (not LIABILITIES) to the Company, preferably inexperienced in insurance, desirous of life-long connections, willing to be taught the profession by a company of enterprising, conservative and honorable management, whose policies and agents' contracts are unexcelled in fairness.

Such men (or women) may secure contracts, affording an opportunity to establish a COMPETENCY and a CONTINUING INCOME, to represent either the LIFE DEPARTMENT, or the ACCIDENT and HEALTH DEPARTMENT, or BOTH, as may seem mutually most advantageous.

For detailed information address, giving references,

ISAAC MILLER HAMILTON, President
or
CHARLES S. RANNELLS, Secretary

FEDERAL LIFE BUILDING, Chicago

To "CARRY ON"—

SELL
To Others

and

BUY
Yourself

LIBERTY BONDS
WAR SAVINGS STAMPS
LIFE INSURANCE

Volunteer Your Services and Support the War Chest of:

The Red Cross
The Young Men's Christian Association
The Knights of Columbus *and*
The Young Men's Hebrew Association

Adjust your business so that you can give three days every week to the Government and help win the war. Following the above formula will promote lasting peace and happiness.

HARRY A. ROSENBERG
New York City

Analysis of Scientific Salesmanship

Report Read By
Chairman EDWARD A. WOODS

In discussing salesmanship as a science, we must be careful to differentiate between salesmanship and selling, as carefully as we would between broad and accurate knowledge of fundamental laws and the actual application or practice of those laws. There is a science of music; the art of singing. Salesmanship is, in its broadest sense, this knowledge of the fundamental laws and principles and classified experience of the past, and selling is the practical application of these laws.

Salesmanship is scientific when due recognition is given in its practice to the established natural laws, and to the experiences and information of others as recorded and systematically analyzed, and when certain procedures thus proven to be fundamental are followed, and others avoided.

Is there then Scientific Salesmanship?

In the sense of the exact sciences of Mathematics and Physics, no. But in the sense of such sciences as Medical Science or the Science of Biology, Music or Engineering, yes.

There is the Science of Salesmanship; the Art of practicing it.

Science is—

"Knowledge gained and verified by exact observation and correct thinking, especially if methodically formulated and arranged in a rational system."—Standard Dictionary.

Salesmanship certainly should come under such a definition. Otherwise a lack of knowledge, unexact observation, and incorrect thinking, could be good salesmanship. Surely we can profit from observing the experiences, success and failure of others. Salesmanship, so necessary to the commerce of the entire world, cannot be a matter of chance—so-called intuition. It is only the mentally lazy, who responded to all appeals to improve their salesmanship by the cheap assertion that "Salesmen are born, not made," and, of course, refuse to learn from the experience or failure of others—and such as a rule are neither born nor made salesmen.

Another definition is

"Any department of knowledge in which the results of investigation have been worked out and systematized." And—

"Knowledge obtained individually by study of facts, principal causes, etc.—a habit of possession of exact knowledge."

Laws Govern Mental Processes

In a world where we are becoming constantly acquainted with fixed laws that control every operation of the universe, is it conceivable that there are not laws which govern mental processes whether discovered or undiscovered? If science is organized knowledge, does the term apply to everything except mental processes? In the all-important matter of influencing others, upon which salesmanship is based, is experience to be unstudied?

The object of the actor is to influence the audience. During his entire career he studies the experiences of others and utilizes every art and expedient to accomplish his purpose. His lines, stage setting, costume, color, voice, gesture, entrances, exits and climaxes are not chanced but deliberately planned and practiced and studied to produce the desired effect—the effect of stirring or pleasing the audience, making it laugh or cry.

Is fitting ourselves to do so important a thing as influencing a man to provide for the future of those he loves less important?

Salesmanship the Power to Influence Others

The ability to influence others is one of the greatest of human powers. It is absolutely essential to the orator, the statesman, the priest, and in every possible rank of life. There are surely better ways of doing this as contrasted with poorer. There are fundamental laws that we can profit from, that will enable us to avoid wrong and to adopt right ways. The fact that we do not yet fully know them proves nothing but our ignorance—Australia existed before it was discovered.

Science is further defined as: "Expertness or ability to do, resulting from knowledge; exceptional skill acquired by intelligent practice, as the science of the pugilist."

We are all conscious when we make an efficient solicitation of an applicant. We also realize where we have been at fault and have made a failure of method, time, or manner of presentation. Why should we not profit from the most successful methods that we or others have used, and avoid our former failures?

Better Selection of Salesmen

Perhaps the greatest progress in insurance salesmanship in the last few years has been made in the direction of ascertaining how to select, and then how to train insurance salesmen. A few years ago we did not know what differentiated the successful salesmen from others, outside of such general qualities as industry, honesty, intelligence, etc.; from what vocations the successful came; the best way to promote success and avoid failure. We were then going, as many who ignore the possibility of making salesmanship a science would yet have us go, entirely by chance, trusting merely to the survival of the fittest, and hoping that out of a large number secured, of whom most would be failures, a few might succeed. It was much as if the modern gardener instead of selecting the best seeds for replanting would take the seed as it came, expecting that by sowing a large amount of good and poor seed, a few grains of the desired quality might emerge.

A hundred years ago there was no such thing as a science of mortality. As accumulated experience has reduced mortality tables to a science, so the study of where best to get and how best to train agents, will tend to eliminate the failures and increase the successes. In the appendix of this report are given the experiences of some companies as to the classes from which the successful agents come.

Every Insurance Salesman Interested In Eliminating Failures

It may be urged that this question is of interest to the company but not to the individual salesman. Previous reports of this committee have pointed out that this is not so, and it is of most positive interest to every general agent. The good salesman must in the long run pay for the poor because companies and agencies can afford to pay a certain amount for business both in money and in the attention given to the total salesforce; and every failure and retarded success consumes just so much money and attention, from the highest officer down. If all the effort,

58 YEARS OF SOLID GROWTH

THE GUARDIAN LIFE
INSURANCE COMPANY OF AMERICA

Established 1860 under the laws of the State of New York



RECORD FOR 1917
(The best year in the Company's History)

New business	$24,816,657.00
Gain over 1916	3,751,129.00
Total Insurance in force January 1, 1918	169,043,316.00
Gain in 1917	10,203,465.00
Saving to policyholders on account of favorable mortality, over	400,000.00
Assets	54,664,135.11
Guarantee & Dividend fund	5,880,822.73

Free Health Service, Insurance Money Investment Service and Title Service. Unexcelled policy contracts containing waiver of premiums, annuity and double indemnity clauses.

For a direct Agency connection address

T. LOUIS HANSEN, Vice-President and Agency Manager
50 Union Square, New York, N. Y.

time and money spent upon the failures could be concentrated on the successes, how much it would increase the progress of the successful. If none but the right kind of men and women entered and stayed in the life insurance business, how much easier would be their work, unhampered by the ignorant and the unfitted and the untrained, not to speak of the unworthy?

A few agents do most of the business: Note, for example, a large group of over 10,000 agents in this respect: 9.4 per cent. of the agents did 79 per cent. of the business while 90.6 per cent. of the agents did but 21 per cent. of the business.

It therefore appears that 9.4 per cent. of the agents produced 79 per cent. of the total business. It does not need a fertile imagination to consider how much time and money was spent upon the over 9,000 agents who did about one-fifth of this business, hundreds of them none at all, and in case of many how much damage they did to the entire life insurance profession which the successful agents had to overcome.

Small Producers Expensive

Better methods of getting and training agents to be successful are being developed, demonstrating the fact that it pays to secure and train the successful; that the failures are not only expensive but damaging. This alone will do more to build up the real profession of life insurance than all the effort to investigate this question costs. It will help to eliminate the casual agent, damaging not only to the public, the business, but especially to the company or agency. It will demonstrate that it pays to spend the same money and effort in helping the successful. It demonstrates that, as each unsuccessful agent represents a direct and avoidable loss, the successful agent is really a large and profitable investment to the company or agency, to be carefully safeguarded. It will just as much increase the importance of the large producer as it will tend to belittle the casual agent who costs more than his business is worth.

This cannot be held to mean that the small producer is to be ignored or discarded—these as a group must be retained and replenished as the reservoir from which the really profitable producers are to emerge. However, the fact is established that, whether new agent or old, the small producer is an expense so long as he remains small and that the utmost effort should be made, and the best possible aids sought, in the selection of new agency material, with a view to the possibility of its early and reasonably certain development above that line changing loss to profit.

The signing of a contract and the equipping of almost anyone with supplies may not cost actual money, but is nevertheless expensive. At a time when the amount and cost of turnover is disturbing the entire country, it cannot be claimed that the time spent in interesting, in equipping, working with and trying to make an unfit person succeed in the insurance business, is not expensive, and this expense must come from the funds of the company or agency and could far better either be saved or spent upon the successful.

Growth of Training of Agents

More companies and agencies are endeavoring to systematically train salesmen than at any previous time. Ten years ago the idea of systematic training was practically unknown. They were hired very much as if Uncle Sam today were to give his enlisted men a manual of arms and rifle and dispatch them to their various fields as soldiers instead of pursuing method of selection and thorough methods of training men that are making the American army the best in the world. For lack of proper training it is likely that large numbers of men have failed who otherwise might have become successful, and even those succeeding been less successful than they might have been. Further, training, which is largely the passing on to new salesmen the experience of others, might have made him become far more quickly the success that was reached only after painful mistakes and years, during the course of which many have, either from discouragement or financial inability, abandoned the business.

Insurance Department Helping to Eliminate the Unfit

Many insurance departments have altered their former practice of licensing anyone certified to by any company, and are making it somewhat more difficult for the "rounder" to get into or remain in the business. It is hoped that ultimately there will be a clearing house between the Insurance Commissioners of all the states, that the unscrupulous agent may be unable by crossing the state line to resume his vicious and hurtful methods. The practice of some insurance departments, as West Virginia, of publishing the names of licensed agents, promptly and periodically, is helpful in discouraging the secret agent who has no right to exist, and the practice of some companies in at once cancelling the license of an agent whose contract is terminated, and the publication of the fact will help protect the professional life insurance salesman.

Organizations Helping Insurance Salesmanship

Among the organizations making distinct progress toward the better selection and training of insurance salesmen are—

(a) The recently formed Agency Executive Association, pooling the experiences of the eighty companies that belong to it as to methods of selection and training of salesmen and as to better sales methods generally. They are collecting at the present time very

(Continued on page 25)

AMERICAN CENTRAL LIFE INSURANCE CO.

INDIANAPOLIS, IND.

ESTABLISHED 1899

HERBERT M. WOOLLEN
PRESIDENT

A Good Idea About the Part that Life Insurance can Play in Helping the Nation and the Individual

By Orville Thorp, Kansas City Life Insurance Co., Dallas, Tex.

In his address, Orville Thorp, general agent of the Kansas City Life Insurance Co. at Dallas, Texas, and vice-president of the National Association of Life Underwriters, speaking of the part that life insurance plays in helping the Nation and the individual, said in part:

The institution of legal reserve life insurance has crowned itself with many laurels of victory in the service which it has rendered to mankind by making it possible for the family unit to be continued as one of the definite, integral parts of our social being after the bread winner has passed away; by assisting the individual to provide for himself an old age fund; by relieving public institutions of the expense and responsibility of taking care of thousands of widows and orphans; by encouraging education; by fostering home building; and by many other indirect benefits resulting from the great human service rendered. In other words, it is a great human shock absorber.

But a new condition now confronts the American people. Some new gigantic problems are to be solved, and in solving them legal reserve life insurance can be made one of the greatest of all agencies in successfully meeting the issues. However, great as it is it can do but little without an army of workers. The life insurance worker of today constitutes one of the most aggressive and constructive agencies for progress that is known to our modern social life.

Nation's Wealth and Life Insurance

In order that we may more clearly understand the problem to be solved and the part that we, as life insurance workers, must play in it, it will be profitable for us to note a few statistics: The wealth of the United States is equal to that of Great Britain, Russia, France and Italy, and our exports to these nations are increasing at the rate of about two billion per year. During the past two and a half years we have built up a foreign trade balance with the above named nations of approximately $5,750,000,000. As a result of this increased trade balance, our gold supply has increased from $2,000,000,000 to $3,000,000,000, giving us at this time about one-third of the gold supply of the world; and in addition we have brought back to the United States during the past three years over two billion dollars of American securities. Our combined wealth is now estimated at $250,000,000,000, with an annual income of over $40,000,000,000. And yet, notwithstanding our enviable position among the nations of the earth, and the almost inconceivable amount of our wealth, in order that we may maintain a proper economic condition it is necessary that the individual citizen be so fortified that his ability to organize and develop American business will not be impaired.

Effect of National Debt

When our nation was brought into this great conflict it had a small bonded indebtedness equal to $9.87 per capita. Should this conflict last another year, which it probably will, it is conservatively estimated that we will have a bonded indebtedness by that time of at least $50,000,000,000. These statistics, while so gigantic that they are almost beyond the comprehension of the human mind, nevertheless serve as a guide in helping to review the present situation and forecast the future. A bonded indebtedness of $50,000,000,000 will give us a national pro-rated indebtedness of about $500. One out of five is the bread-winner and the debt payer. Therefore, the average debt payer of the United States will soon find himself under a national obligation of at least $2,500, to be discharged through his agents—the Governmental officials. Upon the financial strength and solvency of the citizen rests the security of this nation. If his financial status, as head of the family, is sound, then he is in a position to discharge all obligations toward his family and society, including his part of the national debt.

In weighing the conditions now existing—national and international—we find there was never a time in the history of the world when a man was more valuable to his country than now. It is estimated that it takes four men to provide the munitions, hospital supplies and food, operate the transportation lines, etc., for the one man who actually fights in the trenches. Upon the conservation of the life value of our people depends largely our ability to develop and maintain our industries, increase commercial trade balances with the world, incur obligations and provide for their liquidation in the future. Now, it is in this relation and under the present existing conditions that legal reserve life insurance can render a greater service to our people than it has rendered in the past.

Partnership With Government

The individual, especially the one who remains at home, must be made to realize that the government is not something separate and distinct from himself, but is a gigantic human, cooperative force of which he is a partner; that his government's obligation is his obligation and that in "safety first" he must provide for the liquidation of his part of our national debt. Assuming that his part of this national obligation will be $2,500, then it is the patriotic duty of the individual to so conserve his life value that the fruits of it can be used in part at least to liquidate this national indebtedness. How can this be done? By the individual following the same reasonable course of precaution that he demands of all gilt-edged institutions.

Our federal reserve banking system is the most powerful institution in modern finance. The strength of this institution is made possible because of the legal reserve maintained, this being its very life blood. The fire insurance companies, the casualty companies and legal reserve life insurance companies are rendering a service to mankind today which, if we were to attempt to eliminate, would to a large degree paralyze all of our industries. Yet the underlying principle in the contracts issued by all of these companies is that the company's obligations are absolutely guaranteed by a reserve maintained sufficient to protect the contract.

Life Policy is Sinking Fund

When a municipality, school district or other political division issues a series of bonds maturing at some future date, they do not wait until the obligations have matured to prepare to liquidate them, but beginning immediately with the issuance of the con-

THE BIG FOUR

AGE — STRENGTH — SERVICE — OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER
FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(ORGANIZED 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. **Net gain** in insurance in force during 1917, $21,764,972.88, or 72% **of the amount paid for.**

MEN of CHARACTER can obtain further information as to the **Company** and **Opportunities** by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES, IA.

tracts, they begin to build a reserve or sinking fund, which will protect them at maturity. We could carry this illustration through practically every financial transaction and we would find the same basic principle of a legal reserve maintained to protect the contract. The individual demands of all of these institutions that they maintain a legal reserve to guarantee the fulfillment of their part of the contract entered into with him. Therefore, the individual must be made to realize the absolute necessity and importance of carrying a sufficient reserve in the form of legal reserve life insurance to protect his life value, the fruits of which his family and his government will need in discharging for him his private and national debts.

This national obligation, maturing during the next 15 to 25 years, will be liquidated by a tax upon the industry and life value fruits of the individual. By carrying a sufficient reserve to protect his life value the individual will thereby greatly enhance the productiveness of the industries which he directs. This will enable him more easily to take care of his part of the direct tax which will be levied in order to liquidate his part of this national indebtedness. Should he die before the obligation is discharged, the reserve which he is carrying in the form of life insurance will immediately assist those who will take charge of his business in liquidating his obligations. It is the only possible way the individual can meet the issue on a basis of "safety first." It is the patriotic duty of every citizen to look this proposition squarely in the face and to prepare at once to meet safely the issue.

Responsibility of Life Agent

It rests with the individual life insurance worker and his association to drive home to our people the importance of using legal reserve life insurance to form a reserve basis that will enable them to discharge their obligations. Certainly there was never a time in the history of our government when it behooved any body of men so much as now to pull together, to cooperate, to share each other's burdens to the maximum of their ability. Our organization must be solidified. An offensive campaign should be started on agents who are not members. Since they are getting the benefit of our efforts, they should line up and assume their part of this work.

"Rendering a Public Service"

As life insurance workers we are constructive agencies rendering a public service; as servants of the people it is our patriotic duty as true citizens to sell our services for the maximum price. In selling our services there is a corporate service. The companies, without our activity, would not be able to render a service of any considerable note. This has been fully demonstrated in the history of those companies attempting to handle life insurance by correspondence. However, by co-operating with our companies, studying their problems, but greatest of all, studying the institution of life insurance and how we may best present the service that it offers to the American people, we can be of inestimable help to our companies and the public. If we sell our services in this sense for the maximum price, we, as individuals, may be lost sight of, but we will be banded together as one great army of workers, working for the institution of legal reserve life insurance and our respective companies. We are serving a common cause, and if we are to assist this great institution around which we have cast our lot to render the maximum service of which it is capable, it is up to us as individuals to give our very all to the best and maximum of our ability. On this basis, who will attempt to question the proposition that we will sell our services for the maximum price?

How Life Insurance Helps Farm Finance

FARMERS NOW LARGER BUYERS

Melville Cumming, of College of Agriculture, Nova Scotia, Suggests Government Co-operation With Companies

Melville Cumming, of Truro, Nova Scotia, read a paper in which he gave views on what life insurance companies have done and can do to assist the development of agriculture by loans advanced on farm real estate. What life insurance companies may do to encourage the individual farmer to invest capital in the farm through providing him with "a safe anchor to windward." What life insurance companies can do to help constructive agriculture by supplementing the means by which farms may pass from one generation to another with all the accumulated improvements of each generation.

Inherited Farms

The most successful farmers in the older settled parts of the country are those who have inherited their farms from their fathers. There is no break in the operation of such farms and whatever improvements have been made by the father are taken advantage of by the son and accumulate as each generation passes. Not infrequently however, it happens that a father dies leaving a good farm but little ready cash to start the son in farming or to pay off such other members of the family as may have left the old homestead. This latter exigency has unfortunately led to the selling of the old homestead and the passing of it on to some other owner. Nothing has broken up rural communities and retarded their progress to a greater extent than this circumstance. It is unnecessary to point out the value of a life insurance policy to meet just such a circumstance and so to facilitate the continued development of the homestead farm from generation to generation.

Education Bearing Fruit

That farmers as a class are small purchasers of insurance is true, but there has been a gradual increase owing to the systematic educational compaign agents of all companies have conducted among farmers.

Farming has changed in that it used to be done with a maximum of labor and minimum of capital. This situation is undergoing change.

From figures presented it is evident that life insurance companies have already become a positive factor in the advancing of money for agricultural production and so have given very material assistance in the production of foodstuffs demanded by the conditions created by the World War.

After-War Policies

It must be said that the rates of interest asked by insurance companies compare at least favorably with those of any other corporation and are in general but slightly higher than those asked under government loan systems. When the war is over and the necessity for the further development of agriculture leads to the providing of measures under which farmers may secure capital to the best advantage, it will be necessary for government representatives to join with the various loaning corporations including life insurance companies for the purpose of making it possible by their joint effort to provide farmers with ample loans on this basis.

The Connecticut Mutual Life Insurance Company

HARTFORD, CONN.

JOHN M. TAYLOR, President

—was the first American company to adopt the 3% reserve basis.

—originated the non-forfeitable accumulative dividend method.

—holds the largest accumulative annual dividend fund, $1,952,222.30, non-forfeitable and subject to withdrawal at any time.

—never issued any of the speculative tontine or deferred dividend policies now prohibited by law in many states.

—has returned to its policyholders as dividends, a larger proportion of the premiums received from them than has any other American Life Insurance Company.

—was the first company to guarantee substantial cash values, stated in plain figures per $1000 in its policies.

—has paid to, and accumulated for policyholders since organization a larger percentage (127.67%) of the amount received from them than has any other American Life Insurance Company.

—has furnished insurance to its members at lower cost on the whole than has any other American Life Insurance Company.

Report of Committee On Laws and Legislation

SITUATION AS POWELL SEES IT

Life Companies Are Patriots First, and There Will Be Little Grumbling

The report of Colonel Powell, chairman of the Committee on Laws and Legislation, in part follows:

Our Congressmen have been confronted with the task of raising enormous sums of money by taxing pretty nearly everything that could be taxed and everybody who had money. The life insurance business of the country, like all others, has had to bear a share of this burden. We have felt that some features of the life insurance taxation imposed were unjust and unfair in view of the rates imposed or exemptions granted to some other lines. However, the life insurance companies and life insurance policyholders are patriots first and must and will take the decision of our legislators with a minimum amount of that grumbling and protesting which every citizen of the Anglo-Saxon race reserves as his natural right. In considering the events of the year first position must be given to the following measures:

By Section 504 (a) of the War Income Act, a special tax of 8 per cent. per hundred dollars on new insurance issued during the year was imposed. Provision for this tax first appeared in the original House Bill. In recognition of the impolicy of such a tax the Senate Finance Committee eliminated the provision from the bill. The representatives of the House on the conference committee, however, declined to accede to this amendment and the provision was restored in the Act, as passed. It is estimated that this tax exceeds in amount the total income tax paid by the life insurance companies.

Pomerene Amendment

Another amendment to the bill made by Senator Pomerene, which involves an impediment to the business of life insurance, is contained in Section 1206 of the Act which adds a new section (No. 32) to the Income Tax Law. This change, which is known as the Pomerene amendment, provides that the premiums paid for the insurance of the lives of officers and employees of the business institution shall not be deducted from gross income in computing the net taxable income of the business. Such deduction had theretofore been permitted as a legitimate expense of the business by a ruling of the Treasury Department; and it is understood that the occasion for the change thus incorporated in the statute was the belief that such life insurance was being employed by the large business interests as a means of accumulating large funds from current income without the payment of income taxes thereon. Unfortunately, the remedy exceeded in scope the evil sought to be corrected and, consequently, a real hardship has been done thereby. Various suggestions for the modification of this amendment, which, in the hurry and confusion attendant upon the drafting and discussion of the several provisions of the Act, could not be accomplished before its passage. It is hoped, however, that such a modification of this provision as is compatible with the accomplishment of its original purpose, and at the same time will relieve legitimate business insurance from the hardship of its present provision, can be obtained.

Soldiers' and Sailors' Civil Relief Act

This statute was intended to protect persons in military service from the hardships involved by the strict enforcement against them of legal obligations, the ability to perform which might be regarded by the court as affected by war service. In general, this statute stays all legal and contract remedies against military persons for the period of the war. Article 4 of the Act relates to life insurance. As it appeared in the original bill the effect of this article was to require the companies to carry insurance under policies covering the lives of soldiers and sailors, notwithstanding their failure to receive premiums therefor. The unconstitutionality of such a provision, however, needed little argument, and the bill was amended with the consent of the War Department so as to provide for the guarantee by the United States Government of the ultimate payment to the companies of the premiums due upon such insurance.

Of pending federal legislation Colonel Powell said:

At the present writing, the revenue bill is in course of formulation by the House Ways and Means Committee. Its provisions have not seen the light of day and nothing is known of them except from the meagre accounts which the Chairman of the committee has given of each day's work to the representatives of the press. It is understood, however, that the bill is to be a codification or combination of the three revenue acts under which the taxes of 1918 were levied; and that the taxes now in force will generally be increased in the new bill. The expectation is that the income tax will apply to life insurance companies in the same manner as heretofore. Owing to the nature of their business, as well as their exposure to war losses, there can obviously be no basis for the application of either a war profits or excess profits tax to life insurance companies. A specific request was made to the House Ways and Means Committee to so modify the definition of invested capital that there would be no possible basis for any ruling by the Treasury Department which might seem to make life insurance companies liable to an excess profits tax. So far as is known, however, the committee seems not to have changed this definition.

While the special tax on new insurance, which was imposed by Section 504 (a) of the Act approved October 3, 1918, has been retained, the rate of 8 cents per hundred applicable to ordinary insurance remains unchanged. The rate on group insurance, however, has been decreased to 4 cents per hundred on the net addition to the amount insured under any policy.

The Estate Tax

A change in the estate tax which has been announced is of special interest to the business of life insurance. This change consists in a provision for the inclusion in the taxable estate of the proceeds of life insurance in excess of an aggregate of $40,000, payable to designated beneficiaries. The general exemption of $50,000 applicable to the estates of residents of the United States remains unchanged. The total exemption of estate, including life insurance payable to individual beneficiaries will therefore be $90,000. This change in the law was suggested by the Treasury Department as a means to preventing the possibility of converting large funds into life insurance equivalents for the purpose of escaping the estate tax thereon.

Miscellaneous Bills

There have been numerous suggestions made by way of bills introduced in Congress for the establishment of government operative pension and insurance systems, as well as for the amendment of the war risk insurance act so as to extend the field covered thereby. **Without noteworthy exception, these bills have shown no activity and none of them seem to deserve any serious attention.** All of them, however, have been, and will continue to be, carefuly observed, and the proper steps taken with reference to them should the necessity arise. Among these bills might be mentioned Senate Bill No. 4776, introduced by

(Continued on page 18)

Iowa's Leading Life Company

With $437,000,000.00 of Insurance in force (More than that of any other Company west of the Mississippi.)

With a rank among the twenty leaders of the Nation in its gain of insurance in force for 1917—

With the distinction of being the only Iowa company to take rank in that class—

With $33,000,000 of assets (Every dollar of which belongs to its policyholders because it is a **Mutual** company)—is

BANKERS LIFE COMPANY

DES MOINES, IOWA

Ross L. Bunting Heads Federal Life Club

C. H. GRIFFIN ALSO A LEADER

Company Holds Its Biggest Convention —Prizes Awarded—Agent Pledges 365 Applications in Year

This year the Federal Life held the seventh annual meeting of the Federal Life Club at the Hotel Astor, September 2 and 3, preceding the International Convention of Life Underwriters. President Isaac Miller Hamilton and Superintendent of Agencies Charles S. Rannells said it was the best attended meeting the Company has held. The delegates filled two Pullman cars. On their way East the club members stopped at Niagara Falls, proceeded to Albany and from there went to New York by boat.

Federal Life Club Officers

Officers of the Federal Life Club, the Company's $100,000 organization, were elected as follows:

President—Ross L. Bunting, Des Moines.

First Vice-President—Paul D. Hunsaker, Dallas.

Second Vice-President—E. B. Forsythe, Kansas City.

Secretary-Treasurer—Charles S. Rannells, secretary and agency manager of the Company

Inner Circle Officers

President—C. H. Griffin, Hillsboro, Texas.

First Vice-President—C. C. McCue, Des Moines.

Second Vice-President—W. E. Moreland, Lawton, Okla.

Secretary-Treasurer—Charles S. Rannells.

The Inner Circle is the $200,000 organization of the Federal Life and comprises many of its most brilliant producers.

This year the papers read by the delegates were particularly fine. There was a marked improvement in the class of material offered as compared with other years. An address on intensive cultivation by H. C. McCann of Michigan, was particularly well received. Mr. McCann won the Special First Grand Prize of $300, offered in the life department. His production was $460,000 issued in 324 policies. For the coming year Mr. McCann pledged himself to produce 365 applications.

The consolation prize was awarded Griffin, who wrote $450,000 of insurance. The third prize went to W. E. Moreland, who had $202,000 to his credit.

The consolation prize war awarded to T. L. Barnes, of Iowa. His production was over $200,000.

Winners of Junior Prizes

The first junior prize of $100 was won by T. J. Wood, production $161,000; second prize Gus B. Barlow, $157,000; third prize P. D. Hunsaker, $154,000.

Prizes were also awarded in the health and accident department. C. C. McCue won the first, $50, with a production of $8,900 in premiums and a claim ratio of 21 per cent. The second prize went to R. L. Bunting, $8,500 premiums, claim ratio 30 per cent; third prize, W. P. Gelabert, $5,700 premiums, claim ratio 23 per cent.

Twenty-six members of the field organization addressed the meeting on various interesting and instructive subjects. A number of members of the Federal's women's department qualified this year.

During the sessions a number of friends of the Company who were in New York to attend the life underwriters' meeting dropped in. Several of them addressed the Federal representatives among whom were A. L. Welch, insurance commissioner of Oklahoma; H. L. Seay, president of the American Life Convention and president of the Southland Life, Dallas; Dr. Smith, of Dallas, a medical and insurance expert; Charles Jerome Edwards, Charles W. Scovel, L. Brackett Bishop, E. A. Woods and Jules Girardin.

Each day while in New York the Federal Life club members were entertained at luncheon in their headquarters at the Astor. F. W. Ganse, general agent for the Columbian National Life, Boston, was one of the speakers at these luncheons.

Legislation Committee Report

(Continued from page 17)

Senator Lewis of Illinois, on June 29, in which it is proposed to make eligible to government insurance all laborers and workmen engaged in hazardous employments.

Another bill which seems to be of little more than academic interest is Representative Saunders' (Va.) bill, providing for the re-incorporation of a going life insurance corporation, possessed of approved assets amounting to not less than $300,000,000, under a Federal charter which is embodied in the bill. Such corporation, or re-incorporation, would bear the name of "Liberty Insurance League," and operate in conjunction with a rural credit society having local branches for the distribution of its funds in the form of loans in rural communities.

Income and Inheritance Tax Laws As They Effect Life Insurance

(Continued from page 11)

insurance payable to a named beneficiary, and it is to the credit of our legislative representatives that hitherto they have not undertaken to do so.

Policies on the other hand, which are payable to the insured's estate are an asset of the estate; and their proceeds are subject to the payment of the costs of administration, the claims of creditors, and every burden, public or private, falling upon the estate; and only what is left after these payments have been made can go to the family of the insured.

I have been so often asked how policies should be made payable which the insured takes out for the special purpose of providing ready cash with which to pay his income and inheritance taxes, that I feel I ought not to close this discussion without some suggestion on that subject. Policies taken out for this purpose should be made payable to some trusted friend or relative of the insured, who will apply their proceeds in accordance with the insured's wishes as expressed to the beneficiary; or they may be made payable to a named beneficiary as trustee for the purpose of paying the income and inheritance taxes of the insured's estate, the balance, if any, to go to whomever the insured designates. Policies so written would be free from income and inheritance taxes, and the insured could count upon their undiminished proceeds for the protection of his estate, any excess over the sum required for this purpose to go to the person the insured designated.

IF you are looking for an opportunity to render efficient and satisfactory

SERVICE

as a Life Insurance Salesman

and have a proper regard for your clients' interests, investigate the record, financial condition and policy contracts of the

Home Life Insurance Company of New York

GEO. E. IDE, President

and then communicate with Geo. W. Murray, Superintendent of Agencies, regarding terms of agency contract.

Science and The War

By Henry Moir, Actuary, Home Life Ins. Co.,

The first full calendar year in which the young men of Great Britain were exposed to the hazards of war was 1915, and they paid a heavy toll. The line representing that year's experience shows a highly increased death rate for all ages after seventeen; at age twenty-one the rate was about five times the experience in time of peace. Increases were still more marked in the two following years; indeed during 1917 the mortality at age twenty was between 13 and 14 times as much as in normal peace time. Prior to the war the expected number of death claims was about 4 per 1,000 per annum; but since 1915 the claims at ages nineteen to twenty-three—swelled by the high death rate directly due to the war—were over 40 per 1,000 per year. This reflects the enormous increase in the mortality rate as applied to all insured lives—whether in active service or not.

Some general idea may be obtained as to the risks of the war to the man at the front, if we remember that about 30 per cent. of the young men in the American draft were rejected on account of physical infirmities, also that a considerable proportion are in munition work and other occupations essential to the conduct of the war, without being themselves exposed to the dangers of the front trenches. When we see such an unusual increase in the death rate amongst policyholders, we necessarily think of the general effect upon the company as a whole.

Financial Effects of War

The funds of life companies are affected in more directions than that of increased mortality. Of even greater importance is the depreciation of securities held before the war. Life companies hold a considerable proportion of the accumulated wealth of the people in the reserve values of policies, and the investments representing such accumulations showed an immediate and large shrinkage on the outbreak of war in 1914. The force of this influence had already been felt when we declared war last year, and the formal junction of this country with other allied nations had only a secondary effect. One might hope that the principal danger is already past. Extreme fluctuation has been minimized by the system in general use in this country whereby bonds of sound institutions, well secured and not in default in payment of principal or interest, are carried at their amortized value; that is, at the original market or purchase price increased or diminished by the proper sum which will bring the bonds to their maturity value when they fall due. Also, the Insurance Commissioners have recommended average values of securities over a considerable period instead of strict market values as of any particular date. These have acted as shock absorbers reducing the apparent shrinkage in securities, which did not have to be realized.

The effect of depreciation of securities is partly offset by the higher interest earnings being secured on new investments. Nearly all of our life companies are growing; their funds are increasing, and they are making new investments from month to month. These new investments, together with the re-investment of maturing funds, can be made at the depreciated prices and higher interest rates now available. Most companies, however, consider it a duty to place all available funds in Liberty Loans although the interest rate is less than the average rate earned on other investments. Apart from this consideration, it follows that, after the war, when monetary affairs resume their normal balance, the enhanced value of investments made during times of uncertainty will offset—perhaps more than offset—the depreciation or the losses on those investments which were made prior to the war.

After the War

We must not forget also that most great wars have been followed by a period of depression, even by a "panic." The word is rather unfortunate because the condition is foreseen by most careful thinkers. We must have and cannot escape from a period of readjustment. The war activities slow down or stop, and the energies of the people must be diverted into other channels. future of the United States far more than is yet generally believed. The possibilities of foreign trade are beyond the wildest dreams of only a few years ago. International investments will be common and a broader sympathy with foreign affairs will be manifest as the result of millions of Americans serving in Europe. For some time after the war civilian trade is likely to remain good because of scarcity during the war. Working men and women have been earning good wages and when they find that civilian requirements, and even desires, can be met they are tempted to buy freely during the period immediately following the negotiation of peace. Merchants supply themselves with stocks of goods to meet the demand, and manufacturers are only too willing to keep their mills and factories busy. A revulsion is likely—almost certain—to follow; a readjustment of prices of commodities must take place; workers have to find new fields; wages begin to fall; and with this change in the tide bankers and manufacturers become more conservative in their dealings and will not extend credit as freely as before. In such times the weak go to the wall. Those who foresee the probable trend of events are careful in their borrowings, also in their outstanding accounts. Such people come through a crisis with nothing worse than a few weeks of anxiety; but many show their lack of preparedness and suffer accordingly. Widespread knowledge of the need of readjustment has the effect of reducing the danger—hence it is well to ventilate this question on all possible occasions. The readjustment is inevitable, a crisis in the process probable, but panic can be averted by adequate education.

All this is elemental to the economist. It should be present in the minds of insurance executives while conditions are good as at present. A ship that is sailing free before a stiff gale cannot change its course suddenly without danger. The sails have to be trimmed and the helm put over carefully. A skilful captain and well-trained crew can always handle the situation; ignorance is the chief danger.

Life Companies in a Strong Position

Most life insurance companies are in a very strong position to meet such readjustments. The system of amortization already mentioned is an important safeguard. Investments are diversified and of such a type that sudden fluctuations do not affect all of them at once. Most of the companies carry a reasonable amount of free surplus; many could with advantage carry a little more especially in view of the deferred dividend distribution periods still to be met. Lastly, the purchases



THE

STATE MUTUAL LIFE ASSURANCE CO.

OF

WORCESTER, MASS.

has for **SEVENTY-FOUR YEARS** furnished to policyholders perfect protection, absolute security and maximum liberality of contract.

The Company's reputation combined with the constructive co-operation from the Home Office are important factors in the success, happiness and prosperity of our agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President **D. W. CARTER, Secretary**

STEPHEN IRELAND, Superintendent of Agencies

of Government securities (Liberty Bonds) being so freely made will be of great help in the time of adjustment. We may be making these purchases as a patriotic duty; but virtue brings its reward, and the enhanced value in event of peace will add further to the stability of life companies during the process of readjustment.

If the war lasts for another year or two, while business conditions may continue good, life insurance companies must necessarily suffer from increased mortality and probably also from other causes. Thousands of young men carry insurance policies which cover the war hazard without extra premium. On such policies the companies must suffer heavy losses. Of forty-four British offices twenty-two gave no bonus at their latest valuation. * * *

One of the large Canadian companies recently reduced its annual dividend by about 25 per cent. Others are likely to follow this lead. The Australian Mutual Provident Society has made a large reduction in its dividend. American life companies cannot expect to be exempt from the influences spreading over the world. Mortality will increase; expenses are higher in many particulars such as taxation, wages, material, etc. Accordingly we must look for a reduction in dividends, not only by reason of the decreased earnings, but also by way of preparation for the period of readjustment already discussed. Personally I do not anticipate that any serious reduction in dividends to policyholders will take place; and the subject is still in the stage of an "impression"—results will not be tangible for some time to come.

Economic Developments

The evils of the war are all too real so that even the blind must see them. The benefits impress themselves upon us much more slowly; but they too are real and lasting. The insurance of soldiers and sailors will have a vastly greater economic effect than the framers of the first draft of the law ever imagined. It will educate millions of the brightest young men of the nation as to their intrinsic value to the community; it will accustom them to think of their worth in fitting figures; it lays a new foundation for future expansion which to me is a happy dream—it promises so much for the nation in meeting the hardships of the fatherless household.

It is always interesting to observe the attempts from time to time to interfere with economic laws. Excessive restrictions defeat themselves. An interesting example is seen in the suggestion, made when this country entered on the war last year, that all companies should charge a uniform extra premium of $37.50 per $1,000, the extra premium to be paid by all soldiers in service, whether here or abroad. The idea was to spread the extra premium over a larger area so that it might be individually less. It failed to take into consideration one of the elements of human nature, and economic laws proved themselves superior to the attempted regulations. Those who expected to stay in the United States, attached to Quartermasters' Departments, Camp Training Officers, etc., refused to pay the extra premium, since it was altogether too high for the hazard they were likely to incur. On the other hand, those who knew they were going abroad were willing to make application because they were to obtain their protection too cheaply and below cost price. In order to protect themselves, the companies which adopted this rule rigidly restricted the amount they would take on any one life—many refusing to consider any applicant within the draft ages for more than $1,000. Soldiers needing protection under such rules could not have obtained it. Other companies adopted the rule of charging 10 per cent ($100 for each $1,000 of insurance) in the case of those men sent abroad on active military duty; while granting free permits for military service for one year within the United States, and the same extra premium afterwards if they went abroad on active service. Under such rules which approached closer to a scientific grouping of risks, a considerable amount of life insurance has been written since the war broke out. Life insurance is not yet viewed as a necessity, as it should be—it has still to be sold, and the desire for it has to be fostered by the agent. We saw this in the way the Soldiers' and Sailors' Insurance had to be managed in order to insure that it would be generously taken. Men will not pay an excessive price for non-hazardous occupations so as to share their good fortune with those who incur danger. The danger carries with it extra pay which compensates by insurance or otherwise, and extra hazard cannot therefore be imposed on the larger group which includes some who are not exposed to the danger. Premiums must be equitably assessed, else the healthy will swarm by themselves.

When Legislation Is Excessive

We see the same economic principle sometimes more clearly in the undue regulation of fire insurance in certain states and territories. On several occasions an entire state has been unable to secure fire protection because of regulations which have driven some of the best companies away. Or again, if the tariff regulations reduce the premiums to an unprofitable basis, as they occasionally do, the interested property owners cannot obtain insurance at all at the rate which the tariff permits. The tariff for boarding houses in one state having become so low that no good company would take the risk, the proprietor changed his license, called his boarding house a hotel, came under a new tariff, and paid the rate applicable to hotel property, without any vital change in the risk. Or again, the tariff applicable to department stores protected by sprinklers has in some instances been placed too low. Being unable to obtain fire protection by insurance, the owner of one large house quietly stored a few gallons of gasoline in his basement so that they could be easily seen by the next fire inspector who was invited to view the premises. The storage of the gasoline, even in small quantity, was sufficient to bring the department store under another classification and enabled the proprietor to get the desired fire insurance protection at the higher price he was willing to pay. Thus it is that ingenuity and economic laws combine to defeat the evils of excessive legislative regulation.

These illustrations are merely given to show that scientific laws cannot be set aside by political interference. One of the present world calamities—the condition of affairs in Russia—is caused by carrying wonderful theories to excess, and thus creating an impossible economic situation. Similar Bolsheviki attempts have been made in Mexico. In arguing the subject with one of the high officials in the Mexican government, a friend of mine finally remarked —"Then we get back to the fundamental law of Supply and Demand." "Not at all," said the official, "we abolished that law long ago!" Men of that type—and there are so many of them—think they can legislate against the Laws of Gravitation and Centrifugal Force which in combination hold the universe together! But the higher laws quietly keep working; sweet cider will become alcohol, even after the prohibition amendment is passed; and the element of human nature will remain unchanged even if we weld the peoples of this planet into one great League of Nations.

A careful and analytical study of the scientific factors affecting our business of life insurance indicate that its prospects were never brighter than today; yet we have reason for sincere thankfulness that the destinies of the world are not left in the hands of men!

Mr. Life Man—

You Need the Continental Casualty!!!

The **Continental Casualty** has had more than 30 years' experience in dealing with Life Insurance Agents

The **Continental Casualty** has paid Twenty Million Dollars of Indemnities to policyholders throughout the United States. Thus it has created a source of valuable prospects

The **Continental Casualty** is America's largest and greatest Accident and Health Insurance Company

The **Continental Casualty** has assisted thousands of other Life Men. It can assist you

CONTINENTAL CASUALTY COMPANY

H. G. B. ALEXANDER, President

General Office: CHICAGO

Use and Extension of Life Insurance for Credit

By Lawrence C. Woods

A few years ago business life insurance was almost unknown, not only to the business and financial world but to field men and even life insurance companies themselves. Today, thanks to the indefatigable, loyal and self-sacrificing services of our predecessors and the officers of the National Association, it is included in the credit inquirendoes of the National Association of Credit Men, of our Federal Reserve banks and, lastly, the American Bankers Association.

Surely, there is little more that could be done to inseparably link life insurance with the credit of America.

Is it not up to each field man, as well as each general agent and company executive, to keep up the ceaseless campaign of education that this acknowledged essential instrument may become still more generally used? * * *

We are gradually learning that transcending even the glorious material work of our great engineers, our shipbuilders and ammunition makers, backing up and making possible the soul-stirring victories of our boys "over there," is the marvelous work which has been done toward building up our spiritual resources—in other words, our morale.

Value of Life Insurance to the Nation

The twenty-five billions of Uncle Sam's Life Insurance is valuable in the material relief which it will give; it is valuable in that it will relieve Congress of the flood of private pension bills which have clogged our national legislative machinery for years. But, its deepest significance lies in the fact that Uncle Sam's employes, free from one source of worry, given certainty as to the future of those dear to them in event of death "over there," have been able to throw themselves the more whole-heartedly into their work and "carry on" in their job—the killing of Huns. "Over here" it has meant that the families with certainty visualized in their certificates of insurance have been more content, more cheerful—in other words, the morale of our soldiers "over there" and their families "over here" has been materially strengthened.

Group Life Insurance

Group life insurance has accomplished identically the same purpose for the industrial armies of America—standing, with few exceptions, so loyally and efficiently behind armies in khaki "over there."

The world has never seen such chaos, such doubt and uncertainty. As an ex-president of this body recently expressed it: "The head of a modern business is in the position of a captain on an ocean liner who, without chart or compass, without lights to guide his course or to warn approaching ships, is attempting to navigate unknown seas infested with submarines, icebergs and hidden rocks. Constantly must he be on the bridge ready to reverse the engines or instantly shift his course." Never were the lives of those at the head of our great businesses of more vital importance to the nation; never was it more important to stabilize the large and small businesses of America, as it is to-day. And is there any more useful instrument laid to our hands for this purpose than business life insurance, strengthening the credit fabric of our Nation? At this time of all others the loss of a "captain of industry" might be not only disastrous to the ship under his command, but might retard us in our one purpose—that of winning the war.

Therefore, it is the privilege and obligation of patriotic life insurance men to strengthen the business interest of America by the spread of life insurance for strengthening that indefinable but important thing of the credit of America.

As "observers" your committee has been in touch with various associations and companies, and as a result of a recent inquirendo some interesting facts have been developed. While they do not cover the entire field, they are so representative of large and small companies, old and new; large and small associations, old and new, scattered throughout the length and breadth of our country, that the data thus gathered give us a clear cross sectional view of the present status of "The Use and Extension of Life Insurance for Credit."

Educating the Agent

Education is the word which your former chairman seized upon as the essential work of this committee. This divides itself into two classes—the education of the agent (dare I say company officials?) and the education of the public.

During the past year out of the fourteen companies which replied, nine are making special efforts to instruct their agents by special documents, testimonial letters, discussions and agency papers. One company made it a keynote at every single one of their thirty-eight annual meetings, not only officers, but prominent out-siders addressing their agents.

Placing the right emphasis upon the education of the agents, progress is not as noted by companies in the education of the public. But general advertising and general literature has been used, and one company has made it a point to have addresses delivered before Y. M. C. A. bodies and colleges on this special subject.

Of the thirty-two associations which have responded, thirteen through meetings, booklets and special pamphlets giving letters from bankers, have sought to educate their agents and the public. One association had a joint meeting with the chamber of commerce to discuss the subject. Another had ten special articles in the newspapers. Another had special talks given before the credit men on "Life Insurance for Strengthening Small Credits." Another had talks before educational institutions and before industrial bodies. Still another included in its life insurance course in one of our large universities, a lecture on "Life Insurance for Credit and Business Purposes."

That such educational work is counting may be established by significant facts. But before we consider these let us bear in mind that the total of all kinds of life insurance transacted in the United States, by the companies represented in our association, is probably only about even with the previous twelve months. This is not to be wondered at in view of the services of the life insurance companies, so freely and ably rendered in our Red Cross, Red Triangle, Liberty Bond and War Savings Stamp Campaigns, and in many other directions; remembering also that thousands of life insurance men from home office and field are serving in the trenches and on the ocean, in Y. M. C. A., or in Red Cross huts, and in thousands of other activities in our own country.

Business Life Insurance Increases

Yet business life insurance for credit purposes shows a marked increase. Twenty-four out of the thirty associations which have answered this question state that business life insurance has increased in their territory, all the way from ten per cent. to three hundred per cent. Of the fourteen associations who ventured to give percentages, the average increase is sixty per cent.

Among the companies which have ventured to answer this question, five out of six state that in amount an increase has been made; and all four which calculated the increase or decrease in number of transactions state there is an increase. This is of peculiar significance in that it shows that it is being used more generally by the smaller concerns—those whose credit would be most seriously impaired by the death of an officer or partner.

The only two companies which were able to give accurate figures (showing their deep interest in the subject) are receiving their reward. Slightly over ten per cent. of their total business was straight business life insurance. Had all the companies of our country been as alert and serviceable in the education of their agents and the public to the practicable application of life insurance, over half a billion of insurance dedicated to such purposes would have been placed in our country in the last twelve months.

An Inconsistency

Some facts were developed which should have our serious consideration. With hardly an exception, in the few cases where associations stated that business life insurance showed a decrease, the blame was put entirely upon Federal Tax legislation, particularly the Pomerene Amendment. Your committee strongly feel the injustice to the best interests of the Nation of some of this taxation. But is it not absurd for two associations in the same state, side by side, to show, in the one instance, business life insurance running up into the millions (an increase of three hundred per cent. over the previous year), and the other to show a fifty per cent. decrease with the pathetic remark, "Under the present tax laws it is of little use to try to sell business insurance."?

Over-Emphasis of Inheritance Tax Point

As a matter of fact, have we not in some instances placed the cart before the horse? Have we not over-emphasized not only in business insurance, but in inheritance tax insurance, the "saving of taxes"? Have we not made that the principal thing, whereas it was only incidental and non-essential? Any man or corporation buying life insurance to evade the taxes required for America's great share in this mighty war for humanity and civilization, is a slacker and a traitor.

If the life of a partner or an officer of a corporation is of value to that corporation, never was business life insurance for the credit of that firm or company more essential than now. The intricate problems arising from taxation and other governmental activities make each individual life the more precious, a war essential. If we will but preach the vital necessity of business life insurance, taxes or no taxes, we will sell it as the three hundred per cent. association has sold it. Human life never was more valuable than it is to-day. Let us build upon that, and not upon the vagaries of tax legislation. The latter are shifting sands; the former granite enduring as long as humanity itself shall exist.

And should we at times become disturbed by taxes which hit our individual pocketbooks or even affect our business, let us remember the old statement, "The memory of quality lingers long after price is forgotten." And what a glorious quality Uncle Sam is contributing toward humanity's great end. We are winning the war. The quicker it is won the quicker the tax burdens will be lightened and, most of all, thousands of precious American lives will be saved. And, in that, we touch the very foundation of our great cause, for above everything else the life insurance business of America is interested in prolonging as well as making more content and happier all American lives.

Taxation or no taxation, never did life insurance stand in the proud position which it occupies in America to-day.

THIRD OF A CENTURY OLD

ROYAL UNION MUTUAL LIFE INSURANCE COMPANY

FRANK D. JACKSON, President

SIDNEY A. FOSTER, Vice-President & Secy.

N. M. HUBBARD, Jr., Second Vice-President

CARL B. PRAY, Treasurer

DES MOINES, IOWA

Patriotic Talk Made By Harry L. Seay

SCORES GROUPS OF PACIFISTS

President of American Life Convention Voices Victory Faith of the Nation

That the pacifist is a tool of the Kaiser was the text of a talk made before the National Association of Life Underwriters by Harry L. Seay, president of the American Life Convention. There can be no peace, he said, while there exists in the heart of the Kaiser and is imbedded in the hopes of the German people the same mad passion for power that precipitated this terrible, cruel and inhuman catastrophe whose vastness is staggering to human minds.

Craze For Conquest

Continuing Mr. Seay said:

"It is so vast its measurements cannot be taken, but already we behold a universal conflagration; the hellish passions in the souls of men unleashed, the accumulated wealth of the ages scattered to the four winds of heaven, the flower of the youth of the world sacrificed upon the bloody altars of the god of war, sacred temples reduced to ruin, cherished hopes of a universal peace destroyed, doubts of the reality of a Divine Providence infused like deadly poison into the souls of millions, the hearts of uncounted and uncountable women and children broken—misery, desolation and despair scattered like firebrands into every nook and corner of the globe.

"Historians will vie with each other in enumerating the causes which led to this fearful result. They will trace the innumerable rills that made the bloody river back to their hidden sources in the perplexing phenomena of human life. But when all will have been said, the truth will remain that a craze for conquest, the instilling into an otherwise peace-loving people of militarist ideas and a lust for world dominion has been in this instance, as in others, the reason for a world in ruin. And there can be no permanent peace until the cause of all this is removed.

"Those advocating peace at this time are immorally disposed to concede that there is no right and no wrong in the present titanic struggle. They endorse that doctrine of the absolute unmorality of nations where national interest is concerned, which is behind the Prussian view of its rights in this war. It is a practical fact that peace without victory would represent a degradation of human conscience too terrible to conceive and would place a premium on future wars of aggression that would hold the world in conflict throughout all time.

Compromise Peace Would Be Victory For Forces of Wrong

"It is against this idea that the world is fighting. Progress is not mechanical, but moral. It is idle to suppose that when the war is over all the mischief done can be quickly remedied. It must necessarily survive until a new body of progress is restored. It is for this as well as for many other reasons that an inconclusive peace is unthinkable. All that we have striven for and can hope to attain is despised and defied if the conditions that led up to the present war are allowed to survive. A compromise peace would be a victory for the forces of wrong, and would perpetuate those things which have made such a deadly inroad upon the world's resources of justice and righteousness.

Breed of Mollycoddles

"Let it be known that to us the pacifist program is distinctly offensive, that it is inherently wrong, that it ignores so many human attributes and qualities and assumes the existence of so many others that it is designed for a breed of Mollycoddles and not for men with red blood in their veins. Pacifist doctrine is incapable of meeting force, when the policy of the Government is 'force without stint or limit.' Pacifism is the sick doctrine of fear and is a sweet doctrine of altruism, and it has no place in the thought of the nation today. Nations are needing all of their strength now and will continue to need it long after this war is over. Peace will bring its tests of social order and theories of government. The convulsions of the nations after the war may be trying. All the force which is loose will not spend itself in fighting.

"It has been said that wars are merely food problems and can be prevented only by a world federation which recognizes the bread and butter problems of all nationalities. We must conserve our strength to force a treaty of peace that deals fairly with all peoples, and to enforce our demand that an international tribunal guarantee the fulfillment of every clause of that treaty. Armies and navies cannot with safety be disbanded unless there is an alliance for the protection of the economic problems of the nations and for the development of the undeveloped countries of the world—for every country is more or less undeveloped, and each has something from the soil, climate or the genius of its people that the others need and can use.

"In this development, wise statesmanship and the principle of the Golden Rule are more important than armies or navies; and wise policies and such principles can only prevail if you and all our people get behind our representatives and let them know they have your unconditioned co-operation.

"We can lessen our country's difficulties, and its difficulties are many—if we forget our petty worries and grievances. Already it has had to take control of fuel, food, railroads, and telegraph and telephone systems. Already the capital of the world is under Government control, and labor must also come under that control so that there will follow supervision of output and distribution. There is no other solution than for the union of the controlling forces of labor and capital. Society must work for capital and its increase, and capital must work for labor and its uplift, not individually only, but collectively in nations.

Selfish Views Laid Aside

"Permit me to remind you at this time, that we are acting as a nation, that we have laid aside our selfish views and are laboring for the good of all; and as the nation is fighting with a concerted effort, we must acknowledge a few universal truths, and as nearly as possible be of one mind on these vital issues affecting our conduct of this war, the character of peace to be signed and our obligations under the new conditions to be created when a world now bent on destruction begins to devote its efforts to readjusting and rebuilding.

"It is urgently important that our entire population should realize that every muscular movement of every individual in the United States has a direct bearing on the war and will have a like bearing on our accomplishments under the peace that is to follow war. Every idle moment, every failure anywhere to produce with farm or factory, every lost motion is a crime against the civilization of the world. Every man, woman and child should be trained for efficiency so that they can concentrate their efforts and their sacrifices for the one great purpose.

"As we go deeper into this war we may arrive at a point where no man has any individual rights except the right of production for the country and its defense. The right to the pursuit of happiness fails if we lose the right to life and liberty, unless we can find

(Continued on page 23)

FIELD SERVICE

SERVICE is not merely the careful handling of a fieldman's business.

It is not difficult to give proper attention to the consideration of risks—the issuance of policies, and the payment of commissions. Any company will do those things—they are primary factors in the conduct of the life insurance business.

The **"NATIONAL" SERVICE** embraces an intimate knowledge and interest in the affairs of every single man in its organization.

The **NATIONAL** directs its agency development in a manner that brings out the individual's strength. His strong points are developed through patient personal support and co-operation in his work.

If you are a producer and have organization ability—your opportunities for greater things will materialize through the **SERVICE** we render our field force.

ISN'T THIS SERVICE JUST WHAT YOU HAVE ALWAYS WANTED?

If you are the man—we have a territory now open that needs only your efforts to make of it a big general agency.

Write fully to

ROBERT D. LAY, Secretary
29 South La Salle Street
CHICAGO, ILLINOIS

NATIONAL LIFE INSURANCE COMPANY OF THE UNITED STATES OF AMERICA CHICAGO

ALBERT M. JOHNSON, President

ONE HUNDRED MILLIONS IN FORCE—FIFTY YEARS OF REAL SERVICE

Inheritance Tax Views of J. S. Myrick

RAISES CASH QUICKLY FOR U. S.

One of Many Influences at Work Sustaining Business and Financial Framework of Country

Julian S. Myrick, of Ives & Myrick, Mutual Life, New York City, gave his latest ideas on life insurance and the inheritance tax at the annual convention of the National Association of Life Underwriters.

"An inevitable accompaniment of war is congestion—congestion in everything from nervous energy to freight-cars," he said. "Anything tending to relieve this is a necessity today. The underlying virtue of life insurance is distribution, both as to time and place, but the time element is the one that interests us here. When a country is at war delay in any form of revenue is fatal. One of the important points in the relation of life insurance to inheritance taxation is the one which is apparently overlooked, to a great extent by the agent, the buyer and the Government—that life insurance paid to a beneficiary under an estate subject to the inheritance tax—means that the Government will get its money quickly.

To Cover Depreciation

"Simultaneously, the estate is saved from the need of a hasty readjustment—readjustments which often have a more unfavorable and far-reaching influence upon the financial fabric, especially if the estate is large, than is generally imagined. Insurance taken to cover depreciation by the inheritance tax is not an evasion or substitute for the tax, but a measure for facilitating the Government in its tax problems and acts as a general economic equilibrium. One of the arguments used by some Congressmen in urging a direct tax on the proceeds of life insurance policies is that men of means are liable to tie their money up in insurance premiums. This attitude implies that money put into life insurance premiums is free from taxation as far as the Government is concerned. This is contrary to fact. The assets of an insurance company have to be invested, to a large extent, in the most heavily taxed securities—with the exception, of course, of Government bonds. Generally speaking, most men of wealth if they did not buy life insurance would place the equivalent of the premium in investment securities, and the tendency would be to buy securities not heavily taxed, or, at least, a different class of investments than life insurance companies are obliged to hold. In buying life insurance the policyholder simply transfers the tax obligation and property management to a corporation whose business it is to take care of that property, and more efficiently organized for doing so than he is.

Too Much Legislation Defeats Its Own End

"One of the first things we learn in political economy is that too much legislation defeats its own end and it may be true that too much taxation defeats its end. A multiplicity of taxes may mean less revenue to the Government. Perhaps more money can be raised by taxes if the tax laws are fewer, more comprehensive and easier to analyze. Anyone will admit that the taxation problems before Congress are the most difficult that this country has ever had to solve. But, broadly speaking, the problem might be simplified if the approach was made rather from fundamentals to details than from details to fundamentals.

"But, even if the proceeds of life policies should be taxed the basic reason for insurance at the death of men of large property is unchanged. After all is said and done the one problem that all executors find the most difficult—and, strange to say, the one most unexpected—is that of raising immediate cash. To compile a list of cases bearing witness to this would be a bigger job than even a congressional printer would feel like tackling. There isn't an agent here who could not give hours of eloquent testimony in the recital of many scenes of dramatic intensity regarding this one point. We experience them constantly in our office, and some of the most pathetic instances are not always among the small policyholders. An executor of a large estate told one of our agents recently, when a check for insurance was paid him, that this money coming exactly when it did, prevented one of the most disastrous business failures that could have happened in a certain community, and had this failure occurred the result would have been far-reaching. Especially in view of the fact that the country was at war.

"The relation of life insurance to inheritance taxation is a large one and I have not gone into detail both because of limited time and because the subject is one that is now so thoroughly understood by progressive agents. In closing it may be said that the subject, though interesting, illustrates but one of the many influences that our work has in sustaining the business and financial frame-work of the country. In the constructive period after the war there will be a testing of values never before encountered in any civilization. It is here that life insurance has a great duty to perform and unless it is unwisely restricted it will measure up well to this duty."

Patriotic Talk By Seay

(Continued from page 22)

happiness in production for the common good. Neither capital nor labor have rights in time of national peril, to increased fortune or bettered position. The inheritors and controllers of capital and the owners of industries must put all to work for production in the line most needed in the crisis we now face.

Quotes the President

"We should not look upon the labors we perform and the sacrifices we suffer for our country and our allies as duties, but as privileges. It has been said that the noblest utterance of our President in this world crisis' found expression in a single word—the word 'privileged'—when he said, 'To such a task we can dedicate our lives and our fortunes, everything that we are and everything that we have, with the pride of those who know that the day has come when America is privileged to spend her blood and her might for the principles that gave her birth, and the happiness and peace which she has traded.' That word 'privileged' sounded the loftiest note. It means that in this war we are something more than subjects driven by an imperious government to sacrifice and slaughter, but are free men battling for the heritage of liberty given to us by our fathers. The effort we put forth is the acid test of our intentions and should we fail we should put the words of our great President to open shame in the eyes of the world—what a farce his promises would be if the business man shirks and the laboring man strikes.

"Somehow I have never entertained any fears of our people not rising to a realization of their varied privileges and obligations and standing four square to every hardship imposed and every sacrifice necessitated by present and future conditions."

Build Your Own Business

under our direct general agency contract. Our Policies provide for:



DOUBLE INDEMNITY
DISABILITY BENEFITS
REDUCING PREMIUMS

See the new low Rates

JOHN F. ROCHE, Vice-President

Organized 1850

The Manhattan Life
Insurance Co., 66 Broadway, New York

Life Men—Be Big

Get out from under, and Go "OVER THE TOP" by being just as BIG and UNSELFISH as your business

The trenches you capture will be WORTH WHILE

JOS. D. BOOKSTAVER

General Agent

THE TRAVELERS INSURANCE COMPANY
OF HARTFORD, CONN.

76 William Street NEW YORK

Life Men—Be Big

How Insurance Looks To Canadian Banker

SIR EDMUND WALKER'S ADDRESS

Nothing Has Done More for Industry Than Credit and Insurance Declares Noted Speaker

Only the question of space limitation prevents The Eastern Underwriter from printing in full the highly illuminative address of Sir Edmund Walker, president of the Canadian Bank of Commerce, on "Life Insurance, Bank Credits and Thrift."

He said in part:

"It is the fashion of certain demagogues to speak of bankers and of insurance men as non-producers, but not even the powers of steam and electricity have done more for industry than credit and insurance. In the middle ages the provision for old age or for a dependent family, when the citizen could make any, was generally a hoard of coined money, or some jewels, and sometimes a holding of real property. The artisan who could save nothing must hope that his guild would look after his family, while the ordinary laborer had his only chance in being attached to some great landed estate. The small manufacturer or shop-keeper could not borrow to expand his trade and lived ever open to the risks of fire and of violence. Other things have helped to improve these conditions but none have done more than banking and insurance. From the moment when a credit established by a bank enables a grain dealer on this side of the Rocky Mountains to buy a farmer's grain, its insurance begins and never stops until the consumer has received his loaf of bread from the baker in Europe. It covers fire at any point in store or transit, all other risks on sea and land, and the fluctuations in the market price, for to the non-speculator his hedge is just an insurance policy. If the wheat is grown where there is no option market within reach and no chance of selling ahead of delivery, the buyer becomes a speculator and his supposed margin of profit must be much larger, while his credit with the bank must be very much smaller and on an entirely different basis from that of the dealer who covers every risk by insurance.

"Wonderful as are the various forces which man has made available for his purposes, there is still no force so useful, so unique and so precious, as the capacity of man himself. We create universities for the education of our youth, joint stock corporations for finance and trade, gigantic railroad systems, armies, navies, and many other forms of co-operation, but each of them needs one chief, and most of them many other executive officers, with a capable and loyal staff of workers. This is the asset which never appears in the balance sheet of a company and yet is of more importance than plant, merchandise, cash in bank, goodwill or any other asset. So far as the man at the very top is concerned he is generally found in the position of a circus rider who has the reins of six or a dozen horses in his hand, all of which he must make run easily together, and this perhaps at a time of life when to relax from constant vigilance would be agreeable if it were only possible.

What Loss of a Man Means

"In theory a well-managed company has substitutes for everybody, but in practice this is rarely true, and great manufacturers, like Mr. Ford, have learned that changing even ordinary workmen from week to week is one of the most costly items of business. When a chief executive officer dies there is often a positive crisis in the affairs of the company he has been administering. No insurance can avert the loss of his ability to the world but every industrial company can insure the lives of its main executive officers.

"Sometimes several men go into a venture together and each performs some portion of the work necessary to success. When the banker is concerned nothing can be wiser or more conducive to the credit of such a venture than the fact that the whole group is so insured that a handsome sum of money will be paid to the surviving members if a single member dies.

Taxation

"Modern governments have found death or succession duties a favorite form of taxation. A moment before death a man may have no debts, but a moment after the state may have a large claim which is payable in what the majority of estates do not possess, that is, cash. Every man of property should carry enough life insurance at least to discharge this obligation. I recall a friend to whom I stood in the position of a banker for many years. His success, which was most remarkable even in his own country, the United States, was based on the elimination of every risk in his business, which was that of owning elevators and buying grain. He created various companies to build his elevators, selling their bonds to pay the cost, without his personal covenant. He insured his life for a million dollars, the first charge upon this sum being that it must be kept intact until every bond issued by any company created by him had been paid, and if any were unpaid it must be used for the purpose of retiring them. Many of you will remember his name and that after a few years, he died in the prime of life. He had insured his honor. It will not be known that the same man in 1896 paid a large sum for the privilege of calling for enough gold to pay what he owed for grain loans obtained from two Canadian banks. He was sure that Bryan would be beaten; if he were not, wheat would probably rise in price if gold went to a premium. He was working strenuously in the campaign to defeat Bryan, but his guiding star was insurance against contingencies and he could not sleep while he wondered where he would get the gold to pay his debts in Canada if Bryan won and the inevitable panic ensued."

Scientific Salesmanship

(Continued from page 14.)

valuable data that will result in further classifying the successful as distinguished from the unsuccessful life insurance men and women.

(b) The Carnegie Bureau of Salesmanship Research has greatly widened its experience through its work for the War Department. Fifteen out of the seventeen members of the staff of this bureau have, since the beginning of the war, been gaining experience in the selection and classification of army material that will be invaluable during, and particularly after the termination of the war. Deciding what man is best fitted for one of the several hundred classifications of the army—how to ascertain those who possess these qualifications and how best to train them—is substantially the same human problem as that of the selection and training of salesmen.

That this bureau, starting out to work upon the single problem of salesmen, should now have an experience with millions of men and hundreds of vocations, has advanced this movement.

TABLE I

Showing Percentage of Total Production of New Agents From Those Coming From Six Previous Vocations

	Company A		Company B	
Total Production from New Agents.	$4,942,764		$15,204,312	
	Amount	%	Amount	%
Real Estate and Insurance	$1,462,000	29.5	$ 4,958,213	32.6
Clerks	148,000	3.0	1,452,350	9.6
Salesmen	778,616	15.7	1,346,794	8.8
Bankers	609,500	12.3	1,308,297	8.6
Merchants	282,500	5.7	1,019,157	6.7
Teachers	254,000	5.1	718,423	4.7
Totals	$3,534,616	71.3	$10,803,234	71.0
Miscellaneous	$1,408,148	28.7	$ 4,401,078	29.0

TABLE II.

Methods and Sources of Securing 2,118 Agents

	Appt.	Prod.		Pd. Bus.	% of Total	Ratio of Producers
Personal Canvass	1087	474	44%	$ 6,660,075	44%	44%
Sug. by other Agents	857	438	51%	4,562,617	30%	51%
By Advertisements	174	71	41%	1,099,099	7%	41%
	2118	983	46%	$12,321,791	81%	

Circulars	$ 713,806
Advertising	1,099,099
Suggested by agents	4,562,617
Personal canvass	6,660,075
Special	2,168.715
Total	$15,204,312

Eighty-one per cent. of the new production came from these sources.

TABLE III.

Former Vocation of 2,340 Agents Appointed By One Company in One Year

	Appt.	Prod.	% of Total	Total	% of Total	Aver. Prod.	Prod. to Appt. Pct.
Total	2340	1121	..	$13,768,143	..		
Real estate and insurance	578	298	26	4,958,213	36	$16,638	52
Clerks	352	174	15	1,452,350	10.5	8,347	50
					46.5		
Salesmen	271	121	10.7	1,346,794	9.8	11,131	45
					56.3		
Banking	207	108	9.6	1,308,297	9.5	12,114	52
					65.8		
Merchants	133	70	6.2	910,157	6.6	13,002	53
Five sources	1541	771	67.5	9,975,811	72.4		
Teachers	138	64	5.7	718,423	5.2	11,225	46
Manufacturers	30	20	1.7	450,425	3.3	22,521	67
Government Employes	80	34	2.1	450,318	3.3	13,245	42
Eight sources	1789	889	77.1	11,594,977	84.2		

John Buchanan, who in addition to furnishing insurance news for the Boston "Globe," handles the publicity for several life insurance companies and other corporations of importance, is in town covering this convention for an insurance paper.

Miss Georgia Emory, of Detroit, the only woman who has ever been elected vice-president of a national organization of insurance agents, watched the proceedings. Last year she wrote $175,000 for the Massachusetts Mutual.

Incorporated 1851

BERKSHIRE

LIFE INSURANCE COMPANY

PITTSFIELD, MASS.

W. D. WYMAN, President

A purely mutual company, issuing all desirable forms of life insurance.

Its attractive literature is of material assistance to its agents.

This Company's record of fair treatment of policyholders and agents alike, makes an affiliation with the Berkshire very desirable.

Correspondence solicited with ambitious and trustworthy producers.

For particulars address—

W. S. WELD, Supt. of Agencies, Pittsfield, Mass.

Ætna Service

Includes all Life Lines

Agents of the ÆTNA LIFE can offer their Prospects

the Widest Range of Policies

The ÆTNA LIFE issues Participating and Non-Participating Life and Endowment Policies

Also Non-Participating Monthly Incomes, Partnership Policies, Term Policies, Group Insurance Policies, Annuities, Deferred Endowments, Income Bonds, Life Incomes,

Increasing Insurance Policies under the Life, 20 Payment Life and 20 Year Endowment Forms.

The Ætna Life issues the most flexible, practical plan of

GROUP INSURANCE

both Participating and Non-Participating

Experienced and successful men, also successful men without Life Insurance Experience, may find satisfactory opportunity with this company.

Address: **FRANK BUSHNELL,** ***Agency Secretary,***
ÆTNA LIFE INSURANCE COMPANY, HARTFORD, CONN.

H. B. Rosen Will Write $15,000,000 Life Insurance This Year

Tells Convention That He Will Never Permit Any Other Agent to Surpass Him—Advises Insurance Men to Bring Out the Sentiment, Music and Heart Interest of Insurance.

The limit of Harry B. Rosen's audience on Friday afternoon was the size of the great ballroom of the Hotel Astor. There was standing room only. The greatest life insurance producer that the world has ever seen said that despite the fact that he did not work for three months this year he would beat last year's record, which was $12,000,000. President Priddy announced that Mr. Rosen will write $15,000,000 during 1918. Mr. Rosen did not deny this. When he returned to his office at the end of June he found he was $2,500,000 behind his record for the same period last year.

Wrote $4,150,000 In Five Weeks

"I didn't know where my next $5,000 case was coming from, but inside of five weeks I wrote $4,150,000."

Mr. Rosen then made the following announcement:

"I shall never let any other life insurance man beat me in production. When the day comes when I see myself losing my laurels I shall abdicate."

Some of the points made by Mr. Rosen which he has not given in other talks follow:

"When I got my first advance of $25 a week I decided to earn the money as I could not otherwise accept it. On the first day I wrote $45,000 of endowment insurance. Inside of the next two weeks I had won my first diamond medal contest.

"A multi-millionaire said after I had insured him for a million: 'What do you think, a life insurance man was just in here and struck me for a $25,000 application. What use do you think I would have for a $25,000 policy.'

Can't Be Sold Like Groceries

"Life insurance is not a commodity that can be sold like groceries or furniture. You must buy it when you can get it; otherwise, the day may come when you can't purchase it at any price.

"Don't let a man reproach you by saying you under-insure him. If a man's overinsured he can drop part of his insurance, if necessary; if underinsured, he may continue being so the rest of his life no matter what his station in the world may later be.

"Life insurance should be the sweetest music in the world to an agent. Bring out the harmonies. If you are not in tune with this music get in some other line of business."

Kingsley and Macaulay Speak at Banquet

Darwin P. Kingsley, president of the New York Life, and T. B. Macaulay, president of the Sun Life of Canada, were the principal speakers at the Hotel Astor banquet. The hall was too small to accommodate all those who wanted to come. Darwin P. Kingsley, who is in demand as a public speaker, whose views of the war in widely quoted addresses have been prophetic, and whose commanding personality backs up with tremendous force whatever he has to say, took for his topic: "Woodrow Wilson—and the Doctrine of Sovereignty."

"The cause of this great war, the source of this great crime is the doctrine of sovereignty; the great living criminal is William," said Mr. Kingsley. "When William goes we shall have gained little if sovereignty, as now defined, does not go with him."

Mr. Kingsley quoted President Wilson as saying that democracies must unite, not as states, not as sovereignties, but as peoples. A mere league of states or partnership of sovereignties will not do. The keyword is Federation, "for there is no other name under heaven given among men whereby we must be saved," concluded Mr. Kingsley. "That is the new Evangel and Woodrow Wilson is its prophet."

At every mention of the President's name there was a demonstration.

President Macaulay told of Canada's titanic contributions towards winning the war, from a military, industrial and financial standpoint. It was a talk which commanded the closest attention, as it was delivered by a master of his subject.

Not only are Canadian life insurance men taking an active part in the war but they are winning the highest honors. President Macaulay cited three cases: General E. W. Wilson in private life is provincial manager of the Canada Life; the late Col. W. C. Macdonald was managing director of the Confederation Life; Sir Arthur Currie, commander-in-chief of the Canadian forces, is a Vancouver insurance man.

During the evening a gift was given retiring President J. T. Wilson, of Canada.

GEORGE W. PERKINS TELLS OF WORK OF Y. M. C. A.

George W. Perkins, who left the vice-presidency of the New York Life, of which he was head of the agency force, to go with J. Pierpont Morgan & Co., and then left the Morgan house for work of a public nature, and who is now chairman of the finance committee of the War Work Council, International Committee, Y. M. C. A., was given a rousing greeting. He made a splendid talk bringing home to the delegates the work that the Y. M. C. A. and kindred great organizations are doing in helping the hundreds of thousands over seas. He predicted that after the war the destinies of the country would be in the hands of the returned soldiers who are now undergoing a course in the greatest of all universities.

Mr. Perkins called attention to the $170,000,000 campaign which the war service organizations are going to start soon, in which he knew life insurance men would co-operate to the limit as usual.

THINKS GOVERNMENT HAS TROUBLES ENOUGH

Former President Rogers, of the Medical Directors' Association, after discussing medical selection, said he would answer questions. Some one inquired if he thought the government would take over the life insurance business.

"If it did," he answered, "and insured everybody it would be some job taking care of these claims. Just go out yourself and look over the crowd on Broadway. Sometimes you will be puzzled whether it is a funeral parade or a Bellevue Hospital procession. No, I think the government has troubles enough."

THE NEW PRESIDENT OF THE CANADIAN ASSOCIATION

In P. A. Wintemute the Life Underwriters' Association of Canada has secured as its president a typical Westerner, full of the big ideas of that big and growing country. He is field manager for the Manufacturers Life there and his agency is one of the best the Company has. He, himself, is one of its best producers.

He is a native of Buffalo, N. Y., but has gained all his insurance experience in the far West.

In life association work Mr. Wintemute's goal is to help the young man in the business—to make the association of real assistance to him over the rough spots in his early experience.

As a handler of men he stands high among all who know him. In fact, there lies his greatest success. In his town, Calgary, it is "Pete" Wintemute who takes a leading part in anything being done for the good of local institutions. He has hosts of friends, and if any enemies, they are not known.

In accomplishing ends, Mr. Wintemute first seeks out what is to be done and then places the right man at the head of that job. He is strong among the farmers and stock-raisers for that is where he lives. He has been with the Manufacturers Life for twelve years and vice-president for the Canadian association for several terms. The welcome "Pete" and his friends will give the members when they go to Calgary next year for the annual meeting is best known to those who know "Pete." The Calgary trip has already taken a firm hold on the association.

LIFE AGENTS' OPPORTUNITY IN VIEW OF WAR CONDITIONS

C. H. Carpenter, of the Great West Life, Toronto, pictured the effect of a law requiring that every man invest three-fourths, or even four-fifths, of his savings in a life insurance contract. This would be revolutionary but if it were done instead of there being but one of a hundred men wealthy at age seventy there would be found a large group of men independent financially.

Mr. Carpenter spoke for a few minutes Thursday afternoon on the life insurance agent's opportunity and duty in view of war conditions. He declared that there is no adequate substitute for the life insurance contract. It fulfils more nearly the financial requirements of man than anything that has ever been devised. This applies with equal force to the needs of man himself, or of his family. Every life insurance man should be personally converted to a firm belief in the life insurance contract as filling the needs of man. Mr. Carpenter added that it would be a brave life insurance man who would dare to make a close canvass of the assembled company—all life insurance men or women.

One of the duties of the life insurance salesman is to show that the amount of insurance carried a few years ago is not adequate now. The greatest appeal in selling life insurance, he said, is the lasting appeal—the heart appeal.

Favor Institutional Advertising Campaign

The most important resolution adopted by the National Association of Life Underwriters was for institutional advertising. The resolution in part follows:

"We urge upon agents and officers and employes of life insurance companies in their daily work to strive more and more to realize and to make the public realize that all scientific life insurance is one vast system or institution, and that all agents and all companies are partners in the same great work of insuring the people.

"We believe that the public mind, as well as our own, is ready now as never before to welcome and grasp the basic truths and services of life insurance from the institutional viewpoint; and that the time is ripe for an educational campaign, organized on a nation-wide scale, conducted by all the companies, and using all manner of personal and printed propaganda, particularly the regular advertising mediums to tell the people in plain, non-technical terms just what life insurance is, whose it is, and what it does—just how broadly it serves the nation in war or in peace; and just how specifically it serves the business world, family and the individual."

The various associations in life insurance were asked to co-operate in putting the big institutional advertising campaign over.

NEW CANADIAN ASSOCIATION OFFICERS

PRESIDENT—P. A. Wintemute, Calgary, Manager, Southern Alberta, Manufacturers Life.

HONORARY PRESIDENT—J. T. Wilson, Canada Life.

GENERAL SECRETARY AND TREASURER—J. H. Castle Graham, (re-elected),

HONORARY SECRETARY—C. A. Butler, Montreal.

PROVINCIAL VICE-PRESIDENTS

BRITISH COLUMBIA: Frederick McGregor, Victoria.
ALBERTA: G. J. A. Reany, Edmonton.
SASKATCHEWAN: W. B. Crawley, Saskatoon.
MANITOBA: J. E. Matthews, Brandon.
ONTARIO: George L. Goodnow, Hamilton.
QUEBEC: Victor Lemieux, Quebec.
NEW BRUNSWICK: G. Wetmore Merritt, St. John.
NOVA SCOTIA: George Archibald, Sydney.
PRINCE EDWARD ISLAND: John O. Hyndman, Charlottetown.

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by
Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY
of the United States

For agency openings address:
W. E. Taylor, Second Vice-President

EQUITABLE

National Association And Metropolitan Life Bury the Hatchet

The election of J. K. Voshell, of Baltimore, as president of the National Association of Life Underwriters undoubtedly means the return of cordial relations between the Metropolitan Life and the association in view of the fact that Mr. Voshell is a superintendent of the Metropolitan Life and has been for years.

The strained relations between the Metropolitan and the National Association came as a result of the attack by the Life Underwriters Association of New York upon the so-called "Special Policy" of the Metropolitan Life, and the carrying of the fight to Albany where Lawrence Priddy and Haley Fiske had an exciting verbal encounter at the state capitol in the presence of a number of insurance men. It was reported later that Metropolitan Life men were instructed to leave the association. Whether this was true or not, many Metropolitan men regarded the association with considerable coolness.

During the past year it is said that the attitude of the Metropolitan toward the National Association was one of indifference. The position of Mr. Voshell as chairman of the executive committee was, therefore, one of peculiar interest.

During the past few weeks a movement starting in Baltimore leading towards the nomination of Mr. Voshell as president had grown. The fact that the association would be putting a Metropolitan man in as president was regarded by many of the association's members as a good move; and Mr. Voshell continued to grow rapidly in favor. He made no personal campaign of any kind nor did he have to as correspondence had demonstrated that he would be elected.

Some years ago the New York Life was not very keen about the National Association, but during the past two years officers of that Company have made speeches to the Company's agency force suggesting that they join the association.

It is said that there is only one large company now which is hostile to the National Association.

Say Boston Association Should Admit Women

Both Leonora M. Cowick, of Boston, and E. Constance Woodward, of New York, declared emphatically that the Boston Life Underwriters' Association should admit women. The women are taking the places of men, are responding nobly to the call of industry, and they said that in barring the women the Boston men agents were behind the spirit of the times.

"You men underwriters who are keeping women out are becoming old-fashioned. You look as queer as we would if we were wearing crinoline dresses," was Miss Woodward's shot.

President Priddy asked the members of the Boston association to stand up and confront the women underwriters.

Charles C. Gilman, secretary of the Boston association, and several others did so, and were the object of considerable good natured chaffing.

Miss Cowick also commented rather sharply on companies which do not have women's departments or which refuse to insure women.

Dempsey Who Led the Singing At Convention

John C. Dempsey, who led the music is a representative of the New England Mutual Life. Mr. Dempsey was for years a concert and opera star, in fact, at one time he was the head of his own opera company. He came to New York from Buffalo when a very young man, sang for Father Young at St. Francis Xavier's church, New York, was engaged, and made his musical debut. After some years of study he went into concert and while with Madame Nordica was the first artist of the concert rank to introduce Irish songs. When Mme. Nordica protested saying that seats sold for $4, and she thought that for that figure the music-loving public would not be satisfied with these selections he asked for a chance to sing some of them, which was granted. Success followed. In view of the tremendous furore now being made by John McCormack with Irish songs Mr. Dempsey's estimate of musical values proved sound and prophetic.

Women Writers in Life Insurance

(Continued from page 3.)

insurance, how it produces funds to pay taxes.

This was Miss Cowick's last appearance before life underwriters for sometime as she is going to France for the Y. M. C. A.

Protection to Women

Mrs. Jennie Watkins said she would confine her remarks to three minutes. She is a remarkable insurance worker in many respects as she has devoted only three months of this year to life insurance work, during which time she wrote $275,000. The rest of her time was given to the Government, Red Cross or some other similar activity.

"There never has been a time in the history of the world," she said, "when the opportunities for women in life insurance were so brilliant. Women are taking their places side by side with the men and are also succeeding men who go to the fighting line. It now becomes necessary for women to protect themselves after having for centuries been protected by others. Agents can help women find this protection in life insurance. Millions of women will be insurance buyers. Women are best qualified to sell them."

Dr. Kellogg, superintendent of the Battle Creek Sanitarium, in his talk said that women have an average life seven years longer than a man's.

"If what the good doctor says is true, about the longevity of the sexes," she declared, "then we should call the attention of the actuaries to this fact and have the companies reduce the rates on women."

Women An Essential to the Business

Miss Woodward talked on women as a war essential to the life insurance business. They have filled up or will fill up the ranks left depleted by the absence of the men who have gone into the army. There is nothing of an experimental nature about the work of women agents, because they have been making good for twenty years. America has 2,000,000 women who never worked before who have entered the ranks of industry. The industrial life must go on. The life insurance business has to survive the war and go over the war with a bigger balance to its credit than before the war.

No Handicap For Women Agents

Life insurance has been fair to women. It calls them agents just the same as it does men. The same qualification is demanded of women as of men: sell life insurance. The day has passed when there is any reflection upon the woman in life insurance or any other business. Twenty years ago the woman in business was received with distrust and sometimes with disgust. They thought she used personal charms to succeed or hard-luck stories. But now it takes something more than personal charm because "even Cleopatra could not sell anything without salesmanship ability." As for hard-luck stories the people have heard so many of these that they are hardened.

Women have not the same characteristics as men and similar characteristics should not be expected of them. Nevertheless, their methods are not necessarily less valuable. Women can't sell insurance by brute force, by bullying their prospect, and it is doubtful if that style of salesmanship is worth while. They bring to salesmanship a quality of tact and intuition which may go a long way to disabuse the public mind of any lingering idea that an agent is selling something for which the buyer does not get value received.

Filling Up the Prospect Gap

One matter of concern to life insurance companies is the depleted list of prospects, and the fact that of those which remain there will be a large percentage of declinations. Then, why not sell life insurance to women? Nine-tenths of Miss Woodward's cases are women. She finds it easy to sell insurance to women.

These are some of the reasons: They have not been over-canvassed. They are proud of their job. They recognize their responsibilities. They see the need of protection and want it. They are anxious to grasp all business facilities and are quick to welcome a new idea or a big idea.

The theory that women have no one to protect is a fallacy. Most women have some one dependent upon them. Women are good candidates for annuities, but there is no type of policy which cannot be presented to them effectively.

In concluding she said that the benefits of life insurance should be extended to everybody and for people to insure is obeying the true spirit of democracy.

"Spread the gospel of life insurance to everybody who has health and money to buy it," she said.

Agents Not to Write Congress

(Continued from page 1)

the entire insurance family, start something. You will have to put your faith in your chairman and if you do not do it you might just as well not employ him.

"Some of the letters were sent to Washington by men who thought they were doing good. Various committees and associations sent letters. They really hurt us more than they helped us."

"What about the Lewis bill?" asked someone of Colonel Powell. The latter smiled.

"I don't think you need to worry about it or the Saunders' 'Liberty League' bill either," was his reply.

Larson, Clark and Edwards Agree With Powell

A. C. Larson, Union Central Life, Madison, Wis., and former secretary of the association, also discussed this question, saying that his warning should be heeded and his efforts should be undisturbed.

Ernest J. Clark, of Baltimore, said he had intended bringing up the subject if Colonel Powell hadn't, and he reiterated that if there was any committee which should not be disturbed ostensibly by amateur lobbyists, it was the committee on laws and legislation. He advised the members present that when they returned home and found that any life insurance associations or individuals intended to "write Washington" to re-direct the letters to Colonel Henry Powell instead.

"Colonel Powell is on the job," he said. "He is in closer touch with Washington than anybody else I know."

The finishing touch was given by Charles Jerome Edwards, of Brooklyn, who designated the attempt to bombard Congress as the work of friendly but misguided publicists. He also intimated that when people "start something they should be careful not to upset the apple cart." He concluded by advising that under no circumstances should letters and wires be sent to Washington.

Outsiders Invited

The meeting of the executive committee was held most of Tuesday. It was novel in some respects, principally in that outsiders had been invited to be present by President Priddy. Few accepted the invitation outside of committeemen. Mr. Priddy was not on hand, the statement being made that he was busy relative to program arrangements. Later, at the closed session of the executive committee he appeared and made the announcement that he would not be a candidate for re-election.

Chairman Voshell, of the executive committee, was in the chair, and called for reports from various committeemen. The first big hand-clapping came when Orville Thorp, of the Kansas City Life, Dallas, Tex., gave his views of the responsibilities of the average man to the war, and the part that life insurance could take in helping him meet that responsibility. His remarks in part will be found elsewhere in this issue. They contain a splendid life insurance salesmanship idea.

The Life Insurance Propaganda

THE Life Insurance Propaganda is fifty-six years old. It had its birth in the second year of the Civil War.

Whatever evil war does it also does this good—it wakes people up. The blood that runs sluggish and cold in time of peace, surges along swift and hot in time of war. Men think clearly, decide quickly, act resolutely.

For about twenty years prior to 1862 Life Insurance in this country had been like a voice crying in the wilderness which very few heard and fewer still regarded. It had been well founded and carefully managed. It had put on its books about one hundred and sixty-five million dollars in risks, accumulated about twenty-four million dollars in assets, and was then doing new business to the amount of about twenty-five millions a year.

The Civil War woke up the fighting spirit of men who staved at home, as well as of those who went to the front, and of none more than Life Insurance men. They did not flinch from the hazards of war, but insured the man in the ranks according to the best attainable data, and the result showed a very accurate forecast of the risk.

Then, when life was being risked so freely, Life Insurance began to preach with trumpet-tongue the value of life and the need of family protection.

The business went forward by leaps and bounds. In five years it increased more than ten fold. There have been but ten years since 1861 in which the new insurance has not shown an increase over that of the previous year, only eight years in which there has not been an increase in risks in force, and only two years in which there has not been an increase in accumulated funds.

Comparing the business of 1917 with that of 1861, New Insurance, and Insurance in Force are more than one hundred times as great, and accumulated funds are two hundred times as great. The Life Insurance Propaganda has made itself felt. Life Insurance is coming into its own.

Life Insurance is a better system now than it was fifty-six years ago—the policy covers more risks, the danger of lapse is not so great, funds are more carefully invested, it is better supervised, the field force is better instructed, more loyal and more militant. The system went through fire in the seventies; some thirty years later it went through an earthquake. It survived both and, in 1917, the still small voice of reason prevailed and it was adopted by the Government as the only scientific and adequate method of protecting the families and the future invalidism of the defenders of the country.

The National Association of Life Underwriters is the Unofficial Flying Corps of the field force of the Life Insurance Propaganda. It employs its time when off duty in observing and mapping the enemy's defences, and in devising new methods of attack. It provides its own equipment, pays its own way and places all the information it gathers at the service of the propaganda. Its members are the experts, the **elite** of the great army of active propagandists. **Noblesse oblige.**

The victories of the Life Insurance Propaganda are like "the blessing of the Lord—it maketh rich and He addeth no sorrow with it." They honor the dead, comfort the mourner, safeguard the home, enrich and ennoble life, and help to make a Democracy that will be safe for the world.

NEW YORK LIFE
INSURANCE COMPANY

DARWIN P. KINGSLEY, President

THE METROPOLITAN LIFE INSURANCE COMPANY

(Incorporated by the State of New York)

THE COMPANY

Of the People *By the People* *For the People*



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force $3,936,181,898

It is greater than any other company in America in the number of its policies 18,262,933

It stood first in the world in amount of insurance placed in 1917.....$791,060,002

It stood first in the world in gain in insurance in force in 1917.....$453,749,902

It stood first in the world in gain in income in 1917 .....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

The TRAVELERS

good to insure in *good to represent*



Can his life be saved?



The burglar gets our valuables



Safe blown open—money gone



Motor truck smashes wall and upsets

GREETINGS

to the

Insurance Representatives in Convention Assembled

GENTLEMEN: Yours is a splendid calling. You stand between your clients and misfortune. Each year, as you gather together, we are struck anew by the importance of your mission and the service you render to mankind.

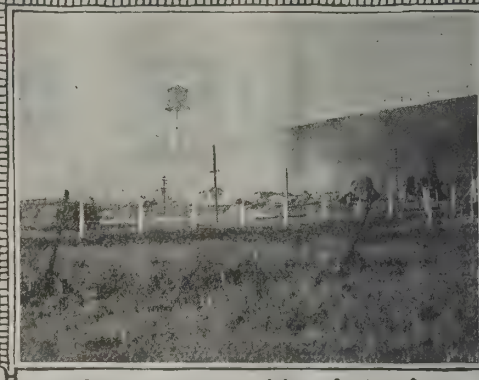
The modern insurance man is more than a salesman—he is a business adviser. It is his duty to recommend to his clients a company with substantial assets, abundant reserves, and progressive management.

Our relations with you in the past have been most pleasant—resulting in unprecedented growth and expansion on the part of The Travelers. You have not hesitated to recommend this Company, believing correctly that it had solidity and strength. It has been our policy, on the other hand, to direct business to you.

May these agreeable relations flourish!

These lines among many others:

LIFE INSURANCE
MONTHLY INCOMES
ACCIDENT AND HEALTH
AUTOMOBILE
BURGLARY
PLATE GLASS
WORKMEN'S COMPENSATION
EMPLOYERS' LIABILITY
GROUP INSURANCE
STEAM BOILER
ELEVATOR
MERCANTILE SAFE AND PAYROLL
GENERAL AND PUBLIC LIABILITY



Once an ammunition factory!



Workmen buried in the collapse



Car broke fire-plug, ruining store



Trolley load drowned at open draw

THE TRAVELERS INSURANCE COMPANY

Assets .....$129,311,109 Reserves and Liabilities.....$115,248,166 Capital and Surplus...$14,062,943

THE TRAVELERS INDEMNITY COMPANY

Assets .....$4,199,461 Reserves and Liabilities.....$2,583,688 Capital and Surplus....$1,615,773

Louis F. Butler, President "Moral: Insure in The Travelers" *Hartford, Connecticut*

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

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CALLS THE ANALYTIC BEST RATE-MAKER

Commissioners in Denver Hear Paper Read By Minnesota State Rating Supervisor

DISCUSSES OTHER SYSTEMS

Says They Have Served Their Purpose and Sees End of Their Usefulness

Lawrence W. King, state supervisor of rating in Minnesota, delivered an address at the commissioners' convention this week, taking the place of John B. Sanborn, who resigned as Minnesota commissioner of insurance on August 12, in which he came out flat-footed in favor of the Analytic System. In his paper after saying that there is no such thing as rate making monopoly in fire insurance and that co-operation in rate-making provides the means whereby small companies may enter new fields and the expense ratio is reduced, he said:

The Various Schedules

"It is necessary to follow the trail of the various schedules and discuss their relative merits and demerits. The E. G. R., L. & L., Universal, Pink, Pacific Coast and Texas General Basis Schedules have served a purpose, but their days of usefulness are rapidly nearing an end. We will hear no more of buildings being given the same rates as their respective street numbers, of local boards guessing at the hazard of risks or of a row or entire class of risks taking one rate, as prevailed not long ago. The success of any schedule depends chiefly upon its flexibility and up to this time only one system has been developed which appears to possess this characteristic sufficiently to endure. To use the words of the Pennsylvania Commission in its 1915 report: 'The Analytic System seems to be more scientific, exact, impartial and just—both to insurer and insured—than any other that has yet been devised.' In other words, it is impartial and just—both to insurer and insured—because it is flexible.

"Of course, the successful application of any schedule depends largely upon the judgment and experience of the inspector, and the attitude of the public towards the insurance companies depends largely upon the personnel and management of the inspection bureau. Now let me say right here that what we are striving for is justice. If the individual citizen is convinced that he is receiving justice at the hands of the insurance companies,

(Continued on page 18)

Conflagration Proof

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

Every Agent of "THE HOME" is a "Booster" of the Company because of its Constant Interest in his welfare, as such

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager
UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

To the Man Who is Willing—and Will



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

THE GAUVIN AGENCY

MORTALITY QUERY NEARS COMPLETION

Report of Special Committee, H. E. Ryan, Chairman, Made to Commissioners in Denver

IMPROVEMENT BELOW AGE 45

Amount of Insurance Exposed—To Risk Over $29,600,000,000—Death Claims $477,000,000

At the National Convention of Insurance Commissioners the report of the special committee on new mortality investigation was made. The last preceding report of this committee was that submitted to the Convention at its meeting held in Des Moines in April 1917. Such report appears in the proceedings of that Convention at page 90.

The mortality investigation is rapidly nearing completion and the report of the committees representing the Actuarial Society of America and the American Institute of Actuaries will shortly be available in published form

Experience of American and Canadian Companies

The investigation comprises experience in the United States and Canada of American and Canadian companies during the years 1900 to 1915 inclusive, on policies issued from 1843 to 1914 inclusive. The official report goes into the history of the movement which led to the new investigation and discusses arguments for and against the adoption of new mortality tables in lieu of the American Experience Table. It then goes on to describe the data selected for study and the subsidiary investigations made of particular groups of risks, both men and women, according to habitat and plan of insurance.

The magnitude of the investigation may be gleaned from the amount of insurance exposed to risk which is over $29,600,000,000 (of which more than $26,000,000,000 represents policies issued on the lives of American men) and from the aggregate death claims which enter into the experience exceeding $477,000,000.

In general it may be said that the investigation shows an improvement in mortality at ages below forty-five, while above that age the rates of mortality approximate, and at times exceed, those shown by the American Experience Table.

In view of the imminence of the pub-

(Continued on page 9)

THE GAUVIN AGENCY

Association Adopts Code of Ethics

A Chart to Guide Life Underwriters in Correct Practices in Their Profession.

FOUR CRIMINAL OFFENSES

Recommendation Sent to All Local Associations—Report of Scovel Ethics Committee

The National Association of Life Underwriters at its convention last week adopted a code of ethics in the form of a chart which will meet with wide approval. Charles W. Scovel, of Pittsburgh, chairman of the committee which drafted the code after conferring with associations all over the country, presented the code which was adopted by the convention without comment. The chart follows:

Ideals

The Mother Ideal. Identity of Interest Among All. Insurers, Insured, Public.

The interests are identical because Scientific Life Insurance is a co-operation, all the lives insuring each other. Its companies belong—many wholly, the others mainly—to the policyholders themselves, 35,000,000 now, and growing steadily. Over 97 per cent. of both the total assets and the total profits (dividends) are theirs.

Principles

A. Personal. Ever Growing efficiency and Usefulness.

1. Keep thinking and feeling the Ideals, institutional and individual.
2. Study, study, study—Life Insurance SERVICES; Human nature and NEEDS.
3. Improve daily work habits in use of body, time, effort, money.
4. Work, Work, WORK.

N. B. There are professional duties. On our skill and work today depend the widows and orphans of tomorrow. OUR dependents!

B. In Soliciting. Truly Professional Practice At All Points.

The Prospect

1. Real service: His interests ours; Advisers even more than Solicitors.
2. All his affairs Confidential, except by express permission.
3. Show him his NEEDS and the SERVICES that fit; make him Want It Now.
4. No Confusing him with forms, figures or details, of policy or company.
5. No Misrepresentation made, or Misunderstanding permitted.
6. No Rebating, or other discrimination.
7. No Twisting, of own company's policy or another's.

Competition:

1. All agents of all companies are "partners on the job" of insuring the people.
2. Shun Competition as "bad business"—wasteful of effort; breeder of evils.
3. If really unavoidable, use methods fair to All concerned.
4. Know when it should cease.
5. Always leave him a better Booster and Prospect for Life Insurance.

Within the Agency

Active, Mutual Helpfulness. General Agent (Aided by Home Office.) HIS It Is, To—

1. Select fit, qualified men.
2. Teach, train, inspire; make their success his own.
3. Weed out promptly any found bad, or proven incapable.
4. Keep out spotters, tipsters, one-case brokers and other "Rake-off Men."
5. Cut down "Part-timers" (except apprentices) as fast as can replace.

Special Agent:

1. Loyal—to agency, to company, to Life Insurance.
2. An active "Lifter" in all agency doings.
3. Never compete with fellow-agent of same company.
4. Never bring prospect into any dispute.

Between Agencies

Cordial Co-operation for the Common Good.

1. Hold informal conferences of all Agency Heads—careful to supplement, never to supplant or lessen, Association's usefulness.
2. No seeking other's agent, except for promotion and on notice.
3. No accepting other's agent, without notice.
4. No commission to other's agent without notice.

Laws—The State of Naluvia Punishes

By Fine or Imprisonment, the Following Criminal Offences:

1. Rebates (giving or receiving), or other Discrimination.
2. Twisting of Policies.
3. All Dishonesty or Misrepresentation.
4. Any Soliciting by, or sharing Commissions with, an Unlicensed person.

N. B.—The LAW AND COMITY COMMITTEE of the NALUTOWN ASSOCIATION will privately Investigate charges and complaints; will Prosecute law-breakers before Criminal Court or Insurance Commissioner; will Mediate and Advise in matters of principle and practice.

Report any Breach of Law to It!

Recommendations

The following lines of action to local associations were recommended by the Code of Ethics committee and adopted:

"The Law and Comity Committee shall inquire into any matters affecting life insurance in this vicinity that involve the alleged violation, by an agent or other person or corporation, of the life insurance laws of the State of ..... against rebating, twisting, misrepresentation and other penal offenses, or that involve the due enforcement of the license provisions of said laws. It may procure and maintain a card index of State Licenses applied for by persons living in or coming to this vicinity, so that their names may be at once obtainable by any member of the Association.

"It may inquire into any practices or conditions in this vicinity affecting the comity and fair dealing that should obtain between the respective agents, agencies and companies, and it may act as arbitrator or conciliator in any case involving an alleged breach of such comity and fair dealing.

"In any case appearing to be well-founded the Committee, in its discretion, shall take proper steps to have the law enforced through the State insurance Department or the courts, or to have justice done or comity observed through the individuals, agencies or companies concerned or otherwise. It may retain counsel, shall conduct its inquiries in private, and its action in a particular case shall not be subject to review or appeal or to any discussion on the floor of the Association.

"Said Committee shall be under the general direction of the Executive Committee, by which its five members shall be elected by individual ballots at the meeting next after the annual meeting, and to which it shall annually make a complete report of money expended and a general report of its activities with any recommendations for betterment of practices or conditions."

3. That, having thus provided the most effective kind of machinery for really punishing law-breakers and bringing the moral forces to bear on offenders generally, the Association will do wisely to dispense with all other compulsory or punitive provisions in the field of ethics, beyond excluding representatives of irregular companies as per the national constitution and, perhaps, making expulsion automatic upon conviction by court or Insurance Department. An Association's own power to compel or punish is very limited and feeble, at best; and its all-too-frequent attempts to do so, from 1872 down to 1918, have in nearly all cases only produced discord in its own ranks, and thus weakened or destroyed its real usefulness in the field of ethics and in all other fields too. Harmony is our main bond of union and source of power.

4. That determined efforts be made to banish the "Rake-Off Man" of every kind; mere poacher on the business and unfit to serve the public. Pending the ban of criminal law against him, we recommend publicity as the best aid to such efforts. Wherever practicable, a list of all licenses for the vicinity, with each new name promptly added, should be posted in all agencies or otherwise supplied to members. Co-operation of the Insurance Department should be sought early, so that next year's license application blanks may require the data whereby such lists can be made, fully identifying the applicant, his outside business connection, the agency or district in which he is to be located, etc.

5. That in these war times it is commonly undesirable to seek new penal legislation against field evils; but here and there the favorable opportunity may come for improving in some States, or enacting in others, the laws now so generally in force forbidding the four classes of offences listed in the Chart of Ethics. Particularly the uniform license bill, approved by this Association and other representative bodies, should be enacted as widely and early as may be.

WANTED

Assistant to General Agent in New York City of large Life Insurance Company.

His work will consist of agency building. He will help and inspire present agents, procure and develop new ones.

Advancement assured and remuneration commensurate with results.

State full particulars. Address

"New York General Agent"

c/o The Eastern Underwriter, 105 William Street, New York, N. Y.

EQUITABLE

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE

EQUITABLE

Rogers to Handle Y. M. C. A. Insurance

COVERAGE FOR $3,500 EACH

Five-Year Term—Theodore J. Johnson to Assist Mr. Rogers in This Work

The Eastern Underwriter last week printed the fact that a group policy for Young Men's Christian Association secretaries seeing service overseas had been written by the Equitable Life Assurance Society, with the syndicate participation of nine other companies, making ten in all.

The Eastern Underwriter can now announce that the committee of insurance officials called into conference by the War Work Council of the Young Men's Christian Association at the time there were numerous controversies and complications about the Y. M. C. A. insurance, and of which committee W. A. Hutcheson, vice-president and actuary of the Mutual Life was chairman, has selected O. S. Rogers, of Rogers & Andrews, managers here of the Phoenix Mutual Life, as adviser of the Y. M. C. A. secretaries in the matter of their insurance.

Five Year Term Plan

The policy will insure every man for $3,500 and is written on the group five year term plan. The Y. M. C. A. headquarters will not be used as a selling agency; i.e., if a man calls there he will be advised that the Y. M. C. A. provides $3,500 insurance for him.

Mr. Rogers, who was selected because he is president of the Life Underwriters' Association of New York and his general high standing in the insurance fraternity, will have associated with him in this work Theodore J. Johnson, who was at one time manager of the Newark office of the Mutual Life under Charles H. Raymond, and who later was with the Washington Life. Of recent years he has been with the Equitable Life Assurance Society.

The companies which have agreed with the Equitable to underwrite the group Y. M. C. A. policies are the Connecticut General, Guardian, Home Life, Metropolitan, Penn Mutual, Phoenix Mutual, Prudential, Travelers, Union Central.

Insurance Notice To Overseas Workers

The National War Work Council, of the Y. M. C. A., 347 Madison Avenue, New York, has issued the following announcement about the Y. M. C. A. insurance:

"For some time, we have been assisting our overseas workers regarding their life insurance; we have paid the extra war premium on $5,000 of insurance under conditions outlined in our literature.

"We have now decided to institute a system which is a modification of the plans arranged by the American Red Cross Society for its foreign workers.

"Briefly stated, the plans for the future for the foreign Y. M. C. A. workers may be described as follows:

"(1) A Group Life policy for $3,500 on each life on the 5-year term plan payable in the event of death. No medical examination is necessary for the insurance.

"(2) A Group Accident and Health policy providing for a weekly indemnity of $20 in the case of total disability either from bodily injury or disease, providing in addition for the payment of $500 in the event of certain permanent injuries, namely, loss of one hand, loss of one foot, loss of sight of one eye, or loss of the thumb and index finger of either hand. The weekly indemnities are to commence four weeks from the date of disability and are to continue until disability ceases, not exceeding two years from the date of disability, that is, to be payable for 100 weeks as a maximum. During the first four weeks the necessary medical care and attention will be furnished by the army hospitals.

"THE Y. M. C. A. WILL PAY ALL PREMIUMS ON THESE TWO GROUP POLICIES, AND WILL DELIVER THE SAME TO THE BENEFICIARY. To insure the delivery of the insurance certificates into the possession of the proper beneficiary, the secretary must fill out the insurance card and turn it in at the Registration Desk."

The disability benefits are furnished by the Travelers.

The Y. M. C. A. will not pay the extra $25 war premium on any insurance written after September 9.

A copy of the policy follows:

The Equitable Life Assurance Society of the United States hereby certifies that under and subject to the terms and conditions of Group Policy No. 5,360,000 issued to the National War Work Council of the Young Men's Christian Associations of the United States (herein called the employer) ..... (an employee) is insured in the amount of $3,500 payable to the beneficiary entitled to receive the same, if death occur while in the employment of the said employer, and during the continuance of the policy.

In case of the termination of the employment for any cause whatsoever, the above employee shall be entitled to have issued by the Society, without evidence of insurability, and upon application within thirty-one days after such termination of employment, and upon payment of the premium then applicable to the class of risk to which such employee belongs and to the form of amount of the policy at attained age (nearest birthday), a policy of life insurance in amount of $3,500 in any of the forms customarily issued by the Society, except term insurance.

Total and Permanent Disability Benefit.—If due proof is received at the Home Office of the Society that the above employee has become wholly and permanently disabled by accidental injury or disease, so that he or she will be permanently, finally and wholly prevented thereby from performing any work for compensation or profit, provided such disablement is the result of injury or disease originating after the commencement of the insurance upon such employee, the Society will, at the end of two years from the date of such disablement, pay to said employee the sum of $3,500, and, through such payment, the Society shall be thereby released from all obligations and benefits of any kind under the policy on account of such employee.

Beneficiary..... subject to the right of employee to change the beneficiary in accordance with the policy provisions.

RAISING $500,000

Frederick A. Wallis, general agent of the Fidelity Mutual Life in New York, and Deputy Police Commissioner, has had charge of the remarkable campaign to raise $500,000 to buy uniforms for police reservists of this city. The campaign is a great success. Recently, the Brooklyn "Eagle" printed a page story about this campaign, with a picture of Deputy Wallis, and an account of his activities.

12,000,000 PROSPECTS

Twelve million women, earning money—women's money in women's pockets! And sixty years ago there were not half a million women in "gainful" occupations in the United States.—Penn Mutual News Letter.

Miss Anna Katenski, of Los Angeles, won a $50 Liberty Bond at the convention last week of the National Association of Life Underwriters.

Frank Levy, of the Equitable in New Orleans, was in town this week.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

THE PRUDENTIAL INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Gail B. Johnson Dead; Stricken on Street

HERE FOR LIFE CONVENTION

Walking With Representatives of Company When End Drew Near

Gail B. Johnson, vice-president of the Pacific Mutual Life, and one of the principal factors in helping George I. Cochran build up that company in recent years, was stricken at Forty-Second Street and Broadway on Saturday morning of last week, taken to a doctor's office in the Fitzgerald Building at that corner, and died soon after. He had been troubled with angina pectoris.

Mr. Johnson had been in New York attending the convention of the National Association of Life Underwriters. He left Los Angeles on August 28 with James L. Collins, a home office agent of that company, who has recently been doing educational work for the company, and they arrived here September 1. There were a large number of Pacific Mutual agents attending the convention. While here they attended a luncheon at the Drug and Chemical Club in William Street. At the banquet of the life underwriters the Pacific Coast men, with Mr. Johnson at their head, had four tables reserved.

Stricken After Breakfast

Mr. Johnson on Saturday morning had breakfast with Mr. Collins, General Agent Fabling of Denver and General Agent Sommers, of St. Louis, and Mrs. Sommers. After breakfast they were walking towards the Astor when Mr. Johnson began to complain of pains and finally had to be removed to a doctor's office where he died.

J. Newton Russell, home office general agent, and Mr. Collins accompanied the body home. The funeral was on Thursday of this week, and a despatch received here on Tuesday said that the Home Office Building would be closed on that day.

Formerly a Banker

Mr. Johnson left a widow and three daughters. He went with the Pacific Mutual as vice-president at the same time that George I. Cochran became president of the Company. This was shortly after the Company moved from San Francisco to Los Angeles following the earthquake. Before that he had been vice-president of the German-American Savings Bank in Los Angeles, in which city he was a prominent figure in financial life. With the Pacific Mutual Mr. Johnson impressed his personality from the start and was vice-president, treasurer and manager of life insurance agencies when he died. His messages in the Pacific Mutual News every month were inspirational to agents.

HARTFORD LIFE SUIT

Joseph P. Tuttle, of Hartford, has instituted suit in the Superior Court of Connecticut against the Missouri State Life Insurance Company of St. Louis and the Hartford Life Insurance Co. The question involved is as to the ownership of shares of the Hartford Life Insurance Co., which Mr. Tuttle claims to be the owner of, he having bought the shares from John E. Hoyt, formerly of the Missouri State Life, which in 1913 absorbed the Hartford Life.

Mr. Tuttle is an attorney of Hartford and has been judge of the superior court and has served the Hartford company as managing director without salary and he claims in his complaint that he has managed its affairs economically, has spent much time in caring for its property, and in adjusting claims, with the result that the assets of the company are far more valuable than when he bought the shares.

Commissioners Meet Held in Denver

FRATERNALS MUST TOE MARK

Exorbitant Fees for Re-insurance of Societies—Paper on Extra War Premiums

The insurance commissioners are meeting this week in Denver. There were a number of papers of interest to life men. One of them, read by Carey J. Wilson, Kansas superintendent, was based on the question: "Are Extra Premiums on Life Policies on Account of War Activities Justifiable?" Mr. Wilson answered the question in the affirmative.

Mr. Wilson called attention to the fact that premium rates for life policies are not based upon mortality tables, which include the casualties of war. "Mankind generally could not be required to pay premium rates on war risk basis without destroying the recognized principles of selection, and besides it is repugnant to the thought of enlightened people that tribute be paid to the god of war in any such fashion as this," he said.

Experience of Prudential, London

Many of the companies do not know how many of their policyholders are now engaged in war, and they never will know, he said. Supt. Wilson referred to the frightful number of soldiers killed in battle in the present war, and cited the experience of the Prudential of London, where mortality at age 21 rose from about four per thousand in 1913, a normal year, to about 48 per thousand in 1917.

He declared that no company having large numbers of its members actually engaged in battle can stand such a drain on its resources without charging extra premiums commensurate with the risk, unless it receives proper compensation from some other source.

Discussing the War Risk Bureau he said that considered solely as a war measure there may be no occasion for uneasiness, but "whatever tends to destroy the ultimate freedom of mankind in the private conduct of those things in which man ordinarily finds employment, or assumes to government functions beyond the keeping of society in a wholesome and orderly condition, is not democracy and should be shunned. Already all sorts of topsy-turvey ideas are choking the progress of certain unfortunate countries, and they will have their echo here and must be resisted."

Fraternals Must Get Adequate Rates

Commissioner Young, of North Carolina, discussed the fraternal situation. He said it was absolutely necessary for all fraternals to readjust their rates, according to law, and said a way had been provided for the societies to reach these rates by degrees. Many societies have readjusted their rates and are getting ready for the laws within the time allowed. Others are not, but are going on as if there were no requirements in the law, "thus deceiving their members and working a great injustice to the societies endeavoring to comply with the law, in furnishing an unfair competition with inadequate rates." The Commissioner sharply warned the latter class of fraternals of the folly of their course. He said they have not the power to defy the law.

$500,000 Paid Out for Mergers

The Commissioner also discussed the question of fraternal mergers, saying in part:

"The commissioners and societies agreed on a bill to govern mergers or reinsurance consolidations. Has sufficient attention been given to enacting this bill as a law in our states? It appears that societies are still being bartered and sold and the rights of the members being ignored in a most shameful manner. How can the reinsurance consolidations or amalgamations of societies be done in safety and justice to all concerned? How can the broker with his exorbitant fees be eliminated and kept from raiding not only societies needing help, but those that should be left alone? How can the officials of some societies be kept from destroying their own as well as other societies, being obsessed with the idea that they are called upon to save other societies and can thus build up their own? A report of an examination on file with me as chairman of your Committee on Examinations shows that one society paid out for mergers over $500,000, and was prevented by the courts from paying several hundred thousand more."

Mansfield on Moratorium

"The Soldiers' and Sailors' Civil Relief Act" was discussed in a paper read by Commissioner Mansfield, two paragraphs of his address being as follows:

From the standpoint of the insurance departments, there is very little that can be said, for the Act has very little effect upon the departments directly. The question naturally arises whether the premiums guaranteed by the Government are actually paid, or are only payments by the Government in the nature of a loan. It seems to be clearly set forth in the Act that the payments which the Government makes are by way of loans, yet I think there can be no doubt but what the effect thereof—whether loans or actual payments—is practically the same, so far as the insurance departments or any other interested parties are concerned, and that it makes very little difference what you call them. The premiums for all practical purposes are paid. They should be so treated in the annual statements of the companies and taxes should be paid accordingly, subject to such adjustment as may be finally necessary when the new relations created by the Act terminate.

The question has been raised as to whether or not the Act is constitutional, and obligations affected thereby are not impaired. Whether or not the Government by the operation of this Act does not take property without due process of law and without compensation. The States may not impair any contractual relation, under the prohibition of the Federal constitution, but Congress is not limited in its discretion to do so. Within the limits of the constitution the action of the Federal Government is supreme and the states are bound by Federal statutes. This is a war measure, and therefore fully within the powers of the Federal Government, and that Government has prescribed this measure.

President Button Against Social Insurance

President Button, the Virginia commissioner, devoted a large part of his address to a defense of individualism and the reward for successful efforts which have made America what it is today. In discussing socialistic inroads he said:

"There is in this country a group of individuals which has for years urged upon the Government the adoption of policies wholly foreign to our system of government. This group is taking advantage of the war conditions that exist to urge its seductive and dangerous theories as war measures."

R. R. WORKERS

Railroad Administration Plan to Insure Them—What Official Announcement Says

A uniform compensation insurance and pension plan for all railroad employes is under consideration by the Railroad Administration, says a despatch to the "Sun" from Washington.

Plans for the uniform and equitable compensation of injured employes or the dependents of employes who may be killed in the service of the railroads are being considered, said an official announcement today, "and it is hoped that it may also be possible to arrange for the retirement of employes upon pension at a given age, as well as to provide for the purchase of life, health, and old age insurance at reasonable rates. Time, however, will be required to perfect these plans, which must be reconciled with the widely varying pension and insurance systems now in existence on not a few railroads."

John R. Larus, of the actuarial department of the Phoenix Mutual, and Mrs. Larus, have returned from Portland, Maine, where they have spent the past two weeks.

Walter I. King, formerly in the actuarial department of the Columbian National Life in Boston, is now in charge of a new group insurance department of the Connecticut General Life.

HOME LIFE
INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

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Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity,
Disability Benefits,
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See the new low Rates
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THE MANHATTAN LIFE
INSURANCE COMPANY
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Organized 1850

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

REAL SATISFACTION
Working with William N. Compton and the John Hancock Mutual Life Insurance Company in New York City forms the happiest combination imaginable for the life insurance salesman.
If you have any doubt in your mind have it dispelled by calling at
220 BROADWAY
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Great Southern Life Insurance Company
HOUSTON, TEXAS.


For Agency Contracts address
O. S. CARLTON
PRESIDENT

How C. M. Hunsicker Presents Estates Taxation Argument To Philadelphia Prospects

This is the ten minute address that was to have been read at the convention of the National Association of Life Underwriters

Back in August of 1916, while undergoing sanitarium treatments, F. W. Shanbacher of Ridgway, Pa., read in the daily papers of a new Federal Inheritance Tax bill that was being discussed in Washington. If ever a man does tall thinking, and permits his imagination to have full swing, it is when lying flat on his back in a hospital with surroundings of plain walls and grave looking M. D.'s. As he lay there pondering on the effect such a law would have on the estates of people in his own familiar territory in Northwestern Pennsylvania, there came suddenly to him the thought that in this bill there was opening up a great, new, golden field of endeavor and usefulness for the life insurance fraternity—that at last the immensely wealthy and comparatively well-to-do would have to come to us for protection against this tax—that life insurance was the only solution of a problem all of these men would soon be facing.

The Shanbacher Charts

He immediately wrote to Washington for a copy of the bill and began to figure out the amounts of life insurance that different persons in his locality would need in order to meet the requirements of the law. Figuring each estate separately from the act itself consumed so much time and resulted in so many complications, that he conceived the idea of reducing the modes of taxation into blocks ranging from $25,000 upwards. Having received legal confirmation that the chart which he thereupon constructed was correct, and wishing to make his research still more complete for the benefit of his prospective clients, he next proceeded to reduce the laws of 43 states which impose inheritance taxes into charts similar to the one he had constructed covering the Federal law.

When these charts had been completed, to effect still further simplicity he next devised what he terms a Combined Chart, which in brief combines in a single chart the Federal tax and the direct state tax. These have been combined for each of the 43 states. Thus at a glance one is enabled by the use of this Combined Chart to show what the heirs of a client will have to pay to the Federal Government and to the State in which the client resides. Going still further, by the use of the various State charts there can be determined the transfer taxes of the various states in which the client may have holdings. By adding these together, the total tax which his estate will have to pay to the Federal Government, to his home state and to other states, becomes readily apparent, and, as a corollary, is shown also the exact amount of life insurance that is necessary to afford complete protection and so hold his estate intact.

An Invalid's Success

To supplement the information conveyed by the charts and as a further service to the client, he next worked out a brief, simple synopsis of each of these inheritance laws and before attaching them to the charts, received official confirmation as to their accuracy from Washington and from the various state tax departments.

Armed with this ammunition, he left the hospital and within three weeks' time succeeded in writing over half a million insurance (ranging in amounts from $25,000 and upwards) in small towns in his own territory and within six weeks secured his first million dollar application—all on the strength of this new vital life insurance argument.

The same day he secured his million dollar application, he wrote another man of comparatively small estate for $1,000 with which to meet the Pennsylvania State tax, thus proving that it is just as essential that we persuade the man of moderate means to fortify his estate as it is for us to convince the millionaire.

I received from Mr. Shanbacher his combined chart in February, I think, of this year, and the state charts in March. Prior to that time, I had paid but little attention to the selling of life insurance to cover Inheritance taxes, but one day I met Mr. Shanbacher and during our conversation he painted to me in such rosy colors the possibility of securing an enormous business by devoting my time almost exclusively to the selling of business to cover these taxes that he certainly sold me on the proposition, and I then became as great an enthusiast as he. Since that time, while I have not sold as much inheritance tax insurance as a great many others who have worked along this line, I have met with very unusual success and I am certainly most optimistic as to the amount of insurance I will sell in the next 12 months. I consider these charts of Mr. Shanbacher's as nearly perfect as it is possible for mortal man to make them, and I personally would not part with mine for any price, if I could not replace them.

How Hunsicker Works

When I call on a prospect, I take the Shanbacher charts with me. In the one cover I have the combined taxes and digest of the Federal and Pennsylvania State Laws, which he calls the "State Outfit." Were I working in New York State, I would, of course, take the New York State outfit. In the other cover are the charts and digest of the laws of every other state having inheritance tax laws, namely, 43. When I lay these down before the prospect, the imposing and accurate data which I display on the subject always creates a most profound impression, and then it is easy for me to go on with my arguments, backed up thoroughly as they are with the data before us. If I did not have these charts, I could not make the same impression. I want to say at this point, that while I have not always written, I have yet to fail to most thoroughly interest every one of whom I have interviewed.

The Need of Cash

The one fact upon which every argument on this subject is based is that, according to the Federal and State laws, when death occurs, the estate must find cash with which to pay these taxes. Then the question arises, "How can these taxes be best provided for without disturbing or embarrassing the estate?" It is my business to convince him that life insurance is the best and most economic way to provide the money. I then refer to a few lines of the Federal Tax law—"The tax is to be paid out of the body of the estate before distribution." And then I say to him, "You are thinking and planning about the payment of your income tax, your excess profits tax, or other unusually big payments. These, of course, you are meeting because you are here to plan and to take care of your affairs, but if in these troublous and uncertain times you were to die, this splendid estate of yours which you have spent a life time in building up, will be confronted immediately with inheritance taxes which must be paid before any distribution can take place. Quoting again from the Federal law, "If they are not paid within 60 days after due, the Collector will, unless there is cause for further delay, commence proceedings in the United States Court to sell property under judgment."

Insurance Provides Funds

"These taxes must be paid by the executor in cash. Now, how will you provide for their payment? With cash so necessary and so vital to the conduct of your business, it would not, of course, be good business judgment to leave a large amount of it lying inactive for the purpose of paying the tax: neither would it be good business judgment to take these splendid liquid securities of yours—that stock—those bonds—and have them used for this purpose and sacrificed at the present low market prices. You have, of course, made your will. You may possibly have arranged, as a great many have, to have all or part of your estate held in trust for your immediate family, or for your wife to have a life interest and at her death, the estate to be divided among the other heirs, or you may want to arrange for the payment of an annuity to an old servant or some relative; in other words, you have carefully considered what disposition you want made of your estate at your death, but you have made no provision by which your wishes can be carried out so that the Government and State laws will be paid thus enabling your executor to make a distribution of your estate. The most logical and economic method to fortify your estate against these taxes is life insurance for an amount sufficient to pay

(Continued on page 9)

Mr. Field Man: Detroit, July 18, 1918.

Do you know:

That the NORTHERN ASSURANCE COMPANY of Detroit, Michigan, has lived up to all the traditions of the highest purposes of life insurance;

That it stands for the highest ideals in underwriting and that its slogan is, and always has been, CLEAN MEN AND CLEAN METHODS in its field work;

That it is writing more insurance per capita per agent than any other American life company?

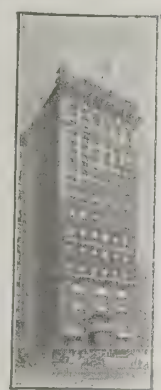
If you are interested in knowing something of our Home Office system which makes this possible, we will be glad to hear from you.

Address, CLARENCE L. AYRES, *President,*
DETROIT, MICHIGAN.

RIGHT AGENTS
GOOD TERRITORY
still available for development by the

..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.

Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.



Just say:
"Insurance Man"—
the open sesame to every courtesy within our power.

Room with detached bath $1.50 and $2.00
Private bath $2.50 and $3.00

BREVOORT Hotel
Insurance Headquarters
MADISON ST.—East of LaSalle
CHICAGO
LAURENCE R. ADAMS, Sec'y & Mgr.



State Mutual Life Assurance Company of WORCESTER, MASS.
Incorporated 1844

SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.

Our motto is SERVICE to policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, President

GREATEST
ILLINOIS
COMPANY

WANTS GOOD MEN
AND
WILL PAY THEM WELL

Explain War Risk Insurance By Charts

DEVISED BY ERNEST B. LUCE

Draftees Instructed Before They Depart for Training Camps—Now in Use in Philadelphia

Secretary McAdoo has made the statement to the chairmen of all local draft boards, he meant to point out to the drafted men a way to save delay and relieve anxiety. The draft officials had their hands full with the business of increasing the military establishment of the United States. They were sympathetic with the families whose allotments were held up, but they were too busy to mix in with a proposition involving all the wealth of detail connected with War Risk Insurance and the allotments. The Red Cross committees and similar relief agencies were anxious to help, but most of them were in the dark, themselves, as to the rights granted the soldiers' and sailors' dependents under the act.

Charts That Give Details

Under the auspices of the Salem, Mass., committee, a system of graphic charts has been worked out by Ernest B. Luce, of Salem, who is publishing the charts, together with an explanatory booklet, and is sending them out to Red Cross Home Service sections and draft boards throughout the country.

The psychology of heavy type and logical arrangement is declared by those using these charts to be very evident in the ease and rapidity with which their meaning can be grasped by the average person. They make the act and its details so plain that "he that runs may read." They enable the service men and their dependents to see at a glance what is coming to them from the Government and the families of the men are thereafter perfectly able to judge concerning the correctness of the monthly checks.

The War Risk Insurance Charts are printed on heavy cardboard, 22 inches by 28 inches. They are 25 in number, and are intended to be available for group instruction. The booklets include miniature reproductions of the charts and suggestions for their use. Groups and draftees and representatives of their families are supposed to be called together before the departure of the men for camp and the charts are to help make clear to all just what the act intends.

The system of charts is already in use in Philadelphia in the office of Cheney C. Jones, State director of civilian relief for the American Red Cross.

Metropolitan May Sell $130,000,000 of W. S. S.

HAS PASSED $65,000,000 MARK

Vice-President Kavanagh Back at Desk —An Announcemnt by Vice-President Haley Fiske

Vice-President Fiske, of the Metropolitan Life, has announced to superintendents throughout the country that the $65,000,000 of War Savings Stamps, which the Company promised President Wilson it would sell in 1918, had been sold on September first. Inasmuch as the sales did not begin until February first, because it was at the time of the Superintendents' Convention the last week in January, the announcement was made the amount pledged for the year has been sold in seven months. The Company has such an organization for the sales of stamps through War Savings Societies that it is proposed to continue the sales as a patriotic duty until the end of the year, and Mr. Fiske has told the superintendents that the apportionment has been increased to $100,000,000, and he will not be surprised if the total sales reach $130,000,000, or double the original apportionment.

Kavanagh Back

Coupled with this announcement Mr. Fiske sent a circular letter to the superintendents announcing that Fourth Vice-President Kavanagh, who was Mr. Vanderlip's chief assistant in charge of the organization and sales of War Savings Stamps throughout the country, has returned to his desk at the Home Office. Mr. Vanderlip and Mr. Kavanagh came to the conclusion that in order to prevent any competition or antagonism between the forthcoming Liberty Loan and the War Savings Stamp campaign, the two shall be under the one general supervision of the Federal Reserve Bank System. Mr. Kavanagh has announced that cash and pledges of War Savings Stamps throughout the country amounted to $1,600,000,000 on September first, and he has every confidence that the $2,000,000,000 authorized by law will be reached by December 31.

In his announcement of the return of Mr. Kavanagh, Mr. Fiske said:

"You and we at the Home Office welcome him back at his desk. As you know, a special work in the Ordinary Department has been assigned to him in addition to his general work as coadjutor to Third Vice-President Ayres in the Ordinary Department—namely, group life insurance. He proposes to devote himself intensively to making an exhibit this year worthy of the Company. We bespeak for him your most earnest co-operation. It will be a token of your admiration and appreciation of his splendid work for the Government."

Organized 1871

LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

OLDEST—LARGEST—STRONGEST, Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00* annually

GOOD TERRITORY FOR LIVE AGENTS

Pan-American Life Insurance Company

NEW ORLEANS, U. S. A.

CRAWFORD H. ELLIS, President

Capital.....$1,000,000.00

OUR 1916 STATEMENT SHOWS

Insurance in force	(over)	$42,400,000
Resources	(over)	5,600,000
New Insurance paid for		10,000,000

The High Scores in the Life Insurance Profession are won by Trained Men. We will train you in the Profession and locate you in Productive Territory either North or South. Your Opportunity is Here.

Further information on request. Address:

E. G. SIMMONS, Vice-President and General Manager

Whitney Central Bank Building

NEW ORLEANS, U. S. A.

CENTURY LIFE INSURANCE COMPANY — CENTURY — INDIANAPOLIS, IND.

1 REASON Our Policies Sell

OUR POLICY CONTRACTS contain all provisions consistent with safe underwriting and are guaranteed by a deposit of the full legal reserve with the State. Our promises are all in our contract. Good contracts for up-and-doing agents.

THOMAS J. OWENS, Pres.

DR. ALBERT SEATON, Vice-Pres. & Med. Dir. — CLAUD T. TUCK, Secretary

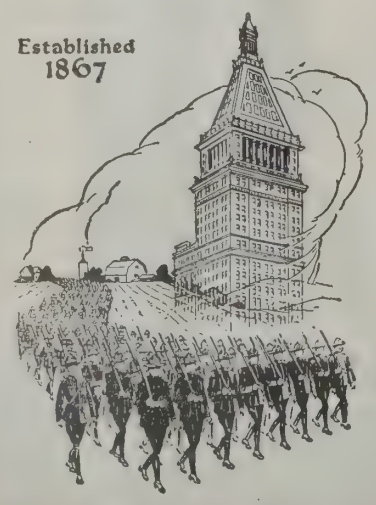
INTERNATIONAL LIFE of St. Louis

SMASHED ALL RECORDS IN 1917

It was the Special Combination and New T. O. Policies that did the work. If you are not selling them we are both losing money.

J. L. BABLER, Vice-President and General Manager Agencies — MASSEY WILSON, President

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. — of Cincinnati, O. — Allan Waters, Second Vice-President

Provident agents find that in these war times it is not difficult to convince a man he is not carrying sufficient insurance.

Provident Income Insurance is easy to sell

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure prompt action in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

Why Canadians Wrote More Business in Spite of the War

INCREASED PROSPERITY—CASUALTY LIST EXAMPLE

"Go Out and Write Foreigners," Says E. A. Woods—Why They Are Good Prospects

Where shall we get our business after the draft is extended and hundreds of thousands of our prospects go to the war?

This is a question which was asked and answered at the great convention last week of the National Association of Life Underwriters. The logical persons to answer the query are the Canadians because after four years of war their business is larger than it has ever been. According to the testimony of J. T. Wilson, of Halifax, and W. Lyle Reid, of Ottawa, business dropped off for about six months after Canada went into the war, but then the country got its second industrial wind, the life insurance agents overcame their discouragements, and they started after the applications with renewed vim. Canada's industrial prosperity meant that the wealth of the country was growing rapidly, and that people who did buy policies could purchase larger ones than ever before. Then, too, it was found that the casualty list was an object lesson which could not be overlooked. There it stood before the eyes of the people as they read the morning paper at breakfast. It meant that the loved ones at home must be protected now as never before. At first the Canadian papers ran a roll honor with the names in large type. Then the list grew so long the size of the type had to be reduced. The natural question which everyone asked upon reading of a casualty was whether the soldier carried insurance. Then, how much?

The Canadians also testified that most of the policies are written on men of fifty, fifty-five, sixty and even sixty-five. They have had no trouble in finding prospects.

The Neglected Foreign Laborer

One of the addresses at the convention which caused a lot of favorable comment because of its great value to the man in the field was E. A. Woods' tips about new prospects. What he had to say about the laboring man was of particular interest. Mr. Woods said that the foreigner in this country has been thoughtlessly neglected by insurance agents other than industrial agents. For some reasons the average agent has not put them in the category of large policy buyers, but as a matter of fact here is a field that is open to the most extensive cultivation. During the Liberty Loan drive the people in Pittsburgh were amazed at the results in the rolling mills and factories. In some mills there was not a man who did not buy a bond, and while some of them were for only $50 there were others many times that figure.

Life Insurance an American Institution

While these men will also buy of the next Liberty Loan their savings are by no means exhausted. In fact, there is not a reason in the world why hundreds of thousands of these foreigners should not be splendid life insurance prospects.

"When they were in Lithuania or Bohemia or Russia the idea of life insurance never entered their heads," said Mr. Woods, "but they are in America now; they are in a country which has adopted life insurance as one of its most cherished institutions; they have been educated up to life insurance by the fact that their relatives and friends in the army and navy are insured, and for large amounts, too, and they should be induced to buy insurance policies. Their wages are high; and they have the money to pay the premiums."

Mr. Woods gave a number of new twists to the life insurance example of the soldiers and sailors. He said that the fact that their average policy is for more than $8,000 could be used to great advantage.

"I heard an agent say the other day, 'Why, even Jim, who was the porter in the barber shop, carries $10,000 with Uncle Sam. Surely, you don't want a smaller policy than he has."

In discussing the value to life insurance of the closing of the breweries Mr. Woods cited the amount of money spent for alcohol in this country and said that all this wealth is now available for purchase of other things.

Mr. Woods' twenty-one reasons why life insurance production should increase will be found in The Eastern Underwriters' convention number of September 7.

No More International Agents' Conventions

HAVE MANY DISADVANTAGES

Too Much Time Devoted to Addresses and Too Little to Delegates, the General View

It is extremely doubtful if there will be another international convention of the National Association of Life Underwriters and the Canadian Life Underwriters' Association. Admirable as was the joint convention last week in many respects there were certain disadvantages of the two associations meeting together, which are apparent on their face.

In every convention there must be a number of formal addresses, and in the case of two associations meeting at the same time this type of address is doubled. Each association has as well a number of invited guests, some of whom are expected to talk, but whose speeches have nothing to do with the real meat of the convention —selling talks. Fortunately, at the convention last week two of the best addresses were those of Solicitor General Guthrie and Sir Edmund Walker, of Canada, but the fact remains that in a joint convention there must be too much preliminary talk before the delegates have their innings.

Time Limitation

Then, too, there is the question of the time limitations of a program and the physical impossibility of crowding too many addresses into a three days' business session.

Prominent men who attended last week's convention do not care to be quoted, but from what can be gathered these views represent their sentiments.

The International Council idea is regarded everywhere as a good one, and there is no reason why it should not be a success. The object of the council is to bring the two associations closer together, with some participation from each country in the congresses of the other country, and a closer co-operation between the organs of the two associations, but the international convention idea will probably be only a memory.

At Pittsburgh

It is understood that the number of set speeches at the Pittsburgh convention next year will be limited to a handful.

LIFE INSURANCE COURSE

Subjects of S. S. Huebner Lectures At Opening Session at Columbia University

The opening sessions of the S. S. Huebner life insurance lectures at Columbia will discuss these topics:

"Protective Function of Life Insurance," "Life Insurance In Its Relation To Saving," "Investment Aspects of Life Insurance," "Business Uses of Life Insurance," "Term, Whole Life and Limited Payment Policies," "Endowment Policies." "Income Policies," "Annuities," "Group Insurance," "Total Disability Benefits," "Sound Plan of Life Underwriting."

The lectures will be delivered every Friday afternoon at the University.

Mrs. Forrest F. Dryden, wife of Forrest F. Dryden, president of The Prudential Insurance Co., of Newark, has been appointed chairman of the Essex County (New Jersey) War Council Y. W. C. A. Mrs. Dryden is one of the most active women in war work in the state. She is chairman of the membership committee of the Red Cross Chapter for Newark, and has planned and executed the three big membership drives for Red Cross members in that city. She is now directing the work of the Industrial Service Clubs of the Y. W. C. A. in Bloomfield, one of the most important branches of this work conducted under the Blue Triangle organization.

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Employers' Insurance Responsibility

In the special issue of The Eastern Underwriter, published on September 10, and covering the proceedings of the National Association's Convention, Sir Edmund Walker's very valuable paper was printed in part. Some other points which he made and which space limitation did not allow being printed in the September 10th issue follow:

Of the various co-operative efforts of man to aid industry and therefore to avoid waste, the honestly managed life insurance company is the finest example. It helps to mitigate the greatest trouble, death; it teaches people to apprehend and provide for other dangers; it multiplies their savings by its investments; it renders its beneficial provisions possible by spreading the cost of the individual disaster over the many who co-operate. It even improves the general health of man by its study of his life medically and by the wise conditions it imposes.

On the investment side it enables countless farmers and landowners to make betterments and it is, or it should be, the main help of the home-builder, even of the most modest kind.

Under the fierce light of this war by which the blinding errors of commercialism are exposed, we are learning loftier views of our duty to each other, and the narrow conception of an economy based upon the unit of a pound or a dollar, instead of the unit of a man, is changing to one in which we are trying to realize that all industry is a natural service carried on for the good of the community as a whole, and that we as individuals or as corporations are all fulfilling various necessary functions in the great process of industry. * * * Gratitude is rare even when it has been earned and we need not expect it when it is asked as a reward for doing what the recipient, at least. regards as a duty.

I shall only venture to suggest that out of this profit the cost of two main items—the one, insurance against old age, disability and death; the other, better conditions of living—should be borne, and I am emboldened to say this because many large and most successful employers admit the argument and act upon it. When in a bank or other business establishment, or in a government service, a pension fund is established, it is generally based on the supposition that after a man has reached ful manhood, say at the age of twenty-five, he should, during thirty-five years of work ending at the age of sixty, be able to save enough to take care of his family in the years when he cannot work, and that in addition there should be provision in case he dies or breaks down earlier. In such schemes the fact that the employee seems to pay only a part of the cost, while the employer pays the balance, is misleading, because the part paid by the employer is only salary withheld from the employee in order that it may be applied to such a pension and life insurance scheme. So long as labor is bought in a market of fierce competition and the individual workman shifts from shop to shop, influenced almost altogether by the wage alone, he is not as a rule able, and in any event is not usually provident enough. to make provision for his old age. Where labor troubles have been very bad the state may have forced the establishment of pension schemes under pressure from the labor unions, but in the opinion of advanced students, who can hardly be accused of bias, what is necessary is that the employer should realize that it is his duty to arrange for enough of every man's pay to be directed to such a fund. If this involves paying away a portion of what in the past he has quite legally regarded as his profit, it merely means that we have arrived at a more just conception of our duty to each other, moving towards that more perfect state of society to which we are aiming. * * *

If in a small town ten new factories are established in a short time. and the population is increased, say 30 or 40 per cent. thereby, in a few years, is the problem changed because it happens to be confused by the previous existence of the town and by the varying effects of the new ventures? Landlords as a class may exist in the town but certainly no duty devolves on them, and if they try to meet the need at all they usually build the poorest possible houses and endeavor to obtain the highest possible rents. The duty of the ten new employers of labor, although intertwined and confused, seems to me to be just the same as that of the single employer who builds his factory in the country. I am not sure that the proper housing of workingmen, if done by companies owned by employers and managed as a business by experts, would involve any loss except the employment of capital at a rate of interest which, while sufficient for the ordinary investor, is not attractive to the man who can apply unusual ability to the use of his capital.

* * *

Talks On Selling

A man who can sell will command several times the salary that he could earn in routine or clerical work, or even in some important constructive work pertaining to production, accounts or finance. There are two main reasons for this. First, the executive head of a business is very likely to think of his sales department in terms of income and profits and of his other department in terms of outgo and expense, and as a result, is likely to be more liberal in his plans for compensation in the sales department. Second, the actual worth to a firm of a man in any of these other fields cannot be accurately determined, but there is nothing uncertain about the worth of a salesman to his firm. It can be figured out in actual dollars and cents.

The salesman comes into contact wtih a wide circle of business men. He acquires the ability to meet men and to address them. He gets a first-hand knowledge of the big business problem of distribution. He learns to observe the business methods of others. He develops poise and self-confidence. In short, he acquires the strong, positive qualities that make for success in business.

With all its opportunities, selling, as a great sales manager has put it, is the most fascinating game in the world: and it is a game of brain, pure and simple. It satisfies man's inherent love of a contest, which is inspired by the hazard of defeat and the chance of big victory. To sum up, the man who can sell is a success—others may be.

Salesmanship, in its broadest sense, is essentially the selling of one's point of view—the ability to start with the other fellow's point of view and to lead his mind to the viewpoint of the seller. When one individual endeavors to influence another to adopt a certain mental attitude or to act in a certain way, he is practicing salesmanship. Everyone can profit by a knowledge of the principles of salesmanship and of successful selling methods, using the terms in this broad sense.

Everyone, at one time or another, sells his services. If we can present our qualifications in such a way as to convince the other fellow, we shall sell our services more surely, and possibly at a higher figure than if we are uncertain in our methods. The corporation treasurer, when he goes to borrow funds, must "sell" the bank on his proposition. The great lawyer, pleading for a life before a jury, is simply trying to "sell" that jury his point of view. Even a great statesman might well be compared to a high-class specialty salesman.

Every man, then, has a vital interest in that knowledge of the human mind and that practice of persuasion in which lies the essence of salesmanship. —"Salesmanship and Sales Management."

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

Morgan G. Bulkeley, Jr., assistant treasurer of the Ætna Life Insurance Co., who is now in the United States Army in France, has been promoted to be Major, Infantry, N. A., 101st Machine Gun Battalion. Major Bulkeley enlisted in the old Troop B, entering as a private and rising until at the time the troop went to the Mexican border in June, 1916, he was its second lieutenant. He became captain in December, 1916, after the return from Arizona. He became commander of the Company B, which succeeded the old troop. The unit went to Willimantic, Conn. in August 1917, and sailed for overseas in October. For several months he has been acting as major of the 101st Machine Gun Battalion, the commander, Major James L. Howard, secretary of the Travelers Insurance Company, having gone to the staff of Major-General Clarence R. Edwards, commanding the Twenty-Sixth Division.

Joining Merchants' Association

New York insurance men are joining the Merchants' Association in increasing numbers. Warren M. Kimball & Co., 123 William Street; Peabody, Slosson & Smyth, 91 William Street; Starkweather & Shepley, 55 John Street and John D. Wyeth & Co., 91 William Street, are among the new entrants.

Connecticut General Policy Provisions

INNOVATIONS IN 1918 EDITION

Extends Suicide Clause to Two Years, Also Contestable Period in Like Manner

The 1918 edition of policies of the Connecticut General Life contains many important changes as pointed out in a letter to agents describing an annual life policy, participating, the issuance of which began September 3. The company states:

Edition of 1918

Protection in event of total and permanent disability printed on first page of contract and materially liberalized. Provides settlement in twenty annual instalments of 6.8% of the face of the policy, with the continuance of such payments as long as the insured survives and is totally disabled. In lieu of such annual instalments the payments may be made monthly at the rate of $5.75 for each $1,000 of insurance.

Revival in Event of Lapse

Provides for instatement upon satisfactory evidence of insurability, at the Company's rates for standard risks.

Suicide Clause

Suicide is not a risk assumed by the Company during the first two years.

Incontestability

Contestable during the first two years.

Premium Refund

Addition of paragraph providing that the policy shall become full paid or mature when the legal reserve and surplus credited thereto under Options 2, 3, 4, 5 or 6, are sufficient to bring about this result.

Change of Beneficiary

Addition of a paragraph providing that the insured may release the policy, or any additions or accumulations, for a cash, loan or other value, if the right to change the benefit has been reserved, without the consent or signatures of any beneficiary.

War Service

Inclusion of war service clause which specifically places no restrictions on military service within the United States. For naval service or military service involving aeronautics, or outside of the United States, a permit must be obtained, for which at present an extra premium at the rate of $100 per thousand per annum is required. The disability clause is rendered null and void during war service.

Surrender Values

Full reserve guaranteed at the end of the tenth and succeeding years.

Company may defer payment of cash or loan values for a period not exceeding ninety days from date of application, in accordance with the statutes of certain states.

Settlement Options

New and attractive additional methods of settlement incorporated in the policy. Special agreement for settlement included, providing by endorsement for the abrogation of the right of any beneficiary other than a corporation or voluntary association, to commute any instalments or withdraw any deposit without permission of the insured filed with the Company during his lifetime.

As the policy does not forbid military service within the United States, no permit for such service is necessary.

CART BEFORE THE HORSE

The man who is able to pay for either a home on the instalment plan or for a life insurance policy, as he chooses, but not for both, gets the cart before the horse if he adopts the former plan. If he has already contracted for a home he can right things by taking life insurance in sufficient amount to pay off the mortgage in case of his death—"Points."

Hunsicker on Estates Insurance

(Continued from page 5)

them. This insurance you can make payable to an individual, thus freeing it from taxation, or it can be made payable to your executor, he to pay the tax immediately with the life insurance fund provided for that purpose. In this latter case, of course, it would be subject to tax.

$1,000,000, Estate Argument

Now, what will be the amount your estate must pay in taxes? You can see by these charts exactly what must be paid. We will assume, for argument sake, that your estate is worth $1,000,000. The Federal Government Inheritance tax of September 1916 and amended in March of 1917, would amount to $57,750. The War Inheritance tax of October 1917 would amount to $19,250; your New York direct inheritance tax is 4 per cent. for lineal descendants, amounting to $40,000 (there are some small exemptions in the New York State law ranging from $500 to $5,000 for each heir) and the total tax would be $117,000. In addition, there is a tax on a tax. You may have holdings in other states. The taxes in these other states must be paid in addition to the New York State tax, and from these charts you can tell exactly what must be paid. You may have stock in a Pennsylvania corporation making it necessary to pay a tax in the State of Pennsylvania. The bulk of your estate may consist of stock in a company incorporated in New Jersey, and you will have to pay an additional tax to the State of New Jersey before any transfer will be made.

A Pennsylvania Case

The other day I heard of the estate of a Pennsylvanian whose principal holdings were in the States of Washington, Oregon and California (in this last named state, the State direct tax goes as high as 15 per cent.). In figuring out the total amount of taxes to be paid by this estate the executors found that they would have to pay the Federal Inheritance tax, the Pennsylvania Inheritance tax on his entire holdings, as well as the tax on his holdings in three states I have just mentioned. On a valuation of his entire estate of $7,000,000, it was found that it would take $2,000,000. What a grand thing it would have been for the estate if that man had had the foresight enough to provide for its taxes. His executor is unable to borrow the money and indications are that his estate will have to be sold at an awful sacrifice to realize the cash to pay these taxes. This is only one of many such instances that are occurring quite frequently where the executors are trying to find excuses why the taxes should not be paid, and putting off the day when without doubt the Government will sacrifice the estate to secure their money.

I honestly and truly believe that every man who has accumulated an estate of any reasonable proportion must provide life insurance if he can secure it to cover these taxes which must be paid. I feel that he must have it and I cannot understand it if he does not avail himself of the opportunity of buying it.

Raymond P. Wheeler, of the Travelers Actuarial Department, has received a commission as lieutenant at the Central Officers Training School at Camp Lee, Petersburg, Va.

HINTS FOR BUSINESS GETTERS

to help you write more and Better

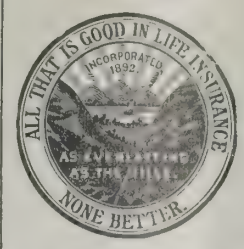
READ

THE EASTERN UNDERWRITER

Subscription $3 a Year

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

NATIONAL LIFE INSURANCE COMPANY

MONTPELIER, VERMONT

FRED A. HOWLAND, President

A MUTUAL COMPANY

WHICH FOR

SIXTY-EIGHT YEARS

HAS PROTECTED THE

HOME AND FAMILY

Edward D. Field, Superintendent of Agencies

Extracts from Report of Examination of

SOUTHWESTERN LIFE INSURANCE CO.

By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

OLDER MEN AS AGENTS

The accident and health companies are taking steps to induct into their service, as agents to replace men who are in military service or subject to it, men who are either above 45 or physically unfit for active service and several of the companies have had very good experience with men of this type.

The Bankers Life of Des Moines has received notice of the safe arrival overseas of Capt. Glen R. McCarty, 365th Inf., A.E.F., who formerly was one of the able salesmen of the Company in the state of Illinois.

Mortality Query

(Continued from page 1)

lication of the Actuarial report, the committee believes that it would be inappropriate to make further reference at this time to the specific features of the new mortality investigation.

The committee on new mortality investigation consists of H. Pierson Hammond. Actuary, Connecticut Insurance Department; George W. Smith, Actuary, Massachusetts Insurance Department; R. E. Ankers, Actuary, Virginia Insurance Department; H. E. Ryan, chairman, Actuary, New York Insurance Department.

Payroll Auditor King, of the Aetna office at 100 William Street, has taken up Y. M. C. A. work and will leave soon for France. He will visit all the camps there and audit the accounts.

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company

DES MOINES

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone 2497 John.

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CONVENTION AMENITIES

As this is the season for insurance agents' conventions it is a fitting time for some comments upon the amenities which should govern gatherings of this kind. The life agents met in New York last week, the fire agents meet in Cleveland next week, while in October there will be a gathering of the casualty agency clans in Atlantic City.

In many respects the convention of the life agents held at the Hotel Astor nearly all of last week was an extraordinary affair of the kind. Certainly, more insurance men attended this convention than have ever before been at a business session of insurance men, and there was not a dull moment. Counting those taking either a peek or a complete survey of the proceedings there were at least 3,000 men and women sellers of insurance, while the caliber of men who appeared before the convention was high and the speaking worthy of them. One would think that a convention which had promised as attractions President Wilson, Secretary of State Lansing, Lord Reading, the British High Commissioner, and Charles E. Hughes, and which did not make good on the appearance of these celebrities, would have rather hard sledding to hold the crowd, but, great as was the disappointment over the non-appearance of these men of high station, the convention was a big success just the same. There were enough dignitaries of the outside world and in the business itself to make every session worth while. That they could have been even more illuminative and instructive is the only tinge of regret.

There is a code of amenities governing conventions just the same as individuals and managers of gatherings of this sort should bear them in mind. It should also be constantly before convention managers that the underlying motive inducing busy men to attend conventions, traveling in some instances across the continent, is to benefit in a business way through the sessions. When all is said and done the raison d'etre of a convention of insurance agents is to check up the selling ideas of the year, to learn about new ones, and to analyze them. If a convention or congress of life underwriters does not unearth a new selling idea it is a failure. If the delegate at the convention returns to his home without having picked up something new and worth-while which he can communicate to his fellow townsmen or agents not fortunate enough to attend the convention, the value of the trip is questionable. Because this is true, in the last analysis, the men who attend the convention, particularly the most successful men, should participate in the proceedings as much as possible. The set speeches and routine reports should be gotten out of the way as rapidly as possible, leaving plenty of time for discussion, the narration of experiences and the asking of questions. This not only makes a more instructive convention, but a more spontaneous one. If the discussion that furnishes the meat of the proceedings is too long delayed it will take place before empty seats, as the last day of a convention opens with a diminishing attendance, while the concluding session as a rule is poorly attended.

Those who came to the convention last week fortunately heard considerable discussion on two big new features of life insurance salesmanship, viz.: the inheritance tax arguments, and the new prospects which must take the place of the depleted list caused by the war, but they did not hear quite enough. Four men who have been remarkably successful in presenting estates taxation life insurance selling arguments and who were advertised to speak did show up, but were introduced at such a period in the proceedings that an attempt was made to rush this important discussion through in forty minutes. When the delegates demanded more of this discussion it was not possible to give it to them as the event had been placed too far down in the program. The discussion following the reading of a paper by E. A. Woods, giving twenty-two reasons why agents should write more life insurance than ever, was also rather poorly handled as no previous arrangement had been made for floor participation in the discussion.

Thus, two features of tremendous value to the delegates were not emphasized as they should have been. The excuse of the convention managers is a very good one; i. e., the international convention made it necessary to take up a lot of time in formal, felicitous speeches of an international nature, and the deep undercurrent of war enthusiasm made it impossible for many of the speakers to talk without discussing at length various phases of the war. Just where to draw the line at war talk is a problem of the most delicate nature, which all convention managers must meet. Certainly, everybody would be greatly disappointed if members of the American or Canadian governments—distinguished representatives of both were present last week—did not discuss the war. And the officers of the associations are perfectly correct in discussing certain phases of the war in their prepared annual reports, but some effort should be made at trade conventions to convince the ordinary man in the business, the man without real inside knowledge of the great events in the war and diplomatic field, the regular speaker on a business or technical topic, that he is not supposed to outline America's war aims, tell why we are fighting, predict the duration of the war, delve into diplomatic subjects, etc., at great length. There is a ready temptation to do this and while the speaker's ardor, indignation and patriotism are most commendable, a lot of time is consumed.

At the same time, officers of conventions should also bear in mind that a trade speaker is entitled to courteous treatment when he arises to speak on a topic before the convention. He should not be hushed up in an arbitrary fashion, nor choked by the gavel in an unceremonious manner. At the convention last week some of the most thoughtful students of the business were not given enough consideration because it was desired to rush the proceedings through. The ultimate effect of this may be to drive certain individuals away from conventions, the very type of men, often, who should attend and participate in the discussions.

Another convention amenity to be observed is the proper introduction of speakers. In his presentation to the audience the chairman should identify them. If he does not, much of the value of the talk is lost.

Despite the fact that there was enough good material at the National Association of Life Underwriters' convention to have kept the convention going for at least another week the amazing thing is that so much "good stuff" was crowded into the sessions. Every delegate left the city richer than when he came in instructive, valuable information; broader by reason of his contact with shining lights, freshly inspired by the glows of patriotism, and proud of the fact that he had attended a convention that will long live in the memories of all who attended.

SNAP JUDGMENT

Lawrence W. King, Rate Supervisor of Minnesota, in a paper on State Supervision of Fire Insurance Rates, said to insurance commissioners this week that the E. G. R., L. & L., Universal, Pink, Pacific Coast and Texas General Basis Schedules have served a purpose, but that their days of usefulness are rapidly nearing an end.

How does he know that the E. G. R. and L. &. L. are nearing the end of their usefulness? Neither of them has been in operation as a practical rate making schedule. The L. & L. is intended as an improvement upon existing schedules of the same general nature; while the E. G. R. strikes into a new field and for practical use would require years of data-gathering upon which to base its operations since it has for its foundation the classified experience of all fire insurance companies over a period of years.

PARET NOW WITH OCEAN

Frank M. Paret, formerly special agent of the Fidelity & Casualty attached to the metropolitan office, is now with the Ocean Accident as an automobile underwriter.

THE HUMAN SIDE



ROWLAND S. MARSHALL

Rowland S. Marshall, of Washington, D. C., is one of the few men in insurance who have made the leap successfully from fire to life insurance. He has been appointed general agent of the Missouri State Life for the District of Columbia and Virginia. Formerly he was a well-known fire agent in Washington.

* * *

James G. Madigan, recently elected president of the International Claim Association, is a native of Albany County, New York. He was a student at Union University and took the law course at the Albany Law School. He practiced law in the Capitol City before going to New York to take charge of the claim work for the Great Eastern Casualty, with which he is now connected. His position with that company is rather unique in casualty claim work. All the claims of the various branches of the business conducted by that company are handled by one claim department of which Mr. Madigan is the chief.

He is also the general attorney for the company and conducts personally the work arising out of the automobile and liability departments in the Metropolitan District, besides supervising all the claim work of the company wherever it conducts its business.

Mr. Madigan has been advocating for some time the closer co-operation between the casualty and life companies, particularly with reference to the inspection and investigation branch of the work and has been successful in bringing about a conference for the discussion of a uniform application blank for use by both classes of insurance organizations.

At the convention in Chicago, Mr. Madigan read an interesting paper on "The Effect of War Conditions on Claim Work." It is disclosed remarkable changes in statistics with regard to claims made against the casualty companies, particularly in industrial, health and accident, theft and automobile negligence insurance.

Mr. Madigan expects the coming year in the Claim Association to complete the work of standardization of claim blanks, in which the Association has been engaged for some time.

* * *

W. O. Badger, Jr., a New York insurance lawyer, is receiving condolences from friends because of the death of his baby.

FIRE INSURANCE DEPARTMENT

Senator Sherman Will Address Agents

ON FEDERAL ENCROACHMENTS

Thirty-five Delegates Attending From New York State—Cleveland Agents Active

The convention plans of the National Association of Insurance Agents are taking their final form and Secretary-Treasurer Chauncey S. S. Miller announced this week that U. S. Senator Lawrence Y. Sherman, of Illinois, would make the opening address at the convention on the subject of "Federal Encroachments on Insurance." This and the duty of insurance agents in the war are to be the two major topics of the convention. There will be thirty-five delegates from the New York State Association, most of whom plan to leave on the Lake Shore Limited on Monday afternoon, together with the New Jersey and Connecticut delegates.

Other Speakers

In addition to the speakers already announced addresses will be made by F. A. McElroy, Columbus, "Cash Premiums vs. Undue Credit"; A. W. Neale, Oscar A. Smith, August Rehhan, P. J. Clancy and G. Arthur Howell. Commissioner Fairchild, of Colorado, will also speak on "Federal Encroachments."

A reception committee of eighteen Cleveland local agents has been appointed, some of whom will be in the lobby of the hotel at all times to direct the delegates to the place of meeting. A dinner, dance and special entertainment has been planned for Thursday evening to be held in the Ball Room of the Winton Hotel and reservations have also been secured for this evening at the Winton Ice Skating Rink, which is one of the largest in the country.

The plan for Tuesday evening has been changed to include a Liberty dinner and smoker in the Statler at which all patriotic demonstrations will take place in order not to interfere with the set program of the convention. An automobile ride around the city has been arranged for Wednesday with many sources of entertainment provided for the ladies while the men delegates are occupied in business session.

Mr. Miller also reports that the present outlook is that the convention will be the biggest in the history of the association, with two and three times the usual number of delegates from practically every state except some of the Pacific Coast Associations.

Committee to Draft New Enemy Clause

CONSULT OUTSIDE INTERESTS

National Board Committee Will Meet Again on Tuesday of Next Week for Action

Invitations to various commercial interests to attend a meeting on Tuesday at which the provisions of the present enemy clause attached to fire insurance policies would be discussed were sent out by the National Board this week and representatives of the merchants' Association, Brooklyn Chamber of Commerce, title and mortgage companies, underwriters and brokers were present at the meeting.

The various phases of the Trading with the Enemy Act and the present enemy clause were discussed and several amendments to the clause suggested, following which a committee representing all interests was appointed to meet again on Tuesday of next week with their findings to be submitted to the committee of the National Board. The committee appointed is composed of Hartwell Cabell, attorney for the Alien Property Custodian; A. B. Latson, representing the Brooklyn Chamber of Commerce; C. J. Doyle, counsel of the National Board; and Walter Lindner, counsel of the Title Guarantee & Trust Co.

NEWARK HIT BY WAR

Robert O'Gorman, of O'Gorman & Young, Newark, is going into the service. His partner, Roger Young, has already gone. The war fever is gripping other Newark insurance men. Louis O. Faulhaber has taken a decidedly warlike attitude of late. C. T. Moffatt talks as though he might pack up and go.

Fire Insurance Special Agent's Position Wanted

Am 38 years of age and married. Have had 12 years of agency experience and 6 years executive field experience as a Home Office Special Agent for a Casualty Company. Am thoroughly familiar with New York, Ohio, Indiana and Southern Michigan. What have you to offer? Will be available October 1st. At present living in Cleveland, Ohio. Address,

"SPECIAL AGENT,"
Care of The Eastern Underwriter,
105 William Street, New York

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

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ÆTNA LIFE INSURANCE CO.
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London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

Agricultural Insurance Company, of Watertown, N.Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

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MARINE AND FIRE
INSURANCE COMPANY
LIMITED

UNITED STATES FIRE BRANCH
J. A. KELSEY, General Agent
80 MAIDEN LANE, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

CALDWELL OPERATIONS ENDED

Enemy Property Custodian Makes Statement Telling of Misunderstandings of Work

The following statement was sent out last week by A. Mitchell Palmer, Custodian of Alien Properties, describing the operations of Dean Caldwell in connection with his office and telling of the discontinuance of the same:

"Having taken over nearly 200 corporations, owned in whole or in part by the enemy, I felt that I should be certain that their physical properties were properly insured. I accordingly asked Dean Caldwell, an insurance broker of Washington, who has had considerable experience in that line of work, to make a survey of the existing insurance upon the larger properties. As this work was being done in the interest of the corporations themselves, I suggested to the directors of the corporations that Caldwell's compensation should be paid by them, and that it might either be paid by a fee for the service rendered, or by giving him the additional insurance, if any, which we might find it necessary for the company to carry. This was left entirely to the judgment of the board.

"In our letter to the companies we said:

"'Since the properties involved will secure the benefit of Mr. Caldwell's services, it seems proper that his compensation should be borne by the properties rather than by the Government. It has been arranged with Mr. Caldwell that he will accept as his compensation the brokerage to be derived from placing any additional insurance which may be necessary, in the event it is seen fit to allow him to place the same. In the event additional insurance is otherwise placed, Mr. Caldwell should, of course, receive a reasonable fee for his services. The method of compensation is intended to be left wholly to your option. And it will be understood that Mr. Caldwell will not interfere in any way with existing insurance or with the contracts of companies for such insurance with insurance companies, agents or brokers now handling the same.'

"I left entirely to the several boards of directors to determine how Mr. Caldwell's compensation should be arranged, and made it perfectly clear that the present insurance arrangement of the companies should not be interfered with in any way. The suggestion that his compensation might be paid, if the directors desired, by the brokerage on additional insurance was simply intended to save expense to the corporations.

"Some weeks ago, however, I learned that some of the corporations involved and their regular insurance agents and brokers were laboring under the impression that we intended to divert a large portion of this business to Mr. Caldwell, a result which was not in contemplation. As a matter of fact, Mr. Caldwell has done valuable service for us at considerable expense to himself, for which he has not yet been compensated, and the brokerage which he has received on additional insurance placed by him has been negligible as compared with the expense to which he has been put in our service.

"Rather than have our purpose and position misconstrued in the insurance world I decided some weeks ago to dispense with the services of Mr. Caldwell in this matter and shall hereafter rely upon the boards of directors of the several companies to make an accurate survey of the insurance which they carry and to see that any additional insurance which we may deem necessary is placed through such agents or brokers as they may select."

NEW JERSEY AGENTS SET DATE

Large Attendance Assured at Atlantic City to Hear Results of Cleveland Gathering

This year the New Jersey Association of Insurance Agents will meet in Atlantic City, September 26. As this date follows that of the National Association meeting in Cleveland, the discussions will be of more than usual interest as many Jersey men will go to Cleveland.

BASEBALL LEAGUE RESULTS

The standing of the teams of the Insurance Baseball League as a result of Saturday's games is as follows:

	Won	Lost	Per cent.
Continental	11	2	.846
Niagara	10	3	.769
O. G. Orr & Co.	9	3	.750
Hartford	7	5	.583
Travelers	4	6	.400
Wade Robinson & Co.	4	9	.307
Phoenix	4	10	.285
Aetna Life	1	12	.076

BROKERS' LIBERTY LOAN DRIVE

The New York Brokers' Association is preparing for the new Liberty Loan drive and a meeting will be held soon at which the final arrangements will be made.

J. T. GEERY COMMISSIONED

John T. Geery, of Geery & Coutant, has been commissioned a second lieutenant in the chemical division of the Army and will be stationed at Lakehurts, N. J.

CHARTIER HAS BOSTON

Charles C. Chartier, Long Island City agent, has been appointed agent in that territory for the Boston Insurance Company. Mr. Chartier now represents the Scottish Union, State Assurance, Mercantile and Boston.

IN CHARGE OF FIRE BRANCH

Elwood Heffner has taken a position with Kookogey & Hook as manager of the fire department. Mr. Heffner had been manager of the fire department in the office of Joseph S. Blum & Co., 80 Maiden Lane. He was also with the Aetna, doing outside work in the fire and automobile departments.

JOINS STICK AGENCY

Albert Rovics, a brother of S. E. Rovics, of M. C. Feldman & Co., is now attached to the Brooklyn agency of John Stick as a solicitor.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

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1 LIBERTY STREET Telephone John 2612 NEW YORK
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BROOKLYN, N. Y. 153 Remsen St. Tel. 2504 Main
NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

BRITISH AMERICA
ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918
Assets $2,192,173.14
Surplus in United States 772,927.35
Total losses paid in United States from 1874 to 1917, inclusive 25,298,472.00
W. B. MEIKLE, Pres. & Gen. Mgr.

H. KRAMER
ADJUSTER
FOR INSURANCE COMPANIES
105 William Street, New York City

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
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NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

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Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
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B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Where Hardison Draws The License Line

PROTECTION FOR REAL AGENTS

Will Not Permit Banks or Automobile Dealers to Dictate Insurance Placing

In a paper on "Agency and Brokerage Problems" Commissioner Hardison, of Massachusetts, addressing the Insurance Commissioners' convention in Denver this week, said he did not intend to issue a license to those who seek to secure commissions on premiums for insurance on their own interests. No licenses to men who place insurance for their employers only would be issued. Continuing he said:

Then again there is a class of agents who are in such an advantageous position as to force applications to be made to them for insurance. I refer to officers of savings and cooperative banks, which loan large amounts in the aggregate on mortgages. The banks, of course, want their interests insured and require that fire policies be furnished by the mortgagor. We do not permit them to attempt to take this business from the borrower's agent or broker, nor do we permit the bank officers to use their knowledge of the expiration of policies to secure the renewal in companies which they represent. Indeed, they have to sign an agreement with me that they will not interfere with this business by taking advantage of the information which they possess to eliminate the borrower's agent or broker. But for this rule about all the insurance placed upon loans in some of the banks would be negotiated by the officers of the banks or by some employee thereof.

Automobile dealers and their employees are now beginning to seek licenses for the purpose of insuring the cars which they sell, but I require them to sign a similar agreement so as to protect regular agents.

Soldier Agents Interests Safeguarded

The Commissioner made the following statement regarding holding business for soldier agents:

The departure of many agents and brokers to fight our battles in the trenches, thus rendering it impossible for them to continue to conduct their business, presents another problem which will increase in importance if the draft age is increased to 45, as the older ages will show a larger and more important volume of business to be taken care of. Up to the present time no cases have come to my attention that it was difficult to handle under our rule that an arrangement should be made with some competent person having a license to carry on the absentee's business in the absentee's interest and without compensation from commissions, or, if an inexperienced person is to carry it on, the condition must be met that his work will be supervised. I have reason to believe that the agents who remain at home are responding in a most gratifying manner to calls for assistance by those who are making the sacrifice. They could hardly do less and in event that the absentee never returns, which will be the fact in many cases, this business, I trust and believe, will be handed over in good faith and conscience to the representatives of those to whom it rightfully belongs.

Criticizes Excessive Cancellations and Over-Insurance

Commissioner Hardison also declared that special consideration should be shown women who are widows of insurance agents and who expect to continue their husband's business.

During his talk he criticized the non-taken policy practice and over-insurance. Responsibility for the latter he gave to the practice of paying the same remuneration to poor underwriting as to good underwriting agents.

Ellsworth Argues For Individual Responsibility For Fires

F. H. Ellsworth, Commissioner of Michigan, in discussing "The Fire Insurance Situation" said the time has arrived in this country for individual responsibility for fires.

"Is there any reason why a person should not be punished in some way for maintaining a property endangering the lives and property of others?" he asked. Fire insurance affords about the only medium known through which a man may profit by his own negligence, and in every other sphere of human activity a man is barred from recovery by his own carelessness or neglect. He sharply criticized the overzealous agent.

He said the best remedy for reducing the cost of insurance is to reduce the loss ratio. This remedy, not governmental or state insurance, is the proper one. "The great insurance system now in existence, upon which the business of the country is dependent, must not be broken down or impaired. This is no time for experiments and substitution of theories."

LETTER FROM LT. LUDLUM

Son of Home's Vice-President Writes from Hospital—Front Changes Rapidly

Vice-President Ludlum, of the Home, whose son, Lieutenant Clarence A. Ludlum, Jr., was wounded in action in France during the first week in August, received an unusually interesting letter from him just before leaving for the Commissioners' convention. The letter in part follows:

Back again with my old stand-bys, the doctors and nurses. Funny thing, the first book I looked at when I got in was, "Speaking of Operations." I thought of reading it over again so I could get some humorous inspirations for this letter but I decided that my case wasn't quite as humorous as an operation, although it is less dangerous. If I were to tell you with a sad voice what I came here for, it would sound as if my last day had come and the card of Fate had been picked for me, but nothing like that, so, as I can't tell it in words, consider it "writing it with a pleasant voice."

Well, a great big shrapnel burst near me and a little tiny piece hit me in the shoulder; that was August 5 and now the bandage is all off. In fact it was a slim excuse for a wound stripe that I now "sport." At the same time all this happened, I got a little gas; that was the stuff that knocked me out and that might have been worse. Sorter "indisposed" for a couple of days and now about the only thing wrong is that my stomach hurts and it left me pretty weak. Nothing to worry about. The captain of my company is in the ward opposite and Captain Eddy is down stairs with a bullet through his leg.

I suppose Mary (Lieutenant Ludlum's sister who is with the Red Cross at the front.) wrote you about the 15th of July. I saw her the 14th and the 18th, when the big show started. The 39th was on the job and it took until now to knock me out; even now, they haven't done a good job of it. But I have an officer and a couple of men to my credit.

I guess you are getting the good news over in the Old Country, aren't you? If we stop fighting a day or two, it's an awful long walk to the front—the new front.

THE HUMBOLDT FIRE INSURANCE CO.
PITTSBURGH, PA.
Conservative -- Sound -- Progressive
Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

ARCHIBALD A. McKINLEY, President
D. J. DAVIDSON, Vice-President
H. C. JONES, Secretary and Treasurer
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Merchants National Fire
Insurance Co., Chicago, Illinois
Home Office: No. 29 So. La Salle St.
CAPITAL $250,000.00
AN ALL-AMERICAN PROGRESSIVE FIRE INSURANCE COMPANY OF THE MIDDLE WEST

Firemen's Insurance Co., Newark, N. J.
January 1, 1918
Cash Capital $1,250,000.00
Net Surplus $2,384,971.20
SURPLUS TO POLICYHOLDERS...$3,634,971.20
DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer
NEAL BASSETT, Vice-President
A. H. HASSINGER, Secretary
J. K. MELDRUM, Assistant Secretary

NU
NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURG, PA.
NOT HOW MANY BUT HOW GOOD
One trained Soldier is worth a dozen of the other kind. And so it is with the Fire Insurance Agent. Experience and qualifications are the factors in his success. This Company is not so particular about having a large Agency force as it is in having a good Agency force. One of the benefits of such a plant is that the Company can extend such Agents the best it has in the way of service and facilities. Not now and then but ALL the time the NATIONAL UNION will speed up the efficiency of your office. With a known capacity for extending distinctive service which is practical, constant and real the NATIONAL UNION presents attractive opportunities to experienced Agents of reliable character. Get your Agency—Now.

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Commonwealth Insurance Co. of New York
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Northern Asse. Co., Ltd. of Eng.
Commonwealth Ins. Co. of N. Y.
Detroit F. & M. Ins. Co. of Mich.
Firemen's Inc. Co. of New Jersey
Globe & Rutgers Inc. of N. Y.
Employers' Lia. Assce. Corp. of London
145 MONTAGUE STREET, BROOKLYN—NEW YORK
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JAMES H. EPWORTH
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NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET NEWARK Phone Market 6536
SERVICE FIRST
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It Pays To Write Small Policies

SHOULD NOT BE IGNORED

Hartford Fire Punctures An Argument That Premiums Under $5 Mean a Loss

The Hartford Fire Insurance Company makes some interesting comments on the investigation of the Fire Insurance Company of Columbus, O., on the cost of conducting the local agency business. The Columbus club reached the conclusion that all policies whose premiums are less than $5 are handled at a net loss to the agent, a conclusion which the Hartford calls "surprising." The club estimates that in time, clerk hire, rent, heat, light and service, a policy costs the agent $1.23 by the time it is ready for delivery to the assured, using the following argument:

If it [the policy] happens to bear the minimum premium, $2, and is a 25 per cent. risk, it has already lost you, in actual cash, the sum of 73 cents; i. e. the cost of handling it up to the front door, $1.23, less the gross commission realized from it, 50 cents. You are going to pay out in expense the gross commission of 50 cents and also 73 cents more, which you must get somewhere else. Your clerks, your landlord, and all the others get both the 50 cents and the 73 cents as surely as you issue the policy. If the premium is $3 and the risk is a 25 per cent. one, you have only given yourself plus 48 cents. If $4, you have only dug up an extra 23 cents. If $5, you have 2 cents left after providing for all expenses—except for your own services—to your front door. And you haven't got the policy as yet into your customer's hands. If the policy comes within the 15 per cent. commission class, and it's a $2 minimum premium, you've earned 30 cents gross and lost 93 cents on the transaction at the same stage—your front door. At $3, you've earned 45 cents gross and lost 78 cents; at $4, you've lost 63 cents; at $5, 48 cents. At 15 per cent. commission the premium must be at least $8.20 to yield this necessary office expense only of $1.23, and if you have given any personal supervision in any way up to that point you have given it for nothing.

The Hartford's comment upon this follows:

"A great English statesman once said, 'I can prove anything by statistics—except the truth.' If we go further into the wilderness of statistical inferences and base conclusions on 'averages,' we must needs be especially careful, if we are to escape error. Let us, for the sake of argument, adopt the logic of the article just quoted, and, applying it to the company end of policy-writing, see where it lands us.

Figures Deceptive

"As we happen to know, a certain successful company doing a country-wide business wrote 257,000 policies in a year. The total expenses of the company, at the ordinary ratio, averaged $6.97 per policy. Therefore, on the basis of the above argument, whenever an agent of that company issued a policy wth a $2 premium he actually lost $4.97 for his company, without taking any account of fire losses! The fire insurance business has been pretty bad at times, but, barring great conflagrations, never as bad as this.

"The Columbus argument involves a fallacy. Having figured $1.23 as the average local agency cost of a policy, it assumes that the expenditure of that specific sum is an unfailing accompaniment of the issuance of a policy, and that such expenditure would be avoided if the policy were not written. That is to claim, for instance, that if an agent burned three tons of coal to heat his office, a proportionately less quantity of coal would be used if in the course of his business, he refused to write certain policies whose premiums ran from $2 to $5. Also that his time or the time of his clerks is so constantly taken up in writing policies for larger premiums that no spare moments exist in which to write smaller policies, without adding in the case of each policy $1.23 for such expenses as rent, light, clerk hire, etc.

"To conduct a local agency or company certain continuous expenses must be assumed. These of course must be a burden on the business as a whole, but they cannot (except in imagination) be assessed upon the issuance of individual policies by a process of averaging, for the particular expenses are not occasioned by those individual acts nor proportionately lessened by their omission. It would be equally logical to divide an agent's or company's annual profit by the number of policies issued, and, thus obtaining an average profit per policy, to say that this profit attached to each policy written. On the basis of this argument, if a company's profit averaged more than $2 a policy, it would still make to exceed $2 every time a $2 policy was issued—a manifest absurdity.

"Of course, in the local agency business every transaction is not equally profitable to the local agent. Doubtless large premiums pay him better than small ones, but what commercial enterprise has not experiences of a similar character? Some articles are sold at small profit; no merchant expects to make the maximum profit on all his goods.

"In addition to what cash profit an agent may actually make on his small policies, there are a number of advantages in handling them. He gets a wider spread of clientage and is surer of maintaining a steady income—not so many of his eggs are in one basket. Besides, small policies often lead to larger ones, either from the small policyholder or his relatives or friends. Then again, as an agent's companies demand a due share of the small business it is a matter of importance to him to satisfy the companies on which he depends for substantial lines on risks yielding him the larger premiums and from which he receives his larger profits.

"The wise agent, of course, endeavors to minimize his expenses. Anything that helps him to increase his business, both in large and small risks, by creating a public desire for his policies or increasing the ease with which he may dispose of them, tends to reduce the expense ratio of his business."

"CYCLOPS" MEN INSURED

The United States collier Cyclops, now known as the ship of mystery, has been officially given up for lost and her 15 officers, crew of 221 men and 57 passengers are now listed as dead. The beneficiaries of the lost seamen will shortly receive the insurance money. Government officials are now engaged on the task of preparing the lists.

Herbert O. Clough, secretary of the Automobile Insurance Co. of Hartford, is spending a short vacation at Deep River, Conn.

ÆTNA (FIRE)
HARTFORD, CONN., U.S.A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.

"AMERICA FORE"

What is Worth Owning is Worth Insuring

And in these days of War with all its possibilities for loss, property is more worth owning than ever. War prices make repairs and replacements more costly in case of fire.

Adequate Insurance is a necessity today.

American companies are second to none in strength, management, service and reliability. The

FIDELITY-PHENIX FIRE
INSURANCE COMPANY OF NEW YORK

A STRONG, RELIABLE AMERICAN COMPANY

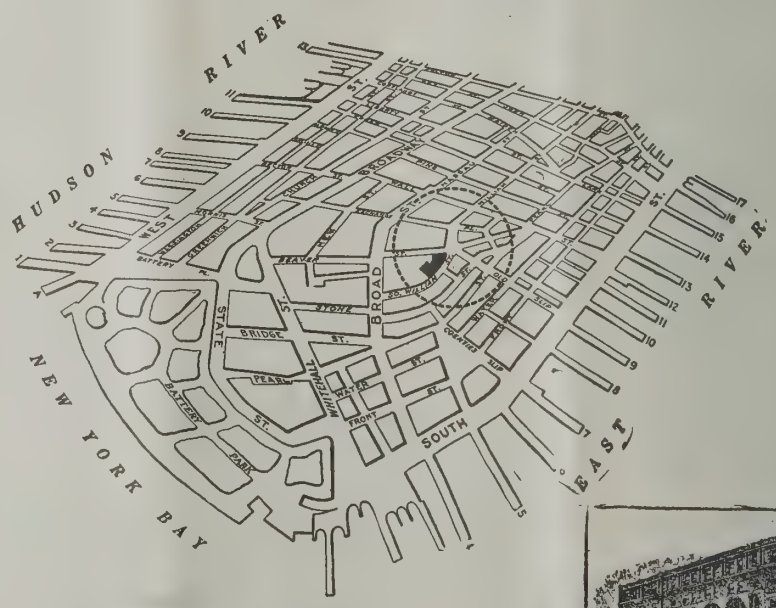
Cash Capital $2,500,000.00

HENRY EVANS, President

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Managing Branch Offices:
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AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House
New York City
South William and Beaver Streets

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19 Elm Ave., Hackensack, N. J.
Scottish Union & Nat. Ins. Co.
Niagara-Detroit Und.
Eagle & Br. Dom. Ins. Co.
Glens Falls Ins. Co.
American Eagle Ins. Co.
Ohio Farmers Ins. Co.
Yorkshire Fire Ins. Co.

Auto Curtailment May Add to Thefts

VIEW HELD BY HARRISON LAW

Demand for Parts of Standard Cars Will Have Tendency to Create Big Market

The proposed Government action curtailing the manufacture of automobiles is being widely discussed in automobile underwriting circles. That the decrease in number of new cars will be followed by a falling off of automobile thefts is the belief of some underwriters on the basis that thieves have always been prone to steal new cars first and therefore the fewer new automobiles the smaller losses.

This view however is not shared by Harrison Law, manager of the automobile department of the J. J. Boland Co. Inc., who believes that curtailment of manufacture will be followed by increased theft losses. Mr. Law, discussing this subject, said to The Eastern Underwriter this week:

"The curtailing of the manufacture of pleasure cars will put all cars at a premium and I feel that there is going to be a greater number of thefts as there will be a greater market for stolen cars unless something is done to prevent the sale of such cars. If all the cars which are stolen are insured and all the companies were working in unison then some means might be adopted whereby a record of all stolen cars could be kept so that when offered for insurance they could be detected. That would work out if the car was stolen, but it is a practice of automobile thieves to alter the numbers. The joy ride thief generally leaves the car and it is later recovered with damages done, but the professional thief either tries to sell the car after alterations or else it is taken apart and the parts sold separately.

"The sale of automobile parts is going to cut a big figure when the production is down, it even being difficult today to secure repair parts and the mounting prices will create a big market for parts of standard cars which will be then almost impossible to procure.

"The annual Fall increase of thefts has already begun and in several instances the cars have been stolen to be stripped. One car that I personally know of was stolen recently in New York and found in Jamaica stripped of tires and all movable articles including door handles and even the parts of the engine which could be removed.

"The stopping of such thefts has been much discussed but still remains unaccomplished. The adoption of a clause giving a reduction in rate for the attachment of a safety lock seems to have taken hold in the West but I am afraid such a clause will not become generally used in the East when you consider that it is a clause which the owner must live up to.

"Several methods have been suggested but I feel that the only eventual way will be by closing the market for the sale of stolen cars, the detection of the stolen car and if possible the advising of the assured when he has purchased a stolen car. I have studied the suggestions as proffered by my associates in business. I have tried devices and methods of my own with the result that I feel that very little can be done unless the companies will get together and co-operate. I feel that I can suggest a method that will eventually bring results. It will cost considerable to install but once installed will produce the result that if the owner of a car applies for insurance and the car is one that has been stolen, I could advise the company from what place it had been stolen, the previous owner and whether the numbers had been tampered with. It would take possibly a year to get the data required but it would be information which would be invaluable to the insurance companies, the police and the automobile manufacturers and in time would prevent the theft of cars for resale whether they had been converted into commercial cars or altered in other respects."

Brooklyn Premiums Show Big Increase

SALVAGE CORPS REPORT OUT

Home Leads With $180,520—Liverpool & London & Globe Second With $150,749

The fire premiums in Brooklyn have increased for the first six months of 1918 twenty-three per cent. over the same period for last year according to the report issued on Wednesday by the Fire Insurance Salvage Corps of Brooklyn. The report shows the total this year to be $4,140,988 as against $3,350,568 for the same period of last year.

The ten companies writing the largest premiums in Brooklyn are given below in the order of their volume:

Home	$180,520	$154,596
L. & L. & G.	150,749	115,397
Continental	148,400	105,982
Royal	133,088	116,984
Fidelity-Phenix	129,666	102,779
National, Hartford	125,974	98,121
Globe & Rutgers	111,533	58,118
Great American	105,532	68,513
Aetna	85,608	79,185
North British	77,214	72,423

Burns Macdonald, who for years has been a leading underwriter on the Pacific Coast, has joined the Y. M. C. A. as a secretary and is awaiting his call to go overseas. Mr. Macdonald was for years with the London & Lancashire, and afterwards was a member of the firm of Macdonald & Miles, general agents of the Westchester, Delaware, Citizens and Hamburg-Bremen. He is also well-known to underwriters of this city and he will go abroad with the best wishes of many friends.

H. W. ELLIS BACK

H. W. Ellis, general agent of the Phoenix of London, returned to his desk on Monday after having been absent from the office since June 28. Mr. Ellis underwent four operations on his leg following a serious case of infection.

"STRONG AS THE STRONGEST"

The Northern Assurance Co.
(LTD., OF LONDON)

Organized 1836
Entered United States 1876

Losses Paid - - - $109,000,000
Losses Paid in U. S. $40,000,000

Eastern and Southern Departments

55 JOHN STREET
NEW YORK CITY

National Fire Insurance Company
OF HARTFORD, CONN.

Statement January 1, 1918, to New York Insurance Department

LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79

Total Assets January 1, 1918.....$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer
G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent

SURPLUS TO POLICYHOLDERS.....$5,980,020.79

WALTER F.
ERRICKSON
AGENT
95 William St. New York
38-40 Clinton St. Newark, N. J.

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

Binding Contracts with Guaranteed Underwriters at Lloyds and British Companies maintaining United States deposits. Immediate telegraphic binders given.

MARSH & McLENNAN

19 Cedar St. NEW YORK
1615 California St. DENVER
201 Sansome St. SAN FRANCISCO
107 S. Fifth St. MINNEAPOLIS
901 Ford Bldg. DETROIT
314 Superior St. DULUTH
17 St. John St. MONTREAL
23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

Associated Mutual Agency Incorporated

B. J. ALLEY, Manager
68 William St., New York

Exceptional Facilities for Writing Business Throughout the United States

FRED. S. JAMES GEO. W. BLOSSOM WM. A. BLODGETT

FRED S. JAMES & CO.

123 WILLIAM STREET

United States Managers
GENERAL FIRE ASSURANCE CO. of Paris, France
URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England

NEW YORK

C. B. G. GAILLARD
Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

MARINE DEPARTMENT

Government Action Necessary for Preservation of Coastwise Vessels

We have called attention to the fact that marine underwriters would be called upon to pay very serious losses in the coastwise trade, in consequence of stranding and collision on account of war conditions. Since this article, there have been three serious losses: Steamer "City of Athens," the Ocean Steamship Co., sunk in collision with a French warship; Steamer "Proteus," sunk in collision with a Government vessel, and the Steamer "Almirante," just reported sunk in collision with a Government vessel.

Inasmuch as all these vessels were vessels of the finest type engaged in coastwise trade, and their carrying capacity is of absolute necessity to the trade in which they were engaged, and in order to prevent similar losses of this kind in the future or during the winter months, when foggier weather is apt to be encountered along our coasts, it would seem that it is almost imperative that the Bureau of Navigation establish South bound and North bound navigation lanes for vessels using Atlantic coastwise waters, similar to the lanes that were agreed upon by the transatlantic steamship companies for East and West bound navigation. The establishment of such lanes would minimize the danger of collisions, as it now seems vessels sail along the coast North and South bound according to the discretion of the captain or in accordance with instructions which he receives from time to time from lightships or patrol vessels, and unless some steps are taken to regulate this traffic, additional losses can be looked for in the near future.

OBSERVER.

State Agency Matters To Get Attention

AUTOMOBILE MEETING ON SOON

Deductible Policies in Oklahoma to Carry Rider Showing That Assured Understands Contract

Automobile state agency matters will get a thorough overhauling by the State Agency Committee of the National Automobile Underwriters' Conferences at a meeting in Chicago, September 24. Every interest connected with automobile insurance is expected to be fully represented and about twenty-five persons will be at the meeting from all portions of the country. The marine, casualty and fire interests will send representatives. The idea is to make tentative plans to come to an agreement on this question, which will be agreeable to those in all parts of the field. The proposals will be presented at the annual meeting of the Conferences, which will be held about the middle of November. The interim executive committee will meet next Tuesday when the date of the annual meeting will be set.

Rider For Deductible Form

Besides approving the ten per cent. increase in insurable limits on automobiles, the executive committee took action at its quarterly meeting on several other matters. The State Insurance Board of Oklahoma has proposed that on deductible cover policies the company attach a rider to be signed by the assured, as evidence that he understands the nature of the contract. This proposal was approved by the Western members whose territory it affects.

No Enemy Trading Clause

In the dealer's forms some changes have been suggested which have not yet been approved.

New rules and rates for livery vehicles and taxicabs are under consideration.

In regard to the Trading With The Enemy Act, it was agreed that a special clause is unnecessary in the automobile business, as there are practically no cases where a policy may be issued to an undisclosed interest.

REMSON WITH OSBORN & CO.

Alfred W. Remsen, for a number of years in charge of the marine department of L. T. Hollister, Inc., is now with the New York office of Osborn & Co., Inc.

The National Fire Protection Association will hold its annual meeting in New York next May.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

EQUITABLE UNDERWRITERS OF NEW YORK
SURPLUS $793,852.75

Marine and War Risk Insurance
Losses made PAYABLE in all parts of the world

C. R. EBERT & CO., Inc.
MARINE MANAGERS PHONE 263-264 BROAD
48 BEAVER STREET, NEW YORK

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street New York

In addition to our regular marine and war risk business, we now have a department for writing FIRE insurance only on vessel property of all descriptions.

We would be pleased to receive applications from agents and brokers having this class of business to place.

FIRE, MARINE AND WAR RISK INSURANCE
Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

FOUNDED 1792

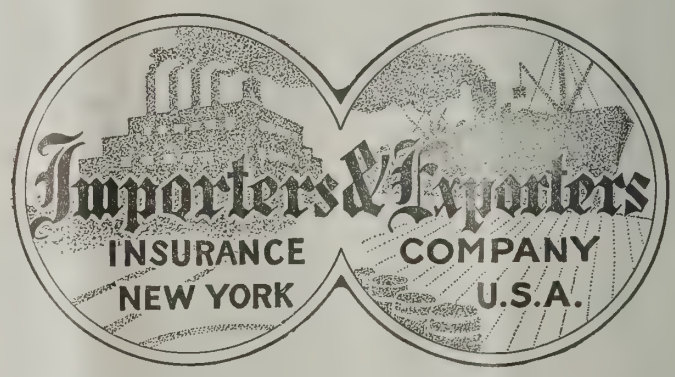

The Oldest American Stock Insurance Company

1792 Insurance Company of 1918
NORTH AMERICA
PHILADELPHIA
126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33
Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE



Marine and War Risk
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56 BEAVER ST. - - NEW YORK

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JESSE SPIER
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UNDERWRITERS

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CASUALTY AND SURETY NEWS

Compensation Problems Develop

CREATED BY LABOR SITUATION

Proposal to Increase Limits and Reduce Premiums, Presents Many Angles for Investigation

Compensation problems involving higher limits for benefits and lower premium rates will constitute an important part of the work to be taken up at the next meeting of the National Reference Committee of the Bureau. These subjects cannot be settled without considerable research and actuarial investigation. The experience covering the period of abnormal war wage increases must be produced before it will be possible to even approximately determine what changes, if any, are justified.

Labor is finding that in view of the greatly increased wage scales, compensation, as now provided in the laws, is in fact not compensation at all for a certain portion of the workers. Labor therefore demands that maximum limits be materially increased so that the man who has, for example, been earning $20 a week and is now receiving $60, shall be compensated in the same proportion of his wages as before the war period. There is a portion of the working men to which the limit of $15 a week appears grossly unjust in view of the present value of the worker's time.

Most Workers Benefited

Without investigation it would appear that this argument applies generally to the workers. This is largely because one has heard so much about wage increases and the fancy amounts paid for heretofore quite ordinary semi-skilled labor. But there is another side to it. In normal times a very large portion of the workers is poorly paid, in fact quite underpaid. These workers are in the majority and the increase in wages (often not nearly as much as one is led to believe) has automatically advanced them toward the present limit of compensation prescribed by the law. All this extra loss expense the carriers are compelled to pay. To offset this increased loss the carriers receive larger premiums resulting from increased payrolls. But labor has apparently not noticed this side of the argument. It has looked only upon the much smaller element in the situation; the comparatively small portion of workers which is now so much better paid that its members have been advanced far beyond the old compensation limits, as in the case of a man formerly earning $20 a week and now earning $60. By looking over the wage distribution it will at once be seen that the class which has been benefited, from a compensation viewpoint, by the present labor situation is several times larger than that which would suffer by a continuance of the present maximum limits.

Jumping to Conclusions

The foregoing has dealt only with the agitation by Labor for an increase in the limits of compensation. The other problem confronting the business, which is also an outgrowth of the war, involves a reduction in premium rates. The assured and some agents, who evidently have not paused to study the situation from an underwriting or actuarial standpoint, have jumped to the conclusion that because payrolls have increased enormously, and the employer can not pay out any more in an individual case than the limit prescribed by law, the rate should be reduced. Here the same principle applies. Even if wages are higher and aggregate premiums are more because of larger payrolls, that does not in itself constitute a sound reason why rates should be lowered. At least not until it becomes possible to ascertain what other new factors enter into the loss ratio. As explained, by far the majority of workers are being paid a slight to a substantial advance in wages and when they are disabled they receive more compensation in proportion, up to the limits prescribed by law. But a comparatively few have had their wages doubled or trebled, with extras for overtime, and bonuses, and when they become disabled they can get only the maximum compensation which was fixed to apply in normal times. There has been no uniformity in the wage advances, but because, under the law, it is impossible for the carriers to pay a small class of workers an amount commensurate with their present earnings it is proposed to reduce rates generally.

Many New Hazards

Before an approximation can be made of what effect a rate reduction would have on the business it will be necessary to know what new and increased hazards have been created by the war. All kinds of inferior help is now engaged because none other is available. New industries have been created and others, extremely hazardous, have been multipled many times. Women and boys are now doing the work formerly thought suitable only for men. Plants are run on three shifts, under pressure. There is an endless variety of situations and conditions affecting labor and the accident frequency, the results of which will likely not be reduced to actuarial terms until the war is in its last stages and industry has begun to return to normal conditions.

So it is that there can be no snap judgment on the proposals, either that premiums be reduced or that limits be increased.

Moral Hazard Reduced

The labor organization managers need not worry much about those of their members who are receiving abnormally high wages. Unless a worker is seriously hurt he will not remain away from work an hour longer than absolutely necessary because he would be losing too much money by doing so. Compensation does not interest such workers much at present. Instead of taking a week or two off most of them are back on the job with a bandage on the injured member. The moral hazard has well nigh disappeared in the most highly paid industries.

In like manner the carriers need not worry especially on account of these highly paid workers. As long as the worker carries so large a proportion of his own risk, there will be few claims. But should the limits be increased materially to provide for what is plainly an abnormal and transient situation, when the wage scale begins to decline, as it surely will, the moral hazard will again manifest itself and become a disturbing factor in proportion as the worker or the insurance carrier bears the brunt of the loss.

Our Men and Our Money

are being destroyed by industrial accidents at a time when the Nation needs every life and every dollar. Not all industrial accidents are preventable, but a great part of the Nation's loss from this cause can be saved by efficient accident-prevention service. The Workmen's Compensation Insurance Department of the Maryland Casualty Company, Baltimore, maintains a large field force of alert and experienced safety inspectors under the direction of a safety engineering expert. The work of these able specialists not only means a decreasing number of accidents and hence a reduced loss of men and material; in addition it means correct classification and accurate rates for Workmen's Compensation Insurance—with full credit in the rate for improved safety conditions.

Maryland Casualty Company

THE TOWER

BALTIMORE

Protection of Sureties Under Civil Relief Act

WHEN BONDS MAY BE REQUIRED

Law Framed for Soldiers and Sailors Explained by House Committee of the Judiciary

In the Soldiers' and Sailors' Civil Relief Act sureties and indorsers of such men in the service are protected under Section 103, which reads:

Whenever pursuant to any of the provisions of this act the enforcement of any obligation or liability, the prosecution of any suit or proceeding, the entry or enforcement of any order, writ, judgment or decree, or the performance of any other act, may be stayed, postponed or suspended, such stay, postponement or suspension may, in the discretion of the court, likewise be granted to sureties, guarantors, indorsers and others subject to the obligation or liability, the performance or enforcement of which is stayed, postponed or suspended.

When a judgment or decree is vacated or set aside in whole or in part, as provided in this act, the same may, in the discretion of the court, likewise be set aside and vacated as to any surety, guarantor, indorser or other person liable upon the contract or liability for the enforcement of which the judgment or decree was entered.

Court Actions and Default Judgments

Section 200 provides that in any action or proceeding, if there is a default of appearance by the defendant, the plaintiff, before entering judgment, must file an affidavit showing that defendant is not in military service. If unable so to do, plaintiff in lieu thereof must file an affidavit setting forth either that defendant is in military service or that plaintiff is not able to so determine. If an affidavit is not filed showing that defendant is not in military service, no judgment can be entered without first securing an order of court directing such entry and if defendant is in military service no such order can be made until after the court shall have appointed an attorney to protect the defendant's interests. Unless it appears that the defendant is not in military service the court may require plaintiff, as a condition before judgment, **to file a bond of indemnity against any loss or damage should the judgment afterwards be set aside.** False affidavits are penalized by fine and imprisonment. In any action in which a person in military service is a party, if he does not personally appear or is not represented by an authorized attorney, the court may appoint an attorney to represent him. And in such case **like bond may be required** and order made to protect the rights of such person. No appointed attorney, however, has power to waive any right of the person for whom appointed or bind him by his acts.

Explaining section 200, the House Committee on the Judiciary, in its report of the bill, says:

It has been estimated that in only about 15 per cent. of all actions commenced are judgments entered by default of appearance. Absences on military service probably will increase the defaults in appearance to some extent. Since no one appears for the defendant, the first necessity of the case is to learn whether or not he happens to be a person in military service, so that if not, judgment may be entered without delay. This is simply accomplished by requiring the plaintiff, if he wants judgment entered forthwith, to file an affidavit stating definite facts showing that the defendant is not in military service. If the

(Continued on page 18)

Something New

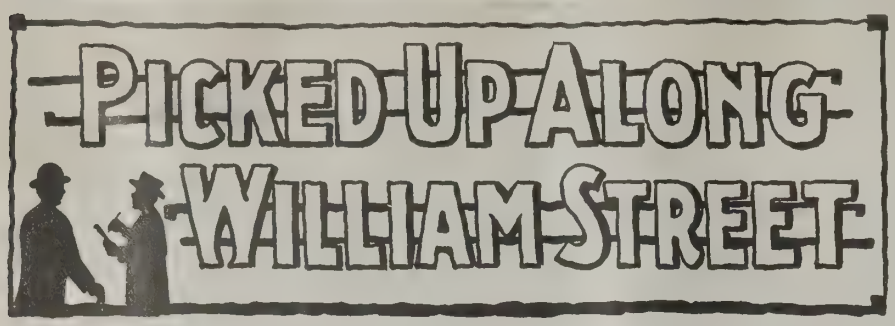
Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building PHILADELPHIA



Wished It On Hodson

Alfred J. Hodson, superintendent of the agency and business extension division, metropolitan office, Fidelity & Casualty, has been appointed captain of the Thirteenth Precinct by the Metropolitan Canvassing Committee to work in the next Liberty Loan Drive. Mr. Hodson's headquarters will be at 77 Delancy Street. That is some district. Hodson ca nplay most any role but to make good there he will have to do as many lightning changes as the chameleon, which tried to adapt itself to the variations of the Scoth plaid. But the chameleon gave up and went crazy, which Hodson will not do.

* * *

Ready for Golf Match

Plans are complete for the fall golf tournament of the Casualty & Surety Club of New York, which will be held at the Siwanoy Country Club, Mount Vernon, September 17. R. R. Gilkey is general chairman in charge of the event. Bayard P. Holmes will handle the entertainment. E. H. Morrill, Jr., heads the tournament committee, A. S. Boyd, starting and scoring committee. Samuel B. Brewster, registration committee and B. A. Ruffin, caddy committee. Members of the Philadelphia Insurance Golf Club will be present and an inter-city match will be held. Last spring the New York players were decisively beaten in an inter-city match with the Philadelphians and it is hoped in New York that next Tuesday the score will be reversed.

* * *

Next Meeting September 19

The National Reference Committee of the National Workmen's Compensation Service Bureau will hold its next meeting September 19.

* * *

Resignation Still Stands

The resignation of the Travelers from the National Workmen's Compensation Service Bureau is still before that body, as is also that of the Employers Liability. The latter resignation was conditional upon that of the Travelers becoming effective, in other words "if and when." It is thought that the various differences of the Travelers with the Bureau management are approaching a position to be gradually ironed out.

* * *

Harold Sonn at Camp Dix

Harold Sonn, home office special agent for the New Jersey Fidelity & Plate Glass, has joined the colors and is at Camp Dix.

* * *

A Poetic Dun

Now, when help is scarce, postage high and supplies expensive, the Aetna companies have adopted a new plan to speed up collections. A sticker, printed in bright colors, is used as a reminder of past due accounts instead of writing the usual letter, which takes time to dictate, write, mail, etc. The stickers are placed on correspondence going to brokers and agents who are behind. It bears these lines:

Perhaps the fact's escaped you
That this amount you owe.
Please heed this little notice,
It's sent to tell you so.
The Aetna people say it works finely.

* * *

Fifty Years in Business

This month the New Jersey Fidelity & Plate Glass completes fifty years of active operation. At least that is how the chroniclers of insurance history have it. Secretary H. C. Hedden has not made any arrangements for commemorating the event. A mere fiftieth anniversary doesn't excite him a particle. When the company issued its first plate glass policy Newark had a population of about 90,000.

* * *

Expects More Business

An active surety broker says that the demand for freight charge bonds will steadily increase. He believes that many shippers who have elected to pay cash will eventually change to the credit form availing themselves of the forty-eight hours' extra time.

* * *

Burglary Man in Army

Counterman Mayborg, of the Maryland Casualty's burglary department, 100 William Street, is now in the National Army.

* * *

W. H. Kane Resigns

William H. Kane, who has been superintendent of the weekly department of the National Casualty in New York City, has resigned and his successor has not yet been announced by the Company.

* * *

Managing Casualty Department

Edward W. Gilshenen is now with Kookogey & Hook as manager of the casualty department. He was formerly with the Aetna as a special agent and had also been connected with the underwriting department.

* * *

R. E. Kipp To Lead Drive

The Fire, Marine & Liability Insurance Brokers' Association of New York, has made a good start toward organizing its forces for the next Liberty Loan drive. Ruben E. Kipp, of De Lanoy & De Lanoy, 2 Wall Street, is chairman of the committee. The drive will start September 28.

* * *

Charles Gubler With Colors

Charles Gubler, plate glass counterman for the Maryland Casualty, 100 William Street, is in the National Army.

* * *

Good Enough for Uncle Sam

One of the sprinkler leakage countermen in a William Street office has been accepted for the Navy, after having been turned down for life insurance by six companies.

The Fidelity and Casualty Company of New York
92 LIBERTY STREET, NEW YORK, N. Y.
Metropolitan Office—92 William St.

SEMI-ANNUAL STATEMENT JUNE 30, 1918

Assets	$15,684,739.43
Liabilities	12,471,369.12
Capital	1,000,000.00
Surplus over all liabilities	2,213,370.31
Losses paid to June 30, 1918	63,244,803.06

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners, and Landlords, Elevator, Workmen's Compensation—Steam Boiler Insurance; Fly-Wheel Insurance.

OCEAN ISSUES WAR POLICY

Will Cover Travelers to England at 1½ Per Cent.—France 1¾ Per Cent.

A war risk accident insurance policy has been issued by the Ocean Accident & Guarantee to cover civilian travelers to and from Great Britain, France and Switzerland. Later on the cover will be extended to other countries. The character of the policy is substantially a death and dismemberment form. It runs for three months.

A rate of 1½ per cent. has been made for travelers going only to British ports. For those going to French ports, or going first to England and then to France, the rate is 1¾ per cent.

GILKEY'S COME-BACK

Answers Misguided Writer in "The Financier," and Defends Bond Co-operation

R. R. Gilkey, secretary of the Surety Association of America, has ably replied to George D. Bartlett, president of the Secretaries' Association of the American Bankers Association, in an article published by "The Financier," of New York. Mr. Bartlett asks the question—"Is there a bank bonding trust?"

Here are some of Mr. Gilkey's knockout arguments:

The bonding companies have been co-operating right out in the open, for the past ten years, in the same lawful way that the banks are now and have been doing and with the same ends in view.

That there is a necessity for the use of the common actuary in the surety business is recognized by the State of New York and is evidenced by laws passed providing for the formation, operation and regulation of a rating bureau. Prior to the formation of the rating bureau there was an astounding mortality among bonding companies, much more so than among any other class of insurance. The real trouble lay in the inadequacy of rates and the mortality did not cease until State supervising officials, realizing that it was imperative that if the insuring public were to be protected, rates must be increased and ruthless competition for business at unprofitable rates must cease.

Protection of Sureties

(Continued from page 17)

plaintiff cannot do this, he must apply to the court to have an attorney appointed to protect the defendant. The same policy of moderation and flexibility is carried out in allowing the defendant to reopen the judgment only if his military service has prejudiced his defense. To prevent this remedy from being made entirely empty the court, by subsection (3), is given power to require a bond from the plaintiff in addition to the affidavit he has already filed.

Calls Analytic System Best Rate-Maker

(Continued from page 1)

that he is receiving the same consideration as his competitors, and that the individual merits of his risks are being recognized, he is not interested in the make-up of his rate or the schedule used to obtain it. The practice of requiring a make-up of the rate to be furnished the assured with his policies is unnecessary if the inspection bureau is doing its duty, and it is the business of the State Department to see that the bureau does its duty. It is entirely proper to provide that the assured may obtain a make-up of his rate at any time or that agents may obtain the same information by presenting an order from the assured but in very few cases will either insurance buyers or agents understand the information after it is received. It is my opinion, therefore, that the results will not be commensurate with the labor involved in the mandatory distribution of rate make-ups.

The companies have complained that the power given to State departments to establish just rates in lieu of rates found to be unfair constitutes State rating, but the provision is made, not as an opening wedge for State rating, but as a means of securing justice in case arbitrary and unreasoning opposition should develop. In the opinion of the Illinois Commission the objections of State control of rating by the companies are "evidently inspired by the fear that while rates will be surely lowered in classes that are overcharged, action upon those deserving the opposite treatment will be deferred or fought."

Freedom of action should be allowed the companies in all activities which are not detrimental to the interests of the public. That ill advised statutory regulations produce very unfortunate conditions I will cite as an example the present situation in Kansas.

The 1909 edition of the Analytic System is filed as the official schedule and supplements to it have not been adopted for use as they were developed. The schedule has been expanding rapidly during the past nine years and an application of the present edition, with its supplements, will produce decided changes in individual rates from those now in effect and which were produced under the 1909 edition. Further changes in the schedule are contemplated and before long a very radical departure from former practice will be made in the new edition. In Minnesota the editions or supplements are filed and used as fast as they are produced and so far we have failed to find a change which has been a backward step in the analysis of fire hazard. To specify that one edition shall be used to the exclusion of all others is to indicate that the schedule has reached perfection and further changes are unnecessary, whereas more changes, both as to number and magnitude, are under consideration now than at any time since the first edition of the Analytic Schedule was issued. Therefore it is essential for the development of the business, for the elimination of present discrepancies, and for the attainment of uniform and just rates, that the actuarial committee have the co-operation of the States in allowing supplements and new editions to be filed as fast as they are developed.

CHICAGO BONDING AND INSURANCE COMPANY
WRITES the following lines of INSURANCE
FIDELITY AND SURETY, PLATE GLASS, BURGLARY, GENERAL LIABILITY, AUTOMOBILE LIABILITY, PROPERTY DAMAGE AND COLLISION, ACCIDENT AND HEALTH, MONTHLY PAYMENT
Charles R. Culyer & Co., Resident Manager, 428 Walnut St., Phila., Pa.
Geo. S. Dippold, Res. Mgr., 1107 Peoples Bank Bldg., Pittsburgh, Pa.
W. F. Murphy & Co., Res. Mgrs., Union Trust Bldg., Jersey City, N. J.
J. Ramsay Barry Co., General Agent, 10 South Street, Baltimore, Md.
R. H. Lambert, Branch Manager, Equitable Bldg., Washington, D. C.
Capital $500,000.00—Surplus to Policyholders, $825,544.20
F. O. ROBERTS, Vice-Pres. and Gen. Mgr. HOME OFFICE: CHICAGO, ILLINOIS

C. A. CRAIG, President W. R. WILLS, Vice-Pres. C. R. CLEMENTS, Sec. & Treas.
The National Life and Accident Insurance Company
NASHVILLE, TENNESSEE
Industrial, Life, Health and Accident Insurance in ONE policy

CASUALTY AND SURETY POINTERS

Responsibility of Deputies Increased

Now, when the government is taking so many men from their usual walks of life, surety men see the necessity for greater care in covering deputies of public officials. The Fidelity & Deposit says the experience of surety companies has been that losses on bonds of treasurers and sheriffs and tax collectors are very often caused through a default on the part of the deputy rather than through some direct action of the official himself. It is because of that experience that surety companies try to have their agents explain to public officials that unless they bond their deputies and protect themselves by an adequate bond that they are making their own personal estate liable through a default on the part of such deputy or subordinate.

It does not seem right that an official who sometimes is paid nothing more than a nominal salary should assume the absolute responsibility for the conduct of his office when conditions are such that it is a human impossibility for him to perform each function personally. The official has but one remedy, and that is by requiring a bond of his deputy which should be similar in form to the official's own bond so as to protect him fully against default occurring in any manner whatsoever. For some reason or other public officials seem very dilatory in this respect. They make appointments of subordinates for political reasons. They think they know their man and very often they take a chance. At times, however, a public official does appreciate the responsibility he is assuming in this respect, but he demands merely a nominal bond, feeling that a bond in any amount will be a sufficient deterrent should the deputy be inclined to stray from the straight and narrow path. We have in mind the case of a treasurer who required a bond of $2,500 from a deputy when that deputy was actually handling $300,000 a year. We have also in mind the case where a deputy was able to make away with $75,000 while he was bonded for but $2,000. The official for his own personal protection should insist upon adequate bond.

The war has brought about conditions that are unprecedented. The man power of the country is going into the army in ever increasing numbers. The employer, therefore, finds it more and more difficult to employ competent help and we do not think that the public official will be an exception to this experience. There is hardly a public official but employs a deputy or clerk, or an assistant or subordinate of some kind. If he cannot take his pick of men because of the stress of conditions, he will, like all other employers, be forced to take what he can get and the risk to the surety on his official bond is enhanced accordingly.

* * *

How Agent Killed His Chances

Just now when general business conditions are so unusual, it is necessary for the man in the field to avoid getting wrong impressions. Whatever information comes in to the home office from the field concerning conditions which influence the production of business usually is in explanation of why results are not more satisfactory. The field man who is getting the business has little time and less inclination to tell how he does it, and in fact there is very little reason for him to say anything about himself or his work because his results show for themselves. It is the fellow who is doing little who finds it necessary to make explanations.

The Standard Accident relates a remarkable circumstance in connection with a certain territory. A field man wrote in to explain why he was not sending in more business. His was a well-written letter and it explained clearly and with consistent reasons why he couldn't get the apps. It even told among other things that a competitor agent, the representative of a company as big and well known as his own, was up against it, too. It almost left no room for argument and anyway it showed that the writer was fully convinced that as far as he personally was concerned there wasn't a chance.

The remarkable part of the circumstance was that in the same identical territory another agent was doing a very satisfactory business and did not seem to be troubled in the least by the conditions which the writer of the letter complained of.

The significant thing about the circumstance was that the writer of the letter was convinced by his own reasons and really believed that he could not get business. He hoped for things to take a turn for the better but for the present he would have to wait.

Now, the point is, whatever opinions and belief are fixed in the mind of the field man, the public is bound to agree with them. His work in the main consists of shaping public opinion, that is, getting prospects to agree with his selling talk. If he himself is convinced that he cannot sell insurance, most certainly the public will not disagree with him. This holds true no matter what the conditions may be. The public is not going to buy insurance unless the seller is first convinced that it is. He has to convey his own conviction to the public one at a time, prospect by prospect, as he solicits them. The prospect may not always agree to the point of buying (no salesman ever succeeds in selling every case solicited), but the instance is rare where the salesman's own convincing belief is not the main factor in getting the prospect to agree that the insurance is an indispensable necessity and that a Standard policy meets the requirements.

It all resolves itself into the proposition so aptly put by the old proverb, "As a man thinketh, so he is," and it is everlastingly true: you yourself must believe that there is business for you, for whichever way your belief is the public is bound to agree with you.

* * *

Would Furnish Manuals Free

By January 1, 1919, it is expected that the new health and accident manual will be ready. In the report of the manual committee of the Health & Accident Underwriters' Conference, signed by R. Perry Shorts, chairman and A. A. Clendenin, investigator, appears the following:

"As the expenses of this work have been borne directly by the Conference as a whole (and indirectly by the contributing company members), and with a view of insuring the universal adoption of this new Manual, we recommend that a plan be devised for furnishing the Conference Manual to Conference companies free of cost—as one of the items of 'service' of this Association to its members."

* * *

The bonus winners of the New York downtown office of the Continental Casualty were given an outing by Hoppe & Thomson, Mgrs., in celebration of their victory over Los Angeles.

* * *

Back With Massachusetts Bonding

William C. Eiffler has resigned as special agent in New Jersey for the Commercial Casualty to accept a similar position with the Massachusetts Bonding. He was with the Massachusetts Bonding before he became connected with the Commercial.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE
CHICAGO

F. W. LAWSON
General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers
New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

BUSINESS=BUILDERS

DEVELOPING

Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE

APPRECIATE THE CO-OPERATION OF THE

Massachusetts Bonding and Insurance Company

BOSTON T. J. FALVEY, President

Paid-In Capital $1,500,000 Write For Territory

LIABILITY DEPARTMENT

Continental Casualty Company

H. G. B. ALEXANDER, President

is now ready to negotiate agency connections covering all lines of Workmen's Compensation, Liability, Automobile Insurance in the following states: New Hampshire, Vermont, Iowa, Kansas, and portions of Michigan, Indiana, Wisconsin and New York.

Also in the various Provinces of the Dominion of Canada

Premiums written 1917.....$5,500,000
Assets over 3,000,000

Address Agency Department
910 MICHIGAN AVENUE, CHICAGO

FARRISH'S CHOP HOUSE

Cor. John & William Streets

THE PLACE in the Insurance District to eat lobsters

NOW IN SEASON

Whole cold lobster 75c.
Whole broiled lobster 85c.

American Surety Company

of New York

100 BROADWAY

Fidelity and Surety Bonds

Burglary Insurance

THE TRAVELERS

INSURANCE COMPANY / INDEMNITY COMPANY

HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

THE WESTERN AND SOUTHERN LIFE INS. CO.

W. J. WILLIAMS, President Organized 1888 CINCINNATI, OHIO

The Largest Industrial Company West of the Alleghenies

Also Issues All Standard Forms of Ordinary $500 to $10,000

A Record of Thirty Years of Progress

TEN-YEAR PERIODS

	Assets	Insurance in Force		Income	Policies Issued
Dec. 31—1888.....	$ 104,307	$ 889,073			
1897.....	274,290	6,619,653	1888-1897	$ 1,744,102	387,702
1907.....	2,916,339	39,503,485	1898-1907	10,551,857	1,139,235
1917.....	14,008,422	115,099,897	1908-1917	31,845,050	1,961,674

AGENTS WANTED in the Principal Cities of Ohio, Kentucky, Michigan, Indiana, West Virginia and Western Pennsylvania

New York Life Insurance Co.

FIVE YEARS OF EFFICIENT SERVICE
INCLUDING
THREE AND ONE-HALF YEARS OF WAR TIME

During the Five Years ending December 31, 1917, the New York Life

Received in Income	$667,884,000
Paid Policy-holders	382,875,000
Increased its Resources	215,272,000
Increased its Insurance in Force	503,535,000

THE BUSINESS OF 1917 EXCEEDED THAT OF 1912.

In Income	$27,325,000
In Amount Paid Policy-holders	25,337,000
In New Insurance	119,917,000

The increase in Business and Resources in Five Years equals the Business and Resources of a very substantial life insurance company, and this new Company is returning to policy-holders 92 per cent. of its entire income. It is also adding forty million dollars a year to its resources and one hundred millions a year to its insurance in force.

HELPING WIN THE WAR.

Since the war began, in August, 1914, the New York Life paid to December 31, 1917, 998 war losses amounting to $3,007,223. There were 238 reported losses for $607,084 awaiting proof on December 31. The Company had so carefully guarded itself against extra mortality by reason of war that, notwithstanding the world-wide character of the conflict, the percentage of its actual to its expected mortality has not been appreciably affected. This percentage for 1917 was 70.85—the lowest of any year since the Company has kept complete mortality statistics.

The Company owned Liberty Bonds on January 1, 1918, to the amount of $12,075,000, and subscribed for $20,000,000 of the Third Liberty Loan.

There are Four Hundred and Twenty-six Stars in the Company's Service Flag, and one of the Home Office boys—Frank J. Brandreth, of the Rainbow Division, has already won the French War Cross.

The Company has afforded the Government every assistance in its power in formulating and carrying out the plan of Government Insurance on the lives of soldiers and sailors. Agents are forbidden to accept applications from soldiers or sailors unless they have already taken the limit with the Government.

EVERY MAN'S BUSINESS.

Just now it is every man's business to Help Win the War. Our daily occupations are incidental; winning the war is our real business.

Winning the war is our real business because back of that lies the chief and ultimate purpose of life—making the world a safe place for women and children. And that is the aim of Life Insurance in war time and in time of peace.

The Government has recognized this in the provision made by life insurance for the families of those who die or are disabled in the service. The man who stays at home and does less is a slacker.

NEW YORK LIFE INSURANCE CO.

DARWIN P. KINGSLEY, President.

PENNSYLVANIA OPPORTUNITY

If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.

Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1917	$16,153,068.57
Surplus - - - - -	4,793,978.55
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - -	1,051,543.00

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $155,000,000.00

Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

Nineteenth Year; No. 39 | NEW YORK, FRIDAY, SEPTEMBER 20, 1918 | $3.00 a Year; 25c. per Copy

SOME COMPANIES MAY DROP AUTO

Say Lack of Profit Makes Accommodation to Agents Only Excuse for Continuance

TAKE PESSIMISTIC ATTITUDE

Curtailment of Pleasure Cars Means Future Income From Less Profitable Commercial Trucks

The fact that several fire insurance companies are considering withdrawal from the automobile field because of discouraging conditions became known in New York this week. An official of one of these companies said to The Eastern Underwriter that the only reason his company had not previously discontinued writing automobile insurance was that the agency interests of the company were conserved by its continuance.

A number of reasons are cited as justification for this pessimistic attitude. The heavy collision losses and the constantly increasing cost of repairs, which are quoted to have eaten up the profits of practically all companies this year, are given as the main reasons but also each of the companies planning to withdraw seems to have been speculating on the probable effect on the business of the curtailment of the production of pleasure cars.

The reduction to a minimum of new pleasure cars as affecting the source of income of the companies, they claim, will mean that the new business will mainly be derived from commercial trucks for the period of the war. They point out that the rates on trucks are lower, that the collision experience on trucks has been worse than on pleasure cars, particularly in the larger cities, and that a preponderance of commercial trucks underwritten at the prevailing schedule of rates can only result in a continued and increasing underwriting loss to the companies.

That the majority of pleasure cars are owned by men between thirty-one and forty-five and that the drafting of these men into service will result in the market being overloaded with second hand cars is another point made with the addition that a number of cases have already been reported where, because of the restricted use of automobiles on Sunday, owners have placed their cars in dead storage and declined to renew their insurance.

Other companies, however, are continuing to push automobile business on the basis that it will receive a great stimulus immediately after the war and that in the meantime it is still possible to underwrite the business at a profit.

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Underwriting Capacity Second to None

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager
UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. **Net gain** in insurance in force during 1917, **$21,764,-972.88, or 72% of the amount paid for.**

MEN of CHARACTER can obtain further information as to the **Company** and **Opportunities** by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

THE GAUVIN AGENCY

LIFE MEN BEFORE FINANCE COMMITTEE

Ask Modifications of Revenue Bill to Meet Peculiar Responsibilities of Life Companies

BRIEF OF COUNSEL JOB HEDGES

Asks Exemption of Sufficient Insurance Proceeds to Cover Estates or Inheritance Tax

Job Hedges, general counsel of the Association of Life Insurance Presidents, and James H. McIntosh, general counsel of the New York Life, made talks last week before the United States Senate's Committee on Finance on the House Revenue Bill. Mr. Hedges asked for modification of some provisions of the bill so as to meet the peculiar responsibilities of life insurance companies. Mr. McIntosh discussed deferred dividends. Among the insurance men at the hearing were George T. Wight, manager of the Association of Life Insurance Presidents; Frederick G. Dunham, the association's attorney; and Robert Lynn Cox, third vice-president of the Metropolitan Life.

Mr. Hedges' Brief

Mr. Hedges' brief covered four points. In part it follows:

Point I.

Life Insurance Companies Do Not Seek Exemption From Any Tax Imposed Upon Them by the Bill

"The income tax and excess profits and war profits taxes imposed by the bill are expressly made applicable to insurance companies to the extent that such companies have taxable income or realize excess profits or war profits. In this respect life insurance companies are on precisely the same footing with every corporation. The special tax on new business which was a feature of the Act of 1917 is also continued in force by this bill. The companies, however, expect cheerfully to make such contributions to the needs of Government as the Congress may, in its wisdom, prescribe. Our intention, therefore, is to limit this discussion of the bill to constructive criticisms of certain provisions—chiefly of general application—which appear to merit special attention.

"It is understood that the Congress intends to impose the necessary taxation in accordance with principles of justice and fairness and sound public policy and that this committee is here

to receive the views of taxpayers as to the operation and effect of such of the provisions of the bill as may be deemed to be in any respect unequal, unfair or impolitic, for the purpose of its information and with a view to the possible amendment of the bill.

Co-operative Agencies

"Life insurance corporations are, intrinsically, merely co-operative agencies for the accumulation by their policyholders or members of funds for the mutual payment of specific benefits in event of death or other specified contingencies. With the exception of the guarantee fund or capital stock contributed by the stockholders of companies organized upon the capital stock plan, or by the guarantors in the case of certain mutuals, all of the funds of a life insurance corporation are contributed by its policyholders. Life insurance itself is a facility afforded the living to provide, after their decease, for their dependents. It involves a pecuniary sacrifice by the person insured, which has been aptly described as a self-imposed tax and indirectly inures to the benefit of the state. In innumerable cases life insurance is all that stands between a beneficiary and absolute destitution. Without it the dependents of the average citizen would become, for a time at least, either objects of private charity or charges upon the public. The importance of life insurance has recently received at the hands of this very Congress the most effective official endorsement possible, through the amendment to the War Risk Insurance Act, which authorizes the issuance by the Treasury Department of policies of life insurance to the soldiers and sailors engaged in the present war.

"That life insurance should not, on principle—by reason of its quasi public and beneficent character—be taxed, it seems unnecessary to argue. This very bill recognizes the impolicy of taxing kindred institutions, to wit: savings banks, and fraternal and assessment associations, as well as various other co-operative agencies for mutual benefit, which are expressly exempt from taxation thereunder. We do not, however, advert to this fact for the purpose of asking that taxes like these borne by the life insurance companies be imposed upon these institutions. Believing that all similar disinterested agencies for the common good should be exempt, we are content that they should be exempt. Moreover, realizing the need of the Government for revenue in the present emergency, we are not asking to be relieved at this time from either the general taxes, or from the special tax on life insurance, which are imposed by the bill. Our purpose is simply to ask that the bill be so amended in certain particulars as to supply obvious omissions in the present draft or to bring it into accord with principles of sound public policy, which, incidentally, in one instance only, will also involve the abatement of an unintentional discrimination against life insurance."

Point II.

Point II of the brief relates to a defect in the bill which affects all individuals and corporations alike, with respect to the possibility of their continued liability to the rates of income taxes imposed by the revenue acts of 1916 and 1917, as well as the new rates, and consequent double taxation. It is the present belief in Washington that this failure to repeal the old income tax rates was an oversight which probably will be corrected.

After presenting specific amendments to cure this defect, the brief takes up Point III as follows:

Point III.

The Differential Feature of the Corporation Income Tax Rate Should Be Modified or Eliminated

The subject of the differential income tax rate which is made applicable to corporations under Section 230 has already been discussed before this committee by representatives of various mercantile and manufacturing corporations. We, therefore, assume that the committee has been sufficiently acquainted with the general nature of the objections to which this principle is open upon economic, as well as practical grounds. Our endeavor will be to show the committee the unwisdom of applying the differential rate to insurance companies, by reason of the peculiar nature of the insurance business.

Although the first clause of this section establishes 18 per cent. as the normal rate of tax upon the net income of corporations, this clause is immediately followed by the proviso:

> That the rate shall be 12 per centum upon so much of this amount as does not exceed the sum of (1) the amount of dividends paid during the taxable year, plus (2) the amount paid during the taxable year out of earnings or profits in discharge of bonds and other interest-bearing obligations outstanding prior to the beginning of the taxable year.

The effect of this proviso may readily be anticipated. It will be to establish as the rate of income tax on corporations, as matter of practical fact, a rate of 12 per centum instead of 18, through the process of placing a premium upon the immediate distribution of corporation income. The draftsmen of the bill not only realized, but intended this. Chairman Kitchin states in his report:

> That the committee believes that the reduction of the rate to 12 per cent. on an amount equal to the amount of dividends paid will have a wholesome effect in many cases in stimulating the payment of dividends, which will be subject to surtax in the hands of the stockholders. (P. 12).

Two Objections to Differential Rate

There are two objections to this differential rate from the point of view of insurance. The first objection is founded upon the principle that equality is equity. Insurance companies have no bonded or interest-bearing indebtedness; and mutual insurance companies have no capital stock, and consequently, pay no dividends, as defined in the bill. A discrimination, therefore, results as against insurance corporations in the practical rate of tax applicable to them, as contrasted with the rate which will be paid by other corporations under this provision.

The second objection, from the point of view of insurance, is that it is peculiarly against public policy to encourage, or, as does this provision practically compel the dissipation by insurance companies of the entire amount of each year's surplus, a substantial portion of which, it is recognized by the state laws governing insurance and by the rulings of supervising insurance officials of the various states, should be added to the working capital of the companies for the further guaranty and protection of their policy contracts.

It should be borne in mind by the committee that the relation of the public to insurance companies differs from their relation to ordinary business concerns in this fundamental respect. An insurance company has no commodity to sell and deliver upon payment of the purchase price. On the contrary, in consideration of a substantial cash payment made to it in advance, an insurance company merely binds itself to make some stipulated payment at some future time in event of some stipulated contingency. In other words, while the transaction is practically completed when an individual pays over to an ordinary corporation the purchase price of a commodity sold or service rendered, in the case of an insurance company, so far as the individual is concerned, the practical relation of creditor has been established as between himself and the corporation, which imparts to him a vital interest in the financial stability of the corporation. For this reason, as in the case of banks of deposit, we think it is clear that insurance companies should be encouraged, rather than discouraged, from setting aside such proportion of their gains from each year's operation as the management of each individual corporation may deem proper.

Decrease in Value of Securities

While the legal reserves of life insurance companies are mathematically sufficient to ensure the performance of all obligations assumed, under ordinary circumstances, the possibility of unusual contingencies, however remote that may be, must be reckoned with * * *

One of these contingencies which the company managers have always had in mind is the possible decrease in the value of securities in which the legal reserves are invested. Another is the occurrence of excessive death losses through epidemic or war which might disturb the calculation upon which the premiums charged for the insurance afforded were based. Both of these contingencies immediately confront the companies today. But for their surpluses, against the accumulation of which this differential rate is, we think, unwittingly directed, some of them might not survive the period of this war without serious impairment and corresponding loss and distress to their policyholders.

It is, therefore, clear that amendment of this section, at least to the extent of obviating this result, is necessary. The amendment which we suggest would be to include in the aggregate of income subject to the 12 per cent. tax so much thereof as might be invested in Federal Government bonds. In order to free the differential rate from the objections noted, we would suggest the incorporation of the following:

In Paragraph (a) of Section 230:

After the word "year" in line 3 on page 32 of the bill insert:

Plus (3) the amount invested in obligations

WANTED

Assistant to General Agent in New York City of large Life Insurance Company.

His work will consist of agency building. He will help and inspire present agents, procure and develop new ones.

Advancement assured and remuneration commensurate with results.

State full particulars. Address

"New York General Agent"

c/o The Eastern Underwriter, 105 William Street, New York, N. Y.

? DO YOU READ ADVERTISEMENTS ?

Once in a while it pays a man to read an advertisement.

For instance, do you know why the $24,816,657.00 of new business paid for in 1917 by the fieldmen of

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

exceeded by $3,751,129.00 the largest amount paid for in any other year since the Company was organized in 1860?

Do you know why very few men who can make a living selling life insurance leave this Company?

The answers to these questions will be of great value to the man who wishes to form a connection with

A Growing Company For Growing Men

For a direct Agency Connection address:

T. LOUIS HANSEN, Vice-Prest & Agency Manager

50 Union Square NEW YORK, N. Y.

of the United States issued after September first, nineteen hundred and eighteen.

Point IV.

The Proceeds of Life Insurance Should Not Be Reduced by the Estate Tax

The average individual seeks insurance for one or both of two reasonable and commendable purposes:

First: To make specific and certain provision for dependents.

Second: To provide a fund which will defray the expenses of the administration of his estate.

These purposes, we believe the committee will agree, should be encouraged by the Government.

With the increase in the need of Governments for revenue, taxes on decedents' estates have become exceedingly onerous. States vie with the Federal Government in the imposition of this burden and the taxes are becoming increasingly heavier. The Federal estate and the State transfer or inheritance taxes have thus come to be by far the largest items involved in the expense of administering even modest estates; and these taxes must be paid in cash. It will, moreover, doubtless be conceded, that under ordinary circumstances the most unfavorable occasion for the conversion of an estate, or any considerable proportion thereof, into cash is that following the death of its owner and responsible manager. If not a practical impossibility it would certainly be a serious economic and pecuniary loss for any man to be compelled at all times to retain on hand a fund sufficient for the payment of the inheritance taxes upon his estate. The story of the master's rebuke to the slothful servant who kept his talent unemployed illustrates the principle involved. On the other hand, the immediate realization of cash from unliquid investments, except at an improvident sacrifice, would be impossible. The process in many instances would take years, if serious loss were to be avoided. The House Committee says at page 23 of its report:

In the case of those estates where the holdings of the decedent are largely in lands and other property for which there is no ready market, it has been found in practice that a forced collection of the tax results in enormous sacrifice to the beneficiaries.

The situation has a public aspect as well. Necessity for the prompt administration of considerable estates will seriously depress the values of the securities and other property which the process throws upon the market for immediate liquidation.

The only practical way in which a fund can be provided for the payment of those taxes without economic loss to the State, as well as pecuniary loss to the individual, is through the medium of life insurance. By this means the necessary money can be rendered available without the disturbance of business, without hardship to individuals and without delay to the Government; and the resort to insurance for this purpose should, we submit, be encouraged, rather than discouranged, by the exemption of the proceeds of such insurance from the estate tax. The necessity of providing by insurance for a heavy tax upon the proceeds of the policy itself, in addition to the tax on the estate, is confusing. It appears like piling Pelion on Ossa to the bewildered taxpayers and the cost becomes prohibitive.

The other purpose for which life insurance is ordinarily procured, namely, for the protection of dependents, should also be encouraged. Instead of offering encouragement the bill extends the application of the estate tax to the proceeds of life insurance in excess of $40,000 payable to individual beneficiaries. The committee report (at p. 22) indicates that this provision was inserted in the belief that men of wealth were converting their estates into life insurance for the purpose of their transmission free from the tax. If such be the fact, we agree that an adequate check to the process should be established. Such remedy, however, should be directed solely at the evil sought to be cured.

The danger of injustice inherent in a provision which would tax the proceeds of life insurance to individual beneficiaries under the estate tax was recognized by the House Committee. The exemption of $40,000 in insurance benefits, which was intended to obviate this danger, would not in many instances be sufficient.

Having in mind the purpose of the framers, to prevent the conversion of assets, which would otherwise be subject to the estate tax, into non-taxable life insurance, it would seem that the proper remedy is to tax, not the insurance which results therefrom, but the assets so diverted. In other words, the taxation of the premiums paid by a decedent in excess of such amount, either annual or aggregate, as the committee may deem reasonable, for insurance payable to individual beneficiaries, would seem to be the proper remedy.

Proposes Amendments

In view of the foregoing considerations we therefore propose the following amendments:

To Paragraph (f) of Section 402 of the bill:

After the word "extent" in line 14 at page 71 of the bill insert: "of the excess."

After the word "life" in line 16 at page 71 of the bill insert: "over such sum as may be necessary to defray the estate tax imposed by this title and any State transfer or inheritance taxes which may be imposed upon the decedent's estate."

In line 17 at page 71 of the bill strike out the words "receivable by all other beneficiaries" and insert in lieu thereof "of premiums paid by the decedent for."

In line 18 at page 71 of the bill strike out the words "under policies."

After the word "out" in line 18 at page 71 of the bill strike out "by the decedent."

After the word "life" in line 18 at page 71 of the bill insert "subsequent to January 1, 1917 in favor of all other beneficiaries."

The several amendments hereinabove suggested are appended hereto in form showing graphically all proposed changes—matter omitted enclosed in brackets and new matter underlined.

Suggestions Made By James H. McIntosh

James H. McIntosh, General Counsel of the New York Life, suggested to the committee that they amend the bill by striking out of Section 233 (a), (1), page 35, lines 11 to 16 inclusive, and out of Section 234 (a), (10), page 39, line 15, the words "other than dividends" so that the bill when so amended would authorize life insurance companies to deduct from gross income "the sums paid within the taxable year on policies and annuity contracts."

Mr. McIntosh called the committee's attention to the fact that the clauses he asked to have stricken out have been the subject of dispute and yearly law-suits between the companies and the Treasury Department ever since the Income Tax bill was first passed. He insisted that by striking them out the statute would then clearly mean what Congress intended it to mean when it inserted in 1913 the first clause now asked to be excluded, and by quoting from the official reports of the companies he showed that in its present form, as erroneously construed by the Treasury Department, the statute grossly discriminated between life insurance companies of the same kind and class, and based its discrimination merely upon the form of the contracts which the respective companies made or on the way they keep their books. He made it clear that if such amendment is made there will no longer be such discrimination; that the law will then plainly mean what Congress intended and all companies have hitherto understood it to mean and made their returns accordingly; and that the tax receipts from life insurance will in the future be on the same plan that they have been returned in the past, and that the exact amount to be derived from such sources will be certain in amount, will be paid once and for all, and constant disputes and law-suits ended.

MEET IN MONTPELIER

Annual Convention of General Agents' Association, National Life of Vermont

The annual meeting of the General Agents' Association of the National Life of Vermont was held in Montpelier last week. George P. Dewey, of Portland, Me., read an interesting paper on "Why Women Should Insure." E. B. Hamlin, of Cleveland, spoke on agency development. H. M. Humphrey, of Goldsboro, N. C., discussed the disability clause. President Howland and other officers addressed the convention. At a banquet the Governor of the State was the principal speaker.

The members of the association went to Green Mount Cemetery one morning while in Montpelier and decorated the grave of Joseph A. De Boer, who was president of the Company.

P. L. & T. WAR RIDER

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British Separation Allowances Fixed

A SUMMARY OF DECISIONS

Increases Made for Dependents—Minimum Allowance Per Man of 5s. a Week

London, September 10.—After due consideration of all the figures put forward by the Admiralty War Office and Air Ministry the War Cabinet summarizes its decisions under the heading of Separation Allowances as follows:

I.—Wives and Children

(a) That no alteration should be made in the rates laid down for a wife only, or for children over fourteen years of age.

(b) That where there is one child under the age of fourteen in the family the weekly rate of separation allowance shall be increased by 2s. 6d.

(c) That where there are two or more children under the age of fourteen in the family the weekly rate of separation allowance shall be increased by 4s. 6d.

(d) For motherless children under fourteen years of age the weekly rate of separation allowance for one child maintained in a home shall be increased by 3s.

(e) That the weekly rate of separation allowance for the second and subsequent motherless children maintained in one home shall be increased by 1s. for each child.

(f) That these increased allowances shall be payable as from the first pay day in October, 1918.

It is estimated that the cost of the above proposals will be, approximately, £14,000,000 a year for the three services.

II.—Issue of Allowances to the Parents of Unmarried Apprentices, Students and Youths on Progressive Wages

Dependents' allowance is based on the net contribution made by the soldier to the parents before enlistment.

In the early days of the war many lads joined the colors before they had begun to earn sufficiently, whether by reason of apprenticeship, secondary education, or other causes, and no dependents' allowance, therefore, was issuable to their parents. Others remained in civil life until called up under the Military Service Acts. Wages had risen rapidly meanwhile and they were able to make substantial weekly payments to their parents before enlistment, and dependents' allowance was payable on their becoming soldiers.

This is felt to be a great hardship from the point of view of the parents of the lad who early joined the colors, and the hardship is accentuated by the fact that pension on the soldier's death depends on the allowance his parents drew while he was alive.

But so long as pre-enlistment contribution is maintained as the basis of the parents' allowance the grievance cannot fully be remedied. It has therefore been decided that an exception should be made in the class of case alluded to above, and that when the soldier has attained twenty-one years of age, by which time he would have been able to make some contribution to the family income, some allowance should be paid to the parents.

The possibility of investigation of individual cases was carefully considered. Such investigations could only be made by the Special Grants Committee and the Local War Pensions Committees. After full consideration it was decided that not only was there not sufficient staff and accommodation available to deal with the very large amount of extra work involved, but that the inevitable delay in adjudicating on all cases would be so great that this course was impracticable.

It was therefore decided that there was no alternative to a flat rate being given to the parents of all sailors, soldiers, and airmen over the age of twenty-one and under twenty-three. The War Cabinet have fixed this at 5s. a week.

Consequent upon this it will be necessary to bring up to the same level the allowances of less amount which are at present paid. The Special Grants Committee's powers will therefore be extended to enable them to grant allowances up to the full State separation allowance limit in any case where a parent can show that an allowance is necessary, and that an unmarried son who enlisted under the age of twenty-three would, if in civil life, have been in receipt of wages sufficient to enable him to make a contribution or a larger contribution to his parent. The actual amount of the allowance given by the Special Grants Committee would be governed by the circumstances of the case.

This flat rate allowance is limited to those soldiers who have attained twenty-one years of age and who were under twenty-three on enlistment. Older men would have been in a position to earn full wages and to make full contribution to their parents' support.

The cost of this proposal is roughly estimated to amount to £9,000,000 for the first year.

The cost of pensions is estimated at £2,600,000 for the year 1919-20, which will approximate to the maximum annual cost.

These allowances will date from the first pay day in October, but it must be recognized that owing to the immense number of cases to be dealt with, it will not be possible for the Army to begin payment before the 1st of November, and it will be several months after that date before the revision of Army allowances is completed.

Summary of Decisions

The decisions under this heading are summarized as follows:

(a) That a minimum allowance of 5s. a week shall be payable on account of every soldier, sailor or airman when he reaches the age of twenty-one while serving, or if he joins after that age and was under twenty-three on enlistment, and that the allowance already being given on the basis of dependence, if less than that amount, should be made up to it in the case of men fulfilling the foregoing conditions.

(b) That this allowance shall cease on marriage, and will not be given if other dependents' allowance is issued in respect of the sailor, soldier or airman.

(c) That this separation allowance is payable only on application from the sailor, soldier, or airman, or his parents.

(d) That the Special Grants Committee Part II. Regulation (9, b) shall be extended so as to cover all cases

(Continued on page 8.)

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GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

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PRESIDENT

Life Insurance As It Pertains To The Farmer

By W. H. Graybill, Special Agent of Illinois Life, Kansas.

Read at Fifteenth Annual Convention of Company's $100.000 Club

Life insurance as it pertains to the farmer is a subject that every life underwriter, who is working outside of large cities, should give careful consideration.

We are constantly urged by our managers and agency supervisors to study our prospects, in order that we may intelligently talk along lines and offer contracts to fit particular needs. This is too often taken to mean big prospects, such as bankers, merchants, and men of affairs whose names are frequently mentioned along business and financial lines. But let us not lose sight of the fact that during the last decade, a new class has sprung up and is taking its place in the business world.

It is not our intention, to in any way, reflect on the farmers of years gone by, when they were referred to as hay seeds and clod hoppers and such other names that led many to believe that they were only created to live, move, and have their being in the atmosphere that surrounds the farm. But things have changed, and let us look at the average farmer of the middle west as he is to-day, and you will readily see where many mistakes are made and where he is underestimated intellectually, socially and in a financial way.

Handled Carelessly

I find that after half a century spent among the farmers, the last ten years of which have been devoted to the life insurance business, that no commodity that is offered to farmers is as carelessly handled and as much abused as is life insurance. I attribute this to the fact, that so many men going into the country to sell life insurance to the farmers, are not familiar with the business and social plane on which the average farmer and stockman of to-day is moving, and such being the case, the agent reckons without his host.

It has been the custom to approach the farmer with a proposition to sell him a little life insurance, and if he showed an inclination to listen, the agent used the high pressure method, putting on a full head of steam. He would elaborate on some fine selling point in his policy, then back the hearse up to the front gate, paint a vivid graveyard scene, and close his prospect for one or two thousand dollars, when he could have been written for five or ten thousand.

I am glad, however, that such conditions do not exist to-day, not to any great extent at least. The agent who goes out to-day with kid gloves, a big diamond, and a silk hat, expecting to capture a bunch of rubes and get back under cover without a fight on his hands, is building an air castle that will explode about the time he gets through with the first farmer.

The farmer to-day is a thorough business man, who runs his own business and fills every position from general manager to section boss, without a retinue of trained department heads to look after each particular branch, and from a Government viewpoint he ranks with the highest. While the munition-factories and other war industries are doing a large part to help win the war, the farmer is furnishing three square meals a day, not only to our own brave boys, but to the allied world.

Sketch of the Farmer

Intellectually, he has grown from the be-whiskered, unsophisticated "Ezra," as depicted by Uncle Josh, to an educated giant of industry. His sons and daughters fill the classrooms of our colleges and universities, and with them, he counsels on many leading issues. I have frequently had men ask me to come to the house and take the matter up when the son or daughter, or perhaps the wife, who may chance to be a college graduate, can be present. This may seem strange, but I personally know many cases where wives of farmers have hanging on the wall a diploma entitling them to the A. B. and even the A. M. after their name.

If you should happen around when the rural mail carrier makes his daily call, you would find him leaving in the farmer's box the leading daily paper, the drover's telegram, the daily stock reports, and in many cases arrangements have been made with the Weather Bureau for the daily weather forecast to guide them as to the arrangement to their work and in the care and shipment of stock. You will find that he is familiar with conditions as they exist from day to day. He is fully awake to everything that is doing in way of prices. This is not only true of what he has to sell or buy, but he is conversant with the world's money market, the rise and fall of stocks, and the effect the war will have on the prices of all commodities now and after peace is declared.

So you can readily see why I think that the life insurance business among farmers is carelessly handled in so many cases. The agent who tries to place the business so often underestimates his man. He is not accorded due credit for what he really is or knows, and too often the agent tries to sell him a policy from an emotional or sentimental standpoint, instead of putting the matter up to him in a straight-forward business like way.

My theory is that the farmer, and especially those who are farming and raising stock extensively, are as much in need of life insurance as is the banker, the merchant, or the contractor.

They have the savings of a life-time in their business and if death should overtake them before they have reached their goal, that is to say before they have their land all clear and their stock and equipment paid for and a fairly good sized bank account to their credit, with all the children raised and educated, they have not accomplished what they started out to do.

Funds When Most Needed

Now, we as life-insurance men must impress upon them the necessity of establishing a contingent fund sufficiently large to carry out these ends, even though death should take the head of the family before all these things come to pass. Show them how easily and at what a small expense this can be done on the installment plan, and that it will be available for the full amount, if death occurs as soon as the policy is issued and paid for, and that the death of the insured cancels all unpaid installments. Make clear to them the expense incident to settling up an estate, especially if there are not sufficient funds to meet all expenses and taxes. Don't overlook the Federal Inheritance Tax. Such a fund should be from $5,000 to $20,000. Make it clear that this fund will come to the family in cash without expense upon the death of the insured. The only uncertainty about it being the time when it will be needed.

Impress upon them the necessity of putting their house in order and have matters in such a shape that the estate will not be dissipated in the settling up. Convince them that the strong estate

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85 PER CENT of our 1917 business was produced by full-time representatives; 10 per cent. came from a small group of part-time men located chiefly in rural communities, and 5 per cent. was the surplus line business of full-time representatives of other companies.

Our effective plans of training and co-operation are being devoted chiefly to full-time representatives.

Phoenix Mutual Life Insurance Company

of Hartford, Conn.

JOHN M. HOLCOMBE, President

is the one with plenty of ready cash back of it, enough so that the good wife, who shared the hardships and vicissitudes with the husband, can live in comfort on the home place during her declining years without any financial embarrassment because of the forethought of the faithful husband in establishing this contingent fund through life insurance, in an amount sufficient to meet all needs.

Nearly all farmers carry some protection, mostly in sums ranging from $1,000 to $3,000. A large majority of this is either in fraternal or assessment insurance, having been sold to them in a hap-hazard way without making clear to them the real commercial value of life insurance and the amount of re-inforcement the business they are doing requires.

I personally know of farmers doing a business involving from 20 to 30 thousand dollars annually and using at times from 5 to 10 thousand dollars of borrowed money to finish harvesting and marketing their crops, or in feeding out a bunch of cattle; and to safeguard their wife against having to meet this loan in the event of their death, they carry $2,000 fraternal insurance.

Create a Desire

Now, it is up to the real life insurance man to take this matter up with the farmer, go over it seriously, honestly and conscientiously and in a strictly business way; never mind about your policy, or the stability of your company at this point. That can be handled later, if he should ask about it. Convince your man that he needs insurance, create a desire, and when you have done this, he will invariably ask you what it will cost. Then, if you will suggest a policy to fit his case, you can show him, if necessary, the advantage of a legal reserve policy over that of an assessment or fraternal certificate from a commercial viewpoint and your work is completed. He will make a contract with you for a policy commensurate to suit his case.

I never condemn or assail his fraternal or assessment insurance, if he happens to be carrying some such, but treat it as an essential side line which he should keep up for the benefit of the family, who may use it advantageously to meet small expenses that are sure to occure when that sad day comes. But impress upon him forcibly that it is not what he needs in the accomplishment of the big things that will sooner or later enter into the settlement of his estate.

Approach your farmer as you would any other business man. Convince him by your words and actions that you consider him a business man and just as big in his line as is his banker or merchant or others with whom he is associated; that his business needs the same re-inforcement as does the banker's. That it is just as necessary for him to establish a contingent fund for the protection of his family and to save what he and his family have worked a lifetime to accumulate. Convince him that you are giving honest facts, and your reward will come, and you will find that writing big policies on the lives of farmers and stockmen is a pleasant and profitable business.

AETNA LIFE CLUB

N. M. DeNezzo, New President, Entered Employ of Company When a Boy

At the thirteenth annual meeting of the Aetna Life Club, an organization composed of some 750 men employes of the Aetna Life Insurance Company of Hartford, these officers were elected:

President, N. M. DeNezzo; vice-president, Frank K. Daniels; vice-president, James E. McKinney; secretary, Edward M. Kyte; treasurer, Harry C. Slate; historian, John D. Eels.

Assistant treasurers, Irwin G. Dagle, A. L. Hollings, Wm. R. Bland, Cliff Bowers, F. F. Fox, Richard Valente, H. E. Rowell, A. F. Miller, Joseph Wright, Richard Mantie, E. P. Heimer, A. R. Jepson.

The new president was born in Hartford, May 6, 1891, and was graduated from the Hartford High School in June, 1907. Entering the employ of the Aetna Life at the age of 16, immediately after graduation, Mr. DeNezzo has worked his way in the company from mail boy to his present responsible position in the life dividend department of the company. He has the qualities of initiative necessary to the office to which he has been elected and the club is fortunate in having such an energetic head for the coming year.

Mr. Daniels, the first vice-president, is the employment manager of the company. James E. McKinney, the second vice-president, is in charge of the license division in the Agency Department. The secretary, Edward M. Kyte, is connected with the Accident Department. The newly elected treasurer, Harry C. Slate is in the Photography Department, and the historian John D. Eels is with the Publicity Department.

OPENS NEW YORK OFFICE

Samuel A. Lewisohn in Charge—Has Jurisdiction in Two States and Parts of Another

The War Risk Bureau has opened an office at 261 Broadway, New York, in charge of Samuel A. Lewisohn, and it is being organized by Former Deputy Commissioner of Charities Doherty. Its jurisdiction is New York, Northern New Jersey and Connecticut. Dr. Lee K. Frankel, Metropolitan Life, is acting in an advisory capacity with the office.

The Kansas City Life has applied for admission to California.

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Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
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Is paying its Policyholders nearly	1,500,000.00 annually

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Life Insurance Company
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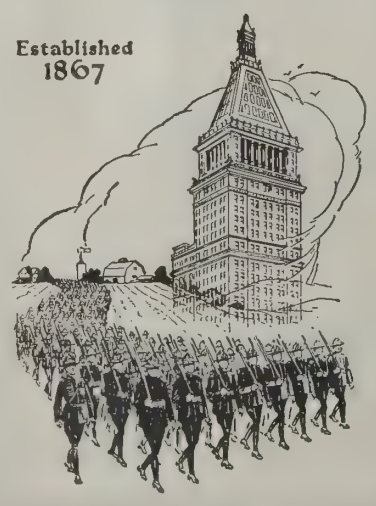
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Protects the insured and his dependents.
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Metropolitan District
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How Policies Are Written At Front

WORK OF WAR RISK BUREAU

Agents Travel Gypsy Style—Travel at Night, Write Insurance By Day

The Eastern Underwriter asked Henry D. Lindsley, chief of the War Risk Bureau in France, and formerly president of the Southwestern Life, if he would not send a human interest story about selling insurance to soldiers and sailors. Mr. Lindsley sent the following article, which was written for "The Stars and Stripes," after $150,000,000 of insurance had been written in thirty days.

One hundred and fifty million dollars' worth of insurance underwritten in 30 days, a total of a billion and a quarter held by members of the American Expeditionary Forces. These tremendous figures spell the achievement of the War Risk Insurance Bureau.

They mark, too, the concrete accomplishment of a band of insurance agents—a score of officers and a sizeable little group of enlisted men—who between March 12 and April 12 covered every part of France where an American soldier was to be found, not to mention England, and waged a policy getting campaign whose equal has never been seen in Europe and has only been exceeded once in America. And it was exceeded in America because there are many, many more American soldiers in the States to talk insurance to than there are over here.

Not only has that little band of War Risk boomers accomplished a feat that would put them at the top notch of their profession in the United States, and make the president of every insurance company go down on his knees to get them, but they have enjoyed a whole set of experiences unique in the annals of their profession.

Policies Sold Under Shell Fire

They have been to the front. They have said "Sign here, please," when the intending signer—along with the agent—might be plumbed out of the door by a Hun shell before he could get to the ink bottle. They have been, some of them, in the insurance sense, mighty poor risks. But as they were soldiers first and insurance men afterward, or rather because their soldiering consisted of insurancing, they stuck to their combined jobs, boomed Uncle Sam's policies, and sold them. And they all came back to their headquarters, bringing with them or wiring ahead of them a mass of figures which, taken together, exceeded even the rosy expectations of their chiefs by about 50 per cent.

The campaign was originally intended to close February 12, but, thanks to a joint resolution of Congress, the time was extended to April 12, allowing 60 days of grace for men who had not taken policies or who wished to increase the amount of those they already held.

Plans were thereupon laid to wage a vigorous campaign beginning March 12. The territory, wherever it might be, occupied by the American Expeditionary Force was divided into districts of convenient size for one of the parties to be sent out.

They traveled, many of them, in true gypsy style. They camped out at night, slept in the cars or light trucks loaned them by the Red Cross—and War Risk officials were loud in their praise of the helping hand lent them by the Red Cross—and cooked their own meals. It was something an insurance man had probably never done before, but they were aiming at a goal that no insurance man had ever before so much as dreamed of reaching.

Entire Field Covered

To do this it was necessary to go over the entire field as though it had never been touched before. It was necessary to reach men who had already taken out protection, and also those who had not yet taken out the limit of $10,000.

The biggest task before them was the base ports and the adjacent rest camps. Here, at the neck of the bottle, they talked War Risk Insurance to men who had just come over and had not yet gone through that process of splitting up that would scatter the organizations in a dozen different directions.

They had their spiels, like all insurance men. And their chief argument with the new arrivals was this:

"You have a policy for $5,000. You think it's enough. You say it's a lot more than a whole lot of prosperous business men back home have taken out in their whole lives. All right. But you're getting three dollars a month more than you did back home, aren't you? That three dollars will pay your premium on $5,000 more. Boost that policy to $10,000. Your pocketbook will never feel it."

The new arrivals saw the logic of it right away. And they paid out their overseas raise in wages to prove it.

The task at the base ports, however, was not an easy one. There were all kinds of company records to be gone through in search of the men to be reached, for the number was of course relatively small when compared with the whole number in a unit.

It will continue to be small, for hereafter the insurance privilege, by the terms of the original act, will be only open to those who have been in the service less than 120 days. And most of America's Franceward bound soldiers have been in the service considerably longer than that—long enough to learn their trade and to take out War Risk Insurance back home.

What the Total Means

It is difficult for one who has not been bred in the insurance game to appreciate the prodigious total piled up by these soldier salesmen. The average amount underwritten by each team was in excess of $7,000,000. This represents only a month's work.

At home an agent who underwrites a million a year is such a big man that he draws more pay than the president of his company—also there are mighty few of them. Men who sell from a quarter to a half million a year are so rare that they are extremely select, and are grouped into "quarter million clubs" or "half million clubs" by their admiring directors. But none of these clubmen is ever going to write $7,000,000 in a month. It's absolutely impossible to do it—outside of the Army.

Some day the history of those insurance agents who have just completed their record job may be written in its entirety, and it will be as exciting as if it had all happened at the front—just as some of it did. There will be in that chronicle the story of policies written when the policyholder lay in a hospital hovering between life and death—a situation in which you would pardonably expect an insurance agent to be his last visitor imaginable.

Perhaps it is easier to explain than it would seem. It wasn't an attempt to sell something, but to give something away; an attempt not to make a man buy, but to persuade him to avail himself of a privilege.

AMERICAN LIFE CONVENTION

Proceedings Will Be Reported In Special Edition Coming Out September 21

The American Life Convention is being held this week in Chicago. There are a number of papers being delivered which are of unusual and pertinent interest.

A full report of this convention will be printed by The Eastern Underwriter in a special edition dated September 21.

RICE UNDER DOCTOR'S CARE

President of National Fidelity Life Unable to Attend American Life Convention

President Rice, of the National Fidelity Life of Sioux City, Iowa, is under a doctor's care and will not be able to attend the American Life convention. He was scheduled to make an address.

TRAVELERS GIRLS CLUB

The Travelers Girls Club, an organization of some 1,000 female employees of the Travelers Insurance Company, will equip the United States Army with a canteen costing $7,000. The canteen will have a sign with the "Travelers Girls" printed thereon, and any Travelers man stopping there will be cheered up to see this familiar name. It will seem almost like grasping an old friend by the hand. Seven thousand men a day can be served at this canteen. There are also tables which accommodate 200 men who have time to enjoy a square meal. A dormitory of 200 beds for those who have long hours to wait is likewise provided.

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

The New Draft Law

We are getting into the war in dead earnest, says the Missouri State Life. The new draft law, calling men from 18 to 45, shows the temper of the people as nothing else could.

Moreover, this law proclaims to the world that America will strike for a speedy termination of the war by providing a preponderance of man power immediately. It is the voice of the people saying, "We are in it, now let's win it!"

What ultimate effect the new law will have upon new business, no one can yet say. Its immediate effect, however, should be to accelerate business. It certainly brings the question of life insurance sharply to the mind of every insurable man, whether within the draft age or beyond it. If within, the need for all one can get is mighty pressing. If beyond the age, duty will say, in most cases at any rate, that greater insurance is required by reason of the greater responsibilities brought about, in one way or another, by the depletion of man power in the usual channels of business.

Whether our opinion is correct or not, or whatever may be your opinion, one striking fact growing out of the situation is bound to appeal strongly to every man writing life insurance, to-wit: We are facing a radical innovation, made necessary by the war, and it behooves every wide-awake Missouri State Life man to discount any possible bad effect upon his writings by slashing in for the next thirty days as though his very life depended upon the outcome. Yea, better still, strike out each day as though there were no tomorrow—and in fact there are none—determined to make each minute count, like the air pilot who, ascending to meet the enemy, thinks not of returning but only of the fight to the death which confronts him.

Let this be the controlling thought with us: However the draft law may affect us, individually or collectively, we shall push ahead towards the goal of success which awaits all who, answering the call of duty, do their best.

* * *

Keep Books On Yourself

Harry T. Wright, of Chicago, for several years a member of the Equitable Life Assurance Society's Quarter-Million Club, has given his own version of how he does it:

"The biggest men in our business are men who really enjoy their work and get from 8 to 10 hours' pleasure in being on the job," he says in "Agency Items." "The reason, I believe, for 80 per cent. of the failures is that the agent has not worked hard enough. The average failure in our business would probably resent this statement because he thinks he has worked and worked hard; but had he kept books on the number of prospects he had actually interviewed, the small number would probably surprise him and he would wonder how he had so successfully 'kidded' himself into thinking he was being overworked. Every business house in the country keeps books, and I find it necessary to keep a record of myself in order to analyze my results and find out why things go wrong and where my trouble is. If you will pardon the use of the personal pronoun, I have always kept a record on a monthly card of the number of people seen, both regarding optional business and deliveries, day by day, and totalled by months and for the year.

"If my result at the end of a certain month has been unsatisfactory to me (and it is unsatisfactory quite often), it is usually quite easy at the end of that month to analyze my work and put my finger on the trouble. The report is surprisingly frank, and I find the reason in the great majority of cases is that I have not seen enough people.

"Had I not kept a report, it would have been very easy for me to have convinced myself that business was rotten and I was played out and needed a vacation. The life underwriter who is in the 'dumps' and is worrying about the poor month that has been his, will, I believe, in the great majority of cases, be surprised to know how few people he has seen that particular month.

"I find that the best way to get out of the dumps is to get to work. Every interview I have is worth a certain amount of money—say $9.00 an interview. If I can see two people a day, I will make $18.00; if I see four, I will make $36.00. It is, therefore, my business to interview as many people intelligently a day as possible. A man should have no objection to making $9.00 before 9 o'clock or $9.00 from 6 to 7 o'clock. I am a firm believer in averages and I am just as much concerned about the looks of my daily record of the number of people interviewed as I am about commission statements, because my commission statement will be in direct proportion to the number of people seen.

"I get a great deal of pleasure in trying to see more people this month than in the same month in the previous year, and in beating last month on the number of people seen. Assuming we have the right conception of our business and are seeing our prospects in an intelligent way, and assuming that we are (as we should be) profiting by our past mistakes, if we see at least as many people this year as we did the previous year, our business must necessarily increase."

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, has undertaken to sell in 1918 $65,000,000 worth of War Savings Certificates and Stamps, making an allotment to every agent.

JOHN R. HEGEMAN, President

British Separation Allowances Fixed

(Continued from page 4.)

where a parent can show that an allowance is necessary and that the son would have been receiving wages which would have enabled him to make a contribution if he had remained in civil life.

(e) That this allowance shall be payable as from the first pay-day in October, 1918, and that the extension of the Special Grants Committee's Regulations (9. b) shall take effect from the same date.

(f) That the present rules governing the amount of maximum separation allowance payable on behalf of several men serving, in respect of each individual dependent, shall not be affected by reason of the establishment of this new allowance.

(g) That the word "parent" includes the grandparent or other person who has been in the place of a parent to a sailor, soldier, or airman, and has wholly or mainly supported him for not less than one year before enlistment.

III.—Supplementation of Separation Allowances

In taking into consideration the present rates of separation allowances payable to wives or dependents of sailors, soldiers, or airmen, the War Cabinet had due regard to the present supplementation of separation allowances paid by the Special Grants Committee and the Military Service (Civil Liabilities) Committee.

A. Cases Dealt With by the Special Grants Committees and Local War Pensions Committees

(i.) These cases are dealt with by the Special Grants Committees of the Ministry of Pensions, application being made to the Local Pensions Committee. The allowance to wives toward rent, insurance premiums, and other contractual obligations, is made up to a maximum of 12s., but not to exceed the difference between present income of the household and the pre-enlistment income, after allowing for the saving resulting from the man's enlistment. Where the contractual obligations exceed 12s. a week the case is dealt with by the Military Service (Civil Liabilities) Committee.

(ii.) Similar allowances are made to dependents other than wives, but limited to the difference between the separation allowance paid and the dependence existing when the man joined.

(iii.) In addition to allowances under (i.) and (ii.) the Committee can give an allowance up to 10s. a week, if there is still a difference between the present income and the income before the outbreak of war, after allowing for the saving from the man's enlistment.

(iv.) An allowance is made to childless wives and dependents unable to work, not exceeding 4s. a week.

(v.) An allowance is made for children over fourteen who are physically unfit, or are at school, or are apprentices.

(vi.) The motherless children rate of 7s. can be raised to a sum not exceeding 9s. 2d. When a motherless child requires special medical care, the amount can be raised to 13s. 6d.

B. Cases When the Contractual Obligations Exceed 12s. a Week are Dealt With, as Stated Above, by the Military Service (Civil Liabilities) Department,

which is empowered to grant assistance in respect of:

Rent;

Interest and instalments payable in respect of loans, including mortgages;

Instalments, payable under agreements for the purchase of business premises, a dwelling-house, furniture, and the like;

Rates and taxes;

Insurance premiums; and

School fees;

Grants may not be made at a rate exceeding £104 a year.

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York

34 NASSAU STREET, NEW YORK CITY

Michael Rubin Heads New York Life Club

PAID FOR $1,450,000 LAST YEAR

Came From Russia—Brief Sketch of Personalities of Company's $200,000 Club Leaders

The new officers of the New York Life's $200,000 Club are all self-made men.

Michael Rubin, the president, who wrote $1,450,000 paid insurance during the year, was born in Russia in 1866. He went with the New York Life in 1895. The Company says of him: "His work is intelligent, enthusiastic, perpetual; his optimism is exuberant." He is a New York City man.

Specializes on Business Insurance

George E. Greenbaum, the leading vce-president at large, is also a New York City writer. His specialty is corporation or business insurance. The first thing he did when he began with the Company in 1902 was to throw away his watch. Commenting upon this the Company says: "The possession of a timepiece has spoiled many a good agent." His club record was $734,500.

Gus Bertner, another vice-president at large, wrote $632,585. He is from Little Rock, Ark. He was a barber and won his way by sheer merit.

Not Above $1,000 Applications

Of Edward Wolverton, Nebraska, another vice-president at large, who wrote $619,812, the Company says: "If he gets a death-claim settlement it's pretty nearly a ten to one shot that he will come back with an application as a result. If he receives a check for a policyholder the same thing holds true. He rarely misses having from one to three appointments each evening after dinner and notwithstanding he paid for over $600,000 last year he is not above writing $1,000 applications. In fact, his business is largely made up of small applications."

Charles J. Morris, of Chicago, another vice-president at large, has been a member of the club for ten years. In fact, the Company says that a big $200,000 club without Charlie Morris as a member would be Hamlet with the Prince of Denmark missing.

T. D. Gaddy, of Oklahoma, also a vice-president at large, wrote $561,971.

Paid For $3,500,000 Since 1910

Some interesting points about other vice-presidents follow:

John J. Hosch, leading vice-president of Northwestern Department: Since July, 1910, he has paid for about $3,500,000 and not a single death loss.

J. O. Daniels, vice-president Northeastern Department: He secured most of his business from old policyholders.

Alexander Dumas, Jr., Seaboard Branch: A young man who can write life insurance as easily as his namesake did romantic novels.

B. M. Noland, Charlotte, N. C.: Leader among the Southerners.

Paul T. Bell, vice-president, New Pacific Department: Worked his way through college selling life insurance.

C. W. Moulthrop, vice-president, Gulf Department, Mobile: For ten years a traveling salesman for a grocery house. Paid for 104 policies for $208,750 his first seven months with New York Life.

Baer Horvitz, vice-president Atlantic Department, Pittsburgh: Has not fallen below $400,000 in six years.

Writes College Students

Dr. C. H. Webster, vice-president Eastern Department, Binghamton: Insures mostly Cornell students.

H. G. Meyers, vice-president Central Department, Chicago: He sees a great many people daily, and cannot conceive of permitting any week to go by without writing somebody.

Charles L. Swarts, vice-president Southwestern Department, Missouri: Formerly in shoe business.

INHERITANCE TAX

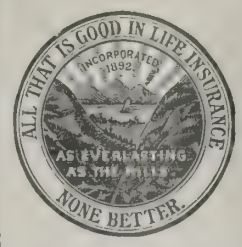
Views of President Johnson, of Security Life of America, Given to Agents

In discussing the Inheritance Taxation question President O. W. Johnson, of the Security Life of America, said this week:

"This is a class of business which it is necessary to educate the public to buy and it is vital to thoroughly inform yourselves on the subject so as to be in position to present the matter intelligently. You undoubtedly will find furthermore, that this will be a subject, like the war, which everyone is interested in discussing and consequently you are given a fine opportunity for an opening and a better acquaintance with the prospect. And in your interview you can clearly demonstrate that adequate provision must be made for this tax in advance to provide the necessary cash and that life insurance is the only solution of this problem. It provides the necessary funds in spite of depressed market conditions which may exist and obviates the necessity of sacrificing property or disposing of stocks and bonds at a fraction of their real value. Bring out the inevitable loss in liquidation, the actual and sentimental loss to an ordinary business on the death of its head, the sometimes almost impossible task of finding purchasers for unlisted stocks, however intrinsically valuable, in effect many times an auction sale price to the highest bidder, a tremendous and unnecessary sacrifice on the altar of unpreparedness. The cost of equivalent amount of insurance would not equal the loss in forced sale, and all for a lack of cash, not assets, the failure to have provided cash. The man of affairs will see this viewpoint and the vital necessity for cash and is the one with the forethought to act accordingly. Witness DuPont, Morgan, Davison and others."

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

HOME LIFE INSURANCE COMPANY of AMERICA

INCORPORATED 1899

PROTECTION FOR THE ENTIRE FAMILY

This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.

INDUSTRIAL POLICIES are in full immediate benefit from date of issue.

ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State Endorsement.

GOOD CONTRACTS FOR LIVE AGENTS

Executive offices No. 506 Walnut St., Philadelphia, Pa.

BASIL S. WALSH, President JOSEPH C. DIXON, Secretary JOHN J. GALLAGHER Treas.

Extracts from Report of Examination of

SOUTHWESTERN LIFE INSURANCE CO.

By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."

"I beg to report further that I find the Company in excellent financial condition."

"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

Mr. Successful Life Insurance Agent:

Do you want to secure a General Agency for yourself? If so, read this, it is

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000, or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And WHY should any man be satisfied with a policy that would do less? The cost is low.

General Agents wanted in the following States: Pennsylvania, Delaware, Kansas, Michigan, Ohio and the District of Columbia. Address:

UNITED LIFE AND ACCIDENT INSURANCE CO.

Home Office, United Life Bldg., Concord, New Hampshire

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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HARDISON ON BROKERS AND AGENTS

Commissioner Hardison's paper on agency and brokerage problems delivered before the commissioners' convention in Denver is one of the best addresses of the many he has made since he assumed office a long time ago. His common-sense, hard-headed angle of the situation commends itself to every company, agent and broker. In fact, his outline of the duty of insurance departments is well worth the careful study of his fellow commissioners. He correctly differentiates between the real agent and the one-case agent and broker, the latter being principally the man who does insurance service for his employer only. The chief qualification he demands of the placer of insurance is that he possess either knowledge of insurance or ability to acquire it, and that he hold himself out to be an agent or a broker. However, he knows when to draw the line—when not to be too strict, viz:

I wonder how my associates are handling the problems that arise by reason of the death of an agent who has a valuable business which would be the prey of the harpies of the agency profession if there were no one to look after it? It often happens that this business and its good will is the most substantial part of the agent's estate and the loss of it would deprive the widow and children of means necessary for their support. Occasionally the widow desires to continue the business, but she is ignorant not only of insurance laws, customs and forms, but of all business principles. She is entirely incompetent to act as an agent or broker. She is by reason of that incompetence not a suitable person to let loose with the state's authority endorsing her. But, nevertheless, her interests must be protected. I endorse any reasonable proposition to that end. Sometimes it takes the form of licenses to the widow under an agreement with her and some friendly, satisfactory agency that the business will be properly supervised by said agency and sometimes arrangements are made with some other competent person to carry on the business in the interest of the estate.

He also provides ample protection for the office of the agent who must leave to serve his country in the field.

So many persons who apply for brokers' licenses are lacking in the knowledge (and possibly in the ability to acquire it) as to what they may not do and still retain their licenses that Commissioner Hardison has caused to be printed on the back of each license in plain type a statement of some of the reasons which will be deemed sufficient for revoking it. These reasons are so good that they are reproduced herewith:

This license may be revoked for any one of the following reasons:

1. Any violation of the insurance or other laws.
2. Failure of licenses to hold himself out and carry on business in good faith as an insurance broker. A licensee fails to hold himself out in good faith as a broker if he simply covers his own property or interests and such as he controls, and makes no reasonable effort to secure other insurance.
3. Breaking or attempting to break any written agreement as to the rate or amount of commission the licensee is to receive, or breaking any proper agreement respecting the insurance business or making any improper one. No agreement should be made which nullifies any agreement as to commissions by combining compensation for brokerage with other remuneration.
4. Failure of the licensee to pay to the agent or company entitled thereto and within the time agreed upon any premium which he has collected; or if no time has been agreed upon, within ten days of the demand therefor.
5. Withholding from the assured or attempting to withhold any unearned premium or part thereof when a policy is cancelled for which the premium has been paid by the assured.
6. Evidence of gross ignorance of the insurance law or of what constitutes violation thereof. Ignorance is not an excuse for violation.
7. Any conduct or practice which is the occasion of frequent well founded complaints in the manner and method of transacting business.

SENATOR SHERMAN'S GUESS

In a speech delivered in the Senate, Senator Sherman of Illinois says that in his opinion not one undertaking seized as a war measure is intended to be returned to their owners by those in power in Washington.

EXCESS PLAN MATURING

Howard De Mott To Be Manager of Association—Million Dollar Capacity Already Assured

A writing capacity of one million dollars over the present limit is now assured through the operation of the Fire Underwriters' Excess Association on the basis of the companies already pledged to membership. At a meeting of the organization committee of the Association on Tuesday it was decided to appoint Howard De Mott, manager of the Reinsurance Bureau, as manager of the Excess Association.

It was also determined at the meeting that one of the first functions of the Association before accepting a line would be to establish the fact that the usual channels of direct underwriting had first been exhausted and that on this class of business the brokerage commission should be limited to five per cent. The committee decided after discussion that the Association will not handle any other class of business than fire insurance, eliminating use and occupancy and kindred specialties.

The present pledged membership in the Association is deemed sufficient by the organization committee to proceed immediately with the final arrangements so that operations can be started as soon as possible.

THE HUMAN SIDE OF INSURANCE



WHITFORD S. MAYS

Whitford S. Mays is one of the Southern insurance men who has found an opportunity in the nation's greatest insurance center to demonstrate his ability as an automobile underwriter. He is happily located with the Niagara. While he has lost none of his love and veneration for his Southern home he likes the big city right well. Mr. Mays began his insurance career with the Royal Indemnity in Atlanta, his former home. He later became connected with the Royal Insurance as manager of the automobile department in the Southern department with Manager Milton Dargan. After four years spent there Mr. Mays engaged with the Niagara in New York where he is superintendent of the automobile department. While in Atlanta Mr. Mays was secretary of the Southern Automobile Conference and a member of the executive committee in 1916 and 1917. He attended Georgia University and was graduated from Vanderbilt University, Nashville.

* * *

Frank C. Goodnough, assistant secretary of the Security Mutual of Binghamton, N. Y., who has been connected with the Home Office for many years, expects to leave soon to do Y. M. C. A. work in France.

* * *

F. W. Shanbacher, who represents the Fidelity Mutual in a small town in Pennsylvania, and whose charts on estates taxation attracted so much attention at the convention of the National Association of Life Underwriters. led the Fidelity Mutual's Honor Roll for August. The Fidelity Mutual's "Field Man" printed his picture in the current issue with this comment:

"A mere idea without hard work will seldom get a man anywhere; and mere hard work without an idea will not carry him much farther. But the man who hooks up an idea to persistent effort is likely to ride in a winner. In fact, he has. Frank W. Shanbacher took hold of the idea that life insurance is the best way to protect the integrity of an estate from possible impairment by the inheritance tax. It seemed a water-tight proposition—the Government gets the tax and the heirs get an undamaged estate. Having decided that it was good, he went to work—with a capital 'W'—and now he is cashing in on the combination. So this column contains triple honors—for the man, for his idea, and for his work."

John G. Levison, son of the president of the Fireman's Fund, is at the United States Naval Training Camp at San Pedro, Cal.

* * *

George S. Penfield, manager of the Railway and Ticket Department of The Travelers Insurance Company, completed forty years of service with the company to-day. Mr. Penfield is one of the oldest members of The Travelers in point of service, having been with the company all but fifteen of the fifty-five years of its existence. He has many friends in insurance circles here. Mr. Penfield was with the Railway Passengers' Insurance Association for six years before he came with The Travelers.

* * *

Dr. Phineas H. Ingalls, associate medical director of the Aetna Life, has been appointed a member of the Connecticut State Executive Committee by the Central Governing Board of the Volunteer Medical Service Corps of the United States organized last January for the purpose of mobilizing the physicians throughout the country, with a view to providing the needs not only of the military forces but for the civil population as well. Dr. Ingalls has been for many years a leading practitioner in Hartford. He was born in Gorham, Me., in 1856; he is a graduate of Bowdoin College and received his medical education at the College of Physicians and Surgeons in New York City. He has been located in Hartford since 1882 and has served in a variety of official capacities, having been police commissioner surgeon and adjutant of the old First Regiment, C. N. G., and an officer of the State Medical Association. Since the entrance of the United States into the war he has contributed his services for various government activities and has been conspicuous for his work in connection with the local draft boards.

* * *

Phil M. Leakin, accident claim examiner of the Aetna Life is in Toronto, Canada, on a business trip.

* * *

Colonel Charles E. Thompson, of the Connecticut Mutual and Mrs. Thompson celebrated their fiftieth anniversary of their wedding on Saturday, September 14th.

* * *

Frank M. Speakman, of Philadelphia, has been appointed a member of the Examining Board of Public Accountants by Governor Brumbaugh, of Pennsylvania. At a recent meeting of the Board Mr. Speakman was elected secretary. He is well known in the fraternal field as a consulting actuary.

* * *

Lincoln K. Passmore, vice-president of the Penn Mutual Life, has been appointed a member of the advisory committee of life companies to consider matters relating to the liquidation or sale of enemy insurance companies.

* * *

Douglas Robinson, the well-known New York City real estate man who died last week, was a director in the Equitable Life and of the Atlantic Mutual Marine.

* * *

J. T. Liles, vice-president of the Jefferson Standard Life's $100,000 Club, is a member of the South Carolina State Senate.

* * *

Frank O. Bodwell, accident claim examiner of the Travelers and secretary of the Hartford Gun Club and Mrs. Bodwell are on a motor trip through the White Mountains.

* * *

Ray H. Hartz, examiner of the Aetna Fire Insurance Co. has won his way to the finals in the golf tournament at the Sequin Golf Club in Hartford.

FIRE INSURANCE DEPARTMENT

H. F. Neefus Dead; Specials at Funeral

WELL-KNOWN IN MIDDLE DEPT.

One of First Field Men to Recognize Value of Sprinklers—Adjuster at End

H. Freeman Neefus, one of the most picturesque figures in fire insurance, for years prominent field man, and during more recent years an independent adjuster in Newark, died in that city on Thursday of last week of Bright's disease, and was buried Sunday. Among the insurance men at the funeral were Specials Ackerman, National Union; Brewster, Springfield Fire & Marine; Bancroft, New Hampshire; Baxter, Fidelity-Phenix; Manager Larter, of automobile department of Newark, and Local Manager Steadman, of that Company; Henry Trimpi, local manager of Automobile; and Mr. Williams, of Guerin & Williams.

General Agent of Merchants Fire

Mr. Neefus was best known as general agent of the old Merchants Fire, from which he went with the old Mutual Fire and from there to the Traders where he became special of the Middle Department. His next move was with the Union of Buffalo, after which he became an independent adjuster.

Mr. Neefus was one of the first of the fire insurance men to recognize the value of sprinklers, and he made some of the pioneer installations.

WEIMER MAKES CHANGE

Resigns State Agency of Michigan Commercial to go With C. K. Godfrey, Northwestern National

Louis G. Weimer, who has been a fire insurance man in this State for twenty-one years, beginning with the old W. S. Banta agency, has become associated with C. K. Godfrey, general agent of the automobile department of the Northwestern National. Mr. Weimer went from the Banta office to Kelly & Fuller, and when that agency resigned the general agency of the Michigan Commercial, which end Mr. Weimer was handling, he became State agent for the Michigan Commercial which position he held for a number of years.

WITH FRED S. JAMES

James Reilly, who has been a special agent in the sprinkler department of the National Liberty, New York, has become connected with the Fred S. James office.

TREASURER IN DIFFICULTIES

Walter T. Reed, of Seaboard Fire, Was Active in Promoting Many Enterprises

Walter T. Reed, treasurer of the Seaboard Fire, Atlantic City, is said by a company official to owe that company about $25,000. A statement of his affairs has been placed in the hands of Prosecutor Gaskill.

A New Jersey daily paper says:

"For eight years or more Reed has been running behind financially. His assets give creditors little hope of recovering any considerable proportion of their claims. Reed's financial difficulties, it is claimed by his friends, are the result not of extravagance or any criminal acts, but solely to bad investments. He had borrowed sums that called for $10,000 interest annually and his failure recently to meet this obligation led to a disclosure of his financial straits.

"Reed came from Virginia several years ago and engaged in the real estate business. He then branched out into a coal, wood and ice business, made an apparently successful venture into the amusement field, got control of a big hotel and recently took up the shipbuilding industry on a considerable scale. He has served as bank director and was considered wealthy."

WITH LAW UNION & ROCK

William B. Kelly has Pennsylvania, Maryland, West Virginia and District of Columbia

William B. Kelly, assistant to President Gratz, of the Girard Fire, has resigned to go in the field for the Law Union & Rock. He will be special agent for Pennsylvania, West Virginia, Maryland and District of Columbia. Mr. Kelly is one of the best known of the younger field men, and is widely popular with local agents. He was formerly general agent of the Arizona Fire.

Fire Insurance Special Agent's Position Wanted

Am 38 years of age and married. Have had 12 years of agency experience and 6 years executive field experience as a Home Office Special Agent for a Casualty Company. Am thoroughly familiar with New York, Ohio, Indiana and Southern Michigan. What have you to offer? Will be available October 1st. At present living in Cleveland, Ohio. Address,

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SURPLUS TO POLICYHOLDERS
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LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
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NEW YORK

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Statement, January 1, 1918

Cash Capital	$1,000,000.00
Assets	8,209,763.64
Liabilities	5,223,031.71
Net Surplus	1,986,731.93
Surplus for Policy Holders	2,986,731.93

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COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

Paper Capital Underwriters Exposed

FINANCIAL JOCKEYING ABROAD

Lloyds Form Imitated By Outside Firm of Underwriters at Twenty Per Cent. Rate Cut

The following letter has been received from London dealing with marine practices in that market:

Dear Sirs: I hope the issue of the "Policy Holder" dated July 31, 1918, will safely reach you. In view of conversations which I had with some of the leading people in the market, I think it would be desirable that the facts relating to the companies operating with large paper capital should be made known to New York brokers and bankers.

A very reputable broker told me the other day that he had lost certain business, due to the fact that his client had been able to place the business on a Lloyd's policy at 20 per cent. below the rate he quoted. The broker in question was very concerned over losing the account, and saw the client, who was good enough to show him the Lloyd's policy. On examination it was seen that it was certainly a Lloyd's style, with suitable India rubber stamps; it was found that the subscribers were not unconnected with the concerns mentioned in the "Policy Holder," and in all good faith the assured had accepted the document as a Lloyd's policy, and further than this, I understand that on the strength of the policy a bank had advanced a not inconsiderable sum of money on documents covered by the alleged Lloyd's policy.

Article in "Policyholder"

The article in the "Policyholder" referred to is as follows:

Another phase of the question, the one to which we particularly wish to refer to to-day, is the opportunity afforded of capitalizing concerns in such a way that it is difficult to believe that the capital is represented to anything like its full extent by actual funds. As an example of what we mean by this we draw attention to a group of offices operating from 91, Bishopsgate, E. C. We wish to say at once we do not profess to have inside information. The concerns may or may not have been immensely successful in their trading during the short time they have been operating, so we place certain facts as to their capital arrangements before our readers and leave them to tell their own story.

The offices in question are the Eucrate Marine, the London Shipping and Marine, the Neptune Trust, and the General Marine Trust. That there is an intimate relationship between all these offices will be seen at once from the fact that the same gentlemen are directors of each company. A reference to the files shows that R. R. Shankland, J. Shankland Erik Brockdorff and Aage Brockdorff act as directors of each of the companies, and also of the Express Engineering Works, Limited.

Turning to some of the particulars we find the Eucrate Marine was established in 1917 as a private company with an authorized capital of £10,000 in £1 shares which would appear to have been fully subscribed and paid up, the shareholders being Erik Brockdorff, 5,000, and Aage Brockdorff, 5,000. Later in the year the authorized capital was increased to £100,000. On October 31, 80,000 shares were allotted to the Neptune Trust, and finally we find the directors returned as being: Messrs. E. and A. Brockdorff (Norwegian subjects), J. and R. R. Shankland.

The London Shipping and Marine was established in 1917, authorized capital £10,000 in 1£ shares which were held by R. R. Shankland, 7,500, and J. Shankland, 2,500. These shares were allotted as fully payable in cash. But at a later date there was a change in the shareholders to R. R. Shankland, one share, H. Shankland, one share, E. Brockdorff, one share, A. Brockdorff, one share, and the Neptune Trust, 9,996 shares.

In September, 1917, the authorized capital was increased to £100,000, and in December, 1917, 30,000 shares were issued to the Neptune Trust, the sum of £1 per share being payable thereon, and in April, 1918, a further 40,000 shares were allotted to the same Company, 10s. per share being called up.

Apparently, the gentlemen who had formed these two concerns decided later to join forces and promote the Neptune Trust, which was registered in September, 1917, the authorized capital in this case being £300,000 in £1 shares. We find the shares are registered as follows: Aage Brockdorff, 49,990, Erik Brockdorff, 49,990, R. R. Shankland, 74,990, J. Shankland, 24,990 and R. W. J. Sutherland, 50,000, making a total of 249,960 shares.

The interesting part of these figures is that, whilst the return shows the capital as 249 960 shares of £1 each, fully paid, the actual figures show but £12,498 paid up.

We find the Neptune Trust entered into an agreement with R. W. J. Sutherland that he shall, for a period of two years from September 11, 1917, give or cause to be given all insurance or other business within his control to the Company, and shall throughout such period use his best endeavors to promote the interests of the Company. The Neptune Trust, in consideration allotted to him 50,000 ordinary shares, with 19s. credited as paid up! We can only say that this appears to us a very unusual way of rewarding a man for his services, and that in the event of serious claims arising on the business we fail to see that the £47.500 in question is represented by assets which would be available to satisfy the policyholders.

A further arrangement has been filed which is worthy of notice. It is provided that whereas a new company is about to be formed with a capital of £300,000 in £1 shares, it is desirable to make provision for the exchange of shares in the London Shipping and Marine and the Eucrate Marine for shares in the new company, and arranged that 10 days after the incorporation R. R. Shankland shall exchange 7,499 and J. Shankland, 2,449 London Shipping shares, and E. Brockdorff and A. Brockdorff shall each exchange 4,999 Eucrate Marine shares for one pound shares with 19s. credited as paid up in the new company. The basis of exchange in each case to be as follows: Ten £1 shares, with 19s. paid, in the new company for every share in the London Shipping and Eucrate Companies. So the new company allotted R. R. Shankland 74,990 shares, at £1 each, with 19s. credited as paid; to J. Shankland 24,990 shares, to E. Brockdorff 49,900 shares, and to A. Brockdorff 49,990 shares.

We have said we have no knowledge of the business results secured by the Eucrate Marine and the London Shipping and Marine but the success of the concerns should have been phenomenal to justify the handing over of 10 shares with £9 10s. credited as paid up in exchange for each £1 share, for the concerns in question were only a few months old.

We were under the impression that it took more than a few months to ascertain what profits are earned on marine underwriting, but apparently the founders of the Neptune Trust had such entire confidence in the business, and in each other, that they valued the concerns very highly. We do not remember of any other such rapid appreciation in value.

Apparently the process is not ended, however, for we note the General Maritime Trust was registered on April 24, 1918, with a capital of £100,000 in £1 shares. Here again we find that the Shanklands and Brockdorffs are the directors, their respective holdings being: R. R. Shankland 2,500, J. Shankland 2,500, J. D. Brockdorff 2.500, and A. Brockdorff 2,500. The sum of 2s. 6d. per share is called up in this case, or £1,250 in all. But an interesting feature is that this Company has also been issuing shares for other consideration than cash, for 50,000 fully paid £1 shares have been allotted in exchange for 50,000 fully paid £1 shares in the Express Engineering Works Limited.

But what does the General Maritime Trust want with a large block of engineering shares among its assets and why does the Express Engineering Company want a large block of marine insurance shares? As matters stand, the General Maritime Trust can certainly announce its paid-up capital as being £51,250, but in reality £50,000 will be represented by shares in an engineering concern. Most of our readers will agree that such shares are not a satisfactory investment for an insurance society, for the simple reason that the investments of an insurance company should be gilt edged and absolutely liquid. No one can regard the shares in an industrial concern, which was formed so recently as February, 1918, as complying with these conditions.

Of course, Messrs. R. R. and J. Shankland and A. and J. D. Brockdorff are directors of the engineering company as well as of the marine insurance offices! Some years ago we heard a good deal of what was known as frenzied finance. If this group of offices had been in existence in those days we venture to think this expressive term would have been applied to some of the capital arrangements described above.

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Reciprocal Re-Insurance Ceding Improper

SAYS MISSOURI COMMISSIONER

Such Practice Called Indefensible—Only Equitable Exchange of Indemnity Permissible

At the Insurance Commissioners' Convention Commissioner Alfred L. Harty, of Missouri, gave his views of inter-insurance. What he said of re-insurance is particularly interesting:

"The act of ceding or granting re-insurance to another carrier has been considered an improper practice by the management of all responsible exchanges. While there is no specific inhibition in any of the standard laws, so far as I know, the Missouri Department has ruled that such practice is not in accordance with the principles of reciprocal underwriting. I can readily see why the management of an exchange should be permitted to purchase re-insurance with respect to a risk which is too large to be safely carried in its entirety, and I think all departments have generally recognized this right.

"On the other hand, I cannot see how it is defensible in any way for an exchange to grant re-insurance.

Cash Premium Only Consideration

"Each subscriber executes a power of attorney authorizing the attorney in fact to exchange contracts of indemnity for him with other subscribers. This power of attorney recognizes and provides for a contingent liability under which the subscriber may be assessed for the payment of excess losses where the initial premium deposits made by suscribers have proven insufficient.

"When a re-insurance contract is entered into under the terms of which re-insurance is granted to another carrier, the cash premium paid for such re-insurance by such carrier is the only consideration. In case it did not prove sufficient I dare say there would be no contingent liability on the part of such carrier under which it could be assessed for a sum in excess of the amount paid for said re-insurance. Moreover, it would seem to be in violation of the fundamental principles of reciprocal or inter-insurance to permit of a practice which does not contemplate an equitable exchange of indemnity within the meaning of this language as it may be fairly interpreted under the laws applicable thereto. This, therefore, constitutes another standard for inter-insurance which should be observed."

FIRE AGENTS MEET

Full Report of Convention To Be Published in Special Edition Going to Press Saturday

A full report of the proceedings of the National Association of Insurance Agents will be printed by The Eastern Underwriter this week, an extra edition going out on Saturday. This is one of the most interesting conventions which has been held by fire insurance agents; the attendance is representative; the subjects under discussion of real importance; and the discussion on the problems confronting the business will be reproduced as fully as possible.

TAXATION OF LLOYD'S

Liable For Excess Profits After They Make 11 Per Cent. On Their Turnover

The interesting statement was made by the Chancellor of the Exchequer in the House of Commons last month that before Lloyd's Underwriters become liable for excess profits they are allowed to make 11 per cent. on their turnover. Bonar Law's official answer to a question as to the rate of profit Lloyd's Underwriters are permitted to deduct prior to calculating excess profits reads as follows:

"Under the provisions of section 42 of the Finance Act (No. 2) 1915, the Board of Referees have ordered that in the business of insurance by underwriters, as carried on by members of Lloyd's the percentage standard shall be calculated upon the capital at stake, which capital shall be taken to be equivalent to the net premium income of the year whereof capital is to be reckoned. It has therefore followed that upon the general addition of 3 per cent. to the statutory percentage for increased capital granted by the Finance Act, 1917, the allowance in respect of additional capital at stake for the year 1917 and later accounting periods, amounts to 11 per cent., being the same rate as is allowed in the case of additional capital employed by other businesses not owned by companies."

A question about Lloyd's in the House of Commons and the answer thereto are given:

Q.—What is the amount of the deposits, of any, furnished in accordance with the Eighth Schedule, B and C (2), (?), of the Assurance Companies Act, 1909, by Lloyd's Underwriters as security for the due fulfilment of their fire and accident insurance contracts; the amount of the security furnished in the form of guarantees; and whether any of the guarantees which may be furnished as an alternative to a deposit are given by persons who are not members of Lloyd's Underwriters' Association, and, if so, to what extent?

A.—The amounts of the deposits furnished in accordance with Schedule 8, B and C (2) (b), of the Assurance Companies Act, 1909, by Lloyd's Underwriters as security for claims in connection with fire, accident and other non-marine business is £390,000. The amount of the security furnished in accordance with the provisions referred to in the form of guarantees is £5,375,000, none of which has been furnished by guarantors who are not members of Lloyd's.

GOVERNMENTAL PROBLEMS

Feature of Fire Underwriters' Association of Northwest Program October 2-3

The Fire Underwriters' Association of the Northwest will meet at the Hotel La Salle, October 2-3. "Is Our Government Socialistically Inclined?" is the topic of a paper which will be read by C. J. Doyle, associate general counsel of the National Board of Fire Underwriters. "Governmental Problems" will be discussed by George A. Viehmann, president of the New Jersey and New Brunswick. "America After the War" will be the title of a paper read by Senator Harding, of Ohio. Young E. Allison, of Louisville, will deliver the annual address.

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Freeport, Illinois

W. W. ALVERSON, Mgr. Pacific Coast Dept.
San Francisco, California

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Jersey Men Believe They Have Good Card

PREPARING FOR FALL MEETING

Coming After Cleveland Round-up, Discussions Promise to Be Full of Punch

It happens that this year the New Jersey Association of Underwriters will hold its semi-annual meeting after the annual meeting of the National Association instead of before. This will in many respects prove to be a good thing for the agents' meeting, which, as announced by The Eastern Underwriter last week, has been set for September 26 in Atlantic City, at Hotel Dennis.

First Hand Information

The meeting was to have been held this week, but the change in the date of the National Association meeting at Cleveland made it necessary for the agents to postpone their gathering.

This means that the New Jersey men who attended the Cleveland meeting will go to Atlantic City with the fire of enthusiasm and inspiration born of personal contact gained at that important gathering still burning. The views and expressions of many representative insurance and business men from all corners of the country will be fresh in their minds and they will be in the best of position to impart to their less fortunate associates the trend of opinion regarding the foremost insurance problems as it exists in all quarters.

Jersey Vitally Interested

The great issues now before fire insurance men should make the New Jersey meeting of unusual interest.

The amount of new manufacturing that has developed in New Jersey since the war broke out is almost beyond belief, but the insurance business has not been benefited in like proportion, it is said. Where this business has gone and when it may return are questions a number of insurance men would like to hear discussed and if possible answered. What the agents and the companies must do to convince the Government that they are in position to handle this business and handle it right, is the query.

Where New Jersey Stands

It was particularly important that New Jersey insurance men, together with others from Eastern States, should also have attended the Cleveland meetings. Probably no State has within its borders so many manufacturing plants engaged, in whole or in part, on Government war work. The West and South sent large delegations to Cleveland. If the West and South is eager to hear what men of national reputation both in and out of insurance have to say regarding the problems of the business and the nation, how much more so should be the New Jersey men? It is believed that they are deeply interested and that they will go to Atlantic City.

To Get Outside Views

Leaders in the New Jersey association are unqualifiedly opposed to combatting the Government's insurance activities by means of the "write your Congressman" formula. They do, however, agree that the encroachments upon the business require the most careful study and must be opposed in a highly intelligent manner. It is proposed to have at Atlantic City one or more speakers of front rank in lines other than insurance, in order to get a correct idea of how business regards insurance and how it views the socialistic trend and feeling toward the business of risk underwriting. The association men believe that it is pretty well known how insurance men feel but they would like to hear from the outside through men qualified to speak through experience as large insurers.

MUTUAL USES CO-INSURANCE

Montgomery County Concern Denies Liability for Loss on Barn on Basis it Was Under-insured

The Mutual Fire Insurance Co., of Montgomery County, Pa., has set up the plea of under-insurance as its defense of a suit brought by Thomas S. Gillin, in Ambler, for the loss of his barn. The plaintiff had two policies covering the barn, one in the Norristown Mutual and the other in the defendant company, the first company having paid the claim. They totalled $2,700 and the defendant claims the actual value of the property to-day is $4,000 and refuses to pay a total loss.

WORK IN MUNITIONS PLANT

A number of insurance men in Hartford are working on a part time basis for war work in the munitions factories located in the insurance city. They have felt it their duty to contribute in some practical way to winning the war. At the present time the plan is working very successfully and managers and foremen at the factories who are using the men are very enthusiastic about the work they are doing. The work is being carried on with the full co-operation of the insurance companies and the men themselves report that they are much pleased with the arrangement. The principal factory where the men go is Colt's Patent Fire Arms Manufacturing Company where revolvers, automatic pistols and machine guns are made.

INSURE COW FOR $25,000

The Eastern Underwriter this week asked Paul T. Brady of the Broad Meadows Farms, Dutchess County, if it were true that "Mighty Monarch," a prize Holstein, were insured for $25,000. He replied that it was.

CITY INSURANCE CLUB

The first Fall meeting of the City Insurance Club will be held next Tuesday and will include the organizing of the Club's Liberty Loan Campaign.

AETNA SUBSCRIBES $1,500,000

The first fire insurance company to subscribe to the Fourth Liberty Loan is the Aetna of Hartford, which has bought bonds amounting to $1,500,000.

MEETING DATE SET

The annual meeting of the New England Automobile Conference will be held in Boston, September 27.

BRAZIL BARS GERMANS

The Brazilian Government has cancelled the licenses of German insurance companies.

A special meeting of the St. Lawrence County (New York) Board of Underwriters is to be called in the near future.

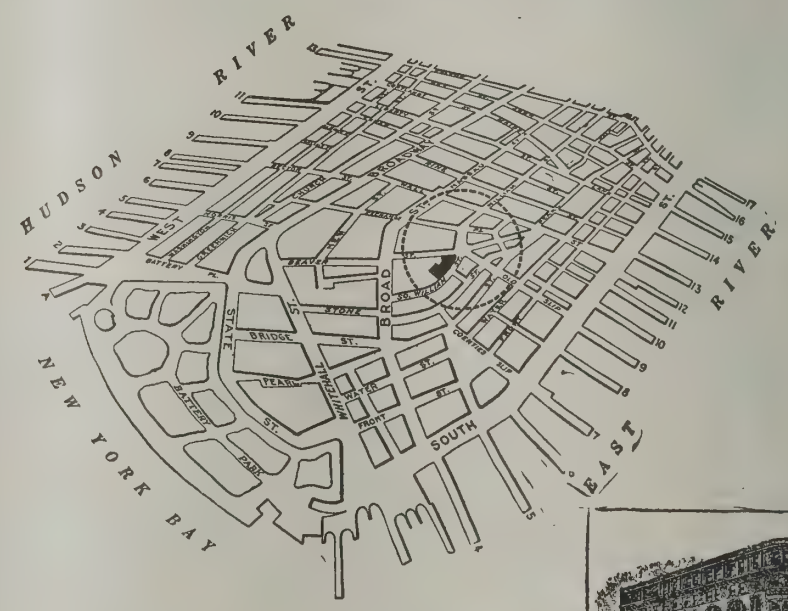
ÆTNA (FIRE)
HARTFORD, CONN., U.S.A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.



"AMERICA FORE"

THE AIRPLANE
—is the military eagle, aptly termed the Eyes of the Army. Rising above and before the battle line, it watches for coming attacks.
FIRE gives no warning of its coming. No eye can see where it will strike next.
ADEQUATE Insurance is the airplane of protection. Use foresight instead of actual vision. Let the
AMERICAN EAGLE
Fire Insurance Company of New York
begin today to protect you against loss by fire.
Cash Capital .....ONE MILLION DOLLARS
HENRY EVANS, President
Home Office
80 MAIDEN LANE
NEW YORK
Managing Branch Offices,
SAN FRANCISCO,
CHICAGO

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House
New York City
South William and Beaver Streets

Caledonian Insurance Co. of Scotland
FOUNDED 1805
"THE OLDEST SCOTTISH INSURANCE OFFICE"
UNITED STATES HEAD OFFICE
Caledonian Building, 50-52 Pine Street, New York
CHAS. H. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

BROKERS ACTIVITIES

TRUCKING MEN ORGANIZE

Will Try to Save Money on Insurance—Many Reforms and Safeguards Planned

One of the objects of the Interstate Motor Trucking Transportation Association, Inc., is to find out if it can save considerable money on all kinds of insurance carried by its members. The Association has just been formed.

A number of its plans may work to the advantage of the insurance companies, especially those insuring trucks against fire, marine and casualty hazards. The Association will consider regulation by the Interstate Commerce Commission and a number of other questions among which are:

Should there be one large motor transportation terminal in each city?

Shall the firms co-operate in the collection and delivery of merchandise in the cities?

Shall the firms co-operate in the operation of warehouses in each city?

Shall data be collected of all experiences, so as to devise a uniform through bill of lading?

Shall arrangements be made and extended?

To prevent frauds and losses by larceny; to have a joint department to adjust all claims.

To endeavor to have roads widened and paved at least 25 feet, and kept in condition; to have legislation passed to prevent blinding head lights; to have an Employment Department so as to get efficient, properly trained help, and eliminate dishonest, reckless and incompetent employes; to get up proper tariff classifications; to discourage fake, wild-cat, high finance schemes to promote motor trucking transportation companies; to promote by proper means legislation favorable to motor trucking interests.

* * *

Lloyd's Peace Policies

When the slack season is on and there is little doing that is of interest in insurance circles the underwriters at Lloyd's can usually be reckoned upon to break the monotony. This August brings no exception to the rule, and the placing of insurances at "the ancient and honorable corporation" bearing on the contingency of peace being concluded by a certain date has aroused interest and given us something to think about. It would appear that the underwriters—i.e., a few of them—are willing to back their opinion at 3 to 2 against peace by the middle of next year, and 6 to 4 on peace being made by the end of September, 1919.

* * *

Working on Trucking Problem

No particular improvement is noticeable in the inland transportation business. Those who restricted their business or stopped writing it show no disposition to take it up again soon. The Government has brought to the attention of underwriters that it is difficult for contractors to obtain this class of insurance on merchandise transported by automobile truck. A solution of the problem has been sought and some conferences held. It now seems likely that a way out of the difficulty is in sight.

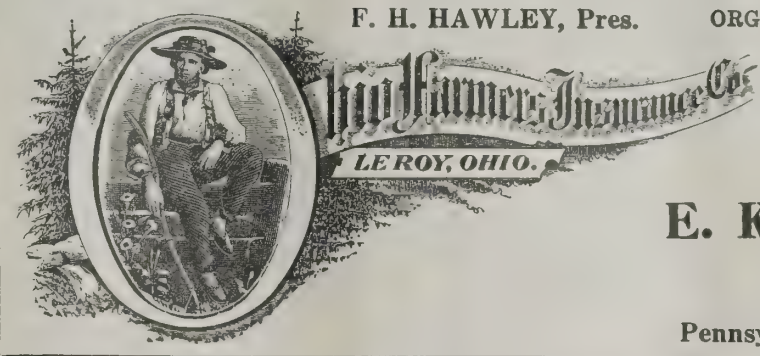
New Twist To Bombardment

Brokers report a new angle on furnished apartments on the upper West Side which are sub-leased. Lessees along Riverside Drive are asking for the incorporation of a paragraph in the lease that the rent need not be paid in case the apartment is ruined through bombardment. This has resulted in the placing of a number of bombardment policies in that section of the city.

C. W. Fairchild, of the Colorado Department, who was elected president of the National Convention of Insurance Commissioners, has been an insurance commissioner only for a short while, but has impressed his associates with his ability. Jesse S. Phillips, of New York, is chairman of the executive committee; and Commissioner Button, of Virginia, is secretary.

WESTERN ASSURANCE CO.
OF TORONTO, CANADA
Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918
Assets $4,194,579.34
Surplus in United States..... 1,667,691.69
Total Losses Paid in United States from 1874 to 1917, inclusive 43,294,154.63
W. B. MEIKLE, President

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.



F. H. HAWLEY, Pres. ORGANIZED 1848 W. E. HAINES, Secy.
Ohio's Oldest and Strongest Company
Net Surplus Over $1,293,741.00
AN AGENTS COMPANY
E. K. SCHULTZ & CO.
PHILADELPHIA
GENERAL AGENT
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JAMES J. BOLAND COMPANY, Inc.
GENERAL AGENTS
HOME OFFICE SCRANTON, PA.
68 WILLIAM STREET NEW YORK CITY, N. Y.
NEW YORK NATIONAL INS. CO.
THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1917	$16,153,068.57
Surplus - - - - -	4,793,978.55
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - -	1,051,543.00

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $155,000,000.00
Losses Paid in the United States
HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent
NEW YORK OFFICE
80 William Street

JONES, LAUNT & BARRETT, Inc., GENERAL AGENTS
Head Offices:
411-13 Walnut Street, PHILADELPHIA, PA.
We can offer to Agents and Brokers special facilities on surplus lines
throughout the United States and Canada.

MARINE DEPARTMENT

Government Assuming Marine Risk On Cargo Will Soon Be Effective

For some time past we have stated that it was the intention of the United States Government to carry marine insurance risk on cargoes, and under date of September 10th, there appeared in the "Journal of Commerce" the following article:

No Insurance on South American Wool

Marine underwriters here learn that they will have no further insurance on importations of wool from South America, because the United States Government has arranged with certain wool importers to make the purchases and bring the wool forward in consideration of a small commission, no insurance to be carried.

The same mail brings a circular letter from the Hon. W. G. McAdoo, secretary of the treasury, issued under date of August 16th, 1918, which has for the opening paragraph the following statement:

Those who pay taxes to the Government are contributing to winning the war no less really, and in a spirit no less patriotic, than those who buy Liberty Bonds and War Savings Certificates. It may, in fact, be justly said that the taxpayer helps more patriotically than the bond buyer, **because to pay taxes is to part with money—to make a genuine sacrifice**—whereas to buy a Government bond is to lend money on impregnable security—to secure a privilege—not to make a sacrifice.

The object of this article is not for the purpose of giving a treatise on political science or economy, but the facts contained in the circular of the Treasury Department being along lines of political economy, it is absolutely necessary to mention the same, as the Hon. Secretary of the Treasury, being the head of both departments under discussion, it seems a pity that the sentiments of one department are not followed out and carried out by the other sub-departments, which would make it appear that there is an apparent lack of team work somewhere.

The statement made by the Treasury Department to the effect that the one who pays taxes is more beneficial to the Government than one who buys Liberty Bonds or short term notes is a true statement, and there can be no argument advanced to the contrary. This is a clear statement of facts.

The person or corporation that is put in a position to earn money and out of these earnings pays a substantial sum to the Government does the Government a real service. He gets nothing for his taxes except the protection which the Government affords him, and all he asks is a right to do business, which the Government should grant him. The man who buys Liberty Bonds and short term notes, as the Treasury Department states, gets the best security in the world at a substantial rate of interest, which interest up to a reasonable sum, in the near future, will be free from taxation.

If the sentiments of the head of the Treasury Department, as expressed in his circular, are correctly interpreted by us, then why should a subordinate department of his go out of the way to materially reduce the income which would come to the Treasury Department, through insurance companies writing marine insurance?

The moneys taken in by marine insurance are firstly subject to the income tax, and furthermore to an excess profits tax, and if any surplus remains after the ordinary expenses of conducting the business are taken out, they are more than willing, as demonstrated in the past, to invest their earnings in Government securities. Therefore, the Government gets from marine insurance companies a large sum which they are able to apply to their current expenses free and clear of any liability on their part, and the balance is invested with them, the same as any private capitalist would do.

What becomes of this enormous fund if the Government assumes the business of marine insurance? Large sums of money undoubtedly will be accumulated which will have to be tied up in funds until after the war or until some special act of Congress can be put into effect, authorizing the use of the same. In the meantime, the money resources of the country are being curtailed, and other sums of money which are invested for that purpose are lying dormant or semi-inactive, and the policies of Socialistic theories are being put into effect of Government ownership and control far beyond any expectation which the greatest of Socialistic leaders and writers thought could be possible in this century with our own Government.

No regard for the future being in the mind of those responsible for this action, after the war, the Government will be called upon to pay numerous interest charges for the debt which was incurred in consequence of this war, and these charges will have to be met through revenue and not through the sale of more Liberty Loans. Then, why is it policy to stifle one of the largest sources of income for the Government, insurance, regardless of the fact that marine insurance, as we have repeatedly stated in these columns, is an absolute necessity for the maintenance of our merchant marine, and the same should receive Governmental sanction and encouragement, and should be subsidized and not penalized.

Indisputable facts of this nature, if presented to the Treasury Department through the proper organizations, and through the Congressional representatives of the various organizations in interest, ought to bring about a change of policy in those Government officials who do not seem to share in the indisputable views which have been expressed by the Treasury Department and which there can be no argument against.

OBSERVER.

Fluctuation of Marine War Rates Under Influence of Germany's "U" Boats

A very interesting perspective of the German "U" boat campaign is brought to the attention of the Fireman's Fund by looking at it from the viewpoint of a marine underwriter.

"We have been reading in the daily papers how allied vessels of the world have been destroyed from month to month, the figures generally being given in tonnage and running up into such tremendous figures that at times it would seem that no boat could be expected to arrive at her port of destination in the much vaunted prohibited zone of the enemy," says that Company.

"For quite a period of time before the plan was adopted of convoying the vessels, a great number were sunk and this is shown in the table given below by a comparison of the rates of insurance charged at that time with those at the present time, when comparatively few are sunk, due to the wonderful work of the allied and the United States destroyers."

In the years of 1914, 15, 16, 17 and the first half of this year the Transatlantic rates varied as follows:

October	1, 1914	1%
January	1, 1915	½%
April	1, 1915	1½%
October	1, 1916	1%
October	25, 1916	1½%
November	2, 1916	1¾%
November	28, 1916	2½%
December	1, 1916	4%
January	1, 1917	6%
January	17, 1917	6½%
January	19, 1917	9½%
February	7, 1917	8%
February	14, 1917	7½%
March	1, 1917	8%
March	15, 1917	10½%
March	26, 1917	9½%
April	10, 1917	10%
May	1, 1917	11%
June	1, 1917	11%
June	13, 1917	10%
July	12, 1917	9½%
August	1, 1917	10%
September	1, 1917	10%
September	20, 1917	9½%
October	9, 1917	7%
November	1, 1917	5½%
November	15, 1917	5%
January	1, 1918	4½%
February	1, 1918	5%
March	11, 1918	4½%
March	21, 1918	4%
April	1, 1918	3½%
April	24, 1918	3%
June	1, 1918	2¾%
July	1, 1918	2¾%

The reader will note that on the first of July the rate was as low as 2¾%, and on a boat having a speed of over 18 knots, a reduction of 1½% was allowed, bringing the rate down to the very low figure of 1¼%.

The above rates apply only to the voyage from Atlantic United States ports to the United Kingdom. While the Pacific Ocean has never been considered as dangerous from an underwriter's point of view, the same ratio of deductions in rates has prevailed.

INCORPORATE JOHN E. KING CO.

The John E. King Company, of Jersey City, has been incorporated at Trenton to operate as insurance brokers. It has a capital of $2,000. The incorporators are John E. King and J. W. Cutler, of Atlantic Highlands, and J. L. Taylor, of Bloomfield.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

EQUITABLE UNDERWRITERS OF NEW YORK
SURPLUS $793,852.75

Marine and War Risk Insurance
Losses made PAYABLE in all parts of the world

C. R. EBERT & CO., Inc.
MARINE MANAGERS PHONE 263-264 BROAD
48 BEAVER STREET, NEW YORK

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street New York

In addition to our regular marine and war risk business, we now have a department for writing FIRE insurance only on vessel property of all descriptions.

We would be pleased to receive applications from agents and brokers having this class of business to place.

FIRE, MARINE AND WAR RISK INSURANCE
Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

WM. H. McGEE & CO.
MARINE UNDERWRITERS
15 WILLIAM STREET, NEW YORK

General Agents Marine Department
St. Paul Fire & Marine Insurance Co.
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Camden Fire Insurance Association
Westchester Fire Insurance Co.
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U. S. Managers
Skandinavia Re-insurance Co. (Copenhagen)
Agents Marine Department
Providence Washington Insurance Co.
Massachusetts Fire & Marine Ins. Co.

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Marine Insurance
Local agents are invited to consult us on their marine insurance problems
OSBORN & CO.
Average Adjusters and Insurance Brokers
Insurance Exchange, CHICAGO - - 45 Wall St., NEW YORK

CASUALTY AND SURETY NEWS

Wage Limits and Shipbuilding Rates

PROBLEMS IN COMPENSATION

Thought Better to Make Entirely New Schedule Than Try to Adapt Present Tariffs

Abnormal wage limits and compensation rates for shipbuilding risks are the questions uppermost with the National Reference Committee of the Bureau. These subjects have been under discussion ever since Superintendent Phillips wrote to the Rating Board suggesting a remedy. He said:

"Reports furnished by the State Labor Department indicate the extent to which high wages and over-time work are resulting in excess payrolls for the purpose of premium calculation. As the limit of wage increase seems not to have been reached the condition is likely to become more aggravated before improvement is shown. The workmen's compensation law provides certain maximum wage limits upon which compensation shall be awarded.

"I am unable to discover that wages received by employes at rates in excess of $30 a week are subject to awards of compensation. It seems unreasonable, therefore, that insurance carriers shall base their premiums upon the actual wages received when in so many industries these are greatly in excess of the statutory wage basis of compensation payments.

"I, therefore suggest that the Board give thought to the matter of charging premiums based upon wages adjusted to the compensation basis established by the statute."

Cost of Accounting

When consideration was given this proposal it was thought that to attempt in this way to overcome the difficulty created by the present abnormal wage scale in several industries would be prohibitive on account of the expense of accounting difficulties involved. Also, it would involve a serious moral hazard which might result in failure on the part of the assured to disclose adequate payroll expenditure.

When this subject was brought before the Actuarial Committee of the Rating Board the committee became of the opinion that the difficulties in the way of attempting a solution of the problem of abnormal wage levels on the lines suggested by Superintendent Phillips render it inadvisable to undertake such a solution and that it would be better to establish appropriate rates at this time for application to the entire payroll of shipbuilding plants.

To Reflect Present Conditions

It was the opinion of the committee that the problem of rate making for shipbuilding is peculiar and that the large preponderance of the experience in that industry is of recent origin so that the real problem of the committee is that of making rates for what is practically a new industry in this country. The committee believes that it is not so important to determine what modification might be made of existing rates as to establish entirely new rates which would reflect present day conditions in that industry as conducted in the United States.

The shipbuilding rate has already been reduced from 5.02 to 4.36 and the 4.36 rate extended to a large amount of Government work.

Non-Cancellable Disability Policy

PREPARED BY PACIFIC MUTUAL

Choice of Four Forms for Business and Professional Men—Medical Examination Required

What is described as a non-cancellable income accident and health policy has been prepared by the Pacific Mutual Life, Los Angeles.

This form is not subject to cancellation before age sixty, regardless of what the policyholder's physical condition may become after issuance. It is simply a worded policy providing an income during the period of total loss of business time. It is not designed to cover the initial period of disability, therefore the first three months of disability are not compensated.

The policy is sold in four forms:

Providing an accidental death benefit and eliminating the first three months of disability.
Providing no accidental death benefit and eliminating the first three months of disability.
Providing an accidental death benefit and eliminating the first month of disability.
Providing no accidental death benefit and eliminating the first month of disability.

The death benefit is payable if death, within ninety days, results from bodily injury suffered through accidental means.

Disability benefits are paid as long as the insured lives and suffers total loss of business time as the result of accidental bodily injury or sickness.

For Business Men

A medical examination is required, and each risk is inspected. Cash only is accepted in payment of premiums, and the first premium is to be paid in cash with the application. The policy is sold to business and professional men only, on annual terms.

Persons over age 18 and under 60 are accepted. The insurable limit under both non-cancellable and regular policies is $15,000 and $300 monthly indemnity. This insurance does not cover:

(1) any disability for which the insured is not necessarily and regularly attended by a legally qualified physician other than the insured; (2) suicide, sane or insane, or any attempt thereat, sane or insane; (3) women; (4) loss of life or disability resulting wholly or partly, directly or indirectly from (a) bodily injury suffered or sickness contracted while the insured is engaged in military or naval service in time of war; (b) bodily injury or sickness caused by war or by any act of war; (c) bodily injury suffered or sickness contracted while participating in or inconsequence of having participated in aeronautics; (d) bodily injury suffered or sickness contracted while the insured is outside Canada or Europe or the United States (not including Alaska, Panama Canal Zone or the insular possessions of the United States).

ANNUAL PREMIUM RATES

	Each $1,000 Death Benefit	Each $20 Monthly Income
(Eliminating First Three Months)		
Select and Preferred.....	$2.00	$4.00
Ex. Preferred and Ordinary	3.00	4.50
(Eliminating First Month)		
Select and Preferred.....	$2.00	$8.00
Ex. Preferred and Ordinary	3.00	9.00

A. Duncan Reid has accepted the vice chairmanship of the Metropolitan Canvassing Committee to prosecute the next Liberty Loan drive.

Our Men and Our Money

are being destroyed by industrial accidents at a time when the Nation needs every life and every dollar. Not all industrial accidents are preventable, but a great part of the Nation's loss from this cause can be saved by efficient accident-prevention service. The Workmen's Compensation Insurance Department of the Maryland Casualty Company, Baltimore, maintains a large field force of alert and experienced safety inspectors under the direction of a safety engineering expert. The work of these able specialists not only means a decreasing number of accidents and hence a reduced loss of men and material; in addition it means correct classification and accurate rates for Workmen's Compensation Insurance—with full credit in the rate for improved safety conditions.

Maryland Casualty Company
THE TOWER
BALTIMORE

Nebraska Decision On Proof Burden

INSURED DIED; DRANK POISON

Plaintiff Had to Prove Her Case—Important Points in Court's Ruling

The burden of proof is on a plaintiff suing under an accident policy to prove death by accidental means according to a recent decision in the Supreme Court of Nebraska in the case of Grosvenor vs. Fidelity & Casualty Co.

The formal complaint set forth that the insured Walter B. Grosvenor lost his life by accidental carbolic acid or toxic poisoning. The company filed a general denial and alleged that the insured took his own life and committed suicide by the intentional drinking of carbolic acid. The plaintiff replied denying the claim of the company and setting forth that the insured died by means of drinking poison, to wit, carbolic acid.

When the case came to trial both the plaintiff and defendant declined to offer evidence and the judge apparently upon the theory that, death from a deadly poison being admitted the burden would be upon the defendant company to introduce enough evidence to rebut a presumption in plaintiff's favor that the death was accidental, rather than suicidal, directed a verdict in favor of the plaintiff

Reverse Lower Court

In reversing the trial court the Supreme Court held that the burden was and remained upon the plaintiff to prove her case. Without evidence being produced by the plaintiff to show that the death was not intentional, the jury would be left to mere conjecture for determining actual facts. She must do this by evidence of the actual facts or a situation from which accident is the reasonable inference not a reasonable inference or possibility. It is a question of clear preponderance of the evidence, going to establish the essential fact so that the jury will not be left to a mere guess or conjecture in arriving at its conclusion.

Relating to the difficult and perplexing question in connection with the presumption as to accidental means the court said:—

"Because men love life and fear death, they instinctively avoid obvious danger. This fact, drawn from experience, is the basis of a presumption, relied upon by plaintiff that when the cause or manner of death is unknown we infer that it was not suicidal. The inference is not based upon a law of nature which is invariable. Men do frequently commit suicide. It is one of a multitude of legitimate inferences, in which we infer the unknown, from the known, having greater or less degrees of probability, which we use in reasoning to arrive at the ultimate fact. Being a probability resting upon human experience, in its nature, it is controlling only in the absence of evidence of the actual.

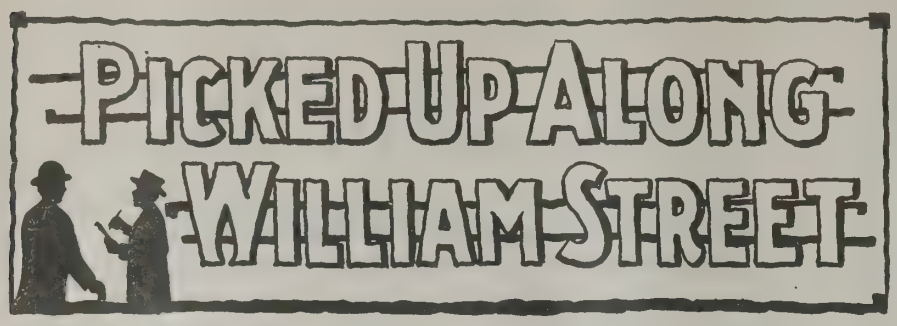
"When, knowing only that one has died from drinking carbolic acid, you

(Continued on page 18.)

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA



Helping The Soldiers

On a hillside facing south, in the grounds of the Curtis Bay Ordnance Depot, is the club house for soldiers, the Y. M. C. A. Hut, built with the money donated by agents of The Maryland who won in the Twentieth Anniversary Contest. Up the hillside to the west is the military village of barracks where the soldiers live, to the south is a wide prospect over fields and woodlands, to the east are the red roofs of the newly created city of munition magazines, and beyond that, on a bright day, there is a glimpse of the blue tidewater of Curtis Bay. A splendid location. And an immensely useful and helpful make-yourself-at-home Hut for soldiers, a clubhouse over a hundred feet long, about forty feet wide, with a porch to the south, a place where soldiers can come to talk together, or hear other men talk, or see moving pictures, where they can play games, or read books, or write letters home—and some of those boys are homesick mountaineers from Kentucky and Tennessee who had never been fifty miles away from their fathers' farms until the war called them to the colors.

* * *

Issued First Policy

From the best information available, it appears that in September, 1890, the St. Lawrence Life Association issued the first dollar-a-month disability policy. John J. Barnsdall was then and is still president of the Association.

* * *

Making Money Despite War

At the recent health and accident meeting in Chicago a company official declared that he is issuing fully as many policies, the draft and war conditions considered, as heretofore and receives on every risk the full first month's premium less the agent's commission, which in most cases is fifty per cent., but in many cases the ordinary renewal commission of twenty-five per cent. Returns thus far indicate that his company will be able to make a reduction in premium in a number of classifications, as without the big expense involved in first month's carrying free a lot of dead-heads, it is making money.

* * *

Wants Committee to Rate "Frills"

The proposal to have a uniform, standardized health and accident policy is still under consideration by the various companies. A number have signified their intention to co-operate. One company wishes to have a rating committee, the effect of which would be that companies wishing to issue the high priced fancy forms may continue to do so, the rating committee to decide what rate should be charged for the frills. The Fidelity & Casualty still prefers a rate advance to a uniform policy such as was drafted by the Committee of Fifteen.

* * *

A Twisted "View"

One casualty company, which does not exactly fall in with the idea of using a uniform, standardized accident and health contract, argues that by using the proposed form the company would injure its prospects of getting its share of the twenty-three or twenty-four million dollars of premiums now existing. In other words that company is like a good many other accident insurance men; they do not think of any business other than is now on the books. Their policy is not creative but rather piratical. It is the constant mulling over of this volume of old business, the constant twisting of it, that is the cause of so much trouble and criticism of this branch of insurance. The question in some minds is that if the new form should apply to old and new business alike it would bar some companies from the time honored privilege of switching old business.

* * *

No Work For Committee

One still hears from time to time the old complaint that there is no real co-operation in the health and accident business. This is not borne out by the record of the grievance committee of the Health & Accident Underwriters' Conference, of which W. R. Sanders is chairman. The various differences between members have decreased in numbers with each succeeding semi-annual Conference meeting, until a few months ago they ceased to exist, and the indication is that the grievance committee will become an honorary body rather than an active committee. Mr. Sanders asked members to report cases of twisting by non-Conference companies, should there be any. Although the Conference has no authority or jurisdiction over such companies, it has the co-operation of the several state insurance officials. The twister appears like the dinosaur, to be a thing of the past although some of them seem to have the nine lives of the cat and to require that number of executions.

* * *

Developing A. & H. On Women

The National Casualty, of Detroit, is developing accident and health insurance on women. The company has recently issued two liberal policies for business women and also has a series of policies covering housewives and domestic workers. The new policies carry a revision in rates greatly in favor of women over those existing heretofore.

* * *

American Surety's Burglary Supplement

The American Surety has issued an instructive supplement to its Manual, dealing with all kinds of burglary insurance. It gives the agent complete information on what the various forms cover, how to prepare applications, etc.

* * *

Will Be On Back Cover

A whirlwind advertising special for the Journal of the American Bankers Association has enlivened the insurance district of New York by his methods, which were at least startling even if not new. With a flash of diamonds and appropriate finishing hardware and harness trimmings he tackled a wily insurance manager for an ad on the back cover of the Journal at the attractive figure of $3,400 a year. He said that three other companies were crying to get that space but because of this particular manager's position, and that of his company, the live wire was more than anxious that his company should have the coveted back cover. After the flame attack had spent itself the manager reminded his would-be benefactor that inasmuch as the A. B. A. was still pondering the advisability of starting a $1,000,000 insurance company to compete for fidelity and burglary business he could not understand why he should contribute $3,400 for the incidental expenses of putting such a company over. Well, that manager didn't buy but one of the most prominent in the surety business did and the ad will appear next month.

* * *

Can't Agree After 12 Years

For at least twelve years the question, whether the first month's premium should be collected in addition to the policy fee, and the company receive at least fifty per cent. of the premium, has been agitated at meetings of health and accident underwriters. The subject of maintaining a uniform policy fee has also been up for twelve or more years and still there is no general agreement among the companies regarding it.

* * *

Meeting Set for December

The International Association of Casualty & Surety Underwriters will hold its annual meeting in New York in December, concurrently with the semi-annual meeting of the National Association of Insurance Commissioners.

* * *

Maryland Moves in

After months of preparation the Maryland Casualty is now installed in its own building, 105 William street. The structure had to be altered and renovated from top to bottom. The company now has a fine light counter room and is one of the handsomest and commodious casualty offices in New York. Resident Manager Eugene F. Hord and his staff are in better position than ever before to give good and prompt service.

* * *

Taking Women Now

The number of women who are leaving insurance offices to engage in Government work has become noticeable. In one casualty office in New York four have left within a short time. They enter the Government service as yeowomen and are expected to be in readiness to go oversea or take clerical positions at various points in the United States.

* * *

Goodbye Cancellations!

Some revolutionary reforms are under way in the casualty field. A large New York office is planning a complete change in its methods of handling business, which would make it entirely unnecessary to go on the street for business. Also, this same office plans to do away with seventy-five per cent. of the cancelled policies.

* * *

Bank Rate Cut Undecided

Whether or not the surety and burglary companies will agree to give members of the American Bankers Association a ten per cent. reduction in rates is not yet decided. This proposal was made by the bankers, who are still working on their pet scheme to form a $1,000,000 insurance company. At present one surety company appears to have a leaning toward the bankers' proposal. But there are forty other companies concerned. It is up to the forty companies to hold the one in line. There is speculation whether one company could corral the now closely held bank business even if it broke away from the others on rates.

* * *

May Not Renew

Considerable bank burglary and surety business has been placed through secretaries of State bankers' associations. This has always created more or less dissatisfaction with regular representatives of the casualty companies. It is now said that one company which has a large amount of this business is seriously considering refusal to renew these contracts with State secretaries.

EMBRACES ALL INSURANCE

Amendments to be Offered at Bankers' Meeting Give Insurance Committee Broader Powers

At the annual convention of the American Bankers Association, to be held in Chicago, the proposal will be made to make the Insurance Committee one of the permanent council committees.

It will be recommended that Section 16 of the constitution and by-laws be amended by adding the following paragraph having reference to the insurance committee:

The insurance committee shall have in charge the interests of the membership in their relations with insurance companies, including the procuring of reasonable premium rates, the adoption and use of proper forms of fidelity bonds, burglary policies **and other insurance contracts,** the giving of such information and the rendering of such services for members in connection with their insurance matters as may be proper and practicable, and the performance of such other duties as may be imposed upon the committee from time to time by the executive council or the general convention.

Nebraska Decision

(Continued from page 17.)

say you are in doubt as to cause, and then, bringing into service the presumption against suicidal intent, you finally conclude that the death was accidental, are you not guilty of that error known in logic as petito principii? Had you not, in reaching your first conclusion, given the theory of accident the benefit of the truth upon which the presumption is founded? Had you assumed as a fact that the deceased contemplated suicide or was indifferent to life, you might not have entertained the doubt. Let us suppose experience has shown that of all the persons who have died from drinking carbolic acid three out of four were cases of suicide; then, would it not be palpably absurd to infer in the given case that the death was not intentional? The rule invoked arises when we are ignorant of the intent and loses its force as a presumption in presence of actual facts bearing upon intent. The presumption then comes in conflict with other presumptions or facts which may overcome it. There is the almost conclusive presumption that when one drinks he drinks voluntarily; the presumption that when one drinks he knows what he is drinking, especially so if he is drinking carbolic acid; the presumption that when one drinks carbolic acid he knows the poisonous character of the liquid; and the presumption that one intends the natural consequences of his own act. These presumptions bear upon the question of intent, and the force of the original presumption must be lessened by the force given to them. While it may well be argued that we are still uncertain as to the actual intent, the presumption against intentional death can no longer prevail as prima facie proof."

W. F. MURPHY & CO., Inc.
RESIDENT MANAGERS
Chicago Bonding & Insurance Company
FOR NORTHERN NEW JERSEY
ATTRACTIVE AUTOMOBILE RATES.
Union Trust Co. Bldg., JERSEY CITY
Telephone Montgomery 3283

CASUALTY AND SURETY POINTERS

A Little Consideration Will Save Much

To inculcate and promote a desire among insurance salesmen to economize, H. A. Von Zell, of the Chicago Bonding & Insurance, reminds the field men that there is no shortage of paper or printing inks existing at present, neither are we likely to be confronted with such a condition in the future, but for many apparently logical causes, hardly a month passes that does not find an increase in the market price of these products. The cost of labor has also advanced so that today we are paying approximately twice the old price for many kinds of printed matter.

We have eliminated all the forms that we can possibly eliminate, long ago, but we must have policies, endorsements, accounting blanks, etc., we can not do without them, but we can be economical in their use and handling. If you have not already done so, provide a suitable place for your supplies, where they will be protected from the dirt and dust and where they can be kept in a neat orderly way. How many times do you go to where the supplies are kept and find the top sheets soiled or dirty and unfit for use? These undoubtedly find their way into the waste basket, and while the cost of just one piece of printed paper may be very little, that amount multiplied by the number of times it happens in your office, by the number of offices we have and that, by the number of working days in a year, we arrive at a figure which to say the least is surprising. It represents however an actual loss which we positively know we suffer annually.

There is also the postage and express charges that we should consider and these can be materially reduced by watching your stock and when you find it necessary to send in an order include all items that are low, thus reducing the number of requisitions and consequently the number of separate shipments from the home office to our agents. Considering each individual case, the amount lost in this manner is almost negligible; but as stated when we were referring to the matter of waste due to the careless keeping of stock, taken as a whole the amount would be equal to the cost of shipping a few sixteen inch shells to the Kaiser via France.

So let's be economical—if not for patriotic reasons, just for the sake of being saving—it's good for us as well as the company.

* * *

Approaching Zero As An Asset

It is true that an agent would rather go after new business than collect the premiums on the old. The Aetna has a live publication for its field force, especially devoted to collections. It says that if one will ask an agent which he would rather do, go out and write a brand new piece of business, or collect the overdue premiums on policies he delivered a couple of months ago, three times out of four, if he takes you seriously, he will vote for a try at the new business.

Now the bugaboo of many a good agent is collections, and that is why three times out of four he would rather go out after new business than go out after real money that actually should have been paid long before. And this brings us right up to our subject of credit and next to getting business there isn't any other one thing that is more important than credit.

When an agent handles his credit problems as a business man handles his, his collection troubles for all practical purposes won't exist at all but here, as in most other things of importance, there is a rule to be followed and a good one and here is the rule that nine times out of ten is safest and best. It is a rule that we all know by heart, because it is the injunction that is painted big and black at every railroad crossing, STOP! LOOK! and LISTEN!

The agent who habitually Stops! Looks! and Listens! before he decides any question of credit will make mighty few mistakes and if anyone mentions collections to him he will smile and tell them that his collections just about take care of themselves.

Now there is one other thing that is important in this question of credit and that is how to apply to your problem the rule of Stop! Look! and Listen! How to apply it to the old business that you know all about and how to apply it to new business.

Well, in the case of the old business which you know all about, it's easy, because your experience gives you all the data you need, but you have got to use your experience or it won't do you any good.

If a man is slow and getting slower; if you had to make more calls last time than you had to the time before; if he is harder to find; if it is easier for him to forget his promises; if he dates his check ahead; then you know that from a credit standpoint he is approaching zero as an asset and you will know too that the poorer he becomes as a credit risk the harder work you will have to lose him as a customer.

* * *

How Grain Storage Bonds Are Written

Under the arrangements made between the United States Grain Corporation and the storage elevators, wheat will be stored in the usual manner on warehouse receipts guaranteeing delivery of an equal quantity and grade of wheat, upon the surrender of such receipts, and elevators storing such grain will be required to furnish bonds to the Grain Corporation in a penalty of fifty cents per bushel. The bond form prepared by the Grain Corporation is conditioned to pay to the Grain Corporation "any and all loss and damages, not exceeding, however, the sum of fifty cents (50 cents) per bushel, which it may suffer, in respect of such wheat by reason of the failure of the warehouse company faithfully to discharge its duties and obligations as such warehouseman, and to comply with the laws of the United States and the rules and regulations of the Grain Corporation pertaining to warehousing, and in addition to the foregoing, to deliver to the Grain Corporation wheat of equal quantity and of the same kind and grade as is specified in each of said warehouse receipts."

Under the bond all liability for loss caused by mobs, riots, fire, explosion, acts of God or the public enemy is specifically excluded and provision is made that if the warehouse company is unable to deliver Number 1 grade wheat, the elevator may deliver Number 2 grade, upon paying the market difference between Number 1 and Number 2 grades, and the same is true as between Number 2 and Number 3 grades of wheat: provided, that such inability to deliver the grade of grain stored is shown to the satisfaction of the Grain Corporation to be beyond the control of the warehouse company.

The liability of the surety is limited to the term of eighteen months from the date of the bond.

We shall write these bonds for financially strong and otherwise acceptable risks, in accordance with the underwriting instructions heretofore transmitted to all our field representatives. Initial premium will be charged on the basis of fifty cents a bushel on the maximum storage capacity of the elevator.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE
CHICAGO

F. W. LAWSON
General Manager

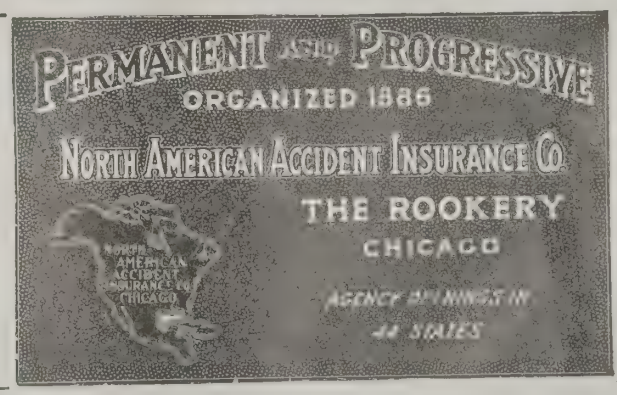
Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers
New England

London Guarantee & Accident Co., Ltd.
OF LONDON, ENGLAND



The Employers' Liability Assurance Corporation, Ltd.

The original and leading Liability Insurance Company in the World

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE

United States Branch

SAMUEL APPLETON, United States Mgr.
Employers' Liability Building
33 BROAD STREET, BOSTON, MASS.

AGENTS WANTED

Service of Quality to Policy Holders

Contracts of Superiority to Representatives

THE NATIONAL of DETROIT

Eastern Dept.
100 William St.
New York

Western Dept.
Pacific Bldg.
San Francisco

Northwestern Dept.
Palace Bldg.
Minneapolis

FARRISH'S CHOP HOUSE
Cor. John & William Streets
THE PLACE in the Insurance District to eat lobsters
NOW IN SEASON
Whole cold lobster 75c.
Whole broiled lobster 85c.

E. L. Shell, of Muncie, Indiana, turned in a premium collection for July, to the Hoosier Casualty, amounting to more than $800, with less than six delinquent policyholders. Mr. Shell's territory is affected by the war in the same degree as other localities are.

965 NAMES ARE LISTED IN PERSHING'S SECOND DAY'S REPORT ON MA

645 Wounded on the Long Army List; 10 Marines Killed and 138 Wounded

THE DALLAS MORNING

AMERICAN CASUALTY LIST

Daily Casualty List

MARINE CORPS LOST 87.

But No Killed in Action Are Reported

Day's List Swells Grand Total In Army and Marines to 21,562

NEW ENGLAND MEN ON CASUALTY LIST

KILLED IN ACTION

SEVERELY WOUNDED

THE HONOR ROLL

OVERSEAS CASUALTIES

CHICAGOANS IN LISTS

ARMY

KILLED IN ACTION.

WOUNDED SEVERELY.

4 Californians Are Named in Casualty Lists

ARMY CASUALTIES TO DATE, 17,269

Marine Corps List Totals 2750 Names, Says Weekly Report of War Department.

3568 DIE IN ACTION

Missing, Including Prisoners, 1425 —Only Five Marines in Hands of Enemy.

ST. LOUIS POST-DISPATCH

One St. Louisan Killed; Two Wounded in Action

Sunday's Casualty List Also Includes Five Men From Near-by Places—Dead Hero Was a Post-Dispatch Newsboy.

FORMER POST-DISPATCH NEWSBOY, DEAD IN ACTION

ARMY CASUALTY LIST SHOWS 57 AS KILLED IN ACTION

10 Others Die of Wounds, 2 of Disease, 4 of Accidents, 225 Are Wounded and 7 Missing.

GRAND TOTAL TO DATE IS 17,667

Of These 3631 Have Died in Battle, 1115 of Wounds, 1536 of Disease and 67 in Accidents.

Our Casualty Lists—

Let's not get used to them—
Let's STOP them—quickly!

HOW? By rolling up an overwhelming subscription to the Fourth Liberty Loan.

After four long, frightful years the tide of battle is turning! The time has come at last when MONEY MIGHT will go far toward hastening the Victory that will *stop* these dreadful casualty lists and bring our boys home again.

Buy Liberty Bonds—*to the very limit of your means!* Never mind how many you have bought already—buy more, and more, and *more!*

Don't think about the money—*that* will all come back to you with interest. Think about the brave young Americans who are fighting and suffering and dying Over There for *you.*

Don't make excuses—make sacrifices!

BUY U.S. GOVERNMENT BONDS FOURTH LIBERTY LOAN

Contributed through Division of Advertising

United States Gov't Comm. on Public Information

This space contributed for the Winning of the War by
THE EASTERN UNDERWRITER

AMERICA'S ROLL OF HONOR

Washington, August 14. Casualties among the American forces in France reported today by the war department for the army and the navy for the marine corps totaled 179. The army list appeared in two sections, the first containing 101 names and the second 58 names. There were ten marine casualties reported. The army list was divided as follows:

Killed in action, 92; died of wounds, 25; missing in action, 13; died of accident and other causes, 2; died of disease, 10; wounded severely, 24; wounded, degree undetermined, 2

Total, 169.

This brings the total of army casualties to 18,024, the marine total to 2,760, and the grand casualty total of the army and marine corps to 20,784.

Only three Georgia names were included in Wednesday's casualty list for today. They are as follows: Killed in action, Private Tom W. Hollis, Forsyth; Private Ernest P. McWilliams, Macon, and Sergeant William P.

NATIONAL ASSOCIATION OF INSURANCE AGENTS

THE EASTERN UNDERWRITER

IN TWO PARTS

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

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PART ONE

Nineteenth Year; No. 40 EXTRA EDITION—NEW YORK CITY, SATURDAY, SEPTEMBER 21, 1918 $3.00 a Year; 25c. per Copy

"One Policy of The Home of New York recommends another."

1853 THE HOME INSURANCE COMPANY NEW YORK HOME 1918

ELBRIDGE G. SNOW, President

A Word to American Insurance Agents:

—Show your patriotism!

—Show your patriotism unstintedly in all things, especially in all your relations to your Government, to your Policyholders and to the Companies you represent, for the common benefit of all civilized nations in the titanic struggle in which they are engaged—still to be won—to make the world safe for Democracy.

—Do not relax your interest in good business practices, that the business of Fire Insurance, for many years a foremost American institution, may not fall into disrepute, nor fail to continue to serve the high purpose for which it stands—to protect the commercial world from bankruptcy through inability to replace what is destroyed.

Victory in the World War will find the United States touching the opportunity to carry her fair and full share of the World's Trade. To grasp that opportunity, the Nation must be prepared in all things—Shipping, Banking and Insurance particularly.

American goods, in American vessels, protected by American insurance through American Agents—that is the essence of our doctrine of

★ ★ ★ ★ ★ ★ "AMERICA FORE" ★ ★ ★ ★ ★ ★







To Insure Victory, we are doing our share towards serving the Nation wherever and however companies and individuals can serve with brains, energy, time and money.

These Companies are separate American institutions—essentially as to field and agency forces,as to assets, surplus and controlling interests—but joined under one directing management, one general supervision, that has built itself strong and permanent during sixty-five years—since 1853. We are united by a firm belief in all things American—in the American Agency System—in the desire to render all possible service to our Agents throughout the country.

American Agents as much as American goods are essential to the further development of American Insurance if it is to be builded higher on the strong foundation of the past which has enabled American Insurance to progress to a point second to none in the World.

By unity in the business can progress be best assured. Our trust is in American ideals and American ability to place America Fore and keep it there.

American Eagle Fire Insurance Co.
The Continental Insurance Company
Fidelity-Phenix Fire Insurance Co.

Home Offices:
80 Maiden Lane
New York

HENRY EVANS
President

Managing Branch Offices:
Chicago, Montreal,
San Francisco

American Companies for American Agents

Agents Get on Record in Message to Pres. Wilson Against U. S. "Encroachments"

First Big Insurance Body To Act

Offer Services to Nation As Fire Preventionists

Senator Sherman's Speech a Factor—Agents Warned to be on Guard—Action a Victory for Henry Evans

By Clarence Axman

(*Special to The Eastern Underwriter.*)

Cleveland, September 19:

The National Association of Insurance Agents sent a message to President Wilson this afternoon pledging the support of the fire agents of this country to him in his fight for the freedom of the world, offering the service of the agents as a united band of fire preventionists and concluding by urging that the protect the business of insurance and keep its facilities unimpaired. At the same time another resolution was adopted protesting against the taking over of insurance by the Government, offering any sacrifice on the part of insurance men to help the Government prosecute the war, but calling upon all agents to be on their guard against any proposition to introduce bureaucratic Governmental insurance.

Nationwide Protest to be Made

The last resolution will be adopted by state and local associations everywhere and by them forwarded to the President. They will also be furnished for local newspapers everywhere. Thus the National Association of Insurance Agents has gone on record emphatically telling what it thinks of the socialistic tendency towards Government insurance and has begun a campaign to acquaint the public with what insurance means to the body politic and why it can be conducted in much better fashion by individual interests than by bureaus at Washington.

The action was taken because of the dropping of large insurance lines by the Government particularly those of the Telegraph and Telephone and because of a threatened extension of insurance by the Government.

First Insurance Body to Get on Record

In deciding to make the personal appeal to the President in whom the association officials have every confidence and whom they believe will protect their business from destruction, the National Association is the first of all the national associations in insurance to go on record in this fashion. All the other big national insurance bodies, including the National Board of Fire Underwriters, have ignored the Washington situation, admitting that there is a decided socialistic tendency there but not believing that any move will be made to take over insurance permanently.

Before this convention was held so much was printed by newspapers about the socialistic encroachments on insurance that agents have been worked up to a high tension of excitement, many of them bombarding members of Congress with letters of protest, the gist of the letters and telegrams sent to Washington being, "Save the Insurance Business," so when the delegates arrived here they expected action.

Senator Sherman's Speech Settled It

The program makers had three addresses scheduled on this subject which further increased the feeling that action was imperative. These addresses were made by United States Senator Lawrence Y. Sherman, President Fairchild, of the Insurance Commissioners' Convention, and President John T. Stone, of the Maryland Casualty Company. President Allen and Chairman Cox of the Executive Committee and others also discussed the subject which was the dominant topic of the meeting. Accordingly when the resolution committee met it was a foregone conclusion that a resolution would be presented which would tell what the agents think of the whole proposition.

There were a few who thought the time was not opportune for going before the public but after the remarkably clear exposition of the subject by Senator Sherman, the Association Administration answered them by saying, "We are through pussyfooting. If our business is honest there is no reason why we should not throw the limelight on it. We believe that our business is honest and essential to the commercial fabric of this country, so let us go to it and tell the world what we think." It was finally decided that the message to President Wilson, tactfully but earnestly worded should be presented to the meeting.

A Victory For Henry Evans

After a three hours' discussion this was done. The action of the convention is a victory for Henry Evans, president of the Continental in a way, as he is said to have been the first of the important fire insurance men to preach that the insurance structure is in danger from Washington politicians and that the situation is serious enough to call for the massing of all the insurance interests to present a solid front. Many of the most prominent insurance men have taken and do take the position that this is not the time for a protest of this kind. Mr. Evans thought otherwise and his views were widely quoted among the agents here.

Text of Message to President Wilson

To the President of United States:

It is with a sense of the deepest satisfaction that we, the National Association of Insurance Agents, in twenty-third convention assembled at Cleveland, September 19, 1918, representing the fire, marine, and casualty agents of the United States, view your determination to prosecute the war until the world has been made safe for Democracy.

In the fulfillment of this high obligation to humanity we pledge you our unqualified support as an association and as individuals.

As insurance agents of the United States, organized in national, state and local associations, we constitute ourselves a band of voluntary preventionists, pledged to reduce by every means in our power that needless waste through fire and accident you have so fittingly described as a public dereliction.

As our chief executive we urge that you so temper administrative action that the business of the nation developed by the initiative and invention of its individual citizens, and protected in the growth by insurance, may not be restricted, interrupted or destroyed beyond the actual necessities of war, so enabling it to furnish the sinews for the conduct of this mighty conflict and in order that our great country may emerge therefrom with its commercial facilities unimpaired.

Insurance, to which the members of this Association are devoted, is not only a direct indemnifying system of vast service whereby the perils of life and business are averaged, but through its army of agents is a powerful factor in prevention and betterment, needing always, however, the sympathetic encouragement of the state.

Fear Government Suppression is Groundless Says Com. Fairchild

"Encroachment" Scare a False Alarm, is Belief of New President of Insurance Commissioners' Convention—Advises Substitution of Intelligent Methods to Combat Socialistic Trend Which is "Incubating," and Unless Stopped May Grow.

(*Special to The Eastern Underwriter.*)

Cleveland, September 19:

President Fairchild, of the Insurance Commissioners' Convention, speaking this morning, said that he saw no foundation for the fear felt by some that the Government will take over the insurance business in its entirety at an early day, but the idea that it ought to do so is incubating, and unless steps are taken to counteract its development, serious results to the various lines of insurance may follow.

Public sentiment is the greatest known power in the world. The titanic conflict now in progress in Europe could be terminated today by either side if public sentiment so willed, he said. Only by arousing sentiment against government encroachment in the insurance field can that business as now conducted be expected to survive, he said.

Two Phases to Problem

In the discussion of the problem of the Federal Government entering the business of insurance and remaining in it after the war, there are two phases to be considered: the socialistic or autocratic tendency, and the effect of competition between the Government and its citizens. It does not meet the situation for a few thousand students of the insurance business to announce their conclusions and to remain inactive, believing that the matter has taken root only in the minds of those socialistically inclined.

There is a wide-spread, rapid growing sentiment in favor of extreme action by the Government along many lines, which if allowed to become established in our governmental system may go far toward dimming the lustre of democracy and even hamper the glorious work of our heroes in Europe.

We accomplish no good in taking issue with the supporters of such socialistic inclinations unless we set forth clearly the reasons for our determination, expose the fallacy of their conclusions and use every opportunity to combat it, he declared.

Socialistic Program Would Kill Initiative

The result of any monopoly of business by Government produces a paternal government of extreme socialistic type which of itself is destructive of the mental and moral development of the citizens by the curtailment and denial of individual opportunity. Such a condition would cause us to retro-

(Continued on page 6)

Strong Patriotic Tone at Opening—Allen Urges Company Co-operation

Need for Home Offices and Agents to Get Together at This Time—Has Confidence in Future of the Business—Gov. Cox Rouses Delegates in Eloquent War Speech—New York State Sends Strong Delegation.

(*Special to The Eastern Underwriter.*)
By Clarence Axman
Cleveland, September 18:

The annual convention of the National Association of Insurance Agents opened with a zip, which indicated that this will be a convention which will be moved by tremendous enthusiasms. The registration was the largest on record, almost seven hundred delegates inscribing their names before noon. In view of the difficulties of railroad transportation there was an unusual reason for the attendance and it probably can be found in the fact that agents have been scared by the interviews and resolutions which have been passed, warning them of socialistic encroachments on their business, and they turned out in force to find out what is what.

Then, too, there is an attractive program of well known speakers, including United States Senator Sherman. A number of the speakers will discuss the same phase of governmental activities, but there will be plenty of variety, nevertheless, as many topics are scheduled and that the convention will be a hummer was indicated at the get-together (Dutch) dinner, held on the eve of the convention.

It was thought that one hundred would attend, last night, but instead there were two hundred and sixty. The occasion did not go by without some speeches by the officers and former presidents and a few stories by Secretary Miller. One man who was glad he came to the dinner was C. I. Hitchcock, of Louisville, as he won $100 in War Savings Stamps.

New York Well Represented

One noticeable feature of the first session of the convention was the number of New York State men present, about twenty-five, and of this number fifteen were from Buffalo. The Buffalo Association thought so much of the meeting that it offered to contribute $20 to any member who went as part payment of his traveling expenses.

Just before the convention opened, the United States Naval Station band arrived, and played in the lobby of the Statler for the delegates. They then marched into the meeting hall and opened the convention by playing "The Star-Spangled Banner."

The officers had served notice that this convention is going to move by clock work; that it is a war convention; and no time would be lost. Accordingly when ten o'clock arrived, President Allen pounded his gavel and the meeting began. Immediately, the following resolution was introduced and adopted, so there could be no doubt as to where the agents stand on the greatest event of the day:

Agents Strong Patriotic Resolution

"Resolved, that the National Association of Insurance Agents, in annual convention assembled, earnestly, solemnly and with one heart and mind in this hour of the world's greatest strife and travail, profoundly impressed with the part this nation must perform, unreservedly pledge all the energy, devotion and support we are capable of giving to the staunch and unyielding Commander in Chief of the army and navy, the revered President of the United States, and be it further

"Resolved, that every member of this organization again pledges his utmost help in pushing the forthcoming Fourth Liberty Loan to a quick and glorious conclusion, and be it further

"Resolved, that as patriotic citizens we rejoice in the decisive answer our President has just given to the specious plea for an inconclusive pre-peace conference."

Nearly all the speakers during the morning had something to say about the Austrian peace terms, and the necessity of not playing into Germany's hands by paying attention to peace overtures of her or her allies.

Gov. Cox Eloquent In War Speech

The Mayor of Cleveland could not be on hand to welcome the convention, but Governor Cox, of Ohio, a national figure and a tremendous war worker, was there and he had the convention cheering half a dozen times, as he discussed the war, what brought it on and what will end it.

When discussing peace terms he declared that Germany would be at the foot of the table and France at the top head, the reverse of the situation in 1871. There was tremendous applause, duplicated a moment later when he prophesied that the Hohenzollerns and the Hapsburgs would be sent to St. Helena, as was Napoleon. He told the delegates not to grow impatient about the aeroplanes, predicting that we would soon drive the Germans from the sky with our own air machines, and he added, "I do not want to violate any confidences, but we will have an answer to that big gun of Germany's, which was bombarding Paris." He predicted the end of the war by next year sure.

Governor Cox also said some felicitous things about insurance men, saying that they were patriotic citizens, that they were giving the public a square deal, and that the state had a high regard for them and the functions which their companies and they as individuals performed. He concluded by putting President Wilson in the same class with Presidents Lincoln and Washington, a classification to which the convention gave hearty assent.

President Allen did not read a prepared speech for his annual address, but briefly sketched the situation. It was thought that he would refer in some manner to the fact that after the agents had appointed a committee to confer with the companies on important questions which arose, the companies did not appoint a similar committee.

Need For Agents and Companies To Get Together

President Allen said he did not understand why the companies had not acted. He declared that the agents had appointed their conference commissioners and he hoped that the companies would provide for such a committee. He gave several reasons why they should do this. For one thing it would furnish a medium through which there could be concert of action when necessary, as, for instance, at the present time, when the insurance business "is confronted by a crisis."

It would nullify the influence of radicals on both sides, company and agent. It would be a means for furnishing information to the public about insurance. The agents are sincere in desiring this co-operation. They have no subtle motive.

Confidence In Future of Business

President Allen declared that he did not think the fire insurance business is to be confiscated. He had too much trust in and regard for Woodrow Wilson to believe that the President would permit such an invasion of private rights. He did believe though that there were certain persons among the powers that be in Washington who are socialistic and who would take over the insurance business in a second if they had their way. Many of these men were unknown to the public only a few years ago, but now they have great influence.

He said that there are 70,000 insurance agents in this country, with several hundred thousand people depending for a livelihood upon these offices. He did not think much of a man who would not make a fight for his business.

"We have nothing to be ashamed of," he said. If it were necessary to sacrifice the insurance business to win the war, he felt that every agent would willingly make the sacrifice, a sentiment which the agents present applauded. However, he did not believe that the President or Congress thought it necessary to take over insurance, in order to win the war. He said the taxpayers should be made acquainted with the situation. He did not think the taxpayers would stand for it. He felt sure that some general plan could be decided upon which would show up the iniquity of the whole socialistic scheme.

High Praise for Associates

Turning to other subjects, President Allen gave high praise to his associates on committees referring to the chairman, Frederick J. Cox, of the executive committee, as a man untiring in his labor, sacrificing time and even health for the general cause, and always actuated by the motive of doing the greatest good to his fellow agents. He also praised Fred V. Bruns, of Syracuse, C. L. Case, of Norwich, Conn., and others saying that there were a number of executive committeemen who had never missed a meeting.

One request which Mr. Allen made of the convention most favorably appealed to those present who have been attending other insurance conventions. He asked the delegates to confine their talks to the business at hand and not make speeches, spread eagle or otherwise, about the war. At one convention held in New York City a few weeks ago, there was so much speechmaking about the war, little time was left for insurance discussion.

Urges Attention to Business

As President Allen aptly said:

"We are all patriots. I doubt if there is any insurance man who is not doing his duty, so please don't take up the time discussing the war issues. Governor Cox has done that in masterful fashion. His inspiration will last us throughout the meeting and for some time to come."

President Allen concluded by recommending that local agency club and exchanges be formed, that agents devote more time to preaching fire prevention everywhere, and by stating that the National Association has set its goal for 10,000 members.

Local Agents' Old-Time Planks Come Up as War Measures

George D. Markham in Patriotic Resolution Calls on Companies to End Multiple Agencies, Jumbo Lines, and Overhead Writing, Leaving Agents Free to Fight Fire Waste—St. Paul Agent Sees Danger to Business in Standard Forms.

(*Special to The Eastern Underwriter.*)
Cleveland, September 18:

George D. Markham, of St. Louis, introduced a resolution that agents pledge themselves to keeping down the fire waste. The resolution was novel in that there was a kick in the end of it. That is, it carried with it a denunciation of multiple agencies, jumbo lines and overhead writing, for which practices the companies were condemned, the resolution was received with applause. It follows:

"Resolved, that the members of this Association, like all earnest, patriotic Americans, have their hearts and minds centered on winning the war. To this we pledge our time, our strength and our property, until our beloved country tells us what else she wants of us. We will do our utmost to sell War Savings Stamps and Liberty Bonds and to support the Red Cross, Y. M. C. A., and other agencies which help and cheer our soldiers and sailors."

Agents Should Fight Fire Waste

But the local fire insurance agents can perform better than any one else one service of higher importance to the nation. No one can so well persuade the manufacturers, custodians of war supplies, to guard against destruction by fire. Herein lies the agent's chance to help win the war. He must under-

stand it, appreciate it and undertake it with spirit. Then having begun this fire prevention work to win the war, the local agent will never discontinue this beneficial service during peace. To build up the morals of the great army of local insurance agents so that they may be of highest service in fire prevention during the war and hereafter, we call upon the insurance companies to remove and correct the abuses which tend to break down the local agent and make him into a mere solicitor, without loyalty or responsibility.

Puts it up to the Companies

We, therefore, urge the insurance companies, a large majority of whom agree with us, to take action in their organization to end overhead writing, which prefers the marauding broker to the licensed local agent; multiple agencies, which put increased premiums above the right treatment of a local agent; and jumbo lines, which transfer the placing of a risk to a distant point. Let the inviolability of an agent's territory and his sole responsibility therefore be again recognized as the right rules of practice and there would be quickly bred a new spirit of loyalty among agents, serviceable in the fire prevention work which is so badly needed during this war period and later in the defense, preservation and best development of the American system of insurance through private corporations and local agents.

K. V. Rothschild, of St. Paul, a young local agent had in his pocket a resolution reading as follows:

"That the National Association of Insurance Agents in its Twenty-third Annual Convention assembled, does hereby place itself on record as unalterably opposed to the adoption and use of uniform forms under mandatory regulations; it being the sense of this convention that it places the thinking, discriminating, studious agent on a par with the opposite; that uniform forms cannot be made to generally apply to each and every risk and that last but not least it constitutes a genuine menace to the local agency system."

He arose and asked if it were possible to introduce it in the resolutions committee, instead of on the floor, whereupon, F. H. Wagener, of Minneapolis, who has been a local agent for 51 years, made a plea that he thought it inadvisable to introduce the resolution, although he admitted that there was much to criticize in the uniform forms.

He thought the matter should be settled at some sort of a conference between the agents and companies. One objection to the forms as Wagener saw them, was that the most inexperienced agent or broker could use them just the same and just as well as he uses them himself after half a century's experience.

Dunbar Not At Agents' Meeting

(*Special to The Eastern Underwriter.*)
Cleveland, September 19:

William F. Dunbar, manager of the Southeastern Underwriters' Association, who was to speak on "Obliteration of Wild-cats and Unauthorized Insurance" could not attend because of a death in his family.

What Henry Evans Would Do With National Board

(*Special to The Eastern Underwriter.*)
Cleveland, Sept. 18:

Frederick J. Cox, chairman of the executive committee, read the following paragraph from a letter which he has received from Henry Evans, president, American-Eagle, Continental and Fidelity-Phenix, of New York:

"I have said to the officials of the National Board of Fire Underwriters' and many prominent fire underwriters, that if I could control the National Board I would hire a prominent building in Washington and spend $300,000 to $500,000 in newspaper advertising, and take this opportunity to let people know what the fire insurance business is, how insurance aids this country and how necessary the fire and marine companies are to building up the world's trade after the war."

The Home-Franklin Agents Are Entertained

(*Special to The Eastern Underwriter.*)
Cleveland, September 19:

The agents of the Home Insurance Co., and the Franklin Fire Insurance Co., attending the National convention were entertained last night by the Cleveland representatives of those companies. State Agent Deatrich was toastmaster. About fifty agents attended.

P. L. Hoadley Dies Of Heart Disease

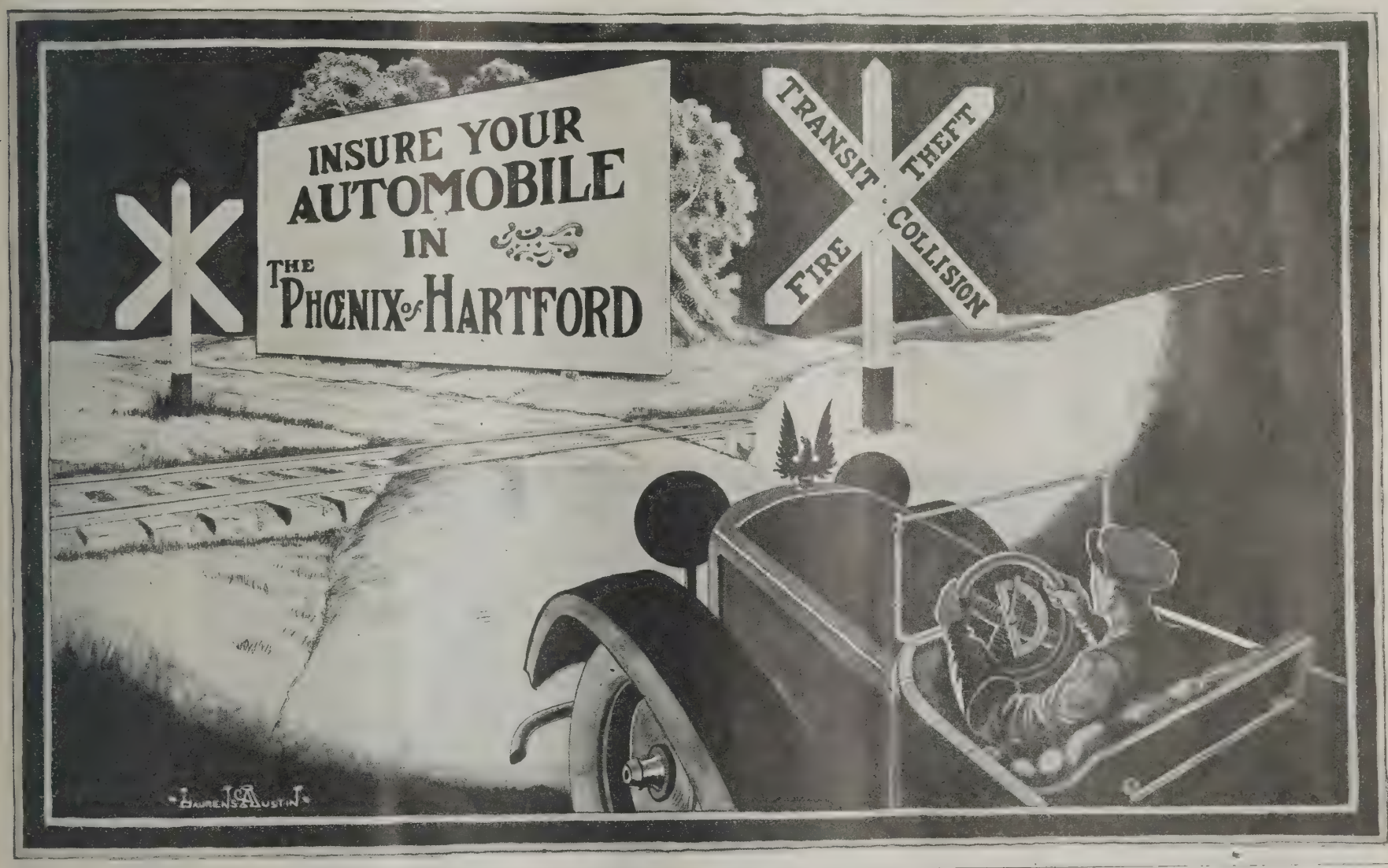
WAS PRESIDENT OF AMERICAN

Had Been Underwriter Since 1865 and Head of Newark Company Since 1907

Philemon L. Hoadley, president of the American Insurance Co., of Newark, died suddenly of heart disease at his home in that city on Wednesday. His family and associate officers were greatly shocked because Mr. Hoadley had returned from a vacation but the week previous and seemed to be in a better state of health than he had been for some time past.

President Hoadley, who celebrated his seventy-third birthday on December 6, 1917, has been a fire insurance underwriter for fifty-three years. His first start was as a local agent at Camden, N. Y. After having served as a special agent of the Hanover Fire for the period of a year, he was called to the home office of that company in 1870, resigning in 1874 to take charge of the underwriting of the American. He was made a director of the American in 1899, vice-president in 1900, and president in 1907.

Mr. Hoadley is survived by a widow and four children. Both of his sons are attached to the American, Frederick Hoadley as secretary of the company and George O. Hoadley as Pacific Coast manager. The time of the funeral service has been set for three o'clock, Saturday afternoon, at the Hoadley home, 544 Mount Prospect Ave., Newark.



FEAR OF GOVERNMENT SUPPRESSION IS GROUNDLESS

(Continued from page 3)

grade from a people of the highest development in civilization and attainment to a class of socialistic politicians clamoring for preferment in government positions, affording no opportunity for merited advancement.

The basis of a democracy is that everyone shall have equal opportunity with everyone else, the highest development of human rights is sufficient in reward to bring out the best efforts of the individual.

Inequalities which may arise under the administration of these principles are to be corrected by the majority through the protection of the weak and the restraint of the strong. That is what has made us a great people and a great nation, and its continuance will be the safest guarantee for even a higher development in the future.

Should the Government undertake indiscriminate ownership and management of lands, resources and industries, concluded Mr. Fairchild, our whole situation must change. Without the inducement of competition, which has brought about the most wonderful industrial development in the history of the world, we can not look for like advancement in the future. In short, progress of the individual would cease.

Bankers as Local Agents an Evil That Ecourages Bad Practices

Oscar Smith, of Memphis, Says the Banker Cares Only for the Commission—No Individual Interest in the Business or Special Service Rendered—Experience in Southern City With Banks.

(*Special to The Eastern Underwriter.*)

Cleveland, September 19:

Oscar A. Smith, of Memphis, discussed "Bankers as Fire Insurance Agents."

Most agencies were individual, a few were firms and none corporations. In later years there has been a transition, not as the result of any demand on the part of any agent, but because of competition and consolidation which emanates from business conditions of the time.

One lamentable result has been the recession of intimacy and personal touch which originally existed between the company and its agents. This could hardly be otherwise since corporations tend to impersonalize the association and transactions.

Bank agencies in his opinion have no personal touch, no individual interest, no professional pride, no desire other than to make money for the stockholders. The business which comes over the counter or which is controlled through other departments of the bank is just so much grist yielding its proper toll in commissions. If the business is off color or shady it is taken without question and passed on to the company for its approval. After a loss ensues it is quite common to see some influence used to secure settlement in doubtful cases. Furthermore their influence in the extension of credits for premiums has been very harmful to the local agent.

Bank agencies are enemies of the State and national associations—either actively or passively. Occasionally they are outspoken against organization or regulation, claiming to be able to take care of their own interests. The greatest danger lies in their passivity and utter lack of co-operation with agency movements for the upbuilding of the business.

"If there are any representatives of bank agencies here," said Mr. Smith, "I would like to see them stand up. If there are any I ask if they really intend to continue as employes of bank agencies or do they expect to soon launch into business for themselves.

"I ask you to inventory the bank agencies in your vicinity and compare them professionally with the true agencies and see if my contentions are not well founded," he said. Then he asked:

"Don't you think that business secured on basis of service rendered is more desirable than that controlled by loans and accommodations secured in the banking department? The banker's conception of a good risk is not that of an underwriter. I know this to be true as I once managed the insurance department of a bank in my city.

"I wish to say, however, that even while managing the department I recognized the professional side of the business and the crying need of personality and sought to supply that where possible, expecting some day to become an agent of the professional type.

"We regret to note that in some sections the bank agencies are numerous—one southern city I have in mind has no other kind. We once had a number in Memphis, but over night they closed their doors and books and thereafter there was more professionalism in the insurance business than heretofore. The bank agencies in each case were taken over by individuals who had the vision of better ideals. And this was brought about by co-operation of the local agents in showing the banks that they had no right under their charters to engage as agents in the insurance business.

"The only desirability of bank agencies is the fact that the balances are remitted promptly to the companies. But this one feature is minimized by the overshadowing features heretofore mentioned.

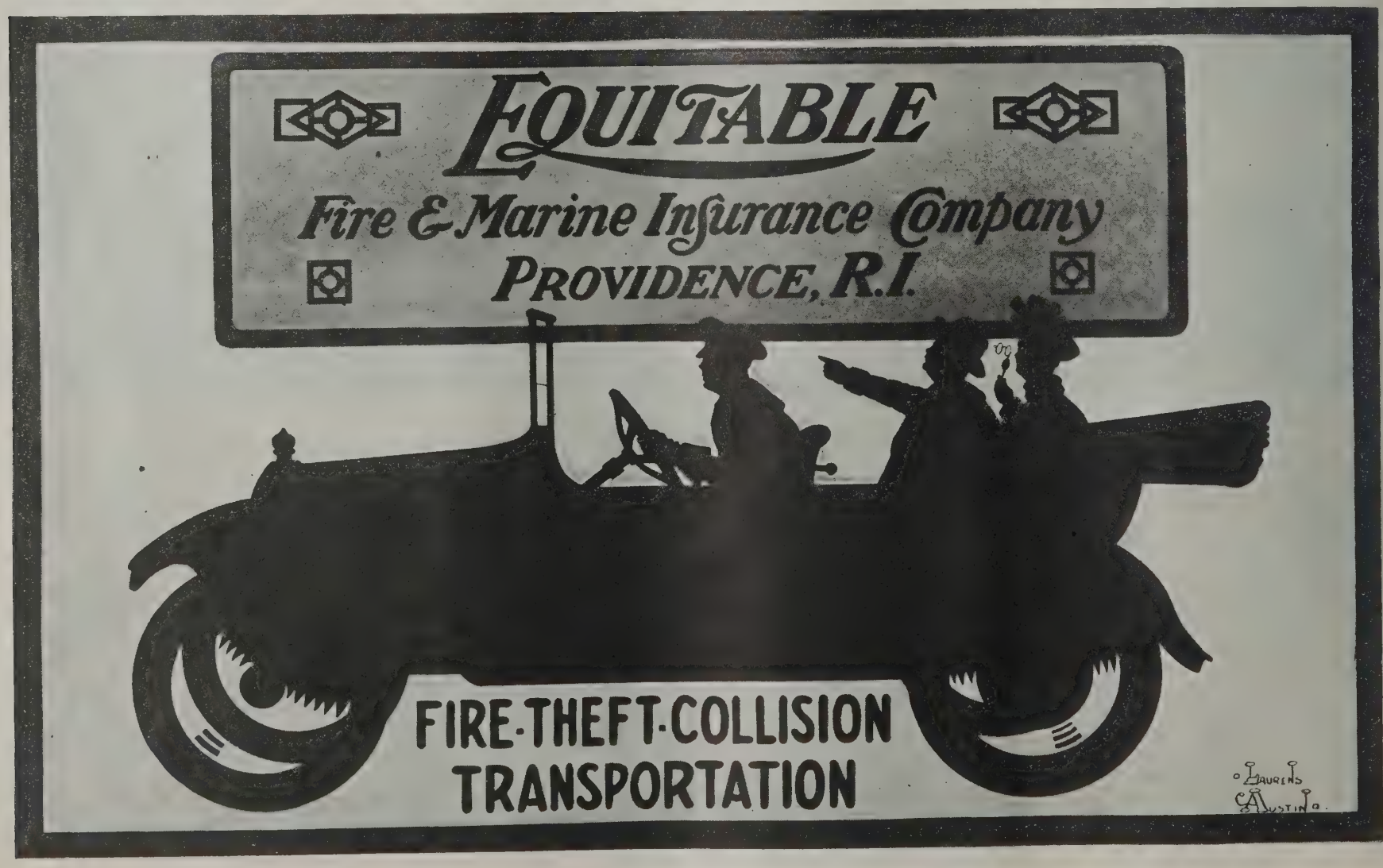
"We would earnestly suggest that when deemed advisable this association should discourage in every possible manner the establishment of bank agencies, and promote the conversion of existing bank agencies to the professional individual type."

Casualty Committee Chairman Makes Report

(*Special to The Eastern Underwriter.*)

Cleveland, September 19:

G. Arthur Howell in his report as chairman of the Casualty and Surety Committee made a strong plea for the protection of casualty expirations.



Giving the Public What It Wants

MEANS SUCCESS FOR AGENT

Oklahoma Man Says Local Insurance Office Should Handle All Kinds of Indemnity

"Fire, Casualty, Surety—the Three Allies" was the topic of a paper delivered by T. E. Braniff, of Oklahoma City. Mr. Braniff compared the insurance agent's office to a department store where one can be accommodated and furnished with whatever is asked. The agent must have what the public wants; and "the goods" must be reliable.

What constitutes a properly equipped insurance department store? he asked. The answer is obvious: Fire, casualty and surety. They have many ramifications, and if the companies represented are strong and progressive, they will provide an outlet for almost any kind of insurance. Instances are not infrequent where a life insurance business has been successfully developed in connection with the above lines. Life insurance, however, is generally regarded as a distinct line, and has attained its greatest success through specialization. We must admit, though, that an avenue of broader success is open to the man who can do more than one thing well. An insurance company president, though he rank high as an underwriter, cannot hope to keep pace with the progress of one who, in addition to possessing that qualification, has a broad grasp of general business affairs, is a capable executive, and a shrewd financier.

Fire insurance possesses the dignity and solidity that comes of long years of experience. It is probably the best recognized form of insurance because it has become an inseparable part of our commercial fabric. It is business insurance, and is regarded as essential wherever property values exist. Generations of agents have lived and died in the business and their offices have been perpetuated as are other business institutions, as a part of the established commercial life of their communities. There are frequently people who need more fire insurance, but there are few property owners who do not carry some.

His First Liability Policy

Fifteen years ago casualty insurance was in its infancy. I remember the first liability policy I ever wrote. It was for a contractor, and the premium was something like $300. We were making a contract bond for him and thought it best to require liability insurance. The contractor believed he was being robbed, and I rather agreed with him. Since that time liability insurance has come to be regarded as essential; so much so, in fact, that in most states workmen's compensation laws have been passed requiring that insurance be carried. Other lines of casualty insurance have developed apace, so rapidly, in fact, that casualty business in all its branches ranks second only to fire insurance in point of premium volume.

The surety business develops a very confidential relationship between customer and agent. This relationship is similar to that existing between a banker and his customers. The surety agent knows the details of the financial affairs of his clients; he knows their record, their ability, their strength, and their weakness. In some cases he is their evidence of responsibility, frequently extending a line of bonding credit which is not justified by their financial statement alone, but is largely the result of the confidence of the agent and bonding company in the client's ability and integrity. Sometimes the agent helps a client over a weak spot in his record and enables him to retain a position of responsibility. These are things which create gratitude and moral obligation, the full advantage of which will only inure to the benefit of the agent who is equipped to care for all the insurance needs of his clients.

Departmentizing an Office

In communities where the volume of business justifies, the best results are accomplished by departmentizing an office. Such a plan opens up a large field for executive talent. In smaller communities the individual must necessarily perform more of the details of his occupation; must, perhaps, engage in other lines of business for a portion of his revenue. Under such conditions there are some lines which harmonize well with the insurance business. Probably the most common are loans and real estate. These work well together because each brings customers to the other. But the insurance agent trying to conduct an auto sales agency, or a mercantile store, or an undertaking establishment, or one who otherwise divides his attention among lines of business not related to that of insurance, is never a successful insurance agent, and is seldom successful at anything else.

Don't Wait For Business to Come

It is one of the axioms of our business that what we get we must go after. Insurance is intangible; it does not appeal to any of the five senses, and therefore we cannot display it in an attractive arrangement in windows or show case. Human nature and custom have combined to send us out after our clients. We must carry our merchandise to them, and because they cannot see, or hear, or taste, or smell, or feel it, we must apply our wits and our personality to the task of selling it. But isn't that the very inspiration of the business? What ambitious man wants to sit in office or shop and wait for business to come to him? The spirit of an army is highest, its accomplishments most wonderful, when it is attacking; it is during the periods of immobility that disintegration of the spirit sets in. Fortunate the man who starts in the business when young, so that when the fires of youth begin to burn low and the desire for further conquests has been dimmed, the fruits of his victories will remain with him because his customers have acquired the habit of placing their interests in his charge, and he holds them through his strong personality and his established reputation for fair dealing.

Whether we like it or not, the nature of our business demands that we spend a certain amount of time in our offices. Can it be that we have so firmly fixed in our minds the idea that we must go out after all our business that we fail to apply the best methods of salesmanship to those people who come in to see us? Some of them are already customers; some come to see us regarding matters outside our business, but most of them are prospects for insurance of some kind.

The opportunities of selling a visitor insurance in our office are much greater than they would be in his. The psychology of the situation is favorable. There are no 'phone calls or mail deliveries, or clerks coming in for instructions; no sight of unfinished business on his desk to break the chain of thought we are forging in his mind, and in our own office we can arrange to avoid interruptions; we have all our data and equipment at hand, and somehow a man is always most confident, impressive, and effective, in his own office.

I know a man who won a prize in a nation-wide accident and health contest, and his business was practically all written in his own office. His method was that of regarding every able bodied man who came into his place of business as a prospect for accident and health insurance. After the object of their visit had been disposed of, he diplomatically brought up the subject of accident and health insurance, and if there was a chance in the world he generally sold them. He was amazed at the results, and has applied this method to various other lines ever since.

Tips From Other Salesmen

Haven't you noticed that a good salesman, when you go into a store to buy a shirt, after selling it to you, will always tell you about the new designs in neckties, or the late styles in hats they have just gotten in? The chances are he will sell you one or the other before you get out, and maybe a few pairs of sox besides.

If a man comes into your office to get a removal permit on his fire insurance policy the chances are ten to one he needs a burglary or an accident or an automobile, so some other of the numerous forms of policies written by a well equipped insurance office. Are we following the methods of the clerk in the store in this important example of salesmanship, and have we instructed our employes to do so? I've actually known of instances where a customer would go into an office and buy a fire policy and then walk across the street and insure his automobile, because he didn't know that the first office he visited sold automobile insurance. That office needed renovating, and we've all seen others just like it. It is a dangerous and shortsighted policy for us to sell a customer one form of insurance and leave him to secure his other forms from a competitor. If the other agent is wide awake, he will take the first favorable opportunity, (such as the prompt and satisfactory settlement of a claim, or the performance of an appreciated service), to remind our customer that he also writes the form of insurance being carried with us, and, under the influence of a friendly state of mind and a little artful persuasion, the chances are he will be promised the renewal of the business. We are not nearly so apt to lose all of a customer's business as we are to lose a part of it. The inference is plain—get it all. Some very successful casualty and surety men have admitted this fact to me of late, and they have now added fire insurance to their office facilities. They are well satisfied with the results. Much business comes to them from established customers with little effort on their part. It swells their volume, reduces their expense ratio, and makes more secure their hold on their customers.

Don't Carry All Eggs In One Basket

Legislative interference with practically all lines of insurance is an ever present bugaboo. Obviously the agent who has developed only one branch of the business is subject to the greatest chance of complete loss from this source. He is carrying all his eggs in one basket—just as is an agency whose chief source of revenue is one particular account. If he loses that account he must start to build all over again. If he writes only fire insurance, or only casualty insurance, or only surety bonds, and legislative or administrative interference should happen to make it impossible for his connections to operate longer in his territory, his entire business is demoralized. A well balanced business made up of large and small accounts of all classes of insurance, is the best protection against such a calamity. Cases have been known where the fire companies have abandoned a state because of obnoxious legislation, and liability companies have been forced by unfriendly laws to retire, but I know of no case where the business of both classes has been interfered with at the same time.

The surety business is probably the least susceptible to legislative inter-

(Continued on page 14)

SVEA
Fire and Life Insurance Company, Limited
of Gothenburg, Sweden

Organized 1866

United States Branch

100 WILLIAM STREET, NEW YORK

J. M. WENNSTROM, U. S. Manager

Senator Sherman's Plea For Insurance

SHOULD BE IN PRIVATE HANDS

Tells of Inroads Made By United States Government—Criticises Bureaucratic Tendencies

The insurance world has not asked exemption or deferred classification in the war. It has given its service and its men and made its sacrifices with 100 per cent. American patriotism. Like the loyal men of the republic if the peril calls for it more will be given and the public necessity will measure a devotion of all if that emergency shall arise.

Fire underwriters are trained to survey a world of future hazard. With the hard discipline of experience they narrow by unceasing care and skill the range of losses and accumulate cash and liquid credits to meet the inevitable calamities that defy human vigilance. Your business is no place for novices and visionaries because it is founded on experience and practical knowledge. It must not be made a laboratory for experiments because it is vital to the solvency of business and the maintenance of established credits.

Praises National Board

Your occupation leads you to read signals far ahead and anticipate accidents by prudent preparation. Therefore, the National Board of Fire Underwriters on March 21, 1917, offered its services to the National Council of Defense to safeguard exposed properties "in the event of war." Fire insurance men were keenly alive to the indemnity needs and dangers of the war period long before we joined with the Allies. "The soldiers in the war that never ends" were already trained and mobilized. They were tendered to the government in anticipation of the increased risk then foreseen. Their accumulated experience and ability were immediately available to our country without charge. Policies have been written for the government against the settled rules of insurance experience when the insurance market was exhausted in New York, Boston and London. The companies relaxed the rules on classification and location to protect government property in a war emergency.

The inspection service on fire protection is the result of many years' experience. It cannot be restored if dispersed without demoralizing the foundation of the business. Through it valuable reports have been submitted on the property or interests affecting the army and navy, the War Trade Board, the Council of National Defense, the Food and the Fuel Administrations, the Ordnance Department, naval and army hospitals. A pamphlet on Safeguarding Grain in Storage, one on Cotton, and another on Safeguarding Industry have on request been prepared for and approved by the Food Administration and the Council of National Defense. The services of the National Board of Underwriters have been tendered the Emergency Fleet Corporation and two of its engineers assigned to the Division of Shipyards and Plants. Experts have rendered material service in the Construction Division of 16 cantonments, 2 embarkation camps, 12 training camps, 2 departments of stores and to food repositories and the Bureau of Yards and Docks. Many hundreds of inspectors and many thousands of reports made by them recommending improvements in fire safety have been given the several departments. The thought woven into this service was voiced by one of your occupation in saying: "Forget the names of the companies that pay your salaries. Remember only you are working for the nation's welfare in a time of great crisis."

Full Response From Insurance

Letters from the Quartermaster's Construction Department bear witness to their appreciated value. It is needless to enumerate further to show the generous volunteer service given our government. I generalize by saying all in the occupation of fire insurance and their companies have been as patriotic in rendering skilled service, in buying war bonds, in loyal thought and speech as any in the country. There has been a full response everywhere both by fire, marine, life and all other forms of insurance. Many millions of direct internal revenue taxes are paid annually by insurance companies and the burdens of taxation will be doubled by the bill now pending in Congress. As patriots we each cheerfully assume our share. There are no strikers nor slackers in the ranks of the insurance world. They not only contribute through their companies and individually to the public revenues but they are the greatest preservative agencies of property known to modern society.

They safeguard property by wise inspections minimizing the risk. They instruct the heedless. The ever present moral hazard is reduced. New devices to lessen the volume of heretofore inevitable losses are constantly invented by the ceaseless activity of minds devoted to that task. The body of insurance men watch the increasing annual fire loss of more than $200,000,000 as an enemy perpetually to be met and held in check. Every small fire is a skirmish and every conflagration a pitched battle. When the insurance men lose, ashes and junk are substituted for commercial values and the country is by that much the net loser. The entire system is so preservative in character, so essentially based on sound rules drawn from long experience and expert applied knowledge that it commends itself peculiarly to the protection of every civilized government in the world. Like natural persons, insurance companies require regulations. In war we cheerfully submit to taking all if necessary. Beyond that an invasion of the business by embarking the government in it so as to imperil the developed system of private ownership is a menace promptly to be met and checked before that tribunal of last resort, the American people.

It is no indictment of insurance companies to say they make gains sometimes from the weltering chaos they underwrite on the doctrine of chances expressed in tabulated averages and covered by premiums paid for a contract to the insured for a fixed sum legally and mathematically reduced to terms of accepted value in the commercial world. Every dollar of surplus and shares, every resource of the companies are liable to be swept away in colossal losses. This is not a time to haggle about moderate dividends. The supreme question is solvent indemnity to safeguard the increasing hazards of war.

Insurance Men Have Kept Pace With Times

The greater the diversity of pursuit open to private individuals the greater the development of the various kinds of ability among those engaged in gainful occupations. Fire insurance has not failed in private hands. It has risen to the level of every crisis. Its men have kept pace with the emergencies and requirements of the business in every misfortune. In war, if it be demonstrated their property and great organization for fire protection must be taken as a necessary war measure or that they have failed to furnish service or indemnity on reasonable terms to all entitled to it, Congress would be justified in authorizing it and the insurance world would patriotically yield for the public welfare. Neither contingency is in fact presented.

The experience of a lifetime produces with me a settled belief that private enterprise is more effective and desirable and bears within itself more incentives to human progress than government undertakings. A public payroll loses at least one third its effectiveness measured by a private payroll. There is an inevitable lethargy which creeps upon a government department. In war the army and navy move swiftly; in peace they are encumbered with red tape and formalism. Yet it is history that they depend in peace and war on the efficient privately developed industry for munitions, clothing and subsistence. It is appalling to contemplate an army dependent upon the procrastinating, cumbersome, expensive processes of departments, boards and bureaus to produce the food and munitions to equip and victual an army. Governments in military emergencies commandeer going enterprises, vitalized with the spirit and momentum of private energy. It does not take the insensate material in its experimental stages. The results of men's activities and brains of a lifetime are seized in their perfected form. The government takes nothing but successes. It has no use for failures. It leaves them to be rehabilitated and regenerated by private initiative and industry.

Have Lived Up to Every Duty

The insurance companies have so fully measured up to every duty, public and private, it savors of ingratitude for the government to invade the field they occupy. No war emergency requires it. If it shall become an actual necessity all will acquiesce. No mere pretext ought to avail. The indemnity requirements have been met. A claim that valuable information on war contract plants or yards or merchandise is revealed to the enemy when left in private hands is an error in fact. No criticism will be made of all precautions to ensure safety. A ready joinder with the government to that end will be given. The system ought not be dismembered or demoralized by government seizure merely to regulate. Its strength can better be preserved against the day of need by leaving it in private hands. The safety of the transmission of its knowledge to the enemy can be secured by reasonable rules sincerely joined in by a patriotic insurance fraternity of the entire country.

Fire losses in the United States and Canada for August 1918 were $31,476,650 compared with $21,751,100 in the same month last year. The losses for the first eight months of 1916 are $200,036,285 against $159,535,220 in 1916 and $180,515,875 in 1917 for the like eight months. At this rate 1918 will total losses of over $300,000,000. A material increase is chargeable to plants engaged directly or indirectly in war work. Operation under high pressure, a greater percentage of inexperienced help and disregard of fire prevention and protection with some incendiary origins are the most prolific causes.

Increased Losses

Private insurance companies not only face the foregoing increase of $100,000,000 losses but have already suffered the loss of approximately $30,000,000 in fire and marine premiums from business written on railways, merchant shipping and cargoes withdrawn from insurance protection although on property privately owned but government controlled. The statement that the government carries the risk is only an explanation at last that the taxpayers carry the risk or the private owners lose if the government does not restore the losses. The large issues of railways bonds protected by insurance on the mortgaged property not renewed under General Order No 24 of May 16, 1918 makes the Treasury Department liable and it in turn must be replenished by taxes levied on the private citizen for he is the only source of government revenues. The telephone and telegraph properties lately taken by the government under a recent act of Congress will likely swell the aggregate total loss of business by some millions. Directly coupled with the foregoing is the bill known to be in the hands of the Treasury Department embarking the government in the insurance of all properties and foodstuffs related to war activities. A bill is pending in the House to create a Liberty Insurance League to write by the government every form of property and life insurance. Another bill is before the United States Senate to authorize the government to engage in all forms of industrial insurance. Neither of these bills is limited to the war but both are intended to be permanent in their operation and commit the government to the conduct of every kind of insurance for all time. The Capital Issues Committee of the War Finance Corporation recently created by Congress under the spur of executive pressure is distinctly hostile to the investment of new private capital in insurance companies.

Wool Insurance Carried by U. S.

The German fire insurance companies recently taken by the Alien Property Custodian were sought to be made a nucleus for a government fire insurance venture to encroach on the field of private enterprise. The enabling bill in the New York legislature did not become a law. The pending bills in Congress may if enacted supply the means to that end. The government not long ago arranged with the importers of South American wool to make the purchases and deliver the wool for a small commission, the insurance risk to be carried by the government. Comment is superfluous. To one who is much about Washington it seems parsimony at the spigot and prodigality at the proverbial bunghole. I submit it is a discouraging return for the generous response of the companies to cover the risk on wool some time since on exposures contrary even to sound principles of underwriting. All this must be sharply distinguished from war risk insurance, military, naval, marine and seamen's insurance, which is a modern substitute for a war pension system. These all cover hazards peculiar to war and are as distinct from ordinary insurance as the hazards of battle to a soldier are from the risk of a civilian in his usual private occupation. It is against the evident intention to invade by the government the field that properly belongs to private insurance enterprise. I protest as a perversion of the powers of government. To check this advance I invoke all possible publicity and knowledge of the sinister effect of such a scheme on the character of the American people and the rights of the business interests involved.

Extent of Insurance Coverage

In round figures fire and marine insurance covers $94,000,000,000 in property of $200,000,000,000 of private taxable wealth in the United States. This is 47 per cent. of the property from which must be drawn in its use and earning power the tax of $8,000,000,000 annually. The covered value is employed in every species of industry. Insurance is one of the four great instruments in trade. Without it banks, carriers on land and sea and salesmen will halt in credit, carriage and market. Production beyond local needs meets paralysis without the under-

(Continued on page 14)

Year's Progress Told By Fred Cox

EXECUTIVE COMMITTEE REPORT

Tax Question and Socialistic Tendencies Cited by Chairman as Most Important Developments

The report of the executive committee as given by Chairman Fred J. Cox, Perth Amboy, was in part as follows:

The Executive Committee has, since the St. Louis Convention, attempted to progress along three lines in carrying out your ideas:

1st.—To make our paid executive personnel more efficient, thus increas-



FRED J. COX

ing the value of the national office to each member.

2nd.—To expand our organization as rapidly as possible by increasing our membership, thus giving us more strength and power.

3rd.—To use the organization for the aid and services of each member, attempting to direct our energies to combatting the one greatest danger now menacing our common welfare as insurance agents, socialistic encroachment, at the same time doing our duty as American citizens to win the war.

I will discuss briefly the record we have made under your instructions.

The Twenty-second Annual Convention was held at St. Louis, Mo., on October 11th, 12th and 13th, 1917. On October 31st, about two weeks later, we held a very well attended Executive Committee meeting in New York City, at which the program for the year was carefully prepared. At the conclusion of the meeting the Boston office was inspected, and the President and Chairman of the Executive Committee attended meetings of the New Hampshire and Connecticut State Associations.

Mid-Year Conference

During these months previous to the Mid-Winter Conference in February last, the Executive Committee was in constant inter-communication, and much effort was made to speed up the business efficiency of the national office, and improve the "Bulletin." The President and Chairman overloaded the mails and burned up the wires between New Jersey and Arkansas in their efforts to produce appreciable results before the Mid-Winter Conference

In December we secured the services of Chauncey S. S. Miller for Field Secretary, thus accomplishing the first step toward the expansion of membership urged by the St. Louis Convention. Mr. Miller started work for us on January 15th in New Jersey, carrying on a membership campaign which demonstrated his ability and doubled the membership of that association.

Work on Tax Questions

During these months tax matters at Washington were given attention with results clarifying the situation and placing our members in the same 8 per cent. class as other professional men, thereby saving every agent in this country, whether a member of this Association or not, from the invested capital classification which would have taken from 40 to 60 per cent. of our total profit.

The Mid-Winter Conference was held in Chicago February 20th, 21st and 22nd. The attendance was the largest on record; the members enthusiastic. At this meeting the Executive Committee rendered in detail an account of its activities since the St. Louis Convention, and recommended drastic changes found necessary by the experience of the previous months. You are all familiar with this report which was printed in full in the "Bulletin." The report was accepted and its recommendations unanimously adopted.

During the Conference the Executive Committee was constantly in session, and it was decided that at its conclusion, the newly-elected secretary-treasurer should immediately proceed to the Boston office, to acquaint himself with his new duties and to move the headquarters to New York as soon as possible.

Certain socialistic schemes threatening the existence of our business as agents, were called to your officers' attention on the last day of the Chicago Conference, and our immediate aid was requested in stopping them. The situation at that time appeared to be rapidly approaching a crisis, and, consequently, it was decided to urge upon Secretary-Treasurer Miller to put our house in order as quickly as possible, so that our operating machinery would be ready to function effectively, in the event of a call to arms of our entire membership should the situation become so far developed as to make it necessary.

Membership Campaigns

After a careful planning of details with the various associations, our affairs were in such shape that membership campaigns were conducted successfully by Secretary-Treasurer Miller in May, June and July in Kentucky, Georgia and Iowa, President Allen spending several weeks in Tennessee, South Carolina, North Carolina, Georgia, Minnesota and Missouri.

It has been our policy to have the National Association represented by some national officer at each state association meeting during the past year, as far as possible, which has resulted in renewed interest. This work has been done by the President, Chairman of the Executive Committee, the Secretary-Treasurer and by others who have been assigned by the Executive Committee. 1,443 members have been added since the St. Louis Convention.

The National Association should be to insurance agents what the American Bankers Association is to bank men. What banker would fail to be a member of his State unit? We should have three times our present membership if we take ourselves seriously, and purpose to have the power and influence we need. We can get this membership if we have more men to do the work. We should have paid men on the road constantly, going from city to city in each state, picking up the loose ends and following up every membership campaign conducted by Secretary Miller; soliciting advertising from our members and making themselves generally useful to each state organization. In other words, besides Mr. Miller, there should be several "special agents" for the National Association who have no other duties than to be constantly in the field among our members. This requires more funds, and it is incumbent upon us to provide these at this Convention—at least, sufficient moneys to put on one additional salaried man for this field work. We either go forward or backward. Let us go forward, and still faster.

On August 16th and 17th an Executive Committee meeting was held in the New York office, to attend to pressing matters which required immediate consideration.

One matter referred to us by the St. Louis Convention was Company Conferences. A committee was appointed by President Allen last October, of which James L. Case of Norwich, Conn., has been able Chairman. He will report to you before adjournment.

The Committee on Return Commissions of Defunct American Companies has concluded its duties for the present, and M. J. Carcy, as Chairman, deserves our thanks for the time invested and efforts made.

Having given you some idea of what we have been doing in the attempt for greater efficiency and expansion, I ask your consideration of what we have emphasized for months past as the chief duty for the time being of the Association to its members.

Through the columns of the "Bulletin," and whenever we have spoken at State meetings, we have pointed out that the times we now live in demand of us, as insurance men, that we, first, do our part to help win the war, and, second, preserve our calling from socialistic attack which appears to see no essential place for insurance agents in the new world they seek to create.

Importance of Socialistic Trend

No question between ourselves and the companies now before us is so important as this omnipresent danger of socialistic encroachment. We adhere strictly to the principles of fairness on which our Association is founded. We do not hesitate to use every effort to serve our members where our insurance company principals fail to observe those amenities which preserve the rights and privileges of the American insurance agent. We stand for a square deal, and will fight for it when necessary; but we have constantly urged upon our members and our insurance companies during the past year that now is the time for subordinating all differences in the interests of the common good. When the whole fabric of the business world is being altered so completely, surely insurance agents and companies must see that sound judgment calls for laying aside the differences of the past and a firm uniting on policies which will preserve our common means of livelihood. Whoever rocks the boat now, be he agent or company official, should be placed in a padded cell for the duration of the war.

Again, not only must we have a united front, a co-operation of all insurance interests against the common foe, Socialism, but if we would endure we must impress on the public that the insurance agent serves the community. We agents should not content ourselves with only a perfunctory interest in our client, with our eyes fixed solely on our commission, but should see to it that he knows what his contract calls for, that he is properly covered and receives the lowest rate he is entitled to enjoy by reason of the fire preventative measures we urge upon him. Whom of us does not regard his business as a profession, his duty to his assured as a constant service, is a slacker and a peril to us all.

War Taxation of Insurance Agents

By Guy Mason, Washington, D. C.

This paper relates to current taxation by the Federal Government of agents of fire, life, casualty, and accident insurance companies and of surety companies. It is limited to the taxation of individuals and partnerships and does not include any discussion of the taxation of corporations What is here said, therefore, has no application to the taxation of agencies which have been incorporated. For brevity of expression, I shall refer to all such agents (whether of insurance companies or surety companies) as "insurance agents" or "agents of insurance companies."

Revenue Bill of 1918

The Revenue Bill of 1918 was reported to the House of Representatives by the Ways and Means Committee on September 3, 1918. The outstanding feature of this bill, as it affects insurance agents, is that it eliminates entirely the excess profits tax, as such, upon such agents, whether they have been doing business as individuals or partnerships. Perhaps it would be more expressive to say that it combines the former so-called excess profits tax of eight per centum with the former income tax and denominates the resulting whole an "income tax." The new bill does not levy **directly** any tax upon the profits of the agency but places the tax upon the resulting income to the agent or to the members of the partnership.

This explanation will prepare the agents for the higher rates imposed by the bill. * * *

Allowable Deductions, 1918

I have undertaken to state the items of income which are exempt from the normal tax or from all Federal taxation. In addition the taxpayer is entitled to a number of **deductions** from **gross** income, in computing the amount of his taxable net income. These deductions are, with certain exceptions, the same as are allowed under the acts of 1916 and 1917, and are now very generally understood by taxpayers. Included in the list are business expenses, interest payments, tax payments, losses, uncollectible debts, depreciation, and charitable contributions. Having been enumerated in the discussion of the 1917 taxes, it is not deemed necessary to discuss these deductions again at any length. The changes which are proposed by the new measure are these:

1. Under existing law the taxpayer may deduct interest payments except those on debts incurred for the purchase of tax-free bonds. The new measure permits a deduction of all interest payments "in excess of the amount of interest received free from income tax." This simplifies the deduction.

2. The present law permits a deduction of losses incurred in transactions entered into for profit but not connected with the taxpayers' business, to an amount not exceeding the profits therefrom during the same year. The proposed measure allows a deduction of the entire loss in such transactions without any such limitation.

3. Under the act of 1917 the taxpayer was permitted to deduct from net income the amount of his excess profits taxes or his share of the excess profits taxes of the firm of which he was a member, paid in the same year. As in individuals and partnerships are not subject to an excess profits tax, as such, by the new measure, no such deduction can be made.

Contributions to charitable organizations, not exceeding fifteen per centum of the taxpayer's net income are deductible items for individuals but not for partnerships, according to the proposed bill.

The new measure levies no taxes whatever upon partnerships. Instead, the taxes—that is, the normal income tax and surtaxes—are laid upon the share of each partner (as an individual, you might say) of the partnership profits whether distributed or not.

The taxes imposed by the proposed bill upon insurance policies will no doubt be of interest to insurance agents, if for no other reason than because it is provided that these taxes are to be paid by the insurer or by the agent or broker for the insurer or the insured If the insurance company pays these taxes, the agent or broker is, of course, released. Upon this subject the report of the Ways and Means Committee says:

Life Insurance

"A tax equivalent to 8 cents on each $100

(Continued on page 15)

Resolutions Adopted By Convention

Against Socialistic Encroachment and For Fire Prevention

Whereas, the insurance agents of the United States are concerned over the danger of government insurance bills which are already prepared for introduction in Congress, threatening with destruction the established system of insurance conducted through local agents; and,

Whereas, the public interest demands a reduction in losses from fire and other casualties insured against more than anything else in the field of insurance and the present system of insurance is under constant pressure by the incentive of private interest to seek out the causes for such losses and the means of prevention, thus gradually bringing these dangers under control while at the same time striving in rivalry between the many companies to excel in satisfactory service to the property owner; under State or Government insurance the interested study of loss prevention and control would halt and rivalry in service would not exist;

"And, whereas the local agents of the United States are indispensable to the satisfactory protections of the property owners interests and are, through training and local influence, a mighty force for fire prevention work, of highest import to the national prosperity." therefore,

Resolved, that this association emphatically protests against any taking over by the Government of the business of insurance except insofar as is clearly necessary for the winning of the war, we gladly accept any sacrifices which will help the Government to prosecute the war to a victorious conclusion, but we call upon all agents everywhere to be on guard against any proposal to introduce Governmental insurance under the plea of war necessity where such necessity does not exist. Such proposals are against the best interests of the nation, confiscate without compensation the business which we have built up by our life's work and are contrary to the spirit traditions and practice which have made Americans a great and enterprising people. All State associations should prepare to enlist their Senators and Congressmen in the defense of the well proved and patriotic American system of insurance through local agents.

Urges Vigorous Campaign of Inspection By Locals

Whereas, the agents of this association have pledged to constitute themselves into a band of voluntary preventionists seeking to reduce by every means the needless waste through fire and accident; be it

Resolved, that the presidents and secretaries of State associations and through them the local boards and county associations in the various states be requested not only to adopt resolutions endorsing these sentiments that the purpose sought by President but to immediately and actively embark more vigorously upon a campaign of local inspection to the end Wilson in his proclamation of April 15th, 1917, and the letter of June 26, 1917, be attained.

For Co-operation With Other Bodies —Casualty Expiration

Whereas, our interests in this crisis are identical with those of our companies and of all others engaged in the insurance business,

Resolved, that our officers and committees are hereby authorized to cooperate in this campaign as their best judgment may dictate with insurance companies, insurance commissioners, the national insurance council, the insurance federation, and any other organizations whose co-operation may be helpful in advancing our common ends;

Resolved, that while the principles and platform of our association are now generally approved and accepted by all branches of our business, it is important that in these days, when the honor of and service to our country must first be considered that the standards of our business should not be lowered. We should firmly maintain our attitude on the important questions of overhead writing, underwriters and multiple agencies, our rights as agents in the expirations of our business, and in all other points steadfastly support the ethics of our business.

Resolved, that it is the sense of this meting that the question of the ownership of casualty expirations be recommitted to the committee on casualty affairs of this association with the request that it follow up the suggestion of the retiring casualty committee to secure by personal interview and other methods wihch seem expedient, a plan to bring about the same understanding with the companies so far as the casualty business is concerned as exists in the fire business.

Protect Expirations of Agents in Service

Whereas, we are proud of the services to our country both overseas and at home of our members and of their families and we sympathize and glory with those whose loved ones have made the supreme sacrifice,

Resolved, that while our associates are giving their lives for us, we cannot do less than conserve their business, we therefore charge our members to care for and protect the business of our absent ones that it may be found intact upon their return or become an asset for their families.

To our former secretary and treasurer, Henry H. Putnam, who is voluntarily serving our country in France, we extend our good will and best wishes.

GLOBE & RUTGERS
FIRE INSURANCE COMPANY

111 WILLIAM ST., NEW YORK

Cash Capital - - - - - $700,000
Assets January 1st, 1918 - $22,022,227.19
Surplus to Policyholders - $8,126,414.26

E. C. JAMESON, President
LYMAN CANDEE, Vice-President
W. H. PAULISON, Vice-President
J. H. MULVEHILL, Secretary
W. L. LINDSAY, Secretary
A. H. WITTHORN, Asst. Secretary
J. D. LESTER, Asst. Secretary
G. C. OWENS, Asst. Secretary

National Association Raises $25,000 For Expenses in About One Hour

Spirited Rivalry Among Delegates for Distinction of Heading the List of Contributors for Their Respective States—Ohio Won First Place Donating About $7,000—Michigan With Help of Bass Drum Came Through With $1,000.

(*Special to The Eastern Underwriter.*)

Cleveland, September 20:

The National Association raised $25,000 today in about an hour, different state and local associations outbidding each other for the distinction of giving the most. Ohio won with about $7,000. Subscriptions had been called for to defray necessary expenses of the organization and the quick and unprecedented response was a remarkable tribute to the officers of the Association.

The subscriptions proved positively that the leading agents of this country believe in the National Association with their heart and soul and that they want it to be strong in every particular.

The raising of these subscriptions was accompanied by a great deal of humor. There was a lot of rivalry between Akron, Dayton and Youngstown, Ohio; in which delegates from these cities insisted upon the superiority and generosity of their towns. Youngstown finally won by giving $400.

During the proceedings a bass drum was heard outside and twenty members of the Michigan delegation, headed by the president, marched in singing a Michigan song and carrying a flag.

John Livingston, of Detroit, appeared in a new role being the principal support of the drum. After the singing was over it was announced that the Michiganders would give $1,000.

Show How To Sell Use and Occupancy Insurance

Two Agents Stage Novel Demonstration—Proves Educational and Makes Hit—Some of the Points Raised Are New to Many Agents—C. O. Ransom Acts as Agent and Albert C. Davis as Assured—Policy Coverage Included in Dialogue.

(*Special to The Eastern Underwriter.*)

Cleveland, September 20:

A brand new stunt for a fire insurance convention was pulled off here this afternoon, when C. O. Ransom, acting as the agent, and Albert C. Davis, acting as the insured, illustrated the sale of a use and occupancy policy. Ransom and Davis are Cleveland local agents. So many questions were asked by members of the Cleveland club at their meetings about use and occupancy that these two men got up some questions and answers, and the dialogue was enjoyed by every one as it was distinctly educational. Some questions and answers briefly given follow:

Is the use and occupancy rate higher than it used to be? Yes, companies raised the price when war increased the demand.

May I include my frame buildings in the yard? Yes, if you want to, but the companies may increase the rate if you do.

Shall I include finished stock? No. That comes under profits policy.

In a use and occupancy form what do you mean by net profits? They are the net profits shown on your books.

Shall I figure profits before or after deducting my income tax? Before if you want to protect your tax.

Do I get paid before I resume business? Yes, if compromise is agreed to.

How do I know what my normal production of goods is when the production varies daily? Take an average for certain period of days.

If fire occurs on last day of policy year, then I am paid for about two hours' shutdown? Is that not true? No, the payment has nothing to do with nearness of expiration of policy.

If I have a loss may I get temporary quarters? Yes, if you do so reasonably.

If city ordinance tells me to rebuild in such a way that I am shut down longer than would have been the case if there had been no such law do I get anything from this extra delay? No, we cannot tell what council will do at some future time. We are not mind-readers.

If I am using certain machinery under license from the manufacturers and this license lapses because I do not have this license. do I get anything from you? No. That would be an indirect loss.

Is any indirect loss covered under policy? No.

If I disagreed with you as to amount of loss can loss be appraised? Yes.

Can the policy be made to cover use and occupancy loss due to disablement of electrical machinery by short circuits? Yes, for extra premium.

Suppose I thought that I could not replace in 300 days could you get me a longer policy? Yes, as long as you will pay at so much a day.

Suppose I thought that I could replace in less time than 300 days, could you get me a shorter policy? Yes, but you would save nothing.

If I have regular busy and slack seasons, how could the policy be drawn? Why, with one daily limit for busy and one for slack season.

Could I have use and occupancy insurance against explosion? Yes, because a malicious explosion will hit the plant in a vulnerable spot and fire might not.

LOGUE BROS. & CO., Inc.
307 FOURTH AVENUE - - - PITTSBURGH, PA.

FIRE CASUALTY AUTOMOBILE
INSURANCE

Sprinkler Service Specialists

MEMBERS OF
Pennsylvania Association of Insurance Agents and National Association of Insurance Agents

Keep Your Liberty Bonds

HOLD to that bond. You invested to help send the boys across. They are over now, at grips with the German monster. You expect them to hold on—hold on till the last vestige of autocracy is crushed out of him. Then you, too, must hold on —must keep your enlisted dollars invested on the fighting line.

It isn't the hooray of a campaign that wins a war. It's the will to hang on, to make sacrifice today, that tomorrow may bring victory.

And your investment. Those bonds are the safest investment you ever made. Don't be lured into exchanging them for the "securities" of some suave get-rich-quick operator. Big returns may be promised, but the bigger the promised returns the bigger the risk.

If you have to have money, take your bond to any bank and use it as collateral for a loan. There is no security the banker would rather have—nothing on which he will lend more willingly.

Don't use bonds to buy merchandise. The average merchant, accepting your bonds in trade, sells them immediately, thus tending to lower their market price and taking away from the buyer of your bonds the ability to lend a corresponding amount of money to his Government. Liberty Bonds are meant to help your country at War; are meant for investment and to provide an incentive for saving and a provision for the rainy day.

Hold fast to your Liberty Bonds. Hold fast for the sake of the boys "Over There". Hold fast because it is good business.

UNITED STATES TREASURY DEPARTMENT

Contributed through Division of Advertising

United States Gov't Committee on Public Information

This space contributed for the winning of the war by

The Eastern Underwriter, 105 William St., New York City

E. M. Allen Re-Elected President F. J. Cox Heads Executive Committee

This Popular Team Get Great Ovation from Delegates—Secretary-Treasurer Miller, the Whirlwind Organizer, Re-elected—George D. Markham Continues at Head of Legislative Committee—Other Officers Chosen.

(Special to The Eastern Underwriter.)

Cleveland, September 19:

When the nominating committee came in and announced that it had picked out E. M. Allen, the lank, lean and likable president for re-election, the delegates stood up and shouted themselves hoarse because Allen by his wit, common sense and managerial abilities is a decided favorite with these gatherings. He visited about twenty-two associations during the year but said he was willing to do it all over again.

Fred J. Cox was made chairman of the executive committee again. He is the very remarkable local agent who put Perth Amboy on the map. He also got an ovation.

Have Proved Fine Team

Allen and Cox furnish a team that's hard to beat. There isn't anything they have attempted to do in the Association in which they have not succeeded and when it comes to making diplomatic speeches they make most professionals at that sort of thing look like amateurs.

Secretary-Treasurer Chauncey S. S. Miller was re-elected, which news was also well received. If there was any resentment in the convention over the official demise of Henry H. Putnam it was not noticeable. Mr. Putnam, secretary for many years, is with the Y. M. C. A. in France. The facts about Mr. Miller speak for themselves. He has made a good editor of the "Bulletin" and has been a whirlwind as an organizer. He handles convention details promptly and satisfactorily and if called on to make a speech can illustrate it with apt stories.

Other Popular Officers Elected

George D. Markham was re-elected chairman of the legislative committee, much to the satisfaction of the convention.

The election of John L. Tiernon, Jr., president of Tiernon & Company, Buffalo, as one of the vice-presidents was well received. As president of the New York State Association of Insurance Agents he made a splendid impression and he has a grasp of casualty, as well as fire insurance business. Other vice-presidents follow:

New England States, H. H. Hickox, Burlington, Vt.; Southeastern States, T. F. Southgate, Durham, N. C.; Southwestern, A. W. Mills, Pine Bluff, Ark.; Middlewestern, Eugene B. Walsh, Davenport; Mississippi Valley, James B. Wallace, Kansas City; Rocky Mountain, D. J. Main, Denver; Pacific, Emil Robbins, Santa Ana, Cal.

G. Arthur Howell, "my idea of a good insurance agent," said President Allen, was elected again chairman of the casualty and surety committee; and C. C. Corey, Springfield, Ohio, chairman of the organization committee.

Convention "Once-Overs"

The high spot in this convention was the address of Senator Lawrence Y. Sherman. He put into concise, simple but powerful English the arguments which endorse individual effort and point out the shame of Government ownership.

One paragraph of his talk was decidedly encouraging to fire agents. It was this: "I have a private secretary who spends about half of his time chasing down allotments and allowances trying to find out why the checks do not go through more promptly.

"I understand that the War Risk Bureau is about 1,000,000 checks behind, and Lord knows when it will catch up. I doubt if the Government will take over the insurance business because it has already more on its hands than it can do."

Senator Sherman told a story to illustrate what Government red tape means. At one time a large number of cavalrymen were held up for over a week because there was a square ring in some of the saddles and a round ring in others. Government regulations were for one kind of a ring, and it took nine days to unwind the red tape and fix the matter up so that the cavalry could move on its way.

Senator Sherman was asked by a reporter for The Eastern Underwriter if he thought there was any chance of the Government taking over the insurance companies, and his answer was: "My boy, there is a chance of the Government doing anything."

However, from the stories above cited it will be seen that he doubts it.

* * *

Edward Hawley, Woodworth-Howley Co., of Buffalo, attended his first national convention. Ordinarily he goes to New York state conventions and his partner C. H. Woodworth, goes to national association conventions. But this time both are here.

* * *

Ohio insurance agents enjoyed a quiet smile when Governor Cox told what fine citizens insurance men are. They remember how the Governor put the compensation insurance men practically out of business.

* * *

John T. Stone had hard luck in following Senator Sherman, of Illinois, inasmuch as his speech in many respects covered the same ground as the Senator's speech. It was not John T's. fault, however, as both had been given almost identical topics. The strange part was that Messrs. Stone and Sherman were seat mates on a car coming to Cleveland, but not knowing each other, did not talk. If they had they could have compared notes, and President Stone might have changed his talk somewhat.

(FOUNDED 1806)

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INSURANCE COMPANY, LTD., OF LONDON

United States Branch, 49 John St., New York
HALL and HENSHAW, U. S. Managers

NO UNDERWRITERS' AGENCY
NO ANNEXES

NO OVERHEAD WRITING
AN AGENTS' COMPANY

Sherman's Plea For Insurance

(Continued from page 8)

writer. Commerce domestic or foreign cannot continue without a solvent indemnity contract elastic to fill varying wants, prompt in payment when the contingent liability matures, and based on time-tried fire or marine tested experience. The government cannot respond to such requirements. What it does in great war emergencies when a patriotic united people sacrifice and serve without reward is not the level from which to measure government undertakings in peace.

Insurance An Essential Occupation

Two hundred fifty thousand American citizens are devoted to fire and marine insurance and many thousand more in other lines of insurance. Their occupation is essential and vital. No more reason can be urged for destroying their business by government absorption or competition than the farmer's, which supplies meat and bread insured in transit to the consumer, or the cotton mills that give us clothes. Many public officers are more sensitive to numbers than more purely logical arguments. The unceasing chorus of the disciples of government, alias political ownership, has misled some statesmen into mistaking persistency and fervor for majorities. Silent numbers ought now be heard. Be silent no longer, either in speech or press. Further silence will be a crime against good government. If any desire to make it an issue let it be met at the bar of public opinion.

Railroad Insurance

The Director General of Railways reports that for the three years ending June 30, 1917, the steam railroads paid the insurance companies $16,021,369 in premiums, while the companies paid losses in that time $12,460,639, leaving an excess of premiums received over losses paid of $3,560,730. It is claimed this excess is saved and is a government economy. It is added that a vigilant fire inspection and prevention service is organized which will reduce fire, so the Administration can profitably carry its own risk. I submit this is a vain hope. The delusion that the government working through human agents can do what private incentive and enterprise has not been able to do in more than 200 years of insurance developments, is calculated to provoke serious meditation on its wisdom. If the Government Insurance Bureau's fire inspectors do not move with more speed than the average government employe about Washington the conflagration would be complete before they ascertained in what part of the city it was raging. The belief that the $3,560,730 represents profit does not account for the inspection, patrols, administrative and other expenses which the government can no more escape paying for than private companies. This service if rendered by a Federal bureau would far exceed in cost a like service by private agencies. No one ever saw the government do anything in business either as effectively or at the same cost as a private employer. Neither is any government business ever maintained on its income. At last it must be drawn from the only resource known to government, the taxpayer.

The Constitutional republic of the United States has known in its national life 6 per cent. of war and 94 per cent. of peace. I submit whether such a war period ought to mold the long years of peaceful pursuits, successfully developed by private enterprise. Our foreign menace is military Germany. Our domestic danger is a subjection of the American people when peace comes to a socialistic state in which our individualism of persons and occupations will be suppressed and absorbed by a bureaucratic government. All things are not possible to human governments. In war the supreme instinct of self-preservation suspends the ordinary laws of private pursuits and economics. The peril is the conclusion that methods justified and adapted to war can be applied successfully in peace.

Bureaucracy

A government of administrative detail must be operated by bureaucratic subordinates. Bureaucracy is an impersonal autocracy to the governed people who come in contact with it. The responsibility is in vague boards, commissions and departments. Authority is divided and subdivided until lost in the clouds. The invisible autocracy that rules in a monarchy becomes a Prussian oligarchy whose principal purpose is to perpetuate itself. In a republic it degenerates into a political combination and powerful group to control and preserve its power and extend its encroachments as a means to that end. This observation is based on historical truth and present tendencies. There is not the slightest partisan spirit in this warning. It will inevitably produce the same results of class or group government oligarchic in effect under political activity under any form or name. "Fire insurance is the supreme conservator of destructible values." It is an indispensable requirement of commerce and established credit. The English policy is to deny loans unless English ships and English insurance companies are patronized. Great Britain strengthens her insurance companies instead of weakening them. They are recognized as a part of her world trade. Before the war American companies had 5 per cent. of the marine business and England and Germany 95 per cent. American companies now have a marine insurance power of 80 per cent. and are carrying 55 per cent. The conclusion follows that encouragement and not destructive encroaching competition ought to characterize our government. This concerns the state governments as it will withdraw from them approximately $30,000,000 of local revenue which must be levied on local property.

Giving the Public What it Wants

(Continued from page 7)

ference. Occasionally some state will pass a law imposing rather severe departmental requirements upon surety companies, but they are usually repealed as soon as it becomes evident that they defeat their own purpose, and as a general proposition there is a disposition on the part of the state law making bodies to let the surety business alone.

The Cut-Rate Bugaboo

In most communities there will occur periodically epidemics affecting one form of insurance or another, during which the agents are thrown into a state of panic over the loss of business from their books. Sometimes these incursions are due to the appearance of cut rate companies; sometimes to the activities of reciprocals and mutuals, and it must be admitted that often the fatalities in renewals and new business are numerous. As yet no serum has been discovered which will prevent these epidemics. There is always plenty of culture in every community in which the cheap rate or get-your-money-back germ may propagate, but as a rule the germ will die out after a while and things return to normal again—only to break out at some other spot or in some other form. It would be worse than cowardly to give up the fight against this form of disease. We will combat it as we are combatting the Hun plague, but when one of our business allies is suffering the brunt of the attack, it is a mighty comforting feeling to know that we have the others to fall back on. The three allies are like "The Three Guardsmen," they are "one for all—all for one," and together they cannot be vanquished.

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SPECIAL RISK DEPARTMENT affording free engineering advice on all subjects pertaining to fire protection—valuable service in these days of sprinklered risk competition.

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Competition of Mutuals and Inter-Insurers

By Alfred M. Best, Publisher, New York

You have asked me to speak to you briefly concerning the increasing competition which local agents must meet from mutual insurance companies and inter-insurance, or reciprocal, exchanges.

Such competition is rapidly and largely increasing, and it seems to me that, as progressive and public-spirited business men, you should consider the subject primarily in its largest aspect—namely, the interests of the great body of policyholders; that, having informed yourselves concerning the extent to which these competitors are gaining in strength and popular favor, you should also consider why they are so gaining, and that you should adopt for the benefit of your own clients any really valuable innovations which these competitors have introduced. On the other hand, for the protection of your clients against weak or irresponsible concerns, the reliability of the indemnity afforded by such policies should be carefully studied, and, where necessary, your friends should be put upon their guard.

Part of World Reconstruction

The world is entering upon a period of social and business reconstruction greater than anything of the sort in human history, and the time is past when it is possible for persons engaged in any business which touches closely great numbers of people to consider only their self-interest in disposing of day by day problems. The men who are fighting in Europe for democracy are holding up before us a most splendid ideal of self-forgetfulness and self-sacrifice for others, and the same spirit is rapidly spreading throughout business activities, crowding out many competitive methods based purely upon selfish considerations which found not only toleration but favor, even in high places, in the past. The insurance fraternity in the United States has contributed enormously to its growth to wealth and power; its leaders and chosen spokesmen have always kept abreast of the increasingly liberal thought of the times. They will continue to do so, and the criticism implied by what I have just said, is directed toward the very small minority who still persist in foolish, unfair and futile attempts to discredit all mutual insurance concerns with which they come in contact, regardless of their standing.

Let me first give you some facts regarding the affairs of concerns writing fire insurance, and then, separately, take up the casualty companies and exchanges.

History of Fire Mutuals

The first fire inter-insurance exchange began business in 1881, and is, at thirty-seven years old, vigorous and successful. For some time, however, after this first venture comparatively few exchanges were formed, but by the end of 1907, ten years ago, there were thirty-one fire insurance exchanges in operation. Five years later there were seventy-four such exchanges, including seven which were branches of parent organizations, and as such little more than trade names. At the end of last year there were in active operation ninety-nine exchanges writing fire insurance, including seventeen branches and twenty-seven exchanges writing only insurance on automobiles. Two more exchanges have since begun business, one operating on a very ambitious scale, planning to write a maximum line of $300,000 on sprinklered shoe factories. Thus, in ten years the number of fire insurance exchanges has increased more than three-fold; and, in addition, seventeen casualty insurance exchanges have been formed, which write no fire insurance business.

The fire insurance exchanges now operating may be grouped, for convenience, into the following classes:

A: Automobile fire, theft, liability, property damage and collision.

There are twenty-nine of these organizations. Two do not write fire and theft; on four others no statistics are obtainable. Seventeen have their headquarters in Illinois, where the legal requirements for forming such concerns are dangerously lax; four in California, three in Michigan, two in Pennsylvania, two in Missouri and one in Texas. Several of these institutions have secured extremely good results, but the great majority of them are small and weak, and operating mainly in small local territories. The oldest of this group has been in business since 1910, two have operated since 1912, two since 1914, seven since 1915, nine since 1916 and eight were established in 1917. Therefore, out of the twenty-nine automobile exchanges, twenty-four have been in business less than three full years, and only five longer than that. Most of them, therefore, are still in the experimental stage, and the lack of experience of their managers, combined with the confused condition of the automobile insurance business, does not augur well for their permanency. This is particularly true of those which write liability insurance. The liability lines written by the concerns in this group constitute their principal source of income. The statistics of the group are, therefore, presented below in that portion of this paper dealing with casualty exchanges.

Lumber Reciprocals

B: The group next largest in number, and of far greater importance because of the volume of business transacted, is the lumber group, writing sprinklered and unsprinklered wood-working and lumber risks. There are fourteen in this group, statistics being unobtainable upon one. Four have headquarters in Illinois, four in Missouri, two in Washington, two in New York and one each in Louisiana, Minnesota, Texas and Canada. These lumber exchanges transact a large volume of business. The oldest one, the Lumberman's Exchange, of Kansas City, was established in 1894. The Manufacturing Lumbermen's Underwriters, also of Kansas City, began business in 1898. Of the remainder, two were established in 1908, two in 1914, two in 1916 and one in 1917. Thus, ten have been in business over five years and seven have been in business three years or less. Their loss ratios have varied widely, but as a group their experience appears to have been more favorable than that of the stock companies on similar risks. Apparently, this is due mainly to the better elimination of the moral hazard, and to the fact that the inspections made by the well-managed exchanges are exceptionally thorough. From organization to date this group has experienced a loss ratio of under 60 per cent. On the other hand, results in individual exchanges, even those under competent management, have fluctuated greatly from year to year, because of the fact that large lines are written on a comparatively small number of risks. There were several lumber fires during 1917 which cost a number of the exchanges very large sums.

C: The third group embraces seven exchanges, writing sprinklered risks only, to which should be added one exchange, writing sprinklered shoe factories only, which commenced business this year. Of this group the oldest is the New York Reciprocal Underwriters, which has been in business since 1891, and all but one have been in business ten years or more. The record of this group of exchanges is particularly favorable to the members. This group at the end of 1917 had cash assets of $4,794,198; net cash surplus of $3,576,568; and their net premium income during 1917 was $1,346,090. Lines ranging up to $650,000 are written by individual exchanges in this group.

Mercantile and Manufacturing Group

D: The fourth group embraces seventeen exchanges writing mercantile and manufacturing risks, which do not confine their operations strictly to sprinklered business. Statistics are unobtainable on four. Eleven have been in business over five years and four have been in business three years or less. The results of most of this group have not been sufficiently satisfactory to justify the members in assuming responsibility for the payment of assessments, if necessary, though there are a few noteworthy exceptions, such as the Individual Underwriters of New York, which, over a period of thirty-seven years, has effected a substantial saving for the members, in spite of the fact that it paid large losses in the Baltimore and San Francisco conflagrations. At the end of 1917 this group showed cash assets of $2,190,705; net cash surplus of $838,328; and their premium income for 1917 was $1,600,392.

E: The fifth group embraces sixteen institutions, most of which specialize on one or two classes, including canneries, bakeries, breweries, bank properties, cotton gins, retail drugs, wholesale grocers, hardware, ice-cream factories, ice factories, laundries, metal workers and printers. Statistics are unobtainable upon eight of these concerns. At the end of 1917 this group showed cash assets of $1,444,548; cash surplus of $689,361; and their net premium income for 1917 was $1,004,706, of which one exchange wrote $469,000.

Of the seventy-four exchanges which were in business at the end of 1912, thirty-two have consolidated with other exchanges or retired. There have been very few failures involving loss to members, and all such failures were due to inefficient management.

It has been impossible to secure reliable data showing the increase during recent years in the volume of business transacted by the groups of exchanges referred to above. It is only within a few years that even partially complete statistics showing the operations of these offices have been obtainable; but, as already stated, they have increased in number more than three-fold in the last ten years, and the leading offices are nearly all growing rapidly.

So far only the growth of these institutions has been discussed. Let us now consider whether or not they offer sound and safe insurance.

Is Mutual Insurance Sound?

Their stability depends upon many factors. Supervision by the State Insurance Departments is incomplete, but the tendency is to increase the authority of these State officials over inter-insurance exchanges. The laws so far enacted for their government are of very small practical value. To an unusual degree the character and experience of the managers determine the desirability of such policies. When dentists and bank-clerks undertake the business of insuring automobiles, knowing absolutely nothing of the problems which they will be compelled to solve if they are to succeed, failure is practically inevitable, though it may be deferred for a few years, particularly if the business increases rapidly in volume. This question of proper supervision, and the allied question of proper plans of operation, cannot adequately be discussed in the time at my disposal. Should your Association consider the subject sufficiently important to appoint a committee instructed to study this situation and submit its findings to the various State Insurance Departments, with a view to securing improvements in the laws and Departmental regulations dealing with reciprocal exchanges, my office will very gladly place at the disposal of such a committee all the data in our possession, and will co-operate to the fullest extent with it. It is a fact that at the present time numerous reciprocal exchanges are operating along lines which invite disaster, and some of them are issuing alleged "policies of insurance" which, in our opinion, are void and worthless. Others are writing lines subject to a single fire wholly and ridiculously out of proportion to their loss-paying capacity, measured either by premium volume, accumulated surplus or distribution of risks. All these and other evils could be cured by appropriate legislation.

Mutual Fire Companies

The classes of mutual fire insurance companies which compete most keenly with the stock companies and their representatives are:

1: The senior and junior conferences of factory mutual companies.

2: Lumber mutuals, specializing on both sprinklered and non-sprinklered wood-working risks and on lumber.

3: Flour, grain and elevator mutuals.

4: Mutuals writing, through agents, general business or some special classes on the cash premium basis only, or on both the cash premium and the assessment basis.

5: Hardware and implement mutuals.

Companies of these classes have made rapid strides in the last ten years. The following figures showing the growth of the five groups during the past ten years contain much food for thought:

The senior factory mutuals had cash assets at the end of 1917 aggregating $29,236,680, and the junior mutuals $3,170,093—a total of $32,407,773. The two groups showed, respectively, cash surplus amounting to $11,857,727 and $1,430,167—a total of $13,287,894; and cash premiums for the year 1917 amounting, respectively, to $22,238,618 and $2,695,904—a total of $24,934,522. In addition to the cash assets mentioned, these mutuals have enormous contingent resources. Their losses and expenses have been so low that they have returned to their members during the last ten years as high as 93.4 per cent. of the premiums paid, and this in spite of the fact that during that period they were involved in the conflagration at Salem, Mass. They were, however, so well established that this conflagration reduced only slightly the savings which they returned to their members.

The lumber mutual group showed at the end of 1917 cash assets of $4,175,158, as compared with $1,102,698 ten years before; and a cash surplus of $2,378,937, against $684,183; and their net premiums in 1917 were $2,496,083, against $808,566 in 1907.

The grain and elevator mutuals show similarly rapid growth. Their cash surplus increased from $2,479,250 in 1907 to $5,814,980 in 1917; the premium income for those years being, respectively $2,175,893 and $6,117,786.

The general group increased their surplus from $1,677,851 to $3,073,653, and their premium income from $2,648,417 to $4,995,882.

The hardware mutuals show still more remarkable growth. Ten years ago their cash surplus was $129,627 and at the end of last year it was $1,092,047. Their income increased from $170,529 to $1,358,340.

Have Increased Incomes

The four last mentioned groups (taking in all but the senior and junior factory mutuals) increased their income in ten years from $5,803,416 to $14,968,041—nearly three-fold. Adding in the business of the senior and junior mill mutuals, the total premium turnover of the groups referred to herein was $39,902,563. Adding the premium income of the inter-insurance exchanges writing fire insurance exclusively produces a grand total of net premiums for 1917 of $47,600,625. Back of this volume were cash assets of $70,807,696 and a net cash surplus of $33,255,756. The contingent resources amounted to not less than one hundred and fifty million dollars. There was never a time in the history of the insurance business when mutual companies were so strongly intrenched as to-day.

It must be remembered, in considering the achievements of these companies, that, besides so largely increasing their cash resources, they have been turning back to their members dividends, or savings, running as high as 40 per cent. of the premiums paid.

Casualty Reciprocal Exchanges

Reciprocal exchanges insuring workmen's compensation and liability hazards are of comparatively recent origin. At the end of 1917 there were twenty-nine such exchanges, writing automobile business exclusively, and seventeen writing other classes of casualty insurance. During 1917 their premium income was $6,937,473. At the end of 1917 they had cash assets of $5,387,540, and their cash surplus was $1,754,509. It has been impossible to separate the liability premium income of the concerns writing automobile business from their income on other automobile lines, and, similarly, it is impossible to state separately the income of these exchanges from compensation and from liability business. About 60 per cent. of the total premium income mentioned represents automobile business, including all lines, and the balance is almost wholly workmen's compensation business. Very few of these exchanges are as much as five years old. They are still experiments. One exchange writes burglary and theft and another credit insurance only. Two others are of anomalous character, being, in effect, partnerships operated for profit, so that they are neither reciprocal exchanges nor incorporated mutual companies.

As regards workmen's compensation insurance, it is noteworthy that the expense of management in reciprocal exchanges is about as high, on the average, as the total expense incurred by stock companies in writing such business. As there seems to be little opportunity for the exchanges to reduce the loss ratio on business of this kind, and the combined loss and expense ratio of all compensation insurance carriers averages very close to 100 per cent. of the premiums written, it follows that there is little to be gained by business houses through insurance in such exchanges, while, at the same time, they assume a liability to assessment, in return for which they get nothing of proportionate value.

Casualty Mutuals

Mutual compensation and liability insurance companies, on the contrary, are operating at a very low ratio of expense, and are, therefore, effecting a considerable saving for their members. One such company will write this year at least five million dollars in net premiums, and it has no agents. The compensation mutuals alone will write this year over fifteen million dollars in net premiums. Here is the keenest mutual competition for the stock companies and their representatives, not even excepting the big assessment accident and health associations. Competition in the other lines is unimportant.

Mutual insurance can never, in our life time, take the place of stock company insurance for the handling of the great mass of the insurance business of this country. It seems to me, therefore, that unless the stock insurance interests are prepared to abandon certain fields to the mutuals they must devise some plan to introduce into their dealings with business houses in those lines of activity which lend themselves with particular facility to insurance in mutual carriers a greater degree of mutuality than has heretofore existed between stock companies and their policyholders.

War Taxation of Insurance Agents

(Continued from page 9)

or fractional part thereof of the amount for which any life is insured, is levied under existing law, and this same tax is retained in the proposed bill. It is found that some industrial insurance is written on the monthly payment plan. A new provision is proposed in such cases to harmonize more nearly the tax upon such insurance with the tax upon industrial policies issued on the weekly payment plan providing that in the case of industrial insurance upon policies by which a life is insured not in excess of $500 issued on the monthly payment plan, the tax shall be 20 per cent. of the amount of the first monthly premium. This bill also provides that in the case of such policies issued on the weekly premium plan the tax shall be 40 per cent. of the amount paid for the first weekly premium, the same as under existing law.

Need Rural Agents Reports Secretary

ADVISES THEIR CULTIVATION

Also Recommends Increased Dues to Broaden Scope of Association—Agents' Incomes Greater

Following his report on the activities of his office since his election on February 21, Secretary-Treasurer Chauncey S. S. Miller made the following recommendations:

1. To do the work which must be done, more funds must be provided.

The agents in this country have, in most cases, suffered no diminution of income in the last year. In many cases their incomes have been increased. The increase in 1917 over 1916, in fire premiums charged by all companies operating in this country was $219,849,883; and this year bids fair to nearly double the 1916 figures. The mean average commissions in 1917, for all companies increased from 20.87 per cent. to 21.35 per cent. There does not appear to have been any shrinkage in the mean average rate of commissions this year. If our National Association dues were double the present proportion, more agents would perhaps appreciate the purport of their membership.

2. We have got to cultivate the rural agents. We need them. They all have votes, and in many localities the women of their families have voting strength also. The political potentiality of our own present and prospective members is great. In turn, the political strength which they might, could and should assure is incalculably greater than most of us realize. We should endeavor to show the agent in the smallest town just why he should belong to his state association and, thereby, automatically, to the National Association. He certainly needs the help of a vigorous national organization solely and exclusively of, by and for agents. The national organization needs not merely picayune annual dues, but the greatest potential political-economic strength of the smallest, as well as the largest, local fire, casualty and surety producers in this country.

3. Uniform state association constitutions and by-laws would help to knit the state units closer. Some states have brief, but apparently adequate, constitutions and by-laws. Others are loosely drawn and complex. Some states appear to have none at all.

4. A uniform state association sign and receipt, indicating that a member has paid his annual dues to his state association, and that he is, thereby, affiliated with the National Association, would do much to unify the membership and strengthen it.

5. The question of the ownership of casualty expirations at this time seems to be an important topic when the increase in casualty business is proceeding by leaps and bounds.

6. In common with those engaged in other lines of business the agency forces of this country have espoused the doctrine that success, more and more, is dependent on increased efficient service, not only to their individual customers, but to the commonwealth. They realize that every worker owes a contribution to the State.

Fire Prevention A War Measure, Says Stewart

F. J. T. Stewart, president of the National Fire Protection Association, advised agents at the Cleveland convention of their duty and opportunity in connection with fire prevention work.

"Even in times of peace there is an obligation on the part of every insurance agent, both to the policyholder and the insurance company he represents, to inspect each piece of property which he insures and indicate how the fire hazard may be better safeguarded. It is, therefore, evident that this obligation during the emergencies of war is many times greater. It would seem as if no better opportunity has been afforded any other group of men to materially assist in the conduct of the war and yet do comparatively little more than is ordinarily expected of them. Indeed no successful and progressive agent ordinarily neglects to familiarize himself with the standard regulations for safeguarding against fire. Thus equipped he inspects the property of his customers and advises them regarding precautions which should be taken. The agent who does not do so now is unpatriotic in addition to being unworthy of the trust reposed in him by his customers and the insurance company which he represents.

"I would, therefore, urge as a war measure, that a special drive be made in connection with the customary inspections by agents for fire prevention purposes. An appeal to property owners at this time should receive a patriotic response."

REPORT OF LEGISLATIVE COMMITTEE

George D. Markham, Chairman

During the past year few legislatures have been in session. No specially obnoxious bills were passed. The Constitutional Convention in Massachusetts, refused to enlarge the power of the state to do fire insurance, social insurance or to pay old age pensions. In the states the business seems to be on easier relations with the public. Probably this has come about from the demonstrations in South Carolina, Missouri and Kentucky and from the growing influence of the state associations of local agents, aided by skillful legislative agents of the companies.

Resident agent, agents' and brokers' license and agents' qualification laws are being passed rapidly: the principle of these laws seems to be accepted. No anti-annex bills or laws against jumbo lines were offered.

Only at Washington has any threatening tendency appeared. To combat fire insurance by the national government the local agents are asked to exert their full influence. They will respond heartily and demonstrate their power. Were all agents enrolled in the state associations, they would control opinion regarding all insurance questions.

The partnership of companies and agents for combating state or national insurance may bring great changes. If the junior partner (the local agent) is to be of the highest service his loyalty and spirit must be built up. If the practices of a greedy company breed disloyalty and hostility in the agency force, some way will be found, by rule agreed to or by a controlling opinion among managers to end such practices. When it comes to be recognized that the morale of the line of fighting infantry is undermined by multiple agencies (at the root of which is the annex) and by jumbo lines (which shift the placing of a line away from the local field) these long-fought abuses will be controlled.

The companies have found it cheaper to recognize the feelings of the public and meet legitimate demands. A wise and kindly consideration of the agents' complaints will insure cordial and lasting co-operation.

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Casualty, Fire and Marine, Life, Fidelity and Surety Bonds

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AETNA-IZED Agents realize as never before what the complete service of a big multiple line insurance organization means in expansion and permanency of clientele.

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Our constantly expanding organization of ÆTNA-IZERS is attracting and holding the biggest, brainiest, most active and most intensely loyal producers in the insurance profession.

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ÆTNA LIFE INSURANCE CO.
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OF HARTFORD, CONN.

MORGAN G. BULKELEY, President

Stone Sees No Need For U. S. Insurance

DO NOT NEED IT TO WIN WAR

His Comment on McAdoo and Lewis Activities—Stock Companies Give Best Service

In the field of fire insurance, one of Mr. McAdoo's first acts as Director General of Railroads was to cancel or terminate all fire insurance on railroad properties, presumably upon the theory that the government does not in-



JOHN T. STONE

sure its own property. Yet, if this be the theory, and there appears to be no other, it is utterly fallacious.

The railroads did not become government property. They are still owned by their security-holders. They are merely operated and controlled by the government for the war period. Presumably, the government will make good any loss of railroad property by fire. In such a case the government will not be in the position of carrying its own risk and standing its own loss of its own property, but will be distinct and only in the relation of an insurer of the property of others. In short, Mr. McAdoo has squarely put the Federal government into the fire insurance business, not as a self-insurer, but as a carrier of diversified and extensive risks of enormous aggregate value owned by numerous corporations and individuals, and located everywhere throughout the United States. **And there is not a shred of war-winning justification for it.**

The latest administrative invasion of the insurance business is the carrying of the workmen's compensation and employers' liability hazard on some of the construction work of the Emergency Fleet Corporation.

For several years past repeated and, at times nearly successful, attempts have been made to create a Federal surety fund for the carrying of certain classes of bonds required to be given to the United States by post-office officials and employes and others.

The present situation as to Federal administrative control of the general business of the country and as to encroachment upon every area of the insurance business, as demonstrated by these briefly cited facts not only justifies this discussion, but suggests alert and vigorous attention to it.

Under the compulsion of the rightly supreme concern of the times, the winning of the war, the people of this country have wisely and gladly assented to these repeated takings over by the Federal government of functions, whose exercise in normal times belongs in private and individual hands, until now we are living among conditions far removed from those of a free people in peace times.

Our Easy Adaptability

With our easy adaptability, one of our marked American traits which is both a virtue and a fault, we have quickly accustomed ourselves to this. This is as it should be.

Since war exigencies require this radical change of attitude for the duration of the war, we do well to work wholeheartedly in harmony with it.

But this same easy adaptability can betray us into assenting where we should vehemently and persistently protest.

Assent to governmental appropriation of any industry or business should be given only when such action is clearly essential to the winning of the war.

Such assent should never be in the nature of a quit-claim or fee-simple title, but should always be merely a tenancy terminating with the war, the ownership and normal control and use remaining vested in private hands, and the purely temporary and emergency nature of the transaction clearly and constantly kept in mind.

When it is not clear that governmental taking over is a war need, then every legitimate means should be employed to prevent such appropriation. * * *

Intrinsically, our present method of governmental control of practically all affairs, private and public, is utterly foreign to the genius of our institutions. The return of peace must bring a complete return also to normal processes in all these vital matters—a return to private ownership and control of the powers, properties and processes which, **for war-winning reasons only,** we have temporarily intrusted to our public servants.

In order that this return may be as swift, as certain and as easy as possible, the extent of the trust should be strictly limited to clearly demonstrable war-needs.

Discusses Senator Lewis' Interview

This subject is already a major item in the outlook of statesmen and other thoughtful men of America and of Great Britain. A Senator who is regarded as one of the spokesmen of the present Federal administration and who is now or was recently in Europe, is quoted in a despatch from Paris as saying that "the two big domestic issues in the presidential election of 1920 will be (1) whether the wartime insurance shall continue, and (2) whether government ownership and control found necessary in war shall be made permanent as a normal policy and extended to include even more of our commercial and industrial activities than at present." To those of us who answer both of these questions with an emphatic negative there is much support given in the conclusion reached by a committee of the British Board of Trade that "State control of and restrictions upon industries, arising out of war conditions which have been recognized and accepted during the war, but which we consider are detrimental under normal conditions, should be removed as soon as possible after the conclusion of peace. The London "Economist" says that "the question before the country (England) is whether the people propose to have their trade activities managed by a set of politicians and officials whose conduct of the war has been in many ways lamentable, and has only been rescued from failure by the efforts of the nation trained to elasticity, initiative and adaptability."

No Justification for Government Insurance

In the field of fire insurance, of casualty insurance, and of surety bonding, there is an utter absence of war-winning justification for government encroachment. The stock companies furnish an abundance of insurance carrying power, both financial and administrative, to meet all insurance needs of the government or of its various boards and instrumentalities, with a much greater efficiency of service than is thinkable at the hands of the untrained personnel which would unavoidably be employed by a government insurance bureau.

There is, however, a body of opinion which frankly favors, or apparently leans toward, governmental transaction of insurance on its merits and independent of any war requiring necessity. This body of opinion is probably not large as yet, but it is outspoken in some cases, is generally credited with much influence at Washington, is respectable as to general intelligence, and we should, therefore, recognize the wisdom of meeting it in fair discussion.

Must Prove Their Case

In this discussion our first premise is that the advocates of government insurance must prove their case. They must answer the question "Why change?" The insurance business of this country is as old as the nation itself, it is of vast extent—as to the number of persons who own shares of the stock of the companies engaged in it; as to the obligations it owes to its policyholders; as to the money it has invested in farm and city loans, in bonds of railroads and public utilities, and in stocks of financial institutions; as to the number of persons engaged in the transaction of the business as officials, agents, inspectors, auditors and clerks; and as to the intimate relation of confidence it has built up with every other branch of business. The threads of insurance are closely interwoven into the whole fabric of the domestic, social and business life of the nation. It would work hardship and loss, great disturbance and most costly readjustment throughout the entire economic structure of the nation, if the attempt were made to withdraw all these intricately ramified threads and to insert in their plan a new set, owned and controlled by the government.

The burden of proof is on the advocates of government insurance to justify affirmatively and beyond reply, such a wholesale wrecking of such a well-established, well regarded and well-conducted business and such consequent disarrangement of all other business.

The requisites of the insurance business may be summed up as three—safety, service, and fair cost. Safety means adequate amount of protection and certainty of payment of claims. If there were insufficient carrying power among the stock companies it would be apparent at once in an inability of merchants, manufacturers, railroads, etc., to cover their insurance needs! No such condition exists or has existed as to the fire, casualty and surety branches of insurance. If at any time such a condition should develop, it could and would be met at once by the organization of new insurance companies or by increasing the capital and surplus of existing ones. As to certainty, promptness, and fairness, in the payment of claims the continued increase in the patronage enjoyed by the companies would seem to furnish convincing evidence of satisfactory treatment. Doubtless there have been occasional cases of complaint; some, probably, justified—since insurance men are not all or always impeccable, but for the most part are free from any intentional wrong. The conclusive proof, however, of the uniformly satisfactory claim and loss settlements of the companies is found in the absence of any considerable demand among the purchasers of insurance for a government owned or controlled policy contract. Indeed, wherever it has become necessary to collect any sort of claim against the government, the invariable delay, the endless technical red-tape procedure and the customary official disposition to pare down claims are quite enough to disillusion anyone who might entertain a leaning toward government insurance, as an improvement in safety over the present system.

What Service Means

Service is a comprehensive word when applied to insurance. It means trained skill, matured judgment, knowledge born of experience, quick yet correct decision, ready familiarity with a multitude of details, watchfulness against errors or lapses; to which special qualities must be added the cardinal ones of courtesy, accuracy and punctuality. This comprehensive and diversified service is now rendered by the stock companies through the instrumentality of many thousands of men and women distributed through every State and city and town, north, south, east and west, in intimate touch with the whole great mass of American business and serving it efficiently every moment of every day. It is palpably impossible for the Federal administration to render service at all comparable with this which has taken many years to develop, except by robbing the companies of this whole vast continental organization. Such a step, even if there were a pretense of war necessity, would be identical with the sort of Prussianism we are now engaged in killing. Every decent American should fight it because he is an American, and everyone else should fight is because of the fear of capture by the same piracy of his own class of business. If the Federal administration were to attempt to do the insurance business without robbing the companies of their trained personnel, the quality of service rendered would quickly end the experiment.

It is already a matter of common knowledge that the inefficiency which so often seems inseparable from the transaction of business by public officials is generally manifest at the present time in many of the activities which have passed from trained and competent private management into untrained and incompetent public mismanagement. Indeed, it would require miraculous powers on the part of the Federal Administration to have it otherwise; and, up to date, no one has ventured to attribute any such powers to these gentlemen.

Fair Cost

Fair cost of insurance, gauged by American standards, means a price sufficient, by the law of average, to guarantee the solvency of the insurer, hence guarantee prompt, fair and full payment of claims; to provide first class service in every particular, hence an adequately compensated personnel; and to furnish reserves equal to safety requirements. To these factors in figuring fair premium rates is added, in theory, a meagre margin of assumed profit. In practice, however, many companies, probably a decided majority, are quite content to depend upon the so-called banking profit, or interest on the investment of funds, to provide dividends for the stockholders; and, to administer all direct premium income for the benefit and protection of policyholders either as claim payments, service, reserves, or surplus. It will not be questioned by anyone who knows the facts that business conducted by private ownership produces better results for the same money than business conducted by government officials. Since this is true generally, it must be evident that it is even more certainly true of a business which is carried on at no direct charge, or an extremely meagre one, for profit to those who conduct it. If the government were to attempt to do the insurance business of the country, it would be unable to reduce premium rates below those of the stock companies unless it trimmed its claim settlements or inadequately paid its insurance personnel, or appropriated moneys from taxation receipts to make up the insufficiency of its rates. The latter course has been followed by more than one state insurance fund or scheme. It must be followed to a staggering total of taxation by the Federal administration in meeting the obligations of the soldiers' and sailors' insurance law. The country will stand it without protest, and with approval as to its practical patriotism in providing for those whose sacrifices can never be paid for in

money, even though it may question the wisdom of the method employed. But the country ought not and will not approve of a scheme which taxes the people generally in order to reduce the cost of insurance protection to individuals who should pay in full for it themselves as they must pay for anything else.

Judged by the tests of safety, service and fair cost the insurance business as at present conducted by the stock companies has no need to fear comparison with any Federal administered or owned or controlled insurance scheme; and by every high consideration of the genuine American spirit of individual initiative and enterprise this business is entitled to the earnest and aggressive support of every man whenever and wherever the issue is drawn.

We must ever keep clearly in mind that in our American system of individual freedom of business opportunity no governmental process is productive, but merely distributive. Much muddiness of thought is found at this point in certain discussions of the economics of public affairs. In order that the stream of production of resources may be kept at its maximum of power-generation for the running of the many direct war-winning processes, any diminution of that stream by needless diversion from private productivity must be steadfastly opposed. Here, primarily sound economics and pure democratic statesmanship unite to bar the path against needless assumption of business by the Federal administration.

Practical Way of Dealing With Subject

Since this whole matter is one of practice and of action, as well as of fundamental principle, it must be dealt with in the most practical and active ways. The printed page, in all its variety—newspapers, magazines, leaflets, etc.—should be utilized to place the facts and principles of the subject before the attention of the people of the whole country. In personal conversation, whenever the subject may be properly introduced, the light should be thrown clearly upon the right course and the wrong course should be warned against. Advantage should be taken of every occasion, if fair opportunity offers, when men are gathered in public assemblies, conventions, or other such gatherings, to direct their attention to this danger, which is both subtle and open, of the growth of a great and eventually dominant bureaucratic factor in our national life, which if allowed to grow will penetrate and appropriate every area of our commercial and industrial affairs.

Are there flaws in our armor? Is there valid complaint of any of our major features or practices? Do the advocates of governmental insurance offer really just criticism of stock insurance at any important point? If so, it will only harm our cause to ignore the criticism, to deny the charge and to persist in the practice. I am not aware of any such thing. I do not speak of it as a reality. I only raise the query in order that we may not commit the fabled folly of the ostrich and blind ourselves to our own vulnerability if it exists. The best way to guard against persistence in error is to be forever on the watch to detect it and forever willing to correct it when it is found. Such a disposition is wise at all times. It is peculiarly worthy of cultivation when a rival candidate seeks our job. May I offer this closing suggestion? Let every insurance man make it his daily business to maintain and improve, in the regard of every one he meets, the highest opinion of stock company insurance; to remember that the preservation of this great business, upon the American plan of individual enterprise, initiative and control, depends upon each man engaged in it; and that it is his responsibility so to conduct his share of this great business that his patrons will be his wholehearted defenders against any proposal to supplant him in favor of a government office-holder.

60,000 Engage In Fire Prevention Work

CHAIRMAN BRUNS' REPORT

Suggests National Chairman Be Appointed By Association to Carry On and Speed Up Campaign

During the past year, 60,000 men and women, the direct means of contact between the great fire insurance corporations and the public, have with wonderful efficiency and patriotic inspiration, acted as volunteer fire and accident wardens of the nation.

By unselfish sacrifice of time and money, they have educated home owners, manufacturers and custodians of food and stores to the vital importance of carefulness against fire. By co-operative advertising, many insurance agents have delivered telling blows at the spirit of neglect which has been rampant because of the stress of the times. Thousands upon thousands of personal and circular letters have been sent through the mails by fire insurance agents, warning of the American ally to the Kaiser, and telling of the hellish results of fire in tearing down the fighting power of our men by depriving them of food and equipment. Eloquent speakers from the agency ranks have carried the message to listening ears and many have gone from community meetings, aggressive in their effort to make secure their own homes and work places.

Newspapers and magazines have earnestly co-operated with the fire insurance interests in awakening all America to the danger from fire.

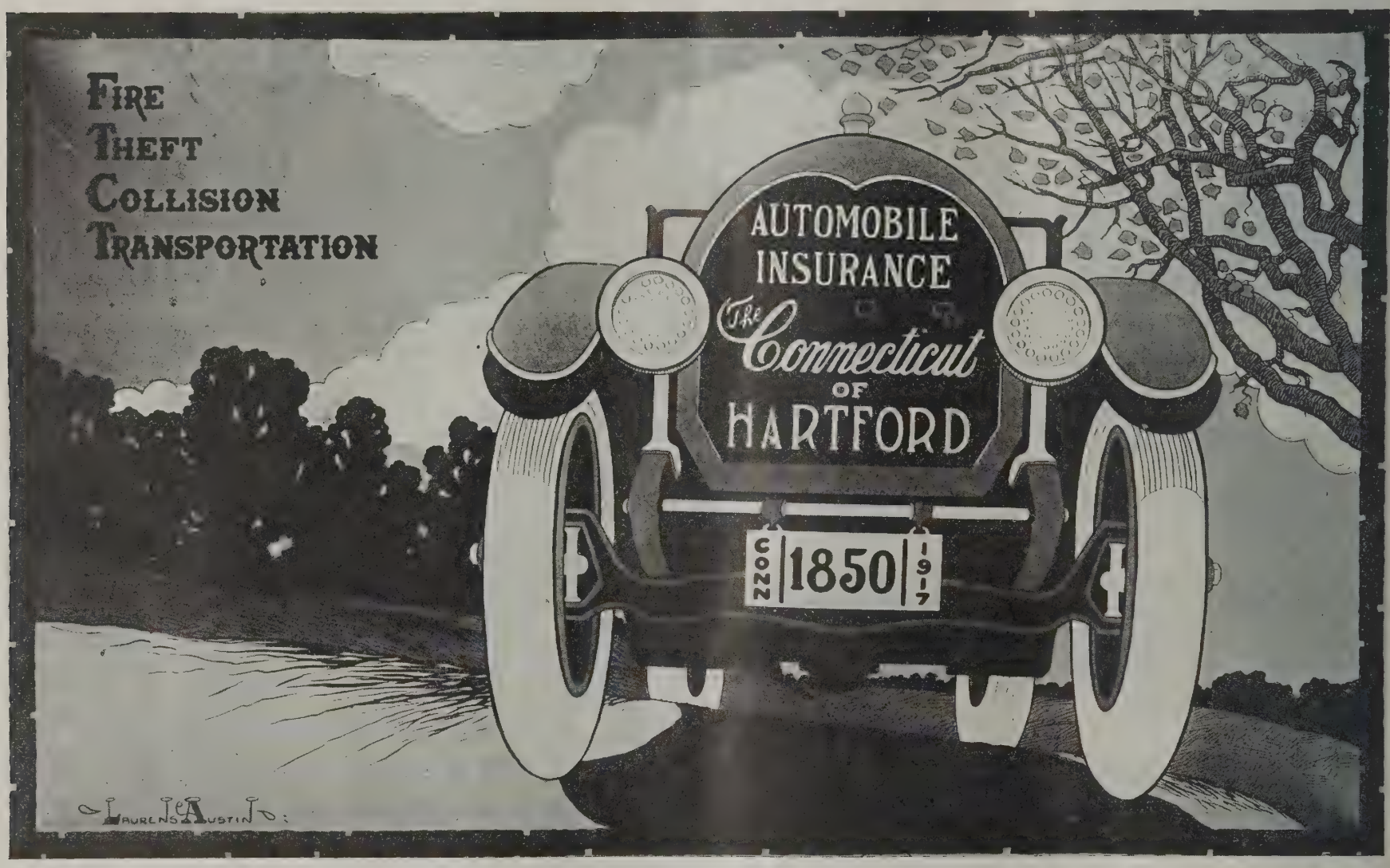
With the forces of right at this moment forcing into their lairs the iniquitous powers of the Inferno and the tinge of the rainbow of victory and a world peace slightly coloring the distant horizon, a new importance is given to the obligation to keep safe the bulwarks of American resources. As the war ends and peace comes finally, a holy call will come to us to feed and make whole again a war-devastated continent.

No force is so completely mobilized and so efficiently equipped both in ability and morale for this work as is the great army of fire insurance salesmen of America.

To organize this force into a more effective working whole is now our problem. This Committee recommends the appointment of a national chairman who shall be empowered to use for proper purposes this great available army, and to co-operate with all other agencies having as their objects the same results.

Associated with this chairman should be one sub-chairman from each State, all of these men to constitute the Central War Council. The national chairman should be appointed by the President of this Association at this meeting, the State chairmen by the Presidents of the separate states immediately after this convention.

Each State chairman should complete his organization by naming a chairman in each country, and the counties should have as a working force every patriotic fire insurance agent in that particular boundary. Thus, from a central head, there could be sent into every State and every county a direct call to arms, a forceful campaign of education, an aggressive everyday detail to duty for every man and woman of our business—boldly standing out as a volunteer army of invincible power to fight a winning fight against treacherous incendiarism, ignorant carelessness and vicious neglect; all of these combining to make an ash heap of American industry and American homes.



The TRAVELERS

good to insure in *good to represent*



Can his life be saved?



The burglar gets our valuables



Safe blown open—money gone



Motor truck smashes wall and upsets

GREETINGS

to the

Insurance Representatives in Convention Assembled

GENTLEMEN: Yours is a splendid calling. You stand between your clients and misfortune. Each year, as you gather together, we are struck anew by the importance of your mission and the service you render to mankind.

The modern insurance man is more than a salesman—he is a business adviser. It is his duty to recommend to his clients a company with substantial assets, abundant reserves, and progressive management.

Our relations with you in the past have been most pleasant—resulting in unprecedented growth and expansion on the part of The Travelers. You have not hesitated to recommend this Company, believing correctly that it had solidity and strength. It has been our policy, on the other hand, to direct business to you.

May these agreeable relations flourish!

These lines among many others:

LIFE INSURANCE — WORKMEN'S COMPENSATION
MONTHLY INCOMES — EMPLOYERS' LIABILITY
ACCIDENT AND HEALTH — GROUP INSURANCE
AUTOMOBILE — STEAM BOILER
BURGLARY — ELEVATOR
PLATE GLASS — MERCANTILE SAFE AND PAYROLL
GENERAL AND PUBLIC LIABILITY



Once an ammunition factory!



Workmen buried in the collapse



Car broke fire-plug, ruining store



Trolley load drowned at open draw

THE TRAVELERS INSURANCE COMPANY

Assets .....$129,311,109 — Reserves and Liabilities.....$115,248,166 — Capital and Surplus...$14,062,943

THE TRAVELERS INDEMNITY COMPANY

Assets .....$4,199,461 — Reserves and Liabilities.....$2,583,688 — Capital and Surplus....$1,615,773

Louis F. Butler, President

"Moral: Insure in The Travelers"

Hartford, Connecticut



Service

THE HARTFORD, through its national advertising, is making its name and reputation known to every property owner in your locality.

THE HARTFORD, through its Service Department, is furnishing its agents with every possible help in the securing of new business.

THE HARTFORD, through its Monthly Magazine, keeps its agents posted on everything of importance in the insurance field.

Don't you want to represent a company that makes your work easier, more effective and more profitable?

Hartford Fire Insurance Company

Hartford, Connecticut

THE EASTERN UNDERWRITER

IN TWO PARTS

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

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PART TWO

Nineteenth Year; No. 40 EXTRA EDITION—NEW YORK CITY, SATURDAY, SEPTEMBER 21, 1918 $3.00 a Year; 25c. per Copy

AMERICAN LIFE CONVENTION EDITION 1918

"Work or Get Out" Sentiment Arouses American Life Convention

Commissioners' Support in War Emergencies Pledged By C. W. Fairchild, of Colorado—More Liberty Bond Buying By Life Companies Urged By President Seay—Travelers Insurance Co. and United Life & Accident Join Convention.

(*Special to The Eastern Underwriter.*)

Chicago, September 18:

Thirteen is no hoodoo for the American Life Convention. On this, the opening day of the thirteenth annual meeting of the convention, seventy-six member companies are represented, also fifteen visiting companies. This makes it by far the best attended meeting in the history of the convention, and disproves that thirteen is a hoodoo.

Secretary-Treasurer T. W. Blackburn's report presented to the meeting showed $2,700 on hand after expenditures of $17,000 during the year.

Superintendent of Insurance Potter, of Illinois, drew an analogy between the German Government and the life insurance agents. While one has caused oceans of tears to flow during four long years of war, the only tears the other has drawn are those of gratitude and joy felt by fatherless women and children.

Commissioner C. W. Fairchild, of Colorado, the new president of the National Convention of Insurance Commissioners, speaking of the effects of war, said that all we have to do is keep our feet warm and our heads cool. The insurance business will survive. We may have to take steps to protect it in various ways, but the commissioners will be able to meet such difficulties as may result from war.

The suggestion by President Harry L. Seay, that the companies invest an even larger proportion of their funds in Government securities, was warmly applauded.

The announcement that the Travelers Insurance Company of Hartford has joined the Convention brought forth vigorous handclapping. The United Life and Accident of Concord, N. H., joined in 1917.

One of the remarks that hit the members right was that more German spies be interred and fewer interned.

A strong sentence in R. W. Stevens' vice-president, Illinois Life, address was his declaration that the companies alone are responsible for the irresponsible agent. The agency force cannot rise higher than its source which is the company. "Let 'Work or fight,' be a credit to life insurance or get out of the business," he said.

Sidney A. Foster of the Royal Union Mutual Life, of Des Moines, continues to be the subject for much good natured banter, based on the amount of time he spends on the links.

An incident that touched the heartstrings of the delegates was the singing of "Keep the Home Fires Burning." After one rendering all were asked to sing it again pianissimo out of respect to the English woman, Mrs. Ford, who composed the song and was killed a few days afterwards in an air raid.

H. W. Johnson, of the Central Life of Illinois, in his address of welcome referred to the many changes which have taken place in Chicago and intimated that it was hard to give the same cordial greeting as in the good old days. Everybody seemed to know just what he meant.

James H. Jamison, of the Western Life of Des Moines, has a marvelous memory. Although he had his response to the welcoming address tucked away in his pocket he never "drew." Reading of the manuscript showed that he had repeated it almost word for word.

Governor Frank O. Lowden, of Illinois, who made an address of welcome showed that he really knows something about the life insurance business. His talk was a hit.

Arrangements had been made to hold the convention at the Hotel La Salle, but owing to the change in date to avoid interference with the Commissioners' meeting, the Lexington was availed of. It is on the south side at Twenty-second street. One member casually remarked that he remembers when that section was quite the center of things in Chicago, and that it is a long time since he had been down there. Whereupon he got the laugh.

The Federal Life of Chicago is the only Illinois charter member in the present membership.

J. B. Reynolds, president, Kansas City Life, of Kansas City, said the older companies are not feeling the war's effects to the same extent as the younger ones. He told of how some agency forces had been depleted forty per cent. To fill the ranks women are being trained and they are meeting with success. The effort must be continued to reach the right kind of men and interest them in real life insurance service. Mr. Reynolds said he would welcome the time when there can be a clearing out of the unfit in all agency ranks.

James P. Sullivan, vice-president, Farmers & Bankers Life, of Wichita, Kan., said that while the agency problem is serious now, there is a silver lining to the cloud. Our young men have lived their lives until now in a materialistic groove. The war will enable them to find their souls.

Many of those who return from the trenches will make the best kind of life insurance salesmen. The most successful man in this business is he who knows that there is a soul in him. Mr. Sullivan declared for clearing out the refuse that has been accumulating in the last thirty years through competition.

H. G. Everett, vice-president, Central Life, of Des Moines, Iowa, said this is no time for much new agency promotion. The high pressure man cannot make the same success now as formerly. The men of the highest grade will make the greatest success under present conditions. There never was a time when the best men wrote so much business.

This is a time in which company officials should give the greatest amount of help to their agents. The part time men are doing finely. Extremes should be avoided in agency contracts.

Mr. Everett said there never was a time when agents of American Life Convention companies could not go to other convention companies and get higher commissions.

The companies should not be bidding against themselves and the subject should receive attention.

Superintendent of Insurance Potter, of Illinois, declared that an agent's qualifications law is not needed in that state. He said the problem of the untruthful agent can be handled as he is handling it. When complaints are made the department addresses the agent's company as to whether it wishes him to retain his license. In most every case the answer is no. But the trouble is that within a short time another company will employ that same agent and ask that he be licensed. Superintendent Potter urged the companies to help the department keep out the bad agents.

Charles F. Coffin, vice-president, State Life, of Indianapolis, said the companies are also finding their souls. The veneer is being removed and there is more sincerity. As usual, he did not mince words and declared that the war would drive the companies to genuine co-operation and the abandonment of cut-throat competition. He said there has been too much profession and too little performance.

American Individualism Must Have Free Hand to Develop After the War

Chairman Arnold Makes Stirring Address Before Legal Section Delegates—No Prussianistic Reforms Will Be Tolerated Here—Two-Day Program Popular—William BroSmith, General Counsel, Travelers Insurance Co., Warmly Welcomed at Meeting—E. M. Grossman, New Chairman.

(*Special to The Eastern Underwriter.*)

Chicago, September 17:

Members of the legal section of the American Life Convention were in a particularly cheerful state of mind at the close of their two days' meeting. This is the first time the legal section has been allowed two days for its business. The plan works admirably. It was a much needed innovation and has worked an entire change in the atmosphere of the meeting. It was done on the suggestion of C. A. Atkinson, vice-president and counsel of the Federal Life, Chicago.

While H. B. Arnold, vice-president and counsel, Midland Mutual Life, Co-

R. W. Stevens' Address Basis of Interesting Session at Convention

Younger Companies Feel Effects of World War More Than Older Companies—Returning Soldiers Will Make Excellent Agents—High Grade Men Most Successful—Companies Responsible for Agency Conditions—War Will Cause Abandonment of Cut-Throat Competition.

(*Special to The Eastern Underwriter.*)

Chicago, September 18:

R. W. Stevens', vice-president Illinois Life, Chicago, address this afternoon was easily the outstanding feature of the session. His subject, "The Effect of the War on Agency Organizations," was just what the members wanted to hear about.

So masterful was Mr. Stevens' handling of the subject that the Chair had considerable difficulty in inducing others to enter into an informal discussion.

William BroSmith, general counsel, Travelers Insurance Co., took the floor merely to express his appreciation of Mr. Stevens' paper, but said he had nothing to add to it now.

LIFE INSURANCE SALESMANSHIP

¶ Your agents should read the 1918 Life Insurance Salesmanship Edition of The Eastern Underwriter containing practical sales experiences told by the agents who had same. We have a limited supply of this edition on hand for distribution. Orders for same will be promptly filled while they last at 25 cents a copy.

THE
EASTERN UNDERWRITER CO.
105 William Street, NEW YORK

lumbus, did not in his opening address mention Government ownership or use any similar terms, that subject was evidently uppermost in his mind. As outgoing chairman he made some suggestions in which he dwelt freely upon the present world conflict, its causes and results. He quoted liberally from writings of President Wilson in which the Chief Executive referred to proper Government regulation as not being interference.

Mr. Arnold declared: "The exigencies of war justify and require the control of individual action, and the administration of necessary industrial enterprises during the war, but after the war American individualism must again have the freest opportunity to develop. Entirely willing to submit to restrictions, for the paramount purpose of winning the war, Americans would rebel against bureaucratic regulation after the war. Yet the radical, honest though he may be, will then present his scheme and it will be for the intelligent and patriotic American to fight against the adoption of so-called 'reforms' which will be un-American, or which may properly be termed, 'Prussianistic.'

"The problems that, after the war, we must meet and solve may be compared with the problems which our revolutionary forefathers faced in the founding of the nation. They must be met courageously and solved intelligently and patriotically. We must recognize that we owe a responsibility to humanity, and there must be breadth and sincerity of thought and action. Selfishness must be forgotten, whether it be the selfishness of the radical or of the conservative. Aroused as we shall be to a realization of our duties and responsibilities, we must be active in our maintenance of the principle of American individualism.

"We have solved our problems in the past, and I for one, am steadfast in the faith that we will solve them in the future, and if, by maintaining the high standard of individualism and humanity, we can infuse confidence into the nations who may look to us for guidance, we shall then have demonstrated that democracy is neither autocracy nor anarchy."

E. M. Grossman, general counsel of the Central States Life, St. Louis, was elected chairman; and Charles B. Welliver, American Central Life, is the new secretary of the legal section.

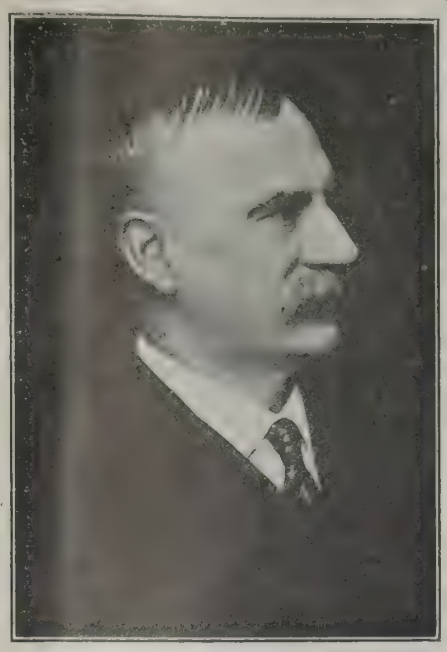
In his report as retiring secretary Mr. Grossman dealt only with routine matters.

The "Round Table" which was another suggestion of C. A. Atkinson, of the Federal Life, proved to be a great success. The interest in it was keen. Mr. Atkinson presided. He made an inspiring patriotic address.

This is also the first time the legal section has provided in its program for music. The singers were first class. After hearing the song "Land of Mine," everybody was on his feet.

H. W. Price, Illinois Life, talked on the case of Monahan versus Metropolitan Life. This had to do with bringing suit within the incontestable clause period and defense on the ground of fraud and misrepresentation.

Greetings from the South were extended by C. F. O'Donnell, Southwestern Life, Dallas.



CHARLES F. COFFIN

In the discussion following the address of R. W. Stevens, of the Illinois Life on "The Effect of the War on Agency Organizations," Charles F. Coffin, the fearless vice-president of the State Life of Indianapolis, had the following to say on the subject:

"The companies are also finding their souls. The veneer is being removed and there is more sincerity. The war will drive the companies to genuine co-operation and the abandonment of cut-throat competition. There has been too much profession and too little performance."

Greetings from the East were given by William BroSmith, General Counsel of the Travelers Insurance Company, Hartford. That company is a new member in the American Life Convention. It is the first of the large Eastern companies to join. It is a pioneer in many marked innovations in the business and its entrance to the circle of newer Southern and Western companies marks a milestone in the organization's development. Mr. BroSmith is recognized as a strong man in this business and a prominent figure in the Association of Life Insurance Presidents. The action of the Travelers signalizes the beginning of a closer harmony between the two bodies. Mr. BroSmith talked on the "Spirit of Co-operation." He was most cordially received.

As in former years the legal section has had time only to hear papers read and no time for discussion, the extra time allotted this year was more than welcome. The discussions were eagerly entered into. This feature will surely be retained. The attendance this year was larger than ever before. Between fifty and sixty were at the legal section meetings. This number represents half the membership of the American Life Convention and is twice as large as the usual attendance.

LEGAL SECTION SIDELIGHTS

Chicago, September 17:

As an earnest of how engrossed the legal section members were in their subjects, the golf links were neglected. During the session Tuesday a Chicago man stopped at the hotel with his car, and sent in word that he was on his way to the links, and had room for two. Secretary Blackburn announced this from the floor, but not a man budged. That was the spirit of the meeting throughout all the sessions.

* * *

E. M. Grossman, general counsel, Central States Life, St. Louis, the new chairman of the legal section is a man of particular ability in his home and native city. He is a Harvard graduate and a strong man in the legal profession in St. Louis. He is actively connected with the Board of Education, his position being one of importance and prominence. He has been general counsel for the Central States Life for a number of years, is also a director and a member of the executive committee. Mr. Grossman is a member of the Artists' Guild of St. Louis, and is prominent in artistic and literary circles. He was influential in organizing the Four Minute Men and takes an active part in all civic affairs, being identified with the Civic League and every organization that stands for better things in the community—an ideal choice for head of the legal section.

* * *

Everybody agreed that A. L. Brooks, General Counsel, Jefferson Standard Life, Greensboro, N. C., had in his "Spirit of a World Democracy," an unusually fine paper. It was commented upon freely and always in the highest terms.

* * *

James C. Jones, General Counsel, American National Assurance Co., St. Louis, was to have taken an active part in the "Round Table" discussion. General regret was expressed at his not being able to attend.

* * *

Immediately after the sessions H. M. Orr left on a fishing trip.

* * *

Several members spoke of the clearness of E. B. Evans', Counsel, American Life, Des Moines, "Review of Interesting Decisions." That Mr. Evans' paper had been prepared with painstaking precision was evident.

Further Inroads By Government Only in the Papers Says Thos. B. Love

(*Special to The Eastern Underwriter.*)

Chicago, September 20:

Thomas B. Love, assistant secretary of the treasury, assured the convention that any knowledge he has of intention by the government to make further inroads upon the insurance business, exists only as he has seen it suggested, in the press. General applause followed this declaration. Mr. Love's subject was "The Great Insurance Venture." He talked for an hour explaining the magnitude of the enormous project the government has undertaken to provide for the nation's soldiers and sailors. He said that the insurance business undertaken by the government thus far has been only such as was deemed absolutely essential to the rapid and efficient handling of war problems.

J. F. Onion Defines Insurable Interest

GIVES LEGAL TECHNICALITIES

Court Precedents Opposing Wagering Will Help Eliminate Some Life Insurance Evils

(*Special to The Eastern Underwriter.*)

Chicago, September 17:

One of the papers which was frequently praised at the legal section meeting was that of John F. Onion, General Counsel, Southland Life. Mr. Onion's subject was "Insurable Interest in Life," and was replete with citations and valuable references. In the course of his address Mr. Onion said:

"A contract of life insurance is peculiar, in that it is not every person that can become a party to it. Two forceful objections are made to the indiscriminate making of life insurance contracts. First, it is contended that if any person could make an insurance contract, that these would be wagering contracts, and second, that they would tend to encourage the taking of human life, both being against public policy. Our courts and law writers object to the 'wagering life' life insurance contract, because it is an unearned gain. In other words, by wagering on human life, nothing is produced. It is urged that unearned gains lead to idleness, and that useful business and industry are discouraged to that extent. Therefore, the initiative in procuring human life insurance contracts, if taken away from persons who gain by them, the making of such contracts cannot become a vocation, and hence these harmful tendencies will either disappear entirely or be reduced to a minimum.

Personal Gain As An Element

"Rather strange to relate, the second objection above named to insurance contracts has been less dwelt upon and the evils thereof less pointed out by our courts than the one relating to wagering contracts, yet it must be admitted as true, that in every policy where the insured and beneficiary are not the same, there is a possible temptation to the beneficiary to murder. That is to say, the opportunity for gain exists in case the crime can be concealed. Therefore, our courts and law writers properly conclude that unless this temptation is controlled by some strong, counteracting motive, the contract is of such a nature as to have a decidedly harmful tendency. Of course, there are safeguards that very largely eliminate this counteracting motive. In the first place, murder is severely punishable, and then again, the rule is universal that a beneficiary who murders the insured cannot recover. However, the question is sometimes raised as to whether these safeguards, just mentioned, are sufficient. Mr. Cook in his work on insurance strongly contends that these safeguards are amply sufficient and that because of these, the bar as to insurable interest is highly technical and absurd.

Rests on Uncertain Foundation

"Along this line, among other things, he says that if the contract of insurance is for the benefit of another than

(Continued on page 15.)

How American Life Convention Started, and How It Has Grown

From Report of President Harry L. Seay

It was some time during 1905 that the American Life Convention was conceived in a conference between J. B. Reynolds, president of the Kansas City Life Insurance Company, and Chas. E. Dark, vice-president of the American Central Life Insurance Company of Indianapolis. Their suggestion for a conference of companies looking to the organization was approved by Sidney A. Foster, secretary of the Royal Union Mutual Life Insurance Company of Des Moines, who gave his consent to the formal call and authorized his name to be signed to the letter calling for the first meeting at the Great Northern Hotel, Chicago, November 20th, 1905.

At the Chicago meeting there appeared representatives of the Kansas City Life Insurance Company, the American Central Life Insurance Company, the Bankers Reserve Life Insurance Company, the Central Life of Des Moines, the Des Moines Life, the Federal Life, the Bankers Life of Lincoln, the Security Mutual Life of Lincoln, the Missouri State Life of St. Louis, the Meridian Life & Trust Company of Indianapolis, the Volunteer State Life of Chattanooga, Tenn., the Register Life & Annuity of Davenport, Ia., the Guaranty Mutual Life of Davenport, Ia., and the Columbia Life of Cincinnati, O.

After wrestling with the problem of organization, declaration of principles and other incidents, eight companies voted to call a meeting January 30, 1906, at St. Louis, for the purpose of creating an association. They were the following: Kansas City Life, Meridian Life & Trust Company, Security Mutual Life, Volunteer State Life, American Central Life, Bankers Reserve Life, Guaranty Mutual Life and the Central Life of Iowa.

Those Attending Chicago Meeting

It may be interesting to know that the following gentlemen were in attendance at the Chicago meeting: J. B. Reynolds, W. A. Lindly, Isaac Miller Hamilton, Samuel Bosworth Smith, B. H. Robison and Chas. E. Dark, each of whom was afterwards president; M. A. Woollen, C. H. Philpott, Mrs. C. E. Rawson, R. M. Wilbur and J. T. Casey, all—together with Messrs. Robison and Dark,—since then called to their final reward; and Edward P. Melson, Arthur Jordan, Everett Wagner, Wm. M. Ratcliffe, Hermann Brackman, George B. Peak, J. M. Emery, W. C. Wilson and T. W. Blackburn. All but the last four of these have retired from executive connection with life companies.

From this small and uncertain beginning, the American Life Convention has grown until today we number 113 company members. In the membership, every company mentioned above, excepting the Meridian Life & Trust Company, is on the membership roster, though the Register Life & Annuity is now the Register Life and the Guaranty Mutual is the Guaranty Life. The Meridian Life was reinsured in the Pan-American Life, a member of the Convention.

Altogether we have had at one time and another 151 company members. Of this entire number only five withdrew and three of these were later re-admitted. The following members have been reinsured or merged with other members: Meridian Life, Reliable Life, Chicago Life, Greensboro Life, Majestic Life, U. S. Annuity and Life, Security Life & Annuity, Louisiana National Life, Florida Life, Citizens National Life, Michigan State Life, Northern Life of Illinois, Columbia Life & Trust, Des Moines Life, American National of Virginia, Great Western Life, Empire Life, North State Life, Commercial Life, Sam Houston Life, San Antonio Life, American Home Life, Preferred Life, Aegis Life, Pioneer Life of Fargo, Equitable Life of Texas, Intermediate Life, San Francisco Life, Liberal Life, Oklahoma National Life, Amarillo National Life,—in all, thirty. The Pittsburgh Life & Trust Company, the Colorado National Life, the Guarantee Life, the Georgia Life and the Rome Insurance Company were absorbed by non-member companies.

Total Assets

The total assets of the eight companies who voted to organize the American Life Convention as of December 31, 1905, amounted to $3,441,348. The same companies, December 31, 1917, twelve years later (Meridian Life for 1915) had increased their assets to the handsome total of $36,429,853. The volume of business in force for these companies, written basis, in 1905, was $61,732,873. The volume December 31, 1917, paid for, aggregated $329,117,548. The total assets of our organization, December 31, 1917, were $475,676,362 and the total paid for business, $3,639,873,367. This is a marvelous record for a dozen years.

We have today nine members who had less than $5,000,000 of business last December; thirty-two had between $5,000,000 and $10,000,000; thirty-eight had more than $25,000,000; twenty-one had over $50,000,000 and four exceed $100,000,000. Reading the record backward we shall be surprised to note the development of these twelve years and to find that sixty-five of our companies were formed since 1904 and are therefore less than fourteen years old. The American Life Convention is a part of the story of life insurance activity in the United States for the period in which this great business spread itself out into the commercial life of practically every state in the Union as distinguished from the years preceding 1905 when life insurance was chiefly issued from New York and New England.

Travelers Joins

Naturally the membership has been for the most part confined to the West and South, though New England was entered when the United Life & Accident Company of Concord, N. H., became a member in 1917, and this year the Travelers Insurance Company of Hartford, Conn., joined our forces.

All but four of our companies use some form of preliminary term valuation and this Convention has at all times adhered to its original declaration: "We favor the first year term method of valuation both in theory and practice and submit that it is safe, sound and scientific." It is pleasing to know that this method of valuation is now approved in all but six states of the American Union.

KANSAS CITY LIFE INSURANCE COMPANY

KANSAS CITY, U. S. A.

Total resources	$ 10,193,673.00
Legal reserve	8,288,433.00
Surplus to protect policy holders	1,359,912.00
Business issued first 6 months of 1918	22,219,259.00
Insurance in force	140,000,000.00

EXTRACTS FROM THE OFFICIAL REPORT OF EXAMINATION BY THE MISSOURI AND SOUTH DAKOTA INSURANCE DEPARTMENTS

"The Company is now doing business in twenty-one States."

"The Mortality experience has been quite favorable. In 1915 it was 56%, in 1916, 53%, and in 1917, 45% of the expected."

"The Company settles its claims on a fair and equitable basis."

"The total business issued last year was $50,500,000.00 as compared with $26,000,000.00 in 1916, and $22,000,000.00 in 1914."

"This Company has had a remarkable growth in the past and its present condition and organization is such as to assure a more successful and substantial career in the future."

Attractive modern policies at the lowest cost consistent with safety has popularized
"THE SUCCESSFUL WESTERN COMPANY"

C. N. SEARS, Secretary **J. B. REYNOLDS, President**

The Effect of the War On the Agency Organization

By R. W. Stevens, Vice-President Illinois Life

When the President of the United States speaking on behalf of our people declared that we were at war with the Imperial German Government, plans were speedily put into preparation that shall assure peace with honor to the American flag; and among the earliest of the major war-winning proposals was life insurance for those brave boys who will fly the Stars and Stripes over the broken battlements of autocracy.

When the call to the colors came and training camps and cantonments



R. W. STEVENS

were organized, the business of life insurance was represented not only creditably but with honor by the number and the caliber of the life insurance men in uniform.

When the call for money came, the legal-reserve life insurance companies, under no pressure and without urging, promptly invested to the extent of their ability their available cash resources in Liberty Bonds and immediately began shaping their finances for future purchases.

When it was found necessary to the fullest success of our Government insurance plan to carry the message of its advantages and benefits to the individual members of our armies, life insurance men in military service delivered that message so enthusiastically and so effectively as to astound us all when we read the figures that told of their achievements.

When the call came for volunteers to carry on an intensive canvass for the sale of the Liberty Bonds, life insurance men came marching strong, and how well they upheld their reputation for being the best salesmen in the world is a matter of public record, and—

When our boys come marching home again victorious and triumphant, we shall find that of those who won the distinguished service medals, the chevrons and the straps, no business, trade or profession shall show a higher percentage to men engaged than will the business of life insurance; since initiative, resourcefulness, determination and leadership, qualities which make for a distinguished military career, are among the first attributes of the successful life insurance man.

War Clause

In discussing the effect of the war on the agency organization, it seems advisable to review this subject from two standpoints: first, the effect upon the agents in the field; and second, the effect upon the agency department, meaning thereby those who have to do with the employment and supervision of agents.

For many months prior to our participation as a belligerent in the Great War, agency managers generally were calling to the attention of their agents the great insurance-selling opportunity afforded by our undoubted nearness to war and the then ability of those who might be called for service to secure war-insurance at peace-time rates; that is, policies without a restrictive war-clause.

As events have shown, the argument suggested should have been one of the most compelling that insurance solicitors were ever permitted to use, but, as measured by new-business increase, uncertainly-impending war-service was neither a powerful nor a popular plea for insurance-preparedness.

Immediately following the sixth of April, 1917, and up until the announcement of the Government plan of insurance, there came a demand for life insurance at peace-time rates to cover the hazard of war; but, except in the case of those few companies whose officers reckoned that the war was three thousand miles away, war-clauses were immediately put in force which required the war-risk to pay an extra premium commensurate with the war-hazard. This meant the refusal of large amounts of easily-written business; caused much confusion and dissatisfaction among agents and the eventual retirement of a considerable number of good solicitors who had specialized on the insuring of young men and who could not adjust themselves to the new conditions under which they were compelled to operate.

The war-clause-floundering period through which the companies passed during the first few months following our entrance into the war was not only disturbing to the agency organization, but furnished a sordid spectacle of the lack of co-operation between home offices and clearly displayed the fact that when a business advantage appears to be at stake life insurance, as a great glorified institution, is as quickly sacrificed on the altar of personal greed by those guiding the destinies of our companies as by the most partisan of their agents in the field.

Thanks to the far-seeing wisdom, and sound knowledge of insurance, of William G. McAdoo, Secretary of the Treasury, the life companies were relieved of the necessity of even trying to handle war-insurance, and spared the odium that the unthinking were inclined to bestow upon them on the ground that failure to insure our soldiers and sailors at peace-time rates was an unpatriotic act.

Secretary McAdoo understood the great advantage of life insurance for those splendid men who are risking and laying down their lives that Liberty shall not perish from this earth, and knew that it was impossible for the life insurance companies to safely cover, at such cost as our soldiers and sailors could bear, the extraordinary risk of engagement in war; therefore, he advocated and speedily had enacted a war-insurance measure which shall stand as a monument for all time to the generous appreciation which we of these United States have for those who gave their all that our nation might live in honor and security.

First News of War Risk Bureau

The news of the passage of the act authorizing the Bureau of War Risk Insurance for Soldiers and Sailors was received with both consternation and joy by the men in the field; with consternation by those who were still hoping that their companies would throw down the bars to the war-risks and who feared that the Government insurance plan would seriously curtail their business; but with joy by those sound-thinking life underwriters who, realizing the utter impossibility of company insurance at rates within the reach of those who needed the war-risk protection, saw in the passage of the act protection for our fighters and the elimination from the insurance canvass of the fruitless and unprofitable discussion of why their companies were imposing extra premiums in new policies as a condition precedent to engaging in military or naval service.

About September the first, 1917, the Government insurance plan was so widely known and well under way that competition for the war-risks had practically ceased, and agents in the field were adjusting themselves to the new conditions surrounding their work.

Draft Board rulings rapidly announced showed that such large numbers of men who were eligible to life insurance were ineligible to military service as to leave an ample field for the activities of those agents who preferred to confine their solicitations to men of thirty-one and under. And, since when facing possible war-service men with dependents as well as those dependents were so shockingly and terrifically impressed with the fact of their insurance-unpreparedness, great numbers of those finally exempted became not only willing but eager prospects for more life insurance.

To life insurance men of the right sort no greater inspiration and reason for self-gratulation was ever given than the unqualified and magnificent endorsement of their business and their work by the adoption of the Government plan for the insurance of soldiers and sailors. Life insurance for those who venture the supreme sacrifice was among the first of the war-winning measures to receive the earnest consideration and early action of our Congress, and in effect, when adopting its insurance plan, our Government, through its great leaders, said that an insured citizen is a better, a more efficient and a more reliable citizen than the one who is uninsured.

If there ever was a time when life insurance advocates should have a special pride in their work, now is that time, since never before in the history of our business have the benefits of and need for life insurance been so soberly, impressively and extensively brought to the attention of our people.

It truly is a great thing to be a life insurance man these days—a real life insurance man. Upon no other peace-time business has our Government placed such a high mark of approval as it has placed upon the business of life insurance, and never since its beginning has the business of life insurance selling had the opportunity and the encouragement to attain to the dignified and respected standing that can now be enjoyed by those who are worthy; and the worthy representatives in the field give every indication that in so far as it lies within their power the present splendid gain in the estimation and esteem of the insuring public will be held and made secure.

It must be remembered, however, that field conditions and the kind and caliber of men authorized to carry on the business of life insurance selling are determined by agency departments and those who have to do with the making of agency contracts.

Great Opportunities For the Efficient

The war has imposed new problems and responsibilities upon agency managers in the securing and handling of agents, and according to how well the agency department of each company understands and adjusts itself to these conditions will depend its future prestige in the selling field.

One of the already noticeably-beneficial effects of our participation in the Great War is the increasing demand for efficiency and hustling on the part of every man engaged in or capable of engaging in any useful occupation.

The industrial loafer, slacker and drone is getting just as unpopular and much despised as the draft-dodger, and this condition certainly augurs well for the future prosperity and greatness of America.

For too many years the doors of agency departments have been wide open to men who are unambitious, inefficient, incapable and unfit to represent the great institution of life insurance. They have been tolerated in the business simply because the American people have been easy going and kindly disposed toward those weaklings who have made insurance soliciting nothing more than a polite form of begging.

Times Changing Fast

But, times are changing—changing fast. Unless we misread the signs the temper of our people will soon be such that the mendicant agent whose only excuse for carrying a ratebook is that he wants to get a commission, having neither the ability nor the desire to intelligently render a real life-insurance service, will enjoy as much standing and get as scant consideration as the husky hobo who panhandles the kitchen door because he is hungry.

With an annually increasing effectiveness for more than half a century prior to our participation in the Great War, our legal reserve life insurance companies were the chiefest advocates of thrift; yet, while preaching and teaching thrift, those same companies have been guilty of wanton waste in their new-business-producing departments.

Competition forced extravagance and deplorable methods upon even the most conservative and conscientious of agency departments. The Will-o'-the-Wisp of volume led to the extensive equipment of thousands of agents who had been persuaded or cajoled into the taking of an agency contract, a very small percentage of whom had any true conception of the business of life insurance and the mission of the life insurance agent, or had any honest intention of making even a half-hearted effort to secure new policyholders.

Economies

Necessity is teaching us the way to many economies which otherwise we would never have known, and production costs continue to rise.

In the last analysis increased costs of operation must result either in an increase in selling prices or a reduction in profits unless such economies can be learned and practiced as mean a tremendous saving out of former expenses.

The business of life insurance is not one that easily lends itself to an advance in the price of the product, therefore, in order that the margins may be maintained reasonably within the range of former years, we are under even a greater necessity than confronts other lines of business to make material reductions in our operating costs.

That material reductions in agency operating costs can be made not only without injury but to the advantage of our business, I am confident; and in support of my view I think it necessary to call attention to only a few of the glaringly wasteful methods com-

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Job Hedges Makes Hit in Speech in Characteristic Vein

Convention Members Enjoy Bright and Rapid Fire Oratory of Association of Life Insurance Presidents' Counsel in Feature Not on Program.

(*Special to The Eastern Underwriter.*)
Chicago, September 19:

Rich humor, sound logic and deep pathos were combined in the truly remarkable address of Colonel Job E. Hedges. It was a surprise and treat for all, not being on the program. Referring to the remarks of Mr. Sullivan Wednesday, Colonel Hedges said that a deep note had been struck when the problem of the present generation was described as one of spirit and soul. In these lie the fundamentals of business and government.



COL. JOB E. HEDGES

These are some of the shafts of light snatched from Mr. Hedges' talk:

Many a man will die for his religion although he does not practice it. Many a man will die for his country in time of war who pays no attention to civic duties in time of peace.

An efficiency expert is a man who would run your business for himself at your expense if you would let him.

I don't know much about hiring agents but I know that a man is either a man or a shrimp; once a shrimp always a shrimp.

Everything starts from emotion other than from a mental process. Where there is no soul and no spirit there is no life. This war will determine for us whether we are a nation with a soul or only a lot of people accidentally living together.

This country never thought nationality since its existence until August, 1914.

We have always given freely to victims of fire, flood and famine but we have given individually, never as a nation. A crime in Belgium is a crime in the United States; morals are not yet, thank God, a matter of geography.

Life Insurance Based on Emotion

Life insurance is predicated upon an emotion and it never fails as long as that emotion is kept before the eye of the insurance man. It has failed only when the insurance man has become intoxicated with the drug of material success. We must be insurance men of high grade.

This war is to determine whether or not men and women shall live by the grace of God or by the favor of temporal man. This can best be grasped by insurance men. Their proposition is to induce men and women to do something for some one else, the act not to be marked with a dollar sign.

Efficiency is not altogether volume, there must be quality to make it last.

Sit down with a few men anywhere and discuss any problem, they will immediately begin to argue why it can or can not be done and quote percentages and per capitas, but what is a per capita if you haven't it?

The man who betrays the profession of life insurance is as much a traitor as he who plots against his country because he causes people to lose faith.

The trouble is we all want our reward the same day we perform the act. We fear we may not be recognized. It is better to be overlooked at the time than to be discovered when we do not want to be.

It is better not have so much but to have a title to it.

It is better to be a plain ordinary man than to be nervous when a stranger speaks to you suddenly. Many men become uncomfortable when the light is turned on.

Avoid the line of demarkation that distinguishes between those who are confined and those who are at large. Avoid the necessity for carrying cash bail. A man is not a good citizen morally simply because he does not violate the penal code.

Lots of men think they will be considered fools if they do not claim to know something about everything they never heard of. Many think they are being called when they are only being whispered.

We have been reforming this country for so long that the country has gotten nervous and the people confused. I have known people to talk for prohibition in whose presence it was not safe to light a match.

One does not have to give up his religion because his minister erred. One does not have to give up matrimony because he happens to pick the wrong mother-in-law.

Generosity is not how much one gives but how much one has got.

There is nothing wrong with the man of German extraction but it is important to know when he forgot his extraction.

Predicts Lower Insurance Cost With Better Mortality Experience

Dr. W. A. Evans of Chicago, Believes Future Will Bring Lower Insurance Rates—Sees Big Advance When High Mortality Diseases Are Conquered—Warns Against After-War Conditions, Which He Believes Will be Bad for a Number of Years, Unless Taken in Hand.

(*Special to The Eastern Underwriter.*)
Chicago, September 19:

After hearing the address of Dr. W. A. Evans, of Chicago, former president of the American Public Health Association, the convention adopted a resolution recommending that members become identified with the health association and that their representatives be encouraged to give personal aid to all efforts intended to improve local sanitary conditions. This is the same resolution as was adopted by the Association of Life Insurance Presidents, December 7, 1917.

Dr. Evans read a paper entitled "Effect of Health Work by Members of the Public Health Association on Death Rates." He represented that the companies have benefited greatly by the progress that has been made toward lessening disease and lowering the death rate. He proposed that the companies combine with the agency which has for years been bringing this about.

He observed that the cost of everything has gone up except life insurance and that the cost of annuities has advanced.

Great Improvement in Life Expectancy

New groups are becoming insurable and geographical restrictions have been removed. The great reduction in the death rate from typhoid, diphtheria, scarlet fever, measles, whooping cough and smallpox was noted. General life expectancy is higher. Malaria and respiratory diseases are now being attacked.

The speaker predicted that life insurance rates would be lower as time goes on. The health association wants to take on new duties which will create additional expense.

Dr. Evans said that the first heavy drop in the death rate took place when the existence of gross filth was recognized as the cause of disease and the filth removed. The next drop came when the germ theory was fully developed and acted upon.

Further Drop May Be Expected

There can be no further decisive drop in cities having efficient health departments, at least for the present, but when heart disease, degenerative

Central States
Life Insurance Company
ST. LOUIS, MO.

Insurance in force - - - - $33,000,000.00

JAS. A. McVOY, Vice-President and General Manager

diseases and cancer have been conquered another diminution may be expected. The speaker urged all companies to join his association, attend its meetings and establish a special section to work actively in the interest of disease prevention especially against degenerative diseases. 'Take politics out of the city health departments,' he demanded.

Must Guard Against After-War Conditions

Dr. Evans' remarks on what happens after a war were illuminating. It is generally believed that war is a great cleanser of politics, morals and an elevator of ideals. Dr. Evans said history does not teach this. After the Civil War, after the people had become accustomed to acting as a unit, there was a revival of individual incentive and license which produced for ten years the greatest debauchery in our history. He said we must guard against a repetition of this. The speaker declared that further improvement in health conditions must take place in the country at large and in the smaller cities.

Some of Bright Lights Enliven the Convention With Personal Persiflage

James V. Barry Side-steps the Mantle of Too Much Knowledge With Which Pres. Seay Would Clothe Him—Happy Future State of Uniform Court Decisions—Speakers Get Stage Fright from Pres. Seay's Introductions Which Overwhelm Them.

(*Special to The Eastern Underwriter.*)
Chicago, September 19:

No life insurance convention would be quite complete without hearing from James V. Barry, assistant secretary of the Metropolitan Life. In introducing him, President Seay extolled his extensive knowledge of things generally. The adroit Barry came back with the rejoinder that it is better not to know so much as to know so many things that are not true.

For the first forty-eight hours of his stay in Chicago, Mr. Barry was enmeshed in the intricacies of the legal section. He noted Major Atkinson's remark that when we have uniform court decisions we will get somewhere. Then Barry added that such a condition although desirable would result in a lot of life insurance counsel going to the poor house. Mr. Barry said he came along only as excess baggage of Frank Ewing and like the nigger's razor was carried just for moral effect.

"If you all were not such good friends of mine I would not tell you so much," he said, remarking that after all nothing matters much now except winning the war. Then he recited a few of his well-selected poems touching on the present great struggle.

Chairman Seay is a master in framing introductions. He overwhelms his speakers. They waver in fear that they cannot measure up. After Colonel Hedges had been introduced he observed that in all probability he outpoints Mr. BroSmith in the possession of rare talents. The Colonel evinced keen delight in the thought that the illustrious counsel for the Travelers had at last been placed where he belongs. He tried to make it clear to his audience that BroSmith was not as he said embarrassed when he was asked to speak the day before, but that he was simply caught off his guard.

Job E. Hedges said he knew I. Smith Homans would make a fine address because he is a Princeton man. Hedges is also a Princeton man. Sheppard Homans, the father of I. Smith, was graduated from there and it is also President Seay's alma mater. Mr. BroSmith was not given a chance to say where he obtained his learning.

"Eternal Vigilance is the Price of Liberty," Says Eugene J. McGivney

The Above Quotation Concluded the Address on "Life Insurance and Patriotism," Delivered by the General Counsel of the Pan American Life, Thursday Afternoon—Extraordinary Powers Must Be Returned to the People After War.

(*Special to The Eastern Underwriter.*)
Chicago, September 19:

In the course of his address on "Life Insurance and Patriotism" Eugene J. McGivney, general counsel for the Pan American Life of New Orleans, said:

Personal thrift as a habit, which our Government is today so strongly relying upon as an aid to victory, is a trait that life insurance companies have played a large part in moulding into the character of the people of our Nation.

When the Federal Government decided to insure the lives of soldiers and sailors as a means of providing a pension for their dependents, a high tribute was paid to the plan of thrift as taught by the time-honored institution of life insurance.

We all remember when war was thrust upon us how the conscience of life insurance officials was torn between a sober duty owed to holders of old policies and to stockholders, and a patriotic impulse for liberality to new policyholders that might be called into service.

The development of life insurance over a long era of peace made no provision for the catastrophe of war. Companies were subjected to the unprovided-for war risk on old policies and were confronted with the necessity of making provisions for the writing of new life insurance in time of war.

To the everlasting credit of the business, there has never been a single suggestion as far as I am aware that life insurance companies be classed as slackers or profiteers.

Notwithstanding the unknown quantity in mortality tables of the hazard of war risk, life insurance companies have not ceased to write insurance during the war.

No Increased Rates

Notwithstanding the enormous increase of expenses and taxes brought on by the war, premium rates to civilians for life insurance have remained the same while the prices of every other commodity have soared.

Where an extra premium has been added for military and naval service, in every instance a provision was made that any excess above the actual amount necessary to pay the additional cost of the war risk would be returned to the policyholder by the company at the end of the war.

From the very beginning life insurance companies have earnestly co-operated with the War Risk Insurance Bureau. The companies recognize that the additional premium required for the war risk in life insurance is a difficult problem, and that any attempt to minimize it should have back of it the subsidy of the United States Government. For that reason life insurance companies writing war risk insurance policies can in no sense be regarded as competitors of the War Risk Insurance Bureau. They welcome the Government taking the responsibility off their hands.

Life insurance companies have responded promptly and generously to every call that has been made upon the business interests of this country.

The amount of subscriptions to the Third Liberty Loan are not available, but I have seen a tabulation of the subscriptions of 182 life insurance companies to the first and second Liberty Loans showing a total of $171,000,000, and that this amount subscribed in six months was 80 per cent. of the total estimated increase of invested assets for that period.

These figures, with the knowledge that we have of substantial investments in War Savings Stamps and generous contributions to Red Cross and other humanity war work, will show that life insurance companies stand high in the record of response to the patriotic appeals of our Government.

It is estimated that the agents of life insurance companies have in the first and second Liberty Loan drives secured at least $140,000,000 of subscriptions.

No greater recognition of the moral force of life insurance could have been had than the recent decision of the Provost Marshal that the business of soliciting life insurance was not to be regarded as a non-essential employment.

Indeed the business of insurance generally may justly claim to have done a full share in helping to win the war, since it can be shown that virtually all of the insurance earnings from the beginning of the war have been invested in Government war securities.

Unprecedented Functions Temporary Expedients

While life insurance companies do not view with any special alarm, the Federal Government engaging in the business of life insurance, every thoughtful person must recognize that the future welfare of our country is fraught with danger unless the many unprecedented functions assumed by our Federal Government are well understood to be only temporary expedients adopted to win the struggle for our national self-preservation.

An anomalous situation arises out of the conditions that have been forced upon this country by the exigency of war. In order to put into the hands of our Government the power to efficiently transform our resources to a war basis, it has been necessary to make the most radical changes in our business and living conditions.

The law of supply and demand has practically been suspended. Some of the most sacred of our traditions and constitutional guarantees have been set aside under the stress of the great war.

Return Power to People

The very evil of centralized power, which we believe to be the fundamental weakness of the form of Government of the enemy countries which we are now fighting, appears now to be a necessary measure to resort to in times of war.

As long as the necessities of war exist, we should all continue to cheerfully uphold the President in his declaration that in dealing with the enemies of democracy, force to the uttermost extent shall be used. But if there is a single thought from my address that I wish to leave uppermost with you, it is that, if our constitutional liberties are to be preserved, when acquiescing in the extraordinary powers assumed by our Federal Government, we must do so with a mental reservation that we are determined to see that these powers are returned to the people at the end of the war. We must remember that, "Eternal vigilance is the price of liberty."

Omaha Gets Next Convention

(*Special to The Eastern Underwriter.*)
Chicago, September 19:

Omaha, Nebraska, was selected as the place of the next annual meeting of the American Life Convention. Aside from being somewhat of an insurance center, the selection was no doubt made as a tribute to the Convention s hard working and faithful secretary, T. W. Blackburn.

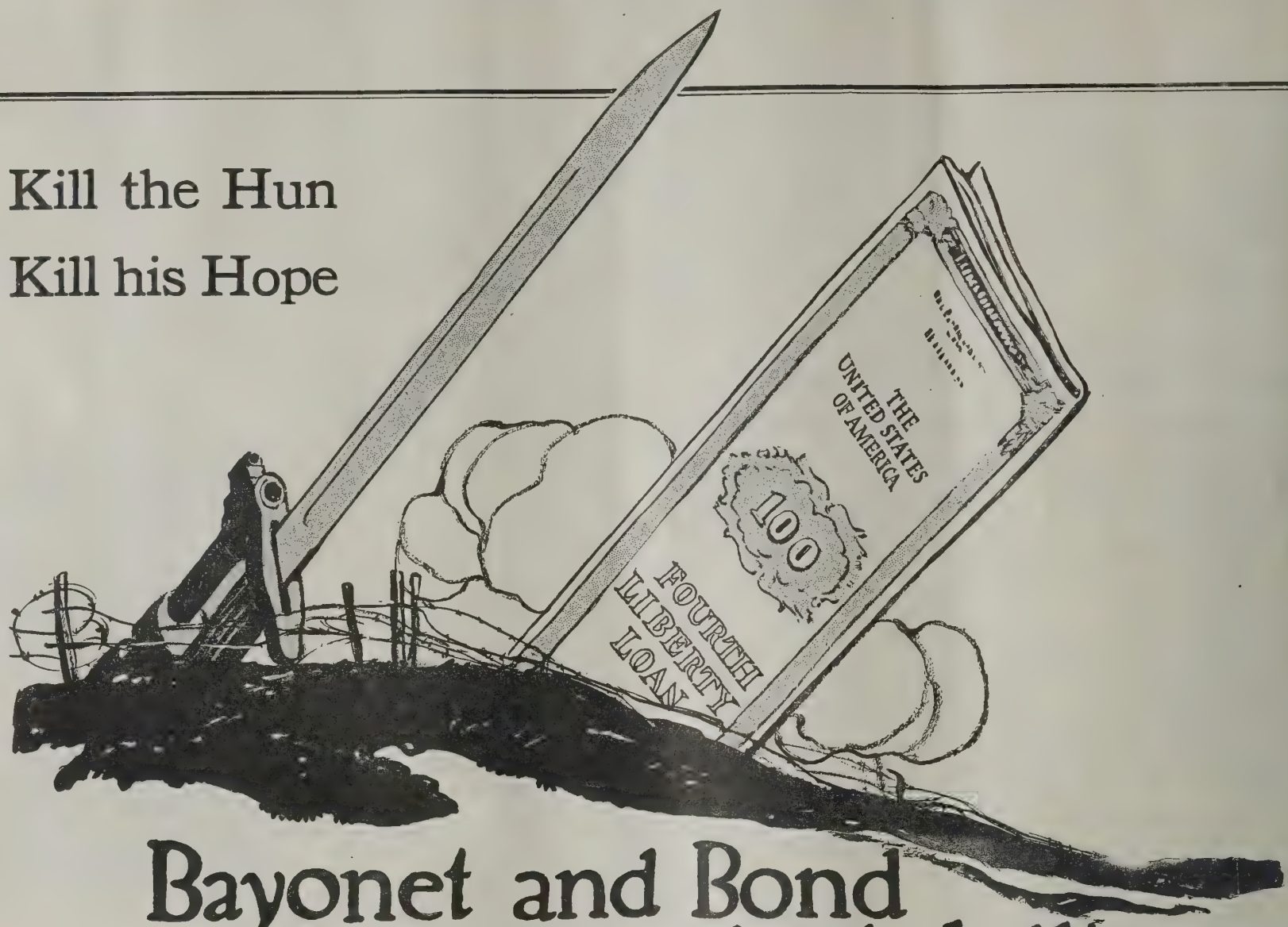
Kuhns Unable To Attend Meeting

(*Special to The Eastern Underwriter.*)
Chicago, September 19:

George Kuhns, president of the Bankers Life, Des Moines, being ill, was unable to attend. His paper on "Investments and Rates of Interest," was read by Secretary Blackburn.

Kill the Hun

Kill his Hope



Bayonet and Bond —both kill!

ONE KILLS the Hun, the other kills his hope. And to kill his hope of victory is as essential right now as to kill his fighting hordes. For while hope lasts, the Wolf of Prussia will force his subject soldiers to the fighting line.

We have floated other loans, built a great fleet of ships, sunk pirate submarines, sent our men across and shown the Kaiser's generals what American dash and grit and initiative can do. The Hun has felt the sting of our bullets and the thrust of our bayonets. He is beginning to understand America Aroused—to dread the weight of our arms and energy.

This is a crucial moment. Nothing can so smother the Hun morale, so blast his hopes, as a further message from a hundred million Freemen, a message that says in tones that cannot be misunderstood, "Our lives, our dollars, our ALL. These are in the fight for that Liberty which was made sacred by the sacrifices of our forefathers."

Buy U. S. Government Bonds Fourth Liberty Loan

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THE EASTERN UNDERWRITER

Investments and Rates of Interest

By George Kuhns, President Bankers' Life of Des Moines

The mighty aggregate of capital which life insurance companies are called upon to invest, makes the placing of their funds a most important branch of the business, and it is generally conceded that the investments should be made from the standpoint of security rather than of speculative profit.

My observation has led me to believe that there is no better investment for life insurance funds than



GEORGE KUHNS

mortgages on cultivated agricultural lands. One of the factors which has been most important in the up-building of many of our Middle West life companies into strong financial institutions is the high character of their investments which have been very largely in farm mortgages. Until recently large Eastern life companies as a class have not invested heavily in farm mortgages, that particular field having been left largely to the Western companies. One of the great Eastern companies made its first farm loan only a little over a year ago. We quote as follows from the official report of the company on its first year's experience in this class of investment:

"The one outstanding fact at the close of the first year as an investor in this field is that there is still an adequate supply of strictly first class farm mortgages for the investment of life insurance funds at satisfactory rates of interest. Several forces have had a tendency, however, during this period, to lessen the volume of mortgages. Foremost of these is, of course, the wonderful prosperity of the American farmer. Wheat, cotton, grain and hogs at prevailing prices are effective mortgage lifters.

"Notwithstanding these restrictions the company was able to get a satisfactory rate of interest as well as a satisfactory selection of loans. Furthermore, there has been a steady rise in the average rate, due chiefly to the continued absorption of liquid funds by the demands of war. At the close of the 12-month period we were getting in the various states, from ½ to 1 per cent. more than at the beginning. This, too, notwithstanding stricter conditions, as, for instance, a limitation of the pre-payment privilege, which will tend to keep the money out when once placed—an important matter in connection with the investments of life insurance companies, where overhead costs must be kept at the minimum."

Fine Argument For Farm Investment

This report is unconsciously, perhaps, one of the best possible arguments for investment of life insurance funds in farm loans. The report refers to the absorption of liquid funds by the demands of war. One of the strong arguments advanced against the investment of life insurance money in farm mortgages has been that they are not liquid assets. It is indeed true that they are not liquid assets, and fortunately so, for the life insurance companies; they are not likely to congeal as have some classes of stocks and bonds held in large amounts by some of our life insurance companies. A man, representing a company which has invested funds extensively in stocks and bonds, was recently enlarging upon the excellencies of these liquid assets, when it was called to his attention that since the war has come on, many companies would not be able to make satisfactory showings if their holdings of stocks and bonds were carried at the market values. During the same conversation it was brought out that in the course of the last thirty years life insurance companies have held large amounts of stocks and bonds in railroads which have gone into the hands of receivers, while the farmers back of the farm mortgage loans have been continuously and almost universally prosperous. The result has been stability of values for farm loans, which has precluded the necessity for changes in the basis of valuation such as were required to maintain a fair margin of solvency in connection with large bondholdings.

Quotes W. A. Hutcheson

From an address recently delivered before the Association of Life Insurance Presidents by William A. Hutcheson, second vice-president of the Mutual Life Insurance Company, New York, I quote: "Coming now to the existing investments of the life companies, there are probably no better or safer investments to be found anywhere. He is an optimist, however, who thinks that with the increased labor costs, new and increased taxes, and the higher rate of interest now current, these investments will maintain their old values."

Mr. Hutcheson undoubtedly had in mind the investments in railroad securities when he made this statement; he could not have meant farm mortgages as their values are unaffected by present conditions and the new loans bear a better rate of interest. The insurance-trade press has recently brought out the point that the life insurance companies of America have one-fourth of their assets invested in railroad stocks and bonds. Millions of policyholders are thus interested in the future status of such securities and in the action which the Government will take in safeguarding the interests of these companies with approximately $1,500,000,000 so invested. There would be no question in the minds of those interested if this vast sum of money had been invested in farm mortgage loans instead of securities subject to fluctuation.

The experience of companies investing their funds in farm mortgages is proof of the excellence of those securities.

Lost $193,000 in 46 Years

One life insurance company reports that the total loss upon investments of $133,000,000 during the vicissitudes of forty-six years, has been only $193,000. That is only fourteen hundredths of one per cent. A Vermont company, which has been investing its money in mortgage loans for twenty years, reports that it has loaned $68,000,000 to farmers and that no part of the principal or interest has been lost, rebated or discounted; also, that not a piece of property has been acquired, nor is there at present any prospect of loss on outstanding loans.

The experience of the Bankers Life Company has been that during the forty years since the organization of the Company, over seventy-three millions of dollars of such securities have been purchased without the loss of a single dollar of principal or interest.

Highest Class of Securities

The history of the farm loan business in the United States also demonstrates that farm mortgage loans are securities of the highest possible class; the prosperous farmers being the men who carry the mortgages. The old fashioned illusion that a mortgage on the farm is the sign of a poor farmer was dispelled a long time ago. The most prosperous American farmers are those who carry the heaviest mortgages, and the greatest volume of farm mortgages is to be found in the most prosperous farming states of the nation. Iowa alone has a farm mortgage debt of nearly a half billion dollars and farmers of Iowa are admittedly as prosperous as any in the nation. The farmers have shrewdly taken advantage of the mortgage loan system and carry their loans from year to year, while using their working capital to make more money. Instead of paying off their loans, they renew them and use the money to buy additional lands and to make other investments. In this manner the life insurance companies have aided to an appreciable extent in the building-up and improvement of the great Middle West. They have been a great aid to the farmers, and the farmers have been a great aid to them by developing a tremendous field of the highest class securities to be had with a good interest return.

To quote from a recent issue of "The Northwestern Banker": "There are no investments made today which are more stable and more profitable than the farm mortgage. The two greatest makers and holders of farm mortgages are the banks and the life insurance companies and each of these institutions may be justly proud of what they have done toward the building-up of the various communities of this country, and the development and progress of the central west. The institution which loans money to the farmer who is developing his land, is doing a service to humanity and indirectly to our Government, and does a distinct favor to that borrower if he advises him to protect his estate and protect his loan by sufficient life insurance." A few figures will help give some idea of the magnitude of the farm loan business of the United States, the aggregate of which is estimated at something over $4,000,000,000. Interest on this sum at 5½ per cent. means an annual payment of $220,000,000.

The magnitude of this business indicates that it is perfectly stabilized and the universal experience is that there is no dearth of investment opportunities in this field.

Superiority of Real Estate Loans

Fortunately the superiority of real estate loans is not limited to stability of values and uniform security, but also includes the one remaining factor of importance in the investment field, namely, the rate of return. The statistics of life insurance companies disclose the fact that the assured annual returns have been considerably greater on real estate loans than on stocks and bonds. Among the companies investing largely in the latter securities, an average return in excess of 5 per cent. on invested funds is a rare exception. The average rate of one of the largest companies in the country has been but little in excess of 4½ per cent. On the other hand 5 per cent. has been practically the minimum rate for first class real estate loans, an average earning of 5½ per cent. being by no means uncommon even among the companies carrying such loans in large aggregate amounts.

Iowa Viewpoint

From the standpoint of our Iowa companies, one of the most important features in the investment field is the Iowa Investment Law, which makes it impossible for a company of our state to invest in speculative securities. Industrial stocks and bonds are excluded and in fact the law practically limits the companies to bonds of United States and its political subdivisions and real estate loans which shall be limited in each case to fifty per cent. of the appraised value of the property, exclusive of improvements, or forty per cent. of the appraised value including improvements of brick or stone. The record of the Bankers Life Company is typical of the conditions existing in Iowa as a result of the Iowa law. The assets of the Company amount to $33,000,000 of which $30,000,000 is first mortgage loans on real estate with an aggregate appraised value of $111,000,000. The Iowa law is indeed of real value to the policyholders of the Iowa life insurance companies, and as recently acknowledged by a prominent Californian who carries insurance in an Iowa company, is considered of importance by the policyholders.

Simmons Elected President— Make Change in Constitution

New Members of Executive Committee, With Ex-President Seay as Chairman—More Authority for Committee.

(*Special to The Eastern Underwriter.*)

Chicago, September 20:

E. G. Simmons is the new president of the American Life Convention, elected by acclamation. He is vice-president and general manager of the Pan American Life Insurance Co. of New Orleans. He is a young man full of vigor, who



E. G. SIMMONS

entered the life insurance field 15 years ago with the State Life. He helped organize the Pan-American Life and has ever since been its vice-president and general manager. He is a graduate of Washington University, St. Louis. He has had practical experience in every branch of life insurance work. In seven years his company has acquired fifty millions of insurance and resources of six and a half millions. He has been a member of the executive committee of the American Life Convention for four years and has been particularly active in legislative work.

Changes Made in Constitution

Important changes were made in the constitution of the American Life Convention on resolution by R. W. Stevens, of the Illinois Life. The change gives the executive committee full control of salaried employes of the organization, electing them and guiding them.

Heretofore the salaried secretary and the general counsel have been elected by the entire membership. In presenting his resolution, Mr. Stevens said:

"The object and intent of this amendment is to place in the hands of the executive committee the full control of those in the employ of the convention and who under the practices of the convention operate under the direction of the executive committee. Viewed purely as a business proposition, it seems to me that the committee upon whom is placed by the convention the responsibility for the conduct of the affairs of the association, with the assistance of a paid secretary and treasurer, should have the naming of the person or persons to fill those offices, and should not be required to face the possible contingency of having those offices filled by a person or persons who, because of election by vote of the convention, might be unwilling to follow the directions of the executive committee, if that committee had no voice in their election."

The new members of the executive committee are: H. W. Johnson, president, Central Life, Illinois; H. R. Cunningham, vice-president and general manager, Montana Life, and Charles G. Taylor, Jr., vice-president, Atlantic Life. Retiring President Seay was elected chairman of the executive committee. The retiring members are Messrs. Abels, Grimsley, and Reynolds.

PROTECTS BUSINESS GENIUS

One of the points mady by Governor Lowden in his address was that the great asset, business genius, was not protected until the life insurance man came along.

ARDREY NOT AT MEETING

Members were deprived of the pleasure of hearing J. Howard Ardrey, vice-president of National Bank of Commerce, New York, owing to illness of his father-in-law.

AMERICAN CENTRAL LIFE INSURANCE CO.

INDIANAPOLIS, IND.

ESTABLISHED 1899

HERBERT M. WOOLLEN
PRESIDENT

Re-Insurance And Inspection Suggestions of President Seay

WANTS TWO COMMITTEES NAMED

Annual Address of President Tells of Activities of American Life Convention Committees

In his annual report to the American Life Convention President Seay recommended the appointment of two committees to handle respectively the question of re-insurance and inspections. His recommendations along this line follow:

The war has created many new and complex problems. It not only has curtailed our field of operations, but has increased our expense. First, the draft act calling to the colors all ages between twenty-one and thirty deprived us of insuring most of those ages, and now the second draft act extends our difficulties and deprivations to all in the ages between eighteen and forty-five. Many of our agents have gone, more of our employes, and we are up against the necessity of writing in restricted ages with a smaller and less able agency force, and of conducting our offices with much less efficient help. Conditions have forced on us a need for economy in every line. To my mind the American Life Convention can aid in this economy in two particular endeavors—re-insurance and inspections.

From reports received from fifty-eight companies, I find that those fifty-eight companies re-insured over $50,000,000 of business and have an annual re-insurance of over $16,000,000. As there are 113 companies in the American Life convention, I feel safe in assuming that the total amount of re-insurance of all companies will exceed $100,000,000 and that the total amount of annual re-insurance will exceed $32,000,000. As the Medical Exchange has been beneficial and has given this service at cost, so can re-insurance be had by our companies at cost. There are several ways in which this re-insurance can be effected. A mutual company can be organized among those desiring to enter into the scheme; or a corporation can be organized among our companies, each taking the amount of stock permitted or allotted. Proper rules and regulations should be adopted and the organization placed in strong hands.

During the same period the fifty-eight companies above referred to, had two hundred thousand inspections and paid for them over $200,000 and it is safe to assume that the total inspections of all American Life Convention companies will exceed four hundred thousand for which they will have to pay about half a million dollars.

It has been practically decided to place the secretary's office in some central location, and these companies or bureaus could be located in the same place; and by placing them under one management a pronounced saving could be effected. I therefore suggest that this convention select two committees—one to go fully into the question of reporting and inspecting, and the other to go fully into the question of doing our own re-insuring; and instruct them to report back to the next session of this convention, it being understood that they are to report not only on the advisability of each of the propositions, but in case they approve them or either of them that they are to offer a plan of organization and operation.

The War Risk Bill

A large part of President Seay's address was devoted to the activities of the convention's executive committee during the year. Of the Soldiers' and Sailors' insurance bill he said:

"The bill in question had been considered a short while in the executive session of the American Life Convention at Grand Rapids, and after receiving the wire announcing its introduction in Congress the Executive Committee again went over it carefully, and appointed a committee consisting of J. B. Reynolds, president of the Kansas City Life Insurance Company; your Secretary, T. W. Blackburn; and myself, instructing us to proceed to Washington at once and ascertain the situation and take such steps as might be necessary. Later, Messrs. Grimsley and Simmons were added to the Special Committee, and both of them afterwards joined Mr. Reynolds, Mr. Blackburn and myself at the Capitol.

"Mr. Blackburn and myself remained in Washington practically all the time from the adjournment of the Grand Rapids meeting until the first part of October and did all that we possibly could to have the bill so shaped as to injure legal reserve companies as little as possible. During our work on the bill, both Mr. Blackburn and I made trips to New York to have conferences with the New York life insurance companies, and particularly with what is known as the Ide Committee. We appeared before the Committees of both the House and the Senate in behalf of the bill and discussed it with every Congressman and Senator whose ear we could reach. The result of our work was not commensurate with the effort put forth, but if the bill as finally passed will be compared with the one introduced, you will see that a great deal was done towards making it a workable piece of legislation."

The Revenue Bill

Discussing other committee activities, he said: "During the same session of Congress that passed the Soldiers' and Sailors' Insurance Bill, a new revenue bill was passed. This necessitated both the president and the secretary remaining in Washington for the purpose of watching the interests of life insurance companies as much as possible.

"On October 24, 1917, a special meeting of the Executive Committee was called to convene in St. Louis for the purpose of conferring in relation to the method of treating the policy tax of eight cents per hundred levied under the new revenue law. This eight cent tax was originally proposed in the House of Representatives, was eliminated from the bill as passed in the Senate, but was reinstated by the Conference Committee.

"The Executive Committee meeting in St. Louis, which was attended by representatives of the St. Louis companies and a few other companies, decided that the eight cent tax presented a character of taxation, the method of providing for the payment of which could for the time being be best determined by each individual company for itself, and the companies were notified accordingly.

"On December 6, 1917, another meeting of the Executive Committee was held, in New York City. This meeting was attended by all of the members of the Committee. There was discussed at this meeting the interpretation of the excess profits provision of the revenue law above referred to, and your secretary as a member of the Committee appointed by the Legal Section of the Association of Life Insurance Presidents and other life insurance attorneys, went to Washington and appeared before the Commissioner of Internal Revenue and also before the Advisory Board on excess profits, as a result of which some modification was made in the regulations relative to assessing life insurance under the excess profits tax provision, but no definite decision was made by the Commissioner. The questions involved are still in an unsettled state, and will probably have to be determined by the courts, though through the activities of the American Life Convention, the Association of Life Insurance Presidents and the Association of Life Insurance Counsel, the Department has been placed in possession of facts and arguments which may ultimately result in a satisfactory interpretation of this section of the revenue law."

Traveled For Six Weeks

The Executive Committee met again on the 27th day of March, 1918, in the City of Richmond, at the time of the meeting of the Medical Section of the American Life Convention. After that meeting the president and the secretary proceeded from Richmond to Washington to consult with the Treasury Department relative to the new bond issue, and arrangements were made at that time preparatory to the April drive. At the request of the Secretary of the Treasury, President Seay gave about six weeks of his time in visiting the companies of the American Life Convention to personally present to them the Government's needs in its emergency; and at the same time your Secretary visited the companies in Cincinnati, Louisville, Chattanooga, Atlanta, Birmingham, Cedar Rapids and Davenport, Ia., Ottawa and Rockwood, Ill. He personally visited the companies in Philadelphia, Pittsburgh, Columbus, Indianapolis, Chicago, Des Moines, Kansas City, Topeka, Wichita and Dallas.

"I am glad to report that I found all of the companies fully alive to the importance of the situation, bubbling over with patriotism and eager to help the Government," he said, "and in a spirit prompting them to participate to the limit not only in that bond issue, but in any issue that the Government might put out. The companies as a whole have something like five per cent. of their holdings in Liberty Bonds,—which is a larger percentage than is held by other organizations of life insurance companies. This, however, is not as heavy as the companies should go, and it is the wish of the Government that the companies again go their limit in purchasing bonds in the next issue, which will be the largest yet offered. English companies have twenty per cent. of their assets invested in Government securities, and it is the wish of the Government that American companies display as much patriotism as the English, and it might not be amiss for us, by suitable resolution, to inform the Government that we are willing to invest not only twenty per cent., but enough to insure the winning of this war.

Taxation

"About the first of June, 1918, the president and secretary again met in Washington for the purpose of discussing with the members of the Ways and Means Committee the status of life insurance companies under the new revenue bill which proposed to raise eight billions of dollars. While working on this particular matter it became necessary to make a visit to New York for the purpose of discussing the proposed bill with members of the Presidents' Association and the officials of other insurance companies. After our conference with the representatives of the Presidents' Association, we returned to Washington and attended the hearing before the Ways and Means Committee, at which session an argument was presented by your secretary. While in Washington on this mission, we were advised that many different methods of taxing life insurance companies had been proposed to different members of the Committee and we were fearful lest great hardships would be worked on insurance companies unless some simple and equitable method of taxation should be suggested by the insurance companies themselves. Not being willing to assume the responsibility of making this recommendation, your president called another meeting of the Executive Committee, which was held in St. Louis on the 22nd day of June, 1918, at which a full attendance was had. At that meeting it was unanimously decided to recommend to Congress that, 'In lieu of all other Federal taxes on life insurance companies there be levied a tax of a certain per centum on total annual premium income, and that said tax, instead of being made payable in one sum for one year, be made payable monthly as said premium income is received.'

"The Executive Committee requested your president and Dr. E. G. Simmons, vice-president and general manager of the Pan-American Life Insurance Company, to go to Washington and present the views of the Executive Committee to the Ways and Means Committee. Acting upon their suggestion Dr. Simmons and I left immediately for Washington and at once got in touch with the different members of the Ways and Means Committee, and with other members of Congress, and after discussing it at some length, finally your president appeared before the Ways and Means Committee on the 2nd day of July, 1918, and presented an argument on that method of taxation.

Better Spirit of Co-operation

"During the past year it has been necessary for many conferences to be had between the representatives of the Presidents' Association and other kindred organizations, and the American Life Convention, and I am glad to report that a better spirit of co-operation seems now to exist between all branches of life insurance than has ever existed before. We have had absolute co-operation."



JAMES V. BARRY

James Victor Barry, assistant secretary of the Metropolitan Life Insurance Co., attended both the legal and the main meetings of the American Life Convention at Chicago and his ready wit found a very acceptable place in the program. Mr. Barry, as usual, was right at home. The favorable reception accorded him gave evidence of the esteem in which he is held.

Report On Lists of Attorneys

(*Special to The Eastern Underwriter.*)

Chicago, September 19:

President Isaac Millar Hamilton, of the Federal Life, read the report of C. A. Atkinson, Chairman of the Committee on Lists of Attorneys. While the committee has worked very hard perfecting the lists and getting information relative to attorneys in all states who have life insurance experience, the member companies have not generally subscribed to the lists. The lack of interest has plainly discouraged the committee to put forth additional effort and its chairman asked that the report be accepted and the committee discharged.

Mr. Coffin, of the State Life, and the Chair thought the committee should not resign but should serve out its term. This was put to a vote and carried.

Impairment Records Increase

(*Special to The Eastern Underwriter.*)

Chicago, September 19:

Chairman F. L. B. Jenney of the Medical Section of the American Life Convention reported a large increase in the number of impairment reports. The records are now more complete than at any time.

Decisions in 1918 of Unusual Interest To Life Men

By E. B. Evans, American Life Insurance Co., Des Moines

In the 1918 decisions I find that the questions involved in the various options provided for in the policy contracts of most companies, have received considerable attention. The language of the stipulation providing for these options is not uniform, but in the subject matter most all policies provide for some form of surrender value, cash, loans, paid-up or extended insurance, all of which, scientifically speaking, must be provided for out of the reserve. The reserve will accomplish one of four things: (1) After two years or more, the interest accumulations enable the company to carry the insurance at the level rate of the age when the policy was issued. (2) It enables the company to give surrender value by way of loans or cash. (3) It enables the company to give a paid-up policy, and (4) It enables the company to give extended insurance. The reserve will not accomplish any two of these propositions. Some of the courts have attempted to construe the stipulations providing for these options strictly with reference to the stipulation as if life insurance could be carried on by the insuring of one man and without reference to the science of insurance, and without giving proper consideration to life tables or the possible loss or gain incident to demise.

Loan Provision

(Reviewing State Mutual Life Insurance Company vs. Forest. [Georgia] 91 SE 428.)

The loan provision provided for renewal of loan upon payment of one full year's interest in advance, provided premium was paid to end of policy year in which loan was made. A failure to pay premium resulted in charging the premium and interest accruing as a loan against the policy.

After making a loan, insured defaulted in paying premium. There was an insufficient amount of reserve value to pay a full year's premium and repay the loan with one year's interest, but the reserve was sufficient to carry the amount already borrowed with interest to death of insured and one year's premium with interest from date when premium should have been paid to date of death of insured.

Defendant contended that inasmuch as insured if living could not have increased his loan without payment of premium and one year's interest that the company was not required to charge the unpaid premium as a loan against the policy when the reserve was not sufficient to cover premium and one year's interest.

Question arose upon demurrer of defendant to plaintiff's petition.

Held that the provision of the policy charging the unpaid premium as a loan against the policy DID NOT REQUIRE THE PAYMENT OF A YEAR'S INTEREST IN ADVANCE, such provision being stipulated WHEN MAKING A LOAN, that the reserve value on the date when the seventh annual premium should have been paid was sufficient to cover loan and interest, also the seventh annual premium, that the company should have then charged the premium against the policy as an additional loan, that the reserve was sufficient to cover all obligations of the insured up to the time of his death.

Forfeiture

(Reviewing Cotnam vs. Massachusetts Mutual Life Insurance Company [Iowa] 162 N. W. 786).

In this case the Iowa Supreme Court construed a Massachusetts statute providing against forfeiture after two years' payment of premium for default in paying premium, and providing that in case of default the net value of the policy together with dividends, if any, less indebtedness, if any, should be applied to the purchase of paid-up insurance.

Insured borrowed on policy. Thereafter he requested and was granted for six times credit for the premiums as they became due, such credit being added to the loan. The beneficiary claimed that the indebtedness was a general debt; that the full surrender value of the policy should be used in the purchase of paid-up insurance and the indebtedness deducted from this amount.

The company defended on the ground that the indebtedness was against the policy, that the balance of reserve and accumulations after deducting the indebtedness should be used in the purchase of paid-up insurance. If the beneficiary prevailed the amount due was $534.00, if the company prevailed the amount was $186.00.

In this case it was held that the amount borrowed and the amount thereafter used in paying premiums was in fact a loan against the policy, that under the Massachusetts statute, upon default of paying premiums, the reserve if any, after deducting such loans, should be used for the purchase of paid-up insurance, sustained the company's contention, judgment for $186.00.

Loan Agreement

(Reviewing New York Life Insurance Company vs. Scheuer [Alabama] 73 So. 409).

The policy provided for options of loan, extended insurance and paid-up insurance. Insured made a loan after the sixth premium was paid for $458, the reserve value of the policy was $554. Upon failure to pay the seventh premium the company cancelled the policy under the provision that the borrowing policyholder in default of payment of premium forfeited one-fourth of the legal reserve.

After holding the loan agreement to be a New York contract the court applied the New York statute pertaining to legal interest rates in that state and held the provision to forfeit one-fourth of the reserve would be giving the company more than the legal rate of interest and gave the beneficiary the benefit of the full reserve.

In other cases where the stipulations providing for the options were somewhat different from the cases already cited, the courts have held substantially that the full reserve value of the policy at the time of the default should be used in the purchase of paid-up insurance and the loan deducted from the amount of the paid-up policy.

Paid-up Insurance Option

(Reviewing Emery vs. Manhattan Life Insurance Company, 179 Ky. 76; 200 SW 19; 1918C LRA 568).

This case was tried on an agreed statement of facts and submitted to the trial court, jury waived. The company had tendered $998. The plaintiff claimed $2,500. Judgment in the court below for $998.

The question involved was whether the assignee of a policyholder was entitled to exercise the option of paid-up insurance without the consent or request of the insured. The assignment was by way of collateral security for a debt and not an assignment carrying title. The assignee made application for paid-up term insurance for $2,500, as permissible under the policy. The company declined to issue the paid-up policy without the request of the insured. The premiums were paid in-

The FEDERAL LIFE INSURANCE CO.
CHICAGO

The OLDEST and LARGEST Illinois Legal Reserve Company, originally organized and ever since continuously operated as such, now operating in its nineteenth year and in eighteen adjoining central states, with over $26,000,000 of high grade insurance in force, over $4,250,000 of assets, $500,000 of surplus to policyholders and a premium income of over $3,000 per day, desires to contract with State and District Managers and Solicitors in South Dakota, Colorado and Montana.

It wants only determined, capable, industrious men of high character and correct habits, who stand well in their communities, who will be ASSETS (not LIABILITIES) to the Company, preferably inexperienced in insurance, desirous of life-long connections, willing to be taught the profession by a company of enterprising, conservative and honorable management, whose policies and agents' contracts are unexcelled in fairness.

Such men (or women) may secure contracts, affording an opportunity to establish a COMPETENCY and a CONTINUING INCOME, to represent either the LIFE DEPARTMENT, or the ACCIDENT and HEALTH DEPARTMENT, or BOTH, as may seem mutually most advantageous.

For detailed information address, giving references

CHARLES S. RANNELLS,
Secretary

ISAAC MILLER HAMILTON,
President

FEDERAL LIFE BUILDING,
Chicago

cluding the one due on March 5, 1912. The assured died in 1916.

The court held that the assignee of the policy held as collateral only was not entitled to convert the same into paid-up insurance without the consent of the insured.

Incontestable Clause

Two quite important decisions have been rendered during the year, involving the incontestability clauses of policies, one by the Supreme Court of Illinois, the other by the Supreme Court of New Mexico.

(Reviewing Monahan, Adm'r. vs. Metropolitan Life Insurance Company [119 NE 68]).

The policy was issued to the insured on December 12, 1903, and the insured died on October 19, 1905, a little over twenty-two months after the issuance of the policy. Plaintiff was appointed administrator of the deceased's estate six days after death. The policy contained the following clause:

"After two years this policy shall be non-contestable except for the non-payment of premium as stipulated or for fraud."

Suit was brought by the administrator on January 23rd, 1906, a little over two years and one month after the date of the policy. The trial court rendered a judgment in favor of the administrator for the full face of the policy. This judgment was affirmed by the appellate court and the case was taken to the Supreme Court by a writ of certiorari. On behalf of the company, numerous errors were assigned and argued. On behalf of the administrator, cross errors were assigned, and the Supreme Court decided the case on one of the cross errors. In his application for membership, the insured made express warranties as to health, the amount of insurance on his life and when he was last attended by a physician. The company alleged that there was a breach of these warranties which rendered the policy void. The administrator of the insured's estate by way of answer set up the incontestable clause. At the close of the testimony, counsel for the administrator made a motion for directed verdict on the ground that the defense interposed by the company was barred by the incontestability clause. The motion was denied. This was one of the cross errors assigned by the plaintiff below, the defendant in error in the Supreme Court, and was the question decided by the Supreme Court. If this decision is generally followed, we must get away from the usually accepted theory that the rights of the parties under an insurance contract become fixed at the time of the death of the insured insofar as the incontestability of the policy is concerned, and turn to the language of the policy to determine the question of when the rights of the parties accrued. It will be noted that the incontestable clause here is different from that found in other policies in two respects, first, it has in it the proposition that the incontestability clause will not apply to the defense of fraud, and second, it says, "After two years, this policy" etc., instead of "After this policy has been in force," etc. The Supreme Court in its decision said:

"The rights of the parties under such an incontestable clause as the one contained in this contract do not become fixed at the date of the death of the insured. In case of breach of warranty, the insurer must assert its claim within the two-year period, whether the insured survives that period or not, either by affirmative action or by defense to a suit brought on the policy by the beneficiary within two years."

The other important case was Stean v. Occidental Life Insurance Company (N. Mex., 171 Pac., 786).

Re-Instatement

(Reviewing Pries vs. Bankers Life Association [Kans.] 161 Pac. 631).

This case sheds a ray of light over the gloom of insurance companies because of the famous statute of Kansas which extends all insurance contracts in that state to include one month's full insurance, for which the insured has not paid if the insured should fail to pay one month's assessment. The statute in substance provides that no policy of life insurance could be lapsed for a failure to pay premium till the premium was due and unpaid and thereafter a thirty-day notice given of the intention of the company to cancel such policy.

The decision of the case under discussion was rendered on a demurrer to the defendant's answer, which the trial court sustained. Defendant's answer avoided the effect of a re-instatement by alleging that the representations contained in the application for re-instatement were not true, and that the lapsation of the policy prior to reinstatement forfeited the insured's rights. The notice provided for by the Kansas statute was not given. The trial court sustained the demurrer to the answer. The Supreme Court of Kansas interpreted the statute as providing for notice of intention to forfeit after a right to forfeit had accrued and not for notice to be given before the time for payment had expired. But after thus interpreting the statute, the court held that it was not retroactive and did not affect policies in existence prior to the time of the enactment of the statute. This part of the decision is of great importance and the reasoning of the Kansas Supreme Court is sound in principle. The question was whether the statute was as to remedy or whether it materially affected the rights and obligations of the parties. If as to remedy only, of course, it would affect contracts in existence at the time of its enactment. If it affected the provisions and substance of the contract, then it would come under the constitutional prohibition. It is to be hoped that some Daniel will brave the Kansas lion, not in its den, but in the Supreme Court of the United States, to test the constitutionality of the Kansas statute, which in effect gives the citizens of that state one month's insurance that his contract does not provide for, and for which he has paid no premiums.

TRUE SPIRIT OF DEMOCRACY

How It Is Interpreted by A. L. Brooks, Member of South Carolina Bar —Can Solve Problems of Peace

A. L. Brooks, of Brooks, Sapp & Kelly, attorneys at law, Greensboro, N. C., delivered a paper at the American Life Convention describing the spirit of world democracy. He said in part:

"We have our differences over international law, between labor and capital, concerning government control and ownership of railroads, telegraphs and telephones, coal mines, water powers, and numerous other smaller questions. Can not these new problems, however, be successfully solved by the application of the true spirit of Democracy? Let us insist that the code of morals which exists between man and man shall be applied as the governing rule of conduct between nation and nation, and nations and individuals. Apply the test of the Eleven Commandments and see how little is left unsolved. Even the mental result will amaze you. No man can doubt that, if Germany had believed in these Commandments, this cruel war would never have occurred, or if her rulers should now be converted to their teachings it would end in a day. If, therefore, the Spirit of Democracy could have saved the world from war, how much easier can it solve the problems of peace. For instance, if Germany had believed that you should love your neighbor as yourself, the outrages that have gone up to Heaven through the pitying cries of defenseless women and children in Belgium would never have been perpetrated."

How Life Policy Appears to Jamison

(*Special to The Eastern Underwriter.*)

Chicago, September 17:

Responding to the addresses of welcome James H. Jamison, president of the Western Life, said that the life insurance policy, when closely studied, constitutes a beautiful story. In effect the policy capitalizes human energy and converts it into a tangible asset. Life insurance is simply laying away a few dollars in early life, which are sure to come back. It is a preserver of the home with all its refinability. The home and fireside are two of the fundamental principles of our patriotism. A man will fight like a tiger to protect the home that he loves and the fireside that he enjoys, but very few men will shoulder their guns in defense of a boarding house. The insurance policy also makes a workable capital out of property that would otherwise be lost. Its benefits commence as soon as it is written.

It constitutes a sacred fund; for nearly all of the states of this union have decreed that the proceeds thereof shall be exempt even from the sheriff. You see this insurance policy is a star of hope for the ragged boy and girl who have no property to start out in life, but who are brim-full of days' works.

When the great peace clock strikes more than five million of men will return to America schooled in warfare, trained in the destruction of property and will be thrown upon the labor market of this country. This will produce financial shake-ups that will require great ability to overcome.

It is to meet these emergencies and talk over the best plan to protect the interest of the one million, six hundred thousand human beings that are depending upon the contracts issued by the members of this Convention, that this Convention was formed.

War's Effect on Agency Organization

(Continued from page 5.)

monly practiced by agency departments:

The indiscriminate giving of rate-books, sample policies and literature to every Tom, Dick or Harry who suggests that he might possibly secure an application.

The employment and equipment of agents who are available as agency material merely because some agency manager finds them in their chronic condition of being out of a job.

The continued employment and support through cash loans, advances and allowances of men who have never made good with any company.—Throughout the United States may be found life insurance agents who over a long period of years have been supported out of the funds of life insurance companies. The record of their unprofitable employment may show on the books of more companies than they have been years in the business; yet they continue to thrive like the green bay-tree, since, no matter with what frequency they are rooted out of one company or agency, there is always another agency door wide open for their employment.

The toleration and retention in our business of the disreputable and untrustworthy agent who, notwithstanding the fact that he has forfeited all right to the esteem and confidence of reputable men, has injured applicants and policyholders and mulcted his company, still has a chance to reform with another company just as often as he needs it.

Preying Upon Agents of Other Companies

The pernicious and somewhat prevalent practice of preying upon the agents of other companies. No matter with what high ideals, and loyalty to the company of his first choice one may have entered the business of life-insurance selling he is a strong man, indeed, who preserves his high ideals and loyalty under the kind of pressure and extravagant offers for his services to which he is immediately and continuously subjected by competing companies. It is a sad commentary upon our business that companies shrink from giving to agents who are making a conspicuous success the publicity that is their due because we know that the parasites of the agency field assiduously avail themselves of such information.

And right here I want to say that there is no unworthy or disreputable agent in the field for whose retention in our business some Home Office is not knowingly responsible; that there is no reprehensible field practice which has not been connived at or abetted by some Home Office; and that it is high time for this Convention to take some united and effective action looking toward the suppression of field conditions which are the result of inexcusable inefficiency or low moral and ethical standards at Home Offices.

Water never rises higher than its source, and the source of all agency appointments and all agency practices is the agency department at the Home Office.

Too many Home Offices, as well as agents, have yet to learn that the interests of the business of life insurance are bigger than the interests of any one company.

The Work or Fight Order

The "Work or Fight" order of the War Department has caused such a scurrying to cover of the poolroom-pifflers and the barbershop-bummers who formerly furnished such a fertile field for contract-making by those agency men who pride themselves on the number of agents they are able to "plant" each year, that one great source of loss to agency departments and discredit to the life insurance business has been closed even against those who might yet be willing to draw from it.

Agency managers are now under the necessity of persuading real men to give up real jobs to go into the business of life-insurance selling, and, let us hope that those agency men who are unable to survive this test may be speedily eliminated from the life insurance business.

"Work or Fight," says our Government, and every red-blooded citizen heartily approves of the order. "Be a Credit to Life Insurance, or Get Out of the Business," should be the universal slogan of the life insurance companies, and if that slogan should be adopted and lived up to by every legal reserve life insurance company in the United States agency losses would shrink to insignificance, the "floater" would be a pest of the past, and the business of life-insurance selling would speedily attain to and hold a position of honor among those callings requiring special training and knowledge and against which the public holds no prejudice.

The war has already imposed many burdens upon the life insurance companies. We have given to the service a host of splendid agents and employes, and the handicap of not being able to secure and train young men at the beginning of their business career is a heavy one which we shall feel in increasing measure as the war goes on, but no matter what the cost of our righteous participation in the Great War may be in office disorganization, new-business curtailment, increased expenses, increased mortality and decreased earnings the legal-reserve life insurance companies and their agents will pay their full fair share willingly and without stint.

U. S. War Experience Cannot Be Adverse

VIEW OF I. SMITH HOMANS

Proportion of Soldiers Insured in Private Companies Much Less Than With Allies

After reviewing the comparative war losses of British and Canadian life insurance companies and quoting the military service clauses of those companies, I. Smith Homans, actuary and assistant secretary of the Commonwealth Life, of Louisville, dwelt at some length on the experience and practices of the American companies to date and then proceeded as follows to analyze the actual effect of the war losses up to the present time on the American companies:

In spite of the increased death rate caused by the war, and this has been considerable, it has not caused a mortality in excess of the tabular rate. War claims have meant a decrease only in the mortality profit over that enjoyed under normal conditions. Mr. J. B. McKechnie, general manager of the Manufacturers Life, gives a table showing how this average profit from favorable mortality has shrunk during the war, and I give this table below:

Year	Average Mortality Savings
1914	40%
1915	35%
1916	18%
1917	12%

In the three and one half years of the war the shrinkage in gain from favorable mortality has been 28 per cent.

It is evident from the above figures that death losses so far, and I refer in particular to those of the Canadian and British companies, have not been increased by the war to such an extent as to more than affect the rate of policy dividends. Nor is there the slightest probability of its doing so in the future. The stability of the companies is in no wise threatened. Even though the surplus arising from a favorable death rate has been decreased to a considerable extent, it must be borne in mind that there are sources of profit, or margins of safety, other than the factor of favorable mortality. There is the gain from interest earned in excess of that assumed; a lower rate of actual expense than that provided by the loadings, except under particularly low rate non-participating policies. These have in no way been impaired.

It is fortunate as well that with each succeeding year of the war two favorable influences are at work to lessen the effect of war claims on the surplus earnings of the companies. These influences are: first, the large amount of new insurance being written by the companies since the outbreak of the war and under which an extra premium is charged for active service or a limitation placed on the liability of the companies if this extra premium is not paid; and secondly, a steady decrease in the net amount at risk (face of the policy less the accumulated reserve thereunder) consequent to the increase in duration of those older policies taken out prior to the war and under which there is no restriction upon entering military service.

In connection with this question of increased death rates due to war, it may be of interest to recall the mortality experience of the Provident Savings during the years subsequent to 1897 or 1898. The death rate of this company exceeded 100 per cent. almost continuously, showing that unfavorable selection amongst policyholders will result in a more serious mortality loss than even this great and devastating war has done.

Coming to the American companies, let me repeat a statement previously made, that as far as war losses are concerned we are but on the threshold. Up to the battle of the Marne in July of this year comparatively few of the American troops were engaged in active fighting, and most of the losses arising from this battle could not have been reported until some time thereafter. Through the courtesy of a number of our American companies I have been able to prepare a table showing the life insurance casualties during the months of May, June and July of this year. This shows aggregate death claims of $47,233,096, of which $1,840,512 or 3.9% were caused by the war. The resulting percentage of war claims to total losses is very small as compared with the losses of the Canadian companies as given previously. It is interesting also to note the progress of the war claims occurring during the months in question, and they are as follows:

Month	War Claims of American Companies
May	$343,576
June	411,325
July	504,564

Based on amounts of insurance in force on December 31, the rates of death losses were:

Death Losses

In three months of 1918, the death losses were 12.2 per cent. with war claims included, 11.7 per cent. with war claims excluded, making the ratio of war claims 0.5 per cent.

The foregoing figures point very clearly to the fact that mortality experienced by the life insurance companies generally is by no means indicative of what the death rate of the war has been. By that I mean the death rate of those actually engaged in the struggle; nor can they be taken as a basis for future experience, without a great deal of caution. Too many factors enter into the calculation. It would be like comparing death rates based on one thousand of insured lives without first considering the average age of those insured. Very much depends upon the proportion of the policyholders having entered the service, and also the effect of the war service restrictions as between old and new policyholders.

The American companies have been very slightly affected by the war thus far, and we may even expect as time goes on that their experience will be more favorable than those of the companies of other countries, and for reasons that I will give further on.

It is inexpedient to publish the numbers engaged on the different battle fronts and without such data no exact calculation of death rates can be made, and further because of the liberality of the life insurance companies in the matter of war restrictions under policies issued prior to the war no record can be kept of how many policyholders have entered the service. Though at the present time, and for reasons just mentioned, there are no statistics available giving more than a general index of what the death rate during the present war has been, I have been fortunate in securing several individual experiences, and I think they may prove of interest to this Convention, so I give them to you.

The experience of the Independent Order of the Foresters of Canada, compiled by its actuary, Sidney H. Pipe, showed a death rate during 1915 of 3.78 per cent., or 37.8 per thousand. This rate in 1917 increased to an average of 50 per thousand. Following are the death rates of this Order amongst those who have taken up military service:

1915	3.78%
1916	4.10%
1917	5.00%

Compared with this the experience of the Canadian Expeditionary Forces, covering the duration of the war given in the same paper, shows an average



WILLIAM BROSMITH

Perhaps the most striking thing in connection with the membership activities of the American Life Convention during the past year was the recent affiliation with that organization of the Travelers Insurance Company of Hartford. The company was represented at the Chicago meeting by its popular general counsel, William BroSmith.

IN THE FLOOD-TIDE OF PROSPERITY

our business is expanding rapidly—we operate in 25 States. We are building up a great organization.

We Must Have More Men

to whom we offer liberal terms and assist them in building up permanent, profitable business.

We want a Manager for Pennsylvania—a fine place for a man of experience.

Don't fail to write us about this. It is a rare opportunity. Correspondence confidential.

Assets - $8,000,000.00

THE BANKERS RESERVE LIFE COMPANY

ROBERT L. ROBISON, President

WALTER G. PRESTON, Vice-Pres. JAMES R. FARNEY, Vice-Pres.

RAY C. WAGNER, Secretary-Treasurer

—— Home Office: OMAHA, NEBRASKA ——

of 4.5 per cent., or 45 in the thousand, as against an average of 45.3 in the thousand for the same period in the case of the Foresters. The earlier experiences of the Canadian Expeditionary Forces, that for the year 1915, given by A. B. Wood, shows a war death rate of 12.2 per cent. among officers and 9.1 per cent. among other ranks, and 9.2 per cent. for all combined. In the above calculations both combatant and non-combatant branches of the service were combined without regard to the varying degrees of hazard. Separating the two branches and following the same assumptions, the resulting death rate among combatant forces would be 11.5 per cent. for officers and men combined. These rates are more than double those just given, but it is necessary to bear in mind in connection with this latter experience that during the year 1915 the Canadian forces were called upon to play an important part in stopping the German drive on Calais, and in doing so suffered tremendously. This fact is further brought out in a leaflet prepared by the British War Mission, which shows casualties totaling 550,000 during the first sixteen months of the war, or about 78 per cent. of the entire original land forces. The first British Expeditionary Force was almost annihilated; one division alone losing 10,000 out of 12,000 men, and 350 out of 400 officers. Is it, therefore, any wonder that the English companies have so materially increased the extra premiums charged for war service? In the light of this death rate the experience of the American Expeditionary Forces is very low. The battle death rate of these forces given by the Statistics Branch of the War Department covering the period September, 1917, to June, 1918, shows 1.6 per cent., or 16 per thousand. It was not, however, until after the latter date that many of these forces became active in front line fighting, and the experience just given does not include this. Taking figures of casualties given in the press and proportioning them to the numbers sent overseas, we get the following annual death rates:

Period	Death Rate
September, 1917, to June, 1918	1.60%
May, 1918	1.25%
June, 1918	2.14%
July, 1918	2.23%
August, 1918	2.93%

Marne Experience

Even in the battle of the Marne, fought during July and August of this year, when American troops in appreciable numbers first took a prominent part in the fighting, those engaged in this battle, together with those brigaded with the French and British units, as well as the troops defending a small sector of the Western front, formed but a small part of the total overseas force. It is to be expected that as the number of the soldiers in the trenches in proportion to the total number of soldiers in all increases the death rate amongst them will increase proportionately, and we should naturally look for such an increase, particularly in view of the present continued activity of the Allied troops on the Western front.

Already total death rates in the present war have exceeded the battle rates of the Crimean and Civil Wars, while that of the American Expeditionary Forces has approximated them. It is in the matter of deaths from disease that the great decrease is shown. Deaths from actual fighting were about one-third of those caused by disease in the Crimean War, and about one-half in the Civil War. In the present war the percentages are very much the other way. So great has been the efficiency of the medical corps and modern methods of sanitation it is probable that death rates from disease are even below the average in civil life. The statistics branch of the War Department reports that for the period from September 1917, to June 1918, the records of the American Expeditionary Forces show a rate of death from disease of one-eighth of one per cent., or eight in a thousand. Of the total casualties incurred by the same forces up to August 24, 1918, amounting to 20,444, and which includes those captured, as well as the missing, we find that 11 per cent. or 2,309 died from disease, as against 5,472 or 26.7 per cent. killed in action or having died of wounds. Of the 9,823 of casualties suffered by the same forces during the month of August, 1918, but 289 or 2.9 per cent. died of disease, while 2,884, a percentage of 29.4 per cent. were either killed outright or died of wounds.

Canadian Casualty Experience

An even more marked comparison is shown in the casualties of the Canadian Expeditionary Forces during the first ten months of the war. Of 12,410 casualties 2,519, or 20.3 per cent., were due to killed in action or died of wounds, while but 108, or less than 1 per cent., of the total died from disease. In connection with the casualties of the American troops, deaths from disease were nearly 50 per cent. less than those caused by wounds alone.

In the matter of the number of fatalities amongst the wounded we find the same is true. The general staff, in commenting on the casualties among the American Forces during the Marne offensive, stated that on the basis of the officially attested experience of the Allied troops during four years of the war, less than one in 25 of the wounded sent to hospitals died. Of all the soldiers sent to the hospitals only 45 in every one thousand died.

Taking the two statements in their relation to each other, it would appear that but five in a thousand die of disease, a truly remarkable experience when considered in the light of the fact that it covers cases of actual sickness and does not include the soldiers at large. This report goes on to state further that of the cases requiring hospital attention about 81 per cent. are restored to active service, while only 14.5 per cent. are permanently disabled. To sum up, the proportion is as follows:

Deaths	4.5%
Permanently disabled	14.5%
Returned to active service	81.
Total	100%

The question of mortality in the several camps is also a matter of great interest to us and is shown in the surgeon general's report to be as follows, including deaths from disease only:

Six months ending June 28, 1918	.80%
January, February and March of this year	1.04%
April, May and June of this year	.49%
Week ending July 31	.21%
Week ending August 16	.27%

That the different seasons of the year play an important part in the camp death rate is plainly shown from the above, though the winter of 1918 was a particularly severe one, and the camps were neither fully completed nor the machinery of safe-guarding against disease so well established as they have been since. Compared with the death rate of the population at large, which is .554 per cent. or five and one half in the thousand at age 22, the average age of the enlisted men of this country, according to the War Department's estimate, the statement made as to the very low rate from disease is fully borne out.

War's Effect on American Companies

I mentioned previously that it was improbable that the American life insurance companies would be as adversely affected by war claims as the companies of other countries have been, and for two reasons:

First: Because of our system of raising an army by means of the selective draft the recruits have been drawn for the most part from amongst those least likely to have previously taken life insurance. The majority of Class 1 are young and unmarried, and therefore few, comparatively, were insured at the time of enlistment.

Second: Because of the liberality of our system of Government life insurance, practically every enlisted man is availing himself of it. He is not applying to a private institution for his life insurance as he would otherwise be likely to do, and probably has done in numerous cases abroad.

Therefore, the proportion of the soldiers of this country who are insured in private institutions is very much less than amongst those of our Allies, which will inevitably lessen our life insurance war claims in comparison with theirs.

Though the death rate of our soldiers abroad may be high, there need be no uneasiness on the part of the company managers as regards any serious adverse effect of these losses on the companies themselves, nor in view of such restrictions as have been adopted that they will in any degree affect the solvency of our life insurance institutions.



LOUIS A. LINZMEYER

A note of regret was introduced at the meeting with the announcement of the sudden death at his home in Dallas, Texas, of Louis A. Linzmeyer, vice-president and actuary of the Southland Life, of which President Harry L. Seay, of the American Life Convention, is also president. Mr. Linzmeyer had had a long career as a life insurance executive, having formerly been vice-president and actuary of the Manhattan Life, of New York.

Delegates Play Patriotic Golf

(Special to The Eastern Underwriter.)

Chicago, September 18:

With a true spirit of patriotism the contestants in the golf tournament played for War Savings Stamps. The first flight was won by W. A. Watts, Merchants' Life, who defeated Henry Abels in the finals. C. H. Beckett, Actuary, State Life, Indianapolis, won the second flight defeating George S. Galloway, of the Hooper-Holmes Bureau. The prize for the lowest net medal score of the tournament was captured by Dr. E. G. Simmons, Pan-American Life. The prize is the President's Cup, offered by Colonel Daniel Boone, Midland Life, Kansas City, who is President of the American Life Convention golf association.

Foster Submits Investment Proposal

(Special to The Eastern Underwriter.)

Chicago, September 19:

Sidney A. Foster, vice-president of Royal Union Mutual Life, Des Moines, submitted a proposal that as an offset to the present war taxes the life companies now pay, they consider offering to invest forty per cent. of their reserves in government securities. The companies, especially the Western companies, lose considerable investment income by investing in government war bonds as they can put their money in farm mortgages at a much higher rate of interest. Mr. Foster's thought was not put in the form of a motion.

Onion Defines Insurable Interest

(Continued from page 3)

the insured, there seems on principle no reason why it should not be governed by the rules applicable to contracts generally, as to who may obtain such benefit. But in case of contracts of insurance there has become established a false, artificial and confusing restriction as to the class of persons that may obtain the benefit of such a contract. That is to say, the doctrine is, that the beneficiary must have an insurable interest in the life of the insured. Again, he says, the doctrine of insurable interest resting on so unsubstantial a foundation, it has not unnaturally resulted that great difficulty has been experienced in reaching a consistent and comprehensive definition of what an insurable interest is, after all. This was written in 1891, and is perhaps more interesting from a historical than a legal standpoint.

"While the authorities are perhaps stronger against his contention today than when he wrote this, yet his forecast of the difficulties of defining insurable interest are fully appreciated by the more modern lawyers. But the authorities and the law are against Mr. Cook as frankly admitted by him and as aptly remarked by Mr. Justice Holmes of the United States Supreme Court.

"If the world of unscrupulous people were left free to wager on what life they chose, doubtless the business of life insurance would be a most precarious one.

Right of Contract and Gift

"It may properly be said that the question of insurable interest in life, as held and applied by our courts, is not a single rule, but rather a system of rules to protect public policy in the best interest of our people, and especially intended to prevent a number of social and economical tendencies. Despite the apparently conflicting principles laid down by our courts, on close examination it will be found that the right of contract and of gift, still remain the underlying principles of same, and are set aside only when the harmful tendencies of unrestricted freedom of contract and gift, become real and substantial, and in truth and fact opposed to public policy. It will be found that our courts do not require that every life insurance contract should distinctly manifest a social purpose and object. Therefore, in applying the principle of exclusion, it is found that the courts look not so much at the purpose or even tendency of the individual contract in question, but rather at the tendency of contracts of that class. They have endeavored to apply the true test of harmfulness as a matter of public policy, and naturally the results of such application have varied to some extent, as changing conditions of society have justified."

On September 21st, 1918

The **Illinois Life Insurance Company,** of Chicago, the **Greatest Illinois Company,** will complete its **twenty-fifth year** of successful progress.

The **Illinois Life** is one of the very few American companies of equal age and size which can point with pride to the fact that each succeeding year from its beginning was better than the last.



The **Illinois Life** is the third largest **non-participating** company in the United States.

The **Illinois Life** is famous for its **Home State** standing. It is the dominant Illinois company in Illinois and at its present rate of Home State progress will soon lead all competitors in Illinois.

The **Illinois Life** has representatives and writes insurance in **one-hundred and two** Illinois counties. There are one-hundred and two counties in Illinois.

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

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MANY LOCAL AUTO CHANGES ON OCTOBER 1

J. N. S. Brewster & Co., Inc., Appointed General Agents of Insurance Company of North America

J. L. MAUTNER STARTS AGENCY

Caledonian Reorganizes Department on Branch Office Basis—Murphy Made Manager.

Probably the greatest number of important local automobile changes in one day since the business was started will go into effect in New York City on October 1.

The Insurance Company of North America has appointed J. N. S. Brewster & Co., Inc., general agents of the automobile department of the company for New York City.

The Caledonian Insurance Co., whose automobile business in New York City has been handled by J. N. S. Brewster & Co., Inc., which connection has been terminated as of October 1, announces that on that date the company will start a metropolitan automobile branch office which will be in charge of Henry V. Murphy, who resigns on October 1 as manager of the automobile department of the J. N. S. Brewster & Co., Inc., agency.

Sewall & Alden Resign

Sewall & Alden, who have been metropolitan general agents of the automobile department of the Preferred Accident since that company entered the automobile field, have resigned as of October 31.

J. L. Mautner, executive special agent of the General Accident and formerly manager of the General's New York office is reported to have resigned from the staff of the company as of October 1, and has been appointed general agent of the automobile departments of several fire insurance companies for New Jersey.

Automobile men say these changes, coming coincident with the uniform manual and other activities of the National Automobile Underwriters' Conference and the National Workmen's Compensation Service Bureau, are being taken by the companies in preparation for the coming automobile season when a great many changes in automobile underwriting are expected to be effective as a result of war and other conditions.



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SPRINGFIELD MASSACHUSETTS

METROPOLITAN ASKS MEN TO JOIN LOCAL LIFE ASSOCIATIONS

"Take Active Part and Be a Factor," Says Haley Fiske to Superintendents

DISCUSSES VOSHELL ELECTION

Recalls Former Attack Upon Company's Special Policy—Praises Association's New President

An unusually interesting comment upon the election of J. K. Voshell as president of the National Association of Life Underwriters is made by Haley Fiske, vice-president of the Metropolitan Life.

Mr. Fiske thinks Mr. Voshell will be a good president, advises agents to join local associations and doesn't refrain from making some observations on the attacks made upon the Metropolitan a couple of years ago by the New York City and some upstate local life underwriters' associations. He says:

To the Superintendents: The election of Superintendent J. K. Voshell as president of the National Association of Life Underwriters in the way in which it was done and in face of some underground opposition the source of which you can guess is quite a noteworthy event. Mr. Voshell was not a candidate and refused the place unless it came to him unanimously without effort on his part. The election stamped the disapproval by the National Association of the attacks made upon this Company and its president by some of the local New York associations—attacks made in violation of association fraternal principles. If not that, the election was an act of reparation. The attack itself was fruitless and called forth a thing almost unprecedented—the passage of an act by the Legislature to enable us to continue a low premium policy with but a slight increase, already made up by dividends after the third year.

Under these circumstances the Metropolitan owes it to the National Association to make Mr. Voshell's presidency a success. We hope you and all of your staff will forthwith join your local associations, take an active part and be a factor in the representation of the local associations in the National Association. You can trust President Voshell to place his organization high in public esteem and in the respect of life insurance agents throughout the country.

HALEY FISKE, vice-president.

Shortly after the criticism of the

(Continued on page 9)



Important Fraternal Insurance Decision

DISAPPEARANCE OF INSURED

Court Rules on Point Raised By Change of By-Laws—Facts in Case

The Supreme Court of Iowa has just held in the case of Richey v. Sovereign Camp of Woodmen of the World that where a member disappeared, and his beneficiary claimed under presumption of death from absence, the society, which flatly took the position that it was under no liability until actual death were shown or payments were made for term of expectancy, thereby waived further proof.

It appears that in March, 1895, the society issued a benefit certificate to Mr. Richey. This certificate was accepted with a provision that it would be liable to forfeiture if the insured should fail to comply with the "conditions, constitutions, fundamental laws, and such by-laws as are or may be adopted" by the insuring society. Some four years after what is claimed to be the disappearance of Richey the by-laws were made by the society which provide that it shall be a binding condition of the certificate that;

"The absence or disappearance of the the member from his last-known place of residence for any length of time shall not be sufficient evidence of the death of such member, and no right shall accrue under his certificate of membership to a beneficiary or beneficiaries, nor shall any benefits be paid until proof has been made of the death of the member while in good standing.

"The absence or disappearance of the member herein named, whether admitted heretofore or hereafter, from his last-known place of residence and unheard of, shall not be regarded as any evidence of the death of such member nor give or create any right to recover any benefits on any certificate or certificates issued to such member, or on account of such membership in the absence of the proof of his actual death, aside from and unassisted by any presumption arising by reason of such absence or disappearance, until the full time of his life expectancy at the time he disappears according to the Carlyle Table of Life Expectancy, as compiled, and then only in case all assessments, dues, special assessments, and all other sums now or hereafter required under the laws of the State be paid on behalf of such member within the time required until the expiration of the term of such life expectancy. And the conditions of this certificate shall operate and be controlled as a waiver of any statute of any state or country or any rule of the common law of any State or country to the contrary."

The society contended that this change in by-law was binding, but the trial court held otherwise.

What Courts Have Decided About By-Law Changes

In affirming a decision of the lower court in favor of the beneficiary under the policy, the Supreme Court said that quite a few of the Iowa reports, wherein changes of by-laws made after the insurance first becomes effective are upheld on the ground that the change made is a reasonable one; there having been an advance agreement to be bound by future changes, and that in the present case there was such an advance agreement. However, the question considered in this case was whether, though future changes are authorized by contract, a change which is either unreasonable or violates the public policy of the State can be sustained, and whether the change asserted here was either unreasonable or violative of statute or public policy.

Mere general consent that the constitution and by-laws may be amended will not authorize a change that destroys the vested right of the assured under his contract by subjecting him to a greater rate of assessment than the contract calls for. Such advance agreement may not reasonably be construed into an assent in advance to any change which the insurer may see fit to make in its constitution or laws, for instance, such as materially lessen the value of the policy by reducing the amount of the indemnity which its terms promise to pay.

The most that the society may claim in the present instance was that it is very generally held that a by-law which interferes with no vested right and relates merely to procedure or merely provides a rule of evidence was reasonable.

The change which the association asserted to be a binding one ingrafts upon the original agreement a condition that although the law of the State makes disappearance for a stated time presumptive evidence that the assured has died, such statute shall not be effective, and that, moreover, no payment shall be due no matter how long the disappearance has continued unless the premiums be paid for the number of years which form the expectancy of the assured. In the present case this meant that unless proof of death became available, payments under the certificate of insurance would have to continue for nearly 40 years longer and possibly for a time many years longer than there would have been obligation to pay under the conditions of the original policy. Such a change the court held to be unreasonable and gave judgment in favor of the original plaintiff.

Charles E. Phelps, former treasurer of the Equitable Life Assurance Society, died of heart trouble a few days ago. He was fifty-three years old.

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EQUITABLE

Agents Draft War Clause For Company

ILLINOIS LIFE MEN'S ACTION

Amount Insured Automatically Reduced During War and Six Months After Discharge

At a conference session of the agency organization of the Illinois Life and members of the $100,000 club it was decided to adopt a new war clause reading in part as follows:

Military service, within continental United States, not involving aeronautics, shall not affect the Company's liability under this policy.

The insured shall not in time of war engage in or take part in any military service outside of continental United States, and shall not, either within or without continental United States, engage in or take part in any naval service, or any aeronautic service in connection with either military or naval service. If the insured shall die from any cause, after engaging in or taking part in such prohibited service and prior to his discharge from such service, or within six months after such discharge, the liability of the Company shall, in either event, be limited to the legal reserve hereon (American Experience 3½ per cent. basis) together with 10 per cent. of the amount which would have been payable if the insured had not engaged in or taken part in such service; provided that the liability shall in no case exceed the amount for which the Company would have been liable if the insured had not engaged in or taken part in such service.

Why It Was Done

In giving the reasons for this changed war clause the Illinois Life says in a communication to the field force:

"One of the most interesting and vitally important questions considered and discussed at the agency conference last month was that with reference to the handling of war risks.

"It was the generally expressed opinion that the great majority of men liable for war service properly rely upon the Government insurance to cover them during the extraordinary risk of that service, and are rather indifferent to company insurance covering the war risk. Registrants are however vitally concerned as to whether no not the company in which they are considering regular insurance to cover the ordinary risks of human life is following such conservative lines as to make certain that no serious impairment would result from the participation of a large number of its policyholders in foreign military service.

"Every man present heartily congratulated himself and his company on the fact that every policy ever issued by the Illinois Life contains a protective war clause. The single extra premium of fifty dollars per thousand, contained in all Illinois Life policies issued prior to April the sixth, 1917, is an anchor to windward of sufficient strength to make certain that this company can safely outride the storm no matter how strong the wind may blow.

"Owing to the fact that it is utterly impossible at this time to state what is an adequate extra premium to be charged for the extraordinary risk of war service, outside the continental limits of the United States, and because the great majority of those in military or naval service will not be able to pay extra premiums, our agency organization unanimously voted for the adoption of the new war clause, under which the amount insured is automatically reduced to ten per cent. during war service and for six months following final discharge, after which time the insurance is restored to the full amount without any action on the part of the insured.

"In effect in adopting this new war clause we say to the new applicant, 'We are not attempting to cover the unknown risk of engagement in war. You are assured, however, of a certain fixed cash payment plus the legal re-

(Continued on page 11)

Concede Two of Three Tax Amendments Asked in Brief

POINTS 2 AND 3 HEDGES BRIEF

Remove Chance of Double Taxation—Eliminate Penalty for Strengthening Surplus

Job Hedges, counsel for the Association of Life Insurance Presidents, appeared before the Finance Committee of the United States Senate on Friday, September 13, at which time after making some oral statements he submitted as part of his address a brief which became part of the record, which was printed in The Eastern Underwriter a few days later. The natural expectation was that the brief would be taken up by the committee when it came to considering amendments, but evidently the fairness and reasonableness of two of the amendments so impressed Washington authorities that the Ways and Means Committee recommended them to the House which incorporated the amendments before passing the bill on the 20th.

The Concessions

The amendments made by the House covered points 2 and 3 of the Hedges brief. The first of these amendments specifically states that the new income tax rate is in lieu of the old rates under the 1916 and 1917 laws. In other words, the original bill, as presented to the House, failed to state that the new rate running from 12 to 18 per cent., according to the differential application, was in lieu of the old income taxes, with the result that there was a chance that double taxation might be imposed.

Point 3 took up the question of the application of the differential in connection with the income tax rate. The bill provided that the tax on corporate income shall be 18 per cent. with the proviso that only 12 per cent. shall be charged on that portion of the net income which is distributed in dividends or in the liquidation of interest-bearing indebtedness. Life insurance companies, of course, have no bonded indebtedness so that they could not come under that, and from the phraseology it was evident that dividends referred to were dividends to stockholders and not to policyholders.

Liberty Bond Phrase

Mr. Hedges pointed out in his brief the disadvantage from the point of view of public policy of putting a premium on the distribution of net income in the case of life insurance companies instead of encouraging the addition to surplus of such amounts of net income as is necessary to conduct the business safely. He suggested that there be an addition to this section of the law giving the advantage of the lower tax, also to that net income which should be invested in obligation of the United States issued after September 1, 1918. The House Committee on Ways and Means recommended an amendment along that line be made and it was incorporated, the phrase being: "plus the amount paid during the taxable year in the purchase of obligations of the United States issued after September 1, 1918."

This leaves for the consideration of the Senate Finance Committee Point 4 of Mr. Hedges' brief in which he urged the need for an amendment to the estates tax section of the bill which was not changed by the House.

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F. G. Johns, second vice-president and manager of the Intermediate Life, of Evansville, which has been re-insured by the Cleveland Life, goes with the Cleveland Life as superintendent of agencies and will devote his time and energies to Indiana and Illinois development. C. D. Williams, C. G. Ketcham and George Skelton will be supervisors, assisting him.

Howard S. Sutphen, vice-president of the Cleveland Life, said this week that the agency force of the Intermediate has gone with the Cleveland.

Doesn't Look For U. S. Inroads On Insurance

T. B. LOVE'S CHICAGO TALK

Assistant Secretary of the Treasury Doesn't Understand Agitation in Insurance Press

Nothing at the American Life Convention last week caused more discussion or gave more satisfaction than the address delivered by Thomas B. Love, assistant secretary of the Treasury and head of the War Risk Bureau, in which he scouted the idea that the business of insurance is in peril as the result of "encroachments" by the Government. He said:

"I have seen much agitation in the public press (but have seen little elsewhere) as to the meaning of the insurance activities of the Government and whether any further inroads upon the fields now occupied by private insurance companies are to be made, and whether because of the activity of the Government there is to be an obliteration of private industry.

Administration Has Its Hands Full

"In reply I personally can say that I have heard no tangible suggestion at Washington concerning the Government going into any branch of the insurance business. Nothing that the Government has done to date can be construed to mean that such action is contemplated. The Administration is entirely occupied with the affairs it has on hand at the present time. But I have no doubt that if it is necessary in order to win the war to take over any business temporarily, such action would receive the warm approval of the nation.

"I thoroughly believe in life insurance," said Mr. Love. "I exalt it as a great institution and benefit to the human race. The trend of events has completely vindicated the life insurance business and proved it to be indispensable in war and peace."

Since the creation of the Bureau in October, 1917, 3,702,860 applications have been received, representing $32,153,769,500 of insurance. These are staggering figures. This is six and one-half times as much life insurance as all companies, ordinary and industrial, had in force December 31, 1916. The amount of the average application is $8,684.

When the Bureau was being created Mr. Love said that the thought was freely expressed that not more than 59 per cent. of the men in the service would apply for the maximum coverage, and that the amount of the average policy would be, at the most, $5,000. He said that Secretary McAdoo alone stood out against the argument that none but the rich would buy this Government insurance, he having the opinion that all would buy and that the very large majority would apply for the maximum. The record shows that 95 per cent. have taken the full amount.

The Government is now receiving 16,000 applications daily for $140,000,000 a day. There is now every prospect that the present volume of business will be doubled within a year, perhaps six months.

Correspondence Piles Up

One of the difficult tasks of the Bureau is to answer correspondence. This burden has been a severe one, and at the present time the Bureau is receiving 10,000 letters a day. It has been necessary to establish and there is now in operation a school for the purpose of training those who are to become connected with the War Risk Bureau.

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NOT FRIGHTENED

(From Hartford "Courant")

That life insurance companies are not fearful of the outcome of the Federal insurance idea is apparent from the action taken by some of the companies in urging their agents to take no part whatever in a campaign against what has been termed "socialistic propaganda." Full confidence is expressed in the people of the country and the spirit of the Government in looking after the welfare of the soldiers and sailors as concerns life insurance.

That the views of the Metropolitan Life recently printed in which the superintendents were asked not to write to Senators and Congressmen, are those of at least one of the big Hartford life companies is known. It is felt that the system adopted by the Government in its protection for men in the service is sound, and is working out in an excellent manner, and life insurance companies, at least some of them, do not feel that the time is now at hand for criticism of the Government or its methods.

Federal Taxation and Life Insurance

By Preble Tucker

In these times when our Government is using every effort to carry its great war program to a successful conclusion, it would be unpatriotic to raise purely technical objections to any method Congress shall adopt for financing the expense. It is permissible however, to discuss the events of the various proposals, now being considered in Congress, and which it is sought to incorporate in a revised revenue law.

One of these proposals has to do with the proceeds of life insurance policies; and is of real concern to those engaged in the life insurance business, as well as to a large class of holders of life insurance policies. I refer to the proposal to impose a Federal tax on the proceeds of life insurance policies, when such proceeds shall exceed a specified sum.

The alleged purpose of this proposition is to prevent men of great wealth reducing, by means of large insurance policies, the amount of Federal Estate Taxes their estates will have to pay upon their death.

Revision Will Increase Rates

In view of the fact that any revision of the Federal Estate Tax Law almost certainly will contain largely increased rates, it is feared that the temptation to use life insurance as a means of evasion, will be enhanced and that, consequently, the Government will be deprived of taxes which it otherwise could have collected. Under the existing law, the proceeds of life insurance, paid to the estate of the insured upon his death, become part of such estate and are properly included in its valuation; but the proceeds of policies on the decedent's life, made payable to beneficiaries, other than his estate, have never belonged to the decedent during his life time and do not form part of the estate he leaves upon his death. This distinction, time and again, has been emphasized by court decisions in cases where an attempt has been made to reach such proceeds to meet obligations of, or charges against, a decedent's estate. Both the Federal and various State Governments have always made this distinction in assessing inheritance taxes.

It would not seem reasonable therefore to suppose that Congress would attempt, by legislation, to treat the proceeds of policies payable to individuals, no matter how large, as part of the insured's estate and as such, subject to a tax upon the transfer thereof. Yet that is precisely what the bill proposed by the House Committee on Ways and Means attempts to accomplish.

Section 402 of Title IV of the proposed bill provides in effect that, in determining the taxable value of the gross estate left by decedent, the amount of insurance on decedent's life, taken out by such decedent in excess of $40,000, and receivable by any beneficiaries, shall be included in such taxable estate.

In other words, although the proceeds of such policies are paid by the insurance company directly to the beneficiaries named therein, and, consequently, never actually form part of the insured's estate, such proceeds must be considered a part thereof; and Section 407 provides that said estate must pay the tax imposed on the transfer thereof.

Section 408 of the same Title provides that the executors or administrators shall have the power to recover from such beneficiary or beneficiaries the proportionate share of the tax paid by the estate.

Taxation Powers Limited by Constitution

In discussing various Federal taxation schemes, it is too frequently forgotten that the powers of Congress to tax are limited by the Constitution and that any legislation which transcends such limits is void.

A closer scrutiny of the proposed sections 402 and 408 discloses the fact that, as framed, they clearly exceed these constitutional limits, at least, in the following respects:

1st. They violate Section 8 of Article I which prescribes in effect, that all duties, imports and excises shall be uniform throughout the United States.

2nd. They impose what is, in effect a direct tax on property, contrary to the prohibition of Section 9 of the same article, which provides that no capitation or other direct tax shall be laid, unless it is apportioned among the States in proportion to the population.

That the tax imposed by the proposed law on the proceeds of policies, receivable by beneficiaries other than the estate of insured, cannot be uniform will be demonstrated by the following examples:

EXAMPLE I

A dies leaving a gross estate amounting to $500,000 including $200,000 of life insurance (in excess of $40,000) payable to beneficiaries other than the estate; after deducting the prescribed $50,000 exemption, the net estate subject to the Federal Estate Tax amounts to $450,000, the tax on which, according to the increased rates, would be $40,500, which the executor must pay; under section 408 he could then recover from the recipients of the $240,000 life insurance the sum of $17,982. In other words the recipients of the insurance proceeds would be obliged to contribute about 44 4-10 per cent. of the entire tax paid by the estate, although they might very possibly have no interest in insured's estate.

EXAMPLE II

B carries the same amount of insurance as A ($240,000) payable to beneficiaries other than the estate, but dies leaving a net estate (including the $200,000 excess insurance) amounting to $5,000,000; his executor pays an estate tax amounting to $1,023,000 of which, under the proposed Section 408, the recipients of the $240,000 insurance must contribute $40,920 irrespective of whether or not such recipients benefit from rest of the estate.

The foregoing two examples are sufficient to demonstrate clearly that a method of taxation, which taxes property in the hands of one individual about 7½ per cent., and property of equal value in the hands of another individual about 17 per cent., is not uniform. The same lack of uniformity is evident even if the proposed tax is treated as part of the transfer tax to be paid by the estate, irrespective of its eventual recovery from the insurance beneficiaries; since the amount of such tax is bound to vary according to the amount of such insurance carried by the decedent, and not according to the value of the actual estate left by him.

It seems to me equally clear that, since Section 408 empowers the executor to collect from the beneficiaries what is virtually a direct tax on property already in their possessions, it violates the Constitutional prohibitions as to direct taxation; surely Congress cannot empower another to do what it is prohibited from doing itself.

The Practical Point of View

But let us leave the Constitutional aspect of the proposition, and view it from a purely practical point of view; let us see how these proposed sections of the new revenue law would operate in practice. They were evidently framed on the assumption that all life insurance policies, taken out by an individual on his own life, are payable in one sum to a designated beneficiary, who is either the wife or direct heir of the insured; whereas the fact is that a vast amount of life insurance is now being carried, which does not fall within this category. There is the policy where the beneficiary is either a partner in business, a creditor, a dependent who may be distantly, or not

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at all, related to the insured. There is the policy where the proceeds are payable in the form of an annuity, or part annuity and part instalments extending over a specified period; or where the proceeds, at the option of the beneficiary, shall be retained by the insurance company and the interest earned thereon paid to such beneficiary. In any one of such cases while it would be practicable to arrive at the value of such insurance for the purpose of including it in the valuation of decedent's taxable estate, it would be found practically impossible for the executor to recover from the beneficiary the tax he had paid thereon.

Under such circumstances, should the executor be compelled to pay out of estate funds a tax on the transfer of property not belonging to the estate, and from which the estate will receive no benefit?

It is perfectly conceivable that the estate might be so small as not to have sufficient funds to meet the tax on the insurance.

A Futile Tax

It would seem therefore that an attempt to tax the proceeds of life insurance policies receivable by a beneficiary other than the estate of insured by means of the estate tax, is both unconstitutional and impractical.

To attempt to tax such proceeds under the income tax amendment to the Constitution would be equally futile, in the light of the principle laid down by the United States Supreme Court in Towne vs. Eisner. The proceeds of life insurance policies matured by death, cannot be made to come within the terms of any accepted definition of income.

There is of course one method of taxing the transfer of life insurance proceeds by whomsoever received, which would not be open to Constitutional objections: Congress could levy thereon a flat or graded excise tax. This tax however the insurance companies would have to pay, so far as all existing policies which shall hereafter mature are concerned. Such a tax could not of course be deducted from the proceeds of maturing contracts and consequently, its payment would impose an additional expense charge on the insurance company involved. A burden in which all the participating policyholders of the company would share.

Discourages Thrift

Such being the case, the avowed purpose of the Ways and Means Committee to reach only the large policyholder would not be accomplished. Whether the revenue raised by such a tax would be sufficient to warrant the placing of this additional expense burden on the life insurance companies is open to grave question. To increase the cost of life insurance is to discourage thrift.

It is perhaps unfortunate that the underlying principles of life insurance seem to be so little understood by our legislators.

The erroneous impression that the proceeds of life insurance are a gain or profit to the recipient, is only too prevalent. The fact that its real function is to replace loss and thus repair waste is ignored. It is axiomatic that the wealth of a nation is measured by the productive power of its citizens. Loss of productive power means loss to the nation's wealth. It is in mitigating this loss that life insurance fills such an important place in the economic fabric of the United States.

Any method of taxation that tends to hamper the functioning of this essential element of national wealth production, should be avoided if possible. That an excise tax, which increases the cost of life insurance to every policyholder, would have this result, can not be successfully denied.

As I have already pointed out, the burden would fall not on the large policyholder alone but upon every policyholder in the company paying the tax; this would be so irrespective of any exemption as to the amount to be taxed.

Government Would Lose Revenue

It is conceivable that an exemption from the tax, of $40,000 or $50,000 insurance on any single life, would result in many companies refusing thereafter to issue insurance in excess of the exempted amount on any one life; while this would not prevent an individual from largely exceeding the exemption, by taking out the limit with several companies, it would deprive the Government of any revenue from that source as far as future insurance is concerned.

As a practical proposition therefore, any attempt to raise revenue by taxing the proceeds of large life insurance policies, would seem not to be worth the effort expended.

Need of Ready Funds in a Crisis

There is another aspect to the present proposed provision to tax life insurance proceeds under the Estate Tax, which is well worth consideration by Congress. The enactment of such a provision, although it is practically certain subsequently to be declared unconstitutional by the courts so far as individual beneficiaries are concerned, will tend to discourage what has become a new and important function of life insurance. I refer to the use of the life insurance policy to provide the fund with which to pay the Federal and State inheritance taxes. Manifestly, it should be the policy of the Government to encourage any legitimate method of economically providing ready funds for this purpose. The inheritance tax laws impose upon all estates of appreciable size the necessity of raising, within a limited time, a considered amount of cash with which to settle taxes; the estate cannot be distributed until this is done.

Unlike other taxes, the exact time when this obligation to the Federal and State Governments will mature, cannot be known in advance, consequently the possessors of such estates are confronted with the alternative of either leaving to their executors or administrators the task of raising the necessary amount by the forced sale of investment securities, under what may easily prove unfavorable market conditions, or of providing a cash fund, which shall at all times be ready to meet the emergency of death. Obviously from any point of view, the most economical way of providing this fund is the life insurance policy. A very large amount of life insurance has been issued for this purpose, and it would surely seem against public policy for Congress to do anything to discourage its extension.

On the contrary, Congress could better afford to exempt from the operation of the Estate Tax the proceeds of life insurance policies made payable to a decedent's estate where it is expressly provided that such proceeds shall be applied to the payment of inheritance taxes.

The Wealthy Man

It may be suggested that in discouraging the taking out of large insurance policies for the purpose of lowering inheritance taxes, the wealthy man will be induced to invest more largely in Government securities, which are readily marketable and presumably convertible into cash at a very slight depreciation. At first glance this suggestion seems plausible; but on analysis its merit largely disappears.

The expressed purpose of the Government in all so-called Liberty Loan campaigns, has been the widest distribution possible of its bonds and the prevention, so far as practicable, of their being bought and sold in the open market. A sale at any one time of a large block of Government bonds, tends to depreciate the price and disturbs public confidence. A substantial part of a man's estate, invested in the tax exemption bonds, would mean an appreciably smaller income tax during his life time than if he held other investments.

I have endeavored within the brief space permitted to an article of this kind, to point out some of the objections, both legal and practical, not only to the provisions regarding life insurance proceeds contained in Section 402 and 408 of the pending bill, but to any measure of taxation that tends to place an embargo on an important element of thrift in the community. In this connection, it will not be irrelevant to touch on that provision of the proposed Income Tax Law, which differentiates the premiums paid on so-called business insurance from other operating expenses, and prohibits the deduction of such premiums, in figuring taxable income.

The principle of this provision, like a similar provision in the present law, was to close what was thought by Congress, would afford a tempting avenue of escape from a part at least of the income and excess profits taxes imposed on large corporations and other business concerns.

Innocent Will Suffer

There can be no question that this prohibition will fulfill its purpose; but at what a cost to the innocent as well as the guilty. I submit that, as a practical proposition, the prohibition could have been so worded as to reach the would-be tax doger without penalizing the patriotic and industrious business man. That the cost of adequate business insurance is a legitimate, not to say necessary, operating expense of a business concern, has long been admitted by the various State Courts; as much so, as reasonable salaries, rent and other expenses of conducting a successful business.

The payment of excessive salaries, as a means of reducing the taxable incomes of business concerns, has been covered by giving the Internal Revenue Department discretionary powers in the matter; it is difficult to perceive any practical objection to treating excessive business insurance in a similar manner.

To make no distinction between life insurance, taken out to protect a business concern's credit or solvency, and high premium insurance for amounts in excess of the legitimate needs of the insurer, with the manifest purpose of evading the tax, is surely unreasonable, not to say uneconomic.

It is to be hoped that Congress will see the advisability of making this distinction in any future legislation it shall enact.

STAFF PRESENTS CUP

On Wednesday the staff of the Jos. D. Bookstaver general agency of the Travelers presented to Mr. Bookstaver a handsomely engraved silver loving cup as an appreciation of his efforts in their behalf. The presentation was made on the occasion of inaugurating the Fourth Liberty Loan campaign in which the staff will endeavor to better the record made in the previous campaigns.

Mr. Field Man: Detroit, July 18, 1918.

Do you know:

That the NORTHERN ASSURANCE COMPANY of Detroit, Michigan, has lived up to all the traditions of the highest purposes of life insurance;

That it stands for the highest ideals in underwriting and that its slogan is, and always has been, CLEAN MEN AND CLEAN METHODS in its field work;

That it is writing more insurance per capita per agent than any other American life company?

If you are interested in knowing something of our Home Office system which makes this possible, we will be glad to hear from you.

Address, CLARENCE L. AYRES, *President,*
DETROIT, MICHIGAN.

State Mutual Life Assurance Company of WORCESTER, MASS.

Incorporated 1844

SEVENTY-FOUR YEARS of sterling merit has made steadfast friends of policyholders and agents.

Our motto is SERVICE to policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies.

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

An Agent's First Big Case Depicted

NOT SO HARD AS IT LOOKED

W. S. Wolfson, of Kansas City, Reflects Torments He Went Through—Finally, Won Out

W. S. Wolfson, a clever and unusually successful life insurance man of Kansas City, who represents the Equitable of Iowa, reflects memories which are held by many life insurance men in some observations he has written for The Eastern Underwriter about his first big case.

"My first big case," he says. "Oh, the loss of sleep!"

Who but he who remembers the first day he entered public school as a chap of six years of age can picture your feelings? Stage fright! What an insignificant way of trying to enlighten the hardened solicitor of the feeling of the fear that grips the heart when making that first call. The devil incarnate is everything good by comparison to the bugaboo you have enlarged upon as to the reception this man—after all a mere man—is going to give you who feel like a speck on the surface of the universe, and, yet, you have the effrontery of presuming on the valuable time of this colossus of business affairs. But you screw up your nerve, ask for him and, as with most public speakers, so with you when in his august presence, low and behold, you find yourself, and, to your surprise, you find the bigger and broader the man the easier the subject of your business may be discussed and the more business-like will the interview become. But, that awful but! What a man's-sized job you are tackling becomes more and more apparent as time goes on.

Men of big business, in the middle west here at least, have become leaders because they can draw the other fellow out and yet not give you one kernel of encouragement; so, assuming always that we know what we are in his presence for we must have two things always in mind:

First—That while the prospect may not know it experience has shown me that the more often he—the Big Case—gives me his time the more he is mentally entangling himself in the net which means the application. Second—Remember we are a long ways from the millenium and my stock expression "prospects are not throwing their arms around us when seen and telling us we are the very friend they are waiting for" but, truthfully, What really large-sized man, not physically, but brainy, ever carried his thoughts on the surface, so like the fellow who proposes we must turn that "No" into that word of joy, "Yes."

How to do so? Man know thyself. Man know thy profession. For to me life insurance salesmanship is on a plane with other professions. To revert back a little. Do not call on a man who is able to buy life insurance in large amounts without having a concrete idea of what you intend to say and fully as important, what you intend to offer. I fully believe that first impressions are lasting impressions and the first remarks may be the making or the breaking of what is to end only with or without that which is desired, the application.

My reception of course, it was not cordial though not exactly brusque, but cold, calculating and entirely distant. Usual answer, "Have all the life insurance I want; what do I need with more," etc.

But Mr. Big Man while you are talking we are taking your measure, gaining our self-confidence, poise, and before you have finished your business-like remarks we are ready to reply and give you a broadside with a punch in it, that consciously or unconsciously compels attention.

It is the little thing that closes the business. Why carry you through the loss of nerve, sleep, the racking days of uncertainty, the many calls, until it became apparent to me that in order to do or not to do, it devolved upon me to take the bit between my teeth.

With a final determination to win or lose I called on my first big case once more and put this thought into words as follows: "Mr. Blank I take it that a man of affairs as big as you are is not playing horse with me, but mean business." "Yes, but I have not time to go into the matter now." "No, well, some day you will have to find time to answer the call of the grim reaper. Ten minutes now will close this affair. We have covered all points fully and now is the time to get busy. If this were a deal in connection with your particular line of business would you put it off? No. Well then we will fix this up now." And we did.

VERMONT LIFE MEN MEET

State Association Elects Officers at Burlington Session—W. R. Bliss Made President

At the annual meeting of the Vermont Life Underwriters' Association held recently at Burlington, W. R. Bliss, of that city, was elected president. The other officers elected are H. A. Butler, Burlington, vice-president; A. C. Mason, Ruthland, secretary; and R. S. Pike, Ruthland, treasurer.

J. T. Trombley, general agent at Springfield, Mass., of the Mutual Benefit, was the principal speaker at the meeting. It was decided to hold the mid-winter meeting of the Association at Montpelier.

Organized 1871

LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,793,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

INTERNATIONAL LIFE of St. Louis

SMASHED ALL RECORDS IN 1917

It was the Special Combination and New T. O. Policies that did the work. If you are not selling them we are both losing money.

J. L. BABLER, Vice-President and General Manager Agencies

MASSEY WILSON, President

CENTURY LIFE INSURANCE COMPANY — CENTURY — INDIANAPOLIS, IND.

1 REASON Our Policies Sell

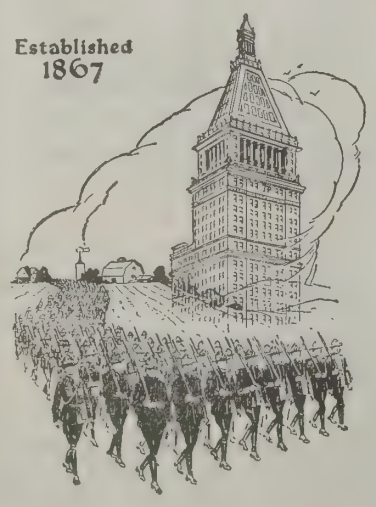
OUR POLICY CONTRACTS contain all provisions consistent with safe underwriting and are guaranteed by a deposit of the full legal reserve with the State. Our promises are all in our contract. Good contracts for up-and-doing agents.

THOMAS J. OWENS, Pres.

DR. ALBERT SEATON, Vice-Pres. & Med. Dir.

CLAUD T. TUCK, Secretary

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Provident agents find that in these war times it is not difficult to convince a man he is not carrying sufficient insurance.

Provident Income Insurance is easy to sell

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure prompt action in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

What Is Group Insurance?

By J. A. Peck, in "The American Hatter"

An article based upon the insurance by the Travelers of a group policy for the Knox Hat Company

Group insurance is help insurance. Group insurance is the modern employer's way of saying to the people he employs: "You are helping me and I want to help you. The longer you work for me, the more valuable you become, and the more appreciation I wish to show."

It does not take any deep knowledge of either economics or human nature to realize that employes who are convinced of such an attitude, and who are perceiving its material benefits, will have a deeper loyalty for their employer, as well as a very natural wish to hang on to that job as long as they can.

And every employer knows that it is the old reliables, not the new and constantly shifting element in his labor, that permit dependable production.

Briefly, group insurance is life insurance which the employer takes out for all his employes, he paying the premiums and the insurance remaining in force while the employe holds his job. When an employe leaves, except when due to illness, the insurance is cancelled and the employer is given credit for the unearned premium.

How It Encourages Long Service

Group insurance invariably tends to encourage longer, steadier service. Aside from the natural desire to remain in an employment that is congenial and remunerative in an unusual way, the plan automatically offers increasing inducements with long service. Here is a typical plan:

Period of Service	Insurance
Six months but less than one year.....	$500
One year but less than two years.....	600
Two years but less than three years....	700
Three years but less than four years....	800
Four years but less than five years.....	900
Five years but less than six years.....	1,000
Six years but less than seven years.....	1,100
Seven years but less than eight years....	1,200
Eight years but less than nine years....	1,300
Nine years but less than ten years.....	1,400
Ten years and over..(maximum).....	1,500

This plan involves no expense on account of the transients and puts a premium upon length of service.

Each employe is permitted to name his own beneficiary. Each is given a certificate showing the amount of his insurance, the plan of increase and the name of the beneficiary. An annual announcement of increase in insurance is mailed to his home.

When employes leave they may, without a medical examination, take other insurance in place of the group insurance which is cancelled by their leaving.

If an employe becomes permanently and totally disabled, there are no more premiums payable, and the insurance is paid during the disabled one's lifetime in either a lump sum or annual installments at the employer's option.

The Family Influence

Employes are largely influenced by the family; group insurance reaches the family, the certificate is in the home, the annual announcements of increase go to the home. The wife has a warm regard for an employer who insures the dependents of his employes against that critical period following the loss of income through death. When an employe talks of quitting his job for trivial reasons he encounters opposition from the home.

Group insurance is inexpensive. The average cost is not usually over two cents per employe per day. Not much of an improvement in spirit is needed to regain this in efficiency.

It is characteristic of the Knox Hat Company to be at the forefront in a progressive movement. Therefore, it is not surprising to find this company one of the first hat manufacturers to turn to group insurance as a means of bettering relations with employes. In fact, the new president of the Knox Hat Company, Fletcher H. Montgomery, is probably the very first official of a hat manufacturing concern to adopt it. When he was treasurer of the Crofut & Knapp Company at South Norwalk, Conn., he was instrumental in taking a group insurance policy in The Travelers Insurance Company, of Hartford, for the benefit of the employes of this progressive concern.

The results, as shown by improvement in labor conditions, were such that one of Mr. Montgomery's first important moves after he became president of the Knox Hat Company was to take a group policy with The Travelers Insurance Company, identical with the policy of the Crofut & Knapp Company.

This policy became effective on February 12th, 1918, and applies to all employes of the Knox Hat Company of six months' service or more, from the president down. The announcement was made to the employes at an entertainment and dance given at the factory at Grand Avenue and St. Mark's Avenue, Brooklyn, on Lincoln's Birthday.

A Popular Policy

At the entertainment at which the certificates were given out, a gray-haired employe called Mr. Montgomery aside and said to him, "I could not believe this thing until I read over this certificate. The Knox Hat Company has the same as given my wife $1,000." Another employe, a foreigner, told Mr. Montgomery that he had worked for the Knox Hat Company for fifteen years and he should work for it as long as he lived. Mr. Montgomery reports that the group insurance is the talk of the ward in which the factory is located.

Group insurance has been found to be an investment rather than an expense. Several internationally known concerns have tried group insurance on a part of their forces, and completed the coverage.

It has been called "the greatest modern development of practical economics."

So far we have considered the benefit to the employer. There is much to be said from the standpoint of the employe. It is a fact that practically every death claim paid under a group insurance policy relieves a distressing situation. While this was being written, a New York manufacturer telephoned that one of his employes was dying, and that the undertaker who had been called would not take the case without word from The Travelers Insurance Company that there would be funds available to pay the bill.

The statistics of the charity organizations in the large cities show that the great majority of charity cases occur during the first year after the death of the wage earner who has been providing. It is a fine thing to take care of employes' dependents during this critical period, giving them an opportunity to readjust themselves to the new conditions.

FRANKLIN'S WAR CLAUSE

The Franklin Life has made the following change in its war clause:

"F. This policy is unrestricted as to travel, residence, occupation and cause of death, except as follows: If the insured shall engage or take part, voluntarily or otherwise, in any branch of military or naval service in time of war and shall die from any cause prior to discharge from such service, or if the insured shall die as a result of such service within six months after such discharge, the liability of the Company shall in either event, be limited to the amount of premiums paid hereon; or, if within one year from date of issue the insured (whether sane or insane) shall die by self-destruction, the liability of the Company shall be likewise limited to the amount of premium paid hereon subject to the foregoing limitations of liability, this policy is incontestable after one year from date of issue except for failure to pay premium when due."

NOW LOUIS LANE

Pursuant to a court order of Justice Ford of the Supreme Court of New York State, Louis Lichtenstein, agency manager of the Equitable, Rooms 821-822, Equitable Building, New York, has taken the name Louis Lane.

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Life Insurance as a Career

General Agent Nelson, of the Equitable of Iowa, in Decatur, Ill., discussed "Life Insurance as a Career" in a talk before an agency convention of the Company. The question of whether it is a profitable career was answered thus by Mr. Nelson:

"Ordinarily the man who wants to discuss first the compensation of a business is not the man one wants to interest in life insurance as a profession. Every man has a right to expect adequate compensation, but he has no right to expect it except upon the basis of good service in a business he likes. It is after all the most important thing to discuss, and yet it is the last one to consider. A man can do just two things with money—first, he can pay his way as he goes, and second, he can lay it aside, that is, he can create an estate. It matters not how much a man may try, he cannot possibly find other uses for money than these two. In the life insurance business, therefore, a man is entitled to a remuneration which will first of all pay his way. That is, his immediate needs and those of his family must be of paramount importance. Their daily food and clothing, their schooling and their entertainment; in fact, the whole realm of daily necessities and pleasures must be supplied as a part of a man's compensation. But no normal man is satisfied simply to stop here. He must satisfy that fundamental instinct of all animal life, namely, the creation of an estate. The squirrel gets his food from day to day during the food season, but he creates an estate by putting the nuts in the ground or hiding them in the tree, and thus he lives on his estate during the winter. Many of the lowly animals of the earth gorge themselves during the prosperous season and lay on enough fat to furnish food during the days they hibernate. And so it might be illustrated throughout the whole list of animal life, except for those animals which have great power of locomotion to take them from one food district to another, and it will be seen that a fundamental instinct is that of creating an estate. Life insurance has a form of compensation for its men which adjusts itself at once to those two uses of money. By its first year commissions it gives the man the opportunity to pay as he goes; by its renewals it enables him to satisfy that other use of money, namely, the creation of an estate. By understanding clearly this idea of compensation you are at once interested and it does much to overcome the difficulty that you have in persuading yourself to take up a work which is on a purely commission basis when the immediate temptation is to take the salaried position, which offers a definite solution to a man's immediate need of paying his way as he goes. Comparing the possibilities of a purely commission business with the certainties of a salaried compensation, you see this because it touches a responsive chord, or a native instinct, which is in all normal men. Thousands of good men are wasted in a business of absolute and definite compensation who would make tremendous successes on a form of compensation which satisfies both the needs of money, namely, current necessities and estate creating."

* * *

Four Points Made by a Doctor

Four pertinent points about life insurance were made by Dr. W. A. Evans, of the American Public Health Association, in addressing the American Life Convention. They were these:

1.—During the last quarter of a century just preceding the great war the cost of nearly everything went up. The cost of insurance went down.

2.—Almost in proportion as the cost of insurance has gone down the cost of annuities has gone up.

3.—Restrictions on insurance are being lifted from time to time. Conservative companies are gradually invading territory from which they were barred by high death rates—geographical distinctions. New groups are becoming insurable—occupational, race and allied restrictions.

4.—In 30 years, 1880 to 1910, the percentage of the total population carrying insurance rose from 0.9 to 6.5, and the number of insured persons in 1914 was 33 per cent. higher than in 1910, and since we plunged into the world war—in the language of the bard—"everybody's doin' it."

* * *

Arguments For Income Insurance

"Big Tim" Sullivan, former Tammany leader who died several years ago, left $50,000 life insurance, to be paid to his daughter when she attained her majority, says E W. Hillweg, assistant secretary of the Northwestern National, writing in that Company's Home Office paper. That amount was paid to her less than a year ago. Last month she was declared a bankrupt, having spent the $50,000 and incurred a large indebtedness in addition. When "Big Tim" took the policy for the protection of his daughter, he doubtless would have been glad to have had the benefit payable to her in monthly instalments. Had that provision been made, she would have received a monthly income of $190 for life, or of more than $280 for twenty years, and she could have lived decently upon that income.

"All of my life insurance is payable on the Monthly Income plan," said an Atlanta business man, to the writer, recently. And he added, "Several years ago the thought came to me, that if I should die, my business, which is producing a fine living income, would be practically worthless, and aside from our home, my estate would consist almost entirely of life insurance. Knowing that my wife and children are unfamiliar with business and investments, I feared that if they received the life insurance money in a lump sum, it might be poorly invested and that within a few years at most, they might be left in actual want.

"After some correspondence, my policies, which were issued years ago, were amended, and now agree to pay $100 monthly to my wife and $50 to each of my two children, for a period of twenty years after my death and in event of the death of one of the beneficiaries within twenty years, the residue will be paid to the survivors, equally. I now have the great satisfaction of knowing that when I die, my family will not suffer actual want."

Some time ago we received a letter from a policyholder in Michigan, the Superintendent of a County Poor Farm, stating, "Five of the inmates are women, who within the past five years had received from $3,000 to $10,000 each upon the death of their husbands. Poor investments and extravagances have reduced them to poverty. Why don't life insurance companies pay death claims in yearly or monthly instalments instead of all in one sum?"

Major John Purroy Mitchel, who was recently killed in an aeroplane accident, while Mayor of New York City about two years ago, took $150,000 life insurance and elected that the principal part should be paid to the beneficiaries,—his widow and his mother, —in monthly instalments for life.

All of the more than Twenty-two Billions of Government life insurance is payable on the Monthly Income plan.

The following illustrations show the advantages of Income insurance. At age 32 an annual premium of $200 (reduced by dividends) would provide $8,173 Whole Life insurance, payable in one sum. The same premium on the Monthly Income plan would provide $46.30 monthly for twenty years, a total of $11,112, and this would be increased by excess interest credits to the beneficiary, which would total $1,585 during twenty years if the present rate of interest credits is maintained. This would make total payments on the Income plan $12,697 against a single payment of $8,173, an increase of over 50 per cent. and of far more benefit than that to the beneficiary.

On the 20 Year Endowment plan at age 32, an annual premium of $200 (reduced by dividends) would provide $4,063 insurance, payable in one sum at death or maturity. On the Monthly Income plan the same premium would provide $23 monthly for twenty years, a total of $5,520, increased by interest credits which on the present basis would amount to $541, a total of $6,061 against $4,063 on the single payment plan.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, sold $65,000,000 worth of War Savings Stamps between February first and September first, 1918, and expects to sell a total of at least $100,000,000 during the year.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

SONS ARE ENSIGNS

Navy Exerts Attraction For Sons of Prominent Men in Pacific Mutual Ranks

C. L. B. Moore, secretary of the Pacific Mutual Life Insurance Company, has one son, E. C. Moore, who is an Ensign in the United States Navy, and is attached to the U. S. S. New Hampshire.

Danforth M. Baker, vice-president of the Pacific Mutual Life Insurance Company, boasts of D. M. Baker, Jr., who is an Ensign in the United States Navy, and is at present serving on the U. S. S. Illinois.

John Newton Russell, Jr., home office general agent of the Pacific Mutual Life Insurance Company, has a son, John Henry Russell, who is an Ensign in the United States Navy.

Actuaries Meet in Canada Next Month

TO BE GUESTS OF SUN LIFE

Convention at Windsor Hotel—A Luncheon at Beaconsfield Golf Club

The Actuarial Society of America will hold its Fall meeting on October 10-11 in Montreal, Quebec, as the guest of the Sun Life of Canada. The meeting will take place at the Windsor Hotel.

The informal discussion arising from the questions submitted and the answers thereto has proved of such interest in previous meetings that a part of the coming meeting will be devoted to such questions and answers. The questions for this purpose should be forwarded by mail to the secretary, at 34 Nassau Street, instead of the society's office, so as to reach him on or before October 8th. Only in special cases will it be possible to consider questions received after that date. The president will arrange by appointment for the giving of answers to questions received. Neither questions nor answers will be published.

The fellows and associates will dine together at the Windsor Hotel on Thursday evening at 7 o clock.

"Our hosts have invited the members and ladies accompanying them to luncheon on Thursday. In the afternoon the ladies will be taken for a drive to Mount Royal Park, and, during the dinner of the Society, will be entertained at dinner and the theatre. Friday the members and ladies will have luncheon at the Beaconsfield Golf Club. After luncheon, there will be golf for those who play and a motor ride around Montreal Island for the others," says Secretary Strong.

THE KRESS GROUP

Comment By Metropolitan Life On Insurance Taken Out By Chain of 5, 10 And 25 Cent Stores

In discussing the issuance of a group policy to S. H. Kress & Co., five, ten and twenty-five cent and mail-order stores, extending from coast to coast, the Metropolitan Life says in "The Metropolitan":

"This is another large corporation of national importance to insure in the Metropolitan Life the lives of its salary and wage employes. All who have been employed by the company six months or more, provided they have filed application cards according to instructions, will receive the benefit of this insurance while in the employ of the company. This insurance will be carried by S. H. Kress & Co., with no charge to employes, and without the requirement of medical examination. The insurance will be equal to one year's salary or wages, up to the maximum limit of $2,000, and will be subject to the conditions of the group policy of insurance.

"It is also simultaneously announced that S. H. Kress & Co. have, subject to certain reasonable conditions, arranged to pay extra compensation to all employes at the end of the year, the same to be graduated and based on length of service.

"The company on the one hand, by helping assure their contentment and security for the future, is thus leading and promoting among its employes the true reciprocal organization spirit. On the other hand, realizing our country's need, it is doing everything possible to urge and assist its employes to educate themselves for greater intensive effort, to achieve more with greater dispatch, and, through self-development and discipline, to master their work and multiply their effectiveness.

"As part of this plan, the company, at large annual expense and after thorough investigation and preparation, has established an educational department, exceptional in scope and excellence. It offers various educational courses—correspondence and otherwise—of great practical value, and every employe is encouraged and urged to take advantage of this opportunity for improvement and advancement."

SALESMANSHIP DEFINITION

At the recent meeting of the $200,000 Club of the New York Life at New London, Conn., John D. Spender, of Salt Lake City, gave an instructive and inspiring address on salesmanship and gave this definition of salesmanship:

"Salesmanship is the combination of qualities both natural and acquired in a man, which enables him acting for himself or as an agent to negotiate the transfer of something of value for a consideration upon the basis that all parties to the transaction must be benefitted."

Metropolitan Men to Join Association

(Continued from page 1)

Metropolitan policy at Albany and elsewhere a number of representatives of the Metropolitan resigned from the association. Mr. Voshell continued however, on the executive committee, and was chairman of the executive committee at the time of his election to the presidency.

The inauguration of the new officers of the National Association is in Baltimore instead of in Pittsburgh where it has usually been held. Haley Fiske was asked to speak; also the Governor of Maryland and Mayor of Baltimore.

RIGHT AGENTS
GOOD TERRITORY
still available for development by the
..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.
Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, President
GREATEST
ILLINOIS
COMPANY
WANTS GOOD MEN
AND
WILL PAY THEM WELL

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company
Fastest Growing Life Insurance Company in America
Home Office, St. Louis, Missouri

PENNSYLVANIA OPPORTUNITY
If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.
Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

New York Life Insurance Co.

FIVE YEARS OF EFFICIENT SERVICE
INCLUDING
THREE AND ONE-HALF YEARS OF WAR TIME

During the Five Years ending December 31, 1917, the New York Life

Received in Income	$667,884,000
Paid Policy-holders	382,875,000
Increased its Resources	215,272,000
Increased its Insurance in Force	503,535,000

THE BUSINESS OF 1917 EXCEEDED THAT OF 1912.

In Income	$27,325,000
In Amount Paid Policy-holders	25,337,000
In New Insurance	119,917,000

The increase in Business and Resources in Five Years equals the Business and Resources of a very substantial life insurance company, and this new Company is returning to policy-holders 92 per cent. of its entire income. It is also adding forty million dollars a year to its resources and one hundred millions a year to its insurance in force.

HELPING WIN THE WAR.

Since the war began, in August, 1914, the New York Life paid to December 31, 1917, 998 war losses amounting to $3,007,223. There were 238 reported losses for $607,084 awaiting proof on December 31. The Company had so carefully guarded itself against extra mortality by reason of war that, notwithstanding the world-wide character of the conflict, the percentage of its actual to its expected mortality has not been appreciably affected. This percentage for 1917 was 70.85—the lowest of any year since the Company has kept complete mortality statistics.

The Company owned Liberty Bonds on January 1, 1918, to the amount of $12,075,000, and subscribed for $20,000,000 of the Third Liberty Loan.

There are Four Hundred and Twenty-six Stars in the Company's Service Flag, and one of the Home Office boys—Frank J. Brandreth, of the Rainbow Division, has already won the French War Cross.

The Company has afforded the Government every assistance in its power in formulating and carrying out the plan of Government Insurance on the lives of soldiers and sailors. Agents are forbidden to accept applications from soldiers or sailors unless they have already taken the limit with the Government.

EVERY MAN'S BUSINESS.

Just now it is every man's business to Help Win the War. Our daily occupations are incidental; winning the war is our real business.

Winning the war is our real business because back of that lies the chief and ultimate purpose of life—making the world a safe place for women and children. And that is the aim of Life Insurance in war time and in time of peace.

The Government has recognized this in the provision made by life insurance for the families of those who die or are disabled in the service. The man who stays at home and does less is a slacker.

NEW YORK LIFE INSURANCE CO.
DARWIN P. KINGSLEY, President.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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THE CLEVELAND CONVENTION

The convention of the National Association of Insurance Agents was the largest ever held. In elan, enthusiasm, interest it could not have been excelled. It was an open, fair, clean-cut tremendously exciting convention, with the floor privilege extended to any who wanted to take it. There was a spirit of electricity in the air felt as one entered the hotel. Agents gathered from all corners of the land—agents in distress, agents fearful that some great business calamity was hanging over them, agents hopeful that the convention would offer a helping hand; agents who felt that if they did not act in some decisive manner their journey to Cleveland would have been of no avail. The resolutions committee accommodated them: in other words, met the spirit of the meeting. It decided that the socialistic trend at Washington was reaching out for the fire insurance business and that if some decisive action was not taken by the fire agents of America they would eventually be deprived of their livelihood as Governmental insurance would grow until stock company insurance would be no more.

Thus the die was cast. The agents decided to act. They sent the President a long wire, offering their earnest, whole-hearted and undivided services as fire preventionists and in turn asked that the Chief Executive should so temper administrative activities that the initiative and invention of individual citizens, including insurance agents, whose patriotism has time and again been attested, shall not be restricted, interrupted or destroyed. The association then passed, for the information of its own members and the general public, resolutions protesting against the confiscation by the nation of insurance if such action be not essential to the winning of the war.

Whether the agents are right or whether they are wrong time will tell. Anyway, the resolutions committee decided to act convinced that a crisis confronts the insurance business. It knew well the attitude which some prominent figures in insurance have taken, which in brief is this: While admitting that there are men in Washington—some of them of great influence—who would like nothing better than to see the Government take over insurance and destroy private insurance initiative they do not believe that there is any crisis facing insurance at the present time which calls for action on the part of any body of insurance agents. There is no social insurance issue now before Congress; no governmental insurance measure that is strong enough to require the marshalling of all insurance interests to defeat it. If the Saunders or the Lewis bills fall into that category in the minds of some who view the capital from long range or through newspaper headlines there are many great men in insurance—familiar with Washington statesmen and conditions—who think otherwise. When Haley Fiske, whose position in life insurance corresponds with Henry Evans' position in fire insurance, heard that some 900 superintendents of his Company, the Metropolitan Life, had been asked to wire or telegraph Congressmen in protest against socialistic encroachments on insurance, he immediately sent them a message warning them to keep hands off, and concluding by saying he had every confidence in the Government and the democratic principles of the U. S. A. Col. Henry J. Powell, who is chairman of the legislative committee of the National Association of Life Underwriters and a prominent Louisville life insurance man, expressed to life underwriters his protest against insurance agents "butting in" on Washington with wires and letters to law-makers, saying they did more harm than good. The National Board of Fire Underwriters has not taken any public position to the effect that there is a crisis. The National Association of Life Presidents and the American Life Convention do not recognize any condition existing at Washington calling for a protest. In Chicago last week T. B. Love, assistant secretary of the Treasury, and known to some as "the boss of the War Risk Bureau" told representatives of the American Life Convention that he has no knowledge of any intention by the Government to make great inroads upon the insurance business. The bogie, he said, existed in the minds of the press only.

The National Association of Insurance Agents feels that there is a crisis at Washington; it claims its sources of information are just as good as anybody else's; and that its information is to the effect that the present duty of the agency corps of America is to put up a fight and make itself heard before it may be too late. "We have nothing to hide," said President Allen.

To understand the state of mind of the agents at Cleveland it is necessary to have followed the columns of some of the insurance newspapers since early summer. Stories have been printed making agents think they were to be driven out of business and hysterically calling upon them to defend their calling. Letters and telegrams were prepared to be sent to Congressmen and Senators, later Washington being deluged with these inspired protests. What it was all about many of the law makers did not know as they had heard no complaint over the insurance by the Government of soldiers and sailors or the embarkation by this Government in a War Risk Bureau, which meets marine insurance requirements where the stock companies could not do it. Scareheads were previously regarded as out of place in insurance papers, and many insurance men (not being journalists) did not understand how easy it is to write them or to peg a scarehead on a story. So a sort of panic went through the insurance local agency offices.

Its reaction was felt by the National Association which was deluged with requests to do something to help the agent. That a tremendous sentiment was created was reflected in all the associations—increase of membership, bales of correspondence and telegrams. The managers of the association, having in mind only the good of insurance and the prosperity of agents, felt that a real issue confronted the local agents, and they decided to make this the keynote of their convention. Men of national political reputation and of national insurance reputation were asked to speak on the subject of Government encroachment on private enterprise. There were four papers along this line. The program was given to the newspapers and when the delegates arrived they were all ready for the issue. Excitement surcharged the convention and when Senator Sherman spoke and seemed to corroborate all their fears they were in a mood to act. And they did act. The convention managers knew well the significance of what would be done and they warned the convention upon several occasions that any movement taken must be carefully considered and that if any one wanted to object he should make his views known.

The message to President Wilson and the resolution going to the state and local boards were even read a day in advance of the resolutions committee's report so that everyone could be primed for discussion. But there was no discussion. This important action went through without a word of debate.

There were several features encouraging to agents about the addresses. Senator Sherman's remarks that his clerk spends half his time at the War Risk Bureau to hurry allotment and allowance checks because the Bureau is so far behind and has its hands full were important. The sequence of this line of thought is that there are not employes and executives enough to take over the great business of insurance in addition to what the Government is now doing. The Eastern Underwriter believes that entirely too much political significance was attached to Senator Sherman's address. His arguments in favor of individualism and private initiative as compared with the inefficiency and red-tapery of public ownership and socialism were splendid and should be read and remembered by every insurance man, but the Senator is one of the leaders of the Republican party and his sentiments are just what he might be expected to express. If the convention had asked a Democratic Senator to talk and he had expressed similar views to Senator Sherman's it would have been a different story.

Two other straws showing the way the wind may be blowing were statements by the President of the Insurance Commissioners' convention and the insurance commissioner of Ohio.

The former said he saw no foundation for the fear that the Government will take over the insurance business. The latter called it "hysteria" also.

It can be said that if the speeches at the Cleveland convention are carefully analyzed it will be seen that they are arguments against social insurance, against public encroachment on private initiative, and are not prophecies that the Government is going into the insurance business. But, of course, there is always a possibility of the Government doing that just as there is a possibility that Spain may enter the war, or that Mexico will come out for the Allies. It is possible, but a great many people will have their doubts.

The convention managers, having decided that there was something more than newspaper headlines in the Washington scare, having so arranged the convention that the so-called crisis should be explained, put it up to the convention to act. The convention acted. If any one had said "nay," had even uttered a peep, the managers would have given the most respectful attention and would not have resorted to the muzzle. There was nothing for them to do but to carry out the wishes of the convention. This they did to the satisfaction of all the delegates, who left Cleveland absolutely convinced that the convention had done everything it could possibly do to protect their business, and furthermore, there was gratification because the resolutions committee had avoided the pitfall of "write your Congressman" and "write your Senator."

TOM LOVE'S SPEECH

If there was anything in all the hubbub which has been kicked up by the insurance papers about the socialistic element at Washington having an eye directed towards the insurance business which was eventually to be picked up and deposited in Uncle Sam's waistcoat pocket, then the speech delivered in Chicago last week before the American Life Convention was the most important address of the year in insurance. It assumes that importance because Mr. Love, who is in charge of the War Risk Bureau and who is Assistant Secretary of the Treasury, says that he would be in complete ignorance of a menace to stock insurance except for stories he has read in the newspapers. His belief is that the stories are without foundation. Outside of the President and Mr. McAdoo it is doubtful if there is any one who can speak with more authority than can Mr. Love.

And Mr. Love is not a soft-hitting gentleman. He carries a punch and there is no evidence in any of his relations with insurance companies and insurance men of his ever having been backward in saying just what he thought in concise, clear-cut and forceful language.

THE HUMAN SIDE OF INSURANCE



FRANK W. SHANBACHER

Frank W. Shanbacher, of Ridgway, Pa., was the central figure in the inheritance tax discussion at the convention of the National Association of Life Underwriters. It was the research charts of Mr. Shanbacher, compiled for use of agents in meeting inheritance taxes with life insurance which several speakers referred to in illustrating how they used estates taxation arguments in selling insurance. Mr. Shanbacher's charts give the inheritance laws and taxes of the Federal Government and of 43 states. He practices what he preaches and despite his ill health wrote about $2,000,000 from last September until August 15. He was the honor man for the Fidelity Mutual Life last month. Mr. Shanbacher thought up the idea of his charts while in a sanitarium. After leaving the place he wrote to the different states and to Washington for the data which he then compiled so effectively.

* * *

Frederick Richardson, United States manager of the General Accident, is receiving the condolences of his friends upon the death last week of his wife, Mrs. Margaret Richardson, at Concord, N. H. While the couple was making an automobile tour Mrs. Richardson contracted pneumonia and succumbed within a few days. She was known to many casualty company officials through having attended with Mr. Richardson conventions of the National Association of Casualty and Surety Agents for a number of years past. The funeral services were held last Friday in Philadelphia, where Mr. and Mrs. Richardson had made their home.

* * *

Frederick C. Moore, superintendent of the special risk department of the Hartford, has written an instructive article in the current issue of the "Hartford Agent," on the subject: "The Use of Poisonous Gases in Warfare."

* * *

Wheeler B. Horner, son of the senior member of Horner & Ladley, automobile agents, Pittsburgh, is a lieutenant in the 11th Infantry, A. E. F.

* * *

William J. Donnelly, of Maury-Donnelly & Williams Co., of Baltimore, is chairman of the Baltimore building and loan committee of the Liberty Loan Committee. He expects great results from the associations in the Fourth Liberty Loan drive.

John W. Postgate, former insurance editor of the "Pittsburgh Post" and the "Chicago Evening Post," has resigned as insurance editor of the "New York Globe" to become associated with the "Literary Digest." Mr. Postgate is one of the most scholarly of insurance newspaper men and is an authority on the writings of William Shakespeare. He came here several years ago and went with the "Globe," where his column appeared several times a week. His acquaintance was largely among life insurance men. He will go to his new position with the well-wishes of many insurance men, and, some day, when in the mood, he will write an article for The Eastern Underwriter or some other paper and tell just what he thinks of the importance which the average daily paper city-editor places on insurance news, and the manner in which insurance news in the dailies is displayed.

* * *

Edgar W. Smith, the young and very successful Pacific coast general agent of the Equitable Life Assurance Society, is now at Camp Taylor, Louisville.

* * *

Jacob Herskowitz, president of the $100,000 club of the New York Life, takes office with thirty-nine more applications to his credit than his predecessor. He wrote $195,437, and is attached to the Union Square branch.

* * *

Benzo Hayashi, of Honolulu, leading vice-president at large of the New York Life's $100,000 club, kept a dry-goods store in 1916. He paid for $161,500, writing 158 applications, which is a distinct achievement for Hawaii.

* * *

Colonel N. E. Turgeon, formerly general agent of the Aetna Life at Buffalo, is training thousands of officers for the United States army inasmuch as he is at the head of Camp Whitman, this state, which trains national guard officers for the big war.

Colonel Turgeon was for years a major in the National Guard, and a a mighty fine one. His selection for the Camp Whitman assignment was a splendid tribute to his capacity to whip soldiery material into shape. The men who leave Camp Whitman swear by him.

* * *

James L. Howard, secretary of The Travelers, and major of the 101st Machine Gun Battalion, has been promoted to the rank of Lieutenant-Colonel. It was published several weeks ago that **Major Morgan G. Bulkeley, Jr.,** had been placed in command of the Battalion, and it was presumed that this foreshadowed the advancement of Major Howard, particularly as it was known that Major Howard had been attached to the 26th Division of late, Gen. Clarence R. Edwards commanding, in charge of all machine-gun units of the division. Lieut.-Colonel Howard went to France with one of the first Connecticut contingents. A few months ago he was wounded by a piece of shrapnel. A letter from him, received about a fortnight ago, stated that he had recovered, but that his sojourn in the hospital had deprived him of "the privilege of taking part in this last offensive"—meaning the early part of the great drive beginning July 18.

* * *

Anne Russell, of the Equitable, is a member of the Liberty Loan Executive Committee of the Business Women of New York.

* * *

George Shevlin, of Schaefer & Shevlin, is making a trip in the West. He is expected to return next week.

George B. Graham, of the Northwestern Mutual Life, Buffalo, is receiving messages of condolence on the death of his son Lieut. Edward Foreman Graham, 305th Field Artillery, 77th Division, killed in action in France. Lieut. Graham was 27 years old and a graduate of Cornell, where he was associate editor of the "Cornell Daily Sun," and where he was also elected to Phi Beta Kappa. After graduation he became an advertising man of the Brooklyn "Times," and later went with Harris, Forbes & Co., bankers, New York City.

* * *

John King, of the Hooper-Holmes Bureau, is in charge of the investigation work of the allowance and allotment division of the War Risk Bureau, Washington.

* * *

General Manager Spycket, of the Fire Reassurance of Paris, has written a letter to United States Manager Sturhahn, of that Company, which "The Standard," of Boston, reproduces in part as follows: "I should have liked to write you and to all Americans I know the name of to say: France has been saved by America. We know what you have done for us with your generous hearts. We know that everybody in America has suffered great restrictions for us, has given money, work, everything with the largest liberality. We know that all parents see their sons going so far for the dreadful battles with a strong heart and we have seen these young and beautiful men with their bright and frank looks, and we have heard that, for their first fights, they have been equal to our best soldiers."

* * *

Lieut. John Jay Van Schaack, son of David Van Schaack, of the Aetna Life, is a prisoner at Karlsruhe, Germany. Lieut. Van Schaack was a member of the 1918 class at Williams College. He sailed for France on July, 1917, to join the Lafayette Escadrille, later going with the American Flying Corps. Still later he switched to the Royal Flying Corps so he could get into active fighting.

* * *

Archibald A. Walsh, vice-president of the Phoenix Mutual and Mrs. Welch have returned from their summer vacation at York Beach, Me.

* * *

Clayton J. Walter of the National Fire and Mrs. Walter are spending two weeks' vacation at Silver Lake, Conn.

* * *

Charles E. Chase, chairman of the Board of Directors of the Hartford Fire Insurance Co. and Mrs. Chase have returned to Hartford after spending several weeks at their summer home at Hyannisport, Mass.

* * *

George W. Ellis, auditor of the Travelers and Mrs. Ellis have returned from Sachem's Head, Conn., where they spent the summer.

Agents Draft War Clause For Company

(Continued from page 2)

serve on your policy, should you die in war service.'

Regular Premiums Only

"As a rule those companies whose policies provide for the payment of an extra premium limit their liability to the reserve only in the event that the extra premium is not paid.

"The big thing about our new war clause is that during war service our policyholder is required to pay the regular premium only for which in addition to the reserve on the policy, he is insured for ten per cent. of the amount that would have been payable if he had not entered such service, and six months after his final discharge from service his insurance is restored to the full amount."

Life Agents Out To Beat $12,000,000

READY FOR BIG LOAN CAMPAIGN

W. F. Atkinson, Chairman; L. A. Cerf in Charge of Sales; R. L. Jones, of Assignments

The Life Insurance Agents' Liberty Loan Committee has completed its organization and is all set to beat the $12,000,000 record of the last drive. As during the last drive, there will be a Brooklyn committee as well as a Greater New York committee.

The life insurance agents, with W. F. Atkinson as chairman, will operate under the authority of the Metropolitan Canvass Committee of which A. B. Leach is chairman. The preliminary facts are covered in brief as follows:

Territory.—We have pledged to canvass thoroughly the financial district bounded by the North River, Canal street, Broadway, Park Row, Nassau street, and the Battery. In assigning to us this territory, the committee has honored us with the most important district of the city.

Date.—Campaign runs for 3 weeks, commencing on September 28. We will concentrate on the last 2 weeks, commencing October 7.

Work.—The life agents will canvass every office in definitely assigned territory. Assignments will be made by R. L. Jones to team captains. In addition agents will canvass friends and all available places and be of such assistance as they may to precinct captains.

Committee on Sales.—A sales captain has been chosen for each company doing business in New York State.

Executive Committee.—A. R. Allen, W. F. Atkinson, L. A. Cerf, J. S. Myrick, O. S. Rogers.

Committee on Sales.—L. A. Cerf, chairman, 135 Broadway.

Committee on Assignment.—R. L. Jones, chairman, 80 Maiden Lane.

Committee on Home Office Organization—J. S. Myrick, chairman, 38 Nassau street.

Headquarters.—A. Rushton Allen, chairman, 149 Broadway. Headquarters at Room 714, No. 149 Broadway. Full line of supplies will be carried and all reports should be sent there.

Group Work.—L. A. Cerf, chairman. There will be developed the group work which proved so effective in the last campaign.

On the Brooklyn committee are W. F. Atkinson, chairman; W. H. Ryan, Peter Fraser, R. W. Goslin and others.

The Brokers' Liberty Loan Committee

Reuben E. Kipp is chairman of the insurance brokers' division of the Metropolitan Canvass Committee. Others on the committee are: Christian Bambach, Frank C. Carr, Richard A. Carrocn, R. Henry Depew, John A. Eckert, George S. Frank, Thomas J. Gaines, Frank C. Gilbert, Robert H. Goffe, John F. Huntsman, Jr., Joseph Krischker, Henry W. Lowe, Julian Lucas, Jr., Percy S. Mallett, Frank E. Mendes, Rushton Peabody, Charles S. Rosenzweig, Alexander M. Silver, Henry Sobel, John L. Swan, James Terry and Frederick S. Little. There are 8,500 licensed brokers in New York.

The brokers' association says: "The association has, in many ways, done so much for the benefit of brokers in this city that we now ask them to show their appreciation by recollecting that this is the business in which we are all engaged and make our living in, and that it should be a matter of pride to build up the total to such a figure that it will make our profession shine by contrast with others. With the large number of insurance brokers in this city (almost 8,500 licensed) we should accomplish great results."

FIRE INSURANCE DEPARTMENT

An Erroneous Story About The President's Relation to Insurance

At the convention in Cleveland last week of the National Association of Insurance Agents a story important if true floated about the lobby. The gist of it was as follows:

The president of one of the great fire insurance companies was in Washington where he had the good fortune to be in conversation with the President of the United States. The insurance company executive took advantage of the occasion to ask the head of the nation a question or two about the relations of the Administration towards the fire insurance business, whereupon the President is alleged to have said laconically:

"I have turned the entire question of insurance over to the Secretary of the Treasury, and for any information about insurance matters I shall have to refer you to Mr. McAdoo."

Upon hearing this story in Cleveland, a representative of The Eastern Underwriter made an investigation upon his return to the East, and he is in a position to say from a source of information, the authenticity of which cannot be doubted, that President Wilson has not taken the position that he has delegated to Mr. McAdoo the complete and final consideration regarding all matters of insurance. It is true that Mr. McAdoo is in direct charge of the Soldiers' and Sailors' Insurance, the War Risk Bureau, and of some other insurance matters, but he is not, nor does he claim to be, the final arbiter of the Administration in all insurance matters.

GOVERNMENT HAS HANDS FULL

An Insurance Man Attached to War Risk Bureau Thinks Agitation Unwise

A prominent insurance man who is now attached to the War Risk Bureau told a representative of The Eastern Underwriter this week that for some weeks he has been trying to see the "growing encroachment of the Government on the insurance business," and he is still looking.

"In my opinion the Government has its hands full. If any insurance man doesn't believe it let him come down and talk to some insurance man now attached to the Government, and see what a tangle some of these affairs are in. It may be that I am short-sighted, but if you want my frank opinion I believe that the Government has already bitten off more than it can chew.

"If the newspapers keep on harping about this matter, however, they may put thoughts in people's minds which will do the insurance business no good. Do you know that agents have already come to the Bureau and said: 'The Government's going to take over the insurance business. I'll have to have a new job anyway; give me one in the Bureau.'"

VIOLATIONS ECONOMY

Underwriters' Association of Middle Department Cutting Down Expense —A Notice Costs 45 Cents

Even rating associations are economizing in the manner in which they give their notifications of violations.

The Middle Department violations cost $18,000 per annum, or an approximate average of 45 cents apiece. Add the time, postage, and expense of the home office and special agents in obtaining correction and the result indicates that a large percentage of each premium affected is thrown away. Of the total number occurring, 60 per cent is due to carelessness, 15 per cent. premeditated, and 25 per cent. result from lack of ability to interpret rules.

"The first two causes can and should be practically eliminated and the third can, with a little effort, be materially reduced," says the secretary.

The Department is discarding certain details which were expensive and cumbersome. Large sheets, listing all violations in force and sent to companies and special agents each month, will be discontinued. One notice only will be sent to agents. One notice only will go to company, attached to daily report. Monthly the Department will send to companies a duplicate copy of each inviolation slip to be forwarded to the field man having jurisdiction. This is the only notice that will go to special agent.

THE AUTOMOBILE INSURANCE COMPANY

OF HARTFORD, CONN.

MORGAN G. BULKELEY, President

CASH CAPITAL

$2,000,000.00

ASSETS

$7,266,538.81

LIABILITIES, EXCEPT CAPITAL

$3,086,345.45

SURPLUS TO POLICYHOLDERS

$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with

ÆTNA LIFE INSURANCE CO.

ÆTNA CASUALTY & SURETY CO.

NEW RULE ABOUT "BULLETIN"

Agents Must Pay Their Dues Or They Will Not Receive Agents' Paper

A new rule has been adopted about the "American Agency Bulletin," the official organ of the National Association of Insurance Agents. Agents will be given two months' grace in payment of dues. After that time the paper will not be sent. This is in line with the attitude taken by leading trade papers in following out the regulation of paper conservation.

The "Bulletin" now comes out fifty-two times a year and is an improvement over preceding years.

The Caledonian-American has been transferred from J. Lindsay Clark & Co., to Edward T. Reisler in Baltimore.

TAKING MEN RAPIDLY

As an illustration of the rapidity with which the Government is recruiting men from the insurance ranks, the loss department of the New York Board has lost eight men in the last seven weeks.

Fire Insurance Special Agent's Position Wanted

Am 38 years of age and married. Have had 12 years of agency experience and 6 years executive field experience as a Home Office Special Agent for a Casualty Company. Am thoroughly familiar with New York, Ohio, Indiana and Southern Michigan. What have you to offer? Will be available October 1st. At present living in Cleveland, Ohio. Address,

"SPECIAL AGENT,"
Care of The Eastern Underwriter,
105 William Street, New York

THE

TOKIO

MARINE AND FIRE
INSURANCE COMPANY
LIMITED

UNITED STATES FIRE BRANCH
J. A. KELSEY, General Agent
80 MAIDEN LANE, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Kansas City Club the "Model Exchange"

AGENTS WANT MORE LIKE IT

Costs Money to Join and it Eliminates the Unfit—Not Restraint of Trade

The Kansas City, Missouri, Fire Insurance Agents' Association, more popularly known as the local board of fire underwriters, is an unique organization in many ways and has attracted so much attention by its strength, its sane observance of local fire insurance principles, and its popularity both with the companies and the public, that the idea is attracting wide attention, and the association is a forerunner of many similar organizations which have been or will be formed. It is regarded as the model "fire insurance agents' club," or "exchange," and, undoubtedly, President Allen, of the National Association, had the Kansas City association in mind as one of the new types of exchanges which he is advocating that agents throughout the country form.

The Kansas City association membership costs money; its rules are strict; its code must be lived up to. Just any fly by night agent cannot join. The members of the Kansas City association do not claim that they are innovators or have adopted an original idea in organization work. As a matter of fact, they have simply adopted the old London Stock Exchange plan which is more than two hundred years old, the principles of which are the basis of the New York Stock Exchange and other organizations which have done so much to keep business principles and ethics to the fore.

Formerly Tried "Deposit" Plan

The agents in Kansas City had been struggling along for some years with the old fashioned idea of a deposit, which worked all right when there was no cause for enforcement of the rule. The agents were in a local board and each office deposited anywhere from $100 to $300. When it came to living up to the rules which affected the individual or he anticipated that he would be affected, then like many other local boards there were resignations, accompanied by withdrawal of deposits, and necessary weakness followed.

The result was that rules would have to be changed instead of enforced and some of the agents were attracted to other business men's organizations, such as the Kansas City Board of Trade and the Livestock Exchange, whose methods seemed practical and most efficient in the way of enforcement of conduct rules.

Membership in the Board of Trade is worth $10,000 at this time, and it is obvious that no member will risk either impairing or forfeiting his membership by misconduct.

When it was suggested that a similar plan be applied to the insurance business a majority of the insurance men of Kansas City and elsewhere scoffed at the idea, saying that it could not be done; that wheat and cattle were unlike insurance.

Voluntary Agreement

However a few of the Kansas City members after investigation were convinced that the same principle was being applied in many business and labor organizations and decided to adopt the plan. In brief, this principle is a voluntary contract with each other agreeing to the principles as laid down and the rules and procedure as prescribed. There is no provision made for resignation and no way for a man to be released from his obligation unless he retires from the insurance business or in the event of death.

Relieves Courts of Business Disputes

These principles will be found to have been upheld in the Supreme Court of the United States. There is nothing undertaken in the contract in violation of any laws relating to the restraint of trade and the member once entering into the agreement would not be able to plead in any court successfully as the agreement provides a tribunal for any dispute among its members and the courts have declared their approval of any procedure in organization that will relieve courts of business disputes. If the agreement is properly drawn the insurance departments and the insurance companies will lend their endorsement to the plan as a rigid enforcement of the rules and the conduct of members not only upholds all laws prescribed for the regulation of the insurance business but at once the business is placed upon a high plane, with no hardship worked to anyone.

Has Stood Five Years' Test

The Kansas City plan has stood the test of five years' operation and is conducted by a paid secretary who is a lawyer and not engaged in the insurance business. An application for a membership must be accompanied by a check for $1,000, or an applicant can buy a membership from any one who has retired from the business or from the estate of a member who has died, and these memberships may be transferred, the transfer fee being $100. During the past year there have been two or three of these memberships purchased for $650.

Former Opponents Now Strong Supporters

This plan seems to prove conclusively that it is the solution of many of the troubles of local boards, and its strongest supporters are those who were most bitterly opposed to its organization five years ago. The provisions for financing are such that it is hoped within the next few years that there will be no cost for dues. At the present time the dues are $15 a year. The income from investments owned by the association is sufficient to pay the balance of the expenses.

The organization has been of real benefit to Kansas City policyholders as the inefficient, incompetent and crooked agent is gradually being eliminated from the business. As for the insurance companies there are many features of this board which appeal to the companies. For one thing, it is insistent that members pay their balances to the companies with promptitude. Competition is not stifled in any way, but naturally the morale of the agency force of the city is on a high level and an agent must be a real business entity to survive.

No Brokers in Kansas City

The broker, as known in other cities, is not to be found in Kansas City. All the companies are represented by agents in the membership except two, and the members hope that this pair will be represented before the end of the year.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

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LOCAL OFFICES
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BROOKLYN, N. Y. 153 Remsen St. Tel. 2504 Main
NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
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EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

"Federation News" To Accept Advertising

ACTION TAKEN AT HOTEL ASTOR

Follows Precedent Set By National Associations of Underwriters and Insurance Agents

At a meeting of insurance executives held at the Hotel Astor, on Tuesday, for closer co-operation between insurance companies and the Insurance Federation, and to arrange plans for the Atlantic City meeting in October, the report of a committee was adopted providing among other things that the companies give financial support to the Federation through a company membership fee of $50 per annum and through advertising in the "Federation News." In other words, the "Federation News," organ of the Insurance Federations, will accept advertising from insurance companies. Whether the next step will be to accept advertising from the insurance agents who are members of the Federation it is too early to determine.

That the "Federation News" will accept advertising will not be much of a surprise to the publishers of insurance trade papers, who have watched the other associations develop organs, although the statement will probably be made that the "Federation News" occupies its own niche and will not in any sense be a competitor of the insurance newspapers. It has been coming out at irregular intervals, sometimes several months elapsing between issues.

The "Life Association News"

The first of the associations to start a paper was the National Association of Life Underwriters, which publishes the "Life Association News." At the beginning the regular insurance papers were informed that the "News" would be in no sense a rival paper. Association officials declared that they recognized that they were under obligations to the trade papers for pushing the organization at the start, nursing it while young and needing members more than anything in the world. Gradually the "Life Association News" began to accept standing cards, and finally to accept special advertising for convention issues, despite the fact that several of the regular trade papers got out special issues covering every phase of the conventions and printing most of the papers in full. The "Life Association News" with its prestige as "the official organ of the National Association of Life Underwriters" had many advantages over the trade papers in soliciting advertising, and it had grown so much as a competitor that by September 15, 1918, it issued a number covering the National Association's convention, which consisted of ninety-two pages. Furthermore, an officer of the association called up an advertiser in a regular trade paper and criticised him for using that medium instead of advertising in the "Life Association News."

"The American Agency Bulletin"

When the National Association of Insurance Agents began its publication, "The American Agency Bulletin," it was also stated that it would not be in any sense a competitor of the trade papers, which have always boosted the National Association of Insurance Agents. However, it has long solicited advertising not only from its members, but from companies as well, while at the Cleveland convention a special appeal was made to agents to buy larger advertising space, running from $50 a year up. For some time the "Bulletin" did not publish news items which were in the legitimate domain of the trade papers, but during the latter years of Mr. Putnam's editorship correspondents were appointed in several cities, sometimes the same men who were furnishing news to the insurance papers. Some months ago in Chicago President Allen had a conference with the leading insurance papers at which he asked their suggestions, and he agreed with them that the real mission of the "Bulletin" should not be to print competitive news, but rather to make the "Bulletin" more of an educational organ than a newspaper, and an organ to acquaint agents with association activities and agency developments of special significance. Secretary C. S. S. Miller is a capable, experienced newspaper man, who knows news when he sees it. He has tried to carry out the idea, but naturally he is not going to throw news of interest to local agents into the waste paper basket if some representative of the association sends it in. At Chicago presidents of the state associations were asked to appoint some member as a "Bulletin" correspondent in each state.

"The Federation News"

The bulletin of the New York brokers' association does not solicit advertisements, but it has printed them on several occasions.

The "Proceedings of the Actuarial Society of America" accepts advertisements from a number of companies.

The "Proceedings of the Casualty Actuarial and Statistical Society of America" has not accepted advertisements to date.

The National Association of Casualty and Surety Agents has no organ.

Mark T. McKee started the "Federation News" and was its editor. The paper is published in Detroit. Up to the present time it has not accepted advertisements, nor has it printed "news" in the trade newspaper sense. One copy of the "Federation News" goes to each member of the Federation. As to just how many members there are there is some doubt. In some offices everybody from office boy up has joined. In certain cities Federation men have induced manufacturers and merchants to join.

The "Journal of Commerce" made the following report of the meeting Tuesday:

"The meeting of insurance company executives called by J. Scofield Rowe to consider the question of the formation of an advisory council to assist the National Council of Insurance Federations was held at the Hotel Astor. President Louis F. Butler of the Travelers Insurance Company of Hartford presided and the attendance included executive officers of all classes of insurance. It was pointed out by the speakers that the needs of the Federation were the closer co-operation of the companies and financial support to enable it to efficiently combat the socialistic tendency toward State or Governmental insurance, which is likely to come to the front after the war. Those who expressed their views said they did not fear encroachment in the field of insurance by the Government as at present constituted, but that the radical element, in the West particularly, were agitating for all sorts of Government monopolies and that insurance would be the first point of attack. It was pointed out that the only way to combat such doctrines was to educate the people to the real danger of letting themselves be exploited by theorists and that this work could best be accomplished by the members of the Insurance Federation. To accomplish this work they needed the guidance of the company officials and sufficient financial support to assure the campaign of education being a success. A committee was appointed to submit a plan and its report which was adopted, provided for the naming of a company advisory board of nine and a company membership fee of $50 per annum. Also that the companies give further financial support by advertising in the 'Federation News.' The advisory board was named as follows: Aetna Life Insurance Company of Hartford, Columbian National Insurance Company of Boston, Royal Insurance Company, Hartford Fire Insurance Company, National Surety Company, Ocean Accident & Guaranty Corporation and representatives of mutual and fraternal organizations."

N U

NATIONAL UNION
FIRE INSURANCE CO.
OF PITTSBURG, PA.

NOT HOW MANY BUT HOW GOOD

One trained Soldier is worth a dozen of the other kind. And so it is with the Fire Insurance Agent. Experience and qualifications are the factors in his success. This Company is not so particular about having a large Agency force as it is in having a good Agency force. One of the benefits of such a plant is that the Company can extend such Agents the best it has in the way of service and facilities. Not now and then but ALL the time the NATIONAL UNION will speed up the efficiency of your office. With a known capacity for extending distinctive service which is practical, constant and real the NATIONAL UNION presents attractive opportunities to experienced Agents of reliable character. Get your Agency—Now.

CITY CLUB AND LIBERTY LOAN

Raises $10,000 at Meeting to Organize Teams—Charles F. Enderly Heads Committee

The City Insurance Club held a meeting on Tuesday for the purpose of organizing to boost the Liberty Loan campaign and succeeded in securing pledges for $10,000 from among the members present. This is almost as much as was raised by the club during the whole of the last campaign.

A committee was appointed and teams will be formed of the members which will operate during the length of the campaign. Charles F. Enderly, manager of the brokerage departments of the Insurance Company of North America and New York Underwriters' Agency, is chairman of the committee of which the following are also members: George Shevlin, of Schaefer & Shevlin; Claude Corke, of Cornwall & Stevens; and Richard S. Kissam, general agent of the City of New York.

The large percentage of pledges secured at the meeting was mainly a result of the talk given by President J. J. Hartnett. Mr. Hartnett is out to have the Liberty Bond sales of the City Insurance Club compare favorably with that of any other insurance organization.

TROY HEARING

Superintendent Phillips Hears Underwriters, Officials and Others At His Office in Albany

The complaint of Troy that it has been discriminated against by The Underwriters' Association of New York State in making an advance in the rates of that city was the occasion for a hearing at the Insurance Department in Troy, on Wednesday afternoon. Companies had lost so much money in Troy that rates went up. To the surprise of the companies the agents themselves led the protest in and out of the newspapers. Finally, the Mayor of Troy got a cue to protest to the Superintendent that in picking out Troy and raising its rates because of its record there was a discrimination against that city. He didn't say anything about the 87 per cent. loss ratio of the town.

Howard P. Moore, of the Home, and others spoke.

SETTLE NYACK SUITS

Four suits for damages brought by Paul Exner & Son, Inc., Nyack, N. Y., against four fire insurance companies were to have been tried before Justice Morschauser and a jury in the Rockland County Supreme Court this morning, but they were settled.

The corporation owns a factory at Jones Point and about one year ago fire destroyed several buildings. The corporation sought to collect $6,000 for insurance but failed. Hence the suits. Each company, it is said, has the same officers and same headquarters.

JOHN BEALE RETURNS

John Beale, formerly in the city department of the New York Underwriters' Agency, who enlisted some time ago in the Navy, returned to New York this week after having been in foreign waters for fourteen months and visited his friends on William Street.

Provide For Standing Conference Committee

COMPANIES MET ON WEDNESDAY

A Medium for Communication Between Underwriters and Insurance Department on Rating Matters

At a well represented meeting of insurance companies doing business in New York State held on Wednesday afternoon (all companies had been invited to attend) action was taken providing for the appointment of a committee representing stock fire insurance companies of all classes and affiliations to serve as a medium of conference with the Insurance Department, if occasion should arise in connection with matters of rates and rating methods. This was in accordance with the recommendations of a committee appointed in September, 1917, to take up with the Insurance Department the subject of requirements for statistical information and experience data in great detail and covering a wide field. The chairman of the committee was Frank Lock, Atlas, and the above action was taken in accordance with suggestions in a final report and is the outgrowth of conclusions the committee reached by reason of conditions which were revealed in connection with a number of conferences it had had with the New York Insurance Department, indicating the advisability of having one committee representing all stock fire interests and the four rating bodies in New York State, for the purpose of taking up rating questions from a broad general standpoint with the Department if occasion therefor should arise.

HARRISBURG ORGANIZATION

Another unit was added to the forces of the Insurance Federation last week, when the insurance agents of Dauphin County organized at Harrisburg. The speakers at this meeting were Albert N. Wold, of Pittsburgh, secretary of the Federation, and H. H. Campbell, of Altoona, who is prominently identified with the Blair County unit.

William S. Essick, of William S. Essick & Company, and J. R. Henry, secretary of the Penn Surety Company, both of Harrisburg, were elected chairman and secretary respectively of the executive committee.

G. Oscar Gray of Bellefonte, Pa., has been engaged as a field secretary for the central Pennsylvania district by the Federation.

WILLIAM MORSEL ON TRIP

William Morsel, of Finn, Sandberg, Raynes & Lee, and Mrs. Morsel are spending their honeymoon at Atlantic City. They were married last Friday in New York.

Personnel of Committees Elected

(Special to The Eastern Underwriter.)

Cleveland, September 20:

The committees elected at the twenty-third annual meeting of the National Association of Insurance Agents, follow:

Executive Committee

Frederick J. Cox, chairman, Perth Amboy; James Y. Case, Norwich, Conn.; James B. Leedom, Milwaukee; Clarence S. Ellet, Chicago; Louis L. Rauh, Cincinnati; H. O. McMillan, Knoxville; John C. Coart, Seattle, Wash.; Glen H. Johnson, Syracuse; Marshall H. Ellis, Macon.

Finance Committee

Charles F. Wilson, chairman, Fitchburg, Mass.; L. C. Merrill, Concord, N. H.; R. L. Wood, Buffalo.

Organization Committee

Cliff C. Corry, chairman, Springfield, Ohio; P. J. Clancy, Des Moines, Ia.; A. C. Edwards, Sayville, L. I.; S. E. Moisant, Kankakee, Ill.; Craig Belk, Houston, Tex.; A. G. Chapman, Louisville; J. N. Adams, Indianapolis.

Casualty and Surety Committee

O. Arthur Howell, Atlanta; chairman, T. E. Braniff, Oklahoma City; Fred. L. Gray, Minneapolis; J. K. Livingston, Detroit; Robert L. Stewart, Kansas City.

Grievance Committee

J. A. Gibberson, Alton, Ill.; chairman, August Rebhan, Milwaukee; W. H. Hartson, New Orleans; F. R. Bell, Jr., Charleston, W. Va.; John P. Old, Sault Ste Marie, Mich.

Fire Prevention

Frederick V. Bruns, Syracuse, N. Y.; chairman, Alfred Davenport, Boston; Howard W. Jackson, Baltimore, Md.; Charles E. Puffer, Waterbury, Conn.; K. V. Rothschild, St. Paul; J. A. Duckworth, Tuscaloosa, Ala.; S. B. Moxley, Shelbyville, Ky.

DISCUSS NEW YORK COUNTIES

The situation in various counties of New York State was discussed yesterday at a conference between Superintendent Phillips and some prominent New York underwriters. To rate by county is generally regarded as impractical by underwriters.

SCHLEY JOINS NIAGARA

Harry J. Schley, at present employed in the city adjusting staff of the Great American, will join the Niagara in a similar capacity some time shortly after October 15th. Mr. Schley has been adjusting New York City losses for a number of years and is well and favorably known.

ÆTNA (FIRE)
HARTFORD, CONN., U. S. A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.

AMERICAN EAGLE FIRE INSURANCE COMPANY
"AMERICA FORE"

Be Patriotic and Prudent

Buy Liberty Bonds

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

ARCHIBALD A. McKINLEY, President
D. J. DAVIDSON, Vice-President
H. C. JONES, Secretary and Treasurer
I. W. ROCKEY, Managing Underwriter

Merchants National Fire
Insurance Co., Chicago, Illinois
Home Office: No. 29 So. La Salle St.
CAPITAL $250,000.00
AN ALL-AMERICAN PROGRESSIVE FIRE INSURANCE COMPANY OF THE MIDDLE WEST

Civil Riot Clause In British Courts

IRISH REBELLION CASE TRIED

Policy Carried War and Bombardment Rider Under Which Court Rules Fire Was Covered

A case hinging on the riot and civil commotion clause which is embodied in most standard fire insurance policies the world over, has been decided in England and is reported by "The Policy," a London insurance paper, as follows:

High Court of Justice, King's Bench Division, before Mr. Justice Roche, July 29th.

The plaintiffs were the owners of premises in Dublin which were destroyed by fire during the Irish rebellion at Easter, 1916, and they claimed £500 from the defendant as one of the underwriters of a policy of insurance by which the premises were insured against damage by fire. The case turned on the construction of clauses in the policy.

Mr. Justice Roche read a long judgment, in the course of which he stated the terms of the policy, and said that the scope of the insurance was broadly indicated by the words "war and bombardment." He discussed the incidents of the Dublin rebellion, and said that on the facts he was satisfied that it was by reason of bombardment that the Post Office was set on fire, and the fire spread by natural means until it reached the premises of the plaintiffs. The fire brigade could not cope with the conflagration owing to their being fired upon by the insurgents; otherwise it was probable that the plaintiffs' premises could have been saved.

Covered by "War" Clause

The defendant disputed liability on five grounds. First, he said that the ordinary form of policy did not cover the risks of riot and civil commotion, and that this policy, though not in the ordinary form, did not cover those risks either. As to that, he (his Lordship) thought that the contention was right. But the defendant went on to say, secondly, that the incidents in Dublin were incidents of riot and civil commotion, and on that he was wrong. What took place was something more than riot and civil commotion, and came within the words "war and bombardment."

His Lordship discussed the decisions in Insurance Company v. Boon (95 U.S., 117), and Drinkwater's case (2 Wils., K. B., 363); and Langdale v. Mason, Park on Insurance, 8th Edn., Vol. 11., p. 965, and said that he was satisfied that the events of the Dublin rising were treasonable, and not only felonious; there was a week's fighting, with a heavy casualty list and a suspension of all normal life; and there was "warfare with bombardment" within the words of the policy.

Thirdly, the defendant said that the fire on the plaintiff's premises had not been traced to the fighting, and he suggested that it might have been caused by hooligans engaged in looting; but, on the facts, he (his Lordship) disagreed with that suggestion.

Meaning of Words Defined

Fourthly, it was argued that the presence of the words "or otherwise" in the part of the policy providing for damage by aircraft, hostile or otherwise, showed by implication that the war and bombardment covered was war and bombardment by hostile forces only. But that was only an argument from redundancy, and the words of the whole clause must have their natural construction. The meaning of military power had been discussed in Rogers v. Whittaker (33 "The Times" L.R., 270; [1917] 1 K.B., 942), and he now held that military power within the meaning of the clause included that of the Crown as well as of the enemies of the Crown. It seemed that the Post Office was set on fire by being shelled by the forces of the Crown, and the fire spread thence to the plaintiff's premises; and on that he held that the loss was caused by military power of the Crown. The question of proximate cause had been discussed, but as the action of the insurgents prevented the fire brigade from saving these premises, it might fairly be said that such action was one of the proximate causes of the loss.

Fifthly, it was argued that if the loss was traceable to bombardment by the forces of the Crown, as he was satisfied it was, the defendant was protected by the exception clause, preventing liability for destruction by the Government of the country. As to that point, the exceptions clause must be read as a whole. The word "destruction" was coupled with "confiscation," and he was satisfied that the destruction aimed at was destruction carried out intentionally and deliberately, and was not destruction resulting accidentally from action of the Government.

In his opinion, therefore, the plaintiffs were entitled to succeed.

His Lordship then discussed the value of the plaintiff's buildings which had been destroyed, and of the contents, and gave judgment for the plaintiffs for the sum arrived at, with costs.

A stay was granted on terms.

FRANK SMITH IN FIELD

Becomes Special Agent in Eastern New York for Fidelity-Phenix—Starts October First

Frank Smith, at present attached to the Syracuse office of the General Adjustment Bureau, has resigned and has been appointed special agent of the Fidelity-Phenix for Eastern New York with headquarters in Albany. Mr. Smith started fifteen years ago as office boy for President Henry Evans, of the Continental, and previous to going with the General Adjustment Bureau was for five years in the loss department of the North British & Mercantile. Mr. Smith will take up his new duties with the Fidelity-Phenix on October 1.

JOHNSON WITH CONTINENTAL

Former Engineer of New England Exchange, Succeeds C. W. Pierce, Now In Home Office

Charles W. Johnson, formerly a special inspector of the New England Exchange and engineer in the improved risk department, has been appointed New England field engineer of the Continental, Fidelity-Phenix and American Eagle succeeding C. W. Pierce, whose promotion to chief engineer of the Continental group attached to the home office was recently announced. Previous to his connection with the New England Exchange, Mr. Johnson had been with the Factory Insurance Association for five years.

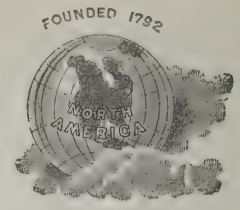
BRITISH COMPANY STOCKS

London, Aug. 15.—The insurance share market continues good. Sun Fire shares were largely dealt in, and the price went up from 13 to 13¼.

There has been a good rise in London Guarantees—from 21 to 24½.

London & Lancashire has gone up almost £3 on the week, and here again we have a share worth attention.

North British & Mercantile shares have increased in price to over 38; and amongst other rises of the week are Royal Exchange stock to £255, and Sun Fire as already mentioned. As to Royal Exchange stock, the current price, it will be noticed, is very considerably in excess of the pre-war price.



The Oldest American Stock Insurance Company

1792 Insurance Company of 1918

NORTH AMERICA

PHILADELPHIA

126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33

Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

Firemen's Insurance Co., Newark, N. J.

January 1, 1918

Cash Capital	$1,250,000.00
Net Surplus	$2,384,971.20
SURPLUS TO POLICYHOLDERS	$3,634,971.20

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer — A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President — J. K. MELDRUM, Assistant Secretary

National Fire Insurance Company

OF HARTFORD, CONN.

Statement January 1, 1918, to New York Insurance Department

LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President — F. D. Layton, Secretary — F. B. Seymour, Treasurer
G. H. Tryon, Vice-President — S. T. Maxwell, Ass't Secretary — C. B. Roulet, General Agent

SURPLUS TO POLICYHOLDERS.....$5,980,020.79

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

Binding Contracts with Guaranteed Underwriters at Lloyds and British Companies maintaining United States deposits. Immediate telegraphic binders given.

MARSH & McLENNAN

19 Cedar St. NEW YORK — 1615 California St. DENVER — 201 Sansome St. SAN FRANCISCO — 107 S. Fifth St. MINNEAPOLIS
901 Ford Bldg. DETROIT — 314 Superior St. DULUTH — 17 St. John St. MONTREAL — 23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

Associated Mutual Agency Incorporated

B. J. ALLEY, Manager

68 William St., New York

Exceptional Facilities for Writing Business Throughout the United States

Why Fire Insurance Is A Profession

MICHIGAN AGENT DEFINES IT

Teaches Property Owners How to Build and How to Prevent Fires

The statement has frequently been made that fire insurance is a profession rather than a business. While the advisory board of the revenue commissioner's office in reality agreed to this definition it is rather interesting to see an agent's reasons for putting fire insurance on the higher plane. There follows the conclusion to that end reached by George M. Goodell, president of the Michigan Fire and Casualty Agents' Association:

The Supreme Test

"What is fire and casualty insurance?

"It is a profession which the general public thinks is only a business or trade; and which many of its practitioners think of in the same way. Many of the insurance laws passed within the past five years treated insurance as a form of merchandising. The supreme test of a profession is its effort to make itself unnecessary. This is the widest gulf between a profession and either a business or a trade. The seller of dry goods or groceries does all in his power to extend the use, and make unfailing the demand for the goods he sells. The physician labors to awaken the public to laws of health, whose observance will make it unnecessary to call a doctor; the lawyer advises against lawsuits, and works for reformed procedure. The teacher tries to make learning universal and saturate the air with it.

"Society needs the guidance of the fire insurance expert as truly as it needs the guidance of the sanitary or legal or mechanical expert. The technical, social and moral problems with which the fire insurance men wrestle are not surpassed in importance by any other group of problems that confronts the business world. Failure to recognize the professional standing of fire insurance has wrought confusion both within and without our ranks.

"The record of fire insurance is unmistakable. The fire insurance profession labors to teach the public how to build so property shall not burn up; how to put out fires before they start.

"Your grocer asks you what you need; your carpenter asks what you want done; but your lawyer and doctor take the helm and tell you what you need, and what you must do to get it. The real fire insurance man stands besides the lawyer and the doctor.

Invisible But Real Protection

"I covet for fire and casualty insurance men a like standing. No profession is charged with greater responsibilities. The whole structure of the commercial world is held together by the cement of fire insurance. We all sleep with the wings of the invisible but real protection of this unrecognized profession extended over our couches. Society has long recognized the professional character of the man who guards our property rights, and the man who safeguards our health. Why not the man without whose trained activities credit would have no adequate basis in the world of property, and life itself would be invested with new perils during every hour of work and every moment of sleep?"

R. M. ANDERSON TRANSFERRED

The National of Hartford has announced the transfer of Special Agent R. M. Anderson from Texas to Virginia, Maryland and District of Columbia.

LIBERTY LOAN LETTER

Sent To Stockholders of the Continental—Company Will Make Large Subscription

President Henry Evans, of the Continental, has mailed the following circular to stockholders of the Continental, relative to the Fourth Liberty Loan:

To our stockholders: For the fourth time our Government asks the public for funds with which to prosecute the war. The amount, probably $6,000,000,000 (the largest amount ever raised by one nation at one time in the history of the world) is larger than any previous loan because of the growing cost of war. Our overseas army approximates 1,750,000 men. Cost of food, clothes, munitions, transportation, etc., mounts into the billions. The strain of war is upon us. We now have a realizing sense of the present loss in men and money, and the necessity for service and sacrifice, for economic and patriotic devotion.

If the American people make a quick and liberal response to this request, the Fourth Liberty Loan may well prove to be the Victory Loan. This loan offers every American citizen a chance to send encouragement and help to the American Army which is now playing such a valiant part.

The Company made large subscriptions to the first, second and third Liberty Loans and we want to make as good a showing as possible for the fourth. We are, therefore, writing to ask if you will place your subscription to the Fourth Liberty Loan with us, and we will thank you for an early reply indicating to what extent you desire us to enter your subscription.

We are enclosing herewith subscription blank for your use.

CHARLES E. DOSSER DEAD

Fireman's Fund Representative Well Known Up-State—Was Sixty-Seven Years Old

Charles E. Dosser, state agent of the Fireman's Fund, died in Syracuse, N. Y., a few days ago. He was sixty-seven years old, and is survived by two daughters and two sons, one of whom, W. W., is now in France with the Syracuse University Hospital Unit. The funeral was held on Wednesday.

Mr. Dosser was born in the state of Tennessee, but had lived in Syracuse for a quarter of a century. He had a large acquaintance among insurance agents.

LAUGHLIN SINCLAIR RETURNS

Laughlin Sinclair, general manager of the North British & Mercantile, who has been visiting the United States head office of the company for several months, sailed last week for England.

London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

Agricultural Insurance Company, of Watertown, N.Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET NEWARK Phone Market 6536 | SERVICE FIRST | 80 MAIDEN LANE NEW YORK Phone John 4560

WALTER F. ERRICKSON AGENT
95 William St. New York
38-40 Clinton St. Newark, N. J.

BINDERS EFFECTED ON NEW JERSEY RISKS
Irvin T. Bernhard
68 William St., New York, N. Y.
19 Elm Ave., Hackensack, N. J.
Scottish Union & Nat. Ins. Co. | Eagle & Br. Dom. Ins. Co. | Ohio Farmers Ins. Co.
Niagara-Detroit Und. | Glens Falls Ins. Co. | Yorkshire Fire Ins. Co.
American Eagle Ins. Co.

THE HUMBOLDT FIRE INSURANCE CO. PITTSBURGH, PA.
Conservative -- Sound -- Progressive
Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

FRED. S. JAMES GEO. W. BLOSSOM WM. A. BLODGETT
FRED S. JAMES & CO.
123 WILLIAM STREET
NEW YORK
United States Managers
GENERAL FIRE ASSURANCE CO. of Paris, France
URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England
C. B. G. GAILLARD Assistant Manager
UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

MARINE DEPARTMENT

Full Cargoes of Coal by Sailing Vessels to South America Proved to Be Very Unprofitable Business to Marine Underwriters for the Last Six Months

We have pointed out in one of our previous issues the undesirability of insuring cargoes of coal by sailing vessels to South America, on account of the fact that the prepaid freight is four or five times in excess of the value of the coal.

Since February this year, about twenty-two vessels have sailed from Atlantic United States ports to South America, and have put into ports of distress with their cargoes heated and on fire, causing heavy general average expenses for the underwriters, although there is a serious question as to their liability for damage to the coal itself. This being such an unusual number of casualties, compared to the small number of vessels which have actually gone forward without trouble, there must be something seriously wrong with the shipment of this commodity. The most serious cases have been where screenings or sweepings have been shipped as stiffening for the vessel, say from Philadelphia until she arrived at Norfolk to load the balance of her cargo, or the same may be accounted for through the fact that all the coal shipped is under Government control, being left in open lots and is subject to the extremely high temperature of the summer months, and that spontaneous combustion had already started in the coal before it was shipped, and after being confined in the hold of the vessel without ventilation, there was no possibility for the heat to escape, and the temperature rose to such a height that it was impossible for the vessel to go any further.

Taking into consideration the physical hazard which has developed in connection with these shipments, as well as the question of the prepaid freight being paid to an extent of over four or five times the value of the coal itself, when a vessel puts into a port of distress, underwriters writing this commodity are confronted with extra hazards for which they ought to charge a very handsome rate of premium, or they will be compelled to suffer extraordinarily heavy losses.

OBSERVER.

GOVERNMENT COMPETITION

Marine Underwriters Gratified That Few Shippers Are Deserting For Temporary Lower Rates

Marine underwriters this week expressed gratification that a much smaller proportion of steamship companies and shippers than was expected by the companies are sacrificing their long standing marine insurance connections to take advantage of the temporary lower rates of the Government War Risk Bureau. The comment was occasioned by the announcement by the Galveston agent of the Mallory and Clyde steamship companies on Tuesday that those companies in the future would cover shippers over their routes in the Government War Risk Bureau because of the lower rates afforded. The marine offices generally have reduced their rates in anticipation of a much greater number of shippers taking similar action.

LAKE ICE HAZARD GONE

Government Action in Bringing Ships to Coast Prevents Repetition of Previous Years' Heavy Losses

A Detroit lake marine underwriter who was in New York this week stated to The Eastern Underwriter that the action of the Government in removing to the coast the majority of lake vessels for the winter relieved the companies writing lake business from the possibility of suffering another run of heavy ice losses. He stated that this move is viewed favorably by inland shipowners and in some instances may be continued individually after the war. They believe, he said, that in this way their ships can be in use all year round instead of being laid up for the four winter months.

ELECTRICAL HAZARDS

Book On Subject By Thomas Henry Day, Published by Hartford Insurance Institute

The Insurance Institute of Hartford, Inc., has published a book of 120 pages on "Electrical Fire Hazards," consisting of practical instructions on the subject given to The Insurance Institute of Hartford, by Thomas Henry Day, of the New England Insurance Exchange. The book is illustrated.

MAX GRUNDNER DEAD

The offices of Chubb & Son were closed on Wednesday afternoon to permit the members of the staff to attend the funeral of Max Grundner, member of the firm and secretary of the Federal Insurance Co., who died on Sunday at his summer home at Sea Gate, L. I.

Mr. Grundner started as a marine underwriter in Philadelphia in 1887, representing the General Marine Insurance Co., of Dresden, Germany, as United States manager. In 1899 he became associated with Chubb & Son as manager and was made a member of the firm in 1901. He had been secretary of the Federal since the company was organized.

VIRGINIA AGENTS ELECT

At the recent annual meeting of the Virginia Local Agents' Association, the following officers were elected: Rufus Parks, Norfolk, president; Taylor Twyman, Charlottesville, first vice-president; Thomas Rutherford, Roanoke, second vice-president; A. L. Richardson, Richmond, secretary-treasurer.

O. G. ORR MEN IN SERVICE

O. G. Orr & Company, Inc., managers of the Atlantic marine department of the Fireman's Fund, have contributed twenty-one men to the service. Eleven are in various branches of the army, nine in the navy and one in aviation.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

EQUITABLE UNDERWRITERS OF NEW YORK
SURPLUS $793,852.75

Marine and War Risk Insurance
Losses made PAYABLE in all parts of the world

C. R. EBERT & CO., Inc.
MARINE MANAGERS PHONE 263-264 BROAD
48 BEAVER STREET, NEW YORK

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street New York

In addition to our regular marine and war risk business, we now have a department for writing FIRE insurance only on vessel property of all descriptions.

We would be pleased to receive applications from agents and brokers having this class of business to place.

FIRE, MARINE AND WAR RISK INSURANCE
Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

WM. H. McGEE & CO.
MARINE UNDERWRITERS
15 WILLIAM STREET, NEW YORK

General Agents Marine Department
St. Paul Fire & Marine Insurance Co.
Phœnix Insurance Co. of Hartford
Great American Ins. Co., New York
Camden Fire Insurance Association
Westchester Fire Insurance Co.
Niagara Fire Ins. Co.

U. S. Managers
Skandinavia Re-insurance Co. (Copenhagen)

Agents Marine Department
Providence Washington Insurance Co.
Massachusetts Fire & Marine Ins. Co.

Telephone Hanover 2054 Established 1898
Marine Insurance
Local agents are invited to consult us on their marine insurance problems
OSBORN & CO.
Average Adjusters and Insurance Brokers
Insurance Exchange, CHICAGO - - 45 Wall St., NEW YORK

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

BRITISH AMERICA ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918

Assets	$2,192,173.14
Surplus in United States	772,927.35
Total losses paid in United States from 1874 to 1917, inclusive	25,298,472.00

W. B. MEIKLE, Pres. & Gen. Mgr.

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $109,000,000
Losses Paid in U. S. $40,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY.

Disputes View On Concrete Ships

ARE GOOD MARINE RISK NOW

Shipbuilder Says Concrete Repairs to Steel Ships Have Been Customary for Years

That concrete ships are a good marine risk now and that repairs to vessels of this structure at sea can be made even more easily than the concrete repairs to steel ships which have been customary for years is the statement made to The Eastern Underwriter on Wednesday by H. Fougner, president of the Fougner Concrete Shipbuilding Co., Inc., of New York.

Mr. Fougner wrote The Eastern Underwriter as follows on September 16:

"Editor The Eastern Underwriter:—I have just been handed a clipping from The Eastern Underwriter of August 2, in which a reference is made to the fact that a concrete ship will not be considered a first-class marine insurance risk for a number of years on account of the time required to erect dry docks, concrete working plants, etc. I shall be glad to see a representative from your office if you should care to send one."

Norway Gives Lower Rate

When interviewed, Mr. Fougner stated that already concrete vessels built by his company in Norway had been insured with no difficulty and had received favorable marine insurance rates as compared with first class steel steamers. He said that contrary to there being any difficulty in repairing concrete bottoms at sea, it was a much simpler operation than repairing a steel ship with concrete. He also said that a preponderance of concrete ships in world trade would mean the "scrapping" of ninety per cent. of the present steel equipment of the ship repair yards the world over. The reason for this he gave as being the fact that concrete is not only much easier to transport, but does not require gigantic cranes and similar instruments to place the ship plates in their positions. Instead the equivalent instruments in concrete shipbuilding are wheelbarrows and shovels.

The repairing of a large hole is also more easily effected in the case of concrete ships is the belief of Mr. Fougner. He described such an operation as requiring only the planing of the broken edges of the hole in the concrete, the bending back and planing of the broken steel bars, lapping them with new bars and "the repaired portion has the same strength as originally."

"A similar operation on a steel ship." Mr. Fougner said, "would require the same drydocking of the vessel, but would also necessitate a greater expenditure of time, skilled labor, specially prepared implements and would result in a greater financial loss to the shipowner or underwriter."

BERNARD CREMER DEAD

Bernard Cremer, president of the German Fire, of Peoria, Ill., died at his home in that city last week. He was seventy-eight years of age.

U. S. COMPANIES ORGANIZE

R. Emory Warfield, president of the Hanover Fire, has been selected as chairman of the organization committee of the United States Fire Companies' Conference.

Continental Wins Baseball Pennant

BEAT ORR IN DECIDING GAME

Niagara Second; O. G. Orr & Co. Third; Hartford Fourth; Travelers Fifth; Phoenix Sixth in Race

For the first time since its entry in the league the Continental wins the pennant. The deciding game was played at Arctic Park, Ridgewood, on Saturday, September 21; following is the box score:

Continental	AB.	R.	H.	E.
Corwin, c.	4	0	2	1
Norton, 2b.	2	1	0	0
Sullivan, ss.	4	2	1	1
Brenner, 3b.	3	0	1	0
Moder, 1b.	4	0	2	0
Merkel, p.	4	0	0	2
Cocciardo, lb.	4	0	0	0
Conway, cf.	4	0	1	0
Dugan, rf.	4	0	0	0
Totals	33	3	7	4

O. G. Orr & Co.	AB.	R.	H.	E
Heizler, ss.	4	1	1	1
Ramsey, 1b.	2	0	2	0
Werthwein, 3b.	3	0	0	0
Wiley, p.	4	0	1	0
Brennan, c.	3	0	0	0
Reilly, cf.	4	0	1	0
Baker, rf.	4	0	1	0
Reynolds, 2b.	2	0	0	0
Hale, lf.	3	0	0	1
*Singer	1	0	1	0
Totals	30	1	7	2

*Batted for Hale in ninth; Corwin out for interference.

Cont.	1	0	0	0	0	2	0	0	0	—3
Orr & Co.	0	0	1	0	0	0	0	0	0	—1

Left on bases—Continental, 5; O. G. Orr, 10. Two-base hits—Corwin. Sacrifice hits—Sullivan; Ramsey, 2; Brennan. First base on errors—Continental, 2; O. G. Orr, 4. Stolen bases—Merkel, Brennan, Reilly. Bases on balls—off Merkel, 3; off Wiley, 1. Struck out—by Merkel, 7; by Wiley, 8. Hit by pitchers—by Wiley, 1-Norton. Umpires: Wilson and Stone.

Time of game—2:08.

The Continental team has finished the league schedule of 14 games, winning 12 and losing 2, with a percentage of .857. As its nearest competitor has lost 3 games, the Continental cannot be overtaken.

Frank Merkel of the Continental wins the gold medal which the league awards to the pitcher winning the greatest number of games. He received loyal support from his teammates.

A. M. Broden managed the team this season.

Relative positions of the clubs to date:

	Played	Won	Lost	Pct.
Continental. Fidelity-Phenix, Am. Eagle	14	12	2	.857
Niagara	13	10	3	.769
O. G. Orr & Co.	13	9	4	.692
Hartford Fire	14	8	6	.571
Travelers	11	5	6	.454
Phoenix Assurance	14	4	10	.285
Wade Robins'n & Co.	14	4	10	.285
Aetna Life	13	1	12	.076

The League Ball will take place at Palm Garden, 58th Street and Lexington Avenue, on Friday, November 1st, 1918.

BALTIMORE PREMIUMS

More Than $2,100,000 For Six Months Written in That City—How Companies Rank

The premium volume of Baltimore is more than $4,000,000 a year. For the first six months of this year it was more than $2,100,000. Companies writing more than $20,000 for that period follow:

Aetna	$20,933	Ins. Co. N. A.	$37,268
Agr.	31,119	L. & L. & G.	49,354
Balto.-Am.	34,366	L. & L.	20,849
Central	119,110	National	78,437
Am. All.	21,347	Nat'l Lib.	34,308
Am. E.	44,837	N. Y. Und.	21,154
Boston	22,149	Niagara	24,011
Cont.	30,737	N. B. & M.	21,417
Fid.-P.	27,166	Northern	27,000
Fireman's	29,834	Phoenix (Ct.)	22,078
Fireman's Fd.	29,951	Queen	20,817
Gt. Amer.	25,274	Roch. Dep't.	28,334
Hartford	51,661	Royal	46,988
Home	70,048	Sun	23,549
Home Un.	70,048	West.	22,643

Importers & Exporters INSURANCE COMPANY NEW YORK U.S.A.

Marine and War Risk

INSURANCE

56 BEAVER ST. - - NEW YORK

Bankers { GUARANTY TRUST CO. / EQUITABLE TRUST CO. / NATIONAL CITY BANK

JESSE SPIER
RICHARD D. JONES
UNDERWRITERS

Telephone Broad { 2612 / 2613 / 2614

Caledonian Insurance Co. of Scotland
FOUNDED 1805
"THE OLDEST SCOTTISH INSURANCE OFFICE"
UNITED STATES HEAD OFFICE
Caledonian Building, 50-52 Pine Street, New York
CHAS. D. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

THE TRAVELERS
INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT
WRITE THE GREATEST VOLUME OF
GUARANTEED LOW COST LIFE INSURANCE
AND
CASUALTY INSURANCE
THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

CASUALTY AND SURETY NEWS

Report of the American Bankers Insurance Committee

DISCUSSES RATES AND FORMS

Banks Pay $3,000,000 Premiums for Fidelity and Burglary Insurance—Attitude Toward Agents

The American Bankers Association met in Chicago this week. The report of the insurance committee was read yesterday afternoon. It follows:

To Members of the American Bankers Association:

The business of insurance is a highly technical and scientific one. Knowing this, your committee soon after its appointment, engaged the services of an expert who has given to us his training and ability at a very reasonable cost. The four years' experience of the present members, together with the training of the secretary, has enabled your committee to meet the foremost insurance authorities time and time again upon their own ground with great credit and profit to the membership of the American Bankers Association.

There have been devised by this committee and brought into general use, insurance contract forms that really and actually pay the losses intended to be covered. Every attack upon member banks has been inquired into by your committee and the proper application of the insurance coverage has been defined and secured. Forms are being continually improved and we find that changes are necessary to be made from time to time to meet new conditions. As a result, burglary and robbery claims have increased from 7 per cent. of the premiums paid in 1913 by member banks to 30 per cent. of the premiums paid today. These claims in 1913 were $30,000; in 1915, $71,000; in 1917, $103,000, and for the past term of twelve months, 1918, they are $167,000. The number of attacks have been no greater than heretofore. Can a greater insurance service be performed for member banks than obtaining the settlement of just claims?

Your committee at no time asked any insurance company to pay an improper claim; on the contrary, we have sought to maintain only a just and fair and honorable relation to the insurance companies; this attitude has been more or less recognized, and the insurance companies are tending to submit cases in controversy to your committee for decision. Very recently, for instance, one of the largest insurance companies in the business submitted a case involving a loss of $3,000, which the company thought it should not pay; your committee, through its secretary, set forth in reply the reasons why in the committee's judgment the claim should be paid. On April 29, the company replied as follows: "Perhaps the only comment that is necessary is that we have decided to pay the claim."

Insurance Rates

With respect to insurance rates, it has been the experience of your committee that the banks of this association prefer adequate insurance protection at proper cost, rather than any possible question involved in cheap insurance. For instance, we announced in our 1914 report and again in 1916, that a rate of $2.50 per $1,000 on the fidelity bond was fair; we nevertheless obtained and submitted to you later a proposal to reduce this rate 20 per cent., this proposal coming from certain interests which already had the strong endorsement of many large member banks of the association; one bank, and one only, elected to avail itself of this reduction. We have reported to you previously that the insurance companies have a wide margin of profit in the burglary insurance business of member banks. While we have obtained no reduction in these rates, we feel that obtaining proper coverage and settlement of claims reflected in the largely increased payments to banks has been a more valuable service.

In some states the local insurance situation may seem to demand the organization of mutual companies to care for the interest of banks and bankers in these states. This has been done in states, we are informed, with apparent degree of success, and we understand that other states have similar plans in contemplation. Your committee has heretofore, and will continue to co-operate with such state enterprises. In our report of September 25, 1916, we outlined the possible advantages of an insurance company operated by or under close relation with the American Bankers Association and at that time we stated—"Notwithstanding these possibilities, your committee does not believe that the American Bankers Association should either directly or indirectly engage in the insurance business, other than by maintaining some committee for performing an advisory service as is now being done." The facts submitted in this, our report, today, indicate the realization of all these possibilities through the activity of your present insurance committee, and we deem it our duty to bring to your attention again our 1916 report above quoted. This business is a hazardous one; many companies have failed; it may bring the association into an embarrassing situation should it become sponsor for any business undertaking fraught with risk of loss and with so many causes of disputes as that of insurance.

No Insurance Men Present

The member banks of this association are paying premiums for various forms of fidelity and burglary insurance of approximately three million dollars per annum; we have always maintained that the greatest service can be rendered its members by this association in the maintenance of a committee to represent the interests of the members in a supervisory and regulatory capacity. The mere existence of the committee prevents abuses, and a comparison of conditions as they existed five years ago and those of today will convince the most skeptical of the great service the association has rendered its members in this connection. Your committee today has attained to such a position that it commands the respect of the insurance companies, and its interpretation of policy contracts in disputed or uncertain claims is usually accepted. Can the association afford to terminate its insurance work along these lines with the result that former unsatisfactory settlement of claims would soon obtain? In fact, we are sure that for the first time in many years there are no representatives of insurance companies attending our meetings. Why? The reason is apparent—they feel that the conflict of ideas regarding the insurance question which has arisen may lead to an abandonment of the work of this committee.

We have to advise you of the resignation of the committee's secretary, Mr. B. A. Ruffin, to accept an official position with one of the leading accident insurance companies, which company, however, does not write fidelity bank insurance. Mr. Ruffin's office is now in New York City, and since the appointment of Mr. L. W. Gammon as Acting Secretary of the committee, Mr. Ruffin has rendered valuable assistance in connection with furnishing information and statistics relative to the past activities of the insurance committee and the insurance situation generally.

The cost of the insurance committee we desire to emphasize has never exceeded 25 cents per member per annum, and at the present time is costing approximately 15 cents per member per annum.

Changes in New Form

Meetings have been held with various insurance companies and the burglary association in connection with the new burglary and robbery policy, which has been finally approved and adopted. This new form contains such material changes that the attention of members should be called to it in this report. Some of the changes are as follows:

1—All bank burglary policies heretofore have assumed liability for attacks upon the equipment of the bank only while such equipment was located in the banking rooms described in the policy. The new policy extends the coverage to the safe or safes while located in the banking rooms "or while located in any other place after removal by thieves or robbers or their accomplices."

2—The robbery or hold-up liability has heretofore been limited to the usual and regular office hours of the bank. The new policy provides that the insurance company shall be liable for robbery or hold-up not only during the regular office hours of the bank, but "at any time while two or more officers or office employees are engaged at work in the said premises."

3—Dispute has arisen from time to time as the amount of return premium due the bank on cancelled policies. In order to secure an exact unearned return premium on all cancellations, it has been provided in the new policy that all unearned premiums shall be computed "pro rata."

4—The liability of the insurance company for robbery has heretofore been limited to a felonious and forcible taking of property by violence inflicted upon the person or persons in the actual care and custody of the property at the time, or by putting such person or persons in fear of violence. The new policy has broadened this liability to include loss due to any "overt felonious act committed in the presence of such person or persons, and of which such person or persons were actually

(Continued on page 22)

Our Men and Our Money

are being destroyed by industrial accidents at a time when the Nation needs every life and every dollar. Not all industrial accidents are preventable, but a great part of the Nation's loss from this cause can be saved by efficient accident-prevention service. The Workmen's Compensation Insurance Department of the Maryland Casualty Company, Baltimore, maintains a large field force of alert and experienced safety inspectors under the direction of a safety engineering expert. The work of these able specialists not only means a decreasing number of accidents and hence a reduced loss of men and material; in addition it means correct classification and accurate rates for Workmen's Compensation Insurance—with full credit in the rate for improved safety conditions.

Maryland Casualty Company

THE TOWER

BALTIMORE

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building **PHILADELPHIA**

Surety Loss Records Proved Illusive

TOWNER ON AMERICAN FIDELITY

Thought it Was Making Money on Bonds When it Was Not—Analyzes Figures

In an address on bank fidelity insurance before the American Bankers Association's convention at Chicago, R. H. Towner, authority of surety rates, said there are three factors which combine to afford proper security to banks: the premium must be adequate so that the insurers will be solvent; the amount of insurance must be proportioned to the bank's risk of loss, the insurance contract must be so drawn as to be clearly understood and furnish sufficient coverage.

To insurance men the most interesting thing about Mr. Towner's address is a table which he has compiled showing the complete experience of the American Fidelity Company for seventeen years, including its true loss ratio. It furnishes an unusual opportunity to actuaries for a careful study of a complete cycle of fidelity and surety experience. The lessons he draws from this table follow:

When Losses Mature

1.—Surety underwriters have long known that losses follow two or three years after premiums are written. The table makes this plain and fixes the maturity date for losses with surprising accuracy. The peak of the American Fidelity Company's premium earnings was reached in 1911, when premiums were $1,900,000. The peak of its losses, however, was not reached till 1913, when losses were $1,482,000. Its losses, therefore, were at least two years behind its premiums. This is shown again by another test. Its 1914 premiums were but one-fourth of its 1913 premiums. That is, they dropped from $1,243,000 in 1913 to $300,000 in 1914. But there was nothing like a similar drop in losses. Losses for 1914 were approximately forty per cent. of 1913, nearly half 1912, and nearly equal to the 1911 losses, when the company's premium earnings were $1,900,000, against 1914 premiums of only $300,000. To find a point where losses dropped to one-fourth, it is necessary to compare the losses of 1915 and 1917. The former were $466,000 and the latter $115,000. Hence, again we find that the cut in premiums between 1913 and 1914 is not reflected in a like cut in losses, until we compare the years 1915 and 1917. By this test, therefore, as by the former, it appears that losses do not mature until two or three years after premiums are written.

2.—With this data, observe how misleading are current loss ratios. After the year 1904, the company began to grow rapidly. As premiums increased each year, its losses increased in a smaller proportion. But its annual reports for these years show a comparison of current losses with current premiums, resulting in the low percentage shown in Table B. It is now evident, however, that current losses compared to current premiums show ratios that are pure fiction. The loss ratio of any one year never, except by chance, coincides with any company's true loss ratio, since the latter is the combined average of many years. But if the losses of any one year are compared with the premium earnings of two years earlier they will, in surety underwriting, furnish a much nearer approximation to the true loss ratio. Comparing the losses of one year with premium earnings of the same year in a rapidly growing company leads to no true result at all. It cannot be even approximately correct. It is simply a mischievous illusion.

Loss Ratio At Maturity

How the American Fidelity Company was misled in this respect is clearly shown by the table. Its loss ratio at the maturity experience was 71 per cent. But for seven years, 1905-1911 inclusive, it had an apparent loss ratio which never exceeded 43.5 per cent., and averaged only 34 per cent. During all this time the company thought it was prosperous. Its business was increasing, its apparent loss ratio was low, and its directors actually declared and paid dividends out of its imaginary "profits." In fact, during all this time it was losing money. It was deceived by the false comparison of current losses with current premiums. Had it compared its losses each year with the premiums of two years earlier, the illusion would have been dispelled.

3.—Not only the time necessary for deferred losses to mature, but the amount of these losses is ascertainable with approximate accuracy. At the end of 1911, the American Fidelity Company was eleven years old. It had reached the peak of its premium earnings and its apparent prosperity. More than one-half of the total premiums had then been written—$4,863,000 out of a total for seventeen years of $8,590,000. But much less than one-half its total losses had then been paid—only $1,627,000 out of $5,888,000. At this period then it has received 56 per cent. of its total premiums and had paid only 28 per cent. of its total losses. Its loss ratio at the end of 1911 was only 34 per cent. of the premiums which had then been written. This loss ratio, when its experience finally matured, was 71 per cent. So that in the first eleven years of its history its current loss was slightly less than half the true loss ratio shown when its experience matured. In the remaining six years it had to pay $4,261,000 of losses while it wrote only $3,727,000 of premiums. This result was not due to a sharp change in the company's management or underwriting policy, for its management and policy remained the same. Its apparent loss ratio at the end of 1911 was purely fictitious. Instead of the apparent 34 per cent. it was really 71 per cent. And the deferred losses which created an illusory prosperity in its first eleven years engulfed its earnings in its last six years.

Management Expenses Reasonable

4.—The management expenses shown in the table come to an average of 43.8 per cent. of premiums for the whole seventeen years. This is a reasonable figure for any company writing large general lines. For a company specializing on a small line, the management expenses would probably be higher. It is customary to treat as "Management Expense" all of a company's disbursements not included under the head "losses." This custom is too old to be broken by me. Those unfamiliar with surety underwriting, however, should be told that "Management Expense" in reality includes a great deal of money which the company never sees; and considerable more which it must pay out by law. The money which the company does not see is the agents' commissions. These vary, but a fair average is 25 per cent. This is never remitted to the insurance company's treasury, but stays in the town where the premium is written. Most states have Resident Agents' Laws intended to compel the companies to do business through local agents and to secure to local agents their commissions. The picture of loss ratios which is obtained by employing as a denominator the premium written on the face of the company's policies is, in fact, erroneous. The denominator should, in reality, be 75 per cent. of that premium, since only seventy-five cents out of a dollar ever reaches the company's treasury. This is often overlooked by the insured, but it is always a fact. It is sometimes overlooked by investors in new surety companies, who are surprised to find that while the real loss is double the apparent loss, the real premium is only three-quarters of the apparent premium.

T. F. BOWES & CO.

SPECIALISTS SINCE 1915

IN

Check Raising and Check Alteration Indemnity

Brokers will find a demand for this Protection. Inquiries invited regarding our Policies, Rates and Commissions.

Managers:—Department of Banking Indemnity

NEW JERSEY FIDELITY & PLATE GLASS INSURANCE CO.

50 Broad St., New York - - - - Phone Broad 1127

Mitchell Addresses Industrial Boards

CONVENTION IN WISCONSIN

Advisable to Award a Definite Increase of 33 1-3 Per Cent. for Vocational Reasons

The fifth annual meeting of the International Association of Industrial Accident Boards and Commissions was held in Madison, Wis., this week. One of the principal addresses was made by John Mitchell, chairman of the Industrial Commission of New York. His topic was "How Should Permanent Disability Be Compensated?"

The discussion of this subject is based upon the permanent partial disability provisions of the New York law which is quoted. In the administration of the law consideration has been given to the vocational element to modify the rigidity of the statute, in no case, however, diminishing the award on this account, but it might be advisable to allow a definite increase of, say 33 1-3 per cent. for vocational reasons alone. Formerly the commission was not permitted to consider any injury short of loss of or loss of the use of a member as other than a simple disability case, but now the commission has power to make an award on proportionate loss of use of a member, thus preventing much injustice to the injured person. Under the former plan it was even possible for a man who for vocational purposes had lost one eye to receive less compensation than if he had lost a little finger. There is also justification for granting compensation for certain disfigurements. Provision should also be made to give the claimant returning to work at a lower wage than he formerly received, two-thirds of the difference between his old and new wage with certain maximum limitations. It is also proper to increase the maximum compensation for the loss of a hand, arm, foot, leg, or eye.

Under an amendment to the New York law compensation for permanent total disability is awarded in cases in which the claimant loses a hand, arm, foot, leg or eye having previously suffered the loss of one or more such members. The totality is no more chargeable to the last accident than to the first. The proper way to handle such a matter would seem to be to charge the present employer with the result of the last accident and to throw the combination result of the totality upon industry as a whole. This may be done by adding a small additional rate upon each risk or by collecting, as New York has done, in each death case in which there are no dependents, a fixed sum of $100 which contribution has been sufficient to establish a fund to take care of the permanent total cases. This has done away with the objection of employers to employing or reemploying crippled or defective workmen.

The statutory method of providing for permanent partial disabilities not included in the schedule is to pay two-thirds of the difference between the old wages and the new, but the administration difficulties are numerous. The claimant may refuse to return to work; changed industrial conditions may cause the claimant to earn more or less than he earned at the time of the accident; the claimant may experience intermittent employment—sometimes employed and sometimes not. The method followed in New York in such cases is to allow the workman and the employer (or his insurance carrier) to present themselves before the commission with a proposition to adjudicate compensation by a single payment commuting all future payments. More than 5,000 such cases a year are thus adjusted. The chief defects of such a plan are (1) the danger of introducing the "settlement," so called, in which the obnoxious element of the old plan may be perpetuated and (2) the danger which always attends the giving of compensation in a lump sum against which is the general tendency of compensation laws. The first objection is entirely avoided by the commission's active interest in every case. The second defect is overcome largely by ordering the payment of the lump sum periodically where there is indication that it otherwise might be wasted.

W. C. Archer Talks

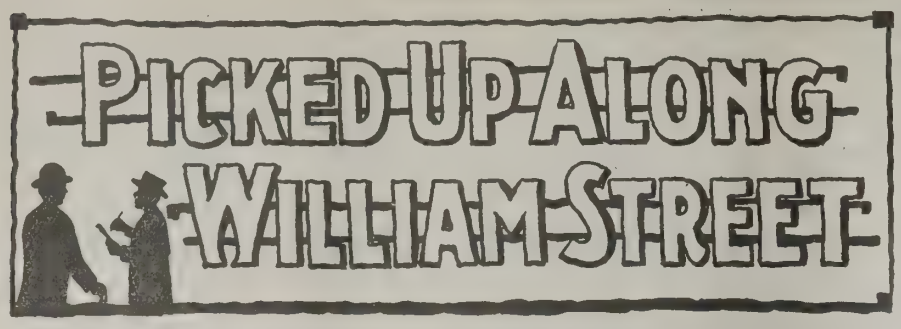
William C. Archer, deputy commissioner in charge of Bureau of Workmen's Compensation, New York, said the New York jurisdiction has five claim offices, located in as many cities. The largest office is in New York City and to this is attached the principal medical office in charge of the chief medical examiner.

GETTING BURGLARY BUSINESS

There are still a number of representatives who are not aware of the large volume of burglary business that can be obtained with a small amount of effort. One agent in a city of less than 100,000 inhabitants recently decided to make a special drive for this line and in less than a week he wrote $1,700 in premiums on bank and hold-up policies. The results he obtained made him an enthusiastic worker for business of this class, and he is building an excellent account.

RISKS NOT WANTED

In burglary insurance circles particular attention is being called to the many losses now being reported on automobile tire and accessories dealers and as a consequence a large number of new risks of this class are being offered. Drug risks are also prominent, owing to the drastic restrictions placed on the sale of narcotics. These risks need careful watching. Liquor stocks are also extremely hazardous, especially in dry localities.



Reflections On A $12,000 Suit

A suit for $12,000 brought by a man who was injured by a commercial truck reminds the Travelers anew of the need of sufficient limits on liability policies.

One of our middle-western managers writes about the case of a well-known newspaper plant in which an extremely serious elevator accident occurred, says the company in "Protection." The manager of the plant was considerably exercised, and felt that he was in for heavy damages; but he had forgotten that the Travelers manager, through the broker, had approached him several months before and had induced him to take increased limits in his general liability insurance.

"Look it up immediately," he said with eagerness, "and see how much insurance we have."

When he was told that the newspaper had limits of $10,000 and $25,000, the changed expression on his face was worth going miles to see. He warmly expressed his appreciation of the manager who had made it his business to have the assured in question sufficiently covered.

They may be hard to convince at first, but they are grateful when the loss comes.

* * *

Golf Tournament Results

The annual golf tournament of the Casualty and Surety Club was carried through last Tuesday with true Casualty and Surety Club enthusiasm. Eight events were scheduled over the Siwaynoy Course at Mt. Vernon, the winners of which were C. H. Kellogg, Aetna Casualty & Surety, winner of Ralph H. Folsom memorial cup for best low net score 36 holes; W. H. Conroy, Massachusetts Bonding, winner medal for second best low net score 36 holes; C. B. Tibbett, American Mutual Liability, winner of President's cup for match play against par 18 holes; E. H. Morrill, Jr., Aetna Casualty & Surety, winner of medal for low net score 18 holes; W. P. Harvey, Fidelity & Deposit, winner of Kicker's Handicap low net score 18 holes; S. E. Sharwood, Hutchinson & Rivinus, Philadelphia, winner of medal for low net score 36 holes for guests only; Hugh R. Loudon, Liverpool & London & Globe, and George Brooke, Philadelphia broker, tie for second best low net score 36 holes for guests only; Charles Howard, United States Fidelity & Guaranty, winner of putting contest for non-golfers only.

* * *

Trucking Cover Demand Grows

The demand for blanket coverage of goods carried by motor transit lines between cities seems to be growing and several lines covering New Jersey concerns were offered in New York this week. The agitation for a broader form of coverage of this hazard was started in New England and it is reported that three of the Hartford companies will shortly issue a policy for this purpose.

* * *

C. E. Woodman With Ocean

The Ocean Accident this week announced the appointment of C. E. Woodman, formerly examiner in the casualty department of the New York Insurance Department, as chief examiner of the company.

* * *

To be an Active Year

Although the International Claim Association only recently held its annual meeting, President James G. Madigan and his associates are at work on the Association's plans for the coming year. It seems likely now that the next convention will be held at an Eastern point. Lake Placid, New York, is much in favor among the members.

* * *

May Cut Bank Rate

Whether the surety and burglary companies will agree to make a reduction of ten per cent. in bank business is still undecided. One company in particular seems inclined to meet the argument of the American Bankers Association that such a reduction should be made. The Association holds over the companies the possibility of establishing an association insurance company to handle this insurance.

EFFECT ON SMALL COMPANY

Views of Western Man on Proposed Health and Accident Policy Contracts

Discussing the probable effect upon the smaller companies of the adoption of proposed uniform, standard health and accident policies, E. C. Budlong, vice-president of the Bankers Accident, Des Moines, says the proposed change is undoubtedly in the right direction. He finds the popular form now a straight single indemnity policy, not unlike the form proposed.

He does not favor a standard policy but believes that a policy such as proposed by the committee should be satisfactory at the prices quoted, and that any company should have the privilege of selling any policy it desires at an extra premium, using the proposed form as a basis and the proposed rate as a minimum charge.

The matter of double, triple or quadruple travel indemnity, immediate sick benefits and partial disability indemnity is one of premium rate only, and in his opinion the small company with limits of $5,000 would be placed in an unfavorable position if it could not offer other inducements than the large principal sum granted by big companies.

The action of the big life companies in issuing policies paying double indemnity for accidental death gives the accident company an opportunity to sell policies covering loss of time only—eliminating the speculative features.

If, as is claimed, the death feature is profitable, why not increase the rates for weekly indemnity to a profitable point even if it takes a few frills to justify the increase and confine the risk to the features that make accident insurance worth while?

Mr. Budlong sees no reason why a more liberal indemnity policy cannot be sold at practically the rate now charged for the combination, $60, and his company's experience justifies it in believing that such a policy will sell, confining the risk to indemnity for loss of time.

Banks Fidelity and Burglary Company

STILL UNDER CONSIDERATION

Proposition Now Before A. B. A. for Adoption—Views of President Hinsch

President Hinsch, of the American Bankers Association, in his annual report, made the following comment on the company which the members of the association have been contemplating organizing:

"There has been an insistent demand for a number of years that consideration be given to the question of organizing a company within the membership of the American Bankers Association, devoted to the writing of fidelity and burglary insurance for member banks, this demand being the product of the belief that the rates now charged by the old line companies are out of harmony with the risk assumed.

"At the Atlantic City convention a special committee was authorized to consider this subject. The committee devoted considerable time to the preparation of data, which was presented at the Spring meeting, with the recommendation that the Executive Council take favorable action in advocating the organization of an insurance company along the lines suggested. The Executive Council approved the suggestion and the proposition will be presented to you at this meeting for final action.

"It is the belief of the committee that a company organized along the lines suggested, under proper management, can extend rates materially lower than those now charged, and at the same time pay reasonable dividends upon the capital invested. It is distinctly understood that if the company is organized, it will not adopt a title that will indicate that the American Bankers Association is either directly or indirectly identified with the movement. If the company is launched, the American Bankers Association will not have any financial interest in the enterprise, nor any voice in its management, and will therefore not in any way be responsible for its future."

Growing Demand For Check Raising Cover

U. S. F. & G. ENTERS FIELD

T. F. Bowes, Specialist in This Branch for Three Years, Outlines Big Opportunity

During the past few weeks three companies have taken up the writing of check raising and check alteration indemnity, and this week the United States Fidelity & Guaranty entered the field also. The three other companies which have recently taken up this business are the Fidelity & Casualty, National Surety and the Globe Indemnity.

In 1915 check raising insurance was written by the Casualty Company of America through Thomas F. Bowes as general agent and on the failure of that company the New Jersey Fidelity & Plate Glass reinsured the business and Mr. Bowes since that time has been operating as general agent of the New Jersey Fidelity for the United States for this branch of the business, with offices at 50 Broad St. Mr. Bowes believes there is a great opportunity in this business, particularly for the broker, and told The Eastern Underwriter this week that he was glad that some of the casualty companies were acting on his suggestions of four years ago that this business would be a fertile field for them to operate in.

Mr. Bowes says that some of the largest commercial houses and banks in the country have come to appreciate the fact that insurance is the only complete way they can protect themselves and their clients from loss through the fraudulent raising of checks and that, while the business to a large degree requires a specialist, it would nevertheless be profitable from a brokerage point of view also.

Mr. Bowes has had a wide experience in this field and is probably one of the few men in the country who knows this branch of the business from all sides.

American Bankers Committee Report

(Continued from page 20)

cognizant at the time of its occurrence." As the so-called "snatch theft" losses have never been heretofore covered except in the high-priced blanket bond or in the Lloyd's policy, it is to be expected that this change in the new policy will pay many losses of member banks covering which heretofore they have had no claim.

Licenses are being issued to all reputable insurance companies applying for same, and the insurance agents or companies with whom the banks have heretofore transacted their insurance business should be able to supply promptly the new policy upon request.

H. G. PARKER, Chairman
OLIVER J. SANDS
H. P. BECKWITH
L. W. GAMMON,
Acting Secretary.

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

SEMI-ANNUAL STATEMENT JUNE 30, 1918

Assets	$15,684,739.43
Liabilities	12,471,369.12
Capital	1,000,000.00
Surplus over all liabilities	2,213,370.31
Losses paid to June 30, 1918	63,244,803.06

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation—Steam Boiler Insurance; Fly-Wheel Insurance.

BUSINESS=BUILDERS

DEVELOPING

Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE

APPRECIATE THE CO-OPERATION OF THE

Massachusetts Bonding and Insurance Company

BOSTON T. J. FALVEY, President

Paid-In Capital $1,500,000 Write For Territory

CASUALTY AND SURETY POINTERS

"Attacking" The Only Secret of Success

William G. Curtis, Aetna manager at Albany, N. Y., asks his agents if they realize that the future of their surety business depends upon how well they understand it and the requirements of the Company. In other words, how many risks have agents turned down or declined to handle because they did not know what application to use, rate of premium, etc., and had not the time to obtain the information? Bonds must be handled quickly and bond business goes to the agent who best understands what detail is necessary to make a risk acceptable.

In many localities there is one man who is known to almost everybody in town as the fellow who can furnish a surety bond. The fame of the accommodating "Bond Man" has been acquired because he has taken the trouble to inform himself concerning the requirements of the Company he represents, and can give applicants for bonds satisfactory answers and supply their needs with the minimum of "red tape" and delay. How does he do it? By knowing how and daring to approach the prospective customers. Let the man who has to make his fortune in life remember this maxim: "Attacking is the only secret. Dare and the world always yields, or if it beats you sometimes, dare it again and it will succumb."

The first "attack" for the novice in the surety business is to gain a good idea as to the distinction between the various kinds of bonds written, so that he may readily classify any risk under consideration, as one involving only the fidelity or honesty of the applicant or an obligation in the nature of a financial guarantee, and proceed accordingly. After an agent has once reached that point of discernment, the rest is easy, involving as it does only the "attacking" to get the business on the credit of the applicant and knowing what forms to use.

Therefore, study the surety business so that you may be known as "The Bond Man" of your community. Such a reputation once acquired will prove to be a very good asset, which will improve as rapidly as you succeed in inducing the people about you to drop the custom of asking their friends to sign their bonds, and be independent by resorting to corporate surety.

* * *

Interprets the Disability Clause

John J. Kennedy, claim manager of the Provident Life & Accident, gives this interpretation of the total disability clause in the "Provident Review":

Occasionally new agents, and sometimes agents with years of experience, call upon us for interpretation of the total disability clause in our policies. The intent and purpose of that clause in accident or disability policies is to provide payment of indemnity during the time the assured is necessarily, continuously, totally disabled as a result of any accident which may be covered by the particular form of policy carried by the assured. Please remember that there are many so called "accidents" which are not the result of accidental means intended to be covered by accident policies and where there is any doubt about any such case it is wise to always confer with the claim department before admitting liability or even discussing the merits of the claim.

Disability means incapacity or the inability to perform any act. In accident insurance disability would be interpreted to mean inability to perform the duties of the occupation in which the assured was engaged when insured and in which he was classified by the company. Total disability, therefore, would mean inability of the insured to perform any of the duties of his occupation.

Partial disability under the accident clause of the policy would therefore mean inability of the insured to perform some of the essential daily duties of his occupation. During the period of either total or partial disability the policies require the regular, personal treatment of a physician, which is a point well worth remembering. Pain or inconvenience is not disability. A personal investigation on the part of the agent, as well as a visit to the attending physician or employer, is always a good way of testing whether actual necessary, total or partial disability exists, and in any case of doubt the agent should make this a rule.

Very often claimants, and occasionally some agents, present proofs where policyholders claim indemnity for partial disability from sickness. Our policies do not provide payment of any portion of the indemnity for partial disability from sickness or disease. In other words on a sickness claim (not accident) it is necessary for the insured to be totally disabled and receiving regular, personal treatment of physician during the time indemnity is claimed.

There are many times when policyholders may claim indemnity in excess of the time they are actually disabled. Very often attending physicians in completing final proofs, do not know when the insured resumed duties and therefore agents would do well to make some investigation on all claims in order to see that the proofs are correctly completed and properly presented. Where there is any doubt or error the agent would facilitate prompt adjustment of claims by covering those points in a letter attached to the claim proofs.

From time to time we hope to discuss various clauses of the policies, but in the meantime if any our agents wish information on any specific clause of the contract or on any point of the business, we will be glad to give the desired information without delay.

* * *

Influence of A Winner's Record

Just what a winner's record means to him in this business is well presented in "The Standard Bulletin." Apart from the pride and satisfaction to be had in being a record man, its biggest value is in just what it means in dollars. You are in this business for the money you can make from it, and because winning a record PAYS then by all means every ounce of energy you possess should be laid out in getting that record. But the advantages of a big record go even farther; a winner's record is the most self-satisfying and valuable non-money asset that can possibly be owned. You think more of yourself, your friends, associates, business acquaintances and clientele find it out and have a better opinion of you and your business ability and place more confidence in you. You yourself are encouraged and enthused by the knowledge that you have accomplished something worthy of recognition. You find still greater success possible and rise to it. It broadens your ability and opens up new possibilities. Go after a big record.

* * *

How to Read the War News

There are two methods of treating the daily war-news: one is to follow its varying tale of glee and gloom with close absorption. This method is human and exciting, but it involves much useless wear and tear of the spirit, and repeated distraction from the real business here and now in hand. The other is to disregard the daily shifts and movements in the war picture, so as to keep your attention concentrated on the long haul and the final outcome. Growing warm and cold, alternating between enthusiasm and depression with the daily news, not only wastes your energy, but unconsciously will make you fluctuate in the zeal and intensity of your work and in your determination as a patriot. A publication of the United States Food Administration gives excellent advice on this point:

"It is good business, good patriotism and good conservation, to forget most of the headlines in the morning paper; and concentrate strictly upon the long, hard grind between today and the final result. That will save your spirit, buck up your resolution, and enable you to do your utmost in winning the war. Moreover, it will help you to get out of the war, as a business man and a patriot, the utmost benefit from war adjustments. Those adjustments make for wiser and more economical personal habits, as well as a business grounded in sound economy."

John Donahue, Philadelphia, recently placed a plate glass policy in the Maryland with a premium of $4,937.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE CHICAGO

F. W. LAWSON General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869

F. J. WALTERS Resident Manager 55 JOHN STREET New York

Elmer A. Lord & Co. 145 Milk St., Boston Resident Managers New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

CHICAGO BONDING AND INSURANCE COMPANY

WRITES the following lines of INSURANCE

FIDELITY AND SURETY, PLATE GLASS, BURGLARY, GENERAL LIABILITY, AUTOMOBILE LIABILITY, PROPERTY DAMAGE AND COLLISION, ACCIDENT AND HEALTH, MONTHLY PAYMENT

Charles R. Culyer & Co., Resident Manager, 428 Walnut St., Phila., Pa.
Geo. S. Dippold, Res. Mgr., 1107 Peoples Bank Bldg., Pittsburgh, Pa.
W. F. Murphy & Co., Res. Mgrs., Union Trust Bldg., Jersey City, N. J.
J. Ramsay Barry Co., General Agent, 10 South Street, Baltimore, Md.
R. H. Lambert, Branch Manager, Equitable Bldg., Washington, D. C.

Capital $500,000.00—Surplus to Policyholders, $825,544.20

F. O. ROBERTS, Vice-Pres. and Gen. Mgr. HOME OFFICE: CHICAGO, ILLINOIS

FARRISH'S CHOP HOUSE

Cor. John & William Streets

THE PLACE in the Insurance District to eat lobsters

NOW IN SEASON

Whole cold lobster 75c.
Whole broiled lobster 85c.

POLICIES AS IDENTIFICATION

Now that so many men find that they possess no positive proof when they were born, they are resorting to their life and accident insurance policies to determine that important question. There is an opportunity for some company to originate a neat, durable card of identification for policyholders who wish it, which would be accepted as evidence by the Government that the holder has not misrepresented his age to escape the draft.

BONUS ON BUSINESS OF WOMEN

To aid in its campaign for more applications from women, the Massachusetts Accident offered a bonus on all women risks written during August. The plan is similar to the one applying to chauffeurs and garage and service station owners and employees which was conducted during June. As a class the percentage of cases where accident and health insurance is carried by women is small—much smaller than in the case of men employed in the same occupation.

I Am Public Opinion



All men fear me !

I declare that Uncle Sam shall not go to his knees to beg you to buy his bonds. That is no position for a fighting man. But if you have the money to buy, and do not buy, I will make this No Man's Land for you !

I will judge you not by an allegiance expressed in mere words.

I will judge you not by your mad cheers as our boys march away to whatever fate may have in store for them.

I will judge you not by the warmth of the tears you shed over the lists of the dead and the injured that come to us from time to time.

I will judge you not by your uncovered head and solemn mien as our maimed in battle return to our shores for loving care.

But, as wise as I am just. I will judge you by the material aid you give to the fighting men who are facing death that you may live and move and have your being in a world made safe.

I warn you — don't talk patriotism over here, unless your money is talking victory Over There.

I am Public Opinion!

As I judge, all men stand or fall!

Buy U. S. Gov't Bonds Fourth Liberty Loan

Contributed through Division of Advertising — United States Gov't Comm. on Public Information

This space contributed for the Winning of the War by

THE EASTERN UNDERWRITER

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

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WANTS MORE SPEED IN WAR RISK BUREAU

Merchants' Association of New York Complains to Director William C. De Lanoy

CERTIFICATES ISSUED SLOWLY

Export Shippers Favor Private Companies Because of Delay in War Risk Bureau

At the instance of some of the members of the Merchants' Association of New York who have been using Government War Risk Insurance the Association has written to William C. De Lanoy, director of the Bureau of War Risk, urging greater promptitude in the issuance of insurance certificates.

The letter to Mr. De Lanoy, which is signed on behalf of the Association by Mr. S. C. Mead, its secretary, reads as follows:

"The attention of the Merchants' Association of New York has been brought by shippers to the fact that although the rates of the Government War Risk Insurance Bureau are in many instances lower than the rates of insurance companies, nevertheless export merchants are often forced to pay the higher rates of private companies because of the delay which is experienced in obtaining the necessary insurance certificates from the Bureau of War Risk Insurance.

Freight Charges Important

"You are of course well aware of the fact that under present circumstances freight charges constitute an important part in making up the total value of the shipment and that these charges can be ascertained only after the shipping clerk of the steamer has issued the proper certificates, the vessel frequently sailing within a few hours, or a day or two, after the total value of the consignment has been determined, thereby leaving a short time in which to apply to the underwriters, or the Governmental Department, for insurance certificates.

Certificates Delayed

"It is of course necessary to have this insurance certificate attached to the bills of lading, in many cases the transaction being completed by a sight draft on the receiver which must leave New York at about the same time that the steamer sails, so as to reach the

(Continued on page 20)

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Underwriting Capacity Second to None

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

BUY **LIBERTY BONDS** BUY

The Insurance Policies of *Freedom*

North British & Mercantile Ins. Co., 76 William St., N. Y.

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES, IA.

BUY LIBERTY BONDS

ANTI-SOCIALISM AD NEWSPAPER'S OWN

Insurance Men Did Not Insert Page Space in the New York "Commercial"

INDIVIDUAL THRIFT PLEA

Unsigned Publicity Caused Much Talk in Underwriting Circles as to Authorship

What looked to be a page ad in the New York "Commercial," on Monday morning of this week, captioned in big type, "Socialism Would Abolish Private Insurance," and concluding with the phrase, "Stop Socialism At Our Gates," caused widespread comment in underwriting circles. The argument presented, appearing at this time when there is so much comment about encroachments upon insurance, was not so interesting in itself as was the question: Who composed and authorized its insertion? The page display was not signed.

At Cleveland last month fire agents passed resolutions against socialistic encroachments on their business. At the Hotel Astor a few days ago a meeting of some company officials discussed the question, but the "Commercial's" spread had more life insurance angle than anything else. Inasmuch as the life insurance interests are not running page ads about the so-called perils of socialism, there was considerable mystery as to the sponsor of the ad., which had in it at least one mistake: the statement that there are 16,000,000 life insurance policies in force in this country. Two companies carry twice that number between them.

Paper's Own Idea

Upon inquiry at the office of the New York "Commercial" it was learned by The Eastern Underwriter that the advertisement originated in the office of that publication and the copy was written by a member of the staff. A representative of The New York "Commercial" said that this was one of a series of page "editorials" that were being run by the paper itself "in the interests of various branches of business," as different situations appealed to that newspaper.

The advertisement follows:

Socialism Would Abolish Private Insurance

It is important that the women and men of America who are earnestly sav-

BUY LIBERTY BONDS

BUY LIBERTY BONDS

ing money, week after week, to pay premiums on insurance, should know that one of the ulterior objects of Socialism is to abolish private insurance companies.

This is in line with their efforts to do away with private ownership of farms, homes and business enterprises. The chief principle of the Socialists is to destroy individual effort. They seek to make all mankind as near alike as so many bricks or so many drops of water. This conception of humanity is based upon the survival of the unfit rather than the survival of the fittest. Socialists are natural-born haters of competition. They realize that where one man's brains and muscle are pitted against another's, the earnest, steady, vigorous worker will succeed in greater measure than the slacker.

So Socialism tears down the temple of success and seeks to keep everybody on a level of mediocrity.

Insurance Values to Vanish

There are more than sixteen millions of life insurance policies in force in the United States. They represent the forethought of husbands, fathers and sons who have looked into the future and have taken the necessary steps to provide for their dependents. The Socialists come forward with the bland statement that "Society as a whole will take care of the individual." This never has been the case and never will be the case so long as human beings are prompted by the same impulses that they were born with and have exhibited up to the present day.

Old age has never been safe except in civilized communities. In all savage tribes and nations that have multiplied by retaining their savage instincts, the decrepit and aged have been summarily removed. In some instances old men and women have been officially slain; in others they were driven outside of the tribal territory and left to starve.

Yet Socialism would picture a state where old age would be protected. No definite programme for the care of the old is advanced by Socialists and the only action which they take is a direct blow against the welfare of the thrifty.

Present Safeguards Based on Individual Thrift

It is only through insurance, whether governmental, state, or insurance paid for by the individual, that the future can be safeguarded. It is well for all who have ever paid a dollar of premium to remember that the hand of the Socialist is raised against the individual as well as against the "capitalistic class."

To the radical Socialist, I. W. W. seditionists, and to all who, under one name or another, seek to destroy existing social conditions, that man is a capitalist who has any material wealth either in money, land or personal possessions.

The life insurance policy is a tangible and definite form of wealth, and as such is made a target by Socialists.

Since hundreds of millions of dollars of insurance money has been put into the war through the purchase of Liberty Bonds, German agitators have been especially active in trying to destroy the integrity of American insurance companies. It is only another of the almost endless manifestations of the "Made in Germany Socialistic Propaganda."

Stop Socialism at our gates!

MACFARLANE TO TALK

The fall meeting of the American Institute of Actuaries will be held in St. Louis, Mo., on Thursday and Friday, November 7th and 8th.

The program will be devoted chiefly to discussions of administrative and technical problems. It has been announced that William Macfarlane, actuary of the War Risk Bureau, Washington, D. C., will be present and that he will be pleased to answer questions relative to business with the Bureau.

LAY DOWN THE PRICE
or
LAY DOWN YOUR ARMS
BUY BONDS of the FOURTH LIBERTY LOAN

JOHN M. RIEHLE, Manager

Equitable Life Assurance Society of the United States,

68 William St., N. Y. C. - - 'Phone, 4343 John

CAPT. WILLIAM M. BUNTING DEAD

General Agent Penn Mutual Life in Boston Contracted Pneumonia Following Influenza

The influenza epidemic which has been raging in particularly virulent form in Massachusetts, claimed a former well-known insurance man as a victim when Captain William Morton Bunting died at Camp Devens. Captain Bunting is a member of the firm of Plympton & Bunting, general agents of the Penn Mutual Life. He was on the staff of Gen. H. P. McCain, commander of the Twelfth Division. At one time he was vice-president of the Boston Life Underwriters' Association.

TO BE TRIED THIS MONTH

The criminal cases against the Birdseyes, father and son, growing out of the Pittsburgh Life & Trust proceedings, will be tried this month.

LOSES FOUR MEN

Former Representatives of the Equitable Life Assurance Society Die in the Service

Four representatives of the Equitable Life Assurance Society have given their lives in the fight for the world's civilization.

The death is announced of Lieut. Willard T. Lusk, agency manager at Milwaukee. He was one of the first to respond to the call and after duty at a training camp was graduated with the rank of Lieutenant of infantry. Soon thereafter he sailed for France.

The first Equitable man to die in the service was Arthur Myers, Ford agency, New York, who went down with the "City of Athens." A. M. Ellett, of the Sedalia (Mo.,) agency, a captain, was another to meet the higher call.

? DO YOU READ ADVERTISEMENTS ?

Once in a while it pays a man to read an advertisement.

For instance, do you know why the $24,816,657.00 of new business paid for in 1917 by the fieldmen of

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

exceeded by $3,751,129.00 the largest amount paid for in any other year since the Company was organized in 1860?

Do you know why very few men who can make a living selling life insurance leave this Company?

The answers to these questions will be of great value to the man who wishes to form a connection with

A Growing Company For Growing Men

For a direct Agency Connection address:

T. LOUIS HANSEN, Vice-Prest & Agency Manager

50 Union Square NEW YORK, N. Y.

Divide Work of Late G. B. Johnson

BAKER AGENCY SUPERINTENDE'T

Moore to Assist Him—Collins Superintendent of Field Service—Beckett a Vice-President

President Cochran, of the Pacific Mutual, has announced home office changes that have been made following the death in this city of Vice-President Gail B. Johnson:

"We have provided for Mr. Johnson's work by dividing it up among several of our present officers. Lee A. Phillips, as vice-president and treasurer, will continue as head of the investment department, which he has managed so successfully for several years. His extensive experience and unusual ability in financial matters are well known. Vice-President Danford M. Baker, who has been engaged in agency work for both departments with such marked success ever since his coming with this Company, has been appointed to take charge of agency matters for both the Life and Accident Departments, and will also have the title of Superintendent of Agencies. He will be assisted in these duties in both departments by C. I. D. Moore, our present secretary, with the title of Secretary and Assistant Superintendent of Agencies. Mr. Moore is well known to you all, and especially to those engaged in agency work. Vice-President Rich J. Mier will continue his duties with the Accident Department as heretofore. Vice-President and General Counsel W. H. Davis, has been elected a member of the Executive Committee of the Board of Directors, in place of Mr. Johnson. Dr. W. W. Beckett has been elected a vice-president, and will continue in charge of the Medical Department.

"Secretary Moore will be relieved of some of his secretarial duties by Assistant Secretary Stanley F. McClung. Assistant Secretary Harry E. Moore will continue his present duties as manager of the Life Department home office force. Secretary Moore will continue as editor of the 'Pacific Mutual News,' but will relinquish his title of Superintendent of Field Service Department to James L. Collins, who has been the assistant superintendent of that department. Mr. Collins in addition to assisting in editing the 'News' will have charge of the school for salesmen, canvassing literature for use in the field and such other matters as naturally come under the jurisdiction of the Field Service Department, and will assist in agency work out in the field under Vice-President Baker's direction."

A WORD ABOUT BOREDOM

Agent W. S. Blizzard, New York, Puts Foolish Idea in Heads of Prospects

W. S. Blizzard, of 115 Broadway, whose literature says he represents the Aetna, Berkshire, Columbian National, Connecticut General, John Hancock, Massachusetts Mutual, National Life, Mutual Life, Penn Mutual, Prudential, State Mutual, Travelers and Union Central—a great aggregation of companies to have on any man's letter head, is sending a letter to prospects offering insurance, and concluding with this statement:

"A request for information will be treated in strict confidence; furthermore, you are assured that you will not be bored by repeated calls by any representative of my office."

This paragraph is in poor taste. A prospect should not be told that the visit of a life insurance man may bore him; and furthermore it is a reflection upon the men in Mr. Blizzard's office as he should employ men who calling ever so often will never bore the man they interview.

Companies Make Big Loan Subscriptions

FIRST TO BUY BIG BONDS

Allotment for Insurance $127,000,000—D. P. Kingsley and E. G. Snow Are Chairmen

The response of the insurance companies and insurance agents to the Fourth Liberty Loan call for service was spontaneous, instant and tremendous. The first subscriptions announced by the daily papers were those of the life insurance companies. The Rainbow Division (downtown New York salesmanship division) showed what it thought of insurance by awarding it an allotment of $127,000,000. This was far in excess of any other business or trade.

Among the first of the subscriptions announced were The Prudential, $30,000,000; Metropolitan Life, $25,000,000; New York Life, $25,000,000; Equitable Life, $20,000,000; Travelers, $6,300,000. The Penn Mutual subscribed $3,500,000. The Union Central, which allotted $1,000,000 to agency managers in different sections, subscribed $150,000 here through Charles B. Knight. The New England Mutual and some other companies also subscribed large sums through different general agencies.

At a meeting of division and section heads in the home office of the Metropolitan the day before the present drive opened, Vice-President Fiske addressed about 800 of the Company's home office staff on the selling of these bonds. Calling attention to the fact that the Company had already sold about $75,000,000 worth of War Savings Stamps, Mr. Fiske urged that the principal patriotic activity of the home office staff during the drive be the selling of bonds. For this purpose an organization was completed which is headed by Assistant Secretary Richardson. He has taken over bodily the seven battalions organized last February for the sale of War Savings Stamps by the home office. Application blanks have been distributed to the entire staff of the home office and there will be the same rivalry in the selling of the bonds which contributed so much to the successful sale of War Savings Stamps by the home office force. The minimum quota outlined by Mr. Richardson is five subscribers for each of the Metropolitan home office staff.

PROMINENT MEN JOIN MISSOURI STATE BOARD

The Missouri State Life, at a Board meeting, September 27th, elected six new members on the Board of Directors, as follows: W. Frank Carter, vice-president, Mercantile Trust Company; David C. Biggs, treasurer, International Shoe Company; George H. Williams, of Bryan, Williams & Cave; Robert McKittrick Jones, president, Robert McKittrick Jones & Co.; Eugene H. Angert, director, Third National Bank; James C. Jones, president, Missouri Bar Association.

The six new members represent some of the strongest financial institutions in St. Louis. They have become associated with the company to prevent its reinsurance by any other company and its loss of identity, and to assure that the company will be continued as in the past, as the Missouri State Life Insurance Company, and as one of the most progressive and successful life insurance companies.

The first official act of the new Board was to subscribe $1,000,000 to the 4th Liberty Loan. This was the first and the largest amount subscribed by any concern in the City of St. Louis and is one-seventy-fifth of the quota assigned to the St. Louis District.

LIFE INSURANCE SALESMANSHIP

¶ Your agents should read the 1918 Life Insurance Salesmanship Edition of The Eastern Underwriter containing practical sales experiences told by the agents who had same. We have a limited supply of this edition on hand for distribution. Orders for same will be promptly filled while they last at 25 cents a copy.

THE
EASTERN UNDERWRITER CO.
105 William Street, NEW YORK

Prudential Agents to Sell $100,000,000 Bonds

DUFFIELD ON SPEAKING TRIPS

First Rally of Agents Held on Saturday in Philadelphia—Former Governor Talks

At a rally of agents of The Prudential, held in Philadelphia on Saturday of last week, the announcement was made by Vice-President Duffield that The Prudential has set its Liberty Loan goal at $100,000,000, and agents representing Eastern Pennsylvania and Southern New Jersey expect to sell $5,000,000 worth of bonds. Vice-President Duffield, accompanied by Harvey Thomas, is now on a speaking trip in the interest of the loan. At the same meeting Vice-President Duffield announced to the daily papers that the company has subscribed $30,000,000. Of this $500,000 will be put through the Philadelphia district.

"This Fourth Liberty Loan is going to be a daily test of the patriotism of the people of the United States," said Mr. Duffield. "It is going to show whether America is in this war to win, for it is not only on the battlefields of France that this war is going to be won, but 'back home' in secure America. The money given to this loan means the shortening of the casualty lists; it means the speediest termination of the war."

Former Governor Talks

Former Governor Stuart, in a tribute to the patriotic efforts of the insurance men of the country, said if he had an army of insurance men helping him

(Continued on page 9)

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE
PRUDENTIAL
INSURANCE CO. OF AMERICA
Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Partial Payment Liberty Loan Plan

DETAILS OF AETNA PROPOSITION

Offered Through Company to All Industrial Employers and Employees of Connecticut

This is President Bulkeley's partial payment plan offered through the Aetna Life Insurance Company to all industrial employers and employees of Connecticut Fourth Liberty Loan:

Gentlemen: In view of the pleasant relations existing and the co-operation received from manufacturers and others whose employees subscribed to the First, Second and Third Liberty Loans on the Aetna Life Insurance Company partial payment plan, we will be pleased to accept from your employees subscriptions to the Fourth Liberty Loan on the same terms we have offered in previous loans.

The subscription is to be made through the employer, who will forward it to the Aetna Life Insurance Company and who will also collect and forward the partial payments as follows:

2 per cent.—To be forwarded with subscriptions.

3 per cent.—First of November.

5 per cent.—First of each month thereafter until subscriptions are paid.

We to purchase bonds to the amount of the subscription, but not exceeding $1,000 for any one individual.

To all subscribers who are now making payment through the Aetna Life partial payment plan on the First Liberty Loan and who avail themselves of this offer in the Fourth Liberty Loan the privilege will be extended to defer until the month of February the first regular monthly payment on the Fourth Liberty Loan. At that time all payments on the First Liberty Loan will have matured and the opportunity given to make subscriptions to the Fourth Liberty Loan without increased monthly payments.

Delivery of the bonds will be made at any time on payment of the balance due with accrued interest, and the company will allow interest at 4¼ per cent. on the partial payments. Adjustment of interest will be made at the time the final payments are made.

To put this plan in operation it will be necessary for any corporation whose employees desire to avail themselves of this proposition to make application to the Aetna Life Insurance Company, giving a list of such employees as desire to subscribe, with the amounts set against their names, and agreeing to collect and forward this company not later than the 10th of each month the amount collected from each subscriber.

The Aetna Life Insurance Company makes this offer to the industrial men and women of Connecticut, hoping to enable many to subscribe to the loan who would otherwise be unable to do so and to assist others to take larger amounts than they would feel warranted in taking without some such easy method of payment.

Bonds will be coupon in form, and in denominations of $50, $100, $500 and $1,000.

All subscriptions accepted from towns in the State of Connecticut will be carefully allotted to the locality from which they are obtained, or, in other words, your town will have full credit for all such subscriptions.

As the campaign closes October 19, 1918, it will be necessary for you to act with promptness, if interested, and we hope you will be. All necessary blanks will be sent to you on request.

G. M. Parks' Plea For Small Policies

LATER THEY BECOME BIG ONES

Leading Producer of Massachusetts Mutual Tells Some of His Experiences—A Remarkable Agent

George M. Parks, of Providence, is one of the leading life insurance agents of the country. It is extremely difficult to persuade him to make a speech, but at the last convention of the Massachusetts Mutual Life agents he consented to tell of some of his experiences. From his remarks it will be seen that he is a great believer in the small policy. He would rather begin with a small policy and then work up. During the year ending June 1, 1918, Mr. Parks wrote $2,464,761. He said in part:

A Thought For Beginners

"I know that all of you don't want to talk corporation insurance and taxes, because there are lots and lots of young beginners. I just want to pass out this little thought which occurred to me. A friend said to me: 'George, what do you write, just $10,000 cases and from there up to $50,000?' Think of it —$10,000 and from there up to $50,000? I have a confession to make to you. Of all the business I have written, I dare say I have never, in my whole career, written twenty $50,000 cases. I have written one hundred and eight men who have our limit of $50,000, but eighty-five per cent. or ninety per cent. of them are policyholders who began in a small way. And I have the satisfaction of saying this, that in the Y. M. C. A. work in France today there is a policyholder who twenty years ago took out a little policy of $1,000 and when he left in July of this year to do Y. M. C. A. work, which lots of us boys should be doing, he carried $53,000 on his life in the Massachusetts Mutual, every dollar of it old enough so that the war permit does not affect it.

"I want to emphasize to you that the life insurance man and the life insurance woman cannot afford to be a snob. We cannot say that we only write $10,000 and up to $50,000 and would not look at a $1,000 policyholder. My friends, the $1,000 policyholder today, next year may be the $50,000 or the $100,000 policyholder. Keep that in mind, because the finest business in any agency and the finest business that any of us write is the satisfied policyholder who is increased from time to time and places his insurance, policy after policy, in the Company that gives to him the best service."

Taxation Question

In discussing the tax question he said:

"In 1917 the taxes of the Federal Government were raised one hundred per cent., we will say in round figures, and I will just briefly outline the situation in this way: A man has an estate of one million dollars,—and we have many policyholders on our books who have an estate of a million and who are making money rapidly in this wonderful age. Take it in the State of New York. A man has an estate of a million. The Federal tax for the first year in round numbers would be $80,000 and must be paid in ready money within a year. That is the United States Government tax. The state law of New York, on top of that, assesses a tax equal to $40,000, in round figures, so that a man must leave $120,000 ready money to somebody in his family to take care of his estate at the time of his death; otherwise his personal or real estate must be assessed and sacrificed at a critical time in order to pay the first tax.

Massachusetts Situation

"Take it in the State of Massachusetts; $126,000 must be provided inside of one year, or nearly $46,000 on top of $80,000, in round figures. In my own little State, $117,000 must be provided, and so I could go on and mention the fact that out of the forty-eight States, forty-three of them have a direct State tax on top of that imposed by the Federal Government. Every State in this Union, with the exception of Alabama, Mississippi, South Carolina, New Mexico, and Florida, have State taxes, and those five States I understand have bills all ready to file. Consequently every one of us life insurance people has a new topic to talk about, a topic that never fails to interest the man or the woman or the corporate manager who is making money, or anyone who has $10,000 to distribute at his death. This is a subject that I want you all to think of because in these next two years through the continuance of this war—and though I differ a little with those who believe that the war will be over in the next year, 1919, I never want to see it ended except by our own dictation."

R. B. SHERIDAN MEMORIAL

Agency Supervisor of John S. Tunmore Agency Killed in Vesles Valley Fighting

A memorial meeting was held at the office of John S. Tunmore, general agent of The Provident Life & Trust Co. of Phila., 164 Montague Street, Brooklyn, N. Y., out of respect to the memory of Lieut. Richard B. Sheridan, who was agency supervisor for John S. Tunmore prior to the time he entered the training camp at Plattsburg.

There were present representatives from the 149 Broadway, New York, office agency of The Provident as well as from other companies. Dr. Moor, of the Baptist Temple, delivered an address, eulogizing the noble sacrifice which Lieut. Sheridan made to his country.

Lieut. Sheridan was one of four sons, two of whom are Lieut. Commanders in the navy, the other having been partially crippled through service on the Mexican border. He was a very able insurance man, having mastered the technique of the business, and was developing into a wonderful field man. Lieut. Sheridan was the nephew of Colonel Malone of the 23rd, and lost his life at Fismes in the Vesles Valley on August 23. He insisted on leading his company over the top and had reached the German lines.

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

NIAGARA LIFE BUILDING



Mohawk Cor. Franklin Street, Buffalo, N. Y.

The Combined
Life, Sickness and Accident
policies, sold only by the
Niagara Life Insurance Co.
(WILLIAM H. CROSBY, President)
Protects the insured and his dependents.
Live wire reliable agents may obtain very favorable contracts
Communicate with
E. H. BURKE
Vice-Pres't & Gen'l Manager
BUFFALO, N. Y.

Great Southern Life Insurance Company
HOUSTON, TEXAS.



For Agency Contracts address
O. S. CARLTON
PRESIDENT

N. Y. Life's $200,000 Club Holds Interesting Meeting at New London

Four Women Members in Attendance—Life Insurance An Essential, Not a Luxury, Says Actuary Hunter—Assistant Secretary Pierson Describes Different Forms of Insurance—A Cosmopolitan Gathering.

The subjoined sidelights on the recent meeting of the New York Life's $200,000 Club, held in New London, Conn., were printed in a Company bulletin to agents:

The air was surcharged with devotion to our beloved land. The thought uppermost in every mind was that our nation is in a struggle with practically all the nations of the civilized world to rescue it from the maw of militarism and the tyranny of Prussian autocracy.

Each session was opened under the magnetic leadership of Sol J. Vogel as chorus master, with the "Star Spangled Banner," punctuated with other patriotic songs, and the representatives of the many different races at the meeting vied with each other in expressions of devotion to their adopted country. The gracious offer of May Peterson of the Metropolitan Opera Company to entertain with a special recital, and her charm of manner no less than her golden voice, furnished a delightful evening. She captivated her auditors and Agents' Counselor Andrews decorated her with an honorary life membership in the club! Another contributor to the sessions' pleasure was Florence Watkins, daughter of Mrs. Jennie Watkins, dean of club women and for nine years their only representative. Her contralto voice shows the improvement of study, to the gratification of her many friends and admirers who are delighted at her progress.

A unique feature was the presence of four sister members, Mrs. Jennie Watkins of New York, Mrs. Alex. McColl of Denver, a former president of the Hundred Club, Mrs. Grace Brumbaugh and Miss Alice A. Brown, both of Seattle. The ladies added grace and inspiration and should prove a stimulus to the whole non-club fraternity. The idea that women, each with home responsibilities and natural handicaps that few men have, can write and pay for over $200,000 while practically 4,000 of the sterner sex fall into second place, is illuminating and most suggestive. Many of our 4,000 non-club friends will be led to inquire, "What is the matter with me?" Give yourselves a closer individual inspection. If you do, there'll be a larger growth in the clubs next year.

Officers Present

Present from the home office were President Kingsley, Vice-President Thos. A. Buckner, Second Vice-Presidents Walker Buckner and John C. McCall, Chief Medical Director Rogers, Chief Actuary Hunter, Superintendent of Agencies Lindsay, Assistant Secretary Pierson, Recorder Brasier, Secretary of the Clubs Dedell, Grenville Howard of the "Bulletin," L. C. Sanford, representing the classification committee, E. D. Murphy, inquiry and files division, Geo. Weinberg (Coxey) of Second Vice-President McCall's office, and Jas. J. Hughes, agency department. Agents' Counselors Pierce, Parker and Andrews, and Organizer-at-Large Joseph, were also present. The only agency man honored with an invitation was Roy S. Minier, Montgomery Branch, who was the first in all the hundred offices on June 24 to reach his branch top allotment for the year.

The meeting was honored by the attendance of two trustees, Judge Hiram R. Steele, member of the Auditing Committee and Dean of the Board, and our new trustee, Mr. Lawrence Abbott of the "Outlook," who said that three things principally impressed him: (1) that the company works with the women; (2) that it is a great Americanization institution, evidenced by Russian, Cuban, Japanese, Armenian, Syrian and Hebrew agents; (3) that it is also a patriotic institution in that it is a great promoter of thrift, one of the first needs of the nation today.

What Medical Director Said

Chief Medical Director Rogers was introduced by Vice-President Buckner as "the man who says 'yes' or 'no' to your applications." The doctor denied the soft impeachment. He said that risks were not rated at his or any other man's dictum, but only as the result of careful statistical study and investigation, and according to carefully prepared standards. It was these alone that said "yes" or "no". He spoke of the studies that have been made in recent years and that are still being made to determine more accurately the value of the risks. These were having the effect of reducing the number of cases in which differences of opinion existed between the companies as to insurance value of individual lives. Of course a fringe of cases will always remain about which opinions will differ. It will always happen that some companies will accept risks that other companies will reject.

The doctor pointed out that the strain of war activities had affected the medical department as it has every other branch of the company's service. Examiners are overworked and agents in the field can render no better service than by facilitating with all their power the examiner's labor. Be careful in making appointments whether at or outside the examiner's office. A great service will thus be rendered both to the company and to the examiner. On the witness stand the doctor was asked about the influence of alcohol and tobacco upon insurance risks. He said that both were more or less injurious from a medical standpoint, alcohol to a much greater degree than tobacco. Indeed the man who uses alcohol to excess from time to time cannot be regarded as a standard risk. Every agent was urged to furnish the company the fullest possible information on this important subject.

Chief Actuary Hunter Talks

Mr. Hunter touched on and answered inquiries about: (1) the company's attitude toward group insurance; (2) our reasons for not favoring term insurance; (3) the probable effect of war mortality on our dividends; (4) how the new draft regulations are likely to affect our clientele; (5) what is the best policy to buy? (6) does the under-average business pay the company? Actuary Hunter pointed out that soldiers' and sailors' insurance, and the insurance plans of the American Red Cross, Y. M. C. A., K. of C., and other similar organizations had brought the advantages of insurance so forcibly to the attention of the families of our fighting men and our relief workers that the work of agents should be much easier. Such wide-spread recognition of the value of life insurance has brought knowledge to all that life insurance is an essential and not a luxury. He spoke about dividends and told the conference that the heavy increase of taxation and the increased cost of labor and supplies might have the effect of decreasing slightly the dividends in all life insurance companies.

Assistant Secretary Pierson as a "Witness"

The field as a whole should have heard Mr. Pierson's address and the questions he answered. There are today five different classes of life insurance institutions: (1) high rate, participating companies; (2) low rate participating companies; (3) non-participating companies; (4) fraternal orders; (5) soldiers' and sailors' war risk insurance by the Government.

Each form of insurance has its advantages. The high rate participating company enjoys three distinct advantages: (1) it affords the greatest stability; (2) it affords the greatest safety; in life insurance it is not a case of "safety first," but safety first, last and all the time; (3) the high rate participating company furnishes insurance at the lowest cost to its continuing policyholders—the class to which we cater.

Figures were given illustrating the net cost of insurance in the three types of companies first named, under 20-payment life policies taken at age 35, proving that the high rate participating company gives the policyholder the most for his money and insurance at the lowest net cost in the long run.

The low rate participating company, of course, offers certain advantages; these go to the policyholder who terminates his contract in the early years. But most people keep their policies up and therefore come under the first class.

The non-participating company also enjoys the advantage of furnishing insurance at a lower cost during the early years. An illustration was given showing that the non-participating premium paid by a new member was not sufficient to meet the acquisition expenses incurred in writing the policy, together with a moderate overhead charge, the mortality cost of carrying the risk, and the establishment of the legal reserve required.

Shortage of Labor

Fraternal insurance is the antithesis of old-line life insurance; the cost of fraternal insurance is the lowest in the early years and increases with the age of the policyholder until it finally reaches a prohibitive figure.

Soldiers' and sailors' insurance: The premium paid by the soldier or sailor for insurance is based upon a peace time mortality for yearly renewable term insurance. The public pays the increased mortality cost due to warfare and the expense of administration, together with the cost for disability benefits granted.

Mr. Pierson's remarks clearly indicated that the best company for the insured to be in and the best for the agent to work for is the company charging the higher premium rate but furnishing ideal protection to the insuring public at the lower net cost.

He spoke also of the shortage of help in the home and branch offices and requested agents to use due diligence to see that an application was properly completed before it left their hands. A little attention in this direction by the agent will save the suspension of applications and the issuance of policies calling for amendments. He also requested agents to refrain from appealing to the home office for review of rated-up cases unless company was furnished with new and important facts bearing on the value of the risk.

Many Speakers Instructed and Entertained the Delegates

President Rubin was at his best. He said his rise was like a dream. It was the consummation of his ambition. And he was thankful to his country for what it had done for him. His recipe was, protect your health and meet the world with a smiling face and a friendly hand-clasp. He loves the land of his adoption and lives to see Old Glory wave over a world emancipated.

The Power of Veteran Leaders
PLUS
The Enthusiasm of Youth

is the Home Office combination that is working and achieving every day to give Maryland Assurance agents an unusual quality of practical aid and personal encouragement. Life Insurance, Health and Accident Insurance—a wide range of very attractive policies. Maryland Assurance agents are making good, and making money. Valuable openings in productive territory for energetic ambitious men.

MARYLAND ASSURANCE CORPORATION
SEVEN SOUTH GAY STREET
BALTIMORE

"Live and Die with Assurance"

Mike Sullivan and Tom Molloy of Boston, famed as wit and fervent orator; Organizer-at-large S. L. Joseph, of New York; Agents' Counselor J. J. Parker, Cleveland, beloved by all, contributed to the fund of inspiration and entertainment, while Agents' Counselor Eugene Andrews, of Chicago, served his usual feast of delightful humor. Club-member John D. Spencer, Salt Lake City, made one of the greatest talks on salesmanship the club has ever heard. He said selling was a mental battle between organized intelligence and unorganized ignorance. He showed by charts the tendencies to weakness that a salesman should overcome, and the qualities of strength that he should cultivate, all leading to the one great consummation, the life insurance sale. Mr. Spencer will put his admirable address in print and will include the two splendid charts. We hope to distribute the pamphlet among our selling people as a 75-centimeter gun for field use. His definition of salesmanship, the most comprehensive we have seen, meriting your study, is this: "Salesmanship is the combination of qualities in a man, both natural and acquired, which enables him, acting for himself or as an agent, to negotiate the transfer of something of value, for a consideration, on the basis that all parties to the transaction must be benefited."

A Cosmopolitan Gathering

Vice-President Buckner paid tribute to the effective work of the members of other nationalities, and spoke particularly of the great work by Japanese, twelve of whom are in the club, and five were with us. He called on them to step forward and show what manner of men they were, and they made good. On request they sang the Japanese anthem. Most interesting. And slightly different from ours! Delegate Ichiji Akahoshi of Los Angeles, a graduate of Leland Stanford University, excellent handler of the English language, made one of the cleverest and finest talks of the meeting. "The New York Life," he said, "stands for more than nationality, it stands for democracy—even in the color line!"

Looking After the Affairs of Absent Brothers

Ex-President Priddy presented a resolution that the members of this club, mindful of the fact that 612 New York Life men had abandoned business and were giving their all to the Government in its great crisis, pledge themselves to take over the business affairs of any such agent, make his collections, close up his cases, attend to his old policyholders, write his letters, help to keep his business on the books, even to looking after his family or dependents, if necessary, during the continuance of this war. The resolution was passed with acclaim. The members will take keenest pleasure in thus helping their absent brethren; their affairs will be in the best of hands.

The Ex-Presidents' Association

A unique result of the get-together spirit was a meeting of the ex-presidents and the formation by them of an association, designed to promote sociability and entertainment at the meetings, as explained by Mr. Nichols, and to aid in every way the broadening and development of the $200,000 club; also to be an information bureau to which club members may come and ask questions about the business or anything that pertains to life insurance. Its helpfulness in the body politic should be great. The twelve departments were divided off and the Big Brothers were assigned to each as follows: Ex-Presidents Rosen and Joseph to Greater New York department; ex-President Macfadden to Eastern and Northeastern; ex-President Peirce, Atlantic; ex-President Parker, Great Middle; ex-President Priddy, Southern department and Cuba; ex-President Andrews and Nichols, Central and Northwestern; ex-Presidents Farmer, Duran and Taylor, Gulf and Southwestern; ex-Presidents Webster and Wilkinson, Western and Pacific.

Changes in By-Laws

The by-laws of the $200,000 club were changed by vote of the convention, abandoning the practice of electing five member directors, the Board to be hereafter composed entirely of the then president of the club and its ex-presidents. Mr. Parker was elected chairman of the association, which automatically makes him chairman of the Board of Directors of the $200,000 club for the current year.

President Kingsley's Night

Our president's message was one of intense patriotism, "Woodrow Wilson on the Doctrine of Sovereignty," the address he delivered before the National Association of Life Underwriters at their annual meeting in New York a few days previous. It was a scholarly and able arraignment of Germany, the criminal of the world. It has been printed and the pamphlet will be mailed you for your study and profit and for use as patriotic propaganda in your community.

The second vice-president, John C. McCall, had many stories to tell of his old friend "Casey." But he soon swung into the patriotic and inspirational. If he were asked the one thing above all others that stood out in the making of a successful agent he would say, "Loyalty to his country, to himself, to his branch and to the home office." The keynote of the whole organization of the New York Life is co-operation, illustrated in the famous lines of Kipling:

"It aint the guns nor armament,
Nor the funds that they can pay,
But close co-operation
That makes them win the day.
It aint the individual,
Nor the army as a whole,
But the everlasting team-work
Of every blooming soul."

Organized 1871

LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

OLDEST—LARGEST—STRONGEST, Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

Mr. Successful Life Insurance Agent:

Do you want to secure a General Agency for yourself? If so, read this, it is

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000, or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And WHY should any man be satisfied with a policy that would do less? The cost is low.

General Agents wanted in the following States: Pennsylvania, Delaware, Kansas, Michigan, Ohio and the District of Columbia. Address:

UNITED LIFE AND ACCIDENT INSURANCE CO.

Home Office, United Life Bldg., Concord, New Hampshire

HOME LIFE INSURANCE COMPANY of AMERICA

INCORPORATED 1899

PROTECTION FOR THE ENTIRE FAMILY

This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.

INDUSTRIAL POLICIES are in full immediate benefit from date of issue.

ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State Endorsement.

GOOD CONTRACTS FOR LIVE AGENTS

Executive offices No. 506 Walnut St., Philadelphia, Pa.

BASIL S. WALSH, President JOSEPH L. DURKIN, Secretary JOHN J. GALLAGHER, Treasurer

Security Mutual Life Insurance Company

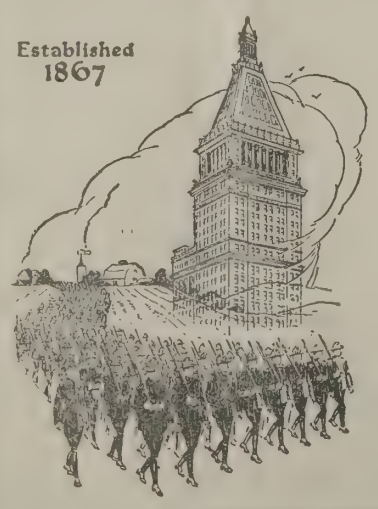
Binghamton, N. Y.

Offers to men able to produce business first class territory, with direct contract providing liberal compensation.

For particulars, address

C. H. JACKSON, Supt. of Agencies

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Provident agents find that in these war times it is not difficult to convince a man he is not carrying sufficient insurance.

Provident Income Insurance is easy to sell

Write for Information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

Mutual Benefit's Amended War Rules

TEXT OF PRESIDENT'S LETTER

All Registered Men Are Treated With Equal Justice Respecting Their Insurance

The Mutual Benefit has awarded its war rules, and the new regulations, superseding all previous rules, are announced as follows by President Frelinghuysen in a letter to the field force:

War Clause B

War Clause "B" is incorporated in policies issued to men who had not attained their forty-sixth birthday on September 12th, 1918, and to those who are older, if they are engaged or contemplate engaging in military or naval service; also to women who are engaged or contemplate engaging in military or naval service. The limit of insurance which the company will assume under War Clause "B" is $5,000 less any outstanding insurance. The extra annual premium at the present time is $37.50 per $1,000. The first extra premium is payable on delivery of the policy if the insured is then engaged in military or naval service. If he becomes engaged in military or naval service after the delivery of the policy, he must pay an interim extra premium at the rate of eleven cents per day per $1,000 insured to cover the period from the date when his pay begins to accrue to the next regular premium due date. If regular premiums are paid semi-annually or quarterly, the company will accept the extra premium in instalments of $19.13 per $1,000 if paid semi-annually or $9.75 per $1,000 if paid quarterly. The company does not agree to maintain the extra premium at the rates herein named. The extra premium is required regardless of the character of the duties performed by the insured and regardless of whether service is rendered in this country or abroad.

War Clause "C"

Insurance issued, which with any outstanding insurance is in excess of $5,000, will be subject to War Clause "C" in the case of men who had not attained their forty-sixth birthday on September 12th, 1918; and in the case of those who are older, if they are engaged or contemplate engaging in military or naval service; and in the case of women who are engaged or contemplate engaging in military or naval service.

Travel Clause

The Travel Clause will be incorporated in all policies. It calls for the payment of a single extra premium of $25 per $1,000 if during the first policy year and during the war in which the United States is now engaged the insured shall travel outside of the states of the United States or Canada while not engaged in military or naval service. If this premium be not paid, the liability of the company in the event of the death of the insured during his absence or within six months thereafter, but not later than two years from the date of the policy, will be limited to the return of the premiums paid, exclusive of any extra premium paid for military or naval service, less any indebtedness to the company on the policy. Within one year after the termination of the war, the company will return such portion of the extra premium as in its judgment will not be required to cover the extra hazard, provided the insured was engaged in relief work conducted by organizations recognized by the military authorities of the United States. Where the applicant contemplates such travel, the limit of insurance is $5,000, including any outstanding insurance. The company will consider for larger amounts those engaged in relief work, whose duties will be of an executive character and will keep them confined practically to large cities, such as London and Paris. It will also consider larger amounts than $5,000 in the case of those traveling elsewhere than to Europe; but applicants proposing to travel to the West Indies and Central or South America by way of the Atlantic will not be considered for amounts in excess of $10,000. The extra premium is payable when the insured leaves the United States or Canada. The payment of the extra travel premium will not relieve the insured of the necessity of paying the extra war premium if he afterwards engages in military or naval service.

Form 482

This War Supplement must accompany every application and every request or amendment calling for additional insurance. This form as now revised contains two agreements.

Agreement No. 1, in which is incorporated both War Clause "B" and War Clause "C" and also the Travel Clause, must be signed by male applicants who had not attained their forty-sixth birthday on September 12th, 1918, and by those who are older, if they are engaged or contemplate engaging in military or naval service; also by female applicants who are engaged or contemplate engaging in military or naval service.

Agreement No. 2 contains only the Travel Clause and must be signed by all applicants, male or female, who are not required to sign Agreement No. 1. Only one agreement should be signed.

The questions in Form 482 must be answered by all applicants. Militia reserves, home guard companies, etc., are considered military organizations if the members are subject to the orders of the state authorities. Members of all such organizations are expected to answer Question "A" of Form 482 in the affirmative with a definite statement as to whether or not they are under state control. If under state control, Agreement No. 1 must be signed, but the extra premium will not be required so long as the duties of the members of such organizations are confined to those of the state militia.

Foreign Born Statement

The Foreign Born Statement which appears on the back of Form 482 must be furnished by all applicants born in a country with which the United States is now at war or in a country which is an ally of an enemy country.

Reinstatement of Policies Which do Not Contain a War Clause

Lapsed policies which do not contain a War Clause and are reinstated within sixty days of the premium due date, or which have not less than two years' unexpired extended insurance, or which have extended insurance to the end of the endowment period, will be reinstated without a War Clause.

If more than sixty days have elapsed since the premium due date and there is less than two years' unexpired extended insurance (unless the extended insurance runs to the end of the endowment term), and the insured was forty-six years of age or over on September 12th, 1918, and is not engaged and has no intention of engaging in military or naval service, Form 476-A must be furnished.

If the policy is not more than three years old and if more than sixty days have elapsed since the premium due date and there is less than two years' unexpired extended insurance (unless the extended insurance runs to the end of the endowment term), and the insured was forty-six years of age or over on September 12th, 1918, and is engaged or intends engaging in military or naval service, or was less than forty-six years of age on September 12th, 1918, Form 476 will be required if the total amount of outstanding insurance, including that of the lapsed policy, is not in excess of $5,000. Form 480-A or 481-A will be required if such amount is in excess of $5,000. Form 481-A will be used only when there is other insurance in force for $5,000 or more.

The company will not consider reinstatement if the policy is more than three years old, and if more than sixty days have elapsed since the premium due date, and the extended insurance has less than two years to run (unless the extended insurance runs to the end of the endowment term), and the insured is engaged or expects to engage in military or naval service, or was under forty-six years of age on September 12th, 1918.

Where policies are upon the lives of women, Form No. 476-A must be furnished.

A policy reinstated within sixty days of the date of lapse or which has at least two years' unexpired extended insurance, or which extends through the endowment term, will not be subject to a War Clause provided it was not so subject at date of lapse, even if the insured is engaged in military or naval service.

The short form of application for reinstatement (Form No. 334) is used within sixty days for policies with and without a War Clause, and the reference to military and naval service cannot, therefore, be omitted therefrom; but policyholders whose policies do not contain a War Clause may be assured that a War Clause will not be imposed if the application for reinstatement under Form No. 334 is made within sixty days of the premium due date.

Policy Changes

Changes which will increase the company's risk will not be considered in the

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

case of policies which are not subject to a War Clause if the insured contemplates engaging in military or naval service or in Red Cross or other relief work abroad, or if he was under forty-six years of age on September 12th, 1918. Such changes may be made if the insured does not contemplate any such service and was forty-six years of age or over on September 12th, 1918. Changes of plan which reduce the company's risk may be made in case of any policy, whether or not it is subject to a War Clause. These rules regarding changes do not apply to the conversion of Five-Year Term policies in accordance with their terms, but the company will not consider the conversion of Five-Year Term policies which are more than four years and one month in force unless the insured was forty-six years of age or over on September 12th, 1918.

Survivorship and Deferred Survivorship Annuities

If the applicant had not attained forty-six years of age on September 12th, 1918, the company will consider applications for survivorship and deferred survivorship annuties with an amendment reading as follows:

I understand and agree that any bond issued upon my application or any amendment thereof shall be subject to the following provisions: If within five years from the date of this bond the insured shall engage in any military or naval service in time of war, the liability of the Company in the event of the death of the insured while so engaged or within six months thereafter, if the annuitant survives the insured, will be limited to the return in one sum of the premiums paid hereon. If within one year from the date of the bond, and during the war in which the United States is now engaged, the insured shall travel outside of the States of the United States or Canada, while not engaged in military or naval service, the liability of the Company in the event of the death of the insured during such absence or within six months thereafter, but not later than two years from the date of this bond, if the annuitant survives the insured, will be limited to the return in one sum of the premiums paid hereon.

This amendment must also be furnished if the applicant was forty-six years of age or over on September 12th, 1918, and contemplates engaging in military or naval service. The bond will be subject to the above provisions in all cases where the amendment is required. If a bond is to be issued on amendment of application or without a policy of insurance, the questions in Form 482 should be answered and forwarded with the application for the bond, but neither of the agreements on Forms 482 need be signed. If the applicant was forty-six years of age or over on September 12th, 1918, and does not contemplate engaging in military or naval service, the questions in Form 482 should be answered and an amendment containing only the Travel Clause quoted above should be signed.

Term Policies and Preliminary Term Premiums

Convertible term policies and policies with a preliminary term rate will not be issued to men engaged in military or naval service or to those who contemplate engaging in such service, to those who were not forty-six years of age on September 12th, 1918, or to those who contemplate traveling outside of the United States or Canada.

Payment of First Premiums

The extra premium for military or naval service is payable within one month (of not less than thirty days) after engaging in such service. It cannot be accepted unless the first regular premium is also paid within the time allowed for the payment of the extra premium if the applicant is engaged in military or naval service when the policy is issued, or becomes so engaged within less than one month. The rule which allows sixty days for the delivery of policies is not applicable in such cases.

If the first premium receipt calls for the payment of both the regular and the extra premium and the applicant desires to pay only the regular premium, or if the first premium receipt calls for the payment of only the regular premium and the applicant desires to pay both the regular and the extra premium, the receipt should be returned to the home office for alteration.

The extra premium for travel cannot be accepted if the first regular premium has not been paid.

Aeronauts

Balloonists and other aviators or aeronauts who are not in military or naval service will not be considered on any plan. Those in military or naval service will be considered for not more than $5,000, including any outstanding insurance, provided War Clause "C" is incorporated in the policy.

Army and Navy

Men whose regular occupation was that of the army or navy at the time war was declared will not be considered on any plan.

Modification of War Clause A

The extra premium under War Clause "A" and the conditions of payment are the same as under War Clause "B."

The provisions of War Clause "A" will not be applicable unless the insured engages in military or naval service within five years from the date of the policy.

Under War Clause "A" a refund will be made within one year after the termination of the war of any portion of the extra premiums which in the judgment of the company will not be required to cover the extra hazard.

HARTFORD NOTES

Corson Ellis, son of Geo. W. Ellis, editor of the Travelers Insurance Co., has entered Yale and also enlisted in the Yale Naval Training Unit.

Dr. Phineas H. Ingalls, medical examiner of the Aetna Life, and Mrs. Ingalls have returned from Brandford, Conn., where they have a summer home.

Bertrand A. Page, vice-president of the Travelers, and Mrs. Page, have returned after spending the summer at Madison, Conn.

Charles E. Gilbert, secretary of the Aetna Life and Mrs. Gilbert have returned from Crawford, N. H., where they spent their vacation.

Brigadier General James A. Ryan, commanding the First Brigade of United States Cavalry at Fort Sam Houston, San Antonio, Texas, was the guest of Governor Morgan G. Bulkeley, president of the Aetna Life last week. Lieutenant John A. Ingersoll, son-in-law of President Bulkeley, recently in the employ of the company in its New York office, is an aide-de-camp on General Ryan's staff.

Lieutenant Edward Hezlett, of the Aviation Service, and formerly an actuary with the Connecticut General, was in Hartford last week.

WYMAN ENTERS OFFICERS' SCHOOL

Samuel D. Wyman, general agent of the Berkshire Life of Boston, has secured a leave of absence from the company and has gone to the Field Artillery Central Officers' Training School at Camp Taylor, Ky., where he will be instructed relative to his future service in the American army abroad. He is a member of the Fifth Observation Battery.

Mr. Wyman is the only child of William D. Wyman, president of the Berkshire Life and believing it to be his duty to serve in the army of his country, volunteered for such service and has been accepted.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915
"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."
Home Office, DALLAS, TEXAS

Are You Permanently Established?
Write for Territory
Pennsylvania—Ohio—West Virginia
PHILADELPHIA LIFE INSURANCE CO.
PHILADELPHIA

CO-OPERATION No. 15

A DECREASE of 28 per cent. in actual amount of business lapsed and surrendered was experienced in 1917 as compared with 1915.

This improvement in the quality of the business can be traced in part to the fact that our effective plans of agency co-operation are being devoted chiefly to carefully selected full-time representatives.

Phoenix Mutual Life Insurance Company
of Hartford, Conn.
JOHN M. HOLCOMBE, President

Metropolitan Buys Parkhurst Church

SOCIAL CENTRE FOR EMPLOYEES

Next Door to Company's Annex in Twenty-Fourth Street, Fronting Madison Square

The Metropolitan Life has purchased the famous church of Dr. Parkhurst in Madison Square, and it will be used as a social centre for employees, of which the Company in New York City has about 7,000. In discussing this interesting real estate transfer the New York "Sun" said on Tuesday morning:

"Dr. Parkhurst's famous church on Madison Square at the northeast corner of Twenty-fourth street has passed into history. Closed through consolidation of its worshippers with the congregation of the Old First Presbyterian Church at Fifth Avenue and Twelfth street the building has been sold to the Metropolitan Life Insurance Company and in a short time it will be remodeled for use as a social centre for the company's employees. Five hundred thousand dollars is said to have been the price, or just half as much as the property cost the congregation only a comparatively few years ago.

Company Formerly Owned Site

"Negotiations leading up to this sale have been in progress since the decision was reached several months ago to unite the activities of the Madison Square and Old First Presbyterian churches, but the deal was consummated only yesterday, when Robert W. de Forest, chairman of the board of trustees of the Parkhurst church, announced that arrangements had been made for the sale of the property. The transaction will not be completed until late in the year, when the insurance company will take title. The organ and other parts of the church equipment which were not included in the sale are now being removed.

"In purchasing this property the Metropolitan Life regains a plot which it owned before the church was built. The former church edifice of Dr. Parkhurst occupied the site on which the tower of the Metropolitan Life Building now stands at the southeast corner of Madison avenue and Twenty-fourth street. The company gave its property in exchange for the corner across the street and a cash payment of $300,000. The site is 75 feet front on Madison avenue and 150 feet on Twenty-fourth street, running back to the Metropolitan Annex, a large office building owned by the insurance company."

DINNER TO VOSHELL

Jonathan K. Voshell, who was recently elected president of the National Life Underwriters' Association, was last Thursday night tendered a complimentary dinner at the Southern Hotel by the members of the Baltimore Life Underwriters' Association. Among the guests in attendance were Governor Emerson C. Harrington, former Governor Phillips Lee Goldsbrough and J. Barry Mahool, president of the Second Branch City Council. Edward A. Woods, Richard B. Cochran of U. S. Life; George H. Gaston, Metropolitan Life; John Dolph, of Washington, were also present. Charles R. Posey, president of the Baltimore Association, acted as toatsmaster introducing Mr. Voshell.

THANKS, MR. CAREY!

By Editor J. A. Carey, in "The Adjuster"

Mr. Agent: If you have not seen part two of The Eastern Underwriter's edition of August 30th, devoted to life insurance salesmanship, lose no time in sending for a copy before the edition becomes exhausted. It consists of fifty pages of such information as all life insurance agents should be familiar with and can be secured, together with the regular edition, at a price that is less than the value of the blank paper upon which it is printed. The Eastern Underwriter is a great newspaper and has been performing valuable aid to both company and agent; but it never gave better service than in this instance. Those of you who do not "know it all," send 25c. to 105 William Street, New York City, and should you feel disappointed in your investment, "The Adjuster" will relieve your lacerated feelings by returning your money with postage added. P. S.—"The Adjuster" is not to be accused of liberality in making this offer, for it is well aware that the average life insurance agent is too cocksure of himself to feel any yearning for outside advice or information.

Prudential to Sell $100,000,000 in Bonds

(Continued from page 3)

raise the Fourth Liberty Loan he'd raise it in no time.

He made a plea for obliteration of all political lines and party ties. "God knows every American is praying for peace," said Gov. Stuart, "but we'll have no peace except that dictated, signed, sealed and delivered in Berlin— a peace that will have the effect of treating German kultur and kaiserism like a mad dog."

R. J. Pedrick, a district superintendent of insurance men, expressed the sentiment of the men present, when he said that he won't talk "increased insurance business" to his men during the entire campaign of the Liberty Loan. The agents themselves declared that they will first buy Liberty bonds and then go out and make their "customers" buy.

Missouri State Life Policies Rich In Selling Points

Facts—

Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

The Connecticut Mutual Life Insurance Company

PRESIDENT JOHN M. TAYLOR, HARTFORD, CT.

Insurance in force, 113,918 Policies for..... $270,243,227.37

WHAT NO OTHER COMPANY HAS DONE

To repay to its Policy-holders in Death Claims, Endowments, Dividends, Surrender Values, Annuities and other credits more than they have paid to it in premiums. It stands alone in that result.

Total premiums received, Dec. 1, 1846, to Dec. 31, 1917 .....$318,963,384.44
Total returned to Policy-holders, as above noted, in same period..... 326,786,585.46
Excess of amount returned..... 7,823,201.02

15,000 PEOPLE

Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.

AGENCY OPENINGS FOR THE RIGHT MEN.

Write to-day

FIDELITY MUTUAL LIFE

INSURANCE COMPANY, PHILADELPHIA

Insurance in force over $142,000,000

Walter LeMar Talbot, President

PURELY MUTUAL **THE** CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, $1,604,426,324

SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued

POLICIES MOST FLEXIBLE AND EASY TO SELL

Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

GEO. E. COPELAND, Supt. of Agencies, Milwaukee, Wis.

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY
of the United States

For agency openings address:
W. E. Taylor, Second Vice-President

EQUITABLE



Remember Belgium

YOU can floor an Uhlan with lead, but only gold can floor Berlin—the gold of a world aroused.

You can hit the Hun the hardest by putting every possible dollar into this critical bond issue. Make it your business to see that every man and woman in your establishment understands the importance of buying bonds to the limit.

The enemy has developed a world-distribution on brutalities that bear the Berlin shipping-tag. How long shall this obscene commerce in brutality continue?

Your answer is required, now. Your money talks. You can crack Kultur on the head by volunteering *more of* your money than the Government asks for. You can overwhelm the mad wolf of Wilhelmstrasse with the crushing wrath of billions.

How long do you want to receive news of U-boat sinkings, casualty lists, and maimed sons, marked F. O. B. Berlin?

Gentlemen, your answer?

Put your answer in writing—on a check. Now is the time to hurl Wilhelm II against the fence, and make him face a firing squad of 100,000,000 Americans—with dollars for bullets.

Buy U. S. Gov't Bonds Fourth Liberty Loan

Contributed through Division of Advertising

United States Govt. Comm. on Public Information

This space contributed for the Winning of the War by

The Eastern Underwriter, 105 William St., New York City

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

A Business Insurance Talk

The Charles B. Rudd Agency of the Guardian Life, Evansville, Ind., has used the following letter effectively in a campaign for business insurance:

Dear Mr. Blank:

Would you be interested in a proposition that would increase your income and strengthen your business and financial condition?

If so; read this!

"Francis R. Henderson, principal of the firm of F. R. Henderson & Co., crude rubber merchants of New York City, has followed the lead of many sagacious business men in taking out $1,000,000 of insurance on his life for the protection of his firm. The insurance was placed in the different companies by E. A. Hobbs, of 220 Broadway, who makes a specialty of partnership and corporation insurance."

Who is the Francis R. Henderson in your organization? Nobody? You're mistaken!

There never was a business of any moment to whose success some individual or group of individuals was not vital in time of emergency.

It may be the inventor with his improvements, or the chemist with his processes and formulae, or the sales-manager with his personality and acquaintance. It may be the moneyed partner, who provides the working capital. Or, right down in your heart, you may nourish the conviction that the Francis R. Henderson in your organization is yourself.

Depend upon it, there's some individual upon whom the security of every going business rests more heavily than anyone will realize until he is gone.

Have you ever thought what would happen if the Francis R. Henderson in your organization suddenly dropped out? Such things are occurring every day. Often they are marked by the tombstones of hitherto successful enterprises on which are written:

"Died of an emergency that should have been anticipated."

Are you going to let an epitaph like that be carved above the child of your ambition? Or will you forestall such a humiliating possibility while conditions are favorable and the opportunity is right at your hand?

It's being prepared for emergency—for the unexpected catastrophe—that has made the successful financiers and captains of industry of this country secure in times of panic and disaster.

Are you prepared? Could your business meet unscathed an emergency, for example, like the sudden death of the Francis R. Henderson in your organization in a time of stringency, with his heirs demanding an immediate settlement?

You don't look for anything like that? Probably not. But nobody's immune to the undertaker.

Consult with us about business insurance to meet your needs. A request for information and advice involves no obligation.

Do you want to make your business secure against bankruptcy when you pass out? Do you want greater credit now than your bank is willing to extend? Let us show you how. Write for the plan today.

* * *

Effective Work At the Office

General Agent E. D. Turley, Springfield, Ill., Reliance Life, relates the following incident:—"On April 1st, 1916, I wrote J. H. Morris a $2,000 Twenty Payment Life policy in the company I was then with. August 22nd, 1917, I wrote Mrs. Morris a $1,000 Twenty Payment Life policy. On August 3rd, 1918, Mr. Morris came into my office to pay the renewal premium on his wife's policy. I then sold him a $1,000 Ordinary Life Policy (Participating), a $5,000 Accident and a $25 per week health policy.

"I educate all my policyholders to come to my office for any information or to pay renewal premiums. In this way I keep in touch with them, increase their insurance and get new prospects. All of my business is written on the Perfect Protection plan, and I believe every good prospect will buy this form of insurance if it is properly explained to him."

* * *

Uses For Business Insurance

S. D. Jones, general agent for the Connecticut Mutual Life at New York City, tells of two rather unusual uses for business insurance. In a letter to the home office of the company, Jones says:

"There are many angles from which people may be approached for corporation insurance or for insurance that protects individual interests. For instance, a lawyer, who is a personal friend of mine, in the course of a talk mentioned a lease he had just closed for two old maids involving an expenditure on their part of $25,000 for repairs to the property to be leased, whereupon I suggested insurance on the life of the lessee for the protection of the owners of the property, and secured $25,000. In another instance, our Mr. Klein, on being told by one of his acquaintances that he was buying out a partner's interest at a cost of $100,000 suggested life insurance for an equal amount to protect the purchaser's estate in the event of his premature death; that $100,000 was written last week by Mr. Klein and we secured $55,000 of the amount, the party having $5,000 with us already, making the limit."

Some unusually large group insurance cases are being written.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, sold $65,000,000 worth of War Savings Stamps between February first and September first, 1918, and expects to sell a total of at least $100,000,000 during the year.

JOHN R. HEGEMAN, President

Income Lesson From Winslow $500,000 Insurance

Up-to-date agents are selling the best kind of insurance, which is income insurance, says "Agency Items." This is one reason why J. D. E. Jones, of Boston, and his agents are succeeding. Not long ago Sidney W. Winslow, president of the United Shoe Machinery Company, invested in $500,000 of insurance through the Jones Agency, to be paid to his children in instalments. Mr. Winslow died last year and two of his sons, who were beneficiaries under the insurance left by their father, insured their own lives for the benefit of their children, making their insurance also payable on the instalment basis. One of these sons, Edward H. Winslow, who was only thirty years of age, died suddenly and unexpectedly of pneumonia a few days ago. His children will be protected by $90,000 of insurance taken by their father and adjusted so as to give them an annual income which cannot be wasted.

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

Have You Ever Used This?

Mr. Prospect, if your home was destroyed by fire today, the first question asked you by relatives, friends, business associates and possibly your bankers, would be, "Was it insured?" If you were obliged to reply that it was not insured, your business judgment would be severely criticized by everyone and you would feel the humiliation of having failed in your duty. WHY?

Because custom provides, mortgages demand and common sense dictates that every man should insure everything that is perishable in one or more of the great companies which have repeatedly proven the feasibility of distributing the burden of the many at a very small cost.

Now, just stop and think of this. There is only one chance in 1,200 of your fire insurance policy becoming a claim, while every insurance policy is bound to mature.

Your house can easily and quickly be duplicated, but leaving sentiment entirely out for the present, what is the cash value of your life, which cannot be restored, to your family?

There are many good homes still standing that are over 200 years old. Do you know any men of that age?

There is every reason for insuring that most valuable asset to yourself and family which you know will terminate in a few years—your life.

—Darby A. Day.

MANAGER FOR TWO DECADES

Col. Henry J. Powell, manager of the Equitable Life Assurance Society in Louisville, has held that position ably and with credit to everyone for twenty years. On October 11 and 12 the anniversary will be celebrated by a meeting in Louisville, of the Southern Ohio, Kentucky and Southern Indiana agency.

All sessions will be held at the Louisville Country Club. Thomas B. Sweeney will preside at a business session luncheon. E. A. Woods and Charles Jerome Edwards have been invited to preside at sessions.

GUARDIAN'S DOUBLE INDEMNITY

The Guardian Life has notified agents that its double indemnity benefit will, if desired, be extended to old policies issued after January 1, 1907, provided satisfactory evidence of insurability of the risk for the additional benefit is furnished on the company's form M-119 without expense to the company.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

Subscription Price $3.00 *a year. Single copies,* 25 *cents.*

Entered as second-class matter April 5, 1907, *at the Post Office of New York, N. Y., under the act of Congress of March* 3, 1879.

PREMIUMS ON A CASH BASIS

The insurance agents of Memphis, Tennessee, fire, casualty, health and accident, fidelity, automobile and marine, without exception, have come to the conclusion that the present is the opportune time to get their house in order so that no criticism may be brought on account of wastefulness in the conduct of the insurance business, so far as the agents themselves are concerned. Effective October 1st, 1918, insurance premiums will be put on a cash basis—the first time in many decades. This scheme has been under consideration by the executive committee of the Insurance Exchange of Memphis and some of its members for several months, but in every instance when offered to the agents of the city it was given scant consideration.

Since the Government's request for conservation of man power the advocates of the cash system have been working on some scheme which would comply with the conservation idea, and at the same time secure the approval of the agents of the city. Great wisdom was shown by the committee which finally wove the whole agency system of Memphis, with their varying interests and prejudices into a fabric which has bound them all together in this new work. When a policy is issued now, it will bear this sticker:

Important Notice

Our Government demands that all business be transacted at the least expense and shortest credit.

In obedience thereto, insurance companies took immediate action, notifying agents that all premiums must be collected promptly.

Therefore, it is necessary that all premiums be paid on or before the 25th of the month succeeding that in which the policy is written.

This is mandatory.

Will you not be prompt with the payment of your premiums, saving us additional trouble and expense in issuing cancellation notices?

The agreement signed by all the agents of the city reads as follows:

Complying with the request of our National Government to eliminate all unnecessary expense coupled with the fact that insurance companies have taken action in the matter by demanding that all premiums be paid within forty-five days, we the undersigned hereby agree:

First.—Attach the sticker quoted above.

Second.—To require that all premiums of less than ten dollars be paid in cash on or before the 25th day of the month, following the date of issuance, or to cancel the policy.

Third.—To require all premiums of more than ten dollars, if unpaid by the 25th of the month following date of issuance, either to be cancelled or to secure trade acceptance or note of not exceeding 60 days. In case said trade acceptance or note is not paid in full, when due, to collect interest at 6 per cent. per annum on any deferred payment.

Fourth.—To notify simultaneously, in writing, the secretary of the insurance exchange, of any insurer whose insurance is cancelled for non-payment of premium, the secretary of the insurance exchange, in turn, to notify in writing, all parties to this agreement, of this cancellation.

Fifth.—Not to write the business of an insurer, who has refused to pay any premium, when due, to any agent signing this agreement, thus necessitating cancellation of the policy, until such insurer has settled with the former agent in full.

INSURANCE SPOKESMEN

The New York "Commercial" is printing a series of page, large-type editorials in which the principles of socialism are criticised and warning against this political menace is given to the public. Read in an entirety these editorials are for the most part good. In an issue this week, however, a warning was sounded to guard the gates of life insurance against socialistic encroachment. This warning was printed in large type, occupied a page and was unsigned. The casual reader, not recognizing that this page is part of a newspaper's propaganda, and should be read in sequence, but thinking rather that he was looking at an unsigned advertisement, naturally draws the conclusion that some life insurance interest or interests sponsored and paid for this page. Of course, there is no issue before the people of New York State at the present time which has any reference to the conduct of the insurance business, its desirability or its status; and no reason, therefore, why the insurance companies should go before the public in this manner.

Furthermore, in view of the turn given to international events the socialistic party in the present campaign is riding on neither a healthy nor a popular vehicle. Therefore, as far as insurance is concerned, it seems inadvisable, no matter how kindly meant, that a vitally important issue which may exist largely in editorial minds should be by chance inoculated in more influential political heads.

This brings up anew the danger of unofficial spokesmen for insurance. These are critical times and those who present insurance views or defenses to the public must always bear in mind the responsibility which rests upon them. Above all things, spokesmen for the insurance business should sign what they have to say if it appears in the nature or guise of full-page advertisements.

THE HUMAN SIDE OF INSURANCE



HENRY V. MURPHY



E. W. ALLEN

Henry V. Murphy, who has been appointed assistant manager of the automobile department of the Caledonian and manager of the metropolitan automobile department of that company, has had an automobile underwriting experience of six years. He started in the automobile department of the New York office of the Aetna, where he first became associated with Roderick O'Connor, manager of the automobile department of the Caledonian. In February, 1917, Mr. Murphy resigned from the Aetna to become assistant manager of the automobile department of J. N. S. Brewster & Co., Inc., and on the departure of Manager L. E. Shaw, for military service, Mr. Murphy was made his successor in the Brewster agency. He resigned this position October 1 to become identified again with Mr. O'Connor in the automobile department of the Caledonian. In his six years of automobile underwriting, Mr. Murphy has always been operating with the New York brokers, among whom he has a large acquaintance which he will continue and enlarge in addition to his work in the field for the Caledonian.

* * *

James Wyper, vice-president of the Hartford Fire, and Mayor Burns, of Troy, had an exciting little controversy at the rate hearing before Superintendent Phillips in Albany last week. The Mayor who was rather uppish with the insurance men, finally grew impertinent and disputed a statement made by Mr. Wyper in such a manner that the latter asked him pointblank: "Do you mean to call me a liar? That's a characterization I'll not stand from any man." The Mayor hastened to backwater.

* * *

Chauncey S. S. Miller, secretary of the National Association of Insurance Agents, did not know many fire insurance agents on January 1, 1918, but since then he has met them (to use his own language) in the "highways, byways, gangways, crossways, tramways, subways and cafes." The last named rendezvous is not as naughty as it sounds as Mr. Miller, in his trip through the South during which time he addressed more than one hundred meetings, found that the cafes are such in name only, the strongest beverage served being buttermilk. As Mr. Miller is developing into a first-class orator, and a most effective one, too, there must be something in this buttermilk diet.

E. W. Allen, general agent of the New England Mutual Life in New York City, is one of the famous athletes in this country who became a successful insurance man. At the World's Fair in Chicago in 1893 Mr. Allen won the World's Championship for quarter of a mile, which distance he negotiated in 49 1-5 seconds. He also made the world's record for 300 yards, 31 1-5 seconds. Mr. Allen played football at Yale and when West Point took up that game in 1891 Mr. Allen and another Yale player, Wurtenburg, were the first coaches that the military school had. He went with the Northwestern Mutual in this city in 1899 and on January 1, 1910, was made general agent for the New England Mutual.

* * *

Paul T. Kenny, in 1909 was a well known electrical engineer in New York. Business interests took him to Europe in July of the same year, where he opened offices in London, Paris, Brussels, Vienna and Berlin. On the 4th of August, 1914, the fruits of his five years' labor vanished over night and when he called at our embassy in Berlin for the passport necessary to cross the frontier, Ambassador Gerard promptly commandeered his services and he subsequently assumed full control of the passport division, incidentally raising a large fund for the American women and children who found themselves in financial distress. On his return to New York his sole stock in trade consisted of character, a good name, and a bountiful supply of Irish wit and wisdom, says "Agency Items." When Charles Bayliss tried to persuade him to join the Equitable staff he countered with "Why I couldn't even tell a premium from a policy, but I'm willing to try!" And he has been "trying" ever since. His first month's efforts in 1916 resulted in a $10,000 policy; his last month's work in the dullest month of the year resulted in applications for approximately $325,000, most of which have already been approved and delivered.

* * *

J. Hampton Hoge, now superintendent of the health and accident claims department of the Chicago Bonding & Insurance Co., has been given the supervision of the liability claims department of that company. He has been with the Maryland, Prudential and Union Casualty companies. He is also a lawyer.

FIRE INSURANCE DEPARTMENT

Changes Necessary In Brewery Cover

Companies May Cancel Policies on Risks Remaining Unoccupied—Use and Occupancy Hazard

GOVERNMENT MAY USE SPACE

Several Large Distilleries Have Already Been Transformed to Warehouses and Others to Tanneries

The many changes in the brewing industry which will follow after December 1 are causing the fire companies to watch this situation with great interest in view of the great changes in hazard entailed.

That some companies have already taken action would seem to be indicated by the following item in a Philadelphia newspaper:

"Brewery owners were given a new surprise today by the announcement that after December 1 no insurance will be granted to breweries as such. Insurance companies scented added risk in big buildings which may become empty or lack the usual watchful workmen day and night."

Inquiries in New York reveal that no company to date has issued a general order on breweries but several companies have refused to renew policies under their present unsettled status.

New York companies agree, however, that where the building remains unoccupied as a result of the Government order, it is highly desirable to cancel the policy in view of the increased hazard though it is not considered probable that any large percentage of the breweries will remain unoccupied for any length of time. Some of them will probably be used by the Government as storage warehouses. One of the Ballantine breweries in Newark was made into a warehouse some months ago and a number of the breweries in the West have also been turned to this use while several are being used as tanneries.

Use and Occupancy Cover

Another phase of the brewery situation is the use and occupancy coverage. Companies are surveying their policies with a view of determining whether some of those written under brokers' forms permit a cover under the war conditions which was not anticipated. Some of the brokerage per day valued forms are said to be so loosely worded that, in event of a fire following the closing down of the plant, the assured would be able to collect until such time as the Government permitted the resumption of operations.

The majority of companies have as yet taken no action either regarding fire or use and occupancy and are awaiting some indication of whether or not any considerable proportion of the breweries will be unoccupied or converted into other uses.

Foreign Insurance Companies' Committee

C. L. CASE ACTING CHAIRMAN

Deals With Questions Relating to Taxation, Trustees and Similar Matters; Brings Uniformity

The Foreign Companies' Committee has not yet appointed a successor to Henry W. Eaton, United States manager of the Liverpool & London & Globe, as its chairman. Since Mr. Eaton has been in poor health Charles Lyman Case, United States manager of the London Assurance, vice-chairman of the committee, has been acting as chairman.

The Foreign Companies' Committee was formed a great many years ago, and has been of inestimable value in matters relating especially to American management of the foreign companies. There are many points which arise in respect of trusteeships, departmental reports, taxation, etc., which should be disposed of in a uniform manner by the foreign companies, and this committee furnished the medium therefor.

Nothing To Do With Underwriting

In the matter of taxation alone, many vexing questions arise because of the necessity of making return for the head offices abroad separate and distinct from that of the United States branches, a further complication being the fact that companies doing only a fire business here often transact life, accident and casualty business on the other side.

The Foreign Companies' Committee does not deal with underwriting questions in any shape or form, as they are outside of its jurisdiction.

A. J. HARRY WITH FIREMEN'S

Appointed Special Agent in Northern New Jersey and Suburban New York

Arthur J. Harry, formerly with the Continental, has been appointed special agent of the Firemen's of New Jersey for Northern New Jersey and suburban New York. He succeeds William Russell, special agent, who is now with the Y. M. C. A.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION
	REGISTERED MAIL	

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NIAGARA
Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

New Blanks For Agents and Brokers

STRICTER ABOUT LICENSING

Brokers and Agents Must Hold Themselves Out to Be Insurance Men

A decided improvement in the handling of the agency and brokerage license situation has been made by the Insurance Department of this state. New application blanks for renewals of licenses are now in the hands of the printer, as well as application blanks for new applicants.

Among other data they contain a line asking the applicant if he intends to hold himself out to the public as an insurance broker or agent and carry on business in good faith as such.

This is a question that appears in blanks of some other states and is a marked step in advance because unless a man is known in the community as an insurance agent or broker; in other words, unless he "holds himself out" as such he can't get the license.

Can't Place Insurance On Employer's Risk

Another question is whether the agent or broker intends to place any insurance in which his employer is named as insured and expects to obtain any commission, rebate or recompense thereon, and, if so, does he intend to "pay, allow or give your employer any portion of such premium or commission, directly or indirectly, on any such policy of insurance?" The blank goes on to say that it is understood that the applicant may not receive any commission on any policy of insurance covering his own property or risk.

Victory For Agents' and Brokers' Associations

These are provisions in the Graves bill, and the incorporation of the new questions in the blank is a victory for the New York State Association of Insurance Agents, and for the Fire, Marine & Liability Brokers' Association of New York.

* * *

Hagen With Terhune & Co.

Charles Hagen for a number of years manager of Lethbridge & Co., and previously for Lethbridge & Adler, resigned last week and is now office manager of Terhune & Co.

* * *

Chas. Ebert Makes Change

Charles Ebert, formerly with Hamlin & Co., is now with Weed & Kennedy as placer.

* * *

Atlantic City Hotels

The Traymore at Atlantic City carries $2,200,000 insurance; the Marlborough-Blenheim, $1,800,000.

* * *

Thomas Hart Makes Change

Thomas Hart, for a number of years with R. A. Cooroon & Co., has gone with Rollins, Burdick & Hunter as placer.

* * *

Facts About Hartford Fire's $25,000 Policy On Holstein

The Hartford Fire has issued a policy covering Mighty Monarch, a prize Holstein bull valued at $75,000, and owned by Paul T. Brady, vice-president of the Westinghouse Electric Co. The policy is for $25,000, payable at the rate of $2,000 a year. The bull is kept at Broad Meadow Farms, Patterson, Putnam County, N. Y. near Danbury. It is considered the world's most valuable cattle breeder. According to the records on file at the local office of the company, the policy was issued June 15. Mighty Monarch is 3 years old and weighs one ton. The normal life of the animal, said Mr. Brady, should be fifteen years. During this interval the animal will earn approximately $75,000 or $5,000 a year. A special touring car has been contracted for its transportation to different parts of the country. Three attendants are constantly with it. It is not exhibited at agricultural fairs or other public places, as it is considered too valuable to risk against possible injury. About six months ago, a fire, attributed later to German agents, destroyed a barn on the Brady farm, killing two valuable cows. It is reported that Mr. Brady intends to sell Mighty Monarch at public auction October 1st, with other valuable cattle.

* * *

Cox With Block Earl & Manuel

Harry E. Cox, for the past fifteen years connected with Willcox, Peck & Hughes and Willcox, Peck, Brown & Crosby, resigned on September 15, and is now associated with Block Earl & Manuel.

* * *

J. G. Kase Appointed Counterman

John G. Kase, for years a familiar figure in Philadelphia, goes with Clarence A. Krouse as counterman, succeeding C. R. Hobart. Mr. Kase started with the Krouse office years ago. Not long ago he represented the Providence Washington as special agent. Mr. Hobart on the first of the month goes with Jas. J. Boland Company of Scranton as special agent for Eastern Pennsylvania and Southern New Jersey.

GET CENTRAL NATIONAL

Jones, Launt & Barrett, Inc., general agents, Philadelphia, announce their appointment as agents for Philadelphia and vicinity, for the Central National Fire Insurance Company of Des Moines, Iowa.

The Central National has a capitalization of $500,000; a net surplus of over $350,000, and a total assets of nearly a million. Through the efforts of the Triangle Corporation the Central National expects to do a large volume of preferred business.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Authorized Capital $500,000
Detroit National Fire Insurance Co.
DETROIT, MICHIGAN
A Company to be built gradually and along the indicated lines of permanence
AGENCY CONNECTIONS SOLICITED

BROKERS!
KEEP POSTED
BY READING
THE EASTERN UNDERWRITER
Subscription $3 a Year

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

S. C. BISHOP CO.
Represented at 95 William Street,
AGENTS FOR NEW JERSEY
208 Broad Street, Elizabeth, N. J.
Phone, 447 John — 588 Elizabeth

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Discuss Live Topics at Meeting of New Jersey Agents

The meetings of the Fire Underwriters' Association of New Jersey are always snappy, compact and interesting affairs and the gathering last week was no exception. There were almost fifty agents on hand, South Jersey being particularly well represented, and they felt well repaid for attending. After hearing President Moffatt outline in concise and clear fashion the results of the deliberations at Cleveland and the reasons why agents made an appeal to President Wilson the convention passed a resolution endorsing "unanimously and in toto" the resolutions of the National Association, passed at Cleveland, and protesting "against any taking over by the Government of the business of insurance except insofar as is clearly necessary for the winning of the war."

John H. Ward Objects to a Paragraph

The only member of the convention who discussed this resolution was John Ward, of Jersey City, who is now doubling in the capacity of a Government appeals agent and an insurance agent. Mr. Ward did not like the first paragraph of the Cleveland resolution, which reads:

> Whereas the insurance agents of the United States are concerned over the danger of Government insurance bills which are already prepared for introduction in Congress threatening with destruction the established system of insurance conducted through local agents.

That paragraph, thought Mr. Ward, was misleading and certainly should not be at the top of the resolution. It gave the impression that the Government is trying to drive the insurance agents out of business, and Mr. Ward doubted this. His opinion is that the resolution should begin with the section showing how agents are reducing the fire losses.

Mr. Moffatt answered by saying that the Cleveland resolution had been adopted by the resolutions committee (of which he is chairman) after every word had been weighed.

"There was no snap judgment," he said. "It's the official opinion of the Cleveland convention and I think we should adopt it as passed at the National Convention."

It was unanimously adopted.

Not the Mouthpiece of Any Insurance Paper

While discussing the "socialistic encroachment" subject Mr. Moffatt made some remarks about the insurance papers which were of interest. He said the editors of the live insurance papers had studied the Washington situation from many angles and had done their best to present the situation to insurance agents. He declared, however, that the national and state associations are not being guided by the editorial policy of these papers. News columns are read for the news only. The editorial policy of the paper is binding on the newspaper only. By this Mr. Moffatt meant that the associations are not responsible for the propaganda calling upon agents to write or wire to Washington law-makers protesting against Government encroachment. It is understood that all the officers of the National Association disapprove sending messages to Washington law-makers. The only official message to Washington is that sent to President Wilson which has already been published by The Eastern Underwriter.

Some interesting points were made at the New Jersey meeting on the grain and excess line pools, Government insurance forms and the agency license situation in Hudson County.

The Insurance Pools

In the discussion of insurance on plants making war supplies stress was placed on the necessity of these factories getting sufficient coverage from the companies. Some companies drew the line at plants where there were hazards which made the risk look dangerous. It was brought out that agents should do their utmost to have these hazards removed, and defects remedied. Mr. Faunce of Atlantic City said that if the plants could not get the necessary insurance the Government might step in and furnish the necessary insurance protection.

Hudson County Agents

The Jersey association has a conference committee, of which John H. Ward is chairman, which has taken up with the insurance department the status of six agents in Hudson County supposed to be doing business in Jersey City without having complied with the resident agency law, but who are alleged to have no office in that city. The Conference Committee presented the fact to the attention of the Trenton Department. The Commissioner wrote that in four of the cases the agents had complied with the law. The committee is now getting evidence about the other two.

Alien Enemy Clause

In discussion about the alien enemy clause it developed that most of the agents are putting this clause on all policies in order that no chances be taken. Charles J. Adams, of Atlantic City, says he puts the clause on every policy. W. P. Faunce, of the same city, says that he took the matter up with the Insurance Department, which after conference with Washington authorities, wired him saying that the enemy alien is a man who is interned or who has been registered as an alien enemy. "As for the other Austrians or Germans not registered as enemy aliens or not interned we can write their policies the same as we have always done," he said.

United States Government Forms

Ira P. Sharp, of Vineland, N. J., said he had been rather embarrassed by the fact that in the case of a garment factory making goods for the Government a Quartermaster's Department form which Washington says must be attached to the policies eliminates the contractor and operator, the assured being the U. S. A. An Atlee Brown branch office manager had refused to pass the rider, and it was necessary for Mr. Sharp to cover by binder.

"Four days have now gone by and I haven't any action yet," he said. "What shall I do?"

Several of the agents told him that if it were a case of choice between the Brown office and the Government to take the matter up with the companies direct and insist upon the Government's rider going through. President Moffatt thought that this was a poor time to question the wording of a Government form, and he called attention to the fact that in the West some of these garment factories are carrying double insurance It was finally brought out by the Jersey City representative of Jos. M. Byrne & Co. that Atlee Brown had approved the Government form. This form discussion was a splendid illustration of the value of agents' state associations. If the Vineland agent (Mr. Sharp) had not attended the meeting he would still be in the dark on how the form was finally disposed of.

Saloon Insurance

In the discussion about insurance on saloons and cafes it was brought out that some of the companies have already instructed agents not to write any more insurance on the fixtures of these places. The moral hazards of liquor stocks was also ventilated.

$500 Subscription

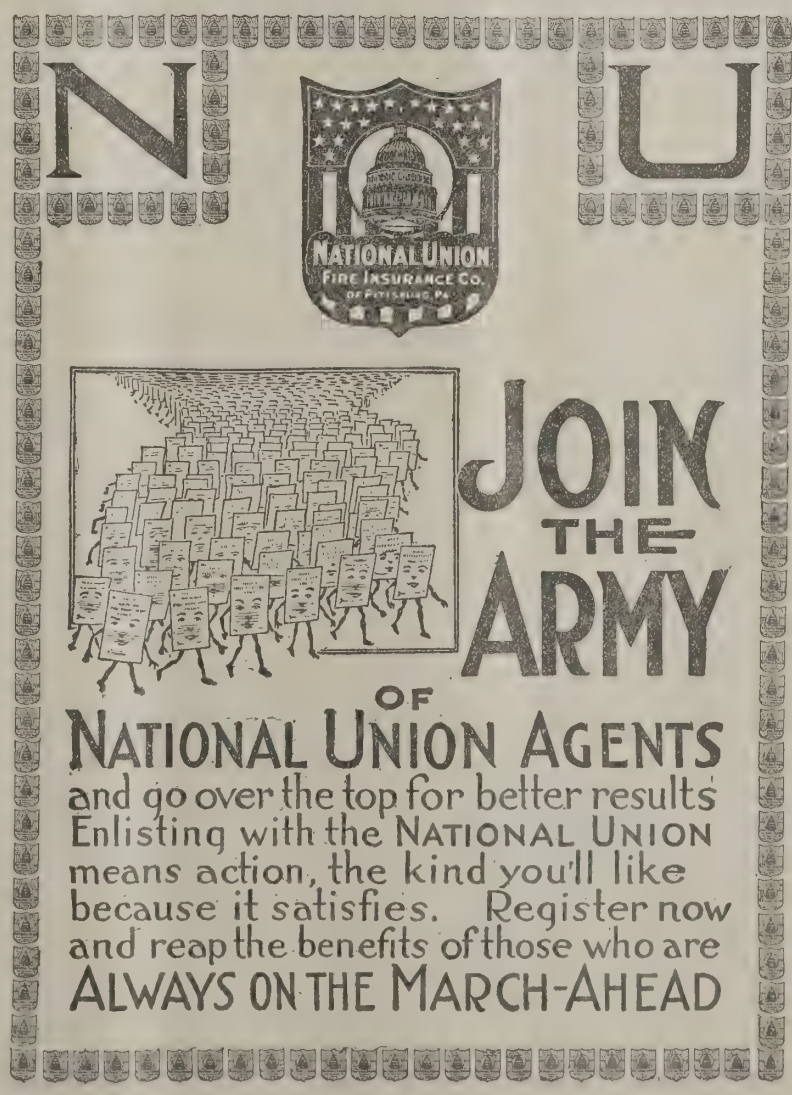
At Cleveland President Moffatt had subscribed $500 of the $25,000 raised, for the development plans of the National Association. The $500 was quickly subscribed at Atlantic City, among some of those giving $50 being S. Merchant Meeker, Elizabeth; Woodward & Williamson, Jersey City; Arnold Rippe, Jersey City; Meredith Dickinson, Trenton; and W. P. Faunce, Atlantic City. Among those subscribing $25 was James H. Epworth, Newark.

Secretary Miller's Talk

Chauncey S. S. Miller, secretary of the National Association, made a rattling good talk in the interest of association work. In his opinion this country will never be Prussianized by the destruction of individual effort. However, he warned the agents that they must not grope in an atmosphere of low invisibility and fail to see tendencies in that direction. He warned agents not to lessen their activities for the preservation of individual freedom.

Quotes Senator Sherman

In his preliminary talk to the meeting Mr. Moffatt briefly sketched the socialistic tendencies at Washington, and declared that the insurance agents' protest is not against the Government dropping insurance on properties which it owns outright, but against the dropping of insurance by the Government on properties which it controls or influences. He quoted liberally from the speech of Senator Sherman, particularly that portion which warns insurance men to fight for their rights, and he called the Senator's address a great document which he said should have wide circulation among insurance men.



GROWING RAPIDLY

Eagle, Star and British Dominions' Assets Place It Among Frist Ten In England

The growth and development of The Eagle, Star & British Dominions Insurance Company, Limited, has been one of the interesting features of the British insurance situation. The assets entitle the company to rank among the upper ten of the fire insurance institutions in Great Britain.

A statement of the United States branch, as of December 31, 1917, follows:

Assets

City, county and government bonds (market value)	$729,858.00
Cash in banks	286,030.47
All other assets	144,280,63
Total	$1,160,169.10

Liabilities

Reserve for unearned premiums	$369,193.48
Reserve for unpaid losses and all other liabilities	107,142.49
Total	$476,335.97
Net surplus	$683,833.13

Doyle Sees Reaction Toward Individualism

NATIONAL BOARD'S COUNSEL

Tells Northwest Association That War Has Brought Conditions Which Peace Will Remove

Chicago, Oct. 2.—The meeting of the Fire Underwriters' Association of the Northwest, an organization of field men, took on the form of a discussion of the Washington situation, and part of the proceedings recalled the scenes at the Cleveland convention of agents. Much importance was attached to the address of Counsel C. J. Doyle of the National Board.

That organization has taken no official part in the discussion over "socialistic encroachments" by the Government. In fact it has watched the excitement with a display of coolness which has considerably riled some of the insurance spirits. Henry Evans for instance, wrote a letter in which he declared that the National Board, if he were its head, and had the power so to do, would spend three or four hundred thousand dollars in publicity to stave off a menace which he says is threatening the insurance business. Knowing all this, all ears were open to hear what Mr. Doyle had to say. He held that while the Government might seem to be socialistically inclined this was largely due to the stress of war conditions, and that with the coming of Peace there would be a reaction towards individualism.

President Allen, of the agents' association, was not so optimistic. He thought the business was being endangered by socialism.

Young E. Allison, the brilliant Louisville editor, warned the meeting that insurance may expect trouble from politicians after the war. He advised the insurance men to prepare.

DEPRECATES CRITICISM OF GOVERNMENT INTENTIONS

The Committee on Laws of the National Board of Fire Underwriters at its meeting has adopted the following resolution:

"This committee deprecates the publication of matter criticising the attitude or assumed intentions of the Government, or agitating the question of possibility of State or Federal insurance, inasmuch as it is keeping closely in touch with the situation and believes that if anything arises threatening the legitimate interests of our members it can be handled with more success and satisfaction to all concerned through the organization of the National Board of Fire Underwriters."

OIL ASSOCIATION

The Oil Insurance Association for the co-operative writing of insurance on crude oil and oil properties was organized in Chicago this week. The following officers were elected: President, John H. Carr, Hartford; vice-presidents, Neal Bassett, Firemen's of Newark, and C. R. Tuttle, Insurance Company of North America, and secretary, J. C. Harding, Springfield. The executive committee is made up of the officers and George H. Bell, National of Hartford; C. E. Dox, London & Lancashire; A. W. Perry, St. Paul Fire & Marine; Walter D. Williams, Security & Reliance, and R. H. Purcell, Liverpool & London & Globe.

ÆTNA (FIRE)
HARTFORD, CONN., U. S. A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.

Make Secure Your Own
FREEDOM and CAPITAL

BUY LIBERTY BONDS



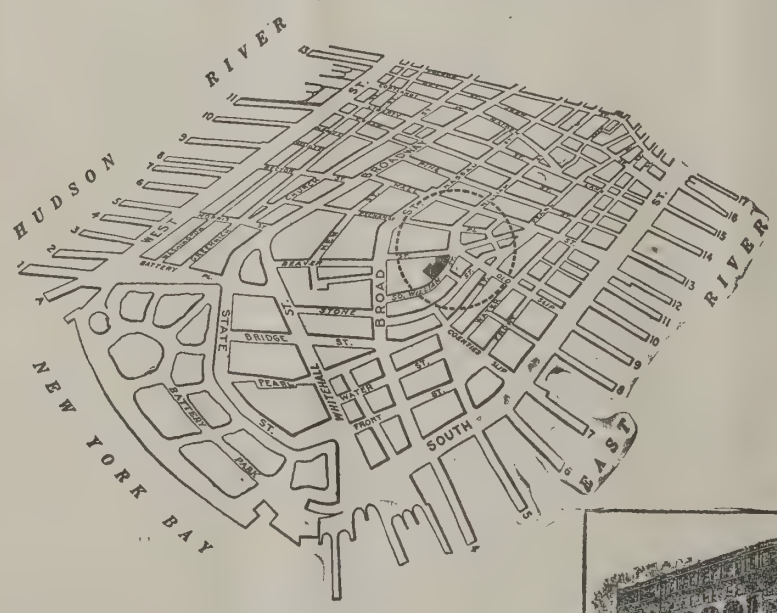
"AMERICA FORE"

BUY LIBERTY BONDS

Be Patriotic and Prudent

CONTINENTAL COMMANDS CONFIDENCE

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

THE YORKSHIRE INSURANCE CO., LTD., OF YORK, ENGLAND
Established 1824
FIRE, LIGHTNING, SPRINKLER LEAKAGE, AUTOMOBILE, WAR AND EXPLOSION INSURANCE
U. S. BRANCH
FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager
No. 80 Maiden Lane, New York
New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

Caledonian Insurance Co. of Scotland
FOUNDED 1805
"THE OLDEST SCOTTISH INSURANCE OFFICE"
UNITED STATES HEAD OFFICE
Caledonian Building, 50-52 Pine Street, New York
CHAS. H. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

ROYAL INSURANCE COMPANY LIMITED
THE LEADING FIRE COMPANY OF THE WORLD

National Liberty
INSURANCE COMPANY OF AMERICA
NEW YORK
Incorporated Under the Laws of the State of New York in 1859
Statement, January 1, 1918

Cash Capital	$1,000,000.00
Assets	8,209,763.64
Liabilities	5,223,031.71
Net Surplus	1,986,731.93
Surplus for Policy Holders	2,986,731.93

HEAD OFFICE
62 WILLIAM STREET, NEW YORK

INCORPORATED 1720

Royal Exchange Assurance

LONDON, ENGLAND

United States Branch
92 William Street, New York

RICHARD D. HARVEY
United States Manager

STRENGTH INTEGRITY SERVICE

Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries

JAMES H. BREWSTER, Mgr.
Hartford, Conn.

A Broad Underwriting Service to Agents
Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.
Works in Harmony with American Agency Principles and Practices

95 Companies Join Excess Association

GOOD PROGRESS BEING MADE

Committee Gives Reasons Why Association is Necessary for Protection of Insurance Companies

That the Fire Underwriters' Excess Association is making progress is shown by the fact that ninety-five companies have already joined. The committee, recently sent out a letter outlining the reasons why the association is a necessity for the future protection of the fire companies doing business in the United States:

The fire insurance business of the United States is affected with an emergency.

1.—There exists a shortage of insurance upon certain large risks which cannot be obtained and which may proceed from any one of the following causes:

Inadequate rates.

Physical and structural conditions.

Failure on the part of the agent or broker placing the line to adequately canvass the market.

This statement refers not to undesirable so-called "Affidavit Business," but to the large risks of the country which broadly speaking are physically good risks.

2—The demand for this unobtainable insurance protection places upon the fire insurance companies a patriotic duty as the first consideration.

3—Whether or not these shortages proceed from any one of the first named causes they do in fact exist, and the companies should act from patriotic motives, also for their own preservation, and thus remove the danger even at the sacrifice of an unusual loss falling upon them.

Purpose of Association

4—The purpose of this association is to be exerted in several directions:

(a)—It should first demand that the agent or broker shall show that he has thoroughly canvassed and exhausted the agency resources of the country before the association shall assume any liability on a risk.

(b)—The assured should be required to comply with all reasonable requests for the improvement of his property which have not been conformed to.

(c)—The association should regularly arrange for inspection of its risks.

5—If the association shall remove the menace of any heretofore unobtainable insurance, either by developing a market which the agent or broker has failed to uncover and so absorb the excess, or if it shall write the excess in the association, it will have performed a great service for the business.

6—In the case of a single risk where an extraordinary value has accumulated which might be regarded as against public interest, the association should make an effort to have such value distributed if possible and thus reduce the concentration.

7—If it is claimed that some of the above functions could e performed by an organization not vested with underwriting power, it is pointed out that underwriting power is necessary as a final resource to clear the market, and for this reason all these functions should be combined in one association.

Discusses Use and Occupancy

8—Use and Occupancy is not to be written by the association, and it is intended that Use and Occupancy insurance shall not be permitted to block the market to the exclusion of a cover for property values. The association should require the broker or agent to show the total amount of property and Use and Occupancy insurance, and if it shall be found that additional property insurance is needed and cannot be protected by reason of the existence of Use and Occupancy insurance, the association should endeavor to arrange for the release of a sufficient amount of Use and Occupancy insurance to make way for the property values, and this should first be accomplished, if possible, through agency channels. In such an event it might leave nothing for the association to cover—but, again, it will have performed a distinct service to the business.

9—So far no risk in a congested area district with a shortage has come to the notice of the committee: the shortages we believe exist principally upon large individual plants throughout the country and removed from congested value districts.

10—In naming a maximum line it does not follow that a company will be filled to the maximum in all cases.

11—It seems advisable to deal only with unobtainable excess in each case rather than dislocate the whole line of insurance simply to take care of the excess. It is emphasized that in dealing with the excess only it will be obtained at a cost of not exceeding 5 per cent. brokerage and agency commission combined.

12—The association shall endure only for the period of the war.

Plan Justified

"Finally, the Committee of Formation does not claim perfection for this association, but the companies have no organization which can deal with what may be regarded as the only threatening deficiency of fire insurance and this plan should suffice to meet the emergency.

"The committee does not insist that the danger to our business is imminent but regards it as sufficiently menacing, though distant, to justify working out this well considered plan to divert it. We have sometimes failed to grasp impending transitions in our business only to regret our lack of foresight later."

Great American Insurance Company New York

INCORPORATED - 1872

PAID FOR LOSSES

$96,971,238.06

STATEMENT, JANUARY 1ST 1918.

CAPITAL
$2,000,000.00

RESERVE FOR ALL OTHER LIABILITIES
12,927,269.91

NET SURPLUS
8,527,719.31

ASSETS
23,454,989.22

THE SECURITIES OF THE COMPANY ARE BASED UPON ACTUAL VALUES ON DECEMBER 31ST, 1917

HAD THE SECURITIES BEEN TAKEN AT THE VALUES AUTHORIZED BY THE NATIONAL CONVENTION OF STATE INSURANCE COMMISSIONERS THE ASSETS AND SURPLUS WOULD EACH BE INCREASED BY $2,321,032.00

Home Office, One Liberty Street
New York City

Western Department
WALTER H. SAGE, Gen'l Mgr.
INGRAM & LERCH, Managers
76 West Monroe St., Chicago, Ill.

Pacific Department
GEORGE H. TYSON, Gen'l Agent
210 Sansome Street
San Francisco, California

Boston Office
ROGERS & HOWES, Managers
4 Liberty Square, Boston, Mass.

Marine Department
WM. H. McGEE & CO., Gen'l Agts.
15 William Street, New York City

OLD RUMOR CONCLUDED

Probably based on the remarkable progress being made by the Great American and also on recent attempts of investors to buy stock in that Company, (which is hard to obtain) there was renewed circulation of a rumor along William Street this week that the Great American would increase its capital to $5,000,000. Upon inquiry it was learned that it is a repetition of an old rumor. Undoubtedly after the war an increase will be made in the capital stock of this Company.

EASTERN MANAGER OF NEW ZEALAND

H. E. Kempthorne, latterly in charge of the Wellington, N. Z., branch of the New Zealand Insurance Company, is in San Francisco, conferring with W. M. Speyer, manager of the Pacific branch, and completing arrangements for the entrance of the company in New York. The New York office will transact both fire and marine business, and Mr. Kempthorne will leave for the East in a few weeks, to take charge of that office.

NEW YORK STATE EXAMINER

Guy S. Luther has been made an examiner of the American Eagle for New York State with the exception of metropolitan, suburban and Long Island business. He has been inspector in New York State for several years.

MAGERS WITH CONCORDIA

George L. Magers, former assistant secretary of the Western of Pittsburgh, is now state agent in New Jersey of the Concordia Fire.

STEPHENS ASSISTANT MANAGER

The Pittsburgh Underwriters have appointed LeRoy M. Stephens assistant manager. He has been with the company sixteen years.

BIG BROKERAGE CHANGE

As The Eastern Underwriter goes to press it learns that there will be a sweeping change in one of the biggest brokerage firms on the street. It will result in the formation of a new firm. Details will be printed by this paper next week.

E. C. Cox, for twelve years with the Dixie, has been made a special agent of the American Eagle.

The Great American has subscribed for $3,375,000 worth of Liberty Loan bonds. If the Company is allotted that much it will own about $5,000,000 of Liberty Loan bonds.

E. R. Hardy and R. P. Barbour to Speak

SOCIETY'S COURSE FOR WOMEN

All Phases of Fire Insurance Covered By Insurance Society's New Lecture Series

E. R. Hardy, of the New York Fire Insurance Exchange, and R. P. Barbour, local secretary of the North British and Mercantile, have accepted invitations to conduct the two series of lectures to be given under the auspices of the Insurance Society of New York.

The series of lectures to be given by Mr. Hardy will start on October 21, and will continue for the succeeding seven Mondays.

Mr. Hardy's Lectures

The subjects for these seven lectures are, "Why Insurance Is Possible," "Why There Must Be an Application and a Business Getter," "Why There Must be an Inspection of the Property," "Why There Must be a Rate," "Why There Must be a Policy or Contract," "Why There Must be a Settlement of the Loss," "Why There Must be Different Forms of Fire Insurance Such as Property, Rent, Profits, Use and Occupancy."

Mr. Barbour's Lectures

The seven lectures by Mr. Barbour will start on October 24, and will continue on the succeeding Thursdays with the following subjects: "What is Fire Insurance, by Whom Furnished and Through What Means (Law of average, indemnity, different kinds of companies, agents, brokers, American agency systems)," "Rates, Forms, Policy Writing (Different kinds of rates, various methods of rate making, the wording of forms and clauses, how to write policies, the essentials of the contract)," "The Travels of the Daily Report (The stamp clerk, the company's office routine, underwriting, accounting, statistical, reinsurance, loss tion, Re-insurance (Why endorsements department)," "Endorsements, Cancellare necessary, how made and worded, cancellation, short rate, pro rata, partial and total, what re-insurance means and what it is for)," "Theory and Mechanics of Underwriting (Practicable application, law of average, moral hazard, commercial report, fire record, general conditions, physical hazards, maps, surveys, classes, fixing the line)," "Losses (What is indemnity, proof of loss, apportionment, concurrency, statistics)," and the last meeting will be devoted to the answering of questions.

The lectures will commence at 5.10 sharp and stop at 5.45. Tickets without cost may be obtained at the Library of the Insurance Society and no one person may attend both series.

The committee which has arranged these lectures is Mrs. Grace Cahill, Royal, chairman; Miss Edith M. Andrews, Committee on Losses; Miss Vera C. Whelan, Westchester; Miss Selma E. Burmeister, Northern, of London; Miss Jessie C. Laing, London Assurance; Miss Mary E. Lowndes, Niagara and Miss Maude E. Inch, Insurance Society.

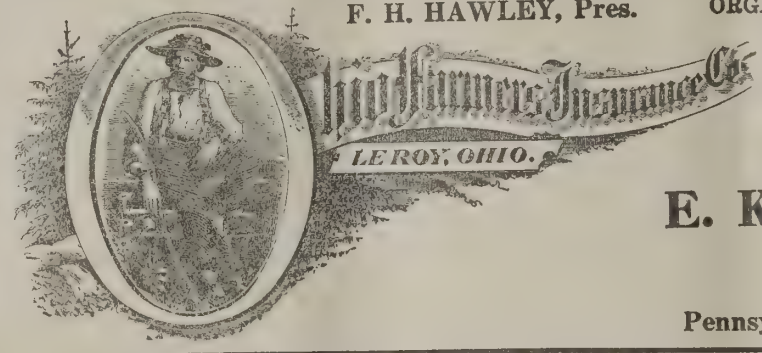
TO MEET IN BALTIMORE

The tenth annual conference of the Insurance Institute of America will be held in Baltimore, Md., on October 14, 15 and 16. The convention will be held under the auspices of the Baltimore members, the Insurance Society of Baltimore.

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET NEWARK Phone Market 6536 | SERVICE FIRST | 80 MAIDEN LANE NEW YORK Phone John 4560

WESTERN ASSURANCE CO.
OF TORONTO, CANADA
States from 1874 to 1917, inclusive 43,294,154.63
Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918
Assets $4,194,579.34
Surplus in United States..... 1,667,691.69
Total Losses Paid in United
W. B. MEIKLE, President

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
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F. H. HAWLEY, Pres. ORGANIZED 1848 W. E. HAINES, Secy.


Ohio's Oldest and Strongest Company
Net Surplus Over $1,293,741.00
AN AGENTS COMPANY
E. K. SCHULTZ & CO.
PHILADELPHIA
GENERAL AGENT
Pennsylvania, New Jersey and New York

JAMES J. BOLAND COMPANY, Inc.
GENERAL AGENTS
HOME OFFICE SCRANTON, PA.
68 WILLIAM STREET NEW YORK CITY, N. Y.
NEW YORK NATIONAL INS. CO.
THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1917	$16,153,068.57
Surplus - - - - -	4,793,978.55
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 " - - - - - -	1,051,543.00

Liverpool AND London AND Globe Insurance Co.
LIMITED

Over $155,000,000.00
Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

JONES, LAUNT & BARRETT, Inc., GENERAL AGENTS
Head Offices:
411-13 Walnut Street, PHILADELPHIA, PA.
We can offer to Agents and Brokers special facilities on surplus lines
throughout the United States and Canada.

MARINE DEPARTMENT

Merchants Could Prevent Bad Practices Among Marine Brokers By Applying Their Usual Business Discretion in Placing Insurance

Not long ago, an irresponsible brokerage firm in this city issued a binder for about $70,000, covering both marine and war risk on the steamer "Halifax," destined from a United States port to Europe. This binder was given to another brokerage firm, which delivered the same to its clients. The "Halifax," after leaving the Azores, was never heard of, and was posted as missing at Lloyds, London. When the principals asked for the policies of insurance, so that they could collect their loss from the marine underwriters, they were informed by the brokers issuing the binders that no insurance had actually been placed, although they had pocketed the premium for the insurance, and probably spent the same. Naturally, the wheels of justice were put into motion. The district attorney was called in and the gentlemen indicted and afterwards let out on bail. The parties in interest since have reported as enlisting in the navy and army, and in the eyes of the law no man can be guilty until he is proven so. They will probably avoid criminal prosecution until they return from their enlistments, if they are fortunate enough to return. In the meantime, the innocent broker who accepted this paper from his client has to make good the loss in question.

Loss $17,000; Still Looking For Broker

Another case is of a young man who started in a minor position in a prominent insurance brokerage office, and after two or three years' experience branched out as a full fledged broker. With the nerve and persistency of such an undertaking, he managed to force his way into some of the very largest corporations of the country, who intrusted him with their business, and last week a large Down East corporation was looking for this young man, who has since disappeared.

They would be very anxious to ascertain from this young man whether he actually placed the insurance for which he accepted a premium on which there is an outstanding loss amounting to about $17,000.

Argued Against Going to Jail

Another case is that of one of the new, younger brokers, who calmly appropriated premium paid him for insurance placed in New York companies, and when the companies asked him about the same, he calmly stated that he had used them to develop his business, and that they could gain nothing by putting him in jail, but if they gave him a chance to remain in business, he could probably work the amount off.

One more case worth noting is that of an export merchant who has since been put into bankruptcy, having negotiated documents with a foreign exchange house running in the sum of over $50,000, backed up with a binder calling for insurance placed in London, which, in the event of a total loss would have probably been in the same category with the binder issued on the steamer "Halifax."

Why Not Pick Broker as Carefully as Other Business Associates?

There are any number of such cases on record, and the most surprising fact of all is that merchants will trust the placing of such an important matter as marine insurance with wholly incompetent and irresponsible brokers. If the same merchant were asked to sell $1,000 worth of merchandise to another merchant on a ten day basis, he would call for commercial reports and investigate the intended purchaser to the limit before giving him credit, but there seems to be absolutely no hesitancy in giving orders for large sums of insurance to irresponsible brokers, who really are not in a position to give the merchant the proper protection and cannot assist him in the collection of any losses which involve technical questions when they come before the underwriters.

Paying Premiums Twice

Furthermore, these merchants do not alone intrust this important feature to brokers, but they turn over to them thousands of dollars in premiums to be distributed to the underwriters, and in a great many cases this money has been misappropriated and the premium had to be paid twice.

It is also true that there has been a great laxity shown during the rush of wartime business by financial institutions, dealing in foreign exchange, in accepting binders for marine insurance from brokers of unknown experience and financial responsibility. It is certainly fortunate for a great many parties who have been lax in the scrutiny and selection of their brokers that there have not been more such cases as the steamer "Halifax" brought to light.

OBSERVER.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

EQUITABLE UNDERWRITERS OF NEW YORK
SURPLUS $793,852.75

Marine and War Risk Insurance
Losses made PAYABLE in all parts of the world

C. R. EBERT & CO., Inc.
MARINE MANAGERS PHONE 263-264 BROAD
48 BEAVER STREET, NEW YORK

To Develop French Business in the U. S.

ALSO OTHER ALLIED FACILITIES

A. V. Hansen, of Paris Firm of Alb. Smeesters, Now in New York—To Open Office

Albert V. Hansen, of the firm of Alb. Smeesters, Paris, has arrived in New York and plans to open an office in this city for the purpose of establishing relations with American offices and the connections of his firm in France, Italy, Spain, Portugal and other European countries.

Mr. Hansen's firm in Paris is manager for the L'Unite, L'Universe and the L'Ile de France and is agent of the American Merchant Marine, of New York; British Commonwealth, of England; Eastern Warehouse & Transport, of Russia; International of Copenhagen; Lancashire & Cheshire, of England; Motor Union, of England; United British, of England; and Rijn, of Holland.

Mr. Hansen believes there is a great opportunity now for an exchange of facilities, particularly in marine, between the companies, both French and Allied, and American companies and is preparing an article on this subject which will appear in a subsequent issue of The Eastern Underwriter.

Room in Paris for Allied Insurance Men

His firm has taken a step which will be of great interest to company managers in the United States. In the building which Alb. Smeesters owns and occupies exclusively in Paris, a room has been set aside and placed in charge of a man who speaks both French and English which is available to any insurance man either British or American who is serving in the army and may be on leave in Paris. In this room American, Canadian and English insurance journals and daily newspapers of the latest date are kept on file and stenographers who understand English are at the service of any insurance men who may wish either to transact business or to receive any other kind of assistance through an office having the common bond of insurance.

Mr. Hansen says that he would be glad if company managers here would tell their men "over there" that his firm would be glad to welcome them in Paris and would do everything in their power to make their stay there as interesting and pleasant as possible. The address of the Alb. Smeester building in Paris is 6 rue des Colonnes.

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street New York

MANAGERS MARINE DEPARTMENT
American Insurance Co., of Newark, N. J.
Firemen's Insurance Co., of Newark, N. J.
Glens Falls Insurance Co., of Glens Falls, N. Y.
Hanover Fire Insurance Co., of New York, N. Y.

MARINE AGENTS
Globe & Rutgers Fire Insurance Co., of New York, N. Y.

MARINE AND WAR RISK INSURANCE
Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

PLATT, FULLER & CO., FORMED

Succeeds Platt & Farnum as Insurance Company of N. A.'s New York Marine Managers

Following the recent death of Harry Farnum the firm of Platt & Farnum has been re-organized under the name of Platt, Fuller & Co., and the Insurance Company of North America this week announced the appointment of Platt, Fuller & Co., as managers of the metropolitan marine department of the company, succeeding Platt & Farnum.

Platt, Fuller & Co. are composed of Clayton Platt, Bert S. Fuller, Edwin S. Close, Henry S. Reed and Hawley T. Chester. Mr. Platt joined the marine agency of the Insurance Company of North America in this city in 1873, when it was in the office of Satterthwaite Bros. This firm was succeeded by Catlin & Satterthwaite in 1880, and later by Platt & Farnum, Mr. Platt continuing as a member of each firm. Mr. Fuller and Mr. Close have also been identified with the New York agency of the company through several changes of firm name and Mr. Reed and Mr. Chester have been dividing their time between New York and Philadelphia for more than ten years in the interests of the company.

SWINDLING THE COMPANIES

A statement issued by a committee of the National Board of Marine Underwriters indicates that the companies have been swindled on many losses, particularly in South American waters, and a movement is under way to check such operations.

NEWARK FIRE'S CHANGE

J. N. S. Brewster & Co., Inc., on Tuesday resigned from the metropolitan automobile department of the Newark Fire. Brewster & Co. also handled the automobile loss department of the Newark. The automobile losses hereafter will be handled by Tiernon & Co., adjusters, though the Newark has made no announcement as yet as to the agency succession.

Some of the Year's Developments in British Marine Insurance

London, Sept. 15.—Underwriters have had to put up with the loss of no inconsiderable part of their business connections on account of State control in various trades; while changing conditions have led to some descriptions of merchandise, which have always been covered on f.p.a. terms, now being covered against the risk of particular average, leakage being added in the case of oils and similar liquids. These, at a time when mishandling and bad stowage is rife, make the burden of troubles to grow, and have in some cases quite spoilt accounts which have heretofore been profitable.

Discounts

Several departures from the procedure hitherto followed in regard to various matters have taken place during the year. The discount question, long fallen into a state of abuse has received partial attention. Hull insurances placed on the deferred premium basis are now only subject to 8 per cent. discount on premiums; the old discount of 10 per cent. being only allowed when premium is paid on or before the 8th of the month following closing. There is still room for further attention to this discount business and even the above arrangement has its loopholes.

The Uniform Slip

The uniform slip has made its appearance, but as it has not been taken up by several companies, this departure is only partially effective. Brokers' slips have also been more or less unified, and this is a far more important matter, and one which many would like to see still more drastically dealt with. The advantage of having each item of the risk clearly shown in definite order is a great one; and if combined with this the practice could be secured allowing no clauses in extension beyond the Institute Cargo Clauses, the relief obtained would be a very real aid to underwriting. Many disputes arise when obscure wording is added to a slip which is either not read at all or very hastily considered, and if the slips were made really uniform these troubles would not arise.

"Power Vessels"

Another useful agreement which has been reached is the delineation of a "power vessel." This has become necessary in consequence of the wide use of auxiliary engines in sailing vessels, and in order to avoid any further controversy as to the meaning of the term "power vessel," a notice was issued a month or two back limiting the expression to those vessels habitually propelled by their own machinery only.

Basis of Valuation

The loose habits into which the market had fallen in the matter of basis of valuation, have been checked by the agreement operating as from June 1st of this year, by which any insurance upon cargo must contain an agreed valuation or the basis upon which the valuation is to be made. This agreement, which has caused an interesting explanation of its meaning to be issued by Lloyd's Underwriters' Association, is a very welcome one, and will place beyond the realm of controversy a subject of many cases of dispute in the past.

Claims Settling at Lloyd's

Claims settling at Lloyd's has been criticised rather severely in the past. as, owing to the number of syndicates interested in any large policy, the time occupied in getting a claim through has often been considerable. To obviate this delay, a Lloyd's Claim Bureau was established in March last, at 53, Cornhill, which has been supported by a large number of syndicates, and promises to be as great a success as the Signing Bureau has become.

Non-Delivery of Cargo

The inclusion of a clause in many Bills of Lading which largely exempts shipowners from liability for non-delivery of cargo, had led to a demand for insurance against risks incurred in consequence, and a clause has been drawn up by the Institute which provides for cover beyond the amounts recoverable from shipowners, and for this clause an additional premium, usually five shilling per cent., is charged. This is a matter which calls for attention with the whole question of Bills of Lading and shipowner's liabilities. France has, during the year, passed an act similar to the American Harter Act, but nothing has yet been accomplished here in this direction, although it is interesting to recall the opinion expressed by Judge Atherley-Jones in September last, that the power possessed by sea-carriers to contract themselves out of their liability for negligence, is an "intolerable burden."

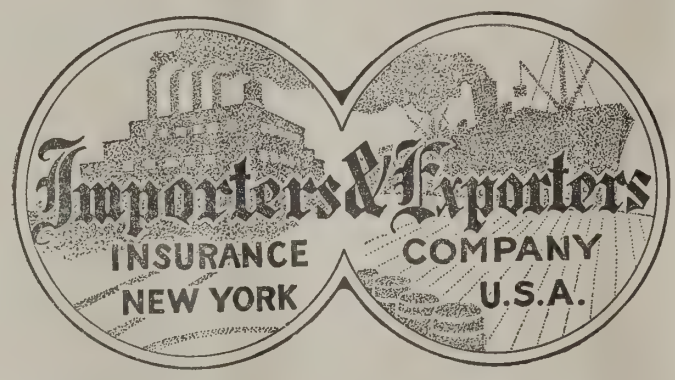
Vessels' Names

A restriction applied to vessels' names by the Government is a welcome one to underwriters. By this provision it is not permissible for a vessel's name to be changed, or for a vessel to be given any name already on the register. Such a measure might well be made permanent and not merely be made as a war measure. The idea might be inter-nationalized to the common advantage.

British Insurance Association

A step important in the interests of insurance was that which established the British Insurance Association early in the present year. Its objects are the "protection, promotion, and advancement of all classes of insurance business" and the "taking of such concerted measures as may be deemed expedient whenever the business transacted by members of the association posed action of any Government or other authority at home or abroad." The probability is that the association will find plenty of scope for its enermay be affected by the action or progies.

Wilfred Whaley Mack, editorial director of "The Weekly Underwriter," has been commissioned a captain in the Quartermaster's Corps, National Army, in the Finance and Accounts division. There are now quite a number of insurance men in the Quartermaster's Corps, including S. Herbert Wolfe, former actuary who is a Lieutenant-Colonel, and T. Bertand Graham, of the Metropolitan Life, who is a captain. Captain Mack enlisted in the Second Signal Corps, N.G.N.Y. fourteen years ago, and in 1914 attended the Plattsburg Camp. In February, 1917, he enlisted in the Veteran Corps of Artillery of this State. He became a corporal and later a top sergeant. On August 21, 1918, he was promoted to Second Lieutenant. "Billy" Mack is one of the most popular men in insurance journalism, with which he has been associated since 1904. He began in New York and later was an insurance reporter in Atlanta and Chicago, returning here in 1914. He has always played the game fairly and squarely and goes to his new post with the well wishes of everyone. His last insurance reporting jobs were to cover the semi-annual meeting of the Fire Underwriters' Association of New Jersey, the insurance commissioners' convention and the local agents' convention in Cleveland.



Marine and War Risk

INSURANCE

56 BEAVER ST. - - NEW YORK

Bankers { GUARANTY TRUST CO. EQUITABLE TRUST CO. NATIONAL CITY BANK

JESSE SPIER
RICHARD D. JONES
UNDERWRITERS

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AFTER THE WAR

A British Paper's Views on Marine Insurance Situation—No Grounds For Pessimism

The much discussed subject of competition for marine business after the war has by no means been fully closed. It is one of those questions which I think is like many others arising out of the war, difficult to solve, says "The Policy," of London. One thing is, or should be, absolutely certain, and that is the strong prejudice that will avail in regard to Austro-German competition in our own and that of our Allies' markets. Over a million sterling of premiums for marine insurance business was cut off in the United States from the branches there of enemy countries, and a share of this should be distributed internationally between the Allies. In the after-war reconstruction efforts sea transport of all kinds of materials will be playing a big part. The aftermath of war hazards as the result of wreckage and mines will last for some years, and consequently rates for this class of insurance will be considerably higher than pre-war rates. Many shippers who did not cover their marine risks with anything like the amount of completeness they have done since the outbreak of war will have been imbued with the insurance habit, and will continue to insure against all perils by land and sea which was considered superfluous in pre-war days. Many of the war-time established companies for marine business will have made valuable connections, and it does not seem likely that the enterprise that prompted the inception of these new concerns will be found lacking when the times comes for values and high premium rates to slacken off. Despite the somewhat pessimistic prognostications that have been made with regard to the marine business after the war, there are certain elements which appear to hold for this branch of insurance an active field for some years to come.

TRUSTEE OF MARINE LEAGUE

Henry Evans, president of the Continental, Fidelity-Phenix and American Eagle, has been elected a trustee of the National League.

Henry H. Brown, of Edward Brown & Sons, San Francisco, is visiting the East.

The Reliance Fire and Marine Underwriters, of New York, have been incorporated, $15,000 capital, by J. T. Barker, A. J. Hiers and W. H. Thrall, 27 William Street, New York.

Merchants' Association and War Risk Bureau

(Continued from page 1)

destination as early as the goods therein represented.

"Our correspondent claims that Government insurance certificates are usually not available until a week or ten days after the steamer has sailed, thereby often making it necessary to utilize private underwriters, who issue certificates more promptly.

"The Merchants' Association of New York is taking the liberty of bringing these statements of shippers to your notice in the thought that you would wish to make an investigation of the matter and hasten the procedure if in any way that be possible."

CASUALTY AND SURETY NEWS

Say Mark T. McKee Has Been Maligned

CHARGES FOUND UNWARRANTED

Michigan Federation's Executive Committee Investigates and Rejects Story of Osborne Offer

Friends of Mark T. McKee, the Insurance Federation secretary who has done more to put members into that organization than any other man in the country, traveling from Coast to Coast in doing so, flocked to his defense following stories in daily papers that he had approached Chase S. Osborne, a Republican leader, offering for a large sum of money to swing his influence.

Michigan Federation Acts

At the regular semi-annual meeting of the executive committee of the Insurance Federation of Michigan held in Detroit Tuesday of this week, the following resolutions were unanimously adopted:

"Whereas, there has been considerable publicity in certain newspapers of statements purporting to have come from the Hon. Chase S. Osborne, relative to the recent Senatorial primary campaign in Michigan in which charges were made attacking the good name of Secretary Mark T. McKee, and, by innuendo, the integrity of the Insurance Federation;

"Therefore, be it resolved that after a careful investigation by the executive committee of said charges the same were found to be without foundation and wholly unwarranted;

"And be it further resolved that this committee as well as the entire membership of the Federation for whom they speak hereby express their implicit confidence in the honor and integrity of Mr. McKee, both as a citizen and as an officer of this organization. Chas. E. Boylande, J. Bullard, E. C. Bowlby, Leo K. Hennes, Chas. L. Raymond, the committee."

DISABILITY FOR WOMEN

Now Being Written By Chicago Bonding & Insurance Co.—Limits and Rates

The Chicago Bonding & Insurance Company is now insuring business women, including stenographers, salesladies and office managers, under a new disability policy the limits and rates being:

Accidental Death, Loss of Both Limbs or Eyes	Monthly Accident and Illness Indemnity	Yearly Premium Ages 18 to 50	Ages 51 to 55
$ 500.00	$ 50.00	$16.45	$24.68
500.00	75.00	23.45	35.18
500.00	100.00	30.45	45.68
750.00	50.00	17.68	26.51
750.00	75.00	24.68	37.02
750.00	100.00	31.68	47.51
1,000.00	50.00	18.90	28.35
1,000.00	62.50	22.40	33.60
1,000.00	75.00	25.90	38.85
1,000.00	100.00	32.90	49.35
1,500.00	50.00	21.35	32.03
1,500.00	75.00	28.35	42.53
1,500.00	100.00	35.35	53.03
2,000.00	75.00	30.80	46.20
2,000.00	100.00	37.80	56.70

"War has worked a great many changes in the domestic and business life of the country and as there are more women now engaged in business than ever before, we believe the time is ripe to take advantage of the fact," the company says.

Rider to Protect Casualty Expirations

RESULT OF CLEVELAND MEETING

Agents Want Printed Agreement to Protect Their Business if Company Withdraws Supplies

The drafting of a rider to protect the expirations of casualty insurance agents is an aftermath of the Cleveland convention of the National Association of Insurance Agents. This subject has been before both the National Association of Insurance Agents and the National Association of Casualty and Surety Agents.

Florida Agent Starts Discussion

The casualty expiration talk was started at the Cleveland convention by S. L. Lowry, of Tampa, Fla., who wanted to know why the association had not taken some action with regard to the complaint he had made at the St. Louis convention a year ago regarding the Fidelity & Casualty Co. He declared that that company had sent a special agent to Tampa after a controversy between the local agent and the company which special agent had solicited expirations.

"We put the business on our books, and it belongs to the Company not to us," he said. "The casualty business is growing so rapidly that this is a subject of the greatest importance and the association should act emphatically and quickly, outlining its position in the matter."

Agent Williams, of Mankato, said he wanted to defend as well as criticize the action of the company complained of. He said that he knew of five other casualty companies that were in the same boat, and he recited some of his experiences.

Gets It In Written Contract

James B. Wallace, of Kansas City, said he had made contracts with liability companies. These contracts were drawn up by him and the representative of the companies, and typewritten in these contracts or agreements it is provided that the expirations belong to Mr. Wallace.

W. J. Carey Cincinnati said he doubted if 50 per cent. of the agents of the country, particularly fire agents, had a contract of a written nature. He suggested a standard contract which would protect the agents in the matter of renewals and also when a company becomes defunct.

Associations Should Get Together

G. Arthur Howell, Atlanta, thought there should be co-operation between the fire and the casualty agents associations on this matter.

Eugene Walsh Davenport, said that he certainly believed that his $200,000 of casualty expirations belonged to his office exclusively.

John A. Murphy, Buffalo, favored the adoption of a rider which would protect the local agent, and Mr. Murphy's plan won approval.

Not Solicited By Salaried Employe

There are two sides to the Florida incident which was referred to at the agents' convention. It was rumored in Jacksonville and Tampa that Lowry & Prince had placed F. & C. business in other companies before the connection between them and the F. & C. was severed. The general reputation of the F. & C. throughout the field is that it stands squarely and loyally by its agents, proven by the fact that it has hundred of agents who have been with the company a quarter of a century or more.

Secretary Ferres, of the F. & C. said that the Company did not care to enter into a controversy regarding the old Tampa incident. All that he cared to say was this:

"The Fidelity & Casualty Co., decides every case of this nature on its individual merits. So far as the Florida incident is concerned this Company is convinced that its action was fully justified by the circumstances. At no time were these expirations solicited by a salaried employe."

Great Eastern Casualty Company

ORGANIZED 1892

55 John Street, New York

The New York Insurance Department in a recent examination says:

"While the business of the Company has increased, its liabilities have borne a decreasing ratio to the admitted assets and the surplus a corresponding increase in the ratio to liabilities. The growth of the Company, therefore, has been healthy.

The affairs of the Company are being efficiently and conservatively conducted. Liberal reserves have been set aside for outstanding losses and other liability items, and policyholders are being accorded fair and equitable treatment."

Over Three and a Half Million Dollars Paid in Claims

Cash Capital $350,000.00
Surplus to Policyholders.....$584,137.21

LINES WRITTEN

Accident-Health (Commercial and Industrial)—Burglary—Plate Glass—Automobile Teams and General Liability.

Agency applications will be considered for unoccupied territory.

Mayor T. B. Smith of Philadelphia Arrested

A PROMINENT SURETY AGENT

Stormy Petrel in Politics—This Time Accused By Playgrounds Association's Head

Thomas B. Smith, Mayor of Philadelphia, and an agent of the National Surety Company, was arrested a few days ago on a charge of misbehavior and misdemeanor in office. The warrant was sworn out by Otto T. Mallery, treasurer of the Playgrounds Association and a director of the Playgrounds and Recreation Association of America.

"Illegal, wrongful and abusive" use of his power in forcing the appointment of Edward R. Gudehus, of Merchantville, N. J., formerly secretary to Senator Vare, to the $3,000-a-year position of playgrounds supervisor is charged in Mr. Mallery's affidavit. Gudehus, the affidavit charges, is "an incompetent and an unfit person" for the position.

Mayor Smith has been in the limelight ever since he held office and frequently has been criticised by the Philadelphia newspapers, who think he is a product of unfortunate political conditions. He admitted recently that he has diverted much of the city's bonding business to his own company.

The Haskins Agency Company, Detroit, has written a $600,000 depositary bond for the Maryland.

WARN AGAINST LITTLE CLAIMS

The extraordinarily costly outcome of what seem in the beginning to be unimportant claims is a feature of liability insurance to which the Maryland Casualty has called the attention of agents.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building PHILADELPHIA

PICKED UP ALONG WILLIAM STREET

From all indications the Liberty Loan Committee will surpass all previous efforts. A. Duncan Reid, chairman, said this week that the organization of bond sellers is bigger and more perfected than formerly, while the enthusiasm over the Allied successes on every front, and the defection of Bulgaria from the Central Powers, has stimulated the bond sellers greatly.



COMMERCIAL CASUALTY'S WILLIAM STREET WINDOW

The literature used in the Fourth drive is an improvement over the others, and the insurance district is covered with posters. Some of the windows in the district are striking and attractive in their poster display. One of the most effective is the Commercial Casualty Building window, a picture of which is published on this page.

* * *

Don't Use Word "Etc."

An agent asks The Eastern Underwriter if the word "etc." in a form written for a cafe covers liquor as well as cigars and cigarettes, the exact phraseology being "cigars, cigarettes, etc."

The general counsel of one of the leading companies, when asked for his opinion, said: "Etcetera should not be admitted in any proposal for or policy of insurance, particularly with respect to the description of the business of an assured. The agent in question may find that he has imposed a considerable obligation upon his company for an altogether inadequate premium."

* * *

Maryland's Chief Philadelphia Auditor in France

Newell Stone, chief auditor of the Maryland at Philadelphia, is now in France with the Red Cross.

Sends Venison to Insurance Men

Charles J. Bosworth, affectionately termed "Charley" by his intimates, Coast general agent for the Fidelity & Casualty, president of the Lagunitas Gun Club, crack shot and all 'round good fellow, is up somewhere along the Canadian line, Montana, in search of big game, says J. A. Carey, of "The Adjuster," San Francisco. He is compelled to go thus far in order to taste the product of the hunt himself, for, nearer home, his friends take it all away from him. "I, myself, was this year one of the happy recipients of his bounty, a fine piece of venison, so large that I found it difficult to get it into the pot until some one advised me to chop the horns off, after which all went well. I may, possibly, get a bit off the other end of the critter as a result of the present hunt," Mr. Carey adds.

* * *

A Million in Eight Months

John Donohue, resident manager of the Maryland in Philadelphia, sent the Maryland $1,000,000 in premiums for the first eight months of this year.

* * *

Civilization's Choice

The Maryland Casualty inserted a page advertisement in Baltimore newspapers, the copy being written by Richard H. Edmonds, editor of the "Manufacturers' Record." The article was headed "Heaven or Hell, Freedom or Slavery. Which Do You Choose?"

* * *

Garrett Ill With Influenza

James R. Garrett, Eastern manager of the National Casualty, of Detroit, was one of the victims of the epidemic of Spanish influenza. Mr. Garrett is expected to return to his office next week.

Van Schaack Again Heads Safety Council

MEETING HELD IN ST. LOUIS

Aetna Life Man Honored By Employes —His Splendid Work in Connection With Organization

David Van Schaack, director of the Bureau of Inspection and Accident Prevention of the Aetna Life Insurance Company, has been honored with a second term as president of the National Safety Council. At a meeting of the directors held in St. Louis, September 17th, at the time of the Seventh Annual Safety Congress of the National Safety Council, Mr. Van Schaack was re-elected to that important office for another year. This is only the second time that a president of the National Safety Council has been continued in office for two successive years.

The National Safety Council is an organization of employers of labor in every line of industry and its activities are concentrated on the prevention of industrial accidents and the safeguarding of workmen. From a small beginning in September, 1912, it has grown in size and influence until it has today a membership of more than 3,700 employers in whose plants more than 7,000,000 workmen are employed.

Mr. Van Schaack has been active in work of the National Safety Council during its entire existence and has had a prominent part in its development. He was a member of the original organization committee which met in 1912, and formed the National Council and became the first chairman of its financial committee. He has always been a member of the Council's executive committee. In 1916 he was elected to the office of vice-president, and in 1917 to the presidency of the National Safety Council. Under his administration the services of the Council have become increasingly valuable and its influence has been greatly extended until it can be called a truly national force for industrial safety and accident prevention.

Through his connection with the Bureau of Inspection and Accident Prevention of the Aetna Life Insurance Company, Mr. Van Schaack was one of the pioneers in the "Safety First" movement in this country. He has spoken in many of the large cities on accident prevention work, and is the author of several important works on industrial safety.

WARNING FROM JERSEY

Uninsured Risk Must Get Sufficient Insurance or State Fund Agitation Will Grow

The report of the Casualty Committee of the agents' association of New Jersey made a report to the convention in Atlantic City last week. One section of the report of particular interest follows:

"The insurance companies have adopted a compulsory experience rating plan on automobile liability and property damage insurance, as of October 1. This affects only automobile fleets. There will probably be a revision of compensation rates this winter based on experience. While the great danger of a state fund has passed, the companies are not wholly living up to their agreement with the insurance commissioners relating to the so-called uninsurable risk, and they (the companies) should be warned that unless they are prepared to care for the hazardous risk in this state they may expect further agitation for a state fund." Another paragraph read:

"On account of greatly increased earning power of employes we may look forward to an increase in the compensation benefits under the act, and, as a result of increased rates for compensation insurance there will probably be some agitation for a law for health insurance for employes in certain classes of business, said fund to be conducted and administered by the state."

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INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT

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F. O. ROBERTS, Vice-Pres. and Gen. Mgr. HOME OFFICE: CHICAGO, ILLINOIS

CASUALTY AND SURETY POINTERS

Residence Burglary Insurance

Practically every substantial householder is a prospect for residence burglary insurance in one form or another, but it will be found that the co-insurance form of policy, if properly presented, is attractive to all classes of householders, regardless of their financial or social status, says the American Surety. This form of policy will particularly appeal to the householder of smaller means, for the reason that it may be issued in the smaller amounts and at a considerably reduced premium, owing to the obligation that the assured will buy insurance up to 80 per cent. of the value of certain articles named therein,—but before endeavoring to sell this policy the solicitor should particularly inform himself as to the effect of the average clause and in each instance thoroughly explain the clause to the assured. This will save subsequent misunderstanding. The blanket policy will naturally appeal to the householder of larger means, but in soliciting the sale of this form of policy, every effort should be made to induce the assured to buy sufficient insurance, not only to cover his needs, but to provide a premium to sufficiently compensate for the protection of the amount of property exposed to loss. Effort should be made to have the insurance purchased equal at least to 30 per cent. of the total value of the property exposed. In residence insurance the moral responsibility of the assured should be the subject of the closest attention. The physical condition of the premises, the general conditions of the household, and the number and character of servants employed, if any, should always be the subject of some investigation.

* * *

Effect of New Draft on Accident Insurance

Perhaps for the first time in the history of America, it has been forcibly brought home to any man between the ages of eighteen and forty-five what loss of income might mean. Never has the business or laboring man of America been so prosperous. Wages are the highest ever known. Money so easy to make.

The announcement of the new draft has caused every man to stop and think what it would mean to him if he should be drafted. Remember that not all those between the ages of eighteen and forty-five will be drafted. A great many million will be exempt, but it has taught every man a lesson. If sickness or accident comes to them it would cause the same loss of time as if drafted. Use this in your next "Selling Talk."

It is your duty to see every insurable person in your territory today, tomorrow or as soon as possible and secure their application so that they may be continentally protected.

Thousands of men between the ages of forty-five and fifty-five will take the places of those drafted—they will want protection against loss of time as never before. "Don't delay, see them today," will be your working code.

* * *

Automobile Embezzlement Bonds

George C. Sinclair, of the Chicago Bonding & Insurance Company, says in that Company's paper, "The Fieldman" that most automobile dealers are unable to make full payment to the factory for the cars which they purchase, but make part payment in cash and give their note for the balance. As the factory generally desires the cash immediately, it is customary to discount these notes, and companies have been formed for the sole purpose of purchasing these notes.

In order that these financial companies may make their investment as secure as possible, the cars covered by these notes are protected by policies covering all lines of automobile insurance. There is one feature, however, which casualty insurance cannot cover, namely, theft, conversion or criminal misappropriation of the car by the dealer or with his connivance. It has been the habit of automobile insurance companies to cover this by a rider with the policy, but this procedure has been declared illegal and had to be discontinued. The proper coverage is by means of a bond and opens a new line to bonding companies.

A schedule bond is issued with the finance company as obligee and as they acquire notes on the cars these notes are accepted under the bond. As soon as the note has been paid the liability of the surety ceases. In case of a claim the surety must produce the car, regardless of its condition, or pay the amount of its liability.

There is another form of bond in this class which protects the dealer. Many cars are sold to customers on part cash payments, with notes to cover the balance. To protect himself, the dealer will obtain a bond to cover these notes, similar to the one which is issued for the finance companies.

Many agents will find prospects for this business in their territory, and we are here to furnish all the information and assistance possible.

* * *

The Trouble With Non-Producers

The trouble with the non-producers, and those who are not working to the limit is, they write saying they are approaching a period when quantity and quality applications soon may be forthcoming, says the "Federal Record." If our dull minds grasp their ideas correctly, we note that they have not reached the point where such hope may be cherished, but are merely approaching it. In other words, these lethargic representatives are not approaching a point where quantity and quality applications will be assured, but merely where it may be hoped for, and even then these applications may not be hoped for immediately but soon. "Not yet, but soon!" Such is the situation, and such is the outlook. We can only advise these representatives for their own interests to get busy and we weigh our words very carefully when we ask them to do this.

Statement of the Ownership, Management, Circulation, etc., Required by the Act of Congress of August 24, 1912, of THE EASTERN UNDERWRITER, published weekly, at New York, N. Y., October 1, 1918.

State of New York,
County of New York, ss.

Before me, a Notary Public, in and for the State and county aforesaid, personally appeared W. L. Hadley, who, having been duly sworn according to law, deposes and says that he is the Business Manager of the THE EASTERN UNDERWRITER, and that the following is, to the best of his knowledge and belief, a true statement of the ownership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, required by the Act of August 24, 1912, embodied in section 443, Postal Laws and Regulations, printed on the reverse of this form, to wit:

1. That the names and addresses of the publisher, editor, managing editor, and business managers are:

Publisher, THE EASTERN UNDERWRITER CO., 105 William Street, New York City.

Editor, Clarence Axman, 265 Central Park West, New York City.

Managing Editor, Clarence Axman, 265 Central Park West, New York City.

Business Manager, W. L. Hadley, 402 East Fifth Street, Plainfield, N. J.

2. That the owners are: (Give names and addresses of individual owners, or, if a corporation, give its name and the names and addresses of stockholders owning or holding 1 per cent. or more of the total amount of stock.)

THE EASTERN UNDERWRITER CO., 105 William Street, New York City.

Clarence Axman, 265 Central Park West, New York City.

B. F. Hadley, 338 Forty-Second Street, Des Moines, Iowa.

W. L. Hadley, 402 East Fifth Street, Plainfield, N. J.

3. That the known bondholders, mortgagees, and other security holders owning or holding 1 per cent. or more of total amount of bonds, mortgages, or other securities are: (If there are none, so state.)

NONE.

4. That the two paragraphs next above, giving the names of the owners, stockholders, and security holders, if any, contain not only the list of stockholders and security holders as they appear upon the books of the company but also, in cases where the stockholder or security holder appears upon the books of the company as trustee or in any other fiduciary relation, the name of the person or corporation for whom such trustee is acting, is given; also that the said two paragraphs contain statements embracing affiant's full knowledge and belief as to the circumstances and conditions under which stockholders and security holders who do not appear upon the books of the company as trustees, hold stock and securities in a capacity other than that of a bona fide owner; and this affiant has no reason to believe that any other person, association, or corporation has any interest direct or indirect in the said stock, bonds, or other securities than as so stated by him.

W. L. HADLEY, Business Manager.

Sworn to and subscribed before me this 24th day of September, 1918.

MARGARET M. O'BRIEN, Notary Public.

Notary Public, Kings County, No. 21, Register's No. 118; certificate filed in New York County, Clerk's No. 46, Register's No. 10045; certificate filed in Bronx County, Clerk's No. 2, Register's No. 208.

Commission expires March 30th, 1920.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

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THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

Nineteenth Year; No. 43 | NEW YORK, FRIDAY, OCTOBER 11, 1918 | $3.00 a Year; 25c. per Copy

WAR BUREAU ASKS DETAILS OF COMPLAINT

Acting Commissioner Says Bureau Forwards Policies Within 24 Hours of Check's Receipt

ANSWERS NEW YORK MERCHANTS

Regrets That There Has Been Any Dissatisfaction From Shippers Regarding Bureau

Complaint made by members of The Merchants' Association of the delay in issuing war risk insurance policies was recently called by The Merchants' Association to the attention of the Bureau of War Risk Insurance of the Treasury Department. In replying to the complaint Mr. William C. Rader, acting commissioner of the Marine and Seamen's Division of the Bureau, writes as follows:

"Yours of recent date, addressed to Director De Lanoy, has been handed to me for acknowledgment, and in reply would advise that we regret to note that there has been any dissatisfaction in the operation of this Bureau on the part of shippers.

"Referring to the last sentence of the first paragraph of your letter, stating that the Bureau certificates are not available until a week or ten days after the steamer sails, we would state that except in cases where a risk has been bound provisionally, and we are awaiting final closing particulars from the assured or broker for the proper issuance of the policy, the Bureau has made it a point to forward the policy within twenty-four hours after application and certified check have been received.

Anxious to Investigate

"If, however, you have any specific case where there has been unusual delay, and you will be good enough to give us the full particulars thereof, as well as of any other cases of unusual delay, we shall be very glad to look into the matter and consider any suggestions you may have to make that will aid the Bureau's endeavor to render every possible assistance to merchant shippers within the limits of our regulations."

Conflagration Proof

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SPRINGFIELD MASSACHUSETTS

BUY LIBERTY BONDS

AMERICAN ACTUARIES MEET IN CANADA

Interesting Papers Read By Arthur Hunter, Percy H. Evans, F. H. Johnston and Others

TUBERCULOSIS AND DISABILITY

Suggestion for Change from Market to Amortized Valuation for Avoiding Abnormal Fluctuations

The Actuarial Society of America met this week in Montreal as guests of the Sun Life. Among those who read papers were Frederick H. Johnston, "Valuation of Bond Holdings of a Life Insurance Company"; Arthur Hunter, "An Analysis of Claims for Total and Permanent Disability Benefits"; and P. H. Evans, "Note on Mortality by Habits Representation."

Mr. Hunter's Summing Up

"The outstanding feature of the tables of causes of disability is the high proportion of disability from tuberculosis," said Mr. Hunter. "This must be expected at the young ages. In general it may be said that the companies are declining to grant disability benefits of the present liberal type to young men who are underweight and have a family record of tuberculosis; or, in some instances, to young men who are very light weight even though they do not have a family record of tuberculosis.

"With regard to insanity, the companies are generally following the practice of not granting disability benefits to applicants who have shown any mental weakness in the past, or to those with a strong family taint of insanity. On account of the much longer period over which disability annuities are payable in the case of insanity than of tuberculosis, the former is the more serious condition.

"It is evident from an analysis of the causes of disability that such effects of syphilis as locomotor ataxia and paresis have caused a distinctly larger percentage of claims in some companies than in others. The lesson seems to be that there is a distinct increase in the hazard and in the cost of disability benefits when applicants with a history of syphilis are granted such benefits.

Eye Impairment

"Unfortunately, the causes of disability do not enable us to answer some questions which are brought up at the present time. For example, is there a distinct increase in the risk on account of one of the applicant's eyes having

BUY LIBERTY BONDS

been lost, or seriously impaired? Is there a marked increase in the accident rate as the result of loss of one leg, so that disability benefits cannot be granted at normal rates to applicants so maimed? These questions cannot probably be answered until one or more companies have taken sufficient of such risks to find by experience the additional cost, if any, of the disability benefits."

In his paper on "Valuation of Bond Holdings," Mr. Johnston proposes to use for bonds purchased prior to 1917 the market value as of the end of 1917, and later valuations by the amortization method, thus substituting the value in 1917 of bonds already held in place of the cost price. In this way a change from market to amortized valuation would involve no abnormal fluctuation. Thus, the paper is a suggestion of a method of avoiding the confusion of a change from one plan to another.

He said in part:

"The amortization method avoids some of the difficulties of fluctuating values, but the statutory provision permitting the use of this method goes back to the original cost and the changing over to its use would cause an abnormal condition in the case of any company heretofore using the so-called market value basis.

"At the end of 1917 there was a difference of 71 points between the amortized values and the market values, so that in the case of a company changing its basis its apparent progress would be a distortion of the facts. It would seem, therefore, that to meet the situation a system which would cause less disturbance should be devised. Such system should also be one which will obviate the necessity of any future adjustment.

"Incidental to the subject and as an aid in working out a concrete case which will be given later the following table has been prepared. This table shows a proportion of bonds which mature in each decade in the present century:

Up to 1919	16.07
1920-1929	44.43
1930-1939	8.35
1940-1949	10.54
1950-1959	10.45
1960-1969	2.96
1970-1979	.21
1980-1989	1.16
1990 and after	5.83
	100.00

"The average time to maturity is slightly under twenty years.

The Precedent at End of 1914

"In considering a possible solution to the whole question there are two circumstances to be remembered:

"First, that a precedent was created at the end of 1914, at which time the Stock Exchange was closed and the values authorized were as of June 30 of that year, and again at the end of 1917, though the Stock Exchange was not closed, the National Convention of Insurance Commissioners 'recognized the probability that the participation of the United States in the world war would affect the bond and stock markets to such an extent that market quotations on any fixed date would not represent the real values on standard securities.' A committee appointed for the purpose decided 'to prepare the values by adding together the market values as of November 1, 1916, February 1, May 1, August 1 and November 1, 1917, and dividing them by five enter the results in the book as the proper values to be allowed as of December 31, 1917.'

"Second, the legal provisions in some states permitting the use of the amortization method. The following states have such a provision: California, Connecticut, Massachusetts, New Jersey, New York, Oregon, Pennsylvania, Wisconsin. This provision is substantially the same in each state and describes the method of amortization, using the purchase price if not in excess of the then market value as a starting point, and also excludes any bonds in default as to principal or interest. With the exception of Connecticut the section of the law on this subject also provides that a corporation may return such bonds at their market value or their book value, but in no event at an aggregate value exceeding the aggregate of the values calculated according to the rule prescribed.

Falls Short

"The statutory provision for amortization supplies a sound principle for ascertaining the values, but falls short of meeting the present condition by fixing the purchase price as the initial amortization value, and hence involving a violent change in going from the market value basis. It supplies, however, a hint which is helpful in the proviso that book of market values may be used if not in excess of amortized values. The proposition which suggests itself is to find a set of values (which might be called 'amortized market values of 1917') following the principle of amortization but avoiding any shock by taking some other starting point than the original purchase price. The logical starting point would obviously be the values used at the end of 1917. The result would be a set of values thereafter free from any abnormal fluctuations and always well within the statutory amortized values. This method would also have the further advantage that the amortized market value of a bond purchased prior to the end of 1917 would be the same at the same point of time by whatever company it was held; whereas, under the regular amortization plan it has different values at the same point of time according to its original cost. Of necessity all new purchases would have to be amortized from cost value. As concrete examples of this proposition two cases have been worked out. One of a bond bought at a premium and one bought at a discount, having about eighteen years to run, which is slightly less than the average time to maturity of present bond holdings as shown earlier in this paper.

"The bond purchased at a premium was a 5 per cent. bond, maturing January 1, 1937, for which $1,086 was paid in 1910. Its regular amortized value on December 31, 1917, was $1,071, while its market value by the five-point method was $920, and its quoted value was $820.

"The bond purchased at a discount was a 4 per cent. bond maturing October 1, 1936, for which $843 was paid in 1908. Its regular amortized value on December 31, 1917, was $881, while its market value by the five-point method was $730, and its quoted value was $610."

Effect of Alcohol

In his paper on "Note on Mortality by Habits Representation," Mr. Evans adds another investigation on the question of the effect of alcohol. The policies were divided into four groups, classified according to the use of alcohol. Mr. Evans took note in speaking of the results that there was a tendency of those who drink a considerable amount to underestimate the amount of alcohol used with the result that undoubtedly many really heavy drinkers would be included with the class of moderate drinkers. The results are in accordance with the results in previous experience of various companies, namely, that the total abstainer class showed the lowest mortality and the mortality increased with the amount of alcohol taken.

The four groups that Mr. Evans made were:

1—Total abstainers.

2—Moderate drinkers, in which was included those who did not exceed Anstie's limit of 1¼ ounces of alcohol a day.

3—Regular beer drinkers which included those taking four or more glasses in any one day or a daily use of one or more.

4—Regular spirit drinkers.

The results found for the different classes were by the standard of the "Medico-Actuarial Table of Mortality" and were found to be 83-3/10 per cent. for total abstainers, 97-2/10 per cent. for group 2, 111-3/10 per cent. for group 3, and 128-9/10 for group 4.

DR. DUBLIN GOES TO ITALY

Statistician of Metropolitan Life Accompanies Red Cross Mission Which Will Spend $12,000,000

Louis L. Dublin, Ph.D., statistician of the Metropolitan Life, has been selected to accompany the Red Cross Mission to Italy. It is a very high honor, for the Commission is one of the highest importance which may involve the expenditure of twelve millions of dollars.

At the request of the Royal Italian Government, the American Red Cross has organized a Commission of American physicians and public health workers for service in Italy. Primarily, the work of the Commission is to further the organization of public health work throughout the kingdom. The Commission will co-operate with the Royal Government and with the various public health societies and associations and hospitals and other institutions that are now at work in the various centers of Italy. Much emphasis will be laid upon the prevention and control of tuberculosis, infant mortality and child hygiene. A well equipped department of publicity will spread far and wide well-written health pamphlets. Publicity will also be developed through the local newspapers. Motion pictures giving health lessons will be shown in all the important communities. The Commission has a large staff of American physicians and nurses, who will add to their number when they arrive on the other side. Schools of nursing will be established to increase the number of effective volunteer workers for both general public health work and for hospital service.

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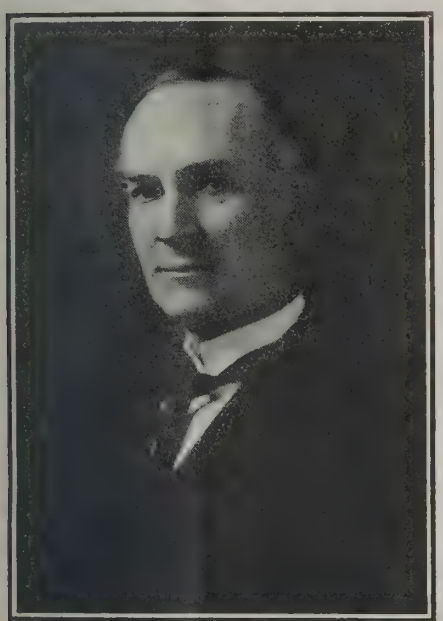
EQUITABLE EQUITABLE

Stewart Anderson With Mutual Life

EDITOR BACK IN INSURANCE

Will Be Assistant to Dr. Jackson, Head of Company's Literary Department

Stewart Anderson, one of the most capable and brilliant insurance editors in the country, has been appointed assistant to Dr. Jacob A. Jackson, head of the literary department of the Mutual Life. This department has for years turned out agency matter of unusual value, some of it having had a very wide circulation not only with agents of the Mutual but with agents of all companies. The department also edits "Points," a paper which has always treated life insurance questions from a broad viewpoint, and which contains articles which have frequently been quoted in the insurance press.



STEWART ANDERSON

Mr. Anderson who is an unusually intelligent student of insurance and writes with a polish and conviction which have made his work distinctive, became generally known to the life insurance fraternity as the editor of "The Radiator," published by the Massachusetts Mutual Life, one of the best publications in the entire insurance business. Not only able to write himself Mr. Anderson had the rare ability of making insurance men write, too. He resigned from the Massachusetts Mutual to go with the Sheldon School of Salesmanship in Massachusetts, but he had been in the life insurance atmosphere so long and cared so much for it that he could not be happy in other lines of work.

Mr. Anderson has had an unusually interesting career, is versatile, speaks well on the platform and makes friends with those with whom he comes into contact.

ELECT BISHOP PRESIDENT

Mayor Littleton, of Chattanooga, welcomed the members of the Volunteer Life's $100,000 Club at the meeting of that body last week. The Insurance Commissioner also spoke. T. R. Durham was toastmaster at the banquet. J. W. Bishop was elected president; W. R. Ellis, of Houston, Tex., vice-president.

LIFE INSURANCE SALESMANSHIP

¶ Your agents should read the 1918 Life Insurance Salesmanship Edition of The Eastern Underwriter containing practical sales experiences told by the agents who had same. We have a limited supply of this edition on hand for distribution. Orders for same will be promptly filled while they last at 25 cents a copy.

THE
EASTERN UNDERWRITER CO.
105 William Street, NEW YORK

CAN'T STOP WOMAN'S CHECKS

Hard For War Risk Insurance Bureau To Catch Up With Its Work

In discussing the tremendous demands made in the War Risk Bureau which would necessitate impossibly superhuman energies "to catch up," Representative Gillett, speaking in Congress a few days ago, said:

"Only within a few days a letter was brought to my attention where a woman said that she had written to the War Risk Insurance Bureau half a dozen times trying to get them to stop sending her checks which did not belong to her. She had applied for an allotment under her own name, giving her full name, and her husband, a soldier, had applied for her allotment, giving simply her initials. She had put her residence in one place with her father-in-law, and he had put it in another, and consequently every month she got a check for the amount her husband asked for and another check for the allotment she asked for. Every month she sent back one of the checks, and asked them to stop sending her this extra check. But no; they kept sending her two checks every month. She can not stop them. I do not suppose the Government will have to pay the checks, for fortunately this woman is unusually honest and will not allow even the Government to force upon her money which does not belong to her."

Clinton C. White, secretary of the Puritan Life, has been appointed chairman of the Providence, R. I., Industrial Committee in the next Liberty Loan drive and is devoting most of his time to the creating of an organization sufficient to personally reach the 80,000 employees in sundry Providence industries.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE
PRUDENTIAL
INSURANCE CO. OF AMERICA
Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President **Home Office: NEWARK, N. J.**

War Risk Bureau Has Sent 6,500,000 Checks

MILLION A MONTH GOING OUT

Paying More Than 5,000 Monthly Compensation Checks—13,000 Employes in Bureau Now

Washington, D. C., Oct. 7—Although no ceremonies were held to commemorate the event, the Treasury Department this week took cognizance of the fact that the Bureau of War Risk Insurance had completed its first year of work, the war risk insurance act having been signed by the President on October 6, 1917.

In a statement issued, calling attention to the completion of the year, Secretary of the Treasury McAdoo gave the following summary of the work which has been accomplished during the past twelve months:

"The administration of the Act by the Treasury Department through the Bureau of War Risk Insurance during the past year constitutes one of the big war tasks of the Government.

"In the twelve months just ending, the Bureau has mailed more than six and one half million checks in payment of allowances and allotments representing a total disbursement of almost $200,000,000 for the care and maintenance of the families and dependents of our fighting men.

"These wise and just provisions reach to every corner of the land. Approximately one million checks a month are now being mailed regularly to maintain this protection.

"The Act also provides that liberal compensation benefits, without cost to the soldier, shall be paid for death or disability incurred in the line of duty, and in addition that every man wearing the uniform, who desires to provide additional protection for his loved ones, may take out not less than $1,000 nor more than $10,000 of Uncle Sam's insurance against death and total permanent disability. In the year past the Bureau has written nearly thirty-five billion dollars of this insurance or approximately as much ordinary life insurance as there was outstanding with all the life insurance companies in the world at the beginning of the year. Our army and navy are more than 90 per cent. insured and new applications are now being received for more than a billion dollars of this insurance per week.

"The Bureau has made awards and is paying monthly compensation on more than 5,000 death and disability claims, and it is paying monthly installments of insurance on more than 9,000 insurance death claims.

"In the performance of this threefold task the Bureau has within the year handled nearly 3,900,000 insurance applications and more than 3,800,000 allotment and allowance forms, and it has been necessary to prepare and maintain under constant control more than 26,000,000 separate individual card records. The Bureau has received and answered more than three million letters.

"From a small organization of twenty persons working in the basement of the Treasury Department one year ago, the Bureau has grown until it now has a working force of 13,000 employes occupying thirteen buildings in Washington."

The John Hancock has subscribed $5,000,000 in Liberty Bonds for its New England Department.

During the absence of Graham C. Wells (doing government work in Washington), George W. Ryan is in charge of production in the Pittsburgh office of the Provident L. & T.

Short-Hand Report of Chicago Speech Made By T. B. Love

This talk, one of the most important of the year, was made before the American Life Convention in Chicago

I have seen recently some agitation in the public press, but I have heard very little of it elsewhere, as to the meaning of this great insurance adventure of which I have told you—as to whether or not it foretold the invasion or absorption of the business of life insurance and of insurance generally by the Government of the United States. I have said in reply to this question, as I say now to you, that personally I have heard absolutely no tangible suggestion as to the Government absorbing the life insurance business, or any other insurance business. Nothing that has been done up to this date can fairly be construed as accomplishing that purpose. The Government has confined itself strictly to providing for its own use insurance facilities which it could not obtain elsewhere up to this time. No man can tell what the future holds for any man or set of men or for any business or institution. In these days when the outstanding ordinary life insurance in the civilized world is doubled within one short year as a result of this great war, it is obviously impossible to gauge the future. Personally, I have no doubt that should it become necessary in order to win this war to take over any business, it would be done, and that such action would be approved by practically the unanimous voice of the great American people. (Applause.) These are not times when men can get an audience before whom to discuss prospective injury to their business or personal interests. I cannot conceive of any way in which the winning of the war could be promoted by the Government engaging in any business which is not particularly connected with the winning of the war. But when the war shall be passed and the millions of men now in the service shall be demobilized and come back, then there will be great economic problems in connection with all phases of the world's activities which will be up for consideration. I believe in the institution of life insurance and private life insurance; I want to see it preserved, not because it affords a means of making money for those engaged in it,—I would not put it on so sordid a basis—but because of its definite advantage to the human race. What will happen to the institution of life insurance and of all insurance after the war is likely to depend upon the degree in which those representing the business are able to convince the American people, that it is a good thing for them and for the human race, and there can be no better illustration of that fact than to point to a record of real service while the war was on.

I appeal to you in closing to forget everything except the one thing that is now uppermost in the minds of men and women in the civilized world—"What can we do to win the war and compel the unconditional surrender of the foes of liberty and civilization." If we win the war we can settle all questions affecting our jobs after the war has passed; if we do not win the war our jobs will not be worth saving.

But aside from considerations of personal consequences, let us be intelligently selfish enough to exert ourselves to earn our share of the glory of winning this great struggle.

MORTGAGE LOAN LETTER

Commissioners Advise Companies of Detailed Data They Need Not Give Until After War

Owing to the present excessive cost of printing and material, the difficulty of securing experienced clerical assistance and conforming to the resolution adopted by the National Convention of Insurance Commissioners at its recent session in Denver, the Colorado Insurance Department will not, until further notice, require the detailed information in Schedule B of the annual report as to mortgage loans, but will accept in lieu thereof the following data:

Amount of principal unpaid December 31, 1917; amount loaned during 1918; amount paid on account or in full during 1918; amount of principal unpaid December 31, 1918; past due interest December 31, 1918; interest accrued December 31, 1918; gross amount of interest received during 1918; total value of lands mortgaged; total value of buildings mortgaged.

In other words the department will accept the totals of all items of Schedule B instead of an itemized exhibit. A form of Schedule B which may be inserted in your annual statement blank is herewith enclosed.

The classification showing the total amount of mortgage loans on real estate in each state and foreign country should be filled in.

This action is for the duration of the war only, and we reserve the right in the future to require that Schedule B be completely filled in and filed.

BENEFIT ORDER RULING

There is nothing unreasonable in providing in the by-laws of a mutual benefit association that after a certain age it will not accept a risk and also that after an insured has passed a specified age he may not be transferred from one class to another according to a recent decision in the case of Fox vs. Junior Order of United Mechanics decided by the Supreme Court of South Carolina.

J. T. Liles, vice-president of the Jefferson Standard Life's $1,000,000 Club, and a member of the State Senate of South Carolina, is the nominee of the Democratic party for Lieutenant-Governor. This primary nomination is the equivalent to an election in South Carolina.

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Mr. Successful Life Insurance Agent:
Do you want to secure a General Agency for yourself? If so, read this, it is
WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

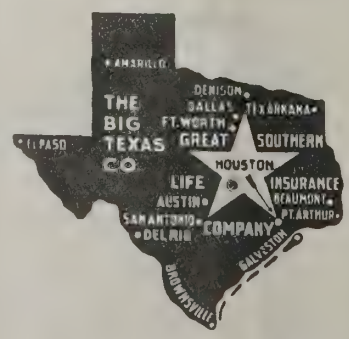
THIRD, that in case of death from certain SPECIFIED accident, $15,000, or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And WHY should any man be satisfied with a policy that would do less? The cost is low.

General Agents wanted in the following States: Pennsylvania, Delaware, Kansas, Michigan, Ohio and the District of Columbia. Address:

UNITED LIFE AND ACCIDENT INSURANCE CO.
Home Office, United Life Bldg., Concord, New Hampshire

Great Southern Life Insurance Company
HOUSTON, TEXAS.



For Agency Contracts address

O. S. CARLTON
PRESIDENT

Don't Let Peace Talk Interfere With Loan

SLOGAN OF INSURANCE AGENTS

Redouble Their Efforts to Put Loan Across in New York and Brooklyn

Most of the general agents of New York and a large number of agents and Home Office employes attended a meeting at the Bankers' Club on Saturday to get final instructions in pushing Liberty Bond subscriptions. L. A. Cerf, in charge of the selling committee, and others were emphatic in warning the salesmen present that they must redouble their efforts now that Germany is pulling every wire she can to win a partial victory through a peace maneuver. The unanimous sentiment of the meeting was that an oversubscription to the Loan will be the best answer that can be made to the German people that this country intends to prosecute the war to the limit.

William F. Atkinson presided at the meeting, the speakers being Judge Day, president of the Equitable; Mr. Cerf; the Rev. David Hughes, a Welsh parson who spent two years in the trenches with the Welsh Fusileers and has lost twelve brothers in the war.

Territory has been alloted to the various offices about town and the agents are working harder than ever to put their share of the loan across. Life men are addressing group meetings in large numbers and are canvassing individuals so that there will not be a person in the district unapproached. There is no body of salesmen who are doing harder and more conscientious and effective work than the agents of New York and Brooklyn.

Reports are being made to A. Rushton Allen of Mellor & Allen, 149 Broadway.

The October 7 report of Home Office employes in brief follows with names of companies and captains: Metropolitan Life, captain, T. R. Richardson, $324,650; Mutual Benefit, William Winton, $166,600; Mutual Life, G. C. Keeler, $166,000; Equitable, Joseph Boldt, $154,200; Guardian, George Leyser, $21,500; Manhattan, W. N. Stanley, $11,700.

Some reports received up to Wednesday noon by A. Rushton Allen follow:

Travelers	$1,103,800
Mutual Benefit	361,850
Equitable	271,750
Prudential	105,000
Penn Mutual	21,000
John Hancock	508,200
N. E. Mutual	324,800
Union Central	208,850
Manhattan	80,550
Connecticut Mutual	18,650

Provident Loan & Trust, $12,250, including home office's $50,000 subscription allotted to New York.

Mutual, $8,550, Home Life, $4,000.

Brooklyn

Prudential, $833,600, John Hancock, $222,950.

THE LOAN IN HARTFORD

Hartford is all qui vive over the Fourth Liberty Loan. Everything in business gives way to it. Printing is held up, stenographers of insurance offices are being loaned for the purpose of sending out circular matter, agents have practically quit soliciting prospects, the office routine is at a standstill and is piling up. The Aetna Life has renewed its installment offer to its agents and employees and also to industrial concerns of Hartford of 2 per cent. down, 3 per cent. on November 1st and 5 per cent. a month until paid. The Aetna Fire has subscribed $1,500,000 and the other companies are getting ready to come across. W. L. Mooney, agency supervisor of the Aetna Life, is chairman of the city sales committee and has announced the following insurance committees: Aetna Fire, Guy E. Beardsley; Aetna Life, Aetna Casualty and Surety Co., Automobile Insurance Co., C. H. Remington; Connecticut General, Joseph C. Gorton; Connecticut Mutual Life, James Lee Loomis; Factory Insurance Association, H. L. Phillips; Hartford County Mutual, Edward F. Harrison; Hartford Fire and Hartford Accident and Indemnity, D. J. Glazier; Hartford Steam Boiler Inspection, Charles S. Blake; London & Lancashire, and Orient, Luther H. Bishop; National Fire Insurance Co., Fred B. Seymour; Phoenix, and Connecticut Fire, James B. Knox; Phoenix Mutual Life, Charles E. Johnston; Rossia, Carl F. Sturhahn; Scottish Union & National, Henry J. Houge; Standard Fire, H. A. Thornton; Travelers and Travelers Indemnity Co., W. R. Slocum.

The life insurance committee consists of Lee C. Robens, general agent of the New England Mutual; F. A. Griswold, general agent of the Northwestern Mutual; Charles E. Stockder, general agent of the Provident Life & Trust; Dwight G. Holbrook, manager of the Mutual Life, and R. O. Dunkum, superintendent of the Metropolitan. Mrs. R. M. Bissell, wife of the president of the Hartford Fire, is chairman of the Women's Committee in schools and Mrs. Morgan G. Bulkeley, wife of the president of the Aetna Life, is chairman of the Women's Committee for the entire state.

E. E. Scott, auditor of the Equitable Life Assurance Society, entered the service of the Society as a clerk in the Des Moines office. He is a graduate of Northwestern University.

First Lieutenant J. A. Demarest, now at the front, was formerly on the staff of the Equitable's "Agency Items."

One of the first cases closed by R. S. Marshall, Washington, D. C., with Missouri State Life, was for $100,000.

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

Judge Day Discusses Fiscal Side of Loan

SPEAKS TO INSURANCE MEN

Magnitude of War's Expenditures—Financial Responsibilities of Nation That Must Be Met

President William A. Day, of the Equitable Life Assurance Society, which has subscribed $20,000,000 to the Fourth Loan, and which is pushing the sale of the bonds energetically and systematically through a large Home Office organization, discussed the fiscal side of the Loan in a talk to bond salesmen of all life insurance companies, delivered at the Bankers Club on Saturday morning. He thought the time for talking was over; that the issues are clearly defined; and it is up to everyone to work hard from now on so that the Loan will be a success. Beginning his talk he declared that the Equitable had decided to put all of its available resources behind the Government from the time our war with the Central Powers started; decided to work without stint in furthering the interests of the Liberty Loan and in participating whole-heartedly in other Government activities.

Tremendous Appropriation

Judge Day explained to the bond salesmen present how the Government makes its estimates of funds necessary to carry on the war; how these estimates are collated by heads of important departments for the consideration of Secretary McAdoo; how the Secretary studies them and presents his recommendations to the Ways and Means Committee of the House; and how the recommendations are enacted into law. The fiscal year begins on July 1 and ends on June 30. Early in the Spring Mr. McAdoo sent to Congress his estimate of what would be required by the Government for the conduct and expenses of the war for the fiscal year—$24,300,000,000—and asked that that amount be appropriated. He also recommended to the Ways and Means Committee that it provide the legislation which would authorize the levying of one-third of that amount by taxation; the balance to be raised by borrowing.

"No appropriation bill had ever been passed by any Congressional body of a magnitude anything near $24,000,000,000," he said. "It was a stupendous sum, but on top of that came a deficit of $5,500,000,000 for war supply purchases not included in the $24,000,000,000—contracts which had already been made."

This addition of five and a half billions makes twenty-nine and a half billions which must be raised either by taxation or borrowing for the fiscal year 1918-9. In addition, the War Department made an estimate that it must have at least seven billions more, making an appropriation for the fiscal year in all of $37,000,000,000.

A Tribute to Great Britain

At this point Judge Day stopped to pay a tribute to the wonderful accomplishments of Great Britain, which carried the fiscal burdens of the Allies for nearly three years, despite the fact that the flower of her youth was watering the soil of France with its blood. Now, the United States has taken up its belated task and will perform it until the war is brought to a successful conclusion. Some idea of the magnitude of this task will be seen by the fact that in the first year of our entry into the war we expended more money twice over than did Great Britain in its first year, and in the fiscal year ending June 30 next we shall have expended more money than has Great Britain since the war started. Of her total expenditures of 35 billions nine of them were in loans to her allies.

In America's first year in the war we loaned to the allies $5,500,000,000. This year we are pledged to loan them $6,000,000,000, which will be a part of the thirty-seven billions which the Government must raise.

The Percentage of Taxation

Judge Day pointed out that Great Britain, France and Italy have reached the limit of their taxing powers. They cannot raise more than they did last year. In the first year of our war from the time we entered until last September we raised in the way of taxation 26 per cent. of all of our expenditures. Now, Mr. McAdoo proposes that in this fiscal year of 1918-9 that 33 per cent. of all of our expenditures shall be raised by taxation. France raised 16 per cent. by taxation; Great Britain 23 per cent., and Italy, 12 per cent.

Whether to raise money by taxation to pay the expenses and for the prosecution of a war, or whether it is better to put the bulk of the burden on the shoulders of posterity, was a matter for economists to settle. The question may be asked: We are fighting for the preservation of civilization, fighting that the curse of militarism shall not menace the future generations. Why then should not posterity pay its share?

Whatever the decision we must stand by it. In the meantime, the Allied armies must be fed, clothed and armed.

Other Loans to Come

Judge Day then explained that there are other loans to come. The people should buy to the limit of their resources. The Government presents the bonds paying good interests, with the best security in the world. If it wanted to, Congress could tax the people 50 per cent., or 75 per cent., or take their all, less the bed-rock cost of subsistence. It has the power so to do.

Those who can buy bonds, and do not do so without stint are not only unpatriotic, but are selfish and short-

(Continued on page 10)

REAL SATISFACTION

Working with **William N. Compton** and the **John Hancock Mutual Life Insurance Company** in New York City forms the happiest combination imaginable for the life insurance salesman.

If you have any doubt in your mind have it dispelled by calling at

220 BROADWAY

Phone 6030 Cortlandt

Canvassing Suggestions in Life Insurance Agents' Bond Campaign

In our study of salesmanship we have found that the carefully thought out plan was by long odds the best. We believe in Preparedness.

New York is different from other places in one respect—

It is hard to "get to" the "big people."

Here is an easy method:

Have a plain card, and when asked your business say you represent the Federal Reserve Bank.

An agent's acquaintances are his capital.

Here is a simple and perfect way to increase the list of your acquaintances very greatly and meet men that you could not otherwise get to.

(One of our agents so appreciated the opportunity for meeting people that he gave 5 or 6 days to soliciting the Liberty Bonds, when he was only asked to give two. It was the most profitable campaign of his life in that respect.)

You approach your man on a higher plane than a life insurance agent can. When you come again on your own business you will be received on the same high plane.

Assuming you have reached your man:

We have found in our last canvass that an Approach of this kind was very effective:

Approach.

Mr. Jones:

I am Mr. Brown.

The Federal Reserve Bank for this district in charge of the Liberty Loan has asked me to favor them by calling on you. This is not my business and I get nothing for this work but the satisfaction of serving my country.

You know only ——— days remain in which a man may demonstrate his patriotism, and at the same time secure what our best bankers declare is the standard security of the world.

(I have already bought bonds).

You have already subscribed? Fine! Let me ask whether your subscription is on the basis of past or future savings.

(What do you mean?)

You know it is planned to pay for these bonds out of future savings and the banks are assisting in every possible way.

May I ask through whom did you subscribe?

In your talk you must constantly have in mind that you are representing the Government through the Federal Reserve Bank. You are asking no favors for yourself hence are under no restraint.

Assuming your prospect states he has taken the Bonds:

Ask him to kindly tell you through which bank.

If he resents this in any wise, explain that your instructions are specific, and if he declines to answer your questions, you have nothing to do but to report what he says.

The fact that your prospect has subscribed need not deter you. Ask him to increase his subscription. One of our men increased a subscription three times in the last campaign.

When you go into an office be sure to speak to the head of the concern first. Whether he has subscribed or not, get his co-operation in approaching all members of his organization, either by personal introduction or by letter of endorsement. This means from boss to office boy.

As a result of experience, if a sale can be made, it can be made easily.

Make your canvass brief and spend very little time.

A part of your task is to see every man in your territory, since a majority of people have already made up their minds.

Do not spend much time in argument.

Experience shows that our agents received wonderfully fine treatment everywhere.

In your talk do not fail to lay stress on the fact that you have nothing to sell.

You are offering the United States' promise to pay with interest in exchange for the U. S.' promise to pay without interest.

You are giving better than you get. The man who deals with you is out nothing.

He is simply saving more money than usual.

Stress the argument that Americans are proverbially poor savers, and this is what we are trying to overcome.

As a people, we are wasters—not savers.

It is essential that you should have an idea of what the banks will do.

As an illustration of liberal terms—

The Universal Savings Bank in the Singer Building, Liberty and Broadway, will accept $1.00 a week for a $50 Bond, and for any higher amounts in multiples of $1.00 a week, with 4 per cent. interest on the deferred payments. However, any bank will make a deal that will be helpful.

"Is it not true that this costs nothing? We only ask you to save $100."

If we preferred the sale of a $100 bill a man would grin as though you were joking. There is no difference in this lead—both are United States Government obligations—both promise to pay, only the bond bears 4¼ per cent. interest.

Remember, you meet your prospect as an equal—keep this in mind and preserve your dignity.

Organized 1871

LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

Pan-American Life Insurance Company

NEW ORLEANS, U. S. A.

CRAWFORD H. ELLIS, President

Capital.....$1,000,000.00

OUR 1916 STATEMENT SHOWS

Insurance in force	(over)....	$42,400,000
Resources	(over)....	5,600,000
New Insurance paid for		10,000,000

The High Scores in the Life Insurance Profession are won by Trained Men. We will train you in the Profession and locate you in Productive Territory either North or South. Your Opportunity is Here.

Further information on request. Address:

E. G. SIMMONS, Vice-President and General Manager

Whitney Central Bank Building

NEW ORLEANS, U. S. A.

CENTURY LIFE INSURANCE COMPANY — CENTURY — INDIANAPOLIS, IND.

1 REASON Our Policies Sell

OUR POLICY CONTRACTS contain all provisions consistent with safe underwriting and are guaranteed by a deposit of the full legal reserve with the State. Our promises are all in our contract. Good contracts for up-and-doing agents.

THOMAS J. OWENS, Pres.

DR. ALBERT SEATON, Vice-Pres. & Med. Dir. — CLAUD T. TUCK, Secretary

THE WESTERN AND SOUTHERN LIFE INS. CO.

W. J. WILLIAMS, President — Organized 1888 — CINCINNATI, OHIO

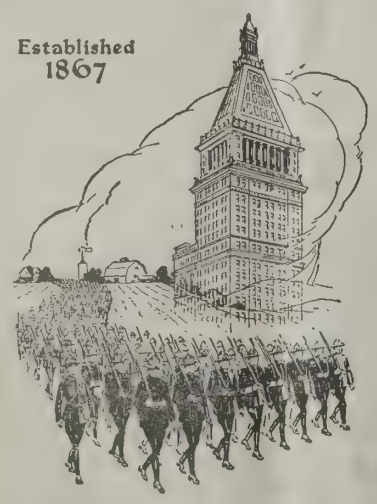
The Largest Industrial Company West of the Alleghenies — Also Issues All Standard Forms of Ordinary $500 to $10,000

A Record of Thirty Years of Progress

TEN-YEAR PERIODS

Dec. 31—	Assets	Insurance in Force		Income	Policies Issued
1888.....	$ 104,307	$ 889,073			
1897.....	274,290	6,619,653	1888-1897	$ 1,744,102	387,702
1907.....	2,916,339	39,503,485	1898-1907	10,551,857	1,139,235
1917.....	14,008,422	115,099,897	1908-1917	31,845,050	1,961,674

AGENTS WANTED in the Principal Cities of Ohio, Kentucky, Michigan, Indiana, West Virginia and Western Pennsylvania



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. — of Cincinnati, O. — Allan Waters, Second Vice-President

Provident agents find that in these war times it is not difficult to convince a man he is not carrying sufficient insurance.

Provident Income Insurance is easy to sell

Write for information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

New York General Agents and The Liberty Loan

The Eastern Underwriter this week asked general agents of New York for information regarding what their offices have been doing in reference to the Liberty Loan. Among some of the replies received the following facts have been gathered:

J. G. Batterson, Travelers.

This office has highly organized its Liberty Loan activities, and expects to sell bonds for a much higher amount than in the last campaign.

T. R. Fell, Massachusetts Mutual Life

The entire staff of this office has been working with the publicity department of the Liberty Loan Committee, since August, and almost to the exclusion of all other business since the first of September. The work of agents has been to call upon people whose names have been given the office by the Liberty Loan Committee to ask them, or their firms, to donate to the Committee for the purpose of advertising the Loan in the newspapers. The agents of the Fell office have been engaged to an increasing extent in this work, on each of the three loans which we have already had. On the Third Loan, when it came time for them to canvass for subscriptions to bonds, Mr. Leach, of the Canvass Committee, requested that those of the Fell office, who had already worked with Mr. Emerson, should continue with that work instead of doing the usual canvassing for subscriptions.

For the Fourth Liberty Loan in the work above described, the office has had twenty-four agents, who have secured donations ranging from $5 to $5,000 each. Miss Lewinson, an agent, secured one for $5,000. Other agents have done almost equally good work, but have not been fortunate enough to get such a large subscription. Many agents have secured from fifteen to twenty donations. Of course, it sometimes takes several interviews before securing some of the donations. "I find that up to Tuesday morning, our agents have canvassed for donations 937 business houses, and made written reports to the Committee of the result of all interviews," said Mr. Fell. "I do not know that your letter contemplated a reply of this kind, but this is part of the work that I believe is not well understood by the public generally. Those in charge of the Loan consider it most important."

Perez F. Huff, Travelers

Every agent has been instructed to practically devote his entire time to the Liberty Loan, and results are being accomplished. The first thing Mr. Huff did was to place this organization on a 100 per cent. basis, so as to set them a good example.

Goulden & Cook, Connecticut General

This general agency has mailed to 3,000 brokers and agents the following letter:

The Connecticut General Life offers to finance the payment of the 4th Liberty Loan Bonds in amounts from $50 to $1,000. Payments may be made at the rate of 5 per cent. monthly, and interest at 4¼ per cent. will be paid on each installment by the Company. Please notify your employees, friends and relatives.

John M. Riehle, Equitable

This office is directing its main efforts towards employers of labor who have not given their employees an opportunity to subscribe. It has been found that whereas employers had subscribed, employees often have not. For this reason the Riehle office devised a simple method for an employer to canvass his employees, which method has so far worked admirably.

E. W. Allen, New England Mutual

This office is having marked success with the group plan, having sold more than $600,000 worth of the bonds by the time The Eastern Underwriter went to press. Four men in the office have been doing the speech-making at industrial plants and other places: Mr. Allen, George Smith, John C. Dempsey and T H. Hodgkinson. Accompanying them have been agents and other representatives of the office to handle the details of the selling after the speakers have aroused the enthusiasm. The average amount of bonds has been $1,500.

Ives & Myrick, Mutual Life.

"The only idea which we are trying to put into the hands of our canvassers is the enclosed sheet, which points out according to a person's income the amount he should subscribe to the Liberty Loan, and the way to control his subscription," said Julian Myrick. "This method seemed to us to be the obvious one, for whereas, a great many people subscribe from patriotism for more than they can afford, the majority subscribe for very much less than they can afford, and by establishing some standard to guide them we are getting better results."

If a clerk or wage earner making but $1,000 can buy a $50 Liberty Bond a year (millions of them are doing it) it is no sacrifice for a $5,000 man to lend $500 to the United States Government.

WHAT EVERYONE CAN DO			What Everyone Should Do if He CAN—and He Can if He WILL	
Income	Bond	Minimum		
$1,000	5%	$50	7½%	$75
2,000	7½%	150	12½%	250
3,000	8%	250	15%	450
4,000	9%	350	17½%	700
5,000	10%	500	20%	1,000
7,500	15%	1,000	30%	2,250
10,000	25%	2,500	40%	4,000

(These schedules take into consideration the Income Tax.)

The balance of all personal incomes over $7,500 can be loaned to the Government, given to the Red Cross, Y. M. C. A., Belgium, French orphans, etc. Enough for essentials will be left. Learn the difference between essentials and non-essentials.

A soldier gives his all. His percentage is always 100. Are these percentages too much for you?

ESSENTIALS AND NON-ESSENTIALS

AUTOMOBILES: A pleasure car is worse than a non-essential—it is a contra-essential. Put your car to some useful purpose or put it in storage. Don't drive down town to business. You block traffic and waste gasoline. The Allies need that gasoline. Release your chauffeur for work in the Army, factory or farm. If you must have a chauffeur, get one over forty or fifty.

AMUSEMENTS: The theatre twice a month is enough for anyone. Too many moving pictures dull the mind. There can be more amusement, relaxation and mental diversion in a 6-ft. book shelf than all the shows on Broadway. Turn to the genius of Thackeray, Dickens, Lamb, Hugo, Dumas, Voltaire, Rousseau, or to our own champions of liberty: Whittier, Emerson, Holmes, Wendell Phillips, Thoreau, etc. Every library has some of these men's great works—masterpieces that stirred the minds and souls of our fathers. The cabaret is a poor substitute for them. Let the masters be your diversion and not diversion your master.

FOOD: Two square meals a day are enough for office workers. If breakfast and dinner are your big meals, a bowl of milk is enough for lunch. If lunch and dinner are your substantial meals, coffee and war bread are enough for breakfast. In eating, use your brains, as well as your stomach. Everything that Mr. Hoover says is vitally true. Because you have always done certain things is no good reason why you must keep on doing them. For instance: Sugar in coffee is not an essential. It's just a habit.

STIMULANTS: If you must drink, limit yourself to one glass of beer a day. If you must smoke, one cigar after dinner will give more enjoyment than ten during the day. Let the soldiers have the "smokes."

SERVANTS: One is enough, and often more than enough, except in large families or on the farm. HOUSEWIVES!—Learn to do your own work. Take an interest in your children's studies. Governesses, butlers, valets, etc., unless too old for other work, are non-essentials.

TRAVEL: Don't take long vacation trips. Spend your vacation in your garden, or if you haven't any, in someone else's garden.

THE SOLDIER GIVES UP EVERYTHING!—
Except the fight
WHAT ARE YOU GIVING UP!

R. W. Goslin, The Prudential, Brooklyn.

Mr. Goslin, of this office, is vice-chairman of the Metropolitan Canvass Committee. Up to October 8 The Prudential team had secured 10,960 subscriptions for $1,052,950. This division is out for $3,000,000 and expects to make it. The slogan is $5,000 per man. One feature of the work is a daily bulletin.

Robert L. Jones, State Mutual.

Mr. Jones is chairman of the committee of assignments for the life insurance end of the Loan, the duty of the committee being to allot the territory to the various agencies. The principal occupation of Mr. Jones, therefore, is to convince each agency that the territory which the committee awards is the best in town.

(Continued on next page)

Service—First, Last, and Always

The agent who is selling insurance in a company which for sixty-seven years has been rendering unexcelled service, does not work alone. Wherever he may be, he will find enthusiastic friends ready to bear witness that there is no better company in the land than the old Massachusetts Mutual. Our enviable record for service in the past and the low net cost of the perfect protection we furnish, make a combination that assures success to any real worker in the field.

Occasionally we have a General Agency opening

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

Loan Activities of General Agents

(Continued from page 7)

Jos. D. Bookstaver.

A number of distinctive features characterize the campaign of this office. Several of its staff were selected as speakers by the Liberty Loan committee in this and the past campaigns for their ability to speak various languages and this knowledge applied to the solicitation of factories and office buildings was one of the large factors in enabling the Bookstaver agency to rank first among the New York Liberty Loan producers of the Travelers in the last loan. In the present campaign the men are pursuing the same tactics but Mr. Bookstaver attributes their greater enthusiasm to the personal popularity of Earles F. Holmes, of the New York office of the Travelers, and the impetus he gave them at their organization meeting. Mr. Holmes told the agents every general agency in this territory was out to beat their record and so fired their enthusiasm by his personal example and by claiming the privilege of being the first subscriber of the campaign with an application for a $1,000 bond, that every man present pledged his greatest effort and within a few minutes they raised $6,850 in the room. The enthusiasm was still further fired by the awarding by Mr. Holmes of the prizes offered by Mr. Bookstaver to the leaders of the last campaign and it is being kept alive by frequent meetings of the teams, competition for individual honors among the men and their determination to again take first place in this campaign.

L. E. Baldwin, New England Mutual

This office is making it a point to see that every person in its allotted territory is personally canvassed.

R. M. Simons, Home Life.

This office is right on the job and is meeting with success.

J. A. Goulden & Son, Penn Mutual.

This office is working to meet in satisfactory fashion the requirements of the Atkinson committee.

Marie Little, Equitable.

Miss Little says: "We are simply living Liberty Loan."

George A. Kederich, New York Life.

This office says it is carrying out the home office's intensive campaign to the best of its ability.

RECEIVED BY McADOO

American Life Convention's Resolution Making Liberty Loan Pledge of American Life Convention

Washington, D. C., Oct. 7.—The Secretary of the Treasury has received from E. G. Simmons, president of the American Life Convention, a copy of a resolution adopted at the 1918 annual meeting in Chicago.

The resolution calls attention to the fact that the British Government has requested British life insurance companies to invest 20 per cent. of their assets in British war loans, and pledges the companies comprising the American Life Convention to invest in Liberty Bonds "not only 20 per cent. of their assets, but any such amount as may be necessary."

The convention is composed of 113 American legal reserve life insurance companies domiciled in thirty-four states. These companies have insurance in force of three and one-half billions of dollars and total assets of nearly five hundred million dollars.

Life Insurance Has A to Z Reasons for Increased Production

America now the richest country in the world, 275 billions against 188 a few years ago.

Business increasing at greater rate than ever in our history.

Country's annual income has increased from 35 to 50 billions.

Decrease in the purchasing power of the dollar except for life insurance.

Everybody employed and certain of employment for years to come, at good pay.

Farmers prosperous, and good prices from their products guaranteed.

Government itself has been forced to help furnish life insurance for war needs.

Home and fireside protection needed more than ever.

Inheritance tax made so high that life insurance is essential to adjusting estates.

Justice to the family, to dependents, to one's self, now speaks louder than ever for preparedness for the future.

Knowledge of the value of life insurance is fast becoming universal.

Laborers are rapidly graduating into the class of capitalists.

Money is plentiful, the per capita circulation is over $52, the highest mark ever reached.

New insurance written by the government—30 billions—a great object lesson.

Object lesson of the war casualty list stimulates life insurance to keep the home fires burning.

Personal credit at the bank now must take life insurance into account.

Quick assets required for estates on account of high war taxes make insurance the ideal investment.

Rich men are more numerous than ever, more favorably disposed towards life insurance.

Safety is the essence of the insurance contract, is sought after now by every prudent interest.

Trade and commerce expanding, and business life insurance increasing in demand.

United States has set its approval upon the system and by war insurance furnished an object lesson that appeals strongly to every citizen.

Victories in war and in peace are made certain by life insurance—it banishes the blackness of the future to the family and nerves a man to high courage.

Women by the millions have been drawn into business life and become prime prospects for insurance.

Xtra hazards to life and to fortunes, which have multiplied latterly, force the thought of life insurance upon the minds of the people.

Young men mainly, are being insured by the government, but the average age of insured people is on the increase.

Zero record for bankruptcy and failures demonstrates the soundness of business and the promise of greater progress as nothing else could.—International Lifeman.

BROKERS!

KEEP POSTED
BY READING

THE EASTERN UNDERWRITER

Subscription $3 a Year

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President

A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY

Edward D. Field, Superintendent of Agencies

INTERNATIONAL LIFE of St. Louis
SMASHED ALL RECORDS IN 1917
It was the Special Combination and New T. O. Policies that did the work.
If you are not selling them we are both losing money.
J. L. BABLER, Vice-President and General Manager Agencies
MASSEY WILSON, President

New York Life Insurance Co.

FIVE YEARS OF EFFICIENT SERVICE
INCLUDING
THREE AND ONE-HALF YEARS OF WAR TIME

During the Five Years ending December 31, 1917, the New York Life

Received in Income	$667,884,000
Paid Policy-holders	382,875,000
Increased its Resources	215,272,000
Increased its Insurance in Force	503,535,000

THE BUSINESS OF 1917 EXCEEDED THAT OF 1912.

In Income	$27,325,000
In Amount Paid Policy-holders	25,337,000
In New Insurance	119,917,000

The increase in Business and Resources in Five Years equals the Business and Resources of a very substantial life insurance company, and this new Company is returning to policy-holders 92 per cent. of its entire income. It is also adding forty million dollars a year to its resources and one hundred millions a year to its insurance in force.

HELPING WIN THE WAR.

Since the war began, in August, 1914, the New York Life paid to December 31, 1917, 998 war losses amounting to $3,007,223. There were 238 reported losses for $607,084 awaiting proof on December 31. The Company had so carefully guarded itself against extra mortality by reason of war that, notwithstanding the world-wide character of the conflict, the percentage of its actual to its expected mortality has not been appreciably affected. This percentage for 1917 was 70.85—the lowest of any year since the Company has kept complete mortality statistics.

The Company owned Liberty Bonds on January 1, 1918, to the amount of $12,075,000, and subscribed for $20,000,000 of the Third Liberty Loan.

There are Four Hundred and Twenty-six Stars in the Company's Service Flag, and one of the Home Office boys—Frank J. Brandreth, of the Rainbow Division, has already won the French War Cross.

The Company has afforded the Government every assistance in its power in formulating and carrying out the plan of Government Insurance on the lives of soldiers and sailors. Agents are forbidden to accept applications from soldiers or sailors unless they have already taken the limit with the Government.

EVERY MAN'S BUSINESS.

Just now it is every man's business to Help Win the War. Our daily occupations are incidental; winning the war is our real business.

Winning the war is our real business because back of that lies the chief and ultimate purpose of life—making the world a safe place for women and children. And that is the aim of Life Insurance in war time and in time of peace.

The Government has recognized this in the provision made by life insurance for the families of those who die or are disabled in the service. The man who stays at home and does less is a slacker.

NEW YORK LIFE INSURANCE CO.
DARWIN P. KINGSLEY, President.

How They Write Half a Million

NORTHWESTERN MUTUAL TALKS

Successful Producers Give Advice to Other Agents and Recite Experiences

A feature at a recent meeting of Northwestern Mutual Life men was the testimony of producers telling how they top half a million a year. Some extracts follow:

Herman Duval, New York

To begin with, keeping everlastingly at it is absolutely necessary. A good rule for you gentlemen to follow is to make up your minds to work at least six hours every day in the field, and never to spend more than two hours in your office. When you once leave your office don't return until it is time to quit. In other words, if you start out say at 10:30 in the morning, keep right on going, not making any difference whether you write one, two, three or four applications and when it gets to be about 5 or 5:30, then it is time to go back to your office, if you care to, otherwise go right home, as I very often do. Don't go back to the office at all. I find that I lose more business by staying in the office than by going out after it. Consequently I think that if all of you boys would get out as often as I do, you would do just as much as I do. When you call on a prospect and you are told that he is busy, or that he is out and will return in a few minutes, I think it would be wise if you go out and see somebody else rather than wait in his office, because by waiting in his office you are very apt to get stale, and lose your pep. So I invariably, when that happens, drop in on somebody else on the same floor, or go up on the next floor and try to sharpen my wits in order to be more ready for the man that I am after.

While calls are very essential, it is just as necessary to know who not to call on. I think that is sometimes even more important than calling on your prospects. I find that by elimination I largely increase my business. For example, every month I take out probably from ten to twenty-five prospect cards, but of course when I do that I find it absolutely necessary to get from ten to twenty-five new ones, to make up for those that I cut out.

I wonder if any of you gentlemen have ever considered how much business is lost by talking too much? When you make a telling point with your man stop and give the man a chance to absorb it. Resist all temptation to talk. Don't say anything at all in fact until he makes the next move, and you will find by that time, if you are already going pretty well, that by simply saying, "Will you be ready to see the doctor at ten o'clock tomorrow?" or some other time, that he will invariably answer and say, "Well, ten o'clock will not be just right; make it twelve o'clock at noon tomorrow, and I will try to see him."

When you call on friends who know you are in the business, you will surely be asked how business is. When you meet a man who makes that statement I think there is a good chance to get in some good licks on the existing conditions of today. To show you what is possible by keeping at it, one of the heatless Mondays that we experienced last January, I went out and called on a policyholder and took him to lunch and by reason of that call I succeeded in placing $165,000 of insurance. This was on a heatless Monday when the office was cold.

E. B. Stinde, Missouri

My formula is to throw away that eight hour labor union card that so many of us carry. I work with self-forgetful abandon. I work from "the center of things." I think that is about the most important thing we can possibly do. Perhaps in one minute I can tell you an instance regarding "the center of things." I approached a man several weeks ago. I went to his desk and said, "Mr. C. how is it that I have written so many of your friends for large lines of insurance, and I have never written you?" I said, "These men are shrewd business men, leaders in their lines, always buying the best. You need a large line of life insurance." I didn't know exactly why I should put my line high. I said, "You need a large line of life insurance, possibly $200,000." I said, "Sign this application for $100,000 which is your limit and I will talk to you about the balance later." Of course, I had to say a few things about why he should do that. I said, "Mr. C., there is a definite liability against your estate that you don't know about, of $200,000." I knew he was worth a million dollars at least, and there would be that much inheritance tax. I said, "In addition to that there is the decreasing purchasing power of the dollar." I said, "Do you want a contented mind? My proposition is the only thing that will bring you a contented mind, and it is the most valuable asset you can have."

H. G. Fricke, Nebraska

I believe every man should, before he goes to his man, know his first name and his last name, his age, the age of his wife, the age of his children, what he owes and does not owe. Then, and not until then can he fit that man like a tailor fits a man with a good suit of clothes. I don't believe any agent has any right to sell anybody insurance or receive any commission therefor unless he gives him the right amount, and the kind that he should have. I think that is perhaps the key to my success. I have but one desire, gentlemen, that is, to live such a life so as to be called a worthy and honest agent of the greatest life insurance company that God ever made, the Northwestern.

E. J. Kohn, Illinois

The first is system. I arrange my cards, keep all my records in such shape that there is no difficulty in my locating any name or man or place without trouble. For instance, I never make a call in any particular neighborhood without looking over my cards, which are arranged by streets, to see if there is anybody else that I should call on in that neighborhood. This is the second: I try to keep away, in a large city of course, from what is called the congested districts. In Chicago we have the "loop." There must be a thousand insurance men calling on the people in this "loop," a place about half a mile wide and half a mile long. Every man gets called on many times a week. I try to go to the outside parts of the city where there is less competition, and where you receive more welcome than you do in the congested parts. I find that calling on the man who you think won't buy, pays. Many a time I have thought, well, so and so, I know he carries a large line of insurance; he won't increase it; what's the use of calling on him? I have called on him, and have sold him insurance. I don't know whether it was salesmanship or I just happened to strike at the right time. But never pass up a man who you think won't buy. When I first started in the insurance business I was bashful, a little afraid to call on these men I met socially, old friends, men with whom I played golf and met through my business. After I was in the insurance business a month I sold a large policy to one of my closest friends. When he gave me a check for the policy I said, "Thank you." He said, "What do you thank me for? If you can't make money from your friends from whom are you going to make it?" From that time on I called on all my friends. Many and many a time I have heard men talk about the first and the second call. There is no first call or second call with me. I call on a man whom I think I can sell, until I sell him. I had an example only last Friday. I called on a man at least once a month for the last two years. The man needed $100,000 corporation insurance. He kept putting me off. First he went to California, then he went to some other place. Last Friday I went over there and said, "I'm going away this time. I'm going to Milwaukee, and I want to take your application with me." And I got it for the $100,000. At first I rode in a street car. Now I ride in an automobile. But at first I used to sit in the car and think over what I was going to tell the man that I was calling on. Now I don't think what I am going to tell the man. I try to think before-hand what the man is going to ask me, and think out the answers to the questions that he puts to me. In other words, I try to talk as little as I possibly can of my own initiative. I try to let him lead me on, and tell me what he has got to say, and I try to prepare answers in advance. Lastly, I am loyal to the Northwestern. Every time I mention the name I talk Northwestern, and I try to prove that I represent the biggest and best company in the country.

Dr C. E. Albright, Wisconsin

I will tell you what I think helps us more than anything else, and I am going to tell you a story that will illustrate it. That is the recognition on the part of so many men that life insurance supplies a need that no other power on earth or above the earth can bring. I had delivered a policy to a very prominent Bohemian, a good-sized man, and he became somewhat reminiscent; he began to think of his friends; he wanted them to have some of the same insurance. So he asked me about one or two of them, one man especially, and he asked me how much insurance he carried. I said, "I am sorry to say that so far as I am advised he doesn't carry any." "Why not?" "Well," I said, "I understand that he is a Christian Scientist." "What has that got to do with it?" "Well," I said, "I don't know much about that, but I understand that the Christian Scientists hold that the Lord will protect those who are dependent upon us if we are called away without having made adequate protection." He scratched his head and finally said, "Vell, he might do that in the old country, but he von't do it over here."

Mr. Field Man: Detroit, July 18, 1918.

Do you know:

That the NORTHERN ASSURANCE COMPANY of Detroit, Michigan, has lived up to all the traditions of the highest purposes of life insurance;

That it stands for the highest ideals in underwriting and that its slogan is, and always has been, CLEAN MEN AND CLEAN METHODS in its field work;

That it is writing more insurance per capita per agent than any other American life company?

If you are interested in knowing something of our Home Office system which makes this possible, we will be glad to hear from you.

Address, CLARENCE L. AYRES, *President,*
DETROIT, MICHIGAN.

TO A MILLIONAIRE.

General Agent Spalding, of Baltimore, Tells How He Uses Sinking Fund Argument

General Agent L. A. Spalding, of Baltimore, has written a letter to the agency department of the Mutual Benefit, saying:

"You will be interested in a little argument that I used today in soliciting a man worth a million dollars for insurance to cover his inheritance tax. It was something like this: The man's name is Brown and he is the president of Brown & Smith, we will say, wholesale chemical manufacturers.

"'Mr. Brown, if it should become necessary for your institution to issue $100,000 worth of bonds to mature in twenty years, how long would you wait to begin creating a sinking fund for their ultimate payment?'

"'Immediately,' was his reply.

"'Mr. Brown, the United States Government holds your personal bonds. I don't know the exact amount nor the maturity date, but I do know that they are going to be paid. How long do you want to wait to start creating a sinking fund for their ultimate payment and how can you do so as well as you can through the medium of insurance in good, legal reserve companies?'"

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

Testimonials to Late Joseph Ashbrook

PRINTED FOR FIELD FORCE

A Remarkable Tribute to the Memory of a Much-Beloved Executive Officer

A splendid tribute to the memory of the late Joseph Ashbrook, for many years vice-president and manager of the insurance department of the Provident Life & Trust, has been made by that Company through the issuance of a twenty-four page supplement to "Provident Notes."

The edition is edited by Thomas R. Hill, superintendent of agencies, who has done his work in a touching spirit of love and affection for one whose death is mourned by many. The supplement includes the tributes paid to the late Joseph Ashbrook by the insurance papers, the officers of the Company and officers of other companies. Also, there appear many pages of tributes and reminiscences from general and special agents of the Provident and others. There are included resolutions of three agency associations. The concluding pages consist of quotations from various addresses delivered by Mr. Ashbrook.

All in all this is an eloquent testimonial to a man who gave forty years of his life to a successful pursuit of the loftiest ideals of life insurance.

Provident Life & Trust Directors' Resolutions

The Board of Directors of the Provident Life & Trust have passed the following resolutions:

Whereas, this board has heard with deep regret of the death of Joseph Ashbrook on Eighth month 11th, 1918, and

Whereas, at a meeting of this board, held Eleventh month 6th, 1911, on the occasion of Mr. Ashbrook's resignation of the offices of director, vice-president and manager of the Insurance Department, this board adopted the following resolution:

"Joseph Ashbrook entered the service of this Company in Sixth month, 1866, one year only after the Company commenced business.

"He has continued with it during the more than forty-five years since. Early in his career, he assumed charge of the Insurance Department of the Company. Largely through his efforts and wise management, the insurance business of the Company has been developed, and has attained its present proportions.

"But of vastly more importance than the volume of business written, is the fact, that through those years when the life insurance business of the country was being demoralized by the practices of many of its exponents, the manager of this Company persistently persevered in the course which he believed was right, and thereby ultimately gained for the Company a reputation for conscientious management and fair dealing which is, we believe, unexcelled.

"Joseph Ashbrook's thorough knowledge of the practical business of life insurance, his ability to present clearly his views in public or private speech, before legislators and others of influence, and above all, his sterling character, make him reputed the country over, as one of the leading men of his profession.

"In recognition of his great services to the Company, he was elected early in 1906 a director and vice-president of the Company, still retaining also the title and position of manager of the Insurance Department.

"He now asks to be relieved from the responsibilities of these three offices because of the serious impairment of his health.

"With profound regret the board accepts his resignation and hereby appoints him Insurance Adviser of the Company, with the understanding that he shall not feel under any obligation to be in attendance at the office except as his health and convenience may permit, and with the hope that he may be spared many years to serve the Company in the capacity for which he is so abundantly qualified."

It is therefore Resolved, That this board now confirms and corroborates the expression of appreciation of the ability and high character of Mr. Ashbrook and of his long and invaluable services to the Company, which appreciation is contained in the foregoing resolution.

Since the date last named, although the condition of Mr. Ashbrook's health prevented him from taking an active part in the affairs of the Company, he retained a desk in the office of the Company, to which he was a frequent visitor up to about a year ago. During the past year he had been for the most part confined to his home. During all this period he never lost his interest in the Company and always watched its progress with the same pride as in the days when he personally had so much to do with its success and reputation. The memory of his connection with the Company will always be treasured by those who knew him, and especially by those who were most intimately associated with him in his daily work.

Dawson's Report On Puritan Life

CONFIDENCE IN MANAGEMENT

Ratio of Liability to Assets 130.22 Per Cent.—Praises Economical Production Activities

The Puritan Life of Providence which has $580,000 assets, has been examined by Miles M. Dawson, the New York actuary, who makes a report on the company, saying in part:

"Its annual premium income has increased in the ten years from $11,962.-73, to $103,802, and its insurance in force from $310,500, to $2,916,164, all of it held by persons living in Rhode Island or near by in Connecticut and thus attesting their confidence in the sturdy home company and its management. At the close of 1917, though but ten years in existence, it had more insurance in force, placed on the lives of citizens of Rhode Island than any one of thirteen other life companies, all much older and larger, and all but one doing business in the state for many years and long before the Puritan was founded.

"From the standpoint of strength and reliability, also, the Company ranks high. Its ratio of assets to liabilities, including policyholders' reserves and full credits of their surplus earnings, is 130. 22 per cent., its surplus to policyholders aggregating $160,919, out of total assets of $576,947. Its assets are soundly and remuneratively invested in the highest classes of securities and Rhode Island mortgages. The Company secured in 1917, acceptable new insurance, amounting to $401,718, with premiums of $12,848.14, at a total cost of only 58½ per cent. for commissions and other compensation to agents—this economical showing being due, no doubt, very largely to the field being contiguous to the home office and all agency operations being supervised therefrom.

"Although, owing to the high repute of New England for solvent and reliable life companies as well as to its own enviable record in this regard, the Company could doubtless secure a much larger business by opening offices in other states, the wisdom of first building firmly upon its good repute and honorable achievements at home has been demonstrated by the results."

A WORD ABOUT LAPSES

Their Ratio To Mean Insurance In Force Misleading, Says Mutual Life "Points"

"The solicitor is sometimes confronted with the so-called lapse ratio of a competing company, which may seem to be lower than that of his own company," says "Points," published by the Mutual Life. "This ratio of lapses to mean insurance in force is misleading, as are all ratios, but it is even more flagrant in this respect than many others.

"A policy lapses only when it terminates by default before a surrender value of any kind has accrued. It terminates by surrender when the insured is granted extended insurance, cash, paid up insurance, or other value. Generally a termination by lapse is less detrimental than a surrender.

"To illustrate. Lapses may be almost completely eliminated by an expedient sometimes adopted. Policies which terminate at the end of the first year by failure to pay the accruing premium, mean a loss to the company under any and all circumstances. Nevertheless, some companies allow extended insurance for perhaps thirty days, or other surrender value, in a case of this kind. Such terminations will then be listed as surrenders and not as lapses, and the lapse ratio accordingly will be very low and also very misleading as a basis of comparison.

"Notwithstanding this apparent immunity from lapses, a company—that is, the persistent policyholders of the company—will suffer greater detriment under such circumstances than would have resulted had the policy actually terminated by lapse. The business has gone off the books in either case. As a lapse, there would have been a loss; as a surrender, there would be a greater loss to the extent of the cost to the company of the surrender value allowed."

Judge Day on Loan

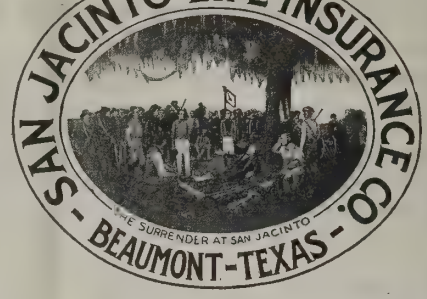
(Continued from page 3)

sighted, because the money must be raised and it will be raised either by the voluntary purchase of interest-bearing bonds by the people or by taxation of the people. Too heavy taxation means the destruction of commerce and industry—it is to kill the goose that lays the golden egg.

Judge Day concluded by eulogizing President Wilson whom he called "the great apostle who represents the united voice of the free American people, their free choice." He said that words were inadequate to express his views regarding the state papers of the President in his exposition of the ideals of democracy.

To the Man Who is Willing—and Will

SAN JACINTO LIFE INSURANCE CO. - BEAUMONT-TEXAS -



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

RIGHT AGENTS
GOOD TERRITORY
still available for development by the

..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.

Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

PENNSYLVANIA OPPORTUNITY

If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.

Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

"PROTECTION 1620" STATE MUTUAL LIFE ASSURANCE CO OF WORCESTER MASS INCORPORATED 1844 PROTECTION TO-DAY

State Mutual Life
Assurance Company
of WORCESTER, MASS.
Incorporated 1844

REAL MUTUALITY for nearly THREE-QUARTERS OF A CENTURY has characterized all Company activities to the advantage and satisfaction of policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies.

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W STEVENS, PRESIDENT

GREATEST
ILLINOIS
COMPANY

WANTS GOOD MEN
AND
WILL PAY THEM WELL

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Cumulative Selling Cases

The attention of the Mutual Benefit's paper, "The Pelican," has been called to two additional interesting cumulative selling cases by Mr. M. B. Ames, of Norfolk. He has written four cases in a certain firm for $33,000 of insurance and has also written recently the fourth and fifth members of one family, one of them twice. It pays to cultivate intensively.

In the work of one week-end recently, Mr. Ames wrote eleven new applications and converted three term policies. Splendid.

* * *

Future As Seen By Northwestern Mutual

The new draft law has gone into effect and within a few weeks the classifications will have been made and every man between 18 and 45 inclusive will know his exact status. The effect should be beneficial to the life insurance agent. It will clear up all doubt in the minds of men both in the new and old conscription ages as to what extent they are to be called upon for military service and those deferred will have no hesitancy in taking on further obligations and making financial outlays, says Northwestern Mutual Life's "Field Notes."

The process of granting deferred classification for dependency will emphasize every man's responsibilities to his family. He will have to state on his questionnaire the amount of income necessary to support his wife and children and the mental comparison with government pay and family allotments will make it easy for the life agent to show him the void that will exist if disease or accident should draft him and grant no pay or family allowances.

The various official lists of "essential industries" furnish a very accessible and comple list of those who are making good wages and are financially able to purchase largely increased lines of insurance protection.

Life insurance is not included in the non-essential class and although we realize fully the wisdom of this ruling and the justice of it, it is up to all of us to give even more proof of the essential and beneficient nature of our work by adding to our efforts, and increasing our efficiency in carrying the gospel of life insurance into every home.

Patriotic work will continue to claim a considerable portion of our time and we will maintain and improve our leadership in Liberty Loan and Red Cross drives until everyone will be forced to admit the whole hearted patriotism and unparalleled selling efficiency of the life insurance men of the United States.

* * *

High Cost Of Living

For insurance agents to understand accurately the full extent of the diminishing value of the dollar their attention is called to the following new story in the "Baltimore Sun," of Thursday, last week.

The cost of living on an average has advanced 80 per cent. in Baltimore during the past four years, according to the report made by the women investigators to the Federal Bureau of Labor Statistics, which, in co-operation with the Emergency Fleet Corporation, is assembling information in all industrial centres for the purpose of readjusting wages. The women investigators conducted their inquiry in Baltimore a month ago. The report was made public yesterday, says a special dispatch from "The Sun's" Washington Bureau.

The investigation included the advance in price of clothing, furniture and furnishings, food, house rent, fuel and light, and miscellaneous articles which constitute necessities in every home.

The greatest advance is shown in the cost of clothing for women. These articles have advanced 118 per cent., or more than doubled, in the past four years. The next highest advance was made in furniture and furnishings, which advanced 116 per cent. House rent shows the smallest advance, being only 12.86 per cent., or one-eighth increase.

The Bureau of Labor Statistics used the prices prevailing in December, 1914, as the basis upon which they computed their percentages of advances. With those prices they compare the prices which prevailed at four other periods—December, 1915; December, 1916; December, 1917; March, 1918; and August, 1918.

These comparisons show that the biggest jumps have been made between the period of March, 1918, and August, 1918, a period of six months. During this period the price of clothing for males went up 35 per cent.; clothing for females, 33 per cent.; household furniture, 31 per cent.; food, 23 per cent.; house rent, 8 per cent.; fuel and light, 13 per cent., and miscellaneous articles, 24 per cent., the average being 24 per cent.

During only one period were decreases made. During the year from December, 1914, to December, 1915, food declined 4.08 per cent.; house rents, 18-100 per cent., and miscellaneous articles, 1.37 per cent. During this same period, however, males' clothing advanced 2.46 per cent., and females' clothing, 3 03 per cent., while furniture and furnishings went up 5.59 per cent., and fuel and light about ½ per cent.

During the two year period from December, 1914, to December, 1915, clothing for males went up 22.46 per cent.; clothing for females, 25.09 per cent.; furniture and furnishing, 20.38 per cent.; food, 20.87 per cent.; house rent, 85-100s per cent.; fuel and light, 9.14 per cent.; miscellaneous articles, 18.51 per cent. The average was 18.51 per cent.

During the three-year period from December, 1914, to December, 1917, clothing for males went up 49.55 per cent.; clothing for females, 54.75 per cent; furniture and furnishings, 20.38 per cent.; food, 64.35 per cent.; house rent, 2.86 per cent.; fuel and light, 24.54 per cent.; and miscellaneous articles, 51.27 per cent. The average total is given as 51 per cent.

During the three-and-a-quarter year period from December, 1914, to March, 1918, clothing for males went up 70.20 per cent.; clothing for females, 85.15 per cent.; furniture and furnishings, 85.04 per cent.; food, 60.34 per cent.; house rent, 4.83 per cent.; fuel and light, 42.07 per cent., and miscellaneous articles, 56.80 per cent. The average increase is given as 56 per cent.

During the three year and seven-month period from December, 1914, to August, 1918, clothing for males jumped 105.04 per cent.; clothing for females, 118.20 per cent.; furniture and furnishings, 116.04 per cent.; food, 83.69 per cent.; house rent, 12.86 per cent.; fuel and light, 55.72 per cent., and miscellaneous articles, 80.18 per cent. The average is given at 80 per cent.

* * *

Some Job Hedgisms

It is better not to have so much, but to have the title to it. It is better to be a plain working man and not be nervous when a stranger speaks to you suddenly.

Many men are not happy when the light is out.

The brain that requires the incense of applause does not function when it is alone.

Nobody can endure a man who doesn't know enough not to claim that he knows something about something he never heard of. Many people think they are called when they only have been whispered.

People have been reformed in this country so long that the country has a sort of nervousness. We are not allowed to enjoy what we have lived up to until we are given something new. People get mixed in their ideas. They like to know where they are.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, sold $65,000,000 worth of War Savings Stamps between February first and September first, 1918, and expects to sell a total of at least $100,000,000 during the year.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York

34 NASSAU STREET, NEW YORK CITY

INSURED BY MUTUAL

List of Insurance Men Who Have Died Since Spring and Payments To Estates

Among the insurance men who died this year and on whom the Mutual Life has paid policies are the following with the amounts:

Reginald E. Burch, broker, Winnipeg, $2,000; John S. Daniell, Atlanta, $2,510; P. G. Burns, Chicago, $2,000; B. Miles Hutchins, Columbus, Ind., agent, $1,146; Dennison E. Putnam, agent, Hartley, Ia., $1,000; William A. Cooke, fire insurance adjuster, New Orleans, $5,000; John MacLachlan, Jersey City, $1,000; William S. Smith, broker, Mt. Vernon, N. Y., $3,303; Lawrence J. Fitzgerald, Auburn, N. Y., $5,241; Mel Mahan, agent, Swaithmore, $1,029.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

Subscription Price $3.00 *a year. Single copies,* 25 *cents.*

Entered as second-class matter April 5, 1907, *at the Post Office of New York, N. Y., under the act of Congress of March* 3, 1879.

THE GREAT AMERICAN

The action of the directors of the Great American Insurance Company in deciding to increase the capital stock to $5,000,000 is interesting in a number of ways, but principally from the fact that the money for the additional stock subscription is to come from the stockholders and none of it is to be taken from the surplus, which on December 31, 1917, had reached the comfortable figure of $8,527,719. It is doubtful if any Company has ever before called upon its stockholders for such a large sum as $4,500,000. The directors, however, unanimously voted to do this at the suggestion of President Smith, and there is no doubt that the stockholders will concur in the proposition. When this is done the Company will have a surplus of $10,000,000. The securities of this Company are based upon actual values as of December 31, 1917, and would have been increased by $2,321,032 had the securities been taken at the values authorized by the National Convention of Insurance Commissioners. This would, accordingly, increase the surplus of the Company in the same proportion and would raise it to $12,321,032. These are days when the surplus account is the one which is most closely scrutinized and the surplus of the Great American is a mighty strong talking point.

It is about twenty-one years since C. G. Smith joined the Company. He came as secretary, and before that was the manager of the Factory Insurance Association, previous to which he was a special agent in the New England field. A few years ago he was made vice-president and then president. Under his direction the Great American has progressed along sound and energetic lines, and the expansion move made this week was a natural development.

HAZARDOUS LIFE RISKS

In an editorial this week on "Insurance For Munition Workers" the New York "Times" says:

A question that Congress should take up at once is the insurance of workers in munition factories under Government control. The Government insures the soldiers and sailors who go to France, and the workers in munition factories are told again and again by officers of the allied armies who inspect the plants that service at the front may be no more dangerous. Munition workers, women among them, are always in the shadow of death at their tasks. * * * The Government cannot disassociate itself from the employment of these people and the uninsured risks they run in doing their bit to win the war.

The editorial is somewhat sweeping by conveying the impression that people in hazardous employments are unable to obtain insurance. This is not exactly correct. In life insurance the individual risk is rated according to the hazard, and few workmen are uninsurable from the company standpoint. While it is true that a man or woman handling TNT would have difficulty in finding insurance coverage there may be others in the plant who would be more fortunate. The situation from the standpoint of the worker has been greatly improved by the operation of group insurance where the insurance averages are brought together. Thus, risks formerly regarded as poor, such as railroad workers, are now covered by group insurance, while a similar policy has just been covered on a large shipbuilding plant where some of the risks are unusually hazardous just as others are not, the group certificates bringing them altogether under one coverage without discrimination.

In compensation insurance the insurance carriers have met the situation by forming The Associated Companies which is carrying hazardous risks. In fire insurance the companies have formed an excess line pool which will give insurance coverage to plants which because of their hazardous nature would otherwise find it difficult to get sufficient insurance.

SAYS EXPLOSIONS "BOUNCE"

Some towns near the scene of the explosions in New Jersey last week escaped better than others farther away. For example, Plainfield suffered to some extent, considerable glass being broken there. There is a long stretch of rolling country between Morgan, where the explosions occurred, and Plainfield. This, it would be natural to believe, would have tempered the shocks. Among those who have studied explosions of this kind there is a pretty well accepted theory that following the explosion the air is violently compressed within a radius varying in extent with the intensity of the explosion. After that the compressed area may be said to bounce as a flat stone would after having been "skipped" across the water. If this theory is sound it would account for the manner in which surrounding towns were affected by the Morgan explosion.

Henry S. Redstone, head of the Puritan's actuarial department, has been appointed to the Advisory Council of the Lutheran Bureau whose headquarters are in the Bank of Metropolitan Building, N. Y. This appointment is undoubtedly in recognition of Mr. Redstone's work when in charge of the drive in Rhode Island for funds during the campaign of the National Lutheran Commission. **Clarence C. Gleason,** the director of the company's Rhode Island agents, has volunteered in the Red Triangle Service over seas and when our next Record goes to press we hope to tell you of his safe arrival in France.

Business insurance should be on the cash basis; family insurance on the income basis, says "Agency Items."

THE HUMAN SIDE OF INSURANCE



WILLIAM E. WRIGHT

William E. Wright, formerly with The Mutual Benefit in Toledo, and now with the Y. M. C. A., received the French cross of honor for gallantry under fire. According to a cablegram from Paris, the Croix de Guerre was pinned on Mr. Wright by a French General in the presence of the French regiment with which he had served during the hottest fighting last spring when, during the retreat from the Soissons-Rheims line, Wright stayed with the regiment through furious rear guard action, gathering and distributing food and cigarettes to troops under severe fire. A citation accompanying the decoration also praised the value of Mr. Wright's unfailing cheerfulness and courage upon the morale of the troops. A letter from the National War Work Council of the Y. M. C. A. to Mrs. Wright contains this tribute: "It is through the work of such men as Mr. Wright that the Association is beginning to make for itself a place in the hearts of those who are fighting on the other side." It is understood that Mr. Wright is now on his way back to the United States for the purpose of going to an officers' training camp with a view to service with the American Expeditionary Forces at the front.

* * *

E. Roger Owen, of the Commercial Union, has been appointed chairman of a committee which is soliciting funds among all British insurance interests for the Red Cross Society and the Order of St. John. He is being assisted by the London members of the General Purposes Committee of the British Insurance Association.

* * *

James G. Guinotte, resident assistant secretary of the Fidelity & Deposit, at Kansas City, is en route for France as an assistant auditor of the War Department.

* * *

Louis K. Gibson, of the Mathematical Department of the Mutual Benefit, is now serving in Italy with the Y. M. C A.

* * *

Capt. Ben Beacher, formerly a Wisconsin life insurance man, and stationed at Fort Logan, Texas, recently married a nurse, of the army service.

* * *

William Quade, assistant secretary of the Continental, is an influenza victim.

* * *

H. S. Vail, of the Penn Mutual, has three sons in the service. Roger S. Vail is a captain.

E. C. Jameson, president of the Globe & Rutgers, is not observing the new 4:30 closing order. A reporter for The Eastern Underwriter, who went into the Globe & Rutgers office at half-past 5 on Tuesday, found one Globe & Rutgers man in the office, Mr. Jameson. In the **J. S. Frelinghuysen** section of the office there were two men, one of whom was Senator Frelinghuysen.

* * *

Fred J. Cox, of Perth Amboy, has had more than his share of work since the explosions down there. Being a leader in the Home Defense League, the shells had hardly begun sputtering when Cox got on the job. Day and night he was out attending to the multitudinous duties of this arduous labor. The accomplishments of the League are warmly praised, not only that of Perth Amboy but of South Amboy, where the conditions are worse. The Woodbridge men rendered valuable aid. The insurance men in the League, besides their special duties, have been bombarded in their offices by policyholders with real or supposed claims Pretty nearly every plate glass policyholder has a claim; also every explosion policyholder thinks he has one.

* * *

Albert H. Mowbray, who has been appointed actuary of the New York State Insurance Fund, to succeed Joseph H. Woodward, resigned. He has served since January 1913, as actuary of the Liberty Mutual Insurance Company, formerly the Massachusetts Employes Insurance Association. He is a Fellow of the Actuarial Society of America; was formerly connected with the actuarial department of the New York Life, and has also served as actuary of two state insurance departments, North Carolina and California. Mr. Mowbray has won a reputation as a competent compensation insurance actuary. He is the author of several contributions to the Transactions of the Actuarial Society of America, and the Proceedings of the Casualty Actuarial and Statistical Society of America. He is known as a severe critic of stock company insurance practices and is regarded as a valuable acquisition by the State Insurance Fund.

* * *

Judd Anderson, formerly of the New York office of Marsh & McLennan, was one of those listed by the Brooklyn Eagle on Sunday as members of Brooklyn's famous division who returned unwounded from the attack on St. Quentin. About 60 per cent. of this division was listed as either killed in action, wounded or missing and friends of Mr. Anderson are rejoicing at his good luck.

* * *

Edwin J. Donnelly, manager of the boiler department of the New York office of the Travelers, is running for the New York State Assembly from the 12th District, Brooklyn, on the Republican ticket. Mr. Donnelly for a long time has been acting as one of the "Four Minutemen," and it was through this work and his activities in coaching Brooklyn high school athletic teams that he became interested in politics. Formerly a prominent college athlete, he has taken a great interest in coaching the younger generation and his friends are counting on the popularity gained in this way to win the election for him.

SAMUEL FOX MAKES CHANGE

Samuel Fox, for the past five years with A. Arndt & Bro., resigned last week and started on Monday with the New York office of Gilmour, Rothery, Clark & Cortis, of Boston, as placer.

FIRE INSURANCE DEPARTMENT

Auto Companies Must Stay Is View

DESPITE GOVERNMENT RULINGS

Agents May Drop Companies Refusing to Cover Commercial Trucks in War Work

That the ruling of the Government prohibiting the use of coal after January 1 in private or public garages will cause a serious falling off in automobile premiums and is the forerunner of the much more detrimental order prohibiting the use of all pleasure cars by private individuals is the fear of automobile underwriters.

The companies have already noted the discontinuance of insurance on some cars which have been placed in dead storage by their owners as a result of the gasless Sunday order and some believe an order prohibiting the use of private pleasure cars will be followed by a good proportion of automobile owners discontinuing their insurance.

In view of the present conditions, many companies are said to be cutting down on their automobile writings in order not to be burdened with commercial trucks only with little prospect of renewing any considerable proportion of their pleasure car premiums.

That the companies now writing automobile insurance must as a group cover all commercial and pleasure cars offered to them and that each company now in the business will be forced by circumstances to continue in the business is the belief of one automobile underwriter who told The Eastern Underwriter that agents should, and he believed would to a large extent, drop for all time those companies which discontinue writing automobile insurance now because of apparent adverse conditions. He said the competition of mutual companies is only one of the reasons why this step will follow. More than 50 per cent. of the commercial trucks operating to-day he said are engaged in war industries and, therefore, must be given coverage by the insurance companies. Further, he thought, the agents will be forced to pledge their future business to those companies continuing their full facilities now.

Malcolm K. Smith, son of Harry A. Smith, president of the National Fire and Mrs. Smith, has entered the Choate School for Boys at Wallingford, Conn.

C. D. HUBBARD LOSES SON

Pennsylvania State Agent of Phoenix of London Bereaved—Died at Training Camp

Charles Pitcher Hubbard, son of Charles D. Hubbard, state agent of the Phoenix of London, headquarters Wyncote, Pa., is mourning the loss of his son, Charles Pitcher, another influenza victim. Charles Pitcher Hubbard was graduated from Cornell in 1915, with the degree of M. E. In 1916 he went to Japan in the service of the American Trading Co., as engineer, designing and constructing power plants for them. When America went into the war he tried to enlist from Japan. In July he received his passports, left for home, and in August joined the army as a private in a regiment of engineers. Soon he was made a corporal, and the same evening was ordered to report to the engineers officers' training school, U. S. Army, Camp A. A. Humphreys, Virginia. It was while there that he became ill and died, being buried with military honors in Arlington National Cemetery.

E. R. CLEMENCE DEAD

Treasurer of the Underwriters' Association of Middle Department—Well-Known Figure in Business

Edward R. Clemence, treasurer of the Underwriters' Association of the Middle Department, died at Merion, Pa., of acute indigestion a few days ago. He belonged to the old school of underwriters and preceded E. B. Creighton as secretary.

CHANGES ITS NAME

The name of the Skandinavia Re-insurance Company has been changed to the Skandinavia Insurance Company, and the capital increased from 10,000,000 to 20,000,000 kroner, of which 5,000,000 kroner will be paid up. The paid-up capital as at December 31 1917, was 2,500,000 kroner (£138,889).

CHARTIER AGENT FOR UNION

Charles C. Chartier, Long Island City agent, has been appointed agent in that territory for the Union, of London. Mr. Chartier now represents the Scottish Union, Mercantile, State Assurance, Boston, and Union.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
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ÆTNA CASUALTY & SURETY CO.

LEWIS & GENDAR, Inc.
New York City Agents
Commonwealth Insurance Co. of New York
Telephones: John 63-64-65 ONE LIBERTY STREET, NEW YORK CITY
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Northern Asse. Co., Ltd. of Eng. — Firemen's Inc. Co. of New Jersey
Commonwealth Ins. Co. of N. Y. — Globe & Rutgers Inc. of N. Y.
Detroit F. & M. Ins. Co. of Mich. — Employers' Lia. Assce. Corp. of London
145 MONTAGUE STREET, BROOKLYN—NEW YORK
Telephones: Main 6370-6371-6372

WALTER F.
ERRICKSON
AGENT
95 William St. New York
38-40 Clinton St. Newark, N. J.

THE
TOKIO
MARINE AND FIRE
INSURANCE COMPANY
LIMITED
UNITED STATES FIRE BRANCH
J. A. KELSEY, General Agent
80 MAIDEN LANE, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

TO START NEW OFFICE

Ives, of Ream, Ives & Wrightson, Will Head New Venture—Full Announcement Later

The complete details of the changes in Ream, Ives & Wrightson cannot be announced yet. Henry W. Ives, who will retire to head his own firm, did not care to make any comment this week. It is understood a number of employes of Ream, Ives & Wrightson will go with him in his new venture.

Ream, Ives & Wrightson have grown rapidly and occupy large and handsome offices in the Hanover National Bank Building. The firm has advertised heavily, particularly in the way of offering accident coverage to people going to Europe.

In addition to doing a large marine and fire brokerage business it is underwriter for the American Re-Insurance Co. Mr. Ives is a well-known and highly successful broker; Mr. Ream is a member of the Chicago family, the late head of which was a sleeping car magnate. Mr. Wrightson lives in London.

* * *

Brewster and Upton

The agency business of J. N. S. Brewster & Co., is now exclusively handled at the company's offices in Cedar Street. The brokerage business is exclusively handled at 55 Liberty Street, by Brewster-Upton, Inc. While Mr. Brewster is president of both concerns the different functions of the offices are kept individual and distinct. J. K. Upton, who is vice-president of both concerns, has built up a considerable reputation as a producer and all in two years' time. When he resigned as New York manager of the Ocean he went into business for himself. Two years ago he went with the Brewster office, and specialized in compensation, liability, hull and builders' risks.

* * *

In Government's Fund

The compensation business at the Bristol and Hog Island shipyards is now in the Government's insurance fund.

* * *

Losing Truck Business

It is exasperating to insurance men to see so much good automobile truck business going "whist" to the Government. As fast as trucks are put in Government service the insurance is dropped. The Government is picking up heavy trucks wherever it can get them and putting them to all sorts of work. Anything that requires power, such as pulling stumps, hauling logs, hoisting with block and tackle. Trucks are even raised off the ground and a belt adjusted about a rear wheel and the power used to run some sort of machine. When an agent has had several hundred trucks paying him a good premium in every case and suddenly sees the whole line taken over it hurts—yes, it does.

* * *

Hail Insurance on Growing Tobacco

Wakefield, Morley & Co., Hartford, have had a splendid record writing insurance on growing tobacco for the Globe & Rutgers. In discussing this the Hartford agent said this week:

"There is nothing new or startling to be said in respect to this class of business except that we happened to experience a very fine growing season with result that the crop matured early and was harvested early. This saved us some losses that we might have had if the growing season had been backward. So we might say that we had good luck and made just a fair profit for the Company."

* * *

$5,000,000 More on Standard Steel Car

Hutchinson Rivinus & Co., Philadelphia, are placing $5,000.000 more on the Standard Steel Car Co. This is under the regular blanket form with 90 per cent. co-insurance. The risks, very good from an insurance standpoint, carry over $10.000,000 insurance.

* * *

Claude D. Corke Dead

Claude D. Corke, of Cornwall & Stevens, died on Tuesday evening at his home, Queens, L. I., of bronchial pneumonia following an attack of Spanish influenza. Funeral services were held last night and the burial takes place this morning at Maple Grove Cemetery. Mr. Corke was 28 years of age and is survived by his widow. He was a popular member of the City Insurance Club and active on all of its occasions. Mr. Corke for several years had been special agent of the National Union in New York and New Jersey.

* * *

First Meeting Next Week

The first fall meeting of the Brokers' Association will be held Wednesday, October 16. No business of special importance is at present in prospect.

* * *

Chas. Miller Victim of Epidemic

Charles Miller, manager of the fire department of Johnson & Higgins, is one of the large number of insurance men who are victims of the epidemic of Spanish influenza.

* * *

Has Passed Examinations

Miss Olive Outwater has passed the examinations of the Casualty Actuarial & Statistical Society, and is one of the few women to be admitted to that organization. Miss Outwater is assistant actuary of the National Workmen's Compensation Service Bureau. She is a graduate of the University of Michigan.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1918, to New York Insurance Department
LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer
G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent
SURPLUS TO POLICYHOLDERS $5,980,020.79

BRITISH AMERICA
ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918

Assets	$2,192,173.14
Surplus in United States	772,927.35
Total losses paid in United States from 1874 to 1917, inclusive	25,298,472.00

W. B. MEIKLE, Pres. & Gen. Mgr.

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

S. C. BISHOP CO.
Represented at 95 William Street, AGENTS FOR NEW JERSEY 208 Broad Street, Elizabeth, N. J.
Phone, 447 John — 588 Elizabeth

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

ARCHIBALD A. McKINLEY, President
D. J. DAVIDSON, Vice-President
H. C. JONES, Secretary and Treasurer
I. W. ROCKEY, Managing Underwriter

Merchants National Fire
Insurance Co., Chicago, Illinois

Home Office:
No. 29 So. La Salle St.

CAPITAL
$250,000.00

AN ALL-AMERICAN PROGRESSIVE FIRE INSURANCE COMPANY OF THE MIDDLE WEST

LINES SOLICITED AND BOUND THROUGHOUT UNITED STATES AND CUBA

E. F. FLINDELL
INSURANCE

1 LIBERTY STREET Telephone John 2612 NEW YORK

LOCAL OFFICES

JERSEY CITY, N. J.
Montgomery St.
Tel. 216 Montgomery

BROOKLYN, N. Y.
153 Remsen St.
Tel. 2504 Main

NEWARK, N. J.
9-15 Clinton St.
Tel. 614 Mulberry

Exchange of Facilities Between American and French Companies

By A. V. Hansen, of Firm of Alb. Smeesters, Paris

The most striking feature of the subject of the interchange of insurance facilities between French and American companies is undoubtedly that America and France, being sister republics with so many common interests and fighting the world's enemy shoulder to shoulder, are bound sooner or later to develop a reciprocal insurance market, with all signs pointing to the present as the time for it to be started.

Today, the insurance markets of both countries, having gone through much the same development, are doing little or no business together. There are two reasons why this is the case. The first is that both of us have had quite enough to do so far in securing the very considerable amount of business which the German companies left behind them when they were expelled, and, secondly, both markets have been fully occupied in meeting the extra demands on their resources in covering the immense amount of business which has been a direct result of the war, particularly as far as marine insurance is concerned. Both the American market and the French market have for years, generally speaking, only known the London market for excess of home coverage.

Thirty British Companies in France

We, in France, have been doing and are doing a very important business with London which I most sincerely hope will continue and develop. The same is the case as far as the American insurance market is concerned, but we in France do not see any reason why closer co-operation should not be established between France and America, and this is the very purpose of my journey, to make it known here that the French insurance market is too big and the magnitude of the French insurance companies too great to be ignored in the United States. You have, for instance, a considerable number of English companies operating here, whereas the number of French companies is limited to a very few. We have in France more than thirty old and well-known British companies operating there against one single American insurance company.

It stands to reason that if it is worth while for over thirty of the most conservative British companies to operate in France, it would certainly be equally worth the while of some of your first class American insurance companies to do the same and, likewise, for French companies to enter the United States.

The position of the French companies before the outbreak of the war, or in other words previous to 1914, was that particularly in marine insurance the German companies had control of a very important part of the business. They had a great many agencies of German companies besides important holdings in several French companies. The outbreak of the war led to the immediate discontinuance of all German agencies and company operations and consequently a considerable amount of their business was left open upon the market. This business has now partly been absorbed by French companies, both old ones and new ones which have started during the war. On the other hand, it is interesting to note, that the opportunity of securing the business which was left behind by the German companies has been fully appreciated by British and Scandinavian companies which have established themselves in France and have succeeded in obtaining a considerable amount of profitable business.

Companies Now Underwriting

It will undoubtedly interest your readers to learn that not less than approximately one hundred and twenty-five insurance companies are underwriting marine business in France. The identity of these companies is as follows:

50 French companies
30 British companies
17 companies of various nationalities
10 Scandinavian companies
8 Russian companies
9 Dutch companies
1 American company

These figures speak for themselves.

The French marine insurance market is open to any company in the world which can secure the approval of the French Government and no deposit is required. It is widely known that the French marine insurance business has given good results to the underwriters before the war, particularly the hull business, and during the war I venture to say that every company doing business in France has made a substantial profit on its French business.

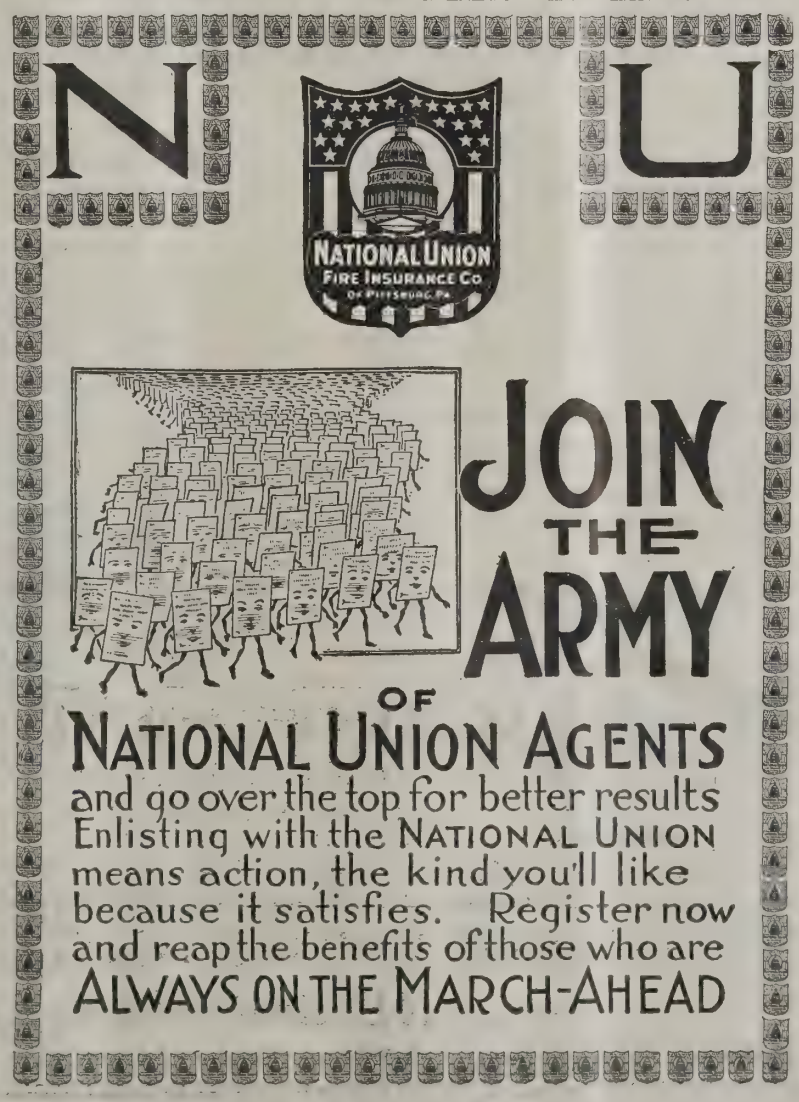
The reason why American companies have not yet established agencies and branch offices in France is, I believe, due to various circumstances, one of which is that the American marine insurance market has undergone to some extent very much the same development as the French insurance market, and consequently has been mainly occupied in consolidating its position in its own market and taking advantage of the immense opportunities which have been created there during and as an indirect consequence of the war. Secondly, I feel inclined to believe that American insurance managers, owing to the uncertainty of events in Europe during the war have not felt inclined to enter that field. Although I understand that America is now feeling a certain shortage of labor which might tend to postpone the extension of the business to foreign fields there can be no doubt that the time has arrived when American companies can enter the French market without any fear of the disturbance of business owing to the war being carried on on French soil.

The matter of comparative acquisition costs, clerk hire, taxes, etc., is one which cannot be gone into briefly but which I have found American company managers to be grossly misinformed on to the detriment of their own interests in the extension of their business.

I also believe that the importance of the French marine insurance market and business has been greatly underestimated in the United States.

Place for French Companies Here

It would lead too far afield to quote figures and statistics here which would give an idea of the importance and resources of the French insurance companies but this information is available and it is but a mild statement to say that French companies are by no means represented in the United States in any way commensurate with the relative importance of the French market. The main reason, as I have mentioned before, is that the French companies have devoted the greater amount of their attention to securing for themselves the major portion of the business which was left open by the forced withdrawal of the German companies, besides taking care of the immense amount of new business resulting from war activities. Furthermore, it must not be forgotten that the French insurance enterprises have been confronted with great difficulties during the past four years. Paris is the center of all marine insurance in France, and, with very few exceptions, the head offices of the companies will be found there. The scarcity of clerical labor, which you are now feeling over here, has from the outbreak of the war been intensified over there. Secondly, everybody will readily appreciate the great disturbance which the threatened invasion has caused on commercial life in France. Thirdly, the numerous bombardments by day and night to which Paris has been subjected have at times made it exceedingly difficult to carry on business. Nevertheless, it is a fact that few countries can show a market development equal to that witnessed in France during the war. The financial resources of the French marine insurance companies are very large and the deposit required over here would by no means be any hindrance to the French companies wishing to operate here. The main difficulty which the French companies intending to open branch offices or agencies in the United States shall have to reckon with lies in the fact that the French Government has prohibited the export of French capital, which means that the French Government at the present time would hardly consent to the necessary money being sent out of France to meet the depository requirements of the United States. However, America and France, having not only political but immense joint commercial



interests, will no doubt work out a satisfactory adjustment of this situation in the very near future.

Desirability of Exchange

America, as well as France, was before the war a principal market for German reinsurance companies. I have no actual figures at my disposal, but I think it can soundly be estimated that thirty per cent. of the total German reinsurance premiums previous to the war was extracted from the French and American markets. As the German companies have been cut off from all connection with France since 1914, and from America since the beginning of 1917, the necessary reinsurance arrangements for the replacement of these facilities has naturally taken place. The reinsurance market in the Allied countries has seen a considerable development, but the weakness of the efforts to replace the German companies is due to the fact that the reinsurance companies, which have been established since 1914, have to some extent failed to pool their interests and neglected to co-operate on the large scale which was the fundamental strength of the German reinsurance system before the war.

We, in France, are keeping this point very much in mind and we are endeavoring now in one way or another to pool our interests with those of a number of Italian reinsurance companies, which, when completed, will give us immense facilities and financial resources.

Furthermore, I believe that one of the natural results of this war will be that every country will more than ever favor native enterprise. Consequently, insurance facilities will have to be exchanged on a larger scale than hitherto in the form of reinsurance business rather than direct underwriting.

We have reason to believe that America has of late greatly felt the need of additional reinsurance facilities. Reinsurance cover on American account has, I understand, been obtained to some extent partly in England and partly in Scandinavia, but I know that few American companies to date have made any great use of the French reinsurance market. France, as a reinsurance market, although a comparatively new proposition, is a market which will have to be reckoned with in the future. Everyone is, or ought to be, acquainted with the importance of the German reinsurance market before the war and although this market to some extent has already been replaced, it is a great mistake to believe that it has been replaced to such an extent that the Allied nations will not have to take many additional steps if it is their intention to remain independent of German reinsurance companies after the war. As far as the French companies are concerned, they still do need cover which at present is being obtained partly through England and Scandinavia.

The position of the French and American markets is, therefore, that both markets need and can give each other a very important cover, and it would be an extraordinary lack of understanding if these two markets should not now commence to co-operate on a larger scale.

CITY CLUB'S MEETING

Resolution Adopted on Death of Claude Corke, of Cornwall & Stevens—Was Member of Committee

A Liberty Loan meeting of the City Insurance Club was held Wednesday evening at Farrish's Chop House. Great regret was expressed by the members present at the sudden death on Tuesday of Claude Corke, of Cornwall & Stevens, who was one of the most active members of the Club and a member of the campaign committee, and suitable resolutions were adopted.

President J. J. Hartnett thanked the campaign committee and the members of the various teams for the work they had done in making the Club's drive a success, but urged them to extend an even greater effort. Charles F. Enderly, chairman of the committee, told what some of the members had done by reading the following list of big subscriptions which had been secured to date to the credit of the Club:

Merchants	$200,000
Equitable Underwriters	10,000
Cornwall & Stevens, Inc.	30,000
Darby, Hooper & McDaniel	27,200
Colonial Assurance Co.	25,000
City of New York	25,000
James R. Skinner & Co.	10,000
N. Y. Plate Glass Co.	8,000
Bale, Snedeker & Co.	3,000
F. H. Ross	2,500
Schaefer & Shevlin	1,000
C. Hagen	1,000
W. J. Reynolds	1,050
D. C. Kohn	1,000
J. F. Blume & Co.	1,000
R. Talley	1,000

The following have subscribed for $500: B. J. Alley, R. Powell, H. Buston, C. F. Enderly, Jackson & Smith Agency, C. D. Sutton, J. Healy, J. Hylind, W. E. Parrington, R. E. Blake, H. W. Barley.

Other subscriptions to the sum of 174 total $24,750, making a total to date of $388,050.

There is in France a general feeling that she and America, both during and after this war, will have many financial and political interests in common and it would therefore be desirable and natural that a far greater interchange of business between France and America should henceforth take place than has been the case up to the present. Quite apart from the technical and commercial reasons which I have mentioned above, the new feeling of friendship and mutual regard between France and America might reasonably be expected to form the very best basis for interchange of insurance business between these two countries.

FOUND—On William St.!

Bright ideas used by successful Casualty men

Each week in

THE EASTERN UNDERWRITER

Subscription $3 a Year

ÆTNA (FIRE)

HARTFORD, CONN., U.S.A.

Choose your company with regard to *record* in past conflagrations and present loss paying ability.

BUY LIBERTY BONDS

FIDELITY-PHENIX FIRE INSURANCE COMPANY OF NEW YORK

"AMERICA FORE"

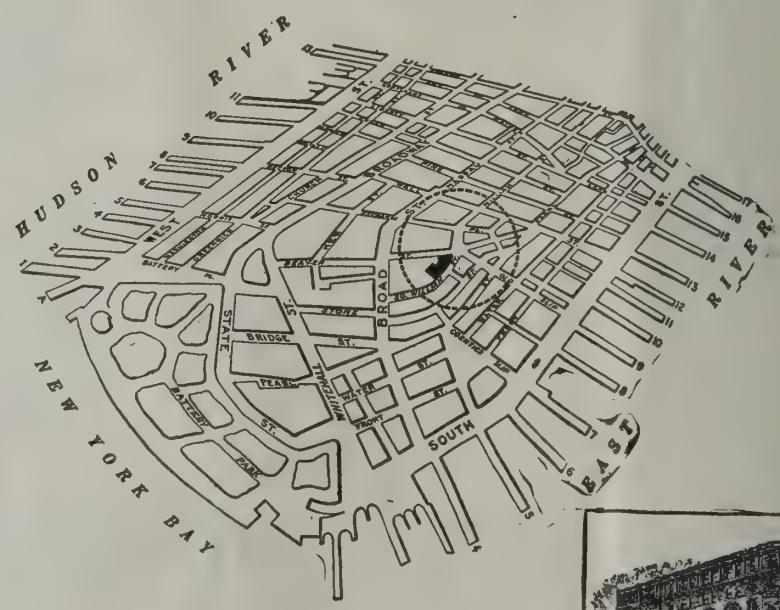
Insure the Security of Your Freedom and Capital

AMERICAN MERCHANT MARINE

INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBISNON & CO., INC.

MANAGERS

Merchant Marine House New York City

South William and Beaver Streets

THE HUMBOLDT FIRE INSURANCE CO.

PITTSBURGH, PA.

Conservative -- Sound -- Progressive

Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President

EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

Great American To Have $5,000,000 Capital

Unanimously Voted By Directors After Capital Issues Committee Passes Proposed Increase

SURPLUS TO BE TEN MILLIONS

New Stock to Be Issued at $150 a Share—President Smith's Letter

The directors of the Great American, which has $2,000,000 capital, has voted to increase the capital to $5,000,000. The new stock will be subscribed for at $150 a share. President C. G. Smith has mailed to stockholders of the Company the following letter:

"You will find enclosed a formal notice of a special meeting of stockholders, to vote upon the question of increasing the capital stock of the Company from $2,000,000, par value, to $5,000,000 par value.

"The directors of the Company are unanimous in their recommendation that the capital stock of the Company be increased at this time. The regular business of the Company has been growing steadily, and, since January of the present year, through the amendment of its charter by authority of the stockholders, the Company has been profitably engaged in the business of marine insurance, which is rapidly growing owing to the expansion of American tonnage. Conditions brought about by the war have made additional demands upon all fire insurance companies, partly as the result of the exodus of the German companies, partly owing to the tremendous government activities, and partly owing to the general advance in insurance values due to increased labor and material cost. Your Company has a much smaller capital than some of its principal competitors, although by its charter its authorized capital is $5,000,000; its writing capacity is limited to 10 per cent. of its capital on any one risk and the Company is hampered in other ways by its present restricted capital.

Passed By Capital Issues Committee

"The proposed increase in the capital stock has been passed by the Capital Issues Committee of the War Finance Corporation as not incompatible with the national interest, but without approval of legality, validity, worth, or security (Opinion No. A1870). That Committee does not permit any new issues of capital, unless it is convinced that they will contribute substantially to the prosecution of the war or the welfare of the country. That the Committee has approved of the increase in the capital of your Company at this time is conclusive evidence that, in the opinion of the Federal officials, it is desirable that the increase should be made and should be made promptly. It is proposed, therefore, to issue the new stock upon terms which will enable the Company to start the new year with the increased capital. The new stock will be issued at $150 a share, which will give the Company a capital of $5,000,000, and a surplus of about $10,000,000, and place it in a strong and commanding position.

"The opportunity to subscribe to this new stock is of such value that those who are unable or unwilling to subscribe will undoubtedly be able to sell this privilege for a very substantial amount.

"Holders of a large portion of the outstanding capital stock have expressed themselves in favor of the proposed increase; and it is believed that the action of the stockholders upon the proposition will be practically unanimous. If the increase is authorized, one-half of the purchase price of the new stock will be called for in about thirty days, and the remaining half in about sixty days. Seventy-five per cent. of the proceeds of the new stock ($3,375,000) will be invested in the Fourth Liberty Loan bonds."

AMBULANCES FOR FRANCE

A movement has been started among fire and casualty men to send as many ambulances as possible to the French front. The movement is yet in a disorganized form, but application has been made for the privilege to collect funds for this purpose and it is expected that the work will soon be under way.

Some of the officials who are participating in this movement and have volunteered to act as a committee for the collection of funds are J. G. Hilliard of J. G. Hilliard & Co.; Col. A. H. Wray, United States manager of the Commercial Union; T. A. Ralston, sub-manager of the United States head office of the Northern, of London; J. J. Hoey, vice-president of the Continental; C. F. Enderley, manager of the brokerage departments of the Insurance Company of North American and the New York Underwriters' Agency; John A. Kelly, of Kelly & Fuller; L. W. Fay, of Ogden & Fay; and C. E. Wickham, of Wickham & Kemp. Michael Maas and Harry Mass, both of Henry Sobel & Co., have also been very active in the movement to buy ambulances.

"STRONG AS THE STRONGEST"

The Northern Assurance Co.
(LTD., OF LONDON)

Organized 1836
Entered United States 1876

Losses Paid - - - $109,000,000
Losses Paid in U. S. $40,000,000

Eastern and Southern Departments

55 JOHN STREET
NEW YORK CITY



Just say:
"Insurance Man"—
the open sesame to every courtesy within our power.

Room with detached bath $1.50 and $2.00
Private bath $2.50 and $3.00

BREVOORT Hotel
Insurance Headquarters
MADISON ST.—East of LaSalle
CHICAGO
LAURENCE R. ADAMS, Sec'y & Mgr.

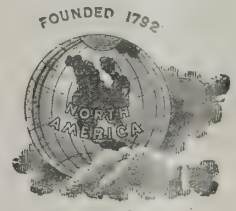
Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

Firemen's Insurance Co., Newark, N. J.

January 1, 1918

Cash Capital $1,250,000.00
Net Surplus $2,384,971.20
SURPLUS TO POLICYHOLDERS... $3,634,971.20

DANIEL H. DUNHAM, President
JOHN KAY, Vice-President and Treasurer — A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President — J. K. MELDRUM, Assistant Secretary



The Oldest American Stock Insurance Company

1792 Insurance Company of 1918
NORTH AMERICA
PHILADELPHIA

126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33
Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

London and Lancashire
Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

Great American
Insurance Company
New York

INCORPORATED - 1872

PAID FOR LOSSES
$96,971,238.06

STATEMENT, JANUARY 1ST 1918.

CAPITAL
$2,000,000.00
RESERVE FOR ALL OTHER LIABILITIES
12,927,269.91
NET SURPLUS
8,527,719.31
ASSETS
23,454,989.22

THE SECURITIES OF THE COMPANY ARE BASED UPON ACTUAL VALUES ON DECEMBER 31ST, 1917

HAD THE SECURITIES BEEN TAKEN AT THE VALUES AUTHORIZED BY THE NATIONAL CONVENTION OF STATE INSURANCE COMMISSIONERS THE ASSETS AND SURPLUS WOULD EACH BE INCREASED BY $2,321,032.00

Home Office, One Liberty Street
New York City

Western Department
WALTER H. SAGE, Gen'l Mgr.
INGRAM & LERCH, Managers
76 West Monroe St., Chicago, Ill.

Pacific Department
GEORGE H. TYSON, Gen'l Agent
210 Sansome Street
San Francisco, California

Boston Office
ROGERS & HOWES, Managers
4 Liberty Square, Boston, Mass.

Marine Department
WM. H. McGEE & CO., Gen'l Agts.
15 William Street, New York City

Explosion Losses Will Be Light

AMBOY SITUATION NOT BAD

Committee on Adjustments—Opposition to Rebuilding—Fire Claims Nil—$100 Clause Reduces Liability

Business men in the Amboys may be expected to resist strenuously all proposals to rebuild the Gillespie plant along such lines as would make likely a repetition of the harrowing experiences the inhabitants of that region have endured during the past week. In spite of the number and magnitude of the explosions at the loading company plant the fire companies will not lose anything as the Government has for some time been carrying its own risk there.

The larger stores of explosive were not ignited. The big magazines were saved finally by the Government sending sand dredges to the scene and covering the magazines with sand to a depth which it is believed would have protected them had one of the exploding shells happened to land in close proximity. It is also said that after an inspection of the burning plant had been made by air men, members of the Signal Corps destroyed certain buildings which were in the path of the fire and that this checked the spread of the flames. This is not generally credited. What saved the remainder of the plant was a shift in the wind.

There is a considerable body of influential citizens in the Amboys who believe that if such a plant is to be located near there no such quantity of explosive as is known to have been stored in the plant should be permitted. As it is the two towns have escaped remarkably well.

Private Dwellings Escape

Although this disaster destroyed 325 buildings of the plant, in which there were 700 in all, the fire companies will also escape almost entirely from losses to property outside the plant. The first explosions were heard about eight o'clock Friday night. The damage done by them was not sufficient to demolish buildings in South Amboy or Perth Amboy but the inhabitants immediately began preparation to leave their homes if necessary. Fires and lights were extinguished so that in event of heavier explosions the danger from fire would be removed. There were no fires in dwellings except those used for cooking. This added to the favorable circumstances.

Insurance men therefore have not heard of any fire losses, except one, an ice house, near Morgan.

Saved By $100 Clause

Only one heavy explosion insurance loss has been reported, that on the horses of a contracting firm, Joseph F. Burke & Co. This policy was for $10,000 and the loss is expected to be total. The insurance was in the Continental.

As to other explosion losses, there was not very much of this insurance in force in South Amboy, considering the susceptibility of the town to damage by that cause. Besides there is a $100 liability limit in all the explosion insurance written there, which will nullify most of the claims presented.

The losses are principally for damaged ceilings, chimneys and walls and for broken glass. But as practically no houses were wrecked and most persons did not carry any explosion insurance the loss to the insurance companies from this cause, even in South Amboy, is expected not to reach large proportions.

In Perth Amboy, separated from South Amboy only by the river, conditions are even better. There were no fires there and the explosion losses will most all fall below the hundred dollar limit. New explosion lines are being written readily in both the Amboys.

An insurance incident of the construction days of the Gillespie plant is that when the government accepted the work the insurance the contractors carried was cancelled. The contractors had been adding insurance, $100,000 at a time, but one day, when a broker handling the risk was down there, the government agent told him to cancel. Before the cancellation could be effected a fire occurred which did $10,000 damage. The premium on the risk was then about $4,000. The government was uncertain whether or not it should make a claim, in view of having ordered the policies cancelled. The broker arranged it so that no premium would be demanded if claim were not made. This is the way the insurance on the risk terminated.

In talking to insurance men and others who have visited the Gillespie plant criticism has been made of the manner in which the buildings were grouped and also the condition of the ground between them. Some say that the distance between buildings was not sufficient to insure safety and that the spaces between were not in all cases cleared. All this is denied by other insurance men who were formerly directly interested in the risk.

The damage caused by the explosions in the Gillespie plant alone have been placed as high as $30,000,000.

One insurance man says that government inspectors recently visited the plant and expressed themselves as well pleased with the general manner in which it was conducted. They spoke from the viewpoint of safety from fire and accident.

Only a short time ago a plumber working with an electric soldering iron, set fire to another building near Morgan, where fuses or "boosters" were made.

Will Have Committee

Companies interested in the explosion feature are meeting this week with a view to making arrangements for speedy and uniform adjustments through a committee. Most of the losses in South Amboy are not expected to be over from $400 to $700. As all policies contained an agreement by the assured that no claim would be made for any loss not exceeding $100, by far the larger proportion of losses will never reach the claim stage.

One explosion insurance man took what is regarded by some others in that line as a wise view of the situation. He believes that the explosion business would benefit largely by a speedy and broad minded settlement of the Amboy claims. Some offices have experienced a large falling off in this class of business as many assureds are inclined to believe they will not need it from now on.

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65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
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C. B. G. GAILLARD, Assistant Manager

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

MARINE DEPARTMENT

United States Bureau of War Risk Increases Its Coastwise West Indian South American War Rates

Marine underwriters in this city, to express it mildly, were more than surprised to receive word last week that the United States Government War Risk Bureau had increased its rates for war risk on vessels and shipments coastwise, and to the West Indies and South America. What they could not understand was why at this time the Government should decide to take such action.

After reviewing the facts carefully, we can only come to one or two conclusions: either that the War Risk Bureau's statistical department has caught up with its work, and has ascertained that the losses sustained during the recent submarine activities off our coast, which occurred during the months of June, July, August and September, warranted charging materially higher rates than the apparent low rates charged in the past for similar risks; or that there are more submarines operating off the coast at present than the general public is aware of, floating mines must have been placed in local waters, and that the war hazard still exists on shipments navigating our waters in spite of the recent peace proposals submitted by the central powers.

It was only recently reported that a U. S. Government vessel hit a mine off the Delaware Capes, followed by the loss of the Steamer "San Saba" which struck a mine off Barnegat.

On Friday last a U. S. mine sweeper picked up a life boat attached to a davit, and the part of a deck load of a cargo, which was identified as belonging to a sailing vessel destined from New York to South Africa, from which local war risk underwriters have deducted the conclusion that the vessel either hit a mine and went down at once, or that she was sunk by a submarine and the crew are being held prisoners.

Another report received states that an American tanker had a fight with a large submarine four hundred miles off our coast, which would put this menace within twenty-four hours' travel of the lane used by coastwise vessels, if she decides to come closer to our shore.

Another report published relates to an American collier sunk off our coast but no name of vessel is given.

All these losses go to prove that there is still a material hazard in writing war risk in these waters, and what is most gratifying to marine underwriters, that our Government officials have taken cognizance of this fact by charging materially higher rates for this hazard than they have been charging in the past.

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War Industries Board Inspection Report

Washington, D. C.—Only 83 plants out of 1,811 inspected by the fire prevention section of the War Industries Board have been found to be bad insurance risks, according to a report just made public by W. H. Merrill, chief. Conditions at 1,395 plants were good, those at 171 were found to be fair, and 162 plants were reported as poor.

In addition to the special survey of fire risks that is being made at port cities along the Atlantic and Pacific coasts and on the Great Lakes at the instigation of the Attorney General, the section has under way inspections at 358 plants and, as soon as these are finished, will survey 435 additional enterprises.

A summary of the plant conditions found and improvements made as a result of the section's investigations, is as follows:

	Good or no action required	Fair	Poor	Bad	Total
Aircraft and woodworkers	64	9	18	22	113
Metal workers, steel mills	270	79	80	37	466
Textiles and clothing	821	58	40	12	931
Storage warehouses and miscellaneous	62	3	4	5	74
Shell loading and chemicals	24	6	6	5	41
Rubber, leather, boots and shoes, paper	154	16	14	2	186
Totals	1,395	171	162	83	1,811

Character of Improvement.	No. of plants in which work is completed.	No. of plants in which work is under way, contracted for, or decided on.
Automatic sprinkler equipments	24	98
Building construction changes	7	13
Cleanliness and good order	13	18
Common hazards removed	19	28
Division walls and wall openings	13	39
Electrical hazards removed	10	9
Fire alarm systems	2	2
Fire department organized	10	8
Fire drills	5	3
Hose equipments	7	29
Hydrant equipments	8	27
Inspection by plant owner	7	1
Metal lockers	1	4
Protection to fuel oil supply	2	5
Pumps	4	13
Smoking prohibited	6	8
Standpipes	3	7
Supply of hand extinguishers	29	39
Tanks	2	8
Watchmen and watch recorders	19	18
Water supplies	1	14
Yard mains	3	16
Total	195	407

NEW COMPANIES READY

Trans-Marine and Washington Marine Plans—Jesse Spier and Richard D. Jones Underwriters

The Trans-Marine Insurance Co. and the Washington Marine Insurance Co., announced this week their readiness to assume underwriting. These companies are to be operated with the Importers & Exporters, and for this purpose the Trans-Marine Underwriting Agency, Inc., was formed last week. Erey-Kebaya, president of the Importers & Exporters, is also president of the Trans-Marine Agency; Jesse Spier and Richard D. Jones, vice-presidents and underwriters; and L. B. Whitaker, secretary. The Trans-Marine Agency and the home offices of the companies it operates will be housed in their building, 17 South William Street, about November 1.

New Post For William C. De Lanoy

MARINE END OF R. R. BUREAU

Government to Carry Insurance on Coastwise Lines and Also on Property Transported

(*Special to The Eastern Underwriter.*)

The assumption by the railroad administration of the control of coastwise steamship lines formerly controlled by the railroads now forming part of the Government lines, has made necessary the inauguration of a section of marine insurance by the director general of railroads.

William C. De Lanoy, formerly director of the Bureau of War Risk Insurance, is to be manager of the new marine insurance section.

At the request of Director General McAdoo, the work of the new section will be similar to that now being performed by the fire prevention and insurance section for the railroads. The policy of having the Government carry the risk which was recently extended to the railroad property taken over will operate also upon the vessels and property of the steamship lines. In addition it has recently been ordered that these lines shall assume the marine and war risks on all property transported by them.

ANOTHER EXPOSURE DUE

The Eastern Underwriter is advised that criminal proceedings are about to be instituted against a firm of New York marine brokers who are said to have retained several hundred thousand dollars of premiums on business which they placed with unadmitted foreign companies.

MARINE CLUB MEETING

The first Fall meeting of the Marine Insurance Club will be held at the Waldorf-Astoria on October 14.

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AUTOMOBILE LECTURE

C. C. Wright Says Fireman's Fund Was First Company to Write Auto on Large Scale

In a talk on automobile insurance given before employes of the company by Assistant Secretary C. C. Wright, in charge of the automobile department of the Fireman's Fund, he outlined the wonderful growth of automobile insurance during the last two decades, explaining that the first small beginnings of this class took place about 1902. He said that the Fireman's Fund was the first large company to underwrite these risks, and was the first company with a nation-wide agency plant to indulge in the automobile business on a large scale, although as early as 1905 there were two other companies—one in Boston and another in New York—writing a limited amount of automobile insurance through their marine departments.

The Growth of Marine Insurance in England

It is common knowledge that the growth of the marine insurance companies in this country has been phenomenal during the past four years. Unfortunately, however, it is not possible to show exactly what this growth is and to dissect the accounts in such a way as to see whether the increased business is really profitable. Each company seems to issue its marine account according to its own fancy, but the form mostly in use is a bald statement of premiums and interest on the one side, and on the other the total claims paid during the year, the commission and expenses, and the outgo and the balance which is carried forward for unexpired risks. Now, although this form may be quite satisfactory so far as a fire or general casualty office is concerned, it really does not meet the situation and enable us to judge of the profitableness, or otherwise, of marine business. Marine insurance is a peculiar business. Claims sometimes cannot be settled for a considerable period, so that although a claim may have been made in, say, 1916, it is quite possible that it has not been definitely settled until 1918. Often, indeed, the amounts paid in respect of claims made in previous years form the major portion of the claims paid in the year of account. Therefore, in reading the report of a marine company this fact should be borne in mind. At a first glance a huge increase in premium income in any one year accompanied by only a slight increase in claims may seem to indicate a wonderfully profitable business, but this may not necessarily be the case. It is, therefore, desirable for a marine company to carry forward large reserves. It is not in the fortunate position of a fire office, which can put aside 40 per cent. of its premium income and say that it has ample reserves for all claims. The old marine offices operating before the war usually gave, and still give, results of their first year settlements and also in a separate account the results of previous years' settlements.

There is also a further difficulty. Some companies transacting marine and general casualty business issue a preliminary combined account showing the totals for all classes of business. The form in which the accounts have to be rendered to the Board of Trade, showing the results of each department separately, is often not available for some considerable time afterwards, and especially has this been the case during the past two years. This, no doubt, is due to difficulties both within the office and to shortage of labor at the printers. Certainly the Board of Trade returns published annually by the Stationery Office are at the moment several months overdue and possibly may not be published at all during the war. But even those returns do not give us a satisfactory basis to work upon. Several foreign offices transacting business here seem to make no returns at all, and even those that issue a statement merely give the totals of their whole business and do not show in a separate account the working of the British business.

For these reasons, therefore, the figures which we give here cannot be looked upon as representing the growth of British marine insurance. They are not even approximate. However, they present some interesting features, and they certainly show that the business has grown enormously and is of very great importance.

The Capital Employed

As is only to be expected, a great deal of capital is employed by the companies transacting marine business. This capital, of course, is not exclusively for the benefit of this branch, as most of the companies also transact other classes of insurance. The amount subscribed by the companies whose 1916 results are shown elsewhere, was over £47,500,000, of which nearly £10,500,000 was paid up. In 1917 these amounts had increased to over £53,500,000 subscribed, with more than £12,750,000 paid up. Thus in the one year the subscribed capital increased by £6,000,000 subscribed and £2,250,000 paid up. But this is not really the true increase. Many new companies were established in 1916 and 1917 whose first year's results have not been included in these tables. This also applies to the remaining figures and should be borne in mind in considering these results.

The Premium Income

The increase in premium income during the past five years has been very remarkable, as is shown by the following:

1913	£11,030,427
1914	12,256,548
1915	25,487,240
1916	32,529,730
1917	43,359,385

As will be seen, the largest increase has taken place in 1915, the first complete year after the outbreak of the war, when the increase was over £13,000,000. It is, however, closely run by 1917 with an increase of nearly £11,000,000, but none of the other years are able to show such large figures. It will probably be found, however, that when we allow for the companies established in 1917 whose reports have not yet been issued, that the increase in that year is fully equal to that for 1915, though of course this is purely a matter of conjecture. A peculiarity of marine business, which should not be lost sight of, is that many of the companies show their premium income after deduction of commission, so that the totals shown above are not strictly representative of the actual premium income received.

Claims

Coming now to claims, we note that during the past five years the results shown are as follows:

1913	£ 7,646,453
1914	7,641,390
1915	14,023,648
1916	19,042,263
1917	27,020,779

Curiously enough the amount in 1914 shows a decrease on the previous year, but afterwards the upward tendency has been very marked. The greatest increase is shown in 1917, when the amount was £8,000,000 more than in the previous year. In 1915, when the largest increase took place in the premium income, the claims only increased by £6,400,000, which goes to show that either the liability of the earlier years is only just running off or that the business is not so profitable nowadays.

Coming now to the proportion of the premiums expended on claims, we find that the results of these same years are as follows:

1913. Per cent. of claims to premiums	69
1914. " " " " " "	63
1915. " " " " " "	55
1916. " " " " " "	58
1917. " " " " " "	62

To those who are used to 40-50 per cent. claims ratios of the fire and accident offices, these figures will seem very high, especially for 1913, 1914 and 1917. Two facts, however, must be borne in mind. The first is that before the war marine insurance was not an excessively profitable business. Competition between the companies and Lloyd's was very keen, and consequently business was accepted at the lowest possible rates. Since 1914, however, the companies have been in the happy position of being able to pick and choose their business at higher rates. The second point we have already referred to in our note on the premium income, viz., that by showing the premium less commission we naturally get a higher claim ratio than would otherwise be the case.

Expenses

Coming now to expenses, we find that in the last five years the amounts have been as follows:

1913	£1,510,291
1914	1,630,743
1915	3,084,569
1916	2,649,198
1917	3.351.645

This table shows a very curious fact. In spite of the large increase in premium income which took place in 1916 the expenses were actually more than £400,000 less than in 1915, whilst the amount expended in 1917 is only £270,000 more than in that same year. What the explanation may be we cannot say, and it would be interesting to know the cause to which it is due. There is a substantial increase for 1917, but it is nothing like so great as in 1915. Again, whilst the premium income has increased to nearly four times the 1913 amount the expenses have only rather more than doubled, which seems to show that marine business is very cheaply worked.

The ratios of expenses to premiums are as follows:

1913	13.6 per cent.
1914	13.3 per cent.
1915	12.1 per cent.
1916	8.1 per cent.
1917	7.7 per cent.

These ratios are really very extraordinary, and are very small indeed when compared with the costs of conducting general casualty business. Of course we must remember what we stated above, viz., that in the majority

(Continued on page 23)

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CASUALTY AND SURETY NEWS

Plate Glass Men Only Ones Hit

EXPLOSION LOSSES NUMEROUS

Conditions in the Amboys—"Shock Absorber" in New Policy—Government Carried Compensation Risk

Out of all the wreck and ruin caused by the explosions at Morgan, N. J., last week, the only insurance companies to suffer any severe losses are those writing plate glass. The streets of Perth Amboy and South Amboy are full of broken glass. The percentage of store fronts out is distressingly high. Much glass in upper windows is also out but little of it is insured. It is the store fronts that produce the losses. Even so the sizes are not generally large.

As to the possibility of getting glass to replace with, the insurance offices do not appear to be anxious. It is expected that a large amount of glass will be replaced before this week closes. A large force is now at work.

New Clause May Help

In the new policy which is being drafted for the plate glass companies, there is a clause which, if accepted in its present form, would relieve the companies of all liability for a loss by disasters such as that at Morgan, which caused losses also in Rahway, Plainfield, Elizabeth, New Brunswick, and even in New York and Brooklyn. This clause refers specifically to explosions in plants handling war munitions.

Another meeting of the plate glass men, to consider this proposed policy, was called for today, Friday. The underwriters are by no means agreed upon what form the proposed clause shall take. In the present policy nothing is said about explosion but when catastrophes like that at Morgan occur the companies simply pay and take subrogation if they can. They may find some way to take subrogation in the present instance.

There is an element among the plate glass men which believes that the policy should cover such situations as now exists in Amboy but that the companies should get the proper rate for the increased risk. It might be left to be optional with the insured to say whether or not he wishes to be covered against explosion. Back of it all is the belief that whatever is to be done there should not be opened the way to widespread dissatisfaction with the insurance business through the public finding out by experience that the plate glass policy does not cover where it is supposed to cover. It has been suggested that the insured become a coinsurer with the company on the explosion hazard.

No Compensation Loss

By assuming the personal accident injury risk on the T. A. Gillespie Loading Company plant at Morgan, N. J., the government has relieved the compensation writing companies of all anxiety growing out of the disastrous explosions there last week. There was no compensation insurance in force. The Travelers did have some there when the plant was under construction.

It was thought by many persons that The Associated Companies, a pool formed to care for hazardous risks, would be on this line. When the controversy was on between the New Jersey insurance department and the casualty companies as to how a number of hazardous risks might be covered, the question of including munition plants among the risks to be covered was considered. It was realized the term "munitions" is a broad one and for purposes of classification the various types were separated. The insurance department finally concluded that it is not its intention to compel the carriers to insure risks where explosives are actually made or handled, such as in a loading plant of the Gillespie type. It was realized that any rate the carriers could in justice to themselves make would be so high as to appear ridiculous. The companies, either individually or acting through The Associated Companies, are not in any way interested in the Gillespie loss.

GO TO ATLANTIC CITY

Request of Fidelity & Deposit To Its Agents—Will Hold Its Own Meeting, Too

The Fidelity & Deposit has issued to agents of the company a request that as many as possible attend the Atlantic City convention.

The company says:

"The convention of the National Association of Surety and Casualty Agents will be held at Atlantic City on Monday and Tuesday, October 28 and 29. We hope that this convention will be well attended by our agents, as the sessions are always instructive and interesting. Insurance men at all times have problems confronting them but this year they have especially important conditions to discuss. The convention of the fire agents at Cleveland brought forth a great deal of interest and benefit.

"We are particularly anxious that as many F. & D. agents as may find it possible, will attend this convention so that the Fidelity & Deposit Company at Maryland can have during the general sessions or on Wednesday, October 30, a 'get-together' meeting of its own agents. No such meeting has been held for two years, due to war conditions and we know much good will accrue. Discussions are always constructive and beside the very positive benefit in a business way coming from such meetings, it is a splendid thing for company men and agents to mingle occasionally outside of the four walls of the home office. The company will be represented by several of its officers and department heads."

FAVORS HEALTH INSURANCE

The legislative committee of the American Hospital Association in its report submitted to the convention in Atlantic City last week recommends that the association go on record in favor of hospital and medical benefits to those insured under sickness or health insurance laws to the extent of restoration in wholesome working and living conditions and that the "principle of hospital cost for hospital service rendered as applied to proposals for compulsory sickness or health insurance" be favored.

The committee requests that it be authorized to render such advice and assistance as it can to the various State health insurance commissions and that these commissions be urged to include in their recommendations for legislation the principles advocated in the report.

W. J. HODGKINSON MAKES CHANGE

William J. Hodgkinson, formerly special agent of the Fidelity & Deposit in New Jersey, is now with the W. F. Murphy Co., Inc., resident managers in New Jersey for the Chicago Bonding & Surety, and has been elected secretary of that corporation succeeding Samuel T. Wilkinson, who has resigned because of ill health.

New Amsterdam Casualty Company

A Progressive

SURETY AND CASUALTY

Company

E. W. De Leon Suicide in Lawyer's Office

ONCE HEAD OF CASUALTY CO.

After it Failed He Became a Broker—Gave No Reason for Last Action.

E. W. De Leon, former president of the Casualty Company of America, and more recently an insurance broker, on Wednesday shot himself in the temple and died. At the time he was in the office of Nash Rockwood, a New York lawyer.

The shot was heard by Miss Edna Larkin, a switchboard operator in the Rockwood offices, who had requested Mr. De Leon to await Mr. Rockwood's return from luncheon.

Two letters were found in the dead man's pockets, one addressed to Mr. Rookwood, and the other to Mrs. E. W. De Leon, his wife, bearing the address, Washington Valley Road, Morristown, N. J. The contents of neither of the letters was made public and there was nothing to show whether De Leon wrote them while waiting in the lawyer's office or before going there.

So far as known De Leon was in excellent health, but worry over the troubles of the Casualty Company of America had preyed upon the mind of Mr. De Leon some friends say.

TRENCHES "NOT SO BAD"

An insurance man who was drafted into guard duty at the Gillespie plant in New Jersey during the explosions there was telling his experiences. He says that while one wonders how the men in the trenches endure the strain of a bombardment going on all about them, his experience leads him to believe that it is not nearly so bad as is generally supposed. He says that one becomes so absorbed in what one is doing that everything else is forgotten. One is neither mindful of the danger, nor awestricken by the spectacle. He saw guardsmen who had been repeatedly knocked down by the force of explosions, but who were not actually hurt. At night one would see a flash. Instinctively one relaxes the body in preparation for the concussion which follows. To brace oneself against it would only result in receiving a more severe shock.

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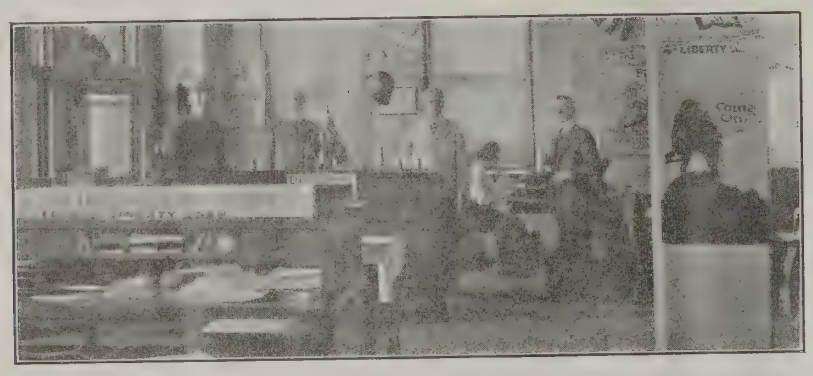
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Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

PICKED UP ALONG WILLIAM STREET

F. & C.'s Liberty Loan Office

This picture represents a corner of the Fidelity & Casualty office in New York, devoted to the Fourth Liberty Loan. On the left is Lieutenant G. W. Smith. He was formerly special agent for the company at Hartford, and is now chief engineer on the U. S. S. Montclair. He is now on his way to Europe. Next to Lieutenant Smith is Vice-President A. J. Ferres, who supervises the Liberty Loan work done by



the company. A large portion of its available force is devoted to the task of obtaining subscriptions. Next in the picture is A. D. Kelley, assistant superintendent of agencies. He is a captain of the Fidelity & Casualty Liberty Loan Committee. J. J. McNamara completes the quartette. He is Mr. Kelley's lieutenant in the loan work. On the desk are shells of various sizes and suspended from the lighting fixture is a German helmet. The Company has subscribed $1,000,000 and its force has taken over $300,000 in subscriptions.

* * *

Mysteries of the Gillespie Fire

An insurance man who visited the Gillespie plant near South Amboy says that the ground about the plant has the appearance of having been subjected to intense heat for a long period. The soil, which is a mixture of sand and clay, is pulverized. It looks something like the soil over which a forest fire of great intensity has burned. All the life has been taken out of it. Another man tells of having seen a large mass of fused glass. Possibly this glass was in the form of insulators, of which there must have been a large number to make a mass like the one found after the fire. A tall metal chimney still stands among the ruins of the plant. How it survived the repeated shocks of the explosions remains one of the mysteries of the conflagration.

In The Thick of It

One of the New York casualty special agents, who lives in New Jersey, spent Saturday and Sunday in the Gillespie Loading Company plant at Morgan. Naturally he was privileged to see a number of things denied to the ordinary individual. This special is a member of the Home Defense League of his town and when the shells began to pop Friday night he was ordered out. He was carrying cans of soup to the guards on duty about the burning plant. It was dark and he fell over what appeared to be a large tin can. It turned out to be the brass casing of a six inch howitzer shell. A shell fell near him and he jumped several feet —he thinks—falling on the ground. In his excitement he lost the can opener he was carrying; intending to open the soup cans for the guardsmen he was to meet. Groping about to find the can opener he stumbled across the body of a dead guardsman, possibly hit by the shell, the casing of which had been found a few minutes before. Nearby was a bayonet, the wooden handle of which had been burned off and the blade fused into the scabbard. These things the home defense man laid aside in a place known only to him and he afterward got them to keep as souvenirs.

* * *

Bound Risks Freely

While the explosions were still going on in New Jersey last week there was a scramble to obtain plate glass insurance in many nearby towns. There is criticism heard of the manner in which some agents handled this situation, it being claimed that considerable business was bound on Saturday while it was still unknown whether it would be possible to save the big magazines. Some Plainfield agents are said to have been particularly active in this respect. The heaviest charge that exploded at Morgan was about two tons. In the big magazines there was over two hundred tons of explosive.

T. F. BOWES & CO.

SPECIALISTS SINCE 1915

IN

Check Raising and Check Alteration Indemnity

Brokers will find a demand for this Protection. Inquiries invited regarding our Policies, Rates and Commissions.

Managers:—Department of Banking Indemnity

NEW JERSEY FIDELITY & PLATE GLASS INSURANCE CO.

50 Broad St., New York - - - - Phone Broad 1127

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

SEMI-ANNUAL STATEMENT JUNE 30, 1918

Assets	$15,684,739.43
Liabilities	12,471,369.12
Capital	1,000,000.00
Surplus over all liabilities	2,213,370.31
Losses paid to June 30, 1918	63,244,803.06

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation—Steam Boiler Insurance; Fly-Wheel Insurance.

CHICAGO BONDING AND INSURANCE COMPANY

WRITES the following lines of INSURANCE

FIDELITY AND SURETY, PLATE GLASS, BURGLARY, GENERAL LIABILITY, AUTOMOBILE LIABILITY, PROPERTY DAMAGE AND COLLISION, ACCIDENT AND HEALTH, MONTHLY PAYMENT

Charles R. Culyer & Co., Resident Manager, 428 Walnut St., Phila., Pa.
Geo. S. Dippold, Res. Mgr., 1107 Peoples Bank Bldg., Pittsburgh, Pa.
W. F. Murphy & Co., Res. Mgrs., Union Trust Bldg., Jersey City, N. J.
J. Ramsay Barry Co., General Agent, 10 South Street, Baltimore, Md.
R. H. Lambert, Branch Manager, Equitable Bldg., Washington, D. C.

Capital $500,000.00—Surplus to Policyholders, $825,544.20

F. O. ROBERTS, Vice-Pres. and Gen. Mgr. HOME OFFICE: CHICAGO, ILLINOIS

C. A. CRAIG, President W. R. WILLS, Vice-Pres. C. R. CLEMENTS, Sec. & Treas.

The National Life and Accident Insurance Company

NASHVILLE, TENNESSEE

Industrial, Life, Health and Accident Insurance in ONE policy

THE TRAVELERS

INSURANCE COMPANY INDEMNITY COMPANY

HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

BUSINESS-BUILDERS

DEVELOPING

Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE

APPRECIATE THE CO-OPERATION OF THE

Massachusetts Bonding and Insurance Company

BOSTON T. J. FALVEY, President

Paid-In Capital $1,500,000 Write For Territory

CASUALTY AND SURETY POINTERS

Full Burglary Insurance

The Fidelity & Deposit recently paid a claim presented by one of its residence policyholders in the amount of $5,000, its policy limit, covering the loss of miscellaneous articles of jewelry the aggregate value of which was $7,200. The assured suffered the loss of difference simply because some one neglected to provide him with sufficient insurance and the fact that he is now carrying a $25,000 policy is evidence.

"Everyone must realize that the value of all personal property is advancing rapidly and will probably cost 50 per cent. and in some instances 100 per cent. advance in price to replace same at this time. It is also evident that the present wave of prosperity has greatly increased the number of valuable articles in a great many households, which places our policyholders in the same position as our claimant above referred to," says the company in the "Fidelity Journal."

"The time is now opportune for our agents to take advantage of this situation by circularizing their respective burglary policyholders and urge them to increase the amount of insurance commensurately with increased values."

* * *

Non-Cancellable Income Policy

In discussing the Pacific Mutual's new non-cancellable income policy, Vice-President Baker says:

Practically every agency has requested literature, supplies, etc., for a drive with this new form of insurance. It is now but three weeks since this policy was announced and several letters have come in advising of the writing of "first" applications. The announcement has caused universal satisfaction—everybody is sure the policy will take. Here are a few expressions from the field: "I think the policy is an excellent instrument—I have in mind a great many men whom I am sure I can interest in this new contract." "We believe it is going to be a taking proposition." "I am very much delighted that we are privileged to sell policies of this kind," etc.

This form of insurance is unique in many ways. First of all many of your present policyholders, both life and accident, are excellent prospects, and so are those who carry good policies in other good companies. I would say to such men "sure the company is O. K., and the policy is fine—as far it goes; it gives you adequate protection against ordinary disabilities but how about permanent or very prolonged disabilities? Your bank account might not feel the loss of three or four months of reduced income but if you should be disabled for ten months or ten years how about it? You must count not only on the lessened income but also on the increased outgo. Long periods of disability nearly always mean greatly increased expenses by reason of hospitals, nurses, specialists, etc. And furthermore you cannot expect your company to renew your present insurance when it expires if you are blind, paralyzed, insane or suffering from heart disease, Bright's disease, etc. They will pay your claim up to the limit of your policy and then you're through as far as income insurance is concerned. You want complete and everlasting insurance and a small deposit in addition to what you now pay will provide it." The ordinary forms of disability insurance are necessary to cover temporary, non-recurrent disabilities, but are subject to cancellation when the policyholder ceases to be insurable. The noncellable policy is not subject to cancellation before age sixty is reached regardless of the policyholder's physical condition.

The elimination of the provision for indemnity for short periods of disability and of the so-called frills enables our company to place this form of insurance on the market at a premium rate which is most inviting, considering the possibilities of realization under the contract. Every good life and accident insurance man in the country—particularly those in the large cities—will become interested in this policy sooner or later. My advice to every general agent is to get in on the ground floor and close up contracts with some proven producers.

W. G. COWLES LOSES SON

Lieut. Donald B. Cowles Was In Marine Corps—Fatal Attack of Pneumonia

Lieut. Donald B. Cowles, youngest son of vice-president Walter G. Cowles, of the Travelers, who sailed for England, in the United States service, in September, is dead. The news came with peculiarly shocking force as the parents had, but a few hours before, received word of their son's safe arrival. He died of pneumonia in a United States hospital near Liverpool. Lieut. Cowles was twenty-three years old and a graduate of the New York Military Academy at Cornwall-on-Hudson. He received his commission as a second lieutenant in the United States Marine Corps soon after war was declared and had been on active duty since July 5, 1917. He was promoted to a first lieutenancy July 1st, 1918.

He was chosen, together with a few other lieutenants, to form the first aviation squadron of the Marine Corps. After preliminary training at Mineola and Philadelphia he was ordered to the marine aviation field at Miami, Florida, where he became an instructor in advance flying and aerial acrobacy.

A brother, Lieut. Francis W. Cowles, is in France with the aviation section of the United States Signal Corps; and a step-brother, Lieut. H. Wyckoff Mills, is in service overseas as adjutant of the 101st Machine Gun Battalion.

GOVERNMENT SERVICE BUREAU

The Fidelity & Deposit maintains at Washington in conjunction with its branch office a bureau of information to supply its agents with early advices in regard to the calling for bids and letting of Government contracts. This bureau has always covered contracts allotted by the War Department, but through an absolute shortage of available help has not been able to cover the entire field, including the various bureaus in the Navy Department.

"We are still seeking at considerable prospective cost, the necessary help to cover the entire field and we are hopeful that shortly the Washington office will be able to render most complete and efficient service to our agents and clients," the company says.

Growth of Marine

(Continued from page 20)

of cases they refer to working expenses only, but even so they are still very low when compared with other classes of insurance. Reference to the table for 1917 shows how low some of the companies' figures are. One is actually under 1 per cent., whilst four others are between 1 and 2 per cent.

The Combined Outgo

The results of the total outgo for claims and expenses during the five years are shown to be as follows:

1913	about 82 per cent.
1914	" 76 per cent.
1915	" 67 per cent.
1916	" 66 per cent.
1917	" 70 per cent.

Thus in each case a substantial margin is shown, the best years being 1916, 1915 and 1917. However, in view of the big expansion in business in these years it is desirable that the margin should be big owing to the very much greater liabilities carried.

The Funds

At the end of 1917 the marine funds, exclusive of capital and general funds of the fire and accident offices transacting marine business, amounted to nearly £38,400,000. This is about 90 per cent. of the premium income, and taken in conjunction with the capital it should be amply sufficient to cover all claims likely to arise. At the end of 1916 the funds were about £32,200,000, being approximately equal to the premium income. This reduction does not necessarily point to a weakening of the general position as the funds will naturally decline somewhat in proportion as the premium income makes such huge strides. The increase in the funds during 1917 is just over £6,000,000, which is equal to about 54 per cent. of the increase in the premium income during the year. The margin between the premiums and claims and expenses, as we have seen, was 30 per cent., out of which provision had to be made for dividends and excess profits, so that the balance is evidently made up of interest earnings on the funds.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary
GEORGIA CASUALTY COMPANY
HOME OFFICE: MACON, GEORGIA
"DIXIE AUTO POLICY"
THE LAST WORD IN MOTOR INSURANCE
Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY
INSURANCE CO. OF NEW YORK
HOME OFFICE, 47 CEDAR STREET
CHARTERED 1874
Plate Glass, Burglary, Accident and Health Insurance
EUGENE H. WINSLOW, President
Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.
RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE
HEAD OFFICE
CHICAGO
F. W. LAWSON
General Manager
Liability, Accident, Burglary, Boiler and Credit Insurance
Established 1869.
F. J. WALTERS
Resident Manager
55 JOHN STREET
New York
Elmer A. Lord & Co
145 Milk St., Boston
Resident Managers
New England
London Guarantee & Accident Co., Ltd.
OF LONDON, ENGLAND



American Surety Company
of New York
100 BROADWAY
Fidelity and Surety Bonds
Burglary Insurance



Remember Belgium

YOU can floor an Uhlan with lead, but only gold can floor Berlin—the gold of a world aroused.

You can hit the Hun the hardest by putting every possible dollar into this critical bond issue. Make it your business to see that every man and woman in your establishment understands the importance of buying bonds to the limit.

The enemy has developed a world-distribution on brutalities that bear the Berlin shipping-tag. How long shall this obscene commerce in brutality continue?

Your answer is required, now. Your money talks. You can crack Kultur on the head by volunteering *more of* your money than the Government asks for. You can overwhelm the mad wolf of Wilhelmstrasse with the crushing wrath of billions.

How long do you want to receive news of U-boat sinkings, casualty lists, and maimed sons, marked F. O. B. Berlin?

Gentlemen, your answer?

Put your answer in writing—on a check. Now is the time to hurl Wilhelm II against the fence, and make him face a firing squad of 100,000,000 Americans—with dollars for bullets.

Buy U. S. Gov't Bonds Fourth Liberty Loan

Contributed through Division of Advertising

United States Govt. Comm. on Public Information

This space contributed for the Winning of the War by

The Eastern Underwriter, 105 William St., New York City

Commerce
NOV 16 1918

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

Nineteenth Year; No. 44 | NEW YORK, FRIDAY, OCTOBER 18, 1918 | $3.00 a Year; 25c. per Copy

ASKS COMPANIES TO PROTECT BUREAUS

Plea to Underwriters Not to Make Bids for Services of Raters

APPEAL MADE BY ATLEE BROWN

New Jersey Expert Says That These Are Days When Bureau Efficiency is Essential

A letter of Rate Expert Atlee Brown, the gist of which communication is an appeal to companies not to hire employes of rating organizations away from these organizations during the present war crisis, attracted considerable attention on the Street this week. The letter follows:

We beg to call your attention to the consensus of opinion of some of our individual designators in view of the high importance, to privately conducted insurance business, of maintaining a marked degree of efficiency and proficiency in the rating and inspection offices of the country, and unimpaired organization for performing satisfactorily their exacting technical duties to the public and to the Federal Government, as well as to the companies:

"That the experienced employes of these rating and inspection offices, ought, so far as possible in every case, be retained in their present employment and positions, that the companies ought to refrain from any attempt or semblance of any attempt to recruit their own field or office staffs from among the personnel of these offices, and ought to discountenance similar attempts on the part of brokers, agents or others wherever possible."

The Schedule Rating Office having in mind only the best interests of the business and disavowing any intentional presumptuousness, respectfully submits the foregoing observations for the consideration of senior executive officers of all fire insurance companies and others to whose attention it may come.

NEW HEAD EXAMINER

State Insurance Commissioner Charles A. Ambler announced the appointment of A. G. Costello to be examiner in chief for the Insurance Department at a salary of $4,000 per year. He takes the place of A. Nevin Detrich, who has been given leave of absence to enter the army.

Conflagration Proof

THE HOME
INSURANCE COMPANY
NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

BUY LIBERTY BONDS BUY

Underwritten by the
AMERICAN PUBLIC

MERCANTILE INSURANCE COMPANY OF AMERICA
76 WILLIAM STREET, NEW YORK

THE BIG FOUR
AGE—STRENGTH—SERVICE—OPPORTUNITY
A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE
EQUITABLE LIFE OF IOWA
(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents
EQUITABLE BUILDING, DES MOINES, IA.

CONNECTICUT MUTUAL'S NEW SALES BOOK

Features Diminishing Purchasing Power of Dollar and Necessity for Adequate Insurance Protection

SELLING FACTS VISUALIZED

Prospects Brought Face to Face With Pertinent Facts About High Cost of Living

The Connecticut Mutual Life has issued a "Sales Book" for its agents, containing not only the latest arguments used by successful managers of producers and the producers themselves, but also some of the old plain-talking reasons for buying life insurance, which never will pass out of vogue because they are built on bedrock salesmanship fundamentals. The first book of the kind which the Company has issued, it was introduced to the agency force at a meeting of general agents held in New York City recently.

Book Says Much In A Few Words

The main idea back of this practical educational proposition is to visualize the selling argument. Numerous cuts are printed, and in the reading matter the thought is conveyed in the quickest and most forceful manner possible, an entire page often compelling attention by a striking headline. The book is of the loose-leaf, spindle, flexible leather-cover type, easy to carry. The volume carries four subtitles: Why Buy Insurance? Why Buy Connecticut Mutual? Why Buy Now? Specials. The last embraces a plan for the creation of trust estates, and furnishes arguments for business and income insurance.

What Dollar Will Buy

The diminishing purchasing power of the dollar—the high cost of living—the necessity of protecting dependents in the event of premature death of bread-winners—constitute the theme for a large part of the section captioned "Why Buy Life Insurance?" The Connecticut Mutual statisticians figure that the dollar of June, 1914, was worth 90.60 cents a year later; 84.28 cents two years later; 65.05 cents three years later; and in June, 1918, was worth just 45.48 per cent. This theme is driven home persistently and effectively

BUY LIBERTY BONDS

BUY LIBERTY BONDS

with pictorial representations to enable the agent to use the argument where it will do the most good. Under the heading "Figure It Out Yourself," there are loose leaves of the following table which the prospect when he fills out will find decidedly illuminating:

Monthly Expenses

	Whole Family	Less Your Share
Rent	$	$
Food		
Clothes		
Coal and Ice		
Gas		
Electricity		
Telephone		
Laundry		
Doctor		
Amusements		
Incidentals		
Total	$	$
Income from investments, etc. (Not dependent on your activity)	$	
Supplementary Income to be provided	$	

Under the heading of "What Life Insurance Does," meaning in the way of service to insured and service to beneficiaries, the Company has handled the subject in a strikingly succinct fashion, telling the whole story in a minimum but sufficient number of words. The Eastern Underwriter has been given permission to print this valuable summary which reads:

Service to Insured

1. Creates Immediate Estate.
   a. Can be paid for by payment of "taxes" only and becomes income-bearing in old age.
   b. Title granted on payment of first "tax."
   c. Death cancels all future payments and leaves property payable in full.
   d. If the insured discontinues the undertaking a large part of "taxes" paid will be returned to him.
   e. Estate is "self-administered."
   f. While saving money for self it enables insured to do his duty to his family and also to protect future of his business.
2. Promotes Success.
   a. By promoting thrift.
   b. Develops characteristics of prudence and self-respect.
   c. Through accumulations created by a system of self-imposed compulsory savings.
   d. It increases credit by giving evidence of prudence and good business judgment and by providing best possible collateral.
3. Lengthens Life and Increases Efficiency.
   a. By eliminating worry.
   b. Insuring peace of mind during illness or financial stringency.
   c. By discovering disease.
   d. By increasing self-respect through sense of fulfillment of duty.
   e. By guaranteeing independent old age.
4. Enables Man to Live Better with Family and Provide Better for Them at Death. Twenty or thirty years would ordinarily be required to create similar estate in any other way.
5. It Provides Fund to meet Emergencies.
   a. Collateral in times of stringency or depression at reasonable interest without publicity, commission or endorsement.
   b. Payment of heavy doctor bills during illness or loss of employment.
   c. An educational fund for children.
   d. Protect one's business.
   e. A fund for investment opportunities.
6. Indemnifies for Disability.
   Provides livelihood for self and family in event of permanent and total disability.

LAY DOWN THE PRICE

or

LAY DOWN YOUR ARMS

BUY BONDS of the FOURTH LIBERTY LOAN

JOHN M. RIEHLE, Manager

Equitable Life Assurance Society of the United States,

68 William St., N. Y. C. - - 'Phone, 4343 John

7. An Investment—Not An Expense.
   a. Because it is bound to mature if "taxes" are paid.
   b. Free from most taxation and requires no attention such as collecting rents, making repairs, etc.
   c. In the event of change of residence, easily moved without sacrifice.
   d. No depreciation, all claims paid promptly 100 cents on the dollar.
   e. Founded on science and investments regulated by law.
   f. Furnishes splendid investment for large sums of money where security is chief consideration.

Service to Beneficiaries

8. It Provides Immediate Cash.
   a. To pay outstanding obligations.
   b. To meet current expenses and keep business going.
   c To protect inherited investments and pay inheritance taxes.
   d. To cover cost of last illness.
   e. To cover cost of administration of estate.
9. Relieves a family of worry by providing a guaranteed income and trust protection.
10. It indemnifies for
    a. Loss of earning capacity of insured.
    b. Depreciation in assets.
    c. Indemnifies beneficiary, whether partner, corporation, or family, against loss of guiding influence.
11. Preserves Integrity of the Home.
    a. Keeps family together.
    b. Enables mother to devote her time to family.
    c. Maintains fixed standard of living and guarantees minimum standard.
    d. Makes family independent of Charity and relatives.
    e. Enables children to complete education.
    f. Avoids will contests.
    g. Fulfills plans regarding other property left by will.
    h. Saves family from publicity of Administration.

Another table in the book which is loose leaf and can be taken out for presentation of the prospect for his filling out is this:

Confidential

Case of Mr.....
Business address .....
Nature of business.....
Residence .....
Best time of day for interview.....
When last examined by doctor.....
State of health.....
Date of birth..Married, single, widower
Date of birth of wife.....
Ages of children.....
Sex of children.....
Other dependents .....
Approximate earned income $..per an.
Income from investments, approximately $.....
Family living expenses per annum $....
Personal expenses $.....
Present life insurance $.....
In the following companies:.....
Life policies .....
Endowment policies .....
Term .....
Due dates of premiums.....
How payable to your beneficiaries...
Indebtedness .....
Mortgage on house.....
How large a line of credit do you use..
Business insurance carried.....

An Introduction Slip

The question, "When last examined by doctor?" may develop a mine of information, some of which possibly of a nature which will disclose to the agent that he is wasting time, and should drop the case.

The first pages in the book consist of introduction slips, reading as follows:

Dear Mr.——
This is to introduce
Mr.——

S. L. Morton, the Company's leading general agent—his headquarters are in St. Louis—has depended throughout his successful career on the endless chain method of soliciting with its constant influx of the introduction cards. In the introduction slip quoted a paragraph back it will be noticed that just above the signature line on the introduction slips there is enough space left for a brief memorandum to be written. It might be noted that "Mr.——is a friend of mine," or that, "Mr.——is to be trusted with confidential matters," or "Mr.——will be worth while seeing; he is in a position to tell you something of real value to yourself or your familiy or your business," are lines which if written on these slips will be helpful to the agent.

Some of the Connecticut Mutual agents devote their first interview to the collection of information upon which to base their proposition and it was with this thought in mind that the Company prepared the sheet reproduced in this article, marked "Confidential."

? DO YOU READ ADVERTISEMENTS ?

Once in a while it pays a man to read an advertisement.

For instance, do you know why the $24,816,657.00 of new business paid for in 1917 by the fieldmen of

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

exceeded by $3,751,129.00 the largest amount paid for in any other year since the Company was organized in 1860?

Do you know why very few men who can make a living selling life insurance leave this Company?

The answers to these questions will be of great value to the man who wishes to form a connection with

A Growing Company For Growing Men

For a direct Agency Connection address:

T. LOUIS HANSEN, Vice-Prest & Agency Manager

50 Union Square NEW YORK, N. Y.

A FRATERNAL PLANK

The Iowa Fraternal Congress has passed and adopted a platform, containing fourteen planks, one of which follows:

"We do not desire to invade the domain of partisan politics, but we assert our unabated confidence in government of, by, and for the people. We believe that the greatest thing in the world is our common humanity; that the power of the people to govern themselves is acquired by attempting the art of self-government; that all governments should be the property of the people; that the people's welfare is the purpose of all just government; that the lawmakers, law enforcers and law interpreters are but the temporary agents of the people in whom resides all power to make, to execute and to construe laws, precedents and constitutions. That constitutions are made for the use of the people—not as a check upon them; that whatever tends to popularize government is good, that the nearer government is to the voter, the better that government is; that the power of the people, deliberately and intelligently expressed, is supreme."

Life Presidents To Meet December 5-6

WILL BE A THRIFT CONFERENCE

Study of Conservation of Human Resources, Also—Questions of Public Health Reform

The constructive influence of American life insurance as a product of free government and as a great teacher of thrift will be emphasized at the 12th annual convention of the Association of Life Insurance Presidents, which will be held at the Hotel Astor, New York, on Thursday and Friday, December 5 and 6.

The theme of the meeting will be freedom and thrift in nation and world. It is expected that the program will develop a broad discussion along the line of indicating the national progress that is made possible under the influence of a free government in conjunction with an intelligent and voluntary practice of thrift. In this connection there will be a discussion of thrift agencies, including the important one of life insurance, which has found its greatest development in the United States. There will be a survey of what the various thrift agencies have contributed towards national progress in peace and war times, with an attempt to visualize what may reasonably be expected from them in the important period of reconstruction. Representative men in other lines of business, as well as public officials, will be invited to join with the life insurance executives in discussing plans for further development of the nation's thrift agencies in preparation for the increased demands of the immediate future.

This thrift conference will also include a study of conservation of human resources, under which head there will be a discussion of recent developments of interest to public health reform. It is believed, for instance, that a substantial improvement in public health conditions could be obtained were it possible to apply the lessons of military sanitation to peace times. Another topic to be discussed will be the vocational retraining of maimed and disabled soldiers which is being undertaken by the United States Government.

AMERICAN LIFE COMMITTEES

James P. Sullivan, Chairman of Agents and Agencies' Committee—W. A. Watts, Chairman Resolutions

President Simmons, American Life Convention, appointed the following Standing Committee chairmen:

Blanks—J. B. Reynolds, chairman, Kansas City Life.

Membership—T. W. Vardell, chairman, Southwestern Life, Dallas, Texas.

Next annual meeting—C. D. Renick, chairman, Indiana National Life, Indianapolis, Ind.

Credentials—Dan Boone, Jr., chairman, Midland Life, Kansas City, Mo.

Uniform laws—Emmet C. May, chairman, Peoria Life, Peoria, Ill.

Departmental supervision—Isaac Miller, chairman, Chicago, Ill.

Finance—L. J. Dougherty, chairman, Guaranty Life, Davenport, Iowa.

Agents and agencies—James P. Sullivan, chairman Farmers & Bankers Life, Wichita, Kansas.

Medical examinations—A. E. Werkhoff, chairman, Lafayette Life, Lafayette, Ind.

Grievances—Edw. S. Chadwick, chairman, Idaho State Life, Boise, Idaho.

Miscellaneous subjects—Massey Wilson, chairman, International Life, St. Louis, Mo.

Resolutions—W. A. Watts, chairman, Merchants Life, Des Moines, Ia.

Special committee on taxation—Sidney A. Foster, chairman, Royal Union Mutual Life, Des Moines, Iowa.

LIFE INSURANCE SALESMANSHIP

¶ Your agents should read the 1918 Life Insurance Salesmanship Edition of The Eastern Underwriter containing practical sales experiences told by the agents who had same. We have a limited supply of this edition on hand for distribution. Orders for same will be promptly filled while they last at 25 cents a copy.

THE
EASTERN UNDERWRITER CO.
105 William Street, NEW YORK

New Personal Life Income Policy

ISSUED BY UNION CENTRAL LIFE

$10 Per Month; No Medical Examination; Convertible Feature; A Few of the Rates

The Union Central Life has begun the issuance of a new contract, which it calls "Personal Life Income." It provides for an income of $10 per month to the insured on attaining age 55, 60, 65, as he may choose when making application therefor. Should the insured survive to the date upon which the income begins, payments will be made for 10 years certain, and as long thereafter as the insured may survive. Should death occur prior to that date a sum equal to the total premiums paid, without interest, will be paid to a designated beneficiary.

No Medical Examination

This contract will be issued without medical examination, and is primarily designed for use in connection with declined cases or such cases as the agent knows the Company will not accept in the regular plans.

It may be found useful in connection with cases declined on account of some temporary impairment, since there is a provision in the policy for change to some regular plan at any time that the insured may be able to pass a satisfactory medical examination.

On policies issued at age 20, income beginning at age 65, the premium is $12.44; age 60, $18.23; age 55, 26.54.

Issued at age 30: Age 65, $20.28; Age 60, $30.52; age 55, $46.18.

Issued at age 40: Age 65, $35.95; age 60, $56.94; age 55, $94.37.

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

THE
PRUDENTIAL
INSURANCE CO. OF AMERICA
Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Connecticut General's New Group Cases

ONE IN HARTFORD FOR $3,000,000

Walter R. King, Superintendent of Department, a Well-Known Actuary—Company's New Literature

The group insurance department of the Connecticut General, of Hartford, is making fine progress. One of the large group policies written by this Company recently was for $3,000,000 on Pratt & Whitney Co., Hartford. A $750,000 policy was issued on E. R. Squibb & Son, well known chemical house, and a number of other large concerns have taken Connecticut General group coverage.

This department is managed by Walter R. King, formerly actuary of the Columbian National, and before that with the Travelers. He is a fellow of the Actuarial Society of America and also of the casualty actuarial body.

The Connecticut General has issued some handsomely printed literature on the subject of group, and some quotations from one of these booklets, captioned: "Group Insurance; its work, its cost, its record" follows:

"During a period of six months beginning shortly after we entered the war there were 2,521 strikes, 283,402 men idle and 6,285,519 days of production lost. That's according to the report of the National Industrial Conference Board on Strikes in American Industries in War Times.

When Production Slows Up

"Strikes are only one of the industrial complications tending to slow up production. Few employers have failed to notice a growing indication on the part of employees to leave old jobs for easier or better paid ones, an inclination stimulated by the high cost of living and the competition for labor.

"Never was uninterrupted production so difficult to maintain as now when it is needed so urgently. The railways of the country hire annually nearly a million more men than they have positions to fill. The annual labor turnover in our factories runs from fifty to four hundred per cent. It is estimated that every man replaced in an industrial plant costs the management from $10 to $300 according to his skill.

A Way to Cut Down Labor Turn-over

"What can be done to prevent this waste? That is the question employers are asking themselves. And there are many answers. The Ford Motor Company has reduced its annual labor turnover from 400 per cent. to 23 per cent. The Cleveland Foundry Company's labor turnover has gone down from 250 to 125 per cent. Nowadays the test of skill in employment management is success in stabilizing labor.

"There is no single answer to the question of how to keep men satisfied with their jobs, but among the incentives offered there is one of such great social value as to be worth putting in force, aside from its favorable effect on employment. This is group insurance. * * *

"Logically enough, the idea of buying insurance in bulk, depending upon averages to take the place of medical selection, was first put into operation by one of our great mail-order houses, Montgomery, Ward & Co., Chicago. Their business of supplying the individual needs of some millions of customers made them keen to apply the principle of co-operation when considering the insurance needs of their thousands of employes. Their appreciation of the savings that could be effected in the selling cost, by doing away with medical examinations and much of the cost of collecting premiums, prompted

(Continued on page 10)

William Frederick Dix Montenegrin Consul

HONOR MUTUAL'S SECRETARY

Will Be Principal New York Consultant in Mountain Nation's Rehabilitation After War

William Frederick Dix, secretary of the Mutual Life, has been given the unique honor of being appointed Consul General in New York City for the wonderfully militant and interesting mountain kingdom of Montenegro, which for five hundred years has been fighting loyally for its independence, and always successfully up to the time when the 45,000 soldiers of King Nicholas tried to stop the overwhelming Austrian armies and were almost annihilated. The appointment was made by General Gvosdenovitch, Montenegrin minister to the United States, and who was received by President Wilson three weeks ago.

The appointment of Mr. Dix came through the desire of the veteran king to have the interests of the kingdom handled in New York City during the period of rehabilitation following the war by a man familiar with large affairs. As secretary of the Mutual Life Mr. Dix is an important figure in the financial world. He has long been an admirer of Montenegro.

General Gvosdenovitch said this week:

"My compatriots are today in dire distress; famine prevails in our homes, particularly among our children, the hope of our nation. No one has come to their help; they are forgotten, far away in their mountains. I hope that the great American people will not forget my country, which is, I think, so highly deserving of its generous help.

"Montenegro looks uniquely upon the liberation and the union of all the Jugoslavs as the realization of her centenarian aspirations, and awaits in full confidence the great day which will insure the triumph of the immortal principles of justice and free determination of the peoples, proclaimed by President Wilson."



WILLIAM F. DIX GENERAL GVOSDENOVITCH

RAISING $2,000,000

There is every indication that the Fire Insurance Division of the Newark Liberty Loan Committee, of which Charles Henry, of the Hanover is chairman, will raise $2,000,000, its goal in subscriptions. More than $1,600,000 had been subscribed up to Wednesday of this week.

WAR TIME INSURANCE

The October meeting of the Life Underwriters' Association of New York—on the 22d—will feature "How To Write Life Insurance In War Times" as its principal discussion.

Harry B. Rosen is helping Deputy Police Commissioner Frederick A. Wallis on the $50,000,000 Liberty Loan drive of the police department.

NEW CLAUSE; NEW LIMITS

Fidelity Mutual Announcement—$50,000 Limit Under Special Clause Ages 50 and Under

The Fidelity Mutual is issuing two types of war clauses. The first is its regular war clause, with annual war extra premium. Under the special war clause the Company assumes no naval or overseas war risk whatever if the insured engage in such service during the first five years after issuance of the policy. In this type of policy the insured assumes all such risk and the company is bound only to the return of premiums.

The Company's new limits as to age and amount follow:

With Regular War Clause: Ages 45 and under, registration classes 1 and 2, $1,000; registration classes 3, 4 and 5, $5,000. Ages 46 to 65 inclusive, $5,000.

With Special War Clauses: Ages 50 and under, $50,000 full rate plans, $15,000 term plans; ages 41 to 55, $35,000, full rate plans, $10,000 term plans; 56 to 60, $25,000 full rate plans, $6,000 term; ages 61 to 65, $10,000 full rate plan.

The limit on female lives with special war clauses, 60 and under, is $25,000 full rate plans; ages 61 to 65, $10,000 full rate plans.

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Great Southern Life Insurance Company
HOUSTON, TEXAS.



For Agency Contracts address
O. S. CARLTON
PRESIDENT

Where General Agents Get Best Results

A SURVEY OF CONDITIONS

Farmers, Owners of Large Estates and Women Splendid Prospects—Tone of Optimism

So many general agents in various parts of the country are increasing their business that The Eastern Underwriter sent out some letters a fortnight ago to representative managers and asked them from where they were finding their prospects. Certainly, the office that is going ahead is not worried by any lack of prospects, and has triumphed over conditions which seem to worry the weak and easily depressed. There are innumerable such offices. A few of the letters received by The Eastern Underwriter follow:

Wilson Williams, New Orleans President of New England Mutual's Agency Organization

During the past two or three weeks my agency has done very little prospecting for new business on account of making arrangements to move and fitting up new and larger offices. We are, however, about $225,000 ahead of our 1917 record to date and expect to make an increase for the year of about 25 per cent.

The new draft offers some agents an excuse for not getting results, but it will not operate as a handicap to the serious worker. My aim has been to keep the mental attitude of my agency staff right, and point out desirable prospects among industrial workers and those known to be prospering on account of war conditions. In my experience I have never known of a season that did not provide desirable prospects among certain classes, and only the agents who look for excuses, instead of business, find discouragement. The ice man and the coal man are seldom busy in the same season. Other lines could be mentioned in a similar comparison. My message to agents of the Company, printed in the September issue of "The New England Pilot," might give you a further thought for use in The Eastern Underwriter as may be desired. In part it reads:

"May I suggest that we take counsel with ourselves, our aspirations and the business conditions surrounding us? Are we doing our best with our talents, and properly improving our opportunities? Our neighbors—in every line—are prosperous, money is easy, credit liberal, everybody is busy and well paid. We are either not working enough, or not among the right class, or not pursuing the right methods."

Ives & Myrick, Mutual Life, New York City

This agency is working along the same lines that it has been for some time, and is ahead of its business for 1916 but not for 1918. It is rather hard to forecast the balance of the year, but we believe it will be optimistic. We are trying to impress upon everybody that it is necessary to redouble their efforts in work, with the ultimate result that it will not only increase their business now but increase it several hundred per cent. when times are good. Some offices give more of their time and the time of all of their forces to the Liberty Loan than others, and, therefore, I think in some offices business is going to be affected by this kind of work temporarily, but presume everybody who has the ability and opportunity to serve the Government in selling Liberty Bonds will be more contented citizens as the years roll by, no matter what the effect may be upon their business.

Charles Jerome Edwards, Manager, Equitable Life, Brooklyn

This agency is one of those that is doing a larger business than it ever did before. September showed a 40 per cent. increase in new business and a 60 per cent. increase in new paid premiums over September of last year. And it was the best September this agency ever had. The same is largely true of August.

My opinion about the opportunity for business and the increased business which we are doing is the more widespread interest in life insurance, the greater appreciation in which it is held by business men, both large and small, and by every wage earner, irrespective of business connections.

In the old days, the average person thought in terms of $1,000 insurance; $5,000 was looked upon as pretty fair, and $10,000 as a big insurance policy.

The advertisement of life insurance which was followed upon the Government sailors' and soldiers' insurance has suddenly caused people to think in terms of $10,000 rather than $1,000. Therefore, we are getting somewhat larger average policies than formerly.

Furthermore, there is a broader understanding of life insurance, and it does not require "education" or the effort on the part of the agent to prove that it is a good thing in order to get people to consider it.

The fact that a large number of people of insurable age have gone into the service does not necessarily reduce the opportunities for the agents doing a satisfactory business. Generally speaking, men who are drafted are without families or family obligations. Men in the other classes are more particularly candidates for life insurance than ever before. The thing has been brought home to them by the "nearness" of the draft.

And the same situation is created by the limitation on the part of the companies in the amount of insurance that can be issued on draft ages. The very fact that there is a limit creates an interest and demand. The disposition of most people is to want what they cannot get. Witness the woman at the bargain counter, for example.

And, in addition to all this, there is constantly before us the fact that there is more money in circulation and more people enjoying the comforts thereof than ever before. The trouble with the average agent is that he is inclined to take an incidental case, where a man's increase in income has not kept up with his increased cost of living, and to use that one man out of twenty as an excuse for poor business. Whereas, the fact is that the other nineteen men in twenty to whom he should talk, are all in better condition to carry life insurance than they were two or five years ago. That is the secret of the whole situation.

Samuel O. Buckner, Inspector of Agencies, Northwestern Department, New York Life, Milwaukee

While many new sources of prospects may have been developed by various agents of our company and others, yet I am not able to advise you of any particular ones that stand out conspicuously unless it be those who are engaged in big lines of Government work and are doubtless making more money than they have ever made before, and included among these might be mentioned many employees who are getting big pay.

Outside of the large cities and towns, the farmers today are one of the best class of prospects as they have all recently prospered and many of our agents throughout the field, are soliciting this class of prospects with splendid results. Women are also among the good prospects today on account of the large number which have taken positions in the various offices, stores, as well as manufacturing concerns to take the place of men who have entered the Government service, and many of which women are today doubtless being written for insurance throughout the country. To sum up the situation will state that it is my belief that every live and wide awake agent can find more good prospects today for life insurance than he can find time in which to see them, which statement I believe, is being confirmed today by many of the best agents of my company and others throughout the entire field.

Robert J. Mix, Manager The Prudential, New York City

I dare say my experience is the same as that of other managers in that we find that men of large affairs are taking out big insurance for either business protection or to cover inheritance taxes on their estates. Business seems to be coming in upon us in an entirely natural way and in good volume. For that reason we haven't started any new schemes or any plans which could be in any sense considered as original. Undoubtedly the institution of Government insurance for our soldiers and sailors has also served as a stimulus to our calling and has perhaps induced many of the smaller insurers to take out larger amounts than they would have considered necessary before the war.

As I have above intimated, the volume of business has been very encouraging. The company gave me an agency allotment for the three months of July, August and September and we ran 50 per cent. over the company's figures in policies paid for. Our business for both August and September was by far the largest ever experienced in this agency for those months—an increase of nearly 100 per cent. over all previous records.

William N. Wood, Manager United States Life, Pittsburgh

I have done nearly double the business this year that I did last. However, my custom has been for many years past not to solicit business among men under forty years of age—and my best business has been on men over fifty years of age—my experience is that men under forty as a rule do not have much money, or, if they have the money, they do not have the brains. Of course there are exceptions to this rule, but it certainly pays the best to seek business only on a majority of your prospects over the age I mention.

Joseph H. Thebaud, Manager Massachusetts Mutual Life, Buffalo

We happen to have been working among a large number of large policies—from our viewpoint, and find that conditions are ripe for writing this kind of business, both for corporation insurance and inheritance tax insurance.

We also find that men who formerly had great confidence in their arrangements for their estates do not feel quite so confident, and are willing to consider the excellent arrangements that insurance companies make for that part of their estates.

Frank L. Levy, General Agent Equitable Life, New Orleans

The paid business of this agency for the first nine months of this year is nearly 10 per cent. in excess for the same period of last year.

We are reaching out for an increased business among the smaller policyholders. There never was a time when the laboring class—particularly skilled mechanics—was more prosperous, and I believe that a large amount of new business will be secured from that field.

Then again, men of large affairs are in the main very, very prosperous, and are in the market for large lines of insurance.

Altogether, I would say the outlook for a large business is encouraging.

Henry J. Powell, Manager Southern Ohio, Kentucky and Southern Indiana Agency, Equitable Life Assurance Society

This agency for the year thus far shows a gain over last year although we had to overcome a loss of about a million and a half, which represented the production of those of our men who answered their country's call.

How did we do it? First, by believ-

The Power of Veteran Leaders
PLUS
The Enthusiasm of Youth

is the Home Office combination that is working and achieving every day to give Maryland Assurance agents an unusual quality of practical aid and personal encouragement. Life Insurance, Health and Accident Insurance—a wide range of very attractive policies. Maryland Assurance agents are making good, and making money. Valuable openings in productive territory for energetic ambitious men.

MARYLAND ASSURANCE CORPORATION
SEVEN SOUTH GAY STREET
BALTIMORE

"Live and Die with Assurance"

WHERE GENERAL AGENTS GET BEST RESULTS

ing it could be done and entering into the work with a determination to win. Without such action on the part of any manager the morale of this agency would be broken and we all know that to weaken the morale of an army of soldiers or salesmen means defeat. When a man enters the service we endeavor to induce his wife or someone of his family to take his place. **When I tell you that one little woman of this agency writing business under her husband's contract while he is fighting for his country in France has paid for $250,000 since January 1st** you will agree that that is one way.

Then, we have gotten behind some of our smaller producers and made bigger men of them. How? Well, I have always believed that the man who sells the most is the one who asks the most people to buy, most frequently and most persuasively. Hence, we put on a campaign where each agreed upon his honor to see so many people each day. During the campaign we pointed out to them how important it was to see people of means. Those who could buy if convinced. For instance, farmers are rolling in wealth now, men who have war contracts are most prosperous, and so on. The campaign was a great success. It not only increased business but helped the men, and that is the point. Help your men, keep them happy, for happiness is the incentive of industry, and they will find the prospects.

K. A. Luther, Aetna Life, Syracuse, N. Y.

This agency makes use of the following plans in developing prospects:

First—When we write an application we make out a form showing the family history of that particular case and when the policy is issued and mailed back to the agent we enclose that form and urge that he make a canvass of every available prospect connected with that family.

Second—We mail a birthday card to every policyholder upon our books each year, but without the suggestion of business. I may say, however, that this brings us a large number of inquiries and keeps us in very close personal touch with the insured.

Third—We prepare for each of our agents a list of names one month prior to the change of age each year and these policyholders are canvassed with an idea of showing them why they can buy life insurance then cheaper than ever again.

Fourth—With every second notice of premium due, which in our instance is sent out ten days before the due date, we enclose a suggestive slip offering them an easy opportunity of making inquiry concerning additional insurance upon their lives.

Fifth—We always urge our policyholders to offer honest criticism believing that this will be a means of helping us all to a better understanding of one another's needs. This also keeps us in close touch with the insured and opens the way to interviews pertaining to changes in their policies.

G. T. Sibley, Manager Equitable Life Assurance Society, Birmingham, Ala.

Our business has kept up in volume despite the large inroads into our agency force on account of the war. We have not made up at this writing in number the productive agents we have lost due to the war, but our productive field men have increased their business to an amount to offset the loss in number of agents. We are constantly adding to our agency force however, and some of the new men are very promising.

The new agents are secured mainly through the efforts of our special men who are constantly on the look-out for new material. I offer prizes to any agent who will secure a new agent or agents for me that produce a certain volume of new business during their first twelve months. This has been my plan for a number of years, and it has been productive of excellent results.

Another plan is through circularizing lists of names furnished us by examiners, bankers, and prominent policyholders throughout the field. This method has been productive of excellent results also.

Pinkus, Mills & Pinkus, General Agents Northwestern Mutual Life, Indianapolis

As to what plans we have adopted, because of the large number of insurable lives taken by the draft, we beg to advise that really we have not adopted any set program. Of course, we have urged our agents to work hard and put more hours in the field, and are ourselves endeavoring to set a personal example.

We are seeing our old policyholders and urging them to increase their line to take care of the shrinkage in the purchasing value of the dollar, and in reference to the wealthier class, we are advising them to create a cash fund in the shape of an additional policy to pay for the inheritance tax, etc. We are also advising monthly incomes and increased amounts for the future protection of dependents.

We are also giving more attention to the country districts, and advising the farmer to protect the mortgage on his farm, etc.

As stated, we really have no set program, but are simply making increased efforts in varied directions that appear feasible and practical.

E. Guy Owens, Manager Oklahoma Mutual Life

The business of this agency has been increased very materially, and there were a fewer number of producers; but I don't know of any special sources

Organized 1871

LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

Security Mutual Life Insurance Company

Binghamton, N. Y.

Offers to men able to produce business first class territory, with direct contract providing liberal compensation.

For particulars, address

C. H. JACKSON, Supt. of Agencies

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.

PHILADELPHIA

NIAGARA LIFE BUILDING



Mohawk Cor. Franklin Street, Buffalo, N. Y.

The Combined

Life, Sickness and Accident

policies, sold only by the

Niagara Life Insurance Co.

(WILLIAM H. CROSBY, President)

Protects the insured and his dependents.

Live wire reliable agents may obtain very favorable contracts

Communicate with

E. H. BURKE

Vice-Pres't & Gen'l Manager

BUFFALO, N. Y.

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Provident agents find that in these war times it is not difficult to convince a man he is not carrying sufficient insurance.

Provident Income Insurance is easy to sell

Write for information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure prompt action in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

WHERE GENERAL AGENTS GET BEST RESULTS

from which this business has been attained.

People, generally, are carrying heavier burdens, enjoying larger incomes, and are daily brought face to face with the uncertainty of life, and there is every reason why the enterprising insurance agent should do a larger business now than ever before, not through soliciting any particular line of prospects, but from people of all walks of life, with a few exceptions.

William M. McKercher, General Agent Northwestern Mutual Life, Sioux City, Ia.

This agency is expending its efforts on prospects beyond the draft age and on farmers who are sure to be exempt for the reason that until classifications are made no Northwestern agent can write a man under forty-five years old.

C. F. Davis, General Agent, State Mutual Life, Indianapolis

Our business this year has run just about even with last. Personally, I have not developed very many prospects from any reasons connected with the war. I am quite sure that conditions are favorable to the writing of a good volume of business notwithstanding the fact that the draft has taken many of the younger men away.

I feel that the business is much more handicapped by the difficulties in securing an agency force at this time than by the reduction in the volume of business which may be written by any single producer.

John Dolph, Superintendent, Metropolitan Life, Washington

Without going into details, or trying to present something new, I am convinced that life insurance agents have more opportunities today, than they ever had before. We do not have more people to solicit, but we have more people who can be interested in the subject.

A. O. Swink, Virginia Manager, Atlantic Life

We are endeavoring to make up by hard and consistent efforts the deficiency in business that would otherwise exist. It is needless to tell you, I know, that life insurance men do not always work as hard as they should, and so we are trying to impress upon our agents the necessity for continued efforts in order to keep the business up to normal. This we have so far, I am glad to say, been able to do.

Mellor & Allen, General Agents Prudential Life & Trust, New York City

Men are going to buy insurance in just as large amounts as heretofore and we are going to be able to get them through the company just as easily as heretofore. The great majority of our policyholders are married men and we know that they will not go to war. A great percentage of those same married men will be earning more money so that our field should be even better than ever before.

While a great many businesses are going to be forced to cut down and retrench, yet there are so many that will be directly or indirectly reaping a very substantial profit from war contracts. When we realize that it is not only shells which must be made but that food and clothing must be produced and must be transported, and that food and clothing constitute in their ramifications a great proportion of the country's economic processes in times of peace, we can readily see that the additional profit at the present time in these lines should be capitalized by us.

When we think of an army of five million men in France we are somewhat staggered by its proportions, but when we think that the population of this country is over one hundred million people and that the great bulk of these people are married and that the producer of the family still must make his living and must make even more than in ordinary times, and that the insurance necessary to protect this increased earning and to protect the additional cost to those left behind at death, it means to us that the insurance carried five years ago should be increased by fifty to one hundred per cent. at the present time.

The war is going to be won whether it takes one year or ten and those of us who agree with these ideas are going to help win it whatever our position be. Those of us who are going to look down create around us an atmosphere of discouragement and pessimism, and should be put in the "guard house" along with the rest of the slackers and deserters.

This is one time when we should be glad we are in the insurance business, the nationally advertised necessity sold by the Government and placed at the topmost of war necessities.

Let us hope we will all take advantage of these conditions and that our results will show how thoroughly we believe in them.

B. J. Weil & Co., Alabama State Agents, Travelers

The volume of our business does not seem to have been materially affected by war conditions. Whatever loss has been sustained on account of young men entering the service has been made up; first, by insuring men in the fourth class and exempts; second, by increasing lines on old policyholders in the same class; third, by insuring men who formerly were not able to carry insurance; fourth, by insuring women, not formerly employed or earning small salaries.

Olmsted Bros. & Co., Ohio and Indiana State Agents, National Life of Vermont

Our business seems to be coming from men of means, including those who are profiting by the present conditions, employed women and farmers.

John S. Tunmore, Provident Life & Trust, Brooklyn

At this particular agency we are adopting various new methods to interest people in life insurance, prominent among which are the following:

We are devoting a good deal of time in systematically canvassing our old policyholders not only for life insurance, but in order that they may know the facts in regard to how the war situation is affecting them and the company. By this method we are disseminating useful information of a patriotic character. All policyholders at this time, particularly those within the draft age, are anxious to know just "where they are at," and I think it is the duty of life insurance managers and general agents to see that they receive reliable information in regard to their policies. Some who go into the service for instance desire information in regard to the Soldiers' and Sailors' Relief Act; others are anxious to know whether their policies are affected. In this way we are rendering a much needed service to our policyholders, which in my estimation is the duty of life insurance companies at this time. I think that real service should be practised as well as talked in these times and most of us are doing that thing, I am sure.

Of course we get some return by way of business from this, and we expect to, but patriotism and service to the country in connection with the Liberty Loan, War Saving Stamps and service to the policyholders should be the slogan of every life insurance manager and general agent at this time of German peace offensive.

Louis Lane, Equitable Life, New York

This agency is fortunate enough to have passed by quite a handsome margin the business done during the same period last year.

Upon examining the business of the past three months, I find that our men are writing a greater number of cases for smaller amounts than was the case last year and I also note that the class of applicants instead of being business men are clerks and operators and small store keepers. Formerly, we wrote very few engaged in these occupations and when we did the average policy was $1,000. We write very few of less than $2,500, indicating, I think, that the above-mentioned classes are prospering.

Salesmen seem to be in a bad way. We have insured none in over six months.

ABSORB ENGLISH & SCOTTISH LIFE

The Eagle Star and British Dominions are absorbing the English and Scottish Law Life Assurance, which was established in 1839. This makes the seventh absorption by the British Dominions under Sir Edward Mountain, managing director. When the merger is completed the company's assets will be £16,612,000 and its premium income £3,665,000.

SECOND TO NONE IN SERVICE

Long established and thoroughly modern, providing perfect protection for a net cost which is notably low, and rendering service which is unexcelled, the Massachusetts Mutual stands out as an ideal company in which to insure. Sixty-seven years of square dealing are back of every one of our representatives. They will tell you how great an asset that record is in their work.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

The Value of System In A General Agency

A Talk Given By J. B. Duryea, of the Penn Mutual

It has been proven many times that calls upon prospects are worth about as much to a life insurance salesman as the calls of a physician are worth to him. Experience has shown that calls are worth about $1.55, each.

To enable an agent to get the most out of his work it is essential that he have a definite and systematic plan of work. We believe in a plan of work for a salesman just the same as we believe in a plan for any other great accomplishment. The successful salesman has a plan of work to which he strictly adheres.

We are not intending to do anything in this agency except to try to build up your income and to enable you to get the most out of your work.

I would like to take you on a little excursion into the field of psychology to see if we can get a reason for you following a definite plan of work.

There is intellectual health and disease the same as physical health and disease. There are bright, strong intellects, eager for action and thirsting for truth. And there is apathy and deadened impulses.

Now, your mind is about the same as that of others—with germs of faculties which infinity cannot exhaust.

But mind is not a collection of self-acting powers and passions. It is a vital unit, capable of a great variety of manifestations but still a unit—not an aggregate.

Science divides mind into many parts accordingly as we feel, perceive, understand, imagine, etc. But these separated parts are not capable of connected thought. Fortunately we cannot separate these faculties from ourselves—from the personal pronoun. A man who speaks or acts instinctively mentions it as, "I said," "I did." We do not say that a man's feelings express his patriotism, but that he expresses it. We do not say that Shakespeare's imagination wrote Hamlet, but that Shakespeare wrote it.

There is no mental operation in which the whole mind is not present; nothing produced except by the joint action of all the faculties under control of a central force.

The Central Force of Will

This central force is "will"—your power for self-direction. This is the only peculiarity that separates the impersonal existence of a vegetable from the personal life of a man.

There is no faculty which is not rooted in the will. The exercise of this force is necessary to any success. Men do not stumble, blunder or happen, in a drunken dream of attainment, into Hamlets, or any other great accomplishments, they work and grow up to them.

You hear it said of a man that he has bumps on his forehead, or temples, sufficient to produce a Hamlet if he only "had an active temperament." Hamlets are not produced by physical temperament, but by force of will. What a man does is the test of what he is. To declare that a man has great capacity but nothing great to set his capacity in motion is absurd.

Your mind, free force, cannot grow, cannot accomplish, by itself. It can only grow by the exercise of the will on what the mind perceives.

This accounts for limited degrees of success. Here also is the distinction between theory and practice. In one case opinions lie on the surface of the mind, mere objects, the truth of which it perceives and admits, but which do not influence it to act. In other cases ideas penetrate into the very substance of the mind, become one with it and are springs of thought and action. So the things you hear, and learn, may be merely the mind's furniture—superficial knowledge—but not a part of the mind. To become a power for success the essential knowledge must be transmitted into the mind just as food is transmitted into the blood. This is why we have no power to drive you to success—you must drive yourselves.

Helping the Agent

We are trying to help you; but whether we can or cannot rests entirely with you. It is self-evident that the only thing of value we can give you is ideas. It rests with you to put these ideas into motion. The idea which you need most of all is a plan of systematic work. We have a plan which Mr. Finley and I are using. It does succeed. It is not perfect, by any means, but it is the best we know at the present time. When we find anything better we shall adopt it.

The first thing in this plan is a list of prospects. You should have on hand at all times a list of from 100 to 300 names. Each of these names, with the address, should be written on a card which you can carry with you. This card should also bear the business, and, as you receive the information, the birth date, the name of wife and children and their birth dates, and any side lights or information which you are able to obtain. A large portion of this information is often obtained at your preliminary call upon the prospect. The rest of the card, as well as the entire back, is to be used for a record of calls and interviews.

New names are always being added to your list of prospects and the dead timber eliminated.

Second, you should have a file with monthly guides. This file you use as a tickler, the dates change with the calendar. When you make a date with a man you place his card in the file so that it will come up at its proper date.

Daily Record Card

Third, you should have a daily record card and these we furnish to you. This contains names of the prospects you are to see to-day, arranged as nearly as possible for the hour you expect to see them. A week's supply of the daily record cards, with a sufficient supply of prospect cards, should be placed in your prospect book Monday of each week.

This daily record card is of the utmost importance as it gives you a definite task for each hour of the day. The lack of a definite task for each hour has caused more failures in life insurance salesmanship than all other causes combined.

Each evening after the day's work you fill out the back of the daily record card, giving the number of calls, the number of interviews, hours worked, business written, etc.

Fourth, we are providing you a weekly record card. This you will fill out and turn into the office on each Monday morning. This is a summary of the week's work as recorded on your daily record card. I intend, personally, to take charge of the weekly record cards and will announce the results from time to time.

There is one thing more which is just as necessary for you as for any other man who expects to make a success of his work. That is, to have a schedule of your working hours. I suggest something like this:

Office	8.30	to	9.00
Field	9.00	to	12.30
Lunch	12.30	to	1.15
Office	1.15	to	2.00
Field	2.00	to	4.30
Planning "To-Morrow"	4.30	to	5.30

If we were paying you a salary of $150 a month you would expect to be here from 8.30 to 5.30, wouldn't you? Well, if you will work for yourself, under the plan we have outlined as hard as you would work for a salary, from 8.30 to 5.30, you should make four times $150 a month.

FOUND—On William St.!

Bright ideas used by successful Casualty men

Each week in

THE EASTERN UNDERWRITER

Subscription $3 a Year

NATIONAL LIFE INSURANCE COMPANY

MONTPELIER, VERMONT

FRED A. HOWLAND, President

A MUTUAL COMPANY

WHICH FOR

SIXTY-EIGHT YEARS

HAS PROTECTED THE

HOME AND FAMILY

Edward D. Field, Superintendent of Agencies

THE UNITED STATES LIFE INSURANCE COMPANY

1850 IN THE CITY OF NEW YORK 1914

ISSUES GUARANTEED CONTRACTS

Good men, whether experienced in life insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, 277 Broadway, New York City.

JOHN P. MUNN, M. D., President

FINANCE COMMITTEE { CLARENCE H. KELSEY, Pres. Title Guarantee and Trust Co; WILLIAM H. PORTER, Banker; EDWARD TOWNSEND, Pres. Importers and Traders Nat. Bank

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE

The Prudential's Subscription to Loan Totals $40,000,000

The Prudential Insurance Company of America now has the distinction of having made the largest Liberty Bond subscription in the world. On Tuesday of this week the Company announced its subscription of $10,000,000. Just before the loan drive started it subscribed for $30,000,000, that announcement having been made at a meeting in Philadelphia, addressed by Vice-President Duffield. Up to Wednesday of this week the Home Office employes had subscribed for $300,000, and in addition had sold $100,000 to outsiders.

The Prudential has held Liberty Loan (Fourth Loan) meetings in Newark, Pittsburgh, Indianapolis, Lewiston, Me., Milwaukee, Philadelphia, Binghamton, N. Y., Rochester, Cincinnati, Worcester, Springfield, Portland, Me., Chicago, St. Louis, Syracuse, Detroit, Kansas City, Omaha, Baltimore, Minneapolis, Albany, Washington, St. Paul, Toledo, Buffalo and Cleveland in the order named. Representatives of the company who have addressed some of these meetings include Messrs. Duffield, Gray, Hamilton, Hurrell, F. W. Tasney, Baker, Birkett, Feder, Kirk, Konow, McIver, Olozaga, and Boyd. Some prominent public speakers who have appeared at The Prudential meetings include Vice-president Marshall, Job Hedges, U. H. McCarter, Edwin S. Stuart, Judge William L. Day, Judge Charles M. Hay, Superintendent of Insurance Jesse S. Phillips, former Governor Goldsborough and John C. Capers.

Metropolitan Subscribes Another $10,000,000 At School Luncheon

Seated at one of the tables at the Fifth Avenue Association's luncheon on Monday noon were the following officers of the Metropolitan Life:

Vice-Presidents Fiske, Gaston, Cox and Ayres; Treasurer Ecker; Comptroller Stabler; and General Counsel Tully. Addressing the luncheon was Charles M. Schwab, who announced that for every subscription he would permit the subscriber to launch a model ship, on a cleverly constructed runway, which had caused considerable speculative interest while the lunch was being served.

After several subscriptions had been made for unusually large amounts, and the subscribers had launched the tiny ships, Haley Fiske announced that the Metropolitan Life would take a subscription of $5,000,000. A few minutes later the Metropolitan subscribed another $5,000,000. This makes the Metropolitan's total subscription to the Fourth loan $36,500,000.

In all $52,000,000 was subscribed in fifty-two minutes and it was voted that Mr. Schwab was some pumpkins as an auctioneer.

WILL VALUE WAR BONDS AT PAR

Jesse S. Phillips, State Superintendent of Insurance, announces that in auditing the annual statements of insurance companies transacting business in New York State the policy of the department will be continued of valuing all Liberty Bonds at par, provided they were bought at par. The same procedure will be followed, he stated, in making examination of insurance companies. Mr. Phillips said it was his intention to present the subject to the Committee on Valuation of Securities of the National Convention of Insurance Commissioners at its meeting at the Hotel Astor on October 30, asking the committee to adopt the policy of his department in valuing Liberty Bonds.

PURELY MUTUAL THE CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, $1,604,426,324

SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued

POLICIES MOST FLEXIBLE AND EASY TO SELL

Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

GEO. E. COPELAND,
Supt. of Agencies,
Milwaukee, Wis.

Training of Life Insurance Agents

START WITH ORDINARY LIFE

Two Hours a Day Study in Manager's Office—Rules Governing Meetings

By ALEXANDER COWEN
Massachusetts Mutual Life, New York

A new agent, whom we assume to be one carefully selected by the manager as a man possessing the qualities most likely to make him a successful life insurance solicitor, should begin his new work by studying the Ordinary Life contract. When he has done so thoroughly and has asked questions about anything in it he does not understand, the manager should question him about its contents until he is satisfied that the policy form was read carefully and studiously. This being understood, the other forms of contracts—Limited Payment Life and Endowment—should be taken up in the same way. After he is thoroughly conversant with these and not before, he should be taught the basis of premium computation so that he will understand why the rate for Ordinary Life at age thirty is $22.85 and not $22.84 or $22.86. These studies should take place in the office if possible, for at least two hours a day.

To train new agents properly, there should be held a class meeting of all agents, for one hour each day at a given time, preferably at midday or in the early afternoon. The new agent can then, after studying theory in the morning, attend the class meeting, at which all agents should try to be present. He will hear those already in the field tell of their experiences—of successful and unsuccessful interviews.

Class Meetings

Certain rules should govern the conducting of the class meeting. For instance, it should not be permissible for an agent to tell of an interview in any old way, but rather he should repeat as nearly as he can remember, the exact words used giving the questions and answers in their proper order. If done in this manner the relating of an interview becomes helpful to those attending the class and incidentally benefits the speaker himself. The manager or others at the meeting will, if given an accurate description of the interview, be in a position to criticise or make suggestions which become helpful in future interviews. If, in the opinion of all present, the interview was well conducted, the listening agents will make notes of telling arguments and try to use them on the next call if possible.

Each day, at the meeting, fifteen minutes should be devoted to the subject: "How to approach, solicit, and conduct an interview successfully." This helps everyone, particularly the new agent, who now is nearing the time when he must go out into the field. He is thirsting for practical knowledge of soliciting. He is eager to learn the "tricks of the trade," so to speak, and I know of no better way than this for him to "get acquainted." The successful interview, resulting in a sale, must be very encouraging to the student.

How the Meetings Help

Let me illustrate why I believe the class meeting is helpful to the would-be solicitor for life insurance. He makes his first call. What may happen if he has not learned of the discouraging experiences of his fellow agents? The first man he calls on may happen to be unsympathetic. He is coldly received and walks out of his first interview, with a solar plexus blow as seemingly his only reward. He stands and reflects for a while, "This business is too difficult for me, I'm not fit for it." The ambitious young man of a few minutes ago has become discouraged. Of course, he doesn't know that even an experienced and clever life insurance solicitor might have had no better interview with that particular prospect that morning. Here, however, is where the class meeting becomes his best friend. Before many hours go by, he attends the meeting and there tells of his first interview. He is encouraged by his associates, who tell him that their first experiences were similar, and this heartens him. His mistakes should be pointed out in a kindly manner. He should be told how best to meet a like situation in future.

In a big city, the new agent should be warned to appreciate the importance of concentrating as nearly as is practicable in one neighborhood. This conserves time, which if properly used, constitutes one of the greatest assets of the life insurance solicitor.

Street System

An agency should install a street system for keeping the records of interviews with policyholders and prospects. We should not be satisfied with just the amount of life insurance written, but we should insist upon covering, to a reasonable extent, the territory under the jurisdiction of our agency. Take the case, for instance, of a great big factory building located somewhere in New York City, in which, as we could tell from its size, there were 5,000 people working. We look up our street list and find we have no policyholders there. Ordinary common sense and good management would dictate that some effort should be made to get business out of that big business building. It would not take us very long to get a "Friendly Act" introduction if we looked up the people and tried to point "Friendly Act" in that direction. Now, one way at least to tell if all the city is being covered is by filing daily reports and by keeping up our street list.

Agents should be educated to appreciate the value of such a system to themselves and to the office. Anything that helps the manager must help the agent. Have the solicitor make a report on every interview, whether successful or not, giving all the detail he has. This report should be written out immediately after the closing of the interview, while the mind still retains the details. These reports should be filed with the office each day. The office clerks should keep a record of where the agents have been working each day, by putting tacks in a map showing the location of the prospects upon whom reports are filed. The first thought of some agents about filing reports is that by so doing they are placing themselves in the hands of someone, that somehow, in the future, they may lose a commission or suffer in some way.

Being Fair With the Agent

Now, we generally agree that a prospect not closed on the second or third interview is not worth much to the agent who has had those interviews. The office has a record of all of his policies and therefore a record of the most valuable part of his work. Therefore, no agent can get away from the fact that he leaves in the office a most valuable part of his work if the office wants to be unfair with him.

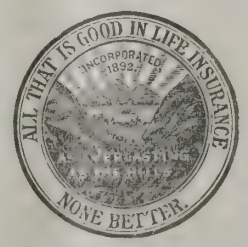
All of this reporting comes down to a question of whether it can be made valuable to an agency. It is a question whether, before you call upon a prospect, you would like to know how much insurance he carries, in what companies, how old his policies are; whether he has had any serious illness; whether he has a wife and children, and if so, how many children, whether they are boys or girls, and how old they are. The agent's report of a properly conducted interview, even though the prospect was not written up, would show all this information.

Many a case which is now never

(Continued on page 11)

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

Connecticut General Group

Interesting extracts from the group insurance policy of the Connecticut General follow:

Schedule of Employes

The employer shall furnish the Company with a "Schedule of Employes" setting forth name, date of birth, date of employment and name of beneficiary of each employe (with such changes as are hereinafter provided) which shall be attached to the application and become a part thereof.

Coverage

This insurance shall not cover any employe until his name shall be furnished by the employer to be added to this Schedule of Employees by the Company.

Amendment of Schedule of Employment

The insurance coverage on any employee shall cease with the termination of his employment, except as hereinafter provided. If an employe is totally disabled as hereinafter defined the insurance may be continued at the option of the employer. The schedule of employes shall at the first of each month be amended by notification from the employer, with respect to all employes whose insurance has terminated during the month, and all new employes who will become eligible for insurance during the next succeeding month.

Premium Adjustment

The Company will furnish the employer, on or before the fifteen of each month, with a statement of any balance due on account of changes in insurance as herein provided and said balance shall be considered due as of the first of the current month and subject to all provisions concerning payment of premiums.

Total Disability

Any employe shall be deemed to be totally disabled within the meaning of this policy if injuries, sickness or disease continuously prevent him from performing any and every duty pertaining to his occupation.

Permanent Total Disability

If said total disability began before age sixty, has existed for a period of six months, and presumably will during his life prevent the employe from pursuing any occupation for wages or profit; or if the employe has suffered the entire and irrecoverable loss of the sight of both eyes or the total and permanent loss by removal or disease of both hands at or above the wrist, or of both feet at or above the ankle, or of one entire hand and one entire foot, he shall be deemed to be totally and permanently disabled within the meaning of this policy.

The Company shall have the right and opportunity to examine the person of the employe when and so often as it may reasonably require during the pendency of claim hereunder.

Military and Naval Service

If any employe shall engage in military or naval service in time of war without first having obtained a written permit from the Company, the insurance on the life of such person shall immediately terminate, except as hereinafter provided. Permit will be granted for such service provided the extra premium fixed by the Company for such permit be paid annually in advance during said service. The provisions in this policy, however, as to total and permanent disability so far as they apply to the persons so engaged shall be null and void, but may be reinstated upon termination of such service upon evidence satisfactory to the Company that the employe is physically and mentally unimpaired and in sound health.

Individual Certificate

The Company will issue to the employer for delivery to each employe whose life is insured hereunder an individual certificate setting forth a statement as to the insurance protection to which he is entitled, to whom payable, together with the following provisions for obtaining an individual policy at the termination of his employment.

Conversion Privilege

At the termination of the employment of any employe for any reason whatsoever the Company will, without further evidence of insurability, and upon written application made to the Company within thirty-one days after such termination and upon the payment of the premium applicable to the class of risk to which he belongs and to the form and amount of the policy at his then attained age, issue a policy of life insurance, in any one of the forms customarily issued by the Company, except term insurance, with equivalent total and permanent disability benefits, in an amount equal to the amount of the employe's protection under this policy at the time of the termination of his employment.

Annual or Monthly Income Settlements

In lieu of any sum payable under this policy, the Company will, upon written request of the employer, pay an income for each $1,000 for a limited period of years as shown in the following table:

Number of Years during which Income will be paid	Amt. of Each Income Payment Annual	Monthly
1	$1,000.	$84.75
2	508.	43.10
3	345.	29.24
4	263.	22.27
5	214.	18.11
10	116.	9.83
15	84.	7.60
20	68.	5.75

Renewal Privilege

This policy may be renewed from year to year for a further term of one year provided the employer has complied with the provisions of this policy, upon payment, on or before the date of each renewal, of the premium for the amount of insurance as renewed. During the first five year period from the date hereof, the premiums for each renewal shall be computed upon the basis of the following "Table of One Year Premiums per $1,000 Insurance" at the respective ages nearest birthday attained by insured at the time of renewal. At the end of each five year period from the date hereof the Company shall have the right to change the premium rates at which subsequent renewals shall be computed, according to schedules then in force.

GENERAL PROVISIONS

Premiums

All premiums are payable in advance at the home office of the Company in Hartford, but may be paid to an authorized agent of the Company in exchange for a receipt signed by the secretary and countersigned by said agent. If any premium be not paid when due, this policy shall be terminated except as herein provided.

Grace

Thirty-one days of grace will be allowed for the payment of every premium after the first, during which period the policy remains in force.

Incontestability

This policy shall be incontestable after one year from the date of issue except for nonpayment of premium and for violation of the provision for military or naval service in time of war.

Misstatement of Age

If the age of any of the employes is incorrectly stated, the amount payable hereunder shall be the full amount of insurance provided in the Schedule on Page 1, but premium adjustment shall be made so that the employer shall pay the Company the actual premiums called for at the true age of the employe.

Suicide

Suicide, sane or insane, within one year from commencement of insurance on any employe is not a risk assumed by the Company.

Assignment

No assignment of this policy or any insurance thereunder shall be effectual against the Company unless it is filed at the home office while the insurance is in force. The Company assumes no responsibility for the validity of any assignment.

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

Change of Beneficiary

Any employe may designate a new beneficiary under this contract by filing with the employer a written request for said change on forms provided for this purpose. This change in beneficiary shall become effective upon receipt at the home office of the Company of this request from the employer.

TABLE OF ONE YEAR PREMIUMS PER $1,000 INSURANCE

The charge for Permanent Total Disability represents 5% of each premium

Contract

This policy, together with the application of the employer, and the individual applications, if any, of the employes insured hereunder, shall constitute the entire contract between the parties. All statements made by the employer or by the individual employes shall, in the absence of fraud, be deemed representations and not warranties, and no statement shall be used in defense to a claim under this policy unless it is contained in the written application. Only the president, vice-president, secretary or assistant secretary, has power in behalf of the Company to make or modify this contract of insurance. The reserve upon this policy, exclusive of any reserve on account of permanent total disability benefits, shall be computed upon the American Experience Table of Mortality with 3½% interest.

Connecticut General's New Group Policies

(Continued from page 3)

them to make inquiries which were responsible for the evolution of group insurance into just about the form in which it is now used.

"It was Montgomery, Ward & Co.'s first intention to insure their employes themselves and they engaged an actuary to work upon the question but eventually decided it would be cheaper to employ an insurance company. This first instance was notable not only because it was the first, but because the contract covered such a large number of employes. Their total coverage was $7,000,000.

"With this flying start, the idea spread rapidly and the rate of increase has constantly accelerated. The industrial conditions of the day are prompting many employers to give their employes group insurance as compensation for the extra pressure under which they are working. One of the strongest proofs of its success is the fact that no firm of any consequence which has once adopted group insurance has ever dropped it. Today there is more than $500,000,000 of this form of insurance in force, covering 500,000 employes.

"As a rule group insurance has been adopted as a philanthropic measure. Often, it has taken the place of the pitifully inadequate provision of an employes' benefit organization. But notice the names of the firms employing it. You will find it most firmly established in the industries in which stability of labor is most difficult to maintain. Group insurance justifies itself from the dollars and cents angle too."

Agency Officers To Meet in Chicago

CONVENTION NOVEMBER 8-9

Discussion on Subjects of Rebuilding After War Agency Selection and Turnover

The annual meeting of the Association of Life Agency Officers will be held in Chicago, November 8-9. There will be wide discussions of these subjects:

First: Rebuilding our organization after the war.

Second: Agency selection and turnover. Records of 5,000 successful agents have been analyzed and useful deduction will be made of them.

The program follows:

"The Value of Touching Elbows," R. J. Mebane, Southern Life & Trust Co.; "Successful Methods of Meeting the Draft," G. S. Hastings, New England Mutual; "Our Methods of Handling Applications of Agents Who Desire to Change Companies," Allan Waters, Union Central; Julian Price, Jefferson Standard; "How Far Should We Go In Seeking Men from Other Companies?" H. E. Aldrich, Equitable of Iowa; E. G. Simmons, Pan-American; H. M. Woollen, American Central; "Life Insurance After the War," M. A. Linton, Provident Life & Trust; "Disability and Accident Insurance As an Asset to the Life Agent," Isaac Hamilton, Federal Life; "What Method of Advertising Gives Best Service to the Agent?" T. Louis Hansen, Guardian Life; G. A. Deitch, Reserve Loan Life; E. E. Reid, London Life; "Diminishing Agency Turnover," W. E. Taylor, Equitable; G. K. Sargent, Mutual Life; W. E. Webb, National Life, U. S. A.

PATERSON MEMORIAL BOOK

John Sherman Paterson, who died last year, was with the New York Insurance Department for half a century, and was actuary as his father had been before him. The New York Insurance Department has issued a memorial volume, containing interesting facts about Mr. Paterson and obituary notices published by Albany newspapers, and memorial minutes of the Actuarial Society of America, and other tributes to his memory.

FUREY BACK AT HIS DESK

William M. Furey, of English & Furey, Pittsburgh, manager for the Berkshire Life of Pittsfield, Mass., reported at the office for duty early last week after an absence of almost a year on account of sickness.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

15,000 PEOPLE

Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.

AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day

FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA

Insurance in force over $142,000,000

Walter LeMar Talbot, President

LIVE HINTS FOR BUSINESS GETTERS

Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Hurry Up The Man Subject To Draft

Urge the man who thinks he may have to go to war to insure at once, probably on the ordinary life plan. It is obvious from the foregoing that the policyholder might for the present defer payment of the extra premium. It may be two years before he will be actually called to enter the service if at all. In that case the war clause in his Mutual Life policy, if taken now, will have expired and no extra premium will be required. If he is not called to service until after one year from the date of his policy, only one extra premium can in any event become payable. He might be called late in the second year and in that case the remainder of the two years succeeding the issue date of the policy would probably be spent in training camp within the continental limits of the United States. In such event, the war clause would not become operative at all, and at any rate not more than one extra premium would become payable.

If the extra premium is not paid and the insured dies within two years of the date of the policy, or within one year after the last extra premium falls due, only the reserve will be payable as a death claim. If he does not die within two years of the date of his policy or within one year after the last extra premium became payable, he will then have an ordinary life policy, incontestable for any cause except nonpayment of the regular premiums, and he will have it at the ordinary life rate for his present age. If he does not take the insurance now and returns from the war an impaired risk, he will be unable thereafter, or so long as the impairment continues, to get any insurance at all. If he is not an impaired risk when he returns he will in any event have to pay the higher premium of his increased age.—"Points."

* * *

Inspector Of Agencies A Poet

Samuel O. Buckner, inspector of agencies of the New York Life, Northwestern department, Milwaukee, is the author of several poems which have been found helpful by the field force. They are: "Do It Right," "Keep A Steady Gait," "Be Cheerful" and "Try To Smile." One of the best "Keep A Steady Gait" reads:

Life is fraught with many cares—
The road is sometimes rough;
At many turns unseen snares
Await one sure enough.
You may be jostled by the throng
From early morn till late,
But boldly push your way along
And keep a steady gait.

Should misfortune wreck your plan,
Don't give up the fight—
Meet it bravely like a man
And keep your "goal" in sight;
Don't charge your failure to "hard luck,"
Or to "an unkind fate"—
Push right ahead—just show your pluck
And keep a steady gait.

* * *

Six Anti-Lapse Reasons

Six reasons why the life insurance policy should not be allowed to lapse are given in the Penn Mutual "News Letter."

First—Because if kept up, even if life should be prolonged for years to come, the policy is likely, through its accumulations, to prove a good investment, financially.

Second—Because, business and family may both need ready money in case of the sudden death of their head.

Third—Because the habit of saving in order to pay the premium, once broken, may prove difficult, if not impossible, to form again.

Fourth—Because another policy cannot be obtained at the same rate of premium—the premium will be higher because the life will be older.

Fifth—Because a new policy cannot be obtained without a new medical examination, and ill health may come suddenly, making it impossible to pass such an examination.

Sixth—Because death may come suddenly before another policy can be obtained.

BUSINESS INSURANCE

A Tip To Agents Based on Influenza Epidemic Given By E. A. Woods

The following comment is made on business insurance by the E. A. Woods Agency, Inc.:

This morning's papers speak of the double funeral of two partners who died from pneumonia following influenza. Both young men, 34 and 29, one married, the other single.

About a year ago one of our salesmen tried to interest them in insurance, but they could not see the need for it. They had a very profitable business. Today, with both of them dead, how much do you suppose the business is worth to the widow of the married one? One probably got influenza from the other, and it is the old story of this very danger among those in business together. While it is not often that partners die from the same disease at the same time, it very often happens that upon the death of one partner, the other from the strain of overwork, becomes uninsurable, and there are many cases of the death of two partners, one closely following the other.

To provide against the unforeseen is the strongest reason for business life insurance.

Training of Life Insurance Agents

(Continued from page 9)

written by your office, could be written by a more experienced agent if he had some way of getting the reports. If the new agent were carefully trained in making reports, many cases that he would consider of no value would look like good ones to some other agent with more experience. The agent should be trained early to file those reports, and it should be insisted upon that the clerks handling this part of the business do so correctly.

Reports in Three Lists

In an agency of thirty agents, at an annual expense of about $1,000, reports could be accurately kept in three lists, a street list, an alphabetical list, and a back call list. Thirty agents would not have on the average more than sixty new calls a day, eighteen hundred new calls a year. The manager would stand the expense and he would be very glad to do so as long as the system proved to be of value to the agent.

Somebody tells you an agent of your company had been drumming him for life insurance. You look up the street list and find no record. You go back and find it was an agent of a life insurance company with a name similar to ours and you close him for your company. On the other hand, you find a prospect who had been drummed by one of your office associates. He couldn't remember the agent's name. You look up the street list and so locate the agent, and tell him about it. This agent gets busy, writes the case, and you have helped him to do it. Some time later on he may help you to do the same thing for yourself. Doesn't that help the agent?

You are going out of your way to make a call on a "Friendly Act" prospect. Knowing that you may not find him in, you request the filing clerk in charge of the street system to furnish you with the names of prospects interviewed in that neighborhood and considered N. G. by other agents. You learn the particulars of their life insurance history. That enables you to work in a new call or two while waiting for your man, who is expected back in "about half an hour." You might close one of these cases. If you did, would the system be helping the agent?

And even if some agents did not get any benefit through information received from the reports, wouldn't it be of great benefit to a new agent to encourage him to get aboard the ship and work intelligently with some definite plan from the beginning of his life insurance career?

Teach the new agent to mark N. G. in large capitals on the report of the interview, where he believes that is the only conscientious comment it deserves. Discourage back calls on cases which have no semblance of being fruitful in the near future. The manager will give more credit to the agent who has gumption enough to mark a report N. G. where it deserves it than to the solicitor who dreams about every man he meets as being a prospect "some day" and who, therefore, goes on accumulating these curios. Train him to make a given number of first interviews daily or weekly. The first month or so for the new man in the field is his worst, and managers should be particularly careful during this period to display a real friendly, brotherly interest toward the new agent. Don't get out of patience with him. Let him have ten or fifteen minutes of your time each day for a heart-to-heart talk with you. Train him early to realize that working each day along any plan; no matter how poor the plan, is far more productive of results in dollars and cents than drifting along without a program.

Paper read at twenty-seventh annual convention of Massachusetts Mutual Life's Agents' Association meeting.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, sold $65,000,000 worth of War Savings Stamps between February first and September first, 1918, and expects to sell a total of at least $100,000,000 during the year.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone 2497 John.

Subscription Price $3.00 a year. Single copies, 25 cents.

Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

ROMANCES OF BUSINESS

"From Office Boy To President" might be a title of one of those fascinating boy books of Horatio Alger which caused many a youth to play hookey a quarter of a century ago in order that he might steal off to the barn, where, seated on a haystack he read the volume from cover to cover, sighing at the finish that there were not more pages. If there be any romance in business it is in the career of the boy who enters the insurance office at the lowest rung of the ladder and climbs to the top. Such romances are by no means as few as might be supposed, and they are probably met in fire insurance more than in any other walk of life.

The most recent case of this kind is the career of C. W. Bailey, of the American of Newark, who began with that Company forty-two years ago and has been elected president. At the beginning he got no salary at all, so high was the public's esteem of insurance that it was regarded as a great honor for a company to take a boy into its ranks. There never has been any spectacular element in Mr. Bailey's career. Always courteous, always conscientious, always painstaking, he absorbed knowledge as he went along, learned the ways of the company, appreciated and understood the requirements of the agency force, and when the directors elected a president last week they turned to the logical man, one who is just as much a part of the company as a human entity can be. For young men in the business there is a great deal of inspiration in the choice of Mr. Bailey.

PICKING THE RIGHT THEME

The Association of Life Insurance Presidents can always be depended upon to do the right thing in choosing the theme for its annual meetings, and this year is no exception as the main discussions will hinge about national thrift and, also, a study of the conservation of human resources, which will include recent developments in relation to public health reform. What the various thrift agencies, including the important one of life insurance, have contributed towards national progress in peace and war times, will certainly result in discussion of the widest and most potent interest to the public.

The annual meetings of the Association of Life Insurance Presidents not only command the respect of the leading daily newspaper editors of America, but in many editorial offices these gatherings are awaited with considerable interest because they are always good sources of copy. Not only are the subjects of vital importance to the welfare of the nation, but great care is exercised in the selection of speakers, with the result that some of the nation's greatest men have addressed the meetings. It is worth noting at this point that the Life Presidents' meetings are given more space in daily newspapers than any of the other organizations in insurance, and this despite the fact that the meetings are invariably held in New York City where space is most precious and hardest to get. Insurance bodies often complain that managing and city editors are chilly towards insurance, dismissing with a paragraph or two conventions which should be recorded at greater length in the daily press. If Geraldine Farrar sings a song in front of the Public Library in New York she commands a column or two the next morning, but important insurance conventions are often dismissed with a few lines on a back page. Not so the sessions of the Life Presidents, and the reason will probably be found in the themes of the meetings, the titles and character of the addresses, and the calibre of the speakers.

There have been eleven conventions of the Association of Life Insurance Presidents and it is worth reviewing at this time the themes of these gatherings. The first was an organization meeting. The second was a Grover Cleveland memorial and a taxation conference. The third developed into a discussion of movements for uniformity of state laws, prolongation of human life, and amalgamation of life insurance companies. At the fourth meeting there were four topics: Educational forces in life insurance; women's work in the life insurance field; investments and taxation, and life extension work. The fifth convention was a John F. Dryden-Paul Morton memorial meeting, and the business discussion related to the application of the principles of conservation to the business of life insurance. The three topics at the sixth meeting were problems of conserving life insurance funds, prolonging lives of policyholders and fitting the policy to the policyholder. At the seventh meeting papers were based on the response of life insurance to present day economic needs, and there was discussion of the ever-increasing inter-dependence between life insurance and the state, life insurance and the companies, and between agents and policyholders. "The Common Interests of Life Insurance, Education and Business" was the theme of the eighth meeting; "Policy Reserve Investments in Relation To Economic Progress" was the theme of the ninth; while the tenth was a review of a decade of life insurance in relation to national progress and preparedness. The eleventh, of course, did not ignore the war, as the United States by that time had entered the conflict. "Life Insurance and the Nation's Progress—Now and After the War" was the topic.

About the best commentary that can be made relative to the value of Life Presidents' annual meetings is that if the papers were bound in book form the volume would be of sufficient value to justify a place on the library shelves of all financial, economic, business and welfare leaders.

THE HUMAN SIDE OF INSURANCE



JAMES BARCLAY HENNEY

James Barclay Henney, general counsel at the New York office of the Aetna Life, 100 William street, is one of the most brilliant representatives of the law, affiliated with the insurance end. After leaving Harvard University he went to the New York Law School from where after graduation he became a practicing attorney. His first experience with an insurance company was with the Travelers for which company he handled appeals. After two years' experience in this work he joined the Aetna forces as a trial lawyer, and he was made counsel a few months ago. Mr. Henney had a reputation in college as being a first-class athlete, and pitched on one of the Harvard nines. Up in the Dobbs Ferry section where he makes his home he has beaten most of the commuters on the tennis court.

* * *

Sergeant T. W. Budlong, son of Agency Manager E. C. Budlong, of the Bankers Accident of Des Moines, jumped from Deming, New Mexico, to Camp Dix, N. J., and spent a short furlough with relatives in New York City. He sailed for France September 16. Private Richard C. Budlong of the Coast Artillery was transferred from San Francisco to Virginia. He is taking a three weeks' rest in the Base Hospital with the mumps—his first opportunity to draw indemnity under his health policy. The Bankers has paid one full death claim at Camp Dodge and one in France under the war risk rates and a number of small indemnity claims in various camps.

* * *

R. C. Anderson, of E. W. Anderson & Son, general agents in New York of the State Mutual Life, was discharged from the hospital last week and is improving in health so rapidly that he is expected to be able to return to the office about December 1. Mr. Anderson was taken ill about August 1 with appendicitis and has been confined to the hospital ever since with complications which followed the operation.

Morgan G. Bulkeley, president of the Aetna Life, has been made president of an Unconditional Surrender Club, which has been formed in that city. This is one of the clubs which have sprung up over night all throughout the country based on a desire of the public to see the present fighting through until the end. Governor Holcomb, of Connecticut, is honorary member of the club. Last week President Bulkeley personally gave the company's subscription of $5,000,000 to the Liberty Loan. Despite Governor Bulkeley's advanced years he keeps as close touch with the insurance business as any man in the country and it may surprise insurance men generally to know that he has a good insight into fire underwriting in addition to his wide and remarkable knowledge of life and casualty insurance.

* * *

Franklin Townsend, Jr., who was special agent of the Mechanics of Philadelphia, and more recently office manager of Longacre & Ewing, Philadelphia, has been commissioned a second lieutenant. Mr. Townsend joined the artillery more than a year ago, and, being an insurance man, was assigned to the War Risk Bureau in London in connection with soldiers' and sailors' insurance. He proved himself to be so well fitted for this work that his advancement was recommended. For six months he has been in France.

Mr. Townsend, who is a member of one of the leading social families in America, was one of the best liked specials in the Quaker City.

* * *

C. H. Boyer, manager of the casualty department of the National Life, U. S. A., mourns the loss of his only son, Merle X., 18 years old. He recently received a commission at the Officers' Training Camp, Fort Sheridan, Illinois. At the time of his death he was military instructor of the Students' Training Corps of Carthage College, Carthage, Illinois. Pneumonia claimed him after a week's illness.

* * *

Arthur Birchenough, special agent of the New Hampshire Fire for Eastern New York, was chosen by that Company as a subject for a cut in its September issue of "Whittlings." Mr. Birchenough is alert, on the job, and enhanced the typographical appearance of this snappy little paper.

* * *

Charles E. Sheldon, Western manager of the American of Newark, was in Newark this week.

R. J. MIX DEAD

Robert J. Mix, manager of The Prudential in New York, and one of the most brilliant and successful men in life insurance, died on Thursday morning at his home in Cranford, N. J. Several days ago he contracted a cold which developed into influenza. Death occurred at 2 o'clock in the morning.

Mr. Mix began his insurance career in this city with the New York Life, and at one time was a manager of the Equitable. With The Prudential he built up a business of about $7,000,000 a year. His office wrote ordinary business only.

Among other accomplishments of Mr. Mix was his literary ability. For years he has issued inspiration talks to agents, under the caption of "Mix's Mustard."

FIRE INSURANCE DEPARTMENT

Compulsory Scheme Crops Up in Newark

AUTOMOBILE OWNERS RESTIVE

Committee of Merchants Presents Some Ideas on Distribution of Insurance Risks

A scheme fraught with possibilities but with few probabilities has been introduced in Newark, N. J., to seek an act of the legislature to make automobile casualty insurance compulsory.

This proposal, which is fathered by a number of merchants in Newark, is so deep that it has gone quite over the heads of the insurance men. Just now it looks like a joke.

It will be sought to "place such insurance under the jurisdiction of the insurance commissioner," whatever that may mean.

The whole plan was decided upon at a conference of representatives of the Board of Trade, automobile associations, department stores and others interested in automobile insurance. The meeting was called by S. B. Harrison, chairman of the automobile insurance committee of the Retail Merchants Association and the Board of Trade.

Seek Cause of Advances

The merchants admit that for some time they have been trying to discover why automobile insurance rates have increased 100 per cent. They say that "statistics seem to indicate that losses of the insurance companies have decreased." They present some remarkable figures—remarkable for their inaccuracy. They say that Newark has contributed to the companies $125,000 and that $10,000 has been paid in losses. It is news to insurance men that Newark contributes only $125,000 in premiums.

The sponsors of the plan reason that insurance rates cannot be lowered unless a larger number of individuals carry insurance. Therefore they propose to compel them to do so. They say that the companies have used this argument to keep up rates. They also claim that Newark "with its wide streets and excellent traffic ordinances," etc., etc., is obliged to contribute toward paying losses in communities possessing less favorable conditions. In suggesting compulsory insurance the committee is guided by the fact that elevator owners must carry liability insurance and that employers must carry compensation insurance.

Call Off Atlantic City Meeting of Federation

RESULT OF INFLUENZA EPIDEMIC

Was to Have Been War Conference—Will Meet Here on December 2nd and 3rd

Another insurance meeting to be postponed by the health authorities is the fourth annual convention of the National Council of Insurance Federations, which will be held in this city December 2-3 instead of in Atlantic City on October 28-9. The adjourned meeting will be held at the Hotel Astor.

Considerable importance was attached to the Federation meeting which had been advertised as a War Conference. The thought of the Federation was to discuss the great problems arising out of the war which had a definite bearing to insurance, and to present to the public the magnitude of the efforts of insurance companies in doing their share in helping the Government prosecute the war.

W. S. LEMMON WITH HARTFORD

Celebrated Rate-Maker Has Had Long Career in Fire Insurance—Schedule Student

W. S. Lemmon, who has won distinction in the fire insurance business as a rating expert, and who was employed by the Eastern Union along with A. E. Larter in the construction of the famous Larter & Lemmon Rating System, a new schedule which won considerable favorable comment among many students of the business but was not officially adopted, is now with the Hartford Fire. It is reported that he is engaged on some special mission for President Bissell, of that Company.

Mr. Lemmon has had a long and extensive experience in the insurance business, and is a man of marked ability.

NEWARK SOCIETY MANAGER

The Fire Insurance Society of Newark has appointed George J. Tuttle as manager, succeeding John M. Hughes, now with the Hartford Fire. Mr. Tuttle for years has been a successful traveling salesman, and this is his first experience in fire insurance.

GEORGE KINGSLEY BACK

George Kingsley, of Wickham & Kemp, who was confined to his home last week with illness, returned to his office on Wednesday.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NIAGARA
Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

New Ream Firm Keeps Company Facilities

REAM, CROMWELL & WRIGHTSON

Office Will Operate the Shippers and Manufacturers' Lloyds—Officers of Corporation

It is announced that the Shippers' and Manufacturers' Lloyds, which were operated by Ream, Ives & Wrightson, Inc., will be managed in the future by Ream, Cromwell & Wrightson, Inc.

The firm of Ream, Cromwell & Wrightson, Inc., was formed this week following the withdrawal from the firm of Ream, Ives & Wrightson, Inc., of Henry W. Ives, who has combined with David G. Baird in the organization of the new brokerage firm of Ives & Baird. Inc.

R. C. Ream is the president of Ream, Cromwell & Wrightson, Inc., and E. M. Cromwell is the new member of the firm. Mr. Cromwell until a short time ago was with Frank B. Hall & Co., Inc.

Both Ream, Cromwell & Wrightson. Inc., and Ives & Baird, Inc., will make their offices at 5 Nassau St.

* * *

Charles Davis Back

Charles Davis, who resigned a few weeks ago as placer for Johnson & Higgins, to assume a similar position with Squire & Co., Inc., returned this week to his former position with Johnson & Higgins.

* * *

Squire Co. Changes

Squire & Co., Inc., announced this week several changes in the personnel of the office following the resignation of Charles Miller, who has returned to Johnson & Higgins. Hugo Billeter, formerly a Philadelphia broker, has been made office manager and the placing will be handled by R. H. Squire and Robert Voorhees, who recently joined the staff of Squire & Co., Inc.

* * *

Evers and Dixon Form Agency

Frank Dixon, special agent for J. G. Simmonds & Co., Inc., and Harry J. Evers, manager of the fire department of Gilmour, Rothery & Co., have resigned their respective positions to form a Long Island City agency. They have been appointed agents for that territory of the National Liberty and several other fire companies which they expect to announce shortly.

* * *

Fox Succeeds Evers

Samuel Fox, who recently joined the staff of Gilmour, Rothery & Co., has been appointed manager of the fire department and head placer of that office succeeding H. J. Evers who, as announced elsewhere in this issue has entered the agency field.

* * *

Represented in Army and Navy

A. C. Hegeman, president of E. C. Anderson Co., has but two children. If he had any more they would doubtless be in the service of Uncle Sam, doing their bit to the best of their ability. As it is his two sons are hard at it, one in the army, one in the navy. Alan K. Hegeman is a lieutenant in the 145th Field Artillery, Rainbow Division. He is a graduate of Mount Pleasant Military Academy. He was graduated from the University of California as a mining engineer and is now in France. Bert Hegeman is ship's quartermaster on the Western Chief, one of the vessels launched on the Pacific coast early in the war. Both boys went over in the same convoy.

PRO-RATING SUBSCRIPTIONS

How Continental Group Divided Its Loan—New York, Chicago and San Francisco

President Henry Evans, of the American Eagle Fire Insurance Company, the Continental Insurance Company and Fidelity-Phenix Fire Insurance Company of New York upon returning to his desk Tuesday following a short vacation, announced that he had put in subscriptions to the Fourth Liberty Loan for his company aggregating $2,100,000. Of this amount the Continental and Fidelity-Phenix each took $1,000,000 and the American Eagle $100,000.

These subscriptions were granted according to the average bank balances carried in New York, Chicago and San Francisco at which points each of the companies maintains a department office in charge of a salaried officer. Subscriptions of the three companies were apportioned among the above three Federal Reserve districts as follows:

New York—Fidelity-Phenix, $865,000; Continental $850,000; American-Eagle, $70,000; total $1,785,000.

Chicago—Continental $140,000; Fidelity-Phenix, $125,000; American Eagle, $25,000; total $290,000.

San Francisco—Continental, $10,000; Fidelity-Phenix, $10,000: American-Eagle, $5,000; total $25,000.

WHISKEY COMMITTEE HERE

The Owensboro whiskey committee has been in conference with New York adjusters this week.

WITH THE COLORS

Walter L. Colville, John A. Mudie, R. J. Cookson, John F. Healy and Roy E. Williams, of the loss department of the Continental, have joined the colors.

KENZEL CO. GETS IMPERIAL

The Imperial Assurance has appointed The William H. Kenzel Co., New York suburban agent of the company.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Authorized Capital $500,000
Detroit National Fire Insurance Co.
DETROIT, MICHIGAN
A Company to be built gradually and along the indicated lines of permanence
AGENCY CONNECTIONS SOLICITED

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts. San Francisco, Cal.

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

S. C. BISHOP CO.
Represented at 95 William Street, AGENTS FOR NEW JERSEY 208 Broad Street, Elizabeth, N. J.
Phone, 447 John — 588 Elizabeth

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

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ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
—FIRE and WAR RISKS—
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Viehmann Pallbearers Insurance Presidents

FUNERAL SERVICES WEDNESDAY

Notable Career of President of New Brunswick and New Jersey—Lawyer-Underwriter

George A. Viehmann, president of the New Brunswick and New Jersey, president of the New Jersey Chamber of Commerce and former Mayor of New Brunswick, died at Briarcliff, New York, on Saturday morning last week. While in Chicago, where he delivered an able address before the Fire Underwriters' Association of the Northwest, he became ill with grippe, but recuperating, he decided to go to Briarcliff Lodge, where he went to attend the Western Bureau meeting, after which he intended taking an automobile trip for a short vacation. Arrriving at Briarcliff, accompanied by a representative of his Chicago office, his condition took a turn for the worse, pneumonia setting in, and he died, Mrs. Viehmann being at his bedside.

Adviser of H. H. Rogers

The death of Mr. Viehmann was a shock to underwriters, because until his last illness he was in vigorous health. For a man who had been in fire insurance for only a few years the impression he made was deep, not only because of his vigor, originality, broad views and determined personality, but also because of his success. A grasp of insurance questions that was quick and sure caused many people to believe that had he lived he would have been a dominant figure in the underwriting world.

Mr. Viehmann was eighteen years old when he was graduated from Rutgers College with mathematical honors. His first job was that of civil engineer; next he became a traveling salesman for a pearl button concern, in which capacity he picked up a lot of that knowledge of human nature which always distinguished him. After studying law he hung out a shingle and as a young practicing attorney attracted the attention of the late Henry H. Rogers, Standard Oil magnate, whose personal adviser he became. His first connection with insurance was as an assistant attorney of the American Surety Company. Later, the National Surety hired him as its chief attorney, a position he resigned to go into private practice, devoting himself largely to surrogate work. It was at this period of his career that "Dick" Croker, Tammany chieftain, sent "Larry" Delmore, one of his lieutenants, over to see Mr. Viehmann, the message being that if the latter moved from New Brunswick to New York City the chief would have him appointed on the Supreme Court bench. It was a hard thing to resist but he did it, preferring to live in the smaller town.

Early Experience With the New Brunswick

In 1903 Mr. Viehmann had a chance to get control of the New Brunswick. It was an old company, incorporated in 1826, had been continuously in business, and stood well locally. Assets at the time were only $50,000; surplus $25,000. He thought that with more up-to-date management something could be done with a company as old as the New Brunswick, and the control passed to him.

It wasn't very long before he began to wonder if it did not take some kind of a divinely-sparked genius to steer a fire insurance company safely over the shoals because at the start he dabbled in surplus line business (a popular practice at the time), and the education he got was liberal and complete. This educational experience lasted about three years when he realized that the path to success in fire insurance management was easier to navi-



GEORGE A. VIEHMANN

gate along the regular agency channels. He increased the company's capital sufficiently to enable him to enter several states, securing such representative agencies as W. L. Ferrin in New York, and the old George L. Carpenter agency in Boston. Unfortunately, one state the company entered was California, and a few days after doing so the San Francisco fire came along and handed him a neat little loss of $167,000. Personal courage and indomitable will kept him from quitting at this juncture. Instead, he paid losses promptly, put more money into the institution, and built up the company until at the time of his death it is paying 14 per cent. dividends and has a surplus to policyholders of about $800,000.

Having safely built up the New Brunswick he decided to accept the presidency of the New Jersey Fire, when the directors of that company offered him the job. Probably, the name attracted him as much as anything else. State pride was strong in him and he loved everything having the New Jersey stamp. This was in April, 1915. He completely changed the underwriting policy of that company, gathered about him a good staff, and it has been making good progress ever since. Organization was Mr. Viehmann's long suit.

During the last few years many propositions were presented to Mr. Viehmann by other insurance interests, but all of these he declined until last winter, when he became vice-president of C. P. Stewart & Co., Ltd., United States managers of the United British. Mr. Stewart is a director in the New Jersey. Gresham Ennis also became a vice-president of C. P. Stewart & Co., Ltd., at the same time that Mr. Viehmann made this affiliation. Mr. Ennis, by the way, was the right hand man of Mr. Viehmann until he died. Their connection began ten years ago, and was one of the most intimate combinations in the business. Before that time Mr. Ennis, trained by Bononi Lockwood, had been with the Insurance Company of North America. He is an unusually good underwriter.

Working Every Day In Two Cities

Many interesting stories are told of Mr. Viehmann's personality. No insurance man worked any harder. Every morning at 8 o'clock he arrived at his office in New Brunswick, but before 11 o'clock was at his office in Newark. Before 5 o'clock he was back in his New Brunswick office. This routine continued every day except Saturdays, when he attended to his real estate and financial business, some of his connections being president of the Middlesex Title Guarantee & Trust Company, and a director in the Perth Amboy Trust Company and Federal Trust Company. He took an active interest in politics, and was a chairman of the Democratic State Convention in 1908. As Mayor of New Brunswick he elevated the city's tracks and made many other improvements.

The funeral Wednesday was at his country estate Overlook, between New Brunswick and Bound Brook, where he devoted himself to farming and to the breeding of poultry. Among the pallbearers were Presidents Bailey, American; Dunham, Fireman's; Haynes, Newark; and Feigenspan, Commercial Casualty.

Tributes From Presidents of Four New Jersey Companies

In discussing the late Mr. Viehmann this week President Bailey, of the American, said to The Eastern Underwriter:

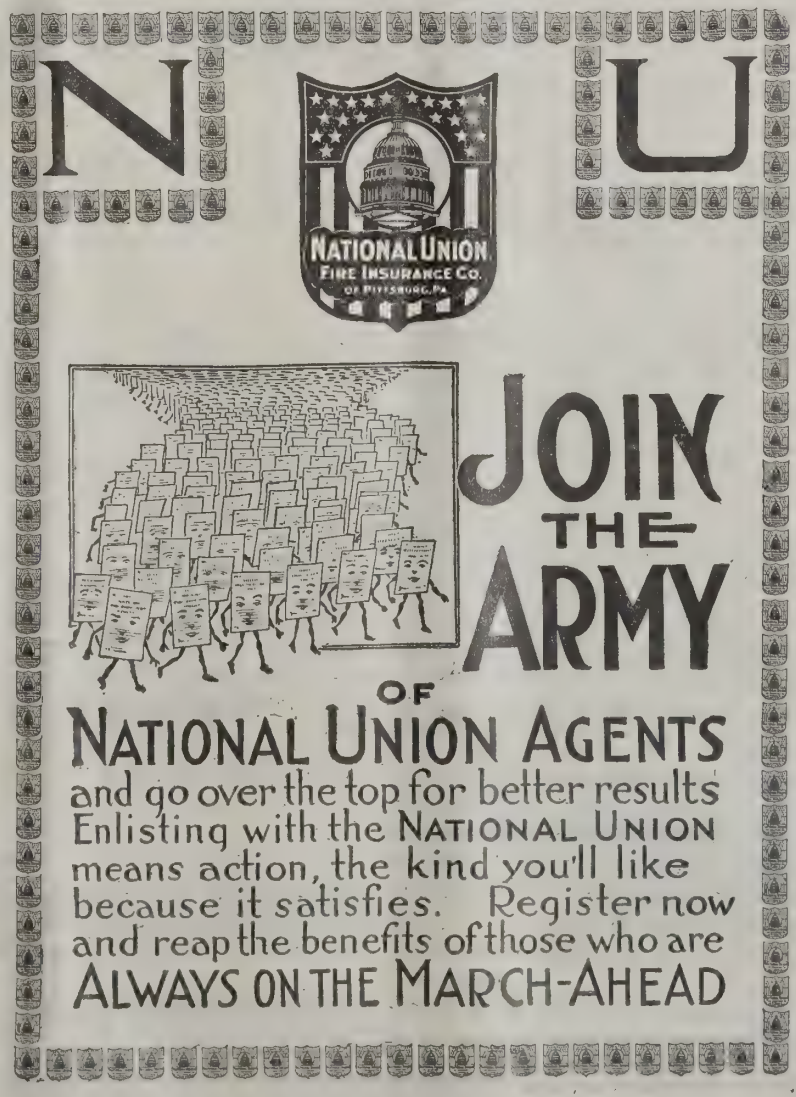
"He was an indefatigable worker and a man of high character and ideals. He made a record in fire insurance of which he could well be proud, while his work with the State Chamber of Commerce will make it difficult to find some one to take up the reins he lays down."

E. J. Haynes, president of the Newark Fire, said: "Mr. Viehmann was a strong character, perfectly sincere and natural, and a fine judge of men. His work in building up the New Brunswick, distinctly of a creative quality, showed his caliber."

D. H. Dunham, president of the Firemen's, said: "I have always highly respected Mr. Viehmann, who was one of the hardest workers I have known, and who was exceptional in many respects. He made his mark as a young man, and kept adding to his achievements."

Christian Feigenspan, president of the Commercial Casualty and the Federal Trust Co., said:

"Mr. Viehmann was a valuable director of the Federal Trust Co., and his death is deeply mourned. His advice was always helpful, and it was generally recognized in this state that his success was won on the score of merit alone."



GET CONTINENTAL MEDALS

Nine More Agents In New York State Who Have Seen 25 Years' Service With Company

The following additional Continental agents in New York State have been awarded the twenty-five years' long service medal for the year 1918:

Charles H. Hobbs, Nineveh, N. Y.; J. Watson Burrows, Ripley, N. Y.; M. V. B. Schryver, Rhinebeck, N. Y.; Jas. A. Hayes, Amsterdam, N. Y.; H. E. Colwell, New Rochelle, N. Y.; J. Edw. Poole, Albany, N. Y.; Frank A. Alger, Alden, N. Y.; John H. Perry, West Henrietta, N. Y.; P. S. Humphrey, Tonawanda, N. Y.

It is interesting to note that when these gentlemen were appointed agents of the Continental the capital of the company was $1,000,000, total assets $6,433,171, and the net surplus $1,576,595, as compared with the close of 1917 with a capital of $10,000,000, total assets $35,866,635, and net surplus $12,050,702.

SERVICE FLAG SUGGESTION

Those who contemplate preparing or rearranging service flags would do well to note the agreeable effect of grouping the stars on the blue field instead of arranging them, as has been usual, in rows. A flag arranged in this grouped style may be seen in the office of the New York Underwriters' Agency at 100 William street.

Government May Adjust All Losses

EXPLOSION CLAIMS TO BE PAID

Companies Reach Agreement on Small Losses in New Jersey—Will Take Subrogation

While the companies interested in the explosion insurance losses growing out of the Morgan disaster in New Jersey have unanimously decided to pay all losses under $100, it is noted that the Government is considering making an appropriation to meet these losses and the carriers are advised to inform themselves whether or not these payments by the Government would cover all the losses, thus making unnecessary the assumption of any obligations by the companies.

When the company representatives met this week it was unanimously voted to adopt the report of the subcommittee which was in effect that there can be no question that the companies are not legally liable for losses under $100. As a matter of expediency it was recommended that the companies be permitted to settle their losses at their discretion but that if such claims were recognized the payments be made upon an ex gratia basis.

Carelessness Charged

"It was further recommended that the companies be advised to take subrogation where payments exceed $100. Several company agents have represented that there was considerable carelessness at the Gillespie plant. Where ex gratia payments are made no subrogation rights would accrue to the companies, because such payments would constitute a voluntary act on their part, there being no legal liability for such claims. Also, that care be exercised to ascertain, first, that all plate glass insurance is exhausted before the explosion policies come in for any contribution.

Views Divergent

The companies have placed themselves in a strong position regarding these adjustments by proposing to pay losses under $100. At the loss committee meeting there was considerable difference of opinion as to just what should be done. Some thought that the whole matter should be held in abeyance until it shall be known what course the Government may take. The most extreme view was that the explosion policy is not intended to cover these losses by concussion.

Before the meeting some companies were committed to pay the small losses, as their agents had pressed hard for a prompt decision as to what course should be taken and those companies had reached an agreement with their agents. It is also believed that some adjusters went ahead and settled, disregarding the $100 clause, not being used to it in their business of fire insurance.

The standard fire policy is the creation of the State and the explosion policy is the product of the companies. If these small losses were handled in strict accordance with the terms of the contract it might well be asked by the assured, why does the company pay losses under one policy and not under the other, both fire and explosion insurance being issued by the same carriers under exactly the same management.

If the Government pays the losses there is possibility of the same loss being paid twice. There is also the likelihood that the Government would estimate losses at a much higher figure than the companies which have had more experience in that work and have always found it necessary to be careful in the expenditure of their funds.

High Rate Protects Company

When the $100 limitation clause was framed the carriers had their minds centered primarily upon the larger risks, manufacturing establishments, churches, hotels, theaters, etc. That the cover would be used extensively to protect dwellings was not at first contemplated. At the same time the contingency of a number of small losses presented itself and, acting on experience gained under the tornado policy, and the fact that there was a differentiation in the minds of underwriters as to direct explosion loss and concussion loss, the $100 limitation was inserted in the contract. In tornado insurance some companies have found it advisable not to use a limitation clause, except in Southern territory.

The Government inspection has been done in a thorough manner and the belief is strong that the authorities at Washington intend to make good all this loss, very much as was done at Halifax, when the Dominion and the British governments each contributed $5,000,000 and about $3,000,000 was contributed to make good the damage there.

MR. AND MRS. I. B. WOOLMAN DIE

Former A Special of Franklin and Son of Phoenix of Hartford Field Representative

Field men in the Middle Department were shocked when they read the death notices in a Philadelphia paper a few days ago and came across these items:

Woolman.—Oct. 10, of pneumonia, 149 W. Louden St., Gtn., Bessie, wife of Irvin B. Woolman and daughter of Wm. and Emma Burton Meyers, aged 31. Services and int. private, Mon. 2 P. M.

Woolman.—Oct. 10, of pneumonia, Irvin B., husband of late Bessie Meyers Woolman and son of Howard B. and Marie Voss Woolman, aged 30. Services and int. private, Mon. 2 P. M.

Irvin B. Woolman was the son of Howard B. Woolman, special agent of the Phoenix of Hartford, and until his death was special agent of the Franklin for New Jersey. He was a popular young man with his fellow specials, and was highly regarded by agents.

MURTHA WITH OVERSEAS

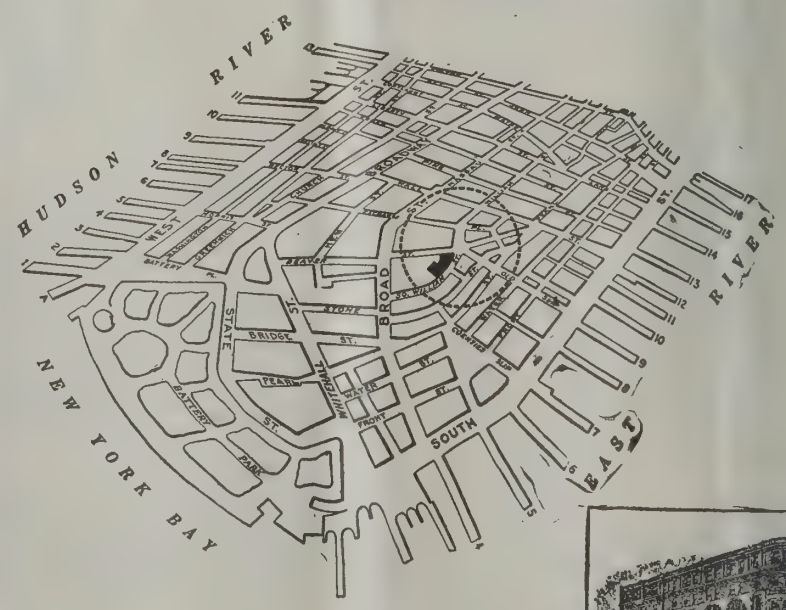
Andrew Murtha, for a long term of years underwriter for Talbot, Bird & Co., marine agents of the Aetna Insurance Co., resigned this week and has joined the Overseas Underwriting Agency, Inc., where he will act in the capacity of underwriter. The Overseas Underwriting Agency, Inc., operate the marine departments here of the National, of Hartford, and the Northwestern National, of Milwaukee.

ÆTNA (FIRE)
HARTFORD, CONN., U.S.A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.



THE AIRPLANE
—is the military eagle, aptly termed the Eyes of the Army. Rising above and before the battle line, it watches for coming attacks.
FIRE gives no warning of its coming. No eye can see where it will strike next.
ADEQUATE Insurance is the airplane of protection. Use foresight instead of actual vision. Let the
AMERICAN EAGLE
Fire Insurance Company of New York
begin today to protect you against loss by fire.
Cash Capital .....ONE MILLION DOLLARS
HENRY EVANS, President
Home Office
80 MAIDEN LANE
NEW YORK
Managing Branch Offices,
SAN FRANCISCO,
CHICAGO

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBISNON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

STRENGTH INTEGRITY SERVICE
Scottish Union & National
Insurance Company
HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries
JAMES H. BREWSTER, Mgr
Hartford, Conn.
A Broad Underwriting Service to Agents
Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.
Works in Harmony with American Agency Principles and Practices

THE YORKSHIRE INSURANCE CO., LTD., OF YORK, ENGLAND
Established 1824
FIRE, LIGHTNING, SPRINKLER LEAKAGE, AUTOMOBILE, WAR AND EXPLOSION INSURANCE
U. S. BRANCH
FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager
No. 80 Maiden Lane, New York
New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

Caledonian Insurance Co. of Scotland
FOUNDED 1805
"THE OLDEST SCOTTISH INSURANCE OFFICE"
UNITED STATES HEAD OFFICE
Caledonian Building, 50-52 Pine Street, New York
CHAS. G. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

Heads Company He Joined As Office Boy

C. W. BAILEY'S LONG SERVICE

Forty-two Years With American of Newark—How He Got First Job

C. W. Bailey, who was elected president of the American of Newark last week, belongs to that select group of chief insurance executives who have gone up from office boy to president.



C. W. BAILEY

For forty-two years he has been going daily, Sunday excluded, to the offices of the American Insurance Company of Newark. He never knew any other taskmaster, and his loyalty has been rewarded by the highest gift in the company.

To some friends who had called to congratulate him this week Mr. Bailey told how he happened to go with the American. Stephen G. Gould, who was president of the company, needed a boy, and discussed the fact with C. W. Bailey's father, George H. Bailey, a hydraulic engineer who built the first waterworks in Newark.

"See Mrs. Bailey," said the latter. Mr. Gould went to the Bailey home and told the mother of C. W. that he wanted her son to work for the American. When the youth came home he was informed of the new job waiting him. The prospect of working for an insurance company appealed and he started in December. Not a cent of salary did he get for weeks, the honor of employment being regarded as quite enough, but one day in February the president called him into the office, and filled his pocket with $5 gold pieces, one for each week he had worked. From then on the ghost walked regularly.

One of Force of Eleven

When Mr. Bailey began with the American there were eleven people in the office, and the premium income was about $200,000 a year. The Company had formerly been the American Mutual Fire & Marine, but went on the stock basis in 1871. All daily reports were examined by President Gould, Colonel Harris, the secretary; and P. L. Hoadley, who later became president, being taken into a back room for that purpose. The examination of these daily reports was a solemn function as underwriters in those days had to be particularly careful, their resources not being so large. As time went on the business of passing on these daily reports and mapping it was Mr. Bailey's exclusive task. This continued for some time: and then the handling of the agency correspondence became one of his duties. As the years went by the company grew and Mr. Bailey grew with the company—first as assistant secretary; then secretary; then vice-president; and finally president.

A unique feature of Mr. Bailey's insurance experience is that he never has been a field man. His work has always been conscientious, the good, old-fashioned, always-on-the-job plugging that gets there. There will be no change in the policy of the Company, following the election of Mr. Bailey. The American has always been a conservative, well-managed company, which developed its business as general conditions required. It has been writing marine insurance for about a year, and its charter has been amended to permit it to write a broad coverage, if it so desires.

The vice-president of the American is W. E. Stewart, who before his election last February, was well known in Newark banking circles.

WESTERN ASSURANCE CO.
OF TORONTO, CANADA
States from 1874 to 1917, inclusive 43,294,154.63
Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918
Assets $4,194,579.34
Surplus in United States..... 1,667,691.69
Total Losses Paid in United
W. B. MEIKLE, President

Great American Insurance Company New York
INCORPORATED - 1872
PAID FOR LOSSES
$96,971,238.06
STATEMENT, JANUARY 1ST 1918.
CAPITAL
$2,000,000.00
RESERVE FOR ALL OTHER LIABILITIES
12,927,269.91
NET SURPLUS
8,527,719.31
ASSETS
23,454,989.22
THE SECURITIES OF THE COMPANY ARE BASED UPON ACTUAL VALUES ON DECEMBER 31ST, 1917
HAD THE SECURITIES BEEN TAKEN AT THE VALUES AUTHORIZED BY THE NATIONAL CONVENTION OF STATE INSURANCE COMMISSIONERS THE ASSETS AND SURPLUS WOULD EACH BE INCREASED BY $2,321,032.00
Home Office, One Liberty Street
New York City
Western Department
WALTER H. SAGE, Gen'l Mgr.
INGRAM & LERCH, Managers
76 West Monroe St., Chicago, Ill.
Pacific Department
GEORGE H. TYSON, Gen'l Agent
210 Sansome Street
San Francisco, California
Boston Office
ROGERS & HOWES, Managers
4 Liberty Square, Boston, Mass.
Marine Department
WM. H. McGEE & CO., Gen'l Agts.
15 William Street, New York City

Awaiting Reports On Big Lumber Fire

FEW WIRES RECEIVED HERE

Many Adjusters Now on the Ground—New York Underwriters' Agency Gets Cloquet Wire

Information about the big forest fire loss, which destroyed several cities and cost the life of August J. Frey, a prominent Duluth agent, was slow in reaching New York, underwriters depending as much as possible for information on newspaper reports. The adjusters will be Western men. Most of the general adjusters of prominent companies in New York had not received a line of direct information of any kind by wire up to Wednesday night.

First Wire Received

The New York Underwriters' Agency was the first company in this city to hear from a representative at the burned district. Its Duluth man after a visit to Cloquet by automobile wired:

"Visited Cloquet yesterday. Entire city south of tracks destroyed. Not one building standing. Northern Lumber, three yards, two sawmills and planer totally destroyed. Cloquet Lumber Co. north and south yards and planer destroyed. Cloquet risks not burned are Johnson-Wentworth plant, Cloquet Lumber Co., two sawmills and water power plant, Dunlap yard and East yard, box factory, paper mill and toothpick factory. Two Harbors and Rangetown safe. Mooselake destroyed."

The value of lumber at Cloquet has been estimated at $65,000,000 in addition to the plants. The Northwestern Paper Company's plant was a sprinklered risk, $1,250,000 insurance carried in Western F.I.A.

The "Journal of Commerce" says that gross losses were extra heavy, and quotes the gross loss of one company at $350,000, although it is too early yet to give authentic loss figures.

H. KRAMER
ADJUSTER
FOR INSURANCE COMPANIES
105 William Street, New York City

National Liberty INSURANCE COMPANY OF AMERICA
NEW YORK
Incorporated Under the Laws of the State of New York in 1859
Statement, January 1, 1918
Cash Capital $1,000,000.00
Assets 8,209,763.64
Liabilities 5,223,031.71
Net Surplus 1,986,731.93
Surplus for Policy Holders 2,986,731.93
HEAD OFFICE
62 WILLIAM STREET, NEW YORK

William Hare Heads Eastern Conference

AUTOMOBILE COMMISSION RULES

Agency Matters Take Up Much Time of Committees With Questions Much Unsettled

It was pointed out by the executive committee of the Eastern Automobile Underwriters' Conference, at its annual meeting, that the most serious problems which have arisen during the year, and those which occupied the largest amount of time and attention, are concerned with one phase or another of the commission and state agency question. That this should be the case is not surprising in view of the novel character of the automobile business and the great amount of adjustment which has had to be gone through before the transaction of it could be fitted harmoniously to the agency situation which had grown up to fit other branches of the business differing in important respects from that of automobile.

One General Problem

Specific instances may be cited, as a new commission rule adopted for the New York Metropolitan district, the deletion of Binghamton from the list of excepted cities and the attempted solution of the troublesome situation which has arisen in Philadelphia and which is now in the hands of a special committee. These instances, says the committee, can scarcely be treated as separate and independent problems. They are part and parcel of the general problem, namely, the working out of a practicable basis of living, as far as commissions are concerned, for the various elements involved under the circumstances of a new and specialized form of business. The solution of this broad problem is essentially a national question and the committee simply calls attention to the endeavors which the National Conference is making in this direction and to the proposed commission rule, now before all companies for their consideration.

Result of Election

Officers for the year were elected as follows:

President—William Hare, Norwich Union.

Vice-President—C. C. Smith, Great American.

Secretary-Treasurer—W. A. Hamilton, Chubb & Son.

Executive Committee—B. M. Culver, Niagara; C. M. Martindale, Home; G. F. Kern, Royal; T. A. Kruse, United States Lloyds; S. G. Wright, H. K. Fowler's office: Z. L. Hoover, Great American; Roderick O'Connor, Caledonian; J. F. Hollerith, Continental; E. C. Cary, L. & L. & G.

Delegates to the National Conference: F. W. Day, Royal; W. M. Ballard, Commercial Union; B. M. Culver, Niagara; W. A. Hamilton, Chubb & Son; D. F. Cox, Appleton & Cox; E. W. West, Glens Falls.

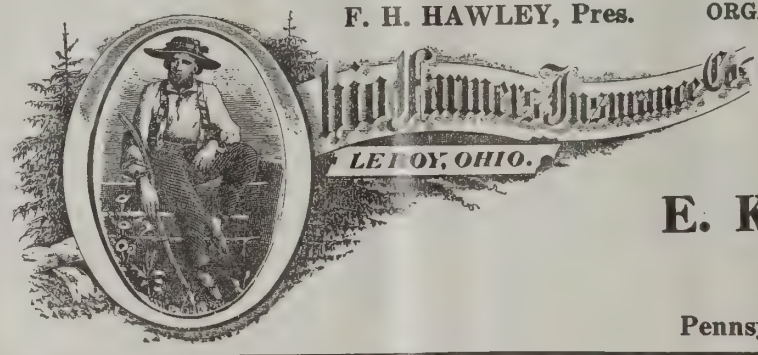
The nominating committee was composed of Douglas F. Cox, H. R. Clough and William Hare.

The special committee on the Philadelphia situation expects to visit that city again next Monday.

The noon Liberty Loan meeting of the City Insurance Club on Tuesday netted more than $100,000.

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET NEWARK Phone Market 6536 | SERVICE FIRST | 80 MAIDEN LANE NEW YORK Phone John 4560

INCORPORATED 1720
Royal Exchange Assurance
LONDON, ENGLAND
United States Branch
92 William Street, New York
RICHARD D. HARVEY
United States Manager

F. H. HAWLEY, Pres. ORGANIZED 1848 W. E. HAINES, Secy.


Ohio's Oldest and Strongest Company
Net Surplus Over $1,293,741.00
AN AGENTS COMPANY
E. K. SCHULTZ & CO.
PHILADELPHIA
GENERAL AGENT
Pennsylvania, New Jersey and New York

JAMES J. BOLAND COMPANY, Inc.
GENERAL AGENTS
HOME OFFICE SCRANTON, PA.
68 WILLIAM STREET NEW YORK CITY, N. Y.
NEW YORK NATIONAL INS. CO.
THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1917	$16,153,068.57
Surplus	4,793,978.55
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904	1,051,543.00

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $155,000,000.00
Losses Paid in the United States
HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent
NEW YORK OFFICE
80 William Street

JONES, LAUNT & BARRETT, Inc., GENERAL AGENTS
Head Offices:
411-13 Walnut Street, PHILADELPHIA, PA.
We can offer to Agents and Brokers special facilities on surplus lines
throughout the United States and Canada.

MARINE DEPARTMENT

U. S. Government Assuming Marine Risks on Cargoes Shipped by Coastwise Lines Under U. S. Government Railroad Control

There appeared an article in the "Journal of Commerce" last week, in which was an explanation why the Government assumed the risk of marine insurance on all shipments made by coastwise lines of steamers, and thereby deprived American marine insurance companies of receiving an income which they have received for many years past, and which business was practically written exclusively by American companies.

The explanation given was that a great many shipments which are being billed by all rail routes are diverted to water lines, and if the shippers were not advised of such deviation they would not have a chance to protect themselves by marine insurance, and in order to prevent such contingencies, it would be more advisable for the Government to assume the marine risk on all shipments, to prevent the merchant from going uninsured.

This excuse does not seem to be a logical explanation for depriving the American insurance companies of business which they have enjoyed for a great many years past, and which they ought to enjoy today, and the condition cited has existed for years past, and is nothing new. Any number of railroad companies in the past have issued all rail bills of lading for shipments, and have diverted them to water routes. In doing this, they recognized their legal responsibility for any damage which could come to the merchandise while waterborne, and have protected themselves with marine insurance, and have paid the shippers any loss which was occasioned by marine perils, and which would be recoverable under a policy of insurance held by the shipper.

Therefore, when the railroad companies issue an all rail bill of lading, there is no reason why they should not recognize their legal obligation when they divert the same to water routes, by assuming the marine risk and compensating the shippers for any loss occasioned by marine perils, the same as the railroads have done for a great many years past, and this deviation from rail to water routes should not be made an excuse for assuming marine risk on shipments made by water routes.

OBSERVER.

Marine Club Elects Officers

HENDON CHUBB ON WAR RISK

First Fall Meeting Has Large Attendance—W. H. Young is President, J. V. Lane, Secretary

The first fall meeting of the Marine Insurance Club was held on Monday at the Waldorf-Astoria and was exceptionally well attended.

William H. Young, of W. H. Young & Co., was elected president. The other officers elected are E. W. S. Morren, Whist & Co., vice-president; George W. Owens, marine underwriter of the Globe & Rutgers, second vice-president; Jos. V. Lane, F. H. Price & Co., re-elected secretary; A. J. Manuel, Block Earl & Manuel, treasurer; and C. Steendal, Northern Underwriting Agency, treasurer.

The directors elected are the officers of the Club and John Keegan, Johnson & Higgins; A. P. Murtha, underwriter of Talbot, Bird & Co.; T. A. Allen, Chubb & Son; and D. Roger Englar, of Harrington, Bingham & Englar, who was president of the Club last year.

Following the election of officers, Mr. Morren made a plea for funds for the welfare committee's work, of which he is chairman, and succeeded in raising $800 through voluntary contributions at the meeting. A large sum was also raised for the Liberty Loan.

Hendon Chubb, of Chubb & Sons, and insurance adviser of the Shipping Board, was the speaker of the evening. His subject was "Marine Insurance Against War Risks."

Mr. Chubb reviewed the changes in the business which have resulted from war conditions and summarized the present situation as follows:

"In conclusion, I wish to summarize the situation which the war risk underwriter has to face at the present time, as against that which confronted him in the early days of the war. For the reasons before given, the considerations which guided him have been reduced. This does not mean that the dangers of the business have been reduced but it means that the knowledge of international law, contraband lists, blockade notices, etc., have little real weight in considering risks at the present time. The present underwriting is based almost solely on a judgment of the naval situation as it exists at the time and as it may be changed during the currency of the voyage. Outside the submarine zone it depends almost altogether upon the existence or possibility of German raiders, submarines or cruisers, and on voyages to the submarine zone depends principally upon an estimate of the decreased or increased effectiveness of the submarines, but coupled with this must always be the consideration of the possibility of the Central Powers introducing a number of large cruisers on the transatlantic lanes. Now, I think there is little doubt but that this could be done and that the consequent destruction would be enormous."

WRIGHT VISITS FRIENDS HERE

S. E. Wright, formerly cashier of the metropolitan office of the General Accident, who enlisted early in the war in the Canadian army, visited William Street this week. Mr. Wright was severely wounded before reaching the trenches and is still receiving treatment at a Canadian hospital. While erecting a barrack in England a machine saw took three fingers off his left hand and paralyzed the arm.

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CASUALTY AND SURETY NEWS

Munition Making Now Classified

EXPLOSIVES INDUSTRY DATA

Compensation Underwriters to Be Furnished With Much Valuable Information About Risks

Compensation underwriters will soon have before them in Manual form the first set of classifications and rates prepared in this country for insurance purposes, embracing explosives and munitions manufacturing industries. This is the work of a special committee of the National Workmen's Compensation Service Bureau and the governing committee of the New Jersey bureau. Group I, which is presented here, relates particularly to charging and loading and to general munitions. Group II relates to manufacturing operations proper. With each classification the relative hazard factor will be given. Explanatory notes also will be given by the Bureau indicating the scope of the classifications in Group II.

Group I

Shell charging and loading (T.N.T. nitrostarch, picric acid and amatol)—excluding the manufacture of explosives.

Shell charging and loading (shrapnel)—excluding the manufacturing of explosives.

Shell and shell case assembling (completed rounds), with or without the loading of shell case—excluding the manufacture of explosives.

Fuse, detonator and booster loading or assembling—excluding any operations involving the manufacture or use of loose fulminate or fulminate mixtures.

Cap, primer and detonator loading—operations involve the use of loose fulminate or antimony sulphide mixtures, but excluding the manufacture of explosives.

Cartridge manufacturing—charging and loading—all operations involving the handling of explosives, including the mixing of fulminate.

Propelling charge preparation—filling bags with black powder—no manufacturing of explosives.

Shell, rocket and signal light manufacturing (for illuminating and signalling purposes)—excluding the manufacture of high explosives.

This space is reserved for a classification to cover the loading of gas shells of various descriptions. The classification is being prepared by a special committee and will be available shortly.

Group II

T.N.T. manufacturing—with or without the mixing of acids and the recovery and fortification of spent acid (no acid manufacturing.)

Fulminate manufacturing—no drying of fulminate or mixing of primer compounds—(no acid manufacturing.)

Nitro-glycerine, explosive gelatine and dynamite manufacturing—with or without the mixing of acids and the recovery and fortification of spent acid (no acid manufacturing.)

Picric acid manufacturing—with or without the mixing of acids and the recovery and fortification of spent acid (no acid manufacturing.)

Tetryl manufacturing—with or without the mixing of acids and the recovery and fortification of spent acid (no acid manufacturing.)

Nitro starch manufacturing—with or without the mixing of acids and the recovery and fortification of spent acids—(no acid manufacturing.)

Nitrate of ammonia manufacturing—with or without mixing of acids and the recovery and fortification of spent acids—(no acid manufacturing.)

Smokeless powder manufacturing—single base—no nitrating of cotton.

Smokeless powder manufacturing—double base—no nitrating of cotton.

Gun cotton manufacturing—with or without the mixing of acids, and the recovery and fortification of spent acid (no acid manufacturing—and no drying of gun cotton)

Black powder manufacturing—including the manufacturing of mixtures in which black powder is the principal ingredient.

TRAVELERS PROMOTIONS

L. Eastman Sawyer, Harry L. Paddock and Wellington Potter, of the Travelers, have been promoted to the rank of agency assistant to assistant superintendent of agencies. All have been members of Major Giddings' home office staff. Clifford L. Waite has been promoted to field assistant.

TO MEET IN NEW YORK

Both the Casualty Agents' Association and The Federation Call Off Atlantic City Meetings

The annual conventions of the National Association of Casualty and Surety Agents and the Insurance Federation have called off their Atlantic City conventions which were to have been held on October 28-9. Instead, they will meet in New York City in December.

The influenza epidemic was responsible for this change of dates and location.

The Southern Industrial Insurers' conference has also been postponed.

NO DECISION REACHED

Plate Glass Men Claim There Was Premature Announcement of Explosion Agreement

In plate glass insurance circles it is denied that, as announced in a newspaper, any decision has been reached by the companies as to a change in the policy form respecting explosion hazard as experienced recently in New Jersey. This was one of the principal subjects discussed this week and there was no unanimity of opinion as to how it should be handled. Some are in favor of using endorsements and getting an extra premium for the additional cover. Others purpose using pink slips. Some feel that such hazards as that in New Jersey are just what the assured wishes to be protected against and that in view of the many recent increases in plate glass insurance rates there is need for the most careful consideration of any proposal designed to curtail the cover or increase the cost.

Government agents are making a survey of losses and Congress may be asked for an appropriation to pay them.

TRYING TO EXPLAIN

An effort is being made to explain the assertion that among the companies doing industrial accident and health business, the claims are less in number than formerly, but the amount paid per claim was higher. One explanation given is that the working class is receiving more wages than ever before, and consequently will not lay off for trivial injuries or slight illnesses. On the other hand, among the companies doing a commercial business the claim ratio seems higher, and the number of claims more than ordinary. The reason for this is hard to explain, except possibly that the business men carry a larger amount of insurance and can afford to indulge in the luxury of giving up business in case of slight injuries. It may also be accounted for because of the great increase in death claims caused by automobile accidents. The fact that the death rate from this cause has more than trebled since 1911 may have something to do with it.

THE TRAVELERS
INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

Tests of Reserve Adequacy Shown

COMPENSATION RISK RESULTS

New York Department Submits Figures for Mutual Companies Based on Losses

Casualty actuaries, statisticians and others concerned with the computation of reserves on compensation business will be interested in that portion of the annual report of the New York Department dealing with Table IX, having to do with workmen's compensation insurance. Relative to Part 3 and Part 4 of the table the report says:

"Part 3—This is a comparison of incurred losses of mutual compensation insurance corporations, made for the purpose of testing the adequacy of the reserves for workmen's compensation losses computed in accordance with regulations promulgated by the superintendent of insurance pursuant to section 191 of the insurance law.

"One (the upper) portion of the exhibit sets forth the indicated incurred losses of each half-yearly period commencing July 1, 1914, and ending December 31, 1917, with each subsequent revaluation thereof to December 31, 1917. Thus, in the case of accidents arising between July 1 and December 31, 1914, the paid losses plus those unpaid, evaluated as of December 31, 1914, produced an indicated ultimate cost of $235,289. The latest available information concerning the same group of losses (viz., as of December 31, 1917,) indicates an ultimate cost, after all outstanding losses shall have been paid, of $235,855.

"In the lower portion of the exhibit the accumulated results are shown in form similar to the classification followed in a 'select' mortality table. All cases evaluated for the first, second, etc., time are thus brought together. It has been found that after the lapse of one year losses can be classified and evaluated with considerable accuracy. Hence, the third valuation of all losses which arose between July 1, 1914, and December 31, 1916, is a fair test of the accuracy of the method by which the reserves of the mutual companies are determined. The first valuation of such losses indicated an ultimate cost of $2,176,655. Revalued one year later the corresponding figure is $2,183,687—a difference of but three-tenths of one per cent. The comparison, of course, assumes the suitability of the actuarial assumptions which enter into the reserves for fatal and total permanent disability cases (i.e., the remarriage rate of the Dutch Royal Insurance Institution, the mortality rate experienced among Danish survivorship annuitants and interest at 3½ per cent).

"Part 4—This exhibit had identically the same purpose and significance as Part 3, being a test of the adequacy of the loss reserves of the State Insurance Fund, which reserves, pursuant to section 92 of the Workmen's Compensation Law, 'shall be computed in accordance with such rules as shall be approved by the superintendent of insurance.' Referring to the losses incurred between July 1, 1914, and December 31, 1916, it appears that as against an original valuation of incurred cost of $3,041,619 the revaluation made one year later indicates $3,049,886,—an insignificant difference."

This suggests for consideration the old subject of reserve calculation by stock companies. The present system of figuring reserves has been frequently criticised as being unsound. Some company men believe that at present good underwriting is penalized and vice versa. Changes have been made from time to time and the possibility of obtaining a satisfactory basis may appear discouraging. The figures presented in the New York department report may serve to revive among the stock companies an interest in the subject.

TRAVELERS RULING

All forms of health insurance sold in the accident department of the Travelers, which contain no limit as to the period for which indemnity will be payable for disability by disease, the Company will not continue beyond age fifty-five any form of health insurance. The insured under any one of these forms on reaching age fifty-six may make application for health insurance in which the limit of disability does not exceed fifty-two weeks and issuance of the insurance will be considered subject to the usual underwriting rules.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
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General Building **PHILADELPHIA**

What Is Understood By "Employment"

PAYMENT OF COMPENSATION

Common Expression in Law Creates Limitation—Excludes Many Accidents to Workmen

Discussing the term "arising out of and in the course of employment" as used in workmen's compensation policies, George A. Kingston, commissioner, Workmen's Compensation Board, Ontario, says that this expression is a limitation on the classes of accidents for which compensation may be paid, and is found in three fourths of the jurisdictions on this continent in which compensation laws are in force. Perhaps no expression in the laws has given rise to more discussion.

As a limitation it excludes a considerable number of accidents to workmen, the great bulk of which may be classed under the following eleven heads:

1. Street accidents.
2. Accidents while going to and from work.
3. Injuries due to scuffling, larking or horse play.
4. Accidents, as sometimes stated in legal text books, caused by the act of God or the country's enemies.
5. Injuries arising out of attempted robbery, fighting, assault or murder.
6. Disabilities due to frost bite or heat stroke.
7. Accidents occurring during moments of leisure or while performing something of a personal nature.
8. Camp accidents.
9. Accidents resulting in the aggravation of a pre-existing diseased condition.
10. Accidents due to disobedience of rules.
11. Hernia, lumbago and strain cases.

Street Accidents

(1) Great Britain, until recently, classed street accidents as without the law on the ground that the hazard was not special but general, i. e., one to which the public generally is exposed, and not due to the employment. This position is taken in a number of the United States, while in Ontario the view held by the Scottish courts was adopted,—that the risk of the locality is one to which the workman is exposed by reason of his employment at that time and place, and is compensable. This view was also adopted in a recent English case.

(2) Accidents occurring while going to and from work are closely related to the foregoing, but if they occur while on the employer's premises, or while in a conveyance furnished by him as a part of the contract of employment, they would as a rule be within the act.

(3) Scuffling and larking are not a part of the duties for which a workman is employed and the injuries due thereto would not be compensable; however, if the injured man is the victim of events in which he was not a participant, compensation would seem to be in order.

Acts Of An Enemy

(4) Death by lightning will usually be regarded as compensable or not according to the nature of the employment, i. e., as causing special exposure, or merely that shared by the public generally, though other factors may be decisive in individual cases. The same principle is applicable to injuries due to acts of the country's enemies.

(5) It is apparently a generally accepted principle of law that compensation is allowable in cases where injury to a workman performing his duty is due to assaults of fellow workmen or by robbers; but if the assault is connected with a quarrel, or no connection with the employment is shown, the law does not apply.

Frost and Heat

(6) Injuries due to frost bite or heat stroke are to be disposed of much as in the case of lightning or bombardment, the question being whether there is such a special degree of exposure as to support the claim that the injury arose out of employment, as distinct from the common risk of the public or other workmen not called upon to undergo like exposure.

(7) Injuries occurring during moments of leisure or while engaging in acts of a personal nature are hardly subject to a general rule, each case calling for a decision on its own merits. If the acts are reasonable, considering all the circumstances, they will not be presumed to take a man out of the scope of his employment.

(8) Where the workman lives in quarters furnished by the employer, practically his whole course of conduct is subject to conditions fixed by the employer, who is therefore responsible for accidental injuries not usually classifiable as work accidents, but which must, under the circumstances, be considered as coming within the course of the employment and arising out of it.

Subjects 9, 10 and 11 will be discussed later.

ACTUARY KIME DEAD

Travelers Man Was Fellow of Actuarial Societies and Graduate of Michigan University

Virgil M. Kime, casualty actuary of the Travelers, died this week of bronchial pneumonia. He came to the Travelers two years ago from the American Central Life. He was a fellow of the Actuarial Society of America, Casualty



VIRGIL M. KIME

Actuarial and Statistical Society, and the American Institute of Actuaries. He was educated at the University of Michigan, taught in the economics department there, and began his career with the Michigan Mutual Life, from where he went with the Missouri State Life. He was born in 1885, and was highly regarded by insurance men.

POSTPONED BY HEALTH BOARD

Meetings of Middle Department and Its Executive Committee Under Indoor Gathering Ban

The health authorities have advised the Underwriters' Association of the Middle Department that the meeting of the executive committee scheduled for Tuesday, October 15 and the general meeting of the association scheduled for the 16th will come under the ban which prohibits indoor gatherings.

After a conference with the president and chairman of the executive committee, it is announced that the executive committee meeting was postponed until October 29th, and the association meeting until Wednesday, October 30th.

How Insurance Can Be Socialized

FANTASTIC SCHEMES ANALYZED

Mutual Form Nearest it Can Approach to Socialized State and Remain Insurance

Can insurance be socialized? asks the National Casualty in its "Agents' Record." Then it goes on to say some true and pointed things about this now much discussed subject. We quote from the "Agents' Record":

"As a general proposition we would say that insurance can be socialized if banking, agriculture, merchandising and manufacturing can be socialized. Insurance is founded upon the law of necessity, and is controlled by the economic demand of the individual. Insurance was conceived in the mutual form, and that is the nearest it can ever approach the socialized state, and remain insurance.

"What is meant by socializing insurance?

"We gather from bills introduced, theses written and arguments made, that to socialize means to put in effect by law a plan whereby the provident must help the thriftless; whereby charity is robbed of the quality of mercy, and under which the individual sinks to a lower level. In socialism there can be but one supreme power—the state. Wealth must not exist. Opportunity must not be embraced. Condition must be average. The people, and all property and business, must belong to the state.

"We have state compensation in some states, and social insurance propagandists point to it as the first step in social insurance. It is distinctly nothing of the kind. Employers' liability was a nightmare. It was a misconceived plan of defense, and was based on the theory that injury was incident to occupation, and that the workman assumed the risk. In time that belief, like many other false beliefs, exploded. The public saw with clearer vision, and it was realized that industry should be responsible for the direct damage it does. Sound laws have been enacted, and broader coverage will come with experience. Several plans are in force, but only two or three states have been foolish enough to create a state administered plan of compensation.

Politics' Record

"It is fallacious to believe that any business should belong to the state. All business should be governed by the state, and all should contribute to the support of the state, but the state should keep out of business. We have the sad exhibit of a long and putrid record of politics as the only socialized function of community existence. Lincoln said, 'Of the people, by the people, and for the people,' but it is only occasionally that we find a Lincoln. Today it is of the people, from the people, and for personal or party ends. Politics are corrupt, and they are made so by corrupt politicians. Even in times like the present, not a week passes without some near disclosure of gigantic corruption, and politics is always at the bottom. When we have socialized politics on a clean, wholesome and economic basis, we may begin to see that millennium wherein existence will be ideal for all. When our political offices are filled with intelligent, honorable and successful men who reluctantly give up private business to serve the public from a sense of duty, there may be hope of socializing the community.

How It Spreads

"If we can socialize one thing, we can socialize everything. Social insurance involves 50 to 75 per cent. charity. A splendid economic theory. Let us go on to food, and say to 80 per

(Continued on page 23)

Annual Conference Of Insurance Institutes

HELD IN BALTIMORE THIS WEEK

Frederick Richardson Elected President —Will Try to Interest Companies for Financial Support

(*Special to The Eastern Underwriter.*)

Baltimore, Oct. 14.—The tenth annual conference of the Insurance Institute of America was called to order at the Southern Hotel, Baltimore, Maryland, on Monday morning by President A. T. Graham. Delegates representing the following cities were present: Hartford, New York, Philadelphia, Chicago, New Haven, Baltimore. C. O. Richardson, president of the Insurance Society of Baltimore, made the address of welcome.

A. T. Graham, president of the Institute, presented his annual report and recommended in his plan of procedure for the coming year the election of a company official in order that the interest of the company officials generally might be enlisted in the work of the Institute for the purpose of financing the publication of text books, and thereby bringing the educational advantages of the Institute study courses within the reach of insurance men throughout the country.

Reports were received from the secretary-treasurer, auditor executive committee and members of clubs and society.

The delegates then adjourned for luncheon at the Merchants Club as guests of the Baltimore Insurance Society, after which the appointment of the following committees was announced: Committee on President's Address Frederick Richardson, of Philadelphia, chairman; committee on finance Benjamin Richards of Chicago, chairman; committee on institution, E. R. Hardy of New York, chairman; committee on nomination J. H. Kenney of Baltimore, chairman. Reports of the following special and standing committees were received: committees on incorporation, membership, publication, examination, education.

The present outline in both the fire and casualty branches was continued for another year although it was decided to refer to a special committee the question of referring to the executive committee before the next conference a revised casualty course.

Hartford presented the outline of a life course which was adopted.

The delegates were the dinner guests of the Baltimore Society in the evening.

Influenza Calls Off Theatre Party

The theatre party which was to have followed the dinner was abandoned on account of the influenza epidemic having necessitated the closing of all places of amusement.

On Tuesday morning the subject of financing the Institute was discussed with the result that a committee on propaganda was appointed consisting of E. R. Hardy, New York and H. E. Graham, Chicago.

The finance committee recommended in its report a per capita tax of ten cents the same as last year with a minimum membership charge of ten dollars. The per capita tax to be waived in the case of men in the service. A special committee on incorporation was appointed of which Frederick Richardson of Philadelphia was made chairman. Charles H. Holland, of New York was suggested as an honorary vice-president of the Institute.

Frederick Richardson, United States manager of the General Accident, was elected president and Charles H. Holland honorary vice-president. The present secretary, Benjamin Richards, formerly of Boston, now of Chicago, will

(Continued on page 23)

PICKED UP ALONG WILLIAM STREET

It's a Pleasure To Be Turned Away By Nichols

John D. Nichols, a colored man who acts as Cerberus in the entrance lobby of the Aetna Life's home office building in Hartford, has the cleverest manner of receiving visitors to the building that the writer of this column has ever seen in his experience among the skyscrapers—somewhat extensive. You approach Nichols and inquire in your grandest manner if Mr. So-and-so is in. But you have nothing on him. He comes back by asking, "May I have your name, sir?" in a manner so deferential and honeyed you nearly die of embarrassment that you cannot say: "Tell the gentleman that Mr. Robert Lansing, Secretary of State, is awaiting him," and thus live up to the important rank which Nichols has evidently assigned you. Having told him your name, Nichols smiles benevolently and this time asks: "If he is in shall I tell him you desire to see him?" By now the visitor is so delighted that even if Mr. So-and-so doesn't see him he leaves the building walking in the heavens of the keenest personal inner satisfaction.

* * *

Oliver C. Smith Dead

Oliver C. Smith of St. Louis has died. He was in charge of the accident and life department of the W. H. Markham agency and was a man generally looked up to by the insurance men of St. Louis. He was active in association work and had been giving his time unstintingly to the Liberty Loan campaign.

* * *

Talk of Revision

In Bureau circles there is beginning to be talk of automobile casualty rate revision. While experience is said to be growing worse it is intimated that the curtailment by the Government of the manufacture and use of machines may act as a counter to the loss ratio.

* * *

James R. Garrett Better

James R. Garrett, manager of the Eastern department of the National Casualty, is again at his office at 100 William street. He was a pretty sick man for several weeks and has not yet regained his customary vigor.

A. M. Murray A "First"

Another good Aetna man has shown himself to be an appreciated servant of Uncle Sam. A. M. Murray, superintendent of the liability and compensation department at 100 William Street, New York, is now a first lieutenant. Nobody is surprised at his rapid progress. In the insurance district his associates had become accustomed to seeing him advance. Murray went to Camp Upton as a buck private. He was at once selected by the Draft Board to serve as an acting corporal. Before long he was a corporal. Then he was transferred to Camp Dix. Mr. Murray has been recommended as a candidate for the Officers' Training School for intelligence officers. This is distinctly a feather in his cap for this line of work requires particular ability. It involves the task of acquiring highly confidential information regarding the enemy, as well as finding out what facilities and opportunities our own forces have for accomplishing certain tasks. Murray is particularly well qualified for this job, for in his insurance work he had acquired the reputation of being a delver with a keen perception and an unusual amount of persistence. In the Aetna office it is common knowledge that if any inside information was desired on any particular subject Murray would dig it out if assigned the job.

* * *

Edmund S. Ely Advanced

Edmund S. Ely, automobile department superintendent of the Aetna companies in New York, entered the government service last February as a private stationed at Fort Slocum. He was transferred to Fort Bliss, in the artillery service. He was selected for admission to the Artillery Officers' Training School at Louisville and has now been graduated from there with the rank of second lieutenant.

* * *

Fifty Per Cent. Gone

Of all the male employes who were in the New York branch office of the Hartford Indemnity a year ago, at least fifty per cent. are in the Government service.

* * *

Bouvier In Army

Jack Bouvier, of the law department of the Aetna Life, is in the army.

J. L. MAUTNER AGENCY

Complete Automobile Coverage
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TRAVELERS PROMOTIONS

H. L. Paddock, L. Eastwood Sawyer, Wellington Potter, of Giddings' Staff Advanced By Company

Four interesting appointments were announced by the Travelers this week.



L. EASTMAN SAWYER

Harry L. Paddock, L. Eastwood Sawyer and Wellington Potter were promoted to the rank of agency assistant



HARRY L. PADDOCK

to the assistant superintendent of agencies. All of them have been members of Major Giddings' home office staff,



WELLINGTON POTTER

and have done good work for the company.

Clifford L. Waite, has been promoted to field assistant.

Joseph A. Watson, superintendent of the general fidelity division of the Fidelity & Deposit, who had been connected with the Company for more than seventeen years, now has a responsible position with B. Altman & Co., New York, where he is assistant to the vice-president and has general supervision over the employes.

APPOINT F. ROBERTSON JONES

Succeeds Professor Glover on Main Advisory Board of War Risk Bureau

F. Robertson Jones, secretary of the Workmen's Compensation Publicity Bureau, has been appointed by Secretary of the Treasury McAdoo a member of the advisory board in the Division of Military and Naval Insurance of the War Risk Bureau, succeeding Professor Glover of the University of Michigan, who is now engaged in the Bureau's work of investigation.

Reunion of Agency Men

J. S. Hirsh was toastmaster at a dinner given by the producers of the E. E. Clapp & Co., general agency of the Fidelity & Casualty to Edward E. Clapp and Charles Bellinger at the Biltmore. This was the first time the agency men had been brought together since the death of Edward Griffith. The occasion was marked by expressions of loyalty to the organization and zeal for the active promotion of the agency's interests. The Liberty Loan was not forgotten, W. S. Gillespie taking that in charge. Thirty thousand dollars was subscribed by the seventy-five or so persons present. J. S. Hirsh agreed to procure subscriptions for $10,000 and F. A. Berthold took $5,000. There was much speaking and a general good time.

* * *

Bond Rates Up

Surety bond rates on snow removal contracts have been advanced in New York City from one per cent. to 1½ per cent. Garbage and ashes contract rates have been advanced to 1½ per cent., for one year or less, with the renewal rate the same. Loading and trimming garbage scows now carries the 1½ per cent. rate.

* * *

Aetna Office Depleted

The Aetna Companies office at 100 William street has been hard hit by the grippe. Fifty clerks were away this week. Besides, that office had a number of teams working on the Liberty Loan, about thirty-five persons all told. Those who remain have done nobly in keeping up with the work.

* * *

Powers of Congress

An insurance man has made the observation that Congress really has no authority to use any public funds for the purpose of paying insurance premiums or the premiums on bonds. Nevertheless it is customary for those who do business with the government to give bonds and the government while not authorized to pay for them is often deeply interested in obtaining the lowest rates possible on both insurance and bonds for those with whom it does business.

* * *

Brooklyn Committee Results

The Brooklyn Insurance Committee of the Liberty Loan had raised more than $600,000 up to Wednesday. C. E. Bainbridge, of White & Bainbridge, is chairman of the committee, and B. F. Gendar, of Lewis & Gendar, is secretary.

* * *

W. L. Forrest, formerly manager of the New York office of the North American Accident, and son of George L. Forrest, president of the New York Safety Reserve Fund, is now a lieutenant of aviation at Fort Wayne, Michigan.

* * *

The New York Underwriters' Agency at 100 William street has a new honor roll which is of particularly neat design. It is of metal and is of the elastic type. It takes up but little room and is capable of carrying a large number of names.

CASUALTY AND SURETY POINTERS

Views Of A Veteran Producer

At the golden anniversary convention of the Pacific Mutual Life a prize was awarded William J. Burton, of Chicago, for the best paper on important topics. Mr. Burton writes with five and twenty years' experience in the accident line. Among other things he says: "The viewpoint of the agent determines the degree of his success. No man can make a real success until he has determined to follow permanently the insurance work as a profession. I have no sympathy for those fellows who say 'Well, I'll take a crack at it.' They are always 'cracking' and never get anywhere."

* * *

How Public Opinion Is Formed

Insuring is an exact science, says the "National Agents' Record." Those who engage in the work fairly, have standing in the community in which they live; those who do otherwise are rightly looked upon with suspicion, and they lower the business in the eyes of the public. They are the cause of a feeling which exists in the minds of many, against insurance, and against insurance agents. This attitude of the public is evidenced by the findings of judges, and the verdicts of juries. Most of the men in the field are doing their part well, but some are not. The best results cannot be obtained as long as the public is antagonized by improper conduct, and the antagonism will exist as long as the improper conduct does. Let those, therefore, who have been unmindful of their responsibility and their duty, turn over a new leaf and have regard for it.

* * *

Government Help For Contractors

As to annulment of contracts because of war conditions the Fidelity and Deposit says in a recent issue of "The Journal":

By an Act of Parliament of England, a party to a contract entered into before August 4, 1914, date of declaration of war, may file application with the court for annulment of the contract, leaving the disposition thereof to the discretion of the court.

A French law was also passed providing that certain contracts may be cancelled at the request of either of the contracting parties, if it could be proved that by reason of the state of war the execution thereof will be prejudicial to the contractor or cause unwarranted expense.

The various state, county and municipal governments throughout the United States cannot, in justice to contractors who entered into contract prior to April 6, 1917, to perform work for a stipulated agreed price, and to public interests, close their eyes to the burdensome conditions brought on the contractor by war conditions, but should consider the advisability of affording him that relief which the Parliament of England, the French government and State of New York, have in their wisdom afforded the contractor under similar circumstances.

* * *

Larger Burglary Policies Can Be Sold

As an argument for full insurance the Fidelity & Deposit tells of a claim presented by a resident policyholder for $5,000, covering the loss of miscellaneous articles of jewelry the aggregate value of which was $7,200. The assured suffered the loss of the difference simply because some one neglected to provide him with sufficient insurance and the fact that he is now carrying a twenty-five thousand dollar policy is evidence.

Everyone must realize that the value of all personal property is advancing rapidly and will probably cost 50 per cent. and in some instances 100 per cent. advance in price to replace at this time. It is also evident that the present wave of prosperity has greatly increased the number of valuable articles in a great many households, which places our policyholders in the same position as our claimant above referred to.

The time is now opportune for agents to take advantage of this situation by circularizing their respective burglary policy holders and urge them to increase the amount of insurance commensurately with increased values.

* * *

Making Good Use Of Part Time Men

H. T. Alabaugh of the Massachusetts Bonding has in three years built up his monthly premium collections from $10 to over $500. He believes that poor territory is no alibi for failure. He says that while the agent who has his headquarters in a small town cannot carry as many prospects on his list as an agent living in a larger town or city, he will write a larger percentage of them because competition is not so keen. "My town has a population of less than one thousand; I started about six years ago as a part time agent—the way most accident and health men make their start in the insurance business. It looked very discouraging to me, especially the first year during which I only gave it my spare time. Finally I made up my mind that there is good money in writing disability insurance so decided to invest my full time in the work.

"During the past year as a district manager I have been successful in placing a number of part time men and wish to state that they have been a valuable asset to my agency. They may only write half a dozen or so each month but it is surprising how the business grows and stays on the books. Through part time agents a manager may give service to his policyholders and I often tell new policyholders whom I write that it is just as convenient for them as though the home office was located in their town. I am always on the job when a claim arises to show them that I am just as eager to take care of the claims as to collect the premiums.

"Take a town or a village where you may already have a few policyholders on the books; then single out one of them who is located permanently and who is not in the draft age; interest him—and I know it can be done if you will make it interesting for him—in this way you will get him started on a small scale and business will stick much better because the company is represented in their own community. It will pay any sub-agent and there are any number of men who are willing to make some extra money in addition to their pay envelope. Furthermore, a good many people would rather help some one in their own community than a non-resident.

"More than two years ago I tried to convince myself that I had written practically all the prospects in my territory and thought I would have to resort to some other quarters in order to keep going. Now I am fully aware that this was a mistaken idea as I have been doing business ever since, have more prospects than I had two years ago and I am getting a better class of business. For this reason I am in favor of cultivating a small field and doing it up right rather than trying to cultivate more than I can handle."

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE
CHICAGO

F. W. LAWSON
General Manager

Liability, Accident, Burglary, Boiler and Credit Insurance

Established 1869.

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers
New England

London Guarantee & Accident Co., Ltd.
OF LONDON, ENGLAND

After the Railroad Men

As a hint to its agents the Massachusetts Bonding says that railroad men are being paid higher wages today than ever before and they are sure to have all the work they can do. This means that the two biggest arguments railroad men have always used as to why they should not buy insurance cannot be used at present, so railroad department agents who are out after the business are getting more than ever before. Each agent should study his own record very carefully, for by so doing most agents can easily work out a plan that will enable them to double or treble their present collections.

* * *

The War Spirit In Soliciting

Get the range, says the Interstate Life & Accident. Then turn on your rapid fire guns! That's what our boys "over there" are doing. Size up your prospect—study his needs and his ability to pay, that you may the better know the kind of policy and how much to sell him. Show him that one week's salary a year, one bale of cotton, or one fat hog will buy two or three times as much insurance as could have been bought with the same commodity a few years ago. Physicians have answered the call to service until now those who are left have twice or three times as many calls as formerly. They are able to double their insurance. The wise agent will make use of this suggestion. Will you?

* * *

Getting Ready in Virginia

Before the Virginia Industrial Commission organizes to take up the work of administering the compensation law it will visit the commissions of other states and gather information. The rates for Virginia have been prepared by the Bureau and are ready for use when required.

The Employers' Liability Assurance Corporation, Ltd.

The original and leading Liability Insurance Company in the World

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE

United States Branch

SAMUEL APPLETON, United States Mgr.

Employers' Liability Building

33 BROAD STREET, BOSTON, MASS.

AGENTS WANTED

Socialized Insurance

(Continued from page 21)

cent. of the wage-earners, 'Buy on credit, and then pay only half the account, leaving the balance for the grocer and taxpayer to make up.' Let us go on to the banks and plan so that 80 per cent. of the people can borrow money and only have to pay back 50 per cent. Each of those plans sounds fantastic, but they are exactly in line with the Mills Bill or the Nicoll Bill or the propagandist plan for social insurance.

"Social insurance propagandists are closely related to the I. W. W."

Annual Conference

(Continued from page 21)

hold over until the executive committee and appoint a successor.

The delegates took lunch at the Merchants Club as guests of the Baltimore Insurance Society and this was followed by an automobile ride through the city with a dinner in the evening at the Baltimore Country Club at Roland Park. Executive committee met later in the evening and appointed the standing committee for the ensuing year.

I Am Public Opinion



All men fear me !

I declare that Uncle Sam shall not go to his knees to beg you to buy his bonds. That is no position for a fighting man. But if you have the money to buy, and do not buy, I will make this No Man's Land for you !

I will judge you not by an allegiance expressed in mere words.

I will judge you not by your mad cheers as our boys march away to whatever fate may have in store for them.

I will judge you not by the warmth of the tears you shed over the lists of the dead and the injured that come to us from time to time.

I will judge you not by your uncovered head and solemn mien as our maimed in battle return to our shores for loving care.

But, as wise as I am just. I will judge you by the material aid you give to the fighting men who are facing death that you may live and move and have your being in a world made safe.

I warn you — don't talk patriotism over here, unless your money is talking victory Over There.

I am Public Opinion!

As I judge, all men stand or fall!

Buy U. S. Gov't Bonds Fourth Liberty Loan

Contributed through Division of Advertising

United States Gov't Comm. on Public Information

This space contributed for the Winning of the War by

THE EASTERN UNDERWRITER

Commerce

NOV 7 1918

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

Nineteenth Year; No. 45 | NEW YORK, FRIDAY, OCTOBER 25, 1918 | $3.00 a Year; 25c. per Copy

TAKE TWO SUMNER BALLARD COMPANIES

Hamburg Assurance and International Seized By A. Mitchell Palmer, Alien Property Custodian

PALMER NAMES 11 DIRECTORS

Superintendent Phillips Heads Committee to Advise Palmer in Operation of International

A. Mitchell Palmer, Alien Property Custodian, has taken over the Hamburg Assurance Company, of Hamburg, Germany, organized in Germany in 1897 with a capitalization of 10,000,000 marks and first began to do business in this country in March, 1914. The Hamburg Assurance Company owns all the stock of the International Insurance Company of New York, which has also been taken over by Mr. Palmer, and American directors installed. These are known on the Street as "The Sumner Ballard Companies," as Mr. Ballard was president of the International; and Mutzenbecker & Ballard, Inc., later Sumner Ballard & Co., were managers of the Hamburg.

How "J. of C." Printed News

Underwriters were not so much interested in the taking over of the companies, which has long been predicted, as they were to know whether Sumner Ballard, editor of the insurance page of the "Journal of Commerce," would print the story on his page on Tuesday morning, the same time the news was first published by other daily papers. He did not. Instead, the story appeared on the first page and was carried over to the paper's second page.

The "Journal of Commerce" headlines read: Palmer Seizes Two Enemy Companies. Chemical Plant and Insurance Company Taken Over. Gersterdorfer Bros., Manufacturers of Varnishes and Enamels Is Owned Mostly By Enemies. Hamburg Assurance Co. Also Taken."

International's Capital $200,000

The International Insurance Company is capitalized at $200,000. The "Journal of Commerce" said that in 1917 its premium income was "$7,888,413." This, of course, was a typographical error. In 1916 the company wrote or renewed premiums of $464,808.

The affairs of the Hamburg Assurance Company have been fully liquidated, and after paying all liabilities, approximately $500,000 of net assets remained, which has been taken over by the Alien Property Custodian.

The International Insurance Company will be operated under control of

(Continued on page 18)

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Service to Policyholders and to Agents Unexcelled.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager
UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

SPRINGFIELD
Fire & Marine Insurance Co.

Cash Capital $2,500,000.00

THE SPRINGFIELD for two-thirds of a century has transacted business solely under its own corporate name, without annexes, underwriting agencies or subsidiary companies. An agent of the SPRINGFIELD is not a half, a quarter or any other fraction of an agent, but is vested with the rights and dignity of an undivided representative of an undivided and independent company. The SPRINGFIELD stands today pre-eminent among American fire insurance companies.

SPRINGFIELD MASSACHUSETTS

THE GAUVIN AGENCY

CONGRESSMEN DISCUSS WAR RISK BUREAU

Fault Found With Delay in Allotment Checks—14,000 Employes in Bureau

MADDEN NOW CHIEF CRITIC

Bureau Defended By Sherley and Treadway—Does Best it Can Under Circumstances

The daily papers on Friday of last week carried stories to the effect that the War Risk Bureau had been severely criticised by Congressmen, largely based on the large number of employes of the Bureau, and the fact that these employes are alleged not sufficient in number to take care of the work; also, that there is complaint throughout the country about delays in receiving allowance checks. A large appropriation for the Bureau has been asked, which started the debate.

Extracts from the debate follow:

Chief of Bureau Gets $5,000

Mr. Moore of Pennsylvania. What is the salary of the chief of the bureau now?

Mr. Sherley. Five thousand dollars.

Mr. Moore. An effort was made some time ago to increase that, and if my recollection is not awry it failed. There has been a change in the head of the bureau recently, has there not?

Mr. Sherley. Yes. Mr. De Lanoy has resigned, I understand.

Mr. Moore. It is a very important bureau of the Government, and its importance is increasing every day, as every member of Congress can very readily attest. But this being a deficiency appropriation, and a very large one at that, I would like to know whether by virtue of this appropriation we may expect that the work of the bureau may be accelerated?

Mr. Sherley. I would not say by virtue of this appropriation. I hope that as the bureau becomes better and better organized we will get better service. I have at times been somewhat critical of the bureau, and yet it is only fair to say that it has probably had the biggest task of any single bureau of the Government, outside of a department like the War Department. The amount of insurance, for instance, that this bureau is carrying exceeds manyfold all of the insurance of all of the private insurance companies in America and elsewhere. There is something like $34,000,000,000 worth of insurance that this bureau is now

THE GAUVIN AGENCY

supervising and carrying for the Government, and the task is really a herculean one.

I know that members of Congress have and continue to have cause for complaint, due to mistakes in allotments or failure to make allotments, and so forth, and there have been in the past a good many things that have been the proper subject of complaint. But alongside of that there must be borne in mind the tremendous magnitude of the task that has been imposed on this bureau.

Mr. Moore. I concede the magnitude of the work, and I would like to help those in charge to advance it. It seems to me the pay of the chief of the bureau is not what it ought to be, considering the responsibility he has.

Mr. Sherley. I am inclined to agree with the gentleman, but the committee did not feel warranted, particularly at the time this hearing was had, to increase the pay of the head of the bureau.

Mr. Moore. But this much I wanted to say in the presence of the gentleman and his committee, that for a long time, having due regard to the difficulties confronting this bureau, the correspondence with my office was generally very satisfactory. I had no fault to find with it. But I have observed recently that it has fallen back considerably, and that some letters are much delayed, which, I assume, may be due to the fact that they have not sufficient force, or they have not got their machinery together, as they would like to have it; for that reason I inquire if this appropriation meant that the work may be hastened so that complaints may be lessened. * * *

After the War

Congressman Moore. How long does the gentleman (Congressman Sisson) think the War Risk Bureau is going to last?

Mr. Sisson. Of course, nobody can tell. It depends upon how many of our boys are injured and how much administration will have to be had to work out the legislation whereby Congress has committed itself to the soldiers in certain lines of help.

Mr. Moore. The insurance feature will necessarily tend to prolong it.

Mr. Sisson. I think quite a number of years; but I will say that ought to be worked out as soon as the war is over, so that the force could be gotten down to a minimum within a year or two after everything settled down. Then it becomes largely a question simply of paying what is due to the soldiers. Some of them may take it in lump sums, and some may decide to take it monthly or annually, under the other plan.

Mr. Dallinger. Is it not possible for the Committee on Appropriations to give the War Risk Insurance Bureau enough money so that in some way we could find out how they are spending the money, and so that dependent families could get the allotment provided under that act? I get a dozen letters a day from people in my district, objects of charity, who have not got anything for five or six months, and they can not get any satisfaction from the Bureau.

Isolated Cases

Mr. Sisson. A few isolated cases might be found in all the districts. When the change was made from the Bureau of War Risk to the War Department in reference to the soldiers to whom the Government made no allotment out of the Treasury a great deal of confusion arose. Many soldiers were in France when the War Department undertook a re-allotment by the soldiers and have a filing of new papers by the soldiers, and that caused a great deal of delay. But we now have the assurance of General Lord, who is anxious that the soldiers' families should get all the allowances intended under the law that they now have, and he says that they have about cleaned up that matter. The fault has often been with the soldier who neglected to make the allowance to his family. There are certain allowances under the law which the soldier himself must make. The Government cannot compel him to make them. They cannot compel a soldier to make an allowance to his father, his mother, his brother or sister. * * *

Madden Critical.

Mr. Madden. One would naturally think that with 11,000 or more people in the War Risk Bureau who are supposed to be there for the purpose of facilitating these payments the work could be kept current. I undertake to say that I can organize a war risk bureau, systematize it and get the work current with 3,500 people.

Mr. Dallinger. I have hundreds of cases in my district where soldiers went to the western front thinking their families were provided for. They had been furnished with a summary of the act which showed that if a soldier made an allotment of his pay direct to his wife or to his father or mother that the Government would add so much more. These men go away thinking that everything is taken care of. Now, there is an order issued which provides that the soldier must make a new allotment. I do not know what the reason was—it may have been a very good reason—but what I am trying to get at is this: After a soldier has made his new allotment, then, as I understand, the War Risk Bureau will honor that and the dependent family will get the allotment and the allowance that goes with it; but what is going to happen in regard to the four or five months' pay that the soldier supposed had been given to his dependent family, plus the Government's allowance, and which the family has never received?

Different Classes of Payment

Mr. Sherley. The gentleman is confusing the two different classes of payment. There are certain allotments made to dependents which the Government matches with funds of its own. They have always been and are now paid by the Bureau and there has been no requirement for a new allotment of such payments. There are also certain voluntary allotments which the soldier can make and which for a while were paid through the War Risk Bureau. Under the law it was found that the War Department should make these payments and it does now make them and is insisting upon a new allotment, a new designation made by the soldier for the continuation of such allotment. Now, the gentleman asks what happened in the period between the time of the old determination of the soldier and the new. Touching those which are compulsory and which the Government supplements nothing happened. The family is entitled all through to receive that through the Bureau. Touching the voluntary one in reference to the pay of the soldier when he makes his new voluntary allotment, he may make it revert back or make it continue from the date of the new pay, because this allotment comes out of his pay, only to the extent that he is willing it should come out, and so the matter is entirely in his hands, and it is not a question of the appropriation of moneys in order to take care of that sort of situation, though it is true there has been a great deal of delay and confusion, unfortunately, in acquainting the soldier with the need of making a new allotment, and the result was that the War Department shut off payments until a new allotment was made and there were a lot of families of soldiers who were denied this allotment that the soldier thought he had made.

Representative Madden said that instead of 11,000 clerks there were in reality 14,000 clerks in the War Risk Bureau; that they were so crowded that there was great danger from the influenza epidemic; and he further declared that some of the clerks were loafing.

Defended By Treadway

Representative Treadway paid a tribute to the War Risk Bureau saying in part:

"I say this further, Mr. Chairman, that in view of the very large amount of insurance carried and the very quick time in which it has been put into operation, and the fact that no policy can be issued for more than $10,000, the expense of conducting that bureau and the fact that they are asking $7,580,000 all told is not an unreasonable expenditure. I agree with the gentleman from Illinois perfectly that the clerks here ought to be expected to do a full day's work, men and women alike, but I do wish to uphold the manner in which the Bureau of War Risk Insurance is performing its duty, the service it is rendering to the men in uniform, and the great benefit it is to the families of these men. We are asked to appropriate $7,580,000 to handle that work, and it is none too much. It is carrying nearly twice, Mr. Chairman, the amount of life insurance in effect in this country at the breaking out of the war, and no life insurance companies could ever have written any such aggregate amount of insurance for the amount that has been expended, or is asked for by the Government in this appropriation bill. Naturally, mistakes occur, but I think considering the enormous task it has, the work is as well done as we could expect."

HOLDS $2,150,000 IN LOAN BONDS

The Guardian Life has increased to $1,000,000, its original subscription of $600,000 to the Fourth Liberty Loan, thus "doubling the Third," —its subscription to the Third Loan being $500,000. The company's total holdings of Liberty Loan Bonds are now $2,150,000.

PURELY MUTUAL THE CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, $1,604,426,324

SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued

POLICIES MOST FLEXIBLE AND EASY TO SELL

Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

GEO. E. COPELAND,
Supt. of Agencies,
Milwaukee, Wis.

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY
of the United States

For agency openings address:
W. E. Taylor, Second Vice-President

EQUITABLE

Warren M. Horner Leaves Provident Life & Trust Co.

WILL BE IN RED CROSS WORK

An Unusually Successful General Agent Who Has Done Fine Educational Work

Warren M. Horner, general agent of the Provident Life & Trust Co., for Minnesota and South Dakota, and one of the leading figures in agency circles, has resigned. He has volunteered to do Red Cross work overseas and will probably sail some time in December. The Minnesota territory of the Company has been divided into three separate organizations with Thomas B. Silliman, general agent in Duluth; Alvin G. Herrman, general agent in St. Paul; and Frank M. Flory, general agent in Minneapolis. John A. Blond has the title of city agent in Minneapolis.

With Provident Life & Trust 24 Years

Mr. Horner has been in life insurance for a quarter of a century. One year after beginning to carry the rate book he went with the Provident Life & Trust, with which company he has been unusually successful.



WARREN M. HORNER

Few men in life insurance have had a clearer idea of the responsibility of the agent towards the community; and, at the same time, he has done his share in making the agent realize that responsibility and in helping him to measure up to it. Having the gift of clear and pungent expression Mr. Horner has been a frequent and valued contributor to the literature of the business. His work in the Lippincott Training Series, "Training For a Life Insurance Agent," had a wide circulation. It was a book which contained the essence of business-getting success. In his mind when he wrote it was the thought that life insurance, the most scientific business in the world, uses very unscientific methods in the producing end.

A Pioneer in Business Insurance

Mr. Horner was one of the first men to see the possibilities in business insurance, not only making a success as a producer of it, but he did as much as any other man in creating a nation-wide demand for these policies. As far back as 1910 Mr. Horner delivered an address before manufacturers in Iowa on corporation or business life insurance. This address, later printed in pamphlet form, was widely circulated and is still being copied by life insurance publications.

Another activity which drew attention to Mr. Horner was his propaganda for institutional advertising, a campaign to bring life insurance more prominently before the reading public.

About the most recent pamphlet of Mr. Horner was a long and carefully thought out brochure on the taxation question at Washington.

Took Positive Positions

Mr. Horner has not always agreed with other life insurance men. When he once made up his mind to start an educational campaign, to criticise some phase or personality of the business, or to enter a controversy he threw his whole heart and soul into it. It was the result of sharp criticisms on the managing forces of the National Association of Life Underwriters that his relations with the association became cold. The forces Mr. Horner criticised in turn criticised him, and some feeling was aroused. He did not attend the last convention at the Hotel Astor.

Farewell Letter

In a letter to his associates Mr. Horner said in part:

"It would be nothing short of fulsome for me to dwell upon my genuine feeling of friendship for you and great appreciation of co-operation of those who have been my associates in building the business which we now represent. Also, would it be superfluous for me to amplify upon the personal regard which I have formed for the officers of The Provident Life and Trust Company and the respect which I hold for the Company itself. You all fully realize that the well-merited enthusiasm of the agents of the Company for it as a corporate entity, and the personnel of its officers, is an asset which has been used by me unstintedly in enthusing you and in swaying clients as well."

Company Estimate

In the next issue of "Provident Notes" the Provident Life & Trust will have an interesting estimate of Mr. Horner, which reads in part:

"Probably no general agent of the

(Continued on page 10)

LIFE INSURANCE SALESMANSHIP

¶ Your agents should read the 1918 Life Insurance Salesmanship Edition of The Eastern Underwriter containing practical sales experiences told by the agents who had same. We have a limited supply of this edition on hand for distribution. Orders for same will be promptly filled while they last at 25 cents a copy.

THE
EASTERN UNDERWRITER CO.
105 William Street, NEW YORK

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE
PRUDENTIAL
INSURANCE CO. OF AMERICA
Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

R. J. Mix Most Quoted of Insurance Writers

WAS GREAT BELIEVER IN INCOME

Death of New York Manager of The Prudential Greatly Regretted—His Insurance Career

Robert J. Mix, New York City manager of The Prudential, news of whose death from pneumonia was printed in The Eastern Underwriter of last week, will live long in the memory of life insurance agents, thousands of whom knew him through his published philosophy on salesmanship, his hints and his pointers for field workers, although many had never met him personally. He had an unique literary style, making his points in short, terse sentences, always constructive, criticising only indolence and shirking. In his famous "Mix's Mustard" letters, issued when the spirit moved him, he clung faithfully to exclamation points and used capital lettered words a la Arthur Brisbane. More than anything he loved to sound the praises of income insurance because in his long career he had seen the practical application of the income idea.



R. J. MIX

His Last Writing

For years he was a contributor of articles to insurance papers, always saying something of a helpful nature to agents, and one of the last articles he wrote was an argument for income insurance, written for The Eastern Underwriter. A representative of this paper went to his office to solicit the article. Instead of asking for a time-limit he called his stenographer and dictated it immediately. Clearly, forcibly, quickly, he told his story which was a little masterpiece.

His last written message to agents was this notation at the top of a bulletin of production, hung on the wall:

"What a splendid September showing for us—way, way ahead of what I expected, and by far the biggest September in the history of the agency! Accept warmest congratulations. Now for a bunch of applications in October! Go to it!"

P. R. Garrison, who is acting manager of the New York office, said that Mr. Mix was one of the fastest thinkers he ever met, was square and upright, and had a way about him which attracted agents. He was generous, giving much to charity.

Robert J. Mix was educated in Syracuse University. After graduation, he studied law in the office of the late Senator Frank Hiscock, but his health gave out and he went West. In Minnesota he entered a railroad office, saw the great need of stenographers, picked

(Continued on page 10)

Answers Munition Workers Editorial

REPLY TO NEW YORK "TIMES"

Director Little, of American Museum of Safety, Says These Laborers Are Protected Now

R. M. Little, director of the American Museum of Safety, has written a letter to the New York "Times," answering the editorial that newspaper had, in which there was advocated a government insurance on munition workers. This is the letter.

To the Editor of the New York "Times":

The "Times" editorial on the subject of "Insurance for Munition Workers," in the issue of Oct. 8 is evidently based upon a misunderstanding of the protection which the Federal Government assures munition workers, as all employes working for the Government are covered by the Federal Compensation act, which became a law September 7, 1916, and which is administered by the United States Employes' Compensation Commission.

The Gillespie Explosion

The employes at Morgan station recently killed or injured by the explosion were covered by this act, as the T. A. Gillespie Company is acting for the Government, and the Federal Compensation Commission has ruled that the employes are civil employes of the United States. Workmen injured before the explosion received benefits under the act and, of course, therefore, all those injured or killed by the explosion were likewise covered by the act. The medical officer of the Commission, Dr. John W. Trask, was early on the ground to see that all injured workers received prompt and proper medical and hospital attention, and also to assist beneficiaries to prepare claims for compensation.

Section 6 of the act provides "that the monthly compensation for total disability shall not be more than $66.67, nor less than $33.33, unless the employe's monthly pay is less than $33.33, in which case his monthly compensation shall be the full amount of his monthly pay. The monthly compensation for partial disability shall not be more than $66.67."

In addition to the monetary benefits, the Government must provide reasonable medical, surgical, and hospital services as long as they are needed. In other words any civil employe of the United States injured in service is entitled to two-thirds of his monthly wage, provided his monthly pay is not more than $100 nor less than $50 per month. Most employes in the hazardous plants of the Government are now making more than $100 per month, and therefore do not receive the equivalent of two-thirds of their wages during the period of disability, but they do receive at least $66.67 per month and medical attention. In case of the death of a workman on account of his employment the Government provides $100 funeral expenses and that his widow shall receive 35 per cent. of his wage each month during widowhood, and his children 10 per cent. each until they are 18 years of age, but the total family payment cannot exceed $66.67 per month. A dependent widower receives the same compensation as a widow. Dependent parents, sisters, and brothers receive benefits under the law. The administration of the law indicates that a widow and three or more children of an employe of the Government, who loses his life in the service, may receive from $7,000 to $15,000 compensation insurance, paid to them in monthly installments until the children are 18 years of age and the widow dies or remarries.

All Covered

If the point to the editorial was that Congress should provide some method of insurance in addition to the compensation insurance, a distinction should have been made. Employes in all the munition plants where a contractor is acting as an agent of the Government are covered by the Federal Compensation act, and nearly all the explosive manufacturing plants are Government plants. Whenever a firm, however, is acting as independent contractors and not as agents of the Government, the employes are covered for compensation purposes by State compensation laws. In case there are no compensation laws, as in ten Southern states, the contractor takes out casualty insurance, which is charged against the Government. There are no men and women making munitions for the Government who are not covered by some form of compensation insurance.

R. M. LITTLE,
Director the American Museum of Safety.

HIGH HONORS FOR COL. HOWARD

Secretary of Travelers Awarded Distinguished Service Medal and Croix de Guerre

Word comes that Lt. Col. James L. Howard, of the divisional staff of the 26th Division, fighting under Major General Clarence R. Edwards in France, and secretary of the Travelers Insurance Company, has won high honors for brave conduct under fire and is decorated with the distinguished service medal and also with the croix de guerre. Lt. Hines of Boston, an officer of the 102nd Infantry, leading regiment of the division, was in Hartford last week and told the story to a number of friends of Lt. Col. Howard. In the recent operations in the St. Mihiel salient a force of Americans was making a diversion attack toward Marsheville, near St. Mihiel, and the Hartford officer was detailed to accompany Colonel Hobbs, commanding the 102nd, and members of the regimental staff, who were advancing with two battalions. In the progress of the movement these officers became separated from the battalions and in advance of the soldiers found themselves, with their small escort, in the town where there were Germans. They took some prisoners, but a larger force of Germans nearly surrounded them. Then they fought their way through and regained their force.

It was a thrilling adventure and one which earned the commendation of the high officers. The attack made as a diversion was pressed and as a result the town was taken. The main attack, made by the division, also succeeded. This was along a front farther to the north and was an important part of the extended movement which wiped out the St. Mihiel salient.

GUARDIAN LIFE CLAUSES

One Limits War Liability to Return of Premiums—Other Provides Extra Premium

The Guardian Life is issuing two new forms of War Clause, namely:

(1) Clause A—Limiting the liability of the Company to the return of the premiums paid.

(a) If the Insured dies during the first five policy years while engaged in or as a result of military service outside of the Continental limits of the United States of America, or military service involving aeronautics or naval service whether within or outside of the Continental limits of the United States of America, in time of war, or

(b) If the Insured dies during the first two policy years while engaged in or as a result of Red Cross service or other relief work in connection with actual warfare or as a result of a state of warfare, riot or insurrection while he is traveling or residing as a civilian outside of the said Continental limits of the United States of America, or

(2) Clause B, containing in addition to the above a provision for the granting of a permit under which the Company assumes the war hazard for a limited amount of insurance in full in consideration of the payment of such an extra premium as according to the nature of the risk to be covered shall be required by the Company at the time of issuing or renewing such permit.

For the present it is the Company's purpose to charge an annual extra premium of $100 for each $1,000 of insurance for assuming the risk of military or naval service in war under a permit granted for a policy issued on or after October 1, 1918, the total extra premium required not to exceed, however, $200 for each $1,000 of insurance.

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,-542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Great Southern Life Insurance Company
HOUSTON, TEXAS



For Agency Contracts address
O. S. CARLTON
PRESIDENT

Put Insurance "Pep" Into New York's Police Loan Drive

WALLIS HAS RAISED $120,000,000

Got Douglas Fairbanks to Sell $7,000,000 Subscriptions Here—Had Every Cop in Town on Job

When Frederick A. Wallis, the life insurance agent who is deputy police commissioner of New York, was asked if he would take charge of the New York city police drive to raise $30,000,000 in Liberty Loan subscriptions he said immediately: "Yes, I'll do it if you make the quota $50,000,000." Probably if he had realized the superhuman efforts which were necessary to get that huge sum of money he might have hesitated, but his life insurance experience had taught him to aim high.

For a time it seemed too high but by Saturday night of last week it was so sure that when the President of the United States heard about it he bought a $1,000 bond in appreciation, a fact telegraphed to the Police Department by Secretary Tumulty. Later returns showed that $120,000,000 was subscribed through the police in the campaign engineered by Mr. Wallis.

The job of getting the people of New York to subscribe for $120,000,000 through the police came to the life insurance general agent-Police Commissioner because of the genius and energy he displayed in the drive recently ended to raise money for police reserve uniforms by means of a field day. Mr. Wallis engaged Caruso, McCormack and other stars to sing; induced aviation authorities to send enough aeroplanes to form a battle division (42 planes) and so aroused the town by his advertising and the police by the potentiality of his inspiration that the greatest crowds in the history of the world gathered—200,000 people being one day's audience. More than $500,000 was raised.

Just before the Liberty Loan campaign opened Commissioner Wallis gathered the Inspectors, Captains and Lieutenants before him and outlined the plan of the campaign. Each policeman was to be instructed not to get subscriptions perfunctorily, but to put his whole heart and soul into it. Prizes were offered to the individual policeman for the largest number of bonds sold, largest amount, etc. The famous Glee Club, composed of policemen, and the equally distinguished police band, were assigned exclusively to Liberty Loan duty for the entire period of the dirve.

From the time the drive opened until it closed Commissioner Wallis was idle only a few hours each night. A sample routine was to arrive at his office at 9 o'clock; where after three crowded hours he started off with the Glee Club, the band and Liberty Loan speakers. He talked on street corners, and at street theatres; at regular theatres; in school houses; at restaurants and kept going until the small hours of the morning; always selling Liberty Bonds. One morning at 2:30 o'clock he sold $50,000 of bonds in Child's Restaurant in Columbus Circle. One night he took his Glee Club to the cabarets and after midnight raised $400,000. Such stars as Geraldine Farrar, the opera singer, were only too glad to offer their services to the police department.

The best idea that Mr. Wallis had, however, was when he obtained the consent of Douglas Fairbanks, the moving picture star, to come to New York and sell bonds for the police department. Fairbanks flew here from Washington in an aeroplane as third class mail matter, paying 16 cents for postage. Arriving here he got a $1,000,000 subscription from Pliny Fiske, the banker. On the following day Fairbanks went to the sub-treasury building at noon, sold $3,000,000 in bonds, and then gave a one-man parade up Broadway and Fifth Avenue, an event which will long live in the curious annals of the city, as the high-water mark of personal popularity on the part of an individual not in public life. The parade consisted of the police band, "Doug" Fairbanks on foot; Fred Wallis and Harry B. Rosen in an automobile and the police Glee Club. About 1,000,000 people turned out to cheer 'Doug." Incidentally, he flew back to Washington with subscriptions from New York of $7,000,000, which he presented to Commissioner McAdoo on the steps of the Treasury Building. The subscriptions were all credited to the police department.

There were many other notable features in the drive, one of these being an individual subscription of $1,000,000 given to traffic policeman William Roberts at Broadway and Dey streets. It came from the Western Union Telegraph Co.

Mr. Wallis made speeches until at the end of the drive he was hoarse. Harry B. Rosen gave up his life insurance work during the drive to help the police and his old friend Wallis. Mr. Rosen proved a wonder at getting individual large subscriptions, giving some of his own (it is said he owns about $1,800,000 in Liberty Bonds), and he stimulated bidding at meetings by offering large subscriptions if they were matched. At the Union League Club he offered $25,000 for the stamped card attached to Douglas Fairbanks when he flew here from Washington.

The success of Commissioner Wallis in the police reserve uniform and Liberty Loan drives was so extraordinary that he has become one of the most discussed men in the town. He accepts it all modestly, giving credit to his life insurance experience for the ideas he used so effectively.



FRED WALLIS (LEFT) AND HARRY ROSEN (CENTER) SNAPPED DURING LAST DAYS OF LOAN DRIVE WHEN BOTH WERE COMPLETELY FAGGED AND IN NEED OF SLEEP

CANADIAN RESEARCH BUREAU

The Life Underwriters Association of Canada is to inaugurate for the benefit of its members a research service which would give them most recent and complete information regarding companies, legislation, plans, methods, selling arguments, etc. This will be under the direction of our General Secretary and should prove very valuable to our members and the companies they represent.

INSURED AT AGE 70

Necessity for Protection to Cover Inheritance Taxes Source of Enormous Business

It is not often that a man seventy years old is accepted by a life insurance company. Frank A. Berthold, 55 Liberty Street, New York, has recently placed such a line to cover inheritance taxes. The insured took the limit in one company and the premium was $6,000, which is at the rate of 12½ per cent premium.

Mr. Berthold finds that the opportunity for big business to protect estates against inheritance taxes is exceptional. In fact it is almost beyond belief. Many men and women well along in years eagerly seek this insurance. In writing this class of business the applicant is often heard to say, with deep regret, that he was so short-sighted as not to have seen the advantages of life insurance during his younger years. Only the situation growing out of the inheritance tax laws has resulted in these dilatory insurers coming forward at this late day and paying the almost prohibitive premium which is now absolutely necessary to carry the risk. That is, it would be considered prohibitive from the viewpoint of one desiring life insurance for the same reasons that most men and women take it. But as regards inheritance taxes no device has been found which so well serves the purpose of protecting estates as does a life insurance policy. The insurance must be had even at the higher cost.

In this particular case the inheritance tax is $125,000. If the insured should die the first year of the policy the discount of five per cent allowed for immediate cash payment is more than the premium paid. Furthermore the policy does away with the necessity of turning securities into liquid cash at a time when the market might not be favorable.

GOOD WORK IN FIGHTING "FLU."

After a conference between Dr. Lee K. Frankel, of the Metropolitan Life, and Dr. Victor Blue, Surgeon General, circulars to all agents of the company were sent by the Metropolitan to aid in fighting influenza. These circulars gave instructions regarding observance of necessary preventative rules to be observed. The Metropolitan's nurses have done splendid service in all communities where the epidemic raged.

LIFE COMPANIES HELP

Representatives of the Philadelphia life insurance companies have agreed with the Mayor of the city to arrange to make insurance money available towards reimbursement of reasonable undertakers' bills, after a conference with him in regard to the influenza epidemic.

Mr. Successful Life Insurance Agent:
Do you want to secure a General Agency for yourself? If so, read this, it is
WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000, or THREE TIMES the face of the Policy, will be paid.

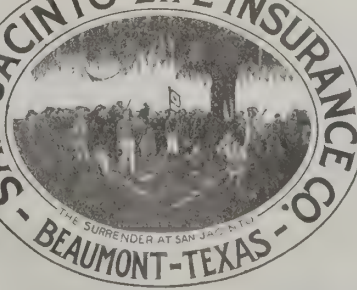
BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And WHY should any man be satisfied with a policy that would do less? The cost is low.

General Agents wanted in the following States: Pennsylvania, Delaware, Kansas, Michigan, Ohio and the District of Columbia. Address:

UNITED LIFE AND ACCIDENT INSURANCE CO.
Home Office, United Life Bldg., Concord, New Hampshire

To the Man Who is Willing—and Will

SAN JACINTO LIFE INSURANCE CO. - BEAUMONT-TEXAS -



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

Existing Conditions Favorable To Writing of Insurance

By John B. Lunger

On October 1st the new business of the Equitable Life Assurance Society issued for the year (excluding group) showed an excess of $7,600,000 over the new business issued in the corresponding period of 1917. The gain in paid-for business during the same period amounted to $2,600,000. In commenting upon these facts Vice-President Lunger called attention to the number of producers in the nation's service and said:

"If our staff had remained intact it is estimated that the gains in paid-for business at this time would be not less than $12,000,000; consequently it follows that the general conditions existing are favorable to the writing of life insurance. This is especially true as regards wage-earners who have no idle periods and who are netting, after meeting the high cost of living, larger incomes than at any time in the history of the country. Therefore a wonderful opportunity exists for writing a large number of applications and for soliciting larger individual insurances. At present it should be as easy to write an application for $2,000 as it was formerly to write one for $1,000.

"In addition, the necessities of war have impressed upon our people the importance of thrift. It is only by thrift that the family circle can be protected; and it is only through thrift that the bonds now being issued for war purposes can be ultimately liquidated. Thrift, careful painstaking thrift, is and must continue to be the bulwark of our national well being; and every agent who encourages thrift through a life insurance policy is doing a patriotic as well as a humanitarian deed.

"When the extent of the demand for men and women of intelligence in all branches of finance and industry is considered, the number of the new agency contracts signed is surprisingly good, showing that life insurance is not without its attractions to those who discriminatingly seek opportunities for life work, or who are obliged to seek some new employment by reason of the curtailment of non-essential industries. At this point a word of caution is in order. The Federal Government has renewed its ruling that the business of life insurance is not regarded as non-essential to general business. This means that any man who occupies a necessary and responsible position with an insurance company or agency, and has been granted deferred classification in the draft is not required to seek other employment under the 'Work-or-Fight' order. It is possible, however, that each Draft Board may look upon the question from the standpoint as to whether the agent is active or not. This ruling places on our managers the responsibility of using the utmost care and caution in the employment of men who are under the age of 46; and every manager must see to it that applications for agencies from men under this age are not being made to secure an excuse or pretext to avoid service in industrial occupations necessary to a successful conduct of the war."

INFORMAL DISCUSSION

American Institute of Actuaries to Talk On War Risks and Securing New Business

The American Institute of Actuaries will hold its Fall meeting at the Jefferson Hotel, St. Louis, on November 7-8. The following are the topics for informal discussion:

1. War Risks.
   (a) Policy Provisions in reference to War Hazard.
   (b) Additional Cost of War Risks.
   (c) Indirect Effects of the War on Mortality.
   (d) Insurance of Red Cross, Y. M. C. A. and other Relief Workers.
   (e) Methods of Recording and Reporting transactions under Soldiers' and Sailors' Civil Rights Act.
2. Initial vs. Ultimate Cost of Securing Business.
3. Adequate Reserves under a Double Indemnity Provision.
4. Modification of Commissions to Agents in case of Reinsurance of Excess Risks.
5. What Affirmative Action is Necessary in order to Terminate a Policy which, by its Terms, Becomes Void by Virtue of the Insured's Own Act.
6. General Discussion of any Actuarial Subject upon which information or opinions may be desired by any member.

DONT'S

Don't talk too much. Find out in advance all that can be known about the man you wish to insure—his age, family, business, surroundings, habits, idiosyncrasies. It saves talk later on.

Don't be a bore. The agent who is a bore is a "back number."

Don't waste powder and shot. If one good closing point captures your man, stop at that. It saves time and ammunition.

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST—LARGEST—STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

CENTURY LIFE INSURANCE COMPANY — CENTURY — INDIANAPOLIS, IND.
1 REASON Our Policies Sell
OUR POLICY CONTRACTS contain all provisions consistent with safe underwriting and are guaranteed by a deposit of the full legal reserve with the State. Our promises are all in our contract. Good contracts for up-and-doing agents.
THOMAS J. OWENS, Pres.
DR. ALBERT SEATON, Vice-Pres. & Med. Dir. — CLAUD T. TUCK, Secretary

A Business Insurance Pointer

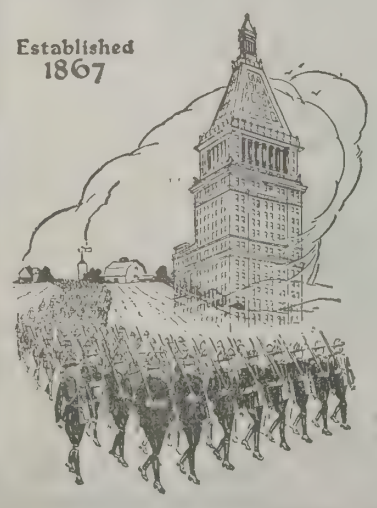
In discussing business insurance for a firm or corporation an agent is frequently asked how much insurance should be carried for the protection of the business. An excellent plan is to propose an amount equal to, or slightly in excess of, the maximum amount which the firm or corporation owes at any period of the year to its bank.

Many business houses borrow heavily from banks during the buying season. By ascertaining the amount either by direct inquiry or otherwise, an agent can submit a proposition fitting the case to a nicety.—"Agency Items."

T. J. Miles, formerly of the Montgomery Agency of the Guardian Life, has won a commission as 2d lieutenant and is stationed temporarily at Camp Jackson.

RIGHT AGENTS GOOD TERRITORY
still available for development by the
..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.
Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE, Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, PRESIDENT
GREATEST ILLINOIS COMPANY
WANTS GOOD MEN AND WILL PAY THEM WELL

Established 1867

THE REAR GUARD
No more virile and efficient body of men can be found than the large army of life underwriters.
Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.
Four big success factors in the work of the Union Central Agency Force are:
The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.
The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.
The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.
The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.
THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Provident agents find that in these war times it is not difficult to convince a man he is not carrying sufficient insurance.

Provident Income Insurance is easy to sell

Write for information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

More Letters About Sources of Prospects

WHAT GENERAL AGENTS PLAN

Statements From Several Different States, Including California—Leads for Live Agents

The Eastern Underwriter has received another interesting group of letters from general agents telling where they are looking for new prospects in order to offset the departure of young men for the training camps and overseas. In the accompanying batch are letters from California, Wisconsin, New Jersey and other states.

Louis F. Paret, Provident Life & Trust, Camden

We are not just at the present time doing much in the way of new leads to our agents. In the past, however, we have made a practice of looking up promising prospects in the trade journals,—the names of men who have been promoted or changed in positions. We have also had compiled several lists of big business houses,—worth say from $5,000 up,—both in Camden and Newark, from which we have given out leads to our agents, but this has not met with a great measure of success,—the names listed being rather too indiscriminate for real value.

We do make a drive on getting business from our old policyholders, by keeping our men constantly supplied with the names of their respective policyholders as their rates change each month. If the agents co-operate with us, as some of them do, we keep a list of their most likely policyholders from whatever source obtained, and redistribute them to the agents at whatever time they ask for them to be returned.

Aside from these two methods,—one of which as we have explained, is just now not being followed up owing to a scarcity of agents and the general let up in our line,—we have not much else to offer you.

A. C. Larson, Central Life, Madison, Wis.

We will write five millions of business from my agency by January 1st in the state of Wisconsin of the Central Life. It will be an increase of about one million dollars over that of last year. The business is of a much higher grade, larger premiums, and well selected for the reason that our agents have found it necessary to write older men. The result is that their premiums are larger, they are better fitted financially to take larger policies. Because of the psychological effect that the times have had upon them due to the war risk insurance policy of $10,000 coverage for the benefit of business, families, and other things too numerous to mention, it is the judgment of our agents that life insurance was never so easy to write as it is today, all things considered. The agent today who cannot write life insurance sufficiently to keep himself and family or other dependents ought to get out of the business or else be made to carry a gun some place in France.

Bruce Whitney, Manager Mutual Life, Milwaukee

In our regular agency meeting I have suggested that the fact that the Government has set $10,000 as the amount of insurance that ought to be carried has established a precedent as relates to the amount of insurance that should be carried by the individual.

If $10,000 is no more than should be carried by a soldier, it certainly indicates that the amount carried by the average layman is far less than what he should carry.

This offers a field for increasing insurance already on the books, and coupled with the necessity for taking care of the large Federal and State Inheritance taxes, gives the agent a field of operation that has been wholly unworked in the past.

G. R. Douthit, General Agent Equitable Life Assurance Society, Sioux Falls, S. D.

Our business for the first nine months of the current year, shows a gain over a like period of time for 1917, of 18%. This is largely due to our attitude taken with reference to the war as affecting the life insurance business I have contended from the first that the war should be a help rather than a hindrance.

Subscribing to the Red Cross, Y. M. C. A., Knights of Columbus, and the many other patriotic funds has given us the "habit" and people today not only have more money to spend than before, but are much more easily persuaded, whereas in life insurance, investment represents a service to someone we love or the protection of the estate we have created.

I have found that the average man today unconsciously demands a larger line of insurance than before the war. This is undoubtedly a result of the Federal Government's plan that every soldier and sailor carry ten thousand of Government indemnity.

I find further that it is easier to find agents than before the war. A large army of men in this country are employed in occupations that render but little service to society. The war has brought about a feeling on the part of worth while men that they should be doing something that really counts. These men can't join the army because they have a family at home to support and it is a comparatively simple matter to show them where in the life insurance business they can be of great service to society, and at the same time support their dependents as well or better than in their past occupations.

J. Newton Russell, Jr., General Agent Pacific Mutual Life

As to new sources of prospects developed by this agency, I can think of none, unless we would consider increased inheritance taxes.

Continued high prices for farm products accounts for an increased amount of insurance being sold to farmers.

We have had very little benefit from war activities, as has been the case in the principal Eastern cities. Even the money we are subscribing for bonds leaves here and it is a long time before any of it is returned.

I really think we have less sources for business than we had before the war, but be that as it may our paid business to date this year is 14 per cent over that of the corresponding period for last year.

John L. Shuff, Union Central, Cincinnati

There is no doubt but that it is a very difficult matter to increase your agency force at the present time on account of the very great demand for both men and women at fixed compensation above the normal. Hence we are using much care in our selection and are not taking the same chances as of old on try-out men.

There is a great field open for development in the selling of insurance to women that are receiving larger compensations and, with that, getting the viewpoint of big business and responsibilities; and while we have not in the past given much attention to this branch, we are hoping for splendid results.

The average salesman must revise his ideas, manner of approach. It does take more tenacity and strength of character to do the business, and I am glad to state that our small loss in the production for the year is altogether due to the loss of the fixed number of agents.

As you know, the writer was one of the committee appointed by Secretary McAdoo to write the War Risk Insurance Bill which was afterwards enacted as a law ,and I got the vision of its possibilities immediately. No single act of Providence or otherwise has to me made life insurance so prominent, and our agents find that they can talk to men about ten thousand dollars worth of insurance where formerly they talked about one, two, or three thousand dollars insurance.

That is the largest prospect for producing a larger volume of business.

J. Stanley Edwards, Aetna Life, Denver

As to new sources of prospects the best progress agents have been able to make in this direction is in soliciting older men, particularly among the farming class, for monthly income insurance, **and the canvassing of women school teachers for life and deferred income contracts.**

SECOND TO NONE IN SERVICE

Long established and thoroughly modern, providing perfect protection for a net cost which is notably low, and rendering service which is unexcelled, the Massachusetts Mutual stands out as an ideal company in which to insure. Sixty-seven years of square dealing are back of every one of our representatives. They will tell you how great an asset that record is in their work.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

Ask Soldiers Not To Drop Insurance

NESBIT WRITES TO RED CROSS

Says Protection is Important and Explains That Bureau Works Rapidly as Possible

Washington, D. C., Oct. 21.—A letter has just been sent to the American Red Cross by Charles F. Nesbit, acting director of the bureau of war risk insurance, asking that the organization assist in preventing soldiers from discontinuing their insurance because of the fact that insurance certificates are not received promptly by their beneficiaries.

"Many soldiers are dropping their war risk insurance because their beneficiaries have failed to receive insurance certificates," said Mr. Nesbit. "It is important for the protection of the soldiers themselves and their families that immediate and effective steps be taken to counteract this tendency. I am, therefore inclosing a brief memorandum covering this subject with the request that you release it through the avenues of education and publicity at your disposal."

The memorandum inclosed with the letter in part follows:

"The Bureau of War Risk Insurance of the Treasury Department is mailing insurance certificates as rapidly as possible. To date more than two and a half million certificates have been sent forward and the daily output is constantly increasing.

"The Bureau of War Risk Insurance now has on its books more than $35,000,000,000 of insurance, and is receiving approximately $1,000,000,000 of new insurance every week.

"It is unnecessary to write to Washington asking for your certificate. It will come in due course. You do not need the certificate to prove that you have taken out insurance or to prove that you are the beneficiary named by a soldier or sailor."

A FRANKLIN C. MORSS STORY

A Canvass Is a Shifting Battle Ground —Good Point For Agent to Remember

Franklin C. Morss, of the Provident Life & Trust, tells an amusing story of an agent who had brought a prospect to the agency office, but found him so full of objections that he called in the assistance of his chief. Mr. Morss, after talking with the prospect for a moment or two, began to suspect that these objections were more apparent than real, and cut the knot by taking him up to the doctor. So obsessed was the agent, however, with the objections which had been advanced, and so utterly had he failed to recognize that Mr. Morss' clever shift had thrown these objections into the discard, that he followed into the examination room to tell the doctor that the prospect was not ready for insurance.

There is nothing so important for an agent to recognize as that a canvass is, so to speak, a shifting battle ground. What was important a moment ago, may lose its importance. The agent should begin with a well thought out plan of attack, but he should be constantly testing his man to see whether this plan may not be improved upon, and whether some shrewd move may not bring matters to a successful issue immediately. He should be quick to recognize that when an objection has been overcome, or has been forgotten, he is not only wasting his energy in discussing it, with the likelihood of irritating his prospect, but there is the further danger that by continuing to harp on that point, he may actually lead the prospect to believe that there was more in the objection than he realized when he originally advanced it.

It is with the fullest recognition of the possible necessity of changing tactics quickly, that Mr. Morss is suggesting to the Philadelphia agents, that they study some of their own cases with a very interesting motive for insurance as a guide, bearing in mind that the order signifies nothing, since any one of these motives may be the first to come into play.

HOME'S LIBERTY POLICY

Combines Three Year Term and Ordinary Life—Participates in Annual Dividends

The Home Life has issued a "Liberty Policy," which combines the three year term and ordinary life plans. It participates in annual dividends, the first dividend accruing upon payment of the second year's premium. After the completion of the three year term period the policy becomes automatically an ordinary life contract with the premium rate at the then attained age, with cash loan and surrender values after two years' ordinary life premiums have been paid.

Illustration: Age 30

Amount of insurance $5,000. Term premium annually for 3 years, $61.20 less dividend commencing with the payment of 2nd year's premium. (The amount of dividends cannot be guaranteed but if the 1918 schedule is maintained the dividend would be $13.05.)

Ordinary Life premium annually at attained age.—33; $124.20 less annual dividend. (The first annual dividend payable at end of year on basis of 1918 experience would be $18.40.)

Surrender Values

(Commencing after two years' premiums have been paid under the Ordinary Life plan, i.e., 5 years from date of policy:)

Year	Loan & cash Values	Paid up participating insurance	Extended insurance Yr.	Mo.
2	$45.30	$104.00	1	0
3	146.50	345.00	3	5
5	246.35	595.00	6	0
7	415.40	900.00	9	2
10	675.05	1,385.00	13	3
12	832.80	1,650.00	14	8
15	1,083.30	2,025.00	15	11
18	1,348.45	2,380.00	16	5
20	1,531.05	2,605.00	16	6

Values after 20th year computed on the same basis, and will be furnished on request.

WOMEN AND DISABILITY

Missouri State Life Recognizes Their Importance in Business World —Supplemental Instructions

The Missouri State Life has issued the following supplemental instructions to agents:

"The Company recognizes the fact that women are more and more becoming a factor in the business world and are, therefore, entitled to many of the privileges which heretofore have been denied them in matters pertaining to life insurance because conditions have not seemed to justify the companies in granting them certain of these benefits.

"The Missouri State Life has already extended the benefits of the Double Indemnity clause to women and will hereafter grant unmarried women of not less than twenty-five nor over fifty years of age, who are engaged in business, a profession, or some gainful occupation calling for a standard rating only, the total and permanent disability benefits, as set forth in the Disability Rider, Form No. 1779, at a premium rate equivalent to a fifty per cent. increase in the published rates of the Company on Limited Payment Life and Endowment forms.

"The benefit will not be granted to females younger than age 25, nor to married women, nor widows. No exceptions to this rule will be made."

NATIONAL LIFE INSURANCE COMPANY

MONTPELIER, VERMONT

FRED A. HOWLAND, President

A MUTUAL COMPANY

WHICH FOR

SIXTY-EIGHT YEARS

HAS PROTECTED THE

HOME AND FAMILY

Edward D. Field, Superintendent of Agencies

INTERNATIONAL LIFE of St. Louis

SMASHED ALL RECORDS IN 1917

It was the Special Combination and New T. O. Policies that did the work. If you are not selling them we are both losing money.

J. L. BABLER, Vice-President and General Manager Agencies

MASSEY WILSON, President

New York Life Insurance Co.

FIVE YEARS OF EFFICIENT SERVICE
INCLUDING
THREE AND ONE-HALF YEARS OF WAR TIME

During the Five Years ending December 31, 1917, the New York Life

Received in Income	$667,884,000
Paid Policy-holders	382,875,000
Increased its Resources	215,272,000
Increased its Insurance in Force	503,535,000

THE BUSINESS OF 1917 EXCEEDED THAT OF 1912.

In Income	$27,325,000
In Amount Paid Policy-holders	25,337,000
In New Insurance	119,917,000

The increase in Business and Resources in Five Years equals the Business and Resources of a very substantial life insurance company, and this new Company is returning to policy-holders 92 per cent. of its entire income. It is also adding forty million dollars a year to its resources and one hundred millions a year to its insurance in force.

HELPING WIN THE WAR.

Since the war began, in August, 1914, the New York Life paid to December 31, 1917, 998 war losses amounting to $3,007,223. There were 238 reported losses for $607,084 awaiting proof on December 31. The Company had so carefully guarded itself against extra mortality by reason of war that, notwithstanding the world-wide character of the conflict, the percentage of its actual to its expected mortality has not been appreciably affected. This percentage for 1917 was 70.85—the lowest of any year since the Company has kept complete mortality statistics.

The Company owned Liberty Bonds on January 1, 1918, to the amount of $12,075,000, and subscribed for $20,000,000 of the Third Liberty Loan.

There are Four Hundred and Twenty-six Stars in the Company's Service Flag, and one of the Home Office boys—Frank J. Brandreth, of the Rainbow Division, has already won the French War Cross.

The Company has afforded the Government every assistance in its power in formulating and carrying out the plan of Government Insurance on the lives of soldiers and sailors. Agents are forbidden to accept applications from soldiers or sailors unless they have already taken the limit with the Government.

EVERY MAN'S BUSINESS.

Just now it is every man's business to Help Win the War. Our daily occupations are incidental; winning the war is our real business.

Winning the war is our real business because back of that lies the chief and ultimate purpose of life—making the world a safe place for women and children. And that is the aim of Life Insurance in war time and in time of peace.

The Government has recognized this in the provision made by life insurance for the families of those who die or are disabled in the service. The man who stays at home and does less is a slacker.

NEW YORK LIFE INSURANCE CO.

DARWIN P. KINGSLEY, President.

An Educator's Success in Life Insurance

CAREER OF A COAST MAN

C. I. D. Moore, Secretary of Pacific Mutual Life, Also Edits Home Office Publication

C. I. D. Moore, secretary of the Pacific Mutual Life, who has recently been given the additional title of assistant superintendent of agencies of the company, is also editor of the "Pacific Mutual News," one of the most instructive and largest of the life insurance company Home Office publications. It will thus be seen that Mr. Moore has his hands full. That he is an interesting personality can be



C. I. D. MOORE

gleaned in a glance at his career, a sketch of which has been written for The Eastern Underwriter by a friend of the subject

A Farm Boy

Mr. Moore was born on a farm, near Toronto. His early years were spent on that farm, where he learned to work long hours and energetically, a training for which he has been thankful many times since. He took a high school course and entered college, being graduated from Victoria University in 1888. He won the Prince of Wales Gold Medal for general proficiency covering the four years of his college course, the highest honor in the gift of the University at that time.

Immediately after graduation he received an appointment to teach in a mission college for boys in Tokio, Japan, where he spent three years at such work, coming to this country in 1891. His first ten years in California were spent in educational work, mostly in Santa Monica, where he taught in the High School, and, during the later years, was supervisor of all the Santa Monica schools.

Began With a Rate Book

About Christmas time, 1901, it was suggested to Mr. Moore that he should give up school work, as he had gotten about as high as he could in that line, and go into business. Life insurance was mentioned as offering an attractive field. Within two months from that time he had given up his school position and was in possession of a rate book, selling life insurance for the Conservative Life, of Los Angeles. He continued with that work and did not regret the change, as he more than doubled his income as a school man from the very beginning of his insurance career. For about four years he remained in the selling end, and after the consolidation of the Conservative Life with the Pacific Mutual in 1906 he was appointed assistant secretary of the latter company, and the next year became its secretary, which position he has held ever since.

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

Life Insurance Education for U. S. Army Men

The entire program of education of the officers and enlisted men of the American army, both overseas and at home, has been placed in the hands of the War Work Council of the Y.M.C.A. Two commissions have been organized, the overseas being headed by Dr. George B. Strayer, of Teachers' College, Columbia. The foreign interests of this commission will be in the hands of Dr. John Erskine, Columbia. The overseas commercial courses will be in charge of W. H. Lough, president of the Business Training Corporation. The domestic commission will be headed by Professor Ernest Wilkins, of Chicago. The universities of France and England are to be used for the training of both officers and enlisted men and a specialized course in life insurance salesmanship has been accepted by both commissions; and will also be used by the re-education division of the surgeon general's department and the Federal Board of Vocational Education for its re-education work for crippled soldiers.

The preparation of the entire program is in the hands of the Association of Life Agency Officers and the National Association of Life Underwriters through its scientific salesmanship committee, headed by Edward A. Woods. William Alexander's book on life insurance salesmanship has been accepted as the text book for the course and a committee on preparation of the course has been appointed, consisting of William Alexander, Frank L. Jones, Indianapolis; and Dr. Lee K. Frankel, Metropolitan Life.

Thirty-six lessons are to be prepared by this committee and a system of tests is to be worked out by Dr. Guy Montrose Whipple, acting director of the Carnegie Bureau of Salesmanship Research, Pittsburgh.

At the completion of the course, graduation certificates will be issued by the commissioners and a thoroughly trained and carefully selected group of army men will be prepared to enter the life insurance business as soon as they land upon our shores.

Part of the work of the committee on education will be the preparation of the claims of life insurance as a life profession which will be incorporated into a general circular to be widely circulated among the soldiers and officers. The text book and syllabus will be printed by the War Work Council as army documents and sold to the men. The life insurance companies have been asked to supply ten highly skilled educational men from their home offices to go overseas as civilians to assist in the life insurance program, and the instruction is to be given by carefully selected army officers who are to be recruited through the Life Agency Officers' Association from among the officers who enlisted and who are already overseas.

HARTFORD NOTES

James C. Jones, local counsel in St. Louis for the Aetna Life, Fidelity & Casualty Co. and Travelers Insurance Co., is the democratic candidate in St. Louis for state Senator.

* * *

Archibald A. Welch, vice-president of the Phoenix Mutual was elected vice-president of the Hartford Chamber of Commerce last week and Charles E. Chase, chairman of the board of directors of the Hartford Fire, was also elected a vice-president of the same organization.

Missouri State Life Policies Rich In Selling Points

Facts—

Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

Asked Companies To Borrow For Loan

SECRETARY McADOO'S TELEGRAM

Said American Companies Should Follow Example of British Companies —Missouri State's Action

Secretary of the Treasury McAdoo on Friday of last week sent the following telegram to Rolla Wells, Governor of the Federal Reserve Bank of St. Louis:

"I believe that the time has come when the life insurance companies should not hesitate to borrow substantially and thus anticipate their incomes in order to enable them to subscribe more largely than they have heretofore or than they have been contemplating to bonds of the Fourth Liberty Loan. The chancellor of the exchequer, in connection with the British Liberty Loan in 1917, called upon all British life insurance companies to invest 10 per cent. of their assets in that loan. This was more than complied with. I believe that similar action by all American life insurance companies is not only justified in their own interest, but is necessary for the government in the present emergency. Will you please lay these views before the presidents and associated responsible officials of the life insurance companies in your district and report to me promptly their decision?"

Action Of Missouri State Life

One of the companies which followed the secretary's advice was the Missouri State Life, which after a meeting of its executive committee, sent the following telegram to the secretary:

"Your telegram making suggestion to life insurance companies received. Special meeting of the executive committee was immediately held. Though we had previously subscribed for $1,000,000 of the Fourth Liberty Loan Bonds, this company was authorized at this meeting to subscribe for an additional $800,000. We gladly embrace this opportunity to do our part and thank you for the suggestion."

The Missouri State Life was able to make this subscription without borrowing money or selling any of its existing investments.

CLEVELAND LIFE AND LOAN

The Cleveland Life has subscribed for $150,000 on the Fourth Liberty Loan. President Hunt increased his personal subscription $50,000 giving the Cleveland Life credit for same. This makes company's total bond subscriptions ten per cent. of company's assets which are approximately two and three quarter millions.

SUBSCRIBES $1,000,000

The Life Insurance Company of Virginia subscribed $1,000,000 in the Fourth Liberty Loan.

TWO HARTFORD DEATHS

Hart C. Fenn of Hartford, a specialist on insurance stocks, died of Spanish influenza and pneumonia last Thursday. He was the son of Ex-Senator E. Hart Fenn of Wethersfield.

William J. Hamersley, general counsel of the Connecticut Life Insurance Co., died of Spanish influenza and pneumonia in Hartford last week. In speaking of the life and character of Mr. Hamersley, Vice-President Archibald A. Welch paid high praise to him.

H. L. KOLMAN WITH P. F. HUFF

Harry L. Kolman, of Chicago, a large producer for the Travelers, and who it was announced several months ago, would join the Perez F. Huff Agency of that Company, is now in New York associated with the Huff Agency.

Permanent Partial Disability Awards

JOHN MITCHELL GIVES VIEWS

Loss By Disfigurement—Changes in Wages—Difficulties of Administration and Their Remedies

Answering the question, How should permanent partial disability be compensated?, John Mitchell, chairman, Industrial Commission of New York, says that the discussion of this subject is based upon the permanent partial disability provisions of the New York law. In the administration of the law consideration has been given to the vocational element to modify the rigidity of the statute, in no case, however, diminishing the award on this account, but it might be advisable to allow a definite increase of say 33 1/3 per cent. for vocational reasons alone. Formerly the commission was not permitted to consider an injury short of loss of or loss of the use of a member as other than a simple disability case, but now the commission has power to make an award on proportionate loss of the use of a member, thus preventing much injustice to the injured person.

Compensation For Disfigurements

Under the former plan it was even possible for a man who for vocational reasons had lost one eye, to receive less compensation than if he had lost a little finger. There is also justification for granting compensation for certain disfigurements. Provision should also be made to give the claimant returning to work at a lower wage than he formerly received, two thirds of the difference between his old and new wage with certain maximum limitations. It is also proper to increase the maximum compensation for the loss of a hand, arm, foot, leg or eye.

Re-employing Cripples

Under an amendment to the New York law compensation for permanent total disability is awarded in cases in which the claimant loses a hand, arm, foot, leg or eye having previously suffered the loss of one or more members. The totality is no more chargeable to the last accident than the first. The proper way to handle such a matter would seem to be to charge the present employer with the result of the last accident and to throw the result of the totality upon industry as a whole. This may be done by adding a small additional rate upon each risk or by collecting, as New York has done, in each death case in which there are no dependents, a fixed sum of $100 which contribution has been sufficient to establish a fund to take care of the permanent total cases. This has done away with the objection of employers to employing or re-employing crippled or defective workmen.

Administration Difficulties

The statutory method of providing for permanent partial disabilities not included in the schedule is to pay two thirds of the difference between the old wages and the new, but the administration difficulties are numerous. The claimant may refuse to return to work; changed industrial conditions may cause the claimant to earn more or less than he earned at the time of the accident; the claimant may experience intermittent employment—sometimes employed and sometimes not. The method employed in New York in such cases is to allow the workman and the employer (or his insurance carrier) to present themselves before the commission with a proposition to adjudicate compensation by a single payment commuting all future payments. More than 5,000 cases a year are thus adjusted. The chief defects of such a plan are (1) the danger of introducing the "settlement," so called, in which the obnoxious element of the old plan may be perpetuated and (2) the danger which always attends the giving of compensation in a lump sum against which is the general tendency of compensation laws. The first objection is entirely avoided by the commission's active interest in every case. The second defect is overcome largely by ordering the payment of the lump sum periodically where there is indication that it otherwise might be wasted.

GROUP TAX 4 CENTS

Industrial Insurance Tax on Monthly Plan 20 Per Cent; on Weekly Plan 40 Per Cent

In his explanation of the tax bill, made in Congress, Congressman Kitchin said:

"We make only a few slight changes in the special tax on insurance. The tax is left at 8 cents on $100, the same as under the present law, except that we provide that in group insurance taken out by employers for the benefit of employees, when it covers at least as many as 25, the tax shall be only one-half of 8 cents, or 4 cents on each $100, because their premiums are in that proportion, just about one-half of the ordinary single life policy.

"We have made another change in the case of industrial insurance written on the monthly plan, as some companies are beginning to write it on the monthly plan. We provide that in the case of insurance taken out on the weekly premium plan the tax shall be 40 per cent. of the amount paid for the first weekly premium, the same as under existing law, and in the case of insurance taken out on the monthly payment plan 20 per cent. of the first monthly premium."

LEAVING WEEKLY NEWSPAPER

P. J. Heilman, editor of "The Insurance Record," who has also been acting as correspondent in New York for a weekly newspaper, is leaving the weekly paper to devote his entire time to his own paper and to other work.

Edward A. Woods, of Pittsburgh, Equitable Life Assurance Society, is chairman of the influenza committee of the Red Cross.

W. M. Horner Resigns

(Continued from page 3)

Provident is more widely known throughout the country than Warren M. Horner. He first came to be generally known through his ability to impress great captains of industry with the necessity of business insurance. His constructive work in this direction was notable. It sprang not only from his thorough knowledge of insurance, but from his knowledge of the new influence and tendencies which were at work in the business world. He became an enthusiastic leader in the National Association of Life Underwriters. He had what Mr. Hill has so well called the "Vision of Life Insurance." He called for a co-operative effort among life insurance men throughout the country for the better education of the public, which would lead them to insure more readily and then, from a better realization of its value, to keep up their insurance. He realized, however, that the attainment of this purpose would be greatly hindered unless there should also be cooperativ effort to raise the standard for the profession of life insurance by admitting to it only those who by reason of their character and ability were worthy and capable of advising the public. Meanwhile, he had built up in Minneapolis a great Agency, inspired with enthusiastic loyalty for the Company and for their leader, and also for that leader's conception of efficiency in the business."

R. J. Mix's Career

(Continued from page 3)

up shorthand and developed this until he became very proficient. Returning East, he engaged with a large manufacturing concern as a stenographer and in six months, became secretary of the company. At the end of another year, his health again failed and he took up his residence in the country for several years to recuperate.

Began With New York Life

In 1889, his father, then New York City general agent of the New York Life, invited him to go into the life insurance business as his office assistant. Six months later, the company opened an agency in Brooklyn and placed R. J. Mix in charge. At that time, Brooklyn was not regarded as a good field for branch offices, but the new manager did not think that any city of a million was a poor life insurance field and in the first year, the office wrote a million.

He was then transferred to New York as assistant to his father in the management of the Manhattan department. In 1893, after the death of his father, he was appointed manager of the department, branching out until there were ten offices under his jurisdiction. This department became what was at that time the largest of its kind in the world and in 1899 it paid for over $11,000,000 of new business.

A Supervisor of Agencies

In January, 1900, Mr. Mix left the New York Life to go with the Equitable. He opened a regular general agency, immediately established branch offices and inside of two years was made inspector of agencies. A year later, he became one of the four supervisors of agencies of the company under Gage E. Tarbell. At the end of 1905 Mr. Mix left the Equitable, intending to retire altogether from business, but he could not resist the call, and started an agency of The Prudential at 261 Broadway. Subsequently, The Prudential combined under Mr. Mix's management what were known as the Perry and Dutcher agencies. Thereafter, he became the sole manager of the company's ordinary department in the metropolitan district. Last year his office wrote $8,000,000.

MARYLAND ASSURANCE APPOINTMENTS

H C. Michael, who has been acting assistant secretary of the Maryland Assurance Corporation, has been elected secretary-treasurer of the company, and Calvert F. Stein, formerly actuary of the Maryland Life, has been elected actuary.

INSURANCE TAXES

Washington, D. C., Oct. 21.—War taxes collected on insurance are running very evenly from month to month, according to reports from the Bureau of Internal Revenue, which show that collections during August amounted to $1,114,916.55. Total collections during the month from all sources were $108,087,355.28.

Miss Bessie Matthews, who handles the office end of the business for Manager Feter at Greensboro, N. C., Guardian Life, is writing business regularly after office hours.

State Mutual Life Assurance Company of WORCESTER, MASS.

Incorporated 1844

REAL MUTUALITY for nearly THREE-QUARTERS OF A CENTURY has characterized all Company activities to the advantage and satisfaction of policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND, Superintendent of Agencies.

Mr. Field Man: Detroit, July 18, 1918.

Do you know:

That the NORTHERN ASSURANCE COMPANY of Detroit, Michigan, has lived up to all the traditions of the highest purposes of life insurance;

That it stands for the highest ideals in underwriting and that its slogan is, and always has been, CLEAN MEN AND CLEAN METHODS in its field work;

That it is writing more insurance per capita per agent than any other American life company?

If you are interested in knowing something of our Home Office system which makes this possible, we will be glad to hear from you.

Address, CLARENCE L. AYRES, *President,* DETROIT, MICHIGAN.

PENNSYLVANIA OPPORTUNITY

If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.

Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

HOME LIFE INSURANCE COMPANY of AMERICA

INCORPORATED 1899

PROTECTION FOR THE ENTIRE FAMILY

This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.
INDUSTRIAL POLICIES are in full immediate benefit from date of issue.
ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State Endorsement.

GOOD CONTRACTS FOR LIVE AGENTS

Executive offices No. 506 Walnut St., Philadelphia, Pa.

BASIL S. WALSH, President JOSEPH L. DURKIN, Secretary JOHN J. GALLAGHER, Treasure

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Thrift By Education

The ability to make money is a fine thing, but without the proper discernment that ability can be practically wasted, says the "American Building News." As a nation of workers, our citizens command larger wages than are paid in any other country, but as a nation of savers we are far behind many who are far less favored than we are, and one of the hoped for influences of a day set apart annually for universal thought to be directed toward the true meaning, the efficient practice and the inestimable benefits of thrift is that the attitude of the public mind may be changed from one which welcomes extravagance and tolerates debt to that of a real belief in the desirability of spending a little less than is earned.

In the meantime, while this change is being wrought in our workers by determination and effort on their part, cannot the practice of thrift be made natural and comparatively easy for the coming generations through an intelligent, systematic course of instruction in thrift in our public schools?

The aim to educate the children of our country to thrift is indeed one which should receive the support of every thinking individual, for by so doing we will be educating them to habits which will produce men and women strong in character. They will have learned that thrift is not significant alone of saving, but that it necessitates working, planning and sometimes, to a certain extent self-denial.

Thrift is constructive in its every application, and in watching for waste that might be slipping by unnoticed in connection with some of the operations of the individual, a care is being taken to bring our habits and our control over them to greater perfection and usefulness.

* * *

Fat Men—Good Natured, But Poor Risks

In studying the last twenty-five deaths of policyholders who were 20 per cent. or more overweight when examined for insurance, some significant figures are revealed:

Average degree of overweight.26%
Average age when insured....45 years
Average age at death.....55 years
Average expectation of life when insured.....25 years
Average period from issue of insurance to death.....10 years

The causes of death of these twenty-five policyholders were as follows:

Heart disease .....6 cases
Bright's disease .....4 cases
Diabetes .....3 cases
Apoplexy .....2 cases
Pneumonia .....2 cases
Eight diseases (1 death each)..8 cases

25 cases

It is interesting to compare the above figures with the following, which were obtained from the last twenty-five deaths of policyholders whose weights were below the 20 per cent. excess:

Average age when insured.....40 years
Average age at death .....62 years
Average expectation of life when insured .....28 years
Average period from issue of insurance to death .....22 years

—"Connecticut General Bulletin."

* * *

Some Thoughts About the Casualty List

One of the largest companies reports that out of 2,752 policyholders who died last spring, only 16 died of old age. This means that but about one-half of one per cent. lived to so-called Old Age This leads a general agent of the Equitable of Iowa to say:

"Registrants will be classified with reference to their dependents and according to their occupation. It will obviously be the object to preserve the strongest asset of our national life, the American home, and to maintain essential industries. From these sources come the best prospects, at least within the new draft ages. War brings right home a stronger realization of the uncertainty of human life, and the grave uncertainty of what the future may bring forth should greatly increase the demand for life insurance protection.

"Do you realize that the casualty lists from 'Over There' for any given period, covering both soldiers and sailors from any given community, by no means equals the death lists here at home for the same period and community?

"Are you able to tell your prospect that the population of the world is about a billion and one-half; that the average age at death is only 33; that over 57 million people die annually—about a million a week—5 thousand every hour—3 every two seconds; that while you have given him these facts, about 60 persons have died?

"There is just one man who makes you succeed or impedes your progress. Look him squarely in the eye—in any mirror—and assert your will."

* * *

Skill and Service

Our Government, in connection with the registration of men for classification, has recognized, first, that certain lines of business are essential for "the maintenance of the national interest" during the present emergency; and second, that deferred classification may be based upon the value of the services of an individual to such business, says H. S. Nollen in "Equiowa." This sets a standard for service, which every agent should adopt for the measure of his value. It requires the application of all one's energy, as well as skill in the pursuit of one's occupation. Time devoted to the nation's affairs will not excuse neglect of personal business.

The valuable man will employ every available moment, will serve his country, and yet find ample time in the hours otherwise left for leisure to attend to his regular affairs. He will not be a laggard; will find his recreation and pleasure in larger service; and will undertake through heavier work to supply the loss to his business and his community occasioned by the withdrawal of his associates who are in the ranks for the defense of our country. He will seek to be recognized by his fellowmen for skill and service.

* * *

See the Farmers

Most of the business written in this agency during the past few months has been on farmers and will undoubtedly continue so throughout the year, says the Atlanta Agency Bulletin of the Mutual Benefit. If you are not getting into the country to see the farmers, you are overlooking today's ideal life insurance prospects. The farmer no longer faces an uncertain future. A few years ago it was possible for a life insurance man to solicit only during certain times of the year in rural communities. At one season the farmer was extremely poor or at another he had just harvested his crop and felt rather affluent. This condition no longer exists. Unlike the man in the city, the farmer cannot turn you down on the excuse that he can't do anything "on account of the war," for the war is the one thing that has made him prosperous. Moreover it is safe to predict that this demand for farm products and prevailing high prices will exist even though the war ends this year, and this certainty of the future is what makes the farmer the ideal life insurance prospect. He can buy with the assurance that next year will find him in just as favorable and very probably better circumstances. You should cultivate your farmer business more assiduously than ever. If you will reserve the town prospects for rainy days and the bad weather this winter and go into the country now, you can make more money this Fall, and you will have some one left in town to see this winter when the roads are impassable.

* * *

Tips For Industrial Men

In dealing with prospects, be conscientious; remember the golden rule. Advise contracts really best for their interests. Invent new ways and present ideas of your own in approaching and closing business. Try to become a fairly good judge of human nature, for an argument that will appeal forcibly to one prospect may prove to be offensive to another. Be courteous but firm, says The Prudential.

Use plain selling-talk and talk convincingly and to the point. As an example, I learned from one family who carried only fire insurance that they saw the hearse pass by possibly a dozen times, but the fire-engine made only one appearance in that time.

They agreed that while the fire-engine may never stop at their home, the hearse will stop there at least five times. I now have five policies in that home.

There are hundreds, yes, thousands, of arguments to use in selling life insurance, and if you make up your mind to canvass systematically, using your own judgment and gray matter, success is sure to follow. Use different arguments each week and in different homes as conditions arise. Watch for births, weddings and deaths—three great business-getters. Use common sense, keep posted on current events and happenings on your own debit and make use of them. A misfortune in one home may convert the unbelieving next-door neighbor to the benefits of life insurance.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, sold $65,000,000 worth of War Savings Stamps between February first and September first, 1918, and expects to sell a total of at least $100,000,000 during the year.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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AN EDITING COMMISSIONER

In the opinion of The Eastern Underwriter Auditor J. S. Darst, of West Virginia should confine himself to running the insurance department of that state and not to writing editorials, in his Insurance Department Bulletin, advising agents to warn congressmen and senators against dangers which "threaten American business." In discussing that old "Senator Lewis interview," in which the Illinois Senator disposed of the Republican and Democratic parties with one sweep of his hand, and said the big question before the American people was whether the war-time insurance should be continued, Auditor Darst says: "In our opinion now is the time to mould public sentiment against these socialistic tendencies."

With all due respect to the West Virginia auditor, who is a good insurance commissioner, and should stick to his last, this is the time to mould public sentiment solidly behind President Wilson in his international relations, and it is not the time to get fussed up about socialism as the nation has bigger things to think about. The commissioner might read the story on this page about the Liberty Loan activities of insurance companies. It should furnish him food for thought.

THE FIRST GROUP POLICY

There is some difference of opinion as to whether the first group policy was that on Montgomery Ward Company's employes, Chicago; or the United States Cigar Stores Company, New York. It will be recalled that the cigar store group was placed by Seward Prosser, then with the Equitable Life, and now president of the Bankers Trust Company, this city. Upon investigation The Eastern Underwriter learns that the Montgomery Ward Company was the first big group policy where lives were accepted without medical examination. The United States Cigar Stores Company required each individual to be examined for inclusion under the life insurance plan of their company. The United States Cigar Stores Company group was issued well in advance of that on the Chicago mail order house employes.

THE HUMAN SIDE OF INSURANCE



DARWIN P. KINGSLEY



ELBRIDGE G. SNOW

Darwin P. Kingsley, president of the New York Life, and **Elbridge G. Snow,** president of the Home Insurance Company, are receiving congratulations upon the remarkable achievements of the insurance corporations of this city in the Fourth Liberty Loan. It was taken for granted by men of large affairs, affiliated with the loan, that the insurance division would pile up a subscription far in excess of any division, but that a total should be subscribed of $330,000,000 was a surprise, because such a feat seemed impossible. It was a splendid testimonial to the patriotism of the men heading the insurance companies, and showed beyond any doubt just where these corporations stand in backing up the Government to the limit of their resources.

For some reason the insurance corporations were placed in the Rainbow Division, as that section of the loan organization was called which comprised trade and industry. The Rainbow Division gave an allotment to the insurance division of about $127,000,000 but the heads of the insurance corporation division—Mr. Kingsley representing the life insurance end, and Mr. Snow, representing the allied corporate interests other than life, paid no attention to the allotment, probably believing from the start that it would be overtopped. The two chairmen went at their work in strictly business fashion, knowing that the insurance corporations had a correct understanding of the need for the Loan's oversubscription, and that the companies needed no fireworks oratory to spur them on.

Probably one of the most unprecedented angles to the Loan was that some of the leading companies anticipated their entire net income for the year 1919. One of the companies which did this was the New York Life, whose total subscription was $50,000,000. It is said that the Mutual Life and the Equitable also anticipated their 1919 net income, the Mutual's subscription being $40,000,000 and the Equitable's $40,000,000. The Metropolitan Life is said to have anticipated its net income to the summer of 1919.

One of the most interesting phases of the Loan was the good-natured race for top subscription on the part of the Metropolitan and The Prudential. On the day before the drive opened it was announced that The Prudential had subscribed $30,000,000, the Metropolitan $25,000,000. Later, at the Charles M. Schwab luncheon the Metropolitan added another $10,000,000. The Prudential also subscribed another $10,000,000. Later, the Metropolitan subscribed $25,000,000 and The Prudential $20,000,000, making the subscription of each company $60,000,000, figures never before attained in this or any other country.

The corporations in the New York Insurance Division were domiciled in the metropolitan district, which included The Prudential and the Mutual Benefit, the latter subscribing for $26,000,000. As the campaign waged on Mr. Kingsley conceived the idea of asking companies doing business in New York, but not having headquarters here, to make New York allotments, in view of the fact that the New York companies were also making allotments in outside districts. This added to the totals here. A superhuman effort was made during the last two days of the drive for insurance division subscriptions, and they came in to the amount of $120,000,000. It will be hard to beat this in a forty-eight hour stretch. The life insurance company corporation subscriptions in the metropolitan district for the Fourth Liberty Loan were reported on Wednesday morning of this week as in excess of $280,000,000.

Mr. Snow's division included marine, casualty and surety, as well as fire, and his committee also did some remarkable work, particularly in the last days of the drive when some companies doubled their subscriptions, while others added hundreds of thousands to what they had already given. The Home, for instance, subscribed for $1,500,000 earlier in the drive; then came through with another $500,000 and finally an additional $500,000, making $6,000,000 in all which it now holds in Liberty Bonds.

In the figures already given in this article the totals of the A. Duncan Reid Committee, the committee of the Life Underwriters Association of New York and the Home Office employees organizations are not given. Mr. Reid's committee piled up a total of $20,000,000, extraordinary work when it is considered that these are individual "sales," house-to-house, office to office canvass. The Life Underwriters' Association also did superb work, hundreds of agents making an office-to-office canvass. In the Life Underwriters' section the Travelers organization had a big lead in amount subscribed. In Brooklyn, as last year, the R. W. Goslin organization for The Prudential, was the leader. Some of the Home Office organizations made a record of 100 per cent. Many of the companies helped finance the employes, and one fire company is now carrying about $45,000 for employes who subscribed in the Third Loan. Another interesting Fourth Loan story heard by The Eastern Underwriter this week was that one fire company anticipated its premiums for hail business, due, of course, later in the Fall, and increased its subscriptions based on its hail premium income. In the Home office subscription end, the Metropolitan force sold over 12,000 subscriptions for $1,250,000 in all. The corporate figures other than life follow:

	Total	New York Quota
Alliance (Marine)	.....	$ 100,000
Am. Eagle	$ 100,000	70,000
Assr. of A.	100,000	30,000
Atlas	200,000	115,000
Am. Ex. Und.	.....	50,000
Am. Equit.	.....	150,000
British-Amer.	.....	50,000
Caledonian	.....	100,000
City of N. Y.	.....	25,000
Colonial	.....	25,000
Com. Union	350,000	300,000
Commonwealth	.....	100,000
Continental	1,000,000	850,000
Columbia	.....	50,000
Christiania	.....	25,000
Equitable U.	.....	75,000
European Acc.	.....	100,000
Fidelity P.	1,000,000	865,000
Globe & R.	2,000,000	1,300,000
Great Am.	3,375,000	2,125,000
Hamilton	.....	1,000,000
Hanover	300,000	250,000
Hartford	.....	25,000
Home	2,500,000	2,500,000
Hudson	.....	200,000
International	.....	500,000
Imperial	125,000	125,000
Jakor	.....	100,000
Jefferson	.....	50,000
Knickerbocker	.....	50,000
L. & L. & G.	300,000	210,000
London Assr.	150,000	100,000
Mercantile	.....	100,000
Merchants	250,000	245,000
N. Y. Und. Agcy.	.....	25,000
Niagara Fire	250,000	200,000
N. B. & M.	.....	300,000
North River	300,000	50,000
Northern, Eng.	350,000	275,000
Northern, N. Y.	75,000	65,000
Norwegian Gl.	.....	500,000
Norwich Union	200,000	150,000
Norske Ll.	.....	400,000
Norwegian Assr.	.....	400,000
N. Y. Rec. Und.	.....	100,000
National Liberty	500,000	450,000
Northern (Moscow)	.....	20,000
Pacific	.....	200,000
Palatine	.....	100,000
Paternelle	.....	100,000
Pennsylvania	.....	200,000
Phoenix, Eng.	200,000	100,000
Patriotic	.....	50,000
Queen	400,000	275,000
Royal Exch.	.....	200,000
Royal	.....	150,000
Richmond	80,000	.....
Salamandra	.....	250,000
Second Rus.	.....	100,000
Skandinavia Re.	.....	100,000
Stuyvesant	.....	130,000
Sun	.....	100,000
Svea	.....	50,000
Switzerland (Marine)	.....	50,000
Swiss Re	150,000	150,000
Scandinavian-Am.	.....	50,000
Star	.....	30,000
Spanish-Am.	.....	25,000
Union	.....	75,000
U. S. Fire	600,000	.....
Urbaine	.....	100,000
Union, of Canton	.....	50,000
Vulcan	.....	30,000
Westchester	250,000	250,000
Warsaw	.....	20,000
Western	.....	50,000
Yorkshire	100,000	75,000
American Surety	$1,000,000	$1,000,000
Emp. Mutual	.....	50,000
F. & C.	.....	1,000,000
Great Eastern	50,000	50,000
Globe Ind.	600,000	570,000
L. & L. Ind.	.....	50,000
Lloyds P. G.	.....	10,000
N. Y. P. G.	.....	10,000
Ocean	.....	500,000
Preferred	.....	305,000
Royal Ind.	300,000	250,000
U. S. Cas.	651,250	.....
U. S. G. Co.	600,000	.....
Am. Merc.	$ 520,000	.....
Am. & F.	.....	$75,000
Atl. Mut.	400,000	.....
Federal	250,000	.....
Ind. Mut.	100,000	.....
Liberty Marine	500,000	.....
London Assr.	337,000	.....
Marine Ins. Co.	50,000	.....
Sea	100,000	.....
Standard	100,000	.....
Tokio	125,000	.....
U. S. Lloyd	300,000	.....
United British	60,000	.....
Yang Taze	50,000	.....

FIRE INSURANCE DEPARTMENT

Asks W. Va. Agents Not To Advance Rates

DARST WIRES RATING BUREAU

Says "Time Not Opportune For This Change"—Bureau Follows His Suggestion

The West Virginia Inspection Bureau issued a new dwelling house schedule effective June 15, 1918, for the State of West Virginia. Protest came from all over the State from fire insurance agents, and finally the West Virginia Fire Insurance Agents' Association also protested against the new schedule. It was claimed that the proposed schedule in addition to the flat rate increase of 10 per cent. heretofore announced, and the term increase, would increase the rates on dwellings outside of the cities some 33 1-3 per cent. The agents also found it impossible to inspect these properties and rate the same as required under the rules.

The West Virginia Underwriters' Association and Inspection Bureau held a meeting recently in Cleveland, Ohio, where these protests were heard, and the West Virginia Department telegraphed them as follows:

"I find general dissatisfaction among the fire insurance agents against the proposed new West Virginia dwelling house schedule of fire rates, not only because of the additional work placed on agents, but because of the greatly increased rates on certain classes of property.

"I believe that inasmuch as the fire companies have undertaken to classify property, in order that intelligent classification can be made possible, it would be well to wait until such work is completed for West Virginia before attempting this work. When this classification is completed it will show that some of the property is too high, as well as too low, and it would amount to a discrimination against certain other classes of property, in my opinion, to attempt to carry out what you have in mind.

"Again, the time is most inopportune for this change. When certain persons are taking advantage of present conditions to urge the government to reach out and take over the business of the people of every kind it thinks they will stand for, it would, in my opinion, be very unwise to place any further clubs in their hands to use in that direction. I therefore recommend that the present rates stand until such time as it can be definitely shown just what property should be raised and what should be lowered."

After careful consideration the West Virginia Inspection Bureau, has reconsidered this matter and recalled the new Dwelling House Schedule.

FRANK L. ARMSTRONG DEAD

Spanish Influenza Develops Into Critical Case of Pneumonia—Well-Known Special

Frank L. Armstrong, special agent of the National Fire in New Jersey, was taken to a Newark hospital on Monday, following an attack of Spanish influenza which developed into pneumonia and other complications. He died on Thursday morning.

Mr. Armstrong began his insurance career in Philadelphia in a local agent's office, went from there to one of the rating associations, and when Atlee Brown became Rating Expert of New Jersey he went with him as his right hand man. He joined the National a couple of years ago.

FIELD CLUB INDIGNANT

A Little Bit Jealous About Charles Hoyt Smith's Entirely Justifiable Publicity

Indignation meeting of Albany Field Club. Louis Breed, secretary, reads minutes of last meeting. John B. Dacey introduces resolution that committee of three be appointed to investigate reasons for the "Journal of Commerce" printing this news story:

"Charles Hoyt Smith, special agent of the Liverpool & London & Globe, Albany, was in town yesterday."

Mr. Dacey says he's often been in the metropolis, but never has momentous news been chronicled in J. of C. Mr. Breed says he has been there, too, and has even visited Ziegfeld's Follies, and fact was not chronicled to waiting world. "Bill" Lenox, of Adjustment Bureau, said he had dinner in New York with L. M. Irving, Malone, N. Y., at Enrico's, and narry an attention was paid to it. Pete Kiernon said that while Charley Smith's presence in New York is always printed, he never has seen a story in J. of C. about a New Yorker visiting Albany. Never print anything about Albany except a slap at the loss record. Announcement of names of committee of three will be printed later. Expense money voted to committee for lunch at Drug Club, taxi fare to J. of C. office, dinner at Shanley's, and visit to New Amsterdam Roof. Later, Drug Club lunch money stricken out as Fred Day will sign the check.

THE AUTOMOBILE INSURANCE COMPANY

OF HARTFORD, CONN.

MORGAN G. BULKELEY, President

CASH CAPITAL

$2,000,000.00

ASSETS

$7,266,538.81

LIABILITIES, EXCEPT CAPITAL

$3,086,345.45

SURPLUS TO POLICYHOLDERS

$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with

ÆTNA LIFE INSURANCE CO.

ÆTNA CASUALTY & SURETY CO.

GIVES OFFICES TO GOVERNMENT

People's National To Move—United States Navy Department Gets Its Building

Philadelphia, Oct. 21—The People's National Fire, at the solicitation of the United States Government, and as a patriotic duty, has agreed to relinquish its Home Office premises at Third and Walnut Streets, Philadelphia, for the benefit and use of a department of the United States Navy. The company is arranging to move its force and records to 419 Walnut Street within the next few weeks. An officer of the company says:

"The rental is no temptation to leave the building. We rent the building, if at all, to the Government for patriotic reasons and to do our part in this hour of crisis as good American citizens."

SUCCEEDS I. B. WOOLMAN

W. J. Christie, Special Agent of Home In Western Pennsylvania Transferred to New Jersey

William J. Christie, special agent of the Home in Western Pennsylvania, has been transferred to supervise the field in South New Jersey and Delaware, succeeding the late I. B. Woolman. He has been with the company a number of years and at one time traveled the New Jersey field as assistant to Assistant Secretary George A. Clarke, then New Jersey special.

MACDONALD MAKES CHANGE

R. A. Macdonald, who has been special agent for the Sun, is now with the Rhode Island as special agent in New Jersey, Delaware, Maryland, District of Columbia and Eastern Pennsylvania.

THE

TOKIO

MARINE AND FIRE

INSURANCE COMPANY

LIMITED

UNITED STATES FIRE BRANCH

J. A. KELSEY, General Agent

80 MAIDEN LANE, NEW YORK

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

Binding Contracts with Guaranteed Underwriters at Lloyds and British Companies maintaining United States deposits. Immediate telegraphic binders given.

MARSH & McLENNAN

19 Cedar St. NEW YORK	1615 California St. DENVER	201 Sansome St. SAN FRANCISCO	107 S. Fifth St. MINNEAPOLIS
901 Ford Bldg. DETROIT	314 Superior St. DULUTH	17 St. John St. MONTREAL	23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

BROKERS ACTIVITIES

COVER HOUSES BY FLOATER

U. S. Housing Corporation Places Enormous Schedule On Shipbuilders' Homes With Fire Companies

Probably the first schedule of $10,000,000 covering dwellings against fire was placed this week by the U. S. Housing Corporation which is building and furnishing homes for the workers in the various shipyards of the country. This initial line is said to cover only a part of the eventual risk.

Each dwelling is estimated to be worth about $1,000 and it is also reported that a line for the same amount will shortly be placed by the U. S. Housing Corporation covering the furniture which is being installed.

At a conference on Tuesday attended by several of the fire companies, a representative of the U. S. Building Corporation outlined the requirements for covering the risk. The plan includes a maximum liability at one location of $2,000 on building and contents. No war cover is sought and the rate offered is said to be considerably less than the customary dwelling rate of 50 cents.

The plans of the corporation include a well-organized fire department in each community and the streets are laid out and the buildings erected with protection against conflagration.

* * *

Jos. Halloran's Change

Jos. Halloran, of the automobile department of J. N. S. Brewster & Co., Inc., resigned last week. He has not announced his future connection as yet.

* * *

Fred Walser Resigns

Fred Walser, of the claim department of J. N. S. Brewster & Co., Inc., severed his connection with that office last week.

* * *

Louis Silver On Trip

Louis Silver, of Frenkel & Co., and formerly with Starkweather & Shepley, is now in Oklahoma where he is making a business trip for his firm.

* * *

Louis Schutzenbach Wounded

Louis Schutzenbach, formerly secretary of the Consolidated Brokers, Inc., has lost an arm and a leg in action in France, and is expected to be invalided home in the near future. Mr. Schutzenbach went "over there" with one of the early contingents and has seen several months' fighting.

* * *

Brady's New Position

F. Brady has resigned his position with Marsh & McLennan, with whom he has been for the past fifteen years, and has joined the staff of Rollins, Burdick, Hunter Co., Inc., of 80 Maiden Lane.

* * *

Allert In Australia For Sandberg, Raynes & Lee

Harold Allert, assistant secretary of Finn Sandberg, Raynes & Lee, Inc., is in Australia arranging additional channels for taking care of their extensive and rapidly increasing business with the Antipodes. He will probably visit South Africa before returning to New York.

* * *

Asks Assured to Read Their Policies

This interesting little paragraph was printed by the "American Building Association News."

Home owners are often careless concerning their fire insurance policies, especially old policies which have been turned over to them at the time of purchasing the house. A short time ago a fire happened—not a serious one—in the front part of a dwelling house, and when the policy was hunted up and examined the survey called for three stories front and two stories back, when a third story back had been added thirty years ago. The purchaser of the property confessed that he had not read the policy, and the original owner stated that he never thought of having the policy corrected when he added to the back building. Had the fire been in the back part of the house it is quite likely the owner would not have been able to recover damages. This shows the necessity of looking over the insurance policies to see that they agree with the present arrangements of the house.

F. C. SMITH CASE UP

Today (Friday) the case of F. C. Smith is on the calendar in Part 6, Special Sessions, Brooklyn. Mr. Smith is of the Smith Case Company and this litigation grows out of the relations of his firm with the Commonwealth Casualty, Philadelphia. Sylvester L. O'Brien, a Brooklyn broker, having an office at 174 Montague Street, was convicted a few days ago of violating Section 1199 of the Penal Code. He is on suspended sentence.

IN LONDON HOSPITAL

Captain George P. Nichols is in a London hospital with a shrapnel wound in the shoulder. Captain Nichols is a director of the Brokers Association and chairman of the compensation and liability committee. He was also in service on the Mexican border.

TRIBUTE FROM NEW JERSEY

The New Jersey in a memorial letter to agents about George A. Viehmann said:

"We, who survive him, can pay no fitter tribute to his memory, nor erect a more lasting monument to his achievements, than by realizing to the fullest the future he planned for the New Jersey Insurance Company."

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

FOUNDED 1792
The Oldest American Stock Insurance Company
1792 Insurance Company of 1918
NORTH AMERICA
PHILADELPHIA
126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33
Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $109,000,000
Losses Paid in U. S. $40,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

S. C. BISHOP CO.
Represented at 95 William Street.
AGENTS FOR NEW JERSEY
208 Broad Street, Elizabeth, N. J.
Phone, 447 John — 588 Elizabeth

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

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ALL LINES
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EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

War Risk Insurance Should Be Retained

POLICY COVERS WIDE FIELD

What May Happen When Conflict Ends Important Factor—Other New Jersey Hazards

War risk property damage insurance is more than its name implies. It covers against all direct loss or damage caused by war or invasion. With the return of peace, whenever that may come, thought of those two hazards may be dispersed. But the policy covers much more; for example, riot. In law a riot may be caused by three persons but it takes twelve persons to constitute a riotous assembly. Riot is described as quarrelling, brawling, confusion, revelry, boisterous feasting, wrangling, etc. Many, in fact most persons, think of riot only as some disturbance of more than usual magnitude.

Also, the war risk policy covers insurrection. This is different from riot in that it constitutes the act of rising against civil authority or, governmental restraint; specifically, the armed resistance of a number of persons to the power of the State. It is a form of incipient or limited rebellion. Besides these the policy covers civil war, something, happily, which nobody anticipates here at this time. But the cover extends to civil commotion, including strikes. Both these are vastly broader terms. The term civil commotion might be applied to most any form of disturbance among the population. Besides these the form covers property damage, loss by military or usurped power, bombardment and fire or explosion caused by any of the foregoing, whether originating on the premises or elsewhere.

After-War Disturbances

So it is demonstrated that war risk property damage insurance may be interpreted to cover practically every form of disturbance that is possible to arise. This is why it is of particular value during a period of industrial readjustment such as this country must pass through after the work of actually fighting this war to a conclusion has been finished.

Few persons wish to hazard a guess as to what after-war problems may confront us; how violent may be the reactions from our present unnatural existence. The curves to be inscribed by the movements of commodity prices and wages will do much to determine how we shall finally emerge from the trying period of setting our own house in order for the successful rehabilitation of our peaceful pursuits. If the change is made without much hardship and disturbance the need for explosion and war risk insurance will be lessened; if not, to be without these safeguards would be to risk much.

There is a saying that what everybody expects to happen never materializes. Nevertheless there is a large class which looks forward confidently to disturbances of many kinds after the war, most of which will originate in some sort of dispute between employers and employed.

Other Jersey Plants

New Jersey should be a fertile field for the explosion insurance solicitor, not alone because of the terrible experiences some portions of that State have recently gone through but also because there are so many other plants there making or handling high explosives. In close proximity to Morgan, where the recent explosions occurred, there is a Hercules plant, the Oliver Loading plant, du Pont plant (which is a permanent one), Runyon Loading Co., Evans Loading Co., T. A. Gillespie plant (separate from the one just partly destroyed) and the California Loading Co. plant.

No matter when peace comes there will be thousands, perhaps millions of tons of explosives still in the United States. These will be on hand for a long time. Much of such material may be converted into other than war munitions, but no matter for that, it must be handled and transported just the same as if it were to be used against the country's enemies.

Amboy Harbor Dangerous

The harbor in the vicinity of Amboy is now dotted with vessels and barges containing enough explosive to do heavy damage. Throughout the country, wherever one travels on the railroads, one sees on every siding freight cars marked "Explosives." These all constitute serious hazards in whatever locality they may be.

Of course there has been much explosion insurance sold in New Jersey since the happenings at Morgan. It's always easy to sell tornado insurance after a big blow. It's likewise just as easy to sell explosion insurance after such an experience as that through which a number of New Jersey towns have just passed. One trouble with the business is that altogether too many agents never really try to sell explosion insurance. They let it sell itself by waiting until a Kingsland or Morgan disaster literally drives people into the office demanding cover.

Hazard Will Remain

While the complaint is not general, there is an ill disguised belief among some insurance men that explosion and war risk insurance renewals are not what might be hoped for. Doubtless many persons look upon these covers as useful only during the duration of the war. It remains to be seen to what extent they are right. The fact is that, so far as straight explosion insurance is concerned, this country will for years after the war be an extensive maker and user of explosives. The making, handling, transportation and storage of these explosives will remain a source of danger for years to come. More persons now than at any time think they know something about explosives and how they should be handled. A little knowledge is dangerous.

This country is from now on to be an extensive manufacturer of chemicals. The danger of explosion already has been vastly increased in hundreds of plants. Many plants are now engaged in making what are known to the trade as coal tar crudes, that is, benzol, toluol and xylol. Out of these some 300 intermediates are made.

Agents Have Information

Fire insurance agents possess the means of knowing the dangerous nature of manufacturing processes in plants on which they have placed fire insurance. The manufacturers of these plants recognize these explosion hazards and provide against loss from them. The business men and dwellers in the neighborhood of such plants generally know nothing about them and are also sufferers in case of an explosion in the plant. The manufacture of explosives, chemicals and numerous other compounds used in peace as well as in war times has resulted in the establishment of numerous explosion danger zones in every manufacturing center. To properly develop the explosion insurance business it is only necessary to know these danger spots and use the information to the best advantage in creating a demand for explosion insurance among those who live nearby. Persons living near where explosives or explosive chemicals are being regularly transported should be solicited.

Bad Chimneys in South Amboy

MANY FIRES ARE EXPECTED

No Sign of Any Concerted Action to Reduce Possible Losses to Minimum

There is a come-back to the Amboy disaster as affecting the fire companies. While there were no fires during the progress of the explosions, chimneys in the two towns, particularly in South Amboy, have been left in such bad condition that it would seem to forecast but one result, that of numerous fires from this cause during the winter months.

South Amboy was absolutely cleared of inhabitants during the night of Friday, October 4 and martial law declared. While the militia was there a very few permits were issued for returning townspeople to build fires with which to cook and keep warm. As yet there is not in evidence any movement by the city authorities or the insurance companies or organizations to make a systematic correction of the numerous defects known to exist as a result of the explosion, although it is considered certain that a number of fires will result during the coming winter from damaged chimneys.

After the militia left the town and the inhabitants returned to their homes, they of course found them in various conditions of dilapidation. One man lighted a fire in a stove and it would not burn. Upon investigation it was found that the chimney had been knocked down and was lying on the floor of the garret.

Busy Issuing Permits

The only persons allowed to return to the town while the militia was there were the city officials and those who had permits to visit their homes. The mayor for a time did nothing but sign these permits and identify residents who were unknown to the militia. When a man received a permit he was told to walk in the middle of the street to his home—to keep away from the sidewalks. Up the street would come a fellow and he would be stopped at the first corner and told to produce his permit. After doing this a few times he would carry it in his hand and wave it excitedly at each sentry. A corporal would see that he entered only the house designated on the permit as being his and he was watched until he came out and had again left town.

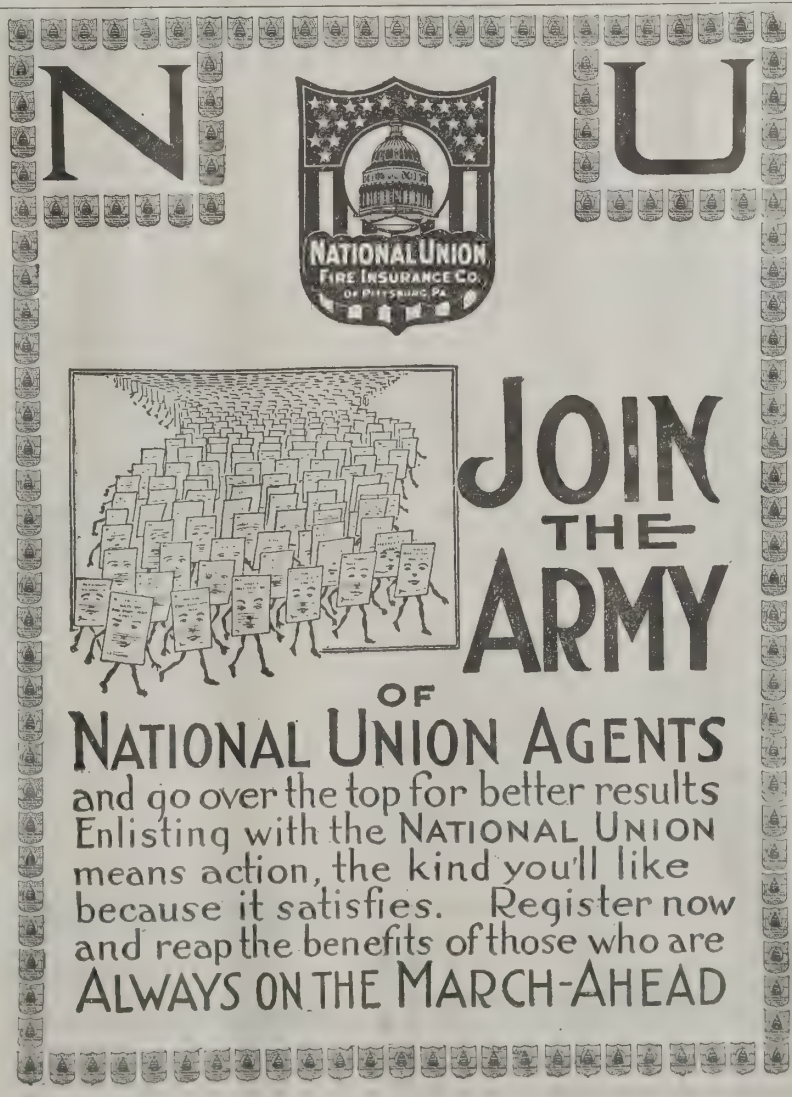
One man was found with four watches he had picked up in various houses. The militia found money, small valuables of all kinds in the houses and there was an active band of crooks ready to take advantage of this situation. The man with the four watches was—more's the pity—a recruit belonging to a squad that was about to go over seas.

Stocks of Goods Exposed

The militia found all kinds of goods exposed in the shop windows. The glass was most all out and the owners were driven from town so there was for a time no protection for the goods in show windows and cases. Quantities of liquor were within easy reach for the thirsty man who by reason of his official position or who by any means had obtained a permit to enter the town.

As to the destruction of buildings, some effective work has been done by the engineers of some of the construction and munition companies. A number of houses were found to have been bulged out on the sides. In some cases the floor beams fell out and let the floors down. It was found possible in some cases to raise these floors and push the sides together with jacks, thus getting the building in some sort of habitable condition. In other cases the floor beams had not pulled out so far and with the use of jacks, sometimes placed between trees and the side of the house, to push the house together again so that the floor beams caught and held.

The Department of Agriculture-Bureau of Chemistry, has issued a special poster warning against the dangers of dust explosions. It calls attention to six explosions of this kind which killed 39 persons, injured 60 and caused a property loss of $8,000,000.



No Unanimity About the Uniform Forms

Agents Feel That They Should Have Been Called Into Conference About Their Preparation

VIEWS OF LOCAL AGENT GIVEN

"Trust or Commission Clause" Held to be Weak—Some Forms Are Too Long

By OSCAR SMITH, Local Agent

The use of uniform forms is advocated by companies for the reason that they promote economy, simplicity and uniformity in the writing of fire insurance. The economy secured is of two-fold nature—there is no necessity of duplication of supplies from the various companies represented in the agent's office; but the greatest saving is in the examiner's office where standardized daily reports may be more quickly passed along with the feeling that no jokers are being overlooked.

Should Have Conferred With Agents

No one denies the fact that uniform forms are desirable from many points, but there are those who, while being willing to use them, feel that it would have been better to have called into conference some of the local agents when the forms were being prepared. It is not that the local agents feel that they are any wiser than the gentlemen preparing the forms, but they argue that sometimes experience has been a dear teacher and naturally one having learned in that school is prepared to avoid a repetition of the same trouble.

Discussed At Cleveland

At the last annual meeting of the National Association of Insurance Agents the subject of Uniform Forms was mentioned but not discussed upon the floor of the convention. It was not thought proper to agitate the matter.

But in the corridors one could hear reference to these forms, not in a disparaging way however. Such references as were made were in the form of constructive criticism and it is felt sure if these could have been presented prior to their publication the changes could have been easily agreed upon. I say this not as criticism of the gentlemen in charge of the uniformity committee, for they are most worthy gentlemen and very much overworked and sometimes have failed to catch some important points which were overlooked until the forms were printed and sent out in some of the states. The local agents caught these errors and in one state of the Western Union territory the oversight was sufficiently serious as to warrant the reprinting of certain forms.

In the case of the forms sent out in Minnesota there have been some questions raised which merit some consideration according to our way of thinking. In the "trust or commission clause" in the mercantile stock form reference is made to the "delivery" of goods. It reads as follows, "this item shall also cover such merchandise held in trust, or on commission, or sold but not delivered." When one investigates the meaning of "delivered" one finds that the act of paying money on the part of the purchaser and accepting it on the part of the seller constitutes "delivery," even when the goods are not "removed" at the time the delivery takes place—at times being permitted to remain for several hours or days as the case may be. In this case the purchaser's insurance does not protect the goods, neither does the seller's and in the event of a loss or damage from fire the goods would be unprotected by insurance. If, as some argue, the word "removed" were substituted the seller's insurance would still protect and the buyer could get other goods, or receive the money. Some of the more discriminating agents are substituting the word "removed" for "delivered" and the companies are raising no objection.

Print One Form On Both Sides

Objection is made to form No. 15A of the Minnesota series because it is printed on both sides of the paper. There is some merit in this, especially when the coinsurance clause, which is on the back, must be signed by both the assured and agent. This might have been avoided by the use of smaller type and reduction of the "leading."

In form No. 98 of the same series objection is found in the amount of verbiage, it being claimed that a much shorter form could be used with the same result. Instead of mentioning each article specifically as well as in general terms it is claimed that the general terms are sufficient—"On all household and kitchen furniture, goods, wares, fixtures and utensils, useful and ornamental (the property of assured and all members of assured's family) not belonging to and constituting a permanent part of the building, all only while contained in, or attached to the .....story ..... roof ..... building, etc."

It is argued that these and other seeming inconsistencies might have been avoided had a conference committee seriously considered them before being promulgated—and there is some merit in their argument.

Manager's Council On Forms Meets

GODDARD, BOSTON, CHAIRMAN

Now Considering Questions Arising in Application of Uniform Rules and Clauses

The companies' uniform forms and clauses were compiled after long and careful conferences of a committee, the chairman of which is F. W. Jenness, of the Rochester department of the Great American. After receiving the final o. k. from the companies the forms and clauses were sent to the rating associations for adoption. All of them have been adopted in some form or manner. The most optimistic did not believe that the book would be unanimously endorsed in the field, but it consisted of the hardest kind of conscientious expert work and thought, the best forms that could be adopted.

A managerial council has been formed for the purpose of considering new developments regarding the forms, and this council will give close attention to all criticisms. C. M. Goddard, secretary of the New England Exchange, is chairman, and the first meeting of the council, consisting of rating bureau managers from New England and Middle States, was held in New York on Wednesday.

BROKERS DO FINE WORK

With returns incomplete the Brokers Association sold about $3,600,000 of bonds in the Fourth Liberty Loan campaign.

ÆTNA (FIRE)
HARTFORD, CONN., U.S.A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.



"AMERICA FORE"

FOR 65 YEARS—

THE CONTINENTAL has built its name to stand for all that is best in fire insurance.

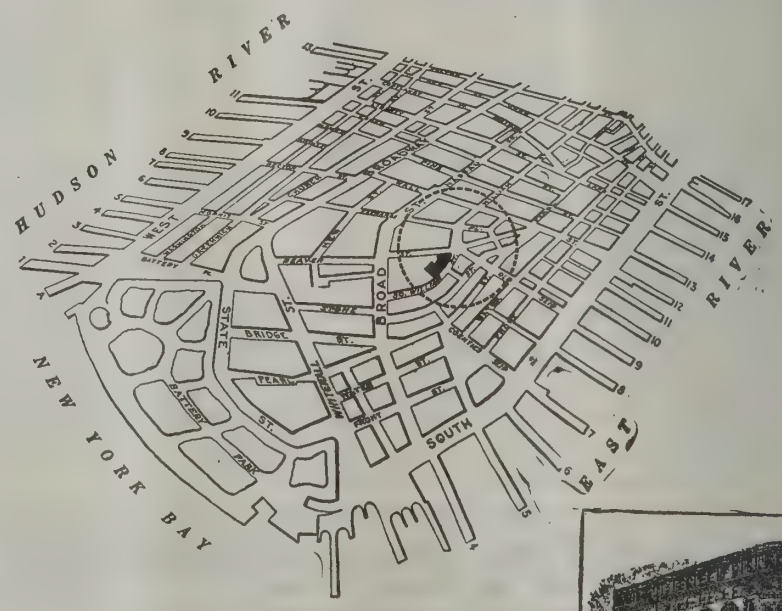
FAIR DEALING has won it a leading place among agents and the insuring public.

CONSTRUCTIVE management has assured its growth in the past and assures a continuation of progress in the future.

FINANCIAL strength insures stability and guards against any conflagration danger.

[FIRE]
THE CONTINENTAL INSURANCE COMPANY
Cash Capital - - TEN MILLION DOLLARS
HENRY EVANS, President
Home Office
80 MAIDEN LANE
NEW YORK
Managing Branch Offices:
CHICAGO, MONTREAL
SAN FRANCISCO
CONTINENTAL COMMANDS CONFIDENCE

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

WALTER F.
ERRICKSON
AGENT
95 William St. New York
38-40 Clinton St. Newark, N. J.

London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

Local Association For Philadelphia

AUTOMOBILE AGENTS MEMBERS

Not Seeking Higher Commissions—Will Have Stamping Bureau—Main Thing Order

There is to be an association of automobile insurance local agents in Philadelphia under the direction of a governing committee composed of Robert M. Coyle, chairman; Walter Chase, of Henry W. Brown & Co., and Alfred Hare, of Hare & Chase. Particular attention will be given to brokerage conditions.

Through this organization it is expected that opinion among the agents will be crystalized and that as a body they will be enabled to present recommendations to the Conference regarding rules, rates and other matters, which will be considered workable and can be approved. There is also to be a stamping bureau.

As yet there is no change in the Philadelphia rule.

Getting Closer Together

The special committee on the Philadelphia agency conditions met there with the local men last Monday. There was much more harmony displayed at this meeting than was manifest at several others held a month or two ago, where practically the same things accomplished now were attempted unsuccessfully. There is not now the same urgent demand for high or higher commissions. Local sentiment has evidently developed to the point of believing that the evils of high commissions are in the end worse than those which attend a lower scale of compensation. One agent even favored lower commissions if the business can be kept in the old channels, where he claims it rightly belongs.

The subjects brought before the meeting were talked over at considerable length. One long threatened resignation from the Conference blew over as it has on several previous occasions.

To Restore Order

The Philadelphia situation has been a trying one for a long time and it now looks as though the agents were prepared to submit a workable plan to overcome the existing difficulties. A number of schemes have been tried and now it would appear that any plan which will restore order and provide a reasonable rate of commission will be readily accepted. The next step is to get all the local men together in the organization.

Those at the meeting are H. K. Remington, Clarence Yerkes, Leonard M. Addis, Louis C. Madeira, Charles C. Simpson, Harold Haskins, Frank C. Hatfield, George Y. Shermer, W. E. Bates, Fred Kortebein, B. W. Wood, Benjamin Harrigan and F. Roland O'Brien.

PLEA FOR LIGHTNING RODS

Made By New Hampshire Fire—Says There Are A Dozen Good Brands

The lightning has exacted an unusually heavy toll during the past summer from the agricultural districts of the country, says the New Hampshire Fire in "Whittlings." There has been an immense loss of property and the destruction of invaluable stores of farm products.

The modern lightning rod, properly installed, seems to be a potent protection against lightning damage. It has the unqualified approval of the Government and of the insurance experts. It would seem that the up-to-date farmer ought to afford this safe-guard and charge it up as a necessity.

It is not the policy of "Whittlings" to act as an advertising agent for anything but insurance and it is not the intention to boom any special make of lightning conductor, as a matter of fact there are more than a dozen brands that have been inspected and approved and bear the label of the "Underwriters' Laboratories." Any rod thus approved is presumably efficient for the service.

In all cases the installation of these equipments is accompanied by some form of bond or guaranty that would appear to prove the implicit faith of the lightning rod men in the practical value of the protection furnished.

SPRINKLER INTERESTS BUSY

There is still much activity among sprinkler insurance interests to have sprinklered plants placed in the priority class to receive coal to keep the plants from freezing next winter. Owners are being warned of an automatic advance in rates if systems are not kept in working order. Considerable trouble is experienced with cotenants who never have much of a supply of coal on hand. The real estate men are co-operating, as well as the Mayor's committee in New York, and the fuel administrator.

ALLOTMENT FOR WASHINGTON

The Great American has allotted $750,000 of its Liberty loan subscription of the Fourth issue to the Riggs National Bank of Washington, D. C., at the solicitation of the Liberty Loan Insurance Committee of that city.

Agricultural Insurance Company, of Watertown, N. Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

POORLY WORDED AD

Announcement of Auction of Some Shares of Great American Gave Wrong Impression

Bungling disregard for the interest of a large financial institution characterized the preparation of the advertisements which appeared last week announcing the sale by the enemy alien custodian of certain rights to purchase additional stock in the Great American Insurance Company.

Fortunately, the Great American is so well known to business and insurance men that the wrong impression conveyed by the advertisements—that the entire company was to be sold—had no weight among them. In cases of this kind it is only the uninformed and, unfortunately, a few persons who seek personal advantage in distorting facts, who harbor wrong impressions.

The rights in the stock formerly held by alien enemies were sold for $272,250 to Potter, Choate & Prentice, a stock and bond brokerage firm in New York. There were 140 shares altogether, which is less than 7 per cent. of the total outstanding. As the transaction involved considerable money there were few bidders. After the nature and possible effect of the advertisement had been brought to the attention of the enemy alien officials, they indicated their willingness to make amends by issuing any statement deemed necessary and proper, but nothing further was done as it was evident that in a short time the effect the publicity could have upon the company would be dissipated.

"CARELESS AMERICA"

Film Produced Under Direction of the Firestone Tire & Rubber Co.

"Careless America," a film produced under the direction and shown through the courtesy of H. S. Firestone, president of the Firestone Tire & Rubber Co., was first shown at a private exhibition at Rector's in New York on Washington's Birthday of this year. This film is a plea for the conservation of the man power of the nation and vividly pictures the more common of the accidents which daily add to our enormous list of dead and injured. The most outstanding fact presented is the utter carelessness to which most of these accidents are due and illustrates the very simpleness by which most of them may be prevented. Up to October 1, the picture has been shown in 2,015 theatres averaging three exhibitions a day in each. With an average seating capacity of 900 and three shows a day, it is estimated that 5,440,500 people have viewed this picture. Over a hundred prints of the film are used simultaneously to show the picture.

Kenneth A. Bailey, son of President Bailey, of the American of Newark, who joined the ambulance service earlier in the war, has been made a lieutenant in the 102d field force. He is a graduate of the Saumar Field Artillery School, France.

GENERAL AGENTS WANTED

Automobile Insurance

INDEMNITY MUTUAL MARINE ASSURANCE CO., LTD., OF LONDON, ENGLAND
Surplus United States Statement....$ 461,101
Surplus Home Office Statement..... 11,727,022

UNITED STATES LLOYDS, Inc., of NEW YORK, N. Y.
Surplus $830,150

THE ROYAL EXCHANGE ASSURANCE (Marine Dept.) OF LONDON, ENG.
Surplus $1,348,075

THE TOKIO MARINE AND FIRE INSURANCE CO. LTD., OF TOKIO, JAPAN (Marine Department)
Surplus United States Statement $562,916
Surplus Home Office Statement.$7,433,611

APPLETON & COX, *Attorneys*
3 So. William St. NEW YORK

AN ATTRACTIVE PROPOSITION
GENERAL AGENTS WANTED

National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1918, to New York Insurance Department

LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer
G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent
SURPLUS TO POLICYHOLDERS.....$5,980,020.79

Firemen's Insurance Co., Newark, N. J.
January 1, 1918

Cash Capital	$1,250,000.00
Net Surplus	$2,384,971.20
SURPLUS TO POLICYHOLDERS	$3,634,971.20

DANIEL H. DUNHAM, President
[illegible] Vice-President and Treasurer A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President J. K. MELDRUM, Assistant Secretary

C. D. Ross President of New Brunswick

VICE-PRESIDENT TWO YEARS

Will Continue Policy Mapped Out By Late President Viehmann, Says New President

Charles D. Ross has been elected president of the New Brunswick Fire Insurance Company, of which the late George A. Viehmann was president. Mr. Ross has been associated with Mr. Viehmann ever since the latter acquired control of the company, which was organized in 1826. Soon after joining the New Brunswick he was made secretary which position he held until made vice-president two years ago. He is a level-headed underwriter, in whom the agents of the company have every confidence.

His Policy

In a talk with The Eastern Underwriter Mr. Ross said:

"I hope to be able to continue the policy as carried on by President Viehmann, and do not anticipate any radical change in the conduct of it."

SAYS INSURED IS NOT GAMBLING

The "Policyholder," of Manchester, England, prints this letter, sent by O. C. Adamson, a Manchester insurance man:

Sir,—I was much interested in your article in last week's issue on the difference between fire and marine insurance. I would, however, like to inform you that I have insured four clients, in this country, by fire policies, and the policies have covered the goods for an agreed value, which includes a profit.

To give you one instance, 148 bales were insured. The market value of each bale was given, and the agreed insured value of each bale was given, and they were insured for £22,730, and it was stated on the policy that the value per bale included 25 per cent. profit. I believe this method of insurance would not have been entertained before the war, but when goods are packed for shipment and the foreign buyers have paid for them, they request their merchants here to insure the goods for a certain amount, which will, in the event of a total loss, secure a profit for the purchasers.

Personally, if this method of insurance is continued and only applicable to goods in public storage warehouses, or, in other words, in such places as to eliminate the moral hazard, I cannot see that it is an objectionable way of doing business. It does not mean that the insured are gambling. They are only endeavoring to insure the goods for the same amount which they would reasonably hope to sell them at, if they had obtained possession of the goods.

TRANSFERRED TO HARRISBURG

Fred J. Schultz, who has represented the Franklin in Western Pennsylvania, has been transferred to Harrisburg; and given supervision of the Southeastern counties for the Home and Franklin. The field looked after by him in Western Pennsylvania, has been given to special agent C. H. Knoche, representing the Home as special in that territory. C. H. Bissell, who has been doing inspection work, has been made special agent and assistant to Mr. Knoche.

TOWNSEND BUCKLEY DEAD

Townsend Buckley, of the local department of the Pacific Fire, died last week of pneumonia. Mr. Buckley has been with the Pacific for a number of years, having started with the company on leaving school, and was held in high regard.

MACONACHY WITH NIAGARA

Becomes Superintendent of Agencies—Was With Newark Fire and Later With Firemen's

J. G. Maconachy, at present with the Firemen's of Newark, as manager of its automobile department, and in charge of part of the underwriting territory, will join the Niagara Fire as superintendent of agencies, and assume direction of the underwriting in the Middle Department and the State of New Jersey.

Mr. Maconachy is an active and able young underwriter, having been agency superintendent of the western department for the Newark Fire before engaging with the Firemen's, and prior to that time he spent several years, both in the office and in the Eastern field, in the service of the Old American of Philadelphia.

This new division in the Niagara's organization will relieve Secretary Smith, who heretofore has had charge of it in addition to New England and New York State.

DIFFERENTIAL SUGGESTED

It has been suggested that explosion writing companies might substitute a system of differentials in place of the present $100 limitation clause.

CHARLESTON APPOINTMENT

The following Charleston, W. Va., appointments have been made: Alliance, Harry Beckenstein; Automobile, W. B. Weaver; Home Fire & Marine, F. R. Bell, Jr., J. T. Crane and Miss Mame A. Davis.

Walter E. Wannamacher, for fourteen years manager of Arnold & Wannamacher, Philadelphia, died of influenza.

Take Over Sumner Ballard Companies

(Continued from page 1)

the Alien Property Custodian until it can be disposed of with the advice of the Advisory Committee recently appointed by Mr. Palmer, of which Jesse S. Phillips, Superintendent of Insurance for the State of New York, is chairman.

Directors Named

The following directors have been named by Mr. Palmer for the International Insurance Company: John Anderson, William H. English, Frederick J. Horne, Morgan M. Mann, Albert E. Marling, James W. McCullach, Harrison Nesbit, William G. Willcox, Sumner Ballard, Fritz Kortenbeutel, all of New York, and Alfred H. Townley, of Pittsburgh. Mr. Ballard was president of the company and Mr. Kortenbeutel was secretary.

LUMBER LOSSES

The Minnesota Lumber conflagration losses are being handled for the Western Adjustment & Inspection Bureau, by Messrs. Warner, Tenny, Heiam, Hanson, Carley, Olson and Lyons from Duluth, through the branch office located in that city.

AGAIN POSTPONED

The meeting of the executive committee and quarterly meeting of the Underwriters' Association of the Middle Department has been again postponed owing to the epidemic.

BRITISH AMERICA ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918

Assets	$2,192,173.14
Surplus in United States	772,927.35
Total losses paid in United States from 1874 to 1917, inclusive	25,298,472.00

W. B. MEIKLE, Pres. & Gen. Mgr.

BINDERS EFFECTED ON NEW JERSEY RISKS
Irvin T. Bernhard
68 William St., New York, N. Y.
19 Elm Ave., Hackensack, N. J.
Scottish Union & Nat. Ins. Co. | Eagle & Br. Dom. Ins. Co. | Ohio Farmers Ins. Co.
Niagara-Detroit Und. | Glens Falls Ins. Co. | Yorkshire Fire Ins. Co.
American Eagle Ins. Co.

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

LINES SOLICITED AND BOUND THROUGHOUT UNITED STATES AND CUBA
E. F. FLINDELL
INSURANCE
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MARINE DEPARTMENT

Importance of Having Both Marine and War Risk Insurance Placed With Same Company Demonstrated by Loss of Steamer "Napoli"

The steamer "Napoli" sailed from New York on June 13th, and arrived at Gibraltar. After leaving Gibraltar in convoy with about eighteen other vessels bound for Genoa, all steamers navigating with extinguished lights under Admiralty instructions, including the steamer "Napoli," they encountered another convoy navigating with extinguished lights, traveling in an opposite direction, and the steamer "Napoli" came in collision with one of these vessels, sank and became a total loss.

Originally American underwriters thought that this loss would be a marine loss. The case was taken up by the National Institute of Insurance in Italy for arbitration whether the same was a marine or war loss, and from recent advices received from Italy, this Institute has decided that the loss is a war loss. Of course, this decision is not binding on American or English underwriters, and what course they will pursue will have to be established. In the meantime, shippers who have their marine and war risk insurance placed in different companies will have to await the final outcome of what English or American underwriters decide to do, which will mean a large loss of interest on money which should be recovered promptly had they had both marine and war risk in the same companies, and in fact might, for the time being, financially embarrass some firms who are operating with a small capital. If both classes of insurance were placed with the same companies, there could be absolutely no question raised, and the loss would be promptly paid.

Cases of this kind have happened in the past and will happen again, and it is to the interest of the shippers, as well as the underwriters, to have both kinds of insurance on risks which they assume, so the underwriter cannot be involved in any controversies with his assured, which are bound to arise in cases of this kind.

Recently the steamer "Telesfora," bound for a French port, was sunk under similar conditions, but the captain of the "Telesfora" was held guilty of improper navigation, as with proper navigation the loss could have been avoided, and the French courts decided that the loss was a marine loss, and quite a number of shippers had to wait more than a year before they could collect their insurance, until it was finally decided what kind of a loss it was.

These two cases demonstrate absolutely the necessity for having both classes of insurance in the same companies, and also demonstrate that the companies must be careful in paying losses where they have only one kind of insurance, until it has been legally established on which underwriter the claim falls.

OBSERVER.

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U. S. Managers
Skandinavia Re-insurance Co. (Copenhagen)
Agents Marine Department
Providence Washington Insurance Co.
Massachusetts Fire & Marine Ins. Co.

Marine Brokers Want Facilities

PLAN SEVERAL NEW COMPANIES

Cautious of Buying Charters Because of Manufacturers Lloyds Experience—Out-of-Town Firms Active

It became known in New York this week that three marine brokerage firms are planning to develop new underwriting facilities in the near future. One of these firms has arranged for the marine agency of two Western fire insurance companies which up to now have not written marine insurance. One of the others has raised the capital to form new company facilities and the third firm has been seeking to buy and rehabilitate one or more of the charters of defunct New York State fire insurance companies which are known to be on the market.

In each of the three instances above mentioned, the firms have their principal offices in cities other than New York, and the underwriting facilities which they plan will also come from other sections.

In addition to these firms, The Eastern Underwriter is advised that two local offices plan expansion, one along automobile lines and the other with surplus fire insurance facilities.

That there has been a strong tendency in this direction is seen in the number of brokerage houses and affiliated interests which have developed new underwriting facilities in the past year or so, included among which are Johnson & Higgins, Ream, Ives & Wrightson, Frank B. Hall & Co., R. A. Corroon & Co., and Finn, Sandberg & Co.

Considerable of this activity originally took the form of an effort to buy the various charters which are for sale but there was an anxiety among the brokers not to duplicate the experience of the purchasers of the charter of the Manufacturers Lloyds. This charter was originally owned by interests identified with the Globe & Rutgers, under which management marine insurance had been transacted. Under the new management a ruling was discovered which precluded the writing of marine under the charter of the association as it stood.

HAS $655,000 OF BONDS

American Merchant Marine's Purchases Included In Increases Of Capital and Surplus

The American Merchant Marine subscribed to $520,000 of the Fourth Liberty Loan, which with its holdings of the First, Second and Third loans makes the company's total in Liberty Bonds $655,000.

In addition to the above, the company has $139,500 par value of the Second and Third bonds paid in by the stockholders on September 30 when the capital of the company was increased from $200,000 to $300,000. The surplus was also increased by $400,000 making it $1,147,099 as of September 30.

MARINE LECTURES

University Having Stimulated Interest In Subject Should Insist Upon Interesting Talks

New York University did a good turn for the insurance clerks when it announced that it would give a series of lectures on the subject of Marine Insurance. Unfortunately, the course started with a great deal of flourish and in the original class there were some underwriters drawn to the lectures by the attractive titles given in the prospectus. Some offices enrolled their principal clerks, who attended for a time.

The first series of lectures turned out to be too elementary for many of the auditors, a number of whom dropped out. The present series has started somewhat better. And it is hoped that there will be a constant striving for a high standard so that this very desirable and needed form of education will not be handicapped and those who are attending the course will not be disappointed.

ANNUAL DANCE NOVEMBER 1

The fourth annual reception and dance of the Insurance Baseball League will be held at the Palm Garden, November 1.

Many banks, financial institutions, mortgage companies, etc., will not grant loans without the explosion insurance cover.

Charles L. Henry, for a number of years with Weed & Kennedy, has been made office manager for C. R. Ebert & Co.

Legal Forms To Enter France

COMPILED BY ALB. SMEESTERS

Seven Documents Required But No Deposit—Re-Insurance Treaties Must Be Listed

The legal documents required to enter an insurance company in France are contained in a pamphlet which is being sent to American companies by the firm of Alb. Smeesters, of Paris. Separate forms are required of re-insurance and direct underwriting companies. The general forms for all companies are as follows:

1. Letter designating a responsible agent.

2. Undertaking to be written on letter head of the company.

3. Certified list of the board of directors, giving their names, addresses and nationality.

4. List of shareholders with their names, addresses, nationality and the number of shares belonging to each of them.

5. A copy of the report of the last meeting of the board of directors which was held before the war.

6. Two copies of the memorandum of association or certificate of incorporation.

7. A list of the re-insurers of the company's French business which may be sent direct to Mr. Sumien, Conseiller Juridique au Ministere di Travail & de la Pervoyance Sociale, 80 rue de Varenne, Paris.

A suitable form of letter designating a responsible agent and translated into French is as follows:

"Ministère du Travail et de la Prévoyance Sociale, Paris.
"Monsieur le Ministere:

"Nous vous prions d'agréer, comme agent responsable, conformément à la loi sur les réassurances du 15 Février 1917, Monsieur.....(address) notre représentant à Paris.

"Veuillez agréer, Monsieur le Ministre, l'expression de notre houte considération."

The usual form of undertaking translated into French is as follows:

"Je soussigné (nom et domicile de l'assureur), m'engage vis à vis de M. le Ministre du Travail à ne réassurer aucun risque concernant une personne, un bien ou une responsabilité en France ou en Algérie aux entreprises ou assureurs étrangers figurant sur toute liste arrêtée par le Ministre du Travail et publiée au Journal Officiel, conformément aux prescriptions de l'article Ier., 2° alinéa de la loi du 15 Février 1917, et à ne céder aucune réassurance à une société ou à un assureur qui n'aurait pas pris vis-à-vis de moi ce même engagement formel, qui sera imposé à chacun des rétrocessionnaires successifs par le cédant immédiat.

"Je déclare avoir avisé mon ré assureur et l'avoir invité à aviser son rétrocessionnaire que toute infraction au présent engagement ou tout refus de le prendre entrainerait l'inscription sur la liste noire dressée par le Ministère du Travail."

For direct underwriting the following two documents should be issued on French stamped paper (1) to bear the stamp of the company; (2) to be signed by two directors and the secretary; (3) to be certified by a notary public that Messrs. A and B are directors and Mr. C secretary of the company, and that the company's seal has been regularly affixed thereby legally binding the company; and (4) the signature of the notary to be legalized by the French Consul.

The first document is:

La Société.....
à responsabilité limitée dite.....
.....dont le siège social esta à.....
DECLARE qu'elle se propose d'exploiter en France (Algérie comprise) les assurances maritimes ou fluviales de toute nature.

ELLE S'ENGAGE à payer les droits et amendes de timbre et d'enregistrement de l'espèce qui pourront être dus en France, Algérie comprise, pour l'agence qu'elle se propose d'établir à PARIS, (address) et dont le titulaire est Monsieur (name of agent,) à raison des contrats d'assurances qui seront souscrits et signés à PARIS.

ELLE désigne, à cet effet, comme représentant responsable (Banque).....
.....

The second document is:

La société.....
à responsabilité limitéedite.....
.....dont le siège social est à.....
.....représentée par
Messieurs .....
Administrateurs et Monsieur.....
Secrétaire, ...
DECLARE qu'elle possède ou exploite en FRANCE une agence, établie à PARIS, (address) qui aura pour objet les assurances Maritimes ou Fluviales de toute nature dont le titulaire est Monsieur (name of agent.)

ELLE S'ENGAGE à payer la taxe sur les revenus et les amendes qui seront exigibles en France à raison de toutes les valeurs françaises.

ET DESIGNE pour représentant responsable (Banque) .....
.....

JAPANESE STUDYING HERE

S. Suyenari, of the Yokohama Fire, Marine, Transit & Fidelity Insurance Company, Yokohama, who is studying marine insurance at a Beaver Street office, will translate some English marine insurance books into Japanese, for study in that country.

Y. ASAI LEAVES

Y. Asai, of the Osaka Marine Insurance Company, of which he is managing director, has left New York for Japan, after some important business dealings here.

CRICKET CLUB'S PROGRESS

The formation and the first game of the Marine Insurance Cricket Club was much discussed on Beaver Street this week. While the game with the Staten Island Cricket Club resulted in a defeat the score run up by the marine men surprised those of their associates who know the intricacies of the game. Frank Gasson, of the Second Russian, headed the team and was ably seconded by Howell Brockie, of Curtin & Brockie, of Philadelphia, who personally accumulated sixty runs.

MORRILL & THOMLINSON, INC.

A. F. Morrill of 82 Beaver Street has taken into partnership E. Thomlinson, under the firm name of Morrill & Thomlinson, Inc. The newly formed corporation will carry on Mr. Morrill's existing general insurance business, and intends to specialize in marine insurance and the adjusting of averages. Mr. Thomlinson was formerly associated with Despard & Company.

MARINE NATIONAL BOARD MEETS

A meeting of the National Board of Marine Underwriters was held yesterday in the offices of the Atlantic Mutual. The entrance of marine companies to foreign territory was one of the subjects discussed.

HUSON ON TORPEDOED VESSEL

Frank T. Huson, formerly connected with the Baltimore firm of McComas-Kroh-Insley Co., and who for some months has been a yeoman in the navy, was on board the Ticonderoga, sunk by a submarine in European waters recently, and no word has been received concerning his fate. It is supposed that he was lost. Young Huson was quite popular in fire insurance circles in Baltimore and was only 22 years old.

The Trans-Marine Underwriting Agency Inc.
of New York
Managers for
Importers & Exporters INSURANCE COMPANY NEW YORK U.S.A.
Washington Marine INSURANCE COMPANY NEW YORK U.S.A.
Marine and War Risk Insurance
56 BEAVER STREET NEW YORK
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CASUALTY

Additional Facts On Explosives

CLASSIFICATIONS BY BUREAU

Extensive Index to Character of Many Compounds Known to Munition Makers

Explosives manufacturing operations have been classified by the National Workmen's Compensation Service Bureau and the governing committee of the New Jersey Bureau, as explained in The Eastern Underwriter last week. There are two groups in the classification, the first relating to charging and loading and Group II, which relates to manufacturing operations alone. In further elucidation of Group II the Bureau has prepared the following explanatory notes indicating the scope of the classifications in that group as follows:

1. Classification 4790 "T.N.T. Mfg." covers the nitrating of toluene, also the manufacture of Hexanitrodiphenylamine, Trilite (T.N.T.), Trimol (T.N.T.), Trotyl (T.N.T.).

2. Classification 4791 "Fulminate Mfg." is intended to cover substances having an intense chemical action, similar to mercury salt of fulminic acid, mercury fulminate, picrates of lead, calcium, barium, and copper.

3. Classification 4792 "Nitroglycerine, Explosive Gelatine and Dynamite Mfg." covers all explosives having a 15 per cent. content of nitroglycerine (except where an explosive is specifically considered under an individual classification) such as:

Dinitro Glycerine	Hercules Powder
Mononitro Glycerine	Rhexite Powder
Nitro Diglycerine	Rexite Powder
Nitroglycerine	Rhoenix Powder
Wetter Dynamite	Ammonia Dynamite
Grisoutite	Castellanos Powder
Nobel Andeer Powder	Blasting Gelatine
Mica Powder	Gelignite
Forcite	Ammonia Gelatine
Rhenish Dynamite	Ammonia Gelignite
Rend Rock	Grisoutine Favier
Atlas Powder	Autrigrison
Carbite	Forcite
Carbonite	Carbo Gelatine
Stonite	Coronite
Kynite	Gesilit
Dualline	Fordit
Judson Powder	Celtite
Giant Powder	Geloxite
Vigorite	Stowite
Vulcan Powder	Dexite
Lithofracteur	Dynobel
Lignin Dynamites	

4. Classification 4514—"Picric Acid" covers the nitration of Phenol and the manufacture of explosives which have a like degree of sensitiveness (except those explosives which have been placed in special classifications) such as:
Picric Acid, (Trinitrophenol) Trinitrocresol (Cresylite-Ecrasite), Trinitroanisole Trinitroxylene, Ammonium Picrate.

5. Classification 4793 "Tetryl Mfg." covers the nitration of aniline for explosives—i.e., such products as:
Tetryl (Tetranitro-Methyl-Aniline), Tetranitroaniline, Hexite.

6. Classification 4794 "Nitro Starch Mfg." covers the nitration of starches, sugars, dextrine—i.e., such products as:
Nitrostarch, Nitro Dextrine, Nitro Mannite.

7. Classification 4796 "Smokeless Powder Mfg. (single base)" covers the manufacture of smokeless powder mixtures which are free from nitro glycerine, such as:

Felixite	Maxim-Nordenfelt
Pimrose	Normal Powder
Potentite	Van Forster Powder
Cooppal No.1 and K. S.	Schultze Powder
Tonite	Amberite
E.C. Powder	Cannonite
Poudre B	Poudre Pyroxylee
Walsrod Powder	W. A. Powder

8. Classification 4797 "Smokeless Powder Mfg. (double base)" covers those smokeless powder mixtures which contain nitro glycerine (except where otherwise specifically enumerated in special classification, such as:
Ballastite Powder, Cordite, Solenite, Axite Ruby, Kolax, Cellulose (nitro) Derivative Powders, duPont Powder.
Colt's Pistol Ammunition, Grenner's Powder, Rifleite, Kynoch's Powders, Plastomenite, Smokeless Powders Containing Picrates.

THOMAS NELSON PAYS VISIT

Thomas Nelson, comptroller of the Chicago Bonding, was in New York this week visiting some of the principal agencies of the company in the East. Mr. Nelson started in New York with the Ocean, later going to Indianapolis with the Prudential Casualty and becoming comptroller of the Chicago Bonding when the two companies were consolidated.

CASUALTY AND SURETY NEWS

Federal Contract Bonds Hazardous

OFFICIAL ACTS SWELL LOSSES

Washington Chafes Under What it Regards as Unwarranted Rates and Rules

It is apparent that the Federal Government is still not entirely satisfied with the rates and practices obtaining in connection with the execution of surety bonds running to the government on war contract work. In fact evidences are not lacking that Washington officials are seriously considering a further broadening of government influence in the surety field, with a department head—an experienced insurance man—to care for the government's interests in this respect, with the object of regulating the surety business and preventing alleged harsh treatment toward contractors and the government by corporate sureties.

If in the twenty-five years of active relationship between the government and corporate sureties, taking the act of August 13, 1894 as the practical beginning of that relationship, those with an intimate acquaintance with surety conditions would be surprised if the gross premiums had exceeded the losses on government bonds, without regard to expenses of the underwriters at all. The reason the business has been unprofitable is that there is no method of underwriting yet known, save the exaction of cash collateral for the full amount of the bond, that will prevent the losses occasioned by the arbitrary and destructive methods of the government officials having charge of these contracts and the wide scope of the sureties obligation under the Federal statute.

Construction Contracts

Beginning with a form of contract that gives the government representative almost sole and arbitrary power as to the application of its terms; under an act of Congress giving subcontractors unto the third and fourth generation the right of direct recourse to the surety for work done and material furnished on the contract; covered by a form of bond open and unconditional, allowing changes without the surety's consent or notification; ending wtih the Court of Claims as the only resort of the surety so far as disputes with the government are concerned, is it wonderful that such contracts and bonds have resulted in experience which brought wisdom to the sureties and wisdom which caused a higher premium rate?

Certain bonds on these contracts, since the war, have guaranteed the return of monies advanced by the government, to be used for the improvement and operation of the plant on the contract. Relying on proper supervision by the government to see that these funds were so applied, the surety companies have so guaranteed the return of the money or the performance of the contracts. In one or two notable cases the government, apparently, did not see that the money was properly applied but found that it was being used in the performance of contracts or for other purposes in which the government had no interest and thereupon, late in the day, the government itself took over the operation of the plants. It is to be presumed when the loss comes, if one does come, the surety will be called upon to pay and perhaps the government will expect it to pay and yet for the risk it is taking the government condones merely a premium of 1 per cent. on the amount of the bond, 1 per cent. on the amount of the bond guaranteeing the repayment or the payment of money where a bank gets 6 per cent. a year for lending money on good security! Does the government think this rate exorbitant?

A Government Surety Bureau

If the government wants to improve surety conditions let it first improve its own methods. No doubt it would be a good thing if the government were to establish a surety bureau where all contracts and bonds could be passed upon by men competent to do so and to whom all amendments to contracts would be submitted and in whom the power to enforce performance of contracts would be placed. This at least would bring about a uniformity of action and after a while the companies would understand the departments and know what to expect. As it is now, there is no uniformity of action, the force appears apparently to be changing and amending bonds and contracts without reference to one central head. The government, if this were done, would find that the cause of trouble is from within and not from without and would find that the surety companies are underpaid and doing much from a sense of fear perhaps, but more from a sense of loyalty and an anxiety to co-operate with the government's purpose, not its practice, that the sureties are not bound to do at all.

That defaults on contracts and losses to surety companies are actually occasioned by mismanagement on the part of the government or the arbitrary and unwarranted methods cannot be gainsaid in view of the experience on government contracts.

A Post Office Contract

Here is what the government did on a post office contract recently. The contract was about $105,000 with a bond for ½ that amount with two corporate sureties, the liability to each surety being limited to half the face of the bond, but the bond being joint and several, each company practically guaranteeing the solvency of the other. The originating surety company arranged for joint control of the funds so as to be sure the money received on the contract was used on that contract alone and although prices had advanced materially as the contract went on, it still showed a small profit when it was 70 per cent. completed. At that time the usual monthly estimate was made for work done in the preceding month and the government representative approved the estimate which was sent to Washington for payment. The department sent through a warrant for one division of the estimate and the contractor, after waiting for several days, and getting no word as to the other warrant, his payroll being due and his subcontractors asking for their money, telephoned the department and was advised for the first time that as the capital of one of his sureties was impaired, it was

(Continued on page 22)



BUSINESS=BUILDERS

DEVELOPING

Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE

APPRECIATE THE CO-OPERATION OF THE

Massachusetts Bonding and Insurance Company

BOSTON T. J. FALVEY, President

Paid-In Capital $1,500,000 Write For Territory

Holland President of Royal Indemnity

A POPULAR INSURANCE MAN

Went to Australia From England—Makes Mark Here as an Able Underwriter

Charles H. Holland, general manager of the Royal Indemnity Company, has been made its president, a choice that will meet with wide approval throughout the country, as Mr. Holland is one of the most popular and able of all the casualty company officials.

The new president of the Royal Indemnity has had the advantage of an international experience, as he was well known in Australian underwriting circles before coming to this country with the Royal Indemnity, and had experience in England before being transferred to Australia to do important organization work. Here he quickly made an impress by reason of his knowledge of casualty underwriting, his fair dealing, his willingness to help in conferences and to sacrifice his own time whenever he thought the needs of the business warranted it. The Royal Indemnity has gone ahead fast under his management.

No mention of Mr. Holland should be made without commenting upon his polished manner, both in speech and in his greeting of people. He comes as near to having the Lord Chesterfieldian manner of anybody in insurance, being a real gentleman of the old school and young in years for a man occupying his position. Mr. Holland is well regarded in agency circles, particularly by agents active in associations, as he has frequently appeared before them making addresses on vital insurance topics.

S. D. CONNOLLY MISSING

First Lieut. Stewart Dow Connolly, R. A. F., was reported killed in action last August and later reported prisoner in a German camp. His father, Edward M. Connolly, of the National Surety, is now seeking definite information as to his fate. Lieut. Connolly, whose home is in Sparkill, New York, was, before the war, well known as an amateur athlete.

WILSON A VICE-PRESIDENT

Jos. R. Wilson, a brother of President Wilson and head of the development department of the U. S. F. & G. in Baltimore, has been elected a vice-president of the company.

Equitable Forms Will Soon Be Ready

TO START ON JANUARY FIRST

Not Competing With Casualty Companies, Says Vice-President Lunger—Broader Coverage

John B. Lunger, vice-president of the Equitable Life Assurance Society, in a statement to agents this week, said:

"The work in connection with the new acident and health program is progressing favorably. As you may imagine, it is not an easy task to prepare all the paraphernalia of policies, rate books, and manuals, and for the books, sheets and cards required for the records. We expect to announce our plans within a few weeks so that by January 1st the agents will have been able to study the contracts, familiarize themselves with the benefits proposed and be in readiness for a full twelve months' campaign in 1919 for these classes of business.

"Perhaps it is not amiss to mention at this time that amongst our policy contracts will be two forms of especial value when written in connection with life insurance.

"It is gratifying to find that this move, on the part of the Society has met with a general approval in our ranks, in the columns of the insurance press, and by students of the business who view it as a natural and logical extension of the functions of a great life company. We are not entering the accident and health field to compete with the casualty companies but solely to give our policyholders a broader coverage and to benefit our agents by extending their field of usefulness, thus incidentally increasing their earnings. An agency for the Equitable is now a valuable franchise, which will be more valuable when an agent can present coverage for all the casualties of life as for death."

CHARLES WHITNEY DEAD

Charles Whitney, formerly executive superintendent of the General Accident, died at his home in Philadelphia last Thursday of influenza. Mr. Whitney is well known in New York where he was identified with the company's personnel here for a number of years.

VOLUNTEERS FOR NAVY

Having volunteered his services to the navy, Roland A. Hillas has given up his Jenkintown home and has returned to New York so that Mrs. Hillas and their child can be near Mr. Hillas while he is located at Pelham Bay. Mr. Hillas is son of R. J. Hillas, president of the Fidelity & Casualty. This addition to Uncle Sam's fighting forces is in the officers' training camp at Pelham Bay. He is a graduate of Columbia University and was manager of the Philadelphia office of Wilcox, Peck, Brown & Crosby until the time of his enlistment.

The Globe Indemnity has subscribed $600,000 for Liberty Loan, which makes $1,000,000 for all loans to date.

Something New

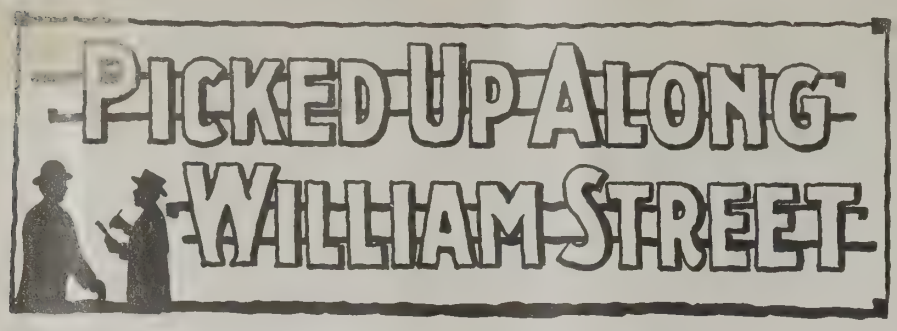
Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building PHILADELPHIA



The Aetna and the Drive

The Aetna and affiliated companies subscribed to the Fourth Liberty Loan for $12,400,000 of which two million was distributed in their various agencies throughout the country to co-operate with local districts in securing their quotas. The Aetna deferred payment plan has produced for the first three loans a total of over 65,000 individual subscribers and for the Fourth Loan the number already exceeds 50,000. The amount of subscriptions under the deferred plan of purchase was $6,481,000 for the first three loans and the Fourth will amount to between five and 6 million. President Bulkeley originated the deferred payment plan and the fact that he has extended the same to brokers and agents in the general insurance fraternity, as well as to his employes and to numerous organizations, and to over one hundred seventy-five manufacturing plants in Connecticut, tells its own story of the success of the plan in securing subscriptions to a greater extent than would otherwise be possible. The New York branch office undertook in the Fourth as well as preceding loans, the handling of the New York Post Office employes whose loyal subscription was practically 100 per cent.

The detailed handling of these deferred payments by the Home Office is interesting in that the President established an entirely separate office for that purpose called the Aetna Liberty Loan Office in which at the present time are employes to the number of 38 whose entire time is devoted in that connection.

The outdoor rally staged by the Agency Department of the New York Office in front of 100 William Street on Friday last was very successful and secured upwards of $50,000 in small subscriptions. There were many prominent speakers present including Jack Monroe of the "Princess Pats," several singers, Mr. John Cassell, editorial cartoonist of the "World." Mr. Cassell's cartoons were sold and one of them was auctioned off for $2,000. Having in mind that if a Fifth Loan is needed, the new story of President Bulkeley's successful efforts along the lines above indicated will tend to encourage similar efforts and consequently guarantee the success of as many more loans as may be necessary, is not at all out of the way at this time.

"We in the Aetna can be pardoned, I am sure, for a justifiable pride that we have in the whole-souled and undivided efforts which President Morgan G. Bulkeley has given in connection with each one of the four loans," said Superintendent Morrill, of the brokerage and agency department. "Not only has his own energy been thrown into the campaigns but his instructions to his associates were to the general effect that whether the Aetna did any insurance business or not, he did want his associates and the employes to do even more than their share of the hard work."

* * *

No Action On Policy

There was to have been a meeting last week of the special committee on uniform standardized health and accident policy forms. Another date will be set.

Thomas E. Malcom With Aetna

Thomas E. Malcom is with the Aetna Companies in New York as underwriter in the liability and compensation department. Mr. Malcom was formerly with the United States Casualty and the Hartford Accident & Indemnity.

* * *

T. F. Haff, president pro tem of Fester & Folsom, Inc., is in England on business. He has taken an active part in the office affairs since the death of Ralph Folsom. He has been with the corporation for six years and was known to the insurance fraternity for some time before that, when he was with the Insurance Company of North America.

* * *

On Western Trip

D. H. Cook, superintendent of agencies for the American Surety, is on a trip during which he will cover the Pacific Coast.

* * *

With Coast Artillery

Kenneth Gallien, of the purchasing department of the American Surety, is now with the Ninth Coast Artillery.

* * *

Perfecting Boston Rating

W. F. Moore, the plate glass rating expert, is making an index of the streets in Boston, so arranged that one may at once ascertain in what zone any risk lies and the rate for it.

* * *

George Harris Dead

George Harris, head counterman in the New York office of the Commercial Casualty, died last Saturday after four days' illness. He leaves a wife and two children. Mr. Harris was formerly chief auditor at the home office in Newark.

* * *

Training At Union College

Paul H. Gallien, of the burglary department of the American Surety, is now in the officers' training school at Union College, Schenectady.

Federal Contract Bond Hazards

(Continued from page 21)

necessary for him to procure a new surety before the government would make any further payments. Of course it was impossible for the contractor to secure a surety bond because every company is loath to assume a bond on an uncompleted contract, especially where the only funds standing between it and loss are those on the particular contract, so the contractor could not get a bond and notified the government and the government took no further action and after some days the contractor shut down work and after delaying several months during which the labor and material men went elsewhere the government called upon the solvent surety to complete the contract which of course it refused to do.

Eight Years to Recover

It took George B. Spearin about eight years to recover in the Court of Claims $107,000 the government owed him on the Brooklyn Drydock where contractor after contractor had failed and poured money into quicksand, although his contract contained a provision for the payment under such a contingency.

The New England Equitable Insurance Company, during the last few years of its career, was building post offices for the government on defaulted contract in half a dozen States and lost more on these contracts, it is safe to say, than the entire premiums collected by surety companies on such contracts in the last ten years.

A Story About Concrete Barges

Quite recently the government contracted for several concrete barges, the builder to supply and deliver these under the usual conditions of a supply contract, ownership remaining vested in the builder until delivery. A bond of $17,000 was given for which the surety company received $170 on a $170,000 contract. Without consulting the surety the contract was amended so that monthly payments were made, ownership vested in the government, and the contract practically turned into a construction contract. Thirty or forty per cent. of contract price being thus paid when it defaulted, with the contractor owing a little more than the face of the bond to the man furnishing the steel for reinforcement, it was obvious that the contractor would not be able to perform the contract without financial assistance. The surety's original protection, retained payments, on this contract is gone, but, very properly, also, apparently, its liability is destroyed. If it takes that position and can sustain it, from whom will the steel contractor recover for his steel? The government has destroyed his lien and he has none under the bond. Even an arraignment by the debtor is not recognized by the government.

If the surety company had consented to amendment the contractor would have been protected. The contractor will suffer from the government's mistake.

For this bond the surety received practically $68 after paying its expenses and this $68 is to adjust the $17,000 claim. Does the government consider this a high rate of premium?

Does the government consider 1/10 of 1 per cent. on the amount of a contract a high price to pay for a supply bond which covers liability for fire and theft of material as well as guarantee the performance of the contract, say, for manufacturing tents or making raincoats or shrinking material? Does not the government consider the premium somewhat shrunken also?

Public Official Bonds

Some eight years ago the sureties were getting from $2.50 to $4.00 per $1,000 on the amount of bond. Public officials are reasonably human and the only incentive most of them have, by virtue of their offices, is to gather hay while the political sun shines. The rates made at that time were made on the theory that a public official was not necessarily much better than anybody else, and that such an official as, say, the disbursing clerk of the Treasury department, who carries large sums of money around in a hand bag, for the theft of which by third parties the surety company would be liable under the bond, was no better risk than was the cashier of a metropolitan bank surrounded by every precautionary method to prevent loss of funds entrusted to him and for whose honesty alone the surety is responsible, and was about the same as the rate charged for banks, but the Federal Government fixed a rate of $1 per $1,000 on the amount of the bond. Of course, the surety companies should have at that time refused to write the bonds and the experience is not long enough for it to yet be stated that any bond guaranteeing human character can be written at a premium that leaves thirty cents per $1,000 wherewith to pay the loss if a loss occurs, and that a large loss will occur and is bound to occur, sooner or later, there is no doubt.

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Complete Automobile Coverage
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Check Raising and Check Alteration Indemnity

Brokers will find a demand for this Protection. Inquiries invited regarding our Policies, Rates and Commissions.

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50 Broad St., New York - - - - Phone Broad 1127

CASUALTY AND SURETY POINTERS

Small Lines A Sure Builder

The real permanent foundation for a successful agency is the small risk, says W. M. Graves, liability superintendent of the Chicago Bonding & Insurance. Not only is it well removed from the more active competition but it is easier to sell and far easier to retain. The larger proportion of such risks renew automatically, and if properly handled—make good accounts. Take as an example a corner grocery store. By education you write him for general liability—then a little later his teams. Presently he gets a truck and turns to you to cover this. Later perhaps may come burglary—plate glass and other lines. It is really of small importance through which gate you gain the front yard of his confidence—the point is that the apparently small risk properly handled—may easily produce a real account and be much more inclined to pay permanent dividends.

If such a risk should be lost it is not a difficult matter to replace it by a little added effort. By making it a fixed practice to make three calls a day—and putting forth real endeavor on each occasion to obtain a foothold, before a year has elapsed the decided increase in the amount of business attractive both to yourself and the company will be surprising and gratifying. Remember if you can sell a man one line of insurance you should be able to sell him another.

* * *

Writing Farmers Through Life Men

Duncan C. Macintyre, manager of the miscellaneous casualty department, Chicago Bonding & Insurance, points out that as most people naturally associate the farmer with robust health and strength, they find it difficult to understand why casualty companies rate him so severely for disability insurance. The severe rating is based almost entirely on the accident hazard, although the sickness feature does enter to some extent.

This is perhaps the best time in the year to solicit farmers' insurance. Farmers are selling big crops at high prices and have plenty of money. Furthermore, the average farmer buys an automobile as soon as he gets a little money ahead.

The best way for a general agent to get after this class of business is to get in touch with as many of the active life insurance agents in his territory as possible. These men have probably combed the territory pretty carefully in their canvass for life insurance, consequently they could place the disability proposition before the live insurance prospects sooner than anybody else. Furthermore, by securing the services of these life insurance solicitors one is bound to increase accident and health writings in other occupations, as the life insurance agent does not spend all of his time soliciting farmers.

Millions of farm workers have had their wages increased and in many cases more than doubled. Hundreds of thousands of farm hands, kept from war to raise the crops, are able to take good lines of insurance and unquestionably will, if properly approached.

* * *

No Alibi For Lack Of Business

Talking about hard luck stories of agents the Standard Accident says that the big thought in these times is NOT that business may be hard to write—but that it can be written. Work of every kind is hard in these times—the present generation has never experienced before the difficulties and hardships we are going through every day. Our nation has never been confronted with as difficult and such a tremendously big job as the one it has undertaken. But—does anyone shrink from or ease up on his or her responsibilities and duties these times because they are hard? The spirit of Americanism is to put forth greater effort to accomplish the bigger and more difficult undertakings.

Is there really any alibi for lack of business? We may think there is, but is there—really? We cannot excuse ourselves because getting business requires hard work, because everybody is doing hard work and lots of it. We cannot deny the fact that literally hundreds of thousands of the highest paid workers in the history of our country are the livest kind of prospects because of their special need for protection, we cannot close our eyes to the tremendously real fact that notwithstanding the numbers gone from the ranks of the employed into the country's service, there are still left behind a bigger number employed in highly paid necessary work. Never in former times of greatest industrial prosperity were more workers so satisfactorily employed. Never in the history of our business were industrial workers so universally in need of protection against loss of time. This is so because of, for one thing, the wage value of the worker's time, and also because so many inexperienced workers are taking up work new to them, and they are therefore exposed to greater danger of injury. Still another reason is the fact that present high pressure living conditions, such as the high prices of food, clothing, etc., the shortage of coal, all go to make the hazard of sickness greater. The fact is indisputable—the need for insurance protection against loss of time is greater, more universal, more compelling, than it ever has been in the history of the business.

What then is the duty of the insurance salesman? Can any one who is alive and awake in these compelling times fail to realize his responsibilities to the utmost and WORK as he has never worked before?

* * *

Believes In Proposition And Works

Hal D. Van Gilder, of Denver, who represents the Standard Accident, tells his fellow agents what he thinks of the health and accident business and how he has succeeded. This is his story:

I had been clerk in the District Court for over six years, and, like every politician, supposed I would hold my position forever, when I was awakened to the fact that the party with which I was associated had gone down in defeat. I had observed that several of my friends had made quite a success handling surety and court bonds, and I started in to handle bonds. At the end of a few weeks I found the returns on this class of business were too slow, and I then took up accident insurance, as the agency with which I was connected also handled this line of insurance.

I started out to solicit accident insurance without any instructions, and did not know the difference between a select and ordinary classification. I sold a policy to the first man I talked with, but it took me three hours to do it. The fourth week I was in the accident business I made $87. This encouraged me, as I had felt at the start that if I possessed half the ability of some other agents I could make a success, for I knew that I could WORK.

After being an insurance broker for five and a half years, I decided it was time for me to secure an agency for myself and make a future for my business. It is just six years and a half since I began to represent the Standard, and the annual premiums have grown from $1,200 to over $20,000—this for the regular department alone.

I do not pretend to be a salesman, but I attribute my success to the fact that I believe in the merits of my proposition, and I know what work means. I cannot say that I even solicit systematically, but I have builded my business around my own personality.

ARTHUR L. AMOS DEAD

Arthur L. Amos died October 17 of pneumonia. He was ill less than a week. Mr. Amos was burglary underwriter at the home office of the Maryland Casualty in Baltimore.

PERSONNEL OF COMMISSION

Those Who Will Administer the New Workmen's Compensation Law in Virginia

The personnel of the Virginia commission to administer the compensation law is composed as follows:

Robert H. Tucker, chairman, Lexington, Va., for several years professor of political economy at the Washington and Lee University.

Captain Charles A. McHugh, attorney at law, Roanoke.

Charles G. Kisser, Richmond, formerly commissioner of labor in Virginia.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

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THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

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Plate Glass, Burglary, Accident and Health Insurance

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Established 1864

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Resident Managers
New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

SEMI-ANNUAL STATEMENT JUNE 30, 1918

Assets	$15,684,739.43
Liabilities	12,471,369.12
Capital	1,000,000.00
Surplus over all liabilities	2,213,370.31
Losses paid to June 30, 1918	63,244,803.06

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation—Steam Boiler Insurance; Fly-Wheel Insurance

CHICAGO BONDING AND INSURANCE COMPANY

WRITES the following lines of INSURANCE

FIDELITY AND SURETY, PLATE GLASS, BURGLARY, GENERAL LIABILITY, AUTOMOBILE LIABILITY, PROPERTY DAMAGE AND COLLISION, ACCIDENT AND HEALTH, MONTHLY PAYMENT

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W. F. Murphy & Co., Res. Mgrs., Union Trust Bldg., Jersey City, N. J.
J. Ramsay Barry Co., General Agent, 10 South Street, Baltimore, Md.
R. H. Lambert, Branch Manager, Equitable Bldg., Washington, D. C.

Capital $500,000.00—Surplus to Policyholders, $825,544.20

F. O. ROBERTS, Vice-Pres. and Gen. Mgr. HOME OFFICE: CHICAGO, ILLINOIS

Keep Your Liberty Bonds

HOLD to that bond. You invested to help send the boys across. They are over now, at grips with the German monster. You expect them to hold on—hold on till the last vestige of autocracy is crushed out of him. Then you, too, must hold on —must keep your enlisted dollars invested on the fighting line.

It isn't the hooray of a campaign that wins a war. It's the will to hang on, to make sacrifice today, that tomorrow may bring victory.

And your investment. Those bonds are the safest investment you ever made. Don't be lured into exchanging them for the "securities" of some suave get-rich-quick operator. Big returns may be promised, but the bigger the promised returns the bigger the risk.

If you have to have money, take your bond to any bank and use it as collateral for a loan. There is no security the banker would rather have—nothing on which he will lend more willingly.

Don't use bonds to buy merchandise. The average merchant, accepting your bonds in trade, sells them immediately, thus tending to lower their market price and taking away from the buyer of your bonds the ability to lend a corresponding amount of money to his Government. Liberty Bonds are meant to help your country at War; are meant for investment and to provide an incentive for saving and a provision for the rainy day.

Hold fast to your Liberty Bonds. Hold fast for the sake of the boys "Over There". Hold fast because it is good business.

UNITED STATES TREASURY DEPARTMENT

Contributed through Division of Advertising

United States Gov't Committee on Public Information

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THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

Nineteenth Year; No. 46 | NEW YORK, FRIDAY, NOVEMBER 1, 1918 | $3.00 a Year; 25c. per Copy

THE SITUATION AT MOTOR CAR PLANTS

Chamber of Commerce Secretary Says Production Re-adjustment May Take Year After War

NOT MUCH STOCK IN FACTORIES

Will Get Share of Any Surplus Steel—Cards to Regulate Gasoline May Be Issued

Automobile insurance men were unusually interested in the published report of a luncheon at the Engineers' Club, New York, given to reporters and editors for motor car technical papers, by Alfred Reeves, manager of the National Automobile Chamber of Commerce. The object of the luncheon was to acquaint the newspaper men with the inside facts relative to the automobile situation from the Washington standpoint. In brief the facts given by Mr. Reeves follow:

1. It will take many months following the war—possibly a year—for the motor car plants to readjust themselves for the resumption of production.

2. With stocks on hand, the evening up of inventories and what little production may possibly be permitted after January 1, at plants which by their lack of equipment and facilities cannot be devoted 100 per cent. to war work, there may be enough cars to carry some makers and dealers some months into 1919.

3. If there should be any surplus steel now or after January 1, the automobile industry will get its share.

4. Care will be taken to supply parts to keep present cars running rather than providing for production of new ones. Motor truck and service station labor will probably be looked after fairly well.

The Gasoline Question

5. To meet the big demand for gasoline next spring there will probably be put into force a card system with different colored cards for each month, whose value in gallons or even portions of a single gallon will be set at the time by the oil commission. The present consumption of gasoline averages 8,500,000 gallons a day.

6. Manufacturers engaged in the export trade will be treated with indulgence to take advantage of the foreign demand for American goods.

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Equal Protection for ALL Policyholders.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

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North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager
UNITED STATES BRANCH
76 William St.,
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THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,-972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents
EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

LACK OF EXPERTS HAMPERS JAPAN

Life Business Making Slow Headway Because Experienced Managers Are Few—Competition Brisk

MUCH TWISTING OF POLICIES

S. Ebihara, of Meiji Life, Elaborates New Mortality Table—Experience Resembles France's

Although Japan's life insurance business comes far below that in the West, it seems to have reached the limit of expansion considered in connection with national wealth and insurance knowledge of the people. The supply of properly qualified managers and experts is very small, while graver trouble is experienced by canvassers in obtaining new clients and they too often are obliged to decoy the clients of their rivals by inducing them to dissolve contract with the original company. Clients therefore are frequently circulating from one company to another.

New Policies Fewer

The gradual decrease, says the Japan Year Book, in the ratio of new contracts and reverse ratio of dissolved contracts as compared with the existing policy amount have become more and more conspicuous recently, as may be seen by the following table giving data of life insurance in 1,000 yen:

	In force first of yr.	New contracts	Dissolutions	Net increase
1912.....	860,137	230,738	78,967	154,630
1913.....	834,767	285,251	100,223	178,023
1914.....1,023,044		269,904	138,045	112,922
1915.....1,136,272		198,563	195,256	*8,821

*Decrease.

Mortality Rate in Japan

Formerly the seventeen companies table of England was generally adopted by Japanese life insurance companies. A reliable mortality table has lately been elaborated for the first time in Japan by S. Ebihara, of the Meiji Life, who prepared the table as a joint undertaking of his and two other companies. The exposure was 360,000. His data, partially quoted below, shows that the condition of mortality of assured in Japan differs from that of England and resembles that of France.

The mortality rate of assured in Japan and England is shown below per 100,000.

(Continued on page 9)

THE GAUVIN AGENCY

1918 Questions In Actuarial Examination

BROAD KNOWLEDGE REQUIRED

War and Disability Furnish Some of the Topics—Significance of the Word "Trust"

The 1918 examination papers for fellowships in the Actuarial Society of America cover a wide range of subjects, some of them about the war. During 1918 the following were some of those admitted as fellows: W. Nelson Bagley, Travelers; James Strode Elston, Travelers; John Marshall Gaines, Deputy Commissioner War Risk Bureau; Arthur Freeland Hall, Toronto; John Ruse Larus, Jr., Phoenix Mutual Life; Charles Dickson Rutherford, Sun Life; Thomas Freeman Tarbell, Mutual Life.

Some of the most interesting of the examination questions follow:

On what terms might a company grant insurance to persons about to engage in any of the following branches of war service:

(i) Non-commissioned infantry officer about to leave for service in France?

(ii) Member of the Y. M. C. A. or Red Cross soon to be sent to Europe?

(iii) A male civilian who anticipates making several trips to and from Europe during the period of the war?

Draft a war clause applicable to case.

How would you compute gross premiums for the following benefits:

(i) Reinsurance for the net amount at risk each year on the one year renewable term plan?

(ii) One year renewable term with automatic conversion to ordinary life plan at age 65 and with privilege of conversion to life or endowment plan at any age prior to 65?

(iii) Group insurance on the one year renewable term plan covering all employees of a high grade manufacturing plant without special occupational hazard?

In each case indicate the rate of commission payable.

(a) How would you compute the reserves for a life policy containing a provision for double indemnity in case of death, by accidental means, occurring before age 70?

A ten year endowment for $1,000 has been in force for one year and you are asked to change it to an ordinary life for $5,000 bearing:

(i) Old date. (ii) New date.

How would you treat such a request coming from (1) the agent who wrote the original application; (2) a new agent who has taken the place of the original agent? If you would approve of the change, indicate the conditions and the basis of commission adjustment. Discuss the same questions in the case of a request to change from an ordinary life for $5,000 to a ten year endowment of $1,000.

A firm two years ago took out a joint ordinary life policy on two executive officers, ages 41 and 28 respectively, making the firm the beneficiary. The older life leaves the firm, which wishes to substitute for him in the policy a new life age 38. What documents would you require and on what terms would you make the change?

The war having caused a sudden depletion in your staff, you are forced to employ less skilled labor in the department having charge of changes in policy contracts. Draft a set of rules for the guidance of your clerks, enumerating the changes most frequently met with and the rules they are to follow in connection with those changes.

Computing Annual Refunds

A mutual life insurance company issues policies either with or without the disability feature. Those policies containing such feature provide, in the event of total and permanent disablement, for the waiving of future net premiums and for the payment annually of 10 per cent. of the face till death or maturity without thereby reducing the face. Explain with formulae how you would compute the annual refunds, under a two factor method, the factors being interest and loading profit, for:

(i) A limited payment life policy without the disability feature.

(ii) A similar policy containing such feature, the life now being active.

(iii) A similar policy after disablement has occurred.

What practical considerations should govern a life insurance company in investing in city mortgages? Contrast with farm loans.

What were the reasons for establishing the Federal Reserve System in the United States? Briefly describe the system, and indicate its value as illustrated by recent financial conditions.

What is the significance of the word "Trust" in so-called trust settlements of life policies? Discuss the application of the "Rule Against Perpetuities" in connection with special settlements of life policies.

Mention the circumstances connected with any case which was decided in the courts by virtue of this statute.

A man takes out a life insurance policy in the Province of Quebec and makes his mother the beneficiary. Under what conditions can he change the beneficiary to his wife? If the insured desires a loan against the policy what information should be secured by the Company and what signatures obtained to the loan agreement?

Explain clearly how you would determine the present value of the future benefits under a pension scheme providing for annuities till age 16 to the orphans, and annuities payable till death or remarriage to widows, of a large group of men now active, assuming the annuities to be for fixed amounts and to commence upon death for permanent disablement of the father or husband.

What is the difference between the individual and collective methods of determining the above present value, and under the collective method from what two sources may the statistics be derived?

Pension Scheme

A fairly prosperous bank with both male and female employees has a pension scheme under consideration and the tentative plan as drawn up provides verbatim for the following benefits, the company and the employees each to pay one half the contributions, all benefits to cover past service of old employees:

(i) An annual pension, commencing upon compulsory retirement at age 58 or upon prior permanent disablement, of 3 per cent. of final salary for each year of service.

State concisely what provision has been made for soldiers and sailors of the United States under the 1917 War Service Compensation Act. Criticise.

A certain insurance company has under consideration the issuing of health insurance policies. You are asked to advise the management of such company in this connection. Draft a concise but comprehensive report covering the following:

(i) Statistics available for the calculation of proper premiums and the applicability of same to a business to be conducted in America.

(ii) Factors which should be taken into account in determining the proper premiums.

(iii) Managerial points to which constant attention should be given after the issuance of this class of business has commenced.

Protect Your Loved Ones

INSURANCE provides the only SAFE way

For full information, call, write or phone:

JOHN M. RIEHLE

Equitable Life Assurance Society of the United States,

68 William St., New York City 'Phone 4343 John

? DO YOU READ ADVERTISEMENTS ?

Once in a while it pays a man to read an advertisement.

For instance, do you know why the $24,816,657.00 of new business paid for in 1917 by the fieldmen of

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

exceeded by $3,751,129.00 the largest amount paid for in any other year since the Company was organized in 1860?

Do you know why very few men who can make a living selling life insurance leave this Company?

The answers to these questions will be of great value to the man who wishes to form a connection with

A Growing Company For Growing Men

For a direct Agency Connection address:

T. LOUIS HANSEN, Vice-Prest & Agency Manager

50 Union Square NEW YORK, N. Y.

FRICKE WITH WISCONSIN LIFE

Former Insurance Commissioner Back in the Business—Succeeds N. J. Frey Who Will Enter Army

N. J. Frey, secretary-manager of the Wisconsin Life Insurance Co., has offered his services and been examined for a position in the heavy coast artillery. He has been favorably recommended as far as physical fitness is concerned and expects to leave for his new work in the near future, if the war does not end. Former State Insurance Commissioner William A. Fricke has been engaged to take up the work of Mr. Frey in connection with the Wisconsin Life. It will be remembered that Mr. Fricke was formerly manager for the Great Northern Life of Wausau. His ability as a life insurance expert is widely recognized. Mr. Frey has many friends who will regret his departure from Madison. He was formerly connected with the Wisconsin insurance department and is well grounded in sound insurance principles.

DETROIT GENERAL AGENT

J. C. Johnson, Harrisburg General Agent, Transferred to Michigan Metropolis November 1

J. C. Johnson, who has been general agent of the Equitable Life of Iowa in Harrisburg, Pa., has been made general agent in Detroit. The appointment takes effect November 1.

The State Life of Iowa, recently organized with a capital of $100,000, expects to begin writing soon. J. P. O'Mally, a bank president, is head of the company.

Inheritance Tax Exemption of $25,000 For Each Beneficiary

REDRAFT WAR REVENUE BILL

Inheritance Tax Substituted for Estate Tax—Companies Must Withhold the Tax

In redrafting the House form of the War Revenue Bill, the Senate's Finance Committee has substituted an inheritance tax for an estate tax. In the redraft dealing with individual beneficiaries it is only the excess of insurance over $25,000 which goes to each beneficiary that is subject to tax. In other words, if a man leaves $100,000 to his widow and three children in sums of $25,000 each, all the bequests are exempt. If he leaves his widow $100,000, then the $75,000 is subject to the inheritance tax. Insurance companies must withhold the tax and pay it over to the executor or to the Internal Revenue collector, as may be determined by regulations to be issued by the Treasury Department.

The new inheritance tax section (Table IV.,) reads in part as follows:

A tax is hereby imposed upon the transfer by reason of the death of a resident of the United States, dying after the passage of this act, of any tangible or intangible property wherever situated, or any interest therein or income therefrom, or by reason of the death of a non-resident of the United States, dying after the passage of this act, of any property within the United States, or any interest therein or income therefrom, to any person in trust or otherwise, equal to the sum of the following percentages of the total value of the beneficial interests transferred to such person in any manner by reason of the death of the decedent:

One per centum of the amount by which the beneficial interests passing to such person exceed $10,000 and do not exceed $25,000.

Two per centum of the amount by which such beneficial interests exceed $25,000 and do not exceed $50,000.

Three per centum of the amount by which such beneficial interests exceed $50,000 and do not exceed $100,000.

Four per centum of the amount by which such beneficial interests exceed $100,000 and do not exceed $150,000.

Five per centum of the amount by which such beneficial interests exceed $150,000 and do not exceed $200,000.

Six per centum of the amount by which such beneficial interests exceed $200,000 and do not exceed $250,000.

Ten per centum of the amount by which such beneficial interests exceed $250,000 and do not exceed $500,000.

—— per centum of the amount by which such beneficial interests exceed $500,000 and do not exceed $1,000,000.

Twenty per centum of the amount by which such beneficial interests exceed $1,000,000 and do not exceed $2,500,000.

Twenty-five per centum of the amount by which such beneficial interests exceed $2,500,000.

Sec. 402. That the following shall be deemed to be taxable transfers under the provisions of this title:

(a) Transfers by the laws of intestate succession or by will, including the creation by will of powers of appointment and the exercise by will of general powers of appointment;

The tax imposed by this title shall not apply to the transfer of each and every beneficial interest in each net estate of every decedent dying while serving in the military or naval forces of the United States, during the continuance of the war in which the United States is now engaged, or if death results from injuries received or disease contracted in such service, within a year after the termination of such war. For the purposes of this section the termination of the war shall be evidenced by the proclamation of the President.

(b) Transfers by deed, grant or gift, including the exercise by deed of general powers of appointment, made in contemplation of the death of the vendor, grantor or donor, or intended to take effect in possession or enjoyment at or after such death, except in the case of a bona fide sale for a fair consideration in money or money's worth whether such deed, grant or gift was made before or after the passage of this act. Any transfer of a material part of his property in the nature of a final disposition or distribution thereof, made by the decedent within two years prior to his death without such a consideration, shall, unless shown to the contrary, be deemed to have been made in contemplation of death within the meaning of this title; and

That the tax imposed by this title shall apply to bequests, legacies, devises, or gifts to the United States or to any State, or to any political division thereof, for exclusively public purposes, or to bequests, legacies, devises, or gifts for use of a religious, literary, charitable or educational character, or for the encouragement of art, or to societies for the prevention of cruelty to animals to the extent only that such bequests, legacies, devises, or gifts exceed in amount 15 per centum of the net estate of the decedent.

Sec. 405. That the value of the gross estate of the decedent shall be determined by including the value at the time of his death of all property, real

(Continued on page 8)

Mr. Successful Life Insurance Agent:
Do you want to secure a General Agency for yourself? If so, read this, it is
WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000, or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And WHY should any man be satisfied with a policy that would do less? The cost is low.

General Agents wanted in the following States: Pennsylvania, Delaware, Kansas, Michigan, Ohio and the District of Columbia. Address:

UNITED LIFE AND ACCIDENT INSURANCE CO.
Home Office, United Life Bldg., Concord, New Hampshire

Prudential Group Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

THE
PRUDENTIAL
INSURANCE CO. OF AMERICA
Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President **Home Office: NEWARK, N. J.**

Tax Net Investment Income 12 Per Cent.

REVENUE MEASURE AMENDED

"Net Income" is Total Investment Income Less Interest, Dividends, Rents and 4 Per Cent. of Mean Legal Reserves

The Finance Committee has adopted an amendment to the Revenue Bill, imposing a tax on the net income of life insurance companies. The amendment as adopted by the committee is as follows:

Life insurance companies. New Part IV, page 44, between lines 17 and 18, insert new part to read as follows:

Part IV.—Life Insurance Companies Section 245. That there shall be levied, collected and paid for each taxable year upon the net income of every life insurance company, a tax as follows:

(a) In the case of a domestic life insurance company, 12 per cent. of its net income.

(b) In the case of a foreign life insurance company, 12 per cent. of the same portion of the net income which the reserve fund upon business transacted within the United States is of the total reserve fund upon all business transacted whether within or without the United States.

Section 246. That in the case of a life insurance company, the term "net income" means the gross income less—

1. An amount equal to 4 per cent. of the mean of the reserve fund required by law and held during the taxable year but not less than the amount of interest received during the taxable year which under paragraph 4 of subdivision (b) of Section 213 is exempt from taxation under this title.

2. Investment expenses paid during the taxable year, not exceeding ¼ of 1 per cent. of the mean invested assets.

3. Taxes and other expenses paid during the taxable year exclusively in connection with real estate owned by the company, not including taxes assessed against local benefits or any amount paid out for new buildings or for permanent improvements or betterments made to increas the value of any property.

4. In the case of a domestic life insurance company, $2,000.

Section 247. That in the case of a life insurance company the term "gross income" means the gross income received during the taxable year from interest, dividends and rents.

INSURE POLICY LOANS

One of the general agents of the New England Mutual Life recently noticed that a substantial loan at 5 per cent. was standing against a 10-Payment Life, whose premiums were almost paid. He suggested that insuring the loan would cost about 2 per cent., thus making the total rate of interest only 7 per cent., and guaranteeing the full face of the policy in the event of death. The idea took root. In a few days a call came on the telephone that the prospect wished $50,000 additional, and possibly a larger amount. He got it; the final figure being $100,000! Get the habit of looking after these loans—you can make them valuable aids to new insurance.

Dr. Phineas H. Ingalls, medical examiner of the Aetna Life, has been appointed post surgeon in Hartford of the United States Army.

Goulden & Miller, Connecticut General, New York, have opened a special department to write group insurance.

Protection—Now!

By Charles F. Kuhns, Guardian Life, Baltimore

Not only is it necessary for the wide-awake agent to use every persuasive argument and means in his power to write life insurance, but in a great many instances he is confronted with equally as hard a task when trying to place a policy in force—in the hands of the insured—and securing a settlement for the first premium, after the policy has been issued by the home office of his company.

If ever there was a true saying, here is one: "There are three things in life in which a man procrastinates—getting religion, making his will, taking life insurance." Strange as it may seem, the general attitude of the client is to put off accepting his policy. It is often quite necessary for the agent to write a number of letters, or use the telephone frequently, before an interview can be obtained in which he may deliver and place the policy in force.

How shortsighted this is on the part of the prospect! He does not seem to realize that life insurance when needed is needed badly. It is possible that within the very next hour he might be stricken with illness which would prevent him from ever securing insurance. Many times the agent has been told to hold the policy until notified by the prospect, and in the time that elapses between the issuing and placing of the policy, the prospect is without protection.

Let me give you an illustration of what hardship was brought on the family of a man, who, after the policy was issued, postponed accepting it.

This man came into my office and applied for a policy on the Twenty-Year Endowment Plan, was examined, and the insurance was issued by the home office. I wrote him several letters, requesting him to come in and see me, or, to let me know when and where I might meet him, as his office hours were very irregular. I never received an answer. Finally, I called him over the telephone and he advised me to hold the policy, saying that he would let me know when he wanted it. I suggested that I send him the policy and he could pay the first premium when convenient. No, he simply would not listen, and positively refused to discuss the matter any further.

About a month later the dreadful epidemic of Spanish influenza ravaged the country. One morning while reading the death notices in the paper I discovered the name of that very man. Yes, he had died of pneumonia, having been sick only four days. Poor man, he left his family penniless.

I wrote to my company requesting that I be allowed to keep the policy which was lying on my desk undelivered. Across the face of that policy I wrote in large letters with blue pencil the word "DEAD," and right under that word I pasted the death notice which I had cut from the daily paper. This telling exhibit I intend to keep for future use, and when it is my lot to again come into business contact with the procrastinator, the man who wants to put off taking his insurance, after it has been issued, I shall simply show him the policy and tell the story.

Let this be a lesson to every fellow agent who carries a rate book. Spare no pains to deliver and settle immediately for any policies which have been issued by your company, for little do we know but that in the interim, the road of death, which must be traveled by all, may intervene, and rob some poor widow and children of that protection for which the policy was primarily intended.

Impress upon your client: "Never defer until to-morrow that which can be done to-day." Also, impress upon him the great importance of protection NOW, as one hour to-day may be worth two hours to-morrow.

COSTS LESS THAN EVER

Insurance Cheaper Than Anything Else —Everything Else Is Higher Now

Insurance costs less today than ever before. Everything else costs more. This leads the Mutual Life's "Points" to say:

Agents can make more compensation by writing more insurance, and in as much as life insurance is virtually the only thing in the whole category of necessaries that costs less now than it did a decade or two ago, it ought to be easy to do more business now than ever before. Present that fact forcibly and constantly. Here are figures that prove the case.

Net Cost for the First Policy Year on policies of $1,000 Each

Year	Ordinary Life	20-Pay. Life	20-Year End.
1908	$24.79	$34.27	$47.37
1918	23.24	32.40	44.71

EDUCATIONAL COURSE

The Northwestern National Life furnishes to agents free of cost, a complete and instructive correspondence course of four lessons. The Company says:

The fact that not one of the many agents who have taken the course has attained 100 per cent. is the best evidence that none of us know all about the business in which we are engaged. The man who does not learn something new every day, is not progressive. A number of full time agents have shown by their answers that they did not understand some of the common, everyday rules, practices and laws governing policies and life insurance in general. All answers are considered confidential; hence agents need not fear that their lack of knowledge upon any subject will subject them to ridicule.

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

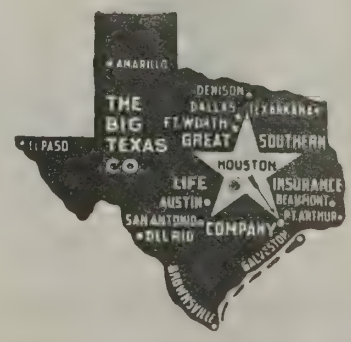
NIAGARA LIFE BUILDING



Mohawk Cor. Franklin Street, Buffalo, N. Y.

The Combined
Life, Sickness and Accident
policies, sold only by the
Niagara Life Insurance Co.
(WILLIAM H. CROSBY, President)
Protects the insured and his dependents.
Live wire reliable agents may obtain very favorable contracts
Communicate with
E. H. BURKE
Vice-Pres't & Gen'l Manager
BUFFALO, N. Y.

Great Southern Life Insurance Company
HOUSTON, TEXAS



For Agency Contracts address
O. S. CARLTON
PRESIDENT

INVITE THE COMMISSIONERS

Life Presidents' Program Now Being Prepared—Meeting to be a Thrift Conference

The program for the twelfth annual convention of the Association of Life Insurance Presidents is being whipped into shape. It will largely take the form of a Thrift Conference, involving war and reconstruction problems on the financial, economic and human side. The insurance commissioners have been asked to attend. Topics and speakers will be announced later.

The association said recently:

"Millions of Americans now devote themselves to saving money, where formerly their chief thought was to spend it. Other millions, already practiced in thrift, are doubling their savings. The life insurance policy and the savings bank book have fostered the War Savings Stamp and the Liberty Bond. Thus the principles of life insurance, invoked in times of peace, become a part of the nation's reserves in time of war."

BANKERS LIFE SUBSCRIPTION

The Bankers Life Company of Des Moines bought $2,150,000 of the Fourth Liberty Loan. The company already held $1,150,000 of the previous loans and its total of Liberty Loan holdings now is $3,300,000, which is 10 per cent. of its admitted assets on December 31, 1917. The Bankers Life Company increased its subscription to the Fourth Loan by an additional $1,800,000 in response to a request from Secretary McAdoo. The additional pledge was wired to Washington within a few hours after the request was received, and the prompt response of the company was so much appreciated that J. B. McDougal of Chicago, Federal Reserve Director, talked on the long distance telephone to President George Kuhns in order to personally thank him for the company's prompt pledge.

KENDALL'S ELECTION UNANIMOUS

Missouri State Life Directors Issue Statement to Agents—Company to Remain in St. Louis

Joseph S. Kendall, who has succeeded former Commissioner Walter Chorn, as president of the Missouri State Life, is an investment banker of Dallas, Tex., who is highly regarded in the Southwest. The choice is a good one. The directors of the company have issued a statement to the agency force, saying in part:

The undersigned, constituting the entire board of directors of the Missouri State Life Insurance Company, take pleasure in advising you that at a meeting of their Board held this day, Joseph S. Kendall was unanimously elected president of this Company. The election of Mr. Kendall makes the location of this Company in St. Louis a permanent and lasting one and assures its continued growth and prosperity. Mr. Kendall has the absolute co-operation of the undersigned directors individually and collectively. We earnestly bespeak for him as president of the Company that same hearty co-operation and loyalty accorded your other officials.

Mr. Kendall's first act as president was to take out $100,000 in the Company.

TRIPLETS

The honor for unique cases belongs to Mr. H. N. Comins of the Oshkosh, Wisconsin, agency, of Northwestern Mutual Life. Recently he sent in three applications each for $1,000 Twenty Payment Life and a closer examination showed the applicants were triplets, all written the same day, examined the same day and as near alike as the proverbial three peas in a pod. They were just sixteen years old, all living at home and all attending school.

15,000 PEOPLE

Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.

AGENCY OPENINGS FOR THE RIGHT MEN.

Write to-day

FIDELITY MUTUAL LIFE

INSURANCE COMPANY, PHILADELPHIA

Insurance in force over $142,000,000

Walter LeMar Talbot, President

THIRTY DAYS' GRACE

Mutual Life Protects Holders of Policies and Loans In Lumber Fire District

In the case of sufferers in the lumber conflagration in Minnesota, the Mutual Life has extended time for paying premiums and interest thirty days. This is in accordance with a standard practice of the company where policyholders and persons who have been granted loans are deprived of their homes or personal effects, and whose business routine is disturbed by a disaster. The thirty days is regarded as sufficient for them to become reestablished and to meet their obligations, including the protection of their insurance.

E. T. Rowley, of Bay City Mich. reached his 82d birthday on September 14, and for thirty-two years has been an active and successful agent of the Northwestern Mutual Life. During the year 1917, in spite of his advanced age, he paid for $200,400 of new insurance and is continuing that splendid gait during the present year. It is, of course, unnecessary to state that Mr. Rowley is a man of splendid character and sterling integrity and is both honored and respected by all.

INCOME FOR LIFE

Fidelity Mutual's Contract Gives Privilege to Mature at Earlier Age—Clause Discussed

The Fidelity Mutual calls attention to the new clause which has been added to the "Income for Life" policy granting to the insured the privilege, at any time before he attains age 55, to exchange his policy without medical re-examination for a policy of the same amount, bearing the same date and based upon the same age on the same plan but maturing at an earlier age. This means that the man now taking a policy maturing at age 70, for example, is assured that he can arrange later on for an earlier maturity if his circumstances change and he finds that such an arrangement would suit him better. To effect such a change it would be necessary to make a payment covering the difference between the premiums paid on the original policy and those required on the new policy, exclusive of extra premiums for disability benefits, with compound interest at not to exceed 6% per annum, and with adjustment of corresponding dividends.

The Power of Veteran Leaders

PLUS

The Enthusiasm of Youth

is the Home Office combination that is working and achieving every day to give Maryland Assurance agents an unusual quality of practical aid and personal encouragement. Life Insurance, Health and Accident Insurance—a wide range of very attractive policies. Maryland Assurance agents are making good, and making money. Valuable openings in productive territory for energetic ambitious men.

MARYLAND ASSURANCE CORPORATION

SEVEN SOUTH GAY STREET

BALTIMORE

"Live and Die with Assurance"

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE

ALL ON ONE PAGE

Face of Phoenix Mutual's New Policy Paying Permanent and Total Disability

The new policy of the Phoenix Mutual Life, paying permanent and total disability, tells the whole story on the face of the contract. It reads:

The Phoenix Mutual Life Insurance Company of Hartford, Conn.
Number, 000000

Agrees to pay to

Beneficiary—Mary M. Phoenix (subject to the beneficiary provisions in section 9).

Face Amount—The sum of ten thousand dollars, upon receipt at its home office of this policy duly discharged together with due proofs of the death, while this policy is in force of

The insured—John M. Phoenix, or if such death is accidental under the conditions stated in section 20 hereof.

Double Indemnity—The sum of twenty thousand dollars; such sum, in either event, will be increased by the amount of any dividends or insurance additions and any premium deposit fund then standing to the credit hereof and decreased by the amount of any indebtedness to the Company on account of or secured by this policy, including any portion of the current policy year's premium unpaid at the death of the insured; and, under the provisions of section 21 hereof.

Permanent Disability—The Company will also pay to the insured during permanent and total disability an income of one hundred dollars a month, and will waive the payment of premiums hereunder during such disability.

Premiums for life insurance $275.40—This contract is made in consideration of the application herefor and of the premium of three hundred and seven and 30/100 dollars, payable on the 1st day of each August until fifty full years' premiums shall have been paid or until the death of the insured, if prior thereto, unless this policy shall become paid up at an earlier date by dividends or the premium deposit fund under the provisions of sections 4 and 5 hereof.

Double Indemnity $12.50—The privileges and provisions on the second, third and fourth pages hereof are a part of this policy.

Permanent Disability $19.40—In witness whereof, the Phoenix Mutual Life Insurance Company has by its president and secretary signed, and by its registrar, or an executive officer, countersigned, this policy in the City of Hartford, Connecticut, this 1st day of August, 1918.

Secretary President.

Specimen

Age 35 ....., Registrar.

Annual premium life policy, payable at death of insured with endowment addition at age 85 disability benefits and double indemnity for fatal accident, premiums payable during 50 years unless previously paid up by dividends. Dividends apportioned annually.

$7,362,350 SUBSCRIPTIONS

What Home Office Employes of Life Insurance Companies Did in This District

A final report on the Liberty Loan activities of the Home Office employes of life insurance companies, in this district shows a total subscription of $7,362,350. The Mutual Benefit made the best record, 164 per cent. of its quota, subscriptions being $376,700. This company had 325 employes in the drive ,who sold 2,679 subscriptions. The New York Life, with 1,500 employes, sold 9,716 subscriptions, 129 per cent. of its quota, for $1,172,950.

The Guardian Life, with 108 employes, sold 515 subscriptions for $42,150. The Mutual Life, 928 employes, sold 3,756 subscriptions, for $1,001,050. Equitable Life, 1,200 employes, sold 4,417 subscriptions, $3,451,450. Metropolitan Life, 4,887 employes, sold 12,258 subscriptions, $1,297,550. Manhattan Life, 55 employes, 12,258 subscriptions, $1,297,550.

Y. M. C. A. WORKERS

No extra premium is required by the Northwestern Mutual Life's war clause in the case of policyholders who engage in overseas Young Men's Christian Association or Knights of Columbus work. Of course if any of these men enlist in the army or navy, the war clause will be immediately operative.

The Company does not, however, offer insurance to men who contemplate for any reason a voyage overseas.

DOING RED CROSS PUBLICITY

Arthur S. Hildebrand, a son of Actuary Charles Hildebrand of the Connecticut Mutual Life Insurance Company, is now in the publicity branch of the American Red Cross in Paris. He went abroad early in the war and for a time served as an ambulancier and later transferred to the Red Cross.

John W. Hogan, who is general agent for the Bankers Life Company of Des Moines in Wisconsin, is also democratic candidate for lieutenant governor of that state. The issue of his candidacy will be determined at the general election on November 5. Leaving home at age eleven, he drove mules on railway construction work. At age of twelve went to Texas and became a cowboy, following ranch life in various parts of the South, West and Old Mexico for three years. He then became a lumberjack in the pine and cypress forests of eastern Texas and Louisiana. He closed his wood career in the mahogany camps in the region of Tuxpan, Mexico, in 1897. He established and edited the "Delhi News," of Delhi, La.; went west again in 1900, took up the life insurance business in 1902 in San Francisco and remained there until the fire of 1906, when he returned to his native state.

Organized 1871

LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

OLDEST-LARGEST-STRONGEST, Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.

PHILADELPHIA

Security Mutual Life Insurance Company

Binghamton, N. Y.

Offers to men able to produce business first class territory, with direct contract providing liberal compensation.

For particulars, address

C. H. JACKSON, Supt. of Agencies

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL

Life Insurance Company

OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

The Connecticut Mutual Life Insurance Company

PRESIDENT JOHN M. TAYLOR, HARTFORD, CT.

Insurance in force, 113,918 Policies for $270,243,227.37

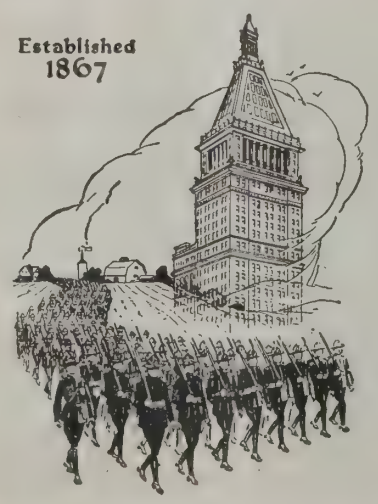
WHAT NO OTHER COMPANY HAS DONE

To repay to its Policy-holders in Death Claims, Endowments, Dividends, Surrender Values, Annuities and other credits more than they have paid to it in premiums.

It stands alone in that result.

Total premiums received, Dec. 1, 1846, to Dec. 31, 1917	$318,963,384.44
Total returned to Policy-holders, as above noted, in same period	326,786,585.46
Excess of amount returned	7,823,201.02

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Provident agents find that in these war times it is not difficult to convince a man he is not carrying sufficient insurance.

Provident Income Insurance is easy to sell

Write for information

THE PROVIDENT

Life and Trust Company of Philadelphia, Pa.

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

Myrick Gives Tax Selling Argument

DEMAND FOR $25,000 POLICIES

Gives Examples to Show How Legatees Fare Under the New Tax Amendment

As soon as the news came out of Washington about the $25,000 inheritance tax exemption on life insurance proceeds for each beneficiary, life insurance agents were quick to adjust new selling arguments to the situation. In talking to the Life Underwriters' Association of New York, Julian S. Myrick, of Ives & Myrick, managers of the Mutual Life, called attention to the $35,000 exemption for every beneficiary and legatee, $25,000 insurance proceeds and $10,000 passing through the estate, and said:

'It becomes imperative for every man who has any obligation to his family to see that every member of his family is protected by a policy of $25,000, which can be handled for such dependents or minors by providing a trust fund in the policy contract, or by making a mother or some trust company guardian or trustee," he said.

Illustrates Tax on $500,000 Estate

Mr. Myrick gave several illustrations relative to $500,000 estates. If a man leaves that amount to one legatee the tax is as follows:

	Per cent.	Tax
Exempt, $10,000.		
$15,000	1	$ 150
25,000	2	500
50,000	3	1,500
50,000	4	2,000
50,000	5	2,500
50,000	6	3,000
250,000	10	25,000
Total tax		$34,650

In case of $500,000 left to two legatees, share and share alike, $10,000 each exempt.

	Per cent.	Tax
$15,000	1	$ 150
25,000	2	500
50,000	3	1,500
50,000	4	2,000
50,000	5	2,500
50,000	6	3,000

Total tax paid by two legatees, $19,300 as compared with $34,650 which would be paid by one legatee.

In the case of four legatees, share and share alike, $40,000 exempt, ($10,000 each).

	Per cent.	Tax
$15,000	1	$ 150
25,000	2	500
50,000	3	1,500
25,000	4	1,000
Total		$3,150 each.

Elihu Root's Strong Tribute to Insurance

SAFEGUARDER OF ESTATES

"Best and Indeed Almost Only Practicable Way" to Escape Loss in Enforced Sale of Securities When Tax Must Be Met

The name of Elihu Root is now added to the long list of famous men who have paid unusual tribute to the power and value of life insurance. Mr. Root, a former secretary of state, and dean of the New York bar, has given one of the strongest testimonials to life insurance that could be penned in a paragraph. This statement was made public at the Arkwright Club, New York, on Tuesday night by Henry White Callahan, of the Charles Jerome Edwards Agency, and was contained in a letter which the distinguished lawyer wrote recently when asked for advice. It follows:

"I have come to the distinct conclusion that by far the best and indeed almost the only practicable way of guarding against the possible ruinous loss of a forced sale of securities for the purpose of paying the various estates and inheritance taxes which are being imposed nowadays, both by the national and the states' governments, is by means of insurance, which, for a moderate annual payment will insure the sum necessary to pay such taxes without the sacrifice of the securities."

Apologies Made To Clayton M. Hunsicker

ECHO OF ASTOR CONVENTION

Priddy and Rogers Express Regret for Way Fidelity Mutual Man Was Treated

A graceful feature of the meeting of the Life Underwriters' Association of New York at the Arkwright Club, on Tuesday night was the delivery to Clayton M. Hunsicker, leading writer of the Fidelity Mutual Life, of an apology for the way he was treated as a speaker during the convention of the National Association of Life Underwriters at the Hotel Astor. It will be recalled that Mr. Hunsicker opened a discussion on the inheritance tax as a life insurance argument, taking the place of Frank Shanbacher, the remarkable young agent of the Fidelity Mutual, who lives in a small Pennsylvania town, and who originated the Shanbacher charts of inheritance tax data and legal digests, and who was too ill to speak at the Astor convention. Mr. Hunsicker prefaced his Astor remarks with an explanation of the charts, and he was interrupted and left the platform after being asked if he had come to the convention to sell charts or to explain the inheritance tax, an incident that caused a disturbance. The fault was in part due to J. T. Wilson, of Canada, who was in the chair and who had not properly introduced Mr. Hunsicker. Later, an apology was made.

Apologies Extended

At the meeting this week the life men had their first opportunity to make a public apology to Mr. Hunsicker, and this was done by Lawrence Priddy, former president of the National Association, and by Orra S. Rogers, president of the New York Association.

In his talk on Tuesday night Mr. Hunsicker briefly reviewed some points he had prepared for the Astor convention, and which were published after the convention by the insurance newspapers.

One of the new points made was when an agent asked Mr. Hunsicker what argument he used when informed by a prospect: "I am going to leave my entire estate in trust."

Mr. Hunsicker treats that statement as follows:

"Well, that will not exempt your estate from taxation. you can't give your estate away and escape taxation. The estates tax must be paid before there is any distribution of the property, and it must be paid in cash The Government must always be paid, before the trustees can make any disposition of it."

APPOINT RICE & TYSON

Successful Agents Made General Agents of Equitable of Iowa at Harrisburg, Pa.

The Equitable of Iowa has appointed as general agents at Harrisburg, P. B. S. Rice and James A. Tyson, under the firm name of Rice & Tyson. These men both started in the life insurance business with the Equitable Life Insurance Company of Iowa. Mr. Rice has been with the Company for about five years, and Mr. Tyson for nearly three years. Mr. Rice is a graduate from Gettysburg, and Tyson from Bucknell. Tyson was located as an agent at Williamsport, Pa., reporting through the Harrisburg office. Both men have been highly successful as producers; in fact, among the best in the field force of the Company.

In this connection, John C. Johnson, former general agent there, who has been advanced to the general agency at Detroit, also started in the service of the Company as an agent, and lacked but a few thousand dollars of putting the Harrisburg Agency in the Million Dollar Class last year.

SECOND TO NONE IN SERVICE

Long established and thoroughly modern, providing perfect protection for a net cost which is notably low, and rendering service which is unexcelled, the Massachusetts Mutual stands out as an ideal company in which to insure. Sixty-seven years of square dealing are back of every one of our representatives. They will tell you how great an asset that record is in their work.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

Take Advantage of Special Privileges

ADVICE OF J. ELLIOTT HALL

Every Phase of Contract Should Be Studied, Says Agent of Mutual Benefit

J. Elliott Hall, an agent of the Mutual Benefit, who has made an unusual success selling income insurance, said to the Life Underwriters' Association of New York on Tuesday night, that unless every agent is acquainted with the special privileges of the contract he sells, he has not capitalized his business as he should, and not only misses great opportunities himself, but often is not fair to his clients. He explained his own policy of insurance, which he always carries with him, and which is a remarkable document in the way it makes use of special privileges. Mr. Hall has a wife and three children. His contract provides that in case of his death his wife shall receive a lump sum and a certain figure each month for ten years. At the end of that time his two oldest children will have reached maturity, and the amount paid the widow each month for next ten years decreases, while it is changed again at a later period. There are also a number of other provisions in the event of the death of Mrs. Hall.

Protecting Widows

The speaker said that most men had implicit confidence in their wives and felt that they could safely take care of their insurance. "Unless they thought their wives were exceptional women they would not have married them," said Mr. Hall, "but insurance agents know that lump sums should not be left to wives, and if any one studies the special privileges he will be amazed at the number of protective arms that can be placed around the widow and children to safeguard them from financial pitfalls, and to assure them from losing their all."

Another interesting point made by Mr. Hall, was that he rarely has telephone messages from policyholders who have not income provisions, but has many telephone calls from those who have taken advantage of special privileges.

That the income idea appeals to young men he has proven often, and he cited a case where a young man on a salary has increased his insurance five times, each time the larger income being the incentive.

A Real Salesman

The fellow who really sells fairly exudes enthusiasm. With his whole heart in his proposition, he tells his story to prospects in a most compelling and irresistible way. He fairly raves about his goods. His face beams. His eyes sparkle. His words and manners make the prospect see the proposition in a different light than ever before. Instead of boring, his spirit really refreshes. His voice radiates confidence. He appears to believe every word he says. He has so much faith in himself, the prospect is impressed.—"Richmond Bulletin."

New Phillips Letter On Mortgage Loans

WRITES TO THE COMPANIES

What Massachusetts, Georgia, Louisiana and Other Departments Will Require in Filing During War

Superintendent Phillips of New York has sent the following letter to company officials:

Dear Sir: On October 2nd, as Chairman of the Executive Committee of the National Convention of Insurance Commissioners, I addressed a letter to all insurance departments, calling attention to the resolution passed at the Denver Convention, recommending that, during the period of the war, the life companies be relieved from filing with the various departments the detailed information as to mortgage loans called for in Schedule B of the Life annual statement blank.

In this letter I indicated that New York would only require from the life companies, in lieu of the information called for in Schedule B, the following:

"The amount of existing loans upon the security of real property, stating the amount loaned upon property in each state and foreign country."

The advices received from all of the departments of the United States and from Superintendent Finlayson at Ottawa, Canada, indicate that, with the exceptions hereinafter noted, no department will require the life companies to include in their annual statement returns, during the period of the war, the detailed information required in Schedule B of the annual statement blank. They will all accept the return above mentioned. The exceptions are as follows:

The states of Georgia and Louisiana will permit the companies to file their 1917 Mortgage schedule, corrected to December 31, 1918.

The states of Michigan will not require the mortgage schedule except from domestic life companies,—such companies "to report changes and default in interest payments from last year's record, and to report new mortgages."

Massachusetts advises that it will ask legislation to exempt life companies from filing Schedule B during the war. Commissioner Hardison states that he has notified the life companies operating in Massachusetts not to prepare Schedule B until further advised.

SECURITY VALUATIONS

Commissioners Set Two Dates of Valuations—Meeting at Hotel Astor This Week

At a meeting of the Valuation of Securities Committee of the National Convention of Insurance Commissioners held at the Astor this week, the following resolution was adopted:

"Resolved, that Marvyn Scudder, of the Investors' Agency, who is under contract with the committee to provide the values to be published in the Book of Security Valuations, to be prepared and distributed to the various insurance departments, companies and fraternal societies early in January, 1919, be instructed to prepare the value by adding to the values set forth in the last publication of the National Convention of Insurance Commissioners the actual market values as of November 30, 1918, and dividing the sum so obtained by 2; provided, however, that in no case shall the value be fixed at less than the actual market value of December 31, 1918; and provided, further, that United States Liberty Loan bonds shall be carried at not less than par.

"The members of the committee also agreed that the values obtained in accordance with the method provided in the foregoing resolution be used by all companies and societies in making up their 1918 annual statements for filing with the various insurance departments. That such companies as are compelled, under their charters or by-laws, to have the annual statements presented to the directors or stockholders at a date prior to the publication of the Book of Security Valuations should also be required, when filing such statements with the insurance departments, to file extra schedules C and D, giving the market values set forth in the convention book."

No Substitute For Life Insurance

Life insurance is the only possible means by which a certain income for the protection of the family can be guaranteed immediately at death or at a specified time. The reason why it cannot be guaranteed by saving, investment, or the building up of a business, all processes dependent on long continuance, is made clear by the following table based upon the death claims of this company in 1917.

Died in 1st year of policy, 96 policies, $270,852 insurance.

Died in 2d year of policy, 67 policies, $328,623 insurance.

Died in 3d to 5th year of policy, 198 policies, $627,595 insurance.

Died in 6th to 10th year of policy, 239 policies, $672,098 insurance.

Died in 11th to 20th year of policy, 430 policies, $1,335,125 insurance.

Died after 20th year of policy, 390 policies, $991,283 insurance.

Per Cent. of Total Number of Deaths by Years

6.8 per cent. died within 1st year of insurance.

11.5 per cent. died within the first 2 years of insurance.

25.4 per cent. died within the first 5 years of insurance.

42.2 per cent. died within the first 10 years of insurance.

72.5 per cent. died within the first 20 years of insurance.

The above obtained insurance only after an examination demonstrated them to be in good health, yet 6.8 per cent. of the total number of deaths were of men who died within a year after taking insurance; more than one-fourth were men who died within five years of taking out insurance, and nearly three-fourths were of men who died within twenty years of taking insurance.

$20.11, the annual premium on a $1,000 ordinary life policy, age 35, is less than 2 per cent. of the amount of insurance. It guarantees to the purchaser's family nearly 50 times the cost of the investment if the insured dies within the first year, and he would have to deposit in a savings bank the above premium for a period of 29 years before the total deposits compounded at 3½ per cent. interest would equal the matured value of the policy.

The man who delays taking out insurance because he is well risks not only the chance of death, but of becoming uninsurable and of having the only certain method of protecting his family closed.—"Travelers Record."

Frank W. Pennell, of the Mutual Benefit, the former newspaper man who is now a life insurance agent, has joined the Underwriters' Association of New York.

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company
Fastest Growing Life Insurance Company in America
Home Office, St. Louis, Missouri

Inheritance Tax

(Continued from page 3)

or personal, tangible or intangible, wherever situated. * * *

(f) To the extent of the amount receivable by the executor as insurance under policies taken out by the decedent upon his own life; and to the extent of the excess over $25,000 of the amount receivable by any beneficiary as insurance under policies taken out by the decedent upon his own life.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

A Suggestion From Darby Day

If you have a man on your list who carries $10,000, $15,000 or $20,000 of insurance issued some time ago on which there is no premium waiver or disability clause, show him the advantage of taking a new policy for $5,000, applying thereto the waiver of premium, disability income and double indemnity benefit, says Darby Day of the Mutual Life, Chicago, in a talk to agents. Then in case of disability he will not only have nothing to pay on his new policy but the income from his new policy, $500 a year, will be sufficient to pay premiums on his old insurance.

* * *

The Business Of Prudence

Life insurance has been called the business of prudence, says the Atlanta "Georgian." So it is. It is a simple business. A number of prudent men from all parts of the country tactily gather and contribute to a general fund a certain amount of money yearly, the sum depending on their prospect of life from the day on which they take out their "policy." This "prospect of life" of the individual is determined by a practically infallible law of averages. It is the business of the insurance officers to determine what that law is. When a man who is insured dies, if it is the day after the policy is written or twenty years afterward or forty years afterward, his heirs receive an agreed amount of money.

At the cost of two cigars a day a young man can insure his life for $1,000.

Did you ever stop to think of the difference between a thousand dollars and nothing?

Did you ever stop to think what a difference your widow and orphan children would find between a thousand dollars and nothing?

Your widow would find a difference on the first rent day after you were gone.

(This does not mean that a man should limit his life insurance to that sum; a man should carry as much insurance as he can without depriving himself or his family of comforts. But consider this $1,000 and multiply it by as much as you can afford to take out—then measure the difference between the sum and nothing.)

The reader might say: "Why, everybody knows the value of insurance; every man of any sense has insurance on his life."

But every man of sense hasn't. There are some rational men who know the value of insurance, but who say: "Next month, when I turn that new deal, I'll insure my life"; or "Next year, when I get a raise in salary, I'll insure my life." We are addressing those men.

We want to tell them that while next month or next year may not come for them—they can be sure that over the home of the uninsured man is hovering the terrible shadow of want, the awful hand of want, ready to pluck the joy out of the heart of their children; ready to take from them their chance in life; their chance of health, of education, of prosperity.

If one uninsured man sees that picture and reads this editorial talk today and goes and insures his life, this page will have done a great thing.

* * *

An Unwilling Prospect

There is a valuable lesson to be drawn from the following account by Mr. A. Stanford Wright of the Boston agency, given to the Massachusetts Mutual Life's "Radiator." It may be summed up by saying, "If you keep after a prospect and do not sell him insurance, he will probably consider you a nuisance; if you finally succeed in making him take a policy, he will regard you as a benefactor. Therefore, if you do not want to be considered a nuisance, be a success."

Here's a little story that should help someone. Last August I insured a man much against his will for $2,000. He was a $5,000 man at least. I kept at him and finally, within ninety days, got him to let me apply for $3,000 more, in two policies of $1,500 each. He took one of them, and within the next thirty days I persuaded him after much argument to take the rest. Here is a copy of his letter as attached. It shows that keeping everlastingly at it gets the business.

"I trust that you will overlook my carelessness in not having forwarded you my check for the new insurance policy before this date. I have, however, been so busy that I do not seem to get any time to attend to my personal affairs. Thank you for your persistency in keeping after me until you finally got me in the class where I belong."

* * *

Frank Confession Good For the Soul

Agent Day, of the Philadelphia agency, of the Provident Life & Trust, called again to see a prospect who said, as he looked up, "I simply can't afford to lay out another dollar for insurance," says "Provident Notes." To which Mr. Day replied, "Is that your answer after a thorough canvass of yourself, and is it your honest conviction, or is it just to put me off?" The prospect's answer came slowly and thoughtfully: "Mr. Day, I think I was lying," and the case was written.

* * *

Frank Wesley On Income Insurance

Whenever we give real service to a client, in the end it always means profit, says Frank A. Wesley, general agent of the Columbian National Life. It is so in selling a man income insurance. Think what it would mean to you in your territory if every death claim that had been paid there had been on the income plan. A check coming to a woman every month is the best advertisement for life insurance you can have. A check may come to her every month for forty years and during that period she will talk to hundreds of people about the check she is receiving every month from the company and about the fact that she is free from trouble and worry. This means that you receive in your territory twelve times each year all the benefits and advertising that ordinary arise from the payment of a death claim.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, sold $65,000,000 worth of War Savings Stamps between February first and September first, 1918, and expects to sell a total of at least $100,000,000 during the year.

JOHN R. HEGEMAN, President

Japan's Life Business

(Continued from page 1)

Age	England Lives	England Deaths	Japan Lives	Japan Deaths
10.....	100,000	3,364	100,000	2,665
15.....	96,636	3,368	97,335	3,645
20.....	93,268	3,433	93,690	4,016
25.....	89,835	3,543	89,674	3,279
30.....	82,292	3,711	86,377	3,103
35.....	82,581	3,898	83,274	3,355
40.....	78,653	4,218	79,919	4,239
45.....	74,435	4,918	75,680	5,956
50.....	69,517	6,048	69,724	7,763
55.....	63,469	7,466	61,961	9,823
60.....	55,973	9,219	52,138	12,049
65.....	46,754	10,917	40,089	11,803
70.....	35,837	11,737	28,286	11,780
75.....	24,100	10,810	16,506	9,390
80.....	13,290	7,813	7,110	5,090
85.....	5,417	4,098	2,020	1,725
90.....	1,319	1,230	295	280
95.....	89	85	15	14
98.....	4	3	1	1
99.....	1	1	..	..

Domestic and Foreign Results

Domestic life insurance results are expressed as follows in 1,000 yen:

Year	Premiums Yen	Claims paid Yen	Policies Yen	Amount Yen
1912.....	25,263	6,523	1,288	645,115
1913.....	30,432	7,752	1,467	788,247
1914.....	37,109	8,983	1,688	963,311
1915.....	42,937	10,667	1,862	1,085,042
1916.....	42,493	12,240	1,816	1,072,228
FOREIGN LIFE BUSINESS				
1913.....	3,842	1,034	26,754	66,605
1914.....	3,063	754	24,143	51,881
1915.....	3,089	700	24,231	52,495

State Insurance

The State insurance project for the benefit of laborers was adopted by the Diet in 1915-1916 and was put in operation in 1916. The business is in charge of the post office. Life and endowment policies are written. The insurable limits are from Y20 to Y250. Applicants from 12 to 60 years old are accepted without medical examination. It is estimated that the average amount of insurance will be Y75 and the total number of insured will reach 1,000,000. The post office will be granted as initial expense 6-1,000 of the insurance amount and 12-1,000 on account of advertising. The employers are under no obligation to pay premiums. In May, 1917, total applicants numbered 316,558.

Progress and Situation

Though insurance business after the European system dates from about 1881 in Japan, it was with the promulgation in 1890 of the Commercial Code that regular control of insurance business was first enacted. In March, 1899, was put in force the present code containing provisions about insurance contracts, followed in 1900 by the law for insurance business and the control and supervision of such companies.

According to the latter law, insurance business capable of being undertaken either as a joint stock company or under the "mutual system" must have a capital of not less than 100,000 yen. A revised law was enforced in 1913. Special regulations were enacted in 1900 for the supervision of foreign insurance companies transacting business in Japan.

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John,*

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CRITICISING CONGRESSMEN

Just at the time when the great business of insurance has made the most favorable impression upon the nation, the Government and its officials, by reason of outclassing every other industry in the number, volume and size of Liberty Loan subscriptions one of the most distinguished and venerable of the fire insurance men of New York City wrote an open letter to the daily papers, sharply commenting upon one of the leaders in Congress, particularly relative to the voting he did on war measures. While a man does not, and certainly should not surrender rights to individual opinions, either public or private, when he enters the insurance business, and while insurance should not be held responsible for the public statements of persons who follow that profession for a livelihood, at the same time it seems rather futile for an underwriter of prominence to make a political attack upon a Congressman, and there are innumerable reasons why this type of criticism should be left to professional politicians. Of course, there are many insurance men who are active in politics. When their political affiliations are known their public comments are recognized in Washington for their worth, but generally speaking it is not advisable for insurance men—who are not in public life—to enter the newspaper arenas at this time and criticise public men, for actions which have nothing to do with the insurance business, and do not threaten it in any manner.

And speaking of the Liberty Loan drive, the record made by the insurance interests was truly phenomenal. Either through individual or corporate subscriptions, or through sales which insurance men made, the insurance interests of the country are responsible for at least $600,000,000 of subscriptions. As was printed by The Eastern Underwriter last week the insurance interests in the metropolitan district, including The Prudential and the Mutual Benefit, subscribed for or sold bonds aggregating $370,000,000. In one day $120,000,000 in subscriptions were accounted for by life corporations in this district (and Newark) alone.

THE LIABILITY ADJUSTER

An adjuster's job is one that calls for wisdom, tact, and decision. Somebody has facetiously described an adjuster as "a man who stands between a claimant and immediate wealth." Many people still harbor the old-fashioned notion that an adjuster's duty is to prevent any claimant from getting as much as he is entitled to. What an adjuster really does is to see that the claimant does not get twice or three times what he is entitled to. And this works out as often for the benefit of the insured as for the benefit of the insurance company, especially in cases where a policyholder has neglected to take out sufficiently high limits.

In the olden days before compensation cleared the atmosphere, a vast number of ambulance-chasers and other human sharks used to make their living by following up employer's liability cases and encouraging the injured persons to bring exorbitant suits. Since that occupation has been taken away from them, they largely devote their energies to public liability cases, thus causing a great increase in the number of certain kinds of claims. For instance, there came to be so many staircase claims and other landlord and tenant controversies in a certain part of New York City, that the insurance companies were compelled to withdraw their public liability business from that section.

In the majority of cases the ambulance-chasers reach the bed-side of the injured man first. By the time notice has been served on the insurance company and the adjuster has reached the scene, a dozen or more lawyers have called on the injured man and outlined to him the splendid possibilities of his claim. Imagine the mental attitude of the claimant when the adjuster appears on the scene.

There is not only the danger of paying too much, but of paying **the wrong person.** In compensation cases, it frequently happens that several women will come forward and each assert positively that she is the widow of the dead man.

A prominent company had a case not so long ago in which the adjuster, by determining to get at the exact facts, saved the company thousands of dollars. The man who had been injured realized that he was going to die. He had been living with a woman who was not his wife. About two days before he died, the man expressed the desire to marry her, and did marry her. The woman claimed the compensation.

The money might easily have been paid to this woman had not the adjuster applied a little logic to the situation. He found that the couple had been living together for several years and he reasoned that they would surely have been married sooner had there not been some obstacle. Further inquiry elicited the fact that the woman was already married to somebody else and that her rightful husband was living.

Truth is a great thing, as the philosophers have frequently observed. No false claim can stand against it. Nothing more is required of any adjuster than to get the truth and let it take its way with the claimant.

TIMID AMERICAN CAPITAL

Why It Looks Indifferently Upon New Insurance Company Promotions Told Commissioners

"Why Do American Capitalists Tightly Clasp Their Pocket-Books When Approached to Put Money Into A New Insurance Company," might have been the title of a re-insurance hearing given by insurance commissioners at the Astor on Wednesday afternoon. The commissioners want to help out the tight insurance market and are getting advice on the subject. Franklin W. Fort, of the Eagle Fire, Newark, says Americans shy at fire insurance investments because new companies find that retrocession facilities can't be obtained sufficiently because of stringent regulations, much expense, and favoritism to foreign companies. Also a share of stock costs about $300 par.

H. A. Smith, National; and O. B. Ryon, National Board, gave the stock company angle—more re-insurance facilities wanted, but reserves should be properly credited to re-insurer. Herman Ekern gave the mutuals' view, and W. H. Hotchkiss the foreign companies' side. The commissioners listened to the discussion for three hours, but hadn't made up their minds at the finish. Upon closing Superintendent Phillips said: "We always get back to the fundamentals; a company must have sufficient cash. It's the same old story. If you have sufficient security you can go to the bank and get money; if you haven't you can't."

WILLETT SUCCEEDS MACHONACHY

Becomes Superintendent of Middle and Southern Departments of Firemens, Girard and Mechanics

Henry I. Willett, who has been special agent of the Firemens, Girard and Mechanics in New Jersey and Pennsylvania, has been appointed superintendent of the middle and southern departments of those companies succeeding J. G. Machonachy, who resigned recently to go with the Niagara Fire. The appointment is effective December 1.

Mr. Willett was born in Kentucky and for several years was a local agent in that state, following which he was for seven years with the old Manchester. He left the Manchester to go with the Federal and after the San Francisco fire he went with the Eagle, of New York, as head underwriter. Mr. Willett went from the Eagle to the Aachen & Munich eight years ago as special agent in New Jersey and Pennsylvania, going with the Firemens in like capacity when the Aachen & Munich was taken over by the Government.

OPEN CANADIAN OFFICE

O'Keefe & Lynch, marine insurance brokers and adjusters, have recently opened branches at Montreal and Toronto. The Montreal office is under the management of Hector Campbell, for many years with Dale & Co. of that city, and the Toronto branch will be managed by D. H. Walkenshaw.

Douglas L. Macaulay, son of T. B. Macaulay, president of the Sun Life, and an army lieutenant, has been made a member of the sub-committee on "Air Craft Design and Associated Aeronautic Problems," Washington.

Harold Peirce of Philadelphia, led all the other writers of the New York Life on September business.

Hugh R. Loudon, L. & L. & G., has been elected president of the Eastern Tornado Association.

HUMAN INTEREST



FREDERIC G. DUNHAM

Frederic G. Dunham, attorney for the Association of Life Insurance Presidents, who has been appointed a captain in the United States Army Service Corps, is on duty at Camp Upton and expects to sail soon for France. During his absence Frederic H. Calkins, a well-known Philadelphia insurance lawyer, has been retained. Captain Dunham made his mark in insurance when with the New York State Insurance Department. He had charge of companies which were in process of liquidation, and what he did in this job attracted the most favorable attention, and led to his being made attorney for the Life Presidents. He is young, a particularly hard worker, as conscientious and thorough as they make them, and his success in the army should be as sure as his rise in the world of law and business.

* * *

Sergeant John Harlan Williams, son of Howard T. Williams, of Maury & Donnelly-Williams Co., agents of the Hartford and other companies in Baltimore, has sent to his father a citation order and a Croix de Guerre which he won in France. Twenty-one years old, John Williams volunteered in March 1917, in the 117th Trench Mortar Battery which became a part of the Rainbow Division. He landed in France in October of that year and fought through the battle of the Marne. The war cross was won in May, 1918.

* * *

Joseph C. Murtaugh, formerly a clerk in the Home Office of the Hartford Fire, has returned from France a Lieutenant, and is now instructing officers at Camp Dix.

* * *

James F. Mohn, general manager of the Baltimore Life for the district about Allentown, Pa., is director of music in the Ocean Grove Holiness service.

* * *

William L. Wilkins, who died on October 25th, from pneumonia, had many friends among the insurance fraternity. His activity in the fire insurance business began with the Western Insurance Company. Later he became associated with the Pittsburgh Underwriters as examiner of the Western Department, and he recently severed this connection to take a field position with the Marquette National Insurance Company.

PRESIDENT OF A LIBRARY

George Goodwin, accident underwriter of the Connecticut General, was elected president of the East Hartford Public Library last week.

FIRE INSURANCE DEPARTMENT

Special Agent Writes on Farm Tractor Risks

VIEWS OF WALTER O. ROBERTS

Hartford Fire Special Says These Risks Furnish Good Opportunity for Agents

That farmers can be convinced that they should insure farm tractors, and that there is good opportunity for agents in writing these risks is the opinion of Walter O. Roberts, Albany, N. Y., special agent of the Hartford, who has written an interesting article on the subject in the current issue of "The Hartford Agent." These policies are simple to write and are reported through the department which underwrites the regular automobile business. Mr. Roberts says in part:

"There are about forty tractors favored by the Government Farm Commissioners, all made in the United States, and ranging in price from eight hundred to two thousand dollars. At a recent demonstration, thirty-two tractors of different make were entered, and eighteen actually plowed during the afternoon. These machines represented both wheel and caterpillar types and were operated with success but for the possible criticism that they required considerable room in turning the plow as well as backing and getting it into position.

"Of course on the farm there are many more uses for the tractor than the horse. It is also claimed that with the tractors larger acreage can be tilled with less men and equipment and at an actual cut in costs.

What Causes Fires

"There have been a number of tractor fires during the summer—about fifty per cent. being caused by the burning of a building in which the machine was stored at the time, and the remaining per cent. due to fire originating within the machines themselves—and in each case the loss has been practically total. When the building is on fire no man is favorably impressed with the idea of going in and starting a gasoline engine, and the writer is satisfied that the cause of the fires in field or on road has been inefficiency, the operation of the tractors having been left to farm help not familiar with the handling of automobiles or engines.

"Surely a farmer who invests in an outfit of this sort wants proper protection from fire and transportation, and we believe that our agents can interest a much higher per cent. of tractor owners in the carrying of this class of insurance, if they will devote more time to it."

Fire Insurance Men in Big Charity Drive

HEAD IMPORTANT DIVISIONS

Floyd R. Du Bois, O. E. Lane, Willard S. Brown, Robert Van Iderstine and C. V. Meserole Named

A large organization has been built up to canvass the industries of New York City for contributions by employer and employee to the United War Work Campaign, beginning November 11, when the Y. M. C. A., Knights of Columbus and other war relief organizations will begin a single co-operative effort to finance their program for the health, comfort and enjoyment of American soldiers and sailors. Judge Elbert H. Gary is chairman of the Industries Division of the campaign, and five prominent men in the William street district have been chosen to head five division of the twenty divisions. They are Floyd R. Du Bois, of Frank & Du Bois, who did splended work for the brokers in the Red Cross drive; Willard S. Brown, head of Willard S. Brown & Co.; Robert Van Iderstine, prominent re-insurance man; O. E. Lane, president of the Niagara Fire; and C. V. Meserole, president of the Pacific Fire.

Van Iderstine to Handle Insurance Group

The groups in Mr. Van Iderstine's division include insurance, Maritime Exchange, real estate, public accounting, export and import shipping. Mr. Du Bois' group includes builders, shorers, and hoisters, shoe industry, warehouses, state government employes. Mr. Lane's groups include china, glassware, hotels, restaurants, machine tools and railroad supplies. Mr. Meserole's includes the music trades, brewers and Federal Government employes. Mr. Brown's includes laundries, dyers, express companies, ice and coal companies, and New York Produce Exchange.

RE-ORGANIZE RHODE ISLAND

Agents Hold First Meeting There in Sixteen Months—Forty-six Attend

The Rhode Island Association of Insurance Agents is again on the map. For sixteen months there had not been a meeting, but agents finally got together and held a live session, and from now on the association will grow. F. C. Parsonage, of Newport, was re-elected president, and T. F. Freeman, Providence, secretary C. S. S. Miller, secretary of the National Association, was one of the speakers.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
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COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
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COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
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Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Taxation Methods To Be Simplified

MEETINGS HELD IN WASHINGTON

Flat Levy on Premium Income Sought in Place of Present Unsatisfactory System

Plans to do away with the present complicated method of arriving at the Federal taxes to be paid by fire and casualty companies are being worked out between representatives of the carriers and the revenue officials in Washington.

A flat tax on gross premium income is what is sought in lieu of all the imposts now enacted under the various clauses of the revenue act. Inasmuch as nobody knows just what the war revenue act means a change to the simple method of taxing premium income would be welcome.

There is not much time in which to come to a decision of this matter. Almost all the carriers favor a flat tax of 1½ per cent. as opposed to a sliding scale of 1¾ per cent. for fire, 2 per cent. for fidelity and surety and casualty 1¼ per cent.

Originated With Fire Interests

Last Saturday a meeting was held in New York, attended by twenty-five representatives of fire, casualty and surety companies. The proposed tax plans have been under consideration for some time by the fire companies and the casualty companies' views were sought at the meeting Saturday. Their ideas coincide with those of the fire companies.

May Be $20,000,000

J. H. Doyle of the National Board represents the fire companies; F. Robertson Jones of the Workmen's Compensation Publicity Bureau, the casualty companies and R. R. Gilkey of the Surety Association of America the surety underwriters. These gentlemen spent most of the week in Washington.

The tax on the companies will be double what it was last year. The Government knows how much it wishes to collect from the insurance interests, but there remains the work of apportioning this amount (believed to be about $20,000,000) among the companies and arriving upon the simplest possible method of computing and collecting it. The proposed plan would relieve the companies of much laborious and expensive preparation of statements.

LOUIS C. KRAUTHOFF DEAD

Chief Council for the War Risk Bureau and Trustee of American Surety Company

Louis C. Krauthoff, chief council for the United States War Risk Insurance Bureau, a trustee of the American Surety Co., and for more than a decade one of New York's leading corporation lawyer, died this week of pneumonia in his apartment at the Hotel Plaza. Mr. Krauthoff was stricken with apoplexy in Washington two weeks ago, due to overwork in connection with his duties for the War Risk Insurance Bureau. He had been chief council of the bureau ever since America's entrance into the war.

Mr. Krauthoff originally formed the Central Leather Company, which was afterward controlled by Mr. Armour, and Mr. Krauthoff was a director of this company as well as its council at the time of his death.

Thomas Hewes, son of M. L. Hewes, president of the Standard Fire, who has been connected with the ordnance department in Bridgeport has been transferred to the artillery branch at Camp Taylor, Ky.

Sees Permanency In Present Agency System

R. P. BARBOUR TALKS TO WOMEN

Would Cost More for Companies to Operate as Mail-Order Houses Do

More than two hundred girls and women have expressed an interest in the series of fire insurance lectures for their benefit now being delivered by Robert P. Barbour, North British & Mercantile, and E. R. Hardy, of the New York Fire Insurance Exchange. The first lecture was on "What Is Fire Insurance?" Mr. Barbour being the lecturer. In this talk Mr. Barbour explained functions both of the agent and the broker. In discussing the agent he said in part:

The selection of the business written rests in a large measure with the local agent, and his knowledge of conditions in his territory and of those whom he insures, together with the quality of judgment that he exercises, is bound to have a determining effect on the success of the companies in his agency and his value as a local representative. A good agency plant does not mean so much a large number of agents as it does a careful selection of agents, who are men of character, with the ability to exercise good horse sense, and who believe that in serving the company they are serving alike their own interests.

To many, especially outside of the business, the commissions paid to agents seem like a large and unwarranted expense and the suggestion is sometimes made that the agent should be abolished. If that were done I believe that the necessary expense charge would be greater as a whole, instead of less. It is difficult to conceive of insurance companies being able to discharge their functions when operating as mail order houses. Insurance does not lend itself to that method of doing business. It is of too personal a character and depends too much upon the advice and knowledge of the agency representatives. If the local agent were abolished we should probably find insurance companies springing up in all the trading centers of the country to serve the territory tributary thereto with the same sort of personal service that is now given by the local agent. This condition would result in greater expense than the present system, therefore, it is a safe assertion that the American Agency system is a permanent institution.

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CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

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WESTERN DEPARTMENT:
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PACIFIC DEPARTMENT:
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Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries

JAMES H. BREWSTER, Mgr
Hartford, Conn.

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Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.
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INCORPORATED 1720

Royal Exchange Assurance

LONDON, ENGLAND

United States Branch
92 William Street, New York

RICHARD D. HARVEY
United States Manager

Larger Powers For Enemy Alien Custodian

CAN SELL STOCK OWNED ABROAD

Senator Frelinghuysen Assured That New Amendment is Not a Mask for Government Insurance

When House Bill 13086, making appropriations to supply deficiencies in appropriation for the fiscal year, was called up in the Senate on October 24, Senator Frelinghuysen asked some questions about an Alien Property Custodian amendment, which he thought might extend to the Custodian enough power to mask a government insurance company, an offshot of one or more of the German companies formerly operating in this country. The particular amendment had reference to the taking over by the Custodian of shares of enemy owned companies. The debate in part followed:

Mr. Frelinghuysen. Mr. President, I should like to ask the chairman of the committee whether this amendment will permit the Alien Property Custodian to take the assets of the German insurance companies which have been placed in his custody and reincorporate them into another corporation for the transaction of business by and through his authority?

Mr. Underwood. This amendment does not touch that question. There are only two features embraced in the amendment. It does not broaden the power of the act, but makes the act workable on two questions that were not covered by the original legislation.

One is the question of shares of stock. The present law is amply sufficient to allow the Alien Property Custodian to sell the shares of stock owned by an alien enemy in his actual possession. Of course, they can be obtained from the alien enemy in this country who owns the stock, and it has been done, but where the alien enemy lives in Germany and has stock which would be kept in Germany, the original law was not broad enough to allow him to sell the stock certificate without having actual possession of it. This allows him to sell the stock certificate, notwithstanding the fact that they have not the actual possession. That is as far as it goes on that feature.

The other proposition of the amendment relates to patents.

Mr. Frelinghuysen. Mr. President, I quite agree with the Senator from Alabama, so far as the control of the alien-enemy property by the Alien Property Custodian is concerned, but what I am interested in is this: It has been stated—and I understand that in the other House an amendment was introduced containing such a provision—that the Alien Property Custodian could take insurance corporations and trust corporations and operate them as Government corporations; in other words, as Government trust or Government insurance companies. Under this amendment providing for the transfer of the shares of these companies where the majority of the stock has been owned by German citizens if a majority of stock can be transferred to the Alien Property Custodian or otherwise, does not that mean that the International Trust Co., and several insurance companies can be taken over by the Alien Property Custodian and run by him; and would not they be Government companies?

Mr. Underwood. No. I think the Senator from New Jersey is entirely mistaken about that. I think he is correct however, about a bill pending in the other House. There was a bill pending in the House before the Interstate Commerce Committee that contained vastly larger powers than anything involved in this amendment. That bill may have gone—I am not sure about it—to the point which the Senator indicates. This amendment, however, does not go to that point. What this amendment does is to authorize the President—he is acting through the Alien Property Custodian—to sell the shares of stock. It does not authorize the Alien Property Custodian to take these companies over or run them, but it merely authorizes him to sell the stock; in fact, he has that authority now as to any stock that he can get hold of in this country.

Mr. Frelinghuysen. If he can make a delivery.

Mr. Underwood. If he can make a delivery; but of course a large amount of that stock is owned by alien enemies in Germany, and the certificates are there.

Treating Enemies Abroad, Same as Enemies at Home

Mr. Underwood. There is no reason in the world why we should pass a bill that affects the rights of alien enemies living in the United States and not be just as drastic in our methods as to alien enemies living in Germany. That is all there is in this proposition. We have already passed a law that affects the alien enemy who lives here, whom we can put our hands on, but the man who has got a gun in his hands on the other side is getting off.

Mr. Frelinghuysen. But you can provide that the stock shall be sold to American citizens.

Mr. Underwood. This is only an amendment to that act. All of these provisions are already in the other act. It does not change the terms. The Senator remembers the amendment that he was largely responsible for having placed in the original act. That applies to this amendment just as well as it does to that act.

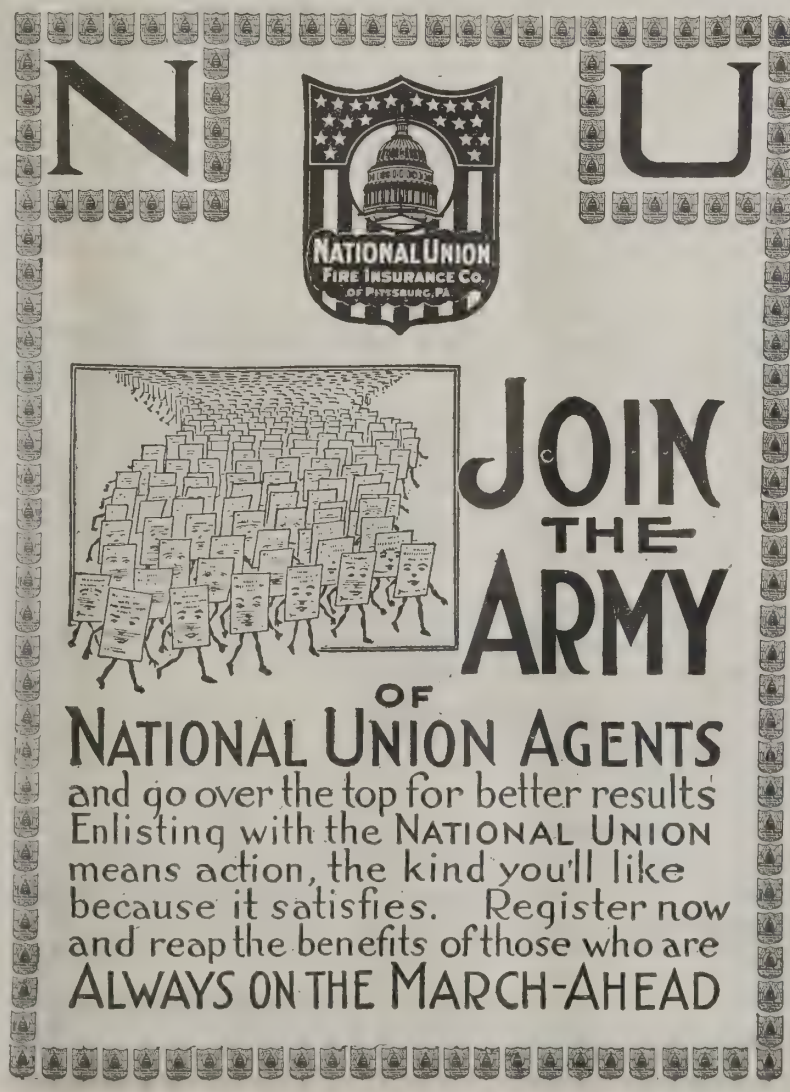
Mr. Frelinghuysen. The only thing that I am trying to ascertain is whether the Alien Property Custodian anticipates, or has anticipated at some future time, taking the assets of these German insurance companies and starting a Government insurance company. All I want to be assured of is that there is no hidden language in this amendment which will permit him to do that, for I am opposed to Government insurance.

Assurance From Senator Underwood

Mr. Underwood. I can say to the Senator that I do not know what the purposes of the Alien Property Custodian may be; I know nothing about that; but I can assure the Senator that there is no language in this amendment that will authorize that to be carried out. That is as far as I can go.

The Presiding Officer (Mr. McKellar in the chair). Without objection, the amendment is agreed to.

The reading of the bill was resumed.



LYON SUCCEEDS MOORE

Former Secretary of New Jersey With Insurance Company of North America In Albany

George E. Lyon, special agent of the Alliance, is to become special agent of the Insurance Company of North America, with headquarters in Albany, succeeding Robert H. Moore, former president of the Albany Field Club, who has gone with the Concordia.

Mr. Lyon was at one time secretary of the New Jersey Fire, his experience in fire insurance having extended over a long period.

NO WHISKEY SETTLEMENT

Value of Liquor Destroyed at Owensboro, Kentucky, Distillery Fire in Question

Not since the Louisville whiskey loss committee visited New York about three weeks ago has anything definite been accomplished toward settling the claims on the Green River distillery loss at Owensboro, Ky. Seventy-five to eighty per cent. of the loss is on whiskey, of which there was 43,000 barrels destroyed. The value of the whiskey at the time of the fire has not yet been agreed upon between the adjusters and the representatives of the assured.

NORTH BRANCH PROMOTIONS

Secretary Amos Bloom Made Vice-president of Two Companies—Succeeded by G. R. Dette

Amos Bloom, who has been secretary of the North Branch Insurance Co., of Sunbury, Pa., and of the City Insurance Co., of Pittsburgh, has been elected vice-president of the two companies.

At the meeting of the boards of the North Branch and City last week G. R. Dette, who has been manager of the Pittsburgh branch office of the companies was elected secretary succeeding Mr. Bloom. Other promotions which were made effective at the same time are G. L. Oplinger, as assistant secretary; E. P. Sones, as assistant treasurer; C. D. King, as auditor; and C. W. Voellger as superintendent of agents.

DEATH OF GILBERT W. TAYLOR.

Gilbert W. Taylor, a marine insurance broker, at 15 William street, died at his home in Glen Ridge, N. J., last week. Mr. Taylor was one of the best known marine insurance men in New York, having been in the business for forty years. His early experience was with Ralli Brothers, and later with Willcox, Peck & Hughes, going into marine insurance business for himself about ten years ago. He was fifty-seven years of age, is survived by a widow, one daughter and two sons, both of the latter being in the service.

Fight Expected On Automobile Agencies

ANNUAL CONFERENCE MEETING

Elimination of Many General Agents and Excepted Cities Sought in Plan to be Submitted

When the National Automobile Underwriters' Conference meets in Chicago, November 15, there is every reason to believe that the sessions will be more than usually lively. The questions now uppermost in the minds of automobile underwriters are an agency rule for the whole country—if such a thing be possible—and a standard form of policy.

The first subject involves the intricate and delicate commission feature. Briefly, the rule that will be submitted at the meeting will seek to eliminate general agents wherever they are not absolutely needed, without deranging a company's whole scheme of doing business. In certain large cities the subject of commissions will be left to local jurisdictions but in other territory a moderate scale of commissions will be proposed.

Favored in West

While at a glance it may look as though it were impossible to bring about the adoption of an agency rule which shall be acceptable generally throughout the country, it is significant that in Western territory, where the companies would be most affected by the proposed changes, the sentiment in favor of a new alignment of agency organization is the strongest. The remedial measures proposed are directly the opposite of those resorted to some time ago in the Eastern field. Then commissions were leveled upward, agency lines obliterated and the number of excepted territories multiplied. This plan was at best of a temporary character. It is proving expensive and a decided effort is to be expected at the Chicago meeting to bring about more moderate commissions.

Objects of Standardization

Regarding the proposed standard form of fire and theft policy, the New York Department has for a long time been seeking the adoption of such an instrument the principal objects being similar to those sought in the standard fire policy; the public would be protected, claim adjustments simplified, court decisions would be of more value as precedents and there would be less excuse for variations in rates.

Generally speaking the companies would welcome uniformity for a number of reasons. The insurance department wishes a form submitted for consideration at the mid-winter conference of commissioners in New York in December. At the Chicago meeting, which is the annual meeting of the Conference, plans for drafting the proposed contract will be discussed.

Charles Brewster, son of J. N. S. Brewster, has resigned from J. N. S. Brewster & Co., Inc., and has been appointed office manager of Squire & Co., Inc.

ENTERED CANADA IN 1821

Aetna Insurance Co. Makes Public Interesting Historic Letter Appointing an Agent

In looking over some of the old records of the Aetna recently, the Company discovered a copy of the original letter appointing the first agency of the Company in Canada, December 22, 1821.

The report of the Superintendent of Insurance would indicate that the Aetna Insurance Company was the second to be admitted to Canada, the first one being an English Company. The letter reads as follows:—

Mr. Abijah Bigelow:

I address you in consequence of a letter red by Mr. Ward Woodbridge from Mr. Jacob DeWitt, presuming from its contents that Mr. DeWitt has conferred with you upon the subject of an agency for the Aetna Ins. Co. of this place, and upon the supposition that the appointment would be agreeable to you. I have the pleasure herewith to send you a commission—the other necessary documents must be forwarded by private conveyance for which I suppose I shall have an opportunity via Boston next week & shall send one hundred Blank policies signed by our Pres. & Secy. & sealed with the seal of the office, a letter of instructions, copies of policies, and advertisements. Mr. DeWitt remarks that he thinks higher premiums are now paid in Montreal than our proposals demand, if so it may not be best to use the advertisements sent, but whether you do or do not use them you will if you think proper advertise your Agency in the News paper—By our printed letter of instructions you will perceive that you are limited not to take a risk exceeding five thousand dollars. By this you will consider yourself authorized to take risks of any amt. not exceeding $10,000. The printed letter also limits your commission to two and a half pr. ct. instead of which 5 pr. ct. will be allowed and pd. you.—However anxious the Directors are to do business there is one point of prudence they wish to keep constantly in view—to wit—never to endanger the existence of the Company by risking too much exposed to a sweeping fire—. We know indeed a whole city may be conflagrated but such a contingency is too remote to be calculated upon, while whole streets and squares are so often destroyed, it might with propriety be deemed folly in us to risk our whole or a major part of our capital upon them. We wish returns by mail though the postage will be considerable unless a few days delay will afford a safe and convenient private conveyance.

I will thank you to remark to Mr. DeWitt that upon the recommendation of Mr. Woodbridge when he returned from Montreal last season the office concluded to appoint him the agent which would long since have been done had an opportunity to ford the papers been known to me.

TRI-STATE MEETING

The meeting of the Massachusetts Association of Insurance Agents, scheduled for November 13, in Worcester, will really be a tri-state meeting, as agents from Providence, Waterbury and several other cities outside of Massachusetts are to be invited. An interesting program will be arranged.

WESTERN ASSURANCE CO.
OF TORONTO, CANADA

States from 1874 to 1917, inclusive 43,294,154.63

Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918

Assets $4,194,579.34
Surplus in United States..... 1,667,691.69
Total Losses Paid in United

W. B. MEIKLE, President

THE HUMBOLDT FIRE INSURANCE CO.
PITTSBURGH, PA.

Conservative -- Sound -- Progressive

Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

ÆTNA (FIRE)
HARTFORD, CONN., U.S.A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.

"AMERICA FORE"

What is Worth Owning is Worth Insuring

And in these days of War with all its possibilities for loss, property is more worth owning than ever. War prices make repairs and replacements more costly in case of fire.

Adequate Insurance is a necessity today.

American companies are second to none in strength, management, service and reliability. The

FIDELITY-PHENIX FIRE INSURANCE COMPANY OF NEW YORK

A STRONG, RELIABLE AMERICAN COMPANY

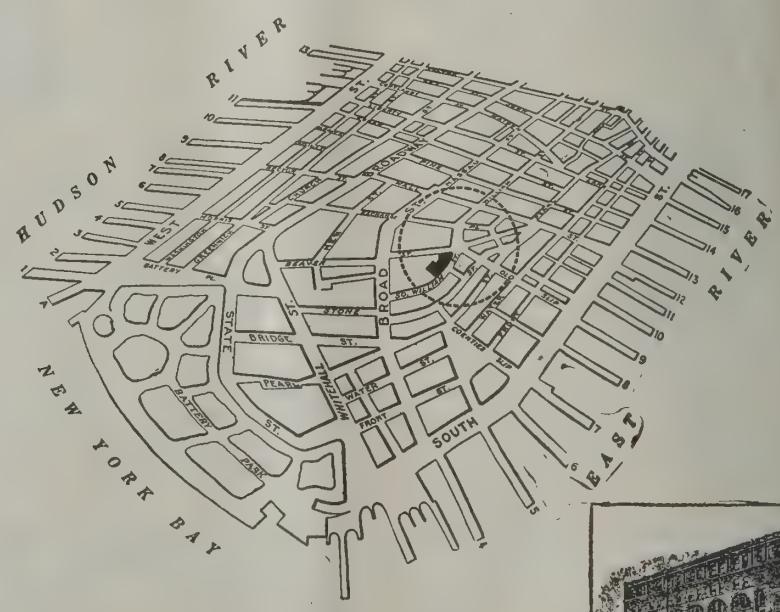
Cash Capital $2,500,000.00

HENRY EVANS, President

Home Office
80 MAIDEN LANE
NEW YORK

Managing Branch Offices:
CHICAGO, MONTREAL
SAN FRANCISCO

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House
South William and Beaver Streets
New York City

Declare Foreigners Hinder Co-operation

FIGURES ON JAPAN'S BUSINESS

Hard to Maintain Rates—New Companies Troublesome—Tariffs on Risks—Growth

Under their skins a goodly proportion of fire insurance men are about the same, whether they work under the influences of an Eastern or a Western civilization. Japan experiences rate cutting, non-observance of conference rules in spite of unhealed wounds caused by heavy losses and other ills.

Since 1909 the five leading Japanese fire companies, Meiji, Nippon, Tokyo, Yokohama and Kyodo, discontinued competitive rates after having to pay for the loss in 1907 of 12,390 houses at Hakodate. Claims amounted to 2,544,925 yen. At Osaka, in 1909, 11,368 houses were destroyed, with a loss of 5,187,212 yen. By mutual agreement the companies advanced rates.

Hard to Keep Together

In 1911—a new agreement providing a conventional premium rate was concluded by the five Tokyo, and one Kobe, companies. These rates in Tokyo are expressed in percentage:

	Wood	Fireproof
First-class district	.50	.20-.25
Second-class district	.75	.20-.27
Third-class district	1.00	.25-.35
Special	1.30-1.50	.30-.31½

The tariff is not always observed strictly, owing to competition of foreign and new companies which keep aloof from the convention. The repeated attempts made since 1914 have been abortive.

Growth of Business

Domestic fire insurance results are given as follows in 1,000 yen:

Year	Premiums	Claims paid	Policies	Amount
1912	8,783	2,831	678	1,282,135
1913	8,914	4,142	697	1,566,482
1914	8,459	5,448	876	1,688,742
1915	8,539	4,086	908	2,110,736
1916	9,103	4,374	990	2,374,544
FOREIGN FIRE BUSINESS				
1913	2,564	1,692	97,494	768,045
1914	2,582	1,241	109,830	839,584
1915	2,436	1,497	120,210	806,765

Carriage, fidelity, engine and boiler, conscription, accident and automobile insurance are also written. Between 1915 and 1916 the automobile premiums increased from Y2,368,000 to Y142,-123,000 and the paid claims from Y23,000 to Y26,517,000. A yen is fifty cents.

INSURANCE LEAGUE AWARDS

Will be Made at Annual Dance at Palm Garden On November 1—Other Plans for Affair

Trophies will be presented to the winning teams of the Insurance League at its annual dance which will be held at the Palm Garden on November 1. The teams which are to participate in the awards are the Continental, Niagara and O. G. Orr & Co., which finished first, second and third respectively.

A feature of the annual dance will be the dedication of the League's Service Flag, which now has thirty-six stars. The dedication will be made by William F. Stanz, president of the League.

ELECT RIPPEL PRESIDENT

The board of directors of the New Jersey Insurance Co., on Monday, elected J. S. Rippel, who is a prominent Newark banker, as president of the company, succeeding the late George A. Viehmann.

THE YORKSHIRE INSURANCE CO., LTD. OF YORK, ENGLAND
Established 1824
FIRE, LIGHTNING, SPRINKLER LEAKAGE, AUTOMOBILE, WAR AND EXPLOSION INSURANCE
U. S. BRANCH
FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager
No. 80 Maiden Lane, New York
New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

Caledonian Insurance Co. of Scotland
FOUNDED 1805
"THE OLDEST SCOTTISH INSURANCE OFFICE"
UNITED STATES HEAD OFFICE
Caledonian Building, 50-52 Pine Street, New York
CHAS. H. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York



F. H. HAWLEY, Pres. ORGANIZED 1848 W. E. HAINES, Secy.
Ohio's Oldest and Strongest Company
Net Surplus Over $1,293,741.00
AN AGENTS COMPANY
E. K. SCHULTZ & CO.
PHILADELPHIA
GENERAL AGENT
Pennsylvania, New Jersey and New York

JAMES J. BOLAND COMPANY, Inc.
GENERAL AGENTS
HOME OFFICE
SCRANTON, PA.
68 WILLIAM STREET
NEW YORK CITY, N. Y.
NEW YORK NATIONAL INS. CO.
THE COLUMBIAN NATIONAL FIRE INS. CO. MONTANA FIRE INS. CO.

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1917	$16,153,068.57
Surplus	4,793,978.55
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904	1,051,543.00

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $155,000,000.00
Losses Paid in the United States
HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent
NEW YORK OFFICE
80 William Street

JONES, LAUNT & BARRETT, Inc., GENERAL AGENTS
Head Offices:
411-13 Walnut Street, PHILADELPHIA, PA.
We can offer to Agents and Brokers special facilities on surplus lines throughout the United States and Canada.

MARINE DEPARTMENT

Marine Future For Domestic Companies

OUTLINED BY WADE ROBINSON

Shows Situation Warrants Additional Companies Entering Field—More Profitable Than Fire

The future of American companies in marine insurance is outlined as follows by Wade Robinson, president of Wade Robinson & Co., Inc., marine underwriters of the American Merchant Marine and United British, in a pamphlet which is being distributed:

Marine insurance is more profitable than fire insurance.

Since the establishment of the New York State Insurance Department in 1859, 169 joint stock fire insurance companies have failed or retired.

During the same period only 12 New York marine companies, both joint stock and mutual, have retired and no joint stock New York marine company has retired or failed since 1886, 32 years ago.

It is the duty of American capital—particularly American Fire Insurance capital—to extend ample insurance facility to American commerce and American ship owners.

There are many other reasons why American Fire Insurance Companies should enter the field of Marine Insurance.

At present, the one real world market for Marine Insurance is England. Lloyds London and many English companies combined provide a facility that is overwhelmingly greater than the combined facility of the rest of the world. American Marine Insurance facility is more foreign than American.

For such lines as cannot be placed in companies represented in New York, Lloyds London, English and foreign non-admitted companies are used by brokers. Practically all American Marine Insurance brokers have English and other foreign connections, and while figures are unobtainable, it is safe to say that many millions in premium are annually paid to other countries on business transmitted by cable and mail. There are 103 stock companies writing marine business in New York State, of which 62 are American and 41 are foreign.

While the number of companies specified represent the American Marine facility (exclusive of brokers' foreign connections), it must not be overlooked that it is really not all American, because all British company premium is for British account, and also all premium paid to American branches of other foreign companies and to domestic companies, although for account of the home country, largely finds its final depository in England and other countries by way of re-insurance treaties. There is no market for marine re-insurance treaties comparable to the English market.

By far the largest part of Marine Insurance business is transacted by foreign and American-foreign owned companies. The majority of the American Fire Insurance companies doing Marine business are beginners. Among American companies there are a few that write a substantial amount of business but they are able to do so only because they have extensive re-insurance relations with foreign companies.

American Marine Insurance facility is even more insignificant than the surface facts indicate. To ascertain what it really is, only the net retained line of American owned companies should be considered.

England provides her immense merchant marine, her tremendous commerce and the greatest part of the rest of the ship and trade world with marine insurance and by that means draws a great revenue from the trade of other nations. Surely American capital is equal to the task of providing a reasonable marine facility for its own commerce.

There has never been so great a need nor so great an opportunity for capital in the marine insurance field in America as now. The principal factors that create the opportunity are:

A tremendous increase in values of merchandise and ships;

A great expansion of trade generally;

The elimination of German Marine Insurance Companies.

The war has completely disrupted ocean traffic. Underwriters are now not only amply justified in asking, but are able to obtain adequate rates.

The world-wide inadequacy of Marine Insurance facility, and particularly the inadequacy of the American marine facility, is a positive guarantee that any new facility will be more than filled.

American shippers now have a decided preference for policies of American companies. This demand may be due to patriotism, or timidity respecting companies of belligerent European countries, or to prejudice because of race—whatever the cause, the demand exists for American company facility. It has also been noted that some banks prefer that documents be accompanied by the certificate of a company that is either organized or domiciled in the United States.

United States managers and brokers interested in marine insurance have scoured the world for additional facility, but their combined efforts have not brought results worthy even of the name, and they never will so long as the demand is so great that foreign companies and underwriters can sit comfortably in their home places and do an enormous business on their own terms, without the risk and trouble incidental to establishing a foreign agency.

Underwriters and banks in England understand the value of co-operation. Many members of English bank boards are also members of marine insurance company boards, and through skillful co-operation influence insurance premiums amounting to millions of dollars to English companies. The process is obvious and simple. The result of co-operation between banks and underwriters is fairly shown by conditions prevailing in connection with marine insurance of American raw cotton exports. Premiums paid during 1916 were over $5,000,000 and insurance was effected in companies of various nationalities as follows: English, 72.6 per cent.; Japanese, 5 per cent.; American, 22.4 per cent.

The same process is followed whenever possible in all lines of trade. It is a natural and legitimate use of clean influence and worthy of emulation by American capital. If correctly applied by American capital this method would undoubtedly greatly accelerate the demand for American marine insurance facility, and American marine insurance companies so favored would be positively assured of a steady flow of good business to supplement their independent efforts.

The ease with which capital can enter the marine insurance field and the possible profits ought to make it easy to induce it to do so. That it has not done so is probably due to a lack of knowledge of the opportunities and also to a dearth of managerial talent, because where experience is lacking, skill must also be absent. Capital is timid, and rightly so, when it cannot secure adequate management. Given adequate management, the opportunity for capital in marine insurance in America was never so great as now.

In considering the future of marine insurance, a natural question is: Will the present demand continue? It will, because it is the result of two things, viz.: a great expansion of trade and a great increase in values of merchandise and hulls. Values and consumption as they now exist are very much greater than they ever were, notwithstanding severe Governmental restraints. When the war is over Governmental restraints will at least be relaxed. The result will inevitably be greater consumption and still higher prices.

The restoration and replacement of destroyed property and the sudden return of millions of people to normal living conditions will surely cause abnormal consumption. People must eat, wear clothes, live in houses and create things to sell for revenue. The desire to "catch up" with the comforts and other things that war has deprived them of, and the at least partial removal of Governmental restraints, will undoubtedly cause an increase in even the present great trade of this country, and still higher values because this country will be not only the principal source of supply of raw materials, food and even luxuries, but also the principal source of demand for the products of the nations restored to peace.

Will all the traffic to and from America be forced to seek foreign insurance facility?

So many ships have been and will be destroyed that when the war ends it will take years for the combined shipyards of the world to make good the deficiency. And of the new ships it is already certain a vast number will carry the American flag. Are they to be insured with foreign insurance companies or will American capital seize the obvious opportunity?

The demand for marine insurance facility, like any other demand, follows the line of least resistance. This means that other things being equal, the home facility is filled first. It is much easier for brokers to carry their orders to local offices than to negotiate at long range by cable or mail. Besides, conditions and trade have so changed and expanded that there is now actual competition for existing facility, which makes prompt action absolutely necessary to brokers and shippers handling large business. The facilities of the American market are so very far short of needs and the consequent overflow so great that there is no doubt that a new facility would have more business offered them than it could handle.

Until capital is more thoroughly informed concerning marine insurance needs and opportunities, it is unlikely that any new capital can be interested. But it should be easy to interest capital that is already partially informed and engaged in kindred business, viz.: fire insurance company capital. Therefore, if it be granted that the need and opportunity exist, the obvious course is for fire insurance companies having adequate capital and sufficient charter privileges to use their resources and establish jointly or separately a marine insurance facility that will respectably represent American commerce and finance.

No small aggregation will be sufficient. To

(Continued on page 18)

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK

CASH CAPITAL AND SURPLUS $1,000,000

EQUITABLE UNDERWRITERS OF NEW YORK
SURPLUS $793,852.75

Marine and War Risk Insurance

Losses made PAYABLE in all parts of the world

C. R. EBERT & CO., Inc.

MARINE MANAGERS PHONE 263-264 BROAD

48 BEAVER STREET, NEW YORK

S. D. McCOMB & CO.
INCORPORATED

56 Beaver Street New York

MANAGERS MARINE DEPARTMENT

American Insurance Co., of Newark, N. J.
Firemen's Insurance Co., of Newark, N. J.
Glens Falls Insurance Co., of Glens Falls, N. Y.
Hanover Fire Insurance Co., of New York, N. Y.

MARINE AGENTS

Globe & Rutgers Fire Insurance Co., of New York, N. Y.

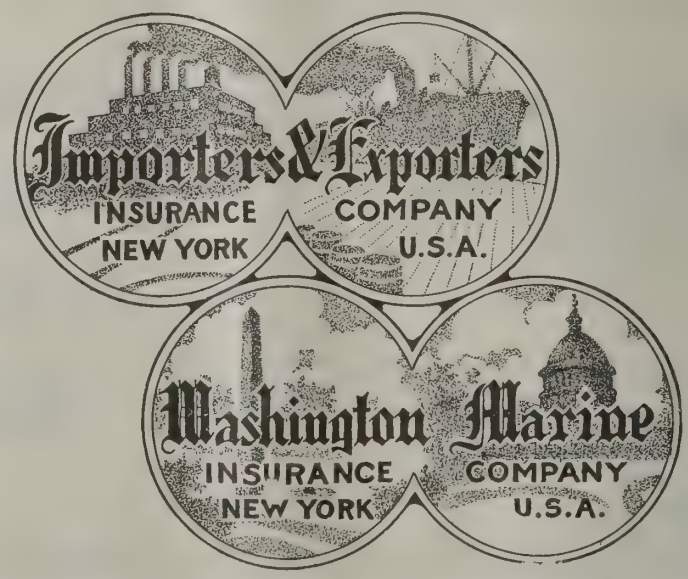
MARINE AND WAR RISK INSURANCE

Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

The Trans-Marine Underwriting Agency Inc.
of New York

Managers for



Marine and War Risk Insurance

56 BEAVER STREET NEW YORK

BANKERS { GUARANTY TRUST CO.
EQUITABLE TRUST CO.
NATIONAL CITY BANK

CASUALTY AND SURETY NEWS

Influenza Claims Numerous But Small

SIGNS THAT WORST HAS PASSED

Waiting Period in Industrial Contracts May Cut Many Losses—Pneumonia Most Dreaded

While the so called Spanish influenza is eating into the profits of the health insurance companies, they can at least derive consolation from the advertising the business is receiving through the unprecedented number of small claims that are now being paid. There is no better advertiser for any business than a satisfied client. Some offices report an increase of from 200 to 300 per cent. in the number of claims in this department. The manner in which they are settled will have much to do with the opinion thousands of policyholders will retain for many years regarding this class of insurance, which perhaps more than most any other has been hampered in its progress by the inadvised use of restrictive clauses inserted in order that policies may be sold at a rate too low to provide the class of protection the public really wishes and too often believes it has.

Pneumonia Cases Costly

While the number of claims is large the amounts are, as a rule, small. The disease either kills quickly or the patient suffers a disability of but short duration. The pneumonia cases are the ones that cost the real money. In the commercial branch of the business the policies generally provide for payment for disability from the first day of illness. There are some, however, which are hedged about with a waiting period of a week or so. The holders of these policies will be generally disappointed and their chagrin will not help the business. The others will make good material for additional prospects among their friends.

Claims Cut Down

In the monthly payment business the policies more generally provide for a waiting period of from one week to fifteen days. As most of the illnesses from this "influenza" are of short duration, it is likely that under fifty per cent. of these policies there would be no valid claim.

The casualty men are inclined to the view that it is the life companies which will lose by this epidemic. They get the real losses.

From company experience it would appear that the claims first began to arrive from New England points. From there the spread of the disease was noticeable traveling down the seaboard and through the Middle Atlantic section. New England claims are now said to be lighter, indicating that the crest of the epidemic has passed there.

Taken all in all managers generally are not alarmed by the inroads the epidemic has or may make upon their treasuries. The industrial branches are no doubt receiving by far the greater number of claims, but as many of these policies furnish incomplete protection at a very low rate, and besides, the amount of the claims are small, in the main, the results financially are not likely to be excessive.

BACK FROM THE FRONT

E. J. Jordan, who was adjuster for the London & Lancashire Indemnity at Milwaukee, has returned from the front in France. He is now a first lieutenant and wears a gold stripe. Lieutenant Jordan will act as an instructor in one of the training camps.

Lieut. Raymond P. Wheeler, formerly with the Travelers, has qualified as instructor at the Small Arms Firing School at Camp Perry, O.

Would Boost Benefits For Crippled Men

FEDERAL THRUST AT INSURANCE

Labor Statistics Official Wants Larger Compensation Benefits and More State Hospitals

The problem of the handicapped man in industry has been taken up by Carl Hookstadt, of the United States Bureau of Labor Statistics. He outlines the actual industrial problem, as disclosed by several intensive investigations confronting workmen permanently injured in industry, to analyze the cause of the various cause factors entering into this problem, and to offer certain remedial suggestions. The statements are based chiefly upon a study of industrial cripples in Massachusetts, supplemented by similar investigations in California and Wisconsin.

Problems Presented

The economic problems resulting from the permanent disabilities are indicated by (1) length of time totally disabled; (2) change of occupation and of employer; (3) number employed; (4) reduction in wages and earning capacity; (5) relative severity of various types of injuries in different occupations and industries; (6) the present statutory compensation scales as compared with probable loss of earning capacity.

The following remedial suggestions are offered by Mr. Hookstadt:

Compensation: The compensation scale of benefits should be materially increased to approximate the loss of earning capacity. Benefits for permanent injuries causing dismemberment or mutilation should be fixed at a definite, though adequate, amount, graded according to nature of disability and age and occupation of the employe, but not dependent upon unemployment in individual cases. Injured employes should not be penalized for rehabilitating themselves. When the injured man knows that the amount of his compensation will not be affected by his early return to industry, disability and unemployment will be materially decreased. The system of granting lump sums should be abolished or materially restricted. Employers should be relieved of the added risk involved in the employment of disabled workers.

More State Institutions

Medical Service: Adequate medical and surgical treatment, including necessary appliances, should be furnished by the state. Orthopedic and rehabilitation hospitals should be established and maintained by the state utilizing present institutions wherever possible.

Re-education and re-training: There should be established vocational training schools, with both day and night courses, which should closely correspond with the rehabilitation hospitals.

Re-employment: A survey of the occupation opportunities in the various industries of the state should be made and the co-operation of the employers and labor organizations should be enlisted. Thousands of positions exist or could be created with crippled workers could fill as successfully as normal workmen, were the problems carefully studied and an intelligent readjustment made. Particular care should be taken to eliminate the stigma of charity. The positions should be necessary and constructive in an industrial sense in order that the handicapped man may feel himself an integral and important part of the economic world and thus maintain his self respect.

Insurance: In the field of workmen's compensaton, competitive insurance companies are wholly unsatisfactory. Either a monopolistic state insurance fund or employers' mutual association should be substituted for the competitive casualty companies.

Administration: The entire administration and supervisory work should be under the jurisdiction of a central authority, preferably the industrial accident commission. This commission should, in case of necessity, have power to coerce the employe as well as the employer. Confidence, impartiality and intelligent direction and supervision are vital factors in the whole rehabilitation problem and these can best be obtained through public administration.

"OUR BONDS GUARANTEE INTEGRITY"

SURETY BONDS

ROYAL INDEMNITY COMPANY

CASUALTY INSURANCE

NEW YORK

CHARLES H. HOLLAND, President

DISCUSSING AUTO RATES

Long Series of Meetings Taking Place at Rooms of Compensation Bureau

Tuesday of this week a series of meetings began at the National Workmen's Compensation Service Bureau, to discuss automobile rates. The sessions are expected to last through today (Friday), and may be resumed next week. While what may be done regarding a readjustment of rates is not yet decided, it is confidently expected that there will be no fundamental change in the basis of computation, i. e., that of horsepower. The views of a number of field men on this subject were obtained some time ago.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building **PHILADELPHIA**

Preferred Makes Auto Appointments

WARD HAS OUTSIDE TERRITORY

Sewall Superintendent of New York City Business—Schaap to Be His Assistant

Henry F. Sewall has been appointed superintendent of the New York City automobile department of the Preferred Accident. Frank Schaap will be his assistant. Mr. Schaap has been with the Preferred for a number of years and this change comes to him as a well earned promotion.

The out-of-town automobile department of the Preferred will be in charge of Charles Edward Ward, who is regarded as particularly well versed in automobile casualty underwriting. He has been with the Preferred for seven years and has had other valuable experience.

P. S. Alden, will continue to manage the Sewall & Alden corporation, New York state agent for the National Fire's automobile department and will continue to do a general brokerage business with offices at 80 Maiden Lane.

These changes constitute a re-arrangement of the contractual relations of the Preferred Accident with Mr. Sewall and Mr. Alden, which relations were about to terminate by limitation.

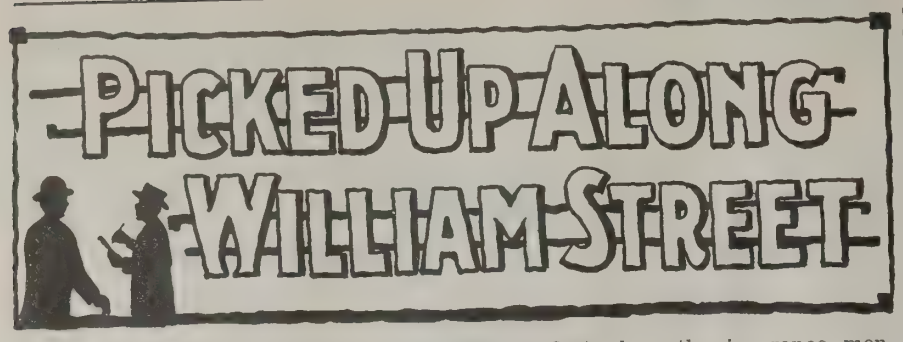
Messrs. Sewall and Alden, have long been closely identified with the automobile casualty business and are among those first to become active in that field. Besides their connection of ten years with the General Accident, they were for two years New York City agents for the Preferred, and since 1913 were salaried managers of the automobile liability department of the Preferred.

CASUALTY ACTUARIES' MEETING

Three Fellows to be Elected—Question Box Prepared—To Choose Officers

The fifth annual meeting of the Casualty Actuarial & Statistical Society of America, for the election of officers, two members of council, and other business will be held at the Yale Club, New York, November 15 and 16. Both sessions will start at 10.30 A. M., and the first order of business will be the election of officers and members of the council. A meeting of council will take place November 15 at 9.30 A. M.

The council will recommend the following men for election as Fellows: Mervyn Davis, assistant actuary, Equitable Life Assurance Society, New York City; F. W. Hinsdale, secretary, Workmen's Compensation Board, Vancouver, B. C.; W. T. Perry, manager for Canada, Ocean Accident & Guarantee, Toronto.



Two Presidents Pay Tribute to A. L. Amos

The death of Arthur L. Amos, manager of the burglary department of the Maryland Casualty, was genuinely regretted.

In the Maryland "Budget," President John T. Stone, said in part: "As an underwriter, as adjuster of the most serious and difficult claims, as a member of the official council at the Home Office, as our representative in the Burglary Insurance Underwriters' Association, he measured up fully to every requirement and met successfully every emergency."

In a letter to John T. Stone, President Robert J. Hillas, of the Fidelity & Casualty, said:

"The death of Mr. Amos shocks and grieves us far more than you may imagine. He has been here many times as you know in attendance at meetings of the Burglary Underwriters' Association. I saw him there frequently and was always very favorably impressed by his share in the debates. We had a strong liking for him and I am sure he knew that we liked him. No representative of any company commanded more personal respect or reflected more credit on his company than was true of Mr. Amos as to your Company. We regret deeply the occasion that invites these remarks. I thing you have lost a man of high character and far more than average ability in his chosen line of work."

* * *

Wedding Date Set

A. Victor Hansen, accident and health department manager for the Massachusetts Bonding in New York, is to be married November 20, to Miss Grace Crowder, who is an experienced and valued member of the Aetna staff at 100 William street.

* * *

Hutchison Drives the Bus

Gail W. Hutchison has joined the Motor Transport Corps. He is known to a large number of casualty insurance men through his connection with the Globe Indemnity as special agent in Southern New York and New Jersey.

* * *

To Manage Casualty Branch

Ellis W. Myerle is to be casualty department manager for Ream, Cromwell & Wrightson. Mr. Myerle was for a number of years with the United States Fidelity & Guaranty in New York, and left there not long ago to take a special agent's position in the Metropolitan department of the Globe Indemnity.

* * *

Good Work by Travelers

The Travelers office in New York rolled up $6,500,000 for the Fourth Liberty Loan, exclusive of $1,000,000 allotted to it by the Home Office.

* * *

Supervising Entire Field

George M. Martin has taken a position with the Ocean Accident & Guarantee as agency supervisor and adjuster in the accident department, covering the entire United States field. He has been with the Pacific Mutual in Chicago, and was in the company's office for 23 years.

* * *

Wallace M. Reid On Organization

In a talk on the Value of Insurance Federations, President Wallace Reid, of the Pennsylvania Federation, says:

"The old method of free-lancing was unsatisfactory, not only to the insurance man but to the legislator as well. In the first place the insurance men were never quite certain what they wanted or what they didn't want, and, lacking an organization, never could agree. In the second place the legislator was approached from all sides by insurance men holding different views, became disgusted with the lack of unanimity and as likely as not, voted for the wrong thing altogether, thinking that he was doing the right thing. Legislators who have some 2,500 bills to consider cannot be expected to listen to pro and con arguments coming from a dozen or more angles. Organization of the insurance fraternity into the Federation has done away with all this as far as our state is concerned. Now we all get together and pool our arguments, our facts and figures and statistics, place all our force back of it and shoot straight, accurately and effectively. This has the advantage of enlisting the support of the entire insurance fraternity back of a good bill or against a bad bill. An additional advantage is the direct aid which is given the busy legislator. He can go to the representative of the organization and get all the necessary information on any bill affecting insurance and be sure that he is getting authoritative information which is backed by the combined strength of all members of that organization. Aside from this, it is not amiss to say that legislators will have a great deal more respect for an organization which has a large and potential voting strength than he will have for the individual who appears before him with no organization back of him.

"And allow me to say this: it is up to the agents to look after legislation affecting their business."

* * *

Gets a Wardrobe Trunk

Augustus S. Graul, of the personal accident department of the Aetna Life was presented with a handsome wardrobe trunk by his office associates last Saturday on the eve of his departure for Chicago where he will become connected with the Aetna Life Central Claim Department. The Aetna Bowling Club presented Mr. Graul with a seal traveling kit and the Hartford Lodge of Elks gave him a gold elk's tooth watch charm. Mr. Graul is 32 years of age and entered the employ of the Aetna Life in March 22, 1903. He has worked his way up in the home office of the Company from office boy to being in charge of the Accident and Health Claim Department. His new position will place more responsibilities on him and his home office experience will be of valuable assistance and of great assistance to the Aetna's Chicago force

* * *

H. Wyckoff Mills Promoted

H. Wyckoff Mills, formerly of the Hartford Accident & Indemnity Company, but now in the army in France, has been promoted to a captaincy and will have command of Company B of the 101st Machine Gun Battalion, succeeding Morgan G. Bulkeley, Jr., assistant treasurer of the Aetna Life, who was promoted to the rank of Major a few weeks ago and is now in command of the battalion. Captain Mills is stepson of vice-president Walter G. Cowles of the Travelers and Major Bulkeley is son of Morgan G. Bulkeley, president of the Aetna Life.

* * *

Expect Government Will Pay

The largest aggregate plate glass loss for any company on account of the New Jersey explosion is $12,000. Full particulars regarding every loss are being prepared for the Government by the plate glass insurance men. It is believed that the Government will pay for all the damage although no official announcement to that effect has been made. The companies have cleaned up practically all their claims and in case the Government pays the claims of those who were insured as well as those who were not, the companies would become subrogated to the Government for their losses.

* * *

J. S. Turn's Son Killed

New York Manager John S. Turn, of the Aetna Life, received word this week that his son Raymond had been killed at the Argonne front. He was a first lieutenant and his company was the first over the top in the last American offensive.

* * *

R. E. Moore a Vice-President

Richard E. Moore, formerly private secretary of Vice-President Walter C. Faxon of the Aetna Life, has been commissioned a first lieutenant. The promotion came after the battle of Chateau Thierry.

THE TRAVELERS
INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

Good Words For Continental

The Continental Casualty, at its request, was examined by the insurance department of New York, Illinois, Indiana and California, as of June 30, 1918. The conclusion of the examiners is:

That the affairs of this company are very ably and conservatively managed.

That its funds are invested in securities of sound value and earning a good rate of interest.

That its books of record are carefully and properly kept.

That ample reserves are maintained for unpaid losses.

That claim settlements are promptly and fairly made after due investigation and determination without taking advantage of technicalities.

* * *

More Stars Appearing

The Great Eastern Casualty has a new service flag with 20 stars which represents a goodly percentage for its Home Office force. The General Accident's New York office now shows seventeen stars in its banner.

Future of Marine Companies

(Continued from page 16)

command real respect, a new facility must be not less than $500,000; to be a great factor, it should not be less than $1,000,000; to dominate the American market it must be $2,000,000 to $3,000,000. The values of many ships, plus their cargoes, that have arrived and departed at American ports during the last year have exceeded $5,000,000. What is true of values in American ports is also true of values at all other world ports.

A facility of $3,000,000 would be able not only to dominate the American market and draw a large revenue from direct business, but could also extend reinsurance facilities to established American companies that are now forced to seek foreign facility. Further, it could participate largely in purely foreign trade by extending its re-insurance facility on a reciprocal basis to many foreign companies, and so obtain a large revenue from foreign business that is now practically unknown to the American market. English, German, Russian and Scandinavian capital understand the value of such methods and have operated successfully for many years. There is no apparent reason why American capital should not do likewise, and so become a world factor in marine insurance affairs.

Present American company net retained facility does not exceed $750,000. It is individually and collectively weak and divided against itself, because controlled by opposing interests and because of that fact a new joint facility of only a corresponding size ($750,000), would, by virtue of mobility arising from individual control, outweigh in importance the present facility. If a new facility sufficiently strong were established, it could extend a helping hand to other American companies by taking over some of the re-insurance treaties now placed with foreign underwriters, and through this means establish a community of interest between American companies that does not now exist, and which would have mutually beneficial results.

There is no rule to govern the size of the net retained line of marine insurance underwriters. The net line is great or small according to the individual judgment and courage of the underwriter. The maximum line on so-called very choice business is probably not in excess of $100,000; on average business the average net line is probably not greater than $10,000. The great majority of American companies engaged in marine business are quite small and operate in very restricted manner.

Investing capital in insurance is not like investing in mines or manufacturing; it does not have to be largely paid out for labor and material. It remains intact, drawing the same interest it drew prior to investment, and given adequate management, will begin immediately to give additional returns by way of increased value of company stock and earnings.

For fire insurance companies possessing adequate capital and charters, entry into the marine field is simple. All they have to do is to obtain a State Insurance Department license and add a marine insurance department to their present organization. If they join an established marine underwriting office, their problems of management and underwriting are also simply and instantly solved.

Not all companies participating in marine insurance need be companies of issue. They may participate, by way of re-insurance treaties, with established marine insurance offices, but it is desirable to have as many companies of issue as possible because it is undesirable to issue the policy of any one company for an excessive amount even if backed by substantial re-insurance. Insurance should be all the word implies even in the appearance of the policy. Too large an amount in a single policy is a violation of this theory.

War risks are not included in the considerations above outlined, because while at present a great factor in marine insurance business, they will disappear with the ending of the war.

CASUALTY AND SURETY POINTERS

Income Protection In Peace and War

F. H. Perdew of the Continental Casualty says that only the intelligent man appreciates the value of money sufficiently to accumulate much of it. If he invests it in mortgages he usually buys first mortgages earning interest at from two to four per cent. less than he can get from second mortgages. Because he is intelligent he gladly sacrifices two per cent. of the income to insure the safety of his entire investment.

If you are earning $1,200 a year, this is equal to the interest on $25,000 at five per cent. If you are a thinking man you will expend two per cent. to protect this income.

A man's duty to his country rarely, if ever conflicts with his duty to himself and his family. Two men work with hand or brain for a normal wage. One is disabled through injury or disease, which comes without warning. His income having stopped he is obliged to go to a public hospital, where he consumes the time of doctors and nurses who are badly needed for the boys over here and over there, who are winning the war. Or, perhaps he stays home and uses up his savings, stops his Liberty Bond payments, ceases to buy Thrift Stamps, and is forced to turn a deaf ear to the Red Cross appeals. The other having, when well, protected his income for a trifling percentage with a disability policy, meets with a like misfortune but he is able to pay all his obligations, and instead of being a burden the gap is plugged with the disability benefits he receives.

Both men salute the flag with equal enthusiasm. Which, think you, is the better citizen?

* * *

Ammunition to Use Against Women

Agents are told to go out and insure the women. Here are some arguments for them supplied by the National Casualty:

Four thousand and twenty-one women in the United States died from burns during a recent period of twelve months—do women need accident insurance?

Four hundred and fifty-three women in the United States were killed by street cars during a recent period of twelve months—do women need accident insurance?

One thousand two hundred and eighty women in the United States were killed by automobiles during a recent period of twelve months—do women need accident insurance?

Six hundred and eighty-six women in the United States were killed by railroads during a recent period of twelve months—do women need accident insurance?

One thousand five hundred and forty-three women in the United States were drowned during a recent period of twelve months—do women need accident insurance?

Six thousand and sixty-five women in the United States were killed by falls during a recent period of twelve months—do women need accident insurance?

* * *

Getting Around the Man-Power Act

What the man-power act has to do with business is outlined by Manager Howell of the General Accident's industrial department. He sees that already this act is beginning to distress some who are interested and engaged in the business of industrial or dollar-a-month health and accident insurance. The draft bill already in effect has wrought havoc in the debits of many agents. One of our active representatives, with a debit of less than $400 a month, lost sixty-five policyholders through the draft call in two months' time. Others, while not having so severe a drain on their debits, have, nevertheless, suffered very materially, and nearly everyone is asking, "Where will the business go when they take the men between 31 and 45, as those are the fellows who have a higher regard for insurance protection and are the more determined policyholders?"

In the first place, Mr. Howell says, it is our business to back the government and help end the war as quickly as possible, even though it may cost us more than our contributions to the Red Cross and other similar agencies to do it.

Second, it seems to be the intent of the advocates of the man-power act to call first the single men, or those who, though married, do not seem to be supporters of wives and families. The first of these are only meager buyers of our proposition, and the latter are even more indifferent. Hence, it would seem that the loss to the business will not be as great as at first indicated. There will be sufficient men between the ages of 25 and 45 who will not be called to the colors and have not as yet provided themselves with our protection to give every representative of this corporation a field for action. Do not be unnecessarily alarmed, nor sit down to bemoan your fate, but rather, put forth additional energy with the determination that you will overcome the difficulties that seem to confront you, and that during the last third of the year you will make such a splendid increase in your business that your Christmas bonus check will be of material worth.

* * *

Seeking Advantages Outside the Contract

A. J. Spaulding of the claims department of the National Casualty says of mutuality:

We are sometimes inclined to doubt the understanding of our agents and policyholders on the provisions of the policy, "as a contract." We wonder if our agents fully understand the principal underlying agreement, which is, briefly: "I'll do this, if you'll do that," or conversely, "If you don't do this, I'll not have to do that."

Does our agent look upon the policy that he sells as a flexible, variable instrument, with one interpretation for John, and another interpretation for George? We wonder, and we wonder more when a letter comes from the agent saying: "Kindly see if you can't give this man some extra consideration as he is in a position to do us a lot of good." Extra consideration might mean breaking our agreement; yes, positively breaking and ignoring our agreement. It's just as much a break in the agreement to stretch a point in favor of the policyholder, and give him that to which he is not entitled, as it is to shorten a point and underpay him. The only difference between the two is in their effects. Let a company stretch a point, and incidentally break the agreement, and everything is fine, but let the company err, ever so slightly, and underpay, the things that are said about that company will not pass the mails; but in each case, the breaking of the agreement is the same. Overpayment is wrong; underpayment is wrong; payment squarely on the contract is right, and it's the only way to settle losses. Overpayment and underpayment are alike pernicious; the one is a reproach to the company because it shows a grasping-penny settling disposition; the other is likewise a reproach, for it indicates partiality and a boot-licking attitude that asks for favors in consideration of a positive wrongful act, for if contracts are made to be observed, then it's fully as wrong to break them one way as another.

It brings the odious comparison of a "scrap of paper" right home to the insurance policy, so let's hew to the line. First: let us sell the policy honestly; and second: let us pay our losses honestly. An adjuster who fools his customers is not valuable to the company. The policy provisions are quite laconic and understandable; then see that all understand. The policyholder should understand that he, as well as the company, has an obligation to observe.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

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THE LAST WORD IN MOTOR INSURANCE

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OF LONDON, ENGLAND

National Liberty INSURANCE COMPANY OF AMERICA

NEW YORK

Incorporated Under the Laws of the State of New York in 1859

Statement, January 1, 1918

Cash Capital	$1,000,000.00
Assets	8,209,763.64
Liabilities	5,223,031.71
Net Surplus	1,986,731.93
Surplus for Policy Holders	2,986,731.93

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62 WILLIAM STREET, NEW YORK

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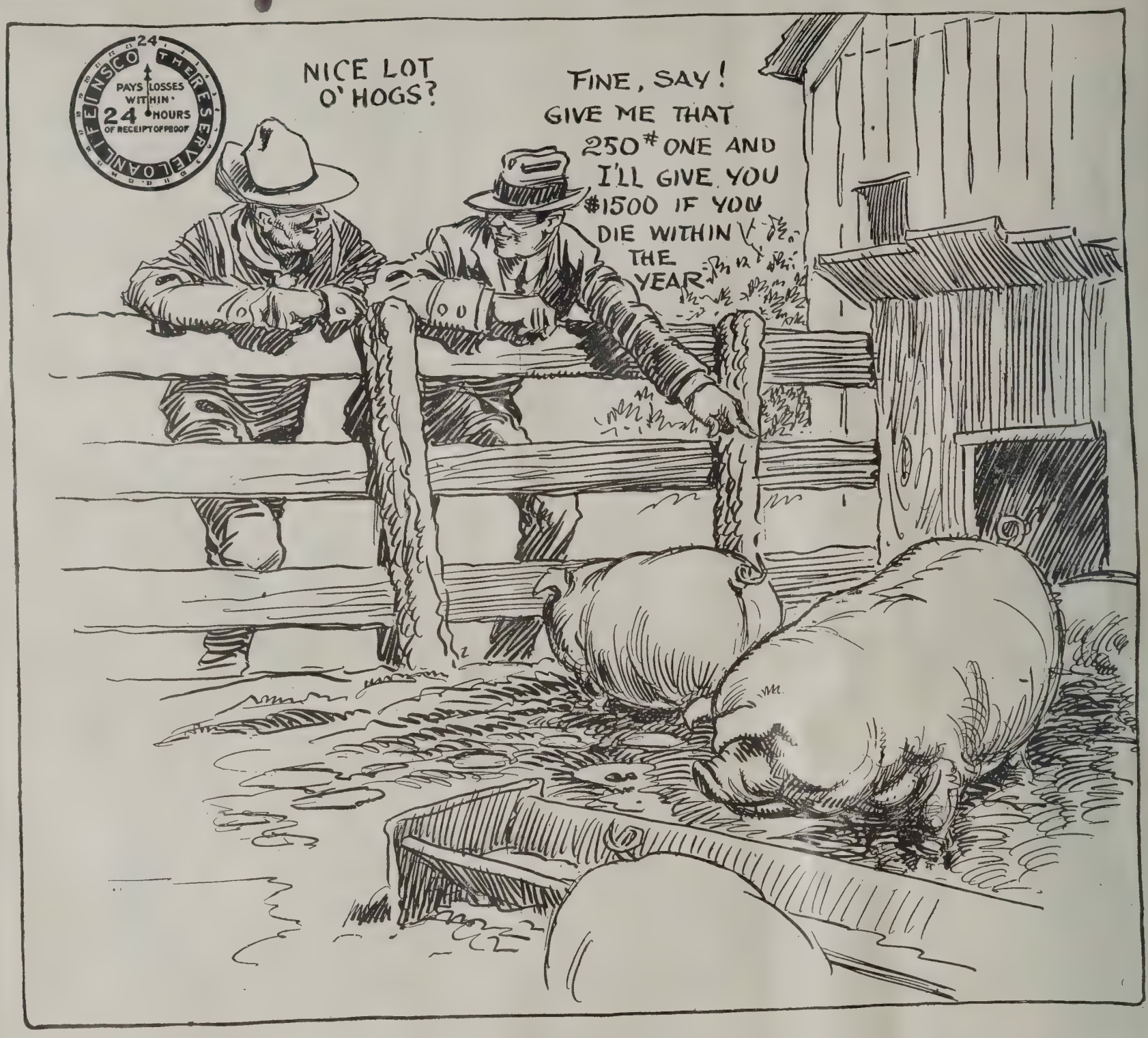
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TOTAL DISABILITY—SICKNESS OR ACCIDENT—
PAYS INSURED INCOME DURING DISABILITY
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AT DEATH—FACE OF POLICY, WITHOUT DEDUCTION
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THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

Nineteenth Year; No. 47 | NEW YORK, FRIDAY, NOVEMBER 8, 1918 | $3.00 a Year; 25c. per Copy

RYON'S SUGGESTIONS ABOUT RE-INSURANCE

National Board's General Counsel Presents a Sample Bill Which Would Help the Situation

GREAT DEMAND FOR COVERAGE

One Tax Upon Premiums Enough in Any State—Full Advantage of Facilities Desirable

At the meeting in the Hotel Astor of the insurance commissioners' committee considering the question of retrocessions, in order that some relief may be found for the tight re-insurance market, O. B. Ryon, general counsel for the National Board of Fire Underwriters, made some interesting observations on the re-insurance situation, after presenting for the consideration of the committee the draft of a bill to permit re-insurance or retrocession in companies not licensed to do business in a state, prescribing method of taxation and also providing a penalty. Mr. Ryon's suggested measure follows:

Section 1. Be it Enacted by the People of the State of ..... Represented in General Assembly:

(Or Appropriate title and enacting clause.)

The basis of all taxes, licenses or fees levied, assessed and collected under any laws of this State upon the premiums of insurance companies shall be the premiums received for direct insurance, any different or contrary provisions in any law of this State to the contrary notwithstanding.

Section 2. The whole or any part of any risk or risks, other than life, assumed by any insurance company or other insurer licensed to transact business in this State, may be re-insured in or retroceded to any insurance company organized under the laws of or licensed to transact such insurance in any State of the United States or the District of Columbia, Provided, however, that no risk or any part thereof located in this State and assumed by any company licensed in this State shall be re-insured in or ceded to any unlicensed company unless and until such licensed company shall have filed with the Insurance Commissioner (Superintendent, or other proper officer) of this State a certificate giving the name and location of the principal office of the company to which such re-insurance or retrocession is to be made, and not then if such unlicensed company or companies indicated in such certificate are disapproved by the Insurance Commissioner (Superintendent, or other proper officer) of this State and notice of such disapproval given to such licensed company within ten (10) days from the filing of such certificate.

Section 3. The Insurance Commissioner (Superintendent, or other proper officer) of this State shall have power at any time after the filing of such certificate and upon reasonable notice in writing giving cause for disapproval, to disapprove and order discontinued any contract of re-insurance or retrocession

(Continued on page 14)

THE GAUVIN AGENCY

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THE HOME

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NEW YORK

ELBRIDGE G. SNOW, President

Every Agent of "THE HOME" is a "Booster" of the Company because of its Constant Interest in his welfare, as such

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Expert advice on insurance problems.

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SPRINGFIELD MASSACHUSETTS

NEW CHARTS SHOW NEED OF INSURANCE

William H. Stanley Presents Experiences of 100 Average Men in Selling Talk Form

TAKES UP PLIGHT OF WIDOWS

Life Insurance Estate Surest and Best Means to Provide for Moneyless Women

William H. Stanley, an agent of the Mutual Benefit in Buffalo, who has won recognition throughout the country by reason of the clever and valuable literature, which he has written or compiled for use in selling life insurance, has taken the figures of the Savings Bank Section of the American Bankers Association relative to the life thrift experiences of one hundred men, and has used them in a most effective booklet, which has just been published. It bears the title, "Life Experiences of 100 Average Men," and treats these old figures in a fresh manner, subdividing them into seven illustrated charts, printed in colors.

Begins With Age 25

The first chart takes up the beginning of the business careers of the hundred, at the age of 25, when, on the threshold of life, healthy, vigorous, of good mental and physical condition, they start out with no means, except their own earning power, for supporting themselves.

The sixth chart shows the group at age 75, when 63 have died, one is wealthy, two are comfortably fixed, and thirty-four are dependent. The seventh chart illustrates the general estates left by the hundred, 82 producing no income, while the eight and last chart, deals with the financial circumstances of the widows, thirty-five of them being dependent upon charity, forty-seven obliged to work, while only eighteen are in comfortable circumstances.

The Widows

In discussing the widows Mr. Stanley says: When we speak of an estate we naturally think of some one who derives benefit therefrom. As our last chart showed us the number and classification of estates we shall now consider the mothers and children depen-

THE GAUVIN AGENCY

dent on those several kinds of estates. We have, therefore, one hundred mothers left alone, each with a small family. What about the financial circumstances of one hundred women each of whom must look to the estate left her by a departed husband as a source of maintenance? We should always bear in mind that the money and other property left by a husband is usually all that a wife has for that purpose. As there are but three estates of over $10,000 and fifteen from $2,000 to $10,000, eighteen families therefore are in good or comfortable circumstances, although a widow with a family dependent on an estate of less than $10,000 is far from being in "good or comfortable circumstances."

Eighty-two women have no income producing estate. This number is divided into two groups, forty-seven of whom are obliged to work. We are told that many of these women are often lacking in barest necessities of life. But because they are able to earn something for themselves they too are hopeful that something may happen which will relieve their needy circumstances.

Mr. Stanley's Conclusions

In summing up Mr. Stanley says:

"We come back to the all important value of a life insurance estate as the surest means to provide for these eighty-two moneyless women. Surely it would have taken but little effort on the part of every one of those husbands, while he was at the height of his earning power, to provide a life insurance estate of at least $10,000. Had they all done so we would have one hundred families in good or comfortable circumstances instead of eighteen.

"It is, therefore the all compelling duty of life insurance men to go on with their work and redouble their efforts. Upon them is placed a great responsibility. They have unlimited opportunity to help solve many social and economic problems. They should make every young man see more and more what life insurance has to offer in order to prevent and ward off this possible catastrophe to his family, that of becoming economically dependent.

Young Men Should Use Their Eyes

"How can any man of intelligence refuse to accept this program of thrift and precaution? He can, if he will use his eyes, see all around him the defenseless and forlorn families of men, who either refused to establish a life insurance estate; or, because of physical impairment could not establish one. Does he want to be in either class? Will he cheerfully and deliberately refuse to establish a life insurance estate and thus expose his wife and his children to this all too common danger? Can he contemplate with a happy frame of mind that family of his reduced to the very last extremity? How can he look frankly in the eyes of wife and children and know in his heart that he has made no provision for their well-being should he be taken away permanently and without warning?

"On the other hand, after he has planned for the creation of an adequate life insurance estate and provided for its proper distribution, will not his whole life be more contented?

"He will know that no matter when his uncertain tenure of life may come to an end, his dear ones will never be placed between the hammer of temptation and the anvil of poverty. It will be a source of great satisfaction to him to realize that his wife and his children are in the safe keeping and wardship of his life insurance estate, which is impregnable in its solvency, certain in its operation and equitable in its distribution."

Mr. Stanley, the publisher of this book, lives at 1058 Ellicott Square, Buffalo, or can be addressed Post Office Box, No. 144, Buffalo.

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68 William St., New York City 'Phone 4343 John

FEDERATION MEETING DATE

National Council To Hold Public Gathering—New York State Organization Plans

Monday morning, December 2, an organization meeting and meeting of delegates of the National Council of Insurance Federations will be held at Hotel Astor, New York.

Tuesday afternoon and evening a public meeting of the National Council will be held.

Tuesday morning will be devoted to the annual meeting of the Insurance Federation of the State of New York.

The Reliance Life of Pittsburgh reached its goal of $1,000,000 on October 1.

JOHN J. MORIARTY WEDS

The marriage of John J. Moriarty, assistant secretary of the Missouri State Life, St. Louis, and Miss Floyd Bowen Smith, is announced. Mr. Moriarty is also secretary of the Missouri State Life's $100,000 Club, and is well known in insurance circles throughout the country.

Daily newspapers carry a story to the effect that Norwegian life insurance companies have refused to take reinsurance on the life of Emperor Carl, of Austria.

Nelson C. Taintor of New Haven has been appointed associate general agent in Connecticut, of the Connecticut Mutual. Mr. Taintor has moved his family to Hartford.

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EQUITABLE

Companies Commend Anti-Polution Plan

R. R. TRACK CONTAMINATION

Merchants' Association of New York Queries Life Insurance Companies; Sends McAdoo Replies

Many letters have been received with regard to the plan proposed by the New York Merchants' Association's Committee on Pollution and Sewerage for the equipment of railroads with appliances designed to prevent contamination of water supplies adjacent to railroad tracks. Chairman Edward Hatch, Jr., on behalf of the committee, sent copies of his letter to Director General McAdoo proposing the reform, to the life insurance companies of the country. The responses are now being received, examples of which are given below.

Subject of Great Interest

F. A. Ferguson, president of the Iowa Life Company, writes:

"The subject in question is of great interest to us and should be to every life insurance company. We shall be pleased to co-operate with you in every way possible to bring about the desired result."

Hubert Cillis, president of the Guardian Life, writes:

"It is needless for us to say that such a vital reform in the operation of the railroads thoroughly commends itself to us, and in conformity with your suggestion we have asked Director General McAdoo for his favorable consideration of it."

William L. Moore, president of the Southern States Life, writes:

"This is a movement which meets with our heartiest endorsement. It gives us great pleasure to co-operate with you to the fullest extent. We trust that your efforts will be successful."

George Kuhns, president of the Bankers' Life, Des Moines:

"My attention has been called to the letter written you by Mr. Edward Hatch, Jr., chairman of the Committee on Pollution and Sewerage, the Merchants' Association of New York, relative to the equipment by closed closets of passenger-carrying cars on all railroads.

"I earnestly commend Mr. Hatch's communication to your serious consideration, as I am convinced the facts are correctly and fairly stated by him and the remedy suggested, effective and economically and otherwise practical."

Dr. Frank W. Chapin, medical director of the Home Life, said:

"Through the Merchants' Association of New York there has come to this office a copy of a letter which Chairman Edward Hatch, Jr., of the association, has addressed to you relative to the unsanitary practice now in vogue of discharging the contents of the toilets of the railroad trains. The possible danger from the practice is obvious, and abundant evidence is available to show the danger of the practice.

"What havoc one single individual may cause was perhaps never more terribly exemplified than at Plymouth, Pennsylvania, thirty-odd years ago. The history of the outbreak of typhoid fever in that town has probably been called to your attention."

William H. Talcott, of the Phoenix Insurance Company, has been advanced to the captaincy of Company D, Connecticut State Guard.

John T. Brown, a well-known Philadelphia insurance man, died in Atlantic City this week.

The Travelers has one thousand men in the nation's service.

Deitch Discusses Picture Story Ads

HOW HE GOT IDEA FOR THEM

Reserve Loan Life Getting Good Results From Its Interesting and Striking Publicity

Guilford A. Deitch, of the Reserve Loan Life, Indianapolis, whose back page advertisements in The Eastern Underwriter, illustrated with drawings which tell a succinct and effective story, have attracted wide attention, told the Association of Agency Officers meeting in Chicago this week how his company came to adopt this striking form of advertising. He was speaking to the topic: "What Form of Advertising Is Best For the Agent." Mr. Deitch said in part:

"I began to cast about for the reason why, with an advertisement running in the insurance papers every week, we received no applications from agents for contracts, which referred to the fact that the applicant had read our advertisement. I concluded that this was traceable to the form of our advertising; that there was nothing in our advertisements to differentiate them from the advertisements of hundreds of other companies of the United States, and to the further fact that we were using the stereotype form of barely stating that we desired agents, and inserting the name of the company. This ad, appearing on the same page with a half dozen or more similar ads, did not attract the attention of the persons whom we desired to read our advertisements. And why? Because there was nothing attractive about the ad; that is, there was nothing to draw the eye of the reader to it any more than to any one of the other ads appearing on the same page.

Knew That Pictures Attracted Attention

"Now, in my opinion, advertisements are inserted in papers for the purpose of having them read. If they are not read, then the money has been wasted. Furthermore, to insure that they will be read they must be put in attractive form, and the matter must be such that its attractiveness will not diminish, or wholly cease, with the one insertion.

"Pictures always attract attention. Whether young or old, we always stop to look at a picture. I do not know how it is with others, but, speaking for myself, I always read the picture before I read what is under it. Pictorial advertising, however, is not complete unless the picture is made to apply to the business sought to be advertised, and the picture have a human interest. It must bring out some incident in the life of the person sought to be attracted. I concluded that if a series of pictorial advertisements could be put into the papers they would not only attract attention, but what was under them would be read.

The First Ad

"After many days of thought on this subject, I evolved a plan to picture two agents whose manner of working would be directly opposite: One full of vim and energy, and the other a drifter who is always excusing himself or making excuses to himself for not making a vigorous canvass for business or who went about his work without any definite plan being first worked out.

"In the pictures of the two agents I tried to keep this idea in mind: That when one looked at it he would say: 'I know these two men: There is Old Live Wire and there is Old Leisure, or Old Man Afraid.'

"I sought to picture the man who canvasses on a definite plan and the one who does his work in a haphazard fashion. Having settled my mind on this point, the next thing that occurred to me was: How should these pictures be drawn? Should I attempt to give them an artistic effect, that of the polish of photogravure, or would it be better to use the cartoon system of drawing? I concluded that the cartoon system was the better. It has the punch in it which the more finished pictures do not have.

Hired Best Cartoonist in Indianapolis

'I then made arrangements with the best cartoonist in our city to make the drawings for me from the rough sketches and designs which I submitted to him. I then contracted for special space in the insurance papers so that the advertising of our company should not be buried among a lot of other advertising, but should stand out distinctly and by itself. It was necessary to do this for the reason that the cartoons were just as applicable to any other company as to the Reserve Loan Life Insurance Company.

"The idea was to have the reader look at the cartoon, and then by placing the name of the company in large type directly under the cartoon, to force him to read the name of the company, thus impressing the name of the company on his mind in connection with the cartoon. Now, while the name of the company taken by itself might lapse from his memory, yet the cartoon, I argued to myself, would make such an impression on him that every time he recalled the cartoon he would necessarily recall the name of the company that was connected with it.

Ads Make a Hit

"To further insure interest in the cartoons I headed them 'The Adventures of Two Agents, a Continuous Story. Watch for the Next Chapter.' My idea in this heading was that the reader of the paper would be informed that the story would be continued in pictorial form; and, next, to getting fixed in his mind to watch for the succeeding chapters. From letters which I have received I am convinced that my conclusion was justified. I have received a number of letters stating that the writer had missed a number of the chapters of 'The Adventures of Two Agents' and asking me to supply the missing chapters, or let the writer know where they could be obtained. This convinced me that continuous advertising along set lines will bring results, whereas continuous advertising without any set purpose (which was our former mode of advertising) would be barren of results.

"'The Adventures of Two Agents' ran through thirty-five chapters, that is, thirty-five different pictures, and almost from the beginning our company began to get results. They attracted the attention of managers, general agents and soliciting agents.

Page Cartoons

"After running thirty-five chapters of 'The Adventures of Two Agents' and keeping a tabulation of the results obtained, I concluded to take larger space and put in page cartoons, making these cartoons apply more particularly to the business of life insurance than to the manner of soliciting. I sought by these larger cartoons to—First, impress the name of the company upon the reader; Second, show why men should insure their lives; and, Third, impress an idea of soliciting upon the mind of the agent. I sought to make the cartoon advertising so that it could be used as a canvassing document. I have had many of the cartoons reproduced and have furnished agents a good supply.

"Among the larger cartoons that have brought good results to our agents who have used them is the one of Death laying hands on a man's shoulder; another, an agent and a farmer looking at a pen of hogs; and another, a policyholder and mortgagee playing checkers.

"Having demonstrated the success of this plan of advertising to secure agents, and having found that some of these cartoon pictures have proved most helpful for the agent in writing business, we are now proceeding to develop this phase of our advertising campaign and will begin an extensive series of cartoons which we believe, or hope, will drive home the argument of the agent and facilitate his efforts in closing prospects for insurance.

An Effective Trade-Mark

"A great advantage, in my opinion, is to have a distinctive trade-mark. Our company adopted as its trade-mark, many years ago, the face of a twenty-four hour clock, to impress upon the minds of the people the promise in our policies to pay death losses 'within twenty-four hours after receipt of proofs of death.' In the advertisements used on large page cartoons the trade-mark of the company was always inserted as a part of the picture, thus not only impressing upon the reader the name of the company, but the further fact that we paid our losses within twenty-four hours after receipt of proof.

"Every life insurance man knows that life insurance companies want agents, so that it will not attract the attention of agents to merely advertise the fact that you want an agent. It is my observation that agents are not attracted to a company so much by its size as by its financial solvency and past treatment of policyholders. I have had many good agents say to me when talking about size of companies: 'I never try to sell the company, because I know it is not for sale. What I am in the field for is to sell policies of life insurance, and so long as I can satisfy a prospect that the company I represent is solvent and pays its claims promptly, I care nothing about its size. What I do want is a policy that gives the maximum benefits for

(Continued on page 6)

LIFE INSURANCE SALESMANSHIP

¶ Your agents should read the 1918 Life Insurance Salesmanship Edition of The Eastern Underwriter containing practical sales experiences told by the agents who had same. We have a limited supply of this edition on hand for distribution. Orders for same will be promptly filled while they last at 25 cents a copy.

THE
EASTERN UNDERWRITER CO.
105 William Street, NEW YORK

Prudential
Group
Policies Sell

Because of absolute protection, low premiums, annual dividends, grace period, disability provisions, termination refunds, incontestability clause, special certificates for employees, privilege of naming beneficiary, good commissions, and the Company's great experience in dealing with millions of workers in forty years

Send for Particulars of Policy

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

THE
PRUDENTIAL
INSURANCE CO. OF AMERICA
Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

Seeking Agents of Other Companies

WHERE TO DRAW THE LINE

Views of Vice-President Simmons, Pan-American Life, Given to Agency Officers

Vice-President Simmons, of the Pan-American Life, discussed the topic: "How Far Should We Go In Seeking Agents From Other Companies," in an address before the Life Agency Officers' Association in Chicago this week. Dr. Simmons said:

"No agency topic, in my opinion, is of as great general interest to life insurance men as the one your Program Committee has assigned to me. At the same time, it is a topic that has not been freely and fairly discussed for the reason, in all probability, that we have all believed 'those living in glass houses should not throw stones.'

"I was much impressed by a letter recently received from an official of one of the aggressive western companies in reply to my inquiry regarding his opinion on this important subject. He wrote: 'I think the committee must have some grudge against you. We can all discuss this subject with a great deal of interest and each of us with some experience and amusing incidents, but I have yet to be in a meeting where this matter has been freely and fairly and honestly discussed. I think these meetings are where the art of camouflage originated.'

A Pernicious Practice

"I sincerely trust the author of this letter is here today and that the discussion of this important subject will conclusively demonstrate the willingness of agency officials to discuss the practical subject in a practical way.

"More than ninety agency officials to whom I have written, are a unit in believing the seeking of agents from other companies to be a pernicious practice and one that should be condemned by this organization. It seems to me to say 'seeking agents' is a polite way of defining a practice known to all of us as 'twisting.' There is absolutely no reason why companies should tolerate the twisting of agents any more than they should the twisting of business. One follows the other, and if we stop this practice, we will go a long way toward reducing our lapse ratio and we would not have to apologize for our agent's balances at the end of the year.

"If agency managers cannot build their organizations without destroying others, they ought to be forced out of this business. I do not want my remarks to be construed, however, that I would hamper in any way the progress of any agent, nor do I mean that because an agent is already connected with some company that there could not or would not be a place for him with some other institution.

Responsible for Agency Evils

"Fair-minded agency officials do not object to the advancement of any man and certainly would not stand in the way of such advancement. They do object, however, to the methods of some agency officials who seek to profit by the work of others and who cannot possibly improve the conditions of the man with whom they seek to contract. If all companies followed the practice of seeking agents from other companies, we would all soon die of dry rot.

"It is undoubtedly true that many agency evils arising in the field are unknown to Home Office officials and for this reason, responsibility at the Home Office is disclaimed.

Quotes R. W. Stevens

"R. W. Stevens, in an address recently delivered in Chicago, said: 'There is no reprehensible field practice which has not been connived at or abetted by some Home Office.' I heartily agree with Mr. Stevens that it is the duty of Home Office officials to know the methods used by their general agents in building their organizations and that the responsibility for wrong field practice rests with the agency officials of our companies.

"In the many letters I have recently received on this subject, the opinion is generally expressed that it is proper to negotiate with agents of other companies when the request for a contract comes from the agent himself. I believe we are all agreed that it would not be fair for life insurance companies to establish or follow any principle that would take away from any man the right to contract. It is the abuse, however, and not the use, of this privilege, that we seek to correct.

His Personal Experience

"My personal experience has been that most letters of inquiry we receive from agents of other companies, request that the fact they are writing to us, be held in strict confidence. It is no doubt true that agents often believe that if it were known they were contemplating a change, their existing contract would be in danger of cancellation. Without reflecting in any way on the great army of life insurance men, I want to say my observation has been that back of most letters asking secret negotiations, was an unpaid agent's debit or other reasons that made a change desirable, other than a desire for advancement.

"President Wilson, in his notable Covenants of Peace, said: 'Open covenants of peace openly arrived at after which there shall be no private international understandings of any kind, but diplomacy shall always proceed openly and in the public view.' The broad principle presented by our President applied to our business will eliminate the evils in agency practice which we are discussing today.

Abolish Secret Negotiations

"Abolish secret negotiations with agents, insist that the companies be immediately advised of correspondence referring to agency contracts, in the event negotiations are conducted personally between Home Office officials and agent or general agent and agent. Approve no contract without the knowledge of the company with whom the agent is connected. No contract, in my opinion, should ever be approved if the agent leaves behind him an unpaid agent's debit, or if his record is such as to reflect unfavorably the business of life insurance.

Agency Advertising

"There is another angle of this subject that I want to discuss briefly, and that is Agency Advertising.

"In one of the letters to which I have already referred, was the following potent statement:—'Some company managers who spend thousands of dollars annually, advertising in insurance journals for the agents of other com-

(Continued on page 11)

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,-542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, President
GREATEST ILLINOIS COMPANY
WANTS GOOD MEN AND WILL PAY THEM WELL

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Great Southern Life Insurance Company
HOUSTON, TEXAS



For Agency Contracts address
O. S. CARLTON
PRESIDENT

H. M. Woollen's Paper On Agency Contracts

MUST BEAR IDEALISM IN MIND

These Documents Should Not Be "Peddled," But Should Be Respected By All Parties

Herbert M. Woollen, president of the American Central Life, read the following paper this week at the meeting of the Association of Life Agency officers, his subject being, "How Far Should We Go In Seeking Men From Other Companies?"

"The life insurance business is of such high character and by its very nature imposes upon us such unusual obligations and demands for broad outlook and fair dealing that before discussing the subject itself, I prefer to consider two of the unfortunate circumstances surrounding the business that make it possible for anyone to even consider offering such a topic as this for discussion

"So far as my knowledge goes, the life insurance business is the only selling business of importance which, generally speaking, has not been analyzed with respect to the elements making up the cost of its finished product, or in which, after having been so analyzed, the sales departments have so generally failed to take into consideration those elements, when planning the investment of their funds in sales campaigns.

Factory Simile

"In many of its aspects the life insurance company may be regarded as a factory, taking in raw material at one end in the shape of applications, and sending out a finished product at the other end in the shape of life insurance policies. The various steps in converting this raw material into the finished product are quite similar to many of those in any factory. Each operation bears a definite cost relation to the whole and if either kind of concern is to succeed, all of these costs must be kept at a figure sufficiently low to permit the selling department to add its cost to them and yet keep the whole cost within such limits as will leave a margin for profit in the case of the factory, or for safety in the case of the life insurance company. That we have not more generally recognized this similarity is perhaps due to the fact that in the life insurance business the selling must always be done in advance of the manufacture.

"Our sales organizations too often fail to take into consideration the fundamental principles of their business. Our sales managers, instead of developing proper methods for selling the goods they have to offer, devote themselves almost entirely to a search for men and a fight for volume. Too often they are not selling life insurance but are merely peddling agency contracts. Too often it has been a proposition of, 'get the business,' when it should have been, 'get the business, but get it properly.'

Lack of Ideals

"A second matter that I should like to speak about is our lack of ideals, or if we have them, our general failure to use them in our selling activities.

"The fact is before us, that many people, including numbers of our agents, still fail to recognize the life insurance business for the great institution that it is, largely because we have not set up for ourselves a standard for conducting it, befitting the institution.

"Men engaged in this business deserve, and should command, and could command, if they would, the same high place in the minds of people generally, as that occupied by the high grade banker, lawyer or other professional man. We all know that too frequently such is not the case. The first step in curing this evil is to bring to a higher level, our own estimate of ourselves and our business. One of the effective ways to do this, is to develop our inter-company relations to a much higher plane. We must so order our methods as to compel the respect of others engaged as we are. In much the same proportion as we succeed in this, we will, by force of example, tend to cause our representatives to so conduct their affairs as to command the same kind of response from their associates and once this were accomplished, the whole public would soon be compelled to give the institution of life insurance the recognition due it.

Should Not Scramble for New Agents

"In the very beginning, we must get away from the sometimes unscrupulous, often reckless, scramble for new agents.

"How can we expect agents to have regard for the dignity of this business and its ethics, if they are constantly being taught, that, 'getting the business' is the great standard by which they are to be measured? How can the ideals and standards of our business be elevated if the men in the field continue to see the scapegraces of the field eagerly sought after by representatives of all companies, and being taken up by one company after another, regardless of their previous history and attitude toward the business?

"How can they have any regard for the business side of their business, if they continually see, as they do, companies outbidding each other for the services of men, good and bad, without any apparent consideration of the cost, seeing a need for nothing beyond simply getting the men?

"The natural result is that the rank and file of men observing this lack of high ideals, often come only to consider the matter of their compensation, when associating themselves with companies. With such men it is simply a question of, 'What is your top contract?' The quality of the company and the service it has to offer fail to have any consideration at their hands and as the situation now is, only the naturally superior field man is able to rise above these conditions.

"We must reform our methods sooner or later to a point where the 'What do I get?' man, will be transformed into a 'What do we get?' man, meaning by 'we,' the applicant, the agent and the company. In other words, we must so elevate our ideals and standards as to enable us to get away completely from the 'side line,' or, 'I can sell anything,' kind of life insurance agent, representatives of which types can be found in the ranks of every life insurance company, and to attract to the business in increasing numbers, the high grade, dignified, self-respecting, educated type of man.

"When we have done that, and not until then, will the business of life insurance attain to its proper position in the financial and business world and will the artificial competition for field men disappear.

"How Far Shall We Go"

"The question, 'How far shall we go in seeking men from other companies?' is much more of an economic one than it is an ethical one. We have heretofore devoted much time to the consideration of the ethical side. Let us discuss more fully, its business side.

The method of securing agents from other companies, which still exists, has produced an inflation in the agency market, with the result that the poorest kind of men are often overpaid, while skillful, substantial, but less spectacular men, are too often underpaid and underestimated. This thing should be done away with, but it will not be done away with until the companies have come to learn that in buying a satisfied agent from another company, they have by just that much increased the cost of new business for all companies, because that man or his friend will soon be looking for another new connection and the gauge he will use will once more be the amount of money he can command. We should be more fair to our field men and to our companies. We should carefully determine what our various institutions can afford to pay for new business and by what methods. We should then select and reselect our men until we have a body of the type we desire and then we should pay them fairly, according to their various abilities. We should develop in them a knowledge of, and love for the company and its traditions. We should make them an actual part of the company and by such methods eliminate to a large degree, the tendency to wander, which is still a curse to this business.

Right Kind of Organization Will Perpetuate Itself

"When we succeed in building up such a selling organization, it will, in a large measure, perpetuate itself, because the various field representatives, having a serious and proper conception of their work and a real company loyalty and a belief in the fineness of the business itself, will be building up in their turn similar well ordered and permanent organizations. If we will then supplement all of this by an intelligent home office effort to get new men in the business, we will be able to keep our companies well supplied with the right kind of salesmen, necessary to their proper growth. Some companies are doing this and there is no good reason why we all may not do it.

"If we are to bring about a more normal field condition we should, so far as possible, refrain from seeking men from other companies and must, so far as possible, develop our own men.

What Is Proper

"I am convinced, however, that it is entirely proper for a company to discuss a connection with a field man, then connected with another company, provided the field man opens the negotiations. On the other hand, I am convinced, that as a general proposition, it is entirely improper and unwise for agency directors to approach representatives of other companies. It is improper, because to sow discontent under such circumstances, produces the results to which I have referred, and as I have tried to explain, develops an inflation in the price of new business

(Continued on page 8)

Mr. Field Man: Detroit, July 18, 1918.

Do you know:

That the NORTHERN ASSURANCE COMPANY of Detroit, Michigan, has lived up to all the traditions of the highest purposes of life insurance;

That it stands for the highest ideals in underwriting and that its slogan is, and always has been, CLEAN MEN AND CLEAN METHODS in its field work;

That it is writing more insurance per capita per agent than any other American life company?

If you are interested in knowing something of our Home Office system which makes this possible, we will be glad to hear from you.

Address, CLARENCE L. AYRES, *President,*
DETROIT, MICHIGAN.

CO-OPERATION No. 15

A DECREASE of 28 per cent. in actual amount of business lapsed and surrendered was experienced in 1917 as compared with 1915.

This improvement in the quality of the business can be traced in part to the fact that our effective plans of agency co-operation are being devoted chiefly to carefully selected full-time representatives.

Phoenix Mutual Life Insurance Company
of Hartford, Conn.

JOHN M. HOLCOMBE, President

Keen Interest in Overseas Education

LIFE INSURANCE ARMY MEN

Subject Discussed at Chicago Convention—One Hundred Officers to Be Selected

Chicago, Nov. 7.—Representatives of the Association of Life Agency Officers who are gathered here in annual convention are expressing the keenest interest in the overseas plan for life insurance instruction among army officers and men. The association has been asked to recruit ten educational men from the life insurance business whose salaries are to be paid by the companies, their transportation and expenses to be met by the Overseas Educational Commission, of which Dr. George B. Strayer, of New York, is chairman. The preparation of a syllabus of thirty-six lessons based upon the William Alexander textbook on life insurance is now being prepared. The syllabus is to be offered at cost. The association has also been asked to select 100 army officers from life insurance men overseas who will teach the course. A system of markings has been left to the association to prepare, and the commissions agreed to issue a certificate of merit to graduates.

First Conference In Washington

The first conference to discuss overseas educational questions attended by life insurance men was held at the University Club in Washington on October 21. Present were Dr. Strayer, Dr. Walter Dill Scott, director of the committee on classification of personnel in the army; Lawrence C. Woods, Pittsburgh; Prof. Guy Montrose Whipple, Carnegie Bureau of Salesmanship; Joseph A. Richards, Richards Advertising Agency, New York; T. Louis Hansen, vice-president Guardian Life; A. C. Borden, educational director, Equitable Life; William E. Taylor, second vice-president Equitable Life; Dr. J. A. C. Chandler and T. B. Kidner, Federal Board of Vocational Education; Dr. L. D. Coffman, Surgeon General's Department, re-educational division; and Winslow Russell, second vice-president Phoenix Mutual Life.

The first approach to the men overseas may be through the demobilization plans which are likely to be placed in the hands of the Committee on Classification of Personnel in the Army, of which both Dr. Scott and Mr. Russell are members.

Educational Zones in France

The commercial section of the commission is to be handled by W. H. Lough, president of the Business Training Corporation of New York. The universities of France and England are to be open for these courses in training and life insurance was the first outside help that the commission had received in specialized courses. The territory in France is to be divided into educational zones and sub-zones and to be supervised by thirty original directors who are to be selected largely from the school superintendents from this country.

The Committee

At a meeting in New York on October 24 the life insurance men present were William Alexander, Frank L. Jones, A. G. Borden, Lawrence C. Woods, Glover S. Hastings and Winslow Russell. Messrs. Taylor, Hastings and Russell are a sub-committee which will work with the Overseas Educational Committee in co-operation on the life insurance courses. Edward A. Woods was appointed to represent the National Association of Life Underwriters on this committee. A committee of lessons consisting of Messrs. Alexander, Jones and Dr. Lee K. Frankel (third vice-president of Metropolitan Life) was appointed.

Deitch Discusses Insurance Ads

(Continued from page 3)

the premium paid; in other words, I want a salable policy, not a salable company.'

"In conclusion I will say that my observation, based on the results from our mode of advertising, is that if you keep the name of your company before the agent long enough, and in attractive form, some day when he is considering a change he will write you a contract. A company should not, however, stop with its advertising for agents. It must go further. It must advise the insuring public of the fact that such a company really exists.

"For this purpose the newspapers of the territory in which the company does business should be liberally patronized, especially where a company is opening new territory or has changed the management of the territory to a new man.

Feature Name of Company

"Few men, outside of insurance circles, are acquainted with the names of even the largest life insurance companies. Therefore, it is well to let the general public know that such a company as yours exists. For this purpose no better medium can be found than the newspapers. It makes it much easier for the agent if the prospect has read something about the company in his daily or weekly paper before he is solicited for insurance. The space for these advertisements should be well selected and the advertisements should be 'dressed up' in attractive shape. In my opinion, the best form of advertising for the agent is the one that keeps the name of the company constantly and attractively before the public."

Organized 1871

LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

PENNSYLVANIA OPPORTUNITY

If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.

Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

REAL SATISFACTION

Working with William N. Compton and the **John Hancock Mutual Life Insurance Company** in New York City forms the happiest combination imaginable for the life insurance salesman.

If you have any doubt in your mind have it dispelled by calling at

220 BROADWAY

Phone 6030 Cortlandt

Pan-American Life Insurance Company

NEW ORLEANS, U. S. A.

CRAWFORD H. ELLIS, President

Capital.....$1,000,000.00

OUR 1916 STATEMENT SHOWS

Insurance in force	(over)	$42,400,000
Resources	(over)	5,600,000
New Insurance paid for		10,000,000

The High Scores in the Life Insurance Profession are won by Trained Men. We will train you in the Profession and locate you in Productive Territory either North or South. Your Opportunity is Here.

Further information on request. Address:

E. G. SIMMONS, Vice-President and General Manager
Whitney Central Bank Building
NEW ORLEANS, U. S. A.

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY

Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

PROVIDENT agents find that

INCOME POLICIES sell best when they provide for the Insured's own Old Age as well as for the Protection of the Family.

Write for information

THE PROVIDENT LIFE and TRUST COMPANY of PHILADELPHIA

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

Moir Discusses Insurance By Nation

NEED OF SCIENTIFIC GUIDING

After War States' Rights and Privileges Questions Will Resume Normal Importance

At the recent meeting of the Actuarial Society of America Henry Moir discussed "Ambition and Social Service." Some points he made follow:

"We find an insidious suggestion frequently put forth that all insurance should be run by the nation. Scientific guiding is one of the first necessities of success in insurance. But political insurance managers are not educated on scientific lines, nor are they always actuated by motives of philanthropy. Insurance by the nation involves investment of reserves in national securities at low interest rates, with a resulting cost greater than that of well-managed companies, since the additional interest earnings offset any savings in expense. Moreover the possibilities of improving life insurance service are immensely less than many of the agitators imagine. This movement, however, can not in my judgment be a war measure; after peace reigns the questions of States' rights and privileges will resume their usual importance and will probably frustrate any such attempt if seriously made.

Educational Service Must Be Expanded

"The difficulties in these and other vital questions all find their origin in a lack of accurate information. We must then continue and vigorously expand our educational service. Our aims are all towards mathematical accuracy which cannot be assailed, and our opinions in those matters where judgment is necessary should run along moderate lines to avoid extremes. We have to think and act as individuals and examine with especial care, almost with suspicion, those theories which seem to be accepted most readily by the masses—theories which are picked up and urged by politicians to promote plans that promise popularity.

"In following this course, we may need a large measure of fearlessness in upholding the lamp of truth. Sometimes the expression of an obvious but disagreeable fact is met by the charge of 'unpatriotic opposition.' Or the supporter of verity is accused of selfishness, or his motives are otherwise impugned. Such accusations are disagreeable—it is hard to submit calmly to them, although they ultimately react on the accuser. Yet if we hold duty above personal comfort we cannot remain silent when matters are under discussion to which we have devoted years of study and discussion. The final and ultimate cure of all such conditions is education—ever more education."

WAR CLAUSE

Only Four Companies Have a Restricted Period of Less Than Five Years

In his paper on "The War Clause," delivered before the Actuarial Society of America, Alexander T. Maclean, assistant actuary of the Massachusetts Mutual Life, took up successively (1) the period of restriction in which he finds that only four companies have a restricted period of less than five years as against 69 companies with five years or more (2) the service covered (3) service inside and outside of the United States. Mr. Maclean finds that forty-three companies charge only for service outside the United States, while thrity-three companies charge for all service. With the latter the extra premium rate is naturally lower and many companies charge $37.50 per $1,000, whereas with the former the charge is usually $100 per $1,000. In connection with this topic there is some discussion of the necessity for an extra premium in the United States, both for accident and disease.

Refund of extra premium; most of the war clauses provide for an investigation after the war and a refund of any saving from the extra premium. Figures have been prepared, on certain assumption as to the extra mortality, to determine what the result as to refund would be.

POSTPONE ACTUARIES' MEET

The Fall meeting of the American Institute of Actuaries has been postponed because of the influenza epidemic.

Defeat La Monte For U. S. Senator

WAS INSURANCE COMMISSIONER

Falling Off in Vote of Non-Partisan League Good News From West

George M. La Monte, former insurance commissioner of New Jersey, was defeated in the election. He was running for United States Senator. As The Eastern Underwriter goes



GEORGE M. LA MONTE

to press it hears that Harry C. Walker, of Binghamton, N. Y., running for lieutenant-governor on the Democratic ticket has been elected. He represents the Fidelity & Deposit in Binghamton. Except for La Monte's defeat and that of the Transylvania Casualty Company's president, the returns proved generally satisfactory to insurance men, particularly the defeat of James Hamilton Lewis for Senator in Illinois, and the decreasing voting power of the Non-Partisan League, which is anti-stock company insurance. Senator Lewis is an advocate of Government ownership.

BALTIMORE LOAN DRIVE

Life Section Sold $7,128,150; Surety Section, $4,628,450; Casualty Section, $12,063,500.

E. J. Clark, chairman of the Liberty Loan Committee of the Baltimore insurance men, has submitted his official report of the insurance drive there to the chairman of the Baltimore distribution committee.

The figures follow:

Life Insurance Section

Subscription from Life Insurance companies and agencies, including Salesmanship work	$3,128,150
80,000 coupon books sold	4,000,000
	$7,128,150

Surety Section

United States Fidelity & Guaranty Co.	$1,653,450
Maryland Casualty Co.	1,775,000
Fidelity & Deposit Co.	1,000,000
New Amsterdam Casualty Co.	200,000
	$4,628,450

The above figures do not include subscriptions of the surety companies given to other districts outside of the city of Baltimore.

Fire, Casualty and Accident Sections Combined

Fire insurance companies, casualty and accident insurance agencies	$306,900
Total subscriptions	$12,063,500

BOOKSTAVER LOAN CAMPAIGN

Bonds amounting to $125,850, 1,828 applications, were sold during the last loan campaign of the Jos. D. Bookstaver general agency, Travelers. The bond selling of the office was done under the direction of Col. Geo. S. Yale, assisted by S. J. Horn, H. Teller, M. Angstreich, J. Lack, S. J. and S. Cohen, L. B. Paiewsky, I. Axelrod and J. Egel.

SECOND TO NONE IN SERVICE

Long established and thoroughly modern, providing perfect protection for a net cost which is notably low, and rendering service which is unexcelled, the Massachusetts Mutual stands out as an ideal company in which to insure. Sixty-seven years of square dealing are back of every one of our representatives. They will tell you how great an asset that record is in their work.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

Pleas for Unlimited Medical Services

AFFECTS COMPENSATION RISKS

Logical Time to Stop Treatment is When Injured Man No Longer Needs Help

Medical service should not be limited, says Frederic M. Williams, of the Workmen's Compensation Commission, Connecticut. The most important factor, with regard to the victim of an industrial accident, is that he be restored to a place in the industrial world with the least possible impairment of earning power. Assuming this, it follows that the provisions of compensation statutes providing for medical or surgical aid are worthy of special attention. Connecticut has most liberal medical aid provisions, the only other statute with substantially the same feature of statutory aid, without limit as to time or amount, being the Federal statute.

In two cases (Olmstead v. Lamphier, et al.; and Saddlemire v. American Bridge Co.) decisions have been handed down which may be said to represent the settled policy of the State of Connecticut with respect to medical aid. In the Olmstead case a principal point at issue was as to whether the broad and general provisions of section 7 of the act, "The employer as soon as he has knowledge of any injury shall provide a competent physician or surgeon to attend the injured employe, and in addition shall furnish such medical aid and surgical aid or hospital service as such physician shall deem reasonable or necessary," includes the price of an artificial leg, made necessary by an injury.

First Act Unsatisfactory

The court held that the price of the leg was included, saying: "Our act contemplates the furnishing of all medical and surgical aid that is reasonable and necessary. The purpose of this provision is to restore the injured employe to a place in our industrial life as soon as possible by the use of all the medical and surgical aid and hospital service which the ordinary usages of modern science, of medicine and surgery furnish."

When our act was first passed it had the ordinary provision for statutory aid for a thirty-day period, with the usual result, dissatisfaction. An effort was made to increase the period though probably nobody thought, at first, of more than a sixty or ninety day period. When the legislative committee began to consider the proper period it at once saw—what every one who will view the problem with an open mind must see—that the logical time to cut off medical or surgical treatment is when the patient no longer needs it.

Works in Connecticut

The result in Connecticut is good. No effort has been made to make any change. It is probable that payments for statutory aid under the system there amount to a little more than the direct compensation payments, and, on the theory maintained in Connecticut, this is quite justifiable.

A Physician's View

Charles A. Lemon, a physician of Wisconsin, also hold that medical surgical and hospital relief should be limited both as to time and amount. The 90-day provision in the Wisconsin act covers substantially every case. Those wherein it does not are most always cases of such a serious nature that there ought not to be any possibility of a break in the service as of any date of less than complete coverage. Invariably it is just as much of a hardship to put the responsibility upon the injured man after the 90 days as it would have been before. His compensation is barely sufficient to maintain himself and family. If the employer or insurer withdraws his responsibility for further attendance, the doctor finds himself with a charity case on his hands. He ought not to be required to treat it indefinitely without pay under such circumstances. To refuse to do so is an even more serious matter from his viewpoint because he will be charged with refusing to continue in the case because he could not see money for his services, or will find that some other physician is called in the case and a spirit of bad feeling engendered against him, possibly going to the extent of threatened mal-practice litigation.

Hard to Measure Value

Unlimited medical service should be provided. The relatively liberal provisions of the Wisconsin act in this respect have insured to injured men a much higher quality of medical attention than they ever had under the common law system or than they will ever get under any compensation system which only makes a very meagre allowance, such as we have in some of the states. It is hard to measure in dollars the value of proper medical treatment. If the injured man is left to select his own attendance his first thought is to get it as cheaply as possible. Rarely would he get hospital attendance, whereas under the Wisconsin system it is an unusual thing for a man with any major injury to be denied it.

PRAISE FOR A CONFRERE

Says the Auditor Commissioner of West Virginia to the Colonel Commissioner of Virginia

Auditor Darst, of West Virginia, has this comment to make upon the personality of Colonel Joseph Button, West Virginia commissioner:

"Col. Joseph Button, Commissioner of Virginia, is the able secretary of the convention, and he is a very rich man, not particularly rich in dollars and cents, but rich in the affection and esteem of all the ex-commissioners, present commissioners and insurance people generally, that have come in contact with him. His greatest joy seems to be in the amount of service he can render to all he comes in touch with. He seems to never tire in his efforts to make every one comfortable and happy. So I say, he is rich in the true sense of the word. May his shadow never grow less; that he may continue to scatter seeds of kindness everywhere he goes, stimulating others to secure for themselves this wealth that makes life worth while."

H. M. Woollen's Paper

(Continued from page 5)

generally. We simply go into competition with ourselves when we do it.

"By means of general publicity, companies may properly indicate their need for desirable insurance men and if a representative of another company, knowing of such need and being dissatisfied with his present arrangements, desires to discuss the possibilities of a connection, both he and the company should be able to do so with entire propriety, but I am firmly of the opinion that largely because of the peculiarities surrounding this business, the companies should uniformly and in good faith, refrain from any attempt to attach to themselves any agent who may be enjoying a satisfactory connection with another company."

State Mutual Life Assurance Company of WORCESTER, MASS.

Incorporated 1844

REAL MUTUALITY for nearly THREE-QUARTERS OF A CENTURY has characterized all Company activities to the advantage and satisfaction of policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND, Superintendent of Agencies.

RIGHT AGENTS GOOD TERRITORY

still available for development by the

..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.

Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President

A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY

Edward D. Field, Superintendent of Agencies

American Central Life
Insurance Company
INDIANAPOLIS, INDIANA
Established 1899
All agency contracts direct with the company
Address:
HERBERT M. WOOLLEN, President

Missouri State Life Policies Rich In Selling Points

Facts—

Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company
Fastest Growing Life Insurance Company in America
Home Office, St. Louis, Missouri

Talking Points about Annuities

By Edward C. Douglas, Superintendent of the Actuarial Department, Massachusetts Mutual Life

From "The Radiator"

The term "annuity" is applied to the periodical payment of money made annually or at more frequent intervals during the year. The word is strictly applied to the sum to be paid or received during the year; thus the expression "half yearly annuity of $100" means a semi-annual payment of $50, the total payments during the year being $100, and the expression "monthly annuity of $120" means a monthly payment of $10, the yearly payments amounting to $120. While these expressions are brief, it would probably be better to say "an annuity of $100 payable in semi-annual installments" or "an annuity of $120 payable in monthly installments." While these are longer expressions than the former, they are not ambiguous.

In many respects annuities are the reverse of life insurance policies. For instance, to be safe, a mortality table for annuities must not understate the vitality of the annuitant, while on the other hand a mortality table for life insurance must not understate the mortality of the insurants. The amount of the payment under a life insurance policy is fixed, being the face of the policy while the amount of payments under an annuity is uncertain, depending upon the length of life of the annuitant. Under life insurance contracts an improvement in vitality is a source of gain, since death-claims deferred increase the premium and interest income received under the policy. In case of annuity contracts, however, an improvement in vitality is a source of loss as it increases the number of payments to be made. Therefore under annuity contracts no medical examination of the annuitant is necessary or required.

The Purpose of Annuities

The purpose and use of annuities is to insure that a given sum of money will purchase a larger income than can safely be secured through the ordinary means of investment. This is made possible because each payment includes not only the interest on the principal sum but part of the principal itself.

Annuities are of various kinds, the principal being: An annuity certain, which is payable for a certain term of years independent of any contingency, as, for example, the payments under our Option B; an annuity which provides payments to continue forever, called a perpetuity, the annual return under which is exactly equal to the interest computed on the purchase price; an immediate life annuity, which is probably the most common form; a deferred annuity; a reversionary annuity; and a disability annuity. Familar examples of a perpetuity are the British consols and French rentes.

The term "annuity" as used in the United States is usually applied to the amount of money paid yearly, the sum paid for the annuity being called the purchase price or the premium for it. Thus we speak of the purchase price or premium of $1,000 purchasing an annuity of, say $70.

The Encyclopedia Britannica under the article "Annuity" says "The annuity is a totality of the payments to be made (and received) and is so understood by all (English) readers on the subject, but some have also used the word to define the individual payment, speaking for instance of the first or second year's annuity, a practice which is calculated to introduce confusion and should therefore be carefully avoided." Thus we see that what we in America call the premium for the annuity the English term the annuity itself, while they use the term "rent" for the yearly payment. In reading English works this must be borne in mind. * * *

Calculation of Annuities.

The calculation of annuities is made possible from the fact that, though it is impossible to know the length of any individual life, yet having a sufficiently large group of lives, we may bring them under the law of average. A very close approximation of the number of annual deaths and survivors can be ascertained. Of course if one knew how long he would live, he could estimate his own annuity fund; for example, if he knew that he would live exactly fifteen years and he could invest his money so that it should earn, say 4% interest, and the life annuity desired should be, say, $500, the exact amount necessary to be deposited could easily be computed. But the uncertainty of the life of the individual makes this impossible, though the certainty of the death rate of a sufficiently large group of persons makes it possible for annuity rates to be computed when those desiring annuities combine in numbers large enough to allow the law of average to control, this combination being most efficiently secured through the instrumentality of a life insurance company.

There is a popular impression that annuity computations are based on the expectation of life of the annuitants. As a matter of fact, the expectation of life is not used by actuaries in any of the monetary calculations in connection with either insurance or annuities. When so used, it gives only a rough approximation of the true result. Annuity calculations are made through the use of a mortality table based on the life of annuitants, it being proverbial that they on the whole, live longer than insurants. Separate tables are also required for male and for female lives, the vitality of female annuitants at the ages at which annuities are commonly issued being greater than of males.

The annuity rates of the Massachusetts Mutual are based on McClintock's Annuitant Table of Mortality, which is a standard table and one that probably most nearly conforms to the expected experience on the lives of American annuitants. The premium for an annuity is computed essentially as follows: Required, say, the premium for an annuity of $1.00 on a male life whose present age is 65. According to the mortality table above mentioned, the number of the original lives still existing at age 65 is 476,995, of which the number surviving at subsequent ages is as follows:

66,	458,341
67,	439,036
68,	419,100

and so on to the end of the table. It is evident that if a number of persons at age 65 corresponding to the number given purchased annuities of $1.00 each, the amount of each payment in dollars year by year would coincide with the number of lives surviving. The problem then resolves itself into the computation of the present value of a series of payments corresponding in dollars to the number of lives surviving year after year, as given, to the end of the table, the discount being computed for a term of years equal to the difference between the age at issue and the attained age. These results being summed and divided by the number of lives entering will give the premium required.

For example, at the end of the first year the payments would amount to $458,341 and the present value of this amount discounted at the assumed rate of interest would be computed, likewise the present value of $439,036 discounted for two years, $419,100 discounted for three years, and so on to the end of the table. These present values are computed on the basis of compound interest. These various present values having been summed and divided by 476,995, the original number of lives entering at age 65, will give the value of an annuity of $1.00 on a male life at this given age. As a matter of fact, the actual calculation is made by means of a short cut, though the principle on which it is based and the result obtained is exactly as stated above.

Immediate Life Annuities

These are secured by payment of a sum of money which provides an income for the remaining lifetime of the annuitant, and which may be made payable monthly, quarterly, semi-annually, or yearly as desired.

Choosing the best form of investment is a problem requiring thought, care, and great good judgment. The essential requirements of a good investment are: first, absolute security against any possible loss of principal or failure to pay the income when due; second an adequate return from the investment; third, a uniform sure payment of the income on a fixed date. All these requirements are seldom found combined in the same investment. With the exception of Government Bonds, from which the income is comparatively small, no investment is more safe than an annuity in some conservative company like the Massachusetts Mutual. An investment of $5,000 will secure a yearly income for a man whose age is 60 of $454.60, or more than 9% of the purchase price, absolutely certain of payment as long as he shall live. If the annuity is issued at the age of 70, the yearly income will be $665.85, or over 13% of the principal; at age 80, $941.85, or nearly 19%. No safe income so large can possibly be obtained by means of any other form of investment.

An annuity also meets another requirement of a good investment in that it is paid with absolute regularity on the very day when due.

An annuity in the good old Massachusetts Mutual removes all anxiety as to the safety of the investment or possibility of loss through war or any other national or commercial catastrophe. It is guaranteed by a great sound financial institution whose every transaction is frequently examined by a most thorough state government department in the interests of the policyholders and annuitants.

Quote Vice-President Linton, of the Provident Life & Trust

There is a noteworthy point in con-

New York Life Insurance Co.

FIVE YEARS OF EFFICIENT SERVICE
INCLUDING
THREE AND ONE-HALF YEARS OF WAR TIME

During the Five Years ending December 31, 1917, the New York Life

Received in Income	**$667,884,000**
Paid Policy-holders	**382,875,000**
Increased its Resources	**215,272,000**
Increased its Insurance in Force	**503,535,000**

THE BUSINESS OF 1917 EXCEEDED THAT OF 1912.

In Income	**$27,325,000**
In Amount Paid Policy-holders	**25,337,000**
In New Insurance	**119,917,000**

The increase in Business and Resources in Five Years equals the Business and Resources of a very substantial life insurance company, and this new Company is returning to policy-holders 92 per cent. of its entire income. It is also adding forty million dollars a year to its resources and one hundred millions a year to its insurance in force.

HELPING WIN THE WAR.

Since the war began, in August, 1914, the New York Life paid to December 31, 1917, 998 war losses amounting to $3,007,223. There were 238 reported losses for $607,084 awaiting proof on December 31. The Company had so carefully guarded itself against extra mortality by reason of war that, notwithstanding the world-wide character of the conflict, the percentage of its actual to its expected mortality has not been appreciably affected. This percentage for 1917 was 70.85—the lowest of any year since the Company has kept complete mortality statistics.

The Company owned Liberty Bonds on January 1, 1918, to the amount of $12,075,000, and subscribed for $20,000,000 of the Third Liberty Loan.

There are Four Hundred and Twenty-six Stars in the Company's Service Flag, and one of the Home Office boys—Frank J. Brandreth, of the Rainbow Division, has already won the French War Cross.

The Company has afforded the Government every assistance in its power in formulating and carrying out the plan of Government Insurance on the lives of soldiers and sailors. Agents are forbidden to accept applications from soldiers or sailors unless they have already taken the limit with the Government.

EVERY MAN'S BUSINESS.

Just now it is every man's business to Help Win the War. Our daily occupations are incidental; winning the war is our real business.

Winning the war is our real business because back of that lies the chief and ultimate purpose of life—making the world a safe place for women and children. And that is the aim of Life Insurance in war time and in time of peace.

The Government has recognized this in the provision made by life insurance for the families of those who die or are disabled in the service. The man who stays at home and does less is a slacker.

NEW YORK LIFE INSURANCE CO.

DARWIN P. KINGSLEY, President.

nection with the purchase of annuities which may frequently arise and which deserves attention. That is a liberation of capital for present use. This has been so well expressed by M. Albert Linton that I quote from an article written by him:

"An important, but less well known, application of the annuity is to the problem of liberating for the urgent needs of the present, capital that would otherwise be held invested because of the income it produces. An excellent example taken from the literature of a company that has made a specialty of the annuity business, will serve to make this application clear:

"A father, 69 years of age, had two sons, one a lawyer, age 27, and the other a doctor, age 29. Each was struggling to build up a practice in London. The father realized that his boys were then more in need of financial assistance than they were likely to be in later years after he had passed away. His income, about £400 a year, was just sufficient to meet his own requirements. If he gave his sons any of the capital, he reduced his own income. He solved the difficulty by purchasing an annuity of £400 payable £100 a quarter. This cost him about £3,184 of his capital. The balance of £8,816 he divided equally between his sons, enabling the doctor to move to Harley Street, and the lawyer to secure a remunerative partnership.

"It is safe to predict that the application of the annuity thus to liberate funds for present application that would otherwise be held invested until the death of the benefactor, will become more extensive as the public becomes familiar with the possibilities offered by the annuity contract."

The annuity is the ideal investment for a man or woman of middle or advanced age whose income is principally derived from invested funds, most especially those without dependents. It particularly meets the needs of those past the prime of life—on account of the larger payments made possible because, as before stated, each payment includes a return of part of the principal. At the older ages, there being on the average a comparatively few payments to be made, each of these is enlarged by the addition of a considerable portion of the principal, thus making the annual payment a very liberal per cent. of the purchase price. But at the younger ages, there being on the average so many more payments to be made, the annual return of principal is comparatively small, so that the increased income over that which might arise from other good forms of investment is often not sufficiently great to make it desirable to take the chance of the sacrifice of a part of the principal through the early death of the annuitant.

Deferred Annuities

The deferred annuity, on the contrary, makes its greater appeal to the younger ages. So materially is the fund increased by the continual yearly accretion of interest through a term of years that a small annual premium paid on a deferred annuity taken early in adult life will purchase a comparatively large income to commence when the annuitant reaches the age of retirement, say, 65 years. Should this annuity be issued with the "return of premium" provision, there would be no loss to the estate of premiums paid should the death of the annuitant occur before the annuity payments begin. Indeed, the sum returned would be more than the payments actually made, as there would be repaid the full amount of the gross premiums while the actual payments would be the premiums less dividends. For illustration, we will consider the case of a young man 25 years of age who buys a deferred annuity with the "return of premium" provision, providing for monthly payments of $100 each, to begin at age 65. The annual premium for this contract is $158.90, which would be reduced after the first payment by substantial dividends, so that the monthly income eventually to be realized would approximate the net annual premium payment made. The cash value of this annuity at the due date of the first annuity payment would be $12,730, more than double the amount of the total premium payments, the annuitant being privileged to avail himself of this sum should he prefer to take it rather than the annuity itself. It would be an act of wisdom for most young men at the beginning of their business life to purchase this annuity. Frequently more than the amount of the annual premium required is spent for things of no present worth, and sometimes for those things that are positively injurious. It is a duty one owes himself to provide for his old age, and the agent who persuades a young man to buy a deferred annuity contract is surely his benefactor. But it should be borne in mind that a deferred annuity does not take the place of a life insurance policy, it being still necessary to make provision for the care of those dependent by means of an adequate amount of life insurance.

Joint Life and Survivor Annuity

This annuity provides for payments to continue as long as any of the annuitants are living. In many cases it is an ideal contract, as in the case of a husband and wife without dependent children, or for a brother and sister, in like circumstances, or, in fact, for any two or more adults who are jointly and severally interested in or dependent upon an income from the same estate, and who consider a larger income is more important than the power to bequeath the estate.

The Disability Annuity

This is a provision that has been incorporated in our life insurance policies within a comparatively recent time. The cost of this annuity is so small compared with the possible return that in almost every case it is advisable that life insurance policies should be taken with this provision attached. It provides that in the case of permanent and total disability occurring during the continuance of the contract an annuity payment shall be made to the insured equal to one-tenth of the sum insured, or under monthly income policies a monthly payment equal to that provided for by the policy. There is also a further provision that during the period of disability all premiums due will be paid by the Company. In many cases this provision will save the policy, being in effect an insurance of the insurance.

Revised returns of what the brokers' association did in the loan drive shows 3003 subscriptions for $4,561,000.

The Zurich office in New York now has an honor roll of seventeen.

John A. Eckert & Co., is displaying an honor roll with nine names.

HOME LIFE INSURANCE COMPANY of AMERICA
INCORPORATED 1899
PROTECTION FOR THE ENTIRE FAMILY
This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.
INDUSTRIAL POLICIES are in full immediate benefit from date of issue.
ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State Endorsement.
GOOD CONTRACTS FOR LIVE AGENTS
Executive offices No. 506 Walnut St., Philadelphia, Pa.
BASIL S. WALSH, President JOSEPH L. DURKIN, Secretary JOHN J. GALLAGHER, Treasure

THE WESTERN AND SOUTHERN LIFE INS. CO.
W. J. WILLIAMS, President Organized 1888 CINCINNATI, OHIO
The Largest Industrial Company West of the Alleghenies
Also Issues All Standard Forms of Ordinary $500 to $10,000

A Record of Thirty Years of Progress
TEN-YEAR PERIODS

	Assets	Insurance in Force		Income	Policies Issued
Dec. 31—1888	$ 104,307	$ 889,073			
1897	274,290	6,619,653	1888-1897	$ 1,744,102	387,702
1907	2,916,339	39,503,485	1898-1907	10,551,857	1,139,235
1917	14,008,422	115,099,897	1908-1917	31,845,050	1,961,674

AGENTS WANTED in the Principal Cities of Ohio, Kentucky, Michigan, Indiana, West Virginia and Western Pennsylvania

CENTURY LIFE INSURANCE COMPANY — CENTURY — INDIANAPOLIS, IND.
1 REASON Our Policies Sell
OUR POLICY CONTRACTS contain all provisions consistent with safe underwriting and are guaranteed by a deposit of the full legal reserve with the State. Our promises are all in our contract. Good contracts for up-and-doing agents.
THOMAS J. OWENS, Pres.
DR. ALBERT SEATON Vice-Pres. & Med. Dir. CLAUD T. TUCK Secretary

INTERNATIONAL LIFE of St. Louis
SMASHED ALL RECORDS IN 1917
It was the Special Combination and New T. O. Policies that did the work.
If you are not selling them we are both losing money.
J. L. BABLER, Vice-President and General Manager Agencies MASSEY WILSON, President

In Pamphlet Form
Business Reasons for Business Insurance
VALUABLE article from the Life Insurance Salesmanship Edition of The Eastern Underwriter has been published in canvassing document form and is proving very popular with life underwriters. -:- -:- -:- -:- -:- -:- -:- -:-
Price $3.00 per 100 copies
Sample copy 10 cents
THE EASTERN UNDERWRITER
105 WILLIAM STREET
NEW YORK

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Solicitor Specializes On One Policy

Guy Farson, a successful agent of the Equitable, of Washington, D. C., specializes on one good policy and pushes it to the limit. Just now he is talking the company's industrial limited payment. He thinks his chances of selling are greater when he wraps all his enthusiasm around one particular policy. The advantage of specializing is purely psychological, yet it is a powerful one. Through it the energies of the salesman are concentrated upon one and only one policy. The mind of the prospect is focused and his desire to possess is intensified more easily and quickly to the buying point than when he has to consider several policies. Then, too, one always likes to feel that he is buying something of more than usual value.

* * *

Does it Suggest Leads?

One of the companies classifies its risks as follows. Such a list is valuable. Agents should read it carefully, to see whether it may not suggest persons in your territory whom you have overlooked as prospects.

Accountants, Bookkeepers, Stenographers and Clerks.

Farmers.

Merchants.

Clergymen, Lawyers, Physicians, Dentists.

Manufacturers.

Teachers, Students.

Insurance and Real Estate.

Iron and Steel (Proprietors and Workmen.)

Railroad and Steamboat Officials and Employes.

Housewives, Milliners, Dressmakers.

Capitalists, Bankers, Brokers.

Commercial Travelers.

Editors, Publishers, Printers, Engravers.

Government, State, County and Municipal Officials.

Manufacturers, Lumber Merchants and Employes.

Contractors, Builders, Carpenters.

Expressmen, Liverymen.

Telephone and Telegraph Officials and Employes.

Hotel Men and Restaurateurs.

Chemists and Druggists.

Oil Producers and Employes.

Plumbers, Gas Fitters and Stationary Engineers.

Decorators, Painters, Masons, Bricklayers.

Architects, Civil, Electrical and Mechanical Engineers.

Granite and Marble Dealers and Employes.

Designers and Draughtsmen.

Artists, Photographers.

* * *

Insures Ten Brothers and Sisters

We have just read of an unusual achievement of a New York Life agent up in Wisconsin which serves to illustrate the value of the little family history blank we have recently been sending out with each policy. This agent in 1914 wrote an application on the life of a nurse. In going over the family history he learned that she had nine brothers and sisters, says the "Fidelity Mutual Field Man." In his mind they immediately became prospects and with the help of the case he had already written he went to work on the other nine members of the family and has succeeded in writing all of these ten brothers and sisters for a total of $24,000. In addition he has placed at least $100,000 on the lives of their friends.

It is the old story of the pebble in the brook. The rings that run out from the center are little waves of opportunity but like all opportunities, if they are not acted upon they soon flatten out and disappear. Nearly every applicant has insurable brothers, sisters or brothers-in-law, and every applicant has some friends. Occasionally an applicant will object to the use of his name, of course, but most men don't mind. Many of them, indeed, take a certain pride in the fact that they are to fill the roll of leadership and example.

* * *

Who Should Buy Endowment Policies

The writer of an article tells to whom endowment policies should be sold:

1. To young unmarried men.

2. To young women teachers, stenographers, telephone operators, seamstresses, etc.

3. To men and women for specific purposes, as outlined above.

OVER 112 PER CENT. IN DIVIDENDS

Policy No. 11,871 on the ten payment life plan was issued by the Northwestern Mutual Life Insurance Company to Mr. Edward B. Spalding of Sioux City, Iowa, on August 1st, 1865, at age 25. This policy was for $2,000, with an annual premium of $83.90. The tenth and last premium was paid in 1874 and the results to date are as follows:

10 annual premiums paid	$839.00
Total "dividends" returned (to and including dividends of 1918)	941.50
Excess over premiums	$102.50

112 per cent. of the premiums paid have been returned to the insured in dividends.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, sold $65,000,000 worth of War Savings Stamps between February first and September first, 1918, and expects to sell a total of at least $100,000,000 during the year.

JOHN R. HEGEMAN, President

Simmons on Agents

(Continued from page 11)

panies and soliciting them to change companies, claim that such advertising is ethical, but to employ agents of other companies is unethical. To my mind, this is a distinction without a difference.'

"I am a firm believer in advertising. The insurance journals are a necessary part of our business, but I do believe that all advertising should be of a character that exploits the company rather than to disturb men of other companies. The journals can themselves direct, by suggestion, a campaign of this character and in so doing will benefit themselves and be of great service to the companies.

"Occasionally, a company may have a bonafide opening where an experienced life underwriter is absolutely necessary, as for instance, to fill a general agency opening or a supervisory position. In cases of this kind, advertising for such a man is entirely proper to conduct negotiations with a man from some other company provided negotiations were conducted with the knowledge of the company with whom the agent was connected. No broadminded official or general agent would object to such negotiations.

Character Qualifications

"In cases of this kind, however, the advertisement should be so arranged as to make it perfectly clear as to the character of man required, and not of the vague, blind type to encourage correspondence from agents of other companies who, for various reasons, might be seeking a change, or who would not be desirable material for the position that is offered, or further, to give agency managers the excuse that the agent had himself opened negotiations.

"A prominent general agent down at Atlanta has the right idea. In talking with a company official who was seeking a general agent, he said: 'I have a man in my own organization that I believe could fill the bill. He is general agency material and knows it. I would like to see him succeed. You are at liberty to present your proposition to him.'

"One of the large general agencies, of which we all know, probably produces more general agency material and has graduated more men as general agents and company officials than any other agency in the country. Agencies like these cannot help but succeed because their interest in the organization goes further than their own pocketbook.

"The man, either general agency official or general agent who builds his organization on the foundation of service and advancement cannot help but succeed.

Right Over Might

"Gentlemen, it seems to me that this question is not a hard one to solve, providing we are dealing with men who want to solve it. This organization is bringing the right-thinking life insurance men of this country together on a platform of right thinking and right acting. Our other National and State organizations are doing their part and I am sure that we are not going to contend for long with the man, who, by his very practices, makes himself a parasite.

"The conditions which I have laid down may be considered by some idealistic, but gentlemen, this is an age of ideals. The Government in its every department has demonstrated it. This country and their allies have not only demanded, but are fighting for the recognition of Right over Might."

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

Subscription Price $3.00 *a year. Single copies,* 25 *cents.*

Entered as second-class matter April 5, 1907, *at the Post Office of New York, N. Y., under the act of Congress of March* 3, 1879.

DEFENDS AUDITOR DARST

The "American Agency Bulletin," the organ of the National Association of Insurance Agents, which, under its new management, is a paper with a lot of editorial pep and go instead of being merely a re-write publication, thinks "superfluous" some recent advice which The Eastern Underwrite gave to Auditor Darst, of West Virginia, viz.: that he should confine himself to running the insurance department of his state instead of writing editorials advising agents to write to Congressmen and Senators, protesting against so-called socialistic encroachments upon insurance. The "American Agency Bulletin" heads its editorial, "The Right To Think and Utter." This is the editorial:

As to whether there is or is not a tendency in this country on the part of some publicists towards Government insurance is admittedly matter of opinion. Obviously, one side or the other is mistaken. But as the issue remains untried and undecided, both sides, as is quite proper in this country, are exercising the privileges of discussion.

It is evident, however, that some persons closely and remotely connected with the insurance business question the propriety of assuming that Government insurance is possible, and they deprecate the expression of such an opinion by any one engaged in or connected with the insurance business.

As The Eastern Underwriter does not believe there is any danger it, for example, regards as inconsistent the opinions recently expressed by Insurance Commissioner Darst of West Virginia in the bulletin issued by his Department. "In the opinion of The Eastern Underwriter," observes that excellent journal, "Auditor J. S. Darst of West Virginia should confine himself to running the insurance department of that state and not to writing editorials, in his Insurance Department Bulletin, advising agents to warn Congressmen and Senators against dangers which threaten American business."

Aside from his views respecting the un-American drift towards paternalism and socialism and his opposition to them, one may easily conceive the possible concern which Mr. Darst and other insurance supervising officials may feel for the preservation of the State Insurance Departments. Viewed from that angle alone—and by comparison it becomes a minor consideration—it is not improbable that the West Virginia official regards his participation in the discussion as not remotely connected with "running the insurance department of that state." On that basis the advice of The Eastern Underwriter that Mr. Darst mind his own business may be somewhat superfluous.

Auditor Darst has as much right to think and to utter as he pleases as this is a free country, and if he thinks that socialism is going to swallow insurance and he, thereby, will lose his public position as auditor of the state, his "Bulletin" is a good place in which to air his views. Even when a state official goes out of his way, either in a bulletin, by correspondence or through public utterance, and advises agents to write to members of Congress protesting against dangers which threaten American business he is exercising his constitutional right to free speech and thought, but he is taking action which is futile, untimely, and, in the opinion of this paper, decidedly foolish. There is no bill of any kind at Washington of an importance which justifies writing to members of Congress, and even if there were such a bill many of the best heads in insurance feel that the way to meet the situation is through the properly constituted channels of the various associations in insurance, all of which have legislative committees.

Several associations have even asked agents to do this, saying that they do more harm than good by "butting in." The chairman of an insurance association's legislative committee is on the ground when necessary and has full knowledge of the situation. The agent, who has been alarmed and hastily writes to Washington, generally puts his foot into it as he is not in complete possession of the facts and, as in the present instance, merely mystifies the Congressman. Anyway, there is quite a distinction between a measure upon which a legislator is to cast a vote, and a tendency towards socialism. Senators and Congressmen have very little to do with tendencies, while they have had nothing to do with the action of the administration in canceling certain kinds of insurance which later have been carried in a government fund.

Even the National Association of Insurance Agents, whose able organ is the "American Agency Bulletin" did not, at its Cleveland convention, advise agents to write to Washington, so, why at this date endorse the bad and belated advice of Auditor Darst?

FRANCO-AMERICAN ASSURANCE

Formed by Corroon & Co.—To Start Underwriting After War—Fire and Marine Charter

Announcement was made in New York this week of the incorporation of the Franco-American Assurance Co. The company is chartered under New York State laws to write fire and marine insurance including automobile.

The incorporators of the Franco-American are closely identified with R. A. Corroon & Co., and include Antonin Chapal, Ferdinand Jarrigeon, R. A. Corroon, J. F. Corroon, T. A. Duffy, William Wick, E. H. Fischer, Jeremiah Healy, Herman Spille, G. B. Nelson, G. G. Worthley, John A. Campbell, and William H. Thrall.

THE HUMAN SIDE OF INSURANCE



SAMUEL O. BUCKNER
Photo by Milwaukee Free Press.

Samuel O. Buckner, inspector of agencies of the New York Life, Northwestern Department, Milwaukee, has been president of the Milwaukee Art Institute since 1912. Originally, it was the Milwaukee Art Society. When Mr. Buckner became president it had a membership of five hundred. Now, the membership is more than 1,100. Mr. Buckner enjoys among his personal friendships those of the leading artists of America. During his visits to New York—he has been coming here for twenty years—he spends most of his time at the Metropolitan Museum of Art and in the galleries of the picture dealers and in the studios of his artist friends. Insurance men who visit Milwaukee should see the paintings hung in the Art Institute there, and will be well repaid for the time spent. Mr. Buckner is a member of the illustrious life insurance family which includes two vice-presidents of the New York Life. **Walker Buckner,** of the New York Life, is just as much interested in music as his brother Sam is in art. It was Walker Buckner who encouraged the talent and vocal gifts of May Peterson, who recently won a position as a leading singer of the Metropolitan Opera House, New York, and as a concert artist.

* * *

S. H. Wolfe, the well known and highly regarded actuary who entered the Quartermaster's Department of the United States Army less than two years ago, has been promoted to Colonel and is now executive officer and assistant director of finance in the new consolidated Department of Finance, of which General H. M. Lord, Q.M., U.S.A., has been made director. News of the promotion of Colonel Wolfe was well-received in underwriting circles. Colonel Wolfe was an actuary of the top rank, his abilities and integrity recognized by insurance state departments as well as insurance companies. When he accepted a commission from a department to investigate a company he made about as complete and satisfactory a job of the examination as could be done. His recommendations invariably were carried out by the department engaging him. After the United States entered the war Mr. Wolfe took an examination for a commission and won a captaincy. He had considerable to do with the drafting of the Soldiers and Sailors insurance act. Later, he was transferred to the War Risk Bureau, and from there back to the finance division of the quartermaster's department. He was promoted to major, lieut. colonel and colonel.

E. H. Lougee, general agent of the Hartford Accident and Indemnity Company at Council Bluffs, Iowa, was called to New York recently and was tendered and accepted the position of Assistant General Manager of the American Red Cross. The Red Cross organization in this country is handled by a War Council with Henry P. Davison as the Chairman. Directly under this council is General Manager Harvey D. Gibson. Mr. Lougee now becomes assistant to Mr. Gibson. His appointment to this responsible position was largely through his business efforts, as he is the type of man wanted by such an organization. He accepted the position as a patriotic duty. We all feel a sense of pride in his selection and no doubt his ability to handle the work will be recognized. His enlistment in the Red Cross work is probably for the period of the war.

* * *

Mrs. Frederick A. Savage, general agent of the New England Mutual Life in Baltimore, sold 645 bonds, aggregating $236,850, in the last drive. Chairman Ernest J. Clark, of the Maryland Liberty Loan Insurance Committee, has written her a letter, saying: "Your record by far excels that of any other individual life insurance representative engaged in the campaign. According to reports received, you have easily won the prize offered by the Insurance Committee on behalf of Paul F. Clark, consisting of a $10,000 life policy to be provided through the generosity of W. M. McCormick, presdent of the Baltimore Commercial Bank. In conjunction with the awarding of the prize, honorable mention should be made of Carlisle Moore, of The Prudential Life Insurance Company, who sold four hundred thirty bonds aggregating $84,600, Mr. Moore making the second highest record."

* * *

Stanley L. Otis, executive secretary of the Insurance Federation, State of New York, has written an article, entitled "Federal Government Insurance" for the "Federation News," in which he says:

"Whether or not there is serious danger of Federal government insurance in the near future a situation exists which requires the complete co-operation of all insurance interests and the need and value of organization must be recognized and pressed home on all interested in the insurance business from the smallest local agent to the highest company official. To crystallize and render effective the insurance thought respecting matters affecting the business of insurance in which the administration at Washington is or desires to become interested, the New York Insurance Federation has suggested to the National Council of Insurance Federations for consideration the desirability of the organization of a General Conference Committee composed of a representative from every branch of the insurance business and the associations representing the insurance legislative interests—stocks, fraternal, mutual, company and agency—which could be called upon by the administration whenever it desired information and co-operation and whose function would be to consider and approve policies respecting Federal government insurance. It should be understood that any policy decided upon by this General Conference Committee shall receive the united and loyal support of the insurance interests of the United States thereby making certain unity of action and that degree of preparedness which prudence dictates in view of the strong demand of socialists and radicals for government ownership and operation of private enterprise."

FIRE INSURANCE DEPARTMENT

Regret Cancellation of 5-Year Banquet

CALLED OFF BECAUSE OF WAR

However, Up-State Special Agents Will Eat Individually Instead of in Groups

There is considerable regret among both underwriters and agents that the quinquennial dinner of the Underwriters' Association of New York State has been called off. This association is thirty-five years old; it is unique in many respects; quite a few of its graduates are holding high underwriting positions; and there is a sentimental flavor to the custom of the association: giving a dinner every five years. There the special agents from up-state swap stories with the former specials who are now drawing somewhat larger salaries. Afterwards, the specials are addressed by veteran managers who talk learnedly of the problems of the business, the specials listening as if they had never heard any of this same talk before. This year the banquet was to have been particularly interesting, but it has been called off.

Cancelled Owing to War

This is the reason: "It seemed wise owing to the war conditions not even to have a very small dinner to commemorate the 35th anniversary of the Underwriters' Association."

It seems a shame, because this was one banquet that was worth while. The specials you know will continue to eat dinners every evening; they will continue to travel more or less; and telephone messages to the Waldorf, Knickerbocker, Astor, Biltmore and other hotels elicit the information that banquets are still being held despite the war. The banquet was to have been held in Syracuse. The specials are going there anyway; so maybe they will have a Dutch treat affair.

TO VISIT WEST INDIES

Secretary Phillips, of the Great American, and Manager Jenness, of the Rochester Department of the Great American, are to visit Cuba, Jamaica and possibly other places in the West Indies.

TO ENTER CUBA

The Niagara Fire is preparing to enter Cuba. American fire insurance companies now in Cuba include the Home, Insurance Company of North America, Hartford, Continental and National.

Noted Frenchmen in New Company

SEINE ET RHONE FORMED

Capital of 5,000,000 Francs—Will Transact a Re-Insurance Business Entirely

Some months ago there was established in Paris a new company under the title of the Seine et Rhone, for the primary purpose of transacting reinsurance business. The capital of the company is 5,000,000 francs of which 1,250,000 francs has been paid up. The board of directors is composed of an influential body of men, including Ernest Carnot, president of the Societe Generale des Nitrures; J. Pal Piaz, general manager of the Cie. Generale Transatlantique; J. B. Depelley, Paris manufacturer; Edmont Gillett, Lyons manufacturer; Robert Mordret, general manager and founder of company; P. Prodon, manufacturer of St. Chamond; Henry Terrail, president of the Syndicate Chamber of Silk, Lyons; Eugene Guerin, member of the Senate; and Guillaume Chastenet, member of the Senate, and Advocat of Court of Appeal, Paris.

REPUBLIC'S GENERAL AGENTS

Lockwood Bros. & Ward to Represent New Austin Company—Have General Territory

Lockwood Bros. & Ward, of New York City, are to be the general agents of the newly formed Republic Fire, of Dallas, Texas, and the agency will start writing for the Republic as soon as the company has completed its arrangements to enter New York State. The Republic Fire is capitalized at $1,000,000 and is to be managed with a good deal of underwriting experience by men who have been successful in the business.

INSURANCE MEN KILLED

Adolph Sturm, General Adjustment Bureau; Wilbur Pierce, DeLanoy, & DeLanoy, in Wreck

Adolph Sturm, of the General Adjustment Bureau, and a brother of the secretary of the Continental, was killed in the Brooklyn Rapid Transit wreck this week.

Wilbur F. Pierce, cashier of DeLanoy & DeLanoy, was also killed in the same accident.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

Binding Contracts with Guaranteed Underwriters at Lloyds and British Companies maintaining United States deposits. Immediate telegraphic binders given.

MARSH & McLENNAN

19 Cedar St. NEW YORK	1615 California St. DENVER	201 Sansome St. SAN FRANCISCO	107 S. Fifth St. MINNEAPOLIS
901 Ford Bldg. DETROIT	314 Superior St. DULUTH	17 St. John St. MONTREAL	23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

THE
TOKIO
MARINE AND FIRE
INSURANCE COMPANY
LIMITED

UNITED STATES FIRE BRANCH
J. A. KELSEY, General Agent
80 MAIDEN LANE, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Ryon's Suggestions About Re-Insurance

(Continued from page 1)

with any unlicensed company, but no order shall be made in this regard except upon such reasonable notice and a hearing if demanded by such licensed company, and no order made upon or pursuant to such hearing shall affect any existing contracts made under the provisions of this act.

Section 4. Any company licensed in this State and re-insuring the whole or any part of any risk situated in this State under the provisions hereof, shall be entitled to deduct from its unearned premium reserve such portion of the premium upon such risk as is proportionate to the premium upon such risk paid to the company or companies to which re-insurance or retrocession is made.

Section 5. (Add appropriate penalty clause.)

Section 6. All acts and parts of acts in conflict herewith are repealed.

In his argument Mr. Ryon called attention to the fact that there are now in existence and lawfully doing business in the United States, 343 American and foreign companies, and 29 new companies in process of organization. Many of these companies are small and operate only in a very restricted territory; their resources are not sufficient to warrant them in applying for and securing a license in many of the states, and yet for the lines they probably would be willing to accept they appear to be entirely safe.

It may be that the co-ordination of the whole fire insurance facilities of the country may be found possible under suggested legislation and made available when needed, to supply such shortage of insurance cover as may exist.

Facilities That Should Be Available

Mr. Ryon said that in North Carolina, for example, there are nine local companies. One is licensed in nine states, two in four states, two in two states, and the others in North Carolina only. To extend the operation of these companies into the forty-eight states and the District of Columbia would be an impossible tax upon their resources, and yet their facilities for excess coverage ought to be available without the burdens and expense of entry in all the states.

These companies are all under the supervision of Colonel Young's office, and Mr. Ryon's thought was that it should be made easily possible for any company licensed, for example, in Illinois and doing a general business, to make such re-insurance arrangements with the nine companies, or some of them, in North Carolina, for example, as would enable the licensed Illinois company to have the advantage of whatever coverage is possible, consistent with sound underwriting, by these small North Carolina companies—and he saw no reason why this could not be done under the bill which he proposed.

200 Licensed in Illinois

There are similar groups of small companies in very many of the states, notably in Michigan, Iowa, Texas, New York and elsewhere. In Illinois, to take another example, there are about two hundred stock fire insurance companies, American and foreign, licensed to do business. Illinois is an important insurance state, with large values, which have increased materially in recent years, and the demand for insurance coverage upon important hazards probably exceeds the supply under existing conditions. Mr. Ryon asked why should not companies licensed to do business in Illinois have opportunity to supplement their service, to the people of the state by re-insuring or ceding a portion of their lines in 143 companies in existence in the country, but not licensed in Illinois, but all under supervision in some other state and doing business, at least so far as the reports show, in a safe and satisfactory manner. Is there not a sufficient community of interest amongst the states to warrant a statute which makes this possible?

Objections

Mr. Ryon was not unmindful of some of the objections that may be suggested to a law of this kind:

It will increase the opportunity for assuming an unwarranted amount of liability—or, in other words, gambling with the business—and it may require more than ordinarily vigilant supervision to avoid serious harm.

By section 1 of Mr. Ryon's bill, it is proposed that all taxes shall be levied upon direct premiums and this is as it should be in all states, because any other statutory provision, or the interpretation of existing laws providing for more than one tax, is unfair and against the principles upon which most revenue laws are predicated. If it is a sound theory to tax fire insurance premiums, it certainly cannot be held sound to tax them more than once.

A law such as he proposed will interfere in some states with the existing revenue laws or with the interpretation given such laws by the department, but he submitted that in justice and fairness one tax upon insurance premiums is enough in any state.

Mr. Ryon concluded by saying that his proposed bill may also be found in conflict in some states with existing laws in relation to re-insurance and retrocession, possibly with the surplus line laws and with acts limiting the net lines which companies may carry upon a single risk or exposed to a single fire.

J. H. LENEHAN LOSES SON

Francis Lenehan, son of J. H. Lenehan, United States manager of the Nord-Deutsche, was killed in action in the Argonne forest fighting, last week. He was a member of the Seventy-Ninth Regiment.

KINSMAN SHOOTS DEER

William Kinsman, placer for Johnson & Higgins, returned from a hunting trip in the Adirondacks this week where he "bagged" a 220 pound deer. He plans to have the deer ready to be served at the next dinner of the City Insurance Club.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Firemen's Insurance Co., Newark, N. J.
January 1, 1918
Cash Capital $1,250,000.00
Net Surplus $2,384,971.20
SURPLUS TO POLICYHOLDERS...$3,634,971.20
DANIEL H. DUNHAM, President
[illegible] Vice-President and Treasurer A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President J. K. MELDRUM, Assistant Secretary

BRITISH AMERICA
ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918
Assets $2,192,173.14
Surplus in United States..... 772,927.35
Total losses paid in United States from 1874 to 1917, inclusive 25,298,472.00
W. B. MEIKLE, Pres. & Gen. Mgr.

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

S. C. BISHOP CO.
Represented at 95 William Street, AGENTS FOR NEW JERSEY 208 Broad Street, Elizabeth, N. J.
Phone, 447 John — 588 Elizabeth

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
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ALL LINES
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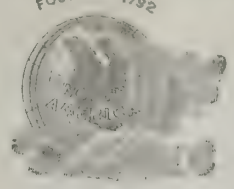
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National Fire Insurance Company
OF HARTFORD, CONN.
Statement January 1, 1918, to New York Insurance Department
LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer
G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent
SURPLUS TO POLICYHOLDERS.....$5,980,020.79

FOUNDED 1792

The Oldest American Stock Insurance Company

1792 Insurance Company of 1918
NORTH AMERICA
PHILADELPHIA
126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33
Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

A Proposed Method of Handling Re-insurance Retrocessions

One Way To Make Insurance More Inviting To American Capital

By FRANKLIN W. FORT, Secretary and Counsel, Eagle Fire Insurance Company, Newark

A Brief Presented to the Committee on Retrocession Re-insurance of the Insurance Commissioners' Convention.

The fundamental factor of safety in the conduct of any fire insurance business is distribution of hazard, in order that the law of average may have fair play. The reserve laws in this country wisely prevent undue plunging in the gross volume of premiums written by any insurance company. The consequence is that distribution of hazard must be procured by relating each individual line assumed to the gross volume written, rather than by writing a far larger volume, without reference to the size of the individual hazard, as may perhaps be said to be the custom of companies abroad, whose reserve laws are different.

At the same time, there is no nation in the world where individual fire risks, whether on buildings or stocks, are comparable in magnitude with the individual hazards in this country. The consequence is, due again to the restraint of our reserve laws, that in no other country must the volume of insurance capital and surplus, or stockholders' investment, be so great in proportion to the gross hazards to be covered as in the United States. Probably one-half of the present stockholders' investment in insurance companies in the United States would carry the entire fire hazard, if foreign reserve requirements applied here. On the other hand, however, certainly unless we are to adopt generally the policy of stockholders' liability, in addition to the amount paid in, the policyholders in this country are more amply secured than are those in foreign companies. It is not our purpose, therefore, to question the wisdom of our national reserve policies, so far as they require the carrying of reserves based upon the amount necessary to repay the unearned premiums, which we believe to be a wise policy for the assured.

Necessary to Find New Capital

The situation, however, which results from the foregoing is that in the United States, with the vast annual growth in individual hazards, in congested hazards, and in the gross volume of insurable property, new insurance capital must continually be found, or adequate coverage will become increasingly difficult to obtain.

There are just two ways in which money can be tempted into the fire insurance business. One is by permitting, as has been the unfortunate experience of recent years, the extraction of money from small and uninformed investors throughout the country by groups of promoters, many of whom are unscrupulous and most of whom exact an exorbitant charge for their promotion services. The other is by offering a form of investment which will appeal to men of sound financial judgment as containing a reasonable chance of securing adequate return on the money invested. We think we may discard any idea that the Commissioners' Convention approves the first method. When we approach the second method, there are again two ways in which the desired results can be achieved. The first is by a substantial increase in the rates allowed to be charged for insurance. This method, while unquestionably desirable, particularly at the present time when all other business rates have increased, it is not our purpose to argue. What we do desire is to point out the possibility of attracting American capital into the American fire insurance business, by showing it a fair chance to earn a profit along lines new in this country, but practiced very profitably for many years abroad.

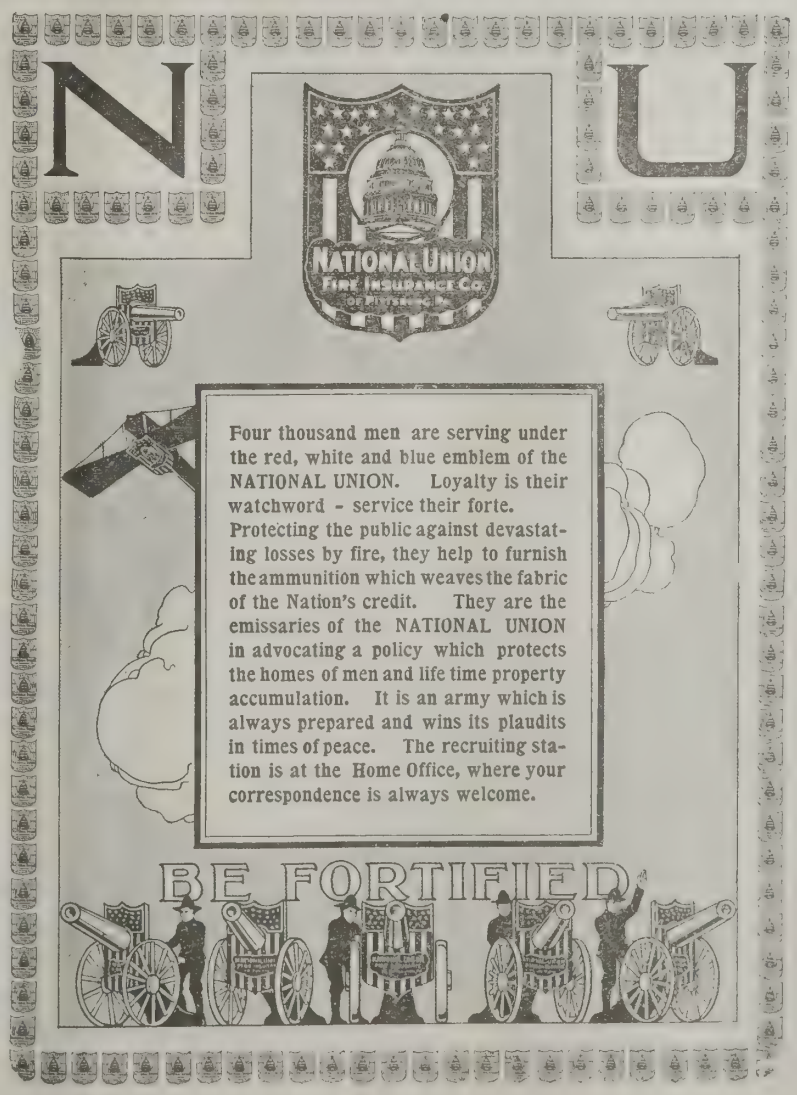
As a further premise, we must face the situation that the owner of large hazards and the keen insurance agent alike prefer placing the insurance on large individual risks with as few companies as can furnish adequate coverage. This is due, in the case of the owner, to the consequent elimination of investigation as to the standing of a large number of companies, and the bother and annoyance of dealing with a large number of small policies; and in the case of the agent, the increased commission accruing from the placing of a large policy with his own company, instead of the placing of a smaller one with his own company and securing merely a brokerage on the balance, plus the greater ease of placing an entire line when dealing with few principals, renders him very anxious to act only for the larger companies. The combination of these views of their own interests, of the agent and owner alike, has rendered it practically impossible for the smaller American company to secure any fair share of the business on the fireproof and other high grade risks.

The Small American Company

It is safe to say that in the average city, unless it be in its home community where some local prestige or influence may aid it, the average small American company secures an absurdly small share of the business of the highest class. From this results a situation where the management of a company feels itself impelled to do one of three things, in the effort to produce a satisfactory return to its stockholders. It either (1) makes preferential arrangements of some sort with desirable agents, thus materially increasing its expense ratio; or (2) confines its operations to very conservative underwriting, thus doing a volume of business so small as to prevent its income from securities from providing sufficient return on its stockholders' investment, and making its overhead disproportionate to its volume; or (3) scrambles for premiums of any description, in the hope that good fortune, increased cash resources and investment income will enable it to recompense its stockholders for their risk. The wrecks of numerous companies attest the results of the first and third plans; yet the burden of overhead almost forces their adoption. The second, while far wiser and relatively likely to produce a profitable income in the long run, contains no appeal to the investor to risk his money against the conflagration hazard, in these times, when high class investments may be had, offering large returns and without risk.

Big Companies Get Cream of Business

We, therefore, are reduced to a position where the increase in our insurance capital must come either in the form of the organization of companies with capital resources running into the millions, and, therefore, able to compete on the basis of size for agents and premiums, or we must devise some way of offering a reasonably assured profit to the small companies. The experiences of some dozen companies in the last few years which have been inaugurated with stockholders' investments of $2,000,000 or over, indicate that even companies of that size cannot successfully enter the field of direct writing at the present rates of premiums and com-



New Way To Handle Retrocessions

missions. No such company started within the last ten years has yet established itself as a real factor in the business and many have already seen their surpluses approach the vanishing point, even though they have gone once or oftener through the drastic process of reinsuring their outstanding risks. On the other hand, some score of companies—certainly not over two score—have gradually accumulated to themselves the cream both of hazards and agency forces of America.

"Mushroom Growth" of Foreign Re-Insurance Companies.

This has been rendered easier by the mushroom growth and spread of the American branches of foreign reinsurance companies, which have entered into treaties with practically all of the higher class American direct writing companies, assuring to those companies facilities for issuing a single policy, in some instances, seven and eight times the amount which the direct writing company was willing or dared to carry on the individual hazard. The lines now written on single hazards by some of our larger companies would have completely staggered the imagination of the most daring underwriter as recently as ten years ago.

The foreign re-insurance company, we may safely say, has lost the absolute faith which American underwriters once imposed in it. The war has taught the unwisdom of leaning upon the slender capital resources in this country of foreign companies simply because of their supposed possession of vast resources across the sea. The result, as it seems to us, is that the American fire insurance world must make its decision as to which of two methods of increasing insurance resources are to be pursued—whether by encouraging the creation of large direct writing companies with new capital, or by encouraging the now shy investor to help create a firm base for the existing large companies by supplying ample and adequate reinsurance facilities. Certain it is that the increasing hazards cannot otherwise be covered than by the adoption of one or the other method. We believe we have shown above that the conditions are not such as to render probable the aggregation of large sums as investments in new direct writing fire insurance companies. If, therefore, our premises are correct, namely, that further investment is needed; that the securing of capital for the creation of individual companies of sufficient magnitude to make them factors of consequence cannot be secured; and that it is unwise longer to permit ourselves to base our whole insurance super-structure upon foreign reinsurance capital, it would seem to follow that it was the duty of the Insurance Commissioners, as those chiefly charged with the proper and wise development of this great business, to consider the ways in which, most effectively, they could induce both the creation of new capital investments in reinsurance companies and the diversion of the present capital unprofitably employed in direct writing operations into the same line.

Analyzes Foreign Re-Insurance

The success of the foreign re-insurance companies in this country has been notable. Eight companies engaged in this country for ten years or upwards successively show, for the ten year period from January 1, 1907, to December 31, 1916, inclusive, an average annual profit, exclusive of any increased value in their reserve, of approximately forty-five per cent. on their 1907 investment. Analysis of these figures shows that this large profit has been earned entirely out of expense savings, the loss ratio having been above that of the best American companies.

These surface figures of the foreign companies would appear to indicate a really notable success, quite sufficient to interest any prospective investor, and they proved so attractive that four years ago the Eagle Fire Insurance Company determined to enter this field of operation.

Distribution of Hazard

Our investigation into the business demonstrated first, that just as in direct writing operations distribution of hazard was vital. The very nature of a re-insurance contract, however, precludes the securing of this distribution of hazard under a single contract. This is because the ceding company retains the entire hazard on the smaller risks and the smaller policies on the large high class risks. One million dollars in re-insurance premiums, under an equal retention contract, will represent not more than one-third to one-half of the number of policies represented by equal net premiums, after re-insurance, of a direct writing company. Consequently, the reinsurance company, even though its contract be of the highest type and with the highest class direct writing company, does not secure proper distribution under a sole contract. Its distribution must come from the making of several contracts. But the result of several treaties may be the securing of a maximum line from each direct writing company on the same hazard or within the same block or other congested area. In order to secure its distribution, therefore, the re-insurance company simultaneously takes on a dangerous congestion. We have been informed that the cessions to some of the big foreign re-insurance companies operating in this country, in certain areas as circumscribed as a single block, have exceeded their entire American capital resources repeatedly.

Retrocession Contracts

The cure which has been found for

ÆTNA (FIRE)
HARTFORD, CONN., U. S. A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.

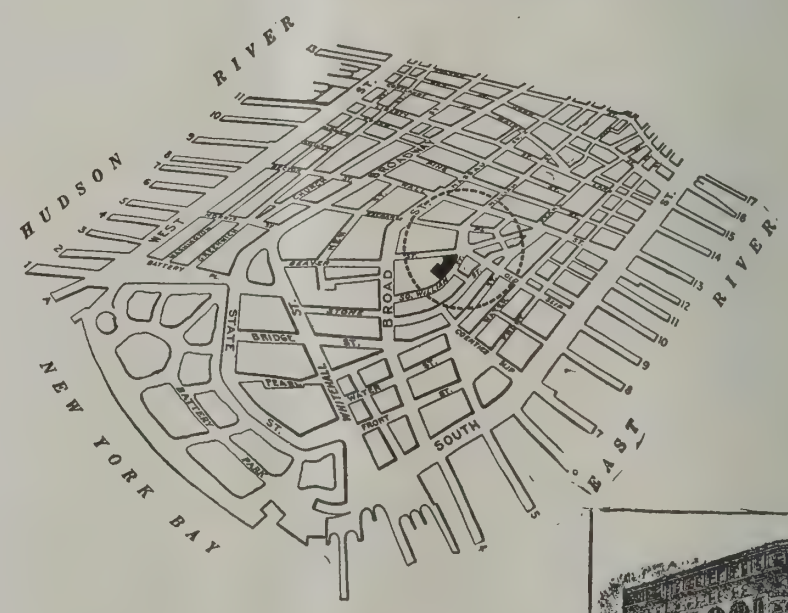


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New Way To Handle Retrocessions

this condition has been the system, universal abroad, of retrocession contracts. The customary form of these contracts in Europe is a mere profit sharing arrangement. The re-insuring company, having accepted its large hazards on this side of the water, has entered in turn into contracts, in many cases with banks or other similar institutions, whereby in consideration of the payment to the retrocession company of one-half of one per cent, or one per cent, or two per cent, as the case may be, of the re-insurance company's entire premiums under all, or some, or one of its contracts of re-insurance, the retrocession company agrees to pay the same percentage of the losses accruing on that business. This business has been conducted without cession bordereaux, generally in fact without anything other than a monthly profit and loss statement. The retrocession companies have paid the re-insurance company a commission for the business equalling its entire acquisition and handling cost, plus an overriding commission for its services in securing the business and assuming the initial liability.

Profit of Re-Insurance Companies

The profits of re-insurance companies are earned entirely from decreased expense ratios and in spite of generally higher loss ratios than direct writing companies. The increased loss ratios, of course, are due to there being some degree of selection against the reinsuring company. It is also true that the failure of most small or new American direct writing companies has been due to their higher expense ratios. The retrocession plan, as in operation abroad, eliminates all overhead, making the entire cost of transacting business the acquisition cost paid to the re-insuring company. On no other basis can a retrocession plan operate successfully, for the margins are not great enough to permit of overhead expense. The relation indeed must be like that of the individual subscriber to a Lloyds policy, if the operations are to be proper and unless some plan can be devised to produce this situation in this country, any comprehensive retrocession system is impossible.

The Eagle Fire Insurance Company has endeavored to establish in this country a retrocession plan, as nearly as may be duplicating the foreign system. We realize that it is both impossible and improper to effect arrangements of the sort with any other than fire insurance companies, as is done abroad. We see no reason, however, why the other fundamental features of the foreign plan might not be rendered possible in this country by certain changes in our laws which need not be revolutionary in principle.

Disadvantages Under Present Laws

The following are the chief practical disadvantages under our present code of insurance laws in the States, which should be removed, as we have learned them in four years of continual study.

First. The absolute lack of uniformity of legislation between the States. This is, of course, inherent in our form of government, and curable only by a system of national regulation of insurance, or by the adoption of uniform legislation, such as your committee is charged with the duty of considering. We would say frankly that this mere lack of uniformity is, in itself, the greatest difficulty. Uniformity, even though it involved the adoption of what we consider the worst State law, would be almost preferable to the present situation.

Second. The requirement that companies secure admission into numerous States. From the standpoint of a consistent plan of retrocessions, the number of States into which it is necessary to secure admission is a tremendous disadvantage. The essence of success in the European system has been in the absolute simplicity of the operations of the retrocession company. It has been practically an investment company, carrying an insurance hazard. It has required, in its operations as a retrocession company, no organization and no overhead except that necessitated by the care of its investments. The present cost of entering and securing annual licenses in the States requiring such licenses of a re-insurance company is approximately $2,000—more where retaliatory laws apply. This is two per cent. on $100,000 of premiums, which, added to the absolutely inevitable acquisition cost and the justly chargeable overriding commission of the reinsuring company, wipes out the great advantage of the retrocession plan, which is the securing of a fair volume of business at moderate cost. It also necessitates the preparation of numerous annual statements, which require, in turn a considerable clerical force and the keeping of elaborate insurance records, where the company's only real function is as a guarantor, and not as an insurer. In this connection, the mere matter of the appointment of agents and the payment of fees for license, the advertising of annual statements and the like, are all items of absolutely unnecessary expense and bothersome detail. The fact should be considered that the company engaged in retrocession operations within a State is conducting a business in which the individual citizen within the State has no interest.

Taxes and State Figures

Third. Taxes and State Figures. These two matters go hand in hand. Some States, properly, do not levy any taxes upon premiums received by way of reinsurance, and allow no credit to the direct writing company in its tax statement for premium ceded to re-insurance companies. This system must be adopted if American retrocession companies are to be organized or existing companies are to enter the business. This carries with it the elimination of the furnishing of State figures by retrocession or reinsuring companies. State figures by re-insurers are statistically worthless, and merely complicate the accounting end of the Insurance Department's duties, as well as the company's. All possible information of value is to be found in the ceding company's figures. These figures give premiums received, premiums returned, losses paid and incurred, and salvage, and the consolidation of the figures of all direct writing companies, therefore, presents an exact picture of the taxable premiums collected from insureds and the experience of the companies on that business. On the other hand, the making of State statistical reports by retrocession companies involves the re-insuring company in a tremendous amount of detail record keeping almost beyond the conception of anyone who has not attempted the task. It would not be so difficult if retrocession contracts all were entered into by the reinsuring company simultaneously and in every instance at the inception of a new treaty arrangement with a ceding company. This, of course, is impossible, for new retrocessionaires must be added from time to time, as the volume of business warrants. The result is that each time a new retrocession company enters into an arrangement for a share in the business of a re-insuring company, a complete separation must be made upon the re-insuring company's books, by States, as to every subsequent cession of an additional premium, and as to every subsequent cancellation of the whole or part of any premium, so that that particular additional premium or return premium may be segregated by States among the companies which were interested in the particular cession, when originally made. If this served any useful purpose, we would not urge its discontinuance, but when every statistical purpose can be served and full tax secured by the uniform adoption of a policy requiring State figures and the payment of taxes from direct writing companies only, we respectfully urge the elimination of this present feature in the laws and statement blanks of every State.

Reserve.

Fourth. Reserve. (A) The calculation of reserve, for the identical reasons set forth for the calculation of State figures, is, under our present laws, a tremendous task to a re-insuring company having retrocessionaires. The purpose of carrying reserve by re-insurers is to see to it that between the direct writing company and the re-insuring company, the entire proper reserve is carried. As it works out in retrocession and reinsurance companies, it involves the same segregations as in the case of State figures mentioned above and requires the most complicated system of accounting. This could be entirely cured by permitting arrangements between the original re-insuring company and the retrocession company for a flat percentage of the premiums ceded by the re-insuring company to the retrocession company, to be carried by the retrocession company as reserve on the business ceded, without requiring, on the part of either, the accounting for this reserve in detail from time to time. Of course, the re-insurance company should take credit only for the amount so carried by the retrocession company.

No Allowance For Return Commission

(B) The theory upon which American reserves are built is that their amount is adequate to pay the unearned premiums to the assureds. In the case of direct writing companies, this reserve makes no allowance for return commission to be secured from the agent on the cancellation of risks, because frequently the company cannot secure return commissions. There is no occasion for this arrangement in the case of the re-insuring company, whose contracts, in every instance, are so framed as to result inevitably, in the event of the cancellation of all of their outstanding business, in the securing of a return commission at the rate originally paid for the business. In calculating the reserve of a re-insurance company or a retrocession company, therefore, no reserve should be required against that part of the unearned premium which, in no event, would be payable on the cancellation of risks. This is an absolutely vital matter if the organization of new re-insurance or retrocession companies is to be secured, or if inducement is to be made for other and now unsuccessful direct writing companies to transfer their operations to this field.

(C) Under our present laws, the honest solicitor of capital for an insurance company must hold forth the fact that no dividend return can properly be expected within five years as a minimum. Granting that the present system of reserve tends to promote ultimate solvency, we believe it may properly be supplanted, in the case of retrocession and reinsurance companies, by a limitation upon the percentage that their net writings may bear to their net assets. The combination of more moderate reserves with limitations upon volume will permit of reasonable returns to the stockholders from investment income, at the same time it assures the liquidation of indebtedness.

Minimum Requirements

Fifth. Minimum capital and surplus requirements. With these requirements, as they have to do with direct writing companies, we have no quarrel. Indeed, we heartily approve the standard established in New York, for example, of a minimum capital of $200,000 and a minimum surplus of 50 per cent. of the capital. In the case of a re-insurance or retrocession company, however, this sort of regulation is not essential.

In the first place, the re-insurance or retrocession company does not deal with the public, but with trained insurance men whose judgment as to its ultimate solvency will be based not

(Continued on page 20)

WALTER F. ERRICKSON AGENT
95 William St. New York
38-40 Clinton St. Newark, N. J.

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

Proofs of Loss Made in Advance

NEWARK ADJUSTERS GUILTY

Beginning of Clean-up in Bad Situation Which Has Cost Companies Much Money

Defendants Harry A. Harris and Barnet Green, testifying in the Newark fire insurance conspiracy cases tried last week, said that whenever a false claim was to be made for alleged fire loss, the adjusters, George W. Comstock and William A. Baird, required an advance payment of $100 or more before proofs would be prepared and certified. The assured got one-third and Comstock and Baird two-thirds.

A verdict of guilty was returned last Friday by a jury in the trial before Judge Osborne of Comstock and Baird, charged jointly with Harris and Green with alleged conspiracy to defraud the Stuyvesant Insurance Company.

Four other indictments are pending and there are numerous other similar cases being investigated by the police and detective bureaus. Officials of the detective bureau say that practically all of them are questionable claims.

Proofs Made In Advance

The particular case which resulted in this verdict is that of an alleged fire on June 7. Harris wrote a letter to the Stuyvesant, June 8, telling of the loss. June 12 the loss was referred to Comstock for adjustment. Comstock testified that was his first intimation of the fire. Baird was put on the job and spent two days on it, for which he charged $20. The proof of loss antedated the notice from the company. Twenty-four hours before Comstock had notice from the Stuyvesant the proof of loss, which was dated the eleventh of June, had been acknowledged by a notary. The whole thing had been prepared in advance.

Harris got a policy in the name of Henry Hershon, at 127 Lilly Street, Newark. Claim was filed for $428 and was paid by the Stuyvesant. The adjustment was made through Comstock's agency. It was alleged by the State that there was no fire and no loss and that there was conspiracy on the part of all parties concerned.

Green corroborated Harris in implicating Comstock and Baird. He said they received about a third each of the $428.50 paid by the Stuyvesant on Harris's claim of loss. He also associated them with a small fire in his own home in which he suffered a loss of about $50 and collected $416 from the same company, through Comstock and Baird. Of this $416 he said that he was allowed to retain only $100. Baird and Comstock, he said, kept the rest.

Turned State's Evidence

When the indictments were returned last May Green and Harris disappeared. Green was found at Alliance, Ohio, and Harris in Baltimore. Both confessed and took the stand for the State pleading non vult. Comstock and Baird stood trial.

Harry A. Harris is a life insurance agent. After he was indicted he put up such a strong plea of having been led astray and of being a decent fellow at heart that despite the fact that he was under indictment, we was later appointed by the life company later.

Humboldt Got Off

Barnet Green is an insurance broker in Newark. George W. Comstock is widely known among insurance men. He used to be quite a factor in the business in New York, where his family was well known and of considerable prominence.

William A. Baird also used to be a familiar figure in New York insurance circles but he was not as well known as Comstock. Those who watch the phoney side of the game say that Baird's entry into the field of questionable practices was made a considerable time ago.

In 1916 it was the Humboldt Fire of Pittsburgh which was getting all these queer losses through the Comstock office. The Humboldt finally ceased passing its losses through that office and through influential friends the Comstock office got the business of the Stuyvesant, which carried the burden of these spurious claims through 1917. The police were working on similar cases in 1916.

After Comstock left New York and opened an adjustment office in Newark, Baird, who used to be an adjuster in New York, took desk room in Comstock's office, acting as an adjuster for the assured. That constituted most of his business.

When the investigation was taken up in earnest the investigators asked the Stuyvesant for twenty-five claims out of its files, all of recent date in Newark. Practically all of them were false.

PRAISES QUICK ADJUSTMENTS

Commissioner Weeks, of Minnesota, on Settlement of Lumber Conflagration Losses

The manner in which the companies settled the millions of dollars of lumber losses in the recent Minnesota conflagration made a most favorable impression upon Insurance Commissioner C. Louis Weeks, of that state who says in a statement to the public:

"In spite of the criticism leveled at the fire insurance companies upon the slightest provocation, those in touch with the business know that conditions are not so bad as the Bolsheviki would have us believe. It is decidedly refreshing to all of us, however, to see the energy and promptness with which the companies have directed their efforts for the settlement of the enormous losses in the timbered section of the state. Hardly had the National Guard completed its policing of the district before the department was appealed to for military passes for company officials in order that their claims might be paid with promptness and dispatch. It is a tribute to their efficiency and management.

D. J. CARTER A CAPTAIN

Dewey J. Carter, active partner of the firm of Henderson, DuBois & Carter, Herkimer, N. Y., entered the Central Officers' Training School (Infantry) at Camp Lee, Va., on Oct. 15, 1918. Mr. Carter was recently promoted to Captain of Co. M, 10th Infantry, N. Y. G., but his desire for more active service got the better of him. The agency is now under the management of Mrs. Carter.

NO ADJUSTMENT ON WHISKEY

Nothing has been done recently toward adjusting the big whiskey loss at Owensboro, Ky. The work of adjusting has come to a standstill. Claims have been made on a $2.75 to $3.25 a gallon basis. At the time of the fire it was predicted that the loss would be settled at about $1.35 a gallon. It is known that in many instances the views of adjusters as to the value of the product have not changed materially from that figure. Meanwhile the tendency of the market to fall has been further shown in a drop, Nov. 1, in the price of bonded goods, which is now from ninety-five cents to $1.15 a gallon.

H. KRAMER
ADJUSTER
FOR INSURANCE COMPANIES
105 William Street, New York City

London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

Agricultural Insurance Company, of Watertown, N.Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

ARCHIBALD A. McKINLEY, President
D. J. DAVIDSON, Vice-President
H. C. JONES, Secretary and Treasurer
I. W. ROCKEY, Managing Underwriter

Merchants National Fire Insurance Co., Chicago, Illinois

Home Office: No. 29 So. La Salle St.
CAPITAL $250,000.00

AN ALL-AMERICAN PROGRESSIVE FIRE INSURANCE COMPANY OF THE MIDDLE WEST

Great American Insurance Company New York

INCORPORATED - 1872

PAID FOR LOSSES
$96,971,238.06

STATEMENT, JANUARY 1ST 1918.

CAPITAL
$2,000,000.00
RESERVE FOR ALL OTHER LIABILITIES
12,927,269.91
NET SURPLUS
8,527,719.31
ASSETS
23,454,989.22

THE SECURITIES OF THE COMPANY ARE BASED UPON ACTUAL VALUES ON DECEMBER 31ST, 1917

HAD THE SECURITIES BEEN TAKEN AT THE VALUES AUTHORIZED BY THE NATIONAL CONVENTION OF STATE INSURANCE COMMISSIONERS THE ASSETS AND SURPLUS WOULD EACH BE INCREASED BY $2,321,032.00

Home Office, One Liberty Street
New York City

Western Department
WALTER H. SAGE, Gen'l Mgr.
INGRAM & LERCH, Managers
76 West Monroe St., Chicago, Ill.

Pacific Department
GEORGE H. TYSON, Gen'l Agent
210 Sansome Street
San Francisco, California

Boston Office
ROGERS & HOWES, Managers
4 Liberty Square, Boston, Mass.

Marine Department
WM. H. McGEE & CO., Gen'l Agts.
15 William Street, New York City

MARINE DEPARTMENT

Victory of Steel Ships Over Wooden Hulls In Building Plans Gratifies Marine Underwriters

Ever since the Emergency Fleet Corporation was created, there has been a keen controversy between the various heads as to the advisability of building wooden ships, which reached such a stage that some of the best men found it necessary to resign; and, in fact, it was very unfortunate that such an able man as General Goethals, who was an advocate of steel vessels from the inception of his appointment, found his views so opposed that he deemed it advisable to resign his position.

Of course, if a man of the ability of Gen. Goethals decided that wooden ships were impracticable, his opinion should have been given more consideration than it was in the past. A man of his type, who could successfully manage and complete such an undertaking as the building of the Panama Canal, must certainly have been fit and adapted to construct and supervise the building of the vessels necessary to bring our war to a successful conclusion.

Goethals Vindicated.

Although it is unfortunate that the Government has built and spent millions of dollars building vessels of the type objected to by General Goethals, it must be pleasing to him and the advocates of steel ships that, according to the recent daily newspaper articles, the present Emergency Fleet Corporation heads have decided that this type of vessel is unsuitable for Transatlantic voyages and not very desirable even for coastwise and West Indian trade, and that they are to be discontinued.

Only recently the steamer "Red Cloud," which was just launched at Jacksonville (a vessel of the composite type, having steel frame with wood planking, which, the surveyors claimed, was a rather unfavorable type of vessel and only recommended her for limited coast service, with light cargo), while loading at Port Arthur with a light cargo of lumber, was reported as buckled; which goes to prove that the surveyors were correct in their contentions. In fact, there have been a number of total losses and very unfortunate accidents on a great many of these new wooden vessels constructed under the auspices of the Emergency Fleet Corporation; and marine underwriters' experience with vessels of the Hough type has been extremely unsatisfactory, which only bears out what some of the most able advocates of steel ships have claimed would be the result if we continued to build this type of vessel.

OBSERVER.

COASTWISE LINES

When War Risk and Marine Risk Carried by Railroad Administration Becomes Effective

The Railroad Administration's notice to the effect that freight rates via coastwise steamship lines will include war and marine risk follows:

War Risk Insurance

Effective upon dates, as indicated below, irrespective of date of receipt of property at original point of shipment, points of origin or points of destination, and notwithstanding any printed conditions to the contrary in the bill or bills of lading covering such traffic, the War Risk on property while aboard vessels, from time of sailing from ports of departure to time of arrival at their ports of destination, will be assumed by the Coastwise Steamship Lines:

September 19, 1918, *Clyde Steamship Line.

September 19, 1918, Mallory Steamship Line.

September 19, 1918, Old Dominion Steamship Line.

September 19, 1918, †Southern Pacific Steamship Line.

September 20, 1918, Merchants' and Miners' Transportation Line.

September 21, 1918, Southern Steamship Line.

September 24, 1918, Ocean Steamship Line.

Marine Risk

Effective October 10, 1918, irrespective of date of receipt of property at original point of shipment, points of origin or points of destination, and notwithstanding any printed conditions to the contrary in the bill or bills of lading covering such traffic, the Marine Risk on property while aboard vessels, from time of sailing from ports of departure to time of arrival at their ports of destination, will be assumed by the Coastwise Steamship Lines, viz.:

*Clyde Steamship Line, Ocean Steamship Line.

Mallory Steamship Line, Old Dominion Steamship Line.

Merchants' and Miners' Transportation Line.

Ocean Steamship Line, Old Dominion Steamship Line.

Southern Pacific Steamship Line, Southern Steamship Line.

*Not applicable to Clyde's Santo Domingo Line.

†Not applicable to Southern Pacific, Havana-New Orleans Steamship Line.

CLAIMS—WAR RISK—MARINE RISK

Loss or Damage

The amount of any loss or damage for which the Coastwise Steamship Lines are liable will be computed on the basis of the value of the property at the place and time of shipment, including the freight charges, if paid.

WALDO M. SMITH DEAD

Waldo M. Smith, who died in the service at Camp Hancock, Augusta, Ga., a few days ago, from pneumonia while attending machine gun training school, was treasurer of Henry E. Otto & Co., New York City. He attended the Commercial High School, Brooklyn, and was a member of the Franklin Society, and the Sigma Gama Phi fraternity.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK
CASH CAPITAL AND SURPLUS $1,000,000

EQUITABLE UNDERWRITERS OF NEW YORK
SURPLUS $793,852.75

Marine and War Risk Insurance
Losses made PAYABLE in all parts of the world

C. R. EBERT & CO., Inc.
MARINE MANAGERS PHONE 263-264 BROAD
48 BEAVER STREET, NEW YORK

Telephone Hanover 2054 Established 1898
Marine Insurance
Local agents are invited to consult us on their marine insurance problems
OSBORN & CO.
Average Adjusters and Insurance Brokers
Insurance Exchange, CHICAGO - - 45 Wall St., NEW YORK

A British Comment on "Short Deliveries"

The dire need of legislation to compel shipowners to accept responsibility for cargo committed to their care without the opportunity of contracting themselves out of their liability has frequently been urged; but it is not often that in attempting to justify themselves the guilty ones provide so strong a case as is given in "Fairplay" under date September 19th.

Comment has been made in the columns of that journal on the question referred to, and a correspondent has written as follows:—

"This is not surprising; just now claims for short deliveries, shortages, theft, robbery, pilferage, etc., are something appalling, and are keeping pace with high freights. Here is a recent interesting example of the efficacy of the clause in question:—A shipper shipped four kegs of chemicals, two were landed broken, and a claim was presented for loss of 1 cwt., value £22 equal to £440 per ton. The sum of £10 was offered in settlement as per bill of lading clause and refused, and now the shipper considers the shipowner most unjust to shelter himself behind the limitation of liability clause, which, he says, is intended to apply to 'valuable goods' only and in any case the limitation should be increased in proportion to the increased freight. In this instance he would not have benefited much as the freight has advanced about 20 per cent. only."

It will be noticed that no mention is made of the possible cause of the shortage referred to, but this must have been some other than one which would have relieved the shipowner by extending protest, so that it may be fairly assumed that the cause was one which should have been within the shipowner's power of control, or in that of his servants, says "The Policy."

No one would be so dogmatic as to suggest that the shipowner is a monster of iniquity because he takes advantage of the law which enables him to shelve his liability on to someone else. That is merely business. But the fault is to be found with the law which allows such a position. Shipowners would raise a howl of ridicule at any suggestion that shipping has been a protected industry in this country for many years; yet, to this extent, the law has been highly protective in that it has enabled them to treat shippers almost as they chose as to the conditions of carriage. Theoretically, the arguments used in favor of this position sound plausible enough, but when the true facts are examined it is found that the shipper practically has no option whatever and simply falls back upon his insurer.

In America and France the law gives considerably more protection to the shipper than is provided in this country, where, whatever the cause of loss, he can be offered £10 for £22 worth of goods and be told to be thankful. If the shipowner is liable for anything he should be liable for the value of the goods which he fails to deliver. We do not want to see State-owned anything, but it must be confessed that by adopting the attitude which is symptomatic of the shipowner's dealings with shippers, a strong argument is being provided with which to whip the Socialistic horse.

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street New York
MANAGERS MARINE DEPARTMENT
American Insurance Co., of Newark, N. J.
Firemen's Insurance Co., of Newark, N. J.
Glens Falls Insurance Co., of Glens Falls, N. Y.
Hanover Fire Insurance Co., of New York, N. Y.
MARINE AGENTS
Globe & Rutgers Fire Insurance Co., of New York, N. Y.
MARINE AND WAR RISK INSURANCE
Losses made payable in all parts of the World
CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

NEW ROCHELLE GOING STRONG

New Rochelle is now a strong Federation town. Harry E. Colwell has been named local member of the Westchester County Committee. W. B. Blackman, president of the Lambden agency, is director for that district. The Federation has over twenty members in New Rochelle.

The Greater Britain Insurance Corporation is one of the group of marine offices founded by Mr. Harold G. Hobday. The other companies comprising the group are the British and South African and the British and Australian.

Bolsheviks Leave Insurance Alone

Russian Companies Doing Business Without Interference From Radicals, Says British Representative

SEES BRIGHT FUTURE FOR THEM

People Growing Tired of Anarchy and Misrule—Need of Insurance Protection

A first-hand statement about insurance conditions in Russia has been given by M. Fourman, British representative of a group of Russian companies, who returned from Petrograd and Moscow in October. What he found is contained in a letter which he wrote to "The Policy-Holder," a paper published in Manchester, Eng. He said:

"I must explain that in visiting Russia my mission as a representative of a group of some of the leading Russian insurance companies operating in this country, viz.: The Volga Insurance Company Limited, of Petrograd; the Russian Insurance Company of 1867 Limited, of Petrograd; the Eastern Insurance Company Limited; the Commercial Insurance Company Limited, of Moscow; the 'Rus' Insurance Company Limited, of Petrograd; and the Russian Mutual Life Insurance Company Limited, of Petrograd, was to find out on the spot what was the present position of Russian insurance companies under the Bolshevist rule (or rather misrule); what business they transacted; in what state were their finances in the general state of financial disorganization existing in Russia; and what were the prospects of future insurance business between Russia, this country and the other Allied countries.

"To ascertain all this a personal visit was necessary, as, owing to the cessation of all postal and telegraphic communication between Russia and this country for some months past, all the London branches of Russian insurance companies were completely cut off from their head offices, and were ignorant of their present situation.

Why Companies Escaped Control of Bolsheviki

"On arriving in Petrograd and Moscow I was pleasantly surprised to find that all the Russian insurance companies were carrying on their business free from any interference from Bolshevist reformers. In fact, Russian insurance business is at present the one bright spot in the Russian business situation. The escape of Russian insurance companies from the 'control' of the Bolsheviks who controlled (to the death) practically every other branch of Russian commerce and industry can be easily explained by the fact that they (the insurance companies) act as guarantors of vital interests of millions of Russian citizens and thousands of public institutions, and that, in the atmosphere of uncertainty and anxiety existing in Russia, the need for their services and the scope for their useful activities were never so great as at the present moment. Hence even the reckless Bolshevist Government dared not lay its hands on this important business.

"Even the so-called nationalization of the Russian banks has been of benefit to the insurance companies, for it preserved intact all their funds, and thus enabled them to continue and extend their operations.

"Naturally, the risks undertaken by them are now somewhat above the normal, but also so are the premiums, which, as a matter of fact, have risen at a considerably greater ratio than the risks. The cases of murder, incendiarism, theft and burglary are now much less numerous than in the first few months of Bolshevist anarchy. The people are tired of misrule and disorders. The instinct of self-preservation has taught them to deal sternly with murderers, incendiarists and thieves. The people, as a whole, apart from those actively involved in political strife, are gradually settling down to a more orderly and peaceful life, all of which, in view of the high insurance rates still ruling, affords good opportunities for profitable insurance business, and tends to increase largely the premium income of the leading insurance companies. These companies are now working in hearty co-operation with each other, which also tends to strengthen the position of the business as a whole.

"Naturally, with the cessation of all Russian overseas trade, the marine insurance department has suffered much during the last year or so, but the shrinkage of business in this department has been more than compensated by the great increase in fire, life, inland transport and other forms of insurance.

"It is a noteworthy fact that even the various departments of the Bolshevist Government, which now undertake many of the functions hitherto performed by private firms and companies, such as transportation, food distribution, etc., freely resort to the services of insurance companies, and form not the least important section of their clients.

"As to the future prospects of Russian insurance business, they are viewed by the leading men in the business with the greatest confidence. It is firmly believed that the greatly increased funds and extended organization of the Russian insurance companies will play an important part in the future economic revival which is surely coming after the present upheaval.

"The future of Russian insurance business, as regards foreign business, is not viewed otherwise than in close co-operation with similar business in Britain, France and the United States. The rapacious policy of Germany in Russia throughout the war, and especially since the signing of the infamous Brest-Litovsk peace, which, needless to say, is indignantly repudiated by all Russians, has completely altered the foreign orientation of Russian business men. The days when German insurance companies enjoyed the plums of Russian re-insurance treaties are gone, never to return. It is to the British, American and French insurance world that Russian insurance men look for future co-operation and mutually profitable business.

"The directors of Russian insurance companies in personal interviews with me have conveyed to me that they painfully realize the difficult position in which their branches in the Allied countries are placed through the cessation of intercourse with Russia, and the consequent impossibility of transferring funds to their accounts from the headquarters, and they, one and all, expressed their hope that their British friends in the insurance business will bear with them during their purely transient difficulty, arising from merely technical causes inevitable in these abnormal times. The confidence and moral support extended to these outposts of Russian insurance business will be fully appreciated in Russia, and will no doubt greatly assist the future development of Anglo-Russian connections."

WM. H. McGEE & CO.
MARINE UNDERWRITERS
15 WILLIAM STREET, NEW YORK

General Agents Marine Department
St. Paul Fire & Marine Insurance Co.
Phœnix Insurance Co. of Hartford
Great American Ins. Co., New York
Camden Fire Insurance Association
Westchester Fire Insurance Co.
Niagara Fire Ins. Co.

U. S. Managers
Skandinavia Re-insurance Co.
(Copenhagen)

Agents Marine Department
Providence Washington Insurance Co.
Massachusetts Fire & Marine Ins. Co.

Fort on Retrocessions

(Continued from page 17)

upon mere dollars and cents represented by its capital or surplus, nor by the proportion of capital to surplus, but by the relation borne by its assets to its liabilities. With such a regulation as we have suggested above, of a limitation of volume in proportion to capital and surplus, the necessity for minimum capital requirements disappears.

Essence of European System

In the second place ,a re-insurance or retrocession company is looked to chiefly for support in time of catastrophe. Direct writing companies, on the contrary, are looked to more in the general run of daily losses. For the latter, a substantial capital is the best assurance of ability eventually to fulfill its obligations and for the former, a large surplus is much more to be desired than large capital, since it assures greater ability to meet sudden strain. Certainly is this true if no change is made in the present reserve laws. If it be desired, therefore, to insist upon a minimum stockholders' investment, this should be phrased not in terms of capital, but in terms of combined capital and surplus.

In the third place, there is no adequate reason why a company of $25,000 or $50,000 stockholders' investment should not be permitted to enter the retrocession field and do a moderate volume of business. This is the essence of the European system and it seems to us that no sound reason exists for refusal to permit its adoption in this country.

Sixth. Application of retaliatory laws. The retaliatory laws of many of the States operate unfairly to re-insurance and retrocession companies. For example, the State of Georgia, while requiring special deposits and other heavy exactions of companies entering the State does not in anyway require companies to enter the State for the transaction of re-insurance business only. Many of the other States, however, which do require re-insurance companies to enter apply their retaliatory law provisions to a Georgia company seeking admission for re-insurance only. For example: A Massachusetts company desiring to do re-insurance business only in the State of Georgia does not even have to enter. A Georgia company desiring to do re-insurance in Massachusetts both has to enter and to comply with all of the requirements which a Massachusetts direct writing company would be required to comply with in Georgia.

Says Foreign Companies Are Favored

Seventh. The preference for foreign re-insurance companies. At the present time foreign re-insurance companies, through the absence of any affidavit requirements from their home office and the inspection of their home office books, are enabled to make unlimited re-insurance and retrocession arrangements on the other side of the water with companies not admitted in the several States or meeting our requirements. They also are able to select their place of domicile in this country in a State through the operation of reciprocal or retaliatory laws greatly simplifying business in other States. This naturally gives a great advantage to the foreign re-insurance company over the American—an absurd situation.

Recommendations

As affirmative suggestions for legislation, we strongly urge the following:

First. That a distinction between direct writing and re-insuring companies be made in the requirements of the States for admission.

Second. That the laws of the States permit the incorporation and transaction of business in all States of solvent companies engaged solely in retrocession or reinsurance business whose net capital and surplus are not less than $50,000 and whose annual premium writings do not exceed their net assets.

Third. That, if possible, the system of requiring licenses for retrocession companies in the several States be eliminated, substituting therefor some such plan as the requirement, as a preliminary to extending any credit for risks ceded to any such company, of a certificate by the home State that the retrocession company possesses assets of the required standard, and that its net premium writings do not exceed its net assets.

Fourth. That requirements in the way of license fees, if any, be materially reduced, and the form of statement, if any, be materially simplified.

Too Much Reporting of Figures

Fifth. That the reporting of State figures and payment of taxes by re-insurance and retrocession companies be eliminated. If it be thought necessary, an affidavit may be required, of course, that no re-insurance of risks within the State has been accepted from any company not licensed.

Sixth. That reserve be based upon the actual amount required to repay unearned premiums, and contracts be permitted fixing an arbitrary basis of reserve, or that no reserve be required, submitting a system of limitation of writings to resources.

Seventh. That all requirements for the appointment of agents, giving of bonds, or making of deposits by re-insurance or retrocession companies be eliminated, since these are absurd where no business is transacted with the public.

Eighth. That recognition by all States of the distinction between re-insurance or retrocession companies and direct writing companies, including the elimination of the unjust application of retaliatory laws.

Ninth. The most stringent laws which any American re-insurance or retrocession company is required to meet should be applied to any foreign re-insurance company, including affidavits from the Home Office, inspection and audit of Home Office accounts and the requirement that no company incorporated under the laws of a foreign government should be permitted to enter a State except upon compliance with the most severe conditions imposed upon any American company.

Changes Not Revolutionary

From actual experience in an effort to operate an American re-insurance company with retrocessionaires, we believe that the foregoing will remove most of the obstacles now confronting any such effort in this country. While some of the proposals may seem, at first sight, revolutionary in the United States, on closer examination we believe they will appear to have maintained the fundamental principles of American insurance policy and to vary from them only in the detail of their application. It is our firm conviction that the adoption of measures along these lines would render it comparatively simple to secure the organization of numerous small, closely controlled and, therefore, assuredly honestly managed retrocession companies and the transfer of operations by many at present unsuccessful companies to this field.

CASUALTY AND SURETY NEWS

Special Sessions Acquits F. C. Smith

COMMONWEALTH TO ENTER N. Y.

Smith-Case President Had Instructed Employes Not to Bind in Non-Admitted Company

The court of special sessions, New York, has acquitted F. Clarke Smith, president of Smith-Case Co., New York and Newark, of the charge of aiding in the transaction of business with an unauthorized company in this state, the Commonwealth Casualty. The offense complained of was against Section 1199, a law to protect New York State property owners against insurance in non-admitted companies.

The specific charge was that in March, 1918, John P. Budde, manager of the Smith-Case Co., Newark, had written a binder on a New York automobile liability policy in the Commonwealth over the counter of the Smith-Case Co.'s office, 80 Maiden Lane, this city. It was sought to hold Smith personally on the theory that, being president of the company he must have been a participant in Budde's action. Budde being manager of the company in New York.

Budde's Reasons

Budde finally acknowledged the offense of having written this particular binder, and was fined. He says as an explanation that it was done against the directions of the Smith-Case Co., but that he did it and similar acts for the purpose of accommodating the brokers who applied to the office for both fire and liability cover, desiring to have the transaction completed in the office without making the personal trip to Newark or telephoning there. Budde issued the binders. In this way he gained the patronage and good will of brokers in the fire line, it appearing that the Smith-Case Co. having in February and March opened the Maiden Lane office chiefly for the purpose of acting as representatives of the Sterling Fire.

Budde's contention was that a New York broker had a right to telephone to the Newark office of the Smith-Case Co., which managed the affairs of the Commonwealth, said company being duly admitted to New Jersey and if the New York brokers had a right to do this it seemed like stretching a technical point to think that he could not be accommodated after a personal visit to a New York office. This contention, however, was declared to be fallacious as the law was passed to prevent such or similar practices. The point, however, seems still to be open whether the New York broker may personally go to Newark and apply for such a policy upon an automobile, the owner of which resides in New York.

Mr. Smith on the Stand

Mr. Smith took the stand and his testimony was uncontradicted to the effect that he was the manager of the Commonwealth in Newark; that the Maiden Lane office was managed under his specific directions, merely to transact the business of the Sterling Fire, an admitted company; that he had given implicit instructions to Smith-Case Co. employees in New York to keep hands off the Commonwealth and that if brokers asked for Commonwealth liability policies they should be requested to do their business with the Newark office direct.

The district attorney sought to draw the inference that at or about the time of the transaction in question all automobile liability writing companies, except the Commonwealth and one or two others, had materially raised their rates; and that the Commonwealth had sought to gain an advantage of the situation.

Mr. Smith answered this contention, however, by saying that there would have been no necessity for opening a New York office to capture the patronage of seekers of cheaper insurance, as they could just as easily telephone or mail to Newark their orders for the desired insurance.

Counsel for Smith, Hugo Wintner, Woolworth Building, New York, cited various cases in the New York Court of Appeals which held that no officer or director of a corporation could be held personally liable criminally for the offense of an employee of the corporation unless personal knowledge of or participation were brought home to such officer or director and that this is the law even though the corporation had profited by the act complained of.

The court took this view of the case and determined that Mr. Smith, not having had personal knowledge nor having abetted or aided the transaction was not guilty.

Inconsistency

"It would appear that the New York Court of Appeals having decided that, notwithstanding the statute passed by New York State which sought to limit the activities of managers and brokers from doing business in this state for non-admitted companies this does not prevent an owner of property from insuring with any company admitted or non-admitted for such inhibition would be unconstitutional or in restraint of free contract," said Mr. Wintner. "Brokers and agents, however, being licensed by the state, and in that way quasi-officials of the state are bound by such statutes. The penal law in question is very broad in its terms. It condemns not alone the procuring and soliciting within this state of policies of non-admitted companies, but inhibits the 'aiding in any manner' any transaction of business of a foreign non-admitted company. But, as has been previously intimated whether or not the procuring of a policy from New York to the foreign office by correspondence, or by telephone, is violation of this statute, has not been clearly determined."

The Commonwealth is about to make application to be admitted to New York. The Smith-Case Co. represent in New Jersey upwards of twenty insurance companies.

California Health Bill Defeated

The latest incomplete returns indicate that the referendum on the California State Health Insurance Bill was lost by better than two to one. Constitutional amendments were counted last and final results will probably not be known for a week. It is safe to say that this measure has been definitely defeated.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

New Amsterdam Casualty Company

A Progressive

SURETY AND CASUALTY

Company

Color Blindness Not Loss of Sight

NEBRASKA COURT DECISION

Controversy Over Contract of Brotherhood of Railroad Trainmen—Facts in Case

One who is color-blind but whose vision in other respects is unimpaired has not suffered "complete and permanent loss of sight of both eyes," according to two decisions recently handed down in the supreme court of Nebraska, viz.: Kahn vs. Brotherhood of Railroad Trainmen and Routt vs. Brotherhood of Railroad Trainmen.

It appears in the Routt case that the insured was a railway trainman. He became afflicted with what is known as "color blindness" and was discharged from the service of the railroad company because of his infirmity. It was contended by the plaintiff that as a railroad trainman he had become totally blind and that within the terms of the policy held by him he had suffered the complete and permanent loss of the sight of both eyes. The defendant denied liability upon the ground that color blindness was **not a complete and permanent** loss of the sight of both eyes.

The Facts in the Case

The essential facts in the Kahn case were similar to those in the Routt case.

The trial courts held in favor of the plaintiffs, and on appeal the plaintiffs relied upon the case of Sneck vs. Travelers, 34 N. Y., Sup. 545, where the action was on a policy against loss by severance of one **entire** hand or foot. There was a loss of **part** of the hand by severance. The plaintiff testified that he had no use of the hand. The court held that the word "severance" in that policy meant the method by which the accident occurred, and that it was the loss of the use of the hand that was insured against, and the question as to whether the losses were total under the evidence was one of fact for the jury.

The plaintiff's eyes became affected in some way so that he was unable to

(Continued on page 22)

Shipbuilders' Accident Association

FORMED IN WILMINGTON, DEL.

Liability Insurance Association to Follow—$20 a Week Benefits; 25c. Weekly Dues

A permanent society, to be known as the Fulton Shipbuilding Company Mutual Benefit Association, has been organized among employees of the Fulton Shipbuilding Company, Wilmington, Del., to aid its members who meet with accidents at the plant, or who are absent from work for a period of one week or more, due to sickness or accident caused outside of the plant. Every employee of the company is a member of the organization.

In the past, as the situation demanded, subscriptions have been taken among the employees for the benefit of some workmen who met with serious accidents. On these occasions, some employees were always reached for a subscription and some were seldom or perhaps never reached.

May Have Been Neglected

There may have been cases where men were ill and in need of financial aid, but have not been aided by any such subscription.

In order that all may subscribe and all benefits be more equally distributed, this association has been organized. The dues will be 25 cents a week and will be deducted from each employee's weekly pay check. Any member injured so as to have to remain away from work one week or more will receive benefits at the rate of $20 a week until such time as the company's liability insurance starts. Any member seriously ill will be furnished with medical attention and receive benefits at the rate of $20 per week, less doctor's fees.

Company Acts As Treasurer

The Fulton Shipbuilding Company will act as treasurer.

Owing to the limited resources of the organization, only the more severe cases of accident, sickness or other disability can be taken care of and the Executive Committee is empowered with the right to pass on all benefit cases.

Weekly meetings will be held by the Executive Committee when all the cases will be judged.

KNOW NOTHING OF REVIVAL

Regarding the reported rumors that the Casualty Company of America is to be revived, the liquidation bureau of the New York Insurance Department disclaims all knowledge of such a move. Fred B. Lloyd, of 60 Broadway, to whom matters regarding the affairs of that company are generally referred, also says he knows nothing of any such plans.

PICKED UP ALONG WILLIAM STREET

Hodson's Services Appreciated

A. J. Hodson, of the Fidelity & Casualty at 92 William Street, has been given a handsome match box by B. K. Marcus, executive member of the Metropolitan Canvass Committee. The inscription reads: "To Alfred J. Hodson, in grateful appreciation of his unselfish and patriotic work for the Fourth Liberty Loan." Mr. Hodson was assistant to Mr. Marcus in handling the district South of Fourteenth Street and East of the Bowery, otherwise known as the East Side, where $50,000,000 was subscribed amid many scenes of intense enthusiasm and patriotic fervor.

* * *

Wage Scales Discussed

At sessions of the National Reference Committee of the National Workmen's Compensation Service Bureau, which began Thursday, the question of abnormal wage scales was one of the principal topics discussed. A particularly long agenda will carry the meeting over into Friday.

* * *

Selling Organization Grows

When changes now under way in the Aetna office at 100 William Street are completed the tenth floor will be devoted entirely to the selling organization, the cashier's and other administrative departments being removed to the third floor formerly occupied by the Maryland Casualty.

* * *

Western Woman in Local Field

Miss Julia Peiser, formerly of Kansas City, has taken up work for the Fidelity & Casualty in New York as a special representative. Miss Peiser is an experienced insurance woman who has a substantial local business in Kansas City. Her family having decided to locate in New York, she resolved to come here also, continuing with the Fidelity & Casualty, with which she has been connected for ten years in Kansas City, doing special agency work. She is particularly well versed in health and accident lines and comes here with the highest recommendations from individuals and firms of prominence in her home town, where she has built up an extensive acquaintance.

* * *

National Council Proposed

A plan has been prepared, but not yet approved, for the reorganization of the National Reference Committee of the National Workmen's Compensation Service Bureau, under a new title "The National Council on Workmen's Compensation Insurance." The proposed plan would broaden the scope of the National Reference Committee to embrace schedule as well as experience rating and the membership would be extended to all State ratemaking bodies which might properly become members.

Compensation Plan Submitted

A plan for writing compensation insurance on government construction work has been prepared by a committee representing certain insurance carriers and submitted to the officials at Washington. The plan is understood to provide for a possible 5 per cent. underwriting profit. Specific allowances are made for various expense items, totaling 28 per cent. With this overhead, and at the rates predicated, a net profit of 1½ per cent. is anticipated.

* * *

Seeking $23,100 From Mayor

Plans are under way in Philadelphia to recover $23,100 of surety premiums from Mayor Smith, who, besides acting as mayor, represents the National Surety. Before the subway contract annulment ordinance approved by the Finance Committee is called up for passage a conference adjustment may be held to assure this refund. Belief that the refund can be enforced lies in the fact that the basis of settlement with the Keystone State Construction Company includes a refund on fire compensation and public liability insurance.

* * *

How War is Brought Home

Secretary John S. Turn, of the Aetna Companies at 100 William Street, has received a letter from a friend and comrade of his son Raymond who was killed in action September 26. The letter, which follows, shows the calibre of the man whose death is so deeply deplored by the insurance fraternity.

October 12th, 1915
Somewhere in France

Mr. Turn,
New York,
Dear Sir:

I am trying to write you a few lines about your son, Lt. Raymond T. Turn, which I promised him that I would do providing anything should happen to him. One night that we marched into the trenches he and I had a heart to heart conversation about the future and our prospects of the future, and that conversation brings you this letter. We had been associated very closely since being in France and sat side by side at the table during our first six weeks here, and I learned to almost love him as I would a brother. I loved his noble ideals, his earnest endeavors in his work, and above all his being a MAN in the true sense of the word which to me means so much in this life of uncertainty. He lost his life the morning of September 26th, about 8 a. m., while at his post of duty leading his platoon into action, without one bit of hesitancy or fear, but did not suffer in the least as relief came instantly. He was laid away as best as the fortunes of war would permit and his last resting place will never be touched by the Germans, as they have been driven miles from it, so that he lies in friendly territory and his grave will be cared for. I cannot give you the exact location now, as we are not allowed to tell where we are nor where we have been, but if God is willing for me to return to the States I will call at your office in New York or write you in full about him.

I am enclosing four photographs that we had taken while in France, which were possibly taken some time in August in the town where we were first billeted and where we stayed for six weeks in training, which came to him since his death and I took them in charge.

I do not know that this will be of interest to you but I had promised to do it for Ray, as we called him, and this has been my first opportunity. You must excuse my using a pencil as ink in the army here is a luxury and very hard to be gotten on the field.

Raymond gave his life for a noble cause, gave it fearlessly and bravely and was a great credit to his organization and the American Army. Let us not worry but thank God that he was not compelled to suffer in any way as I have seen hundreds do.

Yours very truly,
ROBERT C. VAN BUREN,
1st Lt. Medical Dept.
Surgeon 34d Bu. 315th Inf.
American E. F.

* * *

Cassidy With Bertschmann & Maloy

Frank H. Cassidy, formerly with Ream, Ives & Wrightson in charge of the casualty department of that office, started with Bertschmann & Maloy last week in a similar capacity. Previous to his connection with Ream, Ives & Wrightson, Mr. Cassidy for a number of years had been attached to the Metropolitan office of the Globe Indemnity.

* * *

Trautmann Promoted

N. W. Trautmann, superintendent of the metropolitan accident and health department of the Globe Indemnity, has taken on the duties of special agent for all lines of the Globe in addition to continuing the supervision of the accident and health department.

* * *

Casualty Agents' Date Set

The National Association of Casualty & Surety Agents, has set Monday afternoon, December 2, as the date of the annual meeting at Hotel Astor, New York. This will be a general session. A business session will be held some time the following day.

Twelve new members will be elected at the annual meeting of the Casualty Actuarial & Statistical Society.

CHICAGO BONDING AND INSURANCE COMPANY

WRITES the following lines of INSURANCE

FIDELITY AND SURETY, PLATE GLASS, BURGLARY, GENERAL LIABILITY, AUTOMOBILE LIABILITY, PROPERTY DAMAGE AND COLLISION, ACCIDENT AND HEALTH, MONTHLY PAYMENT

Charles R. Culyer & Co., Resident Manager, 428 Walnut St., Phila., Pa.
Geo. S. Dippold, Res. Mgr., 1107 Peoples Bank Bldg., Pittsburgh, Pa.
W. F. Murphy & Co., Res. Mgrs., Union Trust Bldg., Jersey City, N. J.
J. Ramsay Barry Co., General Agent, 10 South Street, Baltimore, Md.
R. H. Lambert, Branch Manager, Equitable Bldg., Washington, D. C.

Capital $500,000.00—Surplus to Policyholders, $825,544.20

F. O. ROBERTS, Vice-Pres. and Gen. Mgr. HOME OFFICE: CHICAGO, ILLINO

Color-Blindness

(Continued from page 21)

distinguish colors—a condition known as "color blindness." In all other respects his vision seems to have been perfect. He was 27 years of age and had never worn glasses; nor had the doctors recommended them. The colors he could not distinguish were red and green; he had no trouble in distinguishing white and blue, and had some trouble in distinguishing yellow. He had no trouble in reading print or seeing ordinary objects. To hold that color blindness is equivalent to "complete and permanent loss of sight of both eyes" is to state a contradiction in terms. The contract was not to indemnify against the loss of the use of the eyes in his employment as a railroad brakeman, and it would be a distortion of language to so hold.

Ambiguous Expressions

In its opinion giving judgment in favor of the defendant Brotherhood of Railroad Trainmen, the court said it was true that in the ordinary use and meaning of language when one has suffered the complete and permanent loss of sight of both eyes he is totally blind. Ambiguous expressions in an insurance contract should be construed most strongly against the insuring company because the company writes the contract, but where there is no ambiguity and the plainest and clearest of ordinary language is used, the courts are not warranted in striving to give distorted and unusual meanings to words in order to reach what is believed to be a benevolent result.

Quoting from the case of Holcomb vs. Grand Lodge, 171 Ky., 843, the court said the facts were that a flagman was insured by the same defendant under the same provisions as the plaintiff. He was injured by a cinder striking his left eyeball. He practically lost the sight of that eye, and the vision of the other was injured, and in consequence lost his position as a flagman. His eyesight, after the injury, was much more defective than that of the plaintiff. The construction of the contract is discussed at length in the opinion and it said "the language is clear, explicit and unambiguous; that appellant has not suffered complete and permanent loss of the sight of both eyes was perfectly clear, and for that reason there can be no recovery."

GOVERNMENT WORK RATED

The New Jersey Rating & Inspection Bureau has made a rate of $1.17 on various government construction work at Camden, Cape May, Fort Mott and New Brunswick.

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

SEMI-ANNUAL STATEMENT JUNE 30, 1918

Assets	$15,684,739.43
Liabilities	12,471,369.12
Capital	1,000,000.00
Surplus over all liabilities	2,213,370.31
Losses paid to June 30, 1918	63,244,803.06

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation—Steam Boiler Insurance; Fly-Wheel Insurance.

BUSINESS=BUILDERS

DEVELOPING

Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE

APPRECIATE THE CO-OPERATION OF THE

Massachusetts Bonding and Insurance Company

BOSTON T. J. FALVEY, President

Paid-In Capital $1,500,000 Write For Territory

CASUALTY AND SURETY POINTERS

Keeping In Touch With Fighters

What the Aetna Life considers the best organized effort by an Aetna office in backing up its men in service is found in the Chicago branch. George Tramel, manager, realized several months ago the desirability if not necessity of keeping in touch with the boys in service, and as a result the "Aetna-izers' Patriotic Service Club" was formed for the purpose of corresponding with the fighting Aetna-izers and at stated intervals sending them some little gift or remembrance, such as smileage books, tobacco, candy, etc., as a tangible evidence of loyalty and interest in their behalf. C. J. Houge was elected president of this club and has kept things moving in the direction indicated ever since, with the result that the whole Chicago branch is heart and soul in the movement, each individual contributing time, thought, or funds as the need or opportunity arises.

* * *

Business Simply Altered, Not Destroyed

Speaking of new conditions everybody has been compelled to accept of late, and the sacrifices it has been necessary to make the National Casualty says there really ought to be a wholesome lesson in this for field men. Under old conditions the field was so full of prospects and business that they picked it off here and there without effort, and with full knowledge that the field was practically inexhaustible. But now they are confronted with very different conditions. Some of their regular business has been taken away, and the character of prospects has changed. The goods are not the same, and the new prospects must be developed and understood before they can be used. Loss of established business and draft prohibition against many prospects do not mean no new business and a poor field to work, any more than cutting off some foods and substituting others mean nothing to eat. There is plenty of business. Every man drafted means a substitute to fill his place. Women are piling into high priced work just as fast as men are being pulled out. There is the field man's opportunity, and he must cultivate it. More patience, more tact and a different line of argument will bring the same result, good policyholders who will stick.

* * *

Many Hazards Of Movie Houses

That there should be good liability business obtainable from moving picture houses, as well as from regular theatres, is shown by what the Maryland Casualty says of these risks.

To begin with, the proprietors of moving-picture places are apt to get in trouble simply by having their establishments where the public can pass: in Philadelphia a board fell from an electric sign in front of a movie house and hit a school girl on the head, causing an injury for which the Maryland paid $375 indemnity; and in Boston a moving-picture sign—very moving—blew off and bounced on a conductor, costing the Company $125.

Then as soon as people start to enter a moving-picture place, accidents also start: in Boston a woman tripped at the entrance of a movie house, sprained her back and her ankle, and gathered $250 indemnity from the Maryland; it was also in Boston that another woman slipped and wrenched her back in a movie lobby, for which the Company paid $150; in Louisville a stenographer made one of these lobby leaps and was paid $225 for an injury to her arm; and a French lady of Montreal fractured her wrist by falling in a movie lobby, receiving $110 indemnity from the Maryland.

Once inside a moving-picture place, patrons cut capers under cover of the darkness that would make Charlie Chaplin or Fatty Arbuckle envious—except that the end of these fancy flings is always painful and sometimes serious. Which brings us back to Boston, where the Maryland paid $350 indemnity for an arm broken when a girl patron of a movie made a misstep in the darkness and fell; in Terre Haute, Indiana, the same sort of accident, with a different result, a broken hip, cost $227; in Louisville a fall in a dark aisle did $100 damage to a woman's ribs; a similar accident in Chicago also cost $100; in Jeffersonville, Indiana, it was $175 for a fractured rib and other injuries suffered as the result of a fall; in Cincinnati a fall cost $102 as damages for a bruised head; $200 went to a woman of Chicago who tripped in a movie show house and hurt her knee.

There is one other source of damage suits against the proprietors of moving-picture places. No, not the seat-broke-and-gave-way accident: that does happen, of course, and recently cost the Maryland $175 in Providence, and another payment to another claimant of $160 in the same town. The other source of damage suits that we have in mind is a disagreement that ends in rough stuff. In New York a woman patron of a movie house pushed past a line of waiting people, was ordered back by an usher, slapped the usher's face, then made claim for alleged injuries, suffered in a counter attack, and collected $100 damages; it was also in New York that a tinsmith accused an usher and a bouncer in a moving picture place of attacking him with fists, feet and a blackjack, for which he received $200; and a third Manhattan disagreement, in which someone in the balcony at a movie show hit someone downstairs on the head with a heavy bottle, cost the Maryland $750 damages. Things do move in the movies. Before starting the show, before opening the doors at all, it is wise and economical to secure the financial protection guaranteed by a liability policy.

* * *

Insuring Bent Glass

Carroll Tubman gives in the Maryland Casualty's "Budget" these points on best methods of insuring bent glass:

There seems to be considerable misapprehension about the instructions as to rating bent glass on the basis of 14 per cent. of the value of such glass. The purpose in applying this 14 per cent. on the valuation is to take care of the great fluctuation in the cost of bent plates. The possibility of replacing these plates in some sections is very slight, but the Company wishes to provide an assured with a reasonable monetary consideration for his property when it is destroyed. In other words, by the percentage rating, the assured only pays for what he will receive in indemnity.

It is most important, therefore, that when insuring bent glass the policies be distinctly endorsed to the effect that the liability of the Company is limited in case of loss to the value used as the basis of figuring the rate.

As an illustration we quote a sample endorsement; "It is understood and agreed that the value of the bent plate 96x96 included in the schedule of this policy is $700, and that in case of loss or damage to such plate the liability of the Company is limited to a cash payment, not to exceed the amount of $700, unless the Company elects to replace the plate."

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE
CHICAGO

F. W. LAWSON
General Manager

Liability, Accident
Burglary, Boiler and
Credit Insurance

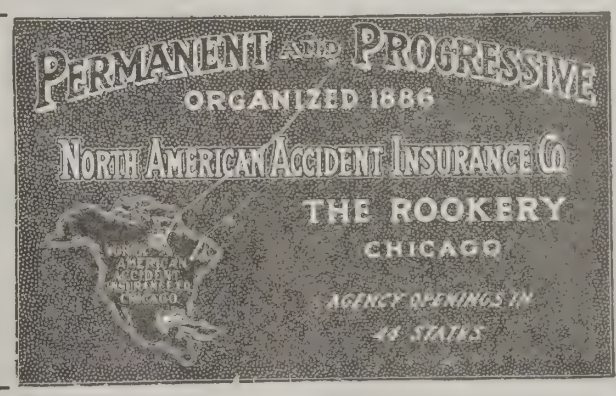
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F. J. WALTERS
Resident Manager
55 JOHN STREET
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145 Milk St., Boston
Resident Managers
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London Guarantee & Accident Co., Ltd.

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"$2,500 FOR $1"

To-day See, Write or Phone

J. N. S. Brewster & Company, Inc.

42 CEDAR STREET, NEW YORK

(Brewster Building)

About the new and original **Continental Automobile Personal Accident** policy sold at an annual premium of $1 to persons who buy a **Continental Automobile Liability** policy—It's a **big business getter** and is sold **only** by the

Continental Casualty Company

H. G. B. ALEXANDER, President

General Offices, CHICAGO, ILL.

American Surety Company *of* New York

100 BROADWAY

Fidelity and Surety Bonds

Burglary Insurance

Two new classifications have been made by the Compensation Rating Board—storage battery service stations and automobile accessory service stations. Rate 1.47. The new rate for trunk manufacturing, excluding metal frames and fittings, is 2.54.

PURELY MUTUAL THE CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, $1,604,426,324

SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued

POLICIES MOST FLEXIBLE AND EASY TO SELL

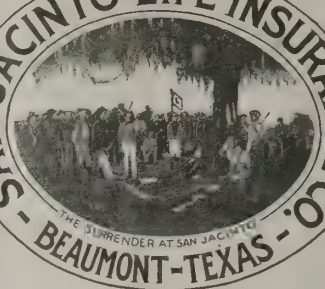
Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

GEO. E. COPELAND,
Supt. of Agencies,
Milwaukee, Wis.

To the Man Who is Willing—and Will

SAN JACINTO LIFE INSURANCE CO. - BEAUMONT-TEXAS -



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

J. L. MAUTNER AGENCY

Complete Automobile Coverage
All Casualty Lines

95 William St.
Phone John 1570-2622
NEW YORK

127 Wheaton Pl.
RUTHERFORD, N. J.
Phone Rutherford 1345

T. F. BOWES CO.

SPECIALISTS SINCE 1915
IN
Check Raising and Check Alteration Indemnity

Brokers will find a demand for this Protection. Inquiries invited regarding our Policies, Rates and Commissions.

Managers:—Department of Banking Indemnity
NEW JERSEY FIDELITY & PLATE GLASS INSURANCE CO.
50 Broad St., New York - - - - Phone Broad 1127

FRED. S. JAMES GEO. W. BLOSSOM WM. A. BLODGETT

FRED S. JAMES & CO.

123 WILLIAM STREET

United States Managers
GENERAL FIRE ASSURANCE CO. of Paris, France
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NEW YORK

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES



Just say:
"Insurance Man"—
the open sesame to every courtesy within our power.

Room with detached bath $1.50 and $2.00
Private bath $2.50 and $3.00

BREVOORT Hotel
Insurance Headquarters
MADISON ST.—East of LaSalle
CHICAGO
LAURENCE R. ADAMS, Sec'y & Mgr.

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1917	$16,153,068.57
Surplus - - - - -	4,793,978.55
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - - -	1,051,543.00

Liverpool AND London AND Globe Insurance Co. LIMITED

Over $155,000,000.00

Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

Commerce

DEC 16 1918

THE EASTERN UNDERWRITER

[Succeeding The Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

Nineteenth Year; No. 48 | NEW YORK, FRIDAY, NOVEMBER 15, 1918 | $3.00 a Year; 25c. per Copy

ROSE & KIERNAN QUIT ALBANY BOARD

Dissatisfied With New Schedule and Say They Will Revert to Old One

OPINION OF P. D. KIERNAN

Calls New Schedule Untimely and Unjust—Company View of Albany Situation

Rose & Kiernan, prominent local agents in Albany, in a letter signed by Peter D. Kiernan, have resigned from the Albany board, in a protest against the new schedule applying in that city, and the firm says that it will revert to the old schedule. Some other agents are restive, and the situation is interesting.

Company Angle

The company angle is that Albany has had one of the poorest loss records in the state, not only in size of losses, but in their character, and that the record has been at least 80 per cent. for a ten year period. Furthermore, they contend that the old schedule was a patched-up affair, many changes having been made. They further assert that penalty charges to which objection has been made by agents should stand. About 60 per cent. of the city has been re-rated under the new schedule.

Comment By Mr. Kiernan

In his letter of resignation Mr. Kiernan wrote that he considered the new schedule untimely and unjust; and that it should not become effective in war time. His objections have been voiced for some weeks, as at one time he took the matter up with the insurance department.

Underwriters are waiting to see what action will be taken by the companies in the Rose & Kiernan office; whether or not they will pass daily reports written at old rates.

SOCIETY ADMITS WOMEN

At a meeting of the executive committee of the Insurance Society of New York last Thursday it was decided to amend the constitution to admit women to membership in the Society.

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Underwriting Capacity Second to None

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager
UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents
EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

FRANK JONES CHIEF OVERSEAS EDUCATOR

Equitable Society's Agency Supervisor in Indiana Choice of Life Agency Officers' Association

WAS INDIANA SCHOOL'S HEAD

Eight Regional Life Insurance Instructors for France to Be Named—Syllabus Progressing

Frank L. Jones, agency supervisor of the Equitable Life Assurance Society, with headquarters in Indianapolis, has been chosen by the Association of Life Agency Officers, to superintend the life insurance instruction of army men overseas. The eight civilian life insurance men who will act as his assistants will be appointed later. Up to date fifteen names have been suggested, several of them being editors of agency publications issued by life insurance companies.

The action of the Association of Life Agency Officers in arranging with the Overseas Educational Commission for the life insurance curriculum was enthusiastically endorsed at the agency officers' convention in Chicago last week. It was considered one of the most important events in the history of life insurance. The opportunity is presented to more than two million men to get a specialized life insurance training if they want it.

Career of Mr. Jones

Mr. Jones is a graduate of Indiana University, class of 1898 and took a post-graduate course in Chicago University. After being a school principal and superintendent for several years he was elected State superintendent of public instruction for Indiana, holding that position from 1899 to 1903. He has a wide acquaintance among educators, three of his personal friends being the presidents of Indiana University, Colgate and Indiana State Normal School.

The manner in which Mr. Jones entered the life insurance business was characteristic. Reaching the conclusion that the career of a teacher or principal is limited, or comes to an early end, he made a careful survey

THE GAUVIN AGENCY

of the field which led him to believe that life insurance offered more opportunities than any other line where original capital is not required. He did not form that opinion as the result of persuasion from any one in the life insurance business. In other words, he sought life insurance rather than life insurance seeking him.

Coming to New York he went with the New York Life as agency director for Northern Indiana and Southern Michigan, headquarters in South Bend. In 1906 he joined the Equitable Life Assurance Society as agency manager at Indianapolis and central Western supervisor of agents. Indiana produced less than $1,000,000 when his appointment was made. By 1911 the production had topped $3,000,000.

Seventy-Two Lessons in Course

At the Chicago convention some additional facts were made public regarding the life insurance overseas education. Mr. Jones will come to New York the first of December to give his entire time to the work. The first thing to do, of course, will be the completion of the course of study, the arrangement of text book material, and the appointment of the regional instructors, and, later, the calling together of these instructors for advice respecting plans before the trip overseas is made.

It has been decided to increase the number of lessons from the thirty-two originally suggested for the syllabus to seventy-two. There will be a daily life insurance recitation of one hour, six days a week for twelve weeks. There will be a daily study period under military control, one hour per day, six days each week, which will make a total of 144 hours of actual study and recitations. The work, of course, will be shaped to the military as well as the educational needs. The Government has made an eight hour a day study course compulsory, so that in addition to the two hours for life insurance the soldier student may elect three other courses of two hours each, which—if he is going to take the life insurance course—will probably be made from one of these studies: Salesmanship, business English, commercial geography, literature, or overseas commerce.

Two Text Books

Mr. Jones' headquarters will be in Paris, and his immediate superior head will be William Logue, in charge of the commercial educational overseas work.

The committee preparing the syllabus, William Alexander, chairman; F. L. Jones and Dr. Lee K. Frankel, is making such good progress that the work will be completed by December 1. In addition to the William Alexander textbook there will be a supplemental book, that of Dr. Huebner, of the Wharton School of Finance. Copyrights have been released, and these two books will be printed in cheaper form so as to cut down the publishing expense. A prospectus of the course has been written by Mr. Jones, in which the merits of life insurance as an occupation, will be described, and which will be published in the general catalogue of courses which will go to everybody overseas.

Eight Educational Regions

It is too early yet to tell where the instruction will be given, but probably Y. M. C. A. huts will be largely used. The military area is to be divided into eight educational regions, and the eight life insurance educators are to be distributed throughout these regions, one to each. There will also be chosen one hundred army officers, former life insurance men, who will assist the regional instructors. All companies have been asked by the Association of Life Agency Officers to furnish a list of all the men, formerly employed by them, or holding contracts with them, and who are now overseas, so that there can be a complete survey of the talent before the 100 officers are named.

It should be understood that when the educators begin their new labors they drop their individual connection with the companies formerly employing them for the time being. Contracts will be signed for not less than a year. The Y. M. C. A. pays transportation expenses and maintenance; the companies, it is understood, will pay the salaries of the men who go for the time they are engaged in the work.

Mrs. Herald S. Stafford, Madison, Wis., has taken over the business of her husband, who was special agent there for the Northwestern Mutual Life Insurance Company, who is now in France as an army Y. M. C. A. secretary.

A number of banks are printing advertisements boosting life insurance.

Protect Your Loved Ones

INSURANCE provides the only SAFE way

For full information, call, write or phone:

JOHN M. RIEHLE

Equitable Life Assurance Society of the United States,

68 William St., New York City 'Phone 4343 John

ASSUMING ADDITIONAL RISKS

Pacific Mutual Life Lets Down Bars To Railroad Employees—Extra Premium For Hazard

The Pacific Mutual Life has removed its prohibition of certain classes of railroad employees. The company is now prepared to issue policies on locomotive engineers, firemen and conductors on freight or mixed trains on any form of life or endowment policies, except term insurance, in an amount not to exceed $3,000 on any one life. Policies issued will not include extended term insurance.

To provide for the additional hazard, the company charges the following additional annual premium:

	Other than 10, 15 or 20 Endt.	10, 15 or 20 Endt.
Conductors	$5.00	$2.50
Engineers	6.50	4.00
Firemen	6.50	4.00

? DO YOU READ ADVERTISEMENTS ?

Once in a while it pays a man to read an advertisement.

For instance, do you know why the $24,816,657.00 of new business paid for in 1917 by the fieldmen of

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

exceeded by $3,751,129.00 the largest amount paid for in any other year since the Company was organized in 1860?

Do you know why very few men who can make a living selling life insurance leave this Company?

The answers to these questions will be of great value to the man who wishes to form a connection with

A Growing Company For Growing Men

For a direct Agency Connection address:

T. LOUIS HANSEN, Vice-Prest & Agency Manager

50 Union Square NEW YORK, N. Y.

Phoenix Mutual's Book For Overseas Men

MISSIONARY FOR INSURANCE

Presents Insurance as an Attractive Profession for Army Officers—Many Copies Ordered

The Phoenix Mutual has published a book, "The Business Value of the Ability to Command—Addressed to the Officers of the Armies of America—By the Greatest Business in the World," which will be distributed in France in order to reach army men who are ambitious and will be receptive to the idea of making life insurance their life work The book was written by Joseph A. Richards, a distinguished New York advertising man, and a few copies were distributed at the convention of the Association of Life Insurance Officers. There it made a great hit, and several thousand copies were immediately ordered, the Phoenix Mutual having given permission to other companies to use the book.

The chapter headings follow:

"Your New Self and Your New Capacity," "Your New Asset and Your New Opportunity," "The New Business and the New Market," "The New Method of Selling the Greatest Business in America." "Why This Profession is of Personal Importance to You." "The Financial Size of the New Field Offered You."

Chapter on New Methods

The chapter telling of new methods of selling reads:

"Life insurance is no longer sold as such. Indeed, a wise salesman no longer sells life insurance at all. He sells instead Home Maintenance and merely proposes that a man pay premiums on a yearly basis on a life policy to secure the maintenance of his home. Or he sells Business Maintenance which is the perpetuation to the business of the ability of an invaluable partner or employe, and he asks the business to pay a life insurance premium on the life of that man. Or, he sells **The Maintenance of Old Age Comfort** which provides a competence for a retiring time for the man himself and asks him to pay an annual sum against that competence.

"Now we venture to say that you are a thoughtful specialist on the theory of Home Maintenance. In the last analysis you have been offering your life to protect the homes of the civilized world. You therefore have some adequate idea of the true worth of 'Home Maintenance.' And we ask you if you could possibly enter a more exalted calling than that of maintaining the home in the highest form of expression.

"Think for a minute of the part played by a life insurance policy in Home Maintenance. Here is, for instance, a woman who was the wife of a prosperous farmer in Iowa. She is writing a note to her son in the State university. 'Yes,' says she, 'everything is going comfortably. The monthly income we receive from father's life insurance makes it easy to carry on the farm, pay the help and keep you at college. How thankful I am!' Inside the dormitory of the college is the son reading his mother's letter. He looks up at his room-mate and says, 'If father hadn't taken out that monthly income life insurance policy, I couldn't be studying the chemistry of the soil of the old farm.' That's Home Maintenance, don't you think?

"Again, inside an apartment, under a beautiful electric lamp, sits a well-gowned woman in black, waiting. The door opens; a hearty, healthy girl rushes in. The greetings are over, they are talking about the school life of the girl. 'Do you realize,' says the mother, 'what the monthly income from daddy's life insurance is doing for us? This apartment, your school, almost every-

(Continued on page 6)

Selling Stars in One Great Convention

TENTATIVE DISCUSSION HAD

Winslow Russell Idea Meets Favorable Reception in Chicago—Contract Comparisons Not Feared

A great gathering of the most successful life insurance men of America—star producers, agency managers, company officials—all rubbing elbows, comparing notes, exchanging ideas—and to which will be invited heads of the leading selling organizations of America, such as automobile, adding machine, typewriter, cash register and other concerns, may be held during the year 1920 or 1921. The plan had its origin at the convention last week of the Association of Life Agency Officers in Chicago, and the originator is Winslow Russell, president of that body.

Mr. Russell who discussed the proposition in the hotel lobby as a feeler was asked by Philip Burnet, president of the Continental Life, to give it to the convention. In explanation Mr. Russell said:

"I have been wondering whether in the year 1920, say, based upon a program which can be worked out in 1919 for 1920 or 1921 there could not be held a gigantic convention of life insurance men, the meeting to take place at some central point: to last two or three days; the delegates being men from different companies who qualified as leaders of production for a certain period, with authority to attend the convention as the prize or goal. The winning agents would represent the best among the producers and at the convention there would be agency managers, and the best sales managers, also, in the world outside of the insurance business.

"I am giving you the idea for what it is worth. It may sound very visionary, but it strikes me that there would be a tremendous amount of inspiration in such a convention."

Contract Comparisons

Mr. Winslow's proposition immediately struck the fancy of the agency officers present, and the matter was referred for future action. The discussion got sidetracked as a result of a facetious remark of Roy Hunt, of the American Central, who asked Mr. Russell:

"What about the agents at such a convention as you outline comparing their contracts?"

The convention took Mr. Hunt's comment seriously, and it was brought out that the companies would not object if the agents did talk about each other's contracts. Mr. Russell said he was not afraid that a comparison of the agents' home office contracts would interfere one bit with the success of the convention he had in mind. Mr. Hunt said that while he had commented facetiously it was a fact nevertheless that at conventions where agents met men from other companies they spent much of their time discussing contracts.

Mr. Russell said that his company now has a standard contract.

"We have been holding conventions since 1877," said George E. Copeland, Northwestern Mutual Life. "We have no difficulty. No one general agency contract in our company differs from another. The agents, too, know what the general agency contracts are. Anyway, I see no reason why agents should not discuss this question because if they do not get a fair deal they are entitled to talk about it."

Isaac Miller Hamilton, Federal Life, said the agents might be expected to talk of their contract, but what the agents would get out of the gigantic convention would offset everything. He thought that the agency company official wanted to see each representative be paid according to his worth—borrowing a phrase from a railroad man he said he favored "the highest degree of tariff that the traffic will stand."

Returning to the value of the "Russell Convention" idea Mr. Burnet said:

"Tremendous Idea" Says Burnet

"It seems to me that the idea is a tremendous one which will go further to unify life insurance than anything that can be done. We can get together in our conventions and perfect our policies and make our practices more or less uniform. How marvelous it would be to get together in one gathering all the life men in the United States who might be considered experts. It has been said that 10 per cent. of the agents produce 80 per cent. of the business. Let us get together and spend three or four days discussing real sales work, real business methods, instead of what is often done at conventions in listening to speeches made for the self-aggrandizement of the speakers."

H. H. Steinler, Connecticut Mutual, moved that a committee of three or five members be named to handle the question. No committee was appointed, but the matter will be taken up later by the association.

LIFE INSURANCE SALESMANSHIP

¶ Your agents should read the 1918 Life Insurance Salesmanship Edition of The Eastern Underwriter containing practical sales experiences told by the agents who had same. We have a limited supply of this edition on hand for distribution. Orders for same will be promptly filled while they last at 25 cents a copy.

THE
EASTERN UNDERWRITER CO.
105 William Street, NEW YORK

INFLUENZA'S SOLDIER TOLL

Talking to the Association of Life Insurance Officers Thomas B. Love, head of the War Risk Bureau, said that in two months the insurance group of the Bureau has suffered more than 18,000 deaths from influenza, exclusive of overseas mortality. Mortality cost: $170,000,000.

The Clover Leaf Life has been licensed by the Illinois Department.

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All Other Popular Standard Forms—
Ordinary and Industrial

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

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INSURANCE CO. OF AMERICA
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Agency Meetings On the Increase

NO DOUBT ABOUT VALUE

Sectional Gatherings of General Agents Growing Tendency—Executives Tell Why

A number of executives were asked to explain to the agency managers' convention the newest ideas in agency conventions. The first speaker, H. E. Aldrich, Equitable of Iowa, said:

Our agency association, in which the officers of the company are associate members with no power of acting officially in any of the meetings, has held ten annual meetings. The association is run entirely by the general agents. Most of our conventions have been held in Chicago.

The company has made a practice of calling together the day before the regular convention what it started to call "the class of 25," being general agents particularly interested in learning more about organization work and the handling of men. That meeting is conducted by some officer of the company, with generally two or three officers present and on succeeding days there are open meetings for officers and men. The company has $100,000 and $200,000 clubs, organized at the suggestion of the agents.

Agents Pay Hotel Bills

For agents who qualify the company pays transportation. Hotel bills are paid by the agents. "We are great believers that anything is appreciated most which is not a gift," said Mr. Aldrich. We do not undertake to pay all the expenses of our agents at these conventions. We believe that where the agent makes an investment; some sacrifice, he gets more out of the convention than would otherwise be the case. Our conventions are not periods of recreation. Agents come with an understanding of what is to be discussed and often have asked for night sessions so much interested were they. A vote is taken on whether to have these sessions and they vote unanimously for them. We think it desirable for wives to accompany the men. They become interested in their husbands' work, sympathize with them more in a business way; and understand the necessity of going away from home on necessary business errands.

President Foster, of the Royal Union, said that his company had found agency conventions of great value. His company bases attendance qualification upon the percentage of renewals instead of upon the volume for the year.

Connecticut Mutual Meetings

H. H. Steinler, Connecticut Mutual, said: "We invite to our conventions held bi-annually the men who pay for $100,000, or who write fifty lives. The latter opens the door to hard working producers of small policies who should not be denied the educational advantages of these agency gatherings. We changed our plans somewhat last year, organizing a $100,000 club which meets annually, and a $200,000 club which meets bi-annually.

"Last year at a hotel near New York we devoted an entire week to the conventions. Our program was entirely educational. We took four general topics for discussions during the whole week. One feature of our convention was a series of two minute papers giving the best argument used in closing some case. We stuck to our program right through the week and it was the best convention that we ever held. The sessions began at 9 o'clock and continued until 1 o'clock with a ten minute recess. The afternoons were

the agents' own. They left feeling that they had not only been benefitted in their businesss but that they had had a vacation.

"In addition to those conventions we hold sectional meetings of our general agents. Fifteen or twenty men are present at each of these meetings which are held about a round table. Only one subject is discussed 'Organization.'"

Equitable of New York

W. E. Taylor, Equitable Life Assurance Society said the Society divides the country into four sections, Eastern, Central, Southern and Western Century clubs. Membership is conditioned upon $100,000 of insurance, coupled with a requirement of $3,600 in first year premiums which must be written on at least twelve lives. In addition to the Century Club there is a Quarter of a Million Club which is drawn from men all over the United States.

Mr. Taylor said that the club convention idea was one of the most inspirational influences in the Society's work. "I know of nothing in our work which carries as much weight with our men as the fact that they are or are not members of the Century Club. Once a member a man has set a standard from which he does not want to fall."

Mr. Taylor explained the insignia on coat lapel bottons of Club members, stars being used to indicate extra large writers. The Society has a $500,000 corps; $750,000 corps; and a $1,000,000 corps. Last year two men paid for $1,500,000 and one $2,000,000. Next year the Society will hold a general convention, the Society being sixty years old then. It holds its club meetings at other than large cities.

Julian Price, of the Jefferson Standard, said his company had been holding agency conventions for eight or ten years; it had $100,000 and $200,000 clubs. It also holds district meetings.

J. H. Jefferies, of the Penn Mutual, said that company's agency association is controlled by the agents themselves. He said that in addition to the agency association annual meetings there would be more sectional meetings.

W. R. Smith, LaFayette Life, told an interesting story of an agency meeting of his company on the banks of the Wabash in some cottages.

No Discussion of Companies' Competing

Winslow Russell told about Phoenix Mutual conventions. Ten years ago 80 per cent. of the convention time was given to the methods of meeting competition. Now the name of another company is never mentioned. He said that the value of conventions had been demonstrated in many ways and merely to mention one of them he said they had increased the number of paid with application premiums.

In discussing convention themes Mr. Russell said that the Phoenix Mutual had one convention the entire discussion in which evolved around the word "work." At another convention the word "opportunity" swept the gathering and the speakers. At another convention three agents came in and tried to insure an actual prospect, who decided which was the winner. At Phoenix Mutual conventions any one can ask for a roll call at any time and anyone not present is fined fifty cents. Later, the fines are put into a pot and awarded as prizes.

President Hamilton, Federal Life, said that he directly traced to attendance at his company's $100,000 and $200,000 clubs, the fact that the company has several $400,000 producers. These are men who through the inspiration of club meetings enlarged their production vision.

REPRESENTATIVE CROWD

Small and Big Western, Southern and Eastern Companies, at Chicago Convention

The Association of Agency Officers is growing fast. From a mere handful of companies it has won its way.

Several new companies joined last week, and Vice-President Kavanagh, of the Metropolitan Life, said he was going back and recommend to his company that it join the association.

A list of those at the convention last week follows:

C. B. Svoboda, Cedar Rapids, Ia.
C. C. Haskin, Cedar Rapids Life.
A. V. Mozingo, Memphis, Tenn.
Geo. E. Copeland, Northwestern Mutual Life.
Louis E. Knocke, Reg. Life, Davenport, Ia
E. J. Hutchinson, Ill. Life, Champaign, Ill
G. A. Deitch, Reserve Loan Life, Indpls.
Rupert F. Fry, Old Line Life, Milwaukee
Edward D. Field, Nat. Life, Montpelier
H. M. Cutler, Montpelier, Vt.
I. E. Kavanagh, Metropolitan Life.
R. W. Stevens, Illinois Life.
George Stadden, Franklin Life.
Henry Abels, Franklin Life.
Jens Smith, Pacific Mutual Life.
A. F. Culling, Pacific Mutual Life.
I. O. Langman, Lutheran Int.
W. T. Weese, Central Life, Ottawa, Ill.
Dr. T. C. Denny, Central Life, Des Moines.
V. F. Larson, Central States, St. Louis.
George Boissard, Guardian Life, New York
C. L. Miller, Guardian Life, Madison, Wis
Philip Burnet, Continental Life, Wilmington.
George E. Saulsbury, Continental Life, Balto.
Allan Waters, Union Central, Cincinnati.
Sidney A. Foster, Royal Union Mutual Life.
H. H. Steiner, Connecticut Mutual.
J. Price, Jefferson Stand., Greensboro, N. C.
F. C. Griswold, Connecticut Gen., Hartford.
F. Brown, Rockford Life, Rockford, Ill.
C. S. Rannells, Federal Life, Chicago.
W. E. Taylor, Equitable Life, New York.
A. G. Borden, Equitable Life, New York.
T. Louis Hansen, Guardian Life, New York.
Glover S. Hastings, N. E. Mut, Boston.
James Fulton, Continental Life, Wilmington.
M. H. O. Williams, Northwestern Mutual.
E. G. Simmons, Pan American, New Orleans.
G. W. Brearly, Forest City, Rockford.
I. H. La Sance, Pan American, Indianapolis.
E. A. Appelby, Ohio Nat. Life, Cincinnati.
H. W. Johnson, Central Life, Ottawa, Ill.
George Hunt, Imperial Life, Toronto.
E. S. Albritton, Minn. Mut. Life, St. Paul.
A. C. Larson, Central Life, Madison, Wis.
M. Albert Linton, Prov. L. & Tr., Phila
H. E. Aldrich, Equitable Life, Des Moines.
R. F. Hadley, Equitable Life, Des Moines.
Walter E. Webb, National Life, U. S. A.
W. T. Shepard, Lincoln Nat. Life, Ft. Wayne
W. F. Smith, Amer. Nat., St. Louis.
C. T. Tuck, Century Life, Indianapolis.
A. L. Dern, Lincoln Nat., Fort Wayne, Mo.
Fred B. Patton, Missouri State Life, St. L.
Arthur F. Hall, Lincoln, Nat., Ft. Wayne.
J. W. Jones, Franklin Life, Springfield.
W. S. Weld, Berkshire Life, Pittsfield.
Roy Hunt, Amer. Central, Indianapolis.
J. H. Jefferies, Penn Mutual.
Stephen Ireland, State Mutual, Worcester.
H. M. Holderness, George Washington, Charleston, W. Va.
C. L. Ayres, Northern of Detroit.
H. P. Trosper, Northern of Detroit.
C. H. Jackson, Sec. Mut., Binghamton, N. Y.
F. L. Mable, Sec. Mut., Binghamton.
K. B. Karrady, Illinois Life.
F. Halstead, Dominion Life, Waterloo, Ont.
E. E. Reid, London Life, London.
T. V. R. Smith, La Fayette Life, La Fayette, Ind.
Albert Aude, Union Mutual.
H. G. Everett, Central Life, Des Moines.

NEW CHICAGO MANAGER

John D. Cleveland, formerly with the New England Mutual Life in Chicago, and then with the Illinois Life, has been made Chicago manager of the Manhattan Life.

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
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Build Your Own Business
under our direct general agency contract
Our Policies provide for:
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THE MANHATTAN LIFE INSURANCE COMPANY
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OF PITTSFIELD, MASS.
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A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
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THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Relation to Men Of Other Companies

VIEWS OF H. E. ALDRICH GIVEN

Against An Agreement Between Companies Not to Take Each Others' Men

In his paper on "How Far Should We Go In Securing Men From Other Companies?" H. E. Aldrich, of the Equitable Life of Iowa, said in part:

"Life insurance companies, or their agency managers, secure men from other businesses or vocations, regardless of how much special training these men may have had or how much may have been invested by individuals, corporations, or the state, in fitting them for their businesses, trades, professions or callings. Published codes of ethics, no doubt have a real place among insurance men,—but they are very apt to contain the hidden cunning of designing men, or embrace the views of theorists who, however, may be the dominating minds of an association of underwriters or of insurance officials. Like the Good Book, when thoughtfully read and precepts heeded, their influence for good is undoubtedly strong, and will point the way to better practices and higher ideals. If rules or codes are adopted in our business, great care should be exercised, in that they build not too high a wall around the ambitious agent and raise not barriers before the strong, growing, progressive general agency or company, through such rules as, Thou shalt refuse 'to hire agents who are already engaged by other life companies, before they shall have been honorably released from such employment.'

Treaty of Peace Between Companies

"A few life insurance companies have, I think, at the present time, an agreement between themselves that they will not employ each other's agents while those agents are under contract, and not for a certain number of weeks or months after the agent severs his connection with his company. This is not, however, an ethical proposition with these companies; it is merely a sort of treaty of peace as between themselves, that they may live in harmony, if not in brotherly love, and without retaliatory raids upon each other's agency organizations. However, these same companies do not hesitate to employ, whenever opportunity affords, the agents of other companies not parties to the agreement just mentioned.

"Not infrequently a life company secures from another, an executive official,—a vice-president, for instance, or an actuary. The act is not regarded as unusual—certainly not unethical—nor any different from a railway company hiring away from a competing road, a superintendent, a master mechanic, or even a president.

Would Dwarf Ambitions

"To greatly restrict the right of free approach to the employes of another life insurance company, either salaried or on a commission basis, would be to dwarf ambitions of employes, and, in some cases, retard company development. Recognition of ability, of work well done, of faithful service, must be assured, or ambitious and efficient men will be attracted to other institutions where there is more promise of advancement and recognition. The agent's own company should not be the only avenue left open for his promotion. Avenues for promotion through other companies should not be closed.

"The life insurance salesman or general agent sells his services, regardless of whether he is on a salary or commission basis. Those services may be considered of greater value by one company than by another; hence it would appear perfectly proper for a company to bid for those services on a basis of the value placed thereon by it.

Life Business Competitive

"The life insurance business is competitive—intensively so—as evidenced by the rapidity with which one company follows another in the introduction of some new feature into its policy contracts. There is no danger of competition going farther than it should, in the securing of quality men. It is good that this competition is felt in all departments of a company; it commands recognition and advancement of able men; it keeps companies and agency managers from becoming self-satisfied, unprogressive, and ultra conservative. It should not be throttled.

"An agreement as between companies that their agency officials would not approach the agents of each other for the purpose of securing their services, would certainly, if generally known, be sufficient reason why any ambitious young man, determined upon life insurance as a life's work, should not engage with those companies; for, though his ability and worth were known by other companies, would not his advancement rest almost entirely with the officials of his own company? Why should he not have the whole world as a market for his services?

"How secure many companies and general agents would feel if they knew that, because of an agreement with others, their best men could not be taken from them, except those men were first to terminate their relations with their own company. Companies are even loath to advance their own men not under direct contract, without first securing consent of the general agent.

When An Agent Becomes Valuable

"It is conceded that an agent becomes valuable only in proportion to his knowledge and mastery of the business and his ability to sell insurance or manage an agency, or both, independent of close supervision or further expensive training. If his development and training have reached a point where he is prepared for advancement, and that advancement is not forthcoming by his own company, it would be a serious matter indeed if another company should, through an agreement or through the so-called ethics of business, be prevented from approaching him with a proposition to change companies. It is very often true that services of capable men cannot be transferred for money consideration, because of the satisfaction which, for one reason or another, they enjoy in remaining with their present institutions. But that does not change the fact that many other men, happily and profitably employed, are open to consideration of offers of other companies which bring more recognition and advancement. Their services are for sale; they are ambitious for advancement and they are anxious that their ambitions shall be realized.

Doesn't Advocate System of Proselyting

"You have been able to gather from what I have said, just about what my attitude is as to how far we should go in securing men from other companies. The accepted customs of business concerns in general, it seems to me, should be followed in the insurance business, and that in the following of those customs, the business of insurance can receive no injury; but rather, on the whole, be benefitted.

"I do not mean to advocate a system of proselyting,—but I do mean to advocate the soundness of the principle that men sell their services, and that if one company attaches a greater value to the services of an individual than does another company, it is the privilege of that company to offer him a contract.

"I consider that there is no obligation upon the part of one company to notify the management of another, of its intention to negotiate with any person in the employ of the latter.

"Probably never a month passes but that some of our men are approached by the representatives of other companies, seeking their services; and we recognize that those companies are within their rights and are following sound business principles in so doing.

Must Be Good Reason For Making Changes

"Any change from one company to another, necessitates readjustment. Never should an agent be taken from another company unless there is good reason to believe that by so doing, he will benefit by the change and will profit thereby. If the company and agent cannot both benefit, then I should say he should be left alone.

"I do not advocate the building of an agency organization through the securing, almost exclusively, of trained men from other companies. Every company should do its share of constructive work,—teaching men the life insurance business and developing them into successful agency managers. Such men are grounded in the principles and traditions of your own company. They give the best satisfaction in an agency organization, and cause less worry and annoyance to the management. As to my own company, we will welcome the day when, from its own agency organization, we shall, except on rare occasions, be able to promote from the ranks, all our new agency managers."

B. E. ELLIS WITH GUARDIAN LIFE

B. E. Ellis, a well-known life insurance man in the Central West, who has been with the Phoenix Mutual, and more recently with the Equitable of Iowa has gone with the Guardian Life in advisory work, with temporary headquarters in Davenport, Ia. T. Louis Hansen, vice-president and superintendent of agencies of the company, who made the appointment, is now in the middle west.

Great Southern Life Insurance Company

HOUSTON, TEXAS



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Mutual in Principle and Practice

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Enterprising, Conservative Management

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A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

Preliminary Report on Study of Agency Supply

Association of Life Agency Officers

At their last meeting agency officers voted to prepare a questionnaire blank, on which the companies were to be asked to give information concerning their successful agents. Only those agents who reported over $50,000 in paid business during 1917 were included in the study.

Up to the time of this report (October 15) fifty-seven companies have completed the figures. These companies during 1917 reported $1,229,549,000 in paid new business. Their agents who paid for over $50,000 numbered 4,694. The total paid business of these agents amounted to $637,367,000 or an average of $135,000.

The percentage of new business produced by these men was 51.8 of the total business of the companies reporting.

The highest percentage of total business written by men producing over $50,000 in any one company was 95.5 per cent.; the lowest 18.1 per cent.

The business has been classified in the three following groups:

Those producing over $200,000 numbered 795. Those producing between $100,000 and $200,000 numbered 1,782. Those producing between $50,000 and $100,000 numbered 2,117.

These groups have been vocationally classified with the following results in previous occupations:

	Over $200,000 Group A	$100,000 to $200,000 Group B	$50,000 to $100,000 Group C
No. reported	620	1,486	1,601
Salesmen	213	441	387
Merchants	55	137	137
Clerks	54	151	135
Teachers	28	107	110
Farmers	35	81	107
Bankers	33	74	78
Students	52	84	63
Fire insurance	14	40	75
Government work	9	26	28
Journalists	13	22	18
Railroad work	10	50	21
Manufacturers	10	33	26
Bank cashiers	5	17	19
Clergymen	4	8	23
Lawyers	9	25	24
Telegraphers	5	18	13
Secretaries	2	12	13
Barbers	2	13	13
Druggists	8	13	21
31 miscellaneous occupations	59	164	290
	620	1,486	1,601

It is interesting to note that 69.1 per cent. of the successful salesmen of 57 companies come from only seven previous lines of work. Men with previous sales experience provided 28 per cent. of the totals.

The returns do not classify previous salesmen closely enough to give accuracy, but the sub-analysis shows these results:

	A	B	C
Total no. salesmen	213	441	387
Unclassified	60	153	120
Real estate	28	75	21
Traveling	23	80	55
Groceries	7	17	28
Bonds	2	16	16
Dry goods	7	15	14
Advertising	5	11	12
Hardware	3	11	5
Books	4	10	11
Miscellaneous, 16 varieties	74	53	105
	213	441	387

Only the men in Group A (over $200,000) have been grouped in other studies and show the following results:

Companies reported	47
Agents reported	507
Average no. years in life insurance	9.6
Average no. years present company	6.1
Average age entering business	32.2
College graduates	223
Full time	479
Started as part time men	171
Represented only one company	331

ACTUARIES IN SESSION

The Casualty Actuarial & Statistical Society begins its annual meeting today, Friday, at the Yale Club, New York. The sessions will continue into to-morrow. The president and vice-president are not eligible to re-election. Following are the names of those who will be voted upon for Fellowship: M. Davis, assistant actuary, Equitable Life, New York; F. W. Hinsdale, secretary, Workmen's Compensation Board, Vancouver; W. T. Perry, Canadian Manager, Ocean Accident & Guarantee, Toronto. A number of valuable papers will be presented.

STRIKE OUT 8 CENTS TAX

Finance Committee of Senate Recommends 12 Per Cent. Income Tax on Companies

Under the terms of a provision adopted by the Senate Finance Committee insurance companies will be required to make all necessary reports and payments without assessment or notices from the collector of internal revenue and if not paid when due there will be added as part of the tax a penalty of 5 per cent. and interest at the rate of 10 per cent. for each full month from the time tax becomes due. The committee has also stricken out the eight cent tax on life policies recommending instead a 12 per cent. income tax on the companies.

Won't Provide Harbor For Slackers

There was a time, says the Standard Accident, when the insurance business was considered a good "bluff" at work. The rich who desired some sort of excuse for maintaining an office and holding out the idea that some sort of effort at work was being done found the profession an easy one to enter and a good screen for themselves. No doubt the new order will give rise to a revival of this sort of idea on the part of some men who may wish to avoid an argument with the War Department.

This company does not expect to allow itself to be used in this way. We shall make a special effort to see that every man who receives a license from the company shall be an active worker.

An insurance agent and an insurance slacker are two very different things. We must admit that heretofore we have had many names on our books as agents that have shown no life and activity. These we expect to cut off at once.

Those representatives of this company who are directly responsible for sub-agents are asked to help out by promptly reporting any names of those not active in the production of business.

We are strong for the active agent, but we are down on the slacker of any kind—be he regular or insurance slacker.

Phoenix Mutual's Book

(Continued from page 2)

thing. How glad I am that this provision, this monthly provision, of your father's doesn't give me a single bit of worry about investment or business.'

"These pictures and a hundred others which you can paint, are the things which you would sell—pictures of true Home Maintenance, pictures that are always realized in some form or other. Other scenes just as compelling could be portrayed concerning business maintenance and the maintenance of old age comfort."

Organized 1871

LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

OLDEST—LARGEST—STRONGEST, Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

PENNSYLVANIA OPPORTUNITY

If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.

Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

Mr. Successful Life Insurance Agent:

Do you want to secure a General Agency for yourself? If so, read this, it is

WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

THIRD, that in case of death from certain SPECIFIED accident, $15,000, or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And WHY should any man be satisfied with a policy that would do less? The cost is low.

General Agents wanted in the following States: Pennsylvania, Delaware, Kansas, Michigan, Ohio and the District of Columbia. Address:

UNITED LIFE AND ACCIDENT INSURANCE CO.

Home Office, United Life Bldg., Concord, New Hampshire

The Power of Veteran Leaders

PLUS

The Enthusiasm of Youth

is the Home Office combination that is working and achieving every day to give Maryland Assurance agents an unusual quality of practical aid and personal encouragement. Life Insurance, Health and Accident Insurance—a wide range of very attractive policies. Maryland Assurance agents are making good, and making money. Valuable openings in productive territory for energetic ambitious men.

MARYLAND ASSURANCE CORPORATION

SEVEN SOUTH GAY STREET

BALTIMORE

"Live and Die with Assurance"

PROVIDENT agents find that

INCOME POLICIES sell best when they provide for the Insured's own Old Age as well as for the Protection of the Family.

Write for information

THE PROVIDENT LIFE and TRUST COMPANY of PHILADELPHIA

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

Diminishing Agency Turn-Over

By W. E. Taylor, Second Vice-President
The Equitable Life Assurance Society

One of the reasons that the life insurance business is able to attract so many men of high caliber is that it is never stationary. It is never monotonous. It is always presenting new phases.

While the war therefore of necessity brought the life insurance business many new and difficult problems, yet in the main such problems were not, perhaps, with us so unexpected. They merely called for a greater amount of ingenuity and a larger measure of effort to meet them.

In spite of the war some of the companies—and I am glad to add that the Equitable is one of them—have shown substantial increases in their new business for this year as compared with last; and I believe I am justified in saying that one of the most important factors that has contributed to this increase is the attention that we have been giving of recent years to the question of "Agency Turn-Over." A company today that is not alive to the importance of this subject is surely becoming moribund.

It is as essential for us in our ranks, as in the army, that there be a continual addition of new units. We must have not only an effective firing line, but also substantial reserves from which to freely draw. But whereas the army can now utilize in one way or another almost any man who successfully passes the medical board, with us there is a radical difference in that, if we are to progress, we must apply a rigid principle of SELECTION which is as important as the fellow factor of TRAINING.

Almost every company, I suppose, has made studies to determine what per cent of new material is necessary to at least show growth. It would be interesting, I think, to gather the ideas of company managers on this point. But without attempting to certify to the accuracy of the data as we have determined it in the Equitable, and of course without any assumption that the figures would be correct for any other company, we hold to the opinion that approximately 20 per cent of our new business each year must reflect the business of new agents serving in their first year; and I mention this point at the outset for the purpose of emphasizing the importance of the question.

Ranks Were Padded

It seems to me that it is only a matter of a few years ago when almost any company would be prepared to recognize as an agent almost any man who could control, or claim he could control, even a single case. The result was that the agency ranks of the various companies became badly "padded" with an immense number of names, who not only involved a great amount of wasted time and attention from agency managers, but often times with no compensating advantages whatever, they acted as deterring factors in the employment of real agency material. It is a matter of congratulation to us all that in recent years there has been a marked advance made in this direction and companies are today scrutinizing would-be appointments with a view to seeing whether same will prove helpful to the business at large or will warrant the expenditure of money and effort that each ew appointment involves. This forward step, however, has not been brought about without the exercise of a great deal of effort. Field managers were many times inclined to the belief that unnecessary restrictions were being set and the exercise of their judgment was being curtailed. However, we have now reached a point, I believe, where the individual manager realizes that the more careful he is in the selection of his men, the greater the progress of his agency will be, because it costs as much "to feed a poor horse as it does a thorough-bred" and poor stock never does produce good results. And it is as true for the manager as it is for the solicitor, that it does not pay to spend time on poor prospects. This phase of the matter nowever, is well understood by all progressive companies and it is not necessary to enlarge upon it here. Rather, I think, you will all be more interested in knowing of what steps are taken in the Equitable, first, in the matter of selection, and second, in the matter of training, and as an indication of the fact that our methods are at least ending in the right direction, I can say to you that our "Turn-Over" is showing a marked improvement over the past.

Agents Fewer, Business More

By "Agency Turn-Over" is meant the relation of agency material which is "hired and fired" to average "pay roll."

Briefly, the record for the 9 months of last year as compared with this shows that in 1917 we appointed 20 percent more agents than we did for the same period of this year; and yet the amount of new business secured for this year through new organization was a substantial increase over last, not only in amount but in the percentage that such new business bore to the total new business (which I think is all the more note-worthy because of the substantial increase of our total new business). Furthermore, the percent of producers to total appointees has been steadily increasing. It might also be mentioned that our increasing new business has been going hand-in-hand with a decreasing agency roll, which would be all the more marked were we to have stricken from our roll the many members of our staff who are now serving the Government and whose production this year had they been with us would have represented at least $10,000,000 more of new business.

The Equitable for several years now has been a contributing member of the "Bureau of Salesmanship Research" of the Carnegie Institute, and we were prompted to join because we saw in this membership an opportunity for unbiased study of the problems with which we had been wrestling for many years. As a result of suggestions made to us by the Bureau, coupled with our own studies, we have for the past year or more required all our managers in the appointment of new agents to actually rate each appointee by a rating scale, under which each new appointee is compared to several distinct factors with a group of actual agents previously selected.

This rating scale, I might say, was adopted not so much from the standpoint of hoping always to "pick the winner," as it was from its value in tending to eliminate the unpromising material; and doubtless you all know that the rating methods of the Carnegie Institute and the mental tests which they have employed, have since been adopted by the War Department for use in the army, and a large part of the personnel of the Bureau has been drafted by the War Department to supervise the carrying out of the principles for which they stand.

I do not want to burden you with too much detail as to the method that we employ, but I can briefly say this—that assuming the manager has made a careful selection and having applied the rating scale and the agent at least gives promise of being average (which shows a total of 59 points out of 100) we are prepared to recognize the appointment and the question of TRAINING then steps in.

The Agent Starting Out

Due to the fact that agents are being daily appointed at widely separate points, we have not as yet felt justified in instituting a CENTRAL TRAINING SCHOOL but in default of that our plan is—First, to give each newly appointed agent a three-part canvassing kit in which he is given the more necessary tools to work with. Second, his contract is acknowledged from the home office in the form of a commission by which he is formally authorized to represent the society and accompanying the commission, which goes to him in a neat little card case, there is a small booklet on "Successful Salesmanship," written by one of our managers, which in brief form points out the "pit falls" of the business and the opportunities for success. Further, the agent is placed automatically on the list of our house organ "Agency Items" and he becomes at once eligible for participation in the Society's correspondence course of training.

We also require our manager in notifying us of the appointment of each new agent to indicate the old agent or

SECOND TO NONE IN SERVICE

Long established and thoroughly modern, providing perfect protection for a net cost which is notably low, and rendering service which is unexcelled, the Massachusetts Mutual stands out as an ideal company in which to insure. Sixty-seven years of square dealing are back of every one of our representatives. They will tell you how great an asset that record is in their work.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

field supervisor to whom the new agent is to be assigned for instruction, realizing as we do that in all matters of training the question of "personal touch" is of vital importance and that practical experience must of necessity go hand-in-hand with theoretical training. In this respect I believe we are following the "applicatory method" of training which is used throughout all our Officers' Training Camps, by which men are judged not so much from the standpoint of what they know, as from the standpoint of how they are able to apply that knowledge in the field.

To secure the best support from our field managers we have introduced two plans which have been quite far reaching.

We have appointed a personal committee with one of our foremost managers as chairman, which is charged with the responsibilities of developing particularly the best sources and the best methods for securing agents. This committee of course, works in conjunction with the home office and we have formed some very interesting conclusions. First as to methods, that the most effective way to get agents is to canvass for them the same as for new business, and as to sources, that real estate and general insurance furnish the best field in which to operate.

The other factor is a bulletin known as "Agency Development," which has been published alternately by two of our leading field managers for the benefit of our managerial staff, in which there is constantly brought before them the points of vital interest in this problem, and what is more important, necessity for action.

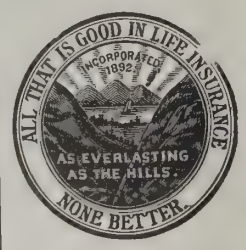
These two instrumentalities have done much to impress upon the field managers their responsibility in this problem.

We realize in the light of war conditions and the existing economic situation that the problem of "agency turn-over," i. e., "agent getting" and "agent training"—may be unusual, but on the other hand the need of insurance is better understood than ever and the opportunity for its sale therefore better; and what perhaps is more to the point, there is available for us many lines of industry which are not now being prosecuted, and there are also many people, both women and men, who, under ordinary circumstances, might not be seeking employment, but who are today alive to the realization that they should be in actual work of an essential character, where life insurance now makes a distinct appeal. Furthermore, while in many lines there has been a marked increase in the remuneration paid the worker, yet this is not true of all, and there are many employments where the income of the worker has not kept pace in any degree with the higher cost of living. While opinions may differ as to the advisability of employing men or women as part-time agents, yet the fact remains that many of our foremost producers were recruited from the ranks of those who started as part-time agents and many of those now employed in the lines I mention are anxious to augment their incomes; and we are therefore prepared to give favorable consideration to appointments of this character, where there is a probability that the appointee will seriously consider ultimately adopting our work to the exclusion of other pursuits.

In conclusion I can only add that while the war brought its difficulties, yet at the same time there has been opened up many new avenues which far outweigh, in my judgment, the difficulties. It is only necessary to consider for example, the number of men, both healthy and semi-crippled, who will be returning from the war with a knowledge and appreciation of life insurance, and many of whom have become its effective exponents. This is a field that we will hear much more of as time goes on, and yet it doubtless will be but one of many fields from which we will hereafter be recruiting our ranks.

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

Looks Coldly On Agency Change Apps

POSITION OF UNION CENTRAL

Allan Waters Explains Treatment of Letters of Men Desirous to Go With Company

Allan Waters, second vice-president and superintendent of agents of the Union Central Life, told the agency officers that in his opinion no company can afford to build up its agency force, or its insurance, at the expense of any other company. He made a plea for "professional courtesy" among companies and their agency superintendents. In discussing the Union Central's methods of handling applications from agents who desire to change companies Mr. Waters said in part:

"In our company a formal application for an agency is preceded by correspondence. This correspondence is of two kinds: inquiries regarding local agencies and inquiries regarding general agencies. As we do not execute direct contracts except with general agents, inquiries of the first class are referred to the general agent controlling the territory in which the prospective agent desires to operate and he is informed unless he requests that his communication be considered confidential. In such cases we reply explaining the situation and suggest that he take the matter up with our general agent. If he does not do this the incident is closed.

General Agency Negotiations

"General agency negotiations are conducted by the Home Office, and usually embrace general agents who are desirous of making a change, and personal producers who have a laudable ambition to become general agents. The correspondent frequently requests that his letter be considered strictly confidential, and, occasionally, there is nothing to indicate what company he is representing or whether, at present, he is connected with any company. The communication is acknowledged, an agency application enclosed (generally with the statement that we have no opening for a general agent in the locality, but if interested in a general agency elsewhere and he has decided to make a change, we shall be pleased to have him fill out and return an enclosed blank which forms the basis of our agency negotiations). This application gives the age, physical condition, family, occupation for past five years, financial standing, references, and the territory desired, what other companies he has represented, annual paid-for business, and also, whether his accounts with the companies have been fully adjusted. With this information we are able to act intelligently and often give him some fatherly advice.

"Should we have a suitable opening, and our investigation proves satisfactory in the final negotiations I feel it my duty to ascertain first, whether it is not possible for the applicant to continue with the company he has been representing, provided contract relations have not already been severed. He is familiar with his company, its rules and regulations, and often has a personal acquaintance with its officers; so that he is making a sacrifice, and taking a chance, in casting his lot with a new company, and with strangers. I point out, if it be true, where our contracts are less liberal and our rules and regulations more conservative. Unless this course is pursued I feel that we would have a disloyal or at least a very much discouraged agent, which would be most unfortunate for us, and for the agent a disaster."

Set Your Insurance Clock Ahead a Whole Week

BY READING

The Eastern Underwriter

Profits, Dividends, Surplus

"Again we urge Mutual Life agents never to refer to the so-called dividends of any mutual company as profits," says "Points" of the Mutual Life. "That designation of the distributive shares of the so-called surplus has done immeasurable harm to mutual insurance. When you hear the term used explain at once that the so-called profits (dividends) are merely refunds of so much of the premium collected as has not been required to meet the current and future cost of the insurance. If it were possible to determine in advance the exact future cost of life insurance the premium would be fixed at a sum precisely sufficient to cover that cost, and there would be no surplus and no dividends. To determine the exact cost in advance being impossible, the premium is fixed at a sum believed to be sufficient beyond question to provide for the present and future outlay, and at the end of each year what remains of the premium after the necessary provision for a contingency reserve is returned to the policyholder as a so-called dividend. This refund is in no sense a profit, but merely so much saved in the estimated cost.

"Take a homely illustration. A friend of yours is about to visit a distant city. You arrange with him to buy you an overcoat of a certain description. Neither one knows just what the coat will cost, but you place in his hands a sum, say $75, which you are sure will be sufficient for the purpose. When your friend returns he informs you that the exact cost was $65, and accordingly he hands you the surplus of $10.

"You would not call that $10 profit, would you? Clearly it is nothing more than a refund of what has been saved out of the money advanced to him to cover the possible cost of your coat. You would not even call the $10 a dividend, which would seem to imply a profit. In like manner the term dividend in life insurance is improperly used to designate the refund of that portion of the premium which is returned at the end of the year as not required."

HOHENZOLLERN INSURANCE

The former Kaiser has six large insurance policies on his life, according to James W. Gerard.

A big convention of agents of the Equitable Life Assurance Society, from all parts of the country, will be held next year.

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.

PHILADELPHIA

Security Mutual Life Insurance Company

Binghamton, N. Y.

Offers to men able to produce business first class territory, with direct contract providing liberal compensation.

For particulars, address

C. H. JACKSON, Supt. of Agencies

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

Extracts from Report of Examination of
SOUTHWESTERN LIFE INSURANCE CO.
By the State of Texas, June 28, 1915
"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."
Home Office, DALLAS, TEXAS

Provident Removes War Restrictions

TO RETURN EXTRA PREMIUMS

Death Claims Will Be Paid in Full Even if Written With No Extra Charge

The first company to remove war restrictions from its policies, following the news of the signing of the armistice, was the Provident Life & Trust, Philadelphia. President Wing in a letter to the general agents said:

"The conclusion of the armistice with Germany affords welcome opportunity to remove the war restrictions which for so long have been a hindrance to our new insurance. Beginning with to-day the war rider will be removed and new insurance will be issued without military or naval restrictions. The single extra premium for civilians traveling overseas will also not be required.

"It will be recalled that when war was declared by the United States, this Company promptly waived all restrictions relative to military or naval service that may have been contained in policies then outstanding. A short time later, in common with other companies, the Provident introduced military and naval restrictions in new insurance thereafter issued. It was necessary to take this step, first in order that the Company might protect itself against a great influx of new insurance at peace time rates on the part of men going to the front, and second to minimize the Company's loss should the United States become seriously involved in the war for an extended length of time. Standing at the conclusion of hostilities it is evident from our experience, that any loss to be encountered under outstanding policies containing military or naval restrictions, will be a small percentage of the total loss experienced by the Company on account of the war. If the Company could have written a sufficient volume of new business and at the same time have thus limited the losses without the introduction of military or naval restrictions, such restrictions would not have been adopted. The Company therefore, by action of the board of directors taken this day, has removed from outstanding policies all restrictions relative to military or naval service. All extra war hazard premiums collected by the Company will be returned; and if regular premiums have been duly paid, death claims will be paid in full whether or not an extra premium has been collected.

"The removal of all military and naval restrictions, combined with the feeling of relief which we all have because of the successful termination of hostilities, will help to relieve the tension and difficulties under which we have been working. The new conditions thus produced will benefit our prospective policyholders, the field force and the Company as a whole."

The Insurance Course At Columbia University

For the past two years Dr. S. S. Huebner, of the University of Pennsylvania, has been conducting a course in life insurance at Columbia University as a part of the Business Extension Course of the University. When the Government took over the leading universities and colleges for the purpose of carrying on military training Dr. Huebner received instructions to confine his attentions solely to the work of the U. of P. He was somewhat concerned about the insurance course at Columbia, believing that he was laying there the foundations for a broad and comprehensive instruction and training in life insurance. In his predicament he called upon Vice-President Lunger, of the Equitable, and explained the situation.

Mr. Lunger told Dr. Huebner not to have the slightest concern regarding the continuance of his course as he was confident the life insurance officials of New York City would volunteer to conduct the course as planned by Dr. Huebner.

Lectures have already been delivered by Henry Moir, president of the Actuarial Society of America; William J. Graham, of the Equitable, Julian T. Myrick, of the Mutual; and Charles Jerome Edwards, of the Equitable. Invitations have been extended to others which will no doubt be accepted and through whom the course will be continued until early in May of next year.

Mr. Lunger has received the permission of President Butler, of Columbia, who is keenly interested in the course, to throw it open to the clerks in the offices of the New York companies and to all agents and brokers who wish to attend. The lectures are given every Friday afternoon in Room 213, Hamilton Hall, Columbia University at 5:30 P. M. and any clerk, agent or broker may consider himself privileged to attend.

It is the intention of Mr. Lunger and those who are associated with him in the course to combine certain of Dr. Huebner's subjects so as to make room for a series of lectures on forms of insurance other than life; such as accident, health, compensation, fire and marine.

This course recalls the Co-operative Course which was conducted at Yale University in 1903-4 by Mr. Lunger in co-operation with President Hadley and Dean Palmer, in which many of the officials then prominent in the various lines of insurance co-operated. These lectures were afterwards printed in book form by the Yale Press and constituted a very valuable addition to the collection of insurance publications.

AT WORK ON CONVERSION

War Risk Bureau's Advisory Board Preparing Regulations, Says N. Y. "Tribune"

Arthur Hunter, F. Robertson Jones and W. A. Fraser, advisory committee of the War Risk Bureau, are at work framing regulations which will govern the five year conversion features of the Government's soldier's and sailor's insurance. The "New York Tribune" says:

"The government will arrange to collect premiums monthly or for longer periods in advance. This may be done through post-offices. The minimum insurance to be issued probably will be $1,000 and the maximum $10,000, with amounts between those sums in multiples of $500. There will be provision for payments in case of disability as well as death, according to the tentative plan.

"The insurance may be purchased by any soldier, sailor or marine and by women members of the army or navy nurse corps if they already hold government voluntary life insurance."

FORBES LINDSAY'S CHANGE

Forbes Lindsay, who had charge of the Pacific Mutual's salesmanship school, and who was editor of the Pacific Mutual's home office paper, and who resigned some weeks ago, is now with the Equitable Life Assurance Society in California.

Set Your Insurance Clock Ahead a Whole Week
BY READING
The Eastern Underwriter

War Limits Removed By John Hancock

RESTORATION OF OLD LEVELS

Action Taken By Company on Monday of This Week—Circular to Field

The John Hancock, sent a wire to general agents on Monday, reading, "All war limits on new insurance removed." Later the Company mailed a letter reading:

Gentlemen: Beginning with this date, the insurance limits of this Company will be restored substantially to the levels current prior to the war, plus such extensions as have been made since April 6, 1917.

The new list now effective until further notice, will be as follows:

MEN

Ages 15 to 19 inclusive, general limit, $2,000, life and endowment.

Ages 15 to 19 inclusive, special limit, $5,000, life and endowment in exceptional cases.

Ages 20 and upward, general limit, $25,000, life, endowment and 5 and 10 year term on standard risks.

Ages 25 to 55, special limit, $50,000, life and endowment on risks without blemish.

Ages 25 to 50, special limit, $50,000, 5 year term on risks without blemish.

Note: Aviators and submarine personnel not accepted.

WOMEN

Ages 15 to 19 inclusive, general limit, $2,000, life and endowment.

Ages 20 and upward, general limit, $2,000, life and endowment for dependent women.

Ages 20 and upward, $5,000, life, endowment and term for business or professional women or those otherwise financially independent.

Ages 25 and upward, special limit, $25,000, life, endowment and term for exceptional risks among business or professional women or those otherwise financially independent.

All the foregoing limits as heretofore, will be subject to the consideration of hazards due to occupation, as referred to in list of prohibited, doubtful and restricted risks, dated July 1, 1918, and to other features affecting longevity, as may be discovered on examination.

War Clause B will be abandoned forthwith on new insurance and all policies will be written with Clause A.

WALTER L. CROCKER,
Vice-President.

15,000 PEOPLE
Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.
AGENCY OPENINGS FOR THE RIGHT MEN.
Write to-day
FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA
Insurance in force over $142,000,000
Walter LeMar Talbot, President

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.
THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA
On January 1, 1909, rates were reduced and values increased to full 3% reserve

John M. Taylor Dies; Ill a Few Days Only

HEAD OF CONNECTICUT MUTUAL

Capable Executive and Splendid Citizen; Insurance Man, Lawyer and Author Passes Away

John M. Taylor, president of the Connecticut Mutual died in Hartford last week, after an illness terminating in pneumonia. He was in active service almost until the end.

John Metcalf Taylor was born in Cortland, N. Y., February 18, 1845, a son of Charles Culver and Jane Maria Taylor, his parents of old New England stock. His father was honored by his townsmen, holding offices of trust in educational and town institutions. The boy's early years were spent on his father's farm and his sound physical development was in part due to outdoor life. In those years the lad was turned to the reading of the Bible and the study of history and biography, potent factors in strengthening his serious, firm attitude toward life and its responsibilities. A later study of the classics and English models molded his writing into a clear elegance, broadened by a training in law, which, with a splendid memory, gave to his writing a reserve and a strength which have made it valuable in its impression upon his readers.

Graduate of Williams

He was graduated from Williams College in 1867 and studied law, being admitted to the bar in 1870 and beginning the practice of his profession in Pittsfield, Mass. In that place he held the offices of town clerk, clerk of the district court and clerk of St. Stephen's parish.

For two years he practiced law in Pittsfield, and then he came to Hartford as assistant secretary of the Connecticut Mutual Life Insurance Company. Six years later he became secretary. In 1884 he was made vice-president and in 1905, on the death of his lifelong friend and associate, Colonel Jacob L. Greene, he became president. His work with the company has been marked by faithful diligence, loyalty to the company's best interests, a wide grasp of insurance principles and a conservative application of them. He saw the company grow and expand and its business become one of the most important among its lines.

On October 1, 1912, when Mr. Taylor had been with the Connecticut Mutual Life Insurance Company forty years, the anniversary was observed by a dinner at the Hartford Golf Club, attended by leading insurance officials in the city and an event in the insurance history of Hartford.

"Courant" Editorial

An editorial on Mr. Taylor's death written by the editor of the Hartford "Courant," illustrated how he was regarded in Hartford:

John M. Taylor, president of the Connecticut Mutual Life Insurance Company, died last night at his home in Garden street, after a long illness, following a severe operation of months ago. His final collapse came from two successive attacks of pneumonia, which in his weakened state he could not rally from.

Mr. Taylor was a gentleman of the highest personal character and of choice literary tastes and abilities—an agreeable companion with a multitude of those social qualities that bring and hold friends. He made an excellent record in the Civil War, and, after a brief career at the bar in Pittsfield, he came here in 1872 as assistant secretary of the Connecticut Mutual Life, under Colonel Jacob L. Greene, who was secretary and who subsequently became president. At Colonel Greene's death in 1905 Mr. Taylor became president and Henry S. Robinson became vice-president.

Under Mr. Taylor's administration the company was expanded broadly, while still adhering as far as practicable to the conservative policies so vigorously urged by his predecessor and so heartily endorsed by Mr. Hughes in his New York report. His devotion to the company over which he presided was unceasing, but, as noted, he found time for literary work of a high order. He wrote histories of Maximilian and of our own Roger Ludlow, that have taken their places as authorities. Besides his position at the head of the great life company he was a director in the Phoenix Fire, vice-president of the Connecticut Trust, trustee of the "Pratt Street Savings Bank," president of the Loomis Institute at Windsor, and held various other offices, indicative of the general recognition of his abilities and his personal influence.

Stadden Chairman Presidents' Meeting

PROGRAM ALMOST COMPLETED

Princeton President to Talk—E. H. Outerbridge Will Discuss Group Insurance—Other Speakers

The program of the 12th annual convention of the Association of Life Insurance Presidents, to be held at the Hotel Astor, New York, on Thursday and Friday, December 5th and 6th, has not been completed, but the names of most of the speakers, with their respective subjects, follow:

Chairman of the Convention, George B. Stadden, President, Franklin Life, Springfield, Ill.

"American Liberty—Its Rights, Its Obligations," Dr. John Grier Hibben, President, Princeton University.

"Some Present and Post-War Problems," Charles S. Thomas, United States Senator, Denver, Colo.

"Increased Capital and Credit Through Thrift," Joseph A. Chapman, Vice-President, Northwestern National Bank, Minneapolis, Minnesota.

Address by James W. Gerard, ex-Ambassador to Germany.

"Life Insurance Thrift as a Constructive Force," Robert Lynn Cox, Third Vice-President, Metropolitan Life.

"Group Insurance," Eugenius H. Outerbridge, New York, ex-President, Chamber of Commerce of the State of New York.

"Relationship of Life Insurance to the Development of our Nation," C. W. Fairchild, President, National Convention of Insurance Commissioners.

"Vocational Retraining—A National Conservation," Dr. C. A. Prosser, Director, Federal Board for Vocational Education, Washington, D. C.

"Epidemic Waste of Human Life," Henry Moir, president, Actuarial Society of America, New York.

"Relationship of Dentistry to Health Conservation," Harvey J. Burkhart, D.D.S., Director, Rochester Dental Dispensary and ex-President of International Dental Congress, Rochester, N. Y.

Who's Who Among the Speakers

Senator Thomas is chairman of the Senate Committee on Coast Defenses. Vice-President Chapman of the Northwestern National Bank of Minneapolis is one of the pioneer leaders of the banker-farmer movement to improve rural credit conditions and provide better financial support for farmers. Eugenius H. Outerbridge of New York, who will discuss group insurance from the viewpoint of the employer, was until recently president of the Chamber of Commerce of the State of New York. He is a member of the firm of Harvey & Outerbridge and vice-president and managing director of the Pantasote Leather Company of New Jersey and West Virginia and of the Agasote Millboard Co. of New Jersey He has been a director of the Equitable Life Assurance Society for twelve years; and is a large employer of labor.

Dr. C. A. Prosser is the executive head of the Federal Board which has been organized at Washington for the retraining of disabled soldiers and and sailors with a viewpoint to providing them with means to utilize their economic value to the utmost.

Dr. Harvey J. Burkhart is the director of the Rochester Dental Dispensary, founded a few years ago by George Eastman, the kodak manufacturer. Before taking up the work of establishing this Rochester institution, Dr. Burkhart had been president of the Dental Society of the State of New York, of the National Dental Association and of the International Dental Congress.

C. W. Fairchild is the new president of the National Convention of Insurance Commissioners.

NIAGARA LIFE BUILDING



Mohawk Cor. Franklin Street, Buffalo, N. Y.

The Combined
Life, Sickness and Accident
policies, sold only by the
Niagara Life Insurance Co.
(WILLIAM H. CROSBY, President)
Protects the insured and his dependents.

Live wire reliable agents may obtain very favorable contracts

Communicate with
E. H. BURKE
Vice-Pres't & Gen'l Manager
BUFFALO, N. Y.

Warning About Lapsed Policies

A lapsed policy is a loss and a disappointment to all parties concerned, but especially so to the beneficiary, says the Northwestern National Life.

We recently received a letter from a farmer stating "I am unable to pay the premium on my policy on account of poor crops. It takes all the money I can raise to support my wife and six children." If this husband and father finds it hard to support his family, what would become of his wife and six children if he should die without life insurance?

Another policyholder reinstated his $2,000 lapsed policy on October 11 and died on October 24 of Spanish influenza.

In these times of war, pestilence, accidents and fires, life insurance is especially necessary and desirable. Death usually comes when least expected.

One person cannot afford to carry a single life insurance risk. It is usually the wife who carries the risk if the husband is not insured or if he has allowed the policy which he took for her protection to lapse.

A life insurance company could not afford to carry one risk, or a few risks, but by insuring the lives of many thousands of people it has the advantage of averages based on past experience.

If for any reason you have allowed your policy in this company to lapse, make up your mind to have it reinstated, if possible, and do it now. Don't wait until it is too late. Write to the Secretary for information and advice. He will be glad to be of service to you.

In Pamphlet Form

Business Reasons for Business Insurance

VALUABLE article from the Life Insurance Salesmanship Edition of The Eastern Underwriter has been published in canvassing document form and is proving very popular with life underwriters. -:- -:- -:- -:- -:- -:- -:- -:-

Price $3.00 per 100 copies

Sample copy 10 cents

THE EASTERN UNDERWRITER
105 WILLIAM STREET
NEW YORK

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

The Long Endowment Policy

At the meeting in Chicago last week of the association of agency officers, M. Albert Linton, vice-president of the Provident Life & Trust Co., discussed the long term endowment, among other things, saying:

I wonder if it will ever be possible for a Provident representative to start talking without sooner or later getting around to the subject of the "Long Endowment Policy." It seems to be inevitable and the present is no exception. To the average man the appeal of a regular life policy, whole term or limited payment is primarily that of protection for his loved ones. It is the most lofty of appeals, one that we reverence and hold sacred. It has been responsible for, by far, the larger part of that billion dollars of premium income, and it will be responsible for its increase in the future. But when to the appeal of protection there is joined the appeal to practice thrift for one's own benefit in old age, the combination becomes well nigh irresistible.

And I submit that the endowment policy, maturing at 60 or 65, is the ideal policy for directing into life insurance channels the spirit of thrift which has been developed during the war. During the insured's business career the policy protects his dependents, and then during his declining years provides an income for himself and those of his family who may still be dependent upon him. Recently there has been a noticeable tendency on the part of American companies to recognize the value of the long endowment principle. Here and there, there have been placed on the market special policies maturing at 60 or 65. You will recall that the War Risk Insurance Act specifies that the term insurance may be converted into permanent insurance and that the endowment at 62 is specifically mentioned.

To adopt the long endowment principle involves a counteraction of the tendency that has been under way since the New York investigation. In 1890 endowment insurance represented about twenty-three per cent. of the total amount of insurance in force. In the year 1905, the maximum percentage of twenty-seven was reached. Since then there has been a steady decline, so that the figure at the beginning of this year stood at twenty-one per cent. I believe that the companies would render an increased service if the percentage would turn upward again by virtue of the increased use of the long endowment.

A practical consideration in the successful development of the long endowment policy is the rate of commission. Practically all of the companies appear to pay the maximum rate of first commission upon the ordinary life policy and a lower rate upon endowments. The popularization of the long endowment will be achieved only when its rate of commission is made the same as the rate upon the life policy. In the Provident, endowments having thirty years or more to run, receive the same rate of commission as the life policy. Sixty-six per cent. of our new business in 1917 was on the endowment plan. The average endowment period was slightly over thirty years and the average maturity age sixty-three.

* * *

Service To General Agents

In discussing what service a company can render a general agent, Fred Halstead, general superintendent of the Dominion Life, Waterloo, Ont., said to the Association of Life Agency Officers:

1. If our agency organization is to be erected on enduring principles the general agent must be admonished and encouraged to obtain as local agents only men of high reputation for truth, honesty, good habits and unquestioned integrity.

2. They must be men of initiative who have been successful in life insurance work or some other useful occupation, for our business has no place for the individual on whom the brand of failure has been stamped.

3. Firmly believing that the man who can best be helped is he who can best help himself, and having observed that principle in choosing the general agent who shall represent my company, I would strongly urge on him the selection of that type only to assume the duties and responsibilities of a local agency.

4. Life and general agent, the local agent must be a man of good dress as well as of good address. I know that exceptions to this rule might be cited, but they are sufficient only to prove the rule. "Suggestion" is a potential force in salesmanship, and lasting impressions are often made by the clothes a man wears and by the manner of his speech.

5. The general agent having his own efforts found sufficient human material of the kind above described to work on, I would from time to time have either some competent officer of the company or myself go through his territory with him, making comment on and suggestions concerning the various candidates who were proposed as local agents, leaving, however (on the principle of self help) the selection of each assistant to be made by the general agent the company, of course, having the right to promote a worthy local or dismiss an unsatisfactory one at any time.

6. I would frequently remind the general agent to see to it that his local shall constantly help himself to all the life insurance knowledge within his reach, and that in addition he be afforded all necessary instruction which he cannot acquire of his own initiative.

7. I would emphasize the importance of the local agent taking a prominent part in the life of his own community, especially by helping in every good work for its welfare or that of the state or Nation, besides particularly impressing on him the great value of a close study of his fellow-citizens, of all classes, with a view to anticipating and supplying their need for life insurance.

8. I would keep up a steady intercourse by personal contact and by letter calculated to be instructive and stimulating with both the general agent and his locals, and would maintain a sincere and active interest in all of their undertakings; cultivating an intelligent sympathy with them in their cares and worries, their ambitions and aspirations.

9. I would encourage the reading of good literature, especially that relating to our particular calling, as well as to finance and salesmanship generally, and in order to be of maximum usefulness in this direction I would strive to keep thoroughly abreast of the times.

10. In the education of the local agent, too much stress cannot be laid on the importance of intensive cultivation and the large yield which it brings for the energy expended. One of the besetting sins in our field work today is the constant dissipation of our energies in trying to cover too wide an expanse of territory. Much evidence of the truth of this can be furnished by every thoughtful and observant agency manager.

11. I would unceasingly direct the attention of all agents to the need for concentration on steady, persistent, intelligent, well-directed work and the abundant regard it bestows on those who are willing to labor. There have been more failures in the insurance field for want of good, old-fashioned honest toil than from all other causes combined.

* * *

When to Sell Ordinary Life Insurance

F. O. Maher, secretary of the Northwestern Life, tells in the Canadian "Life Underwriters' News" when to sell ordinary life policies. He says they should go:

1. To business men whose regular business may be expected to provide a living for themselves and families throughout life. The income of such men may not ordinarily be expected to diminish with advancing age, but rather to increase; nevertheless such income may drop very considerably at death. Such men require "pure protection" and the ordinary life is therefore the ideal policy for the purpose.

2. To farmers. What is true of the business man is largely true of the farmer. Their income during life is, or should be, a steady or increasing one, and so the ordinary life policy is well suited to their needs, furnishing the requisite protection to wife and children when the inevitable split-up of the estate occurs at death of the head of the family.

3. To those whose need of permanent protection is great and income small. Such are sometimes those who would be better served by the limited payment policy, if such could be afforded, but it will readily be seen that it is better that a working man with a small wage and wife and family of several small children should have the protection of two to four thousand dollars of ordinary life, even though the premiums are continuous throughout life, than merely one or two thousand dollars of protection on the limited payment plan. In many cases where the income is small and the family large, a combination of ordinary life and twenty-year term furnishes the best possible protection upder the circumstances.

4. To men and women who wish to endow certain charities and institutions upon their death and still do not wish to make any drain at that time upon their estates.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, sold $65,000,000 worth of War Savings Stamps between February first and September first, 1918, and expects to sell a total of at least $100,000,000 during the year.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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THE LATE JOHN M. TAYLOR

John M. Taylor, president of the Connecticut Mutual Life, who died after an honorable career covering many years of business, was one of those strong, able executives who have done so much to maintain life insurance on a high pinnacle. Gifted in many ways, learned and highly trained and specialized, his sense of honor was markedly developed, and his death is a loss, not only to the insurance world, but to the city of Hartford as well.

BRITISH-AMERICAN LOANS

Comparisons of the American life insurance companies' subscriptions to the last Liberty Loan with the British company subscriptions to the Victory loan, the subject of an editorial in "The Economic World" by Arthur Richmond Marsh, who ordinarily is one of the most accurate of insurance event observers, are called misleading by life insurance men in charge of company investments. Mr. Marsh had called attention to the unusually high subscription of the Prudential Assurance Company of Great Britain which was much higher than the subscriptions of the Metropolitan Life Insurance Co. or The Prudential Insurance Co. of America, both of which totalled $120,000,000.

The facts are as follows: The British Government lifted bodily from the assets of such companies as the Prudential Assurance Company of Great Britain a large proportion of its securities and replaced them with government bonds. This did not give the British Government any money so it used these securities taken from the Prudential and other large companies and sent them to this country where they served as collateral for loans and on this collateral the United States Government advanced money to Great Britain. That is a very different process from the voluntary subscriptions to government bonds which the great life companies of this country have so generously made.

Mr. Marsh's inference that the leading American life companies must have sold some of their Liberty Bonds since their reports, filed with the State Department, show a less amount actually owned than subscribed for, is also misleading. To take one company, for example, the Mutual: That company subscribed for $10,000,000 of the first loan, but, as that loan was largely oversubscribed, no bonds whatever were allotted to the company. The Mutual then subscribed $15,000,000 of the second loan, of which it was apportioned only $8,065,000. To the third loan, the Mutual subscribed $15,000,000 and was allotted that sum. To the fourth loan it subscribed for and was allotted $40,000,000. The company has not sold any of these bonds.

A MORAL FROM NEW ZEALAND

James F. Little, assistant actuary of The Prudential, who has had considerable experience in an insurance company located in Australia which did business in New Zealand, recently furnished some interesting facts about life insurance there, giving the information to M. Albert Linton, vice-president of the Provident L. & T., who in turn communicated them to the Association of Life Agency Officers.

In New Zealand a Government insurance department was formed and business was solicited by employing agents and paying commissions, as in the case of the private companies. In competition, the Government agents always emphasized the advantages of the Government guarantee for the fulfillment of contracts. In spite of these facts the Australian company found New Zealand the most favorable field for life insurance of all those in which it operated. Mr. Little further pointed out that at the end of 1915 the total insurance per head of population in New Zealand was $198. Excluding Government insurance, the insurance per head was $141. In Australia where the insurance is all carried by the private companies the insurance per head was $142. From this remarkably significant result Mr. Little draws the conclusion, that what the New Zealand department took from the private companies, was made up to them by reason of the great advertisement which the existence of the Government department gave to life insurance as a whole. I believe the creation of a Government bureau for civilians would have the same result in this country.

LIFE AGENCY OFFICERS

If the Association of Life Agency Officers had done nothing more than to "put across" the overseas life insurance educational plan it would have justified its reason for existence. This is really a masterly achievement, and will eventually bring into the life insurance production field hundreds of young men, who will enter in a spirit of lofty idealism and with a realization of the magnitude and beneficence of life insurance. Life insurance is the first of the various professions of the country that can offer a prepared course to the overseas educational commission. This offer—made through the Association of Life Agency Officers—was immediately accepted. The convention of this association in Chicago last week was one of the most important of the year. The association is growing rapidly, and deserves to grow.

FIGURES IN FIVE YEAR CYCLES

Commissioner Cleary of Wisconsin has issued some pamphlets giving comparative statistics for five year periods, ending December 31, 1917, for life, fire and casualty companies for fraternal benefit societies, four booklets in all. This is the first time that pamphlets in exactly this form have been printed by an insurance department, and they are supplemental of course, to the regular annual reports of the department. In a foreword Commissioner Cleary explains that in his opinion there is a demand for the information in five year cycles.

"The progress of a company or society is usually more clearly indicated by the figures covering a period of years than by the figures for any particular year," he says, which is a fact that will not be disputed.

The Commissioner adds that any item of information contained in the annual statements made to the Wisconsin department and not shown in the five year table pamphlets can be obtained by addressing the Department. Furthermore, the Commissioner invites criticisms and suggestions. An interesting note in explaining the purposes of the pamphlet is made by the Commissioner: "Any person or corporation may obtain a quantity of these pamphlets by satisfying the Commissioner of Insurance that they can be used to good advantage." In other words, they are not to be used for competitive purposes.

MUTUAL GETS SHIPYARD LINES

Failure of Bureau companies to agree on a plan to handle government insurance has resulted in the government ordering the cancellation of all compensation and liability insurance on shipyard contracts December 1. The lines are to be replaced in the Liberty Mutual of Boston, which had some government lines at Camp Devens, on which there is said to be a handsome profit.

J. J. Murray, who died last Monday at his home in Massachusetts, was 47 years old. He had been in the Boston office of the Employers' Liability since 1890, for many years as general superintendent and immediate assistant to the United States Manager, Samuel Appleton. Mr. Murray was long regarded as a more than usually capable liability insurance man and his views were often sought on important questions confronting the business. He possessed a charming personality and had from time to time refused offers of important positions in the casualty business.

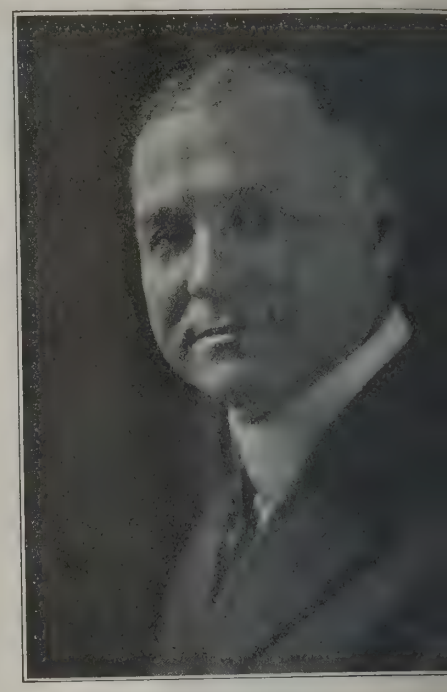
* * *

William H. Stanley, of the Mutual Benefit in France, has sailed for Europe.

* * *

John J. Guile, who is planning to retire shortly as United States manager of the Sun Insurance Office, of London, is one of the oldest managers of British companies here, in point of years and of service. He was born in Liverpool in 1854 and came to the United States in 1885 as secretary of the United States branch. In May, 1886, he was made assistant manager and in December of the same year he was appointed manager, which position he has occupied since that time. Mr. Guile expects to retire about January 1.

HUMAN INTEREST



FRANK L. JONES

Frank L. Jones, who becomes head of the educational work in training life army men overseas for life insurance, is one of the best-known educators in the country, and has been a life insurance man for some years. A sketch of his career will be found in the story on the front page of this edition.

* * *

James A. Ross, general agent at New Orleans for the General Accident, has had a varied experience in the insurance business. He was born in New Orleans forty-four years ago. His parents had migrated South from Maine. The first James Ross was born in Portland, in 1660. Young Ross was educated in the public and private schools of New Orleans, with an additional year in Providence, R. I., and had expected to enter the Institute of Technology, Boston, Mass. Business reverses in the family at that time, however, made a change of plans necessary, and, at age eighteen he entered a railroad office as stenographer and general clerk. Some six years later, by a peculiar chain of circumstances, Mr. Ross was initiated into the marine insurance business, with no preliminary training whatever. The lack of special training evidently did not weigh heavily against the young man, and in 1905, as a result of his optimism, diligence and affable demeanor, he became Southern manager for Charles E. & W. F. Peck (now Willcox, Peck and Hughes). It was at this time that his connection with the General Accident may be said to have begun, the firm of Charles E. & W. F. Peck commencing to handle the business of the General Accident in the fall of 1905, and when Mr. Ross resigned the managership in 1908, he became the General Accident's representative for New Orleans and certain other Southern territory, handling all lines except industrial, and making a specialty of liability insurance. About five years ago he became manager for Louisiana and Mississippi for the industrial department.

* * *

B. N. Carvalho, formerly of the Rossia, who has been attached to the Quartermaster's Department in France, and more recently with the Reclamation or Salvage Division, is now in charge of part of the salvage division in France, and has been promoted to major.

FIRE INSURANCE DEPARTMENT

Some War Lines May Be Permanent

Other Specialties Automatically Become Obsolete—Have Replaced Income Lost By U. S. Operation

AIRPLANES HAVE BIG FUTURE

Manufacturers Predict Commercial and Pleasure Development of This Line Parallel to Automobiles

Company officials this week faced the loss of a considerable part of their corporate incomes through the natural death of various lines of insurance growing out of war conditions.

There seems to be little regret over the passing of these lines. Rather the companies feel that the premiums therefrom served the good purpose of replacing in a large measure the income lost through the Government's taking over various industrial activities and the insurance thereon; but that the greater development of insurance companies lies in the underwriting of the more staple forms of industry. They are also inclined to congratulate themselves on the creditable loss record of explosion, bombardment and war risk insurance. And a meeting of the Explosion Conference is anticipated for the near future to consider a reduction in rates and other measures to make the continuance of insurance more attractive.

It is generally felt also that the stimulus given use and occupancy insurance by the war activities will continue to develop that line, and that there are possibilities of airplane insurance developing not so rapidly as automobile insurance, but like it in a measure, and with similar forms of coverage.

The possibilities of airplane insurance are enhanced by the statements of the Aero Club of America and the various manufacturers who state that the airplane is due for a great development both as a pleasure and commercial vehicle. Based on this opinion and the successful use of the airplane by the Post Office Department, many companies have already begun to make inquiries with a view of taking up this line.

Will Continue Marine

Marine insurance has also been a war time line with many of the fire companies and practically without exception the companies which have entered the marine field since the war, are planning to continue therein. With the elimination of the capital issues committee it is expected that many of the smaller companies will enter marine also as they are able to increase their capital stock to accommodate it.

Chance For Overseas Insurance Training

OPPORTUNITY FOR INSURANCE

Government Makes Eight Hours' Vocational Training Compulsory for Army Men in France

Fire insurance men will be missing an opportunity of greatest importance if they do not get in touch with the Overseas Educational Commission with the object of having fire insurance included in the curriculum of the training of army officers and men overseas. The Government has made it compulsory for every man overseas to devote eight hours a day to specialized vocational training. Already the life insurance men have arranged for their course—which will be one hour in classroom and one hour with books; and have appointed an educational director, and are now searching for eight assistant directors. They expect to train hundreds of men to be agents.

Unless the fire men move quickly it will be too late, as the courses are already in preparation and must be ready by December.

This is a subject that should have the immediate attention of the National Board or of the insurance society institute.

APPOINTS EDGAR P. LUCE

Made Superintendent of Agents of Eastern Division, National Union, Pittsburgh

The National Union of Pittsburgh has appointed Edgar P. Luce superintendent of agencies for its Eastern department. He was formerly secretary of the Franklin Fire, and before that was a well-known special agent.

SILK PLANT FIRE LOSS

The Fairchild Silk Company's loss in Paterson, N. J., has been in court. The company sued six insurance companies. It was alleged that the president of the company set fire to the plant, and the question was whether his action bound other members of the company.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

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ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NIAGARA
Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

That special agents visiting local offices should be careful of what they write in their agents' registers is the suggestion offered this week by State Insurance Commissioner Harvey Wells of Oregon. The latter shows where in two instances an Oregon court held that the written memoranda of special agents in local agents' registers could be used to show that the business recorded on the same page had been approved by the visiting specials. The dangers of promiscuous entries by special agents is pointed out by Mr. Wells as follows:

"It is customary for some special agents when visiting an agent to write on the policy register their name, date, etc., with occasionally a few complimentary remarks.

"Recently a case of over-insurance was brought out in a trial and the agent of an insurance company testified that the special agent, on a certified date, inspected and approved the risk and introduced as evidence the policy register, showing the name of the special agent written under the name of the assured on the register. The court and jury naturally presumed that the special agent had approved the risk. The following is what the special agent had written: 'O. K. Many thanks. Good business, and more like it would be appreciated.' The State, when the trial comes up again, will subpoena the special agent as a witness.

"In another case a special agent put his approval on a daily report, but never inspected the risk. The daily report was introduced as evidence and thereupon was the written approval of the special agent.

"Therefore, my suggestion is that when visiting an agent and you write your name on the register that you use the word 'visited,' inserting the date. You are the company's representative and whatever you write can be introduced as evidence.

"There is no intent, on my part, to criticize; I am only offering this suggestion as I appreciate the embarrassing position two special agents are now in. These remarks are only 'food for thought.'"

* * *

Chicago Brokers' Association

Smith-Lawson-Coambs Company, Chicago, have issued the following circular:

Hats off!
to
The Brokers' Association

As the only general agency in Chicago that has consistently and persistently advocated the formation of an organization of the independent brokers, to fight the special agents, house brokers and other favored solicitors, we extend hearty congratulations.

The Business Belongs to the Brokers!

Is there, and has there ever been any honest reason for the existence of a class of specially favored solicitors, who receive excess commissions and expense allowances? Ask this question of the general agents and branch managers, and they say: "The favored solicitors devote all their time to the solicitation of business for the office with which they are associated." Oh! do they really? That excuse has been the standing joke on the Street for fifteen (15) years. As a matter of fact, the favored solicitor who devotes all his time to his own office, is as extinct as the dodo. He differs, however, from the poor dodo, in that the dodo really did exist at one time.

The Business Belongs to the Brokers!

Perfect and enlarge your organization. Demand the abolition of the unfair prerogatives enjoyed by the favored solicitors, and if the general agents and branch managers refuse to pay you the same commission and consideration given their favored solicitors, make known the unfair discrimination practiced by such offices, and we predict without any fear of contradiction, that every one of the offices that has been maintaining these favored solicitors, will correct their ways, in order that they may receive your business, without which they must close their doors.

The Business Belongs to the Brokers!

The old-school general agent with the 40 per cent. commission contract, writing much of his business direct, and most of the remainder through his favored special agents (telling the brokers to go to, if they don't like it), is doomed to walk the plank, and in a few years, will be known in memory only.

Again we say: Hats off to the brokers' association!

With 1,000 members, you can do wonders.

With 2,000 members, you can do everything.

Fight clean, fight fair, but by all means, fight hard!

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Authorized Capital $500,000
Detroit National Fire Insurance Co.
DETROIT, MICHIGAN
A Company to be built gradually and along the indicated lines of permanence
AGENCY CONNECTIONS SOLICITED

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

S. C. BISHOP CO.
Represented at 95 William Street.
AGENTS FOR NEW JERSEY
208 Broad Street, Elizabeth, N. J.
Phone, 447 John — 588 Elizabeth

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

ROYAL INSURANCE COMPANY LIMITED
THE LEADING FIRE COMPANY OF THE WORLD

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

STRENGTH INTEGRITY SERVICE

Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries

JAMES H. BREWSTER, Mgr.
Hartford, Conn.

A Broad Underwriting Service to Agents
Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.
Works in Harmony with American Agency Principles and Practices

INCORPORATED 1720

Royal Exchange Assurance

LONDON, ENGLAND

United States Branch
92 William Street, New York

RICHARD D. HARVEY
United States Manager

Peace Increases U. & O. Moral Hazard

ON WAR MANUFACTURING

Few Plants Without Use and Occupancy Coverage With Forms Guaranteeing Continuance of Profits

What will be the use and occupancy loss experience on the plants manufacturing war materials which will be forced to discontinue their present operations as a result of the declaration of peace?

This question was being asked throughout fire underwriting circles this week and the general opinion is that the experience will not be favorable to the companies. In fact, most underwriters seem to be expecting a literal conflagration of use and occupancy losses.

A View of U. & O.

The vice-president of one of the companies told The Eastern Underwriter on Wednesday:

"There is no doubt that it was just this contingency which induced many manufacturers of war materials to take use and occupancy insurance and incidentally it is a contingency which is not provided against in the forms issued by the companies. That a great moral hazard among manufacturers of war materials can be taken for granted is clearly shown in the frequent prosecutions by the Government of profiteers and concerns which have tried to defraud the Government by other means. They will certainly not be more lenient with the insurance companies."

It is known that few of the war industries are without use and occupancy coverage and there have already been some heavy losses of this character. The thing which makes the war manufacturing plant an exceptionally heavy use and occupancy hazard now is the immense amount of new buildings and equipment which have been added recently, but which have been charged off against the operating expense of the first few months of war work, leaving the balance above operating costs clear profit.

Hazard Realized

That the companies are beginning to realize an increased use and occupancy hazard in war manufacturing plants is seen in the amendments to the present policy forms which have been suggested by the committee on uniform rules and clauses of the Eastern Union which were sent to the companies this week and which are as follows:

The first of these important changes is in rule 4, where paragraph "b" is inserted, so that the rule now reads:

"4. (a) Policies not to be valued policies, but shall be so worded that the liability for total suspension shall be limited to 'actual loss sustained at a rate not exceeding $... per day' (this being the stated per diem amount for each business day.)

"(b) Policies shall contain a clause stipulating that the liability for partial suspension shall not exceed that proportion of the per diem liability which would have been incurred by a total suspension, which the decrease in production (or business) bears to the full daily production (or business) at the time of the fire."

The second change of importance occurs in rule 14, by the addition of another paragraph so that the rule now reads:

"(14) Policies covering replacement of stock in manufacturing risks shall contain the following clauses:

" 'It is a condition of this insurance,

" 'First, that no liability is assumed on account of damage to the finished product or for the time required to reproduce any finished product which may be damaged.

" 'Second, that liability for curtailment of production due to damage to, or loss of, raw materials shall be limited to that period of time for which the damaged or destroyed raw materials would have furnished operating conditions for the plant. No liability shall exist on this account unless or until actual curtailment of production shall have occurred through the assured's inability to procure suitable materials to take the place of those damaged or destroyed.' "

Additional Explosives Classifications Made

GUN COTTON AND BLACK POWDER

Compensation Bureau Completes Exhaustive Investigation of Explosives Manufacturing Hazards

In addition to the explosives manufacturing classifications prepared by the National Workmen's Compensation Service Bureau, and the New Jersey bureau, as published in The Eastern Underwriter, the following have been delivered, which completes the list:

Classification 4798 "Gun Cotton Mfg." covers the manufacture of cellulose nitrate containing at least 15 per cent. of moisture, also the nitrating of like cellulose substances with the same or less degree of sensitiveness, such as

Nitrovene.
Pyrocollodion.
Nitrocellulose.

Classification 4799 "Black Powder Mfg." covers mechanical mixtures where the ingredients are ground together without any chemical action taking place (in a few cases where the sensitiveness has been increased because of compound, this classification has been ignored and the explosive placed where the hazard warranted). The following explosives should be considered as falling within the scope of this classification:

Potassium Nitrate Mixtures

Fortis.
Carboazotine.
Petrolite.
Jahnite.
Amidogene.

Black Powder Safety Explosives

Argus Powder.
Earthquake Powder.
Elephant-Brand Powder
Oxalate Blasting Powder.
Bobbinite.
Sodium Nitrate Mixtures.
Barium Nitrate Mixtures.

Ammonium Nitrate Mixtures:

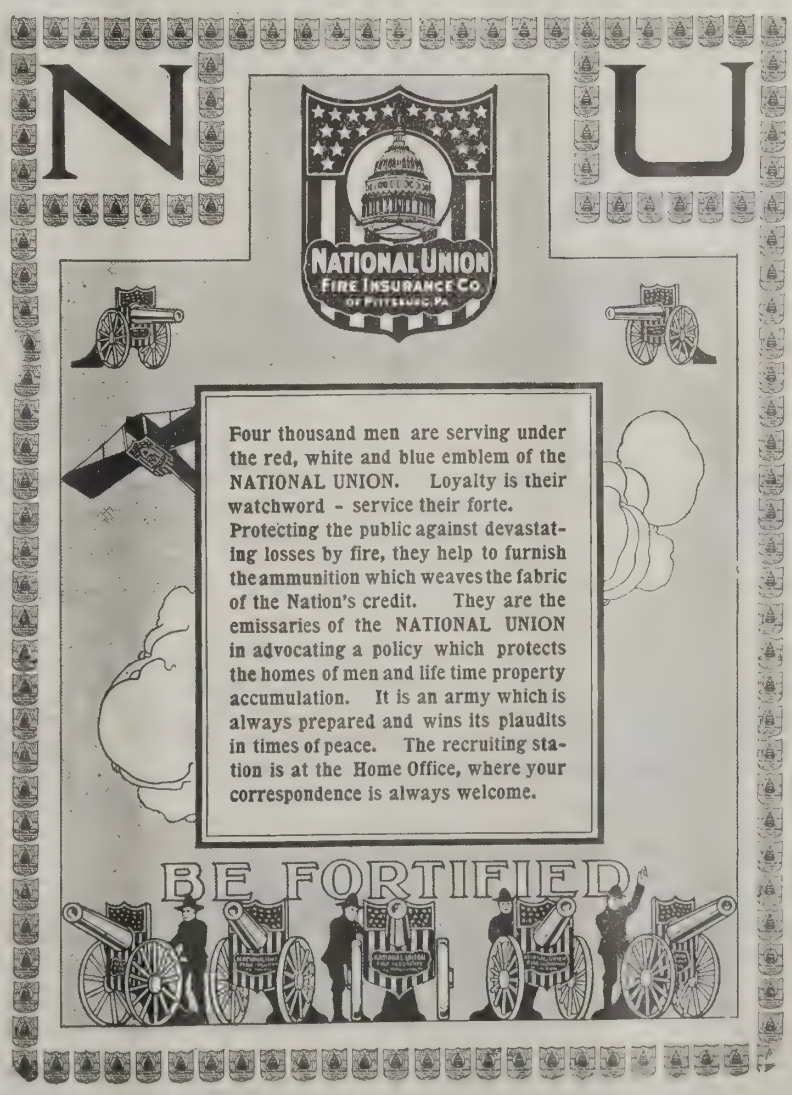
Cologne Rottweil (Pembrite).
Wetter-Dynamon.
Electronite.
Fractorite.
Progressite.
Romite.
Westfalite.
Anbis.
Bellite.
Faversham.
Faviers—explosive Ammonite or Minor Safety Explosive.
Verstarktes.
Grisounite.
Negro Powder.
Nitroferrite.
Robuite.
Securite.
Withnell Powder.
Thunderite.
Titanite.
Donarite.
Ammon-Carbonite.
Ammonal.
Dahenimite.

Chlorate Mixtures: (Potassium Chlorate Mixtures).

Pyrodialite.
Ammonia Nitrate Powder.
Colliery Steelite.
Barium Chlorate.
Ammonium Chlorate.
Per Chlorate Mixtures: (Potassium and Sodium Chlorate Mixtures).

Sprengel Explosives

Rackarock Explosive.
Hellhoffite.
Panclastite.
Oxenite.
Donar.
Cheddit.
Donarite.
Ligbyn.
Sabulite.
Saxonite.
Arkite.
Swalite.
Yonkite (Ammonium per Chlorate and Sodium Nitrate, Ammonium Nitrate, T.N.T.)



NIAGARA'S JERSEY SPECIAL

James S. King Began With Company as a Stenographer—James Westervelt Leaves Field

James S. King, who has been appointed special agent of the Niagara in New Jersey, succeeding James Westervelt, has been with that Company for fifteen years. He began in the Home Office as a stenographer, and later was appointed assistant examiner in the New England Department. For two years he has been in the New York State field.

Mr. Westervelt represented the Niagara in the field for years, but retires to devote his time to his local agency at Tenafly, N. J., and his real-estate and taxicab interests.

DAY RESIGNS CHAIRMANSHIP

Frederick W. Day, of the Royal, has resigned as chairman of the companies' New York State Committee.

SPRINKLER CONFERENCE MEETS

A meeting of the Sprinkler Leakage Conference was held on Tuesday. The monthly routine matters were disposed of.

Special Agency Changes in Jersey

ALTON SUCCEEDS ARMSTRONG

Announcement By National of Hartford—L. C. Breed Temporarily in Charge of Suburban

The National of Hartford has appointed R. C. Alton as special agent in charge of New Jersey, succeeding the late Frank L. Armstrong. In a letter to the New Jersey agents the company says:

"Mr. Alton has been in the service of the National for twelve years. During recent years he has with signal ability and success supervised our interests in Suburban New York, with headquarters in New York City. He is a young man well versed in the business, intelligent, alert, thoroughly loyal and dependable, with a personality which has won the high regard of our Suburban New York agents. In presenting him to you we feel that he is especially qualified to measure up to the high standard of our previous field representation in New Jersey and to continue the efficient National Service which we have endeavored to give and wish to maintain.

"Mr. Alton will at once make his headquarters at our New Jersey special agency offices on the ground floor of the Union Building, 15 Clinton Street, Newark.

"Our junior special agent for New Jersey, L. C. Post, has, as most of you know, joined the Colors and is now in the service of his country. Therefore, for the time being Mr. Alton will be without an assistant, but we expect shortly to supply him with a competent running mate. Meanwhile, we have relieved him entirely of his Suburban New York work and he will be able to give his undivided attention to our New Jersey interests."

Temporarily, the National has placed its Eastern New York special agent, L. C. Breed of Albany, in charge of the Suburban field, left vacant by Mr. Alton's transfer. Mr. Breed is an able and highly regarded special, having formerly covered the Suburban field for the National, and subsequently was its special representative in New York for brokered business prior to being transferred to his present field in Eastern New York. When more permanent plans for field representation in the Suburban territory have been perfected by the National, Mr. Breed will return to his up-state field.

THE LATE FRANK ARMSTRONG

Fire Insurance Man writes of Special Who Was A Student of the Business

The Eastern Underwriter has received the following estimate of the late Frank L. Armstrong, special agent of the National Fire:

"At a very early age in life, when not more than seventeen or eighteen years of age, Mr. Armstrong was a compositor of sheet music type. He showed very early inclinations as a musician, and taught music in the evening. He entered the insurance business for a short while in the service of the brokerage firm of William Arrott & Co. in Philadelphia, his next position being that of an inspector for the Philadelphia Suburban Underwriters' Association, where he gave indication of being a very bright and ready student of underwriting, much beyond any expectation of one so young. He did good and serviceable work in that organization until 1913 when he was appointed office superintendent of the Schedule Rating Office in the State of New Jersey, and after receiving various offers of employment in New York City due entirely to his cheery way of meeting people, his quick perception of conditions, etc., he left the Schedule Rating Office to serve as special agent in New Jersey for the National Fire Insurance Company of Hartford, after the regrettable loss of Ross M. Wickham. He had a hard one to follow, a man of great ability and a consistent and persistent worker in the underwriting calling. Mr. Armstrong was energetic and never tiresome. He even went hunting work or various duties for his agents. Those who met him in his time of service in the Schedule Rating Office cannot help but recall his cheerfulness, his tireless efforts to bring all into a condition of harmony with the new methods that had to prevail. He was an instructor for some of the young men in that office, and many today must recall his readiness to help and give the best that was within him."

WESTERN ASSURANCE CO.
OF TORONTO, CANADA
States from 1874 to 1917, inclusive 43,294,154.63
Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918
Assets $4,194,570.34
Surplus in United States..... 1,667,691.69
Total Losses Paid in United
W. B. MEIKLE, President

National Liberty INSURANCE COMPANY OF AMERICA
NEW YORK
Incorporated Under the Laws of the State of New York in 1859
Statement, January 1, 1918
Cash Capital $1,000,000.00
Assets 8,209,763.64
Liabilities 5,223,031.71
Net Surplus 1,986,731.93
Surplus for Policy Holders 2,986,731.93
HEAD OFFICE
62 WILLIAM STREET, NEW YORK

THE SUPERIOR FIRE INSURANCE CO.
PITTSBURGH, PA.
Conservative -- Sound -- Progressive
Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due from Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

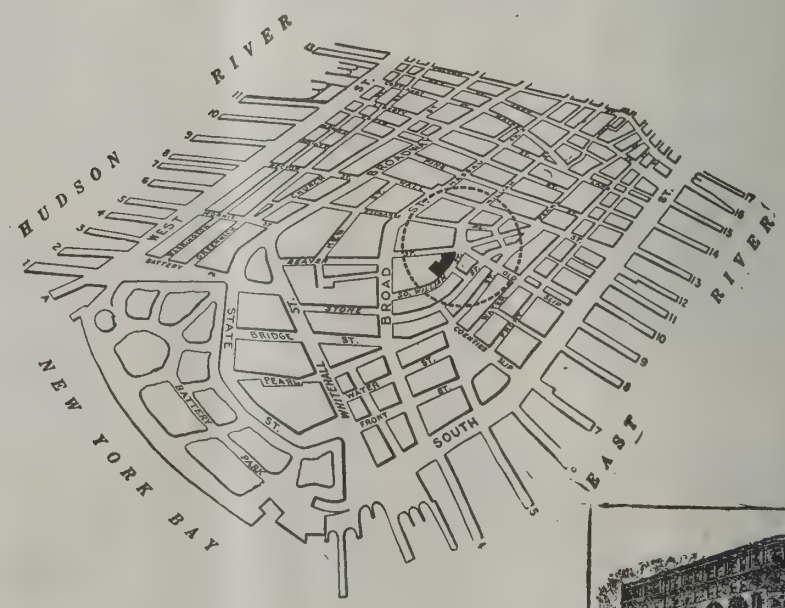
ÆTNA (FIRE)
HARTFORD, CONN., U. S. A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.



FOR 65 YEARS—
THE CONTINENTAL has built its name to stand for all that is best in fire insurance.
FAIR DEALING has won it a leading place among agents and the insuring public.
CONSTRUCTIVE management has assured its growth in the past and assures a continuation of progress in the future.
FINANCIAL strength insures stability and guards against any conflagration danger.

[FIRE] THE CONTINENTAL INSURANCE COMPANY
Cash Capital - - TEN MILLION DOLLARS
HENRY EVANS, President
Home Office 80 MAIDEN LANE NEW YORK
Managing Branch Offices: CHICAGO, MONTREAL SAN FRANCISCO
CONTINENTAL COMMANDS CONFIDENCE

AMERICAN MERCHANT MARINE INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

Terms of Automobile Commission Rule

FIRE, CASUALTY AND MARINE

Most Important Work of Year Now in Hands of Conference in Chicago

By far the most important consideration to come before the annual meeting of the National Automobile Underwriters' Conference today, Friday, in Chicago, is the proposed Conference Commission Rule. It is expected that fire companies, especially those now operating on a purely agency basis, will be opposed to making concessions which would favor marine companies as to general and state agencies and commissions.

General Agency Appointments

The proposed rule, which was prepared by the State Agency Committee and approved, as amended, for submission to the National Conference, provides that all general agency appointments shall be confined to cities named by, and shall be subject to the approval of the executive committee of the local conference in whose territory the main office of the general agent is located, subject to appeal to the National Executive Committee. Only such general agents as are appointed bona fide managers of the territory involved, shall be approved. Appointments made for the purpose of paying excess local commissions will be disapproved of.

In the case of a fire company general agency appointments shall not be approved except where they act as general agent for fire business as well as automobile, and it shall be determined, before approval, if the general agent is a bona fide part of the fire underwriting system of the company.

Marine and Casualty Rules

In the case of a marine company no appointment of a general agent shall be approved unless he has exclusive territorial control of not less than one State.

For casualty companies, no general agency appointment shall be approved except where such appointee represents the company as general agent, for casualty as well as automobile lines. In the case of any companies not coming under these three classifications, the conditions of agency appointments shall be passed upon by the executive committee.

Should the rule be adopted, all existing representations above the grade of local agent shall within thirty days after its date, and all future representations shall, before becoming effective, be reported to the executive committee having jurisdiction, on prepared forms, with such pledges as may be laid down by such committee. The committee shall have power to call for additional information, or summon for hearing company officers interested. Such appointments as are approved by the committee shall be bulletined to all members of the Conference.

Right to Appeal

If an appointment is disapproved the company applying may appeal within thirty days and the decision of the National Executive Committee shall be final. The appointment shall not be effective pending appeal. Any member shall have the right to protest any appointment, within thirty days, the National Executive Committee decision to be final and the appointment continuing effective pending appeal. All existing appointments finally disapproved shall be terminated within thirty days.

To aid the committee in making approvals it is suggested that it obtain the following information: Name and address of proposed agent; date of appointment; previous relation of agent to applying company; branches of business transacted by agent for this company; other companies represented by this agent for automobile business of any kind; number, locations and names of sub-agents; agent's facilities for developing field; company's facilities for operating a local agency business.

Dealers Not Wanted

Local conference executive committees shall determine the maximum number of representatives for any one company. No agent who is an automobile dealer shall be approved, nor shall an employe of a dealer or the owner of a garage or his employe, nor a dealer in accessories or his employe. This shall not operate to prohibit the appointment of, or the payment of a commission to, a bona fide fire insurance agency, providing such agency has been in existence at least one year.

As to the compensation payable, the proposed rule as submitted to the meeting in Chicago, without such modification as may be made before the meeting closes, provides that compensation of home and branch offices shall be at the discretion of the company. In six metropolitan districts—Boston, New York, Philadelphia, Pittsburgh, Chicago and San Francisco, compensation payable to the general agent shall be such as the local executive committee shall determine, with the approval of the National Conference. Elsewhere the compensation shall be 30 per cent. on net premiums collected, except that where compensation of local agents outside of excepted cities, is limited by Conference rules to 15 per cent., the general agent's compensation shall not exceed 25 per cent. There is a proviso that the general agent may receive 5 per cent. overriding commission on excepted city business other than that of the city in which he is located.

Local Agents' Compensation

Local agents in the six metropolitan districts named shall be compensated on the same basis in the same manner as general agents there. In excepted cities not exceeding 25 per cent., except where by local conference rule it is limited to 20 per cent.; elsewhere not exceeding 20 per cent., except where by local conference rule the commission is 15 per cent.

In the six metropolitan districts brokers' and solicitors' commissions shall be left to the local committee, with the approval of the National Conference. Elsewhere not exceeding 15 per cent. except where the local conference rule is 10 per cent.

Agents Defined

A general agent is defined as: "All representatives, not branch offices, however compensated, below the grade of a home office, having jurisdiction over a territory larger than the town in which the general agency is located and having supervision over sub-agents."

A local agent is defined as: "Any licensed agent through whom the companies' policies are issued but not coming within the definitions of home office, branch office or general agent."

A branch office is defined as: "An office having exclusive jurisdiction for fire and/or marine and/or casualty, as well as automobile business, representing (for any line of business) no more than one company or group of affiliated companies, or one home office. These appointments shall be approved the same as those of general agents. Home offices are also defined.

Metropolitan Committees

To handle metropolitan districts the executive committees of the respective local conferences shall appoint a committee for each district, charged with the duty of recommending to the local conference executive committee rules to be effective in each district respectively and to administer such rules when adopted. Such district committees shall be under the jurisdiction of local conference executive committees, which shall submit such rules to the Interim Committee of the National Executive Committee. The Interim Committee shall appoint a sub-committee to which all metropolitan district matters shall be referred with such powers as the Interim Committee may delegate.

CITY CLUB DINNER

A dinner meeting of the City Insurance Club was held Tuesday evening. A report was read showing the wonderful success of the Liberty Loan campaign and plans were broached for the Club to participate in the present War Work Campaign. The deer steak furnished by William Kinsman, of Johnson & Higgins, proved a big success.

E. T. CAIRNS GOES WEST

E. T. Cairns, general agent of the North-British & Mercantile, is planning to spend several months on the Pacific Coast in the interests of his company.

WHISKEY PRICE FORECAST

Spectacular Rise in Market Which Has Reached Its Peak and Has Now Begun to Wane

In view of the large whiskey loss at Owensboro, which has not yet been adjusted, the position of the whiskey market, as viewed in Louisville, is of interest although what may happen now can have no bearing on that particular loss.

The imminence of complete prohibition, coupled with the belief that higher taxes may cause a marked decrease in consumption, is expected by large operators to keep prices at a low level. A few dealers, however, believe the approach of prohibition will stimulate the demand and bring high prices.

The sudden, sweeping downward market changes have kept operators in a turmoil. A year and a half ago many of them would have been bankrupt had they been forced to liquidate their holdings. Then prices rose and on paper some of the holders were millionaires.

The order stopping production for beverage purposes sent prices upward until newest whiskies approached $3 a gallon in bond. Owners counted gains in big figures, and many held on for higher prices. The cautious ones unloaded at the peak, however.

Then came the seeming certainty of prohibition for the duration of the war and that greatly increased taxes must be paid. Prices crashed and brought the low levels of today, 95 cents to $1.15 a gallon.

There are between thirty and forty millions of gallons of whiskey available for sale today on which the tax has been paid. The present tax on whiskey is $3.20 a proof gallon. Dealers say they expect the new $8,000,000,000 revenue bill to provide a tax of at least double and probably treble the present rate.

An All-Star Team of Fire Underwriters

The Eastern Underwriter offers the following as an all-star underwriting team, and will back it against all comers:

Manner	E. G. Richards
Dignity	Richard M. Bissell
Tact	E. G. Snow
Punch	Henry Evans
Hustle	Harry B. Smith
Courtesy	Hugh R. Loudon
Bluntness	Harry Wray
Daring	E. C. Jameson
Culture	Charles Lyman Case
Prominence	E. M. Milligan
Learning	Frank Lock
Popularity	Archibald G. McIlwaine, Jr.
Mental Agility	Cecil F. Shallcross
Intuition	Benjamin Rush
Judgment	A. W. Damon
Philosophy	Colonel Cunningham
Urbanity	G. W. Burchell
Obligingness	N. S. Bartow
Experience	William B. Clark
Youth	O. E. Lane
Confidence	C. G. Smith
Taciturnity	F. C. Buswell
Fame	J. S. Frelinghuysen
Curiosity	Sumner Ballard
Brains	Allofthem

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1917	$16,153,068.57
Surplus	4,793,978.55
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904	1,051,543.00

Liverpool and London and Globe Insurance Co. LIMITED

Over $155,000,000.00

Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

BATES PRESIDENT

Heads Underwriters' Association of New York State—Other Officers Elected in Syracuse

The annual meeting of the Underwriters' Association of New York State, held in Syracuse this week, resulted in the election of Alex J. Bates, New York Underwriters' Agency, president. This was discounted as there was no opposition to Mr. Bates. W. R. Somerville, London & Lancashire, was elected first vice-president. As usual the principal contest hinged on the second vice-president, which was won by George S. Tompkins, Commercial Union, George Congdon, chairman of the executive committee being also discussed for the office. F. M. Smalley, Glens Falls, is chairman of the executive committee.

ROBERT N. IRWIN'S CHANGE

Robert N. Irwin, of the Niagara's local department in New York, has entered the former firm of Van Voorhis & Gaubert, 138 Montague Street, Brooklyn. The new firm will be Gaubert & Irwin, Inc. It will represent the Citizens, Nationale, Palatine, Virginia F. & M., Albany, Michigan F. & M., Orient, American Alliance. Mr. Irwin went to the Niagara in 1894 at the same time as Harold Herrick, its former president. Mr. Irwin has been with the company continuously for 24 years and has been head of the local department since April, 1913. This change becomes effective December 1. The Brooklyn firm was started in 1901 by William H. Van Voorhis, who is now dead. M. H. Gaubert entered the firm in 1910.

LOSS RATIO OF 3.4 PER CENT.

One of the fire companies reports a New York City premium for the last six months of approximately $20,000 with a loss ratio of 3.4 per cent.

Automobile Causes Water Damage

How an automobile caused a $150,000 water damage loss is told by the Aetna: A break in the hydrant at Main and Vernon streets, Springfield, Mass., when it was struck by an automobile, caused damage in the J. S. Bailey department store, estimated by the management at $150,000. The three floors and basement, filled with a heavy stock of merchandise in preparation for a big sale were drenched with water.

Great pressure from the Little River system undermined the sidewalk in front of the building, the geyser spouting to the top of the Bailey Building. A small amount of damage was done at the front of the Dickieson department store adjoining the Bailey store.

The Bailey store had been open 10 minutes, when the water began to rush in from the upper floors, the front doors were locked and customers were let out at the rear door.

The driver of the automobile responsible for the accident was trying to make a quick turn on Main street between traffic posts when the wheels skidded and the front of the car struck squarely against the hydrant.

The second floor windows had all been opened and the water was flowing through them in great volume. Men clerks at the store tried repeatedly to close the windows, but the force of the water was so great that no one was able to do the trick.

GIVE BIG AMOUNTS TO FUND

Among the first subscriptions reported by the fire and marine committee or the United War Work Campaign were those of Henry Evans, president of the Continental, whose personal subscription amounted to $1,000, with $5,000 for the Continental, $5,000 for the Fidelity-Phenix and $1,000 for the American Eagle, and Edward L. Ballard, president of the Merchants Fire, who subscribed $2,500 on behalf of his company. These subscriptions were placed by the sub-committee assigned to fire insurance of which J. J. Hoey, vice-president of the Continental, is chairman.

SUES A MUTUAL

A. J. Kiernan, of Poughkeepsie, has sued the Farmers' Town Mutual, of Clinton, N. Y., which carried $3,825 insurance on his eight buildings in Clinton, which were destroyed by fire. The London & Lancashire and Phoenix immediately paid their losses, but the mutual welked, after the loss had been determined by award.

TO OPEN BROKERAGE OFFICE

The New Hampshire Fire is planning to open a brokerage office in New York for the binding of fire business throughout the United States. Announcement is expected in the near future of the company's appointment in this connection.

E. F. FLINDEL RECOVERING

E. F. Flindel, agent and underwriter, who has been seriously ill with pneumonia for several weeks, has passed the crisis and is recuperating at his home in Summit, N. J.

WEST GOING TO COAST

E. W. West, vice-president of the Glens Falls, was in New York City this week previous to making a trip to Canada following which he expects to visit the Pacific Coast offices of the company.

FRED S. JAMES & CO. CHANGES

Several important appointments will be announced by Fred S. James & Co. on Thursday of next week.

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
40 CLINTON STREET, NEWARK, Phone Market 6536 | SERVICE FIRST | 80 MAIDEN LANE, NEW YORK, Phone John 4560

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NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

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FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager
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New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

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Potomac Ins. Co., Washington, D. C. | Seneca Fire Ins. Co., Buffalo, N. Y.
United States Underwriters' Policy, N. Y.
F. M. GUND, Mgr. Western Dept., Freeport, Illinois
W. W. ALVERSON, Mgr. Pacific Coast Dept., San Francisco, California


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We can offer to Agents and Brokers special facilities on surplus lines
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MARINE DEPARTMENT

Railroad Director's Recent Ruling Severely Handicaps Merchants Engaged in Coastwise Trade

The Director General of Railroads, having control of all the rail lines in the United States has also been given control of all coastwise steamship lines operating along the Atlantic and Gulf coasts of the United States, which formerly ran in connection with railroads, and according to recent circulars published, a bill of lading insurance will be issued, insuring both marine and war risks, and the shipper will be compelled to pay for this additional coverage in the freight charges.

It was originally reported that the Government would assume both marine and war risk, but it seems that the marine risk will not be assumed by the Government, as a large New York marine brokerage firm has been in the market during the past week offering insurance on merchandise against marine risk in the name of the Director General of Railroads, operating the Southern Pacific Steamship Co., Mallory Steamship Co., Clyde Steamship Co., Ocean Steamship Co., of Savannah, Merchants & Miners' Transportation Co., Southern Steamship Company. The rates offered are extremely low, and a very large number of the most prominent marine underwriting offices in this city have declined to participate in this contract.

In our recent articles, we have called attention to the increased number of losses that marine underwriters would be called upon to pay, on account of war conditions, and these remarks have been justified by the number of losses which have occurred since they were published. After war conditions disappear, which we trust will be in the near future, a large number of casualties will occur which have not occurred heretofore, due to lack of experience of navigating officers, as on account of our increased mercantile marine, some of our best coastwise navigators have been given berths on more important vessels going overseas, and the younger and less experienced navigators have been placed in charge of coastwise navigation, and until they are properly seasoned, a great many losses will be incurred by underwriters writing this class of business. This view seems to be shared by a majority of the trained and experienced offices, who have had years of experience in this class of business.

There is another phase of this bill of lading insurance which works a great deal of hardship to merchants and manufacturers of the United States, who are compelled to accept bill of lading insurance. Bill of lading insurance is not the most satisfactory form of coverage for a shipper or consignee to accept, as heretofore each individual shipper or consignee had his own open policy placed with a reliable and reputable company. The form of insurance was drawn to cover each specific shipper's or consignee's requirements for the particular trade that he was engaged in. It covered from warehouse to warehouse, and insured him from the time the goods were shipped from the factory, mill or warehouse at point of shipment until the merchandise was delivered to to consignee at point of destination, and if the goods shipped required the risk of theft and pilferage that feature was taken care of.

Under the bill of lading form of insurance, the liability only attaches from the time the steamship company's receipt is given and ceases after the legal time expires for the consignee to remove his goods from the dock at port of destination. If, through some oversight, he does not receive his notice or there is a shortage of truckmen and the goods remain on dock over the legal limit prescribed in the bill of lading, he will be uninsured.

It might be said that if the goods are shipped by rail and water, the liability is assumed from the moment the railroad bill of lading is signed, and that he could recover his claim from the railroad company. This is not a fact. There are numerous decisions on our statute books where the liability of railroad companies is limited; acts of God and casualties beyond their control are not recoverable.

Take in the case of the Johnstown, Pa., flood, the Pennsylvania Railroad was relieved of millions of dollars of liability by the decision of the Courts, for merchandise destroyed in their cars which were on the tracks in territory through which the flood passed, and the Courts decided that this was an act of God which was beyond their control, and there was no liability.

The Milwaukee dock fire was a case where merchandise on dock was destroyed by a fire originating outside of the premises of the railroad company, which spread to the dock and destroyed the merchandise, and the railroad company was exempted from the liability for this loss on the ground of the fact that it was a fire which did not originate on their premises, and was beyond their control, they having taken every precaution to prevent its spreading, and had proper fire apparatus on their dock.

Only in recent years, during the last hurricane, the Southern Pacific Company's docks at Galveston were flooded. They carried a policy of marine insurance in companies in the United States, which protected them against loss of this kind, and they were desirous, in fact were ready, to pay to shippers of merchandise under insured bill of lading, loss occasioned by the hurricane at Galveston, for which they were protected under policies of insurance, and the Interstate Commerce Commission prohibited them from paying such losses, even though they had issued an insured bill of lading, on the ground that the loss was occasioned by an act of God, over which they had no control, and for which there was no legal responsibility on their part.

The cases cited prove conclusively that in order for a shipper or a consignee to be fully protected or to be put in the same position as if he had his own policy of insurance, it will be necessary for him to take out another policy of insurance to cover the losses mentioned, which he cannot collect under the insured bill of lading which has been issued to him by the Director General of Railroads. Therefore, the merchants of the United States, in order to protect their own interests, should protest to the proper authorities against being compelled to take improper security to protect themselves for losses which they might sustain.

There is another serious question for the merchants of the United States to consider, which is: are they obtaining this insured bill of lading at the same rate of premium which the Director General of Railroads is paying to the marine insurance companies who have accepted it from him? Heretofore, when the lines mentioned were operated by independent corporations they did not compel shippers to accept an insured bill of lading, but some shippers who did not have a policy of marine insurance, or whose business was not large enough to warrant their carrying such insurance, applied to the Line for an insured bill of lading. The Line in question charged them a rate in excess of what they paid, and at the end of the year had a handsome profit out of their insurance account. They claimed they were justly entitled to make this profit as they were in the same position as a man buying merchandise wholesale and selling them retail. They bought their insurance wholesale and parceled it out retail. The question is, Has the Government the same right?

OBSERVER.

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JAPANESE MARINE WRITINGS

Fire Companies Rapidly Becoming Accustomed to Writing This Line —Growth of Business

According to the Japan Year Book, the starting by the Japanese fire companies of various insurance businesses, chiefly marine, is a new feature. The combination of fire with marine is now the rule. In 1916 the Nippon Fire started its marine department, and other companies are following suit. The Nippon also opened a burglary branch, the first in Japan. The same company has done accident business for some time.

Results of domestic marine business expressed in 1,000 yen:

Year	Premiums	Claims paid	Policies	Amount
1912.....	6,622	3,552	22	75,039
1913.....	8,262	4,202	24	92,322
1914.....	10,067	5,967	26	97,835
1915.....	11,572	5,221	39	189,549
1916.....	16,569	7,085	47	299,544
FOREIGN MARINE BUSINESS				
1913.....	697	406	4,458	13,019
1914.....	1,139	399	8,764	26,273
1915.....	1,576	679	8,136	25,972

PHILADELPHIA RATES

Philadelphia daily newspapers carry a story to the effect that because of poor fire fighting equipment insurance rates in Philadelphia may be raised.

Arguments for Commission Rule

FOR AUTOMOBILE CONFERENCE

Thorough Housecleaning By Special Committee—Not Seeking to Impose Method of Operation

Necessity for a Conference Commission Rule is being considered by the National Automobile Underwriters' Conference in Chicago this week. A large delegation of Conference and non-Conference company men are on hand. The West approves the rule while the South is against it. The East is apparently divided and there will be plenty of argument. It is pointed out that the privilege of appointing State or general agencies, originally granted to take care of members such as the marine companies which had no local agency plant, has through competition for business spread among fire companies also.

The essence of the State Agency Committee's purpose is a thorough housecleaning, for which purpose a special committee is recommended, to be few in number and to be appointed by each local conference and by the National Conference.

Restrictions Appear Drastic

In submitting the proposed rule it is declared as the committee's intention not to impose a method of operation upon a company but to require that each company shall, for the automobile as well as the fire business, abide by that method which it has already chosen for itself. The rule places certain restrictions upon a company's method of doing business which on their face seems drastic.

The more obvious method of regulating State agencies, by imposing a local commission rate upon local business and permitting an over-riding commission on field business, was rejected from the proposed rule, because of what is regarded as the fluid nature of automobile lines, especially in and near large cities; also because of the extraordinary competitive conditions prevailing in business requiring no division among companies, and in the conviction of the marine companies that many of their present old connections would be impossible to them upon this basis.

Cost Always Rising

It is claimed that wherever state agencies have appeared, one or other of two results has followed. In states with no field, such as Maryland or Rhode Island, where the ease of appointing a state agent is proportional to the "hypocrisy" of his title, all companies have met competition by the creation of high commissioned appointments, and so raised the cost of business to everybody, to nobody's advantage. In states with an important field it is held in favor of the rule as proposed, that the companies unable to grant such appointments have seen their agencies raided in the best cities and that no territory under the jurisdiction of the Conference has escaped. The Western Conference members have declared that they must have a remedy for this situation and in the East crises were faced in certain cities, such as Philadelphia, Baltimore and Providence. Similar complaints also came from the Pacific Coast. While certain fire companies threatened to withdraw if state agents were longer permitted, marine companies protested that they could operate only through state agents.

Where Danger Lies

It is said in advocacy of the proposed rule that unrestricted privilege of state agencies will create dangerous competition and extravagant expenditure fatal to sound rate making and finally endanger the business of stock companies. To flatly prohibit state agencies to marine companies would cause the end of co-operation by them. Therefore a less drastic course is sought. The peril of state agencies among marine companies is less than it is multiplied among the much larger number of fire companies. Another argument is that the consequences of state or general agency appointments among fire companies are disastrous directly in proportion as such appointments depart from the agency plan and system of operation of the fire business, since such departure necessarily means the invasion of somebody else's system. In the few cases where a fire company operates a certain territory for fire business through a general agency and has no other method of operation therein, it is set forth that an equal appointment for automobile business cannot be denied and need not be productive of evil.

NORWEGIAN ATLAS ADMITTED

Northern Underwriting Agency U. S. Manager—Wemple & Co. Managers of Fire Department

The Insurance Department of New York this week licensed the Norwegian Atlas Insurance Co. of Christiania, Norway, for fire and marine business. The Norwegian Atlas has appointed the Northern Underwriting Agency, Inc., its United States manager and the Empire Trust Co., its United States trustee. Wemple & Co., Inc., have been appointed managers of the fire department of the company. It has deposited $1,000,000 with the New York State Department and its United States trustee.

The Norwegian Atlas has already started to underwrite marine business through the Northern Underwriting Agency, Inc., who are also marine managers for the Jefferson, Liberty Marine and North Atlantic. The fire underwriting of the company will be limited to re-insurance business only.

Opposes Automobile Conference Rule

BAD FOR METROPOLITAN LINES

Asks Fifteen Per Cent. for Brokers—Local Committees Claimed Biased—Disloyalty Charged

This is how some automobile writing companies with headquarters in New York view the proposed Conference Commission Rule. They say they do not understand the necessity for such a drastic change and that the proposition plainly contemplates an increased commission in country-wide territory. Conference member companies are asked to place themselves in the hands of local committees and be governed by their actions in so far as the metropolitan districts are concerned.

Says Power is Autocratic

This does not appeal to some of the companies which suggest that the interests of all concerned would be better conserved if the responsibility for all rules governing commissions were confined to a committee composed of members of the National Conference. Their interests are country-wide while a local committee's is local. There, it is held, their rulings would be equitable and free from criticism, which would not be the case if a local committee were endowed with the autocratic power proposed.

"Scraps of Paper"

A company which does not make a practice of appointing general agents, but has been obliged to go outside its fire agency plant to obtain automobile business, objects to the proposed method for general agency appointments by a fire company.

It is held that companies like this, which recently entered the automobile field, are obliged to fight hard for the little business they can secure, particularly when they live up to the rules and regulations of the Conference. The proposed rules and regulations are drastic enough but when coupled with the fact that there are a number of member companies "who regard their agreements as mere scraps of paper" these companies claim that they have enough to contend with and they resent being asked to place themselves in the hands of others whom they regard as disloyal.

Fear Outside Companies

Under the proposed rule, they say, there is nothing to hinder an outside company from entering New York, appointing a general agent for fire and automobile at a higher rate of commission than home companies which do not operate through general agents, and grab off the bulk of the automobile business. The result would be that present agency connections would be broken, outside companies secure the cream and home companies be left in the lurch.

Older Companies Favored

One company official says that his agents in New York City do not represent his fire department. Under the present rules he is not allowed to pay them more than 25 per cent. for their business. They in turn are obliged to pay twenty per cent. to the broker. Agents cannot handle this class of business on a five per cent. margin and show a profit. It is plainly evident, says this manager, that the present commission rule was promulgated in the interests of several of the older automobile writing companies which do not operate in the Metropolitan District under the agency plan, but secure their business from brokers direct. In this manager's opinion all metropolitan districts should be placed upon a commission basis of 25 per cent. to agents and 15 per cent. to brokers, thereby reducing the acquisition cost which he considers of vital interest to all Conference companies.

The Trans-Marine Underwriting Agency Inc.
of New York
Managers for
Importers & Exporters INSURANCE COMPANY NEW YORK U.S.A.
Washington Marine INSURANCE COMPANY NEW YORK U.S.A.
Marine and War Risk Insurance
56 BEAVER STREET NEW YORK
BANKERS {GUARANTY TRUST CO. EQUITABLE TRUST CO. NATIONAL CITY BANK

FEDERATION MEETING PLANS

Joint Session With Casualty Agents To Be in New York December 2 and 3

The annual conventions of the National Council of Insurance Federations, the National Association of Casualty and Surety Agents and the annual meeting of the Insurance Federation of the State of New York will be held at the Hotel Astor, New York City, on December 2 and 3.

The National Council will meet on the morning of December 2 and the Casualty Agents' Association will hold its general meeting in the afternoon. The New York Federation will meet on the morning of December 3 with a general meeting of the National Council in the afternoon.

The active officers of the National Council of Insurance Federations are James W. Henry, Pittsburgh, president; W. G. Wilson, Cleveland, chairman of the executive committee; Mark T. McKee, Detroit, secretary; and G. E. Turner, Indianapolis, counsel.

The officers of the National Association of Casualty and Surety Agents are Charles H. Burras, Chicago, president; George D. Webb, Chicago, chairman of the executive committee; and Donald M. Wood, Chicago, secretary-treasurer.

The officers of the Insurance Federation of the State of New York are Edgar M. Griffiths, Albany, president; A. C. Hegeman, New York City, chairman of the executive committee; and Stanley L. Otis, New York City, executive secretary.

HENRY MADEIRA DEAD

Henry Madeira, member of Louis C. Madeira & Sons, an old insurance firm in Philadelphia, is dead.

CASUALTY AND SURETY NEWS

Jewelry Tax Affects Burglary Rates

VIEWS OF TRAVELERS OFFICIAL

Premium and Loss Conditions Covered —1917 Results Worse Than Those of Present Year

F. S. Garrison, assistant secretary of the Travelers Indemnity, has prepared for his company a statement of advancing burglary losses and the effect upon the loss ratio of war-time valuations. Mr. Garrison says:

In 1917 the total burglary premiums written in the United States and Canada amounted to $6,470,927, of which $159,858 was Canadian business.

In 1916 the premiums amounted to $5,406,954, of which $118,672 was Canadian business. Therefore, the increase during 1917 was $1,063,973, of which $41,186 was Canadian business. In other words, the total increase was approximately 20 per cent. This was the largest increase ever made in one year and was due principally to the large amount of messenger and paymaster-robbery policies written to cover payrolls which were unusually large because of war activities.

The burglary business of all companies for the year 1917 was divided into classifications approximately as follows:

	Per Cent.
Residence	58
Messenger paymaster, and office robbery	15
Bank	11
Mercantile open stock	9
Mercantile safe	7

There were larger policies than usual in the bank business, owing to increased amounts of insurance covering Liberty Bonds; and there was also some increase in the mercantile-safe business, owing to covering of Liberty Bonds and Thrift Stamps, as well as increased payrolls which were kept in safes during the nights preceding paydays.

Warehouse Business

A considerable volume of business in the mercantile-open-stock line was written on leather and other goods held in warehouses, awaiting shipment abroad, and it is estimated that the premiums on this class alone were increased from forty to fifty thousand dollars during the year.

As nearly as can be estimated, however, there was only a normal increase in the residence business. There should have been a greater increase in this line, because of the increased value of jewelry and practically all household effects, but the insuring public is evidently slow to recognize the necessity for additional insurance and does not wake up until losses have been sustained which exceed the policy limits.

As nearly as can be estimated, the business of all companies for the first eight months of 1918 will show an increase of from fifteen to twenty per cent.

The loss ratio for the year 1917 was rather high, the total for all companies having increased about 6 per cent. over 1916. Losses increased on bank burglary risks, as well as mercantile and residence risks.

The mercantile-open-stock loss ratio was exceedingly high owing to the exceptionally bad experience on silks and similar goods.

Residence Losses Up

Residence losses also increased more

(Continued on page 23)

Life Companies and Disability Clauses

MOVEMENT SURE TO SPREAD

President Hamilton, of Federal Life, Says Tendency of Times is Multiple Cover

Isaac Miller Hamilton, president of the Federal Life, in discussing disability and accident insurance as an asset to the life insurance agent said to the Association of life agency officers of Chicago last week that life insurance companies must inevitably sell policies with total disability and double indemnity premiums. He said in part:

"You all are familiar with the fact that the tendency of the times is for life insurance companies to write accident insurance in connection with life insurance. We have several recent examples of old, large, conservative, well managed, successful life insurance companies embarking in the allied multiple line field. And more are yet to follow. Why is this? Is it because the managements of these companies are dissatisfied with their past achievements? I think manifestly not. I believe it is because they have become convinced that the writing of allied multiple lines affords an enlarged opportunity for extending a much needed service to policyholders and their beneficiaries. I believe they have found that there is a genuine and well defined demand from policyholders for the allied multiple line service. I believe the wide-a-wake agent is fully alive to the desirability and necessity of his company extending this allied multiple line service if it is to make the most of its opportunities and measure up fully to its duties and responsibilities. The necessity of charging an adequate premium and maintaining sufficient extra reserve for all accident coverage is manifest.

Agent Wants To Sell Complete Coverage

"Based upon my observation, study and experience, I have no hesitation in saying that in my judgment 'Disability and Accident Insurance' as herein defined is an 'asset' of exceeding value to the alert, studious, capable, reliable life insurance agent. Disability and Double Indemnity provisions, properly drawn, are very valuable and safe adjuncts to a life insurance policy. I venture to predict that the time is approaching and very rapidly, too, when the able, well informed, conscientious life insurance agent will be reluctant to sell his prospect a life insurance policy without at the same time protecting him with 'Total Disability and Double Indemnity' provisions as well; mayhap also with weekly indemnities for loss of time and earnings caused by accident and/or illness.

"It is a very serious and distressing experience for a conscientious life insurance man, be he agent or company official, to witness the lapse of a policy

(Continued on page 22)

"OUR BONDS GUARANTEE INTEGRITY"

SURETY BONDS

ROYAL INDEMNITY COMPANY

CASUALTY INSURANCE

NEW YORK

CHARLES H. HOLLAND, PRESIDENT

Automobile Hazard Classifications Up

MEETINGS NOW ON IN CHICAGO

Work of Standardization in Preliminary Stage—Some Results Indicating Scope of This Work

Much time has been given this week to the second meeting of the Automobile Council of Underwriters' Laboratories, for the discussion of an automobile hazard classification schedule including fire, accident and theft hazards, with a view to standardization in manufacture and equipment of automobiles. These discussions occupied the first part of the week and preceded the meeting of the executive committee of the National Automobile Underwriters' Conference, Thursday, in Chicago, and the annual meeting of that body today, Friday.

Chassis Classified

The classifications as prepared by the casualty department engineer of Underwriters' Laboratories will be discussed in detail and the Conference Committee which had this matter in charge will make a report.

Growing out of the discussion of this subject at a meeting held in Chicago last August, a schedule has been prepared covering the classification of automobile chassis according to comparative fire, accident and theft hazards. To form a basis for discussion and to avoid complication the schedule has been confined to the chassis. This was done with a view to determining its feasibility and fairness. It is possible to extend this schedule of credits and charges to bodies also.

In consideration of fire, theft and accident hazards the nominal basis has been taken as 100, additions and subtractions being made in percentages. The result under each class is the percentage by which the basis figure should be multiplied to obtain the actual measure of hazard or safeguard.

General Plan Followed

The general plan has been to make no additions or reductions for generally accepted practice but to make a charge for features which are not up to the present state of the art, and provide credits for construction now used or contemplated which is in advance of current standards or practice.

Where devices are termed "standard" it is implied that they shall have been listed as standard by Underwriters' Laboratories. Many of the credits offered would not apply at this time but would be an inducement to manufacturers to bring their devices forward for examination and testing.

Results of Some Tests

In order to check the classification it was applied to a number of automobiles. The results which follow in percentages are approximations and do not include detailed consideration of electrical features.

	Fire	Accident	Theft
Ford	134.0	108.0	125.0
Overland	151.5	112.75	100.0
Kissel	102.5	102.5	99.5
Chandler	100.5	98.0	99.5
Packard	72.5	91.5	96.0

In the fire and accident classification the charges and credits run all the way from ¼ of 1 per cent. to 10 per cent. In the theft hazard classification 25 per cent. is credited for the use of a standard, labled theft retardant. Other considerations include tire locks and identification features.

The fire hazard is subdivided under numerous headings. The first is the fuel hazard, consideration being given to whether the fuel is gasolene or kerosene. Tank capacity, location, construction and mounting are all classified; also the type of feed, whether gravity, pressure or suction. Then come feed line and accessory fittings, electrical hazards, heat and flame hazards and "other fire hazards."

Under the department of accident hazard, there is first the subdivision of "Prevention," which includes the braking system, steering system, visibility, lighting and warning, power system and road clearance.

"Minimization" includes lights, bumpers, guards and steps. Then there is a general classification of accident hazards also.

LUNCHEON TO START DRIVE

Robert Van Iderstine gave a luncheon last Tuesday at the Downtown Club to a number of insurance executives, to meet A. Duncan Reid, of the Globe Indemnity, and to discuss informally the United War Work Campaign. B. A. Ruffin addressed the gathering. Colonel Johnson of the Canadian Army made one of the most interesting talks that insurance men have heard in some time.

FRANK DU VALLE KILLED

Frank A. Du Valle, superintendent of the payroll audit department of the Metropolitan office of the General Accident, is reported to have been killed in action. Mr. Du Valle went to France with one of the early contingents. He has been in the local department of the General for about five years and had many friends in casualty circles.

Something New

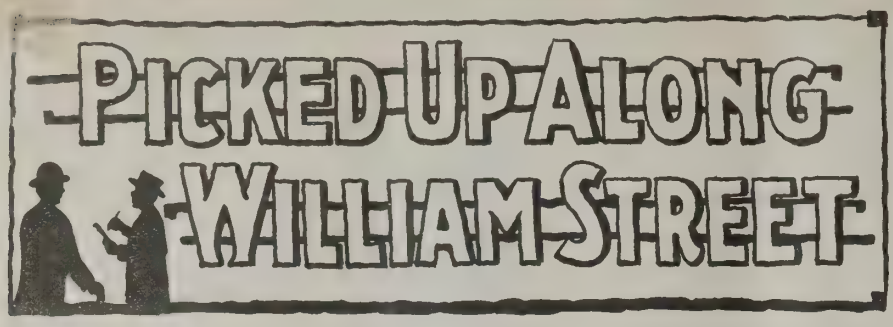
Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident

Fire and Life

Assurance Corporation, Ltd.

General Building PHILADELPHIA



Coroner Says "Carry Liability"

What Coroner Hoffman of Cook County, Illinois, says of running a car without liability insurance furnishes good canvassing material. Here it is:

Having held over 81,000 coroner's cases during my tenure of office, I believe that I see more of the dark side of life than any other official in the United States. It is my unbiased opinion that no person should run a car without carrying liability insurance. Not only for his own protection, but for the protection of those who had been dependent upon him, widows, orphans, etc. The American people are a thoughtless, careless people, often placing their lives in unnecessary danger. People drop into my office daily, seeking advice in automobile cases resulting in death, as to how to proceed in Civil Court action. In many cases they say to me: "Here is a widow with numerous children. Their breadwinner has been taken away. They are entitled to damages."

I know of cases where a man's life savings were taken away from him for having run over some one. The owner of the car honestly believed it was not his fault. He believed the man he killed ran into his car. The court and jury, however, found to the contrary. The owner of the car honestly believed it was not his fault. The court and jury, however, found to the contrary. No person should run a car without liability insurance.

* * *

Appreciation of Virgil M. Kime

The following resolution has been adopted on the death of Virgil M. Kime. Whereas: The Central Statistical Committee of the National Workmen's Compensation Service Bureau, has suffered a great loss in the death of Virgil Morrison Kime, and whereas the intimate relations held by him with the members of the Committee make it fitting that we record our appreciation of him, therefore, be it resolved: That the wisdom and ability that he has exercised in co-operation with the members of the Committee accompanied by the unselfishness of his services, will be held in grateful remembrance.

* * *

Good Business Records

Some good business is being landed by the Maryland Casualty's Eastern office. In September E. B. McConnell & Co., New York renewed a contract bond with $833 premium and a fidelity bond, premium $1,033. In Philadelphia, L. J. Farley landed a judicial bond, premium $885. J. W. Donahue wrote a plate glass policy for $698 premium; a water damage premium of $500, also a steam boiler policy for $2,679. E. F. Hord of New York renewed a compensation risk, $6,500 premium. In sprinkler leakage T. M. Donaldson, of New York, wrote a $2,316 premium and renewed one for $973. J. W. Donahue of Philadelphia also renewed a burglary premium of $1,374.

* * *

First in Philadelphia

On the opening day of the Fourth Liberty Loan campaign, John Donahue and each of his one hundred and nine fellow workers in the Philadelphia office of The Maryland, made their personal subscriptions for bonds, made claim for a one hundred per cent. liberty loan banner, and learned that they were the first insurance office in Philadelphia to go on record with a perfect score as an all-American organization.

* * *

Maryland's Best Month

September set a new high record for volume of business placed on the books of the Maryland Casualty during one month. In September the premiums written by all departments of The Maryland exceeded $1,464,000, a greater volume of business than has ever before been recorded in any previous month of the company's history.

* * *

Conserving Time and Effort

In appointing the Actuarial Section of the National Reference Committee as the Actuarial Committee of the Compensation Rating & Inspection Bureau of New Jersey, the Governing Committee and the Department of Banking and Insurance have been actuated by a desire to conserve time and effort. The fact that one member of the committee as appointed is not a carrier of New Jersey compensation business was not overlooked, but since the functions of the Actuarial Committee are advisory only, this fact was not regarded as a governing consideration. The committee consists of Royal Indemnity, Liberty Mutual, Travelers, New York State Insurance Fund, New Jersey Department of Banking and Insurance (chairman).

* * *

A Point of Honor

Because Judge Donald T. Warner of the Superior Court of Connecticut was a member of a law firm which had some litigation against the Aetna Indemnity Company he refused to hear a case against that company in Hartford and has transferred the case to another judge.

* * *

Hearings at Perth Amboy

W. F. Moore will represent the companies at hearings to be held in Perth Amboy before the Ordnance Claim Board. It has been ascertained that the insured glass is valued at $110,000. The losses were spread over 39 towns and involved 21 companies. It seems reasonably certain that the government will pay for all damage caused by the recent explosions at Morgan.

* * *

On Safety Program

December 2, 3, 4 and 5 the New York State Industrial Safety Congress will meet at Syracuse. The program covers a wide range of subjects. "When, What, and How to Inspect" is the subject assigned to John J. Heelan, of the Aetna Life. W. F. Mowbray, of the Liberty Mutual, Boston, will talk on "Infections, Their Cost in Time and Cash."

* * *

Meeting Date Set

The International Association of Casualty & Surety Underwriters will meet December 4 at ten o'clock, at Hotel Astor, New York.

* * *

Argentina Calls

A recent Department of Commerce report says that Argentina has no firms corresponding to what are known as bonding companies in the United States, and there is great need, and should be a profitable opening for one or more reliable American bonding concerns such as are organized to cover risks against employees, officials, etc. Persons in the United States wishing to investigate the Argentine requirements in connection with the organization of a bonding company should address the Ministerio de Hacienda (Ministry of the Treasury), Casa del Gobierno, Buenos Aires, Argentina, which department has jurisdiction over such matters.

* * *

H. L. Herrington Out Again

H. L. Herrington, of the Travelers New York office, is again seen in the insurance district, having quite recovered from his long illness. He has not, however, yet taken up his duties at the office.

* * *

Offering $29 Policy.

The Commerial Casualty is offering a life indemnity disability policy at $29 a year. The principal sum is $1,000, with $25 a week for accident or illness as long as assured suffers total disability; $12.50 a week for illness, total disability, non-house confinement and $10 a week partial disability by accident. Women are written at special rates. Policies are furnished in unlevel amounts at unlevel premiums.

* * *

Small Interest in Proposed Rule

Casualty companies are the least affected of all carriers in the proposed automobile commission rule being discussed in Chicago this week. Of the casualty companies the multiple liners would be least affected and most all the companies writing automobile also write other casualty lines. The proposed rule provides as follows for the appointment of general agents: "For a casualty company (meaning thereby companies operating their automobile business through an American head office of department office which transacts casualty business): No appointment of a general agent shall be approved except where such general agent represents the company as general agent for casualty as well as automobile business."

* * *

Brokers After More Money

The Brokers' Association no sooner got finished making a splendid record in the Liberty Loan drive, than it took up the United War Work drive. F. S. Little is chairman of the insurance agents' industrial division. The following associate chairmen have been chosen: F. C. Carr, fire brokers' division; G. B. LaBoyteaux, Jr., marine; Elmer J. Hopper, liability; Howard Hampton, fire.

* * *

Passes Century Mark

The Ocean Accident & Guarantee now has on its New York office honor roll 109 names and one gold star.

* * *

E. B. Quackenbush Very Ill

Edwin B. Quackenbush, of 92 William street, who has been ill for a number of weeks, is at Roosevelt Hospital.

* * *

No Changes Announced

No automobile casualty rate changes are said to have been agreed upon at the various Bureau meetings held last week. The subject will come up again at the Bureau meeting to be held the first days of December.

* * *

Statisticians in Session

The annual meeting of the Central Statistical Committee of the National Workmen's Compensation Service Bureau began Thursday in New York. Reports of chairmen of sub-committees were read as follows: Automobile Statistics, G. D. Moore; Experience Calls, L. A. Nicholas; General Liability Statistics, H. Farrer; Workmen's Compensation Statistics, E. P. Scheitlin. Subjects coming before the meeting include: Revision of Workmen's Compensation Statistical Plan, Adoption of Public Liability Statistical Plan, Adoption of Teams Liability Statistical Plan, Schedules W, Plan of Penalization for Failure to File Experience, Investigation of Wage Statistics, Extension of Automobile Plan, General Discussion of Experience Rating. Major W. M. Adriance spoke on statistics of the United States Government. The statistical department as viewed from the standpoint of the manager, the underwriter and the claim superintendent, was covered by several speakers.

THE TRAVELERS
INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

Life Companies and Disability Clauses

Continued from page 21)

and the forfeiture of much needed insurance, because of the inability of the insured to pay the premiums owing to his suffering total permanent disability or even total though temporary loss of earning power occasioned by accident or illness.

"My judgment is that life insurance agents and officials are realizing as never before the desirability, we may well say the necessity, of complete coverage; and that the writing of allied multiple lines of life insurance and accident insurance and even of weekly indemnities for accident and illness is bound to grow with ever increasing rapidity as the insurance fraternity and the general public more clearly comprehend its great beneficence, its reliability and its comparatively slight cost."

CASUALTY AND SURETY POINTERS

How to Plan Plate Glass Drive

Explosions, rising cost of glass and insurance rate advances have brought plate glass insurance into prominence for some time. The Aetna tells why live agents favor plate glass insurance, in this communication from one of its representatives:

"Writing plate glass risks is almost wholly a matter of advertising perseverance. Competition in casualty lines was brisk in my territory, so I picked out one line for a leader in special risks, that line being plate glass.

"I realized that if I could secure the majority of plate glass risks I would have an excellent opening to write other lines of business, as the company with which I placed my plate glass insurance was noted for its prompt settlements and service. The result was nearly every time one of my assured had a plate glass loss which was immediately settled, he would give me some of his other insurance.

"I built up my plate glass clientele through mail advertising and personal visits. In fact, I devoted one month to a plate glass campaign in my territory. Following up this drive with one form letter and several short business cards bearing slogans and bits of humor, such as one card which was headed: PLATE GLASS ISN'T ALL THAT IT'S CRACKED UP TO BE. Under this caption I dwelt on the dangers of slippery sidewalks in winter and other window dangers.

"Then I approached all the window cleaning concerns and formed reciprocal arrangements with them to advertise my services in this direction, allowing two of the window cleaning establishments to write risks for me. Their results were small, but it all helped in the ultimate result."

This live broker plans to go after the uninsured this fall with the distribution of small window wedges to be used on smaller windows to prevent the rattle generally resultant in winter winds. With it will be a card touching on the care of windows and how the plate glass in the prospect's store is in more danger during the icy season than ever before.

* * *

Status of Floor Tax Bonds

Having received from its agents a number of inquiries regarding the status of floor tax bonds, the Fidelity & Deposit says that no new developments have arisen in this connection. Some changes will undoubtedly be made in the rate of tax on certain of the articles on which, as the law now reads, there is a floor tax; but there are no indications that the provision for the furnishing of a bond to defer the payment of this tax will be eliminated.

Of course, until this Act is passed by Congress and signed by the President, there will be no need for the bond. But in the meanwhile agents should get in touch with the most responsible of those in their territory, who will be liable to this floor tax, so as to get the applications of such persons for their bonds when the Act finally becomes a law.

* * *

Knocking on the Inside

Some folks wait for opportunity to knock at their door, then go to sleep and could not hear if they would, says the "Coordinator." The truth of the matter is that opportunity knocks from within. It is our ability to visualize, then discriminate, and finally to do the right thing at the right time. This training of our energies in the proper direction, at a time when our actions will produce results, is the opening of the flood gates of opportunity.

The dreamer has his place, but without action, he is but a builder of air castles. It is necessary to get the right perspective, then through past experience, to so direct our actions that our attainment will justify the effort.

Life consists of effort which can be controlled, and of chance which is beyond control. One is the direct action on the will; the other is only a reaction of circumstances.

We grow in power by doing. Thinking may open the way, but it is only by activity properly directed, that we build permanently.

Apropos of opportunity, it was interesting to see how fire and life agents dropped their specialties and took up the sale of disability insurance when influenza became epidemic. They visualized the demand which would be created, on account of the fear which the newspaper publicity developed Then they concentrated their efforts and reaped a harvest of applications.

Only the ignorant will wait for opportunity to kick the door down.

* * *

Law of Human Life Is Enthusiasm

In spite of all that has been written about enthusiasm, William G. Curtis, manager for the Aetna at Albany, N. Y., puts a punch into this old subject when he says:

Enthusiasm is the power back of every great success. It is the lime in the backbone of every successful discoverer, inventor, merchant, agent, salesman or teacher. If you want to succeed—"Enthuse."

Enthusiasm is the dynamics of your personality. Without it, whatever abilities you may possess lie dormant, and it is safe to say that nearly every man has more latent power faculties; but no one—not even yourself—will know it, until you discover how to put your heart into thought and action.

A wonderful thing is this quality which we call enthusiasm. It is too often underrated as so much surplus and useless display of feeling, lacking in real substantiality. This is an enormous mistake. You can't go wrong in applying all the genuine enthusiasm you can stir up within you; for it is the power that moves the world. There is nothing comparable to it, in the things that it can accomplish.

We can cut through the hardest rocks with a diamond drill and melt steel rails with a flame. We can tunnel through mountains and make our way through any sort of physical obstruction. We can checkmate and divert the very laws of nature by our science.

But there is no power in the world that can cut through another man's mental opposition except persuasion. And persuasion is reason plus enthusiasm, with the emphasis on enthusiasm. Enthusiasm is the art of high persuasion. And did you ever stop to think that your progress is commensurate with your ability to move the minds of other people? If you are a salesman this is pre-eminently so. Even if you are a clerk it is the zest with which you work that enkindles an appreciation in the mind of your employer.

You have a good idea—don't think that other people will recognize it at once. Columbus had a good idea but he didn't get "across" with it without much of this high persuasion.

If you would like to be a power among men, cultivate enthusiasm. People will like you better for it; you will escape the dull routine of a mechanical existence and you will make headway wherever you are. It cannot be otherwise for this is the law of human life. Put your soul into your work, and not only will you find it pleasanter every hour of the day, but people will believe in you just as they believe in electricity when they get into touch with a dynamo.

And remember this—there is no secret about this "gift" of enthusiasm. It is the sure reward of deep, honest thought and hard, persistent labor.

HANDLING GOVERNMENT WORK

Relative to Government construction work, the Compensation Rating & Inspection Bureau of New Jersey calls particular attention to the requirement that all proposals to issue policies or endorsements at the modified manual rates, or at the rate for cantonment construction, are to be submitted to this Bureau for approval. This implies that a letter is to be directed to this Bureau in each such case requesting approval and stipulating the nature of the work, the fact that same is being done for the Government and that it is necessary to the conduct of the war and that remuneration of field representatives is not to exceed 7½ per cent. of the premium.

Charles J. Riter of the Massachusetts Bonding in New York has been getting his name near the top of the producers' list.

Jewelry Tax

(Continued from page 21)

than usual in number and amount. The average residence losses for the last three years were as follows:

1915	$124.94
1916	139.13
1917	145.08

The average loss for the year 1918 will naturally be still higher because of the continual increase in valuations.

The losses in all burglary lines were greater as to number, as well as amount, in 1917 than they have been in years; and this condition was undoubtedly due, in part at least, to the unsettled and abnormal conditions which prevailed in the country during the first six or eight months following the entrance of the United States into the war. Conditions in 1918, so far, show an improvement over 1917 as respects the proportionate number of losses; and the indications are that the loss ratio on the various lines combined will be lower than that for 1917; but it is possible that a further revision in rates will be necessary for the residence lines, because of the increased valuations of jewelry and other household effects.

Tax Measure

If the taxation bill now pending in Congress is passed, there will be an additional tax of 50 per cent. on jewelry, which, as I understand it, is on jewelry sales; but this will naturally tend to increase the value of jewelry purchased previously, and, as 49 per cent. of all residence losses consist of jewelry, it is quite evident that, if this bill, without change, becomes a law our jewelry losses will be considerably increased in amount, even though the number does not increase.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary
GEORGIA CASUALTY COMPANY
HOME OFFICE: MACON, GEORGIA
"DIXIE AUTO POLICY"
THE LAST WORD IN MOTOR INSURANCE
Surplus and Reserves to Policyholders.....$1,688,506.87

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HOME OFFICE, 47 CEDAR STREET
CHARTERED 1874
Plate Glass, Burglary, Accident and Health Insurance
EUGENE H. WINSLOW, President
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RELIABLE AND ENERGETIC AGENTS WANTED

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YMCA

How the Y. M. C. A. Invested Fifty Millions

THE Y. M. C. A. needs money—one hundred million dollars at least—to carry on its war work. Last year the American people contributed nearly $50,000,000 to the cause. How was it used?

Read this statement. No fifty millions ever spent has brought so much comfort and happiness to the boys who have left all they hold most dear and gone across to fight our fight.

This money has provided a home for two million boys over there and for another million on this side.

It has built and equipped 538 huts in American cantonments, 550 in France and the building is going on at the rate of 100 a month.

It has rented great summer hotels at French resorts for the use of the boys on furlough.

It has provided canteens or stores both here and abroad, where the comforts of life are sold at cost.

It has printed and distributed 2,500,000 Testaments, 350,000 song books and 5,000,000 pamphlets.

It has provided educational lectures attended by more than a million soldiers and sailors a month.

It has organized twenty-five theatrical companies, who travel the "Y" circuit all of the time.

It sends 15 miles of moving-picture films to France every week.

It has furnished equipment for all athletic sports and secured 1,500 athletic directors to train the men.

It has put "Y" workers on the troop trains, on the transports, at the firing line, in the prison camps keeping in touch with the boys all the way, ministering to their needs, helping them fight loneliness and idleness—the worst enemy our boys are called upon to face.

Seven allied activities, all endorsed by the Government, are combined in the United War Work Campaign, with the budgets distributed as follows: Young Men's Christian Association, $100,000,000, Young Women's Christian Association, $15,000,000, National Catholic War Council (including the work of the Knights of Columbus and special war activities for women), $30,000,000, Jewish Welfare Board, $3,500,000, American Library Association, $3,500,000, War Camp Community Service, $15,000,000, Salvation Army, $3,500,000.

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The Eastern Underwriter, 105 William St., New York City

Commerce

THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

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EXCHANGE TO MODIFY A FLOATER CLAUSE

Application of Co-Insurance on Excess Floating Policies With Specific Insurance in Force

DISCUSSION WITH DEPARTMENT

Companies Willing to Make Change—A Form Applicable in This Territory

An informal conference was held at the New York Insurance Department a few days ago relative to the question of the application of co-insurance on excess floating policies in cases where specific insurance is in force. The discussion was between Harvey Drake, counsel for the Department, and Willis O. Robb, manager of the New York Fire Insurance Exchange.

The co-insurance clause on the excess floaters, known as numbered floaters in New York City, allows the insured to collect only loss in excess of the face amount of his specific insurance. Naturally, the specific insurance policies are subject to at least the 80 per cent. co-insurance clause. The insured is very often far from fully insured by his specific insurance, which fact is the chief reason on his part for wanting excess insurance at all.

At the same time, if he is underinsured, the co-insurance clause on his specific policy prevents him from collecting a full amount of a partial loss. What he fails to collect in that way he cannot collect under the excess floating insurance. The loss that he suffers is from the operation of the co-insurance clause of the specific policy, and does not exceed the face value of the policies containing the clause.

Companies Willing to Modify Clause

So far as the companies are concerned they have long been willing to modify the clause so that insured may be able to collect under his excess floater the loss irrecoverable under his specific policies whether it exceeds the amount of those policies or not; but, being a standard rider the present co-insurance clause could not be tampered with.

The same question came up five or six years ago. Then it was found that

(Continued on page 20)

THE GAUVIN AGENCY

Conflagration Proof

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

Sixty-five-Year Record for Fair Dealing and Prompt Adjustment and Payment of Losses

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager
UNITED STATES BRANCH
76 William St.,
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SPRINGFIELD
Fire & Marine Insurance Co.

Cash Capital $2,500,000.00

THE SPRINGFIELD for two-thirds of a century has transacted business solely under its own corporate name, without annexes, underwriting agencies or subsidiary companies. An agent of the SPRINGFIELD is not a half, a quarter or any other fraction of an agent, but is vested with the rights and dignity of an undivided representative of an undivided and independent company. The SPRINGFIELD stands today pre-eminent among American fire insurance companies.

SPRINGFIELD MASSACHUSETTS

ASK RUSSELL TO ADVISE U. S. SERVICE MEN ON CONVERSION

Phoenix Mutual Executive Made Head of New Department, But May Turn it Down

McADOO CONVERSION STORIES

Messrs. Hunter, Robertson Jones and Fraser Working on Forms—Compensation Rate Schedule, Too

(*Special to The Eastern Underwriter.*)

Washington, Nov. 20. A number of painful inaccuracies about conversion of soldiers' and sailors' insurance appeared in daily newspapers on Thursday of last week.

The papers, for instance, indicated that the Government is considering reinsuring policies with the regular companies. No such idea is in the minds of the War Risk Bureau officials; nor is there anything in the act to warrant such a statement or authorize such a proceeding.

Some sharp criticism has been heard in life insurance circles about conversion "without medical examination into ordinary life, twenty pay life or endowment, maturing at the age of 62, or other prescribed forms." This is not the law. Instead, the sixty-two years means the age at which men are retired from the service branches.

Policies are not converted at all until after peace is declared.

Another point to be set straight is that there are not to be comparisons made in Washington between the cost of companies' and Government insurance.

The daily paper stories said that there would be a saving over private company insurance of 17 per cent. Cost comparisons will not be used for several reasons: (a) in the one case the tax-payers are meeting part of the burden because they are paying cost of administration of the war. Government insurance is not taxed. Life companies are taxed.

(b) Government insurance is limited to certain types of beneficiaries. If all the beneficiaries are dead there is payable at death of the men not the in-

THE GAUVIN AGENCY

surance, but the reserve only of policy at date of death.

(c) Insurance cannot be payable in one sum. After conversion it must be payable in 120 instalments, same as during war.

The advisory board of the War Risk Bureau is at work on ordinary life, limited payment and endowment forms. There will be no others. The rate at which the premiums are to be charged is definitely settled by the law, viz.: net premium under American table, with 3½ per cent. interest.

Hartford, Nov. 20. It is rumored here that Winslow Russell will decline the appointment of head of the conservation section, Division of Military and Naval Insurance, War Risk Bureau.

Winslow Russell, manager of agencies of the Phoenix Mutual Life Insurance Company, and president of the Association of Life Agency Officers, has been placed in charge of a new office created this week by the Secretary of the Treasury. He is asked to head a new "conservation section" of the Bureau of War Risk Insurance which springs into being "to advise soldiers and sailors holding Government insurance of their rights and privileges with respect to continuing their insurance in force after discharge from the army and navy."

In the meantime, the advisory board of the War Risk Bureau, consisting of Arthur Hunter, chairman, F. Robertson Jones and W. A. Fraser, is at work preparing forms, etc., for conversion of the soldiers' and sailors' insurance.

Russell's Work At Washington

For some months Mr. Russell has been devoting most of his time to work for the Government. He has been principal assistant to Dr. Walter Dill Scott, head of the Committee on Personnel of Army Officers. It was this committee which prepared the tests which the army men had to take, and which has been so largely responsible for picking the right men out of the tens of thousands to whom were given commissions. Dr. Scott is well known to insurance men not only by reason of their support of the Carnegie Institute of Salesmanship Research, of which he is at the head, but he has addressed several gatherings of insurance men, and also acts for the E. A. Woods Agency, Inc., Pittsburgh, in an advisory capacity. Among other recent activities of Mr. Russell was his participation in conferences which resulted in life insurance being placed in the overseas educational insurance plan.

Mr. Russell, who was born in Nantucket, Mass., began his business career as cashier in the Boston office of the Connecticut Mutual Life Insurance Company. He joined the Boston agency of the Phoenix Mutual in 1898, and became a partner in the office in 1891. In 1904 he was appointed superintendent of agencies in the Hartford home office, and in 1911 he became manager of agencies. He was elected a director of the company three years later.

Last year Mr. Russell was elected president of the World's Salesmanship Congress at its annual meeting in Detroit.

Life insurance men are awaiting with a great deal of interest the announcement regarding the conversion plans. The only public statement so far given is that by Secretary of the Treasury McAdoo which reads as follows:

Statement By McAdoo

"I desire to remind all America's soldiers and sailors that it is their opportunity and their privilege to keep up their insurance with the United States Government after the war has officially terminated and even after they have returned to civil life.

$36,000,000,000 of Insurance

"More than four million officers and men of the Army and Navy are now insured with the United States Government, through the Bureau of War Risk Insurance of the Treasury Department, the grand total of insurance is more than thirty-six billion dollars.

"In its present form, this insurance is annual, renewable term insurance at net peace rates, issued against death and total permanent disability. Under the provisions of the War Risk Insurance Act, every person holding this insurance may keep it up in this form even after he leaves the service, for a period of five years. All that is necessary is the regular payment of premiums.

"Moreover, the law provides that not later than five years after the termination of the war as declared by Presidential proclamation, the term insurance shall be converted, without medical examination, into such form or forms of insurance as may be prescribed by regulations and as the insured may request. In accordance with the provisions of the law, these regulations will provide for the right to convert into ordinary life, 20-payment life, endowment maturing at age 62, and into other usual forms of insurance. This insurance will continue to be Government insurance. The various forms of policies which the Bureau of War Risk Insurance will write are now being prepared.

"Every person in the military or naval service owes it to himself and to his family to hold on to Uncle Sam's insurance. It is the strongest, safest, and cheapest life insurance ever written. Just as this insurance relieved our soldiers and sailors of anxiety and misgivings for the welfare of their loved ones and protected them against the hazards of war, so it will continue to protect them through the days of readjustment and reconstruction and in time of peace.

Advises That Insurance Be Kept in Force

"The advantages of keeping this insurance in force cannot be emphasized too strongly. The right to continue it is a valuable right given by the Government to our fighting part of the men as compensation for their services. If this right is lost by allowing insurance to lapse it can never be regained. When Government insurance is allowed to lapse the holder cannot again obtain insurance except from private companies at a considerable increase in cost. Moreover many of the men may have become uninsurable as a result of the war through physical impairment, and if these allow their insurance to lapse they will lose the last opportunity for their families to have the protection of life insurance.

"The economic value of life insurance to society is so well recognized as to need no argument. The Government now has in force upon the lives of four million American citizens who have fought its battles, a life insurance group larger than all others combined. Therefore it is manifestly of the highest importance not only to the fighting men and their dependents but to all the people, that the largest possible percentage of this insurance shall be continued in force after its holders shall be returned to civil life."

Mechanism Of War Risk Bureau

The mechanism of the War Risk Bureau is as follows:

The war risk insurance act is under the administration of Secretary McAdoo. It is made up of two great divisions: (1) marine and seamen's insurance; (2) military and naval insurance. The actual head of the Bureau is Assistant Secretary of the Treasury Love. At the head of the marine and seamen's division's advisory board is Hendon Chubb. At the head of the military and naval division is Charles F. Nesbit. Over Messrs. Chubb and Nesbit is Herbert D. Brown, (chief of the Efficiency Bureau) director protem. Under Mr. Nesbit are three deputy commissioners: Herman Behrens, allotments and allowances; H. C. Houlihan, compensation; and J. M. Gaines, life insurance. W. C. Rader is acting commissioner of marine and seamen's insurance. The advisory board on all military and naval insurance matters—Messrs. Arthur Hunter, F. Robertson Jones and A. W. Fraser—was appointed by Mr. McAdoo and advises with him or Mr. Love or the Director on all matters relating to the military and naval division. Now comes the new office of conservation adviser.

Under the life insurance section within five years after the proclamation of peace by the President all the monthly term life insurance policies are to be converted into policies of more permanent nature. To the advisory board has been referred the drafting of such policies.

Under the compensation section the law provides that the director shall prepare a schedule of rates for injuries of a permanent nature, such as loss of hands, fingers, eyes, and tuberculosis, etc. This schedule is now being prepared.

Certificates to Protect Soldiers and Sailors

The compensation law also provides that no one shall get compensation for disability or disease resulting after a year from the time of discharge or resignation from the army or navy, but the director may issue a certificate to a man, saying that he had received certain injuries or had contracted certain diseases during service which may develop into disability later on. If so, on the basis of that certificate a man may draw compensation indemnities even later than one year after his discharge or resignation. The advisory board has been asked to recommend a plan whereby the director will be able to issue these certificates promptly.

The largest double indemnity accident claim paid by the Equitable Life Assurance Society during the first ten months of 1918 was for $9,750. The insured was crushed in an elevator accident.

Protect Your Loved Ones

INSURANCE provides the only SAFE way

For full information, call, write or phone:

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Equitable Life Assurance Society of the United States,

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EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

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Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY of the United States

For agency openings address:
W. E. Taylor, Second Vice-President

EQUITABLE

C. A. Foehl Succeeds Late Robert J. Mix

LOCAL PRUDENTIAL MANAGER

Former President of Pittsburgh Association and Eastern Pennsylvania Manager of Company

C. A. Foehl, manager of the Ordinary Department of The Prudential in Eastern Pennsylvania, and well known in life insurance circles throughout the country, has been appointed manager of The Prudential's Ordinary Department in New York City, succeeding the late Robert J. Mix.

Mr. Foehl joined The Prudential in May, 1903, and soon his name began to figure on that Company's honor roll. One of his most remarkable records was to write at least one application each week for 170 consecutive weeks.



C. A. FOEHL

his highest week producing sixteen applications, his lowest two. He became just as successful a manager as he was a producer.

Tribute From Pittsburgh

Before going to Philadelphia, Mr. Foehl was manager of the Company in Pittsburgh. While in that city he was president of the Pittsburgh Association of Life Underwriters. When he took charge it had ninety-eight members. He greatly increased the membership. In 1909, 1910 and 1911 he was secretary and treasurer of the Anti-Rebate Committee of the Pittsburgh Association.

In a presentation of a clock to Mr. Foehl, L. C. Woods, speaking for the association, said:

"Loyal to his company, he has had the breadth of mind and heart to take in all life insurance companies, and particularly their agents, and in season and out of season, has done his part, often at tremendous sacrifice of his personal business interests. We doubt very much, whether with the possible exception of one other, any individual has made so great and valuable contribution of time to the association's work."

YOUNG GENERAL AGENT DIES

Morris J. Fenster, of Travelers in Albany, a Victim of Influenza Epidemic

Morris J. Fenster of the firm of Fenster Brothers, general agents of The Travelers, in Albany, N. Y., passed away on October 19th. His death was caused by pneumonia following influenza. Mr. Fenster was only twenty-seven years old at the time of his death and was one of the youngest general agents connected with the Travelers Insurance Company. In 1917, he won an honor medal from the Company ranking second for personal production.

Don't Delay Ordering the

SHANBACHER CHARTS

Just Because the Federal Inheritance Tax Law May Be Further Changed

is no reason why you should delay a moment in ordering your set of the famous SHANBACHER RESEARCH CHARTS covering this subject. Millions of Life Insurance is being sold on the basis of the present law, and the moment there is revision in that law, should that come about, revised charts will be furnished without additional cost to you, under the SHANBACHER GUARANTEE to provide all revisions up to September 15, 1919.

For further particulars, address,

THE EASTERN UNDERWRITER

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Group Insurance
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All Other Popular Standard Forms—
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PRUDENTIAL
INSURANCE CO. OF AMERICA

Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President **Home Office: NEWARK, N. J.**

— Branch Offices in All Leading Cities in the United States and Canada —

Fidelity Mutual's New Illustration Blanks

PRACTICAL VALUE TO AGENTS

One Column Shows Proportionate Income in Event of Surrender Before Maturity

Experienced life insurance salesmen agree that an illustration blank is a good thing to avoid, and that when occasion does require the use of such a blank it should not be left with the prospect. Sometimes the illustration blank serves a very useful purpose during the sales talk by helping the agent grip the prospect's attention. With this purpose in mind, the Fidelity Mutual has worked out a new set of illustration blanks and demonstrated their practical value by experimental use in the Philadelphia Agency.

The eye of the reader is kept on a definite track and the benefits of the policy are presented to him in logical sequence, with the amount of the necessary deposits or premiums last in order.

One new and interesting feature is a column showing proportionate income in event of surrender before maturity. On page two of the policy contract, Section 3, three options are offered the insured in event of surrender. The second option reads, "For participating paid-up insurance payable at the same time and under the same conditions as this policy." This is a feature that few agents have fully appreciated. A life income at 70 may seem very interesting to the prospect but occasionally he will hesitate because of a doubt as to his ability to carry the policy to maturity. This provision, properly presented, removes all doubt by assuring the prospect that he would have an income at 70 even though compelled to surrender before maturity—an income proportionate to the paid-up insurance value at time of surrender.

For illustration, take a $10,000 "Income for Life" policy maturing at age 70. The insured aims at a $1,000-a-year guaranteed income. Now, assuming that his policy was issued at age 35, he would have at the end of the 20th policy year a paid up value of $6,330. Had he continued his premiums until age 70, the principal sum would then be $10,000 and the income $1.000 a year, or, in this case 10 per cent. of the principal sum. Applying this same factor to the paid-up value at the end of the 20th year, $6,330, we get an income of $633 a year beginning at age 70. The income factor, of course, varies with the different maturity ages, but it is a perfectly easy matter to arrive at the result when the guiding principle is kept in mind.

The table below provides a very simple formula for determining the proportionate income.

For maturity:

Age 50	take	6.1%	of paid-up value.
Age 55	take	6.7%	of paid-up value.
Age 60	take	7.5%	of paid-up value.
Age 65	take	8.5%	of paid-up value.
Age 70	take	10.0%	of paid-up value.
Age 75	take	12.0%	of paid-up value.

ADDITIONAL SPEAKERS

Major-General Gorgas, J. B. Lunger, and John Wanamaker To Address Life Presidents

Among additional speakers for the Association of Life Presidents, are John B. Lunger, vice-president of the Equitable Life Assurance Society, who will speak on "A Great National Service—How Life Insurance Has Discharged its Duty to the Nation"; Major-General Gorgas, whose subject is "Thrift in Health—Application of Lessons of Military Sanitation to Peace Times," and John Wanamaker on "The Service of Life Insurance as Seen by the Policyholder."

How Insurance Pays Its Own Way

VALUE OF METHOD AND PLAN

Interesting Illustration by the Travelers—Cost Met at End of 55 Years

Methods obtain the best results. Here is a suggestion from The Travelers, for a man dependent on his salary or earnings, showing how insurance can be built up and finally made to pay its own way, concentrating the cost of the insurance with the most prolific business years (between 25 and 55). By this plan, at the end of 55 years the cost of insurance is practically met by the income derived from certain of the policies. Individual cases differ widely but some method can always be worked out that will obtain the results best suited to the needs of the individual case.

If we start out at age 25 with $2,000 Ordinary Life and $1,000 20-Year Endowment policy, we shall have the following:

First Five-Year Period. Age 25 to 30:

	Amount	Annual cost
20 year endowment policy	$1,000	$41.29
Ordinary life policy	2,000	32.38

The annual cost between ages 25 and 30 would be $73.67.

By age 30 it is expected that a man would increase his earning power and his family responsibilities in the same proportion. Let him take at age 30, $2,000 20-year endowment, $2,000 20-payment life, $2,000 ordinary life, and the amount and cost of this insurance added to that of the first period will be:

	Amount	Annual cost
20 year endowment insurance	$3,000	$125.03
20 payment life	2,000	52.44
Ordinary life	4,000	69.32

Annual cost between ages 30 and 35, $246.79.

By age 35 the insured should be again able to increase his insurance, taking out $1,000 20 year endowment, $1,000 20 payment life, and $2,000 ordinary life. The amount and cost of his insurance added to that already in force, will be:

Between the ages 35 and 40:

	Amount	Annual cost
20 year endowment	$4,000	$167.84
20 payment life	3,000	81.75
Ordinary life	6,000	112.56

Annual cost between ages 35 and 45, $362.15.

At age 40 a small further addition can be made of $1,000 20-payment life policy, $4,000 ordinary life policy, and the amount and cost, added to that already involved, will be, during the next five years, between the ages of 40 and 45 as follows:

Between the ages 40 and 45:

	A'mt. in force	Annual cost
20 year endowment	$4,000	$167.84
20 payment life	4,000	114.91
Ordinary life	10,000	216.84

The annual cost between ages 40 and 45 will therefore be $499.59.

At age 45 the endowment policy taken out at age 25 will mature. Premiums on it will therefore cease, and we shall find the following results between the ages of 45 and 50:

Between the ages 45 and 50:

	A'mt. in force	Annual cost
Cash	$1,000	
20 year endowment policies	3,000	$126.55
20 payment life policies	4,000	114.91
Ordinary life	10,000	216.84

The 20 year endowment which has become cash can be safely invested at 4½ per cent. which applied each year to the annual cost of the remaining insurance will decrease the cost between ages 45 and 50 to $413.30.

At age 50, $2,000 of the endowment will become cash and $2,000 of the 20-payment life will become paid up, and the cost of this insurance will be eliminated. We shall then have between the ages 50 and 55, the following results:

Between the ages 50 and 55:

	A'mt. in force	Annual cost
Cash	$3,000	
Paid-up insurance	2,000	
20 year endowment	1,000	$42.81
20 payment life	2,000	62.47
Ordinary life	10,000	216.84

The endowments which have become cash will, if their interest earnings of 4½ per cent. be applied toward the annual cost of the remaining policies, decrease this cost of the insurance between 50 and 55 to $187.12.

At age 55 another $1,000 endowment insurance will have matured, and another 20-payment life will have become paid-up insurance, and the premiums on these policies will therefore be eliminated. We shall then have the following:

Between the ages 55 and 60:

	A'mt. in force	Cost
Cash	$4,000	
Paid-up insurance	3,000	
20 payment life	1,000	$33.16
Ordinary life	10,000	216.84

The interest on the $4,000 of matured endowments applied to the yearly cost of the remaining insurance will reduce it between the ages 50 and 55 to $70.00.

At age 60:

At age 60 the remaining 20-payment life will have become paid-up. Its premiums will cease, and the insured, by taking inventory, will find that he is possessed, as a result of his method of insurance, of the following:

	A'mt. in force	Cost
Cash	$4,000	
Paid-up insurance	4,000	
Ordinary life insurance	10,000	$216.84

The cost of the $10,000 ordinary life, will be practically met from the earnings on the $4,000 cash on hand.

Note: All premiums include disability provision.

A timely leaflet has been prepared by the Globe Indemnity, New York, explaining the principal features of the new workmen's compensation act which becomes operative in Virginia, January 1 1918. Copies may be had upon application to the company.

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

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HOME LIFE INSURANCE CO.
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256 BROADWAY, NEW YORK
GEORGE E. IDE, President

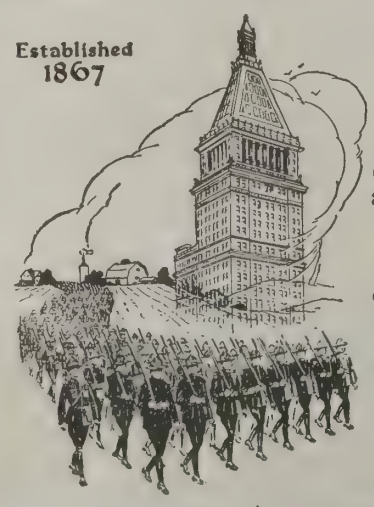
The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

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Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
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Organized 1850

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Heads $4,500,000 Agency in Memphis

A. V. MOZINGO A FARM BOY

Worked His Way Through College—How He Was Attracted to Life Insurance

In many respects A. V. Mozingo, who is general agent of the Jefferson Standard Life in Memphis, Tenn., is a remarkable young man. Although only twenty-seven years old he is head of an agency which has already produced $4,500,000 this year. He is another farm boy who made good in the city. Born twenty miles from a railway he



A. V. MOZINGO

never left the farm until he was fifteen, except to go to a rural school. He spent one year in a high school

Worked His Way Through a Business College

Asked by The Eastern Underwriter for a sketch of his career he said:

"During the summer of my sixteenth year I wrote life insurance and earned enough money to pay my way through a term of business college, after which I did bookkeeping and shorthand work for a few months and wrote life insurance on the side, and in this way saved enough money to pay my way through another term of business college preparing myself for a business teacher and at the age of twenty was given the position as principal of the Business Department of the South Georgia College at McRae, Georgia. However, I soon learned that I was not cut out for school teaching and began to look around for something else, and as positions at that time were scarce and salaries small I concluded to go in business for myself, and as I had no money to invest in any line of business I decided to go in life insurance as it required no actual cash investment. During my twenty-first year I became a full-time life insurance man and for four years solicited business. During this time my average annual production was considerably above $400,000.

"In October, 1916, I opened a branch office at Memphis for the Jefferson Standard Life Insurance Company embracing Arkansas, North Mississippi and West Tennessee territory. The territory was absolutely new to me and the Company had only two local agents in the whole territory, but during the Winter of 1916-17 I gathered together a little agency force and during 1917 we produced upwards of $2,000,000 of business which was produced by my new agents with the exception of $132,000. I produced personally during a campaign of ten days in order to become a bona-fide member of our $100,000 club.

"I contribute a great deal of my success in building up the Memphis Agency, during the past two years, to the good name of my Company all over the South as regards good treatment to its policyholders and agents. I have handled my men in such a way that the majority of them are enthusiastically interested in the growth of our agency and they have helped me a great deal in increasing the agency force.

"My motto is **'He can who thinks he can provided he is willing to try hard enough,'** and I think that through the channel of a fixed purpose or goal with a determination to reach the goal, or die in the act, is the only way to accomplish anything worth while."

Great Southern Life Insurance Company

HOUSTON, TEXAS



For Agency Contracts address

O. S. CARLTON

PRESIDENT

Economic Views of Life Insurance Mayor

MEYERS VISITS HOME OFFICE

Aetna General Agent Head of Minneapolis Municipality—What He Says of Socialists

J. E. Meyers, general agent of the Aetna Life in Northern Minnesota, and Mayor of Minneapolis, visited the Home Office of the Aetna this week, and while there was interviewed on sociological issues, by Hartford daily papers. Mr. Meyers did not run as a Democrat or Republican, but on the platform of "loyal Americanism." His slogan was "Loyalty to the nation, state and city; a square deal for all." All of his talks were aimed directly at the socialists. They were against the United States entering the war; declaring it "an unholy war"; and were against the issues of Liberty Bonds and War Savings Stamps.

Mr. Meyers said that the same elements exist in the East as have risen in the West. He prophesies that the same struggle will occur in New England and that the political socialist will endeavor to advance his propaganda all over the country. He was very earnest when saying that after the war, loyalty and American ideals must be taught. He said that there are two beliefs that must struggle. Under the loyal American plan the individual must be left in possession of his rights as an individual—the state must be secondary. The political socialists say that the individual is made for the state—provided that the political socialists are the state. Mr. Meyers points out that autocracy and socialism come to the same thing.

Views of Unionism

His viewpoint respecting unionism was interesting. He said that in the West, unionism was controlled by socialism. He does not agree that this is a good thing. He believes in unionism being controlled by the unionists themselves. Much to the surprise of many people in the East, who view with alarm unionism as we see it, Mr. Meyers approves the stand taken in the main by Samuel Gompers, who, he says, "Sees the handwriting on the wall." He thinks that the trend of proper unionism will be to advance the interests of the men in the unions, and not be made to work into the hands of the I. W. W.'s.

Repeating that he had made no pledges or promises, but had been elected on his personality, and for the loyalty to America that he stood for, Mr. Meyers said: "Party lines for years to come—certainly for a short period—will be divided on possibly two issues, although this may not come at once. On the one side the loyal democrat and the loyal republican will stand for loyal American ideals. The others will stand for, or be carried away by, experimental theories of the political socialists.

"As now preached in the West the doctrine of the political socialists is, 'Destroy what now exists, and we will build up something in the future.'"

DATING POLICIES

The Union Central has revised its agents' manual section relative to dating policies in part as follows:

(197) If settlement is taken with the application and a binding receipt given, the date of premium payments in the policy will be the date of approval of the application at the home office. If no settlement is taken, the premium payments will be dated the day the policy leaves the office. If the application of either of the above rules would result in a change of age and if the application and medical examination were made on or before the 183d day, or not more than six calendar months, following the birthday the policy will be written at the age at the last birthday, and the premium payments will be dated to correspond with the date of the examination, or some date prior to the change of age. If the application or medical examination was made on or after the 184th day, or more than six calendar months, following the birthday the policy will be written at the age at the next birthday. If more than one examination is made the date of the first will control.

Additional policies requested after change of age of the applicant must be written at the attained age, although the original application may have been made prior to the change of age.

WITH CONNECTICUT GENERAL

Reuben A. Myers has been appointed special representative for New England for the group department of the Connecticut General Life. He was formerly an assistant to L. A. Cerf, Mutual Benefit.

PURELY MUTUAL THE CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, $1,604,426,324

SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued

POLICIES MOST FLEXIBLE AND EASY TO SELL

Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

GEO. E. COPELAND,
Supt. of Agencies,
Milwaukee, Wis.

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

10 Per Cent. of Agents Write 80 Per Cent.

PAPER OF GLOVER S. HASTINGS

Should Be Code of Ethics for Licensing Agents, Says New England Mutual Man

The paper read at Chicago by Glover S. Hastings, superintendent of agencies of the New England Mutual, in which he said that about 10 per cent. of the licensed agents are transacting 80 per cent. of the annual new business has attracted wide attention in life insurance. In analyzing the situation Mr. Hastings said:

"This is a startling revelation and demands much closer and more extended study than most of us have given it.

"Such study is the more urgent just now because, looking to the future, we can discern as one of the outcomes of the war a demand for greater efficiency. We must make our agency forces as productive as possible. We must find a way of measuring the ability with which general agents and managers perform their function in selecting, training, and co-operating with their sub-agents.

"As agency officers, we must plunge our methods into the melting-pot that we may recast them in a better mold. There must be a process of revaluation and reconstruction. It must be approached with new light and larger vision.

Mr. Hastings' Suggestions

"Conceding, then, that the ratios of the Scientific Salesmanship Committee —10 per cent. of agents write 80 per cent. of the new business—that these ratios demonstrate the elimination of waste as a fundamental need of our present agency system: What are we going to do?

"Why not be brave? Why not subtract as well as add? Why should not the Association of Life Agency Officers adopt a code of ethics in the licensing of agents? Why not a standard like that of Massachusetts or New York, modified to meet our needs?

"This is not altogether a new problem, nor is this a new solution, but as yet we have faced it as if we were in a torpor. The appointing of agents is conducted, in the main, by loose and unscientific methods. In the ordinary course of events, a reform such as is here indicated would come about through the slow process of evolution.

Strong Position of Insurance

"The position of life insurance in this country is strong. Rich opportunities are ahead of us. To realize on them we must stand for a larger and larger measure of trained intelligence. The great reproach is not lack of information on the part of the agent, but indifference to it. I contend that the forces which injure the prosperity and compromise the repute of life insurance salesmen are to be found in that great number represented by 90 per cent.

"All our companies should unite in the exacting and extremely difficult process by which the majority of that 90 per cent. will be either eliminated or else elevated above the comparatively unproductive group. A company becomes poorer when its interests are left in the hands of the incompetent. We must give more attention to the proper training of agents. Through long experience, society has found that the dangers of ignorance are greater than the dangers of knowledge. Only rarely do we find the agent who is 'educated' into inefficiency. Upon the whole, we may accept it as axiomatic that lack of knowledge is the symbol of non-participation in the good things of life agency work.

"To the extent that the agent of no character and little or no knowledge and training is displaced—to that extent will be the greater reward to the man who possesses these vitally important qualifications.

"A new era in field methods will arrive when we courageously and absolutely eliminate the ne'er do wells from our forces; when we not only realize but act upon the belief that our agents are entitled to the broadest opportunities and the best advantages which a company may offer; when we appreciate that it is not merely the number, but the quality of the agency force that makes it formidable."

POLICY FOR WOMEN

Continuous Instalment 20 Year Endowment Recommended For Women

The Milwaukee Agency of the Mutual Life thinks the continuous instalment 20 year endowment policy an ideal contract under which a woman can provide for her child in case of her death before the maturity of the policy as an endowment. If she is living at the end of twenty years when the policy matures she herself receives a monthly income of $10 or more, as may be provided, which is to be paid to her during a period of twenty years certain and as much longer as she may live. At her death the same income is to continue to the beneficiary during the remaining lifetime of the latter. If more than one child is to be provided for, the insurance may be divided into the requisite number of separate policies.

The income during the twenty years certain will be increased after the first year by the interest earned by the company in excess of 3 per cent., as determined by the rate used by the company in computation of dividends. This rate for a number of years has been 4.4 per cent., making accordingly a dividend of 1.4 per cent. from excess interest on the balance of funds remaining in the company's hands until the end of the first twenty years.

The premiums are payable for twenty years only, or until the death of the insured if that occurs within the first twenty years. If the original beneficiary dies before the full twenty years' premiums have been paid, the remaining premiums will be reduced in amount.

Dividends standing to the credit of the policy when it matures as an endowment may be applied to increase the income, or may be drawn in cash. Cash and loan values and incontestable features are the same as in other policies.

This policy is especially applicable to women, many of whom are now becoming large insurants. For example: A woman of 45, with a child of 15, may secure an annuity of $100 per month for an annual premium of $1,471. This annuity runs to herself when the policy matures as an endowment at the end of twenty years, and continues as long as she lives. After her death the annuity will be payable to the beneficiary, her child, as long as the latter lives. In this way the woman insures her own as well as her child's future against adversity.

The continuous instalment twenty-year endowment carries full disability and double indemnity benefits.

PITTSBURGH GROUP POLICIES

L. C. Woods and H. K. Beegle, of the E. A. Woods Agency of the Equitable Life, recently closed group policies on the employees of the H. K. Porter Co., and the various Frick buildings in the city.

Organized 1871

LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

CENTURY LIFE INSURANCE COMPANY — CENTURY — INDIANAPOLIS, IND.

1 REASON Our Policies Sell

OUR POLICY CONTRACTS contain all provisions consistent with safe underwriting and are guaranteed by a deposit of the full legal reserve with the State. Our promises are all in our contract. Good contracts for up-and-doing agents.

THOMAS J. OWENS, Pres.

DR. ALBERT SEATON, Vice-Pres. & Med. Dir. — CLAUD T. TUCK, Secretary

New York Life Insurance Co.

FIVE YEARS OF EFFICIENT SERVICE
INCLUDING
THREE AND ONE-HALF YEARS OF WAR TIME

During the Five Years ending December 31, 1917, the New York Life

Received in Income	$667,884,000
Paid Policy-holders	382,875,000
Increased its Resources	215,272,000
Increased its Insurance in Force	503,535,000

THE BUSINESS OF 1917 EXCEEDED THAT OF 1912.

In Income	$27,325,000
In Amount Paid Policy-holders	25,337,000
In New Insurance	119,917,000

The increase in Business and Resources in Five Years equals the Business and Resources of a very substantial life insurance company, and this new Company is returning to policy-holders 92 per cent. of its entire income. It is also adding forty million dollars a year to its resources and one hundred millions a year to its insurance in force.

HELPING WIN THE WAR.

Since the war began, in August, 1914, the New York Life paid to December 31, 1917, 998 war losses amounting to $3,007,223. There were 238 reported losses for $607,084 awaiting proof on December 31. The Company had so carefully guarded itself against extra mortality by reason of war that, notwithstanding the world-wide character of the conflict, the percentage of its actual to its expected mortality has not been appreciably affected. This percentage for 1917 was 70.85—the lowest of any year since the Company has kept complete mortality statistics.

The Company owned Liberty Bonds on January 1, 1918, to the amount of $12,075,000, and subscribed for $20,000,000 of the Third Liberty Loan.

There are Four Hundred and Twenty-six Stars in the Company's Service Flag, and one of the Home Office boys—Frank J. Brandreth, of the Rainbow Division, has already won the French War Cross.

The Company has afforded the Government every assistance in its power in formulating and carrying out the plan of Government Insurance on the lives of soldiers and sailors. Agents are forbidden to accept applications from soldiers or sailors unless they have already taken the limit with the Government.

EVERY MAN'S BUSINESS.

Just now it is every man's business to Help Win the War. Our daily occupations are incidental; winning the war is our real business.

Winning the war is our real business because back of that lies the chief and ultimate purpose of life—making the world a safe place for women and children. And that is the aim of Life Insurance in war time and in time of peace.

The Government has recognized this in the provision made by life insurance for the families of those who die or are disabled in the service. The man who stays at home and does less is a slacker.

NEW YORK LIFE INSURANCE CO.

DARWIN P. KINGSLEY, President.

PROVIDENT agents find that

INCOME POLICIES sell best when they provide for the Insured's own Old Age as well as for the Protection of the Family.

Write for information

THE PROVIDENT LIFE and TRUST COMPANY of PHILADELPHIA

Founded 1865

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

How J. E. Kavanagh Hired An Agent

BLUNT TALK AT START

Told Applicant That Insurance Was No Fit Vocation for Drifters to Tackle

The Eastern Underwriter has been asked to print the now historic conversation which James E. Kavanagh, the fourth vice-president of the Metropolitan Life, had with a prospective agent in the office of a Metropolitan superintendent in the Northwest in which Mr. Kavanagh talked bluntly about life insurance as a career. When Mr. Kavanagh entered the office he was introduced to the bright looking young man who had come in for the purpose of seeking a position as an insurance agent in the belief that he would like to have a fling at the insurance business. This conversation then followed.

Superintendent: Mr. Kavanagh: I want you to meet Mr. Jones. He thinks he wants to be an insurance agent.

Young Man: Yes, I feel as if I would like to take a try at insurance.

Mr. Kavanagh (sharply): I would not do it if I were you.

Mr. Jones (disconcerted): Why? Don't you think I am cut out for it?

Mr. Kavanagh: I certainly do not.

Superintendent (alarmed): I am sorry you feel that way.

Mr. Kavanagh: Are you a married man?

Mr. Jones: Yes, sir.

Mr. Kavanagh: Do you love and respect your wife?

Mr. Jones (emphatically): She is the best woman in this town.

Mr. Kavanagh (with more interest): That's the way to talk. Were you born here?

Mr. Jones: No sir; in England.

Mr. Kavanagh: How long have you been in this country?

Mr. Jones: Seven years.

Mr. Kavanagh: Have you made your fortune yet?

Mr. Jones: O, no sir; I have not.

Mr. Kavanagh: Since arriving in the United States what occupations have you been following?

Mr. Jones (with enthusiasm): I have had a lot of experience. First, I was a veterinary surgeon; then I drove an express wagon; next I was a bookkeeper for a wholesale grocery concern. For a time I sold oil in Calgary. I also was in the real estate business. My last job was as a printer.

Mr. Kavanagh: And now you want to "take a try" at insurance?

Mr. Jones: Yes, sir.

Mr. Kavanagh: Well, if you came to America to try all the jobs here you will have to go a blamed sight faster than seven in seven years. This country is full of young men just like you, hop-skipping around, never staying long enough in one position to land right. Now, let's look the situation squarely in the face. For seven years you have been at work here and you are nobody yet.

Mr. Jones (with heat): I beg your pardon; I am an honest man.

Mr. Kavanagh: True enough, but the fact is you are here, but you haven't arrived. You have no label. You are without a tag. When some men in this town walk down Main Street pedestrians turn to companions and ask: "Who is that?" The answer is "Why that's the mayor," or "That's the leading doctor in town," or "That's the man who owns the skyscraper," or "That's our most prominent dentist." You could walk the streets for hours and no one would turn around for a second look, or express any interest in you. Because, speaking bluntly you are nobody; and, in my opinion, you never will be anybody as long as you go about trading one job for another.

Mr. Jones: At first I was offended at your cross-examination; but then the truth went home. You have sized me up correctly. Give me a chance in the insurance business and I'll work hard.

Mr. Kavanagh: You will find it difficult at first, but if you think at the end of two months that this is a h—— of a job you might as well go back to your express wagon.

Mr. Jones: You have convinced me that when I make my next change it shall be my life's work. Put me to work and I'll make good.

Mr. Kavanagh: I think you have seen a new light. The superintendent will give you instructions as to your duties and responsibilities as an agent of this company.

HARTFORD NOTES

The condition of Walter C. Faxon, vice-president of the Aetna Life, who has been seriously ill during the past two weeks at his home in Hartford has improved slightly.

* * *

Compensation Commissioner Geo. B. Chandler of Hartford has resigned as chairman of the department of publicity of the Connecticut State Council of Defense. In his letter of resignation he stated that now the war is over he desires to get back on his compensation job full time. Mr. Chandler was a pioneer in the agitation for preparedness, and the early entrance of America into the war, and says he thinks he has earned a "furlough."

* * *

O. R. Beckwith, general counsel of the Aetna Life, has been elected to the Connecticut legislature by the town of West Hartford.

* * *

George A. Hunt, formerly of the Connecticut Mutual, but now a first lieutenant of the Twenty-third Infantry, United States Army, who fought at Chateau Thierry has written Hartford friends of some of his experiences. For the boys over there he says the great question now is what souvenirs shall they bring home to their friends.

* * *

Capt. Jacob H. Greene, assistant secretary of the Connecticut Mutual and Thos. D. Faulkner, assistant secretary of the Hartford Accident and Indemnity Co., were captains of canvassing teams in the great drive for the seven war auxiliaries in the Hartford district.

* * *

Leon E. Taylor, special agent of the Aetna Life, died at his home in Rocky Hill near Hartford last week.

* * *

Included in the tribute to peace parade held in Hartford last Monday, the Aetna Life Club, some 600 strong, led by President Nicholas DeNezzo, carried off first honors as far as display was concerned. An immense truck carrying a large searchlight followed the first platoon, the light playing constantly upon the marchers who carried flags and upon the white silken banner bearing the company name. A truck of enthusiastic Aetna employees brought up in the vanguard were decorated with American and allied flags.

* * *

A. Gordon Merry, formerly of the Hartford Steam Boiler Insurance Company, but now in the United States Army has been commissioned a captain of infantry.

* * *

There has been a great investment demand for insurance stocks in Hartford. The life stocks have continued their advance with sales of Travelers ranging from 725 to 735 and Aetna Life 660 bid and none offered. There is a big demand in Hartford circles for National Surety which has advanced to 205 during the last week. The bid price of the local fire stocks during the week has been Aetna 355; Automobile 333; Hartford 700; National 333; Phoenix 360; Standard 50. The life and indemnity stocks have been as follows: Aetna Casualty and Surety 480; Aetna Life 660; Connecticut General 685; Hartford Steam Boiler 370; Travelers 730.

A TWO-EDGED SWORD

It must not be assumed that the inheritance tax argument is applicable only to men of great wealth, says the Union Central's "Agency Bulletin." Two things should be remembered:

1. If a man should die tonight and not leave enough of an estate to be affected by inheritance taxes, then he would not leave enough to provide for his dependents, and needs to create an estate at once through life insurance.

2. If he is rich enough to be affected by inheritance taxes then he needs to protect the inheritance by sufficient life insurance to pay the taxes and fees at his death.

James W. Reed, a well-known upstate life insurance agent, died this week. His home was in Marcellus, N. Y., and he represented the Northwestern Mutual Life.

SECOND TO NONE IN SERVICE

Long established and thoroughly modern, providing perfect protection for a net cost which is notably low, and rendering service which is unexcelled, the Massachusetts Mutual stands out as an ideal company in which to insure. Sixty-seven years of square dealing are back of every one of our representatives. They will tell you how great an asset that record is in their work.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co. Boston, Mass.

WAR CLAUSE CHANGES

MUTUAL BENEFIT'S WIRE

Will Refund All Extra Premiums in Full—All War Rules Are Abolished

The Mutual Benefit on Monday sent the following telegram to its general agents:

"All extra premiums will be refunded in full.

"War or travel claims which have arisen or which may hereafter arise, will be paid in full, whether extra premiums have been paid or not.

"All war rules are abolished.

"Applications for new insurance will be considered on a pre-war basis."

PHOENIX MUTUAL RULES

All War Clauses Annulled—To Return Extra Premiums—To Pay Claims in Full

President Holcombe, of The Phoenix Mutual, has mailed the following circular to managers and supervisors:

We wired you on November 16 that the use of war clauses had been discontinued and also the following:

1. That all war clauses in outstanding insurance are annulled;

2. That extra premiums paid for military, naval and relief service will be returned in full;

3. That all claims under policies containing a war clause will be paid in full even though no extra premium had been paid, provided the regular policy premium had been paid.

By this action policies issued since April, 1917, will be free from any restrictions regarding military, naval or relief service, and the insured will have complete freedom of travel and residence. In addition the Phoenix Mutual will have paid in full the beneficiary of every policyholder who died while in military, naval or relief service and without the payment of a dollar of extra premium.

Arrangements will be made within a few weeks for the refunding through our agencies of the extra premium. A circular is in preparation for general distribution to policyholders announcing the Company's action.

NEW YORK LIFE WAR RULES

Clauses Eliminated With Few Exceptions—$5,000 Limit On Persons in War Service

Beginning Monday, November 18, 1918, and until further notice, war clauses of the New York Life will be eliminated from all policies issued by the Company on the lives of residents of the United States and Canada, except in the following classes of cases:

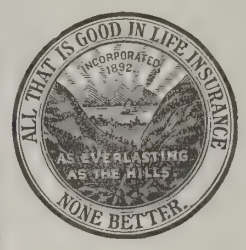
First.—Policies issued on the lives of persons in military or naval service will contain War Clause "A," and the maximum amount of insurance considered on such lives will be $5,000 (instead of $2,500 as formerly).

Second.—Policies issued on lives of persons going abroad (if the insured is not in military or naval service), will contain War Clause "C," if the conditions surrounding the case in the opinion of the Company require it, otherwise no clause will be put in. The question of inserting clause "C" and the amount of insurance which will be accepted will be determined according to the country to which the applicant is going and the conditions which exist in such country.

As to policies issued on the lives of Canadians, the same rules will apply, except that Canadian Clause "A" will take the place of American Clause "C" where the conditions mentioned above require a War Clause.

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

WAR PREMIUM ELIMINATED

Massachusetts Mutual Life Insurance Company Takes Off Restrictions On New Business

At a meeting of the officers of the Massachusetts Mutual Life Insurance Company it was decided that the company would hereafter require no extra war premium for war service. Premiums which have already been collected will be refunded. Death claimed on men who have died in service, but who have not paid the extra premium, will be paid in full, and in cases already settled on the basis of reserve, full settlement will be made. The officers have also announced to their agencies throughout the country that all military restrictions on new business are at an end, pre-war limits as to amounts having been restored.

EQUITABLE SOCIETY RULES

Free Permits to War Workers Going to to Great Britain, Ireland, France, Belgium and Italy

Equitable Life Assurance Society policies will be issued hereafter without war clauses provided the applicants are not now in, and have no intention of enlisting for, military or naval service. In the case of any policies heretofore issued on lives other than those just noted, the war clause will be eliminated, if desired, upon written request of the insured on form provided. Life or endowment policies issued to members of the Army and Navy, or to those intending to enlist, or who purpose to go abroad in connection with war activities (Red Cross, Y. M. C. A., etc.), will contain the war clauses provided for in the rules which were in effect during the war. Free permits will be issued, however, to war workers (Red Cross, Y. M. C. A., etc.), and to other civilians going to Europe, but for the present these free permits will be limited to those going to Great Britain and Ireland, France, Belgium or Italy.

Disability and double indemnity benefits will not be included in policies issued to members of the Army and Navy, or to civilian war workers going abroad.

Policies issued with war clauses, or with occupational, or tropical travel or residence clauses containing a two years' restriction will be written with the two-year incontestable clause. But policies which do not contain the war clause or a two-years' restrictive clause will become incontestable after one year.

NO WAR RESTRICTIONS

Elimination By Mutual Life—No Extra Premium For War Workers Visiting Europe

In a statement to its field forces the Mutual Life says: "Although the war will not legally end until the treaty of peace is signed, the company deems it safe to issue policies at once anywhere within the continental limits of the United States and Canada with wartime restrictions eliminated; nor will any extra premium be required of new policyholders who subsequently enter the military or naval service, or engage in the war work of the Red Cross, the Y. M. C. A., the Knights of Columbus, or of any similar organization, or who may have occasion to visit Europe on business or for pleasure, nor will the insurance be subject to reduction in the event of death in certain cases as it would be under policies formerly issued containing the reduced liability clause.

"Policies already issued are freed from liability either to the payment of a war premium or to reduction in the sum insured in case of death, provided they have not already become subject to payment of such war premium or to reduction in the sum insured, and provided their holders are not now in the military or naval service."

COLUMBIA LECTURES

Messrs. Linton, Rosenfeld, Morris, Moir and Hunter Scheduled to Talk

Many inquiries are being received about the Columbia University Insurance Course. The lectures as scheduled up to February 1 are as follows:

Nov. 22. Annuities. M. A. Linton, vice-president Provident Life & Trust.

Dec. 6. Group Insurance. H. L. Rosenfeld, second vice-president Equitable Life Assurance Society.

Dec. 13. Total Disability Benefits in Life Insurance Contracts. E. B. Morris, actuary Travelers.

Dec. 20. Factors Underlying a Sound Plan of Life Insurance. Henry Moir, Home Life.

Jan. 10. The Net Single Premium. Arthur Hunter, New York Life.

Jan. 17. The Net Level Premium and Loading. Arthur Hunter.

Jan. 24. Sound (Reserve) and Unsound (Non-Reserve) Plans of Life Insurance. Arthur Hunter.

PERSONAL LIFE INCOME

Union Central policies will hereafter be issued for a personal life income, beginning at ages 50, 55, 60, 65 or 70, with a minimum premium paying period of 10 years. To obtain an income beginning at age 50, the applicant under this ruling would be required to apply at age 40 or under.

PRUDENTIAL TAKES OFF CLAUSE

President Forrest F. Dryden of The Prudential has announced that the use of war clauses by The Prudential will be discontinued on all ordinary policies issued hereafter on the lives of applicants not engaged in military or naval service, Red Cross, Y. M. C. A., or other relief work, thus relieving all men of the former draft ages of the extra premium.

Mr. Dryden also states that the pre-war limits of amount of insurance will be restored in The Prudential on industrial and ordinary policies, the only exception being in the case of applicants for ordinary policies who contemplate going abroad, the limit of amount depending on the countries to which they intend going, and upon conditions in those countries.

NATIONAL LIFE INSURANCE COMPANY

MONTPELIER, VERMONT

FRED A. HOWLAND, President

A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY

Edward D. Field, Superintendent of Agencies

Mr. Field Man: Detroit, July 18, 1918.

Do you know:

That the NORTHERN ASSURANCE COMPANY of Detroit, Michigan, has lived up to all the traditions of the highest purposes of life insurance;

That it stands for the highest ideals in underwriting and that its slogan is, and always has been, CLEAN MEN AND CLEAN METHODS in its field work;

That it is writing more insurance per capita per agent than any other American life company?

If you are interested in knowing something of our Home Office system which makes this possible, we will be glad to hear from you.

Address, CLARENCE L. AYRES, *President,*
DETROIT, MICHIGAN.

Northwestern Mutual's 60th Anniversary

AN INTIMATE VIEW OF COMPANY

Strong Personalities Who Helped Make Organization One of Greatest in Insurance

By Henry Franklin Tyrrell

The Northwestern Mutual Life Insurance Company will have a "birthday" Nov. 25, 1918. It will be sixty years old.

The Eastern Underwriter has written that it would like some suitable material to run about that time relative to its progress, and the associate editor diplomatically suggests that the human interest side be not forgotten. As "pinch hitter" for the company, the letter was handed me for necessary attention.

The material progress of the Northwestern is written into the official records of nearly every state in the Union. It makes a splendid story of continuous success—a story of large numbers happily insured; of great amounts contributed; of immense sums held in sacred reserve and of fortunes to be received when most needed.

All this, however, is sordid. It may be expressed in dollars and cents.

Where Real Progress of a Life Insurance Company Is Written

The real progress of the Northwestern is written in the homes and hearts of its beneficiaries. In my judgment, this dominates. The material is subject and subordinate to it.

I believe that there is no institution on the face of the earth into which money enters as a moving feature, which is anywhere near so full of human interest as the splendid institution of life insurance. It stands proudly next to the church in the exemplification of attributes which make human interest—the attributes of love, protection and duty!

Why, Mr. Associate Editor, gentle reader and good people all, Life Insurance is Human interest!

But to get back to the Northwestern. It was chartered in 1857, and those were dark days. Looking back, one wonders how the project ever survived, but when one remembers picturesque old General Johnston, its founder, his vision clears.

Personality of the Founder

As I figure it, Gen. Johnston was born one hundred years too soon. Otherwise he would have been a national or international character. He had the attributes. The war would have made him. As it was, he turned out to be "pretty good," although a century ahead of the parade!

He began his vocational career as a school-teacher—a fact for which the records do not show that he ever apologized—then operated a sash, door and blind factory; turned later to manufacturing a patent invalid chair and finally, like many another rolling stone of later days, took up life insurance as a dernier ressort.

Gen. Johnston also was what the irreverent of later days sometimes derisively called a "tin soldier"—a valiant representative of the tribe of state militants who later developed into splendid fighters—and likewise was the gentleman with the red sash who inevitably rode the off hearse horse at the head of gala day parades: The General was picturesque in figure and dramatic in action!

He existed for sixty-three years in the quiet little city of Catskill, N. Y., content to be "a big toad in a little puddle" and smugly waved aside the allurements of ambition, if he had any. Then suddenly broke out the flames of destiny in his venerable heart and he started down to the city of great opportunities. With him went Henry Hazen Hyde and Henry Baldwin Hyde, father, son and erstwhile pupils. The former entered the agency force of the Mutual Life of New York and was for many years its general agent at Boston. Henry B. Hyde founded the splendid Equitable and Gen. Johnston, the Northwestern.

In this interesting chain of circumstances is disclosed a noteworthy connection between three of the largest life insurance companies in existence and three of the best exponents of its great service.

Organizing a Life Company in 1857

Gen. Johnston lacked staying qualities. He was nervous, restless and belligerent. He craved excitement and diversion. Selling out his New York agency with the Mutual Life for approximately $25,000—a goodly sum in those days—he migrated, so to speak, to Janesville, Wis., where he bought a large estate intending to start a stock farm. He muffed! He was not the right sort. Gen. Johnston was vocal. Dumb animals could not respond. He was a salesman and soon his thoughts turned to the only thing in his experience that had brought him money. He started to organize a life insurance company in Wisconsin in 1857.

Think of it! No one but a former school-teacher would have dared to try it. The state was not yet ten years old; it was sparsely settled and was struggling against the handicaps of pioneership. Its one and only railroad had just been completed and markets were few and far between. Financial disaster stalked grimly abroad and war, with all its horrors and desolations, threatened. Doubt and distrust made men timid and property seemed more sacred than life insurance. But valiant old Gen. Johnston went bravely ahead, undaunted, and actually persuaded thirty-six of the most prominent men in Wisconsin to ask the state legislature for a charter.

This was granted in 1857, but it took over a year and a half to get the necessary number and amount of applications to give it corporate life, so that the Northwestern actually began business Nov. 25, 1858.

Two Contracts Rescinded

It came mighty near foundering right from the start. Two bad reefs hemmed it in from the broad sea of prosperity. One was a binding agreement which divided the company into two distinct parts, one devoted to the issuance of life insurance and the other to the investment of funds. Each branch was to be administered from a separate home office, one at Janesville and the other at Whitewater, and a certain number of officers always were to be at each place. The other was a contract to pay a specified member of the Johnston family 5 per cent. of all premium receipts so long as that member should remain in the employ of the company!

Adherence to either contract would have been fatal, but they were soon rescinded. The incident shows, however, that the practical features of life insurance administration were not well understood in those days.

Hiram G. Wilson, whose name deserves a much more prominent place in the annals of life insurance than it has received, was attracted to the company right from the start and went out through the state establishing agencies and soliciting applications. It was he who kept it alive, for Gen. Johnston soon got into a quarrel with the trustees, surrendered his contract, took a paid up policy and went away to give up the ghost about a year later.

About that time, Samuel S. Daggett, head of a fire insurance company in Milwaukee, was attracted to the struggling infant He saw its eventual and potential possibilities, as he was a right shrewd, far-seeing business man. He consulted Henry L. Palmer about procuring it and, in due time, this was accomplished. The headquarters of the company were changed to Milwaukee and its physical property was brought to its new home in a suit case.

Judge Palmer Becomes President

Judge Palmer immediately became personally interested in the new concern as counsel and later was elected president, which position he held for upwards of thirty-four years.

Henry L. Palmer was one of the geniuses of life insurance. To his wonderful executive ability much of the success of the Northwestern is due. Proper credit to his extraordinary talents would require more space than is now at our disposal, but some day when a critical history of American life insurance shall be written, the name Palmer, will stand near the top of the list of great men who have been associated with the institution. As it is, few persons connected with the business know that Judge Palmer, for example, was the author of the earliest complete code of life insurance laws enacted in this country and yet it is the fact that he drafted the Wisconsin Code of 1870 and notwithstanding official ingenuity, legislative acumen and progressive fol-de-rol, no state has since enacted regulatory and restrictive laws more certainly safeguarding the rights of policyholders or regulating the conduct of the business, than does that same simple Palmerian code of 1870!

Willard Merrill An Organization Genius

Executive and administrative genius, however, must have something substantial upon which to work. Prospects must be made applicants, and so another great genius came to the Northwestern, just when he was needed, in the person of Willard Merrill, an organizer and developer of salesmen. It was he who developed the Northwestern agency system—a system which we at the Home Office proudly, but modestly, consider superior to any in the United States.

The brains of a McClintock—and this great man was actuary of the company all during its foundational years and did much to establish it on a safe

CO-OPERATION No. 15

A DECREASE of 28 per cent. in actual amount of business lapsed and surrendered was experienced in 1917 as compared with 1915.

This improvement in the quality of the business can be traced in part to the fact that our effective plans of agency co-operation are being devoted chiefly to carefully selected full-time representatives.

Phoenix Mutual Life Insurance Company
of Hartford, Conn.
JOHN M. HOLCOMBE, President

HOME LIFE INSURANCE COMPANY of AMERICA
INCORPORATED 1899
PROTECTION FOR THE ENTIRE FAMILY
This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.
INDUSTRIAL POLICIES are in full immediate benefit from date of issue.
ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State Endorsement.
GOOD CONTRACTS FOR LIVE AGENTS
Executive offices No. 506 Walnut St., Philadelphia, Pa.
BASIL S. WALSH, President JOSEPH L. DURKIN, Secretary JOHN J. GALLAGHER, Treasur

THE UNITED STATES LIFE INSURANCE COMPANY
1850 IN THE CITY OF NEW YORK 1914
ISSUES GUARANTEED CONTRACTS
Good men, whether experienced in life insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, 277 Broadway, New York City.
JOHN P. MUNN, M. D., President
FINANCE COMMITTEE (CLARENCE H. KELSEY, Pres. Title Guarantee and Trust Co; WILLIAM H. PORTER, Banker; EDWARD TOWNSEND, Pres. Importers and Traders Nat. Bank

and sound foundation—may have given to the company a wonderful contract and the genius of a Palmer may have produced large interest returns at comparatively low cost, but both would have been impotent without policyholders and these Merrill furnished through his great selling force.

Note this: At the last meeting of the agents of the company, at which approximately ten per cent. only were present, no less than twenty-five men paraded the convention hall who had been under agency contract with the Northwestern for twenty years or more. A wonderful showing, was it not?

The progress of the Northwestern has not been confined to life insurance alone. True, it always has given the public the best contracts its officers could devise and it has issued a wonderful lot of them, but the investment feature deserves special mention. Perhaps it has not so much of the sentimental in it, but it certainly has romance. That it has substantial substance goes without saying.

George C. Markham's Faith in the Farmer

Henry L. Palmer was especially strong as a financial man. It was he who first recognized farm mortgages as splendid investments. When he began to think of retiring from his office as president, George C. Markham was chosen as his successor and in the ten years in which he has been at the head of the company, Mr. Markham and his associates have enlarged upon the farm mortgage idea until today the Northwestern is the heaviest loaner to farmers of any business institution in the United States. Likewise farmers are the largest class of insurers in the Northwestern. The consequence is that no other secular institution in the country is so intimately associated with the homes of farmers as is this big life insurance company and in this fact is enough human interest to satisfy the most exacting or expectant!

In the progress of the Northwestern, it has become an empire builder. It has put millions of dollars onto the land all over the United States, but principally in the great middle west, and it has financed homes by the thousands. With its funds, prosperity has been created and on its heels have followed happiness and contentment.

Men do not measure progress, however, by the number of widows and orphans who have been spared the pangs of hunger and the humiliation of poverty; they do not measure progress by sentimentality; they take no account of the aid and assistance an institution is to the citizen and to the home; they overlook the beneficence of a corporation which steps in to aid the state in ways that are superior to and more acceptable than, organized charity; they merely look to the material. They want to know how much insurance it has in force; what gains it has made and is making; what assets it has and all the sordid details of mere business.

The Progress of the Company

Well, then, to satisfy this demand, let us inquire into the "progress" of the Northwestern. It arrived in Milwaukee without a cent of assets. It borrowed $300 at the bank and had to renew the note when it came due. Its trustees argued all one afternoon about buying a second hand safe for $90 because there weren't $75 worth of securities to put into it. When the first death loss occurred the money was borrowed to pay it. At the end of ten years, the Northwestern had 27,887 policies in force covering $50,039,744.97 of insurance. It had assets amounting to $4,755,418.57.

At the end of its first decade of corporate existence its executive committee reported that during that period the total number of losses had been 447, covering $772,328.30 insurance, to which statement they appended a phrase which could and should very properly be used in all life insurance "literature" at this time, to-wit: "the money received on these policies has been all that was left to keep the broken household from separation and from charity."

The Northwestern has made "progress"! On the opening of business the first day of October, 1918, it had outstanding 615,273 policies covering $1,664,121,017 of insurance in force. It had mortgage loans outstanding to the total amount of $209,854,823.33; policy loans amounting to $58,056,402.66 and bonds valued at $121,369,847.35. Its total assets amounted to $410,888,728.20.

The little suit case and the old $90 safe, have long since been outgrown. A magnificent granite building now houses the physical property of the company and its securities rest in a steel vault inside of which are thirty-five other steel safes!

Oh, yes, the Northwestern has certainly made "progress" in sixty years!

But the human interest side of the business appeals to me most. While it is gratifying to read figures which denote successful business administration—and they are a source of pride to us all—still the millions of dollars paid out to beneficiaries to "keep the broken home from separation and from charity" are the ones that sink into the soul. They overshadow all the rest.

OLDEST EMPLOYE RETIRES

Owing to illness and on the advice of his personal physician, former Assistant Medical Director J. E. Browne has been granted an indefinite leave of absence by the Executive Committee of the Equitable of Iowa.

Mr. Browne is the oldest employe of the Equitable, which in itself is a mark of distinction that one might well cherish. He entered the service of the company on July 15, 1888, so that he has been in its service continuously for over thirty years. He advanced in the company's service to the position of Assistant Medical Director, and the work he has performed in that capacity has been most invaluable.

THE PRESIDENT'S ADVICE

President Wilson says: "If a man does not provide for his children; if he does not provide for all who are dependent upon him, and if he has not that vision of conditions to come and that care for the days that have not yet dawned, which we sum up in the whole idea of thrift and saving, then he has not opened his eyes to any adequate conception of human life."

When you die your children can't eat your debts, but your debts can eat your children—J. T. Phelps & Co.



Miss Mary S. Bryan, of the Pennock Agency, New York City, has closed the Virginia-Carolina Chemical Company and Subsidiaries of Richmond, Va., for about $3,250,000 of insurance on approximately 4,250 employees, an average of $750 on each person.

State Mutual Life Assurance Co. of Worcester, Mass. Incorporated 1844 — Protection To-Day

State Mutual Life Assurance Company of WORCESTER, MASS.

Incorporated 1844

REAL MUTUALITY for nearly THREE-QUARTERS OF A CENTURY has characterized all Company activities to the advantage and satisfaction of policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies.

RIGHT AGENTS GOOD TERRITORY

still available for development by the

..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.

Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

In Pamphlet Form

Business Reasons for Business Insurance

VALUABLE article from the Life Insurance Salesmanship Edition of The Eastern Underwriter has been published in canvassing document form and is proving very popular with life underwriters. -:- -:- -:- -:- -:- -:- -:- -:-

Price $3.00 per 100 copies

Sample copy 10 cents

THE EASTERN UNDERWRITER
105 WILLIAM STREET
NEW YORK

INTERNATIONAL LIFE of St. Louis
SMASHED ALL RECORDS IN 1917

It was the Special Combination and New T. O. Policies that did the work.
If you are not selling them we are both losing money.

J. L. BABLER, Vice-President and General Manager Agencies
MASSEY WILSON, President

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Advantage Of Team Work

The advantage of team work is that a case can often be closed which an agent working alone might develop up to a certain point and then lose his control of it, says "Agency Items."

Two agents working together often have opportunities which alone neither could take advantage of.

When working together two agents are not compelled to keep together. One may go alone to a prospect and push the transaction as far as possible. If he can close the case without assistance, well and good; but if his progress is arrested, he can say: "I want my partner to explain this matter, and with your permission I'll call with him tomorrow afternoon."

Or, if the two go together, one may do the talking and the other simply endorse what is said; or add a pertinent word at the psychological moment.

* * *

A Connecticut General Letter

Connecticut General men are mailing this letter to prospects: How much inheritance tax will your estate have to pay the Federal Government and the state?

How much cash will your executors need to pay your debts and keep your family going while your estate is being settled?

Where's the money coming from?

"What must we sell?"

Is that the first pressing question that will confront your executors?

Will they be obliged to sell some of your securities, no matter what the condition of the investment market is?

The present period of depression is enough to make any man admit that there are times when nothing is so good as cash. But nobody wants to keep a large sum of money idle for an indefinite period—for as long as he lives.

What's the way out? How can you provide your executors with sufficient cash just when they must have cash?

How can you protect them against the chance of being forced to sacrifice some of your investments, inflicting losses that you cannot estimate?

What is the answer?

Take out a life insurance policy for the amount you estimate will be needed to pay the inheritance taxes and all debts against the estate and to keep your family in comfort until the estate is settled.

Such policies are being taken out daily by men who are anxious to leave to their families all they have, unburdened by inheritance taxes.

Wouldn't a life insurance policy for this specific purpose clear the air for you? Then you will know just what provision you are making for your family. Then you will have the satisfaction of knowing your entire property will reach them intact.

Do you want more definite information about this?

The Federal and State Governments vary in rate of taxation upon inheritances and in amount of estate exempt. We have tables from which you can estimate what your estate must pay.

Would you like to receive a copy of these tables and our plan for meeting this expense by insurance?

* * *

Some Fred Moock Experiences

Fred Moock, of the Provident Life & Trust, walked into a man's office. "Nothing doing in the insurance line," said he, "I need $50,000 to put into my business. I am crippled for lack of capital. I literally could not gather together the money to pay a life insurance premium. Tell me where I can get $50,000 insurance and I'll take a policy."

"Come with me," said Moock, "and I'll put you in the way of getting it. I'll have you examined to see whether you can get $50,000 term. That is the first step. I know you, and believe in you, and I'll take your note. When the policy is issued, put it in your pocket, and go to the local bank in the city where your interests are located, and tell them you want to borrow $50,000 on your property as collateral. If they ask what will happen if you die before the development is completed, pull your policy out of your pocket and tell them you've thought of that and the policy will protect them."

A week later Moock called again. "I got my $50,000," said the man, "and I didn't need the policy either." "Don't be too sure of that, the fact that you had that policy in your pocket and were prepared to meet an objection if it arose gave you a confidence and a force when you were talking to the bank, which meant success in putting the deal through. Now that your term policy has served its temporary purpose, I want you to change it to an endowment so that it will act as a sinking fund." And he did. This story is from "Provident Notes."

* * *

Insurance Comes Closest To Beneficence

The long lists of deaths of young men which have filled many columns of every daily paper during the weeks of this epidemic are long and loud calls to us as life insurance men to press home upon the conscience of every living man his obligation to provide for the future of those who look to him for support, says John T. Stone, president of the Maryland Assurance. Doubtless every one of us has lost friends by this plague. Some of them were adequately insured, some only partially, and some not at all. While they lived their families were, in a general sense, well cared for; but, what contrasts will soon be apparent!

Life insurance comes closer to beneficence than any other business. At such a time as this its blessings should be appreciated and availed of by greatly increased numbers of people. It is the duty and opportunity of every Maryland Assurance salesman to react to this situation from the point of view of the comforter and not of the wailer.

And, moreover, it is good sense to adopt the point of view of our new life agent at Grenloch, N. J., who writes, "Would thank you to push forward my supplies as promptly as possible (and while supplies are being prepared kindly send me some application blanks) as the epidemic through which we are passing has created a field which I desire to take advantage of immediately."

* * *

Definiteness Big Winner

Every squad, company, regiment, etc., is given a definite thing to accomplish, in moving up on the enemy. That is a very special feature of our fighting in France that is winning us so glorious victories, says the Missouri State Life.

The commander says to this or that bunch of fighters—"You must capture that position or die in the attempt!"

Definiteness of program, prearrangement of work, is then one of the great victory bringing features of our Army's work.

Apply it straight to your work of selling life insurance. Have a definite amount of work to do every day, a definite number of prospects on which to put in your very best selling licks. Not a definite number simply, but definitely prepared for prospects. Our soldiers first size up very carefully every field position they intend to go after. That careful sizing up goes a long ways towards winning when the attack is made.

Definiteness, then, should be made a great thing in selling life insurance, definiteness of pre-selling plans, then definiteness in executing your plans.

Haphazard work is fool's work. Definiteness pulls down the big money, as the weeks and days go by.

* * *

Read the Insurance Journals

One of the first signs of decay in a formerly prosperous insurance office is a developing lack of interest in what is going on in the business as presented through the columns of the publications devoted to insurance affairs says "Rough Notes." This is not a theory but a fact. One office in a western city which was once a leading agency of that place is now clearly losing out because of a bad case of dry rot, both in volume of business and company representation. It seems almost to take pride in the fact that it subscribes for no insurance papers. In the days of its prosperity there were a number of these publications coming regularly to its manager's desk. But that progressive manager has passed on and his successors do not see things as he did. The absence of the insurance papers may not be claimed to be the cause of the decadence, but it certainly is one of the outward signs thereof and has been a contributing cause as well, among other things, to the decline of this once aggressive and prosperous office. Insurance journals keep the ambitious agent abreast of his competitors, in touch with new ideas, inspire his enthusiasm and confidence and send the spirit of determination to win as other men are winning coursing through his veins. The agent who may be getting to feel that he does not need this sort of elixir any longer had better put himself through a thorough self-investigation.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, sold $65,000,000 worth of War Savings Stamps between February first and September first, 1918, and expects to sell a total of at least $100,000,000 during the year.

JOHN R. HEGEMAN, President

Seventy-Five Years Ago

On the first of February, 1843, The Mutual Life of New York issued the first mathematical reserve policy ever written by an American company.

Having completed its 75th fiscal year on the 31st of December, 1917, the Company enters upon the new year with a justifiable pride in its impregnable strength, its unsurpassed policy contracts, its generous dividends, and its great body of well-satisfied policyholders.

THE OLDEST COMPANY IN AMERICA
IS THE COMPANY FOR YOU.

For terms to producing agents address

The Mutual Life Insurance Company
of New York
34 NASSAU STREET, NEW YORK CITY

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone 2497 John.

Subscription Price $3.00 a year. Single copies, 25 cents.

Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

UNPARALLELED GENEROSITY

Life companies did not waste much time in eliminating their war clauses. That was to be expected, but the action of some of the companies in providing for the return in full of extra premiums reflects great credit as an example of splendid generosity and public spirit. It will be greatly appreciated by those in the service. Return premiums on Y. M. C. A., and other war worker business will alone reach a high figure.

CARELESS PUBLICITY

The person in the War Risk Bureau who handled the daily newspaper end of the story given out for publication on Thursday morning of last week relative to conversion of insurance was not only careless with his facts, but unjust to the insurance companies. In view of the co-operation given to the Bureau by the private companies it was not necessary to invoke unfair cost comparisons, nor to disparage private insurance. The Government should be too big for that sort of thing. The Eastern Underwriter understands that the information given to the papers was not "official," but came from an enthusiastic but fanciful publicity agent.

GIVE THANKS!

Taking its text from Ecclesiastes 3: 8, "There is a time to love, and a time to hate; a time for war, and a time for peace," the New England Mutual's home office publication publishes this timely and appropriate editorial:

The time for peace is here—at this moment there is nothing else in the world! The time for war began more than four years ago. And before their elapse, twenty-eight governments had become associated in the single purpose of bringing sanity, safety and righteousness in international relations back to earth.

No human computation is possible of what Victory Day, November 11, 1918, may bring forth. In our minds, at this moment, it means simply the descent of peace upon the children of men, delivered for all time from a dread, ruthless and powerful menace.

A new life of the nations opens! It will be a life purged of much dross, reconstructed, broadened, inspired with a high duty, moved by a united will—to justice, amity, progress, peace.

As insurance men, our place in this new era is a challenge to our utmost resources. We will find ourselves in an intimate relation with mighty forces. For the world has changed its attitude toward life insurance. A great nation has set the seal of its approval on the insurance principle as the best means known to men for serving its citizens-in-arms in the most personal and sacred relations that men can enter. The world looks on our business with new appreciation of its purposes and motives.

From those to whom much is given, much will be required. With sober joy let us stretch forth our hands to the tasks of the long tomorrow. As the new day dawns, let us accept this welcome responsibility with a vitalizing sense of its weight and dignity.

I. D. DAVIS W. VA. MANAGER

The National Surety Company of New York has established a branch office at Parkersburg, W. Va. The new office is in charge of I. D. Davis, who has been made the company's State manager. The Home Security Company retains its general agency for the company. Under this new arrangement the Home Security Company and the newly established branch office will have common rights and privileges in Wood county.

HOULIHAN AN ARMY CAPTAIN

H. C. Houlihan, head of the compensation division of the War Risk Insurance Bureau, Washington, and formerly with the Royal Indemnity, in Boston, has been made a captain in the army.

WYPER GOLF CLUB PRESIDENT

James Wyper, vice-president of the Hartford Fire, was elected president and Arthur M. Collens, manager of the investment bureau of the Phoenix Mutual, vice-president of the Hartford Golf Club at the annual meeting of that organization on November 19th. At the same meeting Guy E. Beardsley, assistant secretary of the Aetna; Capt. Jacob H. Greene, assistant secretary of the Connecticut Mutual and Ernest H. Cady, superintendent of the pay roll audit department of the Travelers were elected directors.

W. G. Schelker, assistant secretary of the Equitable Life Assurance Society, began with the Equitable in 1896, when he entered the Home Office as a stenographer in the auditor's department. A few months later he was transferred to the secretary's office, serving in turn as secretary to William Alexander, secretary, and the late S. S. McCurdy, assistant secretary. In 1916, he was appointed second assistant secretary, and was made an assistant secretary in June, 1918. Among various important duties, Mr. Schelker handles the details of matters in litigation as well as other legal matters, particularly those arising in connection with the work of the Bureau of Insurance, and has charge of the society's legal files. He has made a study of bankruptcy, income tax and inheritance tax laws with respect to their effect upon life insurance policies, and assists in connection with the affairs of the board of directors and the committees of the board.

* * *

Howard B. Stark, of Albany, N. Y., although a new man with the Aetna, has made a fine record. During the recent contest between the Albany Branch Office and the Lucas & Dake Company, Inc., of Rochester, N. Y. Mr. Stark, who at that time had been an Aetna agent for only six months, produced $632.50 and thereby became the largest individual producing agent of either of the two offices.

THE HUMAN SIDE OF INSURANCE



WINSLOW RUSSELL, W. E. TAYLOR, GLOVER S. HASTINGS

Winslow Russell, a director in and superintendent of agencies of the Phoenix Mutual Life; **William E. Taylor,** second vice-president of the Equitable Life Assurance Society; and **Glover S. Hastings,** superintendent of agencies of the New England Mutual, were snapped at the recent meeting of the Association of Life Agency Officers in Chicago. This trio of agency superintendents was the sub committee of the executive committee of the Agency Officers, which met in conference with overseas educators in order to draft plans for life insurance education of American army officers in Europe. The work the sub-committee did was excellent. It was necessary for life insurance to move quickly in order to have that subject incorporated into the course, the end of the war coming more quickly than had been expected, and speeding up the work of caring for post-war problems. Mr. Russell's work on the Committee of Personnel of Army Officers at Washington brought to his attention the opportunity offered to life insurance by the overseas educational commission, and, being president of the Agency Officers he lost no time in introducing the subject to the members of the executive committee. As is printed elsewhere Mr. Russell has just been appointed head of an important section of the War Risk Bureau in Washington by Secretary of the Treasury McAdoo.

Horace R. Wemple, president of Wemple & Co., Inc., recently appointed managers of the fire re-insurance department of the Norwegian Atlas, has had a broad experience in the re-insurance field. He is a brother of W. Y. Wemple, of Meinel & Wemple, United States managers of the Salamander and several other re-insurance companies, and he was with that office for nine years. Later he became associated with the United States head office of the Norske Lloyd, from which position he created his present firm and connection. Previous to his re-insurance connections, Mr. Wemple had been in charge of various departments of the Chas Williams Stores, Inc., and other large commercial houses and gained an experience there which has given him the proper angle on big business.

* * *

Robert M. Beckley, secretary-treasurer of the Western States Life, has sailed for France for the Red Cross. He formerly lived in this city.

FIRE INSURANCE DEPARTMENT

Big Interests In New Insurance Co.

BANKERS & MERCHANTS IS NAME

Willcox, Peck & Hughes Reported as Managers—Will Write All Fire and Marine Lines

Men identified with some of the biggest banking and shipping interests in the United States are among the incorporators of the Bankers & Merchants Insurance Co., of New York, notice of the organization of which was filed this week. The company is chartered to write all branches of fire and marine insurance.

Members of the firm of Willcox, Peck & Hughes and men affiliated with that firm are also among the incorporators of the Bankers & Merchants and it is reported that Willcox, Peck & Hughes will act as underwriting managers of the company. The contract between the company and its underwriting managers is said to practically eliminate underwriting expense.

The Incorporators

The capitalization of the company has not yet been announced, but the Bankers & Merchants is expected immediately to take rank with the largest insurance companies of the United States.

The incorporators of the Bankers & Merchants are E. J. Barber, vice-president of the Barber Steamship Co.; James Barber, president of the Barber Steamship Co.; Howard Bayne, lawyer representing a group of banking interests; Oswald Kirby, of Willcox, Peck & Hughes; William C. Lane, vice-president of the Guaranty Trust Co.; W. A. Prime, of Willcox, Peck & Hughes; Seward Prosser, president of the Bankers Trust Co.; Charles H. Sabin, president of the Guaranty Trust Co.; Oakley Wood, of the Barber Steamship Co.; Eugene R. Thayer, president of the Chase National Bank; Robert Van Iderstine, president of the International Fire & Marine Agency; William G. Willcox, president of Willcox, Peck & Hughes; Wendell P. Barker, attorney for Willcox, Peck & Hughes; and Herman Goldman, of the Barber Steamship Co.

CLAUDE SNYDER HERE

Claude Snyder, underwriting manager of the Henry Clay Fire, of Lexington, Ky., was in New York this week.

Changes Made in Central Fire Office

R. S. ALLEN BECOMES MANAGER

Frank Gibson, Formerly With Fred S. James & Co., Appointed Underwriter for Outside Territory

The Central Fire Office, Inc., this week announced several changes in its office personnel.

R. S. Allen, for a number of years with J. J. Boland Co., Inc., formerly in Scranton and for some time past in charge of the New York office of that agency, has been made office manager. Mr. Allen will start with the Central Fire Office, Inc., on December 1.

Frank H. Gibson, now with Cornwall & Stevens, will become underwriter for the outside department of the Central Fire Office on Monday. Previous to his connection with Cornwall & Stevens, Mr. Gibson for seven years had been with Fred S. James & Co., as underwriter and special agent and his experience as an underwriter covers a period of fifteen years.

The Central Fire Office, Inc., also announced this week the appointment of Frank W. Eckels as Long Island City agent for the Millers National.

J. H. BREWSTER AS COACH

Newark, Nov. 15.

Editor The Eastern Underwriter:—As a subscriber and reader of your weekly, I desire to point out the incompleteness of your All Star Team of Fire Underwriters, published in your November 15th issue. I am sure you will agree with me that your All Star Team requires an All Star Coach, and surely you can find no one who would better fill that position than James H. Brewster, who, in the judgment of a good many capable insurance men who know him, would be classified as an underwriter with all the desirable qualifications quoted in your article. Why not complete your team with James H. Brewster, coach?

A. W. MacKechnie, Jr.

CUT EXPLOSION RATES

At a meeting of the Explosion Conference, war and explosion rates were reduced, and war cover zones were abandoned. The new war cover rate is 25 cents with 50 per cent. co-insurance clause. In explosion rates there is a 50 per cent. reduction except outside cover in vicinity of New York harbor.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

Binding Contracts with Guaranteed Underwriters at Lloyds and British Companies maintaining United States deposits. Immediate telegraphic binders given.

MARSH & McLENNAN

19 Cedar St. NEW YORK · 1615 California St. DENVER · 201 Sansome St. SAN FRANCISCO · 107 S. Fifth St. MINNEAPOLIS
901 Ford Bldg. DETROIT · 314 Superior St. DULUTH · 17 St. John St. MONTREAL · 23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

THE TOKIO
MARINE AND FIRE
INSURANCE COMPANY
LIMITED

UNITED STATES FIRE BRANCH
J. A. KELSEY, General Agent
80 MAIDEN LANE, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

Prompt Resumption Under U. and O.

The "American Agency Bulletin" has issued a complete report of the use and occupancy demonstration at the last convention of the agents in Cleveland, by two local agents. One question in the demonstration was:

"Do I get paid before I resume operations?"

The answer follows:

"There are lots of losses under use and occupancy policies that might run along for a period of time, and the assured under the policy may not want to wait all of that time for his money. There have been plenty of cases where there have been compromises, agreements between the adjusters for the insurance companies and the owners of the plant, and those compromises have generally been fair and reasonable. I have known some cases, however, where they didn't turn out just right. For instance, I know of one concern that has a great many Government orders. One of the very vital parts of the plant was destroyed, and they had a big use and occupancy loss. They figured up that it would take them a certain length of time to replace their equipment, and they were willing to settle on that basis. Well, the companies thought that there ought to be a better basis than that for settlement, so they got to work to see if they couldn't get priority orders from the Government since this plant was on war work, and they did not get priority orders, or at least they thought they got them. So, the adjustment was made on the basis that the stuff could be furnished in accordance with this schedule of priority orders, and the money was paid.

"After the money was paid and the owner of the plant was waiting for his new things to come in, so that he could get going again, the priority orders didn't materialize, and the actual loss to that owner of the property was a great deal more than had been figured. There is an angle to look out for."

* * *

Farewell Dinner for Marshall

A dinner was tendered Harry P. Marshall, office manager of Willcox, Peck, Brown & Crosby, of New York, by some thirty of his associates at that office at the Hotel Vanderbilt, recently, and presented him with a wrist watch. This by reason of the fact that Mr. Marshall has for about a month been awaiting orders for assignment to government transport service, and left after the dinner for Norfolk. Mr. Marshall, after graduating from the Scientific School at Harvard, worked for some time as engineer in the automatic sprinkler business, then for many years in Philadelphia and New York in the brokerage offices of Henry W. Brown & Co., through whom he went to his present connection. He is a deservedly popular man, not only with his business associates, but with a large circle of personal acquaintances.

* * *

Court Comment on a Recent Brokerage Decision

Making a broker personally liable for the premium on a marine policy which he ordered without the knowledge or authority of the owner was the startling judgment of a New York court last week when it ordered a a broker to pay the Globe & Rutgers Insurance Company $738.63.

"The Underwriters' Report" of San Francisco in discussing the recent decision in the case of Globe & Rutgers vs. Isaac C. Bunnell, said: "This was the full premium on some cargo loaded in a vessel for export, but on which the owner testified he had previously secured his own coverage. It was shown that the owner did not know the broker and had never given him any order to procure the insurance.

"Legitimate insurance brokers as well as companies will doubtless receive news of this decision with satisfaction, because it will tend to discourage the unauthorized broker who 'butts in' on a line hoping to make his insurance stick. While the Pacific Coast has, happily, escaped much of these methods, New York and other eastern insurance centers are said to be plagued with countless so-called brokers who swarm like flies at a molasses barrel around a prospective commission."

Isn't it awful how much more wicked New Yorkers are than people in other parts of the country?

* * *

New York Offices Merge

A. C. Hegeman, who resigned as president of the E. C. Anderson Co., New York, has become a member of Davis, Dorland & Co. Nathan Strauss and two other members of the Anderson office go to the Davis, Dorland office. The E. C. Anderson business is to be transacted hereafter from the office of Edward E. Hall & Co., 80 Maiden Lane, which office has been in existence for fifty years and operates throughout the country and Canada. The business of the E. C. Anderson Co. will be conducted in the same name as heretofore and a number of its office staff transfers to the Hall office. A. C. Hegeman has become known throughout the state through his activities in the brokers' association and the Insurance Federation.

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SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Firemen's Insurance Co., Newark, N. J.
January 1, 1918
Cash Capital $1,250,000.00
Net Surplus $2,384,971.20
SURPLUS TO POLICYHOLDERS...$3,634,971.20
DANIEL H. DUNHAM, President
A. RAY, Vice-President and Treasurer A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President J. K. MELDRUM, Assistant Secretary

BRITISH AMERICA
ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918
Assets $2,192,173.14
Surplus in United States..... 772,927.35
Total losses paid in United States from 1874 to 1917, inclusive 25,298,472.00
W. B. MEIKLE, Pres. & Gen. Mgr.

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

S. C. BISHOP CO.
Represented at 95 William Street, AGENTS FOR NEW JERSEY 208 Broad Street, Elizabeth, N. J.
Phone, 447 John—588 Elizabeth

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
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PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

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Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

FOUNDED 1792



The Oldest American Stock Insurance Company

1792 Insurance Company of 1918

NORTH AMERICA

PHILADELPHIA

126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33

Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Regis tered Mail.

National Fire Insurance Company

OF HARTFORD, CONN.

Statement January 1, 1918, to New York Insurance Department

LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79

Total Assets January 1, 1918.....$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer

G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent

SURPLUS TO POLICYHOLDERS.....$5,980,020.79

What Peace Means To Fire Insurance

STATEMENT BY HENRY EVANS

Increased Watchfulness By Fire Insurance Necessary—Advises Close Watch Kept on Values

Henry Evans, president of the Continental group, has summed up his ideas as to the effect which peace will have upon the business of fire insurance. He sees need for exercising caution. This is his statement:

November 13, 1918.

To our officers and special agents:—The advent of peace will by no means mean that fire insurance may relax its war-time vigilance to vegetate in the security of an overnight return to normal condition.

Readjustment of the nation, keyed to the pitch of war, to the smoother and broader symphony of peace, will not be made in one swift modulation. New problems and new trials will come up for solution and only by the exercise of all foresight and care will new conditions be met and conquered.

The necessities of war early caused a slump in all building operations except those essential to our victory. Thousands of manufacturing plants—large and small and of practically every description—went up at war prices and war values; some in towns and cities already existing; others in locations where, to house the new population, new towns had to be erected entire, together with all that goes with them. In existing towns and cities where in some cases new industries brought about large additions to the population, new blocks and subdivisions of dwellings went up.

Over and above new plants, great numbers of established manufactories changed from peace activities to war production, necessitating extensive remodeling in many cases and the installation of new machinery in most.

Values increased by leaps and bounds and profits generally increased well beyond ordinary peace returns. Instead of turning men away, plants have worked shifts, and have worked shorthanded in many cases.

What will be the effect of peace on such conditions? Probably no two men will entirely agree. In the main, there are two broad viewpoints argued.

One is that a tremendous slump will tread on the very heels of the peace declaration; that plants erected and modified for war purposes will fall into sudden disuse, there being no further call for their product and they being unprepared to resume peace work immediately. War equipment will have to be "scrapped" and peace machinery restored or installed new, or else operations suspended and plants left idle. War population will drain away from such unproductive locations and values of dwellings, stores and contents will depreciate. War wage rates will fall, too, affecting labor conditions and probably breeding strikes, with the usual destruction of property.

The Optimistic Side

This is one side of the picture. The other is of a more optimistic tone.

Civilian building operations, held in abeyance for so long, will be undertaken as rapidly as possible, opening fresh avenues of employment as fast as war business closes down.

Plants that changed from a peace to a war basis will be prepared to restore former equipment with comparatively little delay.

New plants, erected for war activities, will not be deserted or "scrapped" because the great cost of their erection at war prices will force their continuance in business for purposes of profit. Some salvage will be demanded, and with the experience of other plants at hand, these will find it fairly easy to shift equipment and operations from a war to a peace basis. Thus values will be partly stabilized in new towns and new parts of old towns. Profits will decrease but not vanish, and values likewise. Labor will find abundant openings in the resumption of activities so long neglected. Articles cheerfully given up by the people for the period of the war will again be demanded and manufactured. Months, if not years, will be required to replace the loss caused by the war—not so much the actual loss due to destruction as that more subtle loss caused by the halting of normal progress in all walks of life. To make up this lost ground, the nation will have plenty to do. There will be work for everybody; prices will stay up and stable; values will remain; conditions will be favorable generally. In short the nation will face a period of abounding prosperity after peace is declared.

The truth probably lies in the no man's land between these two viewpoints. Some industries, some sections, will undoubtedly show abnormal fluctuations in values and profits; others will as likely maintain an average stability. Loss and depreciation will surely develop in some cases, offset by enhanced values and increased profits in others. Instead of a sudden slump, or a tremendous surge of prosperity, it is likely that conditions will change gradually—that the readjustment of values and labor will be a slow process towards the future normal level. Whether this future normal will be that of pre-war times, or sink even below that, or remain higher and better, is largely a matter to be decided by future developments, economic and political.

To cite instances of specific industries:

With the whole metal working industry so largely serving the Government the bid for peace has had no effect on production, though undeniably it has caused many manufacturers to think sharply concerning plans for the transition. The existence of Government price-fixing machinery is counted on to stabilize the market when war demand falls off, but there has been some evidence latterly, particularly in pig-iron and in old material that buyers recognize the entrance of new possibilities into the situation.

The large number of men taken for the army has diminished demand for men's suits, hats, coats, etc. Difficulties in the supply of materials have also been great, but the trade has benefitted by the realization of existing stocks at enhanced prices. Prices will doubtless decrease after the war, but the return to civil life of millions of fighters will increase demand. Is not this illustrative of the fact that every loss will bring its own compensation in some degree? The Government's introduction of standard suits at fixed prices will relieve the situation as regards scarcity of materials. The woolen industry is more under the control of the Government than most others.

Vigilance Necessary

One thing is certain beyond a peradventure: The business of fire insurance will be affected. Whichever way after-war conditions turn, vigilance is requisite for the good of the business.

Declining values will have to be carefully scrutinized. Covers will have to be reduced correspondingly with lowered values. Useless and unused properties will call for cancellations. The moral hazard will bear close watching.

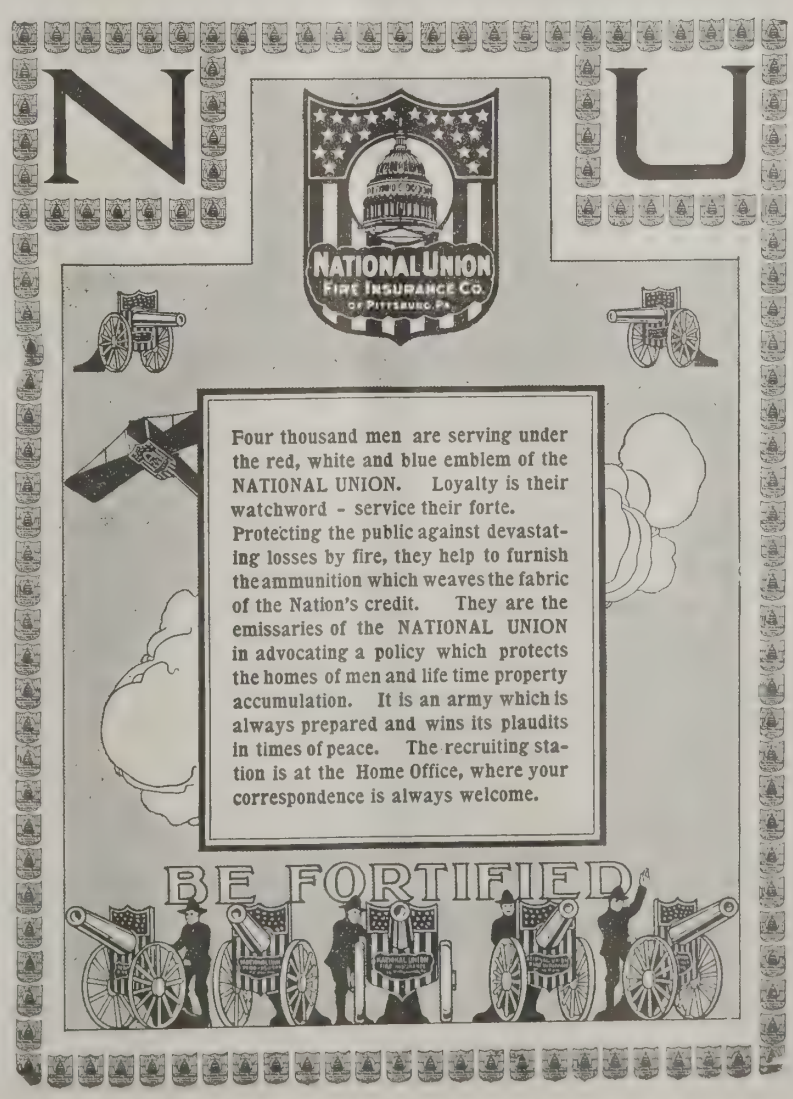
Especially in the case of the unusual amount of use and occupancy insurance, written during the war and based on war incomes, will moral hazard play a larger role than ever before. Explosion insurance, which produced a comfortable premium income with satisfactory results so far, will no doubt disappear to a great extent, noticeable especially in the East.

An average stability of values will need even closer watching, for concealed in any such averages will lie innumerable small and local readjustments—a decrease here balanced by an increase there; this loss offset by that enhanced value; good conditions in one place standing against bad conditions in another. Any such situation as this will demand constant alertness, both for the company itself and for the benefit of the assureds. For the company, to see that liability is reduced to correspond with decreased values, or eliminated in the event of impairment of value. For the assured, to make sure that where values do enhance they are properly cared for; that co-insurance provisions are properly complied with; that insurable values, so far as the company can rightly exert its influence, are properly protected.

This is a phase of our service that must not be overlooked; a service which, if carefully and impartially rendered to the assured, should be of great benefit to the company and to the business as a whole, in demonstrating to the assured that his interests are not being overlooked while the business is seeing to its own future.

Any great wave of prosperity, with blanket inflation of values, will call for close study because such a trend will

(Continued on page 20)



Herrick Manager of Enemy Companies

APPOINTED BY THE CUSTODIAN

Chase National Bank, New York, Bids $576,100 for International Insurance Company

On Thursday morning the Chase National Bank bid $576,100 for the International. Crum & Forster were the only insurance bidders.

Harold Herrick, former president of the Niagara, has been appointed manager and liquidator of enemy insurance companies. The Associated Press on Tuesday sent out the following story:

On Thursday, November 21, the Alien Property Custodian will sell, at public auction, the stock of the International Insurance Company, which in 1917 had a premium account of more than $7,000,000. The International Insurance Company was owned by the Hamburg Assurance Company, which was controlled by the Mutzenbechers of Germany. The Mutzenbechers were dominating factors in the German insurance and re-insurance cartel, the object of which was to control the re-insurance and insurance field throughout the world.

The companies which will be liquidated immediately with their premium accounts for 1917, are as follows:

Aachen & Munich Fire Insurance Co., Aix la Chapelle	$751,072
Alliance Insurance Co., Berlin	56,812
Cologne Re-insurance Co.	1,568,988
Frankona Re-insurance Co., Frankfort	490,942
Frankfort General Insurance Co.	.....
Hamburg-Bremen Fire Insurance Co., Hamburg	703,147
International Re-assurance Co., Ltd., Vienna	661,605
Mannheim Insurance Co., Mannheim	3,007,473
Mercury Re-insurance Co.	266,201
Minerva Retrocession and Re-insurance Co.	132,037
Munich Re-insurance Co., Munich ("United States Department" and "Foreign Department")	630,977
Nord-Deutsche Insurance Co., Hamburg (Both Fire and Marine Offices)	3,052,059
Prussian Life Insurance Co., of Berlin	271,840
Prussian National Insurance Co., of Stettin	1,425,749
South German Re-insurance Co., of Munich	1,032,410
Swiss National Insurance Co.	2,710,112
Total	$16,751,424

Each of these companies has continued to control its own affairs for the purpose of liquidation under a license from the Treasury Department, but the licenses were revoked yesterday, and liquidation will now be concluded under Mr. Palmer's direction. Simultaneously therewith Mr. Herrick took control.

The Munich Re-insurance Company is the pioneer in the re-insurance field in this country. It is the largest concern of its kind in the world, and does business in every country in the world. It controls several insurance and re-insurance companies, among them the Allianz Insurance Company of Berlin and the Swiss National Insurance Company.

Investigation carried on by the insurance division of the Alien Property Custodian's office of which Wm. G. Scheide is Chief, into the affairs and methods of insurance agencies established here, by German companies have disclosed striking examples of the methods adopted by the Germans to perpetuate their control over the insurance business in this country while the war was on, and afterward, and the subservience of their American representatives, even to the extent of concealment, and evasion of the law.

The German insurance interests were not content with limiting their efforts to representing their own companies. They organized Russian and Scandinavian re-insurance companies over which they exercised complete control, and by means of pooling arrangements were enabled to absorb enormous volumes of American business.

New Agency Heads of Fred S. James & Co.

C. L. De WITT AND P. A. COSGROVE

Mr. Cosgrove to Have Supervision of Eastern States; Mr. De Witt of Western and Southern States

Fred S. James & Co., United States managers of the General, of Paris; Urbaine, of Paris; and Eagle, Star & British Dominions, announce the appointment of Carroll L. De Witt and Patrick A. Cosgrove as agency superintendents of the three companies.

Careers of Messrs. Cosgrove and De Witt

Mr. Cosgrove will have supervision of the business in the Eastern States and Mr. De Witt of that in the Western and Southern States.

Both of these gentlemen have been associated with us for some time as field representatives, Mr. De Witt residing in Cleveland, Ohio, and Mr. Cosgrove in Hartford, Conn. They will become residents of New York at an early date.

Mr. De Witt served the Newark Fire Ins. Co. as general agent and the Cleveland National Insurance Co. as vice-president, and Mr. Cosgrove was in the service of the Great American and later served the Fidelity-Phenix in the office and field before coming to Fred S. James & Company.

DOUBLE EFFORT ON AUTOS

Are you turning your energy into profits by earnestly soliciting automobile business, Mr. Agent? asks Fred C. Calkins of agents in Florida. In these days and times you must "throw her into high" and keep your gas tank full if you would overcome the added expense of existing. Even though we have "cullud lady," elevator girls who need disinfecting, Spanish flu on the rampage, office forces depleted, post office service on the bum and many other things to vex and annoy, remember always that the sunshine follows the rain—pretty good old song that and we honor whoever wrote it the same as we do the party who arranged for Sunday to come along every seventh day and invented ice water and breakfast bacon. You can't aFord to Dodge the suggestions we have made as to your redoubling your efforts, so let's have the daily reports by next mail.

"STRONG AS THE STRONGEST"

The Northern Assurance Co.
(LTD., OF LONDON)

Organized 1836
Entered United States 1876

Losses Paid - - - $109,000,000
Losses Paid in U. S. $40,000,000

Eastern and Southern Departments

55 JOHN STREET
NEW YORK CITY

LINES SOLICITED AND BOUND THROUGHOUT UNITED STATES AND CUBA

E. F. FLINDELL
INSURANCE

1 LIBERTY STREET Telephone John 2612 NEW YORK

LOCAL OFFICES

JERSEY CITY, N. J. Montgomery St. Tel. 216 Montgomery
BROOKLYN, N. Y. 153 Remsen St. Tel. 2504 Main
NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

ÆTNA (FIRE)
HARTFORD, CONN., U.S.A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.



"AMERICA FORE"

What is Worth Owning is Worth Insuring

And in these days of War with all its possibilities for loss, property is more worth owning than ever. War prices make repairs and replacements more costly in case of fire.

Adequate Insurance is a necessity today.

American companies are second to none in strength, management, service and reliability. The

FIDELITY-PHENIX FIRE
INSURANCE COMPANY OF NEW YORK

A STRONG, RELIABLE AMERICAN COMPANY

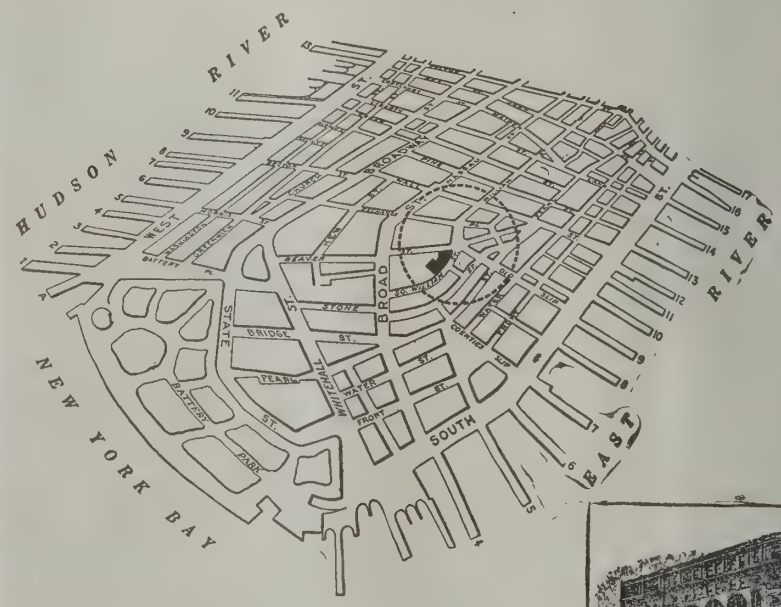
Cash Capital $2,500,000.00

HENRY EVANS, President

Home Office
80 MAIDEN LANE
NEW YORK

Managing Branch Offices:
CHICAGO, MONTREAL
SAN FRANCISCO

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

Automobile Rule Cuts Commissions

TWENTY PER CENT. FOR LOCALS

Extent of General Agency Practice Revealed at National Conference Meeting in Chicago

Contrary to expectation the new automobile commission rule went through in Chicago much more smoothly than was anticipated. There were not a few who before the meeting of the National Conference declared that the rule would be a "dud."

While it is a complicated rule, unavoidably so, there was not so much done by way of amendment before it was finally adopted. The definition of a department office was amended, presenting it in more detail but not in reality altering the sense.

A clause was added allowing more discretion to the state agency committee in considering appointments which conform with the letter of some parts of the rule. Another clause was added increasing the restrictions on marine companies by setting forth that they cannot enter any general agency office from which a fire company had been taken out by the application of this rule.

The words "not exceeding" were inserted before the figures in the rule denoting commissions limits.

Opposition at First

Those who attended the meeting went there with all sorts of objections to the original draft. Reading it over and studying it, certain features stood out like an electric sign. They saw concessions going to other lines than their own and restrictions placed upon themselves and their thoughts centered on these points to the exclusion of everything else.

The South, which had been instructed to vote against the rule, sent two delegates. It might have had six. G. C. Bulkley, of the Springfield, was chairman of the committee which got up the rule. In the executive committee meeting there were seven for the rule and three against. In the open meeting the vote for the rule was 26 and against it one. The West voted solidly for it.

When the delegates reached Chicago and the whole subject was talked over and explained, the opposition rapidly began to lose its force. Some presented statistics purporting to show how much business the marine companies had as compared with the fire companies. They were made to appear as running almost neck and neck. Others showed just as conclusively that these figures were all wrong.

General Agents Galore

The enormity of the general agency evil was revealed by elaborate information bearing the ear marks of authenticity. In the Eastern and New England Conference territory it was shown that 59 companies had 148 general agents in 49 cities. Of these general agents 125 were operated by 52 fire companies; 23 by 7 marine companies. Eleven of these general agencies have only one or no sub-agents. There are 7 general agencies in Rhode Island, 12 in Baltimore and 1 in District of Columbia.

In the Western Conference 35 companies had upwards of 125 general agencies in 27 cities, 55 of which are operated by 10 marine companies and the remainder by fire companies. Sixteen of these have one or no sub-agents.

In the Southern field thirty-three companies have 70 general agents.

Will Follow Main Channel

There were the not unexpected charges made that the whole trouble was caused by the fire companies, to which exception was taken and ground given. There were also threats from the marine side to withdraw from the Conference if they could not be satisfied. However, these were only incidents and interfered in small extent with the smooth launching of the new rule. The polished diplomacy of the marine contingent was at all times in evidence.

As explained by H. C. Clough the new Conference president, the new rule will provide for a distinction between fire, marine and casualty companies. The Conference will recognize as channels for acquiring automobile business those channels used by the companies in acquiring their main line of business.

For example, a fire company will be expected to acquire its automobile business through the channels it uses in obtaining its general fire business, so that where a fire company has bona fide branch office or a general agency for fire business it will be allowed to operate it for automobile business, but not to create a general agency for automobile business that is not a general agency for the company for fire business.

Marine Company Status

As regards the marine companies writing automobile insurance without the assistance of a fire or casualty agency plant (such as the companies that are managed by Appleton & Cox, Chubb & Son and H. K. Fowler), Mr. Clough says the new rule provides that these offices may operate their automobile business by means of general agencies, provided that such general agencies shall have managerial control over not less than one state, and that all the automobile business written by the marine company in that state shall be reported to such general agent.

The commissions for such general agencies are to be limited to 30 per cent. and the local agency commission throughout the country is to be limited to 20 per cent., with a maximum of 25 per cent. commission to local agents in the metropolitan districts of New York, Boston, Philadelphia, Pittsburgh, Chicago and San Francisco.

Underwriting Cost the Same

The theory upon which the above distinctions were agreed to is that while there will be a difference between the commissions payable by the different classes of companies in the Conference, yet the percentage of total underwriting cost to premiums will be practically the same to all classes of companies.

(Continued on page 18)

Great American
Insurance Company
New York

INCORPORATED - 1872

PAID FOR LOSSES
$96,971,238.06

STATEMENT, JANUARY 1ST 1918.
CAPITAL
$2,000,000.00
RESERVE FOR ALL OTHER LIABILITIES
12,927,269.91
NET SURPLUS
8,527,719.31
ASSETS
23,454,989.22

THE SECURITIES OF THE COMPANY ARE BASED UPON ACTUAL VALUES ON DECEMBER 31ST, 1917

HAD THE SECURITIES BEEN TAKEN AT THE VALUES AUTHORIZED BY THE NATIONAL CONVENTION OF STATE INSURANCE COMMISSIONERS THE ASSETS AND SURPLUS WOULD EACH BE INCREASED BY $2,321,032.00

Home Office, One Liberty Street
New York City

Western Department
WALTER H. SAGE, Gen'l Mgr.
INGRAM & LERCH, Managers
76 West Monroe St., Chicago, Ill.

Pacific Department
GEORGE H. TYSON, Gen'l Agent
210 Sansome Street
San Francisco, California

Boston Office
ROGERS & HOWES, Managers
4 Liberty Square, Boston, Mass.

Marine Department
WM. H. McGEE & CO., Gen'l Agts.
15 William Street, New York City

London and Lancashire
Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1917	$16,153,068.57
Surplus - - - - -	4,793,978.55
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904 - - - - -	1,051,543.00

Liverpool and London and Globe Insurance Co. LIMITED

Over $155,000,000.00
Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

Fire Departments Becoming Unionized

BALTIMORE MEN ASK ADVANCE

Motorization of Apparatus Progressing—To Have Gasolene Pump—Eighty Horses on Hand

Unionization of city fire departments goes on apace.

Now it is the Baltimore firemen who are making demands and seeking to become a factor at the city hall. No doubt this is perfectly natural in view of the heavy financial strain put upon everybody. How long it will be before all time-honored sentiment within the fire fighter becomes dead or numbed, remains to be seen. It looks as if before long fire fighting, like the trades and a great many other occupations, would be reduced to the common union level: "If it's not too much trouble to do it, I'll do it, otherwise it will have to wait my convenience. If I'm not satisfied with what I get I reserve the right to carry a perpetual grouch and even the existence of a fire is not sufficient reason why I should exert myself." Or words to that effect.

The Baltimore Union was recently organized and it sent a committee to the Board of Estimate to present its request for an increase in pay. Officers in the department are not in the union organization. The pipemen and laddermen wish $1,400. The men say they are satisfied with the hours of work if they can get what they consider proper pay. The Fire Board claims to be in favor of paying the men more and has no objection to the union. In view of what $1.400 will buy at present, doubtless the men ought to have it.

The Baltimore department is also working on a plan for complete motorization.

Automobile Commissions

(Continued from page 17)

In other words, a fire insurance company paying 25 per cent. commission in the metropolitan areas and 20 per cent. local agency commission elsewhere will, with its cost incurred for special agents and expenditure in hand-



H. R. CLOUGH

ling the direct reported business of local agents, have about the same total underwriting cost as the marine company paying 30 per cent. to a general agent.

In order to comply with the terms of the rule local conferences will proceed to eliminate excepted cities where local agents have been getting 25 per cent. and will now get 20 per cent. General agencies for automobile business will be reduced to the grade of local agents. In this connection close watch will be kept upon any attempt to take advantage of fire companies making such changes.

To effectually carry out the application of the new commission rules in the metropolitan areas Mr. Clough explained that there will be appointed small sub-committees which will propose proper rules for regulating brokerage and the like. It is hoped that this will lead to organization of local agents' associations in any large city (such as the one that is being organized at the present time in Philadelphia), which local agents' associations will be charged with the responsibility of securing the observance locally of all automobile underwriting and commission rules and rates as well as the maintenance of adequate stamping offices.

Not only will any agency above the grade of local agent have to be submitted to the Conference for approval hereafter but also it will be necessary for any member company to re-submit to the Conference any general agency appointment that it at present has and which must be proved to be legitimate under the new rules. While there has been much controversy during the past few months among the members of the Conference as to the wisdom of establishing commission rules along the lines of the foregoing, yet there has been recognition on the part of all of the fact that the total acquisition cost for automobile insurance must be reduced.

H. R. Clough President of Automobile Conference

H. R. Clough, the new president of the National Automobile Underwriters' Conference, is an Englishman by birth and an American by adoption. He received his early training in insurance at the head office of the Palatine Insurance Company in England. Mr. Clough came to this country in April, 1916, and for more than ten years he has been with the Aetna Life and affiliated companies. During the past three or four years he has devoted himself almost entirely to the development of the automobile insurance business and is the officer in charge of the automobile business of the Aetna Life, Aetna Casualty & Surety and the Automobile Insurance Company of Hartford, which, incidentally has the largest automobile business of any insurance organization. Mr. Clough has always been an active leader in co-operative work among the companies,—and indeed the idea of the National Automobile Underwriters' Conference was his conception. As he is also a member of the automobile committee of the National Workmen's Compensation Service Bureau it may be confidentially predicted that still further co-operation between fire and casualty companies in the matter of automobile insurance will be stimulated.

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MARINE DEPARTMENT

War Risk During Armistice

It seems that some underwriters in this market, judging from rates which they are charging, apparently think this hazard can be written at extremely low rates. They have lost entire sight of the fact that not less than four vessels were lost on our own coast by mines during the past four weeks or so. The first vessel which was probably lost through a mine was the ship "Brynhilda," as part of the vessel and breakage was picked up off Fire Island, which would indicate that she was undoubtedly destroyed by a mine.

The steamer "Sansaba" was lost off Barnegat, by striking a mine, as well as the steamer "Chaparra," and the last vessel reported lost off the coast of Maine by striking a mine was the steamer "Saetia," which proves conclusively that there is still a material risk off our coast and that similar losses can be looked for in the future; and unless underwriters receive an adequate premium for the hazard which they are assuming, they will be called upon to draw on their other funds for losses which they sustain from this hazard.

Transatlantic Perils

Vessels bound on transatlantic voyages are bound to encounter even more mine risk than vessels along our own coast, as undoubtedly any number of mines have been scattered during the past four years by German mine layers, in addition to which there will be any number of mines breaking away from their moorings, as well as those that will be lost in taking up those which have been made stationary.

Although, from reports received, the English Government is assuming these hazards on all voyages at a rate of ⅛ per cent., the majority of underwriters doing business in this city do not think that this rate for the present is adequate.

OBSERVER.

YARD FIRE MARSHALS

Delaware River Yards Perfect Fire Prevention Organization—Hog Island Man President

The Delaware River Fire Marshals' Association, composed of officials who have charge of fire prevention work in shipyards in the Tenth District, was organized at a meeting at Wilmington, Del., last week.

James Meskell, fire marshal at Hog Island, was elected president of the organization, and George L. Klugh, fire marshal at the Harlan plant of the Bethlehem Shipbuilding Corporation, elected vice-president.

The visitors inspected the Harlan plant and warmly praised conditions and the spirit found there, says the "Harlan News."

The fire department of the mold loft put on an equipment assemble drill in ten seconds for their benefit. The organization consists of Olaf Johnson and J. H. Haslett, Tenth District fire marshals; James Meskell, Hog Island; A. S. Angest, Merchant Shipbuilding Corporation; John Bauers, Pusey & Jones, Gloucester; James Flaxon, Sun Ship; John McGowan, Pusey & Jones, Wilmington; C. Jackson, Pusey & Jones, Wilmington; George Klugh and William Weldin, Harlan.

WAR RISK REDUCTIONS

Secretary McAdoo has announced very marked reductions in the rates charged for war risk insurance for hulls and cargoes between all points, and similar reductions on seamen's compensation insurance for masters, officers and crews of vessels.

The rate for trans-Atlantic voyages on vessels and cargoes was reduced from two per cent. to one-half of one per cent. and the other reductions effected by the new schedules are quite as large in proportion.

This action was taken in view of the signing of the armistice providing for cessation of hostilities.

Brokers Here Kept Premiums

FRENCH HAD BAD EXPERIENCE

A. V. Hansen, of Paris, Explains to Marine Club Misunderstandings Which Have Arisen

That useless misunderstandings have stood in the way of an exchange of business between French and American companies in the past which were not just to either market was the statement made by A. V. Hansen, of the firm of Alb. Smeesters, of Paris, who is now in New York, in his address to the Marine Insurance Club last week. Mr. Hansen said in part:

"We on our side have been afraid of the American business, and the people who have frightened us more than anybody else have been some of the American wild-cat brokers. Particularly during the war, we have received in France orders and proposals which you would hardly believe if I told you about them here tonight, any amount of cases representing enormous orders, which we have accepted and dealt with as best we could on our side, and generally with the result that after hundreds of thousands of dollars had been placed closing comes along for a couple of thousand dollars, and as to the premiums, I can tell you, in many cases, we have not seen any yet. Very few people on our side know anything about the American business or very little, and consequently, the state of affairs is that they both mistrust each other, which is an absurd position.

"The reason why I have come over here is to study the American market and to bring home to our friends in France, the possibilities which the American market contains for us, and we wish that you in return would give some attention to our French market. I think that the result will be that you will find that we are by no means as small as you are inclined to believe.

"This war has brought France and America closer together than any two nations have probably been before. America and France have joined hands in the bloodiest fighting the world has ever seen, and have done this successfully. Politically we are the two biggest sister republics. Financially we now stand together, and will undoubtedly stand together in the future. Do you not think that it would be absurd if we men of the insurance world, who represent one of the pillars of modern trade, should leave each other out of the co-operation which is now coming?

"The position of our market in 1914, and the position of our market today is entirely different. In 1914, the German companies had control to a large extent, of the French marine insurance market. They worked there through agencies, branch offices, they were stockholders in French companies and they had reinsurance treaties with a great number of French companies.

"Why the German companies could obtain this remarkable control over our market is easy to understand, if one goes closely into the matter.

"First of all we have the Trade Treaty of 1871, when France had been defeated, which gave the German companies practically a position of preference.

"Second, the German companies obtained immense financial resources by the way in which they pooled their interests. They generally worked together in groups containing from five to ten companies, thus naturally being able to command enormous facilities. The French companies at that time were not numerous, and we had only a couple possessing any capital worth mentioning. The French companies transacted mainly French business. It is typical for French companies that you do not see them often abroad.

"In 1914, when the war broke out, this created quite a revolution on our market. The German companies were expelled with the result that the market was left very short of cover owing to the enormous increase of values and to the war risk business.

"I will mention one example, which rather illustrates the position of the French market at that time. A French warship, in course of construction at a value of approximately $6,000,000, was found to have been insured for about 50 per cent. of its value with German companies. In this case the client was the French Government. You can now understand how much of private property would be insured with the same companies. This will never be the case again. The withdrawal of the German companies from the French market naturally created there an extraordinary opportunity for progressive insurance companies to replace the market. The British companies were the first to realize this opportunity, and secondly the French realized it themselves, but I do not think that the American companies have yet realized it.

"We have in France thirty British insurance companies working there. We have one American insurance company. I think that you will agree with me that if it is worth the while for thirty of the most conservative British companies to have agencies and underwriting agencies in France, it ought certainly to be worth the while for more than one American company to do the same.

"During the war, and in spite of the terrific difficulties which we have experienced, the French companies have been coming along in a way which I can frankly state has surprised ourselves. We are getting progressive. We now have in all one hundred and twenty-five companies that underwrite on our market.

"Among them we have too many foreign companies that extract profitable business from France without giving

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any business in return, or even being able to give any business in return. We wish to have American companies which could work there and obtain a proportion of our profitable business and which could give us American business in exchange.

"Let's compare the position between New York and Paris. You have 103 companies in all. We have 125. You have 62 native companies. We have 50. You have 41 foreign companies. We have 75.

"Now the conclusion of these figures that our market therefore should be more important than yours would be entirely misleading. You in America have an insurance law which is second to none. We have no such insurance law in France, and the consequence thereof is that we have too many small native companies and also too many small foreign companies coming to our field, and there exists no, or very little, control over the activities of these companies. We need very badly an insurance law, and I think we shall get it.

"As to the underwriting facilities of our market, an average risk of $500,000 or so will exhaust the market. Practically the whole of our excess business goes to London. Some of it goes to New York.

"London, as you know, is and has been the world's centre for international business. You know that age will always assist, age gives reputation and age gives time to educate men in their business.

"You know yourself that you are short of capable insurance men. As a matter of fact the whole world is today short of capable insurance men, this as a consequence of the enormous development of the business.

"There is still ample room in France for American companies, and we on our side have been wondering why American companies are not coming along.

French Brokerage Conditions

"I will give you some of the details regarding the underwriting on our side. We have in France, eight brokers, who are more or less Government officials. This is an old institution, but, nevertheless, contains great advantages. The fact that the brokers' number is limited, and that they are in a legal way, Government officials, improves considerably the moral hazard, and we very seldom experience much trouble with non-payment of premiums.

"The business transacted over there is mainly pure French business, although we get some from Italy, Spain and Belgium.

"Our cargo business is, as far as import is concerned, mainly wool, grain, hides, silk, oil, mineral oil, coffee, cocoa, etc. Our export consists mainly of manufactured goods.

"It is very typical of French business that the cargo business is more generally covered under open policies.

"The second section of our business is the hull business, which is about the only hull business in the world that during a long period has shown good results. I believe that underwriters on this side do not write more hull business than they can possibly help and are obliged to do so for the sake of obtaining other business. On our side this is exactly the opposite. We must, in many cases, write a certain amount of cargo covers to be able to obtain our lines on some of the French hull business. Why the French hull business is better than that of other nations is not because our navigation conditions are better than that of other nations, but because our hull conditions are different from yours and are very favorable to underwriters.

"We have, generally speaking, a very well organized market. We have underwriting associations. We have our tariffs, which like all tariffs are more or less kept. Our rates on the French business are better than the rates that could be obtained on the same business that goes to London and New York.

"The centre of the marine insurance in France is Paris, but all companies invariably have their own agents in all the ports so that the business extracted is centered in Paris in spite of the fact that Paris is an inland town.

"The conclusion which I will drawn as far as the underwriting in Paris is concerned is: The French market from an underwriting point of view is a comparatively easy one—there are few restrictions. There is a keen but loyal competition. The market today possesses a very progressive spirit, and it is altogether too important a market to be neglected."

To Modify Floater

(Continued from page 1)

the time in which any standard rider could be changed had expired by law.

The law was amended, but there was a year's delay in amending it. By that time the new standard policies were on the way. The change was hung up. After the new standard policy went into effect, without anyone seeming to know it, the insurance department temporarily re-promulgated all the old standard riders, including the one under discussion.

Takes Matter up With Department

Mr. Robb took the matter up with the Department—this particular clause is used only in New York Fire Insurance Exchange territory, and the informal conference of last week was arranged The Department seems pleased with the idea that the Exchange is willing to adopt a more liberal form, and a form to accomplish the end in view will doubtless be promulgated.

Evans on Conditions After Peace Comes

(Continued from page 15)

mean only indefinite postponement of the final readjustment, which must be handled as already indicated.

To sum up: The change from war to peace conditions will call for increased watchfulness from fire insurance—not only to protect itself but also to guard the interests of its clients, our assureds. There must be no disposing of vanished values to the companies, at war prices; there must be no wanton reduction in amounts of insurance, unless values have actually depreciated, or are sure to decrease. Our readjustment to general values and conditions must be brought about impartially and fairly.

With no trace of pessimism, but rather with unbounded faith in the future growth of America, it cannot be overlooked that the coming period of reconstruction will require the constant alertness of our office, field and agency forces, to avoid moral hazard losses and keep the premium income growing.

CASUALTY

Liberty Mutual's Shipyard Plan

STOCK MEN THROW RATES OPEN

Fleet Corporation's Insurance Department Recommends Wholesale Cancellation of Existing Policies

The plan by which the Liberty Mutual, of Boston, has offered to write liability insurance on shipyards of the Emergency Fleet Corporation, is in substance as follows:

The company agrees to give the shipyard contractors common law liability and, if the workmen desire to take it, the benefits under the Louisiana compensation law.

The Liberty Mutual has what it calls a "net guaranteed" rate, but has also another rate which it calls an "advance" rate, the "guaranteed" rate being 30 per cent. off of the "advance" rate. The "advance" rate is to be paid, and the rate as "guaranteed" is to be 30 per cent. less.

The Liberty Mutual claims to have a policy of reinsurance in Lloyds, London, protecting it against unusual loss and further an agreement, which will be undertaken by a third party, guaranteeing that the Emergency Fleet Corporation will not be called upon for an assessment. No indication is given as to who the third party may be. Of course, this gets down to stock insurance. The difference is that the rates are lower than the rates the Emergency Fleet Corporation claims are the rates of the stock companies, but which rates were never promulgated for the stock companies. The mutual also agrees to pay the full medical if it exceeds the $150 provided for under the Louisiana Act. This is practically the whole plan.

The Liberty Mutual states that on account of the rates they are making they should have all the business, and the vice-president of the Emergency Fleet Corporation urges that the business be given to the Liberty Mutual.

Business "Ordered" Cancelled

This week it was announced that the Fleet Corporation had "ordered" that all the liability and compensation insurance on its plants be cancelled as of December 1 and rewritten in the Liberty Mutual, formerly the Massachusetts Employes Mutual, organized by special provision of the compensation law of that state. In fact, the Fleet Corporation did not "order" the cancellation of this business, but merely recommended such action. It is doubtful if even the government could disturb existing business. Premiums on the coast plus work in the shipyards are paid by the Corporation and direct contract work by the contractor.

Ever since the shipyard business became a factor in the insurance field, the companies, acting through the Bureau, have been giving the Fleet Corporation all sorts of information upon which rates and rules might be based. But just at the time it was becoming likely that the companies and the government might get together on an acceptable plan for doing business, the insurance department of the Fleet Corporation flies off the handle and summarily recommends that the whole business be turned over to one mutual company which has its headquarters in New England, while the most of the shipyard business is in the South.

Stock Companies Act

As soon as it became evident to the companies how they were to be treated they met and resolved:

"That companies be authorized to make their own rates based upon experience for voluntary compensation and employers' liability coverage for such shipbuilding risks under Emergency Fleet Corporation in Southern States as are no wcarried on their books; these rates to apply during continuance of the shipbuilding operations which they are covering in those States and to include such workmen's compensation benefits as may be requested by their policyholders."

This resolution leaves the companies free to use the alternative plan of the Bureau for liability states in dealing with shipbuilding risks of the Emergency Fleet Corporation in Southern states. They can take their past experience on a risk on their books and use that as a basis of rates, such rates becoming "Bureau rates."

Cornerstone Of Support to the War

W. G. Wilson, writing in The Aetna-Izer, points out how insurance is essential to winning any great cause like this war.

The first principle of every kind of insurance is CONSERVATION and this is the cornerstone of industrial support to the war.

The whole fabric of credit by which the products of the world are developed, moved and exchanged, rests upon the structure of insurance—like the globe on the shoulders of Atlas.

I do not intend to dwell on establishing our right as insurance men to priority, as an essential in winning the war. The language of the "Work or Fight" law as well as its interpretation by the War Department authorities clearly places the insurance business as among the essentials.

However, I do hope to convey by this message a simple creed to epitomize your part and my part in carrying out these daily tasks.

Work with unceasing diligence—to the end that insurance protection in all of its branches may reach its widest usefulness.

Develop an intelligent recognition of the needs of your client for protection which will contribute most to the uninterrupted operation of his particular business as well as the peace of mind and sense of security with which he may apply himself to his work, knowing full well that his insurance adviser has well and truly plugged up all of the leaks.

Cut out long interviews and needless calls.

See to it that every claim has merited attention and prompt dispatch—the money in hand to the sufferer from a loss is the swiftest road to his rehabilitation.

Now is the time to eliminate the unnecessary and unreasonable delays which so frequently mark the collection of insurance premiums. It is just as much your patriotic duty to promptly collect for the policy or bond as it is to pay every legitimate claim.

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CASUALTY AND SURETY NEWS

Don Carlos' Claim Department Ideas

NOT A DETECTIVE BUREAU

Travelers Man Says Adjusters and Producers Should Be Partners, Not Competitors

Harlan S. Don Carlos, adjuster of the accident, health and life departments of the Travelers in New York City and New Jersey, is a brilliant young lawyer, who has attracted considerable attention among agents and brokers by his manner of handling claims. Mr. Don Carlos, whose father was general Western superintendent of a life insurance company, in talks to agents says that his idea from the start has been that agents are partners of the claim department, rather than competitors; that the claim department of an insurance company is not a detective bureau or a money-saving institution, but a service branch. The ideal claim department, he continued, stands behind the agent and broker, and that both have a common interest; increasing the business. It always seemed absurd to him that a company should spend a lot of time and money in developing agencies or brokerage, and then institute a claim department which should work on the other side of the fence, sniping business through unsatisfactory settlements. A claim department which aims merely to "save the company money" embarrasses the agent and defeats its own purpose.

A Triplicate Notice

"My idea," said Mr. Don Carlos in a recent talk to the agency force, "is for a better loss ratio through increasing the premium income rather than concentrating on a goal of merely decreasing claims."

A number of ideas originated by Mr. Don Carlos in the claim department have been adopted by the company. One of these is a triplicate notice of claim slip, in three colors, the slip reading as follows:

Name .....
Residence .....
Business Address .....
Telephone .....
When and where may be seen by medical examiner .....
Nature of accident or illness.....
Disability commenced.....19.....
Still disabled? .....
Attended by a physician?.....
Policy form and number .....
Agent .....Branch .....
Remarks .....
This notice received from.....
via .....at .....M.,
on .....19....., by .....

This has been found to save a lot of time, and to be more satisfactory than the old system in many ways. Information passes through fewer hands; there is less repetition.

Another index card invented by Mr. Don Carlos, and which has been found valuable, is an analytical report every month which puts the company's finger directly on the pulse of claims.

A third card also found valuable contains information for the register's, cashier's and manager's offices, giving all the facts about the writing of the policy, and the payments of weekly indemnity. This card has been called a business extension idea.

An Interesting Career

Mr. Don Carlos had an interesting and unique college career. He began in the University of Denver, his home at the time, where he took the freshman and sophomore course. His junior

(Continued on page 22)

J. H. Woodward Heads Actuaries' Society

MEN ON NEW OFFICIAL ROSTER

Richard Fondiller Becomes Secretary-Treasurer, With B. D. Flynn and Geo. D. Moore Vice-Presidents

Looking over the new official roster of the Casualty Actuarial & Statistical Society one cannot but be impressed with the growing strength in the personnel of that organization, which has become so valuable to the casualty business.

Joseph H. Woodward, whose manner of election was unique in the annals of the Society, has been its vice-president for the last two years, and is the author of several papers in its "Proceedings," which deal with problems of compensation insurance. In 1907, while actuary of the Connecticut Insurance Department, he was appointed by Governor Hughes auditor and assistant actuary of the New York Insurance Department, where he remained until 1914. At that time he was appointed actuary of the newly created New York Workmen's Compensation Commission, later known as the State Industrial Commission. The conspicuous ability and success with which he filled this position until his resignation in October, 1918, is well known to the casualty actuaries of the United States. At present, he is the associate actuary of the Guardian Life.

B. D. Flynn

B. D. Flynn, the new vice-president, has been designated by his fellow actuary, M. M. Dawson, as among the first casualty actuaries in this country. He needs no introduction to the casualty insurance fraternity. He is one of the founders of the Society and has written for its "Proceedings" on health and accident insurance and allied topics. He has been with the Travelers for many years in various capacities, and at present is its assistant secretary.

George D. Moore

George D. Moore, the other vice-president, has been active in the Society in furthering its work as regards candidates for admission as Associates. He was chairman of the examination committee for one year, and then chairman of the educational committee which issued a booklet outlining a course of study for candidates. He received his training with the Mutual Benefit Life, and for several years has been the statistician of the Royal Indemnity.

Richard Fondiller

Richard Fondiller, who becomes secretary-treasurer, has been the editor for three years of the "Proceedings" of the Society, to which he has contributed several times. He will continue to write legal notes on casualty insurance decisions, which appeared in the last issue of the "Proceedings." He was

(Continued on page 22)

New Amsterdam Casualty Company

A Progressive

SURETY AND CASUALTY

Company

Casualty Actuarial Society Progressing

MANY ADDED TO MEMBERSHIP

Expect to Have Central Meeting Place —Paper By A. H. Mowbray on Loss Comparisons

Without examination, the following named actuaries were admitted to membership as Associates in the Casualty Actuarial & Statistical Society of America, which held its annual meeting in New York last Friday:

O. M. Sullivan, chief statistician, Minnesota Department of Labor; R. E. Ankers, actuary, Virginia Insurance Department; A. E. Wilkinson, statistician, Standard Accident; Le Roy Brooks, statistician, United States Fidelity & Guaranty; J. L. Sibley, statistician, United States Casualty; W. E. Egli, statistician, Zurich General Accident & Liability.

There were elected as Fellows, without examination:

Mervin Davis, assistant actuary, Equitable Life, New York; F. W. Hinsdale, secretary, Workmen's Compensation Board of British Columbia; W. T. Perry, manager for Canada, Ocean Accident & Guarantee.

B. N. Coates, an Associate, passed all examinations and is now a Fellow. He is at present in the United States Army.

New Associates

Candidates who passed the examinations and enrolled as Associates are:

H. C. Carver, The Associated Companies, Hartford; S. B. Ackerman, New York State Industrial Commission, New York City; P. Dorweiler, formerly with National Workmen's Compensation Service Bureau, now in United States Army; J. S. Elston, Travelers, Hartford; A. B. Greenleaf, First National Bank, Boston; A. L. Kirkpatrick, now in United States Army; Miss Olive E. Outwater, National Workmen's Compensation Service Bureau, New York City; J. Raywid, Compensation Rating & Inspection Bureau, Newark, N. J.; W. A. Schaefer, Ocean

(Continued on page 23)

Compensation Plan For Cantonments

GOVERNMENT APPROVAL GIVEN

Companies Would Stand Net Loss While Facing Possibility of Making Refund

Washington, D. C., November 20.—The War Department has announced its adoption of the plan developed for writing compensation insurance on cantonments, the profit limitations of which have already been set forth in these columns. The plan was developed by certain stock companies after several unsuccessful attempts were made by the Bureau companies to reach an agreement on how this business might be handled. The seven companies which are in agreement on this plan are the Royal, United States Casualty, Globe Indemnity, Travelers, Fidelity & Casualty, Zurich, and Hartford. Details of the plan follow:

PURPOSE: It is the purpose of the Plan to provide that the amount of premiums EARNED by any company (referred to herein as the adjusted premium) shall be dependent upon that company's claim experience and shall be determined only after the completion of the war-period construction work—the payment of initial premiums (as hereinafter defined) notwithstanding.

SCOPE OF PLAN. The Plan shall include all premiums on policies of workmen's compensation and/or employers' liability insurance on war-period construction work for the War Department undertaken upon the basis commonly known as "Cost plus percentage or fee."

PLAN. The rates upon which the initial premiums shall be determined, subject to the final adjustment, shall be those rates as now or hereafter established for the War Department or the basic manual rates applicable to the given hazard. These rates shall not be increased on business of the War Department except either with the authorization of the proper State authorities where such are constituted, or with the approval of the Secretary of War.

Terms of Accounting

An accounting shall be made by each company during the month of November of each year. The risks to be embraced in the first accounting shall be those actually insured and expired prior to May 1st, 1918. The risks to be embraced in each succeeding accounting shall be those actually insured and expired during the year ending May 1st immediately preceding the accounting. The accounting shall be in such form as may be mutually agreed upon, and shall be based on the following data:

(a) Sworn copy of payroll audit statement of the company showing total payroll expenditure for the term of insurance and premium derived at the rate expressed in the policy.
(b) Sworn statement of amounts paid for claims which have been fully liquidated.
(c) Sworn statement of amounts paid and amounts due to be paid for claims which are not liquidated at time of statement. This statement to show specific amounts for each claimant. The reserves for unliquidated claims at the time of each accounting shall be made by the respective companies; in case of disagreement between any company and the War Department as to the amount of reserves necessary at the time of the final accounting the matter shall be submitted to a committee consisting of a representative of the company concerned, an official to be designated by the War Department, and a representative of the State Insurance Department having jurisdiction over the territory in which the head office of the company is located.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

For the purpose of obtaining uniformity the allowance for the expenses of the companies, other than claim payments and reserves for unpaid claims, shall be established at the following percentages:

FIXED CHARGES	Per cent. of initial premium.
Safety inspection & accident prevention	4
Claims administration	7
Taxes (other than Federal taxes)	2
Normal profit	1½
	14½

EXPENSES	Per cent. of adjusted premium.
Field service charge	7½
Home office administration	7½
	15

But in calculating the allowance for expenses of field service and home office administration, it shall be assumed that the total claim cost of each company is not less than 25 per cent. of the initial premium.

Contingent Profit

In addition to the normal profit of 1½ per cent. provided in paragraph 5 each company shall be entitled to earn a contingent profit which shall be dependent upon the loss ratio developed under that company's policies—a low loss cost (involving a proportionately large return of unexhausted premium to the War Department) carrying the higher rate of contingent profit. Such contingent profit shall not in any case exceed 3½ per cent. of the initial premium. A loss of 25 per cent., or less, of the initial premium shall entitle the company to the maximum rate (3½ per cent.) of contingent profit; but no contingent profit shall accrue if the loss cost reaches 70½ per cent. of the initial premium. Between those two extremes of loss cost, 25 per cent. and 70½ per cent., the rate of contingent profit shall vary proportionately from 3½ per cent. to zero.

Federal Taxes

No provision for any Federal taxes is included in the allowance for expenses detailed above, and the companies shall be entitled to charge in the accounting all Federal taxes of any kind paid or payable on the business covered by this plan, except any income or profits tax levied upon any net profit that may be derived from this business and retained by the companies.

Earlier Insurance

In the application of the plan to all risks insured prior to the date of the acceptance of this plan, there shall be deducted and retained by the companies from the initial premiums on such risks an amount to represent the difference between the actual commissions for field service charges paid by the companies and the allowance therefor provided by the plan.

Unexhausted Premium Fund

If the first accounting by any company shall show that there remains an unexhausted balance of initial premium after providing for the claims paid and outstanding, the allowances for fixed charges, expenses and profits herein established, and the Federal taxes above referred to, such company will immediately transfer such balance to a separate fund—to be known as the unexhausted premium fund—and deposit the same in a bank or trust company approved by the War Department, and hold the same on account of any insufficiency of claim reserves in such accounting and any net losses which may be disclosed by subsequent accountings. The interest earned on such fund shall be added to the fund. All the funds deposited in such account shall be held by the company for the specific purposes of this plan.

In the event that any State insurance department should demand that the company should carry a reserve in respect to any part of the unexhausted premium fund, the company shall be entitled to withdraw from such fund the amount of such reserve and shall return the same to the fund when such reserve is no longer required.

If such reserve, or any part thereof, is not released until after the final accounting provided for herein, such reserve shall upon its release be returned to the Government.

Return of Exhausted Premium

At the second and later accountings, a similar transfer shall be made of any unexhausted balance disclosed thereby, and at the final accounting which shall be not later than one year after the completion of the war period construction work included in this plan, a final and complete adjustment shall be made by each company, covering all its transactions under this plan over the entire period of war construction work.

At each accounting, the fund shall be available to the company to the extent necessary to offset the debit balances of any years in which the initial premiums may prove to have been insufficient to meet the total cost of those years, it being the intention of the parties to this plan that all accountings other than the final accounting shall be tentative, and that all the transactions with any one company shall be eventually regarded as a whole and adjusted equitably in the final accounting.

Any balance of unexhausted premium disclosed by such final accounting shall be returned to the Government.

If a net loss is developed on the entire series of policies issued throughout the entire period by any company, such loss shall be borne by the company concerned without reimbursement by the Government.

This plan is limited in its application to the War Department but if the same plan shall be adopted by other Governmental departments, it shall be understood that each company shall in its final accounting combine the unexhausted premium funds of all subscribing Governmental departments and make such refund, if any, as shall be determined by its experience of all such departments combined.

DEFINITIONS

The term "Initial Premium" shall mean the premium arrived at by the application of the rates specified in the policy contracts.

The term "Adjusted Premium" shall mean the sum of the claim payments, the estimates for outstanding claims, the allowance for fixed charges, Federal Taxes, and the allowances for expense and contingent profit.

The term "claims" shall mean all payments made or to be made for compensation or damages, all medical and surgical aid expenses, and legal and other expenses definitely allocated to specific accidents.

Inspection and Accident Prevention

The allowance for this item is fixed with the intention of providing funds for effective accident prevention service and it is expected that subscribing companies will use the allowance for this purpose.

WILL HEAR SECRETARY OF WAR

Speakers At Insurance Federations' Hotel Astor Meeting Also Include Phillips and Gerard

Newton D. Baker, Secretary of War, will address the Tuesday evening session of the fourth annual convention of the National Council of Insurance Federations to be held at the Hotel Astor, New York, December 2nd and 3rd. Former Ambassador James W. Gerard will address the same session of the convention and his knowledge of and well known attitude toward the German paternalistic insurance schemes will make his address a matter of more than ordinary interest. C. J. Doyle, associate general counsel of the National Board of Fire Underwriters, will address the convention with particular relation to the opportunities as well as the obligations imposed upon the business of insurance in America by the sudden termination of the war.

This convention will be the first big meeting of general interest to the business of insurance as a whole since the termination of the World War and as this meeting was originally planned as a great war conference to be held in Atlantic City, in October, so it will now be conducted as a victory conference, looking toward problems of peace and reconstruction and the stability of American business institutions in the tremendously important days of the coming peace.

The Tuesday afternoon session will be addressed by speakers of well known reputation from other business organizations of national scope. Banking, manufacturing, labor and their respective relation to the business of insurance will be discussed. Jesse S. Phillips, superintendent of insurance of New York, will speak upon matters of insurance supervision in the new era just ahead.

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

SEMI-ANNUAL STATEMENT JUNE 30, 1918

Assets	$15,684,739.43
Liabilities	12,471,369.12
Capital	1,000,000.00
Surplus over all liabilities	2,213,370.31
Losses paid to June 30, 1918	63,244,803.06

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation—Steam Boiler Insurance; Fly-Wheel Insurance.

WILLIAM STREET

Glass Rates Go Up

Plate glass insurance rates have been advanced to 55 per cent. plus the zone rate in the four New York boroughs of Manhattan, Bronx, Kings and Queens. The new Richmond Borough rate is 40 per cent. plus zone, effective on new business December 1 and on renewals January 1. Two advances of 12½ per cent. and 10 per cent., respectively, have already been made, making 22½ per cent. in all, so that this last advance amounts in reality to 32½ per cent. in the four boroughs named and 18½ in Richmond.

* * *

What Killed State Plan

Three highly important factors contributed primarily to the defeat of the California compulsory state health insurance proposition. The first of these was the "made in Germany" label which schemes of this sort now bear in the eyes of a large and growing proportion of the people. The second consideration is union labor, which sees in state encroachment on the sick benefit field possible weakening of organized labor's control over its members. The third consideration is Christian Science.

Woodward President

(Continued from page 21)

trained in the school of life insuran and was assistant actuary of one of t smaller life companies for sever years, has been connected with the Ne York State Industrial Commission sin its organization, in 1914, and is no the assistant actuary of the Co mission.

W. W. Greene

W. W. Greene, the new editor, w the first editor of the Society, resig ing in 1915 to become manager a actuary of the Colorado State Fund. H has been a contributor to the "Pr ceedings," in a number of papers a discussions. He came East to acce the position of chairman of the Ne Jersey Compensation Rating & Inspe tion Bureau.

Louis I. Dublin

Louis I. Dublin is the author of n merous papers to various scientific s cieties, dealing with problems of st tistics and public health. At presen he is in Italy serving as statistician the Red Cross Commission to stud consumption. He has been the stati tician of the Metropolitan Life for number of years.

Don Carlos' Claim Ideas

(Continued from page 21)

year was spent at Dartmouth; h senior year at Leland Standford, whe he got an A. B. on graduation in 191 Following a year spent as a salesma of real estate in California and durin which time he became a branch ma ager in Sacramento of a real esta company, he attended the School Jurisprudence, University of Californi for three years, obtaining the Docto of Jurisprudence degree in 1915. Whi at the University of California he wo the Cushing prize for an essay on th California jury system.

Coming to New York he practice law in the office of Robert H. Elde who had been assistant district atto ney in Brooklyn. He went with th Travelers in July, 1917, and after fiv months' experience was made adjuste in Greater New York and New Jerse for accident, health and life.

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Brokers will find a demand for this Protection. Inquiries invited regarding our Policies, Rates and Commissions.

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50 Broad St., New York - - - - Phone Broad 1127

CASUALTY AND SURETY POINTERS

Self Education For Agents

The cause of a large number of lapses can be traced to misunderstandings at the time the application is written. The cause of a large number of these misunderstandings can be traced to lack of knowledge, on the part of the soliciting agent, of the policy which he is selling. This statement applies particularly to new men in the business, and to men who have not or who will not take the time to acquaint themselves with the vital principles of the profession which they claim to have chosen. It is surprising how many agents are "stumped" by a few leading questions; not necessarily as to some particular policy form, but as to the general fundamentals of the business. One company uses a questionnaire for the benefit and education of its agents, and requires its agents to answer some 50 questions which have a direct bearing on the business. The questions are those which are most frequently asked by prospective applicants, and the agent finds it of immense value to himself to know the proper answer to these questions. Here are a few typical questions the Pacific Mutual Life suggests that its agents be informed on:

If I give you my application today and get hurt tomorrow will I be entitled to benefits?

When does my health insurance take effect?

Why does my health insurance not take effect the same day as my accident insurance?

Would I receive benefits if I were only partially disabled by sickness?

What is meant by the clause regarding payment of doctor's bills for non-disabling accidents?

What must I do in case I get hurt or sick?

How much time am I allowed in which to give notice of sickness?

Suppose I take other accident or sickness insurance in another company, would the indemnity under my policy be affected?

Can I continue to carry the same policy as long as I live?

If I lost one eye or one hand or one leg, could I still get the same policy?

Can I make the policy payable to anyone I want?

If I should die from sickness what indemnity would be allowed, and to whom would it be payable?

If I got my leg broken while laid up with pneumonia, would I get indemnity under both the accident and health policy at the same time?

These and several other questions tend to bring out the agent's knowledge or lack of knowledge of the insurance business, and an honest effort on his part to learn the proper answer to all the questions is a great help, both in meeting the questions of prospective applicants, and in making sure that he, himself, knows the goods which he is selling.

* * *

How Aetna Agents Get Business

System in selling accident and health insurance means success in the long run. An agent may be successful for a time in hit or miss soliciting but he will ultimately come to the end of his rope unless some systematic method of solicitation is worked out.

The two greatest problems in selling accident and health insurance are first to find your man and second to get him to give you an unprejudiced hearing. If you can find a workable solution for these two problems, sales will follow as a matter of course and commissions will keep coming your way. On this subject the Aetna says to its agents:

To find your man is a relatively easy matter for a wide-awake agent. Lists of prospects may be made up from telephone or business directories, from club membership rosters, Blue Books, etc. From these and many other available sources which will suggest themselves to agents from time to time, it will be possible for any agent to compile lists of eligible men in his community who, by reason of the nature of their business and their responsibilities, should be most susceptible to his appeal.

Having secured a list of worth while prospects, the next step, in your efforts to Aetna-ize them, is to make a graceful approach under the most favorable auspices. Everything hangs on this. A personal call without any preparation or introduction may or may not lead to a satisfactory interview. It all depends, but the agent who adopts some preliminary method of heralding his approaching call has a distinct advantage in our judgment. This can be best accomplished by a little preliminary circularizing.

A well-written letter to the prospect prior to calling on him in person will break the ice. This letter should aim to create a favorable impression and secure the prospect's interest in your proposition. Then, when you make your call, he will be more apt to receive you in a friendly spirit than if he had never heard from you before. So let the haphazard, hit or miss procedure of calling on prospects give way to a carefully prepared program such as we have outlined. Send out a letter first and then follow it up with a personal call. A trial will convince you that this is the preferred method of solicitation.

Actuarial Society

(Continued from page 21)

Accident & Guarantee, New York; H. G. Brunnquell, 2nd assistant-actuary, Wisconsin Insurance Department; H. S. Spencer, Aetna Life, Hartford.

For Central Meetings

The Council reported that a committee had been appointed to consider periodical meetings in the central part of the United States and to report back to the Council. The Council reported that the constitution had been amended to provide for admission where applicants had been in responsible charge of the actuarial or statistical department of a casualty insurance organization or had other equivalent practical experience.

A. H. Mowbray's Paper

"Comparison of Actual and Expected Losses as a Means of Loss Analysis" was the subject of a paper by A. H. Mowbray. This paper, after referring to the frequent practice in life insurance of comparing actual and expected mortality, and the discovery therefrom that other problems might be solved by means of this comparison, suggests that a more extended use of this comparison might be highly valuable in casualty insurance and might prove a means of solution of some problems which otherwise would seem very difficult of solution. The suggestion is illustrated by a brief description of an investigation, based upon Washington statistics, into the effect of infection upon the duration of disability produced by accidental injuries. The paper is principally of interest to actuaries through its description of the methods used.

The retiring president and two vice-presidents were not eligible for re-election. The personnel of the new roster will be found in another column.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

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Plate Glass, Burglary, Accident and Health Insurance

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Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

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Industrial, Life, Health and Accident Insurance in ONE policy

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Geo. S. Dippold, Res. Mgr., 1107 Peoples Bank Bldg., Pittsburgh, Pa.
W. F. Murphy & Co., Res. Mgrs., Union Trust Bldg., Jersey City, N. J.
J. Ramsay Barry Co., General Agent, 10 South Street, Baltimore, Md.
R. H. Lambert, Branch Manager, Equitable Bldg., Washington, D. C.
Capital $500,000.00—Surplus to Policyholders, $825,544.20
F. O. ROBERTS, Vice-Pres. and Gen. Mgr. HOME OFFICE: CHICAGO, ILLINO

MUST INSURE IN COMPANIES

Deputy Attorney General Collins, of Pennsylvania. has rendered an opinion relative to the insurance of the property of the Pennsylvania Workmen's Compensation Insurance Fund, in which he says such insurance must be taken in the regular companies and cannot be carried by the State Insurance Fund. Following other decisions he holds that since the fund is not state money, the conclusion follows that any office furniture or other equipment purchased therefrom, and used in the administration thereof, would not be the property of the state, but of the Fund.



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Stretching forth her hands to all in need; to Jew or Gentile, black or white; knowing no favorite, yet favoring all.

Ready and eager to comfort at a time when comfort is most needed. Helping the little home that's crushed beneath an iron hand by showing mercy in a healthy, human way; rebuilding it, in fact, with stone on stone; replenishing empty bins and empty cupboards; bringing warmth to hearts and hearths too long neglected.

Seeing all things with a mother's sixth sense that's blind to jealousy and meanness; seeing men in their true light, as naughty children — snatching, biting, bitter—but with a hidden side that's quickest touched by mercy.

Reaching out her hands across the sea to No Man's land; to cheer with warmer comforts thousands who must stand and wait in stenched and crawling holes and water-soaked entrenchments where cold and wet bite deeper, so they write, than Boche steel or lead.

She's warming thousands, feeding thousands, healing thousands from her store; the Greatest Mother in the World—the RED CROSS.

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The annual Christmas Roll Call will echo throughout the land the week of December 16th to 23rd. The Red Cross looks to you for the moral support of your membership. Answer "HERE" when the Roll is called.

Join the Red Cross.

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THE EASTERN UNDERWRITER

(Succeeding the Journal of Insurance Economics, Established in 1899

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

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BANKS SEE PROFIT IN COMPANY SECURITIES

Insurance Officials See Added Development of Local Market in Financiers' Investment Tendency

CHASE SECURITIES CO. LEADS

In Buying Enemy Holdings Banks Must Agree Not to Re-Sell Without Approval

That the financial interests which have been showing an unprecedented activity in acquiring insurance company holdings are doing so as an investment and not as representatives of other interests was stated this week, despite the current belief that Willcox Peck and Hughes are behind the purchase of the International.

In this connection, Eugene R. Thayer, president of the Chase National Bank and of the Chase Securities Co., which was the successful bidder for the control of the International Assurance, of New York, at the sale of enemy insurance company rights which was conducted this week by the Alien Property Custodian, made the following statement to The Eastern Underwriter on Tuesday:

"The purchase of the International was made by the Chase Securities Co., solely as an investment and under agreement with the advisory committee of the War Trade Board not to resell any part of this stock without its approval. We have made no definite plans yet as to what we will do with the company."

Some speculation existed this week as to what interests were being represented by the Chase National Bank and the Chase Securities Co. in purchasing the International and in the organization of the Bankers & Merchants Insurance Co., the incorporation of which was reported exclusively by The Eastern Underwriter last week, additional details of which will be found in another column herewith, and of which Mr. Thayer is one of the incorporators.

In addition, insurance company officials see in the recent activities of the Chase interests, the Bankers Trust Co., and the Guaranty Trust Co. conclusive evidence that the local insurance market will undoubtedly be greatly augmented by the influx of these and other kindred banking interests. It is also anticipated that the foreign expansion of American insurance companies will be facilitated by these banks which are developing insurance affiliations.

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NEW YORK

ELBRIDGE G. SNOW, President

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North British and Mercantile Insurance Co.

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Resources ample for all obligations.

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AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,-972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents

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ROBINSON PRESIDENT CONNECTICUT MUTUAL

Yale Man, Lawyer, Financier, and Vice-President of Company for Some Years

FOUR OTHER PROMOTIONS MADE

James L. Loomis First Vice-President; W. H. Deming Second—Greene and Larkin Advanced

Henry S. Robinson, vice-president of the Connecticut Mutual Life Insurance Company, who for years was a prominent lawyer, and who is active in finance as well as in insurance, has been elected president of the Connecticut Mutual Life, succeeding the late John M. Taylor. The election was expected by general agents of the company as Mr. Robinson was regarded by them as the logical man for the position, and as an ideal choice.

Assistant Secretary James Lee Loomis has been made vice-president; Secretary William H. Deming has been made second vice-president; Second Secretary Jacob H. Greene has been made secretary; and assistant actuary Harold F. Larkin has been made assistant secretary.

Career of Mr. Robinson

Mr. Robinson has been a director and vice-president of the company since 1905. He was born in Hartford April 16, 1868, a son of the late Henry C. Robinson. He was graduated from the Hartford High School in 1885 and from Yale College in 1889 and was admitted to the Hartford bar in 1891. He was a member of the law firm of Robinson & Robinson until 1895. He was secretary and manager of the trust department of the Connecticut Trust & Safe Deposit Company from 1895 to 1905, of which he is a director. Mr. Robinson is also a director of the Hartford Fire Insurance Company. He is a director of the Hartford Accident & Indemnity Company and the Mechanics Savings Bank. Mr. Robinson is also vice-president of the board of trustees of the Loomis Institute of Windsor and he is a trustee of the Wadsworth Atheneum, the Watkinson Library of Hartford and the Handicrafts Schools of Hartford.

Mr. Robinson was chosen a councilman from the Fourth Ward in 1903. He served four years and was a member of the board of finance.

Mr. Robinson is a trustee of the Colt Memorial Fund and of the estate of the late James J. Goodwin. He is also a vestryman of Trinity Church. Since the organization of Company B, First

THE GAUVIN AGENCY

Regiment, Connecticut State Guard, he has been a member of that unit. He has a membership in the Hartford Club, the Hartford Golf Club, the University Club of Hartford, the Society of Colonial Wars, the Twentieth Century Club, the Yale Club of New York and the Yale societies of Psi Upsilon and Skull and Bones. He has a wife and three children.

Vice-President Loomis

Vice-President James Lee Loomis was born in Granby forty years ago, coming from a New England family whose name has been known in the state from earliest days. He attended the New York Military Academy at Cornwall-on-the-Hudson. He entered the academic department at Yale University and was graduated in 1901. He spent a short time with the Loomis Brothers Company of Granby and entered the Yale Law School in 1902. He was one of the editors of the "Yale Law Journal." At the completion of a two years' course there he came to this city to assist in organizing and to take charge of the collection department of the Hartford Business Men's Association and became well acquainted with the business men and interests of the city. After passing his examinations he was admitted to the bar in June, 1905, and immediately began the practice of law. He was elected assistant secretary of the Connecticut Mutual Life Insurance Company March 12, 1909, and took up the general line of duties, devoting his entire time to the place. He is a director of the First National Bank and trustee of the Loomis Institute at Windsor. Mr Loomis married in June, 1906, Miss Helen Bruce of Pittsfield, Mass., who was graduated from Smith College in 1905.

Vice-President Deming

Vice-President William H. Deming was born in Hartford in 1857 and started in the actuarial department of the company in 1875. He was appointed assistant secretary in 1897 and was elected secretary in 1906. He is a director of the Hartford County Fire Insurance Company. He is a member of the Hartford Club, Hartford Golf Club, Farmington Country Club, Twentieth Century Club and the Get-Together Club. He is married and has two children.

Secretary Greene

Secretary Jacob Humphrey Greene, son of the late Colonel Jacob L. Greene, President Taylor's predecessor as head of the company, was born in Pittsfield, Mass., June 10, 1868. He attended Trinity College two years. He married Miss Florence Buck, daughter of Hon. John R. Buck, in November, 1894. Mr. Greene was in the employ of the Michigan Central Railroad.

Assistant Secretary Larkin

Assistant Secretary Harold F. Larkin was born in Winsted January 5, 1884. He was graduated from Yale University in 1906 and entered the actuarial department of the Connecticut Mutual Life Insurance Company the same year. He was appointed assistant secretary in 1917. He is treasurer of the Insurance Institute of Hartford. He is a member of the University Club. Mr. Larkin is married, his wife having been Miss Susan L. Tanner of Winsted. They have one child, a daughter.

DIES IN FRENCH HOSPITAL

Wilfred T. Nickerson, of the Wm. H. McGee & Co. forces, died of pneumonia in a French hospital. He enlisted at Fort Slocum in November, 1917.

TO FRANCE FOR K. OF C.

Michael J. Dwyer, associate manager of the Fidelity Mutual in Syracuse, will do Knights of Columbus work in France.

W. L. DARBEE DEAD

William L. Darbee, a prominent agent in Saugerties, N. Y., and a member of the Board of Education of that city, died recently.

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AGENTS SELLING GROUP

Chicago Bonding & Insurance Developing This Branch of Disability—Protection Successful!

The Chicago Bonding & Insurance is doing well with its group policy and finds the demand for this class of protection growing rapidly. Agents are being assisted in every way possible to become familiar with this method of writing large numbers of risks at one time. The company's representatives are urged to systematically and thoroughly study the group proposition. The premium is collected through the payroll, the employe paying the premium. A line has just been closed involving 1,400 employes.

Briefly, the policy provides specific indemnity for loss of life, hands, feet or eyes through accident, pays from one day to two years for disability resulting from accident; pays after the first four days to six months for disability from sickness, and if the sickness continues for 28 consecutive days covers the first four days' disability. The policy provides a funeral benefit of $50, in case death results from sickness, and pays double the accident indemnity if the injury results while on a railroad passenger train, passenger elevator or passenger steam vessel.

The employer in endorsing the plan assumes no liability whatsoever, nor is he put to any expense. The cost is 25 per cent. under the usual premium rates for such insurance.

Duncan C. Macintyre has withdrawn as editor-in-chief of that always cleverly prepared publication, "The Fieldman," issued by the Chicago Bonding & Insurance. William R. Martin succeeds him, assisted by Harry A. Von Zell. More power to "The Fieldman"!

? DO YOU READ ADVERTISEMENTS ?

Once in a while it pays a man to read an advertisement.

For instance, do you know why the $24,816,657.00 of new business paid for in 1917 by the fieldmen of

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

exceeded by $3,751,129.00 the largest amount paid for in any other year since the Company was organized in 1860?

Do you know why very few men who can make a living selling life insurance leave this Company?

The answers to these questions will be of great value to the man who wishes to form a connection with

A Growing Company For Growing Men

For a direct Agency Connection address:

T. LOUIS HANSEN, Vice-Prest & Agency Manager

50 Union Square NEW YORK, N. Y.

Six Inheritance Tax Selling Pointers

MADE BY ALEXANDER MACLEAN

Recommends Use of Illustrative Tables—Cost of Providing Fund Relatively Small

Selling talk about the inheritance tax should center around six points according to Alexander T. Maclean, assistant actuary of the Massachusetts Mutual Life. These points, which Mr. Maclean prints in "The Radiator" are:

1. An amount of money must be paid at the death of the prospect.

2. There is only one way in which payment of a definite amount can be guaranteed to be available at death no matter when that should occur.

3. The cost of providing this fund is relatively small, varying from about 1½ per cent. to 9 per cent. of the amount desired to be provided and probably averaging about 3 per cent.

4. While the insurance is to be taken for a definite purpose, it will still be of great value even if at the death of the prospect the payment of an estate tax should no longer be required, and if this should be so because the insured has been unfortunate in business the insurance money will certainly be more than valuable to his beneficiaries.

5. Almost every day we hear of estates which through lack of ready cash have been seriously depleted through the necessities of the Federal and State inheritance taxes. The loss is not only one of capital but of a corresponding permanent income to the beneficiaries of the deceased. The amount lost under these circumstances is generally out of all proportion to the cash realized for the purposes of taxation and certainly out of all proportion to the cost of securing the necessary funds by means of life insurance.

6. Show your prospect a table of the amount of tax payable according to the various amounts of estate, and it is generally a good thing to include in that table amounts of estate much larger than the prospect is likely to have. Most people are pleased by the assumption that they possess more than they actually do.

NEW PRUDENTIAL GROUPS

Recent sales of Group Insurance by The Prudential Insurance Company include the following:

The J. E. Mergott Co., Newark, manufacturing metal goods; Crescent Hosiery Mills, Niota, Tenn., manufacturing hosiery; J. E. Bates & Company, New York, wholesale shoes; The C. F. Pease Company, Chicago, Ill., manufacturing blue prints; Milwaukee Paper Box Company, Milwaukee, Wis., manufacturing paper boxes; Adler Manufacturing Company, Louisville, Ky., pianos, organs and phonographs; Budd Wheel Corporation, Philadelphia, manufacturing automobile wheels; Englewood Manufacturing Co., Englewood, Tenn., manufacturing hosiery; George W. Davis, Manayunk, Phila., Pa., manufacturing carpets, rugs and yarns; Wadhams Oil Company, Milwaukee, Wis., manufacturing lubricating oils and soaps.

Representatives of the Massachusetts Mutual who have died recently are John H. North, Syracuse, and Edgar L. Martin, Manchester, N. H.

The Rochester Life Underwriters Association is to adopt a new constitution.

Year's Premium For Service Insurance

PLAN OF WISCONSIN COMPANIES

Suggestion Made to Washington to Reduce Lapses—Recommends Postal Savings Stamp Idea

The Life Convention of Wisconsin, of which William A. Fricke is secretary and counsel; George A. Boissard, chairman of executive committee; and which has as members the Wisconsin Life, Wisconsin National Life, Great Northern Life, Old Line Life and Guardian Life of Wisconsin, has mailed a letter to Secretary McAdoo suggesting that the Government give each honorably discharged soldier and sailor a premium receipt for one year's insurance. The letter follows:

Mr. Secretary: The Life Convention of Wisconsin gave cordial endorsement to the War Risk Insurance Bill when that measure was pending in Congress, and extended wholehearted co-operation to the War Risk Insurance Bureau to the end that the men mustered into service, for their dependents and themselves, should have the fullest protection the insurance offered by the Government afforded.

The enormous volume of insurance written by the War Risk Insurance Bureau evidences not only the need and value of such protection, but constitutes also the best commendation for the men who conceived this great measure and by their wise forethought and convincing determination made possible these insurance benefits to the men in the army and navy.

The creation of this Bureau and the granting of this insurance by the Government has not been an injury to the business as conducted by the life insurance companies; on the contrary, it has been a distinct benefit in bringing directly home to our people the need of the protection of life insurance and the carrying of its benefits in larger amounts. Harm and injury could come to the life insurance companies and to our people only if this experiment on the part of the Government should prove a failure, or conveyed to the people and the insured the thought or impression that the need of the protection of life insurance was not a continuous need, but for acceptance only at time of great individual hazard and then lightly discontinued when immediate danger has passed, rather than by persistent maintenance cultivate the habit of a most desirable form of thrift and making certain the protection of dependents and self against future adverse contingencies.

The great and beneficent problem of the War Risk Insurance Bureau therefore, still seems to be unsolved. The one year term insurance plan under which the Bureau's insurance protection is now furnished was for temporary purposes only, and while under the war risk insurance law this temporary and cheap form of insurance may be continued after being mustered out of service for the limited period of five years, to be exchanged, during or before the end of such period, for some regular and necessarily higher cost form of insurance, the conditions of continuance and to exchange to regular forms will involve, we fear, an enormous lapse ratio and so reduce the volume of insurance now carried, which in its results will be of harm and injury to the men and to the business of life insurance as a whole, unless wise preparatory steps are now taken that will make for the maintenance of this insurance and its easy and ready conversion to regular forms when the man returns to civil life.

Just now, with his maintenance in the service and the deduction from his pay check of the monthly premium, there is no difficulty in holding the volume of insurance written; but once mustered out of service, when the immediate consideration is a job to meet living expenses, the deduction of this monthly premium remittance becomes an individual problem, which with the large average policy carried, may become a burden difficult to bear, and so become impossible if a like amount of insurance is attempted to be transferred or converted to the higher priced regular forms.

A large termination or decrease in the number of insurants in the Bureau after the termination of the war would be harmful to the business of life insurance as a whole as a lapse precedent and a bad example since the man who has once carried a policy and lapses has not learned the value of persistence, is apt to do so again and looks lightly upon the obligation life insurance imposes. Not so much the decrease in volume—if that decrease is an intelligent adjustment to the abilities to maintain in force—but a large decrease in the number of insured would be harmful; not only that, but the withdrawals or lapsations would constitute the most desirable of the present group of insurants—men who feel they are still good risks, and can later, if they wish, secure what insurance they may desire—and so leave those remaining to constitute a group with a much higher mortality than the premium rate charged can provide for and thus have the War Risk Insurance Bureau become of much larger cost and expense to the tax-payers, while the continuance of the largest possible number of present insurants—even if for smaller amounts—would tend to a reduction in the cost as a whole and so prove a direct benefit to the tax-payers in a lessening of their after-war burdens.

Makes Three Suggestions

The members constituting the Life Convention of Wisconsin believe that most of the difficulties may be avoided by timely consideration and preparation and the insurance continued within the means of each man mustered out of service, under plans, too, which will simplify the conduct and labor of the Bureau and avoid the harmful effect which a wholesale lapse or termination will involve, and it is for this purpose that the life convention now addresses you and offers the following suggestions.

1st. That the forms of policy to which the present insurance may be converted be prepared immediately and the exchange or conversion be taken up with each man when mustered out of service, and the amount and form of policy for continuance then determined.

2nd. That each man when mustered out of service and having exchanged or converted his present policy to such other form be given a premium receipt to cover the first year of insurance under his converted policy.

3rd. That at the same time, the man be furnished with a postal savings bank book showing clearly the amount of weekly or monthly deposit required for the accumulation of the next annual premium on his policy. That such deposits may be made and entered in the postal savings book at any post office in the United States and when the deposits accumulating the next annual premium have been so completed, the postal savings bank book may be turned in at any post office in exchange for the official annual premium receipt.

In the War Risk Insurance Bureau this would greatly simplify the accounting work, provide a convenient method of payment for the insured and promote the habits of thrift and saving and enable the insured to carry a larger amount of insurance by bringing the method of payment of premium within the means of his salary or wage payments, and so far as the Bureau is concerned placing the business on an annual payment basis.

Conversion Recommendations

4th. The form of policy offered in conversion should afford the fullest measure of protection for the dependents, and for the man in the event of total disability and provide the means for an Old Age Income, with such a graduation of premium cost as not to make the increase in the cost of insurance from the present insurance to the converted policy too sudden. Such a policy might be prepared along some such lines as the following:

(a) A Five-Year Term Rate, to which shall be added a Total Disability Premium providing for release from premium payments in the event of total disability and a monthly income of $8.33 per $1,000 of insurance, without deduction of such payments from the face of the policy and the addition of one-fifth of the present value of the regular premium at an age five years hence for an endowment at age 65 paid in twenty premiums.

This would give a reasonable premium during the first five years after conversion and enable giving the insured a premium receipt for the sixth year of insurance and enable him to prepare for the higher premium required, for which called, from and after the seventh year.

(b) At age 65 the policy to be converted into a monthly old age income for life.

With an income to the family assured in the event of death, an income in the event of total disability and a competency for old age assuring an income then for life, the protection afforded will appeal to the men as a valuable thing worth conserving and which they can pay for during their productive years and by a method imposing the least of hardship and denial.

5th. The required reserve to be maintained to the end that the group may become self-supporting and that the individual policy become of increasing value and be the means of thrift and saving when its protective features are—in individual cases and under certain conditions—no longer necessary.

Expense of Management

Under these converted policies, the Government can still continue the payment of the expense of management without imposing an expense charge and so give to the men insured in the War Risk Insurance Bureau their insurance on a net premium basis without harm to or reflection on the life insurance companies, as the people will readily understand that such difference in the cost is a part of the nation's contribution for the patriotic service rendered.

In connection with a provision of permitting weekly and monthly deposits in postal savings banks for the accumulation of the following year's annual premium we suggest your consideration of: whether it would not be advisable to provide for such premium accumulations through "life insurance stamps" and these pasted in a premium saving stamp book, which when showing deposit equal to the premium can be turned in for the premium receipt? And whether it would not be of value to extend the privilege of purchasing such "life insurance stamps" to policyholders of companies, as well as policyholders in the bureau, to enable them to so also accumulate their life insurance premiums?

The "stamp method" of premium accumulation would further simplify the labor of handling premium accounts, both at the bureau and post office, while its extension, by permitting the life insurance companies to employ this method, would popularize the life insurance stamps, with the active co-operation of the life insurance solicitors—then too a more general use of this method would become an aid and constant reminder to the men insured in the War Risk Bureau and so add to the persistency in maintaining the insurance.

Besides giving to the Government the use of all such money deposited, it would, while supplementing the preachments of the war savings stamp idea, furnish the opportunity to thousands of taking an adequate amount of life insurance protection and accumulating their premiums by depositing small amounts and securing for themselves the saving from annual payments of premiums instead of the larger amount involved by fractional payment.

The members of the Life Convention of Wisconsin would be opposed to Government insurance as not being one of the proper functions of Government, but we do most heartily believe in the purposes of the War Risk Insurance Bureau in furnishing life insurance to the men engaged in war and naval service, and in maintaining such insurance for their benefit when they have been mustered out of service. To this end the Life Convention of Wisconsin pledges most cordial co-operation, and this communication is to renew to you such assurances and in the hope that the suggestions made may receive consideration and prove of benefit

A Letter From Rupert F. Fry

Rupert F. Fry, president of the Old Line Life has written the following letter to Clarkson Potter, Assistant-Director of the Treasury Department:

Dear Sir: I think the citizens of the United States would be willing and proud to aid and participate in a popular subscription to take care of the first year's premium for the soldiers and sailors and that each citizen would like to be the possessor of a "Soldier's and Sailor's Certificate of Appreciation."

It is my thought that every employer would be willing to give six, seven or eight dollars for each thousand of Government insurance that his employes carried, who joined the colors; that each relative, co-worker and friend would like to contribute and possess a "Soldier's and Sailer's Certificate of Appreciation," the certificates to be of different sizes to meet all classes—one size $25 for those in moderate circumstances; another size to cost $50 and a larger size for all those who contribute $100 or more. In the largest certificate the amount could be stated.

The thought occurs to me that enough money could be raised in this manner to take care of all the claims which occur during the next twelve months and that it would not be necessary to use any of the money secured from the next loan or appropriate any money from taxation to take care of this insurance fund. You appreciate that much of insurance will lapse unless something like this is done and the idea would be to permit the insurance men to give their services in order that this fund might be created and thus keep much of the insurance that has now been written on the lives of soldiers and sailors in force.

If funds are used for this purpose, I think it would be proper that those who contribute be given a "Certificate of Appreciation" for their homes.

I expect to be in Washington the first week in December and will talk with you further.

Group Insurance
Monthly Income Insurance
Weekly Income Insurance

All Other Popular Standard Forms—
Ordinary and Industrial

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

THE
PRUDENTIAL
INSURANCE CO. OF AMERICA
Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President — Home Office: NEWARK, N. J.

— Branch Offices in All Leading Cities in the United States and Canada —

UNION CENTRAL RULES

Waive War Limitations—Will Refund Premiums—Paying Claims With Provisions Eliminated

Policies issued hereafter by the Union Central will contain no limitations with respect to military or naval or relief service. Limitations with respect to military or naval or relief service in outstanding policies are waived. Extra premiums for military or naval or relief service heretofore collected will be returned. All claims including those heretofore incurred under policies which contain provisions for extra premiums for military or naval or relief service will be paid irrespective of such provisions.

PROFESSIONAL MEN

Equitable of Iowa Tells Why They Make Good Insurance Agents—Doctors Excepted

It was recently stated that there are 3 500 lawyers in New York City alone who have an inadequate income, says "Equiowa." As a rule, a lawyer is away above the average man in qualifications, and can make a splendid success in this business. But there are also many other professions which afford an inadequate income to those following them at the present time. This is not true of the medical profession, because on account of the drain on the medical profession for war services, the remuneration to medical men at the present time is higher than ever before in the history of the country.

C. H. ANDERSON COMMENTS

"Hope is a good breakfast but a bad supper." It is a fine thing to possess an optimistic nature, to begin your day's work enthused, full of fresh courage and hope. But more than hope is demanded of us all. It is quite essential to "bring home the bacon," which was missing at the morning meal of Hope.

Your policyholders probably find it easier to meet the demands of Liberty Loans, Thrift Stamps, Red Cross and Y. M. C. A. pledges than those who are without insurance, for the plan of systematic thrift has already been established. Definite motives lie back of all systematic saving, and economizing for the future protection of one's family becomes a stepping-stone on to "Hooverizing" for the immediate and future protection of one's country.

"There was one that found a great mass of money digged underground in his grandfather's house, and being somewhat doubtful of the case signified it to the Emperor that he had found such treasure. The Emperor made a rescript thus: 'Use it.' He wrote back again that the sum was greater than his state or condition could use. The Emperor wrote a new rescript thus: 'Abuse it.' Income insurance meets just this situation. The beneficiary by this plan receives enough for 'use' and not enough for 'abuse.'"

Don't forget to remind religious fanatics who abuse insurance that the first American insurance company was chartered 1759 for the establishment of the corporation for the relief of poor and distressed Presbyterian ministers, and still exists.

There are some men who seem to imagine themselves the 'Struldbrugs' (Immortals) of "Gulliver's Travels." Those of you who have read that quaint, imaginary tale will remember the Struldbrugs, children born with a red circular spot on the forehead, born exempt from that universal calamity of human nature, Death. Men who persistently refuse life insurance, making no provision for the future of loved ones or the future of a splendid business, may not question the reality of death, yet surely they are acting as if they considered themselves "Struldbrugs," free to work and earn forever.

An unusually practical, keen salesman confessed to me the other day the bit of sentiment in his nature, that is concealed by his brusk, alert, business-like appearance. I liked his confidential remarks enough to repeat them. "When I start home at the week-end, with applications and cash in my pocket, I feel a real satisfaction in my success, glad to bring home the fruit of my labor to my awaiting wife and kiddies; but more than that, as I pass the lighted windows of farm house after farm house and know that I, by my personal efforts and persuasion, have placed protection in those homes, I feel a happy pride and glow that is indescribable and wholly disassociated from dollars and cents. The insurance man who gets this occasional glimpse of the sacredness and responsibility of his profession, knows the sort of feeling I mean, but can't express."

Do you rise early, with all essential preparation made the night before, and make the morning hours count, or do you have a late breakfast, stop to look over prospect cards, and get started about time to quit for lunch? If you have the later habit, here's what it means. "It is not only ill management, but discovers a slothful disposition, to do that in the afternoon which should have been done in the morning."

There are many amusing stories told of the resourcefulness of agents in obtaining interviews, but some men, desiring to follow the novel, daring methods, fall into the dangers of subterfuge. Any real misrepresentation will prejudice your case, nine times out of ten.

I never see one of a famous New York writer's books in the library but what I think, oh, the volume his wife could write! But she is engaged in the wearisome task of making jellies and jams for an indifferent and uncertain public, being left with only the copyright on her husband's few books. Be glad you are writing insurance, boys, instead of books. Literary men, from all accounts, need "getting after" by some of our most convincing men.

Some time ago a good suggestion was made that the Life Insurance Presidents' Association and the National Association of Life Underwriters take up the matter of utilizing moving pictures to educate the public on life insurance topics. How many such films have you "movie fans" seen, yet?

Thousands of women prospects to be won! Here's a word of advice and caution. The majority are totally unfamiliar with insurance terms, so avoid technical phrases. Be simple, direct, and clear, yet never imply by manner or word that you are adjusting your sales talk to their degree of knowledge on the subject.

"Home, sweet, home" receives rather a cruel blow to its reputation when we are authentically informed that more accidents happen around home than any other one place. Are we so reckless in our homes or are the architects responsible?

HOME LIFE INSURANCE CO.

(Purely Mutual)

256 BROADWAY, NEW YORK

GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to

GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

Build Your Own Business
under our direct general agency contract

Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums

See the new low Rates

JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY
of Cincinnati, O.
Jesse R. Clark, President. Allan Waters, Second Vice-President

Resent A. R. Marsh's Liberty Loan Raps

"Economic World" Editor at One Stage Thought Some Subscriptions "Scandalously Inadequate"

BELITTLES EFFORTS OF AGENTS

Companies Say His Premises and Deductions Are Incorrect—1919 Net Incomes Anticipated

Editorials in "The Economic World" signed by its editor, Arthur Richmond Marsh, and criticising the Liberty Loan subscriptions of one group of American life insurance companies have caused something of a stir in some of the offices. Mr. Marsh found fault with the size of the subscriptions which these companies made, thought them inadequate as compared to the Prudential of England, for example, and even condemned companies for "not maintaining intact the amounts of bonds apportioned to them upon their subscriptions." When these comments were made the subject of an editorial in The Eastern Underwriter Mr. Marsh wrote to this paper and declared that at the time he wrote the first of his articles the subscriptions of the Mutual Life, The Prudential and the New York Life and the Mutual Life were "almost scandalously inadequate." In this letter he also took a rap at agents "of companies like The Prudential, the Mutual Life and the New York Life, saying that their activities in the way of securing subscriptions to the war loan for the most part diverted from other channels to the insurance companies "subscriptions that would have been made in any case."

Unfair Deductions

To those familiar with the remarkable achievements of American life insurance companies in the Liberty Loans, and the great work of the agents, the question might have been asked: "Who is Arthur Richmond Marsh, and what has he done or how is he qualified to sit in an office and act as a censor on these matters?" This is not the proper way of looking at the matter, however, as Mr. Marsh in the past has often been a discerning and scholarly reviewer and analyzer of economic, financial and underwriting events. In his Liberty Loan articles, however, he has been careless of his facts and unfair in his deductions. Had he inquired among leaders of finance he would have found a general prevailing opinion that the loan activities of life insurance companies and agents in this country had set a new high water mark of patriotism and of prodigious effort and remarkable results. The insurance companies in this country subscribed for at least $500,000,000 in the Fourth Liberty Loan drive alone, the bulk of the subscriptions being through life insurance channels, while the agents of this country sold bonds in the millions of dollars, and in many cases they were not diverted from other channels to insurance company subscriptions, but were the result of straight canvassing in factories, office buildings and on streets corners, subscriptions which no one else could have secured. To cite just the experience of agents of one company, the Travelers, its agents sold millions in Greater New York, all by the hardest kind of personal solicitation. Two of the companies criticised by Mr. Marsh—the New York Life and the Mutual—anticipated their entire net income for 1919 in order to subscribe for bonds. The investments of The Prudential since the war started have practically been in Government securities.

In his October 12th issue Mr. Marsh discussing the resources of the New York Life, Mutual Life and The Prudential, and comparing their loan subscriptions at that date, concluded with the comment:

These are not cheerful figures, especially when the Fourth Liberty Loan is dragging as it now is. Nor are these figures to which the three great life insurance companies will look back with complacency when the American people come to understand their meaning and to assess accordingly the worth of the companies from the standpoint of the public welfare. In fact, it might now be well for the proper Liberty Loan Committee, or the Secretary of the Treasury himself, to take the proper officers of each of these companies, asking them how it applies in their own case. The following abjuration to the agents of the New York Life in connection with the loan subscriptions of other people they are urged to secure, is printed in large type at the bottom of a page of the company's circular referred to above:

"Be very careful to see that you get from each subscriber all that he can take. Don't let a man get off with $50 when he should take $100. Don't let him get off with $100 when he should take $1,000. Raise him every time You can do it. Make him come across."

Before its issue of October 26, The Prudential, New York Life and Mutual had largely increased their subscriptions. In its October 26 issue the "Economic World" called attention to this, but made the following comment in part:

We cannot bring the matter to a close in these pages, however, without calling attention of the American companies we have referred to, to another point of patriotism in the conduct of their affairs. This is that not a little stress is laid by the American public at this time upon the duty of subscribers to our war loans to maintain intact the amounts of the bonds apportioned to them upon their subscriptions, unless they are compelled by actual stress of their circumstances to sell out a part or all of their holdings. This is a rule which seemingly has not been followed by the New York Life, Mutual Life or by The Prudential. Each of these companies, according to the statements given out at the time, subscribed for $5,000,000 of the first Liberty Loan and for $10,000,000 of the Second Liberty Loan, both issued in 1917. * *

A Letter From Mr. Marsh

Mr. Marsh has written the following letter to The Eastern Underwriter:

Editor, The Eastern Underwriter: I have read with interest and with some perplexity the editorial on page 12 of the November 15th issue of The Eastern Underwriter in which you criticize as inaccurate the two articles written by me and published in The Economic World of October 12 and October 26, respectively, on the subject of the support given to the Fourth Liberty Loan, and in general to the war financing of the Government by three leading life insurance companies of this city. I am particularly puzzled by the following sentence: "Mr. Marsh has called attention to the unusually high subscription of the Prudential Assurance Company of Great Britain which was much higher than the subscriptions of the Metropolitan Life Insurance Company or The Prudential Insurance Company of America, both of which totaled $120,000,000." I have carefully re-read my articles in The Economic World to which you refer and I do not find the Metropolitan Life Insurance Company even mentioned in those articles. The three life insurance companies whose subscriptions to the Fourth Liberty Loan I contrasted with the subscriptions of British life insurance companies to the war loans of Great Britain were the New York Life Insurance Company, the Mutual Life Insurance Company and The Prudential Insurance Company of America. There was indeed not the slightest reason why I should make any unfavorable comment on what the Metropolitan Life Insurance Company was doing toward assisting the Government in financing the war, because the War-Saving Stamp campaign of this company had already at the time of my first writing netted the Government over $65,000,000 and was in a fair way to yield a very much larger sum. The product of this campaign, combined with the subscription of the Metropolitan Life Insurance Company to the Fourth Liberty Loan brought its total contribution to the Government well up to what the British companies had done. On the other hand, the three companies which I did criticize had at the time of my first article subscribed for amounts of the Fourth Liberty Loan bonds which were, in my opinion, almost scandalously inadequate. Certainly their subscriptions bore no proper relation either to their resources on the one hand, or to the subscriptions of the British companies on the other. Furthermore, not one of these companies had undertaken a really productive campaign like that of the Metropolitan for securing funds for the Government which otherwise would not have been secured. As every competent observer knows, the activities of the agents of companies like the Prudential, the Mutual Life and the New York Life, in the way of securing subscriptions to the war loan for the most part simply diverted from other channels to the insurance companies subscriptions that would have been made in any case. Within two or three days after the publication of my first article the companies referred to in that article added very largely to their subscriptions, bringing them up to a much more respectable figure, though the combined subscriptions of no two out of the three reaches the sum of $120,000,000 mentioned by you.

As regards your comment to the effect that the British companies were enabled to subscribe largely as they did to the British war loans because the British Government took over from them American securities for use as collateral in the United States, giving the companies in place of these securities British war bonds, I would call your attention to the fact that in my articles I referred particularly to the British Victory Loan of 1917, this being the loan to which the British Prudential subscribed $125,000,000. Now, the taking over of American securities by the British Government from the British life insurance companies antedated this loan by more than a year. So far as I can ascertain the subscriptions of the British companies to the Victory Loan of 1917 consisted of new moneys and had nothing whatever to do with any earlier transactions between the British Government and the companies in the matter of American securities. We have Secretary McAdoo's authority for the statement that the British Government asked the British life companies to borrow to the extent of 10 per cent. of their assets in order to subscribe to the Victory Loan. We know, further, from the reports of the British companies that they all did borrow very heavily for this purpose. Why should they have done this if they still had American securities in the hands of the British Government, in return for which they could take Victory Loan bonds?

With reference to the third paragraph of your editorial in which you state that the Mutual Life Insurance Company "subscribed for $10,000,000 of the first loan, but, as that loan was largely oversubscribed, no bonds whatever were allotted to the company," although you speak with complete assurance of correctness I cannot but think that you are mistaken. The total subscriptions to the first Liberty Loan were $3,035,226,850, the amount allotted was $2,000,000,000. On this basis a just allotment must have been given to the Mutual Life, two-thirds of the $10,000,000 which you state was subscribed by this company to the first Liberty Loan, though the amount which I find recorded in insurance journals of the time of the first loan is $5,000,000. Now, it is inconceivable that the Mutual Life Insurance Company could have escaped its proper proportion of the bonds subscribed for by it, except by some kind of collusive understanding with the agencies through which the bonds were allotted. I am totally unprepared to believe that there would have been any such understanding.

In order that your readers may be accurately

Great Southern Life Insurance Company

HOUSTON, TEXAS



For Agency Contracts address

O. S. CARLTON

PRESIDENT

The Power of Veteran Leaders

PLUS

The Enthusiasm of Youth

is the Home Office combination that is working and achieving every day to give Maryland Assurance agents an unusual quality of practical aid and personal encouragement. Life Insurance, Health and Accident Insurance—a wide range of very attractive policies. Maryland Assurance agents are making good, and making money. Valuable openings in productive territory for energetic ambitious men.

MARYLAND ASSURANCE CORPORATION

SEVEN SOUTH GAY STREET

BALTIMORE

"Live and Die with Assurance"

informed as to what I said in The Economic World upon this subject may I ask you to give this letter space in your pages?

Mr. Marsh's letter and his editorials contain so much misleading Liberty Loan information, including comparisons, that in commenting upon it there is difficulty in knowing where to begin. It might be well to start with the subscriptions, allotments and present ownings of The Prudential's bonds.

In the Second Liberty Loan this Company subscribed for $10,000,000, was allotted $5,197,500, of which it now owns $5,197,500. In the Third Liberty Loan it subscribed for $15,000,000, was allotted $15,000,000, and now owns $15,000,000. In the Fourth Liberty Loan it subscribed for $60,000,000, was allotted that amount, and still has that amount. In the First Liberty Loan the Company was allotted $1,375,000 on a $5,000,000 subscription, of which issue it owns no bonds. Summing up, The Prudential subscribed in all for $90,000,000; was allotted $81,572,500, and now owns $80,197,500.

As Mr. Marsh questions explanations of what happened in connection with subscriptions and allotments and sale of bonds the following facts are worth noting:

The subscriptions to the First Liberty Loan were not uniformly reduced on a pro rata basis, the larger subscribers receiving very much smaller allotments proportionately.

At the time of making all allotments, it was found that a good many institutions and large industrial corporations had entered the subscriptions of their employes in lump sums and were thus unable to give the small subscribers the full allotments that they would have received if they had entered separate and individual subscriptions. To fill the real and urgent demand for bonds of this loan, created by this situation, The Prudential, with the knowledge and approval of the Federal Reserve Bank, disposed of the bonds it had received at par.

Mr. Marsh's Early Editorials

In view of Mr. Marsh's later editorials it is interesting to glance over some of his earlier ones. On February 2 he said:

"This correspondent points out also that comparisons of the war loan subscriptions of British life companies with those of American life companies are wholly unfair to the American companies, inasmuch as the British companies were in the fortunate position of being able to re-sell to the United States large amounts of American securities in their portfolios, while American companies have no such recourse."

Again: "The American companies, unlike the British companies, must rely almost exclusively on the home market for the disposal of the prewar holdings of securities and evidently they could not go far with the sale of these securities without producing distressing effects both for themselves and for the national economy as well."

Not only were American companies debarred from selling Liberty Loan bonds even at far lower prices because of the lack of buying power, but the entire credit structure of the country demanded that the American companies should continue to buy on a small scale.

Said Mr. Marsh editorially: "As things now stand, the companies must confine themselves to buying war bonds with their current surplus income and with the proceeds of such of their older investments as may mature during the war."

The Prudential's total subscriptions to the Third and Fourth Liberty Loans should exceed what its excess income over disbursements is estimated may be for the calendar year 1918 by more than 50 per cent.

Said Mr. Marsh: "The insurance companies' subscriptions to the earliest of the British War Loans were relatively small in aggregate amount, but their subscriptions to the Victory Loan of a little over a year ago were little less than amazing. There is no reason to doubt that the war loan experience of the American companies will follow along the same lines,—and that as each successive war loan is brought out in the United States the companies will be found increasing very heavily the amounts subscribed by them."

And, yet, Mr. Marsh characterizes the subscriptions of three American companies of the first rank as "almost scandalously inadequate."

Unjust Comparison

It would seem pertinent to point out to Mr. Marsh that he has unjustly chosen to compare the subscriptions by the Prudential of England to the Victory Loan of 1917, over three years after England had entered the great war, with the subscriptions by three of the larger American companies to our Fourth Liberty Loan, issued only a year and a half after America's entrance into the great war.

To treat this subject justly and equitably, let us see what a comparison of the figures shown on the balance sheets of the English Prudential for December 31, 1913, and December 31, 1915 (the latter date being one year and five months after the outbreak of the war), with the figures shown on the balance sheets of the American Prudential for March 31, 1917, and October 31, 1918, reveals.

Contrasting first the conspicuous decrease in the holdings of railroad, cor-

(Continued on Page 9)

NIAGARA LIFE BUILDING



Mohawk Cor. Franklin Street, Buffalo, N. Y.

The Combined
Life, Sickness and Accident
policies, sold only by the
Niagara Life Insurance Co.
(WILLIAM H. CROSBY, President)
Protects the insured and his dependents.

Live wire reliable agents may obtain very favorable contracts

Communicate with
E. H. BURKE
Vice-Pres't & Gen'l Manager
BUFFALO, N. Y.

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

PENNSYLVANIA OPPORTUNITY
If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.
Address, **PERMANENT,**
Care of The Eastern Underwriter, 105 William Street, New York City

Mr. Successful Life Insurance Agent:
Do you want to secure a General Agency for yourself? If so, read this, it is
WORTH KNOWING
Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?
ANSWER:
FIRST, it guarantees that in case of death from any cause $5,000, the face of the Policy, will be paid.
SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.
THIRD, that in case of death from certain SPECIFIED accident, $15,000, or THREE TIMES the face of the Policy, will be paid.
BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And WHY should any man be satisfied with a policy that would do less? The cost is low.
General Agents wanted in the following States: Pennsylvania, Delaware, Kansas, Michigan, Ohio and the District of Columbia. Address:
UNITED LIFE AND ACCIDENT INSURANCE CO.
Home Office, United Life Bldg., Concord, New Hampshire

EQUITABLE
Mutual in Principle and Practice
Impregnable in Strength
Enterprising, Conservative Management
Comprehensive, Adaptable Policies
Low Mortality Rate
Prompt Payment of Death Claims
Efficient Service to Policyholders
Training and Education for Agents
A satisfied constituency gained by Fifty-eight years of public service
These are some of the advantages enjoyed by representatives of
THE EQUITABLE LIFE ASSURANCE SOCIETY
of the United States
For agency openings address:
W. E. Taylor, Second Vice-President
EQUITABLE

November 11th, 1918,
On the very day the Armistice was declared

THE PROVIDENT LIFE and TRUST COMPANY of PHILADELPHIA

Removed all War Restrictions from its Outstanding Policies and Discontinued the use of a War Rider on New Policies.

Extra War Premiums will be Returned, and if regular premium has been paid, War Claims will be paid in full.

N. W. Cor. 4th and Chestnut St.

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

What Kind of Advertising Gives Best Returns?

By T. Louis Hansen, Vice-President Guardian Life

Life insurance advertising in the daily press, at least so far as metropolitan dailies are concerned, does not render service to the agent unless carried out by a campaign on a large scale, the cost of which would not be justified by actual results. The occasional life insurance ad in such publications is, to my mind, a waste of money, because the public, at least in these strenuous times, pays very little attention to the advertising columns except so far as the every day commodity is concerned, in other words, things that are wanted today: and if not actually overlooked, the contents of such ad would soon be effaced from the reader's mind. I make this statement despite the fact that Henry Ward Beecher once said, "The advertisements in a newspaper are more full of knowledge in respect to what is going on in a State or community than the editorial columns are." Dr. Beecher was right, but we all know that the public does not appreciate his viewpoint, but is more interested in the news and editorials of the day than in the advertising columns, which in these times is particularly true.



T. LOUIS HANSEN

In smaller cities and towns where the news and editorial columns are very much condensed and a personal interest is more likely to be present because of the closer contact between reader and advertiser, good results have, however, been obtained through cleverly written life insurance ads followed up by a vigorous personal canvass. At this moment I recall one instance where the manager in charge of one of our newly established agencies in one of the smaller cities instituted a campaign of this sort with the result that although only six years old it is today perhaps the best known agency in that city.

Magazine Advertising Costly

Advertising in magazines and other periodicals is also very costly and, as in the case of newspapers, I doubt whether it can be justified when measured by actual results, except that judicious advertising in well selected insurance publications has, in my experience been of great value in keeping the company before the insurance fraternity. But if the advertising columns of the daily press, magazines and other periodicals are used it should always be borne in mind that it is not so much the space purchased as the wording of the appeal that is of importance. To quote Addison, "The great art of writing advertisements is the finding of a proper method to catch the reader's eye; without, a good thing may pass over unobserved or be lost among commissions of bankrupt."

Institutional Advertising

The matter of institutional advertising has received wide publicity and has been the subject of much discussion pro and con. I have rather favored this method of educating the general public to realize the great part which life insurance plays in our every day, as well as our national life, and would still favor it if a satisfactory agreement as to distribution of cost, etc., could be arrived at by the life insurance companies to cover such program. For some time past the tendency has been in that direction for what else are the Liberty Bond, W. S. S., Food Conservation and similar advertisements but institutional in character. The time is perhaps not far distant when it will be advisable to adopt such means to educate the public to the difference between government life insurance and commercial life insurance because of the very low rates charged for the former. Apart from the daily press, magazines and other periodicals, institutional advertising should, however, be supplemented by means of moving picture stories carrying a life insurance moral without giving a taint of commercialism. This kind of publicity could be made of great value to the life insurance agent as the soil would, to a certain extent, have been prepared for him in advance.

Novelties

A great deal of money is expended by life insurance companies on memorandum books, calendars, lead pencils, blotters, etc., and a very large portion thereof is wasted in promiscuous distribution. The chief value of this form of advertising lies in the bringing and keeping of the company's and agent's name before the public and also in the establishing of a direct point of contact between prospect and agent. Memorandum books are an excellent medium to establish such point of contact and should therefore be distributed by the agent, if possible personally, and only where there is a likelihood that they will be of some use to him in his quest for prospects. An indiscriminate distribution destroys their value and is expensive as well. I consider memorandum books especially useful in connection with birthday letters to policyholders who are usually pleased to be remembered on their anniversaries. In such cases the name of the recipient should be imprinted on the cover in gold.

Calendars I consider of doubtful value, at least in ordinary times when so many are distributed, except when gotten up with an eye to utility and in distinctive style. We have on record one instance where three policies aggregating $18,000 could be traced to a particularly attractive and useful calendar distributed by the agent. Wherever possible, here too the distribution should be made in person as all chances for personal contact must be utilized. All novelties to be effective must be of good quality and this is particularly true of lead pencils as there is nothing more disagreeable than to use a pencil with poor lead. In connection with their distribution it might be stated that a pencil should always be sharpened before being handed to the prospect.

Blotters are in great demand with our fieldmen as practically every person has use for them, they are cheap, even in good grades, and can therefore be distributed rather generously, but it is difficult to trace direct sales, although I understand one company has been able to do so. On the writing table in the home, and on the desk at the office, they present a mute appeal to the head of the home or the business for serious thought on the subject of adequate protection of both through life insurance.

Billboards and Street Cars

Billboards, street car advertising, etc., is useful to a certain extent. So

SECOND TO NONE IN SERVICE

Long established and thoroughly modern, providing perfect protection for a net cost which is notably low, and rendering service which is unexcelled, the Massachusetts Mutual stands out as an ideal company in which to insure. Sixty-seven years of square dealing are back of every one of our representatives. They will tell you how great an asset that record is in their work.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

far as billboards are concerned, I do not believe this form of advertising is of much value, owing to its cost except in cities of limited size where two or three signs suffice and then only if the location is carefully chosen and the message such as to burn itself into the mind of the passerby. I have in my recollection one city of the above mentioned class where these conditions were observed with the result that the name of the company was known to practically every inhabitant inside of a year. What has been said about billboards applies to street car advertising as well. The mission performed by these mediums is of course primarily confined to introducing the company and the general agent to the public although if worded in terms arousing interest and comment, direct results may quite readily materialize.

Company Literature

Company literature, so far as my company's field force is concerned, constitutes the most popular form of advertising. A majority of the general agents who replied to a questionnaire sent out by me to ascertain their viewpoint favored this medium above any others enumerated. To be effective the leaflets must, of course, be cleverly written and handled by the agent with a good deal of judgment. But a leaflet in itself will not **sell** a single policy except in the rare cases where the prospects **buy.** A careful follow up system must be devised and appropriate letters sent out which each leaflet and followed by personal calls. But we shall come to this later under direct advertising. To test the effectiveness of company literature by ascertaining whether **interest** is being created through it, thereby establishing its value to the agent, the general agent should keep the company advised as far as possible of his experience with each particular leaflet. Through a careful study of the tabulation of such reports the Home Office will then be able to give the field force the most effective co-operation of its literary department.

Prospect Bureaus

Direct advertising — (Prospect Bureaus) if properly conducted is very effective and is, in my opinion, the form which gives the best service to the agents.

While my company has not as yet launched upon a campaign of this kind it is not because we do not believe in its effectiveness but rather on account of the difficulties which have been encountered for some time in our efforts to find suitable help to organize and conduct new activities. Since the system has not been tried out by us I can only discuss its merits from an academic standpoint but hope that Mr. Russell whose company has used it with success will let us have the benefit of his experience. I do know that a number of our general agencies have had considerable success in making direct appeals by means of letters and company literature addressed to a selected number of prospects and the Home Office has occasionally, upon the request of managers, writen letters to persons whom they wished to solicit but no great success attended these spasmodic attempts. This fact, of course, must not be attributed to the system but rather to the lack of properly coordinated effort on the part of the company and agent.

The selection of prospects must be made very carefully. They should be classified so that letters on business insurance may be sent to those who would be most interested in that form of protection; on insurance to cover inheritances to men of wealth who would wish to protect their estates; on monthly incomes to those who should provide a certain income for their dependents, in which class practically every man belongs if he has anyone dependent upon him, and so on. One of our agencies in its direct advertising campaign specializes on business insurance for a certain period, then on monthly incomes, etc., and reports good results.

Letters and Leaflets

The wording of the series of letters used in direct advertising is of greatest importance and any attempt to economize in their preparation will defeat the very purpose which they are intended to accomplish. It will therefore pay to engage an advertising expert not only to prepare all letters and literature, but also to act in a consulting capacity after the campaign is in full swing to test the effectiveness of the appeal and to make such changes from time to time in both letters and literature as may be required, as well as to keep the direct advertising machinery up-to-date and thereby promptly meet constantly changing conditions.

The leaflets must be of distinctive appearance and carry a straight message in plain terms and in as few words as possible. Letters should be typed individually, on an automatic typewriter, which will do the work of a number of typists, and signed by the agent or manager if sent out from the general agency or by an officer of the company if sent from the Home Office.

To make direct advertising most effective the greatest co-operation should exist between the sales force and Home Office. All letters and literature should be prepared and mailed from the Home Office, except in special cases, proper records being kept in card form of all persons addressed. Agents should be required to keep the company advised of personal calls made, with the result of same, in order that the status of each prospect and the thoroughness of the agent's work may be readily determined. A greater number of prospects should not be circularized at one time than can be effectively followed up by personal calls on the part of the agency force.

The agent should furnish the Home Office each week with names of selected prospects, giving full information as to business, estimated income, married or single, etc., and as previously stated, in what form of insurance each prospect would most likely be interested in order that the proper letter and literature may be selected.

It has been suggested in this connection that an agent's contract should provide that the names of at least te prospects be furnished by him eac week, the penalty for failure to be ca cellation of his contract. This, wit his other prospects, would keep hi amply supplied with human materia on which to work—it would add reg larly to his list of prospects and woul result in a large increase in numbe of sales, which when applied to th whole field, would reduce turnover and therefore tend to ameliorate wha is possibly the worst condition co fronting both companies and bona fi salesmen today. Since he agrees t send these names of prospects to th Home Office, and report on interview he obligates himself to do systemat work, which latter, as we all regr to admit, is absent in the case of th large majority of life insurance sale men.

One of the greatest advantages direct advertising is that you are dea ing with a known personality, whic gives the best opportunity to crea interest, and through follow-ups by pe sonal calls, to promote action. Fu thermore, it is possible to determi whether such form of advertising profitable, as expenditures and sal can be readily checked.

A prospect bureau would handle th necessary machinery. This, howeve does not mean that the agent shou not in certain cases address the pro pect direct along the lines outline I am not so sure that bait such memorandum books, etc., is necessa to secure attention, the right kind appeal properly directed should sufficient to arouse interest. Howeve I am open to conviction on this poi and hope to secure enlightenment he today. But where novelties are us to secure a reply they should, whe ever feasible be delivered by the age in person who on presentation shou state that he merely called for th purpose and further action on his pa should be guided entirely by the pro pect's attitude. What I am endeavo ing to make clear is that the prospe should not be allowed to suspect th the article is merely a subterfuge gain admission for the agent.

Indirect Advertising

On the subject of indirect advert ing I might mention that bulleti issued by my company on health rec mation, food conservation, househo budgeting, and garden charts, primari for the purpose of rendering servi to policyholders, have led to the ceipt of a large number of reques for these bulletins from non-polic holders, libraries, schools, welfare partments of large corporations, tional organizations, etc., and ha

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

Extracts from Report of Examination of

SOUTHWESTERN LIFE INSURANCE CO.

By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

The Columbian National Life Insurance Company

ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS

LIFE, ACCIDENT, and HEALTH INSURANCE

covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—

A Combination That Means Money for the Agent

Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.

PHILADELPHIA

Security Mutual Life Insurance Company

Binghamton, N. Y.

Offers to men able to produce business first class territory, with direct contract providing liberal compensation.

For particulars, address

C. H. JACKSON, Supt. of Agencies

thus convinced us of the value of such literature from the standpoint of general company publicity and the creation of good-will toward the company's representatives among policyholders and non-policyholders.

Before closing I should like to add that there are two kinds of advertising of which little is said and both are of the greatest importance to company and agents alike, namely: (1) The satisfied policyholder and (2) the agent himself. There is perhaps no more prolific source from which to secure new prospects than the policyholder who is a booster because of the fair and square dealings which he has received from both company and agent. He is often a prospect for additional insurance himself which he will take in the same company and from the same agent if they have been rendering him service of a high order. But both must join in rendering such service to obtain the most benefit from this kind of advertising.

To make the company's efforts really effective the agent must be possessed of a desire to render genuine service and be endowed with a vision beyond the commissions involved, as well as a determination to live up to the high ideals which should guide the life insurance salesman in the pursuit of a vocation that offers the greatest opportunity for service. Such an agent is an ever present advertisement both for his company and the life insurance business as a whole, while the unscrupulous agent, whom we all are striving to eliminate from the business, is the barnacle that impedes the progress of life insurance and negatives the efforts of his company to create satisfaction among its policyholders. He is the adverse advertising factor both as regards his own company and the life insurance business as a whole, which factor we must remove in the interest of the public and our business as well.

A strict adherence to high ideals by the company and its agents creates confidence in both and produces the satisfied policyholder—one of the most effective advertisements to be found.

Marsh Loan Criticisms

(Continued from page 6)

poration and municipal bonds of the English company with the increase in holdings by the American company, it must be remembered that while the English company found an excellent market in the United States for a very large part of the bonds it sold, the American company by moderate purchases has helped to stabilize a very precarious security market and to assist in the financing of corporations engaged in most essential war work.

Government Securities

If we next contrast the increases in government securities shown by both companies we must again remember that the figures of the American company for October 31, 1918, reflect less than 40 per cent. of the American Prudential's subscription to the Fourth Liberty Loan and only a little more than half of the American Prudential's large subscription to the recent Canadian Victory Loan.

Contrasting the mortgage loan figures of the two companies, the American company's increase is between 13 and 14 per cent. as compared with about 10 per cent. for the English company—not a serious difference, particularly when it is borne in mind how vastly greater a part insurance companies in the United States play in lending on real estate.

But the truly important point to take into consideration is that the Prudential of England invested over $41,000,000 in treasury bills, bearing 5 per cent., probably 5½ per cent. interest, and $24,500,000 in the Second War Loan bearing 4½ per cent. interest, and undoubtedly obtained a return of 5 per cent. and over on its increased investment in foreign securities. In a word, the management of the English company was enabled, after making investments for decades at 3, 3½ and 4 per cent. to secure a return for their policyholders commensurate with economic conditions. Mr. Marsh should also bear this factor in mind when referring to the Victory Loan of 1917, floated over three years after the outbreak of the war at a price to return the investor over 5.3 per cent.

The Question of Patriotism

As a result of the English Prudential's subscription to this loan the company increased its holding of British government securities during 1917 by $47,400,000 to $136,210,000, but was forced to have recourse to borrowing to the extent of about $17,500,000, or 3.27 per cent. of total assets.

Judging from these figures and knowing that the exchequer bills and Second War Loan 4½'s were acceptable as payment for the Victory Loan, we must lean toward a very strong presumption that the $125,000,000 subscription which Mr. Marsh holds up to the companies in the United States as a model of patriotism did not entail the pledge of new money or future income to as great a degree, for instance as the American Prudential's own subscription to the Fourth Liberty Loan of $60,000,000. In proof of this, the American Prudential today, less than one year and eight months after our declaration of war on the Central powers, must necessarily take steps to borrow a sum very considerably larger than 3.27 per cent. of its total resources.

William Frederick Dix, secretary of the Mutual Life, said this week: "We do not care to enter into a controversy with Arthur Richmond Marsh. So far The Eastern Underwriter's comments upon Mutual Life loan subscriptions and allotments were correct."

Some comments on the New York Life's subscriptions will be printed next week.

THE TRAVELERS
INSURANCE COMPANY INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF

GUARANTEED LOW COST LIFE INSURANCE

AND

CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

Comparison of Two Ledger Accounts

	English Prudential			American Prudential		
One pound = $5.00	Dec. 31, 1915	Dec. 31, 1913	Increase	Oct. 31, 1918	Mar. 31, 1917	Increase
Dom. Gov. Sec.....	$66,400,340	$8,817,515	$57,582,825	$42,846,684	$102,875	$42,743,809
Indian & Col.....	23,197,965	23,549,040	—351,075	.....	.....	.....
Foreign Gov.	30,757,435	21,617,340	9,140,095	4,248,437	1,657,069	2,591,368
Munic. Sec. & Loans	118,324,300	122,531,065	—4,206,765	30,498,378	25,362,216	5,136,162
R.R. & Other Bonds	64,855,295	98,742,020	—33,886,725	233,460,858	221,446,232	12,014,626
Total Bonds	$303,535,335	$275,256,980	$28,278,355	$311,054,357	$248,568,392	$62,485,965
Mortgages	$48,716,925	$44,316,140	$4,400,785	$131,280,386	$115,353,412	$15,926,974
Policy Loans	20,834,250	22,000,640	—1,166,390	40,703,743	36,469,293	4,234,450
Other Assets	94,607,760	87,330,915	7,276,845	36,549,205	40,812,835	—4,263,630
Tot. Ledger Assets.	$467,694,270	$428,904,675	$38,789,595	$519,587,691	$441,203,932	$78,383,759

Offers Places To Soldier Employes

LETTER TO MEN NOW OVERSEAS

President Ide, of Home Life, Writes Welcome Home Letter—Proud of Record

President Ide, of the Home Life, has sent this letter to former employes now in the military or naval service:

"The armistice between the Allies and Germany has been signed, a proper source of thanksgiving. The situation in the various nations is unsettled and in many instances not encouraging. The stability of the new governments where these have been established is questionable. An effective League of Peace, desired by all, seems almost too great a problem to solve at the moment. Civic order must in any event be maintained and proper forms of government encouraged by the Allies in all lands. What share the United States will have to assume in the reconstruction work and how many of our troops will be required for this purpose is a matter of pure conjecture. As a nation we assumed our share of the world's great struggle in April, 1917. We have done our work nobly and well and all credit is due to those who have represented us in our army and navy. We must not fail to remember that our work is not finished. Our valiant Allies who for four long years have nobly borne our burdens and fought our battles have a right to turn to us now for aid in the unfinished work which is before us all. Words will not solve the problems. Efficient and practical aid we must give.

"In view of these facts, we cannot conjecture when you will be mustered out, but it is fitting that I should at this time send you a message.

"We all are proud of your record; you have done your work well; you have assumed your great share in the nation's burden bravely and nobly. As soon as the Government is ready to release you from public service, do not fail to remember that the 'Home' wants you to come and see us here at the home office. You will doubtless find a place with us where your usefulness may be continued on lines agreeable and profitable to us all."

15,000 PEOPLE

Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.

AGENCY OPENINGS FOR THE RIGHT MEN.

Write to-day

FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA

Insurance in force over $142,000,000

Walter LeMar Talbot, President

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

Harwood E. Ryan and Lew Russell Palmer To Join Equitable

TWO IMPORTANT APPOINTMENTS

Ryan to Superintend Accident and Health Department—Palmer Safety and Personnel Director

Harwood E. Ryan, joint actuary of the New York Insurance Department, and one of the ablest young men affiliated with insurance, has been appointed superintendent of the accident and health department of the Equitable Life Assurance Society, and will assume his new duties on January 1.

Another appointment of first importance made by the Equitable Society is that of Lew Russell Palmer as director of Safety and Personnel, appointment effective December 1.

Mr. Ryan's Career

Mr. Ryan received his education at the Brooklyn Polytechnic Institute and the New York University School of Commerce. From 1900 to 1907 he was connected with the Provident Savings Life and the following three years was actuary for the State of Massachusetts. He became actuary of the Puritan Life and was also with the Travelers. He joined the insurance department in 1914 and his experience there has been with both life and casualty insurance. Probably his work in connection with compensation matters won him the most encomiums from the insurance companies, as his advice was found invaluable and he was always ready to co-operate. He also has done fine work in conjunction with the new mortality investigations of life companies and commissioners. In May, 1918, Charles G. Smith was made actuary of the life division of the New York Department, and Mr. Ryan was put in charge of the compensation division.

Mr. Palmer's Career

Mr. Palmer, who is a Princeton man and played football there, is one of the greatest authorities in the country on industrial accident prevention. Leaving college he became associated with industries in Pennsylvania, his experience having been with the Westinghouse Electric, New Jersey Zinc Co., Lackawanna Steel and Jones & Laughlin. He is a past president of the Association of Iron and Steel Electrical Engineers; past president of the National Safety Council, which organization he helped organize; is a member of the Safety to Life Committee of the National Fire Protection Association; is chairman of the National Committee of Industrial Safety for the Council of National Defense at Washington; and is chairman of the National Committee on Reconstruction for the National Safety Council.

The Equitable has always had a bureau for giving group insurance patrons service, and the service of the new director of Safety and Personnel will be at the disposal of group patrons in dissemination of date that will be helpful to employers in solving labor problems, in developing labor morale, in improving health of workers, and safeguarding them from accident. Mr. Palmer's work will be in conjunction with the Society's Bureau of Conservation.

A Sales Manager's Success in Insurance

SOLICITED STRANGERS AT FIRST

Theodore B. Williams' Work With Allan D. Wallis Agency in Philadelphia Given Publicity

General Agent Allan D. Wallis, of the Philadelphia Agency of the Equitable of Iowa, in October made a contract with Theodore B. Williams, under which Mr. Williams entered the life insurance business as a full-time man. For many years Mr. Williams had been sales manager for one of the oldest Philadelphia corporations and was induced to take up life insurance work because he felt that it was possible to build more permanently than in any other line of endeavor. In other words, he was attracted by the possibilities of a renewal income.

For two days he "sat at the feet" of his general agent and took instructions, and on October 10th started to sell life insurance. Mr. Williams could have picked out, by reason of his standing in the City of Philadelphia, a large number of influential friends and asked them to take a policy to start him in the business, but he did not do that. He has been working from 12 to 18 hours a day, and on October 26th he had secured applications aggregating over $40,000. The lowest application was for $2,000, and the highest, $5,000. The applications have been secured by a presentation of the merits of life insurance.

Mr. Williams has started a splendid plan by placing in the hands of each policyholder, a letter and his card, asking that his card be filed with the policy and that he be notified in case service is desired, or should death occur, that he may be called upon to render proper service in preparing claim proofs, etc. The letter also states that he will be willing at any time to give advice and service on matters pertaining to insurance.

Mr. Williams' success won him a column write-up in the company publication, "Equiowa."

To the Man Who is Willing—and Will



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

Millions of Life Insurance Being Sold!

By the Use of the SHANBACHER INHERITANCE TAX CHARTS

In the closing of most of the big lines to which the attention of the public has been directed during the past few months these charts have conspicuously figured.

Worth their "weight in gold" to every live life insurance agent.

For information address

THE EASTERN UNDERWRITER

Sales Agents

105 William Street, New York, N. Y.

In Pamphlet Form

Business Reasons for Business Insurance

VALUABLE article from the Life Insurance Salesmanship Edition of The Eastern Underwriter has been published in canvassing document form and is proving very popular with life underwriters. -:- -:- -:- -:- -:- -:- -:- -:-

Price $3.00 per 100 copies

Sample copy 10 cents

THE EASTERN UNDERWRITER

105 WILLIAM STREET

NEW YORK

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

A Man's Best Asset: His Time

A. V. Mozingo, Memphis, Tenn., representing the Jefferson Standard, has mailed this letter to his field force:

Memphis Agency Force,

Dear Boys: Along the first of each year life insurance men make various and sundry resolutions about the amount of business they are going to write during the year, and how much money they are going to have Christmas. Such resolutions are fine, and most men really intend to make them good, but as the year goes by they get lazy and their enthusiasm and determination begins to decrease and when the year is passed they have not near reached their fixed goal.

I remember the resolutions a number of you made the first of this year, also the amount of business pledged by you at our last agency meeting, and if a number of you make good on either you are going to have to turn on more steam than you have yet turned on.

It would be a good idea for a number of you to sit down in a good quiet place for an hour and take an inventory of your work and its results for the past ten months. It is a fact, and a sad one to me, that a number of you have skipped and dodged all over the country during the past ten months with seemingly no aim in view and really are in worse shape financially than you were at the beginning of the year, yet, this has been a wonderful year for writing business. Think about this seriously and take charge of your old stale carcass and make good use of the next sixty days and let the new year find you in such shape that you can look back over this year's work with pride.

The majority of you have big families dependent on you and a big majority of you are nearing the hill-top of life, and haven't many more years before you will have reached your zenith and will be on the decline so far as strength and the power of resistance is concerned, therefore, you should take the matter of success or failure into consideration and ask yourself the question "Am I a result getter or a contract holder?"

Our lives are what we make them. We are the masters of our fate and the captains of our soul. I cannot agree with the man who said opportunity knocks only once. Opportunity is continually tapping at our door. The trouble is that our hearing for opportunity's tapping has been deadened by laziness, lack of self-confidence and determination. The only remedy for this is to summon in as physicians our conscience and self pride for a joint consultation and let them compound a dose of "I will make a manly showing," and then it won't be long till your work will be a real pleasure and your bank balance will begin to grow and your friends and acquaintances will think more of you.

After all, it's not so much what we do as how we do it. We can make the hoeing of a garden or the sweeping of a room an inspiration and a joy to ourselves and others, if we have a mind to; or we can make it the source of infinite irritation and a torment for all concerned. In coming in contact with really successful men have you found them to be a lot of disgruntled, frowning fellows who are looking sorely about them, whining and finding fault with everything and everybody? I never saw one of this type, nor never expect to.

The source of all action is in the mind. All actions—great and little—occur in the mind before they are performed physically. You can't lift a finger without willing to do so. As you think, so will you act. Think in terms of fifty thousand each month and the settlement with each application and you will soon find yourself getting both. Let this idea soak in. Then decide on constructive lines of thought. Think hard and constantly along these lines. If I could get the thirty-eight men connected with this office to do this, fifteen millions of business annually would be a small minimum, and think how much money each one of you would have.

It is a strange thing to me how big grown up men with families dependent on them can be satisfied with such a little. I'll bet right now some of you think you are making good because you are holding your contract. That isn't making good, that's in a sense stealing the company's money, and depriving your children of an even chance. The mistake a lot of you make is stopping at a given point. There is no point to quit so long as you are able to get to a prospect. The big mistake is you tell yourself you are making as much as most of the boys, and more than some, so why wear yourself out. I'll bet if we had the death rate among insurance men from the two causes we would find that more of them die from loafing than do from overwork.

Your own time is your one best asset. The quicker you realize this and systematize yourself so you will get in a full day's time each day the quicker you will be on the high road to success. No whistle blows for you to start nor to stop, therefore you must be master of yourself before you can be master of the work you have to do.

* * *

How A Cashier May Help

Very important service can be rendered to the policyholders and to the insuring public by a cashier who is constantly on the alert. Here is an account by James T. Thomas of what resulted from the watchfulness of William T. Coleman, cashier of the New York agency of the Massachusetts Mutual Life. It is printed in "The Radiator."

In June of this year Mr. Coleman handed me a card on which were typewritten certain facts. I learned from it that one of our policyholders had a policy with the company which had been in force for some time, the beneficiary being named as his estate. I called on this policyholder the following day and suggested that he have the beneficiary changed from his estate to his wife. He very readily agreed, and the proper papers were made up for the change. At the same time I suggested the advantage of his procuring additional insurance, for he seemed to be in very good health.

As a result of this introduction from the office, I have written the old policyholder, three men to whom he has sent me, on all of which I have delivered $27,500 worth of ordinary life policies, and I expect during the month of November to write the original policyholder for $20,000 additional as well as three $10,000 policies on his friends. In addition to this, I was requested today by one of the friends to whom I sold a $5,000 policy to give him the rates on two friends of his who wanted to get insured in the Massachusetts Mutual.

Perhaps this little story of my personal experience will be of value to the general agents and cashiers of the various agencies of the company in showing the way in which the service of bringing to the old policyholder's attention that his proper beneficiary should be named in the policy produces results.

* * *

A Happy Expedient

M. A. Wiest, star producer of the St. Paul Agency, of the Mutual Life, recently wrote a wealthy gentleman for $25,000 personal insurance, and took his application also for $25,000 corporation insurance on behalf of the company of which he was president. The directors of the company were not fully convinced that the corporation insurance was desirable, but Mr. Wiest had the necessary double examination with microscopical test made for the $25,000 personal insurance. Both policies were promptly issued by The Mutual Life and Mr. Wiest then had no difficulty in persuading the directors to accept the corporation policy, assuring them that The Mutual Life was ready to carry it if closed promptly.

Two weeks later Mr. Wiest wrote another man for $25,000 corporation insurance, and found him mildly interested also in a life income policy for his wife, but not fully persuaded. Again he had the double examination and microscopical test made for the corporation policy. The two policies were promptly issued and again Mr. Wiest readily persuaded the insured to take the personal insurance providing a monthly income of $100 for his wife, since no further examination would be necessary. Thus by risking $10 examiner's fees in each case he facilitated the placing of the large additional policy. With the aid of the two policies he entered the $200,000 Club in two jumps.

H. C. MEYER TAKES CHARGE

Mr. H. C. Meyer, formerly superintendent of the Aetna's accident and health department, Indianapolis branch office, is now in charge of the Washington, D. C., branch office as acting manager, Manager H. S. Frost having entered the government service.

THE
METROPOLITAN LIFE
Insurance Company

(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, sold $65,000,000 worth of War Savings Stamps between February first and September first, 1918, and expects to sell a total of at least $100,000,000 during the year.

JOHN R. HEGEMAN, President

What An Agent Wants

A Company whose name, everywhere a household word, is his best introduction. Prestige is a door-opener, and age and size are impressive.

Policies that are unexcelled. Big dividends. Strength and safety that need no demonstration. Unsurpassed service to policyholders—the thing that makes solid patrons out of first-time customers.

The Oldest Company in America! Come with it and you will **stay** with it and it will **stay with you.**

For terms to producing agents address

The Mutual Life Insurance Company
of New York

34 NASSAU STREET, NEW YORK CITY

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

Subscription Price $3.00 *a year. Single copies,* 25 *cents.*

Entered as second-class matter April 5, 1907, *at the Post Office of New York, N. Y., under the act of Congress of March* 3, 1879.

MR. MARSH'S LOAN CRITICISMS

When an editor of the astuteness, experience, analytical ability and knowledge of economics customarily possessed by Arthur Richmond Marsh, of "The Economic World," goes wrong in his premises, diagnosis and conclusions it is a pity because insurance editors with the gift of clear thinking are needed in this business. In writing editorials on the Liberty Loans, and the contributions of prominent American life insurance companies thereto, Mr. Marsh has not only been misinformed, but his editorials are misleading, unfair and in several instances are hypercritical. How any sane American editor could at any stage of the loan campaigns conscientiously characterize loan activities of American companies as "scandalously inadequate," and even slur the splendid work of agents in selling individual subscriptions, passes all belief.

More extended comment upon Mr. Marsh's editorials and his unjust comparisons between the British Prudential's loans and those of a group of American life companies, contrasted to the detriment of the latter, will be found in the life insurance section of this paper.

MR. McADOO'S RESIGNATION

The resignation of William G. McAdoo as Secretary of the Treasury caused widespread comment in insurance circles. Insurance men feel more than a perfunctory interest because they have had a closer contact with Mr. McAdoo than with any other personality in the administration, and they have formed a considerable respect for his ability, which has grown as his commanding position in the insurance world has been given additional functions. The first contact of the Secretary of the Treasury with the insurance world was in the marine end. When the War Risk Insurance Bureau was established war risk and seaman's insurance was written by that bureau. The life insurance men met him first at the Hotel Willard in Washington when he called them into the conference that eventually resulted in the soldiers' and sailors' insurance act. While Mr. McAdoo presided at that conference he let the hundred odd insurance men present take practically full charge of the meeting. He showed himself to be a polished man of the world, an able presiding officer, a keen and practical observer, and a man with vision. No time was lost in preparing the soldiers' and sailors' insurance act. In fact, the extension of the War Risk Bureau to cover this great insurance venture will stand out as one of the striking bits of remarkable legislation in the history of the country.

After the act was passed Mr. McAdoo was quick to see that its privileges should be accepted and the campaign he engineered for writing the $40,000,000,000 of insurance for "the greatest life insurance company in the world" was masterful in its inception and successful prosecution. Mr. McAdoo called to Washington as his insurance advisers some of the most able insurance men in the business, and some of them are still there in the $1 a year service of the Government.

Just why Mr. McAdoo resigned is a subject of much speculation. It is not believed that his income was the real reason. The "Providence Journal" says it is because he does not believe in Government ownership. If this is true the resignation is of the greatest importance, as in some quarters it was believed that he did.

MONOPOLISTIC BILLS EXPECTED

In point of service the Workmen's Compensation Publicity Bureau stands out prominently among the casualty organizations. Secretary-treasurer F. Robertson Jones shows in his annual report the wide range of legislation which the Bureau has been compelled to oppose in the rightful interest of its members. He points out that the companies will undoubtedly have to face serious proposals for the enactment of monopolistic compensation laws in Alabama, Colorado, Missouri, North Dakota, Texas and Utah. Only ten states now are without compensation laws, all of them, except North Dakota, being in the South. In Missouri the State Federation of Labor has drafted a law based on that of Ohio, to be introduced at the next legislative session. Bills are also being considered in Alabama, Arkansas, North Carolina, North Dakota, South Carolina and Tennessee. There are now compensation laws in 38 states and 3 territories.

WOODWORKING HAZARDS

The Bureau has published a much needed loose leaf book dealing with methods of safeguarding machines used in the woodworking industry. The illustrations are from actual photographs of guarded machines in use, thus getting away from the theoretical method of describing guards.

In the preparation of the book the Bureau has had the co-operation and assistance of safety engineers and technical experts connected with national associations engaged in safety and public welfare work as well as users and manufacturers of woodworking machinery and safety engineers of company members. The book was not published as a source of revenue but with a view to furthering the cause of accident prevention. The price is $1.10 postpaid.

THE HUMAN SIDE OF INSURANCE



HOWE S. LANDERS

Howe S. Landers, secretary of the Industrial Board of Indiana, who has tendered his resignation to the Board, became secretary of the Industrial Board when it was organized, in 1915, under the provisions of the Indiana Workmen's Compensation Law, enacted by the Legislature of 1915. He originated and installed the office system under which the mass of detail work required in the administration of the law has been handled. The Indiana system for administering the compensation law has become recognized as a model of efficiency and has been followed by many other states. When the Kentucky compensation law became effective, officials of that state made extensive investigation of the work of similar boards all over the country and finally adopted the Indiana system and called upon Mr. Landers to assist them in adapting that system to the Kentucky compensation law. During the time Mr. Landers has been with the board, he has handled the details of more than one hundred twenty thousand cases of compensation and has personally been interviewed by thousands of employers and injured employes in regard to claims for compensation. Because of the efficient and capable manner in which Mr. Landers has supervised the details of this work, and because of his extensive studies in regard to the relations of employers and employes, as they pertain to workmen's compensation and employer's liability laws, he has become recognized throughout the country as one of the leading authorities upon the subject. Mr. Landers will resume the practice of law in this city and will enter the firm of McKay, Turner & Merrell. G. Edgar Turner, of that firm, was insurance deputy in the office of Auditor of State under Otto Klauss until he resigned to become general counsel for the National Council of Insurance Federations. The new firm will practice law under the name of Landers, McKay, Turner and Merrell, in the American Central Life Building, Indianapolis.

* * *

D. Roger Englar, one of the best known marine insurance lawyers in New York, has returned to his desk after a two weeks' quarantine by reason of an unromantic indisposition: The mumps.

John J. Bannister of New York City, formerly with the United States Shipping Board as assistant port steward, has been appointed special agent upon the recommendation of Resident Director Batterson, effective November 5, upon which date he reported at the Home Office for instruction in the Travelers' Training School.

* * *

Forrest F. Dryden, president of The Prudential, is back at his desk after a long illness.

* * *

Henry Evans, president of the Continental, has completed his duties in Washington, where he did splendid work as chairman of the Fire Prevention Committee.

* * *

J. R. T. Ransom and **Francis J. Brandreth,** of the New York Life, have been decorated with the Croix de Guerre for bravery in action. Lieut. Ransom was an agent at the Memphis branch. Frank Brandreth was in the policy claims department. He is a corporal. The New York Life this week printed a full service honor roll. It covered fifteen pages.

* * *

T. Louis Hansen, vice-president and agency manager of the Guardian Life, who has been in Washington for six weeks assisting the Committee on Classification of Personnel in the army, has again resumed his duties at the Home Office. November has been designated by the company as "Hansen month."

* * *

Fred C. Calkins, the witty and color-blind general agent of the Hanover and other companies in Florida, is visiting New York this week. He brought to his friends the glad intelligence that his son, Lieut. Calkins has been released from a German prison camp. When only two men out of Lieut. Calkins' company returned from a raid on Germans during the fighting early last summer and Lieut. Calkins was among the missing it was thought that he was dead, and letters to that effect were sent to his father from France. Fortunately, a letter from a German prison camp got to Jacksonville first. Since being captured by the Germans, Lieut. Calkins has been in half a dozen prison camps. He enlisted as a private. P. S. Fred Calkins is generally supposed to be color-blind because he doesn't seem to care what colors he picks for his clever little paper, "Florida Chit-Chat." He is in New York to obtain the representation of a couple of more companies. In sizing up a company Mr. Calkins has always demonstrated that his eyesight is o k.

* * *

Walter S. Gifford, who has resigned as director of the Council of National Defense, Washington, did splendid work in the consolidation of all the activities of committees which came under the direction of the council in war times. The early relations of the National Board of Fire Underwriters in Washington were with Mr. Gifford. The fire insurance men always found him on the job, and ready to co-operate with them energetically and intelligently at all times.

* * *

Liability Rates For Brooklyn

M. E. Jewett, of the Royal Indemnity, is now chairman of the New York Casualty Insurance Exchange. H. B. Johnson of the Travelers is vice-chairman; G. G. Wetzel, Massachusetts Bonding, secretary-treasurer. The executive committee is Edmund Dwight, John S. Turn, F. J. Walters, C. A. Timewell and A. W. Whitney. Revised liability rates were adopted for Bronx, Brooklyn, Queens and Richmond, following the plan in force in Manhattan.

FIRE INSURANCE DEPARTMENT

New Company To Start January One

CAPITAL OF ONE MILLION

E. R. Thayer, President of Chase National, Heads Board of Bankers and Merchants

The Bankers & Merchants Insurance Co., the incorporation of which was reported exclusively by The Eastern Underwriter last week, will start business about January 1, 1919.

The capital of the Bankers & Merchants will be $1,000,000 and the surplus $1.500,000. The stock of the company is to be underwritten by five individuals and corporations who will take $500,000 each. The stock is apportioned on that basis to the Chase Securities Co., the Barber Steamship Co., the Guaranty Trust Co., Gen. T. Coleman DuPont, and Willcox, Peck & Hughes.

Eugene R. Thayer, president of the Chase National Bank and the Chase Securities, will be chairman of the board of directors of the Bankers & Merchants. The officers of the company have not been elected to date.

The Bankers & Merchants will write all fire and marine lines and will be operated through the office of Willcox, Peck & Hughes. The company is reported to have already effected excellent reinsurance facilities which will enable it to commence business on a large scale.

A Model Letter By A Rating Expert

RECLASSIFYING JERSEY TOWN

Atlee Brown's Communication to New Brunswick's Commissioner of Public Safety

A letter written by Atlee Brown, New Jersey Rating Expert, to Edward J. Houghton, Commissioner of Public Safety in New Brunswick, N. J., is regarded by underwriters as a model of its kind. Mr. Brown wrote:

"Dear Sir—After a great deal of delay we secured, through the National Board of Fire Underwriters and the efforts of our Engineering Department, all of the necessary data and information to enable us to consider properly the question of reclassifying New Brunswick. A careful study of these surveys shows that the public fire protection of New Brunswick conforms with the more essential requirements for Class 'C' towns, the next higher class to the one in which New Brunswick is now placed.

"In view of the spirit and apparent policy prevailing in New Brunswick to endeavor to improve the public fire protection so as to be able to meet the possible demands for extinguishing fires, we have concluded not to defer reclassifying your city until all of the requirements for the 'C' classification have been complied with. We do not wish to convey the thought that all of the requirements need not be complied with, because that is not a fact. It is our intention to place New Brunswick in the 'C' class and to submit to you a set of recommendations for improvements which should be executed, in order to comply with the requirements for Class 'C' towns as filed with the Commissioner of Banking and Insurance, we depending on the spirit and policy of the New Brunswick authorities to make the improvements.

"We believe that we have not overestimated your inclination to improve your public fire protection, and we trust that you will accept the advance reclassification on this basis. Please be assured that this office is ready and willing to assist with any of your departments at any time, and that the services of our engineering department are at your disposal free of cost. The recommendation referred to will be submitted in due course."

CANNOT HIDE ENEMY INTEREST

Agreement Exacted of Purchasers of Companies By War Trade Board Prevents Later Conversion

By exacting from all purchasers of enemy insurance companies an agreement not to dispose of any part of the stock purchased without the approval of the Advisory Committee, the War Trade Board has prevented the retention of these holdings for the interests of their original owners or for other persons to be taken over by them at a later date. This action of the War Trade Board settles the suspicion which existed in insurance circles that an attempt would be made by enemy interests to retain control of the companies which were disposed of by the Alien Property Custodian last week.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

American Merchant Marine Re-Insures Prussian National

The American Merchant Marine of which Cecil P. Stewart is president, has re-insured the Prussian National, the deal being consummated with Harold Herrick, the former president of the Niagara, who is now representing A. Mitchell Palmer in the sale of a group of fire insurance companies. The business of the Prussian National was one of the most desirable of the companies which were turned over to the custodian's office.

Its premium accounts for 1917 was $1.425,749, and it did business in all parts of the country.

The fire insurance men in the Prussian National will be H. W. Letton, former United States manager, and Gresham Ennis, of the New Brunswick. New Jersey and United British.

That the Company will be a live factor in the fire field there is no doubt Mr. Stewart's success in the marine insurance field has been the talk of the Street. His connections are world-wide; his associates admirably chosen.

In addition to managing the American merchant marine, the United British, Frank B. Hall & Co., and C. P. Stewart & Co., his merchant marine house is a headquarters for marine insurance and one of the cornerstones in the great marine section of this city.

NIAGARA
Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

BROKERS ACTIVITIES

Interinsurer Enters Maryland

The North American Interinsurers of New York, Benedict & Benedict, attorneys in fact, has been admitted to Maryland to write fire and lightning insurance. No Baltimore representative has been appointed.

* * *

To Become Dye Manufacturers

Daily papers in Philadelphia say that the du Ponts will change from making powder to manufacturing dyes, and the first plants to be so used will be those at Carney's Point. The du Ponts carried a tremendous amount of insurance during the war, all placed at Wilmington by "Jack" Montgomery.

* * *

Cotton Seed Oil Mills

One of the fire companies says it hopes that all cotton seed oil mills can be re-rated under the new schedules before the next idle season so that the mill owners will have the opportunity of complying so far as possible with the requirements and so secure the benefit of credits for such improvements before the next crushing season begins.

Some of the more important provisions of the schedules for which credits are given are as follows:

1. Cutting off seed-cleaning machinery from seed-house and mill.
2. Sub-division of seed-houses by fire-walls into compartments of not exceeding 10,000 square feet in area.
3. Non-combustible construction for seed house floors and conveyor tunnels.
4. Separation of various processes and handling of various raw materials by fire-walls.
5. Use of 100 per cent. coinsurance clause on stocks of cottonseed in seed-houses with non-combustible floors and conveyor tunnels.

* * *

To Write Commercial Trucks

A mutual liability company is being formed in Philadelphia to write commercial trucks as a specialty. The company is said to be identified with one of the other Philadelphia mutuals.

* * *

Can't Guarantee a Definite Dividend, Says Hardison

In relation to the plan of the Liberty Mutual for writing shipyard compensation lines, Commissioner Hardison, of Massachusetts, in response to a question from The Eastern Underwriter said this week:

"It would be a violation of the law for a Massachusetts mutual liability insurance company to guarantee that any definite dividend will be paid to a policyholder or to guarantee to him that there will be no assessment. Neither can such company pay any other company for furnishing such guarantee to an insured under a mutual policy."

* * *

Adopt Fire Premium Rule

The New York Casualty Exchange has adopted a rule that all premiums shall be due upon the delivery of the policy, and if not paid by the tenth day of the second month following the month in which the insurance takes effect, notice of the cancellation, as required by the respective policies, shall be sent to the assured direct. Any company shall be in default of this rule which shall have failed by the 20th day of the month to send cancellation notices in respect of the premiums referred to in the new rule. Additional premiums upon payroll adjustments shall be due and payable upon the 20th day of the month immediately following that in which the adjustment is made. The rule is effective December 10.

GOVERNMENT INSURANCE

Best Way to Counteract Idea Is By Private Insurance Business Giving Service

Under the head of "A New Vision" the "Hartford Agent," published by the Hartford Insurance Company, prints this interesting observation:

"There has been much discussion in the public press about the possibility that the Federal government will enter the fire insurance business. In official circles in Washington, the suggestion that the Federal government assume control of fire insurance was not favorably received, and the reason that it was not favorably received was because the insurance companies had shown both a willingness and an ability to serve the government officially in furnishing information, expert advice as to construction and protection, and expert inspection. The very fact that government participation in the business has been suggested indicates the recognition of our business as an essential one, and expresses the thought that if the companies cannot furnish insurance in adequate amounts the government will be forced to render assistance. The officials in Washington have had an opportunity to come in contact with insurance officers and insurance organizations and have become convinced of their efficiency; the contact of the general public with insurance organizations is much more distant, and the very fact that insurance is a subject of public discussion seems to us to offer a very wonderful opportunity to justify our existence. This is not to be accomplished by oratory nor by argument, but by deeds and service. Instead of treating it as a political matter and looking to our legislators for assistance, let us treat it as a purely personal matter and make our appeal directly to the public by rendering to our clients what can be properly and literally termed service."

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Authorized Capital $500,000
Detroit National Fire Insurance Co.
DETROIT, MICHIGAN
A Company to be built gradually and along the indicated lines of permanence
AGENCY CONNECTIONS SOLICITED

WESTERN ASSURANCE CO.
OF TORONTO, CANADA
States from 1874 to 1917, inclusive 43,294,154.63
Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918
Assets $4,194,579.34
Surplus in United States..... 1,667,691.69
Total Losses Paid in United
W. B. MEIKLE, President

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

S. C. BISHOP CO.
Represented at 95 William Street. AGENTS FOR NEW JERSEY 208 Broad Street, Elizabeth, N. J.
Phone, 447 John—588 Elizabeth

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

STRENGTH INTEGRITY SERVICE

Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries

JAMES H. BREWSTER, Mgr.
Hartford, Conn.

A Broad Underwriting Service to Agents
Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.
Works in Harmony with American Agency Principles and Practices

INCORPORATED 1720

Royal Exchange Assurance

LONDON, ENGLAND

United States Branch
92 William Street, New York

RICHARD D. HARVEY
United States Manager

Commission Rule Committees Named

NEW ENGLAND AND EASTERN

Some Excepted Cities Already Dropped —Philadelphia Local Agents Busy —Companies Making Reports

Appointment of metropolitan district committees of the National Automobile Underwriters' Conference is progressing in accordance with the plans laid down in the new Commission Rule. The New England Conference has chosen the following committee for Boston:

W. R. Hedge, Boston, chairman; W. A. Hamilton, Chubb & Son; A. K. Simpson, Eastern manager Fireman's Fund; H. R. Clough, Automobile of Hartford; C. S. Timberlake, Hartford; R. E. Stronach, Aetna.

The Eastern Conference committee is made up of Messrs. Young of the North British, Koop of the Great American, Wyatt of the Home and Russell of Russell, Scott & Ziegler, managers for the Aetna.

While the Eastern Conference has not yet abolished any excepted cities it has adopted resolutions instructing the sub-committee that has in charge the work of passing upon the qualifications of general agencies, to have in mind the desirability of eliminating all excepted cities which the reports it will receive shall show should be taken out.

For Philadelphia a committee of local agents has been named, composed of Robert M. Coyle, Walter Chase and R. E. Hare. While the name of the committee has been changed, its personnel is the same as that appointed to form a local agents' association.

New England Acts

In spite of the intricacies of the automobile commission problem and the difficulties which attend the application of the new rule, the committeemen who will work out the details feel confident that the object to be attained is well worth every ounce of effort necessary to make it a success.

The New England Conference committee has acted promptly in cutting out excepted cities in that field. This leaves only Boston in the excepted class in that territory. Providence, Portland, Bridgeport, New Haven and Hartford have been dropped.

The discontinuance of the excepted city idea, which at best was only a makeshift, clarifies the situation by just so much, leaving now only the metropolitan districts, the solution of which problem will still have to await further refinement of the agency situation.

Conference members will receive blanks upon which are to be listed all offices now getting over twenty per cent. On another blank will be listed those agencies which a company desires to have retained on the present basis. This will be regarded as equivalent to a pledge to reduce all agencies not so listed on the second blank. On such agencies as a member wishes to retain at more than the twenty per cent. basis, a satisfactory statement of the reasons for so doing will be sought.

Where Co-operation Enters

It is expected that many difficult problems will arise out of this segregation process. As this necessity has been thoroughly understood from the start, and the success of the commission rule will depend upon a maximum of co-operation with a minimum of enforcement it is confidently hoped that the necessary broadmindedness will manifest itself and make the rule a workable one.

Even if agreement were speedily reached on a number of difficult agency situations it would be some time before the complete change of plan could be made because of existing contracts, many of which extend beyond January 1.

Efforts Appreciated

General agency rules have been the main stumbling block of all automobile conferences; the rock upon which they have been rent in times past. In spite of the differences and inequalities growing out of an overlapping of the marine, casualty and fire interests in handling this now highly important branch of underwriting, fire men do not fail to recognize the particularly painstaking and invaluable assistance rendered the Conference by some of its marine members. There are among the fire men not a few who fully believe that in view of what the marine contingent has contributed to the successes of the Conference, it is but right, and good policy, that some concessions be made to them now in what may almost be termed a crisis, at least an epoch marking event in the history of automobile underwriting.

In fact the sooner all parties realize that the success of the new rule depends upon broadminded exchange of concessions, the sooner the results sought will become realities. It is all very well to talk about enforcement but the right sort of co-operation would make enforcement unnecessary. Of course, to be of any lasting benefit the rule must be enforced. Each member must enforce it on himself. The trouble with all other similar rules is that they were not enforced, or, to put it another way, they were not lived up to through pressure of competition among the fire companies themselves, which competition was accentuated by the fundamental differences existing between the fire and marine agency equipments. A popular rule needs little enforcement, while an unpopular one cannot be enforced. Co-operation is greater than enforcement. Conciliatory concession denotes the spirit by which most will be gained in the present contingency and the business placed on a better basis than ever, now during a period of partial interruption in the automobile manufacturing business itself and before another season enters its full swing. There were seventy-two company and agency representatives at the Chicago meeting. This is an unusually large number for such a gathering. Usually a third of that number get together at one time. Everybody was given the right of the floor whether or not he had voting powers. The fact that so many agreed upon the adoption of the present rule is the best indication that the majority feel the imperative necessity for the results it should accomplish and that the necessary co-operation will be forthcoming.

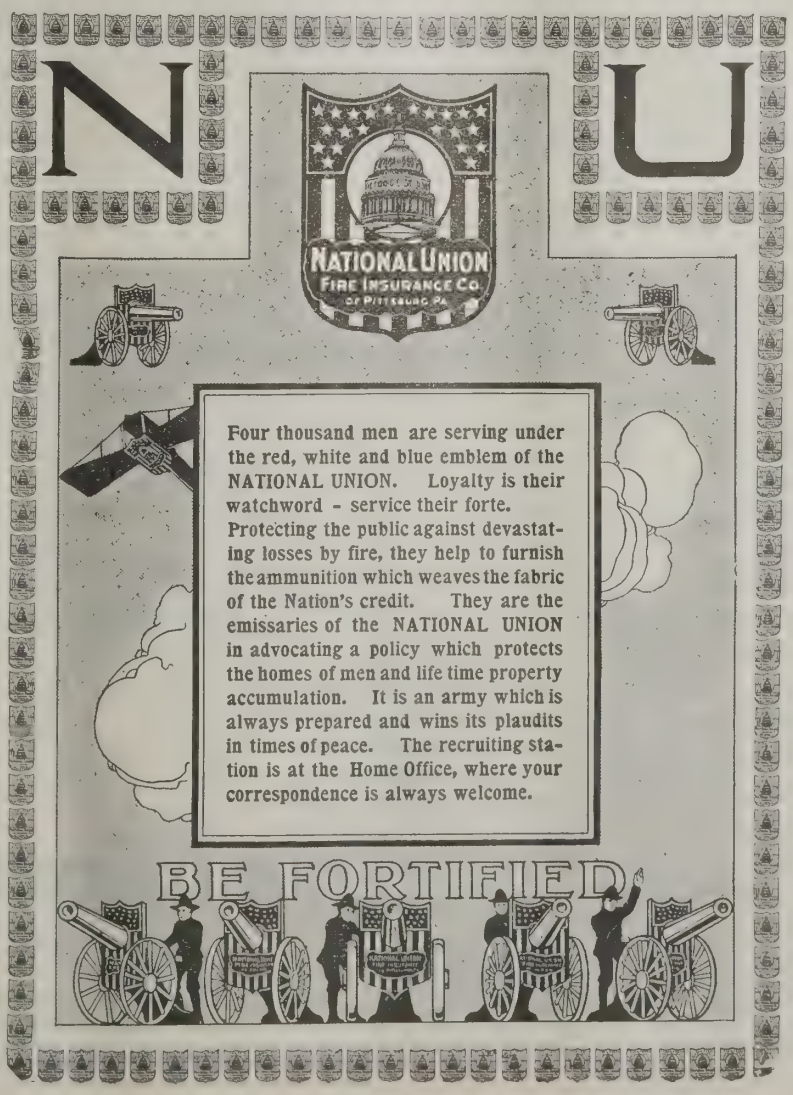
The difficulties that present themselves to the committees that will take up the work of readjustment in the respective fields should not be lost sight of. They have, indeed, an arduous task in re-aligning the agency map.

The automobile commission armistice having been signed, the plenipotentiaries extraordinary will now proceed with the more intricate task of arranging what is hoped will be a lasting peace.

When the excepted cities arrangement was entered into it was not because that was considered a cure-all for the evils then existing; it was rather because that was the only solution appearing for then existing inequalities and excesses in the commission system. There was really no good reason why certain cities were included in that list of excepted cities to the exclusion of certain others, other than that it was believed that too radical changes were not in the end the shortest way to permanent reform. There is a well grounded sincerity of purpose among executives to accord general agency privileges wherever they rightfully belong and to protect bonafide agents against the unjust encroachments of others upon whom have been conferred privileges to which they are not rightfully entitled. It is this discrimination which has resulted in field men jumping from pillar to post and snatching at every new fly that was cast into the eddy. After all it would be most unnatural for one not to avail oneself of an advantage in commissions, if it were apparent that were it not grasped the mantle would fall upon another whom it ill fitted.

As for automobile insurance agents, in common with all others, it is of little avail to resolve volubly against the growing number of paternalistic, communistic, monopolistic and other enemies of the business unless those same resolvers are willing to assist in holding their business beyond the sphere of criticism as to acquisition cost. And here, again, while the new rule seeks to keep the acquisition cost from getting beyond justifiable bounds, its hoped for result is not only that, but also, and more particularly, a more equitable distribution of that cost through the compensation of those who are devoting all or the major portion of their energies to the automobile business.

As to the amount of automobile business coming to the companies from fire and from marine agencies, one executive says that the fire agents contribute about $24,000,000 and the marine agents $3,000,000.



Books Recommended By Insurance Institute

SUGGESTED FOR STUDENTS

Renewed Interest in Institute Comes With Election of Frederick Richardson as President

The Insurance Institute of America, under the direction of President Frederick Richardson, United States Manager of the General Accident, and Edward R. Hardy, chairman of committee on education, is making rapid progress. Mr. Richardson is an ideal man for president and splendid work is being planned. A number of insurance companies, which have their own educational organizations, or are sponsoring insurance educational societies in their home office towns, have expressed the keenest interest in the institute. Among some of the memberships of this type are the Insurance Society of Glens Falls, Security Insurance Club of New Haven, Clerks' Association of the Springfield F. & M.; and the Profile Club, of Manchester, N. H. Women are as free as men to join.

Volumes For Reference

The 1918 reading courses and examinations of the fire branch of the Institute refer students to the following books of reference; an interesting list:

The Business of Fire Insurance. Howard P. Dunham.

History of Insurance in Philadelphia. J. A. Fowler.

Cyclopedia of Insurance in the United States. Insurance Journal Company.

Essentials of the Fire Insurance Business. E. A. Ketcham, Wisconsin Insurance Department.

Yale Readings in Fire Insurance. Zartman and Price.

Fire Insurance Contracts. Ernest Brooke.

The Standard Policy. Guilford A. Deitch.

Property Insurance. S. S. Huebner.

A Treatise on Insurance Law. George Richards.

Fire Prevention. Peter J. McKeon.

Field Practice. National Fire Protection Association.

Engineer's Handbook.

Prevention of Fires. Rochester Chamber of Commerce.

Fire Protection and Prevention.

Lumber and Drying. N. F. P. A.

Premium Rates. Harold M. Hess.

Fire Insurance Rating. E. R. Hardy.

Rates and Hazards. Richard M. Bissell.

The Agent's Key to Fire Insurance. R. P. Barbour.

Book of Policy Forms. C. C. Hine.

Electricity. E. R. Blanchard.

National Electric Code. C. M. Goddard and F. B. Crocker.

Safe Electric Requirements. Dana Pierce.

Special Agents' Electrical Handbook. A. M. Schoen.

Rates

Rationale of Fire Rates. A. F. Dean.

Fire Rating As a Science. J. M. Murphy.

Rate Making Organizations. Robert Riegel.

Settlement of Losses, Willis O. Robb.

Cotton Bales as a Source of Loss by Fire. Benj. Richards.

State Laws. William BroSmith.

State Supervision. Frank H. Hardison.

Organization of Companies: R. M. Bissell.

Origin and Growth of Law and Legislation on Insurance. Dr. F. L. Hoffman.

This splendid list will be found excellent for students.

The only omission seems to be the Business of Insurance by Howard P. Dunham, of the Aetna Life, Hartford. This consists of three volumes of important articles by influential men.

Insurance Decision Involving Bankrupt

VIEWS OF A MAINE COURT

Not Necessary for Trustee to Come Within Scope of Phrase "Legal Representative"

In a verdict for the plaintiff in the case of James D. Maxwell, of Bangor, Me., trustee in bankruptcy vs. the Dirigo Mutual Fire Insurance Company, the Maine Law Court decided several interesting points. The policy, issued in July, 1912, was for three years' term. In April, 1915, a voluntary petition in bankruptcy was filed, later the plaintiff being appointed trustee of the bankrupt estate. In July, 1915, property was destroyed by fire. The policy was not assigned to the plaintiff. The court held:

1. It is unnecessary to consider whether the transfer of property to a trustee by an adjudication in bankruptcy constitutes a "sale" within the purview of the policy, or whether a trustee in bankruptcy comes within the scope of the phrase "legal representatives" who together with G. were the parties insured.

2. The conduct of the defendant through its secretary during a period of six months after the fire occurred and close up to the time of bringing this suit in his dealings, interviews and correspondence with the plaintiff was such as to preclude the defendant from setting up the breach of conditions in defense even if the facts constituted such a breach.

3. When the conduct and declarations of the insurer are of such a character as to justify a belief that a waiver was intended, and acting upon this belief the insured is induced to incur trouble and expense and is subjected to delay to his injury and prejudice, the insurer may be prohibited from claiming a forfeiture for such a breach upon the principles of equitable estoppel.

"OPENLY OR SECRETLY"

Massachusetts Agents Oppose Net or Reduced Rates Where Agent Is Eliminated

The Massachusetts Association of Insurance Agents has passed resolutions reading in part as follows:

Resolved, that we, the Massachusetts Association of Insurance Agents, in annual convention assembled, urge our fellow members and all other insurance agents to use every effort to persuade those charged with the conduct of such matters to hasten the uniform and orderly relinquishment of war-time government paternalism, and be it further

Resolved, that we oppose earnestly the prolongation of any practice by insurance companies, openly or secretly, of writing coverage direct or at net or reduced rates, eliminating the agent, in violation of the spirit of the American Agency System, and the agreements long established and honorably observed by most leading companies, and be it further

Resolved, that we vigorously protest against any and all efforts to place the liability and compensation coverage on shipbuilding plants in the hands of so-called mutual and profit-sharing concerns, thus injuring the agent.

STAR ENTERS D. OF C.

The Star Fire, formerly the L. & L. & G. of New York, has entered the District of Columbia and appointed Wilcox, Hane & Co., and John W. Thompson & Co. Inc., agents. It is expected that the company will be admitted to Maryland shortly.

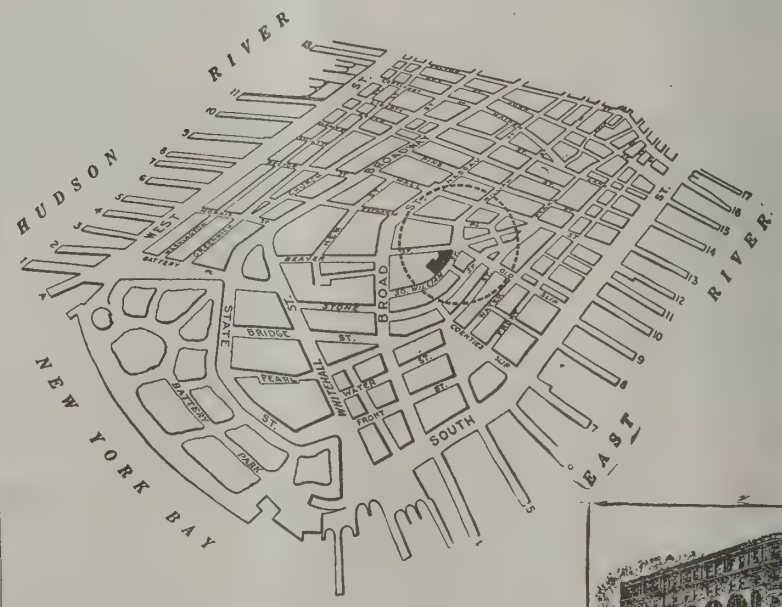
ÆTNA (FIRE)
HARTFORD, CONN., U.S.A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.



THE AIRPLANE
—is the military eagle, aptly termed the Eyes of the Army. Rising above and before the battle line, it watches for coming attacks.
FIRE gives no warning of its coming. No eye can see where it will strike next.
ADEQUATE Insurance is the airplane of protection. Use foresight instead of actual vision. Let the

AMERICAN EAGLE
Fire Insurance Company of New York
begin today to protect you against loss by fire.
Cash Capital .....:...ONE MILLION DOLLARS
HENRY EVANS, President
Home Office 80 MAIDEN LANE NEW YORK
Managing Branch Offices, SAN FRANCISCO, CHICAGO

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

Divergent Views On Automobile Rates

OPINIONS OF SOUTHERN AGENTS

One Wants Lower Scale for Country Towns—Another Fears Mutual Competition

Views of two well established Southern insurance men on the automobile casualty rate situation simply show how lines of thought vary on these underwriting subjects. A Charlotte, N. C., man takes a broad view, holding that the interests of agents should coincide with the views of the company, not only in regard to automobile casualty rates but in regard to all rates, and any consideration should be given the Company's interest as well as the agents.

With regard to casualty rates which apply to pleasure cars, this agent is of the opinion that they are about as low as the companies can afford to make them in cities of fifty thousand and over, which takes in Charlotte.

In regard to commercial cars, there is a great injustice on account of the rates being fixed by the various classifications of business instead of being based on the horse power of the car and the population of the city. This is not the equitable way of making casualty rates on commercial automobiles, he says, continuing:

"The increased volume of business received by the companies, if such rates could be obtained whereby the agents could educate the people as a whole to carry liability insurance, would more than take care of the increase in claims and when you once educate the people to carry liability insurance, it is very little trouble to continue their business even though the rates are advanced from time to time.

Country vs. City Business

"The rates that apply to Charlotte apply to the country and smaller towns as well, and I am of the opinion that this is an injustice to the country and to the smaller towns, owing to the fact that they do not have the hazards that we have in the city of 50,000. I certainly believe there should be a lower rate which would apply to the country and small towns from five to twenty-five thousand, and by so doing we would educate these people to carry liability insurance and would increase the premiums for the companies, and as above stated, with a very small increase in claims, as we have very few claims coming in from the country and small towns.

"My experience in handling this class of business for the past ten years has led me to believe that the business could be handled by the companies, at least in some territory, at a much smaller rate and yet show a liberal profit to the company. I should say the loss ratio in my territory for the past ten years in automobile casualty claims has been less than 20% of the premiums written."

Texas View Different

Writing recently from Dallas an experienced agent said:

"The agents' experience is usually limited to their own locality, and to our minds can only be taken from an individual viewpoint.

"We find, however, a general complaint at the extremely high liability rates charged. We rarely have a complaint from the assured on property damage, collision or fire rates. More especially does this apply to commercial fleets of trucks.

Fears Competition

"The experience of this office for the past several years does not warrant the rates which are now charged. This, of course, can only be taken as a single experience, though the record should contribute materially to the general average. We do think, however, that these rates have a tendency to force large insurers into a reciprocal or mutual organization in this particular locality. We have three very active concerns of this character, and their premium incomes are assuming large proportions. We are unable, however, to get an accurate check on their financial condition, as their published statements do not reflect the same financial details as do those of our stock companies. We see in this the chief danger to the stock companies, and we are of the opinion that the companies themselves have gone a little too far in their rate advances.

"The experience here has been stock companies begin to lose their premium income, let down the bars on rates and practically give their policies away. When they have re-established their standing in the community they proceed to put the rates up out of sight, then the same procedure is followed over and over again."

SATISFIED IN MINNEAPOLIS

Generally speaking, agents of Minneapolis believe that the present rules and rates for automobile casualty insurance are working quite satisfactorily, and that they give less trouble than those which heretofore have been in force. The agents believe that so long as the companies generally will adhere to them there will be little opportunity for dissatisfaction among the company representatives.

WITH FIDELITY-PHENIX

J. T. Robertson, of Baltimore, special agent of the Philadelphia Underwriters for Maryland, District of Columbia and Virginia, has been appointed special agent of the Fidelity-Phenix for the Maryland, Delaware and District of Columbia field, effective December 1, succeeding H. A. Robier, who now represents the Great American in Eastern New York.

Scheide Has Not Quit Washington Post

FAKE STORY TO CONTRARY

Hartford Man Still Heads Insurance Division of Enemy Alien Custodian's Office

Just how the rumor started that William C. Scheide was no longer chief of the insurance division of the Alien Property Custodian's office in Washington is not known, but it is a fake. The director of publicity of the office says:

"Mr. Scheide has been a loyal and conscientious worker and has the absolute confidence of the alien property custodian. His work as chief of the insurance division has been excellent and the sum of enemy-owned insurance companies which he has unearthed has been exceedingly large."

At the time of the report of the displacement of Mr. Scheide it was said that A. E. Herrick had been appointed his successor.

AN AGENCY PLEDGE

Henry Evans, president of the Continental Insurance Co., has written Second Vice-President Lopez, of that company, that the Continental has not and will not write business for the Government over the heads of local agents, and if it takes any business local agents will be credited with the commissions.

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

National Liberty
INSURANCE COMPANY OF AMERICA
NEW YORK
Incorporated Under the Laws of the State of New York in 1859
Statement, January 1, 1918

Cash Capital	$1,000,000.00
Assets	8,209,763.64
Liabilities	5,223,031.71
Net Surplus	1,986,731.93
Surplus for Policy Holders	2,986,731.93

HEAD OFFICE
62 WILLIAM STREET, NEW YORK

THE YORKSHIRE INSURANCE CO., LTD. OF YORK, ENGLAND
Established 1824
FIRE, LIGHTNING, SPRINKLER LEAKAGE, AUTOMOBILE, WAR AND EXPLOSION INSURANCE
U. S. BRANCH
FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager
No. 80 Maiden Lane, New York
New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

THE SUPERIOR FIRE INSURANCE CO.
PITTSBURGH, PA.
Conservative -- Sound -- Progressive
Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due From Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

U. S. Cash Assets, Dec. 31, 1917	$16,153,068.57
Surplus	4,793,978.55
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904	1,051,543.00

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Over $155,000,000.00
Losses Paid in the United States

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HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

Insurance At Big Reconstruction Meeting

Richard M. Bissell and J. J. Hoey to Attend Atlantic City Meetings December 3-6

AFTERMATH WAR PROBLEMS

Discussion of Employment of Demobolized Men, Finance, Foreign Trade and Output Disposition

Fire insurance will be represented at the emergency and reconstruction conference of the Chamber of Commerce of the United States to be held in Atlantic City December 3-6. Richard M. Bissell, chairman of the conservation committee of the National Board of Fire Underwriters is expected to attend, and will also decide whether other members of the conservation committee will go. Henry Evans, president of the Continental, who was asked to act as chairman of the Industrial Professions Group, will be represented by Vice-President James J. Hoey.

This conference will discuss problems of the greatest importance arising out of employment of demobilized men, output of industries formerly regarded as essential, and foreign trade questions.

Expect 4,000 to Attend

The New York "Times" forecasts the attendance at the convention as 4,000. The meetings will be addressed by the best authorities that can be assembled upon the issues to be discussed and will determine what form of working federation will be adopted to assure the largest present usefulness and greatest future safety to American commerce.

Among subjects to be discussed are these:

"What legal methods or means could be introduced in the craft to better stabilize prices during the reconstruction period affected by the following: Inventories on hand. Orders placed at war prices but not delivered. Labor costs and conditions. Increased taxes. Increased rate of interest. Estimated increase demand for non-war materials restricted during the war period. If advisable for the Government to dispose of used materials and products in the open markets what effect will it have on production and the sale of new goods at home and abroad? What point of contact should the business interests have with the Government departments in the sale or disposition of these various commodities?

"What is your financial problem during the reconstruction period? Do you recommend governmental aid? What disposition should be made of the merchant marine? When the demobilization of military forces takes place how can the soldiers and sailors be best returned to their former industrial pursuits and how will it affect the labor situation?

"What about foreign trade plans, and taking advantage of the Webb-Pomerene bill, which allows combination for foreign trade?"

EXCELSIOR BEING PROMOTED

The Excelsior Insurance Company of Syracuse, N. Y., is being organized in that city by Ray B. Smith. It is proposed to write fire insurance and the promoters plan to have a capital of $200,000, with a paid-in surplus of $100,000.

ATLANTIC CITY ADMITTED

The Atlantic City Fire Insurance Company of Atlantic City, N. J., has been licensed to do business in this state.

HOW TO WRITE LETTERS

Dictate Second One Before You Do First, Chicago Club Is Told By F. E. Spoerer

Underwriters are deriving considerable entertainment from the series of thoughts about letter writing, delivered to the Fire Insurance Club of Chicago, by F. E. Spoerer. In discussing "The How and Why of a Letter," Mr. Spoerer says in part:

"In these days, conservation is the popular theme. We save food, money, daylight, etc. Anything that tends to conserve labor, time or material is desirable. So let us see if we cannot do some conservation work by eliminating the unnecessary letter. Someone has proposed a rule that is to avoid some of this trouble. It is to write your second letter first. This is really an excellent plan. Two thoughts are embodied in the idea. One is to make your first letter so complete that a second will be unnecessary. The other is to anticipate the probable effect of your letter. In other words, what is the person who receives your letter likely to do? Does your letter invite a response? Does it leave the way open for further discussion? Will it leave any doubt regarding your meaning? Or is your letter so clear, distinct, and complete that the person receiving it will know the matter is definitely disposed of and may be filed away under the head of finished business? This sort of 'full coverage' letter seldom breeds the need for a second letter. The first one completes the job. Try and realize the time and money value of such a letter. It saves the time of the one who writes and the one who reads, besides the work of mailing and filing, the expense of stationery, postage and the storage room required for stowing away the accumulated mass of correspondence. In a large office, a great saving could be accomplished by always writing the second letter first."

Set Your Insurance Clock Ahead a Whole Week
BY READING
The Eastern Underwriter

Custodian's Office Makes Unfair Slur Upon Some Insurance Managers

There is considerable resentment in insurance circles about the character of publicity being handed to the daily papers about insurance affairs by the Treasury Department, Washington. The Eastern Underwriter last week told of the careless and unfair reflections upon stock life insurance companies made by the press agent of the War Risk Bureau in a story given to daily papers about conversion of soldiers' and sailors' life insurance. This was followed by a statement given to the daily papers by a representative of A. Mitchell Palmer, Alien Property Custodian, telling about the order given to Mr. Palmer by which the enemy owned companies in process of liquidation under their own management were turned over to him for sale.

One paragraph in this statement told of investigations by the insurance division of the office which it said "disclosed striking examples of the methods adopted by the Germans to perpetuate their control over insurance in this country while the war was on, and afterward, and the subservience of their American representatives even to the extent of concealment and evasion of the law."

Such an accusation may fit one man who was formerly a German company manager, but to apply such a characterization generally and in sweeping fashion is unfair and unjust, as any underwriter familiar with the character and loyalty to America of such managers as the Messrs. Kelsey, Lenehan, and a few others well knows.

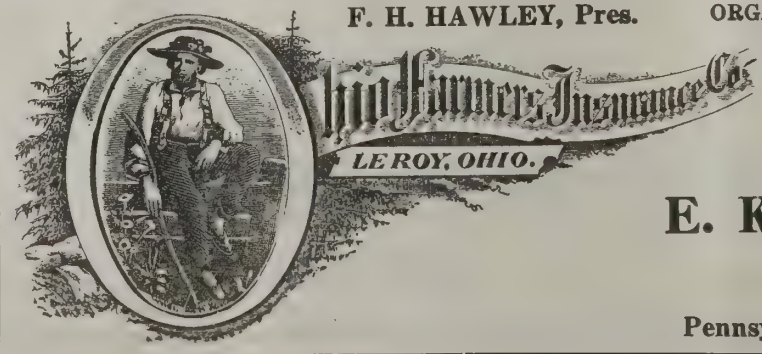
Soon after revoking the authority of German managers at the time of transferring the companies to Mr. Palmer's jurisdiction this authority to liquidate and manage the German companies was again conferred.

The daily papers placed such heads on the Palmer statement telling of the approaching sale of the companies as "German Insurance Domination to End." That there never was German domination of fire insurance can be seen by the fact that the total premiums of the German-owned companies for 1917, were $16,761,424, not so much as the individual premium income of a number of the large American companies.

JAMES H. EPWORTH
NEW JERSEY FIRE INSURANCE SPECIALIST
NEWARK AND SUBURBAN NEW JERSEY TERRITORY
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UNITED STATES HEAD OFFICE
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NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

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E. K. SCHULTZ & CO.
PHILADELPHIA
GENERAL AGENT
Pennsylvania, New Jersey and New York

MARINE DEPARTMENT

Schooners Again in Transatlantic Service

Just about a year ago the United States Government prohibited all American sailing vessels from entering the waters known as the Barred Zones by the German Government. Their action was taken at that time to conserve American tonnage, as the submarine activity had reached the height of its pinnacle and sailing vessels had absolutely no chance to make a voyage in and out of the zone without being lost, and the Government needed all the American tonnage that was available for the South American, Coastwise, South African trade, and, therefore, prohibited American vessels from clearing for the troubled waters.

Any number of schooners that were loaded with cargo for England, Spain, France and Italy, and even Greece, were compelled to discharge their cargoes under Government edict.

Saved Marine Underwriters From Many War Losses

This action of the Government saved a number of marine underwriters from serious marine as well as war losses, and at the same time saved a considerable amount of tonnage, to be used in trades for which the vessels were better adapted.

There are now on berth about six schooners loading for transatlantic voyages. It is the opinion of experts that schooners are not adapted for transatlantic winter voyages, and underwriters that are accepting this class of business, unless they are exceptionally careful in the selection of their vessels and the masters in charge of the vessels, and are careful in the selection of the character of the cargo which the vessels are carrying, will in the near future learn that this class of business is extra hazardous, and requires a very high rate of premium to carry the risk. Quite a number of schooners sailed last year on voyages of this kind, and some very heavy losses were sustained.

OBSERVER.

S. K. CRAWFORD'S NEW POSITION

Made An Executive Officer of American Re-insurance Company

S. K. Crawford has been made an executive officer of the American Reinsurance Company, the underwriting managers of which are Ives & Baird. His particular function will be to take care of the treaty business and his title will be assistant to the president—C. H. Miller. Later, he will be made vice-president.

For years Mr. Crawford was one of the best-known figures in automobile insurance. He was with the American Automobile; then with the Home; from which he went to the Zurich and Prussian National.

BELONGS TO INLAND MARINE

One of the matters acted upon at the automobile meeting in Chicago last week was merchandise on trucks. It was decided that this line is not within the scope of the Conference and properly belongs with the inland marine transportation offices.

A. W. Follansbee, Jr., marine secretary of the Fireman's Fund, is in New York this week.

CHICAGO MARINE CHANGE

The Branch Marine Department of the Insurance Company of North America in Chicago, of which William Richardson & Son have been agents, has been consolidated with the Lake Marine Department, of which George L. McCurdy is manager. Walter E. Parker, who has been with the North America force since 1898, has been placed in charge of the offices in the Insurance Exchange formerly occupied by Richardson & Son. Fred T. Richardson of the old firm will be identified with the new arrangement.

BUY LOWERY & CO.

Willcox, Peck & Hughes have purchased the business and good will of Messrs. Stewart S. Lowery & Co., of San Francisco, their former agents, and have retired the corporation of Willcox, Peck & Hughes, of California, and amalgamated the business of these two concerns into a direct branch of the home office of Willcox, Peck & Hughes, of New York, which will handle the entire interests of the firm on the Pacific Coast from Vancouver to San Diego.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK

Surplus to Policyholders $1,014,237.98

Marine and War Risk Insurance

Losses made PAYABLE in all parts of the world

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Insurance and Reinsurance

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Final Automobile Rule Conditions

GENERAL AGENT APPOINTMENTS

Effective as to All New and Renewal Risks Attaching on and After January 1

In their final form the new Commission Rules of the National Automobile Underwriters' Conference are as follows regarding metropolitan districts and conditions of appointment of general agents. The remainder of the rules relate to definitions of offices and compensation payable, in which some changes were made but they remain essentially as already set forth in these columns.

General Agents—Conditions of Appointment

1. All General Agency appointments shall be confined to cities named by and shall be subject to the approval of the Executive Committee of the Local Conference in whose territory the main office of the General Agent is located, subject to appeal to the National Executive Committee hereinafter provided.

2. No General Agencies shall be approved excepting such as are appointed bonafide managers of the territory involved. Appointments made with the object of paying commission in excess of the local commission, thereby securing the local business of the agent, shall not be approved.

3. For a Fire Insurance Company (meaning thereby all companies transacting their automobile business in whole or in part with their general fire business from the same Head Office, American Head Office, or Departmental Office): No appointment of a General Agent shall be approved except where such general agent represents the Company as General Agent for fire business as well as for automobile business, and the Executive Committee, before granting approval, shall determine that the General Agent is a bonafide part of the fire underwriting system of the Company.

4. For a Marine Company (meaning thereby companies operating their automobile business through an American Head Office or Departmental Office which transacts Marine but not Fire business; this shall include companies so operating whether such companies are independent Marine Insurance Companies or Marine Insurance Companies owned by Fire companies or are branches or departments of Fire and Marine Companies): No appointment of a General Agent shall be approved except where such General Agent has exclusive control of a territory not less than a State, and the Executive Committee before approving such appointment, shall assure themselves that no Fire

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Firemen's Insurance Co., of Newark, N. J.
Glens Falls Insurance Co., of Glens Falls, N. Y.
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company has been debarred by the operation of these rules from the continuance of a general agency appointment in such office.

5. For a Casualty Company (meaning thereby companies operating their automobile business through an American Head Office or Departmental Office which transacts casualty business): No appointment of a General Agent shall be approved except where such General Agent represents the Company as General Agent for casualty as well as for automobile business.

6. All existing Departmental Offices, Branch Offices, General Agencies, and all other representations above the grade of Local Agent shall, within thirty days after the date of this rule, and all such future appointments and representations shall, prior to their taking effect, be reported to the Executive Committee having jurisdiction, upon forms to be provided by the Secretary, accompanied by such pledge or pledges as may be prescribed by the said committee; and the committee shall have power to call for such further information, or to summon the company interested for hearing before them. The Executive Committee of the Local Conferences shall be entrusted with the passing upon of any existing automobile general agency of a member company that may not be in accordance with the rules, but which in the opinion of such committee does not do violence to the spirit of the new rules.

7. Such appointments as are approved, as well as those that are disapproved by the committee, shall be bulletined to all members.

8. Where an appointment is disapproved, the applying company shall have the right to appeal, within thirty days, to the National Executive Committee, whose decision shall be final. Pending appeal, the appointment shall be ineffective.

9. Where an appointment is approved and bulletined, any member company shall have the right to protest it, within thirty days, to the National Executive Committee, which committee shall have power to review the application and render final decision. Pending such appeal, the appointment shall continue to be effective, as from the date of the Local Committee's approval.

10. All appointments finally disapproved by the Local or the National Committee shall be terminated within ninety days of such disapproval if the appointment is in existence, and no member shall have the right to grant an appointment above the grade of local agency in any such case until such time as the disapproved agent shall be entitled to qualify under the rules for an appointment above the grade of local agent and in any event not before twelve months shall have expired since such agent ceased to hold the appointment above the grade of local agent which has been disapproved.

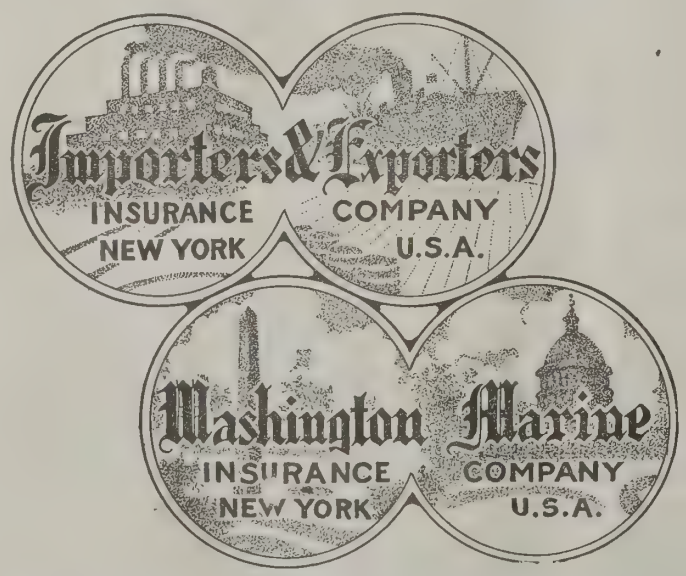
Note.—The principle to be followed in approving General Agency Appointments is that given in Paragraph 2, and the Executive Committee shall call for such information and follow such procedure as shall in their judgment best accomplish the spirit of this principle. For their guidance it is suggested, however, that either upon the form of application, or through independent sources, the following information be obtained:

Name and address of proposed agent. Date of appointment. Previous relation of this agent to applying company. Branches of business transacted by this agent for this company. Other companies represented by this agent for automobile business of any description. Number, locations and names of subagents. Facilities possessed by agent for development of field. Facilities possessed by Company (other than through this agent) for operation of a local agency business.

The Trans-Marine Underwriting Agency Inc.

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Managers for



Marine and War Risk Insurance

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CASUALTY

Coroner's Verdict as Evidence In Accident and Other Insurance Cases.

In a proceeding under the Illinois Workmens' Compensation Act for death there was no direct testimony tending to show where and under what circumstances the injury was sustained. Witnesses testified that the deceased told them before his death (which resulted from emphysema produced by the penetration of a lung by a fractured rib) that he had fallen down the stairway at his employer's plant while leaving his work. After his death a coroner's inquest was held, and the coroner's jury returned a verdict stating that they were "of opinion" that the deceased's injuries resulted from falling down a flight of stairs at the plant while leaving his work. An award was made by the Industrial Board, from which appeal was taken on the ground that there was no proper evidence sustaining the finding of the board. The Illinois Supreme Court, Morris & Co. vs. Industrial Board, 119 N. E. 944, held that the testimony of the witnesses (the deceased employee's relatives and physicians), was merely hearsay and therefore inadmissible. But it held that under the Illinois statute requiring a coroner's jury to investigate the cause of death supposed to have resulted from "casualty," as well as where death is supposed to have resulted from "violence" or "undue means," the coroner's verdict as to the death of an employee found to have resulted from a casualty is admissible before the Industrial Board to show the facts as to the cause of death. The majority opinion stated, however, that it is only in cases where the inquest is authorized to be held that the verdict of a coroner's jury is competent, and where the inquest is authorized and the verdict finds only the facts which the law authorizes and requires to be found, it is competent evidence; and that the verdict in this case complied with those requirements.

Three of the seven justices dissented, the minority opinion stating, in part: "There was no finding of the fall as a fact, but if it could be so regarded, the further opinion that the fall occurred as Klein was leaving his work would be a finding fixing a civil liability upon Morris & Co., under the Workmen's Compensation Act. That opinion or finding was not admissible in evidence to fix such liability. To hold that the verdict of a coroner's jury is admissible in evidence to fix a civil liability, either at common law or under a statute, upon one who is not a party to the proceeding before the coroner, is not present, has no choice in the selection of the jury, no right to cross-examine witnesses or contradict the evidence tending to prove the liability, is to condemn him unheard and to violate the most elementary rules for the administration of justice between individuals. The Workmen's Compensation Act has been sustained on the ground that it is elective, and employer and employee, by electing to come under it, agree that their rights may be settled by arbitration. But the elective feature of the act covers nothing but the provisions of the act itself, and neither employer nor employee, by electing to come under the act, agrees that the rights or liabilities created by it shall be determined or in any manner affected by the finding or opinion of a coroner's jury or any other body having no judicial power to inquire into or decide upon their rights or liabilities and no jurisdiction over the party charged with liability."

In another appeal before the same court, Peoria Cordage Co. vs. Industrial Board, 119 N. E. 996, an opinion was handed down on the same day, again by a divided court, in which a verdict of a coroner's jury was held inadmissible in evidence before the Industrial Board under the following circumstances. An employee died from septicaemia, or general infection, following an injury to the index finger of his left hand. No one saw the accident happen. It was here also held that testimony of his relatives and a physician that he told them he had cut the finger on a can while at work was inadmissible as hearsay. The only other evidence was a coroner's verdict, the major part of which was as follows: "That the said John Favre * * * came to his death * * * from septicaemia, due to a cut of finger from fibre can, accidentally received while in the discharge of his duties for the Peoria Cordage Company." The court's opinion contained similar reasoning to that of the dissenting opinion in the Morris & Co. case, and concluded as follows: "If the coroner, in the exercise of his discretion, acted upon any information which justified holding an inquest, the finding that the death of Favre resulted from an injury while in discharge of his duty as an employee of the Peoria Cordage Company was entirely without the province of the jury and was unauthorized by the statute, the law, or the nature of the coroner's office and could have no effect to fix a civil liability. It was incompetent for that purpose and should not have been admitted in evidence." For this reason the award of the Industrial Board was set aside.

It may be added that the rule laid down almost unanimously by the courts of the United States which have passed upon the point is that while a coroner's verdict is competent as a part of the proof that the death occurred, it is not even prima facie competent to prove the cause of the death. The courts which declare this doctrine include those of Alabama, California, Colorado, Georgia, Indiana, Kentucky, Maryland, Michigan, Missouri, New York, Ohio, Oregon, South Dakota, Texas and Washington.

BULKELEY IS INSTRUCTOR

Lieutenant Houghton Bulkeley, youngest son of Morgan G. Bulkeley of Hartford, has been retained as an instructor in the military school in which he recently completed his course.

MAJOR BULKELEY GASSED

Mrs. Morgan G. Bulkeley, Jr., of Hartford, has received word that her husband Major Morgan G. Bulkeley Jr., of the 101st Machine Gun Battalion had been gassed and at the time of writing, October 9, was in a hospital back of the lines, where he had been for a week, and where he expected to stay for a month longer. His eyes were burned but he was not blinded.

NEW COMPENSATION BOOK

In making future awards, compensation commissioners in Connecticut will have for guidance the second volume of Compensation Decisions issued by the State.

PRESCRIPTION FOR BEGINNER

Here is a prescription for an insurance beginner:

Ten per cent. knowledge of the business.

Ten per cent. co-operation from the district manager.

Thirty per cent. stick-to-it-tiveness.

Fifty per cent. ENTHUSIASM.

Mix well and take it hot every morning before starting in to work.

CASUALTY AND SURETY NEWS

Shells of All Calibres For State Insurance

FOR READY USE BY SOLICITORS

Roman Emperors Subjugated Populace By Gifts; Germans By Compulsory Protection

Any insurance man who is seeking handy arguments to use against those who favor, or think they should favor, compulsory health insurance will find a whole ammunition train in what W. G. Curtis, of Detroit, said to the Health Insurance Commission of Illinois. These arguments might with profit be memorized for use on occasion.

Bismarck cynically remarked that "just as the Roman emperors bought the obedience and devotion of the populace of Rome by giving it free bread and circuses, so the German government would buy the obedience and devotion of the German working class by giving it social insurance."

Compulsory health insurance should cease to be an issue because it represents impracticable ideals. In its place should arise a definite plan by States and with Federal co-operation for compulsory health.

The plans devised and presented as fitting American conditions do not pretend to correct them, and the history of compulsory insurance abroad offers the strongest possible argument against any such system.

Dr. Friedensburg, who for twenty years was executive head of the German system, condemns it.

William A. Brend, in his book "Health and the State," and speaking of the English law, says that no previous measure has ever failed so signally in its primary object.

Bonar Law says those in greatest need are not benefited.

Sidney Webb, English economist, condemns it.

Harold Villard, writer upon economics, says that unless a halt is called in time, the load of this social legislation may become a crushing one.

Gerard, after four years of contact, condemns it.

The National Civic Federation, after a most exhaustive investigation by its own Commission, condemns it.

The American Federation of Labor, acting for the best interests of its 2,000,000 members, passed a resolution in July condemning it.

The National Association of Manufacturers, representing the largest number of associate employers in the United States, condemns it.

Practically every State and County Medical Society in every state where it has become an issue, condemns it.

The Massachusetts Constitutional Convention condemned it.

Dr. Edward Ochsner, of Chicago, who practiced under the German law, condemns it.

Dr. Frederick L. Hoffman, statistician of The Prudential Insurance Company, condemns it.

The National Pharmaceutical Association condemns it.

With the wage earners, employers, doctors and druggists against it, who is for it, and why?

What now of the German system, and its burdens of the immediate future? What of the reconstruction period in this country? Is it logical to add another fixed burden of $1,000,000 per annum for the nation?

Americans Lead Violent Lives

STATISTICS BY DR. L. I. DUBLIN

English Accident Figures Compared—Automobile Casualties Climb—Many Deaths By Homicide

In an address to the Casualty Actuarial & Statistical Society Dr. Louis I. Dublin, statistician of the Metropolitan Life, discussed mortality from accidents and other external causes among wage earners in the United States and Canada. He reviewed some extensive statistics on mortality from accidents, suicides and homicides among nearly ten million wage earners in the United States and Canada He pointed out, in the first place, that nearly three-quarters of the deaths from external violence are due to accidents. Accident mortality, he concluded, is still very much in excess among the American population of the figures for England and Wales for example.

Loss Figures Striking

He pointed out that in the year before the war, 1913, the fatal accident rate of England and Wales for males, 35 to 44 years, was 62 per 100,000 of such persons, whereas, in the male population of the United States generally, this death rate was 140 per 100,000 and among white males of the wage earning group of the population, 154 per 100,000. The fatal accident death rate of England and Wales was, therefore, only 45 per cent. of that for the general population of the United States and 40 per cent. of the accident death rate of white male wage earners.

Even when the chief types of fatal accidents, such as falls, burns, drowning and steam railroad accidents are considered, the rates of mortality recorded for the United States are very much above the figures available for England and Wales in time of peace. Dr. Dublin hopes that these data may prove useful in directing the energies of the movement for conserving life and health in this country and especially among wage earners.

Automobile Accidents

He pointed out, further, the increasing mortality from automobile accidents and injuries which, according to his figures, showed an increase of 2.3 per 100,000 in 1911 to 7.4 in 1916 Dr. Dublin said, also, that present indications are that when the figures for 1917 became available, a STILL further increase in the death rate due to the automobile would be observed. He said that this increasing mortality from this one cause alone indicated the need for detailed inquiry into the causes contributing to accidents of this kind, especially in cities where the growth of population and the increasing volume of street traffic conduce to greater liability to automobile accidents. He mentioned, also, that the death rate from steam railroad accidents and injuries and from street car accidents and injuries is apparently on the decline.

Suicide and Homicide

The suicide death rate among wage earners in the United States and Canada is between 15 and 20 per cent. lower than the death rate in the general population. This fact was especially important as regards those ages in early life where the figures for the wage earning group of the population are especially favorable.

Dr. Dublin also presented some figures on homicide. He indicated that the crime of homicide still assumes alarming proportions as a cause of death in the United States. Among negroes, especially, homicide was one of the chief causes of death, ranking next to pneumonia at the age period 20 to 24 years in order of numerical importance.

"OUR BONDS GUARANTEE INTEGRITY"

SURETY BONDS

ROYAL INDEMNITY COMPANY

CASUALTY INSURANCE

NEW YORK

CHARLES H. HOLLAND, PRESIDENT

AGENTS' PLANS READY

What is Arranged for National Association of Casualty & Surety Men in New York

The first session of the National Association of Casualty and Surety Agents' meeting will be held Monday afternoon, December 2, at 2 P. M., at the Hotel Astor, New York. The committee expects to have short welcoming addresses by J. Scofield Rowe, president of the International Association of Casualty & Surety Underwriters and E. M. Allen, president of the National Association of Insurance Agents. Edward C. Lunt, of the Fidelity & Casualty of New York, will give an address on surety bonds and Arthur Richmond Marsh, of the "Economic World," has been asked for an address on the Post-War Problems of Insurance.

The second session will be held on Tuesday morning, December 3, for a discussion on the topics of Mr. Marsh's address and plans for solving these problems in a constructive, co-operative way. F. Robertson Jones, of the Workmen's Compensation Publicity Bureau has been asked to aid in this discussion.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

H. E. RYAN RESIGNS

Actuary of New York Insurance Department to Go With Equitable Life Society

Harwood E. Ryan has resigned from the New York Insurance Department, of which he is actuary of the compensation division, to become manager of the health and accident department of the Equitable Life Assurance Society, as is printed elsewhere in this issue. The appointment is effective January 1. He will be a valuable acquisition to the Society.

UNDERTAKERS OFFERED AGENCY

Motor Car Butuals Actively Seeking Business for New Companies Through Trade Press

The Motor Car Mutual Casualty and the Motor Car Mutual Fire, which are being organized at 20 Nassau Street, New York, advertise in the funeral directors' trade press along these lines:

"Automobile insurance at actual cost.

"Two new companies to provide full coverage insurance to owners of automobiles at actual cost are being organized and will be ready for business shortly. These organizations will be absolutely independent and will not be members of the 'Automobile Conference' (the combination of all stock insurance companies which fixes and maintains all automobile rates).

"An immediate reduction of 20 per cent. of the 'Conference' rates will be made to members and a further saving of approximately 10 per cent. at the end of the policy year.

"To secure this protection at actual cost, you must first become a member of these organizations.

"These companies are owned and controlled by their members and expenses are limited by law.

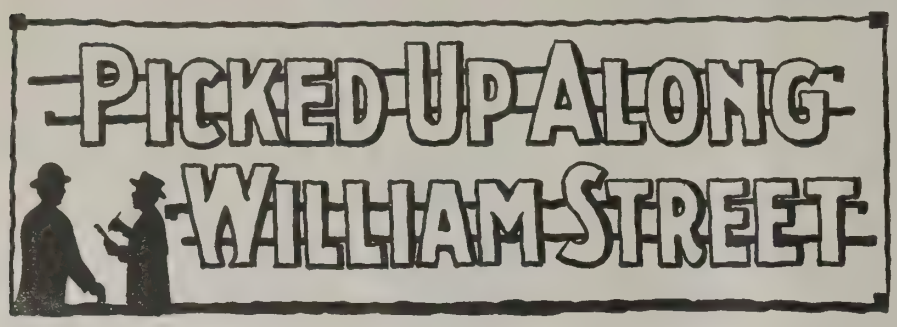
"We have a special local agency proposition for undertakers that offers unusual money-making opportunities."

Another Advertisement Reads:

"To funeral directors: Your automobile insurance rates were increased on April 1st, 1918, from twenty to sixty per cent. If you want to renew your policies at the rates existing before such increase whether your policy expires in January, February, March, April, May or June, 1919, you may do so by acting at once.

"Communicate with your broker or with us, immediately, and we will send applications in order that you may sign them and become a member of these organizations which will guarantee to renew any policy you may have at the rates prevailing last year.

"The offer includes the territories of New York, New Jersey, Connecticut, Rhode Island, Massachusetts and the Eastern part of Pennsylvania including Harrisburg."



Best Looking Invitation

President James W. Henry, of the National Council of Insurance Federations is to be congratulated in issuing the best looking invitations of any association in insurance. The particular notice which is responsible for this paragraph is the invitation to the Astor convention of December 2-3.

* * *

Not on the Menu

Mr. Supplee, president of the J. Ramsay Barry Company, the Chicago Bonding's agents at Baltimore, Md., is somewhat of a traveler. Before the war broke out he took a southern tour finishing in Mexico. In a cafe in Mexico City the waiter could not talk English and Mr. Supplee could not talk Spanish and he was in a terrible quandary as to how to order sirloin steak smothered with mushrooms. To try to make the waiter understand what he wanted, he drew a picture of a cow and two mushrooms on the back of his menu card. The waiter, after studying the picture, scratched his head and, smiling, left the cafe and was gone for about a half hour. He returned and with much eclat gave to Mr. Supplee two umbrellas and a ticket for a bull fight.

* * *

C. D Dennett

In the death of C. D. Dennett, who represented the Massachusetts Accident as general agent in Bangor, Me., the company lost one of its most respected men. A strong personal writer as well as a successful organizer, he succeeded in building up the Bangor agency until it ranked among the company's largest districts. In addition to his active attention to the insurance business, Mr. Dennett was interested in many fraternal and religious organizations. He was 42 years old at the time of his death and leaves a widow and one child, age 11.

* * *

Specialization Needed

It is often found that the independent adjuster who endeavors to serve the needs of the casualty business works too much along the lines of the fire adjuster. This freedom of action most generally results disastrously for the casualty company. Scrutiny of fire adjustments shows that the companies often do not take advantage of their legal defenses, as casualty companies find it necessary to do if they are to live. It is often found that casualty claim matters are not proper ones for a fire claim adjuster to handle. The average really good attorney considers himself too big a man to handle the usual casualty claim case. The work is therefore turned over to a subordinate who knows little or nothing about casualty insurance and the case suffers in consequence. Need for specialization in the casualty claim line becomes more apparent every day.

* * *

Maine Comes Through

The Maine insurance department has approved the 1918 additions to the Compensation Rating Schedule and Plan D of Experience Rating. They become operative midnight, December 28. These changes went into effect in most other states August 31 but the Maine commissioner is a new man and although he is of Maine instead of Missouri, he had to be shown.

Local Branch Dropped

The Commonwealth Insurance Agency, St. Louis, will hereafter act as general agent in Eastern Missouri and Southern Illinois, for the National Surety, which discontinued its local branch.

* * *

Reference Committee Changes

At present, in the Bureau there is a reference committee on compensation and one on schedule rating. It is not clear just what the powers of the National Reference Committee are. There is no parent body. The proposed reorganization of the National Reference Committee would bring together the two committees named and the managers of the subscribing bureaus could be appointed as a committee to administer the whole.

* * *

Reason to Give Thanks

Not such a bad Thanksgiving awaits the Chicago Bonding & Insurance. The volume of accident business so far this year, in comparison with the volume for the same period of last year, exceeds such volume 25 per cent.; health, 33 1-3 per cent.; liability, 100 per cent.; property damage, 100 per cent.; compensation, 100 per cent. decrease, for which the company is very thankful; fidelity and surety have held their own; plate glass, 900 per cent. increase; burglary, 1,500 per cent. increase; industrial has also held its own.

* * *

Doesn't Like Short Rate

Now that the winter is coming on the old difficulty of properly rating stored automobiles is confronting agents. One in North Dakota said in a recent letter: "I have a number of regular automobile liability clients who store their cars during the winter and it doesn't seem just to charge the assured short rate cancellation when these cars are laid up for about four or five months. I refer to patrons who insure with us year after year."

* * *

General Agencies Regulated

While the new automobile commission rule adopted at the annual meeting of the Conference in Chicago, is of primary interest to fire and marine companies, the casualty companies are included in its scope. Under the rule a casualty company—by which is meant a casualty company writing automobile fire and theft insurance, or a casualty company operating automobile fire and theft insurance through an affiliated company—will be permitted to acquire its automobile fire and theft business through its bona fide casualty branch offices and general agencies, except that such a casualty organization shall not be permitted to pay general agency commissions for automobile fire and theft business if it shall establish its casualty general agency in an agency office that is a local fire agency.

Set Your Insurance Clock Ahead a Whole Week

BY READING

The Eastern Underwriter

File Burglary Claims; Later Find Articles

SOME TRAVELERS EXPERIENCES

Manager Lyman Issues Circular Letter on Subject—Essential to Establish Positive Knowledge

The number of claims under burglary policies filed regarding "stolen articles" which afterwards are found not to be stolen at all is the gist of a circular letter given publicity by the Travelers and written by Manager T. U. Lyman. Mr. Lyman says:

Pins and brooches are frequently found attached to or clinging to dresses recently worn.

A box supposedly stolen from a storeroom in the basement was later found there buried under some other boxes.

When an assured was taken sick, his ring was removed from his finger and placed in his bureau drawer. It could not be found a few weeks later, but subsequently, when a maid cleaning the room removed this drawer, it was found in a crevice back of the drawer.

A sapphire pin valued at $50 was worn by a friend of the assured when it was found that the assured had taken her pin by mistake. Claim was withdrawn when the friend returned it.

A ring valued at $700 disappeared from the assured's apartment between January 25th and 29th. As there were workmen in the premises, the assured felt positive that some of them had stolen it. It was later found in the apartment.

An assured filed claim for a rubber coat, valued at $42, which was missed shortly after they had moved from the premises insured. Upon investigation, we located the coat in the possession of the former landlord, who had found it in the basement of the premises.

It is interesting and important to note that, in the cases above cited, there was only one of probably several valuable articles taken, and this is frequently a reliable test as to whether the disappearance was due to a theft. Thieves do not ordinarily overlook any articles of value, particularly jewelry, although it is no doubt true that servants, to allay suspicion or because of a desire to obtain some particular thing, would thus limit thievery. In such cases, therefore, it is of the utmost importance that the investigator or police examine all employes very carefully.

POSITIVE knowledge as to where a missing article was last seen is essential in establishing the reasonableness of a claim that such article was stolen. The instances of mistaken belief, where it later developed that the articles had simply been misplaced, are numerous and a few cases are herewith cited. Note that in some cases positive knowledge seemed borne out by incidents clearly recalled.

Assured's wife was cleaning two coats in the kitchen when a tramp called at the back door asking for food, which he ate on the porch. The telephone called the assured to the front of the house; and, when she returned, the tramp had left and she could not find the coats. This would seem to be convincing evidence of theft, unless, as it developed, she were mistaken as to what actually happened. The coats were later found in the house.

To establish her positive knowledge as to where she last left five missing rings, the assured recalled that after she went to bed she took them off and placed them with $125 in cash under her pillow. In the morning she placed the rings on the top of the desk and the money inside of the desk. After claim had been made for the theft of the rings, a search resulted in finding them under a pad in the desk. This search was made despite the assured's positive assertion that she had already searched this desk very carefully.

Still another assured recalled that she placed her ring in the dresser at 11 o'clock preparatory to getting lunch. When she returned inside of an hour, it had disappeared. It was later discovered in that drawer, but in a jewel box which she very seldom used.

Assured distinctly recalled placing a Liberty Loan Bond in the lower drawer of his desk, and when he looked for it a few days later it was gone. However, a request of our investigator that a further search be made resulted in its being found.

But if an assured is often mistaken in a statement of positive knowledge as to where an article was last seen, consider the possibilities where the belief of theft is based only on the fact that an article is missing from a place where it was USUALLY kept. Also note in the following cases the opportunity for lapse of memory due to time:

A Masonic pin valued at $200 was invariably placed in a certain place in the assured's drawer when not in use. He had placed it there on September 6th, 1917, after returning from a Masonic gathering and it was gone when he looked for it on December 9th. Also, his daughter missed a lavalliere about the same time, and claim was made for both. They were later found.

As a box containing $60 worth of linen was kept under an assured's bed and it was not there when she looked for it, she was sure that it must have been stolen. In withdrawing her claim later she wrote, "Imagine my surprise, after having searched every corner of the house where linen or wearing apparel was kept and after packing and unpacking every trunk and box in the attic, to find the articles yesterday morning laid away with sewing," etc.

Actuary and Statistician

The relation between the actuary and the statistician was explained by James D. Craig in his presidential address before the Casualty Actuarial & Statistical Society, in New York last week. He showed that the fields in which the actuary and statistician operate are different. The statistician brings together facts calculated to illustrate the condition and prospects of a society and diffuse statistical information in the different departments of human knowledge. His field is unlimited and one finds his methods adapted to physical sciences, biology, meteorology, demography, etc. He tabulates and examines the data in many fields, but differs from the actuary in that he does not combine interest with his statistical probabilities. The actuary does not extend his field of operations beyond the general field of insurance, but in this field he finds occasion to use all the statistical methods in the tabulation of his probabilities and then carries his operations further by dealing with the question of interest.

Strictly speaking, the statistician draws no deductions. He collects, arranges, describes, like a careful experimentist. He presents evidence, but not conclusions, and it is only when the statistician as a distinct operation, assumes the role of the economist that, in addition to conducting the experiment, he fits the theory.

It is probably the extensive use of the statistical methods by the actuary in the tabulation and graduation of his data before introducing the factor of interest that has caused him to be looked upon as a statistician. It is only natural that he should avail himself of statistical methods and he has shown no hesitancy in adopting them.

The actuarial work on its technical side depends largely upon the results of statistical inquiries and all developments and improvements are of interest. The connection between the two sciences has had its first official recognition in the Casualty Actuarial and Statistical Society of America. The actuaries have had their organizations in the past, while both the Royal Statistical Society and the American Statistical Association have been developing various phases of inquiry, but, apparently, this is the only organization where both actuarial science and statistical methods are recognized in its name. It is a large field and one that is offering many opportunities.

WASHINGTON MUST HUSTLE

The silver loving cup offered by the Continental Casualty to the office producing the largest amount of paid-for business during a period of two months (August and September) has been won for the second time by Hoppe & Thomson, managers of the New York office. Their next competitor for the cup is Washington, D. C., but the boys of New York are determined to win it the third time in which event the cup remains their property. The New York office believes itself unbeatable by any office in the company's service, therefore, it is argued, Washington is due for a beating, as confidence is half the battle.

ZURICH APPOINTMENT

The Wagner, Taylor, Edson Co., of Philadelphia, has been appointed agent in that city for the Zurich.

PUBLICITY BUREAU MEETING

The annual meeting of the Workmen's Compensation Publicity Bureau was held November 21.

CAN THEY DO IT?

The question now is, Can the liability companies succeed in unBucklin the shipyard business and can the fire companies unmacadoodle the railroad fire business?

CASUALTY AND SURETY POINTERS

That Fatal Line of Retreat

Every seller of insurance should be vitally interested in building for the future. W. M. Graves, liability department manager for the Chicago Bonding & Insurance, brings out this point of future building in this manner:

Once upon a time there was a man who sold insurance. He did not attempt to meet or beat the rates promulgated by some other company; he had sufficient faith in the insurance he was selling and in the company back of that insurance that the question of "How much" was kept safely in the background; and the question of "value" was kept properly in the spot light.

This man's business remained on his books—as it was really "sold." Some prospects of course, he did not land. The proposition, however, of successes was surprisingly large; and the subsequent lapse ratio very small.

The necessary foundation for a salesman in approaching a prospect is the mental attitude of absolute faith in his goods and the company back of them. Unless you have this—you cannot hope to convince some one else. You will have in the back of your head, a line of retreat arranged for to which you will fall back as soon as pressure is brought to bear. This usually takes the form of, "Well, I'll try to get the company to make a lower rate." You then admit to the prospect, that the goods you are attempting to unload are not worth the price put on them by the Home Office and create in the mind of your man, the same feeling of doubt you brought in with you. You also cheapen yourself by admitting—in effect, that you are not a salesman of insurance values—but a peddler of a two-priced proposition.

* * *

Where Selling Plans Reach Apex

On methods of securing new monthly premium disability business, J. E. Lowe of the Pacific Mutual at Baltimore says:

Personal solicitation being necessary, it would seem that the logical means for increasing one's production of new business is for the individual solicitor to develop and perfect his personal methods to the point of greatest effectiveness. We may be sure that the largest producers are they who have beforehand intensively studied, planned, revised and perfected their working methods; that they have acquired a complete knowledge of their contracts, and a good working knowledge of the contracts of their competitors; who have a firm faith in their company and its management, and on this foundation have built up a comprehensive and effective plan of operation. In this we may discover the reason why two salesmen with the same apparent intelligence, energy and ambition often produce widely different results. One plans his work—the other does not.

In order to secure new business, it is first necessary to secure prospects. We have been told that prospects are to be secured by advertising in the newspapers and by circular letters—selecting names from telephone and city directories—scanning the casualty lists in daily papers, etc., but these means impress us as being haphazard. Such methods will not produce the steady volume of new business necessary in building a paying agency. I believe our leading producers will assure us that they rely for both prospects and new business on carefully planned personal solicitation. Plans are necessary for the prosecution of any successful work. A building is not erected without a plan. Every accident and health salesman should have a plan, a definite plan, and work in accordance with it. He cannot, of course, lay out a set rule of action, but he may, in a general way, plan his working methods with a view to presenting his business in the best possible manner. His daily work should be planned, carefully planned, with the object of bringing him into contact with an ever-widening circle of business prospects. After securing the prospect the coming interview should be painstakingly planned in the light of all possible information that he has been able to secure concerning that particular individual. And here his plans reach their apex.

It has been truthfully said that "Personal salesmanship is entirely a matter of arousing certain thoughts in the other man's mind, and directing those thoughts along the lines that will make him willing to buy, and leaving those thoughts in such an active shape that he will be satisfied at having bought." If the insurance salesman will carefully plan his work from the securing of the prospect to the close of the final interview, and will plan his sales talk to accord with the above precept. I am satisfied that he will be rewared with a satisfactory production of new business.

* * *

How Trouble May Be Avoided

Right, not Might, is held up before representatives of the General Accident thiswise:

Public sentiment is against all forms of sharp practice and over-riding of right by might. It is this element of fair-mindedness inherent in mankind that has banded the major part of the world together to wipe out intolerable wrong and safeguard the weak against the strong.

In our particular line of insurance it is well known to the field men that business must be based on truthful statements and on a careful explanation of the policy at time of sale. It is self-evident that an enduring insurance business is built on an increasing list of satisfied policyholders. Experience goes to show that it is seldom a claim cannot be settled satisfactorily to all concerned, if the insured fully understands his policy. A correct understanding of the contract is the real foundation on which satisfactory business is based.

Proceeding on any other basis than that of fair dealing and perfect frankness, is sure to lead to complications and loss. Insurance is not properly placed unless the purchaser knows exactly what he has purchased and what he has a right to expect in the way of indemnities. It is better to lay a good foundation at the start, firmly cemented by an all-round understanding of the terms and obligations of the policy, than to conceal or gloss them over, and have the insurance structure come tumbling down when the disability of the assured puts it to the test.

A true patriot is he who buys Liberty Bonds and keeps them. The real insurance man is the one who secures policyholders and retains them. Selling policies right saves retracing one's steps and going over the ground twice. It is a very commendable thing to make increase, but it is even more commendable to maintain the increase when made. With this end in view, the fieldman must not think that when he has written a "prospect" there is nothing more he can do for him. The agent should be just as keen and interested in a policyholder as he was when that policyholder was a "prospect" for insurance.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

RELIABLE AND ENERGETIC AGENTS WANTED

THE SIGN OF GOOD CASUALTY INSURANCE

HEAD OFFICE
CHICAGO

F. W. LAWSON
General Manager

Liability, Accident Burglary, Boiler and Credit Insurance

Established 1869

F. J. WALTERS
Resident Manager
55 JOHN STREET
New York

Elmer A. Lord & Co.
145 Milk St., Boston
Resident Managers
New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

POLITICAL FROM VERY START

Retrospect Californian's Attempt to Saddle State Health Insurance Plan on People

Had the people of California voted favorably on the proposed compulsory state health insurance measure, bills would undoubtedly be prepared providing coverage against illness and all accidents, not covered by compensation, old age pensions, maternity benefit, sickness and accident disability coverage for all of the insured's dependents, natural death benefits, free medical treatment, free surgery, free eye, ear, nose specialist treatment, hospital accommodations, nursing, medicines, trusses, crutches, braces, etc., etc. Doubtless some bills will include all, and some only part. Some will call for large indemnities, and some for small.

Speaking of the California situation a company official, speaking before election, said:

Some bills will divide the burden three ways—the employe, the state and the employer, while others will split it between the employer and employe. The important question is whether or not the state will so amend its constitution that any system at all will be possible. If they can't get by with it in California, the prospect looks slim for other states.

In California the whole scheme was conceived in prejudice. Governor Johnson used it extensively to promote his own political prospects. He appointed a special commission to study the subject and very carefully selected each member. That commission employed a professional socialist agitator as secretary, and he wrote the committee report, which was as Johnson wanted, a long strong recommendation. Not satisfied with that, the committee has been spending the $25,000 appropriated the second year to further investigate—in a campaign of promotion. The state treasurer is now investigating their expenditures on the ground that they are outside the stated purpose of the appropriation.

The proponents have worked ceaselessly for two years, and it looked rosy, until business and other interests woke up.

The Employers' Liability Assurance Corporation, Ltd.

The original and leading Liability Insurance Company in the World

LIABILITY, STEAM BOILER, ACCIDENT, HEALTH, FIDELITY AND BURGLARY INSURANCE

United, States Branch

SAMUEL APPLETON, United States Mgr.

Employers' Liability Building

33 BROAD STREET, BOSTON, MASS.

AGENTS WANTED

New Jersey Risks Rated

The Compensation Rating and Inspection Bureau of New Jersey has issued rates on the following risks: MacArthur Bros. Co., Woodbury, N. J.; Standard Piston Ring Co., Newark; Butters Divisadoro Co., Whippany; Monmouth Chemical Co., Keyport; Butterworth-Judson Corp., Newark; Wright Chemical Co., Union; Egyptian Lacquer Mfg. Co., Kearny; Haarmann-DeLaire-Schaefer Co., Maywood; British American Chemical Co., Ridgefield Park; Tiza Chemical Co., Jersey City; Amalgamated Dyestuffs & Chemical Works, Newark; Synthetic Products Co., Nutley; Albert Piper and B. R. Piper trading as Piper Bros., Trenton; George D. Morrow, Allenhurst; Dennison & Hirons, Perth Amboy.

Why Every Insurance Agent Should Be A Member

of

THE NATIONAL ASSOCIATION OF INSURANCE AGENTS

NATIONAL HEADQUARTERS, 95 WILLIAM ST., N. Y. CITY

The following achievements of the National Association of Insurance Agents, and the principles they indicate, should commend themselves to every Insurance Agent. The record is one of profitable service in the interests of Insurance Agents. What the Association will do to increase and enhance this service in the future depends largely on the continued growth of its membership.

SOME OF ITS ACHIEVEMENTS

FEDERAL TAXATION—The National Association convinced the Congress Committee in charge of the Income Tax bill that insurance agents and agencies, individual and incorporated, should be classed with professions and thus secured a lower tax rating.

STATE INSURANCE—The National Association has energetically combatted this proposal and has been instrumental in defeating legislation in its interest.

OVERHEAD WRITING—The National Association has established the right of local agents to the business in their territory and agreements negotiated with the companies protecting them are in force.

NON-RESIDENT BROKERS—The National Association has agreements with the companies prohibiting this business, unless the entire line is written at the rates and rules governing in the locality where the risk is situated.

EXPIRATIONS—The National Association has established the principle that the agent is the owner of his expirations.

PROMPT PAYMENT OF PREMIUMS—The National Association has circulated information showing the local plans that have been successfully carried out to accelerate the prompt payment of premiums.

REBATING—The National Association has successfully promoted efforts leading to the general adoption of anti-rebate laws.

UNIFORM BLANKS—The National Association has now succeeded in having accepted by the National Board Companies uniform standard accounts current blanks—long and short forms, ruled and unruled—one of the greatest improvements and conveniences the agents have ever obtained.

AGENCY QUALIFICATIONS—The National Association has successfully helped the passage of license and agency qualification laws in several States and is constantly working for their further improvement.

COMMISSION—The National Association has repeatedly protected agents against inadequate and unsatisfactory commission arrangements. It has prevented Legislation requiring compulsory contingents.

REVENUE STAMP TAX—The National Association saved the agents from paying this petty and irritating tax.

"AMERICAN AGENCY BULLETIN"—The National Association publishes every Friday a live publication devoted exclusively to the interests of local fire, marine, casualty and surety agents. It is the one and only trade organ owned, published and managed exclusively by and for local insurance agents.

Insure Your Own Business NOW!

It Costs ONLY A CENT and A HALF A Day

FILL UP—TEAR OFF—SEND IN

APPLICATION FOR MEMBERSHIP

NATIONAL ASSOCIATION OF INSURANCE AGENTS

95 WILLIAM STREET, NEW YORK CITY

The undersigned makes application to become a member of your Association through the .....State Association.

(Firm Name) .....

(Town or City) .....

Name one company for which you issue policies .....

Dated .....19.....

ANNUAL DUES $5.00

This Application Includes

- Membership in your State Association
- Membership in the National Association
- Subscription to American Agency Bulletin

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THE EASTERN UNDERWRITER

[SUCCEEDING THE JOURNAL OF INSURANCE ECONOMICS, ESTABLISHED IN 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

Nineteenth Year; No. 51 | NEW YORK, FRIDAY, DECEMBER 6, 1918 | $3.00 a Year; 25c. per Copy

PERT COMMENTS IN HAZARD DICTIONARY

Snappy and Valuable New Book By C. C. Dominge and W. O. Lincoln, Great American

A GUIDE FOR UNDERWRITING

Not Much Technical Language in Alphabetical Discussion of Fire Insurance Topics

In many respects the book, "Fire Insurance Inspection & Underwriting," by C. C. Dominge and W. O. Lincoln, of the Great American, and just published by the Spectator Company, is one of the most unique and interesting books that has yet been written on the subject. Mr. Dominge is managing underwriter of the Great American's New York City Department. Before going with that company he was with the New York Fire Insurance Exchange for twelve years. Mr. Lincoln is chief inspector of the office.

The book is not written in technical language; the subjects are handled in editorial fashion; it is a ready reference handbook telling the truth in succinct and snappy fashion about hazards; and it is arranged in alphabetical form.

Some of the interesting comments of the authors follow:

No High Opinion of Accommodation Lines

Accommodation Line. A line of insurance taken by a company on a poor risk to accommodate a broker whose volume of business warrants the acceptance of an occasional undesirable risk. This practice has been very much abused. Brokers who have no prestige and with little "good" business are at times hard pressed or unable to properly cover risks whose insurance they have solicited, and, therefore, peddle the business out to large brokers on a percentage basis.

Actors. Lines on household furniture are not very attractive, unless the applicant is personally known to the broker as reliable and at the top of the ladder in his profession. The value is mainly personal effects and wearing apparel, which must be constantly renewed "to keep in style." As this becomes out-of-date, the moral hazard becomes pertinent.

When Adjusters Should Be Ignorant and Helpless

Adjuster. The adjuster must hail from the state where "show me" is the slogan; the adjuster should be

(Continued on page 18)

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Equal Protection for ALL Policyholders.

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager
UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

SPRINGFIELD
Fire & Marine Insurance Co.
Cash Capital $2,500,000.00

THE SPRINGFIELD for two-thirds of a century has transacted business solely under its own corporate name, without annexes, underwriting agencies or subsidiary companies. An agent of the SPRINGFIELD is not a half, a quarter or any other fraction of an agent, but is vested with the rights and dignity of an undivided representative of an undivided and independent company. The SPRINGFIELD stands today pre-eminent among American fire insurance companies.

SPRINGFIELD MASSACHUSETTS

THE GAUVIN AGENCY

TO DISCUSS SALE OF ENEMY ASSETS

Meeting of Purchase and Sales Corp. Directors and Representatives of Custodian's Office

THE PRUSSIAN LIFE'S PROFITS

A. M. Best Elected President of Purchase & Sales—Status of Life Reinsurance Corporation

At a meeting of directors on Wednesday of the Purchase & Sales Corporation, the majority of whom are representatives of the office of the Alien Property Custodian, the sale of the assets of enemy owned life re-insurance companies will be discussed. Three of the directors of the Purchase & Sales Corporation are Alfred M. Best, the publisher of Best's Reports, who was elected president of the corporation; Edward V. Harman, of Kemble & Mills, a mercantile collection concern; and Hartwell Cabell, special counsel of the division of insurance, Alien Property Custodian's office. William H. Sale, who was assistant manager of the Prussian Life (and who was the former president of the Purchase & Sales Corporation); and Harry B. Bradbury, Mr. Sale's counsel, continue as directors of the corporation.

Organization of Life Re-insurance Corporation

The Purchase & Sales Corporation was organized some time ago by the Prussian Life, and it furnished the money for the organization of the Life Reinsurance Corporation, of New York, which was incorporated in July, 1917, with an authorized capital of $100,000, divided into 1,000 shares, with par value being $100 each. The entire capital was paid in cash, and in addition thereto a surplus of $50,000 was contributed. The New York Department authorized the company to begin business October 5, 1917, the examination developing the fact that the total organization expenses amounted to only $1,673. The object of the Life Reinsurance Corporation is to do re-insurance only. Action regarding the sale of the assets of the Purchase & Sales Corporation has been held up by the illness of William H. Sale, who is in a hospital.

Prussian Life Figures

The Prussian Life's business in this country was very profitable. It be-

THE GAUVIN AGENCY

gan here in 1905, and up to the end of 1917, thirteen years, the company collected premiums of $2,156,930. Its income from interest, etc., was $226,296. It paid out $1,194,714 for death claims, $173,582 for salaries, and $158,670 for other expenses. It received from the Home Office $425,302 and returned to the Home Office $524,977. This last item includes $190,000 put into the Purchase & Sales Corporation.

The other German life company, which will be sold, is the Mercury of Cologne. Its admitted assets are $574,214. Its total income in 1917 was $285,427, total disbursements, $57,884. At the end of 1917 it had more than $8,669,095 re-insurance in force.

Advisory Board

The special life insurance advisory board of the Alien Property Custodian's office consists of Thomas A. Buckner, vice-president New York Life; F. H. Ecker, treasurer of the Metropolitan and L. K. Passmore, vice-president Penn Mutual.

HUGHES IN COURT.

Former Supreme Court Justice Argues In Connecticut General Case Before Court of Appeals.

Charles E. Hughes, former governor and former justice of the United States Supreme Court, appeared before the Court of Appeals in Albany a few days ago in the argument of the appeal of the liability of the Connecticut General on a $40,000 policy issued on the life of Albert L. Hopkins, a Lusitania victim. In the action brought by the widow, Justice Shearn at the New York trial term dismissed the complaint, but was reversed by the Appellate Division, First Department.

DEVELOPS MORAL TONE.

In a letter to President Hunt, of the Cleveland Life, William H. Taft writes as follows:

"I am glad to know of the prosperity of the Cleveland Life Insurance Company. You have a fine directorate. I am strongly in favor of life insurance. It is a means of gently enforced saving that makes not only for the security of the family of the moderately circumstanced and the poor, but it strengthens the self-restraint and prudential virtues of the men who assume the responsibilities of the life insurance contract. It has done as much in developing the moral tone of men in the business world as any one secular agency that I know. I have taken out policies for my son just for the purposes of teaching him prudence and saving for a definite purpose. I wish your company every success."

GOOD ADVICE FROM "PLICO."

"Plico," published by the Philadelphia Life, gives this good advice:

"The policyholder who has a doubt about the company carrying his insurance, or who has a feeling of complaint about it, is doing neither his company nor himself justice if he does not go or write frankly to the company and state his doubt or complaint and give it the chance of solving the one or correcting the other. To complain to others, or be moved by their complaints, without going to the company direct for satisfaction—above all, to be disturbed by the talk of the twister—is suicidal. Tell your troubles to your company and rest assured it will satisfy you."

Nathan A. Harris, of the Equitable Life Assurance Society, and **Francis Bagley**, Mutual Life, are new members of the Life Underwriters' Association of New York.

Protect Your Loved Ones

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For full information, call, write or phone:

JOHN M. RIEHLE

Equitable Life Assurance Society of the United States,

68 William St., New York City 'Phone 4343 John

U. S. Term Insurance May Be Re-Instated

PLANS TO BE MADE KNOWN SOON

Converted Forms Will Have Non-Forfeiture Values—Insurance Payable 240 Monthly Instalments

The Eastern Underwriter has been asked if it could throw any light on some features of the conversion of soldiers' and sailors' insurance by the War Risk Insurance Bureau. The plans for conversion of policies from the term plan are not yet completed, but the following information is available:

1. The endowment at age 62 is specified in the law as one of the forms to which insurance may be converted. It was doubtless selected because age 62 is the age at which army and navy men retire.

2. The present term insurance may be reinstated under certain plans which will be announced soon, unless the insured has definitely stated that he does not wish to continue his policy and has allowed it to lapse.

3. So far as is known the converted forms will have non-forfeiture values, as these are permitted under the law.

4. The present law apparently provides that the converted insurance shall be payable in 240 monthly instalments.

Winslow Russell has accepted the position as director of the conservation section of the War Risk Bureau. There is a plan under consideration to have regular insurance agents convert this insurance for the Government, but it is meeting with considerable opposition in Washington.

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

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A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE

Would Draft Insurance Men for Next Loan

SUGGESTION OF RUPERT F. FRY

Sent to Treasury Department—Three Exclusive Days to Canvass for Bonds

Rupert F. Fry, president of the Old Line Life, Milwaukee, has mailed a letter to Thomas B. Love, assistant secretary of the Treasury; Clarkson Potter, assistant director of the Treasury Department, and Winslow Russell, of the Bureau of War Risk Insurance, in which he makes a novel suggestion for participation by life insurance men in the next Liberty Loan campaign. The letter follows:

Dear Sir: If the government decides to put out another popular subscription for Liberty Bonds (or "Victory Bonds," as I would like to see the next bonds called) I think the 100,000 licensed insurance men in the United States could be drafted in a very effective and legitimate manner.

My idea is this: Someone located in New York or Washington would send honor badges to the presidents and secretaries of the various insurance companies in the United States (honor badge to read "Three Exclusive Days"), with the suggestion that it would be appreciated if all licensed agents, in addition to the time they had contemplated devoting to the sale of bonds, would agree to devote three exclusive days to the work, in which event they would be authorized to wear the honor badge, "Three Exclusive Days," and that if they did not feel they could devote three exclusive days to the sale of bonds, they return the badge. You may rest assured that not ten per cent. of these badges would be returned, and I feel quite sure that we could expect fifty per cent. of the men to respond with three days' exclusive service, which would mean 50,000 men devoting 150,000 days to the work of securing subscriptions for the bonds.

Honor Badges

A day or two before the honor badges would be sent, a letter would be mailed to the postmaster of each town of a thousand or more and the news would also be furnished to the Associated Press and United Press that all insurance men in the United States had been furnished with these honor badges and that those who wear them would in addition to the time they intended to put in, devote three exclusive days to the sale of bonds. Thus publicity would be given the campaign and the citizens of the United States would then look to see whether the insurance men were wearing the badge.

If any felt that this would be giving the insurance men too much publicity I would then suggest that this badge "Three Exclusive Days" be sent to commercial salesmen as well, and the insurance field men of the United States would challenge the commercial salesmen to a three-day contest for the sale of bonds. No matter how much greater the number of commercial salesmen the insurance men would be willing to tackle the job, so-to-speak, and it would create a lively contest and much interest, I am sure.

LIKES THIS PAPER

Red Deer Hill, Sask., Canada

Editor The Eastern Underwriter: I am very much interested in your paper, which I feel is the best insurance journal which I have ever read.

GEORGE D. COOKE.

New York Life Owns $117,000,000 War Bonds

$57,000,000 OF ALLIED BONDS

British Prudential Could Not Have Bought $125,000,000 of New Government Securities

Insurance men have displayed considerable interest in the reply given by The Eastern Underwriter to criticisms made by Arthur Richmond Marsh, editor of "The Economic World," in reference to the Liberty Loan subscriptions of American life insurance companies as contrasted with the Victory Loan activities of the Prudential of England.

A sheet made up of extracts from the accounts of the British Prudential at the end of 1917 is printed on this page. It will be observed that that company's gross revenue for that year, including the amounts advanced by bankers, was a little over £22,000,000. Their net income, outside of the monies advanced by bankers, was £4,273,000. They had, therefore, theoretically to invest that year £4,273,000 net income, £3,500,000 borrowed from bankers, and any other monies that might result from maturing securities.

Inspection of the list of securities of the Prudential for that year shows that their securities outside of Government bonds did not fluctuate materially. They had, therefore, something over £8,000,000 to invest from sources that this sheet divulges, and it appears that their British Government securities went up £9,500,000. This represents, presumably, the total net income of the company, plus the money advanced by bankers, plus money received from maturing securities.

The British Prudential's Holdings

But it will be observed that in the year 1917 their holdings of Government securities increased only £9,500,009. In the light of these facts, it is difficult to make out the point Mr. Marsh cites in his letter to The Eastern Underwriter, published last week, that the subscriptions to the Victory Loan of 1917 consisted of new monies and had nothing whatever to do with any earlier transaction between the British Government and the company in the matter of American securities.

When this matter first came up one of the American companies cabled to London, and has since had a reply with a letter confirming the cable. In that cable the London man says that the British Prudential's largest subscription was £25,000,000, including conversions. Now, "including conversions" may mean almost anything. It obviously included so much that the net increase, as stated, at the end of the year was only £9,500,000. In other words. it seems these figures prove beyond peradventure that the British Prudential did not buy £25,000,000 of new Government securities. "As a matter of fact," said an American life insurance man this week, "I don't quite see how it could have done it by any kind of financing that I can think of."

Bonds of Allied Countries Held

Another factor that no attention has been called to is this:

The New York Life (to take the case of one company criticised by Mr. Marsh) does a large business in the countries of at least three of our Allies: Great Britain, France and Canada. Since August, 1914, the New York Life has bought nearly $57,000,000 of the bonds of these countries. There have been considerable conversions in the different issues of these bonds, and one sale of $1,000,000 of a short bond. The result of it all is that the New York Life now owns a par value of nearly $34,000,000 of the bonds of these countries, issued since the war began; and, when it has paid for its last subscriptions to the Liberty Loans of its own country the New York Life will have a par value of over $117,000,000 in war bonds.

One reason why the New York Life has no more Liberty Bonds is because the Government would not give them to the company. In the first Liberty Loan it subscribed for $10,000,000, and was allotted $3,000,000. When the Second Liberty Loan came along the New York Life first bid $15,000,000 and then raised that bid to $20,000,000. When it found it could dispose to a trust company in this city of $3,000,000 3½s at par this was done, and on its bid of $20,000,000 for the Second Liberty Loan the Government allotted the New York Life $9,500,000. The company then went into the market and bought over $3,000,000, which restored its holdings to a little in excess of the two allotments made by the Government and, incidentally, of course, supported the market.

New York Life Subscriptions

When the Third Liberty Loan came along the company bid finally for $20,000,000, and got all of it. When the Fourth Liberty Loan opened the company realized the importance of the situation and bid first for $25,000,000, which was all the revenue the company could see for the year 1918; and then increased it to $26,000,000, which included all the company could see up to the end of January, 1919; and, then, in unison with the other companies who took similar action, the New York Life doubled its original subscription to $50,000,000, and anticipated its income practically for the whole of the year 1919. This was true, also, of the Mutual Life and of the Equitable, to mention two other companies.

The New York Life's holdings of what may be called War Bonds are unusually large. It has been said that they are about $34,000,000 larger than any other institution; and if you eliminate from the British Prudential's securities the American securities that were converted and get down to net monies that they invested in British bonds, then no larger per cent. of their assets is in Government bonds, than the New York Life has. That statement is perhaps subject to criticism, because the exact facts are hard to get. While it is beyond question that the British Prudential has done splendid service, it is no more true of them than it is of many American companies.

Again the matter must be treated by periods of time. When our last Liberty Loan came out we had been in the war a year and eight months. At the close of 1917 Great Britain had been in the war three and a half years. It takes time to convert securities. It takes time to buy bonds. Assets cannot be converted into money except as they mature, or used as collateral for loans. If the war had gone on, how much American companies might have been able to convert of their assets after three and a half years is, of course, mere speculation. It is reasonable to assume, however, that the proportion of the American companies' whole assets at the end of that time would have been very much larger than the British Prudential's at the end of a similar time.

EXTRACTS FROM THE ACCOUNTS OF THE PRUDENTIAL ASSURANCE COMPANY, LTD.

(1)	Gross revenue for the year 1917		
	Ordinary Branch		
	Premiums	£ 5,547,117	
	Interest less income tax	2,014,388	
		£ 7,561,505	
	Industrial Branch		
	Premiums	£ 9,376,858	
	Interest less income tax	1,787,029	
		11,163,887	
	Total Gross Revenue		£18,725,392
(2)			
	Total Gross Revenue	£18,725,392	
	Add advances by bankers	3,487,500	
	Sum of gross revenue and advances by bankers		£22,212,892
(3)	**Ordinary Branch**		
	Gross Revenue	£ 7,561,505	
	Disbursements	5,697,868	
	Net revenue	£ 1,863,637	
	Industrial Branch		
	Gross Revenue	11,167,887	
	Disbursements	8,753,630	
	Net revenue	£ 2,410,257	
	Total net revenue		£ 4,273,894
(4)	Total British Government Securities in balance sheet at 31st Dec., 1916	£17,750,000	
	Total British Government Securities in balance sheet at 31st Dec., 1917	27,250,000	
	Increase in British Government Securities in 1917		£ 9,500,000

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— Branch Offices in All Leading Cities in the United States and Canada —

U. S. CIVILIAN INSURANCE

Bill of Senator Chamberlain Covers Those Serving with Overseas Forces of America

(*Special to The Eastern Underwriter.*)

Washington, D. C., December 4, 1918. War Risk Insurance for all civilians serving with the American Expeditionary Forces and paid out of the appropriation made by Congress for the support of the army, is provided for in a bill just introduced into the Senate by Chairman Chamberlain on the Committee on Military Affairs.

Applicants for government cover would be subject to the same conditions as are now prescribed by the insurance law and to such physical examination as may be required by the Director of War Risk Insurance.

The applicant must be a citizen of the United States or have lived in this country at least five years.

HENRY D. LINDSLEY BACK

Head of Paris Office of War Risk Insurance Bureau—H. A. Behrens Resigns

Major Henry D. Lindsley, who has been in charge of the Paris Office of the War Risk Insurance Bureau, and who succeeded the late Major Willard Straight, has returned to America, and will continue with the War Risk Bureau. Major Lindsley was formerly president of the Southwestern Life, and is an insurance man of decided abilities.

Herman A. Behrens, vice-president of the Continental Casualty, who did wonderful work in Washington in connection with allowances and allotments, and who revolutionized the system there of handling mail matter, has returned to the Continental Casualty.

CONVENTION OF LIFE INSURANCE PRESIDENTS

John Wanamaker Writes Life Presidents

HIS VIEWS ON INSURANCE

Life Companies Banking Companies, Which Cannot Be Losers—Most Practical Savings Banks

John Wanamaker, the most noted merchant in America, and a large carrier of life insurance protection, could not attend the meeting of the Association of Life Insurance Presidents, but sent this letter to the association:

"I thank you for the urgent invitation to attend the 12th annual convention of Life Insurance Presidents, and regret that other engagements prevent me from meeting the officers and workers of the life insurance profession, whose work of educating the public deserves to be well paid and is sure to be much more beneficial in more ways than one to all who buy insurance in any of the many responsible insurance corporations.

Speaks Only As A Policyholder

"I am not an owner of stock, or in any way connected with any insurance company, except as a policyholder under its usual terms. I write this letter only from a sense of good will and goodfellowship with my fellow men who represent others of the past who benefited me in opening my eyes to the value of life insurance.

"Though, in my boyhood, I commenced to save by laying away a few big cartwheel copper pennies, I never got on far until I found a distinct and pleasing object for which to save in making ready to pay for life insurance. Unconsciously, I fell into a constraining habit that has been continuously and highly beneficial to me all my life.

"I can never be grateful enough to those who so ingeniously taught me and influenced me in taking out endowment policies which terminated to aid me in carrying out new plans in my business.

"When this happened I felt as if a gold mine had opened at my hand.

No Longer an Experiment or a Speculation

"May I add further that from my own experience, observation and belief that life insurance knowledge and its improved methods based upon ascertained facts during the past twenty years is no longer an experiment or a speculation.

"Life insurance as conducted now by the well regulated companies which have passed beyond the years of organization and proved their integrity are banking companies which cannot be losers.

"Their annual audits by properly qualified certified public accountants will show this to be a fact.

"Their mortality tables of losses and their interest gains on annual cash receipts and the compounding of same can be calculated to a certainty removing all risks.

No Longer an Association of Investors

"Therefore, insurance is no longer an association of investors joined by agreement in an undertaking with possible risks, but it is distinctly an absolute contract that insures and at the same time becomes an assurance of actuality in results.

"The life insurance companies have learned much in the past twenty years and now that banking and all kinds of business has been raised to a higher and safer plane, life insurance must likewise rise in improved systems.

"The life insurance companies are naturally the most practical of savings banks for the people of the United States, and a thrift stamp such as the United States Government used in accommodating the people to save may be considered to advantage in preparing future enlargements of plans.

"A startling revelation of insurance from the angle of the people is to be found in the fact that when war was declared the Government announced it would assume all marine risks and issue insurance to every soldier and sailor who would apply for it and pay a very low premium based upon actuarial estimates. Our sudden entry into the war made it impossible for the insurance companies to meet the crisis. This would have involved the change of all contracts.

"But the idea persists that millions of soldiers applied for policies. These will mature at the hour of peace. The more than a million of the highest type of physically fit risks will step forth having passed mustering out examination comparing their health condition with the one they took on entering the service. These men having learned the value of insurance will apply to the insurance world for continued protection. Many of them have lived on farms and in small villages, remote from the beaten tracks of insurance agents. All this will open up a new field of insurance endeavor and furnish a new encomium for your work.

Service of Increasing Value

"I have only reached the margin of this great theme, but the public will trust your splendidly organized companies to whom they have given their confidence to keep the faith and go forward in this new era of our history. to find the way to 'simplify your baggage' and give to your policyholders a service of increasing value."

DATING-BACK APPLICATIONS.

In regard to the dating-back evil, the Department of Insurance of Vermont, Joseph G. Brown, Commissioner, under date of November 1, 1918, has notified all companies doing business in that state as follows:

"It is the opinion of this Department that the dating back of a life insurance application to an extent sufficient so that the applicant would be able to obtain Life Insurance at an age younger than the age of the applicant at the date of the application, would be a clear violation of Section 5575 of the General Laws of this State."

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

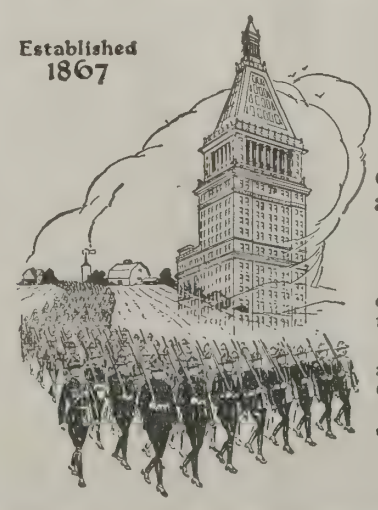
The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,-542,304.08.

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A purely mutual Company, issuing all desirable forms of life insurance.
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Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Insurance Best Way To Save Money

SAYS FAMOUS BANK EXECUTIVE

Address of Joseph Chapman, of Minneapolis, Before Association of Life Insurance Presidents

After having been an insurance policyholder since the age of twenty and having had a banking experience extending over thirty years, Joseph Chapman, vice-president of the Northwestern National Bank, Minneapolis, in a paper on "New Capital Through Thrift," delivered at the meeting of the Association of Life Insurance Presidents this week, declared that his experience teaches him that for the average man an investment in life insurance is the safest possible method of saving money, to say nothing of the protection afforded the policyholder and his family during the life of the policy. He concluded by congratulating the insurance executives on having provided and developed this great safeguard for our thrifty people, and on the honest and efficient manner in which they have conducted themselves as stewards of these savings of the people.

The Old-Fashioned Thrift Idea.

In beginning his paper Mr. Chapman called attention to the "Easy come, easy go" attitude of the American public. The surrogates' courts show that only three men of every hundred who die leave an estate of $10,000 or over, and only fifteen others leave an estate of $2,000 to $10,000. Eighty-two of every hundred who die leave no income-producing estate, nó tangible assets.

The old-fashioned thrift way of paying cash to meet our needs was discouraged, and we paid next month for what we ate last month. Buying of necessities and luxuries was made easy by the extension of easy credit, entirely unwarranted and with demoralizing effect upon the people, causing them to live beyond their means. As a nation, we had developed luxury-loving habits and thrift received but scant attention.

A Nation of Dollar-Wasters.

Mr. Chapman then discussed some phases of national waste. From fifty to sixty per cent. of all fruits and vegetables raised in this country is wasted, due to inability to preserve same in fit shape for market. In soil erosion $500,000,000 is wasted; in damage done to crops and fruit trees, $600,000,000 is accounted for, while $250,000,000 is lost in live stock through the attacks of flies, ticks and other insects, which might be prevented. He went into the subject of investments of hard-earned money in worthless securities, get-rich-quick propositions, and asserted that instead of being a nation of dollar-worshippers, as the Germans said, we are a nation of dollar-wasters.

Prior to July, 1914, $4,000,000,000 of our securities were held abroad, and $1,000,000,000 of our property was owned by non-resident foreigners. Then came the war, and with it a change. Service and thrift became our watchwords. At the close of 1913 200,000 of our people owned one billion of our Government bonds, while 300,000 only were investors in all classes of bonds. At the close of the last Liberty Loan campaign 22,000,000 of our people had invested $17,852,000,000 in Liberty Loan bonds and War Savings Stamps. The interesting feature in this is that each succeeding Liberty Loan found more of our people paying cash for their bonds.

Greatest Thrift Movement Ever Inaugurated.

To Mr. Chapman this seems the greatest thrift movement ever inaugurated among our people, and for the first time there has been a nation-wide thrift propaganda the most amazing results of which justify our faith that we have only scratched our surface toward what can be accomplished in creating new capital through thrift. The most potent factors today in America for encouraging thrift are the Government, the insurance companies, the banks and the home building and loan associations.

After the war, the Government will cease to be the principal member of the thrift family, and insurance will again take the head of the table, he said.

Private Companies Give Most Economical and Efficient Management.

In January, 1914, there were 38,206,394 policies in American ordinary and industrial companies held in America, for $20,564,469,945 insurance. In January, 1918, the policies had increased to 50,345,300, amount of insurance $27,189,009,697. This is a gain of 12,138,906 in policies, and more than six billions in amount insured. This amazing gain was accomplished notwithstanding the fact that the war had taken practically 4,000,000 of the best insurable risks out of the insurance solicitor's field. On the other hand, "these 4,000,000 young men also had the advantage of Government life insurance, which offers a most attractive field when the Government retires from the insurance business," said Mr. Chapman, "which it surely will, for the success attending the economical and efficient management of this great industry could not be duplicated by any government in the world."

Billions Added to Our Capital Account.

Continuing Mr. Chapman said:

Before the war France was characterized as a nation of bond buyers, Great Britain as a nation of stockholders, Germany as a nation of savings bank depositors, and America as a nation of life insurance policy holders. Still the amount of savings including time certificates of deposit, in the 28,000 banks of America, total something over nine and a half billion dollars in 26,500,000 accounts. The amount of such deposits in England is $1,250,000,000 in 16,500,000 accounts. The amount of such deposits in France is $1,000,000,000 in 15,000,000 accounts, while in Germany the amount of savings is $6,000,000,000 in 25,000,000 accounts, which is less than America by $1,500,000,000.

The estimate of supply of capital in the United States in 1913 was $6,500,000,000 which had increased to $8,000,000,000 in 1915, to $15,205,000,000 in 1916 and to $18,200,000,000 in 1917. With the intensive efforts now being made to reduce consumption and increase production there should be a saving this year that would almost equal the proposed total expenditures for war which Secretary McAdoo estimates at $24,000,000,000.

Unquestionably billions have been added to the capital account of the United States through thrift during the past four years. This is nowhere better evidenced than from the fact that our excess of merchandise exports over imports from July 1, 1914, to July 1, 1918, was $10,110,000,000, wiping out all money owed abroad and making us a creditor nation to the extent of $5,765,000,000. This includes $1,500,000,000 of foreign securities owned by our citizens at the beginning of war. We have loaned our allies $7,732,976,666 up to the first of November, 1918, and the interest received from them will in large part offset the interest the Government has to pay our own people on the Liberty Loan indebtedness.

Switzerland has been pointed out by economic writers as leading the nations as a saver, and next in order have been placed Denmark, Norway, Sweden, Belgium, France, Netherlands, Germany, and Great Britain, the United States coming in at the foot of the ladder. There is no question but the war has changed our situation, and the United States will now be found well up in the list.

The number of savings accounts in 622 mutual savings banks and about 1,200 small stock savings banks in the United States, reaches only 11 or 12 per cent., but the 5,000,000 savings accounts in national banks, the 5,500,000 savings accounts in state banks and trust companies, the 3,500,000 accounts in building and loan associations, and the 1,000,000 postal savings accounts have apparently been excluded from the compilation. If these were counted, the sum total would show about 26½ per cent. of savers instead of 11 per cent. Unquestionably our savings per capita is reduced by the population in the Southern States, where the savings percentage is only six and three-tenths of the South's twenty million population.

The Future.

So much for pre-war and war thrift conditions. What of the present and the future? How can the thrift momentum be kept up and increased until we shall be a nation of home owners and want be banished from our shores? Some so-called thinkers believe by Socialism, but the war has taught us that Socialism means the death of Democracy and the substitution of Autocracy, dominated by passion, class hatred, and ending in ruin. Socialism is the foe, not only of Military Autocracy but also of Democracy. Our own form of government offers the best protection to all classes of citizens of any in the world. Let us take advantage of the lessons learned from our own mistakes and those of other nations and build on our own foundation a nation whose motto shall indeed be "Justice to all and special favors to none." To accomplish this end it will be necessary for all men and women to continue the unselfish service rendered the Government in time of war. A country worth dying for is a country worth serving after peace has been declared. Better men and women must fill our public offices. Accumulation of wealth must not be the chief aim of our people. Our first duty is to the Government. If to be Governor of your State, Mayor of your City, Alderman from your Ward, Senator from your State, is to be the greatest badge of honor that can be conferred on a man, then and then only will America have been worth saving, and only then will it be possible to fulfill the destiny of the greatest republic in the world. Then it will be possible to eliminate waste from public and private life, to surround our people with safeguards so they cannot be swindled out of their savings by unscrupulous persons. The shifting of responsibility from the individual to the Government as it is now constituted will bring no millennium, but only increase our problems. The scope of individual advancement should be free as the air, under wise and patriotic government control exercised by the best representatives we can elect to our seats of government.

In this conception of the future the insurance companies will play an ever important part. Already reaching millions of our people and with the endorsement given to the insurance ideas by our Government in the insurance of its soldiers and sailors, I predict an enormous growth in the greatest branch of the Thrift family.

Great Britain insured her soldiers for an average of $95, the United States for $8,500. Eighteen thousand of our soldiers and sailors died from influenza alone, and the Government will pay their estates $170,000,000.

Gathering its millions annually in the shape of premiums and using the savings thus gathered in developing our farms and our railroads, the life insurance companies are the greatest asset for usefulness the Nation has today.

Wants Capital Issues Committees Continued.

The conservative character of the farm mortgage loans cannot be illustrated better than by calling attention to the fact that on December 31, 1916, the insurance companies had farm mortgage loans in the states of Iowa, Minnesota, Nebraska, North Dakota, South Dakota, Wyoming and Montana, of $370,493,603, while the value of the crops of wheat, oats, barley, rye, corn, and flaxseed of Minnesota, North Dakota, South Dakota and Montana of this year amount to $1,243,939,530.

By lowering the amount of the $1,000 policy to a minimum of $500 many can be induced to

(Continued on page 6)

Great Southern Life Insurance Company

HOUSTON, TEXAS



For Agency Contracts address

O. S. CARLTON

PRESIDENT

CO-OPERATION No. 15

A DECREASE of 28 per cent. in actual amount of business lapsed and surrendered was experienced in 1917 as compared with 1915.

This improvement in the quality of the business can be traced in part to the fact that our effective plans of agency co-operation are being devoted chiefly to carefully selected full-time representatives.

Phoenix Mutual Life Insurance Company

of Hartford, Conn.

JOHN M. HOLCOMBE, President

Government Modifies Cantonment Orders

LATITUDE FOR CONTRACTORS

George D. Webb Covers Many Subjects in Report of Agents' Executive Committee

George D. Webb reported for the executive committee of the National Association of Casualty & Surety Agents, saying that State insurance has been fostered by war conditions. While we have been assured that certain governmental activities have been put in operation solely as war measures, Mr. McAdoo has spoken of the success of government insurance and of its possible extension. We cannot deal with these things as generalities.

Another thing we must consider and correct are the differences which have arisen between the National Association of Insurance Agents and the Casualty Agents and Federation. The casualty agents hope to work in full accord with the local fire agents, but not as what might be termed a trailer to that organization. Also, there should be no desire or possibility of the Federation and the agents' organizations encroaching on each other's prerogatives.

More Latitude to Contractors

Casualty agents have been asked by the government to give up their commissions on compensation insurance on cost plus work and later were requested to do the same on work which was not on a cost plus basis. This does not seem reasonable. As to the Fleet Corporation's instructions to contractors to place compensation and liability insurance in the Liberty Mutual, the corporation has now modified its recommendations leaving it to the discretion of contractors to use either mutual or stock companies. The radical plan of insurance offered by the Liberty Mutual violates the principles of mutual insurance.

The stock companies are also split on the method of writing government contract work. It is not yet known how the government will regard these companies which have not agreed to the plan offered by a portion of the carriers to write this business practically on a cost basis.

Another matter we must face is the question of ownership of expirations and reach an agreement with local agents. In this matter the broker and local agent differ from the general agent. Other matters to be considered are agents' qualifications and resident agent laws. I am sure we are all in favor of higher and stricter standards.

I hope that insurance men will help in the rehabilitation of the men who return from the war by encouraging employers to give the men every possible chance.

Save Money By Insurance

(Continued from page 5)

form the life insurance habit and in time become not only the future $1,000 and $10,000 policyholders, but at the same time be developing into more useful citizens

The abdication of King [illegible] from our shores is an auspicious time for the extension of the inestimable service performed by insurance companies to all classes of people.

One thing to be done to assist not only life insurance thrift, but real genuine thrift, is to safeguard the savings of the people by the continuance of the capital issues committees under Government control. These commissions have performed most valuable service during the period of the war, but much of the benefit derived will be lost if the good work is to stop at this time. Much can be done in this way to protect the widow and children, the beneficiaries of the insurance policy, who unquestionably to-day are being swindled out of millions of money annually by investments in unsound institutions. The Blue Sky laws of the various States are inefficient, and many issues are endorsed by them which, under no circumstances would be endorsed by the Capital Issues Commission, which at the present time is divorced from politics, and which should be continued to be divorced from politics.

America Gives Her Best, Says Stadden

FOR PEACE AMONG THE NATIONS

President of Franklin Life Chairman of Thrift Conference of Life Presidents

George B. Stadden, president of the Franklin Life, of Springfield, was chairman of the Thrift Conference Convention of the Association of Life Insurance Presidents, held at the Hotel Astor this week. In his address as chairman he said in part:

"It has been said that even from the beginning America has been the melting pot of nations. Possibly so—yet the idea has assumed special meaning in, say, the last century and a half, when improved transportation facilities have made easy the way to our shores.

"With an ever-increasing population and its multitudinous affairs, including expansion of commercial interests throughout the world, there was long ago emphasized the necessity for the establishment of public institutions to safeguard the thrift and the freedom—synonymous terms, perhaps—of this growing people.

Evolution of Many Valuable Agencies.

"There has been the evolution of numerous valuable agencies, having for their object greater advancement and security of the products of thrift, and a consequently firmer basis for national and international transactions.

"The most prominent financial and beneficent factors in this regard are the two great institutions of banking and life insurance—the history of the former in America beginning during the struggle of the Colonies for independence—and that of the latter preceding it by some sixteen years, when relief was created for the widows and children of Presbyterian ministers, although the first company doing a general life business was not organized until 1796. The history of these two gigantic systems in this country and the world is unique.

"Today, humanity continues to watch the unrolling of the vast panorama of the Tragedy of Nations. It beholds the shaking of dynasties and the crushing of empires. It sees the unspeakable atrocities and carnage of warring factions.

"But through the bloodshed and the agony can be seen the light of freedom growing ever brighter, as little by little all that impedes its progress is being swept away, and, eventually, from out the confusion there will appear peoples freed, homes reclaimed, countries prospered.

Triumphant Exertion of Abilities.

"The triumphant exertion of America's abilities in the catastrophe rests upon the economic management of her affairs and her unswerving loyalty in promulgating the principles of liberty throughout the world. She valiantly gives her best—her man power, her woman power, her resources—that there may be abiding peace for all nations.

"There are here today great thinkers who, with unerring insight, have sensed the interdependence of freedom and thrift, and they will speak to us now of their vital relationship to our nation and to the world."

FOUND—On William St.!

Bright ideas used by successful Casualty men

Each week in

THE EASTERN UNDERWRITER

Subscription $3 a Year

Organized 1871

LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

CENTURY LIFE INSURANCE COMPANY — CENTURY — INDIANAPOLIS, IND.

1 REASON Our Policies Sell

OUR POLICY CONTRACTS contain all provisions consistent with safe underwriting and are guaranteed by a deposit of the full legal reserve with the State. Our promises are all in our contract. Good contracts for up-and-doing agents.

THOMAS J. OWENS, Pres.

DR. ALBERT SEATON, Vice-Pres. & Med. Dir. — CLAUD T. TUCK, Secretary

THE DUTIES of PEACE

When a deed is done for Freedom, through the broad earth's aching breast,
Runs a thrill of joy prophetic, trembling on from east to west.
* * * * * * * * *
New occasions teach new duties; Time makes ancient good uncouth,
They must upward still, and onward, who would keep abreast of Truth.

James R. Lowell: "The Present Crisis."

What! New Duties?

If one were to interview the Fates and ask—"Is there to be no rest, now that the war is won?" the answer would be—"Just long enough to get your breath, and get a new grip on Duty." The reason is obvious—Life has no value except as an Opportunity to do something, and the greatest thing to do is Duty.

The great Duty confronting the people of this country, and of the civilized world to-day is to preserve what has been won by the war, and to build up a civilization that shall be sane and safe, in which industry, sobriety and economy shall have their reward, and childhood, womanhood and old age shall be protected.

The Part of Life Insurance in War and Peace

Among the economic forces that have contributed to the winning of the war, Life Insurance has an honored place. The life companies have been among the largest subscribers to the several Liberty Loans; life insurance agents have been among the largest sellers of Liberty Bonds; life insurance men have been well represented in the army and navy; the Government adopted the life insurance plan as the best protection for the families of soldiers and sailors, both by providing Government Insurance, and by assuming the premiums upon certain policies already in force in private companies. Life Insurance is better than bounties and better than pensions.

What is good protection against premature death in time of war is also good protection against premature death in time of peace. Premature death is the destroyer of society, and protection against that is the mission of life insurance. Death is busy in peace as well as in war. Inside two months this Company has paid in death losses caused by Spanish Influenza a larger amount than the total of all its War losses in four and a half years.

It's always a good time to take a policy; there is no good time to drop one.

NEW YORK LIFE INSURANCE CO.

DARWIN P. KINGSLEY, President.

November 11th, 1918,
On the very day the Armistice was declared

THE PROVIDENT LIFE and TRUST COMPANY of PHILADELPHIA

Removed all War Restrictions from its Outstanding Policies and Discontinued the use of a War Rider on New Policies.

Extra War Premiums will be Returned, and if regular premium has been paid, War Claims will be paid in full.

N. W. Cor. 4th and Chestnut St.

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

ASSOCIATION OF LIFE INSURANCE PRESIDENTS

Making Better Men and Women Through Life Insurance

PAPER OF ROBERT LYNN COX

Every Institution and Activity to Be Measured By Good Done to Humanity

Robert Lynn Cox, third vice-president of the Metropolitan Life, in addressing the Association of Life Insurance Presidents this week, said that America and her associated allies have escaped the bankruptcy court in the great world cataclysm—which Germany and Russia did not—but it behooves the victorious nations to take an inventory of their remaining assets and perhaps mark down, or mark off entirely, some things which under the old order were thought to be of high value. Henceforth, every institution and every activity of man is going to be measured by what it is doing for humanity as a whole, rather than by what it is doing for a selected few or what it brings in the way of gain to those who are carrying it on.

Just as it is being determined that government shall no longer be run for the benefit of the governing powers alone, but for the benefit of the governed, so business affairs will be required to show a substantial margin of net gain to the public as a whole.

The Greatest Constructive Force.

Mr. Cox, after reviewing the dollars-and-cents phase of the life insurance business, said that his real purpose was to dwell with greatest emphasis upon what life insurance has done and is doing for the world in the way of making better men and women. To his mind this is the greatest constructive force we have—greatest because its product is worth more to the world than all we can ever give in material benefits, much though it be. Continuing, he said:

"The best estimates we can make show that our fifty million outstanding policies are distributed among thirty-five or forty million policyholders. This means that life insurance is to some extent an established part of the future planning of about one-third of the people of this country and Canada. There is great significance in that statement if you believe, as I do, that every person who has been induced to take out a policy of life insurance is a better person than he or she was before it was written. I believe this under the philosophy that every man is today the sum of all that he has done and has been heretofore. Few men remain continuously upon the heights or in the depths of thought and deed. Each of us oscillates more or less between the extremes and attains character and—as a rule—reputation by the average he strikes. Can there be a doubt that the taking out of life insurance invokes the exercise of man's best qualities? We say to every prospect that he should assume the responsibility of looking out for the welfare of others as well as for himself, particularly for those who are in any wise dependent upon him. We tell him it is his duty to take care of his wife and children and to protect the family which he has established, even though misfortune should take him out of this world. Life insurance recognizes the family as being the indivisible unit of civilization of the highest order and stimulates actions calculated to protect that unit against disintegration.

Business and Group Insurance.

"We say that every man should practice thrift and thereby contribute to the capital accumulation of the world so essential to human happiness, and in doing it should lay aside something for his needs as against the time when he may become a burden to his family or to society. In our newer fields of activity—as for example, business insurance—we urge that men should give unselfish consideration to what effect their death may have upon business associates with whom they have linked themselves in a common enterprise. In regard to taking group insurance we call employers' attention to their community of interests with their employees requiring them to absorb the immediate shock of death for which the average employee has not prepared himself by taking out life insurance. In short, we teach personal responsibility, consideration for others, generosity, forethought and thrift—doctrines which tend to make men strong and independent, thoughtful and unselfish. Our field men are missionaries of happiness, prosperity and contentment, since every man who is adequately insured and those dependent upon him are less likely to be overcome by the cares and vicissitudes of life than are those who must face, in addition to all other burdens, the ever-present danger of untimely death.

Autocracy and Socialism Worked Hand in Glove.

"We are all wondering what products of great value will be derived from the terrible slaughter that has just been brought to an end. Doubtless there will be many benefits, but I doubt if there will be any of more importance than the lesson that nothing is so important in this world as the proper development of each member of society. That is what democracy is intended to encourage and provide for. The powerful German government was built upon the theory that the individual was in all ways subordinate to the interests of the German State. His right to shine was limited strictly to shining by reflected glory. As a soldier he was trained to be an automaton—a cog in a great machine. His place was to do what he was told to do and to move only when he was told to move. He was not only not expected to think and act for himself but was not allowed to do so. Strange as it seemed to us then, we now see that autocracy and socialism were working hand in glove. Each was saying that the good of society is the big thing to be considered and that the individual doesn't matter except insofar as he goes to make up a part of the social organism. Nations of this sort, which many of us came greatly to admire, did seem to be gaining in efficiency over nations like ours. Some began to urge imitation, which involved shifting as many responsibilities as possible from the shoulders of the individual citizen to the collective shoulders of government. But America held to the doctrine of personal liberty, involving, as it does, the largest possible measure of personal responsibility. She held to her job of raising a citizenry of self-reliant, independent men and women. We kept ourselves mindful of the distinction drawn by Henry Ward Beecher when he said: 'A republican government in a hundred points is weaker than an autocratic government, but in this point it is the strongest that ever existed—it has educated a race of men that are men.' Finally the German automaton and the American freeman have met in direct competition on the field of battle. The victory achieved by the real man is being writ now in large letters on the pages of history to America's everlasting glory. We had not surrounded our country with fortifications or munitions of war. Our defenses consisted of men trained to independence and self-reliance. We could have said of them as Plutarch said of the men of the ancient unwalled city of Sparta: 'There thou beholdest the walls of Sparta and every man a brick.'

"America has succeeded in accomplishing every great task she went at with a will.

The Future.

"But we are now confronted with the greatest problem we have ever had to solve. The great war has brought us to a fork of the roads on a matter of public policy. Shall America return to the general methods of life and activity under which she succeeded in raising such a wonderful generation of young men; shall it encourage the doing of everything possible by individual initiative and private enterprise or shall it try to conduct several of its greatest and most important business institutions through governmental agencies? The old school of business economists recognized as fact that nearly every man needs constantly the spur of some

(Continued on page 13)

SECOND TO NONE IN SERVICE

Long established and thoroughly modern, providing perfect protection for a net cost which is notably low, and rendering service which is unexcelled, the Massachusetts Mutual stands out as an ideal company in which to insure. Sixty-seven years of square dealing are back of every one of our representatives. They will tell you how great an asset that record is in their work.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
Springfield, Massachusetts
Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

Plain Talk By Burton Mansfield

CONNECTICUT OFFICIAL'S VIEWS

Companies Must Clean House and Commissioners Must Cease Flood of Trifling Detail

Burton Mansfield, insurance commissioner of Connecticut addressed the International Association of Casualty & Surety Underwriters on "Insurance and Government Ownership." He showed a wealth of advanced thought when he said that government supervision has overreached itself and has gone about as far as it should, or is necessary. Federal supervision of banks has justified itself. State supervision of insurance, so far as it is necessary, has possibly on the whole been good. When we come to both Federal and state supervision I am inclined to think the combination of the two has not been good. I am convinced that we cannot have dual supervision. Some interests, such as the railroads, should be taken out of state hands and placed with the nation.

Unless present tendencies are curbed we shall have government ownership. We must have either Federal ownership of railroads, or put them back where they were, or retain them under circumstances very much as they were, and this is going to be the case with insurance.

Commissioners' Duty

The wisest thing we commissioners can do is to stop this everlasting detail legislation. This has been brought about by the companies and those who represent them. I would outline a broad system of supervision which should be firm but liberal. I do not think that we are ready for or wish government ownership. We are bound to have 48 or more state supervisors unless we can get that utopia under which insurance shall be regarded as commerce. And we shall not. There is, I believe, little call for our present fears and apprehension. The government does not want government ownership. When President Wilson says, "I have no solution for the railroads" that means that they are going back to the people to whom they belong. The telephone and telegraph will go the same way. I find no satisfactory expression that the government really wants any of these things of which we fear.

Acts of Companies

There has arisen an adverse sentiment which is fostered by the wrongdoing of insurance companies or any other interests, and of which the public knows. We must see that no such conditions are permitted to occur. We are heading directly toward private ownership and there must be many influences brought against before conditions may be changed.

The president says "Unless you find some way to turn the railroads back I must turn them over." This means that individual enterprise must not be hampered. Individual ingenuity will solve the problem.

Duty of States

All insurance practices must be standardized. This is difficult. We need a universal code. We are too busy with little trivial details. There are bigger things to be done. Company officers are just as much to blame as the states. Let our slogan be uniformity.

I am in favor of Federal supervision if we can get it; but because we cannot have it we have magnified our difficulties forty-eight times.

Companies' Future

We must realize that we are our brother's keeper. This everlasting drumming in a competitive system is absolutely wrong. If it does not stop there is going to be another reckoning. The war has not been won unless we have preserved the life and freedom that has prevailed in this country.

To government ownership I say No! and you say No! We shall not have it unless we, by our own conduct, create a situation under which the people we serve demand it.

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

TEXAS ACTUARY RESIGNS

Bernard Werkenthin, actuary of the State Department of Insurance and Banking for the past four years, has tendered his resignation to Commissioner Chas. O. Austin, effective immediately. Mr. Werkenthin has gone to Indianapolis, Ind., where he will become associated with Frank J. Haight, consulting actuary.

Tyrrell Discusses Wisconsin Fund

SYSTEM CANNOT SUCCEED

No Real Agents Provided and People Not Anxious Enough to Insure

Henry Tyrrell, librarian of the Northwestern Mutual Life, gave his impressions of the Wisconsin Life Fund to the Life Insurance Council which met at the Bar Association this week. He said in part:

"While no agents are provided by the Fund, permission to take applications is given every state factory inspector, the clerks and treasurers of every county, town, city and village, and every state bank. Besides, any person is authorized to transmit the applications of himself or others to the insurance department, for which is allowed the sum of twenty-five cents and a commission of one (1) per cent. on the premium, which, with the medical fee, must be paid in advance.

"Such a system obviously cannot be successful. People are not anxious enough to insure. The officials who are authorized to take and transmit applications are not sufficiently interested personally or financially to inspire or incite a rush of business and very few men will go to the trouble, voluntarily, to make out an application, go and be 'examined' and send on a draft for the premium.

The Rub

"Healthy men are not keen enough for life insurance to go through all this formula. And there's the rub! The fellow who suspects he cannot get old-line life insurance is likely to seek solace in the Fund and adverse selection results.

"The agency arrangement under the Fund is unfair. In the first place those who are designated 'agents' do not have to procure a license nor pay for the privilege of doing business. On the contrary, old-line agents are obliged to do both and if the general manager in his official capacity of insurance commissioner sees fit, he may refuse to grant a license to any one of them! Furthermore, this general manager as insurance commissioner can revoke the license of an old-line life agent almost any time, but he cannot revoke the privilege given to Tom, Dick and Harry to write insurance in the Fund, and this, too, in spite of the fact that few of these officials have had experience with life insurance. An election certificate is their unrevokable license to do business!"

COMMITTEE ON ASSETS

Special Reserve Funds to be Held as Liability Can't be Included in Surplus

The committee on assets of insurance companies recommended the adoption of the following resolution providing that, under certain conditions, special reserves should be charged as a liability and not be included in the surplus in annual statements:

RESOLVED that the special reserve funds of insurance companies operating under laws providing for the same, shall be carried as a liability and not be included in the surplus or surplus to policyholders in annual statements; provided, however, that this shall not become effective until after December 31, 1919, and provided, further, that such insurance companies as have in the meantime taken action binding themselves legally to cease operating under provisions of said laws and to restore the special reserve funds to the general fund of the insurance company shall be exempt from the provisions of this resolution.

JOSEPH G. BROWN, Vermont;
RUFUS N. ELWELL, New Hamp.;
FRANK H. HARDISON, Mass.;
LEE B. MOSHER, District of Col,;
T. M. HENRY, Mississippi;
C. B. SMITH, Alabama.

APPOINTS C. A. STEADMAN

Charles A. Steadman of Montclair, N. J., heretofore with The Prudential, becomes supervisor for the Maryland Assurance of Baltimore, his territory embracing New England, New York (except Greater New York City), New Jersey and Eastern Pennsylvania.

THREE YEARS MORE TO SERVE

Jesse S. Phillips, superintendent of New York State, has three years more to serve.

L. M. CATHLES ILL

Lawrence M. Cathles, actuary and secretary of the Southwestern Life, is severely ill.

PURELY MUTUAL THE CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, $1,604,426,324

SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued

POLICIES MOST FLEXIBLE AND EASY TO SELL

Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

GEO. E. COPELAND,
Supt. of Agencies,
Milwaukee, Wis.

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

Metropolitan Passes Dividend

FISKE'S LETTER TO FIELD MEN

Action Taken Applies to Ordinary Department—No Decision Reached in Industrial Department

The Metropolitan Life has notified its superintendents, detached deputy superintendents and policyholders, that the mortality experience of the company during 1918 necessitates the passing of dividends to policyholders in the ordinary department of its business for 1919, except such policies as were issued on the Whole Life plan in amounts, the minimum of which was $5,000, and the business taken over from the old Covenant Mutual and the Vermont Life.

In a letter to the company's field force this week, Vice-President Haley Fiske says:

"Gentlemen:

"We are sending out with our premium notices in the Ordinary Department the following notice:

"TO OUR POLICYHOLDERS.

"The Company, on November 25, 1918, had paid in policy claims $14,000,000 more than to the corresponding date in 1917; and claims in the Ordinary Department are still being received in double the normal number daily. The claims in the Ordinary Department are proportionately greater in number than in the Industrial Department. The extraordinary claim payments are due to the epidemic of influenza and have more than used up the amount tentatively set aside for the distribution of dividends in 1919. We regret to announce that the Board of Directors has been constrained to omit the usual declaration of dividends upon policies in the Ordinary Department. The holders of the policies issued on our non-participating plan may congratulate themselves that the low premiums charged gave them their dividends in advance.

"METROPOLITAN LIFE INSURANCE CO.

"The notice really tells the entire story. You yourself are aware of the conditions which compel the omission of the dividends, because it is through you that our claims have been paid. The amount of them is absolutely without precedent, and the epidemic does not seem even now to have altogether subsided.

"Our policyholders ought to be satisfied. The majority of policies involved were issued on the non-participating plan with very low premiums and no dividends were promised or even expected at the time the policies were issued. As to the Intermediate and Special Class policies issued prior to 1907, they were issued at non-participating rates, but a promise was made that if surplus was earned, there would be a declaration of dividends. Our situation is that a surplus was not earned this year.

"We are glad to be able to state that we had set aside a special fund, more than sufficient to provide for the mortality fluctuations, out of the surplus earned by the Whole Life policies issued in amounts, the minimum of which was $5,000. This surplus so set aside is, of course, unimpaired and will enable us to pay dividends on these policies, including those policies issued subsequent to July 1, 1916, at higher premiums, which pay their third or fourth year in 1919, which will receive dividends equal to the increase in premium, while those policies in force five years will receive dividends in amounts generally equal to and probably exceeding dividends previously paid on the same policies.

"Special funds set aside for the Covenant Mutual and Vermont Life will enable us to continue the schedule of dividends hitherto paid on such policies.

"We regret the obligation imposed upon us to omit the declaration of dividends this year, but we think our policyholders will be reasonable when they know the cause, and they will consider it good business practice on our part not to deplete the surplus, which is not as large as is permitted by the State of New York.

"We are obliged in the Ordinary Department to make decision about the declaration of dividends now because we must send out information relative to dividends with the notices of renewal premiums due. In the Industrial Department we have a few weeks to study the situation before we determine whether we shall have a surplus in the Industrial Department which will enable us to declare any dividends in that Department.

"Yours truly,

"HALEY FISKE,

"Vice-President."

Ide and Stevens Want Clauses Retained

CALL WAR ACTION PREMATURE

Job Hedges Talking to Life Counsel Declares Bolsheviki Haven't a Chance Here

Two executives of life insurance companies—George Ide, president of the Home Life, and R. W. Stevens, vice-president of the Illinois Life—declared the action of some life insurance companies in removing war time restrictions was premature.

In talking at the dinner of the Association of Life Insurance Counsel, Wednesday night, Mr. Ide called attention to the fact that only about 100,000 casualties have been reported, with tens and tens of thousands more to come.

Job Hedges, counsel for the Association of Life Insurance Presidents, delivered a masterly oration on the lawyer's responsibility to the community, and the leading position the lawyer must take in reconstruction of the nation. In dealing with economic and political themes, Mr. Hedges gave a clever characterization of the Bolsheviki. He thought the people of this country had listened so much to curbstone spellbinders that just because a lot of men re-iterated that they wanted all the wealth in the world, Mr. Hedges did not think that the American people individually so prosperous, would give up that prosperity voluntarily in exchange for mere oratory.

Fidelity Mutual Adopts Full Term Valuation Basis; Increases Guaranteed Rate On Trust Funds To 3½ Per Cent

Walter Le Mar Talbot, president of the Fidelity Mutual Life Insurance Company, of Philadelphia, has sent the following telegram to all managing agents of that Company:

"Let me extend greetings on Fidelity's Fortieth Anniversary, a fitting time to announce that on January first Fidelity adopts full term valuation basis as to new business, also increases guaranteed interest rate on trust funds to three and one-half per cent.

"War clause discontinued in new issues from to-day."

Arguments Against State Insurance

DR. GEO. E. TUCKER'S ADDRESS

Has No Relation to Health or Insurance—Subject to Be Cared for by Compensation Laws

Dr. George E. Tucker, of Hartford, told the International Association of Casualty & Surety Underwriters that compulsory health insurance is in fact not a health measure, because it fundamentally has for its object the palliative relief of sickness of a small group of persons and does not have for its primary object the general prevention of sickness and the maintenance of the individual freedom of that mass of our population whose earnings, in the minds of the social reformers, are not sufficient to maintain them upon a self-respecting basis.

So-called health insurance has no relation to health nor to insurance. It is a form of poor relief, which becomes operative when its beneficiaries are sick. There are no recognized standards for equitable diversion of contributions. The decrepit old chronic invalid pays no more than the robust youth, if both are employed and have incomes less than a set arbitrary figure. The vicious are on an equal footing with the virtuous. The single man with no dependents is assumed to need this poor relief if earning $1,200 per year, or less, in exactly the same fashion as the married wage-earner with a wife and six children to support. The thrifty, steady worker is classed with the shiftless idler. All presumably present the same hazard and premium returns are based on the same rate. If this constitutes the proper conception of insurance, you gentlemen are engaged in some other form of business and are not aware of it. The employer, on the other hand, under this system is to be penalized for the end results of individual viciousness, shiftlessness and for community neglect, not because of any rhyme or reason, but simply because he has become the target of the uplifter.

The essential difficulties requiring solution in connection with the public welfare from a health standpoint, would not be met and in the main their prevention would be entirely ignored in a system of compulsory health insurance.

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL

Life Insurance Company

OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

PERVERSITY VS. PROHIBITION

The election returns show that five more states have been added to those wherein the laws prohibit the purchase or sale of intoxicating liquors. If nation wide prohibition becomes effective it will doubtless serve to accentuate that streak of perversity which is so common to the average man. This trait is due partly to natural "cussedness" and partly to a too intensive training from early youth in the principle that "the things you'd like to do are the things you hadn't ought to." When sheer perversity prompts him to rebel, man is, as Artemus Ward would have phrased it, "a amoozin little raskel."

If legislation on liquor is strained to the nth degree, we venture to predict that many a man who had never indulged in alcoholic stimulants except "to ward off a cold" will revolve with eager anticipation round the cider barrel, awaiting the result of nature's immutable law which, despite legislation, turns cider alcoholic.

So strong is this innate quality in man that when the prohibitive pendulum is swung too far in one direction or the other we immediately hear the snap of perversity's pivot. High heart ed youth and hoary age view with equally longing eye the thing prohibited. Tell a man kindly but firmly that it is his duty to himself and his family to take insurance; insist that he must not longer neglect it. He will acknowledge the duty, but will too often dally in this mode of fulfilling it—perhaps even question the necessity of this kind of preparedness. But suggest to the same man six months later, after a serious illness, that his health is so impaired that he could not pass the medical test essential to getting insurance, and lo he yearns for this protection with a yearning which shows his natural perversity and points to his earlier procrastination.

We know a man whose favorite sports are checkers and chess who was cautioned by his physician to abstain from both tennis and golf because of a slight heart murmur. Though this man had never played either game, nor felt any desire to do so, when prohibited they appealed to him as cheese to the mouse. He never afterward saw golf club or tennis racquet without a mad longing to swing them.

Preach prohibition and the throat parches with perversity. It is recalled that at a recent convention of life underwriters one of the speakers enlarged with scientific detail on the evils in the use of alcohol. He reviewed learnedly with careful precision its relative effect on young men and maidens, old men and children, men aged forty and women—well, of uncertain age—, on insurance men and—

When an agent, conveniently seated at the end of a row, murmured softly to his companion, "Say, Bill, these scientific speeches are a little dry, ain't they? I guess I've got to go and get a highball!"

F. R. C.

Hoffman Talks On League of Nations

CANNOT CURB SOVEREIGNTY

Menace Not Reckless Socialist or Violent Anarchist, But Irresponsible Propagandist

At the conclusion of a wonderfully illuminating address to the International Association of Casualty & Surety Underwriters, Frederick L. Hoffman, of The Prudential, said:

The menace of autocracy and paternalism to this country is real and no longer an academic question. The conceptions of constitutional limitations, particularly of executive power, have, unhappily, become extremely hazy, and even among the otherwise well informed reckless theories of political and social changes are blindly accepted, as best illustrated by the ill-considered Manifesto for a "League of Free Nations Associations," signed by nearly one hundred persons of more or less influence in public life. In this Manifesto a demand is made for equality in economic security on the basis of internationalism—whatever that may mean. It is held that the price of secure nationality is some degree of internationalism and that it is to the interest of the entire world that every nation should attain its maximum economic development, provided it does not prevent a similar development of other nations. This development, it is frankly conceded, "will involve a limitation of national sovereignty," and it is anticipated that the proposed League "will demand the doing of the unprecedented things mentioned by President Wilson."

But regardless of any "demands" on the part of the League, no such unprecedented things will actually be done; for sovereignty is more than government, and sovereignty cannot be limited or abridged by any action of the President, or of a Peace Tribunal, or even by Congress itself.

Majority Rules

The authors of the Manifesto deliberately deceived themselves when they assert that "all the principles outlined are merely an extension of the principles that have been woven into the fabric of our own national life." There is nothing in our Constitution or in our constitutional history that justifies the assumption of an internationalism under which we would surrender our sovereignty to an International Commission or an International Government. There is nothing in our form of government which provides "a complete assurance against tyrannical treatment of minorities." Ours is a government in which the majority rule, and that power cannot be abrogated even by a Constitutional amendment, which would be destructive of the whole fabric of our political life. The political or economic development of other races is to us, and ever will be, a matter of secondary consideration. Thus no one man or any group of men can declare a set of new principles of government or politics for the American people who have delegated no such powers to anyone, nor are ever likely to do so. The menace to our democracy and constitutional form of government is not the reckless socialist or the violent anarchist, but the irresponsible propagandist engaged in the dissemination of wrongful, though plausible, theories or political and social reform, perilously near to treason as the giving of aid and comfort to the enemies of our Republic.

Insurance Relations to Nation's Development

BY COMMISSIONERS' PRESIDENT

Life Insurance Most Democratic of All Democratic Institutions, Says Mr. Fairchild

"Relationship of Life Insurance to the Development of Our Nation" was the title of a paper read before the Life Presidents by Claude W. Fairchild, president of the Commissioners' convention and insurance commissioner of Colorado.

Taking as his text that the greater the prosperity of the people the less the unrest he called life insurance the most democratic of all democratic institutions.

It touches more lives and more interests than any other industrial factor. Yet it is pertinent to inquire if this institution has actually made itself felt and appreciated as it ought to be in the lives of all our people. Is there not too widespread a feeling that this great business is something that is foreign to them and their welfare? Is there not a basis for the suspicion that far too many look upon it as a gigantic venture largely controlled to the advantage of monied interests? Upon what opposite presumption can we explain the prevalence of that attitude which regards the business as an available and proper subject against which to legislate, even to its detriment?

The Public's Attitude

Continuing Mr. Fairchild said:

"I feel, therefore, that the greater obligation of the future demands a readjustment of attitude on the part of life insurance management and of the public, in order that this institution—the greatest of all constructive powers—shall not be hampered in reaching its highest efficiency. The management must emphatically reveal that the trust they direct comes from the many associated in a spirit of closer confidence and clearer understanding of their true relationship—a more responsive system of co-operation between the insurer and the insured, to the end that the interest of each shall be fully safeguarded and the benefit derived by both be of the greatest good to the public generally.

"Your policyholders offer a fertile field for education on fundamental principles and ideals. Millions of men today know absolutely nothing of the character and aims of the management of the companies in which they are insured. Their sole relationship consists of a peremptory order to step up to the cashier and pay. They hear nothing from their companies except at the time a premium is due. Some companies, it is true, endeavor to keep in touch with their policyholders. There is need for wider development along this line. This work among policyholders has within it the germ of salvation that may smother the spark of Bolshevism whose specter haunts Europe today and is not wholly absent from our own national unrest.

"I consider it not only your province but your duty, in behalf of those you represent, to study carefully the legislation proposed in the various states and in the nation.

(Continued on page 25)

Millions of Life Insurance Being Sold!

By the Use of the SHANBACHER INHERITANCE TAX CHARTS

In the closing of most of the big lines to which the attention of the public has been directed during the past few months these charts have conspicuously figured.

Worth their "weight in gold" to every live life insurance agent.

For information address

THE EASTERN UNDERWRITER

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GOOD TERRITORY
still available for development by the

..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.

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7 W. Madison Street CHICAGO, ILL.

State Mutual Life Assurance Company of WORCESTER, MASS.
Incorporated 1844

REAL MUTUALITY for nearly THREE-QUARTERS OF A CENTURY has characterized all Company activities to the advantage and satisfaction of policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND,
Superintendent of Agencies.

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, President

GREATEST
ILLINOIS
COMPANY

WANTS GOOD MEN
AND
WILL PAY THEM WELL

The Connecticut Mutual Life Insurance Company
PRESIDENT JOHN M. TAYLOR, HARTFORD, CT.
Insurance in force, 113,918 Policies for..... $270,243,227.37
WHAT NO OTHER COMPANY HAS DONE
To repay to its Policy-holders in Death Claims, Endowments, Dividends, Surrender Values, Annuities and other credits more than they have paid to it in premiums.
It stands alone in that result.
Total premiums received, Dec. 1, 1846, to Dec. 31, 1917 ..... $318,963,384.44
Total returned to Policy-holders, as above noted, in same period..... 326,786,585.46
Excess of amount returned..... 7,823,201.02

INTERNATIONAL LIFE of St. Louis
SMASHED ALL RECORDS IN 1917
It was the Special Combination and New T. O. Policies that did the work.
If you are not selling them we are both losing money.
J. L. BABLER, Vice-President and General Manager Agencies
MASSEY WILSON, President

Against Government Civilian Insurance

PAPER OF JESSE S. PHILLIPS

Tells Federation That War Being Over U. S. Should Return Usurped Power to Individuals

Superintendent Phillips made a strong talk against government ownership addressing the Insurance Federation at the Astor this week. He said the people have cheerfully complied with every request and demand of the Administration which it deemed necessary to the prosecution of the war. * * *

Now that hostilities have ceased and a permanent peace, we confidently hope, will soon be established, our people will be confronted with problems requiring judicious counsel, the wisdom of our best statesmen, and the thoughtful action and intelligent cooperation of our people, upon the proper solution of which will depend the future security of our American ideals and the preservation of liberty itself. This is no time for exploitation by the government of new theories or projects which have their origin, not in representative government of the people, but through the grace of autocratic power.

Continuing, he said:

"It has been rumored in some quarters that the Federal government is to invade the field of insurance and furnish all kinds of insurance protection to its citizens, upon the theory, I assume, that it can conduct same more efefficiently and at less cost than the private companies, notwithstanding the fact that wherever state or governmental insurance has been tried, it has demonstrated the utter fallacy of this theory if the moneys taken from the public treasury either in subventions or otherwise is charged as an operating expense. The experience of these operations has conclusively proven that governmental management has not increased the efficiency of the service beyond the point attained by privately operated concerns.

"The government likewise properly entered the life insurance field as a war project, primarily because it impaired the insurability of the men whom it called into military service.

"It was highly proper for the government to supply its fighting men with this insurance protection and pay from the public treasury all operating expenses in recognition of their patriotic services. No citizen can justly complain if it continues to furnish this protection as a slight reward for the great sacrifices of these men in responding to the call of their country. **The extension of the plan to all civilians in normal times, in my judgment, is neither wise nor expedient.** There would be absolutely no further justification for the public to bear the extra burden thereby imposed. There is no authentic suggestion that such action is contemplated. A very recent press dispatch from Washington, however, states somewhat significantly, that the authorities already have plans for a broadening of the scope of the insurance enterprise, and even goes so far as to state:

> "Out of the experience gained may eventually develop expansion of the government insurance to old age, to industrial and other forms of insurance in the opinion of officials who have studied the subject.

"In the same statement it is claimed that the cost of government insurance will average twenty-five per cent. less than the private life insurance because the government will pay overhead expenses.

"There is, I believe, no claim that this statement emanates from responsible government authority, but it nevertheless discloses the real sentiment existing in certain quarters respecting the extension of the scope of the governmental agencies into the domain of insurance. The reason for the assumption of this extraordinary governmental power is the claim that the Federal state can furnish all classes of adequate insurance protection with a greater degree of safety and at less cost. It must be borne in mind, however, that this scheme always provides that the expense shall be paid from the public treasury, and if there is any failure on the part of those directly in charge of the project to collect from the insured ample rates to fulfill the obligations of the contract, this deficiency will likewise be made good from public funds. If private insurance companies are forcibly eliminated by the government by express provision of law or by the inability of such companies to compete with the state, because of the latter's exemption from expenses and taxation, it will impose a very great burden upon all of our citizens who must pay the taxes. Expenses of government activities can only be met by direct or indirect taxation and, in the last analysis, the public must pay the bill."

HOME LIFE INSURANCE COMPANY of AMERICA
INCORPORATED 1899
PROTECTION FOR THE ENTIRE FAMILY
This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.
INDUSTRIAL POLICIES are in full immediate benefit from date of issue.
ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State Endorsement.
GOOD CONTRACTS FOR LIVE AGENTS
Executive offices No. 506 Walnut St., Philadelphia, Pa.
BASIL S. WALSH, President JOSEPH L. DURKIN, Secretary JOHN J. GALLAGHER, Treasur

Raise Question of State Rights

HEARING ABOUT CANTONMENTS

Phillips Asks if Government Took Insurance Which Discriminates Against Departmental Statutes

A novel turn was given to a hearing by insurance commissioners at the Hotel Astor, Tuesday night, on workmen's compensation insurance placed by the government with nine stock companies covering contractors of cantonments.

The first rates made by the Bureau for these risks were unusually high because of the rising wage scale, locals of some of the cantonments far removed from hospital accommodations, supposed character of construction, etc. The War Department accepted the rates under protest and finally after a reduction of 40 per cent. in the rates there was an arrangement made for a return of underwriting profits.

Commissioner Hardison, chairman, explained that the commissioners had known little about this insurance in an official way, or of the conferences that the welfare committee of the Workmen's Compensation Bureau had had with representatives of the War Department. "It seemed as long as there would be some responsibility placed upon the commissioners in the way of supervision it was advisable to have those interested come and explain what the situation was," he said. Among those vitally interested was the War Department, and so Colonel Evan Shelby, who represented the Department mostly in conferences with the underwriters, had been invited.

There were also present many of the leading underwriters of the nation, also representatives of the Liberty Mutual which had recently made a deal to carry the insurance.

Colonel Shelby Explains

After Colonel Shelby had explained the Government's attitude, and the fact that it was simply a question of the Government (which was not in competition with private construction work) saving as much money in insurance as possible an interesting lot of questions were asked chiefly about the rebate. Questions and answers in part follow:

Superintendent Phillips: In making this insurance arrangement did the Government give consideration to the question of discrimination between policyholders? If the contractor for the Government were allowed this special privilege, and also the provision of a return of part of the profits, if there be a profit, and exempted him from liability of assessment in case there be a loss, to that extent would there not be a discrimination among policyholders of the company?

Colonel Shelby: It is not a question of discrimination between policyholders. We simply wanted to segregate contractors doing this war time work and save the government as much money as possible.

Mr. Phillips: The Government would be favored as against other policyholders of the company. The company would be paying back to the government—one policyholder — something which is not paid back to other policyholders in case of profit.

Colonel Shelby: The government war work is a distinct class which has relation to no other class as it is not in competition with any other class.

Mr. Phillips: All compensation insurance is to a certain extent graded by classes and when the rate is fixed there is no provision made of return to policyholders. We grant that the Government should be saved as much money as possible, but the question is whether or not a plain discrimination has not been practiced under the statute. The contract originally was for a fixed premium. Then a provision was made for a return of premium. Is that not a rebate under the law?

Colonel Shelby did not think there was a rebate. John T. Stone, president of the Maryland Casualty, sharply criticised the insurance plan that had been put into effect.

MEMBERSHIP METHODS VARY

Secretary Sherman, of the Minnesota Federation, Secretary Olsen, of Illinois, and A. N. Wold, of Pennsylvania, advanced and defended three different formulae for membership campaigns at the round table meeting of State secretaries on Monday afternoon. Mr. Wold favored "mass psychology" and the enthusiastic contributions of a well conducted meeting. Mr. Olsen has gotten wonderful results from personal contact with every new man and claims that his system not only saves time but induces a more lasting enthusiasm. Mr. Sherman's success as an organizer is based on quality rather than quantity which, he explained, was probably peculiar to Minnesota where, with the exception of the seven or eight cities, there were few full time insurance men the business being handled through country bankers principally.

Mr. Field Man: Detroit, July 18, 1918.
Do you know:
That the NORTHERN ASSURANCE COMPANY of Detroit, Michigan, has lived up to all the traditions of the highest purposes of life insurance;
That it stands for the highest ideals in underwriting and that its slogan is, and always has been, CLEAN MEN AND CLEAN METHODS in its field work;
That it is writing more insurance per capita per agent than any other American life company?
If you are interested in knowing something of our Home Office system which makes this possible, we will be glad to hear from you
Address, CLARENCE L. AYRES, *President,*
DETROIT, MICHIGAN.

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President
A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY
Edward D. Field, Superintendent of Agencies

New Group Rates Adopted By Travelers

FOR NON-HAZARDOUS CLASSES

New Quotations Effective December 2 —Minimum Extra Premiums for Certain Hazardous Occupations

The Travelers has adopted the "S" rate schedule for group life insurance for industries in standard or non-hazardous classifications. W. F. Chamberlain is superintendent of the group division.

On and after December 2, 1918, and until further notice, risks in the more hazardous classifications will be charged the "S" rate plus an extra premium of $1, $2 or $3, etc., per $1,000 insurance. Mr. Chamberlain in a letter to the field force said:

"On December 2, 1918, therefore, all former group life rate schedules of the Company will be withdrawn as far as new quotations are concerned. Previous quotations outstanding on December 2, 1918, may be continued until January 1, 1919, upon which date these rates will be withdrawn and the risk will be subject to rerating.

"A schedule is attached herewith giving the minimum extra premiums which will be charged by the Travelers for certain of the more hazardous classifications on and after December 2 1918. Rates for certain hazardous industries not included in this list will be quoted upon application. It should be understood that these extra premiums are to be used only when the industry in question compares favorably with the average of risks in its particular classification.

"The rates in the schedule attached should be used in solicitation as tentative rates only."

Minimum extra premiums for group life insurance for certain hazardous industries. Effective for quotations on and after December 2, 1918, and on all outstanding quotations January 1, 1919:

Industry	Extra premium per $1,000 of insurance in addition to the "S" rate
Quarries, surface mines, etc.	$2.00
Erecting structural iron and steel buildings and bridges	5.00
Manufacture of heavy acids. (Carbolic, hydrochloric, hydrocyanic, hydrofluoric, nitric, picric, prussic, sulphuric, sulphurous, etc.)	2.00
Manufacture of paints and pigments (dry)	1.00
Fertilizers—manufacturing (The hazard varies largely according to the nature of the fertilizer manufactured. The making of bone fertilizers is an industry in which a higher extra should probably be charged.)	1.00
Poisonous and corrosive gases	1.00
Explosive—manufacturing	Probably not insurable
Pottery	$2.00
Glass factories	2.00
Lime, cement and gypsum	1.00
Marble and stone yards	2.00
Hat factories (felt)	1.00
Furriers—Feather workers	2.00
Slaughter and packing houses and stockyards	1.00
Iron foundries (It is not intended that this extra should be charged for an automobile factory, for example, with foundry attached. In such a risk the number of employes engaged in the foundry would not warrant an extra premium for the whole risk. The extra is to be charged for risks where foundry work is the principal occupation. A risk with 40 to 75 per cent. of the employes engaged in foundry and furnace work should be charged $1.00 while a risk with over 75 per cent. should be charged $2.00.)	Varies
Shipbuilding—Steel and wood	1.00
Smelting and refining, no mining	1.00
Steel foundries	2.00
Rolling mills (A risk in which 60 per cent. or more of the employes are engaged in steel foundries and rolling mills and around iron and steel furnaces should be classified under these headings.)	2.00
Tanneries	2.00
Woodsmen and loggers	1.00
Lead and zinc (excluding mining) manufacturing of articles from	1.00
Electric light and power and gas	1.00
Electric and street railroads (With regard to a company operating a light and power plant together with an electric and street railroad, the governing classification should be determined by the class in which the majority of the employes are engaged.)	1.00
Livery stables, bus, cab, truck, transfer	$1.00
Steam railroads	2.00
Subway and elevated railroads	2.00
Police	3.00
Firemen	3.00
Ice companies (Manufacturing, harvesting, storing and delivering.)	2.00

War Cripples Being Made Into Producers

ARMLESS AND LEGLESS RACES

Idea That Disabilities Are Necessarily Permanent Being Dissipated By Red Cross Institute

How war cripples are to be rehabilitated is told to The Eastern Underwriter by Mrs. James Symmers of the publicity department of the Red Cross Institute for Crippled and Disabled Men, New York.

Human wastage of former wars was looked upon as inevitable and the crippled soldier injured in defense of his country as a rule lived out his days on a small pension or was supported by charity. In this war, all this is changed and the basic idea is one of construction. The cripple is now equipped with substitutes for legs or arms and trained so that he can take his place in the industrial world as a capable worker.

In the wake of destruction incident to warfare a new system of rehabilitation and re-education has been developed. France alone has one hundred and three institutions listed as providing rehabilitation for **mutiles de la guerre.** England, Canada, Italy and Belgium are retraining those disabled in the war and the United States has made provision for our men.

According to the Vocational Rehabilitation Act recently enacted by Congress those disabled by the naval and military forces of the United States have been placed under the joint authority of the Surgeon General of the Army and the Federal Board for Vocational Education. The Surgeon General has jurisdiction from the time the person is injured until he is restored to good physical condition, when he receives his honorable discharge from the service. The Federal Board then offers him vocational re-education and training which will enable him to return to useful active employment and the United States Employment Service will co-operate in finding him work.

Opportunity For Many

The training which will be begun during convalescence encourages a hopeful outlook upon the future which is the most valuable aid to the physician's skill. Each man represents an individual problem and each problem must be carefully studied. Some men may go back to their old work and even their old jobs. Others will be forced to find a new occupation. The man who has had a desire or inclination towards some special line where training would be required now has his chance. For this class even a physical handicap may not bar the door to opportunity. They will be equipped with the necessary practical training to enter the field of their choice. While men are taking the special courses, compensation will be allowed them and the allowance will be paid their families precisely as if they were still in active service.

An excellent plan has been adopted at the English hospital at Roehampton. Each man as he enters has a leaflet placed in his hands giving full instructions as to the facilities offered for attaining proficiency in skilled trades. Legless students may be seen busily engaged at typewriting and other cripples at work on the trade of their choice. During eighteen months the Roehampton hospital has placed in profitable employment 1,294 men, 2,037 men have been returned to their former employment and 2,783 men have been fitted for practical life and turned over to local employment committees.

Genuine One Leg Race

One soldier who had lost an arm could use a spade very efficiently. He was also an expert at cricket and golf. Another soldier with an artificial leg from his hip down ran a foot race with an armless but two-legged soldier and did not lose the race. Mechanical devices have been invented far superior to the old fashioned artificial arm or leg and a man fitted with these can do almost any kind of work.

The patients at Roehampton hospital were all young, bright-faced English lads, apparently happy, talking cheerfully of the future and delighted with the fact that they were not more seriously injured than the loss of one or more of their limbs. The individual problem of each soldier's re-education received careful attention. The first thing to be considered is the physical handicap, second, inclination, previous experience and general adaptability and third, demand for labor and chances of employment in that particular field.

Adult Trained Also

The Red Cross Institute for Crippled and Disabled Men, of New York City, offers instruction to cripples in six indoor trades which seem not only capable of immediate practical application, but are peculiarly adapted to a wide range of individual needs. They are artificial limb making, printing, jewelry making, mechanical drafting, oxy-acetylene welding and moving picture operating. Besides the training of industrial cripples, the Institute through its Employment Bureau has placed hundreds of men in positions.

It must be remembered that the training of an adult is different from the training of a young person. It is short and intensive and represents a greater economy of time. The adult usually feels an added responsibility and aids by industry and application. For the rehabilitated soldier there is a double hope, he may not only learn to help himself in the narrow and personal sense, but he may still know the joy of service.

ELEVEN NEW MEMBERS

Manager Wight Announces List of Companies Joining Association of Life Insurance Presidents

The following-named companies have been elected to membership in the Association of Life Insurance Presidents, by unanimous vote of the executive committee:

Connecticut General Life Insurance Company, Hartford, Conn.; The Connecticut Mutual Life Insurance Company, Hartford, Conn.; John Hancock Mutual Life Insurance Company, Boston. Mass.; Manufacturers Life Insurance Company, Toronto, Ont., Can.; Massachusetts Mutual Life Insurance Company, Springfield, Mass.; The Mutual Benefit Life Insurance Company, Newark, N. J.; National Life Insurance Company, Montpelier, Vt.; The Penn Mutual Life Insurance Company, Philadelphia, Pa.; Phoenix Mutual Life Insurance Company, Hartford, Conn.; The Provident Life and Trust Company, Philadelphia, Pa.; State Mutual Life Assurance Company, Worcester, Mass.

This increases the membership of the Association to 39 companies.

Group Policy on Ship Building Corporation

GOVERNMENT ORGAN COMMENT

"Emergency Fleet News" Says Aetna's Contract Reduces Labor Turnover to Minimum

The Emergency Fleet Corporation's paper the "Emergency Fleet News" devotes more than a column in its current issue to the significance of the group policy on the New York Shipbuilding Corporation, Camden, N. J., by the Aetna Life.

Labor turnover at the plant has been reduced to a minimum by the establishment of a system of group insurance, says the "Emergency Fleet News." Under this system insurance of $500 is given each worker for one year of service, and $100 for each year thereafter for seventeen years, making a total insurance of $2,200. The policy of a worker becomes void the minute he leaves the employ of the company. To date twenty-six claims, aggregating $33,900, have been paid. The system according to the officials of the company, has stabilized labor to a remarkable degree. The insurance policy is an asset which they do not care to abandon. The article continues:

12,372 Men Employed

In July, 1917, when the plant of the New York Shipbuilding Corporation was confronted with the problem of expanding and increasing its working force from 5,150 to 12,372 men, the officials of the company became intensely interested in the matter of industrial relations.

The first problem was one of transportation. In July, 1917, there were only eight or ten rickety trolley cars available to transport more than 5,000 workers to and from their labors at the plant. It was plain to Chairman Edward N. Hurley, of the United States Shipping Board, that such inadequate service would break down altogether when the working force was increased to more than 12,000. He recommended immediate action. A trolley loop was built and dozens of new cars placed in service. Twenty-five crews were picked from the yard to run these cars so that the burden of increased man-power would be taken from the trolley company. In addition to the trolley service five special trains for workers were placed in service on the Pennsylvania Railroad.

Housing Problems

With the transportation problems settled satisfactorily, the Corporation now turned to the matter of housing these thousands of additional workers who were to come to the plant. With the aid of the United States Shipping Board Emergency Fleet Corporation, the plant built a model city on waste land not far from the shipbuilding plant. This model city has 2,000 buildings, including stores and schools. It has a model sewage and lighting system, and, figuring on an average of five persons to a house, will accommodate in the neighborhood of 10,000 persons. The city, which has been named "Yorkship Village," will be ready for occupancy in a few days.

The Corporation next turned its attention to the matter of eating arrangements at the plant. It was discovered that workmen who did not bring their lunches depended at noon time for their meal upon hucksters stationed at the gates of the plant. This food was not prepared or served under the best sanitary conditions and there was a decided falling off in the efficiency of workmen who partook of this sort of food.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Should Bother About The Contract

Under the head of "Why Bother About the Contract?" the Phoenix Mutual Life, in its Home Office publication, gives several excellent examples to show that the contract is something to consider most carefully in buying insurance. It cites one case of an insured who died October 11, 1918. He was a young farmer only 21 years of age, with the expectation of living 40 years, when he took out policy 333,705 for $1,000 through the Olean agency on May 29, 1917. He paid one premium of $28.23.

He didn't pay the second, but let the policy lapse May 29, 1918. He was one of the victims of the influenza and died October 11, after an illness of ten days. A young civil engineer 25 years old when he took out two policies, 337,241 and 337,242, for $2,500 each through our Albany agency; one bore date of August 19, 1917, the other January 19, 1917. He paid one premium of $55.95 on each and policy 333,241 lapsed August 19, 1918. The insured died of pneumonia September 29, at Camp Devens.

Here's where the difference begins: At the end of the first year both of these policies, like other Phoenix Mutual policies, had placed to their credit a dividend. The insured did not take his dividend in cash; the Company did not keep it. What became of it? The Company applied the dividend as a net premium to keep the insurance in force for as long a period as the amount of the dividend was sufficient, which meant insurance for a year and a half for the payment of one premium.

And here's the difference to the beneficiaries—a check for $1,004 in one case and a check for $2,510 in the other as against a letter informing them the policies were of no value.

* * *

Peace—Its Effect On Business

The greatest war the world has ever known is over, says Fred Merrill, general agent of the State Mutual Life, Buffalo, N. Y. This country and our Allies are now rejoicing that the terrible conflict has been brought to a victorious end, but we now have confronting us the problems of readjustment. It is not the purpose of this article to go into the details of these problems, but to speak of the effect upon the business of life insurance.

All of us know that there has been great prosperity in the United States during the past three years—what might be called "War Prosperity"; and now that the war is over, many people believe that this prosperity will cease and believe that the many big plants erected for the purpose of manufacturing war munitions will discharge their men and will board up the windows, and that we are in for a period of hard times. It is my understanding that most of the war contracts will be carried out, even though war is over and it will take months and probably a year or more to complete many of the contracts; meanwhile our government and the business men of the country will gradually shift over to regular business and this will be accomplished with very little, if any, disturbance. I have already heard of a local concern manufacturing tools, that has received a flood of orders in the past forty-eight hours and the manager of this business says his only worry is securing enough labor to meet the demand.

All of us know there are many things considered necessities of life that are difficult to purchase today and this condition will gradually change and manufacturers will be busier than ever before. Already the Government has given permission to the automobile factories to begin the manufacture of pleasure cars, not to an unlimited extent, but to approximately 75 per cent. of their normal production. Practically every large city has refrained from public improvements for the past year and a half and no permits have been issued by the Government to construct factories, office buildings or homes, except for war needs. It has been estimated there is need of 700,000 homes in the large centers of population. This means steel, lumber and all other construction supplies that have been used practically for war work only, will gradually be used for peace work and that every industry will have its hands full for a long time to meet the requirements of the country.

Life insurance salesmen should be optimists, notwithstanding they meet more expressions of pessimism than any other class of salesmen. Our business brings us in close contact with all classes of people—wage earners, salaried men, merchants, manufacturers, bankers and professional men; and it is doubtful if any class of men have to contend with various opinions any more than life insurance salesmen.

None of us should believe in foolish optimism; but if we will only keep in mind that life insurance is needed **under all conditions** and will talk its need and its value and not permit the pessimist to influence us; but on the contrary endeavor to change his opinion, we will find that we will be successful in helping to create a spirit of optimism.

You are going to meet the type of man who put you off in July 1914 because he read in the papers the possibility of a European war; who would not buy after the war started because he saw nothing ahead but business troubles; and when war prosperity came in 1915, would not purchase because he did not believe it would last; and when we entered the war, he was certain that we would go bankrupt and that he would not be able to pay his premiums, and so on. Now that peace has come, this same type will tell you he is not going to buy until conditions are more settled. He has completed his circle and will start around again; and there are thousands of such people who go through life finding excuses for not carrying adequate insurance protection.

Any right thinking life insurance agent can look over the past four years with a great deal of pride in the achievements of life insurance companies. During this period there has been times when the only investments one owned **that stood for 100 per cent.** value **was his life insurance.**

Life insurance has been purchased in larger amounts the past four years than ever before. It has received recognition by the banker, business and professional men as never before. The action of the government in insuring men in the service and of practically recognizing $10,000 of insurance as a minimum, has raised the standard of protection and caused those who have stayed at home to think.

The calamity howlers will be on the job—in fact, are already busy; but the man who maintains a high morale, who gets the right point of view and works and uses well directed efforts, has nothing to worry about, so far as volume of business is concerned.

It has been said many times that ours is not a business of seasons and that it is affected less than any other line by conditions and we certainly have had proof of this during the most trying period that people of this day have ever known.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, sold $65,000,000 worth of War Savings Stamps between February first and September first, 1918, and expects to sell a total of at least $100,000,000 during the year.

JOHN R. HEGEMAN, President

What An Agent Wants

A Company whose name, everywhere a household word, is his best introduction. Prestige is a door-opener, and age and size are impressive.

Policies that are unexcelled. Big dividends. Strength and safety that need no demonstration. Unsurpassed service to policyholders—the thing that makes solid patrons out of first-time customers.

The Oldest Company in America! Come with it and you will stay with it and it will stay with you.

For terms to producing agents address

The Mutual Life Insurance Company
of New York

34 NASSAU STREET, NEW YORK CITY

R. L. Cox's Paper

(Continued from page 7)

great incentive to move him to do his share and perhaps a little more of the world's work; that no spur quite equals the rights which arise in and flow from the private ownership of property. The new idea seems to assume that spurs for the individual are no longer needed other than such as are afforded by the consciousness of a duty well performed. Supporters of the latter proposition seem to see men not as they are but as they ought to be. It is my feeling that the disturbance of our daily affairs (otherwise known as 'business') by the great war has brought to most men an overpowering desire to return to the pre-war normal life and that our anathemas will not be directed hereafter at business as a whole but only at its evils and excesses. Individual success will be awarded approval—not condemnation. The social organism shall be relegated to a place indicated by Phillips Brooks when he said: 'Society does not exist for itself but for the individual, and man goes into it not to lose but to find himself.' We shall come then to realize that the great product of business, big and little, is not its material output, but men, industrious, independent, self-reliant, responsible, growing, human beings. Business is an ever-present and an all-embracing force. Among the business institutions of the world which stimulate prudent living and right acting on the part of its patrons, none occupies a higher place than life insurance."

MANAGING AUTO DEPARTMENT

Wilbur Thirkield has been appointed by Russell, Scott & Ziegler, manager of their automobile department. Mr. Thirkield is a thoroughly experienced automobile underwriter.

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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GOVERNMENT OWNERSHIP

Insurance men who almost alone have been fighting the battle of individual rights against government ownership have suddenly found enlisted on their side some of the leading public men of the nation by reason of the entrance of the government ownership issue in politics via agitation over turning the railroads back to their owners. Charles E. Hughes, one of the most acute minds in America, has come into the arena as a defender of private ownership and in a speech at Columbia University this week he made these points:

"There is just as much danger to our prosperity in undue decentralization as in over-centralization. Take our railroads as an example. We must have a plan of regulation which will permit sound credit and growth, which will stabilize securities and offer inducements for investment, while insuring adequate service at reasonable rates. Regulation which does not promote efficiency is self-condemned; and with respect to interstate carriers, State lines are not economic lines. Congress should provide, as it has power to provide,—aside from war powers—a comprehensive plan of regulation with relation to districts corresponding to the broad divisions of actual operations, and the entire field of activities of interstate carriers should be covered appropriately by recognition of the inter-dependence of through and local rates, and of the interblending of operations in the conduct of interstate and local business, so that in the exercise of the dominant power of Congress for the protection of interstate commerce, all conflicting regulations would be avoided and the basis of efficiency secured.

"Is it not entirely possible to maintain governmental supervision which will give reasonable opportunity for doing reasonable things instead of seeking to maintain rules of conduct which shackle American enterprise? Neither labor nor the general public gains anything from denying free scope to honest business, and to secure this legitimate freedom it should be the function of Government to provide intelligent supervision which will aim at the detection and punishment of abuses and not at the crippling of opportunities rightly used.

"The question of Government ownership and operation is, after all, a severely practical one. Of course, there are those whose interests lie simply in extending the activities of Government so as to embrace all industry and who are endeavoring to proceed along what they conceive to be the line of the least resistance in trying to keep in Government hands in time of peace what has been taken temporarily by reason of the exigencies of war. The instinct of the American people I believe can be trusted to thwart the insidious plans of these enemies of liberty, who if given their way would not stop short of tyranny which, whatever name it might bear, would leave little room for preference as compared with Prussianism. Passing the ambitions—which are not to be ignored—of these pseudo democrats, the question of the Government ownership and operation of railroads and other instrumentalities of communication is really one of efficiency and political control. So far as investment is concerned, it will exist in either case. Whether corporate bonds and stocks, or the fair value of the properties in Government bonds with guaranteed returns are held. makes little difference from the standpoint of investment. Perhaps the latter might be preferred by many. The important question is not that of investment. It goes deeper and touches the service to the public and the soundness of our political life."

The satisfaction that was evinced over the President's talk before Congress on Monday when he said that he had not made up his mind about returning the railroads to the companies —his remarks causing railroad stocks to rise several points—had something of a damper put upon them by the interpretation of the speech made by the defeated James Hamilton Lewis, who is popularly regarded as having the confidence of Mr. Wilson. Senator Lewis gave this interpretation of the talk: "The railroads should be owned by the Government, but should be operated privately."

LEAGUE OF NATIONS

D. P. Kingsley Favors Anglo-Saxon Pact Instead—Speech at the Economic Club

Darwin P. Kingsley, president of the New York Life, told members of the Economic Club, meeting at the Hotel Astor a few nights ago, that he opposed a League of Nations and advocated a post-bellum federation of the Anglo-Saxon world. The New York "World" quotes his talk in part as follows:

"If I understand what President Wilson means by freedom of the seas—and I sometimes wonder if any one knows what he means—Great Britain will never accept it.

"Great Britain cannot accept it. As a consequence, the basis of grave differences between Britain and ourselves is likely to be laid down at the peace table. Already the question of the relative size of the British navy and our navy is being mooted. We probably soon shall have a larger merchant fleet than Great Britain has. Necessarily, we shall plan to protect it.

"On the other hand, the British Empire, from its very nature, cannot let her navy be less than the navy of any other nation. The contest in sea power that went on so long between Great Britain and Germany and finally culminated in this war is apparently about to be transferred to the British Empire and the United States. Could anything be more stupid?"

Henry Morgenthau, president of the club, presided at the meeting.

THE HUMAN SIDE OF INSURANCE



R. W. STEVENS

R. W. Stevens, vice-president of the Illinois Life; **Frederick W. Fuller,** of the Equitable in Springfield, Mass.; and **Burton Mansfield,** Commissioner of Connecticut, were speakers at the banquet of the Life Underwriters' Association of New York at the Arkwright Club on Wednesday night. Mr. Stevens is also the editor of the "Illinois Bulletin," which is being quoted all over the world by trade publications. The articles which Mr. Stevens writes and has published in red, green and black ink are among the best written in this business, and would be read just as generally if he used more black ink. The only fault that The Eastern Underwriter can find with Mr. Stevens is that he insists upon quoting another editor every week. It may be that this particular editor has the supreme merit over all his fellows that entitles him to the distinction of being reproduced so often by Mr. Stevens, or it may be that the Illinois Life executive finds him a corking good partner at bridge or golf.

* * *

John A. Morrison and **Charles H. Burras,** two Chicago casualty insurance men, who are among the principal cogs in the National Association of Casualty and Surety Agents' machine, told insurance men here this week that they had organized a Pure English Club. What consummate nerve of two natives of Chicago where culture is pronounced to rhyme with vulture instead of calling it in simple, natural lingo, "culchaw"; where they speak of eating to-may-toes instead of to-maw-toes, and where Gertie Murphy is pronounced Gertie Murphy instead of Goity Moiphy, as in the case of some of our Second Avenue set. No one but Chicagoese would think of forming a Pure English Club, but mayhap it is on the principle that to the pure all things are pure.

* * *

W. G. Curtis, treasurer of the Insurance Federation, told some casualty men at the Hotel Astor, that the circulation of "The Federation News," which is to accept advertising, will be 35,000. This is three times or more as much as the circulation of Bert Weed's "Independent"; it is more than twice as many copies as is circulated by the various publications, including charts and year books of A. L. J. Smith; and is almost as much as the circulation—in some weeks—of Franklin Webster's "Insurance Press." As the object of "The Federation News" is to make money we wonder what Treasurer Curtis will say when he receives his bills for print paper on a circulation of 35,000. The fraternals are now included in the live Federation of Massachusetts. There are 800,000 members of these fraternals. Are all of them to get the "Federation News"?

* * *

Mrs. L. C. Fletcher, of Detroit, represented Kansas at the Federation meeting in New York. She was the only woman delegate. No, she is not an insurance woman but she has a real talent for organization, what she terms a grounding in the business and a strong attachment for it. Her husband, "Lou" Fletcher needs no introduction to insurance men. The Federation situation in Kansas was a peculiarly difficult one and Mrs. Fletcher has handled it in a manner beyond the highest expectations of the Federation managers.

* * *

I. William Brill and **Charles I. Scott** have been appointed general agents of the Fidelity Mutual Life, with offices at 416 Fifth Avenue, New York City. Mr. Brill has been an active life insurance man for years, and was formerly with Northwestern Mutual Life. Mr. Scott was sales manager for C. T. Silver, the most prominent automobile sales agent of New York City. A "house-warming" will be given by Brill & Scott at their offices on Saturday noon, December 14.

* * *

Geo. C. Fritz, who has been appointed manager of the burglary insurance department of the Maryland Casualty, is a burglary insurance underwriter of long experience, having served fourteen years in this special field while with the United States Fidelity & Guaranty, and for a considerable time he has been assistant manager of the burglary department of that company.

* * *

Lewis Hier Ryan, 9½-pound son of Lewis F. Ryan and Mrs. Ryan, arrived at the family home in Syracuse on November 27, 1918. If he follows in parental footsteps he will in due course become an assistant adjuster of the Travelers, which position his father occupies at this present time.

* * *

C. W. Bailey, president of the American of Newark, is receiving condolences because of the death of his son, Lieutenant Bailey, who died bravely in an offensive on French soil.

* * *

Henry L. Rosenfeld, of the Equitable Life Assurance Society, will deliver an address on group insurance to Columbia University insurance course students this afternoon.

* * *

Philip W. Alexander, who was advertising and publicity manager for the Fireman's Fund, has entered the general publicity field in San Francisco.

* * *

Mark T. McKee, of the Insurance Federation, attended the conventions at the Astor this week in his uniform. He is a lieutenant in the Chemical Warfare division.

L. F. Goule, secretary of the National Liberty, died from an apoplectic stroke this week.

WESTERN MERGER

The Merchants National, Chicago, and the Bankers' & Merchants' Fire, Minneapolis, have merged under the name of the Western Alliance.

* * *

The Columbian National, of Detroit, has been admitted to West Virginia.

FIRE INSURANCE DEPARTMENT

Organization Plan of Excelsior Fire

WIDE DISTRIBUTION OF STOCK

Complete List of Business Men, Bankers, Public Men and Lawyers on Board

Considerable interest is being taken by insurance men in the new Excelsior Fire Insurance Company, which is being organized in Syracuse with $2,000,000 capital, and a surplus of $100,000, which expects to start business January 1. Instead of securing small groups of capitalists, as is usually the case in organizing a new company, the organization committee formed a trust fund under the name of the Eureka Fire Insurance Company for the sale of stock, giving the stock a wide distribution. There are about 800 subscribers so far, in territory bounded by the St. Lawrence River on the north, Schenectady on the west, and Binghamton on the south. Subscriptions to date total about $300,000, and 4 per cent. interest is allowed on payments during the period of organization.

Board of Governors.

The new company has a board of governors composed of seventy representative citizens residing in the cities and villages where stock has been sold. These governors have just held a meeting in Syracuse and selected the following board of directors:

Clayton R. Lusk, State senator and attorney, Cortland; H. S. Getman, building and loan association secretary and director of the City National bank, Frankfort; A. Klein, leather and commission merchant, Gloversville; Daniel Strobel, president of the West Canada Lumber company and the Newport Light and Power company, Herkimer; Albert A. Copley, member of Assembly, insurance and real estate, Lowville; C. H. Latham, retired merchant, Norwich; James Moore, secretary-treasurer of the Burt Olney Canning company and director of the Madison County Trust company, Oneida; John H. Brown, president of the Madison County Trust Company, Oneida; Fred M. Moore, department store, Richland; E. Eugene Lay, executor of the Lay estate, Seneca Falls; H. B. Cutter, capitalist, Seneca Falls; Ralph R. Brown, manufacturer, South Otselic; Charles M. Bedell, merchant and director of the City bank, Syracuse; George O. Dawson, contractor, Syracuse; William T. Klink, coal dealer, Syracuse; Robert Dey, president of Dey Bros. & Company, and director of the National bank of Syracuse, Syracuse; Ray B. Smith, attorney, president of the Syracuse Press, Inc., and the Salina Paper company, Syracuse; Theodore Foster, treasurer of the Foster Box Board company, Utica; W. H. Start, wholesale grocer, Utica; G. H. Niles, cashier of the Oneida County National bank, Utica; L. C. De Cant, manufacturer, Watertown.

R. B. Smith Chief Organizer.

Ray B. Smith, chairman of the organization committee, will be president of the company. He was a clerk in the State Senate in 1894 and 1895, assistant clerk and clerk of the Assembly from 1898 to 1911 and a member of the constitutional convention of 1915. He has been counsel for important legislative committees, including committees which worked on Greater New York and second-class charter bills.

BANKERS ALTER COMPANY NAME

Bankers and Merchants To Be Bankers and Shippers Instead—Changes In Board Probable

It has been decided to change the name of the newly formed Bankers & Merchants Insurance Co. to the Bankers & Shippers Insurance Co. It is believed that this change was effected because of the large shipping interests backing the new company. It is also reported that several changes in the board of directors of the Bankers & Shippers will probably be made effective at the next meeting of that body.

ALLEN DID NOT SPEAK.

The announcement that E. M. Allen, president of the National Association of Insurance Agents, would address the Federation at the Hotel Astor this week was unauthorized, according to representatives of the National Association. Mr. Allen did not attend the meeting.

McLENNAN READS A PAPER

D. R. McLennan, of Marsh & McLennan, read a paper this week before the Building Materials section of the Chamber of Commerce of the United States, at the convention of the chamber in Atlantic City. Mr. McLennan has been one of the $1 a year insurance men who did good work for the government during the war.

MUTUAL FOR WAREHOUSEMEN

A number of moving van and storage warehouse people are working on the formation of a mutual company to write fire and automobile risks.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

Binding Contracts with Guaranteed Underwriters at Lloyds and British Companies maintaining United States deposits. Immediate telegraphic binders given.

MARSH & McLENNAN

19 Cedar St. NEW YORK	1615 California St. DENVER	201 Sansome St. SAN FRANCISCO	107 S. Fifth St. MINNEAPOLIS
901 Ford Bldg. DETROIT	314 Superior St. DULUTH	17 St. John St. MONTREAL	23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

THE TOKIO
MARINE AND FIRE
INSURANCE COMPANY
LIMITED

UNITED STATES FIRE BRANCH
J. A. KELSEY, General Agent
80 MAIDEN LANE, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

PROFIT INSURANCE

A Description By C. C. Dominge and W. O. Lincoln in Their New Book on Underwriting

In their new book on "Fire Insurance Inspection & Underwriting" published by the Spectator Company, Messrs. C. C. Dominge and W. O. Lincoln, of the Great American, give the following definition of profit insurance:

"Insurance on profits may be written under two or more forms, which may be principally described as 'per diem' and 'per cent.' Per diem profit insurance is generally used where only a very small stock of merchandise is carried. Percentage profit insurance in this case is not acceptable to most companies as can be readily seen from the following example: A cafe has a $1,000 stock; 50 per cent. profit would be $500. If fire ensues with a total loss the companies must pay $500, whereas if policy was written under the 'per diem' form with an amount of $500 at $20 a day profit it would be 25 days before the total amount of insurance would be used up and the chances are that the premises would be in working order before the 25 day period terminated.

"Per cent. profit insurance is the most commonly used and should always follow the stock adjustment. Extreme care should be exercised in writing this class of insurance as many brokers' forms read company shall be liable for a loss of profits equal to, say, 20 per cent. or 25 per cent. of the value of merchandise insured. With this form the stock may only suffer a 1 per cent. fire loss and yet the company would be obliged to pay a 20 per cent. profit loss. The form should read that the loss would be a certain per cent. of the value of the damaged merchandise (not the value of the merchandise insured); in other words, the profit loss should follow the stock adjustment. Only competent underwriters should accept profit insurance.

"The following will illustrate the reason why large concerns carry percentage profit insurance. A large woolen firm has stock of piece goods and are well stocked up, their fall stock being all in. A fire breaks out and they sustain a total loss. Their own mill cannot fill orders for three months, therefore they are obliged to go to other mills to supply them. In order to protect themselves against such a contingency, they carry percentage profit insurance so that they will receive their regular profit just as if nothing had happened."

* * *

An Agent's Bankrupt Estate

The Hartford "Times" prints this interesting news story:

"That an insurance agent's commission is all that belongs to his bankrupt estate from premiums collected by the trustee is the effect of an opinion by Judge Thomas, of the United States district court filed in the matter of the Mason company of New Haven, bankrupt. The matter was before the judge on a petition for review of the order of the referee in bankruptcy, denying the petition of the Massachusetts Bonding & Indemnity Company, claiming as the property $1,311.09 premiums on insurance policies written by the Massachusetts Bonding & Insurance Company, through Mason & Co., who were its general agents.

"The premiums were collected by the trustee of the bankrupt estate of the Mason Company and held by him subject to an order of the court.

"Judge Thomas holds that the Massachusetts Bonding & Insurance Company was entitled to the premiums in question, less such part as the Mason Company was entitled to deduct as a commission, and to this commission and that only the Mason Company had title and this commission is all that passes to the trustee for the benefit of the bankrupt estate."

INCREASING SCHOOL COVER.

A Resolution Passed In Olean, N. Y., Which Will Interest Local Agents Throughout State

An interesting resolution was passed by the School Board of Olean, N. Y., a few days ago. It reads:

"Whereas, The present insurance on the various school buildings is now placed on a specific form of policy, subject to 80 per cent. co-insurance on values furnished by the American Appraisal Co., February 21, 1913, and

"Whereas, The cost of building materials and labor has increased 50 per cent., and that the insurance be increased to an amount equal to at least 90 per cent. of said values; and from and after this date the blanket form of policy for buildings and contents be adopted; and it is

"Further Resolved, That the clerk be instructed to request the American Appraisal Co., to submit a revised summary of present day insurable values.

"The insurable values of February, 1913, being $344,000 with $40,000 additional on building of school No. 2, making a total of $384,000, to which amount add 50 per cent., making values less 10 per cent. for depreciation, of $518,400. Ninety per cent. of this amount being $466,540.

"It is hereby authorized, that from this date $180,000 of insurance shall be added to the $285,000 of insurance now in force, making a total $465,000.

"It is further Resolved, That the clerk be instructed to request in writing of each agency represented in the insurance, their assent to the adoption of the blanket form of policy and that the additional $180,000 insurance be placed."

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Firemen's Insurance Co., Newark, N. J.
January 1, 1918
Cash Capital $1,250,000.00
Net Surplus $2,384,971.20
SURPLUS TO POLICYHOLDERS...$3,634,971.20
DANIEL H. DUNHAM, President
[illegible] V. Vice-President and Treasurer A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President J. K. MELDRUM, Assistant Secretary

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876
Losses Paid - - - $109,000,000
Losses Paid in U. S. $40,000,000
Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
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E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
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NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

S. C. BISHOP CO.
Represented at 95 William Street. AGENTS FOR NEW JERSEY 208 Broad Street, Elizabeth, N. J.
Phone, 447 John—588 Elizabeth

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
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ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
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PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
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B. M. CROSTHWAITE & CO.
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Lines Bound Anywhere in New York State
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EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

FOUNDED 1792

1792 Insurance Company of 1918

NORTH AMERICA

PHILADELPHIA

126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000.00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

The Oldest American Stock Insurance Company

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33

Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Registered Mail.

National Fire Insurance Company

OF HARTFORD, CONN.

Statement January 1, 1918, to New York Insurance Department

LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79
Total Assets January 1, 1918	$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer

G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent

SURPLUS TO POLICYHOLDERS.....$5,980,020.79

Plans and Rates of Auto Mutuals

QUARTERLY PAYMENT SCHEDULE

Two Companies to Start February 1—Tariffs Subject to Change January 4, 1919

A quarterly payment plan at yearly rates on automobile insurance has been worked out by Manager Renton of the Motor Car Mutual Fire and the Motor Car Mutual Casualty of 20 Nassau Street, New York. Business will be commenced February 1.

Policies will be written yearly or on a three months' basis at yearly rates. When written on three months' basis, three renewals of three months each will be issued. Premiums will be computed as follows. A $200 yearly premium is used as an illustration:

Three Months Policy at 50% of yearly premium	$100
1st Three Months Renewal Certificate at 20% of yearly premium	40
2d Three Months Renewal Certificate at 15% of yearly premium	30
3d Three Months renewal Certificate at 15% of yearly premium	30
Yearly premium	$200

All premiums must be paid within thirty days from date of policy. In the event of cancellation by assured no return premiums will be made on policy or renewal certificates issued at three months' periods unless policy is rewritten.

Commission 17½ Per Cent.

Policies will be standard form providing full coverage with same limits as all other automobile insurance companies. Commissions will be 17½ per cent. on all new business and renewals thereof. Full collision insurance will be issued only when fire, theft and transportation is written. Deductible collision will not be written.

The managers estimate that each company will have not less than 2,000 cars, with an average premium for fire, theft and collision, $75.00 per car, and an average premium for liability and property damage, $200.00 per car.

The estimated approximate premiums as of February 1, 1919, will therefore be:

Motor Car Mutual Fire, 2,000 cars @ $75 each	$150,000
Motor Car Mutual Casualty, 2,000 cars @ $200 each	$400,000

Signed applications at rates given in current rate sheet will be accepted on all business expiring up to June 30, 1919, provided they are submitted on or before January 4, 1919.

All applications submitted after January 4, 1919, regardless of date of expiration, will be subject to revised rates. These companies will do business only through licensed brokers. No direct business will be accepted.

Various Rate Schedules

The fire, theft and transportation rates are 20 per cent. under Conference rates.

Collision rates, full coverage only, all territories in Schedules Nos. 1, 2 and 3:

Up to 1,000	$43	Up to 4,500	$107
1,500	51	5,000	115
2,000	60	5,750	130
2,500	70	6,500	145
3,000	80	7,000	160
3,500	90	7,500	180
4,000	100	7,501 (and over)	200

The liability and property damage of private pleasure car rates are those in effect prior to April 1, 1918.

Commercial Cars

Liability and property damage premiums in Greater New York territory, $5,000—$10,000 limits; property damage limit, $1,000:

	Liability	Property Damage
Apron, Coat or Towel Supply	$125	$50
Baggage Transfer	250	100
Bakers (Retail)	125	50
Boiler Dealers	125	50
Bottlers (excluding Brewers, Liquor Dealers or Distillers who Bottle)	125	50
Brewers	200	80
Building Material Dealers	125	50
Butchers (Retail)	125	50
Butter, Cheese or Egg Dealers (Retail)	125	50
Carpenter (an individual working at this trade)	100	40
Carpet Cleaners	125	50
Caterers	175	70
Cheese, Butter or Eggs (Retail)	125	50
Cleaners or Dyers	125	50
Cleaners or Dyers (Wholesale only)	100	40
Clothing Stores (Retail)	125	50
Coal, Charcoal or Coke Dealers	150	60
Coat, Apron or Towel Supply	125	50
Confectioners (Retail)	125	50
Contractors (construction work of any kind not otherwise classified)	175	70
Delicatessen Stores (Retail)	125	50
Department Stores	150	60
Distillers	200	80
Dry Goods Stores	150	60
Drug Stores (Retail)	125	50
Dyers or Cleaners	125	50
Dyers or Cleaners (Wholesale only)	100	40
Egg, Butter or Cheese Dealers (Retail)	125	50
Electrician (an individual working at this trade)	100	40
Excavating or Grading	175	70
*Express Companies (i. e., such companies having express messenger service on trains or boats)	200	80
Farm Trucks	100	40
Feed, Hay, Straw or Grain Dealers	125	50
Fish Dealers (Retail)	125	50
Fuel Dealers	175	70
Furniture Moving	200	80
Florist (cultivating or gardening only; no retail delivery)	100	40
Florist (including service away from store not cultivating and gardening)	125	50
Furniture Storage or Warehouse Company	200	80
Furniture Stores (Retail)	125	50
Gasoline Distributing (Tank Trucks or Trucks handling gasoline in cans or barrels)	175	70
Glazier (an individual working at this trade)	100	40
Grading or Excavating	175	70
Grain, Hay, Straw or Feed Dealers	125	50
Gravel or Sand Hauling	175	70
Grocers (Retail)	125	50
Hardware Stores (Retail)	125	50
Hay, Straw, Grain or Feed Dealers	125	50
Hearses	100	40
Hotel Trucks (not passenger-carrying vehicles)	200	80
Ice Cream Dealers or Manufacturers	175	70
Ice Dealers or Manufacturers	175	70
Ice Dealers or Manufacturers (Wholesale only)	100	40
Invalid Carriages (no emergency ambulance use)	200	80
Iron or Steel Dealers	175	70
Junk or Scrap Iron Dealers	200	80
Laundries	125	50
Liquor Dealers	200	80
Lumber Dealers	175	70
Machinery Dealers	175	70
*Mail Trucks	...	..
Mason (an individual working at this trade)	100	40
Market Men (Retail)	125	50
Meat Dealers (Retail)	125	50
Milk Dealers (Retail)	125	50
Milliners (Retail)	125	50
Mineral Water or Soda Dealers or Bottlers	125	50
Mov'g Picture Film Delivery	175	70
Moving Vans	200	80
*Newspaper Delivery	...	..
Oil Distributing (Tank Trucks or Trucks handling oil in cans or barrels)	175	70
*Parcel Post Delivery Companies	...	..
Painter (an individual working at this trade)	100	40
*Parcel Post (not Mail Trucks)	...	..
Piano Dealers	200	80
Piano Moving	200	80
Plasterer (an individual working at this trade)	100	40
Plate Glass Manufacturers or Dealers (including loading and unloading but excluding setting of glass)	125	50
Plumber (an individual working at this trade)	100	40
*Police Patrol	...	..
Produce Dealers (Retail)	125	50
Provision Dealers	125	50
Publishing Company (no newspaper delivery; Wholesalers)	100	40
Retail Stores (not otherwise classified)	125	50
Road or Street Contractors	175	70
Roofer (an individual working at this trade)	100	40
Safe Dealers or Movers	200	80
*Salvage Corps or Fire Patrol	...	..
Sand or Gravel Hauling	175	70
Scrap Iron or Junk Dealers	200	80
Sewer Building	175	70
Shoe Stores (Retail)	125	50
Soda or Mineral Water Dealers or Bottlers	125	50
Spring Water Dealers or Bottlers	125	50
Spirit or Wine Merchants or Dealers	200	80
Steel or Iron Dealers	175	70
Stevedoring	200	80
Storage Warehouse Company	200	80
Stores (Retail, not otherwise classified)	125	50
Tailors	125	50
Towel, Apron or Coat Supply	125	50
Transfer (Baggage or Express)	250	100
Transfer (not Baggage Transfer or Express)	200	80

*Not written.

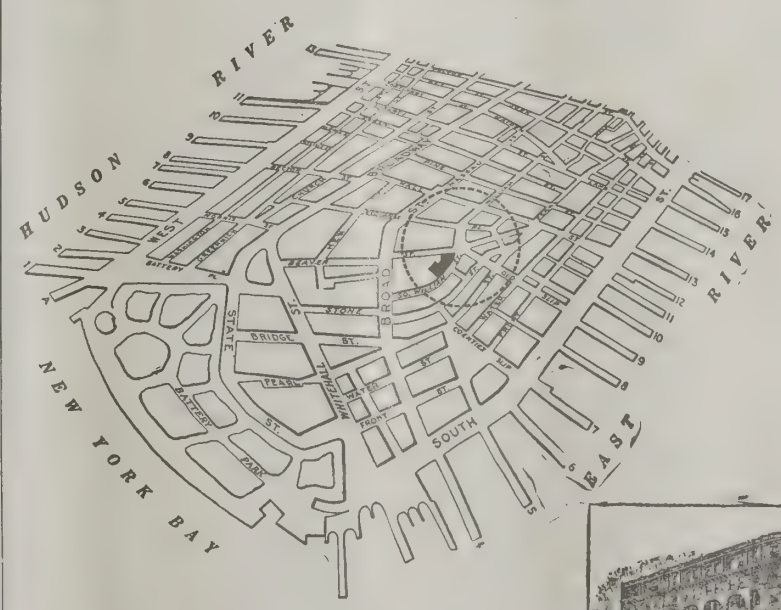
AMERICAN MERCHANT MARINE

INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE

IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House New York City

South William and Beaver Streets

Pert Comments in Hazard Dictionary

(Continued from page 1)

ignorant and helpless; ignorant on values until shown, and helpless because he is compelled to follow the contract made by the company and the claimant. Probably not over one loss in fifty on merchandise comes under the heading of a book loss; and the other forty-nine are damage or damage-claimed losses, to be closed by examination of the property and agreement on appraisement of the amount of loss thereon.

Antiques. Usually consist of porcelains, furniture, draperies, odds and ends of novelties. The collection of antiques is usually a hobby and in the eyes of the owner, the value increases in the event of a fire. Should not be insured unless inventoried. Dealers in high class goods usually keep the smaller and more valuable articles in a vault. Real antiques cannot be replaced, and, like old wine, the value increases with age. The moral hazard is important. Inspection and mercantile report required by most underwriters. Antiques, so-called, are being made in factories devoted to that purpose.

Caution About Branch Stores

Architects' Plans. Drawings, specifications and blue prints take a higher rate than the office fixtures. Benzine is used for cleaning smudge marks from tracings. The wise architect will submit the plans for his proposed building to an insurance rating expert before the work is started so that he may obtain the lowest rate of insurance when the structure is completed.

Branch Stores. Sometimes goods are removed back and forth from main stores to branches. Such stocks should be carefully investigated. Fires have a habit of starting in branch stores which are filled with out-of-season or shop-worn goods shipped from main stores, especially if located in another town.

Chinese Restaurants. These are seldom insured on account of their fire record. They are cleaner than the general run of restaurants. Very little frying is done, which reduces the grease hazard.

Churches Have Fires

Churches. Of ordinary construction have a very bad fire record. The trouble probably lies in the fact that they remain idle and without heat the greater part of the week and then the fires are forced to their capacity so as to get ready for services. Furring and concealed spaces play a large part in spreading fires. To make the interior attractive the walls, recesses and pipe channels are furred out to make a smooth interior, leaving in some places a concealed space of over a foot in depth. This, and the numerous hot air or ventilating pipes cause the fire to spread and soon reach the attic over the hanging ceiling and burn off the roof, which in collapsing tears down the walls and wrecks the interior. Vestments, altars and statuary are very expensive. Fixed marble work and stained glass windows are insured with the building and may form considerable of the building value. Fires have been caused from upsetting candles, defective wiring and other common causes.

When Politics Creep In

Politics. The truth of the statement that there is a fire hazard in politics, although but vaguely comprehended by the average citizen, comes oftentimes with distinct emphasis to those interested in maintaining municipal fire departments in a state of high efficiency. Politics may interfere directly by forcing fire chiefs to fill their ranks with men physically incapable and sometimes insubordinate, and also indirectly by tampering with the building department in such manner as to allow the flagrant disregard of most needful precautions.

Underwriting. Increase of lines and resulting premium, rather than indiscriminate cancellations, is what pays. An ideal risk is scarce, and with proper regard of hazard and line, the best underwriter is one who uses good judgment in selection rather than wholesale declinations. Look at the risk from the average of its class.

Successful underwriting requires knowledge of hazards and construction from personal inspection, familiarity with local conditions, fire and loss costs of various classes of risks, the adequacy of rates, trade conditions, and common sense.

Conditions and hazards in all manufacturing processes change, usually for the better, as years advance and a more intimate knowledge is had, and a more minute study of processes is made, to reduce producing costs. Probably the best example of this is in the shoe industry. Only a short time ago this class was tabooed by most underwriters on account of the fire record of the class. The manufacturers were charged very high rates and only small lines were written by individual companies. With increased knowledge as to hazards, such as handling of rubber cement and benzine, cutting-board scrapings, etc., the hazards and also the fire loss and rates were greatly reduced. Breweries and wood-workers were in the same class. They now show a profit in underwriting.

Forecast of Taxation By F. Robertson Jones

Intent of Government War Insurance Measures Upset By Theorists at Washington

Legislative situations, Federal and state, were discussed by F. Robertson Jones, secretary National Workmen's Compensation Publicity Bureau, before the National Association of Casualty & Surety Agents. He referred to the so-called war insurance measures and showed that in their wording and in all the debate on them in Washington, it is clear that they are intended to be only war measures. This is true, Mr. Jones said, of apportionments and allotments, compensation and life insurance.

It was suggested that as war measures these insurance features have the support of insurance men. In the work of reconstruction insurance, men can help by acquainting injured men from the service as to their rights under compensation and also see that the term life insurance is converted and not allowed to be lapsed.

There are nevertheless those in official life who have voiced sentiment in favor of extending these functions of government to peace times.

New Revenue Bill

Regarding the pending revenue act, Mr. Jones said that danger lies in the principle of taxation of premiums. As a war measure this is favorable because of its simplicity, but otherwise it is an illogical principle to tax premiums in lieu of all other taxation.

In favoring premium taxation as a war measure the companies have run counter to their advocacies in peace times. The hope of securing simplicity is the reason.

It is not now known whether the new bill will call for the old and varied list of taxes or the new premium tax, of which there is danger that it may be retained after the war. It is thought that possibly the insurance companies may get a corporate income tax upon the return of peace. Life insurance may be taxed on "free interest" principle.

ÆTNA (FIRE)
HARTFORD, CONN., U.S.A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.



FOR 65 YEARS—
THE CONTINENTAL has built its name to stand for all that is best in fire insurance.
FAIR DEALING has won it a leading place among agents and the insuring public.
CONSTRUCTIVE management has assured its growth in the past and assures a continuation of progress in the future.
FINANCIAL strength insures stability and guards against any conflagration danger.

[FIRE]
THE CONTINENTAL INSURANCE COMPANY
Cash Capital - - TEN MILLION DOLLARS
HENRY EVANS, President
Home Office 80 MAIDEN LANE NEW YORK
Managing Branch Offices: CHICAGO, MONTREAL SAN FRANCISCO
CONTINENTAL COMMANDS CONFIDENCE

N U
NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURGH, PA.
Four thousand men are serving under the red, white and blue emblem of the NATIONAL UNION. Loyalty is their watchword - service their forte. Protecting the public against devastating losses by fire, they help to furnish the ammunition which weaves the fabric of the Nation's credit. They are the emissaries of the NATIONAL UNION in advocating a policy which protects the homes of men and life time property accumulation. It is an army which is always prepared and wins its plaudits in times of peace. The recruiting station is at the Home Office, where your correspondence is always welcome.
BE FORTIFIED

One Company To Enter at a Time

PLAN OF FOREIGN ASSOCIATION

Participating Body—Smith and Ludlum Ask That American Insurance Expansion Be Encouraged

H. A. Smith, president of the National; C. A. Ludlum, vice-president of the Home; and Wilfred Kurth, secretary of the Home and secretary of the American Foreign Insurance Association, discussed plans of the American Foreign Insurance Association in an appeal, made to the Committee on Assets of the National Convention of Commissioners this week, that certain burdensome deposit requirements be lifted so that companies in the association would have a fair break in the expansion of American insurance. At the present time foreign companies have an advantage by reason of the fact that they are encouraged by their governments to branch out and there are fewer supervisory restrictions. A resolution was passed by the commissioners some years ago (at Burlington, Vt.), throwing out as an asset the excess over liability of a special deposit. At a later meeting several members of the convention, including Superintendent Phillips, took the position that the commissioners should allow the excess upon the theory that it was an asset.

A Participating Association

Mr. Ludlum said the American Foreign Insurance Association—in order to be safeguarded and so as not to partake of a rash adventure—is a sort of participation. It is a participating association whereby the hazard of the undertaking will be so spread out that it will be safe for all the companies. The entry into the foreign fields will not be by all companies simultaneously, but by one or two or three as suitable openings for representation present themselves. The entry companies will do the business and the others will be mutually burden-bearing. In view of the fact that but one, or two or three companies will enter at the start, Mr. Ludlum thought that by reason of certain American deposit requirements these entry companies would be hampered, and they should not be so handicapped merely because they were the ones chosen to act as entry companies for the whole association.

Mr. Ludlum then explained that expansion of American industry, banking, manufacturing and commerce was in the air, and he and his associates did not believe that the American companies should be blocked by regulations imposed by American states in the quest for insurance business in foreign fields.

Endouragement Given To Foreign Companies By Their Governments

Mr. Smith said that if there was ever a time for American insurance business to expand it was now, and if we do not do so the business will go to foreign countries. He said there were nineteen or twenty members in the American Foreign Insurance Association. Competitors of American companies are not subject to these impediments imposed by their own governments, in doing business abroad; in fact, they are encouraged to extend their activities. Their assets or securities are regarded as admissible assets.

WHISKEY COMMITTEE ADJOURNS

The fire company committee on whiskey adjourned this week without having taken any action.

PHOENIX FIRE GROUP

The Phoenix Fire of Hartford has taken out a group policy in the Travelers for its employes.

Special Agent Wanted

Young man about thirty years of age, to travel New York State as Special Agent for Fire Insurance Co. Preferable to live in Syracuse or Rochester. Should have thorough knowledge of Fire Underwriting, of progressive personality and unquestioned character. One with extensive Local Agency experience might qualify. Please state age, schooling, home responsibilities, experience for past ten years, references and salary expected to start.

Address "SPECIAL AGENT"
Care of THE EASTERN UNDERWRITER,
105 William Street, New York, N. Y.

F. V. DURKIN KILLED

Francis V. Durkin, formerly with Newman & McBain, is reported to have been killed in action in France. Previous to his connection with Newman & McBain, Mr. Durkin had for a number of years been with R. A. Corroon & Co. He had been active in the City Insurance Club since its organization.

OSCAR BREMER DEAD

Oscar Bremer, head accountant of the Glens Falls, died in the golf house at Crandall Park, Glens Falls, a few days ago.

BLACK TOM ECHO

In a recent court paper the Lehigh Valley Railroad admitted that the Black Tom loss was incendiary.

H. H. Johnston, of C. C. Hine's Sons Co., has returned to the Alfred M. Best Co., where he used to be several years ago.

Agree At Last Upon Re-insurance Measure

UNIFORM SECTION ADOPTED

Sharp Colloquy Between President Palmer, of Interstate, and Commissioners

After a series of hearings and conference that have extended over many months the insurance commissioners have finally agreed upon a uniform reinsurance measure, which it is believed will furnish some relief for the cramped insurance market. Ever since America entered the war and the enemy company indemnity was cut off, underwriters, agents and brokers have demanded that the state regulatory bars be let down somewhat; while the American retrocession managers, new company men and underwriters of the smaller companies have declared that if the United States had entered a conspiracy to stifle new insurance capital and to make the sledding of small companies and retrocession companies difficult they could not have gone about any more effectively than by having the present statutes re-enacted.

Hotchkiss Measure

The commissioners declared they wanted to give whatever relief was practical and safe and be as broad as they could regarding reserves; and so all sides were invited to attend conferences and to offer suggestions. It finally devolved upon William H. Hotchkiss to prepare a uniform section, which he did as follows:

Uniform Re-insurance Section

Sec. —. Every insurer authorized to issue policies in this State may re-insure in any other insurer any part or all of any risk or risks, other than life, assumed by it; but such re-insurance, unless effected (a) with an insurer authorized to issue policies in this State or (b) with an insurer similarly authorized in another State, territory or district of the United States and showing the same standards of solvency and meeting the same statutory and departmental regulations which would be required or prescribed of such insurer were it at the time of such re-insurance authorized in this State to issue policies covering risks of the same kind or kinds as those re-insured, shall not reduce the taxes to be paid by or the reserve or other liability to be charged to the ceding insurer; provided, that nothing in this section shall be construed to permit to a ceding insurer any reduction of taxes through re-insurance effected with an unauthorized insurer. In case such re-insurance is effected with an insurer so authorized or so recognized for re-insurance in this State, the ceding insurer shall thereafter be charged on the gross premium basis, with an unearned premium liability representing the proportion of such obligation retained by it, and the insurer to which the business is ceded shall be charged with an unearned premium liability representing the proportion of such obligation ceded to it calculated in the same way; to the end that the two parties to the transaction shall together carry the same reserve as the ceding insurer would have carried had it retained the risk.

Any contract of re-insurance whereby an insurer cedes more than 75 per cent. of the total of its outstanding insurance liabilities shall, if such insurer is incorporated by or, if an insurer of a foreign country, has its principal office in this State, be subject to approval in writing by the ———— of insurance of this State.

Nothing in this section shall be deemed to permit the ceding insurer to receive through the cession of the whole of any risk or risks any advantage in respect to its unearned premium reserve that would reduce the same below the actual amount thereof.

For the purposes of this section, the word "insurer" shall be deemed to include the word "re-insurer," and the words "issue policies of insurance" shall be deemed to include the words "make contracts of re-insurance."

"Frame-up" Allegation Denied

O. B. Ryon, of the National Board; H. A. Smith, National; and C. A. Ludlum, Home, said that on the whole they did not see why this measure was objectionable and that it probably would offer relief, and the only criticism they made of it was of a minor nature, but President Palmer, of the Interstate of Detroit, who also is interested in a reinsurance pool of a group of companies, didn't like the measure at all, and in a rather hot statement—which he qualified by saying, "I submit my views humbly even if noisily," he declared that some unforeseen forces were behind the Hotchkiss measure, and he didn't know whether they were German or not. Furthermore, he insisted that it was up to the commissioners to furnish relief to American companies in their reinsurance requirements and to protect them. Mr. Palmer was emphatic about the duty of the commissioners.

"This Hotchkiss measure is a new one to me," he said. "There should be another hearing, so we can discuss it intelligently. I do not know whether there has been any frame-up or not."

Colonel Young, of North Carolina, said there had been no frame-up; that the bill represented much thought, and that if Mr. Palmer had anything tangible to submit in the way of criticism it would be received and considered, but there would be no more hearings.

Mr. Hotchkiss denied that there was any German influence in the measure's introduction by him. Furthermore, he asserted that German insurance would not stand much chance in this country at the present time.

Great American
Insurance Company
New York

INCORPORATED - 1872

PAID FOR LOSSES
$96,971,238.06

STATEMENT, JANUARY 1ST 1918.

CAPITAL
$2,000,000.00
RESERVE FOR ALL OTHER LIABILITIES
12,927,269.91
NET SURPLUS
8,527,719.31
ASSETS
23,454,989.22

THE SECURITIES OF THE COMPANY ARE BASED UPON ACTUAL VALUES ON DECEMBER 31ST, 1917

HAD THE SECURITIES BEEN TAKEN AT THE VALUES AUTHORIZED BY THE NATIONAL CONVENTION OF STATE INSURANCE COMMISSIONERS THE ASSETS AND SURPLUS WOULD EACH BE INCREASED BY $2,321,032.00

Home Office, One Liberty Street
New York City

Western Department
WALTER H. SAGE, Gen'l Mgr.
INGRAM & LERCH, Managers
76 West Monroe St., Chicago, Ill.

Pacific Department
GEORGE H. TYSON, Gen'l Agent
210 Sansome Street
San Francisco, California

Boston Office
ROGERS & HOWES, Managers
4 Liberty Square, Boston, Mass.

Marine Department
WM. H. McGEE & CO., Gen'l Agts.
15 William Street, New York City

Mutuals Cultivate Funeral Directors

SAY BROKERS HURT BUSINESS

Letter By Automobile Company Organizer Sets Forth Arguments Against Stock Companies

Walter B. Renton, who is organizing two mutual automobile companies in New York, has sent the following letter to the editor of "The Sunnyside," a trade organ of the undertaking business:

New York, November 12, 1918.

Funeral directors are up in arms against the increase of rates made by the combination of stock insurance companies issuing insurance on hearses and funeral cars used in connection with their business. Notwithstanding the fact that the records show that eight casualty insurance companies made a profit of $37,500,000 in ten years they continually harp upon the fact that they are not making any money and that their profits came from the investments made on the premiums that they received.

The only relief that funeral directors have at the present time is to become members of mutual companies whose management is competent and whose expenses are limited by law to a reasonable amount eliminating large salaries to officers and also eliminating twenty to thirty per cent. profit to stockholders.

Who Gets Riff Raff?

The great difficulty experienced by any company, or companies, in securing the support of the individual funeral director has been the insurance broker. He invariably advises against insuring in mutual companies as he believes he will lose his commission and therefore, he points out dangers that do not exist and enlarges upon the terrible losses mutual insurance companies will have. This is really an insult to the intelligence of a man engaged in the business as a funeral director as some insurance brokers do not give him credit for intelligence enough to judge for himself. Any competent insurance man can distribute the premiums by paying losses and expenses of a company, whether it be upon a stock plan or a mutual plan, and mutual companies would have the same loss experience as stock companies if they were compelled to accept the riff-raff business offered to them by brokers, who are at all times anxious to secure their commission on premiums regardless as to whether the business is a losing venture for the company or not, but mutual companies do not and will not accept hazardous business to accommodate brokers.

Will Use Brokers

If your readers wish to secure automobile insurance at actual cost plus expenses limited by law, it would be well for them to look into the merits of the Motor Car Mutual Fire Insurance Company and Motor Car Mutual Casualty Company, 20 Nassau Street, New York. These companies will transact business through brokers but their expenses are limited by law and there being no stockholders to whom to pay large dividends all profits will be returned to policyholders in the form of dividends at the end of each year. To take advantage of the low rates these companies are offering for one year from the date they begin to issue policies, which will be February 1st, 1919, it is necessary to become a member of both organizations on or before January 4th, 1919, and to your readers, who wish to take advantage of such rates, we suggest that they get in touch with these two companies either by writing to them or instructing their broker to take the necessary steps to give them protection at the expiration of their policies in these two companies at the reduced rates, which are the rates that were in effect last year and which were increased from twenty to fifty per cent. on April 1st of this year.

"PARALYZING INFLUENCE"

Speaking of the future of British shipping, Lord Inchcape, one of the most prominent figures in the shipping world, says: "I have every confidence in the ultimate ability of British shipowners and shipbuilders to make head against this accumulation of difficulties if—but only if—the paralyzing influence of Government control is removed from the industry at the earliest possible moment."

NEW SOUTH WALES MEMBERS

The new scheme of the Corporation of Insurance Brokers and Agents, London, for overseas membership seems to be a success. At a recent meeting of the executive committee thirteen members of the Insurance Brokers' Association of New South Wales were elected fellows of the corporation.

CHARLESTON (W. VA.) APPOINTMENTS

Among the recent agency appointments in Charleston, W. Va., are Simon Fuhrman, Concordia; Wm. Lohmeyer, B. W. Patterson and W. L. Goldsmith, Law Union & Rock; and D. H. Palmer, Union Assurance.

ALLEY IS APPOINTED

The Associated Mutual Agency, Inc., of which B. J. Alley is president, has been appointed general agent in New York of the Merchants Fire, of Indiana, and of the Indiana Retail Merchants Mutual.

SALE PROTESTED

The protest which was made against the sale of the International, of New York, to the Chase Securities Co., is still pending.

WALTER F. ERRICKSON AGENT
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38-40 Clinton St. Newark, N. J.

Rossia Insurance Company
HARTFORD, CONN.
REINSURANCE

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Scottish Union & Nat. Ins. Co. Niagara-Detroit Und. Eagle & Br. Dom. Ins. Co. Glens Falls Ins. Co. American Eagle Ins. Co. Ohio Farmers Ins. Co. Yorkshire Fire Ins. Co.

London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

Agricultural Insurance Company, of Watertown, N.Y.
65th Annual Statement
Assets $5,574,008.60
Liabilities 2,923,025.51
Capital 500,000.00
Conflagration Surplus 250,000.00
Surplus to Policyholders..... 2,650,983.09
F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

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NEWARK, N. J. 9-15 Clinton St. Tel. 614 Mulberry

BRITISH AMERICA ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918
Assets $2,192,173.14
Surplus in United States..... 772,927.35
Total losses paid in United States from 1874 to 1917, inclusive 25,298,472.00
W. B. MEIKLE, Pres. & Gen. Mgr.

FRED. S. JAMES GEO. W. BLOSSOM WM. A. BLODGETT
FRED S. JAMES & CO.
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URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England
UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

MARINE DEPARTMENT

Concrete Steamer "Faith" Inspected on Arrival In New York City

This vessel has just arrived in New York, after completing a trip from the West Coast of the United States to the West Coast of South America, where she took a full cargo of nitrate to a Gulf port, and from there she went to Cuba and loaded a full cargo of sugar, which she landed safely in New York, practically without any damage to this perishable cargo.

On Wednesday, November 27th, this vessel was lying at Royal Mail Steamship Dock, foot of Christopher Street, North River and was thrown open for inspection, to all parties, by her owners. If ever a vessel received a thorough inspection from naval architects, marine underwriters and parties interested in shipbuilding and shipping, this vessel received the same. We believe more people looked at the "Faith" than possibly any vessel afloat.

The vessel was built at the San Francisco Shipbuilding Company's plant at Redwood, Cal., in 1918. She is a single screw vessel, with two decks. She is 320 ft. x 44 ft. 5 in. broad, x 30 ft. deep, of 3,400 gross tons; engines V.T.E. 24 in. x 39 in. x 65 in. x 42 in. located aft. Boilers, which were built by the Fletcher Co. in 1898, consist of three-furnace S.E.S oil burning, Cohn mechanical system, located aft of engine.

To any landman this vessel afloat appears to be as fine a tramp steamer as ever entered into the port of New York. The vessel is well kept and looks to be in first class condition; has a very able captain and navigator who seems to know his ship and, upon talking to him, he said the vessel had encountered some very severe weather and she behaved better than any vessel that he ever navigated. The mere fact that he landed such a perishable cargo as sugar in New York without damage, on a vessel of this type shows conclusively that he must have kept the loading of such a heavy cargo down to a safe tonnage.

After making a very minute and detailed inspection of this vessel, the decks seem to be in perfect condition, water tight, and show absolutely no sign of straining. A great many of the experts who inspected the vessel are of the opinion that minute cracks were observed on the inside of the hold near the turn of the bilge, and under wales, principally amidships. There was observed a salt or lime deposit, indicating that air or water might have reached the reinforcing rods, which will eventually cause corrosion and deterioration of the ferro-concrete kind. It is possible that these cracks are caused by strain on the structure.

The general construction of this vessel is on the longitudinal system, with six concrete watertight bulkheads. Side walls and bottom are said to be 4½ in. thick. The keelsons and stringers are from six to ten inches thick and two to four feet deep. There are deep beits spaced sixteen feet throughout. The weather or main deck is concrete. The lower is wood with concrete beams. Flats, tanks, etc., are concrete. The design appears to be satisfactory and careful consideration is said to have been taken of M in hog and sag by distribution of material reinforcing the sections subject to tension.

There seems to be considerable seepage through all the walls of the oil bunkers, and the engine room had an appearance of considerable oil from these quarters.

There was a small damage on the starboard side, near the stern which was said to have been caused by a tug in attempting to dock the vessel. This damage was being repaired at the time, and in knocking out the cracked concrete there was a hole about a foot wide, from which samples of the concrete could readily be obtained. From examination of the concrete used in the construction of this vessel, it appears that the sand used in the mixture of said concrete must have been a very fine beach sand and not what is known as a sharp sand which is being used in construction of concrete vessels in this port, and the material does not appear to be as strong or as lasting as the material in use by the builders of concrete vessels who have their plant at Flushing, L. I.

In talking to a number of experts who examined this vessel, they all seem to be rather non-committal. They admit that the vessel looks all right, but they all are under the impression that they would like to see the vessel six months from today, to see if the iron reinforcements in the concrete are sufficient to hold the vessel together. These iron rods are built in the concrete in the raw state. We are informed at the present writing there is considerable experimenting going on to find a waterproof paint to coat these reinforcements with, which experts claim will prevent corrosion, but it is the opinion of experts that unless such a paint can be manufactured, corrosion will undoubtedly set in in the iron reinforcements of said concrete, and that the structural strength derived from these reinforcements will be gone. Experts are also skeptical as to what would happen if the vessel in question had a bow-on collision or if she went ashore on a rocky or sandy coast. It is claimed that the friction of the cement against the sand or rocks would entirely wear away the thickness of the hull. The same remarks were made by the exponents of wooden vessels when iron vessels were constructed. They were very skeptical as to how an iron vessel would stand the strain of going ashore, or being in collision, but time has developed that vessels of iron build can sustain accidents of this kind and still remain in specie; but it still remains to be proven that a concrete ship can do the same. At any rate, the builders, owners and promoters of this vessel are entitled to a great deal of encouragement and credit for investing a half million dollars in an unknown type of vessel and thus far operating the same successfully, and ought to receive encouragement from maritime interests. That is to say, the vessel being an experiment, it ought to be the duty of every marine underwriting company to accept a very small interest in the hull and see how the venture works out, so that the owners are not obligated to carry the entire venture themselves.

OBSERVER.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK

Surplus to Policyholders $1,014,237.98

Marine and War Risk Insurance

Losses made PAYABLE in all parts of the world

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Westchester Fire Insurance Co.
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U. S. Managers
Skandinavia Re-insurance Co.
(Copenhagen)

Agents Marine Department
Providence Washington Insurance Co.
Massachusetts Fire & Marine Ins. Co.

CASUALTY AND SURETY NEWS

Quackenbush Out of Jaws of Death

A COMPLICATED OPERATION

Ocean and Commercial Union General Agent Disabled for Six Months; Hurt in Office

It became known this week that E. B. Quackenbush, exclusive general agent in Greater New York of the accident, health and burglary department of the Ocean, and exclusive general agent automobile department of the Commercial Union, has had successfully performed upon him an abdominal operation which will probably restore him to health. He has spent six months in a sick bed, his disability being the result



E. B. QUACKENBUSH.

of an accident in his office. Mr. Quackenbush, who is one of the most popular men on the Street, and whose office has brokerage or agency relations with 1,000 producers, is now in Roosevelt Hospital.

Mr. Quackenbush was disabled by heavily striking an open drawer in his desk about May 31, causing excruciating pain at the time and necessitating his practically giving up his business. Shortly after there developed a condition appearing like jaundice. After having been practically confined to his bed for approximately five months, losing about seventy pounds in weight and the diagnosis still leaving the nature of his trouble in doubt, it was deemed necessary in order to save his life that a thorough physical, X-ray and laboratory examination be made immediately. For this purpose the patient was removed to Roosevelt Hospital and placed under the observation of Dr. William G. Lyle, director of the Harriman Research Laboratories, and Dr. E. B. Sanford, Roosevelt Hospital pathologist. As a result of these exhaustive investigations Dr. John F. Erdmann was called in, but because of poor clotting of the blood he found it impossible to operate at the time. Later, through transfusion of blood the clotting time was brought up to a point where it was deemed comparatively safe for Dr. Erdmann to make an abdominal exploratory operation. The operation revealed no gall stones or other foreign substances, and confirmed the view of disability being due to an injury. Mr. Quackenbush is a brother of G. V. S. Quackenbush, a colonel in the army, and S. H. Quackenbush, general agent New York City Department the Royal.

Partial Traumatism Risk Not Covered

CASES INVOLVE APPENDICITIS

Disease of Long Standing Aggravated By Fall Not Within Scope of Accident Policy

Disability under an accident policy resulting partly from a diseased appendix which the insured had for a long time and partly from a fall off a hotel veranda, is not covered by the policy according to a decision just handed down by the Court of Appeals in the case of Alfred E. Aldridge vs. Aetna Life.

The plaintiff alleged that May 17, 1908, he fell off a veranda of a hotel in Syracuse, N. Y., and that he again fell against the wheel of his carriage on his arrival home. He claimed he struck his right side on each occasion.

Plaintiff claimed that the two alleged accidents, of which the only outward manifestation was a superficial redness, resulted in acute appendicitis which required an operation.

Evidence upon the trial was uncontradicted that the appendicitis did not result from the accident "independently of all other causes" but that it did result "wholly or partly, directly or indirectly, from bodily or mental infirmity or from the diseased appendix that plaintiff had had for several years prior to the alleged accident."

No Similar Cases Known

Several doctors testifying as experts, having treated hundreds of appendicitis cases said in their experience they never knew of a case of appendicitis brought on by a blow where the appendix had not been previously diseased; that they never knew of a case of appendicitis due solely to an injury.

The original trial in the Supreme Court at Syracuse was held June 30, 1909, and resulted in a verdict for plaintiff for $250.00. The Appellate Division of the Supreme Court affirmed the trial court in March, 1910. On appeal to the Court of Appeals in January, 1912, the decision was reversed and remanded for a new trial. The second trial in April, 1912, resulted in a verdict for Aldridge for $306.00. On appeal to the Appellate Division of the Supreme Court it was reversed and remanded for another trial. A third trial was held in October, 1913, when a verdict was given in favor of the Company which was affirmed in January, 1916, in the Appellate Division which on appeal to the Court of Appeals was finally decided in favor of the Company with considerable costs.

Famous Case

The most celebrated case alleging traumatic appendicitis under an accident policy was that of Nellie Oppenheimer vs. Aetna Life, Globe Indemnity, Massachusetts Bonding, Standard Accident, Travelers, and United States Casualty. The complaint alleged that on March 8, 1915, the insured, a heavy man weighing 225 pounds, was seated at the dining room table at his home in Spokane, Washington, and while arising from the table suddenly to answer a telephone call struck the lower right side of his abdomen against the sharp edges of the table and as a direct result traumatic appendicitis resulted from which he died.

$102,500 was involved and the trial which was held in the Federal Court at Spokane occupied eight days and resulted in a unanimous verdict for the defendant companies. Oppenheimer was associated with "Big Tim" Sullivan and John Considine of New York in the theatrical business on the Pacific Coast. Eminent physicians from the middle west and the coast testified at the trial and the case was decided so clearly that no appeal was taken.

An Eastern Case

The leading appendicitis case in the eastern states under an accident policy was that of Stanton vs. Travelers decided in December, 1910, by the Supreme Court of Errors of Connecticut, found in 83 Conn., 708, where on appeal the court held the insurer is not liable if death is caused by the occurrence of external injury and an existing bodily disease and that where an insured's appendix was in an abnormal condition from a prior attack of appendicitis, his death from a subsequent attack caused by a strain was caused partly by the strain and partly by the pre-existing attack of appendicitis, so that the Company was not liable.

Great Eastern Casualty Company

ORGANIZED 1892

55 John Street, New York

The New York Insurance Department in a recent examination says:

"While the business of the Company has increased, its liabilities have borne a decreasing ratio to the admitted assets and the surplus a corresponding increase in the ratio to liabilities. The growth of the Company, therefore, has been healthy.

The affairs of the Company are being efficiently and conservatively conducted. Liberal reserves have been set aside for outstanding losses and other liability items, and policyholders are being accorded fair and equitable treatment."

Over Three and a Half Million Dollars Paid in Claims

Cash Capital $350,000.00
Surplus to Policyholders.....$584,137.21

LINES WRITTEN

Accident-Health (Commercial and Industrial)—Burglary—Plate Glass—Automobile Teams and General Liability.

Agency applications will be considered for unoccupied territory.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

NORTH DAKOTA COMPLAINS

Some Instances Cited of Alleged Injustice in Applying Automobile Casualty Rates

A North Dakota agency tells of what it considers a case of unjust automobile casualty rates. We have, it says, an assured, who is in the general trucking and transfer business, whose premium for liability and property damage on his trucks, which do various kinds of trucking, is $155; while the same kind of trucks used exclusively for a wholesale grocery house takes a premium of $71.50. These trucks travel in the same territory and cover about the same number of miles.

Another illustration: A Stearns car listed over $2,000 and weighing 3,400 pounds takes the same rate as a Ford costing $500 and weighing about 1,900 pounds. We are not familiar enough with how rates are arrived at to offer a remedy.

I am led to believe that experience will show that collision rates are very high for the limited amount of this class of business written. There isn't any question that if the charge were less a very big increase in volume could be had, which would make for a better experience on account of the law of average. I think also that agents should be encouraged to sell full coverage collision rather than deductable coverage, as it is more satisfying. I think more cars could be covered at a full coverage premium which would produce a better loss ratio.

Samuel Gompers For Voluntary System

SPEAKS AT INSURANCE MEETING

Individual Citizen Should Act for Himself—Better Conditions for Labor Aid Insurance

Samuel Gompers drew the largest audience at the annual meeting of the National Association of Casualty & Surety Agents in New York, Monday. Erect, stern and patriarchal in appearance, his advance to the platform was impressive and the assemblage stood to greet him.

The aged representative of organized labor, just returned from the battle front, declared that insurance has always been one of the subjects to which man should apply himself. Continuing, he said:

As far as I am concerned I have always believed in the voluntary system of insurance. (This statement was greeted with demonstrations of approval.) I do not believe that the government of a country should be absolved from performing its governmental functions but I have also believed that what the individual citizen could do for himself of his own initiative, should be done by him. I have advocated and have urged and strongly contended for voluntary insurance systems in organizations of labor, as an evidence of devotion to the individual voluntary action of each man.

I believe that there is no such thing as an average injury, for a man killed is 100 per cent. dead. As to the 99 men uninjured, with them and the dead man there is no average. Because nobody knows the man upon whom the blow shall fall it is merely the duty of every man to endeavor to assist those fellows and voluntarily and collectively assume the obligation.

Not Insured Himself

I am not insured in any company anywhere in the world. I am insured in the union of my trade. I wish that there might be more insurances of a fraternal character. I am insured only against fire. I do not know just why and I cannot give you any reason why I am not, except that when I get old and cannot earn a living I shall not wish it—not because I have anything. Somehow I have this confidence in myself, that when Labor no longer wishes my services I shall be taken care of, so I am not afraid.

In conclusion I would call your attention to the effect upon the business of insurance of better conditions surrounding labor, lessening mortality, disease, injury and crime.

Howe S. Landers Raps State Funds

DECLARES SYSTEM FALLACIOUS

Thwarting of Object of Compensation Laws Has Already Appeared in Burdensome Red Tape

After hearing Howe S. Landers speak on administration of compensation funds, the National Association of Casualty & Surety Agents resolved to have his paper printed in pamphlet form for wide distribution. Mr. Landers is secretary of the Indiana Industrial Commission.

State compensation funds are almost certain to become a positive menace, said Mr. Landers. An impartial administration of justice cannot be obtained under such a system.

Classes Catered To

Continuing, Mr. Landers declared that politics is bound to fall as a blight upon such a system, according to the class of citizens being catered to. One class is certain to be favored at the expense of the other. A state fund can be manipulated for the employer or for the employes according as how the state administration is inclined. This can, and is being done in Ohio, for example, by resort to red tape, lengthy and numerous reports, hearings and the like. Life is so short and man's necessities so great that the victims, the workers, must take what they can get.

Compensation Intent Destroyed

Furthermore, the state fund idea destroys the intent of a compensation law. A state fund will ultimately destroy the objects of the compensation principle and the impartial administration of justice.

Mr. Landers proceeded to say that state funds will not last, but that many bad effects will long remain as a result of their operation. In Ohio the curse of red tape is flagrantly apparent. The commission takes its time and the injured suffer. First payments are long delayed. Compensation laws have always been said to be for the benefit of the employes but such cannot be the case. The basic theory being wrong, no amount of conscientious work by industrial commissions and boards can ultimately succeed.

Mr. Landers divided compensation laws into those providing state funds and those without state funds. Indiana, his state, has no state fund and no supervision over rates. The Board, therefore, has no care of premiums and losses and is free and disinterested in any financial results of administration.

To be successful a compensation law must work almost automatically. Contested cases are only 2 per cent. in Indiana. Accidents have been reduced 12.8 per cent.

Federation Council in Good Condition

FEW STATES NOT ORGANIZED

Budget of $50,000 Asked for Next Year—All Financial Problems Fully Met

Twenty-three states were represented at the opening session of the National Council of Insurance Federations in New York, Monday.

Deputy Police Commissioner Fred A. Wallis, made the address of welcome. He is a successful insurance man and a Federation member. His talk emphasized the constructive side of the insurance man's life and business, encouraging all the highest sentiments of the human soul.

Response By A. E. Childs

A. E. Childs, president of the Columbian National Life, responded. He expressed the opinion tht the future of this country lies in centralization of thought and government. Business men must measure their arguments with facts and figures to preserve individual initiative, liberty and reward. The arguments of applied Socialism as advocated by thinking men must be met. We are now a race of giants; with Socialism we would become a race of pigmies. We are before the bar of opinion of the great American people, Mr. Childs said.

Support From Companies

In his address as president James W. Henry announced that there are now forty-one state Federations. The first was Ohio, 1914; the last Massachusetts, 1917. A state body is forming in Maine. Twenty-one state bodies are well financed and in charge of a paid manager. Federation is the logical outcome of the Socialistic tendencies of the times. Only by united effort can this tendency be counteracted. Company home office support is now coming in satisfactory volume.

President Henry declared that the Federation cannot be composed only of insurance agents but must have all classes of companies interested as well. No matter what various ones may believe as to the outcome of governmental activities insurancewise, insurance men must be prepared to protect their interests.

To company officials President Henry suggested that if the Federation idea is a good one it is their duty to cooperate with their agents in furthering it.

McKee Reports Progress

Secretary Mark T. McKee, who appeared in his uniform as an officer of the Gas and Flame Division, reported that greater advancement has been made in 1918 than in any year. No single branch of the insurance business can stand alone, all must push together. Business men are now helping stem the tide of Socialism and have come to view these matters in the same light as insurance men. There is a crystallization of sentiment.

The only reason Federations have not been organized in the few states not now enrolled is that the pressure of work upon organizers was greater elsewhere.

The treasurer's report showed that during the fiscal year about $30,000 had been collected and that $187 remains.

Sentiment Favorable

W. G. Wilson, chairman of the executive committee, reported a gratifying growth in favorable sentiment. The selection of George E. Turner as general counsel and the formation of an advisory board are regarded as two of the most important actions of the Council this year.

All financial problems of the Council have been happily met and it is a thoroughly solvent institution. Mr. Wilson recommended a 1919 budget of $50,000 and two or three additional field secretaries. He said the states can and will finance their own campaigns if they are shown how.

We seek to continue the conduct of the business in private hands, he said. To do so the business must be beyond criticism. Service must be more than merely satisfactory. On this depends public recognition and support. Every business depends upon the good-will of its patrons. We must admit that there is a small contingent among the fraternity which makes these ideals difficult. We must avoid technically questionable conduct which would cause dissatisfaction and furnish a breeding place for German germs of radical socialism and its attending isms, declared Mr. Wilson.

New Federation Officers

Officers of the National Council were elected as follows:

President, James H. Carney, Boston.

Vice-president, George D. Webb, Chicago.

Secretary, Mark T. McKee, Detroit.

Treasurer, Joel Rathbone, New York.

General Council, G. E. Turner, Indianapolis.

Executive Committee

James W. Henry, Pittsburgh, chairman. W. G. Wilson, Cleveland; A. G. Hegeman, New York; Burt L. Davis, San Francisco; Thomas F. Daly, Denver; Emmet V. Thompson, St. Louis; Thomas E. Braniff, Oklahoma City; Fred L. Gray, Minneapolis.

The following resolution was read and referred to committee:

That after January 1, 1919, every State Federation shall remit to the National Council fifty cents per capita in payment of twelve months' subscription to "The Federation News."

George E. Turner, general council, made a patriotic talk and declared that

(Continued on page 25)

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Complete Automobile Coverage
All Casualty Lines

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NEW YORK
Phone John 1570-2622

127 Wheaton Pl.
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T. F. BOWES CO.

SPECIALISTS SINCE 1915
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Check Raising and Check Alteration Indemnity

Brokers will find a demand for this Protection. Inquiries invited regarding our Policies, Rates and Commissions.

Managers:—Department of Banking Indemnity
NEW JERSEY FIDELITY & PLATE GLASS INSURANCE CO.
50 Broad St., New York - - - - Phone Broad 1127

Lucas Enlivens N. Y. Federation

OLD OFFICERS RE-ELECTED

County Organizations to Be Better Developed—New York Men to Hold Dinner in January

Practical plans for the reorganization of the New York State Federation were developed rapidly after the annual meeting of that Association on Tuesday got under way. Julian Lucas and John A. Eckert, of New York, and E. H. Warner, of Buffalo, were the leaders of the discussion from which various plans for the coming year were formulated.

With the exception of G. T. Amsden, Rochester, third vice-president, and Buel P. Mills, Syracuse, secretary, the old officers were re-elected by a unanimous vote. They are E. M. Griffiths, Albany, president; G. A. Scott, Waverly, first vice-president; W. C. Potter, New York, second vice-president; Louis G. Morgan, Buffalo, third vice-president; Charles A. Porth, Albany, secretary; A. J. Hollister, Rochester, treasurer; and S. L. Otis, New York, executive secretary.

The new directors elected are R. S. Bowen, Syracuse; J. S. Kernan, Utica; J. E. Pool, Albany; and W. W. Luckey, Poughkeepsie. The remaining directors are John A. Eckert, New York; Julian Lucas, Jr., New York; W. H. Hecox, Binghamton; and A. C. Hegeman, New York.

The meeting was opened promptly at ten o'clock by the singing of the National anthem. President E. M. Griffiths, Albany, presided.

President's Address

President Griffiths, in his address, stated that this war was to stamp out that form of government by a few who had, under the guise of paternalism, so welded its people as to make the masses subject to the will of the few.

"Everywhere we turn," he said, "we see the hand of government reaching out for further control. What does it all mean? Are we insurance men going to stand by until it is too late before we take a decided stand to protect our business and the rights of the individual? Surely we can justify our existence. If ever there was a time when the 'Insurance Federation' meant everything to an insurance man, it is today.

"To the business of insurance our nation owes much and to the large number of our citizens to whom it furnishes protection our country owes a solemn duty not to destroy or render less efficient its ability to continue to furnish the highest form of protection based on sound underwriting principles and an inspection and safety service which is unsurpassed.

"Insurance in the mind of the layman is simply insurance and he rarely differentiates between fire, life, marine and the other branches. What affects one part of the insurance structure will in time affect all. The Federation therefore seeks to protect and defend every branch of the insurance business against infringement, on the part of the state or nation. We know our cause is just and that we are providing a higher form of insurance service than can be furnished by bureaucratic agencies.

"I cannot urge upon you too strongly the need of a largely increased membership. It is difficult to understand why all who are connected with the insurance business do not become members of the Federations either as regular members or as sustaining or contributing members. While it is imperative that we have a certain number of the latter two classes, if our organization is to have financial stability;—we must use every means to increase our general membership and 'Every insurance man a member' should be our slogan."

Report of Secretary

In his annual report Stanley L. Otis, executive secretary, called particular attention to the progress of the past year. He said:

"A considerable portion of the time of the executive secretary is spent in organization work and obtaining financial support by means of sustaining and contributing members in order to continue the Federation in a sound financial condition as it is well recognized that organization work cannot go forward without the sinews of war. The value and importance of numbers is not forgotten and on one trip one of our directors drove your secretary 34 miles to obtain a single annual one dollar member. On another automobile trip with one of the county chairmen we drove one hundred miles securing six members for the Federation one of whom was a contributing member. That is the spirit and consecration that it is hoped all directors, county committeemen and indeed the entire membership will feel. This is your organization and it is your interests that are at stake."

The report of the board of directors and executive committee, by Chairman A. C. Hegeman, covered the work of the year and pointed out that the coming year promises to be the most active of the Federation's existence. The need for the organization is stronger than ever and its success means more to you than ever before. As one of the large general agents puts it "The Federation is proving the salvation of the business." Let us all help to make this the banner year both in point of numbers and of finances necessary to do effective work, concluded the chairman.

The annual report of Treasurer A. J. Hollister showed the organization to be in a sound financial condition. The smallest part of revenue comes from annual members recruited mostly from the ranks of employees of companies and junior clerks in agency firms. While this class of membership does not much more than carry itself the Federation is glad to have all those whose livelihood depends on the insurance business affiliated with us and look to the agents, brokers, company officials and all those with a direct interest at stake for the financial support necessary to continue and enlarge our work.

E. H. Warner Starts Discussion

When President Griffiths stated that new business was in order the first man on his feet was E. H. Warner, of Buffalo, who stated that the rank and file of insurance men were comparatively ignorant of the accomplishments and purposes of the Federation. He cited as an example the ignorance about the Federation of the local Buffalo casualty board at its meeting last Tuesday when the question of renewing its contribution to the Federation funds came up. He also suggested that, in view of the effect of war conditions on manufacturers generally, now would be an opportune time to enlist their interest in the Federation and that their support would count for much in legislative matters.

President Griffiths replied that a large number of manufacturers were already members of the Federation and that a constant effort was being made to enlist the support of bankers and other influential citizens.

Mr. Eckert then suggested that placards be prepared setting forth the objects of the Federation to be displayed in every member's office which, he said, would sustain interest in the Federation and procure new members. He also suggested that a circular be drawn up to send out to the assured along with the regular mail.

Would Perfect County Bodies

Mr. Lucas objected to Mr. Eckert's suggestion on the grounds that it did not get at the root of the Federation's problem and was therefore a waste of time and money. He said that the real way to get an increased membership was through the county organizations which, he added, had been mere paper organizations up to the present time. Mr. Lucas claimed that, to be effective, the county bodies must have regular officers and meetings at least every three months and applied his theory to his own territory with the statement that he could see no reason why New York County could not get from 500 to 1,000 members of the Federation to attend a quarterly meeting.

Then followed a general discussion of the work done by the various county organizations which was participated in by Mr. Eckert, Mr. Hegeman, President Griffiths, Mr. Lucas, and others. The discussion was brought back to New York City by A. J. Hodson, New York, who urged that something definite be done on Mr. Lucas' suggestion to inaugurate quarterly meetings. Senator Gardner, chairman of the joint insurance committee of the New York State Senate and Assembly, took part in the discussion and suggested inviting some of the big assured to the proposed luncheons.

Following a conference between Mr. Lucas, Mr. Hodson, and Mr. Eckert, Mr. Eckert announced that in all probability plans could be completed for a luncheon in New York some time in January.

George A. Scott, president of the New York Fraternal Congress, then addressed the meeting on the "Federation Movement from the Fraternalists' Standpoint." Mr. Scott made a number of suggestions to the Federation particularly in regard to securing the proper publicity.

Matthew J. Cahill, New York State deputy of the Modern Woodmen of America, also made an appropriate talk.

Albert Wold, of the Pennsylvania Federation, told how that organization had gone about the business of raising proper funds.

Confidence in Business Lacking in America

A. R. MARSH HEARD BY AGENTS

Insurance Men Urged to Bring About Psychological Reserve of Confidence of Public

What American business lacks, including the insurance business, is the psychological reserve of confidence of the general body of the population. This view was expressed by A. R. Marsh, editor of the "Economic World," who addressed the National Association of Casualty & Surety Agents in New York this week.

Mr. Marsh went on to explain that this is really the view of a noted English economist who visited this country and after a careful study of conditions decided that the American business man lacked a certain something that his English cousin enjoys in far greater degree.

Mr. Marsh's subject was "The Insurance Profession and the Propaganda of Government Insurance." He went on to say that now the war is over there is much talk of co-operation of which there are two kinds: free and compulsory. The war is not over, he declared. The real war is to be fought right here in the United States. It is a war of ideas and conceptions of democracy and autocracy. It is an autocratic idea, this compulsory governmental insurance. It is not so easy to fight as were the Germans because it is subtly being disseminated among our people.

First Experience

Mr. Marsh continued: My first intimacy with insurance was as a member of the Cotton Exchange's insurance institution, the function of which is to insure the handlers of cotton against loss caused by the movement in price. We of the Exchange are nevertheless called speculators and gamblers. Workmen's compensation insurance is another un-American institution. It savors of the Germanic social and political tendencies. Insurance has been reasonably well accommodated to our American institutions but this governmental insurance is an expression of the German way of co-ordinating and regimenting a people. The workmen and their entire families are sought to be so entangled in it that when the order to "march" is given, they feel that they must obey or lose everything they have through the loss of their insurance which is provided by the State.

We are told that the State should provide against the risks of life but I believe that the man who does not take his own risk in life is not fit to become a member of a democratic State.

Opinions at Washington

This battle has to be fought. Years ago the insurance institution of the Cotton Exchange was attacked in Congress. The work of handling this matter fell to me. I soon found out that what an individual member of the administration at Washington or of Congress may tell you about the possibilities of any measure becoming law is negligible. Those men know little about what is going to happen to legislation. But just the moment that they think some measure is going to be popular they are all for it.

We are told by some that this is not a time to agitate; not a time to disturb the waters. This, I believe, is pure futility. The course to take is not so simple as merely standing up and fighting in the open. And here I come to what I have called the psychological reserve of confidence. As soon as this reserve overtook Congress in the fight for the insurance feature of the Cotton Exchange the antagonism to the institution was swept aside.

Every insurance man in the United States should be working unceasingly to bring about that psychological reserve of confidence in the superiority of that kind of insurance this country has developed as has no other country; always searching for and studying the things that will fit the needs of the insuring public a little closer. The American state of mind is "What do you do with your money?" When we showed Congress the movement in the price of cotton and compared it with the same thing in the woolen business, which had no such insurance feature as the Cotton Exchange, the legislators were convinced in our favor. It is the same in insurance. You must make people see what the insurance company is; what it does with its money and what it is to the economic structure. Germanized ideas are the enemies in this country today. They must be fought.

CHEAP LIQUIDATION

Cost New York Department Less Than 5 Per Cent. For Defunct Companies

In discussing liquidation of insurance companies and the Bureau in the New York Department having charge of liquidation of companies, Superintendent Phillips, of New York, told the insurance commissioners this week that the expenses of the Bureau had been less than 5 per cent. of the assets.

Commissioner Button said that the Liquidation Bureau of the Virginia Department had also been a success.

LORD MORRIS A DIRECTOR

The General Accident Fire and Life Assurance Corporation announces that Lord Morris has accepted a seat on the head office board of the corporation.

Joint Meetings May Be Resumed

CASUALTY AND SURETY AGENTS

Commissioner Fairchild Believes Now is Appointed Time for Co-operation Among Insurance Interests

President Charles H. Burras did not read an address at the annual meeting of the National Association of Casualty & Surety Agents which opened in New York, Monday. He prides himself on his terminal facilities and paid tribute to George D. Webb, of Chicago, who, with his competent committee, was credited with having done most of the work during the year. Mr. Burras also asserted that in the various war works there is no more loyal body than the insurance men whose interests have a larger proportion of men in government service than any other institution. Post-war history will show that insurance will also have borne its full share in reconstruction, he declared.

James W. Henry welcomed the agents on behalf of the Federation. He declared that every available influence is needed to prepare for the problems yet to be solved. He urged that the delegates take up the work in earnest with their associates at home.

Co-operation Assured

President C. W. Fairchild, of the National Convention of Insurance Commissioners, said that the commissioners are always willing to co-operate with the agents whenever possible. He believes that there is now a greater opportunity for co-operation among insurance organizations than ever before. The business is confronted with numerous radical views under the slogan "Win the war."

J. Scofield Rowe, vice-president of the Aetna Life, extended greetings on behalf of the International Association of Casualty & Surety Underwriters. He expressed the hope, now that the war is over, that the two associations would resume their joint meetings at points more secluded than Broadway. His subject was "Co-operation Between Companies and Agents."

Knockers and Kickers Taboo

Nothing co-operates like co-operation, he said. Every man should be loyal to his organization, his business and his company. Unfortunately we still have two kinds of representatives, those who work only for themselves and those who consider the company also. As in every other business the knockers and kickers will be passed over. Those who possess inertia and lack enthusiasm will be relegated to the realms of lost opportunity. The Robinson Crusoes of the business cannot appreciate the value of close relationship with others.

Sometimes the lack of co-operation between companies and agents is the fault of the executives or underwriters. All credit for good work is not due to the field man or to the home office. The organization contributes its share to making it possible for the field man to make his success. Many misunderstandings are owing to lack of information. Here is where there can be much beneficial co-operation. "Get out or get in line" is a good motto for all. Friendship, understanding and reasonableness must go hand in hand.

Lunt Furnishes Relaxation

In introducing Edward C. Lunt, vice-president of the Fidelity & Casualty, President Burras recalled the address Mr. Lunt made in Detroit several years ago and which was printed by the Association for wide distribution. Mr. Lunt was given the subject: "The Agent is Always Wrong." He said his text could be found in any letter received at the home office.

Mr. Lunt kept his audience laughing most of the time but restrained his humor long enough to convey a few serious thoughts concerning the expensive results of failure by the company to properly investigate contract bond applications. Application papers are also often not carefully read. Mr. Lunt is head of the fidelity and surety business of his company. He called attention to the losses caused by business being forced upon the company by agents and by business written by agents without proper authority. He asked agents to get on a friendly footing with local competitors; go to association functions; emulate Lady Randolph Churchill and her "dinner of deadly enemies." Go after business with the sportsman's ardor but in fairness.

Agents generally should give more attention to the surety lines because they are highly profitable from the agent's point of view. Premiums are large and much business is automatically renewable for many years. Many bonds are issued on the term basis instead of the yearly basis. Fidelity business is one of the hardest lines to transfer from one company to another. Service is the keynote of the bonding business.

Mr. Lunt closed with a recipe for making $1,000,000 in thirty days. It shall not be told here and those who failed to attend the meeting deserve to go without it.

Few Official Changes

The only change made in the officials of the National Association of Casualty & Surety Agents was in the presidency, Charles H. Burras being succeeded by W. G. Wilson of Cleveland. R. J. Dunkel of Boston replaces Mr. Wilson on the executive committee.

HESS JOINS MAUTNER AGENCY

Liability Underwriter of General Accident's Metropolitan Office Resigns As of December 15

Arthur J. Hess, for the past three years underwriter of the liability and burglary departments of the metropolitan office of the General Accident, has resigned as of December 15, and after that date will be associated with J. L. Mautner in the J. L. Mautner agency. Mr. Hess, previous to his connection with the General, had for four years been in the burglary department of the National Surety and he has been active in the Brooklyn Brokers' Association since the organization of that body, being at present vice-president.

NO RELIEF IN SIGHT

The committee on blanks, of the International Association of Casualty and Surety Underwriters, reported that, it is indicated by some state departments that uniform action by all states in lightening the statement requirements cannot be hoped for at this time.

Federation Council

(Continued from page 23)

there is only one Federation subject. It runs like this:

Be ye ever ready; scorn not the assistances of thy brother, for verily the times changeth.

Federation is the only institution which gives insurance a voice, he added.

Insurance to Prosper

Commissioner Fairchild of Colorado declared that the American people are only just beginning to realize the power they possess. The insurance business ought to prosper now as never before but it must be safeguarded from those who do not understand it. Supervising officials must take into account the changes through which all business is passing.

"National Alliance" of Insurance Interests

URGED AT NEW YORK MEETINGS

Charles H. Burras Sees Good in Propaganda—J. Scofield Rowe Fears Undermining of Business

Organizing all the insurance interests of the country into one powerful institution to combat the social and political tendencies of the times was one of the thoughts brought out forceably at the meetings in New York this week.

The idea was first voiced by President Charles H. Burras of the National Association of Casualty & Surety Agents, who, speaking of governmental insurance activities, said that the war has shown the force of propaganda. He believes in insurance propaganda properly conducted. The government at Washington is what public opinion makes it. Anything that goes against public opinion will not last long.

President Burras declared that what the business needs is one big organization, a congress of all insurance interests, fully equipped for the protection of the business. Its principal task would be to teach the people what the business really is; to advertise it in the daily press; show the people what it is to life and property. This is something that most of them now have little or no correct idea of.

J. Scofield Rowe's View

The same theme was taken up by J Scofield Rowe, vice-president of the Aetna Life, who expressed the opinion that the insurance business is in danger of being undermined by socialistic tendencies, political unrest and governmental interference. He is firmly convinced that there is a real danger in state and Federal insurance schemes. It is folly to be unprepared. The insurance business is not prepared. It needs to be organized as a single interest. We need, he said, a national organization embracing all lines, including mutuals and fraternals, to conduct a well planned, intelligently and forcefully managed offensive and defensive campaign. In brief, a national alliance.

TELLS FEDERATION FUNCTIONS

W. G. Curtis Says Proper Effort Is To Educate Public, Not Enter Political Arena

Constructive effort to educate the public instead of making further political mistakes was advocated by W. G. Curtis, president of the National Casualty, in his talk on Monday to the State Federation's secretaries on the functions of the Federation. Mr. Curtis cited the instance of an Ohio general agent of a surety company whose letter advising the election of a Republican governor was reproduced on the front page of a labor magazine and caused much unfavorable comment to be directed against insurance.

Activity similar to the above was one of the things Mr. Curtis urged the members of the Federation to guard against and instead he urged them to devote their energies to educating the general public through publicity and the local organizations of the Federation. He said the public must be educated if the business is to be saved.

FIDELITY & DEPOSIT STARS AT WALDORF

That was a star gathering of Fidelity & Deposit men who gathered at the Waldorf this week for their annual association meeting. Besides President Warfield, W. H. Harris and Charles R. Miller there were the following big producers: Messrs. Howell & Haas of Atlanta; Fred Price and Geo. D. Webb of Chicago; Louis Lent and Paul Milliken, Cincinnati; F. B. Buckman, Cleveland; George Wendling, St. Louis; Herman Hoopes, Philadelphia; A. L. Task, Boston; Charles Lunsford, Roanoke; C. A. Fogg, Detroit; C. D. Greer, Louisville; G. H. Price, Washington; L. P. Shriver, Pittsburgh; P. H. Hicks, Nashville; "Bill" Bowen, Toledo; Charles Laurenson, Cleveland; M. F. Dobbins, Memphis; T. B. Braniff, Oklahoma; H. B. Hodge, J. A. Flynn, John Griffin, Wallace Harvey and A. L. Dietrick, New York and H. J. Gross, Providence.

Insurance Relations

(Continued from page 10)

"The greatest danger confronting life insurance is government interference, however efficiently and economically the business may be carried on. A very extensive practical demonstration of government life insurance is now being tried out, brought about by the stress of war conditions. The idea was just and patriotic, for the men at the front were fighting for all, and all should bear the expense. The greatest protection we could give them or their dependents was at best inadequate, but the plan adopted promises to be one of the most costly innovations the government has ever undertaken. The result of this experiment ought to be watched most earnestly and critically by us all, and its uneconomic character should be fearlessly given publicity, to the end that the perpetuity of that system shall not take place in our government. Those who are qualified to determine the facts may hesitate to state them publicly, fearing that such action might result in injury to the interests they represent, but you should be warned that such indifference means danger to your business, and ultimately to the nation.

"There is nothing so dangerous as power, governmental or otherwise, in the hands of irresponsible people. With this in mind we should consider it a duty to interest ourselves in the politics of the day to the end that the fundamental principles of our government may not be disturbed by the exploitation of unsound doctrines. We must reckon now, as never before, with the extremist who on account of the war has been afforded opportunity to urge his extravagant and socialistic theories on the public under the slogan of 'win the war' or with the assertion that they will aid during the reconstruction period. This is no time for visionary schemes. It is a time for sober reasoning and calm, sane reflection.

"In the after-war world program of creative impulses the business of life insurance will stand squarely at the front. As an institution it has served the public and the nation as no other instrumentality could. Since its inception it has been the greatest of all agencies in inculcating habits of saving and thrift. No one force has been so important a factor in moulding a true national character. Without its fundamental teachings our magnificent record as a people in supporting with ease the staggering totals in Liberty loans and war savings would have been difficult, if not impossible of achievement. And in the reconstructive development of the future it is through life insurance that the people will increasingly reveal their higher appreciation of the value of sound investment and protection and the safeguarding of all those things they hold most dear."

PICKED UP ALONG WILLIAM STREET

Uniform Auto Policy

After a lengthy discussion over the merits of a uniform automobile policy for fire insurance companies the committee, of which John R. Young of North Carolina is chairman, decided to make a thorough study of the subject. The committee has in hand the draft of the proposed uniform contract and will, during the course of the next year, analyze it with the view of recommending action in the future.

The form was drawn up by the counsel for the National Automobile Underwriters' Conference.

* * *

Vote to Support National Council

The International Association of Casualty & Surety Underwriters has passed a resolution favoring strong support to the National Council of Insurance Federations.

* * *

Gilbert Sends Greetings

George A. Gilbert, of Chicago, was unable to attend the casualty and surety agents' meeting in New York this week. He sent a message of greeting and expressed the sincere hope that the important work of the Association will win the hearty support of the agents, the respect of the assured and the good will of the companies. He said to count on him for continued support.

* * *

Takes Its Own Medicine

The Fidelity & Deposit is arranging for a schedule bond, protecting it against acts of dishonesty of any kind on the part of its own representatives in the handling of its business. Two reasons prompt this says the company: First, we are constantly preaching corporate surety protection for all positions of trust and, certainly our general agents are in such relation to the company, and we must be consistent. Furthermore, the company has frequently suffered from misappropriation of premiums and other acts of dishonesty on the part of agents and has therefore determined to forestall any further losses of this nature. Application forms will be furnished to all our direct representatives shortly, with the penalty as it is to appear on the schedule. The Fidelity & Deposit will pay the premium on the entire schedule.

* * *

Standard Form in New Jersey

In conformity with a resolution adopted by the governing committee of the Compensation Rating and Inspection Bureau of New Jersey, all Bureau members are required to employ the Universal Standard Workmen's Compensation Policy with New Jersey endorsement, effective February 1, 1919. The use of the standard form prior to the effective date of the Commissioner's approval is optional with each company. Companies whose compensation business is conducted upon a participating basis should file with the undersigned for the approval of the Department of Insurance copies in duplicate of proposed form of endorsement or policy provisions providing for payment of dividends.

* * *

New Committee Chairman

Walter C. Faxon, has resigned as chairman of the committee which had in charge the work of establishing a standard, uniform disability policy. J. M. Parker, Jr., secretary of the Aetna Life, has taken Mr. Faxon's place. The principal obstacle to the general introduction of the proposed form is the opposing views of the Travelers and the Fidelity and Casualty, the latter being against a "denatured" policy and for advanced rates. Mr. Faxon's relinquishment of the chairmanship is assigned to his desire to build up his strength by curtailing his activities.

* * *

Year Shows Loss

A plate glass underwriter who has kept a close record of his losses on 1918 business finds that he will finish the year with considerable loss. He believes that other managers will fare likewise.

COMPANIES' TAX ACTION

The International Association of Casualty & Surety Underwriters adopted a resolution approving the individual action of members regarding the new Federal revenue bill. The companies favored a flat tax on premium income, not in principle, but as a means of simplifying the present ambiguous and over-lapping measures.

TWO COMPANIES JOIN

The Interstate Life & Accident of Tennessee has joined the International Association of Casualty & Surety Underwriters. The Maryland Casualty, which had resigned, has now re-entered.

FRED PRICE NOW PRESIDENT

Fred Price, of Chicago, has been elected president of the Fidelity & Deposit Agents' Association.

OLD GUARD ON HAND

Mr. Burras pointed out that nearly every man who was at the first meeting of the Association in Cincinnati, was in New York this week.

MARYLAND'S AGENTS' MEETING

The Maryland Casualty Agents' Association held its annual meeting at the Astor on Tuesday morning.

RESOLUTIONS ADOPTED BY THE NATIONAL ASSOCIATION OF CASUALTY & SURETY AGENTS

RESOLVED, That the business in which its members are engaged is one of potential value and importance in the protection and service which it affords and is entitled to encouragement and support:

RESOLVED, That it is unalterably opposed to all plans of involuntary insurance and regards with disfavor the proposals of those who under the pretense of legislating for the public welfare would take from the people by force their freedom and their rights:

RESOLVED, That in a democracy like ours the management of public affairs contemplates the administration only of business which affects the community as a whole, and that government should not enter those fields of endeavor where things can be done and are done equally well by individuals or groups of individuals:

RESOLVED, That it is our firm conviction that the present world system of insurance would be undermined and destroyed if the enemies of established private business should prevail:

RESOLVED, That our members have an abiding faith in the honesty and discretion of those who will mould public opinion in the future and that they believe that these leaders of thought and action will insist that there be no arbitrary substitution by the government of its offices for those which are performed so admirably and acceptably by private interests. Such interposition on the part of the State, in our judgment, would be unconstitutional, unwarranted and calamitous.

Bureau as Viewed By J. Scofield Rowe

EFFECTS OF CANTONMENT SPLIT

Regards as "None Too Hopeful" Prospects of Reaching Solution in "Distressing Situation"

President J. Scofield Rowe, addressing the International Association of Casualty & Surety Underwriters, said that it is a matter of sincere regret that most distressing events should have occurred by reason of the attitude of certain officials connected with the War Department in urging upon the companies the adoption of a so-called profit sharing plan, having for its primary object a rebate to the government under certain policies covering the construction of cantonments, and which, by reason of the abnormal conditions previously mentioned, were carried to maturity with rather favorable loss ratios.

Usefulness Impaired

The fact that certain companies, members of the National Workmen's Compensation Service Bureau, were persuaded to subscribe to the plan prescribed by the War Department, notwithstanding the very serious protest of the companies previously carrying the major portion of the insurance on War Department work, has created a most distressing situation in the Bureau, and while it is conceivable that some solution of the problem may be reached that will in a measure repair the present breach, the outlook is none too hopeful, and it is feared by many that the usefulness of the Bureau along lines of advanced co-operation has, for the immediate future at least, been very seriously impaired.

In the judgment of many, no more distressing or serious misfortune could befall the companies interested in the safe conduct of liability and compensation insurance in this country than the dissolution of the National Workmen's Compensation Service Bureau, the very life of which now seems threatened by reason of such a wide difference of opinion among the companies on matters of such fundamental and vital importance to the business of insurance as to make it extremely difficult to discover any neutral grounds upon which these wholly divergent views can be harmonized.

INTERNATIONAL ELECTS OFFICERS

Officers were elected by the International Association of Casualty & Surety Underwriters as follows:

President, A. E. Childs, Columbian National Life.

Vice-president, William B. Joyce, National Surety.

Secretary-treasurer, F. Robertson Jones.

Executive Committee: J. Scofield Rowe, Aetna, chairman; H. G. B. Alexander, Continental Casualty; J. C. Howie, London & Lancashire; S. C. Blake, Hartford Steam Boiler; William BroSmith, Travelers.

EXPERIENCE AUTO RATING

Representatives of the various local automobile underwriters' conferences, and of the National Automobile Underwriters' Conference are continuing the analysis of the experience of the fire companies on this class of business. A revision of the schedule of rates is under way, and in the course of the next few weeks will be promulgated by the conference.

RATING BOARD UPHELD

The Supreme Court, at Syracuse, New York, has upheld the legality of the Compensation Rating Board to make rates under the experience plan of rating. The court found for the United States Casualty in its case against E. K. Fenno, contractor, who was sued for a premium which he contested on the ground that he was promised a reduction instead of an advance. The rate was 20 per cent. above Manual.

BUSINESS=BUILDERS

DEVELOPING

Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE

APPRECIATE THE CO-OPERATION OF THE

Massachusetts Bonding and Insurance Company

BOSTON

T. J. FALVEY, President

Paid-In Capital $1,500,000

Write For Territory

The Fidelity and Casualty Company of New York

92 LIBERTY STREET, NEW YORK, N. Y.

Metropolitan Office—92 William St.

SEMI-ANNUAL STATEMENT JUNE 30, 1918

Assets	$15,684,739.43
Liabilities	12,471,369.12
Capital	1,000,000.00
Surplus over all liabilities	2,213,370.31
Losses paid to June 30, 1918	63,244,803.06

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation—Steam Boiler Insurance; Fly-Wheel Insurance.

CASUALTY AND SURETY POINTERS

The Day's Work Counts

Put in an honest day's work every day and you will be giving some substantial aid in the great national movement for conservation, says the Bankers Life of Iowa.

By working all of every day, you will be accomplishing in three weeks the same work which formerly required four weeks by reason of week ends and holidays, all too frequent in the course of ordinary life salesmanship.

By this method you can effect an economic saving of twenty-five per cent. in time, labor and materials. You will be saving your own time and you will be saving also the labor and materials required for the service of hotels, transportation, and things to supply you with the necessities of life. Your personal requirements are a factor in the nation's resources. By accomplishing a month's work in three weeks, you will gain a week on the game every month, and you are accomplishing the same results that formerly required a month of your time and a month of the necessities for your existence.

The idea of conservation is not to work less, but to work more intensely; to continue on working even after you have accomplished your regular month's work in three weeks' time. If you will do this, you will soon be a whole month ahead and you will thus be steadily contributing toward the nation's cause of conservation. If a large number of men do this, the aggregate will be a very great saving.

In your daily work make every step count and make the best possible use of every moment. Do not allow your time to leak away from you and do not waste your efforts. Do your utmost to make the day's work count. Saved minutes mean made money. Make the money.

* * *

Courts Enlarge Liability Of Surety

The Fidelity & Deposit calls the attention to the marked tendency on the part of the courts to enlarge the liability of a surety upon the bonds of contractors, which contain a covenant to make payment to all persons supplying labor and material in the prosecution of the work provided for in such contract. The condition of the bond in this respect required by the United States Government is:

"That such contractor, or contractors, shall promptly make payment to all persons supplying him, or them, labor and material in the prosecution of the work provided for in such contract."

Under a contract with the United States Government the contractor was required to furnish the United States engineers and their assistants with meals and camp accommodations at any camp under his control. The contract clearly indicated that it was intended that such camps should and must be maintained. In this particular contract the character and magnitude and location of the work rendered it imperatively necessary that boarding camps should be maintained. Its location was miles away from the habitation of man and the sources of supplies. In addition the contract required the contractor to provide sanitary and police regulations; to furnish warehouses and sheds for storing cement and for the use of broken stone, contemplating the use of crushers and mixing machines in the prosecution of the work. It was necessary for the contractor to use, furnish and provide powder, steel hammers, shovels, picks, nails, bolts and other hardware for the machinery; apartments for the men employed; cooking, feeding and sleeping accommodations and furniture and other needs for the accommodation of the men.

There was an unpaid bill for provisions, dining room and kitchen furniture, sleeping apartments and bedroom furniture, and these for the purpose of providing food and lodging for the men engaged in the prosecution of the work under the contract.

The surety denied liability upon the ground that these did not constitute material within the meaning of the bond. It was held, however, that the surety was liable upon its bond on the ground that the equipment for the housing and feeding of the men was absolutely necessary to the performance of the contract; in fact, was specifically provided for under the terms of the contract, and therefore, it was material used in the prosecution of the work.

McPhee vs. U. S., 174 Pac., 808.

* * *

Danger In Advance Payment Bonds

It is evident, as pointed out by the Fidelity & Deposit, that as we approach the termination of the war, great care must be exercised in the underwriting of advance payment bonds. The United States Government has, in various contracts for the furnishing of munitions and supplies, a clause which enables it to cancel the contract in the event of termination or limitation of the war or in the event of anticipation thereof by the Government should it be of the opinion that the completion of the contract has become unnecessary. When the contract is cancelled for this reason alone, the contractor being on time with his deliveries, the terms of cancellation, adjustment and settlement with the contractor are very fair, and would not cause him loss except possibly the loss of anticipated profits on the remainder of the contract. However, the contractor who has not made good in his deliveries and is way behind his delivery schedule, may not find himself in a very comfortable position. His contract may be cancelled on the ground that he has failed in the performance of same. A claim may be made for all loss and damage sustained by the Government, and if he has received an advance payment which has not been earned or absorbed by the delivery of the manufactured article, he may be ordered to return the advance payment. He will not necessarily be entitled to credit for the raw or unmanufactured material on hand, which may be worth to him no more than the amount it will bring at a junk sale. Therefore, unless the contractor has sufficient liquid net assets to enable him to return the unearned advance upon demand, the surety on his advance payment bond will be called upon.

The present, therefore, is no time to issue advance payment bonds for contractors who are behind in deliveries, or who may not be able to make the deliveries called for by the contract, unless the surety is well protected by approved collateral security, or unless the contractor's verified financial statement shows an abundant amount of net liquid assets.

Caution must now be the watchword on advance payment bonds.

* * *

Agent's Guilt For Embezzlement

The old question of whether an agent, who has a commission interest in a premium, is guilty of embezzlement was up for consideration before the Supreme Court of Alabama. There is some diversity of judicial opinion upon this matter, but the Alabama Court followed what is regarded as the overwhelming weight of authority.

The Illinois Surety Company was surety upon the bond of an agent of an insurance company, and it was claimed that the agent defaulted. The bond was restricted to such pecuniary loss as the employer suffered by any act of larceny or embezzlement upon the part of the agent.

The agent had a commission interest in the premium and was obliged to make his remittances at certain periods, deducting his commissions. In discussing the question, the Court said:

"It is insisted that an insurance agent, authorized to collect premiums for the company for which he is doing business, whose compensation is to be fixed by way of commissions at the rate of 20 per cent. of the net cash premiums actually received by the company on all contracts of insurance written by the company and procured by the agent, cannot be guilty of embezzlement, although he fraudulently converts to his own use the entire premium. This insistence is based upon the proposition that the agent and the insurance company are joint owners of the premium. We think this is a false premise. The entire premium until the division was made belonged to the company, and the agent was but the custodian thereof."

The Court adopted the rule laid down by the Court of Appeals of Kentucky, in the case of Illinois Surety vs. Donaldson, 79 So., 667.

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary
GEORGIA CASUALTY COMPANY
HOME OFFICE: MACON, GEORGIA
"DIXIE AUTO POLICY"
THE LAST WORD IN MOTOR INSURANCE
Surplus and Reserves to Policyholders.....$1,688,506.87

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General Manager
Liability, Accident Burglary, Boiler and Credit Insurance
Established 1869
F. J. WALTERS
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Service of Quality to Policy Holders
Contracts of Superiority to Representatives
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Eastern Dept. 100 William St. New York
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If you believe you are the

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THE EASTERN UNDERWRITER

[Succeeding the Journal of Insurance Economics, Established in 1899]

A WEEKLY NEWSPAPER COVERING ALL BRANCHES OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.

Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

Nineteenth Year; No. 52 | NEW YORK, FRIDAY, DECEMBER 13, 1918 | $3.00 a Year; 25c. per Copy

GILLESPIE LOADING CO. WAIVES INSURANCE

Companies Relieved of Liability for Fuses and Loading Company Pays No Premium

BINDERS ISSUED FOR $100,000

Covered in Three Warehouses Warranted Half Mile From Nearest Shell Loading Station

Insurance to the extent of $100,000 covering on binders, an order of fuses, stored in three of the warehouses of the Gillespie Loading Co., at Morgan, N. J., one of which was destroyed in the recent catastrophe, was the subject of a meeting of representatives of the Gillespie Co. held last week with representatives of the insurance companies which had bound the risk.

It developed at the meeting that there were serious discrepancies between the warranties made on placing the insurance and the conditions prevailing at Morgan at the time of the fire and explosion. Of the fuses covered in the schedule, the greatest values were stored in the warehouse which was destroyed. From the inspection of the premises made by the insurance companies it was shown that this warehouse was a little more than 700 feet distant from the nearest loading plant whereas a warranty had been made that none of the three warehouses which the schedule covered was within half a mile of the nearest loading plant.

Loaded Shells Stored With Fuses

It was also shown that loaded as well as empty shells were stored in the warehouse which was destroyed in addition to the fuses which were covered. One of the conditions of the binder had been that empty shells only were stored in the three warehouses.

In view of these discrepancies, it was agreed at the meeting that the Gillespie Loading Co. should pay no premiums on the binders effected and that the insurance companies which issued the binders should not issue the policies thereon or be subject to any liability for the fuses destroyed.

A great many insurance agents are pushing explosion insurance business, based on the labor situation.

Conflagration Proof

THE HOME

INSURANCE COMPANY

NEW YORK

ELBRIDGE G. SNOW, President

Every Agent of "THE HOME" is a "Booster" of the Company because of its Constant Interest in his welfare, as such

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager

UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

THE BIG FOUR

AGE—STRENGTH—SERVICE—OPPORTUNITY

A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE

EQUITABLE LIFE OF IOWA

(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. **Net gain** in insurance in force during 1917, $21,764,972.88, or 72% **of the amount paid for.**

MEN of CHARACTER can obtain further information as to the **Company** and **Opportunities** by addressing:

H. E. ALDRICH, Supt. of Agents

EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

FORM A FRATERNAL PRESIDENTS' ASS'N

Heads of Twenty-five Societies in New Organization Born in Chicago

KEEP TAB ON LEGISLATION

Also, Will Foster Publicity—National Fraternal Congress Had Not Been Active Enough

A group of leading fraternal insurance societies, which are members of the National Fraternal Congress, have formed a separate organization called The Association of Presidents of Fraternal Societies.

This action was taken at a meeting in Chicago attended by some of the most prominent fraternal officers and lawyers in the country.

A. R. Talbot President

A. R. Talbot, of Lincoln, Modern Woodmen, was elected president. John Sullivan, of Modern Woodmen of America, is one of the principal spirits in the new organization.

At the present time there are twenty-five members, including the Modern Woodmen, which has 1,250,000 membership; Woodmen of the World, with 1,000,000 membership; American Insurance Union, Fraternal Aid Union and Mystic Workers of the World.

Purposes of Organization

Asked as to the aims and purposes of the new organization one of the members of the executive committee told The Eastern Underwriter that it will pay special attention to matters of legislation which have a direct bearing upon fraternal insurance, and will also foster publicity in the interest of fraternal insurance. Asked if it will conflict in any way with the Fraternal Congress this executive committeeman said that it would not. The membership in the Fraternal Congress will be continued.

"We felt, however, that possibly the Congress has not been progressive enough in certain directions," he said in amplification.

The fraternals are taking credit for the recent victory over social insurance in California.

THE GAUVIN AGENCY

Preliminary Report On Missouri State

MADE TO THE COMMISSIONERS

Company is Amply Solvent Financially —Appraisements Made of Real Estate Parcels

A preliminary report on the Missouri State Life by examiners made to James R. Young, Chairman of the Committee on Examinations of the National Convention of Insurance Commissioners was read at the commissioners' convention last week. It reads:

"The undersigned examiners engaged in conducting an examination of the books and affairs of the Missouri State Life Insurance Company, beg to report that in May, 1918, said examination was begun.

"Upon an investigation of the company's assets, it seemed advisable to have appraisements made of the real estate securing a great many of the mortgage loans of the company. Accordingly, appraisements were made of some 650 parcels of real estate. This required a great deal of time and the entire number of appraisements desired was not secured until late in October. At that time it was considered advisable to bring the examination, originally planned to be made as of Dec. 31, 1917, down to a more recent date, especially in view of the fact that during the year 1918 certain changes in the management of the company had taken place and also because a more recent examination would disclose what increase in mortality had been occasioned among this company's policyholders, by the prevailing epidemic of influenza. It was found impracticable, however, to make the examination as of date previous to December 31st, 1918, because the company is changing its system of keeping its actuarial records, and the installation of the new system will not be entirely completed before that date and the making of a valuation of its outstanding policies as of a date prior to Dec. 31st, 1918, was found to be impracticable.

Mortgage Loans

"It may not be amiss at this time to call to your attention the fact that from our examination of the company's condition on Dec. 31, 1917, it would appear that the company is amply solvent financially. While some part of the mortgage loans of the company would be charged off under the Missouri Insurance Department requirements by carrying that portion of the loan which is in excess of two-thirds of the appraised value of the property, as non-admitted, in our opinion, the probability of any eventual loss on these items is remote, and the amount so charged would not affect the company's financial solvency.

"Our conclusion that it is advisable to bring this examination down to December 31, 1918, is concurred in by the Insurance Commissioners of the several states we represent. It is our present intention to conclude the examination as soon as possible after December 31, 1918."

PRUDENTIAL WAR CLAUSES

President Forrest F. Dryden announced that The Prudential Insurance Company has decided to discontinue the use of war clauses in all ordinary policies and to reinstate the pre-war rules regarding insurance issued on the lives of applicants engaged in the army and navy and in the Red Cross, Y. M. C. A. and other relief services.

Protect Your Loved Ones

INSURANCE provides the only SAFE way

For full information, call, write or phone:

JOHN M. RIEHLE

Equitable Life Assurance Society of the United States,

68 William St., New York City 'Phone 4343 John

QUIT FIELD; WORK ON CLAIMS

Chattanooga Company's Agents Help Speed Notation of Deaths and Sending of Checks

The epidemic of influenza took a very heavy toll from the entire field, in which the Provident Life & Accident operates, bringing death and suffering in every section of the seventeen states.

"Our men in the field entirely laid aside the production of business to give their attention to the prompt handling of claims from our disabled policyholders and we have already paid out very many thousands of dollars in alleviation of this suffering," says the Company paper.

"The epidemic seems to be severest in its attack upon the apparently healthy and strong and was a clear demonstration of the impossibility of foretelling death or sickness. These can never be prevented and epidemics will continue to afflict us, yet we can protect ourselves against the financial loss by obtaining the proper amount of insurance while in good health. The epidemic has impressed a terrible lesson of this need on the minds of the American people and we who have made it our business to protect them with insurance should see that the lesson is carried into every home. Every man we come in contact with needs insurance and everyone is now a prospect, whom you can convince of this need. If you do not determine to make every possible effort in writing new business during the balance of this year, we are neglecting the most wonderful opportunity for doing good to others and to ourselves that has ever presented itself."

? DO YOU READ ADVERTISEMENTS ?

Once in a while it pays a man to read an advertisement.

For instance, do you know why the $24,816,657.00 of new business paid for in 1917 by the fieldmen of

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

exceeded by $3,751,129.00 the largest amount paid for in any other year since the Company was organized in 1860?

Do you know why very few men who can make a living selling life insurance leave this Company?

The answers to these questions will be of great value to the man who wishes to form a connection with

A Growing Company For Growing Men

For a direct Agency Connection address:

T. LOUIS HANSEN, Vice-Prest & Agency Manager

50 Union Square NEW YORK, N. Y.

Influenza Claims of Provident L. & T.

AVERAGE AGE AT DEATH GIVEN

Eighty-eight Per Cent. Less Than Forty Years Old, Company Records Show

The Provident, in common with all life insurance companies, has felt the serious effect of the deaths arising from the influenza epidemic, which commenced the latter part of September. The complete details of our experience to date (November 11th) are not yet available. In many cases Proofs of Death have not been received and we do not know the cause of death. However, we have analyzed the 180 deaths of which we have record which occurred up to and including October 31st, as a result of influenza or pneumonia. The total amount of death claims represented by these deaths is about $597,000.

The following table shows the deaths sub-divided according to age at death and according to the length of time elapsed since the insured was last examined for insurance:

Age at Death	No.	Percentage of total
Below 30	57	32%
30-39	101	56%
40-49	13	7%
50 and over	9	5%
Total	180	100%

Time elapsed since last examination	No.	Percentage of total
Under 1 year	13	7%
1-2 years	36	20%
2-3 years	30	17%
3-5 years	28	15%
5-10 years	59	33%
10 years and over	14	8%
Total	180	100%

The above tabulation contains one of the most powerful arguments for new insurance that any agent could wish. The epidemic has fallen upon young men and women in the prime of life, who, a month before, had no thought of the fate that awaited them. Eighty-eight per cent. were less than 40 years of age, and practically half had been examined by the doctor within the last five years; 27 per cent. within the last two years. In these figures we have an argument which should enable us to close the year 1918 with a magnificent volume of new business.

It is interesting to note that women were represented in the deaths to the extent of 7 per cent. of the total—almost exactly the same percentage that the total women insured bear to the total number of policyholders.

LOST THROUGH DELAY

Two business insurance policies were issued last August by the Equitable Society, to an applicant in Massachusetts, one for $10,000 and one for $75,000. The first policy was paid for immediately but the directors of the corporation requested time to consider the second policy. Shortly after the applicant (one of the officers of the corporation) was taken down with pneumonia and died within a month. Only $10,000, instead of $85,000, of insurance was therefore received by the corporation through the delay of the directors.

The Pacific Mutual will now grant the permanent total disability benefit for the full amount of insurance that may be issued.

Organizations Endorse War Risk Conversion

RESOLUTIONS GIVEN RUSSELL

Companies Will Lend Support to Bureau in Maintaining Soldiers' and Sailors' Insurance

Resolutions have been passed by the Association of Life Insurance Presidents, the National Convention of Insurance Commissioners, the Association of Life Agency Officers and the American Life Convention endorsing the conservation program of the War Risk Insurance Bureau, and urging the continuance of the present policies of soldiers and sailors and their conversion.

The resolutions were handed to Winslow Russell, head of the conservation section of the War Risk Insurance Bureau, who was in New York last week, an eye-witness of the conventions at the Hotel Astor. Mr. Russell left for Washington happy in the thought that the Bureau has the cooperation of the life insurance fraternity.

Nothing final has developed yet regarding the agents, but there is considerable discussion of agents pitching in and helping the government conserve this insurance. The resolutions follow:

Association of Life Agency Officers

Resolved: That the Executive Committee of the Association of Life Agency Officers endorses the action of the National Administration in providing over thirty-six billion dollars of insurance protection upon the lives of the Soldiers and Sailors—under the War Risk Insurance Act.

Resolved: That we urge the members of this association to lend their support, and that of their field forces, to the fullest possible extent, to a program of conservation of this vast amount of protection, in order that the rights and privileges of the Soldiers and Sailors, both as it relates to the continuance of their present policies and to the conversion of the same as provided in the War Risk Insurance Act, be only safeguarded.

American Life Convention

Resolved: That the executive committee of the American Life Convention hereby pledges its support to the Government in its plans for the Conservation of the Federal Life Insurance now being carried upon the lives of its soldiers and sailors under the Federal War Risk Insurance Act.

That all members of the American Life Convention be and are hereby urged to co-operate with the Bureau in every way in order that the rights and benefits of the Soldiers and Sailors under said certificates of insurance may be duly and completely protected. That a copy of this resolution be sent to the members of the Convention.

Insurance Commissioners

Resolved: That this convention reiterates its endorsement of the action of the National Administration in seeking to provide protection to its soldiers and sailors, through the War Risk Insurance Bureau, which endorsement was given at the meeting at St. Paul in 1917, and we further urge upon all those who have taken advantage of such plan now that the war has been ended so successfully, to perpetuate the insurance so generously granted, so that their rights and privileges thereunder may be conserved for the benefit of themselves and their families.

Resolved: That the Commissioners in their respective states, do what they can to carry out the purposes of the resolution.

Life Presidents

Resolved: That the Association of Life Insurance Presidents, in annual conference assembled, hereby expresses its opinion that it is to the advantage of every soldier and sailor to continue to keep in force such insurance as he may have effected under the Federal War Risk Insurance Act, and thereby requests all life insurance companies to impress upon all members of their home office and agency organizations to do everything in their power to urge upon such soldiers and sailors to continue their government life insurance and to recommend them to convert such temporary government insurance at the earliest possible opportunity into one of the permanent plans provided for by the War Risk Insurance Act; and

Be It Further Resolved: That a copy of this resolution be sent to all members of this association.

Mutual Life Makes Managerial Changes

DICKEY GOES TO PHILADELPHIA

Was Manager at Erie—Winburn at Erie—Shaw Made St. Louis Manager

A number of important agency managerial changes have been made by the Mutual Life Insurance Company. Two of these are in Pennsylvania and follow:

J. M. Dickey transferred from Erie to Philadelphia.

E. C. Winburn transferred from the Philadelphia to the Erie agency.

Other changes are the transfer of B. C. Shaw from the Sioux Falls to the St. Louis agency; J. K. Cressey to the management of the Sioux Falls Agency; and James A. Church promoted to the managership of the Columbus agency.

MUTUAL'S DIVIDENDS

On Same Scale As In 1918—Vice-President George T. Dexter Discusses Dividends

The Mutual Life's 1919 dividends will be paid on the same scale as in 1918. In a statement to agents Vice-President Dexter said:

"The war is over, it is true, but the war mortality, which is greater than was at first supposed, will lessen the earnings of 1918. This means an extra drain upon the surplus which all companies must be prepared to meet.

"Then comes the epidemic of influenza, entailing upon the country a far heavier mortality than the war itself, with no defensive reservation in the policies, such as the war clause in use by all the companies during the year. The two calamities combined will increase the life insurance death claims of 1918 by many millions. The situation will prove such a test of legal reserve life insurance as has not been experienced in the past.

"In the case of The Mutual Life it is anticipated that the mortality from the influenza alone will approximate if it does not exceed two million dollars.

"The Mutual Life is undisturbed. It wisely made ample provision in the prosperous years of the past for just such an emergency as this by steadily strengthening its contingency reserve, year after year, instead of distributing all accruing surplus in the form of dividends. It will not reduce its annual scale for the coming year.

"The same big dividends that have been paid in the year that is nearing its close will be maintained during 1919. And this the Company will accomplish without the slightest inconvenience or embarrassment."

Group Insurance
Monthly Income Insurance
Weekly Income Insurance

All Other Popular Standard Forms—
Ordinary and Industrial

Founded by JOHN F. DRYDEN — THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR — Pioneer of Industrial Insurance in America

THE
PRUDENTIAL
INSURANCE CO. OF AMERICA
Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President — Home Office: NEWARK, N. J.

— Branch Offices in All Leading Cities in the United States and Canada —

$11,000,000 Group on Gulf Oil Men

CONNECTICUT GENERAL POLICY

John T. Shirley, Pittsburgh General Agent of Company, Writes Contract —Statement By Insured

(*Special to The Eastern Underwriter.*)

Pittsburgh, Dec. 9—The Gulf Oil Corporation at Pittsburgh, of which W. L. Mellon is president, has recently announced to its 15,000 employees that they are to have the benefit of group life insurance without cost to them.

The Gulf Corporation which has steadily forged to the front in the oil production and refining business with widely extended operations, has completed an arrangement with the Connecticut General Life of Hartford, for a policy of $11,000,000 covering the Gulf workers in accordance with the following recent announcement to them:

"Believing that the conditions surrounding men at home and their contentment while at work will be improved if the minds of their families and their own are relieved from the fear of immediate want resulting from the death of the wage earner, and realizing the advantage likely to accrue from such increased contentment of mind; and further, to aid in securing a more permanent class of employees of all kinds: the Gulf Oil Corporation has provided, dating from October 21, 1918, life insurance in a strong company for the employees and officers of itself and its subsidiary companies, who have been in such employ for one year or more in the amount of $1,000 for those employed one year and less than two years, and increasing by $250 for each additional year of service up to $2,500 for those who have been in its continuous employment for seven years or more.

"The insurance is furnished without any expense to the employee, directly or indirectly; covers death from any cause, anywhere, as long as he is an employee of the Corporation or any of its subsidiaries, and it is in addition to any benefits to which he might be entitled under a Workmen's Compensation Law."

The Subsidiary Companies

The employees of the following subsidiary companies of the Gulf Oil Corporation will be benefited by this policy—the Gulf Refining Co., the Gulf Pipe Line Co., the Gulf Production Co. of Louisiana, the Gulf Pipe Line Co. of Oklahoma, the Mexican Gulf Oil Co., the Eastern Gulf Oil Co., the South American Gulf Oil Co., the Gulf Cooperage Co., the Gulf Commissary Co., the Gypsy Oil Co., and the Indiana Oil & Gas Co.

This policy, which is said to be the largest ever issued in this state, and one of the largest in the history of life insurance, was secured for the Connecticut General through the Pittsburgh General Agency of that company of which John T. Shirley is manager.

G. C. MARKHAM RESIGNS

Became President of Northwestern Mutual Life Ten Years Ago—Believed In Farmer

George C. Markham has resigned as president of the Northwestern Mutual Life to take effect on January first. Mr. Markham was made president of the company about ten years ago, succeeding Henry L. Palmer. Under his administration the company made great progress, one feature of which has been the enlargement of the farm mortgage idea, the Northwestern today being the heaviest loaner to farms of any business institution in the United States.

Government Ownership a Red-Flag Remedy

J. B. LUNGER GIVES HIS VIEWS

Un-American and Unnecessary for Nation to Assume Management as Permanent Policy

John B. Lunger, vice-president of the Equitable, gave a novel twist to his paper before the Association of Life Presidents last week, which he made a message to the American people, a message describing the great national service of life insurance. After explaining the various services performed by insurance, Mr. Lunger discussed some public fallacies respecting insurance, and in some references to government ownership of insurance, said:

"Insurance men and others now have an opportunity to render an additional service to our soldiers and sailors by advising them when they leave the service to retain their government insurance and as soon as their circumstances will permit to change their present temporary term insurance to the permanent or level premium form, a privilege which they enjoy under the law for the period of five years after the official declaration of peace. The management of the War Risk Bureau at Washington in its efforts to give our soldiers and sailors the fullest measure of protection under the law are entitled to this assistance and support from you for the reason, which is well known to insurance men, that a vast number of these young men when released from war service will unwisely drop or lapse this insurance. Every citizen, therefore, who wishes to encourage unselfish thrift, who wishes to see the dependents of our soldiers and sailors protected, and who believes that life insurance is an important and necessary factor in promoting the comfort and happiness of the nation, should join in an effort to induce our demobilized fighting forces to hold fast to their government insurance which the people have so generously provided for them.

A Remote Possibility

"We occasionally hear discussed the possibility of the Government taking over the institution of life insurance. This, however, seems so illogical and remote a possibility as to scarcely call for serious consideration, but if it should eventually be done, the same provision for reaching into the public treasury must be made if the Government is to give the public the same highly efficient service (including a great and necessary army of skilled thrift missionaries) that America's great institution of life insurance is now giving. This is true because no government plan to insure the public, however ably or honestly managed, can possibly give this same quality of service at as low a cost as it is now being furnished by the companies.

"To my mind it is impossible to manage any business organization under political direction as efficiently and cheaply as it can be conducted under private management where skill and experience is employed without favoritism and where discipline, effort and esprit de corps can be kept at a much more effective level than is possible among politically selected or controlled industrial forces.

State Socialism

"The present proposal of a policy of government ownership of certain private enterprises, as indicated, for instance, by the resolution recently introduced in the United States Senate, which attempted to define its scope, can only be characterized as state socialism. It is at least the entering wedge which if allowed to develop can only lead to the complete overthrow of representative democracy. It will turn our country into a bureaucracy far more oppressive and destructive to human progress than the autocracy which has just been overthrown. It would, to a great extent, crush the splendid American spirit of enterprise, and individual ambition to mount the rounds of the ladder, because under such circumstances a large part of our population would become government employes—mere cogs in the wheels of a great political machine—serving under masters selected for political reasons.

"I know of no reform needed in our transportation system or any of our other public service or large commercial enterprises that cannot be corrected by private management under government regulation and control. If, for instance, it is argued that the Government, with supreme power, is not able properly to regulate or supervise our railroads, how can it be argued that it is qualified to assume the far graver responsibilities of their actual management?

"Government ownership is purely a Red Flag remedy. It is unnecessary and un-American. In my humble judgment the American people will not adopt it as an established policy."

DEATH OF JOSEPH BOWES

Joseph Bowes, former Baltimore manager for the Equitable Life Assurance Society, died December 8 in his seventy-fifth year. He joined the Equitable at Washington in 1888, and the first year wrote over $1,000,000 in policies, making a nationwide record. Of late years Mr. Bowes had been associated with the Travelers.

Policy Saved His Life

One of the new agents of the Provident L. & T. brought in a $20,000 application and the examination showed the applicant to be in splendid health. He gave his check and the policy was issued. That night his temperature went to 105 degrees. It was a bad attack of influenza, and he was dangerously ill for several days. Fortunately, he recovered. When he saw the agent again, he grasped his hand. "Really," he said, "I think it was that policy which saved my life. If I had not had that insurance, I would have been so worried I don't think the doctor could have pulled me through. You cannot imagine what comfort it was to know I had made that provision for my wife and babies. I cannot begin to thank you."

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Says Tax-Payers Should Get Together

AN IDEA OF SENATOR THOMAS

People Should Demand Public Service Improvement With Consolidation of Duplicating Bureaus

The war leaves us the legacy of a stupendous debt. It will reach, if it does not exceed $35,000,000,000, or twice as much as the combined debt of the allied nations, including Russia, when the war began. The annual interest, upon this stupendous sum will be $1,400,000,000; nearly twice the net total of the nation's annual pre-war expenditure. This means a vastly increased rate and radius of taxation. In discussing these facts Senator Thomas, of Colorado, said to the Association of Life Presidents, last week: "The people must bear the burden; for Germany cannot make indemnity. They will bear it willingly, if economy in public administration and the application of every dollar to the public needs shall become the policy of the Government. They will not and should not be content if the gross extravagances of the past continue. In 1910, Senator Aldrich declared that ordinary efficiency in public administration would annually save the people $300,000,000. It would now save twice that sum.

"If the taxpayers of America will unite in demanding a radical revision of our public service, a consolidation of duplicating bureaus, and the institution of the budget system in appropriations, it will be done. If they will also rigidly supervise public expenditures, taxation can be largely reduced. If they fail to do this, our appropriations will keep increasing, for every demand made upon the Treasury is complied with when political or organized force is behind it, and everything in these days is organized except the man who pays the taxes. Moreover, the huge debts of the nations, however well their revenues are managed and applied, will always be a fruitful source of disaffection. To those possessing none of it, yet paying taxes to meet its fixed requirements, the impulse toward repudiation may ripen into an insistent clamor. Once begun, it may spread like the virus of influenza, from nation to nation, and from public to private obligations. Nothing could be more disastrous to a people than the success of such a movement, which will inevitably arise, whatever our policy. It is certain to materialize if in our financial administration we do not at all times apply sound principles to taxation and exercise a wise and frugal economy in expenditures. Nothing is more difficult in a Republic than this, if public interest is lax or non-existent."

MANAGERS MEET FOEHL

Charles Jerome Edwards, manager of the Equitable, gave a luncheon this week at the Bankers Club to C. A. Foehl, the new manager of The Prudential in this city. About thirty general agents were present.

M. J. HENCEL WITH BOOKSTAVER

Former Metropolitan Life Man To Undertake Development Work For Travelers General Agent

M. J. Hencel, formerly general deputy superintendent of the Metropolitan Life, is now identified with the Jos. D. Bookstaver general agency of the Travelers where he will be occupied in development work, assisting agents of the Bookstaver office. Mr. Hencel has been with the Metropolitan Life for a long period of years and his duties as general deputy superintendent of the Metropolitan, where he toured the country assisting superintendents, assistant superintendents and agents to close ordinary business, have fitted him to carry on the similar work with the Bookstaver general agency.

FINE NOVEMBER RECORD

A. A. Drew, superintendent of agents of the Mutual Benefit, told general agents this week:

"Although the record of paid-for business for the month of November is not yet available, I cannot refrain from sending you this bulletin announcing that for the month of November, on the basis of applications received at the Home Office, the company shows an increase of 193 in number and $3,542,955 in amount of insurance as compared with November, 1917. During the week ending November 9th there was an increase of $506,000 compared with the corresponding week of last year, during the week ending November 16th an increase of $734,000, and during the weeks ending November 23rd and 30th, respectively, there was an increase each week of over a million. Not only did we show an increase last month over November, 1917, but there was a material increase also over the more normal month of November, 1916."

A COMPANY'S EPIDEMIC LOSSES

It is probably safe to assume that two-thirds of the company's incurred claims of $480,000 during the month of October were directly or indirectly the result of this epidemic of influenza and pneumonia. Claims under policies amounting to $200,000 have already been identified as directly due to influenza, says the Phoenix Mutual. Compare this total with the $110,000 which the company has incurred in claims as a result of death from any cause among our soldiers and sailors since the beginning of hostilities, and one gains an idea of the possible ravages of disease as compared with the hazards of actual warfare.

DINNER TO WALLIS

A dinner to F. A. Wallis, Fourth Deputy Police Commissioner, and general agent of the Fidelity Mutual, will be given on February 4th. One thousand representative business men of New York City will attend. The dinner is in appreciation of what Mr. Wallis did in the Liberty Loan and Police Reserve Field Day drives.

MUTUAL BENEFIT SCALE

The Mutual Benefit's dividend scale for 1918 will be continued for 1919.

Great Southern Life Insurance Company

HOUSTON, TEXAS



For Agency Contracts address

O. S. CARLTON

PRESIDENT

Extracts from Report of Examination of

SOUTHWESTERN LIFE INSURANCE CO.

By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

Caledonian Insurance Co. of Scotland

FOUNDED 1805

"THE OLDEST SCOTTISH INSURANCE OFFICE"

UNITED STATES HEAD OFFICE

Caledonian Building, 50-52 Pine Street, New York

CHAS. H. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.

NEW YORK CITY OFFICE

Golden Hill Building, 59 John Street, New York

Security Mutual Life Insurance Company

Binghamton, N. Y.

Offers to men able to produce business first class territory, with direct contract providing liberal compensation.

For particulars, address

C. H. JACKSON, Supt. of Agencies

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE

Life Presidents' Association

Promoting Stability In Labor Groups

ADDRESS BY OUTERBRIDGE

Former President New York State Chamber of Commerce Points Out Influence of Insurance

Addressing the Association of Life Insurance Presidents last week, E. H. Outerbridge, former president of the Chamber of Commerce of New York State, and a director of the Equitable, discussed the influence of group insurance in promoting stability among labor groups. He is head of the Pantasote Leather Co., and his concern is a pioneer in having a group of employees covered by life, health and accident insurance at the cost of the business and without charge to the men. He began to study the psychology of labor because of a change in his force averaging 35 per cent. annually due to no specific cause except restlessness of migratory labor. This was despite the fact that his employees were paid for 60 hours a week although they really only worked 55 hours weekly. In addition the men got bonuses.

After studying the industrial problem Mr. Outerbridge became convinced that the solution lay in the hands of the employers themselves; that enlightened self-interest dictated that the labor question should be viewed as a human problem fully as much as an economic one; that unrest would never be allayed by what labor might win by law or through the medium of unions; that industrial peace, prosperity and contentment in any specific industry would only be realized when the employer conceded as a free-will-offering to his employees, as to a partner in enterprise, an equitable share in proportion to the contribution that labor made to the net result of the business. But it was also necessary that labor should develop the steadiness of application, the interest and friendly confidence expected of a partner, to enable its contribution to be gauged and apportioned. During his reflection upon the subjects he discussed the situation with Henry L. Rosenfeld, of the Equitable, with the result that his Company took out group insurance.

Continuing he said:

"The plan was finally concluded and the policies written in 1911. As many of the men were foreigners, a brief synopsis of the plan was placarded in several languages throughout the plant and Greek and Hungarian priests were asked to address the employees of their race in their native tongue, explaining the benefits and that it would cost the men nothing.

"I sometimes wonder if that at first made them value it at nothing. We thought they had understood it but certainly for a while we saw no change in conditions.

The First Claim

"Our first claim was an accident case of minor character— a young man was hurt, was in hospital for a week or so and then returned to work. When he opened his next pay envelope he found some money and a check—he asked the foreman what it was, and was sent to the office to find out. On being told that it was his insurance when he was laid up, he was very indignant, declared angrily he had not agreed to insure and would never pay anything. Unable to pacify him, the secretary finally said, 'Write your name on the back of that paper and I will give you $37.50 for it.' 'What,' he exclaimed excitedly. 'You give me money for that insurance paper?' and then, when he had gathered up the bills, he rushed from the office shouting to the men in the yard, 'See! the company gives me $37.50 for having had my collar-bone broken, being hit by the pitcher playing baseball on Sunday.'

"It is needless to say he became converted to a friendly feeling about insurance.

"The next case was a married man with six children, who broke his leg on the ice by jumping over a high fence instead of going out the gate. The several hundred dollars paid him in lieu of wages, which he had otherwise lost, and in settling hospital and doctor's charges made him more than a convert, a missionary indeed for this new and previously unheard of insurance that came to his own and his family's aid in the time of need; and then when the benefits were once experienced the fact that as long as he remained in the employ it cost him nothing, magnified, rather than minimized the value he attached to it.

Decreased Labor Turn Over

"An occasional death claim occurred where larger sums accrued to next of kin, and by that time the men understood what this protection meant, and had talked enough about it to attract others to the plant seeking employment, and after a couple of years our labor turnover had decreased to about 15 per cent., while our production increased, and the proportion of seconds or inferior product showed a distinct reduction," said Mr. Outerbridge.

(Continued on page 8)

Organized 1871
LIFE INSURANCE COMPANY OF VIRGINIA
RICHMOND, VIRGINIA
OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company
Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00
CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

Gangway

to greater growth is opened for Able Agents by the Agency Service Bureau of the Maryland Assurance Corporation, the Organization of Opportunity that concentrates on providing Complete Personal Protection—Life Insurance, Accident-Health Insurance, a wide variety of very attractive policies. Valuable agencies in productive territory for energetic ambitious men.

Maryland Assurance Corporation
Seven South Gay Street
Baltimore

JOHN T. STONE,
President.

"LIVE and DIE with ASSURANCE"

NIAGARA LIFE BUILDING



Mohawk Cor. Franklin Street, Buffalo, N. Y.

The Combined
Life, Sickness and Accident
policies, sold only by the
Niagara Life Insurance Co.
(WILLIAM H. CROSBY, President)
Protects the insured and his dependents.

Live wire reliable agents may obtain very favorable contracts

Communicate with
E. H. BURKE
Vice-Pres't & Gen'l Manager
BUFFALO, N. Y.

THE TRAVELERS
INSURANCE COMPANY
INDEMNITY COMPANY
HARTFORD, CONNECTICUT

WRITE THE GREATEST VOLUME OF
GUARANTEED LOW COST LIFE INSURANCE
AND
CASUALTY INSURANCE

THE OPPORTUNITY TO SUPPLY THESE INSURANCE NEEDS GUARANTEES AGENTS THE BROADEST FIELD AND THE LARGEST INCOME.

November 11th, 1918,
On the very day the Armistice was declared

THE PROVIDENT LIFE and TRUST COMPANY of PHILADELPHIA

Removed all War Restrictions from its Outstanding Policies, and Discontinued the use of a War Rider on New Policies.

Extra War Premiums will be Returned, and if regular premium has been paid, War Claims will be paid in full.

N. W. Cor. 4th and Chestnut Sts.

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure prompt action in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

ASSOCIATION OF LIFE INSURANCE PRESIDENTS

German Social Insurance Fails

HOFFMAN EXPOSES SYSTEM

Doesn't Even Lessen Amount of Social Unrest, Nor Beat the Socialists

That social insurance has improved the condition of the masses in Germany is denied by Dr. Frederick L. Hoffman, of The Prudential, in an address of great value which he delivered last week before the Association of Life Presidents. After quoting various reports on the subject from German municipalities and "authorities" he draws conclusions in part as follows:

1. Instead of effectively suppressing social democracy throughout the German Empire, the social insurance institutions merely served the purpose of furthering the spread and more general acceptance of radical socialistic doctrines, sustained by the feudalism and paternalism of the German Government. When social insurance came into existence the Socialistic Party vote was approximately half a million, whereas at the outbreak of the world war the voting strength of the Socialists had reached four million and a half. While social insurance was inaugurated by an imperial message signed by William I, it unquestionably came to an end by the abject surrender of the German military regime in the armistice, bearing the signature of the leader of the Socialistic Party.

2. Instead of lessening the prevailing amount of social unrest, the social insurance institutions merely increased the demand for additional benefits out of all proportion to the intrinsic value of the financial contributions made by employers and employees.

Economic Conditions Worse

3. Instead of substantially improving the economic condition of German wage-earners, the benefits provided through social insurance were never adequate to meet more than the requirements of a minimum standard of life. In 1915 the average invalidity annuity was less than fifty dollars per annum, about the same amount was paid for sickness annuity, about forty dollars per annum for old age and about twenty dollars per annum for widows and orphans. Regardless of a considerable measure of economic progress due to general causes, and largely, no doubt, to a protective tariff, the social condition of the mass of the German people at the outbreak of the war, proportionate to their intelligence and industry, was lamentably below the corresponding standard of labor and life prevailing in the United States.

4. Contrary to wrongful assertions concerning the physical progress of the German people under social insurance, the comparative statistics of physical well-being prove conclusively the prevalence of a much larger amount of constitutional diseases, lack of disease resistance, want of normal physical development, etc.

5. In the direction of sanitary reform the corresponding progress throughout the United States was measurably in advance of German achievements. The German death rate under social insurance has not been diminished proportionately to the decrease secured in this country in response to a far-sighted and more liberal public policy. The alleged interest of social insurance institutions in public health activities was practically limited to the treatment and care of tuberculous wage-earners, entitled to relief under the invalidity insurance system, but for this most afflicted element, the average duration of treatment was only ninety days, or quite insufficient for the purpose, in contrast to an average duration of twice that length of time in such well-managed institutions as the Municipal Sanatorium of Chicago.

Tuberculosis Spreads

6. Since the outbreak of the war tuberculosis has rapidly increased throughout Germany and the institutions established for tuberculous wage-earners have been largely utilized for war purposes. The amounts heretofore provided for tuberculous wage-earners under social insurance have been reduced by more than one-half, while the amounts required have been diverted to war charities.

7. The condition of the medical profession throughout Germany has not been materially improved, but quite to the contrary the ethical standards have been perceptibly lowered, attaining in some communities to the proportions of a positive public scandal. The better element has been discouraged by the opportunities extended to the more unscrupulous to encourage malingering and fraud and widespread imposition upon the funds. Instead of harmonious relations prevailing between the medical associations and the sickness insurance funds, quite to the contrary there has been continuous warfare, best illustrated by the frequency of so-called "doctors' strikes." A vast amount of precious time and thought is wasted upon needless treatment for trivial or imaginary complaints, while treatment for serious afflictions is often grossly inadequate to the purpose of a cure.

8. The sickness rate among German wage-earners is not disclosed, but remains at a figure far above any corresponding conditions f ill health disclosed by impartial investigations in this country. In many of the funds half of the wage-earners will claim sickness and medical benefits throughout the year. Most of these benefits are, by independent inquiries, proven to be unjustifiable demands upon the funds, being practically insisted upon either as unemployment benefits or poor relief disguised as claims for sickness and inability to work.

Sick Relief

9. In consequence, from the industrial changes resulting from the war, a large number of women, children and aged persons have been admitted to membership in the sickness and invalidity funds under conditions opposed to conservative management. In consequence, the future demands upon the funds for sick relief and invalidity must very considerably increase, as in fact has already been the case during the last three years of the war. The required increase in contributions from wage-earners has been violently resisted and the deficiencies have been made good by the withdrawal of substantial amounts from the reserves.

10. Not only has the Government been reckless or indifferent in the general administration of the funds, but there has been the utmost tolerance in the making of expenditures for war charity purposes, out of all proportion to the financial resources of the funds. During 1915 alone over twenty million marks was expended in this manner, largely in the form of money grants to dependents of soldiers killed in the war, or for Red Cross purposes, etc.

11. If reckless in the direction indicated, the government virtually looted the accumulated funds, especially of the invalidity insurance institutions, by insisting upon the compulsory investment in war loans. The social insurance institutions subscribed one and a half billion marks to the first seven war loans, and at the present time the invalidity insurance institutions have over half of their investments in war obligations. Since the institutions lost considerably in the sale of first-class securities, which were replaced by war loans of doubtful intrinsic value, the ultimate losses from these sources will unquestionably be very considerable. Since it is practically certain that under the new socialistic government a part, if not the whole, of these losses will be, or may be, repudiated, or that in any event the loans will be reconverted with reduced interest earnings to the serious disadvantage of the funds, the outlook for the future in this respect is perhaps the most alarming of all.

12. In the industrial accident branch of social insurance, the government has approved very substantial reductions in the assessments as a matter of war necessity, regardless of an increase in accident frequency on account of the employment of women, children and aged persons without previous factory experience. Between 1914 and 1915 there was a decrease in the expendi-

SECOND TO NONE IN SERVICE

Long established and thoroughly modern, providing perfect protection for a net cost which is notably low, and rendering service which is unexcelled, the Massachusetts Mutual stands out as an ideal company in which to insure. Sixty-seven years of square dealing are back of every one of our representatives. They will tell you how great an asset that record is in their work.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

tures for accident prevention to the amount of over 600,000 marks, and nearly a million marks less were expended in connection with accident investigations, supervision, etc. In marked contrast to expenditures in 1915 of less than two million marks for accident prevention, the expenditures for the investigation of accident claims, accident causation, etc., reached not far from four and a half million marks. The evidence that German industrial accident prevention under social insurance has not been anywhere near as effective as the corresponding voluntary efforts in this country, is brought out by the statement that while in 1903 the fatal accident rate in German industry was 0.74 per thousand, it was 0.73 in 1914 and 0.85 in 1915. The fatality rate in German coal mining remains at the figure of 2.8 per 1,000, which is about the same as the prevailing rate in this country, considering decidedly more dangerous conditions on account of the employment of a much larger proportion of men with very limited mining experience, chiefly because of their foreign origin, unable to thoroughly understand the rules and regulations in the English language.

Wages Suffer

13. It is a foregone conclusion that German wages must suffer a very substantial decline in consequence of the war and the readjustment of international relations, more or less decidedly burdensome to the German people. Since the whole social insurance system rests upon the compulsory deduction from wages on the one hand and the compulsory contributions by employers on the other hand, the inference would seem justified that if the products of German industry are in the future to meet international competition, the burdens of social insurance will have to be materially reduced. But on the other hand, the increasing economic distress, the large proportion of more or less dependent war invalids, the large increase in the number of widows and orphans in need of financial support, will suggest rather an increase than a diminution of the benefits likely to be derived from the social insurance system. Yet, as clearly brought out by the experience which has thus far been had, the demands for an increase in the contributions on the part of the wage-earners will be strongly resisted by the wage-earning element now in power, while the employers will find it impossible to provide additional contributions and yet maintain a reasonably low cost of production and prices adapted to the existing requirements of international competition.

14. After all, the most lamentable consequence of social insurance in Germany has been the measurable lowering of the social and individual morality of the German people. The system in every direction has fostered dishonesty, deception, dissimulation and lax moral conditions.

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

J. J. BRINKERHOFF RESIGNS

Actuary of Association of Life Insurance Presidents Not in Good Health

John J. Brinkerhoff, actuary of the Association of Life Insurance Presidents, has resigned because of ill health. He had done splendid work for the association and was well-known in insurance, as at one time he was actuary of the Illinois Department. The Life Presidents by a unanimous vote passed the following:

"The Association of Life Insurance Presidents records in these lines its regrets that John J. Brinkerhoff has felt compelled, owing to ill health, to resign the position as actuary of the association. A record is also made of the Association's appreciation of the services of Mr. Brinkerhoff extending through the decade of his employment and marked during such service by intelligence, application and clear vision in all the problems submitted to him. It is with no perfunctory sense of conventional approval that this record is made. The Association records also its high appreciation of Mr. Brinkerhoff as a man, as a citizen and associate."

HELPING THE GOVERNMENT

Resolution of Life Insurance Presidents on Aid Rendered by Insurance To Nation

At the meeting of the Association of Life Insurance Presidents last week the following resolution was passed:

"Resolved, That the life insurance companies hereby represented express gratification that they have been able to render the National Government varied and important services in the prosecution of the war, through military, naval and other services of officers and members of the Home Office and agency staffs, through the advice of their officers, through the assistance rendered by their Home Office and agency staffs in the sale of Liberty Bonds, War Savings Stamps, and in many other ways, and through the purchase of Liberty Bonds by the companies themselves; and they hereby put on record their readiness and desire to continue to render any service which may be of assistance to the National Government in connection with war matters."

J. G. VAN CISE DEAD

Joel G. Van Cise, for forty-five years with the Equitable Life Assurance Society, twenty-six years as assistant actuary, and for eleven years as actuary, died this week at his home, 701 Springfield Avenue, Summit, N. J., in his seventy-fifth year.

Labor Group Stability

(Continued from page 6)

"Group insurance, therefore, justified itself both in business results and in humane benefits, which the employee felt flowed from the particular business organization of which he formed a part and which he could accept without feeling himself an object of charity. Thus, it may indeed be said, is 'Wisdom justified of her children.'

"Some of our employees could not have passed medical examination for life insurance, and of those who could, many would not have had the forethought or thrift to do so.

"A study of the death claims in the two groups with which I am connected as an employer developed the fact that 53 per cent. had no other insurance whatsoever, and that 47 per cent. had insurance averaging only about $150 each. As our groups were relatively small, I have had this checked against the entire experience of the company carrying the insurance, and learn that these proportions represent a fair average. In fact it appears that about forty per cent. of all employees covered by group insurance have had no other protection.

"Think of forty per cent. of the wage earners of this country living without life insurance or any form of protection for themselves or for those whom they support! Thus they carry the hazard of twin calamities, a complete financial collapse coincident with death.

"Employers who have tried paying out of pocket to the needy families of workers dying in their service may spend as much as the premium costs for group insurance, but that will not produce the same effect upon their remaining workers that would come from the group plan of giving each employee a life and casualty certificate in a good company. The group plan is a gift to all alike—and I am informed that some of the beneficiaries have actually framed these certificates and proudly hung them in their homes. These may be extreme cases of appreciation but they illustrate the human instinct which gives extra recognition to the employer whose insurance plan gives protection to all rather than merely the chance of a charity payment to the most needy. And it may be noted that there is vastly more self-respect in the process of collecting an insurance policy than there is in accepting the charitable gift of an employer—as the needy family is certain to feel."

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL
Life Insurance Company
OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

Mr. Successful Life Insurance Agent:
Do you want to secure a General Agency for yourself? If so, read this, it is
WORTH KNOWING

Suppose that you are insured in the United Life and Accident Insurance Company of New Hampshire for $5,000 under the Company's Triple Indemnity Plan, what does your Policy guarantee to do?

ANSWER:

FIRST, it guarantees that in case of death from any cause $5,000, the face of the Policy, will be paid.

SECOND, that in case of death from any ACCIDENT, $10,000, or DOUBLE the face of the Policy, will be paid.

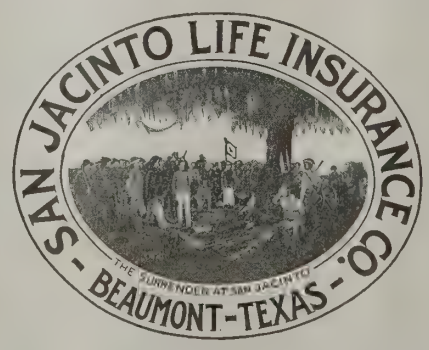
THIRD, that in case of death from certain SPECIFIED accident, $15,000, or THREE TIMES the face of the Policy, will be paid.

BUT THIS IS NOT ALL. The Accident Disability Endorsement FURTHER guarantees that in case of total disability as a result of accidental injury, the Company will pay direct to YOU at the rate of $50 PER WEEK during such disability, but not to exceed 52 weeks, after which the weekly indemnity will be at the rate of $25 PER WEEK throughout the period of disability. Can insurance do MORE? And WHY should any man be satisfied with a policy that would do less? The cost is low.

General Agents wanted in the following States: Pennsylvania, Delaware, Kansas, Michigan, Ohio and the District of Columbia. Address:

UNITED LIFE AND ACCIDENT INSURANCE CO.
Home Office, United Life Bldg., Concord, New Hampshire

To the Man Who is Willing—and Will



We are prepared to offer unusual opportunities for money-making NOW and creating a competence for the FUTURE.

FOR CONTRACTS AND TERRITORY, ADDRESS

H. M. HARGROVE, President :: Beaumont, Texas

Moir Analyzes Influenza Claims

LOSSES OF ONE MONTH TAKEN

Average Age Low—Not Much Over Entry Age of Insurance Applicant

In his paper on epidemics before the Association of Life Insurance Presidents, Henry Moir, after discussing the deaths in the camps and comparing them with civilian deaths among ages the same as the troops gave some reflections on the influenza statistics of seven life companies, 655 death claims filed in October. He analyzed the situation in this way:

The first clear indication is that deaths from influenza alone are but a fraction of the total deaths caused by this epidemic. The vast majority of them are from pneumonia following influenza. The largest proportion of influenza cases in any one of the companies was 20 per cent., with 80 per cent. pneumonia following influenza; the smallest proportion was 7 per cent. influenza and 93 per cent. from pneumonia following influenza. The average of all the companies from which reports were obtained was 13 per cent. of the deaths from influenza alone, and 87 per cent. of the deaths from pneumonia following influenza. This proportion is entirely different from that indicated by the census bureau statistics. Classification of life insurance claims is probably much more accurate; it is in every case the report of a duly qualified medical practitioner.

Ages at Death

The next serious question for life insurance companies deals with the ages at death. The average is exceedingly low; less than 2 per cent. of the cases were over 55, over 80 per cent. of the cases were under age 40; and over 60 per cent. of the deaths were under age 35. It is interesting to observe further that each of the companies separately had about the same experience. The average age at death of all the cases submitted was 33 years; the lowest average of any one company was 32 and the highest 34. We should remember that the average age at death in the population at large must be lower than it is amongst insured lives—much lower, because the proportion of insured lives is small in youth and early manhood. From the figures before me I would gather the impression that the age of maximum virulence of this epidemic has so far been under 30.

This average age at death of influenza cases is not much over the usual age at entry of applicants for life insurance. From normal diseases the average age at death of men insured in a well established company may be taken as from 55 to 60. This new form of influenza therefore has been taking the young and vigorous—those whom we expected to undertake much of the world's work. We may say that there is an average economic loss of about 25 years of active life in the case of each of the thousands of deaths from influenza.

In the 1889-'91 epidemic of influenza the old and feeble seemed most liable to succumb; it was then remarked that club men after middle life—especially those with a "past"—had a small chance of recovery in comparison with young, vigorous, and strictly temperate people. This condition does not seem to hold now, and millions of the best years of life have been stolen by this scourge.

It necessarily follows that the policies thus becoming claims have not been long in force, the average duration is only about 5½ years; the average age at entry of those who have died from influenza is therefore about 27½ years. It is a much more serious matter for life insurance to experience an epidemic of this nature which affects recent policies than it would be to have the experience of 1889-'91 repeated when older men were most affected. But if any argument is needed to show the beneficence of life insurance this affliction of the past two months is the strongest that could possibly exist, for most of the life insurance companies have a sufficient surplus to meet such conditions and pay all claims as they arise. We are being forcibly taught that a good surplus fund is a necessity of sound management.

Paternalism Weakens Liberty of Individual

JOHN G. HIBBEN ON INITIATIVE

Striking Address of Princeton's President Before Association of Life Insurance Presidents

President John G. Hibben, of Princeton, discussed the rights and obligations of liberty in an address before the Association of Life Insurance Presidents last week. In his inspiring address he said in part:

Those who come to us from foreign shores must learn the first lesson of American citizenship, namely, that in all matters of personal conduct there is an exact ratio which must be preserved between outer restraint and inner control, that as the outer restraint is lessened the inner control must be increased. Where the external control ceases the internal must begin. I have seen this aspect of the law of liberty illustrated year after year in the life of young men in that transition period when they leave the discipline of their school life behind to enter into the larger liberty of their university experience. The tragedy of many lives under my own observation has been due in all cases to the failure to apply the inner control when the outer restraint is removed. The law that is supreme in every man's life is the law which he himself legislates. The only free man in this world is the one who is self-governed.

Moreover, the law of progressive development demands the transformation as complete as possible of external restraint into inner control. The government which seeks to maintain its paternal guidance of the affairs of its sons is treating them as children under tutelage and not as men exercised in freedom, capable of initiative, and strong to bear the burdens and discharge the obligations of citizenship. Paternalism which weakens the liberty of the individual, thereby lessens the sense of individual responsibility and the possibility of individual achievement which is the secret of our national vigor and the promise of our future progress.

RE-ELECT OLD OFFICERS

At the executive session of the Association of Life Insurance Presidents, held in New York City, the following officers were re-elected for the ensuing year, as follows:

George T. Wight, secretary and manager; Job E. Hedges, general counsel; Frederick G. Dunham, attorney; Orlow H. Boies, statistician; Mott A. Brooks, assistant secretary.

The election of the executive committee of the association resulted as follows:

Louis F. Butler, Jesse R. Clark, of Cincinnati, Ohio; George I. Cochran, W. A. Day, Forrest F. Dryden, Haley Fiske, Alfred D. Foster, George E. Ide, Charles A. Peabody.

Millions of Life Insurance Being Sold!

By the Use of the SHANBACHER INHERITANCE TAX CHARTS

In the closing of most of the big lines to which the attention of the public has been directed during the past few months these charts have conspicuously figured.

Worth their "weight in gold" to every live life insurance agent.

For information address

THE EASTERN UNDERWRITER

Sales Agents

105 William Street, New York, N. Y.

REAL SATISFACTION

Working with **William N. Compton** and the **John Hancock Mutual Life Insurance Company** in New York City forms the happiest combination imaginable for the life insurance salesman.

If you have any doubt in your mind have it dispelled by calling at

220 BROADWAY

Phone 6030 Cortlandt

Pan-American Life Insurance Company

NEW ORLEANS, U. S. A.

CRAWFORD H. ELLIS, President

Capital.....$1,000,000.00

OUR 1916 STATEMENT SHOWS

Insurance in force	(over)	$42,400,000
Resources	(over)	5,600,000
New Insurance paid for		10,000,000

The High Scores in the Life Insurance Profession are won by Trained Men. We will train you in the Profession and locate you in Productive Territory either North or South. Your Opportunity is Here.

Further information on request. Address:

E. G. SIMMONS, Vice-President and General Manager

Whitney Central Bank Building

NEW ORLEANS, U. S. A.

Northwestern Mutual's Third Quarter of 1918

During the third quarter of 1918 the new insurance written amounted to $35,221,220 and the amount paid for was $31,795,960, a gain respectively of $2,217,500 and $760,340 over the similar items for the third quarter of 1917.

For each of the months, July, August and September, a gain was shown in both written and reported business with the exception of August in which there was a small decrease of $60,880 from the amount reported in August, 1917.

The investments for the quarter amounted to $11,805,886.57 and the average interest rate on real estate loans for the quarter was 5.571 per cent.

The total investments of the Company in real estate mortgages, policy loans and bonds, on the 30th day of September, 1918, were as follows:

Mortgages	$209,854,823.23
Policy loans	58,056,402.66
Bonds	121,369,847.35

The total amount of insurance in force on the written basis on September 30th of this year was $1,664,121,017, under 615,273 policies.

The following comparisons are of interest, particularly the decrease in surrendered policies:

	Nine Months 1917	Nine Months 1918	Increase
Total income	$ 55,886,069.58	$ 57,115,718.50	$ 1,229,648.92
Death claims	10,846,635.75	11,591,814.41	745,178.66
Matured endowments	4,418,543.70	5,159,814.86	741,271.16
Dividends	9,236,775.56	9,764,229.29	527,453.73
Surrendered policies	5,562,621.32	5,325,837.30	*236,784.02
Total paid policyholders	30,232,889.50	32,021,442.14	1,788,552.64
Total admitted assets	$388,625,062.15	$410,888,728.20	$22,263,666.05

*Decrease.

Introduce Insurance Premium Stamp Bill

CONGRESS HAS WISCONSIN IDEA

Plan, However, Extended to Cover Payment of All Premiums, Government and Otherwise

(*Special to The Eastern Underwriter.*)

Washington, D. C., Dec. 11.—Representative Brown, of Wisconsin, has introduced a bill along lines suggested by a group of Wisconsin life insurance companies to be enacted into law.

Congressman Brown's bill provides for payment of premiums on Government insurance by means of "insurance premium stamps" of various denominations, prepared under direction of the Secretary of the Treasury and the Postmaster General, and placed on sale at all post offices to permit by small fractional savings the accumulation of the annual life premiums due the bureau of war risk insurance. "The privilege of employing such 'insurance premiums stamps' shall be extended, as a means of saving and thrift, to policyholders and members of all authorized life and casualty corporations and fraternal organizations for the accumulation of annual or fraction premium payments, but no interest shall be allowed and no expense shall be incurred by the government other than the printing of such stamps and all cards, booklets, or other devices for the attachment of such stamps shall be furnished by the corporation or organizations employing them."

The measure also provides for the amendment of the war risk act so as to provide that every person carrying insurance under the provisions thereof, when mustered out and receiving honorable discharge from the military or naval service, shall have extended the privilege of exchanging or converting the temporary one year renewal term insurance now provided for some regular and more permanent form of life insurance with premiums on a net rate basis, for such amount within the maximum as now provided, and every such person shall at the time of such mustering out and discharge receive without payment a premium receipt for one year of insurance under such exchanged or converted policy from the date of such discharge and conversion.

MONTHLY INCOME POLICIES

New York Life Announcement To Agents Regarding Disability and Double Indemnity Benefits

The New York Life has issued the following statement to agents:

"Hereafter monthly income policies, in which both disability and double indemnity benefits are desired, will be granted only for an amount not to exceed a monthly income of $100 per month, when the beneficiary is under 40, and not to exceed $125 per month when the beneficiary's age is 40 or over.

"In such cases, however, an additional policy may be written on the monthly income plan, with disability benefits but without double indemnity benefits, for an amount not to exceed an additional monthly income of $100 per month when the beneficiary's age is under 40, and $75 per month when the beneficiary's age is 40 or over.

"In other words, $200 per month is the absolute limit for life income policies with disability benefits, and of this amount only approximately one-half may have the double indemnity feature added.

"When one of our regular policies has a trust agreement providing for monthly payments in event of disability, one-tenth of the face of the policy is paid as a disability benefit, instead of the amount of the monthly income payable in event of death. For this reason policies can be issued with trust agreements attached up to a face value of $25,000.

"The above ruling places continuous instalment policies and policies with trust agreement attached on the same basis as regular insurance, when it comes to limitation of the amount issued with disability and double indemnity benefits."

Why not recognize our mental attitude? If the company is good enough for you to represent, it is good enough for you to sell. Forget the other fellow and his rates. Get yourself sold as to company and rates; get your enthusiasm up to where it belongs and then open up—and the results will sure be pleasing. "Howdye, boy—let's go!"

PENNSYLVANIA OPPORTUNITY

If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.

Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

15,000 PEOPLE

Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.

AGENCY OPENINGS FOR THE RIGHT MEN.

Write to-day

FIDELITY MUTUAL LIFE
INSURANCE COMPANY, PHILADELPHIA

Insurance in force over $142,000,000

Walter LeMar Talbot, President

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.
PHILADELPHIA

THE WESTERN AND SOUTHERN LIFE INS. CO.

W. J. WILLIAMS, President Organized 1888 CINCINNATI, OHIO

The Largest Industrial Company West of the Alleghenies

Also Issues All Standard Forms of Ordinary $500 to $10,000

A Record of Thirty Years of Progress
TEN-YEAR PERIODS

		Assets	Insurance in Force		Income	Policies Issued
Dec. 31—	1888	$ 104,307	$ 889,073			
	1897	274,290	6,619,653	1888-1897	$ 1,744,102	387,702
	1907	2,916,339	39,503,485	1898-1907	10,551,857	1,139,235
	1917	14,008,422	115,099,897	1908-1917	31,845,050	1,961,674

AGENTS WANTED in the Principal Cities of Ohio, Kentucky, Michigan, Indiana, West Virginia and Western Pennsylvania

In Pamphlet Form

Business Reasons for Business Insurance

VALUABLE article from the Life Insurance Salesmanship Edition of The Eastern Underwriter has been published in canvassing document form and is proving very popular with life underwriters. -:- -:- -:- -:- -:- -:- -:- -:-

Price $3.00 per 100 copies

Sample copy 10 cents

THE EASTERN UNDERWRITER
105 WILLIAM STREET
NEW YORK

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

The Make-up of a Personality

Mind, emotions, will, body,—that's what you are, says "Points" to the agent. Your mind may be razor-keen, your emotions finely disciplined, and your will forceful, but unless your body is able to deliver day by day a day's endurance for the work of the mind, the emotions, and the will, you are a crippled man and a partial failure. It is easy to keep the body in trim, but it is not always easy to restore it when it has been abused. Eat slowly and not too much; drink plenty of water and not too much; don't abuse your bodily mechanism with destructive indulgence; sleep enough; exercise regularly and breathe real air; have a merry conscience; play every day, laugh frequently; believe that it's a mighty good world, and take joy in being friends with it;—and your body will serve you ably and faithfully. A sound body is essential to success, and it can be made and kept sound with very little daily effort. Why be only half strong or three-quarters weak, when without pills or powders you can be vigorous and can drive with profitable power through each day's work? Do you enjoy being only half healthy? Mr. Middle Age, forget your age! Keep in tune with nature, and be strong and, consequently, prosperous.

* * *

A Leading Requisite

A leading requisite in field work is accuracy in detail both on the part of the agent and in the requirement of it by the assistant from the members of his staff, says the "John Hancock Field." There is, perhaps, no other feature of our work which is so discouraging as the frequent loss of business, which might otherwise have been secured, because the questions on the applications have been either incorrectly answered or not answered at all, while during the delay for correction, the hoped for applicant's ardor has cooled, or his proposal has been captured and put through by a representative of some other good company who was as particular as he was enterprising in the pursuit of business.

* * *

Schools of Instruction for 1919

The Bankers Life of Iowa will hold five regional schools of instruction in 1919. The former annual school of instruction for all salesmen is discontinued, and the same is also true of the annual conference of general agents. The new plan has been worked out as the logical complement of a new system of organization for the sake of more intensive cultivation and greater economy of management. The territory of the Company has been divided into five districts, with a regional sales director in charge of each, and a general sales manager in charge of the entire territory. The new schools of instruction, therefore, will follow the new form of organizations and each regional district will have it own school. The advantage of this from the standpoint of the salesmen will be that the smaller schools will make it possible for every salesman to take a larger part in the proceedings and secure much more benefit than was possible under the old system, when so many were gathered together.

The new schools of instruction will be in every way the equal, if not the superior, of the former schools. Excellent and helpful programs will be arranged, and each school will be attended by the general sales manager, the president of the Company and the secretary of the Company. The various schools will be completely and thoroughly "covered" by the Company publications, which will issue special numbers in honor of the various meetings. These will include detailed accounts of the proceedings of the various meetings and will be illustrated with snap shots of the notable salesmen gathered together for these educational occasions.

It will be required of every salesman attending these schools that he shall write at least $10,000 of issued and paid for insurance from December 1, 1918, to the opening of his regional school of instruction. Term insurance will not count toward qualification. Tentative locations for the five regional schools to be held in 1919, are Pittsburgh, Chicago, Omaha, Dallas and San Francisco. The first of these probably will be held soon after the first of the year in Chicago. Every effort will be made to make the regional schools of instruction as profitable as the general schools were, and the importance of the various schools will be emphasized in the Company publications, so that the entire field force will in each case get the benefit of the good points which are brought out in all of the various schools.

* * *

Term Conversion Helps

Preparations are now being made by the Northwestern Mutual Life to send out, through the general agencies, letters to the holders of renewable term policies. These letters will be signed by the actuary of the company and will reach the general agents at least sixty days before the expiration of the conversion periods. Each such letter will call attention to the necessity for converting on or before the date mentioned and will quote figures on the amount necessary to change to Ordinary Life as of present age, if not over 60, and the sum necessary to change to Ordinary Life as of date of issue of the term policy. It is also planned to send the general agents' letters addressed to the holders of the old renewable deferred dividend term policies. These letters will be sent about sixty days before the 1919 anniversary of each policy and will embody a very attractive suggestion to the insured to convert his policy to an ordinary life as of present age and date. These letters will prove to be of material assistance to the agents in effecting term conversions to the more permanent and therefore more desirable plans.

* * *

What the Endowment Will Do

Miss E. G. Murphy, of the Denver office of the Phoenix Mutual has recently completed the Educational Course of the company and the following are extracts from her answers to lesson 14. In summing up the advantages of the Endowment policy she says:

"For the individual this policy will assure an old age competence; redeem that mortgage; secure a college education for the boy or girl; supply a cash fund to start the son in business when he finishes college; assure a cash asset available at any time after the first premium is paid—an asset which is constantly increasing in guaranteed value; provide an absolutely guaranteed investment, with a good return of interest; continue the benefactions of the philanthropic man or woman.

"For the corporation it will assure a constantly increasing liquid asset, the cash and loan value of the policy being available at any time; help to take care of the interest on the bonds of the corporation; provide a sinking fund to retire the bonds of the corporation.

"In a word, the uses to which the Endowment policy may be put are without number.

"The Endowment policy is practically the only plan which compels the setting aside of a certain sum yearly.

"The Endowment policy secures a better rate of interest than can be secured on the small sums put into a savings account each year.

"The Endowment policy carries with it the guarantee-to-pay of the life insurance company backed by its millions of assets, thus affording every possible safeguard to the savings fund."

* * *

Life Insurance and Part-Timers

"My conception of life insurance is such that I believe its benefits should be made universal, and that any attempt made to restrict the extension of this business through the curtailment of the employment of honest sincere men, no matter how feebly they may advance the cause, means such a blow to society and the boasted humanitarian claims of our calling as will and should speedily relegate our life insurance institutions to the realm of pure commercialism, and reduce our claims for consideration and our right to a hearing from the present high plane which is the inspiration of so many splendid advocates of life insurance to the level of the automobile and pickle business, the extension and progress of both of which rest solely upon ability to satisfy a selfish human desire, and no longer could we preach unselfishness if by our own example we conclusively show that selfishness and selfseeking is the primary purpose of our calling," said R. W. Stevens, vice-president of the Illinois Life, in his talk to members of the Association of Life Insurance Presidents.

TARBELL BACK IN NEW YORK

Henry Tarbell, who left the Home Office of the Equitable Life Assurance Society some months ago to be with the E. A. Woods Agency, Inc., has returned to the Home Office. Just at present he is engaged in Red Cross work with Vice-President W. E. Taylor.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, sold $65,000,000 worth of War Savings Stamps between February first and September first, 1918, and expects to sell a total of at least $100,000,000 during the year.

JOHN R. HEGEMAN, President

What An Agent Wants

A Company whose name, everywhere a household word, is his best introduction. Prestige is a door-opener, and age and size are impressive.

Policies that are unexcelled. Big dividends. Strength and safety that need no demonstration. Unsurpassed service to policyholders—the thing that makes solid patrons out of first-time customers.

The Oldest Company in America! Come with it and you will **stay** with it and it will **stay with you.**

For terms to producing agents address

The Mutual Life Insurance Company
of New York

34 NASSAU STREET, NEW YORK CITY

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone 2497 John.

Subscription Price $3.00 a year. Single copies, 25 cents.

Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress of March 3, 1879.

NEW MEMBERS OF ASSOCIATION OF LIFE PRESIDENTS

One of the most interesting announcements at the Association of Life Insurance Presidents' meeting last week was the election of eleven new members, names of which were printed by The Eastern Underwriter last week. Most of these companies have had an organization of their own, and one of the members of this smaller organization told The Eastern Underwriter that it would be continued; i.e., the companies would belong to both associations.

One reason why a group of prominent Eastern companies had not joined the Life Presidents' Association was that at the time of its organization they felt it was dominated by the group known as "The Giants." As time wore on it was recognized that the Association of Life Insurance Presidents was doing a wonderfully effective work for the institution of life insurance, and that while many great companies were members they were not seeking to dominate. It was a natural consequence, therefore, that the other leading companies should join. That they will also retain membership in their own organization has no other meaning than the fact that they have found their association of value to them, and will thus have the advantages of membership in both.

As for the Association of Life Insurance Presidents the thrift conference it held last week measured up to the high standard of excellence which has been customary with this organization. It had not only a broad educational but a high moral tone.

HENRY MOIR ADDRESSES

Henry Moir, president of the Actuarial Society of America, is one of those insurance authorities who when asked to deliver an address, generally turn out a little masterpiece. Be the topic assigned ever so dull Mr. Moir garnishes it with so many human interest facts that it becomes, quite illumined, so that even the layman in reading it finds himself enthralled. As no man in insurance, with one exception, is asked to read so many papers, it is to Mr. Moir's very great credit that when once he accepts an assignment to prepare an address he is never satisfied to turn out a hackneyed or "just get by" piece of work. Thus proving himself an artist as well as an actuary.

At the Life Presidents' convention Mr. Moir took as his topic "Epidemic Waste of Human Life," and this furnished him with the opportunity to go back through the plagues of history and wind up with the influenza epidemic, an opportunity accepted with the result that his paper was one of the best of those delivered last week. Some day an enterprising publisher will gather up the Henry Moir papers and addresses and publish the volume. Instructive and important, it is a certainty that no one would be bored by the reading.

THE LIBERTY LOAN AGAIN

In a long reply to editorial comments made by The Eastern Underwriter relative to his criticism of the size of Liberty Loan subscriptions of the Mutual Life, The Prudential and the New York Life, Arthur Richmond Marsh, in the "Economic World" returns to the attack, reiterating what he said, denying the crux of The Eastern Underwriter's statements on the subject, but furnishing little proof to back up what he says. In fact, the principal exhibit made by the "Economic World" is the text of a rather impertinent letter from "a large and long established firm of merchants," written to Darwin P. Kingsley, president of the New York Life, in which the statement is made that this firm of merchants bought $180,000 of American Government loans, and on a percentage basis of assets the New York Life, to furnish a corresponding purchase, should have subscribed for between $180,000,000 and $200,000,000 of United States bonds. The letter is unsigned, but would be just as unreasonable if it had a signature attached.

Mr. Marsh again insinuates that his editorials had something to do with the doubling of subscriptions of several American companies. If that statement be true he is one of the most effective Treasury Loan workers in the country, and now that the preparations for the next loan are being arranged Secretary Glass should get in touch with him and find a valuable assistant thereby, but those who know the inside workings of the last drive, and understand the superhuman and successful efforts to increase subscriptions made by the life companies in this district during a crucial period of the loan, say that Mr. Marsh's editorials had nothing to do with the case.

MAX COHEN RETIRES

"The Insurance Times" has purchased "Views," a Washington commerce paper, edited by Max Cohen, who, because of ill health, retires. At one time Max Cohen had considerable influence in insurance and at the National Capital.

THE HUMAN SIDE OF INSURANCE



R. N. M. PEARCE

R. N. M. Pearce, newly appointed manager of the marine department of the Continental companies, is an insurance man who first came to the United States in 1916. Mr. Pearce was born and educated in South Africa and since leaving there he has been connected with various insurance interests in many parts of the world, including Japan and China, where he was for a number of years manager of the Equitable Life Assurance Society, of New York. Previous to his connection with the Continental, Mr. Pearce had been a member of the board of directors of the American Merchant Marine.

* * *

D. J. Carter, of the firm of Henderson, DuBois & Carter, of Herkimer, N. Y., who entered the Central Officers' Training School at Camp Lee, Va., in October, was mustered out of U. S. service on November 24th, together with 3,000 other student officers at the same camp. Mr. Carter is now back on the job and says he plans to apply some of the army methods to the insurance business.

* * *

Louis L. Law, special agent of the Fireman's Fund for Minnesota, believes in fire prevention as never before. During the recent period when forest fires were burning fiercely through a portion of his state, Louis boarded a train bound for Duluth from the Iron Range. When the train reached Proctor it was found to be in the very midst of the forest fires that were raging in that part of the country. The bridge just ahead had been burned, and the smoke was so dense as to greatly increase the gravity of the situation. The train finally backed onto a side track near the Cloquet River and remained there all night, so that, in the event of the flames sweeping too close the river might be used as a means of escape. Fortunately the wind blew the fire in an opposite direction, and in the morning the train proceeded to Duluth, picking up refugees along the line, and landed Louis in safety after a most thrilling experience with the arch enemy of his profession.

There's life alone in duty done, and rest alone is striving.—Whittier.

E. T. Niebling, who has resigned as manager for the Pacific Coast branch of the Commercial Union because of ill health, is a veteran in the service of the Commercial Union, with which company he has been since 1884, when he was appointed special agent for the California field. He is a native of Detroit, where he was born in 1857. As a youngster he came to San Francisco, where he began his insurance career in 1878 as policywriter in the old-time general agency of Hutchinson & Mann. Five years later he removed to Colusa, Cal., to become a local agent. One year of this was enough, apparently, for in December, 1884, he was back in this city to accept an appointment as special agent for the Commercial Union. In 1886 he transferred his headquarters to Los Angeles, becoming one of the pioneer field men operating in Southern California and Arizona exclusively. In April, 1888, he was transferred to Portland, where for nine years he supervised his company's agency operations in the States of Oregon, Washington, Idaho and a part of Montana. In 1897 Mr. Niebling was recalled to San Francisco and promoted to the post of assistant manager for the Pacific Coast department. A year following the conflagration, when Manager C. F. Mullins retired, Mr. Niebling was appointed to succeed him. When the Commercial Union interests purchased the California Insurance Company in 1913, he was elected president of the latter company.

* * *

James H. Carney, of Boston, now president of the National Council of Insurance Federations, is also president of the Boston Board and a representative fire insurance man in New England. An able fire insurance spokesman is just what the Federation needs and Mr. Carney's every action bespeaks alertness and energy coupled with dignity and conservatism. He is regarded as a man of more than usual force and character to whom the Federation may confidently look for an administration of lasting benefit to the organization.

* * *

W. G. Wilson, who was elected president of the National Association of Casualty & Surety Agents, is general agent for the Aetna at Cleveland. He is said to have the largest individual business of any casualty insurance man in the United States and is one of the most successful personal producers. He enjoys the reputation of being a man of large capacity and much ability, an able executive and a prodigious worker. With such equipment at its head there can be no danger that the Association's interests will not be fully cared for.

* * *

Henry Greaves, assistant treasurer of the Equitable Life Assurance Society, entered the Home Office of the Equitable in 1894 as a boy in the Foreign and Recording Department. He was shortly transferred to the office of the vice-president and secretary. In 1898 he was made a clerk in the Financial Department of the office with special duties in connection with the work of the Finance Committee. When a treasurer was placed at the head of this department his responsibilities were increased and in 1907 he was appointed secretary of the Finance Committee. In 1914 he was made an assistant treasurer. He attends all meetings of the finance committee, keeps the minutes of those meetings, prepares the reports of all investment transactions for submission to the executive committee and board of directors as required by the by-laws, and, under the direction of the treasurer, handles purchases and sales of securities.

FIRE INSURANCE DEPARTMENT

Washington Hearing For Pyrene Men

COMPLAINT OF UNFAIR TRADE

Allegation Against Competitive Methods of Allen Sales Service, Inc., New York City

Washington, D. C.—Unfair methods of competition in securing trade for fire extinguishers and appliances distributed and sold by the Allen Sales Service, Inc., of New York, is charged in a complaint which has just been issued against the company by the Federal Trade Commission. A hearing will be held in the case before the commission in Washington on January 18.

The complaint makes the following allegations against the company:

(a) That C. Louis Allen and William H. Yetman, president and government representative, respectively, of the concern, while officers of the Pyrene Company, of New York, had access to and were in possession of said company's lists of customers and agents, and prospective customers and agents, confidential price lists, and other confidential information, and used such lists and confidential information for the purpose of securing contracts.

(b) That "By means of false and misleading statements regarding the business plans" of the Pyrene Company they persuaded certain manufacturers to break their contracts with the Pyrene Company for the purpose of having them sell their entire products exclusively to the Allen Sales Service.

After Business Secrets

(c) That the Allen Sales Service placed its employees in the office of a manufacturer, with whom the Pyrene Company had contracts for obtaining its products, so as to secure information concerning the business dealings between the said manufacturer and the Pyrene Company, for the purpose of learning trade secrets and information belonging to and concerning the Pyrene Company.

(d) That the Allen Sales Service induced employees of the Pyrene Company to leave their employment by offering such employees employment at higher wages.

(e) That in violation of a determination of certain purchasing departments of the United States Government, to the effect that henceforth all supplies were to be purchased direct from the manufacturers thereof and not through jobbers or manufacturers' agents, the Allen Sales Service with the "intent, purpose and effect of stifling and suppressing competition," in the sale of its products, caused various manufacturers to establish branch offices in the offices of the Allen Sales Service, whereby the concern was enabled to contract with the United States Government in the sale of its products in the name of such manufacturers.

(f) That the Allen Sales Service had been systematically and on a large scale giving and offering to give the employees of both its customers and prospective customers, and to officers of the armed forces of the United States, and other persons concerned in the conduct of the war," gratuities such as liquor, cigars, meals, theatre tickets, and valuable presents, for the purpose of inducing and influencing their employers and the United States Government to purchase, or contract to purchase from the Allen Sales Service.

GOOD TIME AT SMOKER

Philadelphia Insurance Men Hear E. J. Cattel and Thomas Nelson, Jr.—Vaudeville Also

The Fire Insurance Society of Philadelphia, on Friday night of last week, staged one of the most successful entertainments in the history of insurance in Philadelphia. Enlivened by an energetic and resourceful committee the Smoker was well advertised and the guests in attendance numbered 500. To say that the affair was a huge success is putting it mildly. The committee staged an entertaining vaudeville of outside talent supplemented by its own insurance band and with Walter Munns as master of ceremony the entertainment never lacked "pep" and everything moved smoothly. Ladies were in attendance in the role of entertainers and they acquitted themselves to the hearty approval of the staid members of the insurance fraternity.

Ed. J. Cattel, city statistician, entertained the crowd with his up to the minute stories and received the usual accord of approval.

A short address by Thomas Nelson, Jr., who is in the Naval service, was appreciated.

KIRK WITH PIERCE OIL CO.

Sidney A. Kirk, for a number of years with Kookogey & Hook, has resigned and is now manager of the insurance department of the Pierce Oil Corporation.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NIAGARA
Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$641,341.77	Assets	$357,318.58
Reserve	230,513.29	Reserve	54,256.92
Capital	300,000.00	Capital	200,000.00
Surplus	63,479.83	Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

WARNING BULLETINS ISSUED

Brokers, Agents and Assured Get Many Points On Caring For Sprinkler Equipment

Water damage insurance writing companies and the sprinkler department of the New York Fire Insurance Exchange are working together to educate the brokers, agents and assured to protect sprinkler equipment against freezing.

The Aetna Casualty & Surety, which does a large business in this line, has ready for distribution a letter which gives assureds and brokers a number of timely suggestions for keeping equipment in order during the winter. Sellers of insurance are reminded that while the company's inspections prevent many losses, the cold weather is here and a coal shortage really exists. This may cause frozen pipes and much loss to property. Merchandise and materials have greatly increased in value and inventories are higher than when existing policies were placed. The Aetna recalls that these old policies carry a co-insurance clause and recommends that the assured now carry only a full line.

The Maryland Casualty, of Baltimore, also a large writer of water damage insurance, has prepared water damage cold weather bulletins in convenient form, giving instructions for the care of equipment. Also a questionnaire has been prepared, to be executed and signed by the building engineer of person having charge of the systems. This is also to be signed by the assured and returned to the company.

The Exchange, at 123 William street, New York, has a bulletin of precautions against impairment of automatic equipment due to freezing.

Taken altogether a wealth of material on this subject, prepared by experts, is at the disposal of the men in the field who wish to increase their business and give the best service to their clients.

* * *

Edw. Graeber Makes Change

Edward Graeber, for some time with Frank B. Hall & Co., Inc., is now with Ream, Cromwell & Wrightson, Inc.

* * *

S. W. Richards With Ives & Baird

S. Wilson Richards, manager of the marine department of Fred S. James & Co., has tendered his resignation effective January 1 and on that date will become manager of the marine department of Ives & Baird, Inc.

* * *

Tornado Use

The Insurance Company of North America says in a new folder for agents:

"Business men will be interested to know that use and occupancy insurance may be taken out in connection with their tornado and windstorm policy to protect them against loss of profits and fixed charges during interruption to their business as a result of tornadoes and high winds."

* * *

Heffner in Hospital

William Heffner, of Kookogey & Hook, is in the Prospect Heights Hospital, Brooklyn, recovering from an operation performed last week.

* * *

With Willcox, Peck & Hughes on Coast

John G. Johnston, whose personal premium production amounts to $300,000 a year, has joined Willcox, Peck & Hughes on the Pacific Coast as manager for its fire and liability department.

After One Dollar Members

Henry W. Lowe, of Johnson & Higgins, is chairman of the insurance brokers' and agents' committee in the Red Cross drive for dollar-a-year memberships in 1919. The headquarters of the committee is in the brokers' association rooms at 55 John Street.

* * *

Brokers Did Well

Total subscriptions of $64,279.31 were reported by the Committee of Insurance Brokers & Agents to the United War Work Campaign. Of this amount $52,576.78 was subscribed by firms and $11,692.53 by their employees. Johnson & Higgins and Willcox, Peck & Hughes head the list with $15,000 and $10,000 respectively.

FESTER & FOLSOM, INC. ELECT OFFICERS

Theodore L. Haff has been elected president and managing director of Fester & Folsom, Incorporated. Mr. Haff has been associated with the corporation in the capacity of secretary practically from the time of its organization, eight years ago.

C. T. Gray, who has been vice-president of the corporation, has been elected secretary. Mr. Gray has been associated with Fester & Folsom, Incorporated, for two years and previous to that was with the American Bonding and the Aetna Casualty & Surety. Fester & Folsom, Incorporated, do an extensive reinsurance business in both fire and casualty lines.

TRYGVE WETTRE ARRIVES

Trygve Wettre, home office secretary of the Scandinavian American Insurance Co., arrived in New York from Norway last week on the steamship "Stavangerfjord." Mr. Wettre expects to return about January 4 and in the meantime will visit in the offices of O. G. Orr & Co., United States managers of the Scandinavian American.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

ARCHIBALD A. McKINLEY, President
D. J. DAVIDSON, Vice-President
H. C. JONES, Secretary and Treasurer
I. W. ROCKEY, Managing Underwriter
Merchants National Fire Insurance Co., Chicago, Illinois
Home Office: No. 29 So. La Salle St.
CAPITAL $250,000.00
AN ALL-AMERICAN PROGRESSIVE FIRE INSURANCE COMPANY OF THE MIDDLE WEST

WESTERN ASSURANCE CO.
OF TORONTO, CANADA
States from 1874 to 1917, inclusive 43,294,154.63
Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918
Assets $4,194,579.34
Surplus in United States..... 1,667,691.69
Total Losses Paid in United
W. B. MEIKLE, President

THE HANOVER FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents Metropolitan District
100 WILLIAM STREET, NEW YORK

S. C. BISHOP CO.
Represented at 95 William Street.
AGENTS FOR NEW JERSEY
208 Broad Street, Elizabeth, N. J.
Phone, 447 John—588 Elizabeth

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Still Contesting International Deal

CHASE CO. RESENTS ACTION

Terms of Bill of Sale Imply German Interest in Refusal of Highest Bidder for Stock

The attitude of the Chase Securities Co. toward the International Insurance Co., of New York, the sale of the stock of which to the Chase Co. was repudiated by the Alien Property Custodian last week, indicates that the contest for the control of the International is not yet ended. The Eastern Underwriter is advised that the Chase Co. has vigorously protested the repudiation of their purchase of the International.

The reason for the anxiety of the Chase Co. to retain the International is seen in the terms of the bill of sale which are to the effect that the only reason for which the Alien Property Custodian is permitted to refuse to dispose of the stock to the highest bidder is that on investigation it shall develop that said high bidder was acting for German interests. Friends of Seward Prosser, president of the Bankers Trust, Charles H. Sabin, president of the Guaranty Trust, and Eugene R. Thayer, president of the Chase National Bank, who are included in the officers and directors of the Chase Security Co. say that they will not let this implied accusation against their integrity stand.

The order of sale by the Alien Property Custodian of 2,000 shares of the capital stock of the International Insurance Co., is as follows:

Order of Sale

"I, A. Mitchell Palmer, Alien Property Custodian, duly appointed qualified and acting under the provisions of the Act of Congress known as the 'Trading With the Enemy Act,' as amended, and the proclamations and Executive Orders issued in pursuance thereof, and particularly by virtue of the authority vested in me by the Executive Order issued by the President on the 16th day of July, 1918, do order hereby that the Director of the Bureau of Sales and the Chief of the Division of Insurance of the Alien Property Custodian offer for sale to the highest bidder at public sale, subject to the terms and conditions hereinafter set forth, at the office of the International Insurance Company of New York, 80 Maiden Lane, New York City, at 10 o'clock A. M., on the 21st day of November, 1918, the following property, to wit:

"Those certain 2,000 shares of the capital stock of the International Insurance Company of New York, a corporation organized and existing under and by virtue of the laws of the State of New York, held by me as Alien Property Custodian, for which certificates are now held by the United States Trust Co. of New York as depository for me.

Terms and Conditions of Sale

"1. The said shares of stock shall be offered for sale in one parcel.

"2. The said sale may be adjourned from time to time by announcement at the time and place appointed for such sale or for such adjourned sale or sales, and without further notice or publication, may be held on any day to which the same may have been adjourned.

"3. No bid shall be received unless the person offering the bid shall have deposited with the Alien Property Custodian, or with Wm. C. Scheide, Chief, Division of Insurance, Washington, D. C., or with Joseph F. Guffey, Director, Bureau of Sales, 110 West 42nd Street, New York City, as a pledge that he will make good his bid in case of his acceptance, a check for the sum of fifty thousand ($50,000) dollars, certified by some Bank or Trust Company acceptable to the Alien Property Custodian or to said Chief, Division of Insurance, or to said Director of Sales, and shall have furnished an address to which notices hereinafter provided for may be sent. Deposits from unsuccessful bidders will be returned at the close of the bidding or as soon thereafter as practicable.

Rights of Custodian

"4. Such property shall be sold only to American citizens or to a corporation incorporated within and under the authority of any State or Territory of the United States or of any of its insular possessions; but the Alien Property Custodian shall have the right to exclude from bidding at any such sale and/or from purchasing or otherwise acquiring the above described property any corporation which he shall after investigation determine to be controlled, managed or operated, wholly or mainly by or for the account or benefit of a person or persons not a citizen or citizens of the United States or of its insular possessions. The Alien Property Custodian shall have the right to require either before or after the bidding or acceptance of any bid, evidence that the bidder is qualified as above provided to bid for and purchase the said property.

"5. The right is reserved to announce at the opening of such sale or any time prior thereto an upset or minimum price for the properties to be sold.

"6. After all bids have been made, the Alien Property Custodian, his representative or the auctioneer conducting the sale shall declare the bidding to be closed; and the bid of the highest bidder qualified to bid for and purchase said property shall be subject to acceptance by the Alien Property Custodian within fifteen (15) days during which time or any extension thereof that may be agreed to by the highest bidder, the Alien Property Custodian upon the order of the President, stating the reasons therefor, shall have the right to reject all bids. In the event of the acceptance of such highest bid, notice thereof shall be given within such fifteen (15) days or any extension thereof, as above provided, by depositing such notice in a post-office or post office box, addressed to said bidder at the address furnished by him. In the event the bid of the highest bidder shall not be accepted, the check deposited by him shall be returned by depositing same in a post office or post office box addressed to him at the address furnished by him.

"7. In case the bidder whose bid shall be accepted and who shall be declared the purchaser of the property, shall fail to make good his bid, the sum paid by him as a deposit prior to bidding, as above provided, and any payments in addition thereto upon the purchase money as hereinafter provided for, shall be applied toward payment of the expenses of a resale and toward making good any deficiency or loss upon such resale.

"8. Upon acceptance of the bid of the highest bidder as above provided the balance of the purchase price above the amount deposited as a qualification for bidding shall become due and payable.

"9. Further information concerning the property to be sold and concerning said International Insurance Company of New York may be had by application to the Chief, Division of Insurance, at 16th and P Streets, NW., Washington, D. C.

"10. All checks deposited as a qualification for bidding, or as payment of or upon the purchase price for property sold, shall be made payable to Joseph E. Guffey, trustee, and shall be certified by some bank or trust company acceptable to the Alien Property Custodian or to the said Chief, Division of Insurance, or to said Director of Sales.

"11. Neither the United States nor the Alien Property Custodian nor representative or agent or agency thereof shall be held or admitted to make any representation or guaranty, express or implied, concerning or in any way respecting such property or business or any information concerning same.

"12. Such sale shall be made by virtue of and subject to the provisions of the Act of Congress known as 'Trading With The Enemy Act' as amended, and the proclamations and Executive Orders issued in pursuance thereof and particularly the Executive Order issued by the President on the 16th of July, 1918; copies thereof may be obtained by application to Joseph F. Guffey, Director of Bureau of Sales, 110 West 42nd Street, New York City, or to the Alien Property Custodian, Washington, D. C.

"(Signed) A. Mitchell Palmer,
"ALIEN PROPERTY CUSTODIAN."

CONSOLIDATION URGED

Casualty and Fire Companies May Unite to Solve Automobile Problems

J. Scofield Rowe, as president of the International Association of Casualty & Surety Underwriters, expressed these views last week regarding automobile lines:

As regards auto liability, property damage and collision, it is not anticipated that there will be any serious changes in premium rates, since the present rates have only been in effect about eight months, but there will undoubtedly be a reprint of the manual rules involving minor changes in underwriting practices.

The question of non-Conference, or more particularly non-Bureau, competition is still a real puzzle. As regards the fire companies, there are but two or three companies to be seriously considered, and it is hoped that they may be brought into line, but as regards the casualty companies, there are far too many of these operating on the outside.

In the early part of this year an agreement of semi-co-operation was made with these non-Bureau casualty companies, but it is a question as to whether such semi-co-operation has brought about the desired results. It may be, therefore, that something will have to be done before very long to bring about, by one means or another, the actual and complete co-operation with the casualty and fire companies of at least some of the most important non-Bureau casualty companies.

It is believed by many that the proper solution of this and other automobile insurance problems would be materially advanced by a consolidation between the casualty companies now co-operating on automobile business through the National Workmen's Compensation Service Bureau with the fire and marine companies in the National Automobile Underwriters' Conference, and as both classes of companies are engaged in writing automobile collision and property damage, it is hoped that sooner or later this much-to-be-desired solution may be accomplished.

$100,000 PERUVIAN DEPOSIT

Has Kept All But One or Two Companies From Entering Country Says Counsel General

Eduardo Higginson, Counsel General of Peru, said to The Eastern Underwriter this week:

"With one or two exceptions all of the companies doing business in Peru are Peruvian concerns, owing to the fact that foreign companies operating in Peru are required to make a deposit of about $100,000 in securities. Fires are comparatively scarce, as well as accidents."

Ballard President of International Again

NEW TWIST GIVEN SITUATION

Crum & Forster Buy Company and Make Re-Insurance Man Chief Executive

The purchase of the stock of the International Fire by Crum & Forster, following the rejection of the Chase Securities Companies' bid, the re-election of Sumner Ballard as president of the International, and the publication in the "Journal of Commerce" of a full page of advertising of the four companies which Mr. Ballard now manages, gave the Street plenty to talk about on Friday. Only a few weeks ago Mr. Ballard's companies, the International and the Hamburg, were taken over by the Alien Property Custodian. This was followed by the sale of the International to the Chase Securities Company, for $576,000. Mr. Ballard immediately put up a fight, and evidently his arguments prevailed because the International bids were rejected.

Statement By John A. Forster

At the auction Crum & Forster were the only other bidders, and it was reported at the time that their bid would result in the return of the presidency of the company to Mr. Ballard. When the Crum & Forster bid was accepted, John A. Forster of Crum & Forster, issued the following statement:

"We shall continue the International permanently in the reinsurance business under the presidency and management and in the office of Sumner Ballard."

The full page of advertising gave the financial statements of the National of Copenhagen, managed by Mr. Ballard; the Jakor, of Moscow, managed by Sumner Ballard & Co., Inc.; the Skandinavia of Copenhagen, managed by Mr. Ballard, and the International.

The International has total assets of $4,773,489; with surplus as regards policyholders of $604,183; the United States branch of the Skandinavia has total assets of $2,038,707 with net surplus of $927,859; the National has assets of $1,277,399, with net surplus of $653,969; and the Jakor has total assets of $4,105,115, with net surplus of $537,920.

BIG INSURANCE COMMITTEE

Washington, D. C.—The formation of a house committee on war risk insurance, soldiers' and sailors' compensation and allowances, to consist of twenty-one members and to have committee control of all insurance measures to be considered by the House of Representatives, is provided for in a bill which has just been introduced by Congressman Bland, of Indiana.

Insurance and other war risk matters are now considered in committee by the committee on interstate and foreign commerce. It is felt in many quarters that this committee has too many other matters of importance before it to be able to devote sufficient time to the consideration of insurance bills and that the interests of such bills can best be guaranteed by the formation of a committee which will have no other functions than their consideration.

FOUND—On William St.!

Bright ideas used by successful Casualty men

Each week in

THE EASTERN UNDERWRITER

Subscription $3 a Year

How Building Owners Look Upon Mutuals

COMPANIES TO GET BUSINESS

Reports of Committees Show How Managers of Real Estate Appraised Various Insurance Plans

In connection with the plans of the National Association of Building Owners & Managers to in some way control their own fire insurance the reports of their executive committee and their insurance committee are significant. The executive committee reported as follows:

It, of course, should be understood that it is not the purpose of the executive and the insurance committees to endeavor to revolutionize the fire insurance business of our members. We rather are endeavoring to establish the principles for which we have long contended, that our business should be classified according to its underwriting experience, and this gives an opportunity to study these risks on a segregated basis. We are not suggesting that you short rate and cancel your present policies, but we are recommending that you give immediate consideration to placing in mutual companies the additional insurance made necessary by increased replacement costs, thereby avoiding the possibilities of co-insurance complications in adjusting any losses which may accrue under your present policies. It also gives an opportunity to place in these mutual companies a part of your lines of insurance as expirations occur.

Readjustment Expected

It has been the general experience in other lines of business that where mutual companies have entered the field the stock companies have immediately given consideration to a readjustment of their rates, and we believe the placing of part of our insurance in these mutual companies will lead the stock companies to more carefully consider the rates on the remainder of the insurance represented by our members.

Insurance Committee Report

The insurance committee report reads:

The subject of fire insurance has been under consideration by the National Association of Building Owners and Managers for some time. Statistics have been collected concerning premium rates and fire losses. All the information available has indicated that our class of fire insurance is paying more than its proportion of the insurance tax as collected by the stock fire insurance companies.

Plans Proposed

The members of the Association assembled at Chicago were unanimously of the opinion that the fire insurance program should be continued until a satisfactory conclusion was reached. Consideration was given to the methods by which this might best be accomplished. Among the plans proposed were the following:

(a) The appointment of some officer or employee of the Association as insurance broker for the members.
(b) The organization of a stock fire insurance company to write fire insurance direct with the members, eliminating commissions to local agents.
(c) The organization of a reciprocal or inter-insurance exchange.
(d) The organization of a mutual fire insurance company.
(e) Affiliation with one or more established and financially strong mutual fire insurance corporations.

A brief statement of the apparent advantages and disadvantages of these various proposals may be of interest.

Plan A.—This plan would enable us to secure for the individual members or for the Association the commissions now paid to local agents. In many States it would not be possible to return the commissions to the members because of anti-rebating laws. There would, however, be an indirect benefit if the commissions received were used to defray the expenses of the Association. This plan would of course make us part and parcel of the stock company system.

Plan B.—Theoretically this is an excellent idea; practically, it has not worked out very well. This is probably due largely to the conflict of the interests of the policyholder with the interests of the stockholder. The plan has its advantages if the policyholders could be induced to subscribe to the capital stock in direct proportion to the premiums paid by them for insurance. Such participation is difficult, if not impossible to procure.

Plan C.—Reciprocal insurance has in some cases made a good record. On the other hand there are certain drawbacks to the plan which cannot be overlooked. First in importance is the lack of control on the part of the policyholders over the management. Unlimited authority is given to the attorney-in-fact and the success of the organization depends almost entirely upon his ability and integrity. An unprincipled or incompetent attorney-in-fact could wreck an organization of this kind and the subscribers would not be able to properly protect their interests. Another objection is the attitude of purchasers of real estate mortgages. Ordinarily this class of investors will not accept the policy of inter-insurance exchange as collateral for a loan. This makes the plan particularly unfitted for our purpose.

Plan D.—This plan would enable us to accurately determine the burning ratio and the carrying cost of our class. Class mutual insurance has been uniformly successful. However, the preferred nature of our business with the very low premiums paid by us in proportion to the amount of insurance carried would make it difficult for us to accomplish much in a company writing our class exclusively. Practically all of the States limit the amount of insurance which a mutual company may carry on any risk to a certain percentage of its cash assets. It would be a good many years before we could accumulate enough assets to write policies of any substantial amount for our members.

Plan E.—This plan was in the opinion of the convention the practical and efficient method by which the desired result could be accomplished and was officially endorsed by the unanimous adoption of the following resolution:

Resolved that the National Association of Building Owners and Managers record its approval of the general plan for placing fire insurance with well established mutual companies, as recommended in the report of the Committee on Fire Insurance; and that the whole matter be referred to the Insurance and Executive Committees with full power to negotiate with mutual companies and agencies, a detailed plan to be recommended to the members of the Association at as early a date as possible.

Benefits Seen

The perfecting of a satisfactory arrangement with established mutual fire insurance corporations of proven financial strength and character will enable us

First: To secure protection as good or better than that now furnished us by stock fire insurance companies.

Second: To eliminate unnecessary overhead in the way of agents' commissions and stockholders' profits.

Third: To relieve ourselves of

(Continued on page 23)

ÆTNA (FIRE)
HARTFORD, CONN., U.S.A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.

FIDELITY-PHENIX FIRE INSURANCE COMPANY OF NEW YORK
"AMERICA FORE"

FAMOUS FOR FAIR DEALING

"We have not written and will not write business * * over the heads of the local agents, and if we take any business the local agent will be credited with the commission."

FIDELITY-PHENIX FIRE
INSURANCE COMPANY OF NEW YORK

Cash Capital $2,500,000.00

HENRY EVANS, President

Home Office
80 MAIDEN LANE
NEW YORK

Managing Branch Offices:
CHICAGO, MONTREAL
SAN FRANCISCO

N U

NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURGH, PA.

Four thousand men are serving under the red, white and blue emblem of the NATIONAL UNION. Loyalty is their watchword - service their forte. Protecting the public against devastating losses by fire, they help to furnish the ammunition which weaves the fabric of the Nation's credit. They are the emissaries of the NATIONAL UNION in advocating a policy which protects the homes of men and life time property accumulation. It is an army which is always prepared and wins its plaudits in times of peace. The recruiting station is at the Home Office, where your correspondence is always welcome.

BE FORTIFIED

STRENGTH INTEGRITY SERVICE

Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries

JAMES H. BREWSTER, Mgr.
Hartford, Conn.

A Broad Underwriting Service to Agents
Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.
Works in Harmony with American Agency Principles and Practices

INCORPORATED 1720

Royal Exchange Assurance

LONDON, ENGLAND

United States Branch
92 William Street, New York

RICHARD D. HARVEY
United States Manager

Eight Per Cent. Theft Rate Possible

NEW AUTOMOBILE SCHEDULES

Fire Tariff to be Lower—Plans Maturing to Penalize Bad Spots

Automobile theft rates are likely to be as high as seven or eight per cent. in some cities, if the recommendations of the rate committee of the Conference are carried out by the interim committee. Meetings of the rate committee were held all last week at the Conference headquarters, 80 Maiden Lane, New York. The automobile fire and theft rate situation got the most thorough overhauling it has had in many a day.

The schedule to be recommended to the interim committee is country-wide, a uniform flat rate, with numerous variations to fit certain situations. The idea is to apply high rates where the hazard is shown will be most severe. Rates will likely be lower for fire risks and possibly lower for both fire and theft on the highest priced cars. Theft rates will be very materially increased, for low priced cars. The medium priced vehicles will experience a moderate advance if the interim committee carries out the suggestions of the rate committee.

Will Notify Assured

In order that the assured may be under no misunderstanding as to why his rate has been advanced to the point contemplated in many instances, it is proposed that the office of issue place on the policy a notice stating plainly that because of the particularly bad theft conditions existing in certain towns or sections the rate is abnormally high. It is hoped that the assureds will then realize that to obtain relief they must see to it that their police departments, or whatever other agencies may exist for alleviating the theft situation may get busy and clean house.

It is proposed that the country be divided according to the seriousness of the theft hazard and that within these divisions other smaller sections be selected for the application of especially high rates to cover excessive losses.

At the meetings last week the Pacific Coast Conference was not represented and it is possible that at the interim committee meeting that section may desire some changes in the schedule as now arranged. The South had two representatives at the meetings and it is also possible that that section may seek some amendment of the proposed plans. Otherwise it is expected that little or no opposition will appear before the schedule is finally adopted.

NO TAXATION YET

So far this week the United States Senate committee having in charge the revision of the insurance company tax law has taken no action affecting companies other than life.

Officers of U. S. Fire Companies' Conference

FIVE ON EXECUTIVE COMMITTEE

H. A. Smith, of National, Chairman—Melville Titus, of Continental, Secretary-Treasurer

Harry A. Smith, president of the National of Hartford, is chairman of the executive committee of the United States Fire Companies' Conference, other members of the committee being D. H. Dunham, president of Firemen's of Newark; C. G. Smith, president of Great American; Benjamin Rush, president of Insurance Company of North America; and J. B. Branch, president of Providence-Washington.

The Officers

Henry Evans, president of the Continental, is president; R. Emory Warfield, president of the Hanover, is vice-president, as has already been published, Melville Titus, secretary of Mr. Evans, is secretary and treasurer. There are about twenty-six members.

The United States Fire Companies' Conference is a distinct body from the American Foreign Insurance Association, although some companies are members of both bodies. The A. F. I. A. has twenty members.

J. A. H. Hopkins Tells Hull Insurance Needs

RETROGRESSION DURING WAR

Marine Club Hears Address Showing Demand for Greater Co-operation Between Various Branches

J. A. H. Hopkins, of Johnson & Higgins, was the principal speaker at the December meeting of the Marine Insurance Club held last night at the Waldorf. His subject was hull insurance.

After describing briefly the way hull insurance was underwritten in New England a generation ago, Mr. Hopkins said in part:

The American Hull Form was the result of a conscientious co-operation between the underwriters on the one hand and the brokers on the other, and it is not surprising that it represents, possibly, the most advanced type of quality in this direction.

Practices Caused by War

But since then, possibly under the stress of the prosperity attendant upon the war, we seem to have slipped back a little. Various restrictions have here or there been initiated, not for the purpose of improving the quality of the insurance, but, apparently, for the purpose of making it more palatable. For instance, the owners have frequently been asked to assume the first $2,500 or $5,000 of every loss and their trading privileges have sometimes been restricted to what seems to me quite an unnecessary extent. They have been asked in some instances to revert to the old three-fourths collision clause and to assume losses through explosion of boilers and breakages of machinery. Sometimes they have even been asked to re-instate the old "Thirds off" clause which is simply an arbitrary and obsolete method of providing for depreciation, and in many other ways it seems as if we were drifting in the wrong direction.

Do not misunderstand me. I quite admit the underwriters should be protected against the risks which they assume, but they should, nevertheless, be willing to assume the risks which the vessel owner requires in the development of his trade, and they should charge for the accommodation. It is obvious, for instance, that an underwriter who is willing to grant the three-fourths collision clause, must be equally willing to grant the full collision clause, provided he is paid for it in the same proportion, and this same argument will apply to any of the clauses that I have mentioned.

My first point therefore, is that we should keep up the **quality** of the protection, and my second point is, that the spirit of **co-operation** between the underwriters, brokers and the insuring public should be encouraged so that the cost of the protection required may be minimized. This, of course, presupposes the elimination of all unnecessary red tape and cumbersome detail which only add to the expense of operation.

Some Work Duplicated

There are, however, several situations existing at present which it seems to me could be changed to our mutual advantage.

The underwriters have at present an Inland Association having jurisdiction over vessels confined to our bays, rivers and harbors, and in some cases including our coasting trade.

On the other hand, the underwriters also have what is called the American Hull Underwriters' Association dealing primarily with broad ocean risks, but also, of course, including coast trading.

Now, these two associations are largely composed of the same underwriters but their methods and forms of policies are quite different. The Inland Association customarily issue a deductible average form of policy with various restrictive clauses, but occasionally use what they term their "Outside Vessel Form." which is very similar to the old New England policies of by-gone days. On the other hand, the American Hull Underwriters' Association customarily operate on the up-to-date American Hull Form, occasionally, however, dropping into variations or special terms, which, as I have said, seem to indicate a rather backward tendency. Both associations, as I have said, include coastwise vessels and this over-lapping sometimes leads to rather humorous results. I have in mind one fleet which in the course of a few years went through the varied experience of being rated first by one, then by the other and then after escaping rating altogether for a while, was rerated by the American Hull Underwriters' Association where it still finds a resting place, notwithstanding the fact that it apparently belongs, more properly, to the Inland Association. All of this is rather confusing and at times opens up interesting opportunities for the enterprising broker, which, while well within the rules of the game, are perhaps to be deprecated. It seems to me, therefore, that if it were possible to amalgamate these two associations an increased efficiency might be brought about.

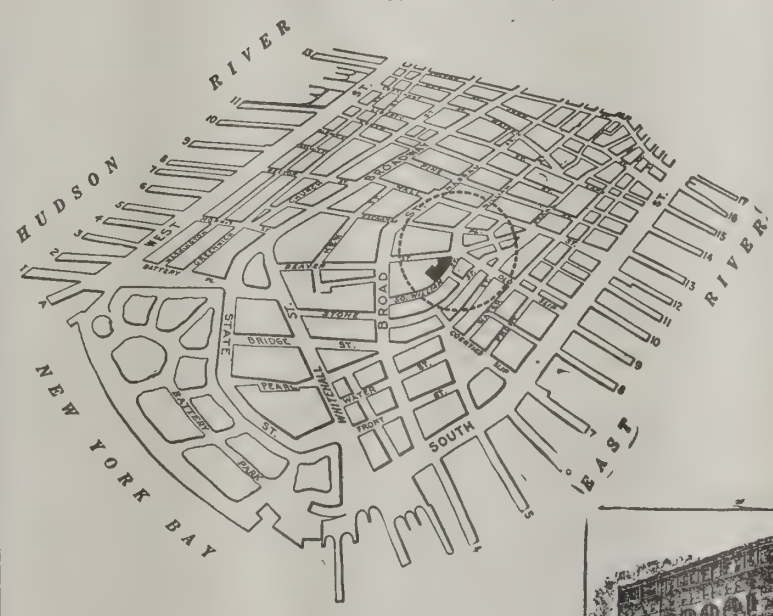
Advantages of One Association

This might be still further emphasized if it could be arranged so that the risks coming up for rating were separated into classes and a sub-committee of the Underwriters' Association assigned to each class. This would enable the owner or the broker to present his case to a smaller body, which I think we will all agree is a more efficient method, and the reports of these sub-committees could nevertheless be subject to review, or approval, by the Association. This would also result, it seems to me, in gradually establishing on each general class of hull insurance terms and rates which were especially fitted to meet the individual requirements of each class of business.

The object of these underwriting associations, I take it, are two-fold, first, to protect the underwriters themselves against competition from outside sources, and secondly, to pro-

(Continued on page 19)

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House
South William and Beaver Streets
New York City

Many Tributes To E. F. Beddall's Memory

AN ESTIMATE BY C. L. CASE

Remarkable Abilities in Many Directions—The Gift of Charm—Associations Pass Resolutions

Since the death of Edward F. Beddall, which occurred at his home in Larchmont, N. Y., a few days ago, a number of associations have passed memorial resolutions in which his long and distinguished career was made the subject of eulogy. Mr. Beddall was twenty-four years old when he joined the Royal in 1863, of which he later became manager in this country, and since that time there are few honors in fire insurance which he did not win.

Many tributes to Mr. Beddall's memory were paid by the older underwriters this week. For years he was a leader in the business, his advice being invaluable. In fact, he was one of a small group of men who at a critical period of underwriting in this country handled insurance company affairs so ably that the business emerged on a sounder and firmer basis until it reached the standard upon which it now rests.

Tribute From Charles Lyman Case

Among the estimates of Mr. Beddall received by The Eastern Underwriter that of Charles Lyman Case, United States manager of the London Assurance, reflects the general view of his capabilities and personality. Mr. Case said:

"Fully recognizing Mr. Beddall's remarkable abilities in many different directions—his insight and his foresight, his accurate judgment of men, his judicial open mindedness—yet with all these admirable qualities in mind, I think the leading trait of Mr. Beddall's character, the one that his friends will remember the longest, was a certain indefinable, intangible, yet nevertheless very real, quaint charm. A man has charm or he hasn't it. Mr. Beddall had this precious gift in a very unusual degree."

During the more recent years Mr. Beddall was in frail health. He continued, however, to visit William Street often, as he was unhappy away from the offices where for a long lifetime he had done such notable work and where he was surrounded by so many pleasant memories.

MADE ASSISTANT MANAGER

Frank B. Martin, superintendent of agencies of the Yorkshire, has been made assistant manager, a position formerly held by O. E. Lane, now president of the Niagara. Mr. Martin is one of the most favorably regarded of the younger underwriters.

Special Agent Wanted

Young man about thirty years of age, to travel New York State as Special Agent for Fire Insurance Co. Preferable to live in Syracuse or Rochester. Should have thorough knowledge of Fire Underwriting, of progressive personality and unquestioned character. One with extensive Local Agency experience might qualify. Please state age, schooling, home responsibilities, experience for past ten years, references and salary expected to start.

Address "SPECIAL AGENT"
Care of THE EASTERN UNDERWRITER,
105 William Street, New York, N. Y.

DINNER TO ALCOCK

New Special Agent of Providence-Washington Also Gets a Farewell Gift from Fellows

G. W. Alcock, special agent of the Western and British America, who is leaving the New York field this week to go with the Providence-Washington in Eastern Pennsylvania, was tendered a farewell dinner by Syracuse special agents on December 7. Special agent Smalley, of Glens Falls, acted as toastmaster, and special agent Wakeman, of Providence-Washington, as song leader.

After a number of speeches eulogizing Mr. Alcock, he was presented with a handsome gold and silver match case by his associates. Mr. Alcock has made many friends in this territory, and is leaving with the best wishes of all whom he came in contact with.

SUPPORT PRESENT OFFICERS

Big Majority of New Jersey Insurance Co. Stockholders Give Favorable Vote

It will be seen from the new board of directors of the New Jersey Insurance Co., elected at the stockholders' meeting on Wednesday, that the Stewart-Ennis interests now control the company and that the New Jersey will continue as a Newark institution. Ninety per cent. of the stockholders of the Company were represented at the meeting.

The directors elected are C. P. Stewart, J. S. Rippel, Gresham Ennis, F. L. Brokaw, J. B. Guthrie, Howard C. Hill, Arthur Hoyt, H. H. Ingalls, John P. Lloyd, Charles Niebling, Wade Robinson, Edward B. Wycoff, Langdon C. Quin, John R. Van Horne, R. V. Adams.

W. J. Arnette, of the Volunteer State Life of Chattanooga was at Saint Mihiel and the Argonne Forest. He was recommended for a commission a few days before the armistice.

It is never too late to give up our prejudices.—Thoreau.

SEVEN ASSUREDS SETTLE

Outcome of Controversy Between Green River Distillery and Companies Still in Doubt

Seven individual assureds who had whiskey in the Green River Distillery have settled their losses at $1.25 a gallon. The outlook for a settlement of the losses with the Green River Distillery is still clouded and nothing has been done to narrow the breach which exists between the distillery people and the carriers. The value of the whiskey owned by the seven individuals who have settled is approximately $40,000. The distillery is holding out for a much higher figure than $1.25 a gallon.

VAN CLEEF BUYS AGENCY

J. W. Van Cleef, of Somerville, N. J., has bought the Arthur C. Swinton Agency in that city. Mr. Van Cleef is well known as an adjuster.

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

National Liberty
INSURANCE COMPANY OF AMERICA
NEW YORK
Incorporated Under the Laws of the State of New York in 1859

Statement, January 1, 1918

Cash Capital	$1,000,000.00
Assets	8,209,763.64
Liabilities	5,223,031.71
Net Surplus	1,986,731.93
Surplus for Policy Holders	2,986,731.93

HEAD OFFICE
62 WILLIAM STREET, NEW YORK

THE YORKSHIRE INSURANCE CO., LTD. OF YORK, ENGLAND
Established 1824
FIRE, LIGHTNING, SPRINKLER LEAKAGE, AUTOMOBILE, WAR AND EXPLOSION INSURANCE
U. S. BRANCH
FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager
No. 80 Maiden Lane, New York
New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

THE SUPERIOR FIRE INSURANCE CO.
PITTSBURGH, PA.
Conservative -- Sound -- Progressive
Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due From Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

San Francisco Losses Amounting to $4,522,905.00 paid PROMPTLY IN CASH WITHOUT DISCOUNT, from funds largely supplied by head office in Liverpool

Liverpool AND London AND Globe Insurance Co. LIMITED

U. S. Cash Assets, Dec. 31, 1917	$16,153,068.57
Surplus	4,793,978.55
Losses Paid by Chicago Fire, 1871	3,239,491.00
Losses Paid by Boston Fire, 1872	1,427,290.00
Losses Paid by Baltimore Fire, 1904	1,051,543.00

Over $155,000,000.00
Losses Paid in the United States

HENRY W. EATON, Manager
HUGH R. LOUDON, Deputy Manager
J. B. KREMER, Asst. Deputy Manager
T. A. WEED, Agency Superintendent

NEW YORK OFFICE
80 William Street

MARINE DEPARTMENT

Repetition of Halifax Disaster

Narrowly Avoided in New York Harbor

The population of South Brooklyn and lower Manhattan, as well as marine and fire underwriters, might congratulate themselves that on October 13th a disaster which would not have been less than the appalling disaster which visited Halifax last December, did not occur in our harbor.

On the 13th day of October last, a United States Government transport vessel met with an accident, while fully loaded with a cargo of "TNT" and was placed on a drydock with her entire cargo on board, to repair said damage. A private owner would not have been allowed to take a cargo of "TNT" and place it in drydock in the crowded harbor of New York. There must have been some urgent reason why a Government officer should take such a hazardous cargo and place it on dock in the heart of the city.

On an adjoining dock was a tank steamer, chartered by the U. S. Shipping Board, which had encountered a submarine on her journey westward, which necessitated a considerable amount of repairs to be made to the vessel before she could proceed on her next outward voyage. In repairing tank vessels and emptying out of their tanks the residue of oil which they have been carrying, there is always a considerable amount of oil floating on the surface of the water adjoining the docks on which they are repaired. As an additional precaution there are boy fire watchers stationed alongside of the riveters, to extinguish any fire which might start. In removing the rivets of a tank steamer, there is a blow torch used which melts the rivets and the molten metal very often sets fire to this floating oil, and sometimes causes an explosion in the hold of the vessel. In this particular instance, the floating oil caught fire and caused a considerable blaze on the waterfront, which covered the drydock which the vessel carrying full cargo of "TNT" was on, and at one time, it is said, it was considered as to the advisability of sinking the entire dock, vessel and cargo, but with the assistance of the Fire Department, the fire was gotten under control and it was not found necessary to do so.

Although it is claimed by experts that fire will not set off "TNT" and that a concussion is necessary, there is more than a possibility that had not this fire been gotten under control, some explosion might have started which would have been of sufficient force to set off this cargo, and had such an accident happened, the loss of life and property would have been appalling, and the disaster would have been greater than the Halifax disaster.

We are fortunate that we passed over this apparent danger without any material injury and loss, and all we can add is that the Supreme Architect of the Universe must have been with us.

OBSERVER.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK

Surplus to Policyholders $1,014,237.98

Marine and War Risk Insurance

Losses made PAYABLE in all parts of the world

C. R. EBERT & CO., Inc.
MARINE MANAGERS
48-54 BEAVER STREET, NEW YORK

ALB. SMEESTERS
6 Rue des Colonnes
PARIS
Insurance and Reinsurance

Cable: Montalais, Paris

PHILADELPHIA LECTURES

Course On Marine Insurance Being Arranged—Suggestion of R. T. Gebler, of North American

A course of lectures on marine insurance and ocean navigation for the insurance men of Philadelphia is being arranged. Efforts have been made and with some success to have these lectures directed by the Wharton School of the University of Pennsylvania. The lectures will possibly start shortly.

After the first of the year a nominal fee will be charged and every effort made to enlist the services as lecturers of men who loom large in the marine insurance field. The course of lectures was suggested by R. T. Gebler, advertising manager of the Insurance Company of North America, with the idea of having some concrete proposition in Philadelphia for the education of insurance men along marine insurance lines.

HOME OFFICE MEETING

The department managers of the Insurance Company of North America are attending a meeting at the home office in Philadelphia this week. In attendance are C. R. Tuttle, Western Department, Chicago; Robert N. Hughes, Southern Department, Atlanta; Charles E. Parker, New England Department, Hartford; McClure Kelly, Pacific Department, San Francisco, and Robert Hampson, Canadian Department, Montreal.

PEACE MAP OF EUROPE

The North Branch Fire Insurance Company of Sunbury, Pa., with which is affiliated the Pittsburgh Fire and City Insurance Company of Pittsburg, under the management of John G. Sell, is distributing a valuable piece of advertising matter in the shape of a peace map of Europe containing President Wilson's fourteen peace conditions.

A representative of the Hartwig Moss Insurance Agency, Ltd., of New Orleans, is in town this week. He is seeking some additional office men, one for his casualty department and one for his marine department.

UNIFORM POLICY

Views of a Writer in the Liverpool (England) "Journal of Commerce"

A great deal of litigation would be averted, it is claimed by the Liverpool "Journal of Commerce," if it were possible to institute a uniform policy for goods and hulls. Each country has a distinctive policy and often litigation takes place between consignees and merchants in different countries on the question of policy conditions entirely due to the ignorance which is prevalent in regard to insurance conditions.

An English merchant buys from a French merchant 100 bags of coffee on c. i. f. terms; the French merchant effects the insurance in France, naturally on French policy terms. A claim for particular average takes place, which amounts to 6 per cent. of the sum insured. The French underwriters on the terms of their policy will pay 1 per cent. only because coffee is insured with average in excess of 5 per cent., whereas had the same insurance been effected in England the claim would have been paid in full. The English application of the franchise is that if the claim amounts to more than the franchise the claim is paid in full. In France if the claim exceeds the franchise only the excess is paid, as in the foregoing example.

ADDRESSES MARINE CLUB

At the December meeting of the Marine Insurance Club last night at the Waldorf, J. H. Hopkins, of Johnson & Higgins, was the speaker. Mr. Hopkins' subject was hull insurance.

A purpose in life will always win, says J. T. Phelps & Co. The man who is insured develops the habit of having a purpose, besides having a bank account, savings account and life insurance.

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street New York

MANAGERS MARINE DEPARTMENT
American Insurance Co., of Newark, N. J.
Firemen's Insurance Co., of Newark, N. J.
Glens Falls Insurance Co., of Glens Falls, N. Y.
Hanover Fire Insurance Co., of New York, N. Y.

MARINE AGENTS
Globe & Rutgers Fire Insurance Co., of New York, N. Y.

MARINE AND WAR RISK INSURANCE
Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

Hopkins On Hull Insurance

(Continued from page 17)

vide the owners with insurance upon a mutually satisfactory form and rate.

Under present conditions a vessel owner having once applied for a rating and a rating having been issued cannot obtain insurance from any of the underwriters that belong to the association upon any different basis. This very often defeats both the purposes I have mentioned. If the terms promulgated are unsatisfactory to the owner he immediately seeks other markets and the underwriters lose the business. On the other hand, if there is an insufficient market elsewhere the owner is compelled to either accept insurance which does not fulfill his requirements, or must go uninsured. It seems to me that right here there should be a better spirit of co-operation, and that in cases where the minds of the owners and the underwriters fail to meet, the owner should have the privilege of withdrawing his request for a rating, and the Underwriters' Association should release their members from their obligation so that any of them who care to accept the insurance on the terms required by the owner should be at liberty to do so. I need hardly add that this solution should only apply after every reasonable effort to bring about a mutually satisfactory understanding has been exhausted.

Insurance Snubbed at Great Congress of 5000 After-War Business Builders

James J. Hoey, vice-president of the Continental, returned from the War Emergency and Reconstruction of War Service Committees of American Industries at Atlantic City this week hot under the collar. This was the most important conference of American business men that has ever been held. About 5,000 delegates were present, and the business rehabilitation of the nation and the development of foreign trade were the principal subjects of discussion, but for some unknown reason insurance was not in the program as an essential business or industry, **nor did insurance men have even voting power.** It is true that Mr. Hoey was chairman of one of the groups, that of "Industrial Professions," but he found the delegates were from all professions but insurance, and he had to be content with offering some resolutions of a general nature for the study of insurance business chances abroad, through a commission representing insurance, banking, labor, shipping and manufacturing.

Harry Brearley, of the National Board of Fire Underwriters, the only other fire insurance man, except a representative of the mutuals who was present, offered a fire prevention resolution, which did not even get through.

Mr. Hoey's Statement

But, here are Mr. Hoey's own indignant comments on the situation:

Every business man will admit that insurance is an absolutely essential and necessary element in industry and I naturally expected that this great business would have an important part in the deliberations of the conference. A glance through the program soon disillusionized me. Insurance was apparently considered an insignificant business for it was listed under **Industrial Professions** (Group 10) which included engineers, architects, accountants, trade papers, magazines and newspapers.

Inquiry of the officials of the Chamber of Commerce disclosed the fact that the reason why insurance was thus neglected was not because it was considered unimportant but for the simple reason that since the formation of the Chamber of Commerce of the United States those engaged in the business of insurance had displayed little or no interest in its activities. As one man expressed it, "Insurance always plays a lone game. It never co-operates with other lines of business for the general good of all. It is selfish and shortsighted. It lacks vision but more than that it lacks leadership." This was a pretty severe indictment but upon reflection I have come to the conclusion that it is absolutely true. That insurance plays a lone hand and that it does not co-operate with other business was evidenced by the fact that there were but a half dozen insurance men at this great industrial meeting. If it had any vision it would also be meeting in conference and planning to do its part in the development of American business. It would aim to work with and for the benefit of industry of every kind. If it had any leadership it would say to the politicians at Washington who are advocating Government insurance, "Hands off" and in that proposition it would have the active support of every business interest.

Insurance in all of its ramifications is one of the most important lines of business in the country and yet it is buffeted about and regulated and supervised almost to the point of strangulation because those engaged in the business lack in co-operative effort among themselves and seemingly are unconscious of their own power. If there was a thorough organization effected of the hundreds of thousands of representatives of the insurance business in this country and a message sent to the Government insurance advocates at Washington that they proposed to fight for their rights and vote against any candidate for office no matter to what political party he belonged, who was in favor of the Government engaging in business, insurance or any other kind, there would soon be a stop to these socialistic tendencies.

The business men with whom I talked at Atlantic City all recognized the fact that the invasion by the Government into the business or insurance would be but the entering wedge and that there would eventually be substituted for the individualism and private initiative which has made America great and prosperous, a paternalistic and monarchial Governmental system which would be disastrous in its consequences. They conceded the gravity of the situation but suggested that inasmuch as insurance was the subject of attack at the present moment insurance had to lead the fight. I wish that insurance had a leader as able and fearless as has banking in the person of Harry A. Wheeler, president of the Chamber of Commerce of the United States and the chairman of the Congress. Mr. Wheeler is vice-president of the Union Trust Company of Chicago, a clean cut, aggressive, able young business man whose address at the opening of the meeting was one of the best that has ever been my good fortune to listen to. Charles M. Schwab made a splendid plea for a great merchant marine to give outlet to surplus American products and also declared that labor should be permitted to share to a greater extent than heretofore in the prosperity of the country. John D. Rockefeller, Jr., also made a notable address dealing principally with the subject of labor. Addresses were also made by Secretary of Commerce Redfield, Alba B. Johnson, president of the Baldwin Locomotive Company, and others. Many important resolutions were passed including one authorizing the Chamber of Commerce of the United States to appoint a committee of business men to proceed without delay to France to be available if any advice or information regarding American business is desired by the representatives of the Allies. The committee was also authorized to investigate and make recommendations as to the best means of increasing our foreign trade.

Such an investigation by a committee of business men, in my opinion, is highly desirable and inasmuch as an extension of our foreign trade can only be brought about through united action on the part of the manufacturing, banking, insurance and shipping interests it seems logical that representatives of these interests be appointed on the committee. I have no doubt that the necessity of appointing representatives of manufacturing, banking and shipping will be apparent to the president of the Chamber of Commerce of the United States, but if the representatives of the insurance business do not at once bring to the attention of Mr. Wheeler, the absolute necessity of that business being represented on the committee I am afraid such representation will not be given.

NEW BRITISH COMPANY

United Kingdom, Colonial & Foreign to Absorb Three Insurance Concerns

The United Kingdom, Colonial & Foreign Insurance Company, Ltd., is being organized in London with a capital of £500,000 in shares of £1 each. It is proposed that the new company acquire and amalgamate the businesses of the Eucrate Marine Insurance Company, Ltd.; the London Shipping Insurance Company, Ltd., and the Franco-British Marine Insurance Company, Ltd.

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CASUALTY AND SURETY NEWS

Commissioners Against Cantonment Plans

LAW VIOLATIONS POINTED OUT

Retroactive Change in Compensation Rate Considered Demoralizing to Entire Business

State insurance officials, gathered in New York last week, took action on the questions growing out of the workmen's compensation insurance in connection with cantonment construction for the government. They held that in any state where workmen's compensation rates are subject to approval by the supervising insurance official, the making of any contract with an employer to charge a rate for workmen's compensation insurance other than the approved rate is a violation of the law relating to approval of rates and in those states which have an anti-discrimination law, a violation likewise, of that law.

Any approved change in rates which a company applies retroactively to a contract which went into effect on a specified approved rate is a violation of the anti-rebate law in such states where an anti-rebate law is in existence.

Would Be Demoralizing

An approval of a change of rate to take effect retroactively on closed workmen's compensation policies should be refused as a grant of such approval would be demoralizing to the proper conduct of the insurance business generally, unjust to insurers not affected by such specific action as well as illegal.

In its report on this subject the committee says:

"The enunciation of these principles makes it evident that this Convention cannot give its approval to the proposals submitted, but, notwithstanding this conclusion, we are of the opinion that owing to the diversity of the laws of the various states, we can formulate and recommend no action to be taken by this Convention, the determination of the question resting in the supervising official to treat the subject in the manner required by the statutes of his state."

The workmen's compensation insurance committee of the National Convention of Insurance Commissioners heard the representatives of the Federal government and of the insurance companies, and considered two questions in particular, namely: The proposed return to the Federal government of a part of the profits accruing on such business, and the proposal submitted by the government for the writing of the government cantonment work in the future.

The committee recognizes that unusual conditions have prevailed in the transaction of this business, due primarily to the short tenure of the construction work and the stress under which such work was done, thus necessitating the promulgation of an arbitrary rate.

1919 OUTLOOK EXCELLENT

In his report as president of the International Association of Casualty & Surety Underwriters J. Scofield Rowe said last week regarding accident and health insurance: It is not believed that any company will show a very large increase, if any, in premiums in 1918 as compared with 1917, with the possible exception of those few companies who have issued large group policies, particularly those covering the Red Cross and Y.M.C.A. workers, or through re-insuring the business of companies which have retired from the field. All reports seem to indicate that new production is now on the increase and the outlook for the year 1919 is excellent.

Travelers Mutual Lets Down Bars

MANY NEW RISKS ACCEPTABLE

Insurance Men Given Prominent Place in Revised Classifications Announced

The Commercial Travelers Mutual Accident Association of America, Utica, New York, has opened its doors to a large class of men who use the railroads for passenger service. This organization, which is 36 years old, has heretofore confined its risks to commercial travelers or salesmen. In announcing its new departure, the Association says that it will accept in addition to regular commercial travelers, the following named risks who travel for business purposes, in addition to their other duties:

Manufacturers and wholesale merchants, buyers and department store managers.

Managers: General and branch office, traffic, export, advertising, credit and sales managers.

Insurance: Officials, department managers, superintendent of agencies, state, general and special agents, solicitors, adjusters, brokers and agency supervisors.

Bankers: Officials, department managers, examiners and bond salesmen.

Railroad: Officials, passenger and freight representatives, auditors, purchasing agents, commercial agents.

Government: Inspectors, tax appraisers, auditors.

MICHIGAN RE-RATED

Plate Glass Schedule in Detroit Runs Manual Plus 50 to 150—City Zoned

Michigan has been rated by W. F. Moore for plate glass insurance, box car sizes being given a rate of Manual plus 50 per cent. and flat car sizes Manual plus 75 per cent.

Detroit has been zoned and re-rated, the schedule running from Manual plus 50 to Manual plus 150. There is, however, only one instance of a 150 plus rate. Sixteen zones have been laid out. In fact only four of these can rightly be called zones, the remainder being individual streets. In the major portion of Detroit a rate of Manual plus 60 per cent. applies.

One of the zones is in Highland Park and the higher rates for that zone apply near the Ford motor car works. Another zone is the Hamtramck district. The third zone is bounded by the river to Milwaukee Avenue and between Woodward Avenue to McDougall Avenue. A small zone runs from Forest Street to Jefferson Avenue near the Rouge River.

"OUR BONDS GUARANTEE INTEGRITY"

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ROYAL INDEMNITY COMPANY

CASUALTY INSURANCE

NEW YORK

CHARLES H. HOLLAND, PRESIDENT

Calculating Exposure in Accident Hazards

VIEWS OF LABOR BUREAU MAN

Number of Casualties Has Small Meaning—New Units Suggested—Several Methods Advanced

Lucian W. Chaney, of the United States Bureau of Labor Statistics, has given expression to some theories on the amount of exposure fundamental in accident study. He holds that for purposes of indicating relative industrial hazards a record of the number of accident cases has little meaning. It is essential to know the number of persons affected by the given number of accidents. The number of individuals in any state, industry or occupation liable to meet with accident is known in accident study as the amount of exposure.

It should be kept clearly in mind that there are two quite distant things disclosed by accident rates; namely (1) prevalence, or the actual number of accidents in the group under consideration; (2) degree of hazard incident to certain machines, processes or industries.

Accident rates, i.e., the number of accidents per unit of exposure, always have significance as disclosing prevalence; while in the matter of hazard the significance is slight in extended groups such as the State but steadily increases as it is narrowed to industries, departments and finally to occupations.

Suggests New Units

Hitherto the unit of exposure has been termed the full time or 300-day worker. It has been suggested that this fundamental unit be termed "industrial unit," "the equivalent of one man engaged in industry for 3,000 hours, or 300 days of 10 hours each." The term "industrial unit" would be called "unit of exposure" in accident statistics "unit of labor" in production statistics, and "unit of employment" in labor turnover. Those different forms of expression mark the different aspects from which the industrial unit will be viewed.

There are several possible methods which may be adopted to ascertain the amount of exposure in any industry. These may be recapitulated as follows:

1. Use actual hours as recorded by time clock. Reduce these to a usable equivalent by dividing by 3,000.

2. When days of work are recorded determine the average length in hours in each department. Multiply this into the recorded days. Divide by 3,000.

3. When average employment and days in operation of the departments are available multiply these together and divide by 300.

4. When it is possible from one or more payrolls to determine an average hourly or daily rate this may be divided into the total wage payments giving total hours or days worked. These figures may be divided by 3,000 or 300 respectively to give the desired exposure.

After determining exposure for a year by the methods here outlined or by a combination of them it may be entirely feasible to utilize constants of increase or of decrease for later years.

Influence of Payroll.

It has been proposed by some to abandon entirely the attempt to include the man in this consideration and confine attention to determining relations between accident occurrence and payroll. This proposition has the merit of requiring as basic data items much more rapidly obtained than is the amount of exposure.

It introduces, however, so many elements of uncertainty due to the varying rates of payment and other variables that its satisfactory application would, on the whole, be quite as difficult as the method based on human exposure.

In the course of time it may be hoped that accident rates, both frequency and severity, will become so familiar that the non-technical reader will have the same sort of understanding of them that he now has of mortality rates. It would be unfortunate, just as this condition is beginning to prevail, to introduce a new method probably but little, if any, more easily applied than the one now in use.

The Business Men's Accident Association, Kansas City, has changed its classification rules so that it may write business and professional women.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

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Fire and Life

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PICKED UP ALONG WILLIAM STREET

Bureau Meeting Postponed

Indefinite postponement of the annual meeting of the National Workmen's Compensation Service Bureau was announced this week following a preliminary committee meeting held in New York last Tuesday. The annual meeting was to have been held December 17. Now no meeting will be held until the committee which is working on the various problems before the Bureau are in such shape that the committee can report.

* * *

More Glass Advances

Today, Friday, representatives of the plate glass companies will meet in New York to consider the necessity for additional increases in rates. A number of advances will undoubtedly be made which will affect, in most part, the Pacific Coast, Middle West and Southern fields. The territories to be affected by the proposed rate advances are principally those which have not shared in recent rate advances to the same extent as others. Michigan rates have just been advanced, effective February 1.

* * *

Montana Law Upheld

The Montana compensation act has been upheld by the District Court at Butte, which has thrown out nineteen cases brought against the North Butte Mining Company for $250,000 by estates and heirs of miners who lost their lives in a mine fire on June, 1917. The basis of the suits was that the statute providing for compensation, whereby the dependents are given $4,000 for each death, is unconstitutional.

* * *

Claim Men Meet

The Accident & Health Claim Association of New York held its third meeting Wednesday night at the offices of the Great Eastern Casualty. Dr. W. H. Oliver, of 84 William Street, gave an illustrated talk on the heart. This is the first of a series of lectures to be given by company physicians on the vital organs and the nervous system.

* * *

Board Has Glass Data

Plate glass losses growing out of the munition explosions at Morgan, N. J., are now before the special board appointed by the War Department to investigate them. The board has obtained a wealth of information from William F. Moore, the plate glass insurance rating expert. His office worked all night on one occasion and until seven o'clock in the morning to furnish the board with additional loss data for use at one of its meetings. The board has assumed large proportions. Besides about twelve principals there are thirty or more employes. The board will make recommendations to the War Department which will in turn make recommendations to Congress. In the end the government may decide to pay all losses growing out of the explosions. The losses to the plate glass insurance companies aggregate $115,000.

* * *

Company Exonerated

A year or so ago some unpleasant and absolutely unjustified publicity was given to the action of the Maryland Casualty Company in denying liability under its bond on the cashier of the First State Bank of Dewar, Oklahoma. This case was at first so amazingly misunderstood that the State Banking Board of Oklahoma passed a resolution condemning The Maryland and notified all State banks its bonds would not be accepted or approved. After thorough investigation the banking board passed a resolution admitting the justice of The Maryland's position with regard to the claim. The Board sent to all State banks a copy of this resolution and agreed to allow a judgment to be taken against it in the action for damages in the sum of $1.00 and costs and The Maryland thereupon dismissed the injunction proceedings brought by it against the Board.

* * *

Not Very Encouraging

An agent in Michigan sent this reply in answer to an inquiry by his company as to automobile casualty insurance prospects in his field:

"There is very little stock casualty insurance written in this vicinity, as the rates are so high that the insurers would rather take a chance with the mutuals that up to now at least, have been very successful, or else carry their own risk entirely. There have not been enough accidents and other losses to be paid by the mutuals to create very much dissatisfaction or make them levy any extra assessments."

* * *

Framing Surety Law

During the meeting of state insurance officials in New York last week, the fidelity and surety committee of the National Convention appointed a committee of five to meet with a subcommittee of the Surety Association of America to discuss the proposed uniform surety law. A committee of the Association will meet during December with a committee of the Convention to agree on a uniform measure. In this matter the insurance commissioners have taken the initiative, the companies not forcing the matter. The insurance laws of a few states have been so developed that they are workable for the surety business as well as other casualty lines. In most states, however, the general insurance law is not suitable to the needs of the surety business and all attempts to adapt it to that purpose have only resulted in inconvenience and confusion.

* * *

Developing Strike Protection

This week the Explosion Conference is meeting to consider revamping its policy form. Now that the war is over the war risk features in the policy are not necessary and the contract may be changed to provide more complete riot and strike protection. It is believed that there will be considerable demand for such insurance. No radical change in rates is anticipated.

* * *

Premium Payment Rule

In connection with the new premium rules adopted by the New York Casualty Exchange, the premiums on policies of the Associated Companies shall be payable in accordance with the rules and agreements under which such policies are issued. The new premium rule is practically the same as that in use by fire companies.

* * *

Results Still In Doubt

While there is much talk going the rounds about how much money the stock companies have made out of compensation lines on government work, the carriers are far from knowing even approximately what profit the business will eventually show. Last May the rates were lowered to conform with the experience thus far shown. This reduction amounted to from 25 to 30 per cent. and in liability states it was 50 per cent. on a pay roll of $54,000,000 covering 16 cantonments. Since then the experience has not been assembled covering this latter period.

* * *

Monthly Meetings Fixed

The Government Committee of the Compensation Rating & Inspection Bureau of New Jersey has established the practice of meeting regularly upon the second and fourth Wednesdays of each month.

* * *

Compensation Rates Made

The Compensation Rating & Inspection Bureau of New Jersey has assigned these risks to the following classifications and rates: Frederick Neuberger & Co., Inc., Paterson, N. J., $.22. Brown-Serrer, Inc., Newark, $2.41. Stanley Rule & Level Co., Newark, $.74. Arthur F. Brinckerhoff, town planner and agent and United States Housing Corporation, 527 Fifth Ave., New York City, $1.17. Chas. F. Hart, New Brighton, cantonment construction $1.17. United States Housing Corporation, Woodbury, N. J., $1.17.

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CASUALTY AND SURETY POINTERS

A Tip To Emulate Columbus

Columbus took a chance and discovered America, E. C. Budlong of the Bankers Accident, tells his agents. There would be many more successful accident insurance salesmen in the country that Columbus discovered, if more men had the nerve to take a chance on success, continues Mr. Budlong.

Many a man hangs on to a sure thing job at fifteen or twenty dollars per week when he might make that much every day if he had the backbone to quit his "sure thing" and take a chance on a business of his own. The accident insurance business today offers greater opportunities than any other I know of, and certainly better than any other line of insurance.

Many men you know who are in mercantile lines are sweating blood for want of sufficient capital and are gradually spending their original investment. Opportunities in mercantile lines are narrowing down to the point where only men with plenty of capital and unlimited credit can make real headway.

I can remember when the insurance agent was classed with the book agent or peddler; this is no longer true, although men who "peddle" insurance will always be with us to justify the slurring remarks of snobbish counter jumpers, and at that, a mere insurance peddler may earn more money than the ribbon counter Willie boy that sneers at him.

Salaried men are woefully underpaid and desperately poverty stricken in these days of high prices. They can't raise their own salaries—they don't dare to jump the job "it costs too much to live and they can't afford to die"—but Columbus took a chance and discovered America.

However, history doesn't say that Columbus sailed for America in a five-day ocean greyhound, neither do I promise you a membership in our Ten Thousand Dollar Club in your first year. You've got to take a chance. It may be a hard struggle. If you have the capital to buy an established agency so much the better, but you can start out with a rate book and build your own agency if you have the nerve. We never let a good swimmer sink.

* * *

A Year-End Talk On Credit

More agencies have failed because of a poor credit system than from anything else, declares the Standard Accident, when it says to its agents:

This question of giving credit is one of your hardest problems. It is a mighty hard problem in all business life except where the "cash only" sign hangs out and is made to work.

Each agent seems to have his own idea of proper credit. Some, to be sure, admit that proper credit and credit as given are two very different things. We are told by some men that the question of credit is not subject to regular rules because each city has its own problem. In some places the question has been used as one of the means to get and to keep business. In other words, credit, along with the other provisions of the policy, is a matter that must be governed by the conditions of competition. All this may be true. If so, it certainly shows less than an average amount of salesmanship ability in the town where this is true. It reminds me of the merchant who thought he was a good merchant because he could sell goods below cost.

More agencies have failed because of the poor credit system than from any other cause. We have seen during the last year two splendid agencies go under simply because the agents could write business, but could not collect for it. That is not doing business at all. Anyone can give policies away. In the last week we have cancelled an agency, which we hated to see go, simply because the cash for the business done did not come in. Not dishonesty—but just poor credits.

Just a moment ago we mentioned the word—dishonesty. This reminds us that never in the history of this company have we seen an agent go "short" in his accounts who, upon inspection, was not shown to have been a good collector. Time and again.

After all—isn't it a question of collection rather than a question of credit? It is not a question of giving an agreement not to collect for 90 days, but merely a failure on your part to get busy and collect the money within the proper time.

Here it is almost the end of the year. What are you doing to get your money in and into the Home Office so that your account may be clean on the first of the New Year? What are you doing to help out the annual statement of the company?

We have asked you all to bring up your collections and make your remittances right up to the minute because it will be best for your business as well as best for the company.

This is a fine time to reform on this question of credit. Get right now and keep right next year.

* * *

Check on Double Insurance

The plate glass companies have furnished the government with a very complete list of the losses caused by the explosions at Morgan, N. J. The lists include insured and uninsured glass. This, it is expected, will make it impossible for anybody to collect twice for his loss, once from the company and once from the government.

Building Owners

(Continued from page 16)

the tax we are now paying on undesirable risks accepted by the stock companies.

Fourth: To get the benefit of the reduced cost which has resulted from the inspection and fire prevention work of the successful mutual companies.

Fifth: To obtain definite information as to the actual cost of fire insurance on our class of business.

Took Big Companies

The investigation of your Committee developed the fact that there were available enough mutual fire insurance corporations with cash assets of $200,000 or more to carry a substantial proportion of our insurance. We confined our investigation to companies of this class because we were reliably informed that no mutual company of this size or larger has in the history of insurance in this country ever failed, retired, or made an assessment, thus making such insurance the most permanent of any that has been developed up to this time.

Companies Selected

The companies selected to write the business are the Central Manufacturers, Van Wert, Ohio; Lumbermans Mutual, Mansfield, Ohio; Millers Mutual, Alton, Ill.; Mill Owners', Des Moines; Northwestern Mutual, Seattle; Pawtucket Mutual, Pennsylvania Millers. We then ascertained that all these companies are represented by the Lumbermens and Manufacturers Insurance Agency, James S. Kemper, manager, Chicago.

The business will be written in the following manner.

(a) Policies will be for a term of five years.

(b) The rate will be 80 per cent. of the one year rate of the local Board of Underwriters or Inspection Bureau. This will give each policyholder the benefit of the five year term rate as made by the stock companies but will make possible the payment of the premium in annual installments instead of five years in advance.

(c) The premium will be payable annually. Policies may be terminated at the end of any year on a pro rata (not short rate) basis, and full earned dividend will be allowed.

(d) At the end of each year the policyholder will receive a bill for the renewal premium with a credit for the dividend allowed on the premium paid for the preceding year. When desired the dividend is payable in cash.

The cash dividends paid by these companies have not for many years been less than 25 per cent.

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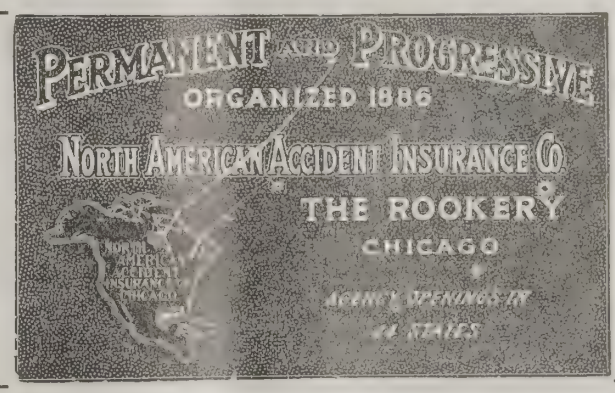
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Fidelity and Surety Bonds

Burglary Insurance

A Message from the Secretary of the Treasury to the Insurance Men of America

Almost thirty-seven billion dollars of Life Insurance has been placed by the Government upon the lives of our soldiers and sailors, and the premiums have been paid through allotments from the salaries of these men.

Several million men are soon to be returned to civil life, and liberal provision is being made for the continuance of their Government life insurance policies. They will need advice, and the insurance men of America can now render a great service both to the Government and to the men, if at every opportunity they will urge upon discharged soldiers and sailors the benefits to be secured by keeping their policies in force. Methods of conversion and plans for premium payments will soon be made public.

No argument from me is needed, I am sure, to prove that the continuation of this insurance is of immeasurable benefit to the Government, to the soldiers and sailors who have offered their lives, and to the institution of life insurance.

The Treasury will deeply appreciate your patriotic co-operation.

W. G. McADOO,
Secretary of the Treasury.

THE EASTERN UNDERWRITER

(SUCCEEDING THE JOURNAL OF INSURANCE ECONOMICS, ESTABLISHED IN 1899)

A WEEKLY NEWSPAPER INTERPRETING THE TRUE SPIRIT OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.
Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress, of March 3, 1879.

Nineteenth Year; No. 53 | NEW YORK, FRIDAY, DECEMBER 20, 1918 | $3.00 a Year; 25c. per Copy

EXPLOSION RATES PROMULGATED TO-DAY

Rate Committee Yesterday Considered Final Policy Form and Methods of Application

NEW FEATURES IN POLICY

Contains Thirty-Day Premium Payment Clause—No Change in Short Rate Cancellations

Final action will be taken today in promulgating the new rates and policy forms of the Explosion Conference as a result of the meeting of the rate committee of that body held yesterday.

At the meeting of the Conference held last Thursday, a form of policy was adopted to supersede the old war cover form made obsolete by the ending of hostilities. The form then adopted has since been reviewed by legal counsel and will shortly be sent to the members for immediate use.

Covers Riots and Strikes

The new policy form is intended to cover those hazards excluded from a fire policy such as direct loss or damage caused by riot, insurrection, civil commotion including strikes, and explosions excepting such explosions as are due to the inherent hazard of the property insured, which are specifically excluded from the cover.

The rates to be charged for this form of policy, based on the fifty per cent. co-insurance clause, will be:

For dwelling, mercantile, office, public buildings and similar non-manufacturing classes, 37 cents.

For manufacturing plants the rates vary from 47 cents to $1.19.

There will be provision for the inclusion of the inherent explosion hazard by an endorsement for an additional charge varying according to the class and property insured.

Watchman Warranty Abrogated

The policy will contain a thirty-day premium payment clause and a ninety-day non-cancellation feature. The Conference rule relative to the attachment of a watchman warranty to war and explosion policies is abrogated.

At the same meeting, the Conference declined to make any change in its rule regarding short rate cancellations of existing policies to take advantage of the reduction in explosion and war cover rates made on November 20.

Conflagration Proof

THE HOME INSURANCE COMPANY NEW YORK

ELBRIDGE G. SNOW, President

Underwriting Capacity Second to None

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager
UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

GENERAL AGENTS WANTED

Automobile Insurance

INDEMNITY MUTUAL MARINE ASSURANCE CO., LTD., OF LONDON, ENGLAND
Surplus United States Statement....$ 461,101
Surplus Home Office Statement..... 11,727,022

UNITED STATES LLOYDS, Inc., of NEW YORK, N. Y.
Surplus $830,150

THE ROYAL EXCHANGE ASSURANCE (Marine Dept.) OF LONDON, ENG.
Surplus $1,348,075

THE TOKIO MARINE AND FIRE INSURANCE CO. LTD., OF TOKIO, JAPAN (Marine Department)
Surplus United States Statement $562,916
Surplus Home Office Statement. $7,433,611

APPLETON & COX, *Attorneys*
3 So. William St. NEW YORK

AN ATTRACTIVE PROPOSITION

GENERAL AGENTS WANTED

THE GAUVIN AGENCY

THE GAUVIN AGENCY

INFLUENZA CLAIMS OVER $12,000,000 ON 40,000 LIVES

Prudential Insurance Company Paying at Two and One-Half Times Normal Rate

WAR LOSSES TOTAL $3,500,000

Heaviest Mortality Experience in Company's History—Branch Offices Run Out of Checks

Over $12,000,000 on over 40,000 lives has been paid out in influenza claims by The Prudential Insurance Company.

The rate of payment at the present time is two and one-half times above normal claim payments. The claims are coming mostly from west of the Mississippi River, except that Pennsylvania shows up very heavy now.

Comparing the influenza claims with the war claims, The Prudential's record shows the war claims to December 13th as $2,500,000 in United States, and $1,000,000 in Canada; total $3,500,000.

Claim Department Augmented

The claim department at the home office has been doubled up, working days and evenings, and at times the company has had as many as 15 per cent. of its force ill.

Notwithstanding The Prudential's facilities at the home office for writing checks, they did not have sufficient machines to carry on the work, and extra machines and typewriters have been in constant use since the influenza epidemic broke out.

Run Out of Checks

Under the company's system, the superintendents are allowed to pay checks for claims up to $750, and the claims were received so rapidly in the company's branch offices, that check books gave out and a new supply had to be secured.

Both Branches Fared Alike

At one time, the company was paying six times as many claims as normal in both industrial and ordinary branches, and the company's experience has been about equal in both branches.

The heaviest mortality has been among persons between 20 and 40 years of age. The experience for this week does not seem to indicate any decrease over last week.

In the United States on the war claims, the total number of deaths is 6,700 and in Canada the number is 330.

This is the heaviest claims experience in the history of The Prudential.

Life Men Pledge Government Help

ORGANIZATIONS ON RECORD

Every Effort Will Be Made to Continue War Risk Policies in Force

The life insurance men of America, through their representative national organizations, have pledged their full indorsement and co-operation in carrying out the government's program for the continuation and conversion of United States Government Insurance on soldiers and sailors.

At a meeting held in New York last week, J. K. Voshell, president of the National Association of Life Underwriters, pledged the support of the entire field force of the life insurance business.

The Convention of Insurance Commissioners, the National Fraternal Congress, the American Life Convention, the Association of Life Insurance Presidents, and the Association of Life Agency Officers have all adopted resolutions pledging their complete cooperation and assistance in the campaign to keep in force the largest possible amount of government insurance after the soldiers and sailors have returned to civil life.

Through the patriotic co-operation of the life insurance fraternity the government will be able to carry on an intensive educational campaign reaching not only the soldiers and sailors themselves but their relatives as well.

A spirited educational campaign is already under way in the army and navy both here and overseas.

PROVIDENT LIFE PRODUCTION

The Provident Life & Trust Co. of Philadelphia reported that the paid for business up to Nov. 30, 1918, totalled $46,289,000. The company expects to go over the $50,000,000 mark by December 31st.

PLAN DECLARED UNWORKABLE

The Compensation Inspection & Rating Board of New York has notified its members that the plan of the Travelers Insurance Company to make the experience rating plan retroactive to cover policies in force between June 30, 1917 and June 30, 1918, has been vetoed by the New York Insurance Department as being contrary to the anti-rebate and anti-discrimination law.

HECOX IN NEW PLACE

The insurance fraternity is glad to hear that Charles L. Hecox has been elected vice-president and secretary of the Liberty Fire, being organized in St. Louis. Mr. Hecox retired recently as Western manager of the Ohio Farmers and is one of the most widely known fire insurance men in the country.

HANDLING DE LEON'S BUSINESS

J. N. S. Brewster, Jr., will take charge of the brokerage business of the late Edwin W. De Leon. Mr. De Leon's office was at 123 William Street, and his business was incorporated. Mr. Brewster will handle it for Mr. De Leon's widow.

WILL PAY 50 PER CENT.

The Montana state hail insurance fund is so far insolvent that it will be able to pay only about 50 per cent. of this year's claims.

TAKE COMMERCE OF ALBANY

Hall & Henshaw now have the Commerce of Albany as New York City agents.

Protect Your Loved Ones

INSURANCE provides the only SAFE way

For full information, call, write or phone:

JOHN M. RIEHLE

Equitable Life Assurance Society of the United States,

68 William St., New York City **'Phone 4343 John**

ALLSTROM MAKES CHANGE

Becomes Secretary and Actuary of the Minnesota Mutual Life of St. Paul

An interesting change in life insurance circles in the west is that of Henry W. Allstrom who, after more than seven years of service as actuary of the Northwestern National Life of Minneapolis, resigns that position, to become secretary and actuary of the Minnesota Mutual Life of St. Paul.

Mr. Allstrom has been a keen student of the business of life insurance, both from the actuarial and office management standpoint, and in the greater responsibility of his new position, should feel entirely at home and give the Minnesota Mutual Life a faithful and progressive administration of the duties encumbered upon him.

CORNELIUS DOREMUS DEAD

For Many Years Active as President of Guardian Life, of New York

Cornelius Doremus, for many years president of the Guardian Life Ins. Co., formerly the Germania Life, died at his home, 51 W. 87th Street, New York City last week. Mr. Doremus was 76 years of age, being born in Greenwich Street, New York, Aug. 11, 1842. He had suffered from Bright's disease for a number of years, and had been confined to his home for the past two years. Mr. Doremus was a graduate of the old New York Academy. He went to work for the Germania Life 58 years ago as an office boy, and ultimately became its president. He retired from the company four years ago on account of his health, but continued to act in an advisory capacity until a short time before his death.

EQUITABLE

Mutual in Principle and Practice

Impregnable in Strength

Enterprising, Conservative Management

Comprehensive, Adaptable Policies

Low Mortality Rate

Prompt Payment of Death Claims

Efficient Service to Policyholders

Training and Education for Agents

A satisfied constituency gained by Fifty-eight years of public service

These are some of the advantages enjoyed by representatives of

THE EQUITABLE LIFE ASSURANCE SOCIETY

of the United States

For agency openings address:

W. E. Taylor, Second Vice-President

EQUITABLE

"Objective" Produces Application Each Day?

A. S. KORNHEISER LOOMS BIG

New Man Makes Use of Intensive Selling Program and Secures Unusual Results

"No salesman of life insurance is ever one hundred per cent. successful unless he has a definite 'objective.'"

The foregoing statement is made by a New York general agent in discussing the success of A. S. Kornheiser, who, though only two years a salesman of life insurance, has during the last twelve months averaged one application a day. Continuing, the general agent says: "A mere desire to succeed, do well, and make money, is not enough. Very few men who engage in a life insurance business as a profession are analytical enough to eliminate waste and conserve the elements of success. Few men of the many who enter this business reach the top, where the maximum of production reigns."



A. S. KORNHEISER

Mr. Kornheiser became almost obsessed with the "objective" of commanding his efforts to write an average of not less than one application a day for each working day in the year, without reference to the size of the application. At first Mr. Kornheiser regarded this "objective" as simply a slogan, but in due course it was burned into his mind to such an extent that he sensed it as a demonstrated rule of success. He attains his "objective" by the intensive method of solicitation—daily a large number of calls, that yield a sufficient number of interviews to provide a daily average of not less than one sale.

Mr. Kornheiser is ambitious to rank among the million dollar a year producers. If he maintains his present pace, his "objective" will doubtless soon be reached. He is a member of the selling force of the Travelers Insurance Co. in New York City in the general agency of P. F. Huff.

VARIOUS VIEWS ON POOL

Those who are working on the organization of the proposed oil insurance pool evidently operate on the assumption that a shortage exists in the insurance market and that oil producers and refiners are experiencing difficulty in obtaining sufficient cover. On the other hand, one office which writes a large amount of oil business takes the position that no shortage exists and it therefore refuses to enter its companies in the pool.

NOT SERIOUSLY WOUNDED

Lieut. R. C. Christopher, Jr., son of the assistant manager of the Caledonian, is now reported to be not seriously injured, although his name has appeared on the casualty list as among those badly wounded. Lieut. Christopher was in the 312th Infantry. He participated in the battle in Argonne Wood and at Grand Pre. He was gassed three times.

NEW PENNSYLVANIA SPECIAL

William T. Mills, Jr., has become special agent for the Royal in Eastern Pennsylvania succeeding P. Q. Pharquarson, who has resigned to enter another line of business. Mr. Mills has long been a member of the New York Office staff.

War Risk Bureau Investigation Sought

BENEFICIARY RULE INVOLVED

Congressman Claims Inefficiency in Administration of Act—Wants Early Report

(*Special to The Eastern Underwriter.*)

Washington, D. C., December 18th.—An investigation of the Bureau of War Risk Insurance is called for under a resolution presented to-day in the House of Representatives by Congressman Louis T. McFadden of Pennsylvania, and referred to the House Committee on Rules. The resolution states that:

"Whereas many members of Congress have been informed by dependents, wives, fathers and mothers, and soldiers, sailors and marines, of the inefficiency of the Bureau of War Risk Insurance, and the failure of said Bureau to carry out the purpose and intent of congress as expressed in the act creating the military and naval branch thereof;

"Therefore be it resolved: That the Speaker of the House is hereby authorized to appoint a select committee of nine members of the House, whose duty it should be to make a thorough inquiry into the affairs of the Bureau of War Risk Insurance, and the administration of the soldiers' and sailors' insurance, compensation and allotment laws, and to report its conclusion and recommendations to the House not later than January 15th, 1919. Said committee shall have power to send for persons and papers, administer oaths to witnesses, and to employ clerical and other necessary assistance."

With respect to the distinctly insurance features of the complaints received by members of Congress from their constituents, there are a number announcing that payment of policies has been denied on the ground that the beneficiaries named were not, prior to the entrance of the insured into military service, dependent upon him.

Congressman Frederick W. Dallinger (republican), and Peter F. Tague (democrat), of Massachusetts, and Edward W. Saunders (democrat), of Virginia, have openly attacked the Bureau on the floor of the House of Representatives, because if its alleged inefficiency.

It is understood from the temper of the members of Congress that if something does not come of the McFadden, or a like resolution, other efforts will be made to so jog the Bureau of War Risks Insurance up, as to get it to take other tactics in handling the business assigned to it by law.

JOINS CONNECTICUT MUTUAL

H. M. Holderness, Manager of Agencies George Washington Life of Charleston, Makes Change

H. M. Holderness, who for a number of years has been manager of agencies for the George Washington Life of Charleston, W. Va., will sever his relations with that company on January first next, and will become associated with the Connecticut Mutual Life of Hartford.

Mr. Holderness will be connected with the agency department of the Connecticut Mutual Life as a supervisor of agencies. He is an enthusiastic and forceful character, and should give a good account of himself with this splendid institution.

"Buy useful Christmas presents" is a slogan that will be used more this year than ever before. An accident and health policy is useful.

Col. Lindsley Heads War Risk Bureau

SUCCEEDS WM. C. DE LANOY

Has Been Chief of the War Risk Section of the American Expeditionary Forces

Washington, D. C., Dec. 19—Colonel Henry D. Lindsley, former president of the Southwestern Life Insurance Company, of Dallas, and one time mayor of Dallas, Texas, has been made director of the Bureau of War Risk Insurance. This position was made vacant some time ago by the resignation of former director, William C. DeLanoy, and has since been held temporarily by Herbert D. Brown, chief of the United States Bureau of Efficiency, as director pro tem.

The new incumbent has served for the past year on the staff of Major General J. G. Harbord, as chief of the war risk section of the American Expeditionary Forces, having charge of all war risk insurance matters overseas. He is a graduate of the Plattsburg Training Camp, having emerged from a course in training at the camp as a major of infantry. He was later promoted to the rank of colonel.

EQUITABLE INFLUENZA CLAIMS

Death claims on the lives of 1,247 policyholders for insurance totalling $2,730,735 have been paid by the Equitable Life Assurance Society up to Dec. 11th. The Society reports that of these policyholders, 320 had been insured for less than one year.

ROLAND O. LAMB RECOVERING

Roland O. Lamb, president of the John Hancock Mutual Life, is recovering after an operation for appendicitis.

Special Assessment in December, 1918

THE FRATERNAL AID UNION

Advisory Board Finds Extraordinary Condition Confronting Order Due to Influenza Deaths

Supreme President V. A. Young, and Supreme Secretary L. D. Roberts of The Fraternal Aid Union, of Lawrence, Kansas, in "The Guide," the official publication of that order, notify its members that on account of death losses to the society due to influenza amounting to over $200,000, it will be necessary to levy a special assessment for the month of December, 1918. The notice signed by Supreme President Young, and Supreme Secretary Roberts follows:

"The Advisory Board finds an extraordinary condition confronting the Order. You are all aware of the terrible death toll that has been taken by the influenza. This is something that has never come to the knowledge of man in all his history and no insurance tables have been figured for any such a possibility as now exists.

"The losses to this Society from the influenza alone will amount to over $200,000.00. This is a loss that comes absolutely outside of all other losses and the only way that these claims can be paid is to levy an extra assessment. This assessment will have to be levied against our inadequate rate classes. Of course, the members in the American Four Per Cent. Class, the Fraternal Bankers' Reserve Class, and the Improved Order of Heptasophs Class will not be affected as the provisions and funds of these classes are sufficient to take care of any excess losses they may have.

"In order to make this thing absolutely fair in the levying of the assessment, the Board decided that the assessment should 100 per thousand or 10c per hundred on all certificates held by members in the inadequate rate class and this assessment will be called for the month of December, 1918.

"It was necessary to amend the Constitution, as under the present law it would have been necessary to call a whole monthly assessment, which would be manifestly unfair, as some of our members are only paying 75c per thousand a month and some of them are paying $10.00. It would be a terrible hardship on the member paying the larger sum to have to pay a whole month's assessment, but in calling it for $1.00 per thousand this makes the entire matter eminently fair. All of this money so raised goes into the Benefit Fund and can be used only for the payment of death losses.

"The Advisory Board passed by a unanimous vote the amendment to the Constitution, and same was also passed by unanimous vote of the delegates to the Supreme Lodge.

"The above is official notice of the levying of this extra assessment and the same must be paid at the same time and in addition to the regular assessment for the month of December, 1918, to your local secretary. Failure to pay the same suspends the member from all rights and benefits precisely in the same manner as failure to pay the regular assessment."

Are You Not Proud of It?

The great American institution of life insurance has loaned the United States Government about 600 million dollars to help win the war. It has successfully met the financial strain due to heavy mortality among its policyholders on the battlefront, for which no extra premium was charged for the war hazard. It has successfully withstood the temporary depreciation in the market value of its asset securities due to the war. It has met increased expenses and depleted forces with a marked increase in its public service, that is, in the volume of new insurance written. And last, but by no means least, it is now successfully meeting the greatest epidemic mortality that has occurred in our country in generations. It is estimated that over 50 million dollars of life insurance money will go into the homes of the victims of the influenza scourge. And this is in addition to the daily normal distribution of about 2 million dollars to policyholders and beneficiaries.

Has the genius of man ever produced a safer, more scientific or invincible savings institution than this one? Are you not proud of it?—"Public Bulletin" Equitable Life Assurance Society.

SUPERINTENDENTS' MEETING

The annual superintendents' convention of the Metropolitan Life will be held in the home office building in New York on January 23, 24, 25, 1919. Arrangements are being made by the company to handle the most rousing meeting of its field men ever held.

Group Insurance
Monthly Income Insurance
Weekly Income Insurance

All Other Popular Standard Forms—
Ordinary and Industrial

THE
PRUDENTIAL
INSURANCE CO. OF AMERICA
Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

— Branch Offices in All Leading Cities in the United States and Canada —

Saving Habit Evidences Success

MRS. CULVER'S SELLING POINTS

Recommends Selling Life Insurance as Vocation for Women Not Afraid of Work

On the honor roll of the Bankers Life Company of Des Moines appears the name of E. C. Culver. Culver as a name is all right, and E. C. for initials sound pretty good, but neither the name nor the initials by themselves indicate whether it is Miss, Mrs. or Mr. Culver. We learn in this particular case, however, that it refers to Mrs. Emma C. Culver, who is a representative of the Bankers Life Company, who has a son twenty years old, a daughter seven years old, who has been selling insurance for more than three years, and on the side keeps house, and does her own work.

Mrs. Culver was recently the subject of a feature story appearing in the "Des Moines Evening Tribune." When asked by a reporter concerning her selling arguments, she made the following answer:

Sale Arguments

"The saving habit is getting to be recognized as one of the surest evidences of success. So I urge that as one of my strongest points in talking a man or woman into placing their savings where it will mean more than saving.

"I have not followed a set formula. I deal with each case according to individual circumstances.

"I took it up to help meet expenses, and felt that if men could convince people they needed protection combined with saving as embodied in modern life insurance contracts, I could do the same if I put forth my best effort.

"I like the work very much, and recommend it to any woman who is not afraid of hard work. The main thing is to get them to stop and listen—I will do the rest."

The Bankers Life says: "Mrs. Culver makes as high as $500 a month. She is rated high among the salesmen, and one week sold more insurance than any man on the staff. Her last week's total was $25,000 worth."

SHOWS GOOD INCREASE

President John T. Baxter of the Northwestern National Life of Minneapolis, advises the field force of that company that during the first eleven months of 1918, the business production totalled $18,698,306 as compared with $16,825,000 for the corresponding eleven months of 1917.

Says Buyer Should Not Hunt Bargains

DR. HUEBNER TALKS INSURANCE

Says Purchaser of Life Insurance Must Use Cold Judgment in Taking Out a Policy

Likening the value of an insurance policy to a suit of clothes, saying that its worth depends upon whether it fits Dr. Solomon S. Huebner, of the Wharton School of Finance of the University of Pennsylvania, made an interesting address on life insurance, annuities and investments, at the Wilkes-Barre, Pa., high school last week.

Dr. Huebner said that insurance companies often use camouflage in presenting seemingly attractive policies, and that the buyer of insurance must not be looking for bargains. He declared that the purchaser of a life insurance policy must use cold judgment in taking out a policy.

Continuing, Dr. Huebner stated that most agents now are making the business a profession, and are making a conscientious effort to be of service to the seeker after a policy, acting in an advisory capacity, and giving the prospective purchaser the benefit of his accumulated knowledge of the business he represents.

Dr. Huebner was of the opinion that the first consideration in buying insurance where dependents are involved, is the largest amount of protection obtained for the premium expended, but showed how in the modern way of thinking of the endowment policy, the protection and savings counterbalanced each other.

Insurance Safe Investment

In describing insurance as a sure thing investment he pointed out that 55 baby companies with a total of $139,000,000 of business which had failed, had reinsured $138,000,000, so that all that was lost by the purchasers was $1,000,000 worth of protection, but not one cent of savings.

Dr. Huebner said that the insurance and annuity business is still in its infancy, and predicted that it would attain gigantic proportions within fifty years.

W. I. KING ADVANCED

Walter I. King has been appointed secretary of the group life insurance department of the Connecticut General Life by the Board of Directors of that company.

SCRANTON ASSN. OFFICERS

At a meeting held last week in the Board of Trade rooms, the Life Underwriters' Association of Scranton elected the following officers: President, Geo. Wahl, Penn Mutual Life; vice-president John L. Simons, Provident Life & Trust; secretary E. W. Finn; treasurer A. B. Clay, New England Mutual Life. The following were elected to the board of trustees: W. S. Buck, Connecticut Mutual, and O. Ed. Carey, Phoenix Mutual. After the election of the above officers, plans for a banquet to be held in connection with the January meeting were discussed.

AMERICAN LIFE CONVENTION

From T. W. Blackburn, secretary of the American Life Convention, The Eastern Underwriter has received the minutes and proceedings of the thirteenth annual meeting of that body, held in Chicago, Sept. 18th, 19th and 20th, 1918.

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Brill & Scott Open New Penn Agency

LOCATE IN UPPER FIFTH AVENUE

Several Former Automobile Men in Personnel—Wilson M. Taylor to Train Salesmen

Additional facilities for placing life insurance brokerage and excess lines in the upper business section of Manhattan have been furnished through the establishment of the Fifth Avenue Agency of the Penn Mutual Life, with Brill & Scott, a corpartnership, in charge as general agent.

Last Friday the agency was formally dedicated with a banquet at Delmonico's. Saturday afternoon Messrs. Brill and Scott held open house in their headquarters, 516 Fifth Avenue, welcoming some one hundred or so of their fellow general agents, managers and friends, all of whom wish the new comer in the business every possible success. The dinner at Delmonico's was given to officials of the Penn Mutual. Vice-President Lincoln K. Passmore, Medical Director Harry Toulmin, Actuary J. Burnett Gibb, Mathematician F. H. Garrigues and Manager of Agencies Henry C. Lippincott attended from the Home Office. Representatives from the Company's other agencies in New York were on hand. There was a wealth of good cheer, a musical program of high order interspersed with live talks by all who would. Mr. Brill presided and the Reverend I. W. Murray and Orison Swett Marden, doctor of philosophy, made the principal addresses. Dr. Murray is of the Divine Science Church. The Countess Manzucci, from Italy, who is in this country on a Red Cross mission, and Captain Charle Nicot, of the French Commission, told of their war experiences.

Regarded as Winners

Already the new agency has received its nick-name at the Home Office—B. & S.—brandy and soda. But in all seriousness, from the opinion of the Home Office officials regarding the work of "B. & S." so far, it is expected that should there ever come a dry time in the life insurance business, the Fifth Avenue Agency will prove to be the oasis in the desert. "B. & S." are regarded as sure winners.

Taking Outside Men

It will be the policy of the Brill & Scott office to build up an agency force composed primarily of the right sort of men who have heretofore been engaged in other lines of business. Wilson M. Taylor, formerly efficiency expert for the Willies-Overland Automobile Company, in charge of training salesmen throughout the United States, will form a training department for the agency and develop men in the art of salesmanship and in the fundamentals of life insurance. He was with the Northwestern Mutual and the New York Life before engaging in the automobile business and operated in Detroit where his work was training men for life insurance work.

Benjamin Hyde is office manager. He was formerly financial man and office manager for C. T. Silver, Inc., automobile dealers in New York.

Agency Gets Good Start

S. Joseph Frank will be in charge of excess lines and brokerage business. He has been in the contracting business.

Arthur C. Brady will be attached to the agency, and will devote his time to corporation and business life insurance. He is also an automobile man formerly connected with the Republic Truck Company. There are at present eight solicitors on the staff and the agency has been in operation about eight weeks during which a particularly gratifying amount of business has been placed. Mr. Brill in his former connection with the John I. D. Bristol agency of the Northwestern Mutual Life, has already produced over $1,000,000 of insurance and a few days ago this new agency of the Penn placed the first quarter instalment of a $1,000,000 line on which it is working.

Charles I. Scott used to be sales manager for the C. T. Silver automobile agency. While in that business he distinguished himself by selling thirty machines in thirty days, working as a retail salesman.



I. WILLIAM BRILL



CHARLES I. SCOTT

NEW WOMEN'S DEPARTMENT

Sonia Hallow has been appointed manager of the women's department of the P. F. Huff Agency, New York City.

Great Southern Life Insurance Company

HOUSTON, TEXAS



For Agency Contracts address

O. S. CARLTON

PRESIDENT

Sustaining Force of Life Insurance

ADDRESS BY H. C. LIPPINCOTT

Watchwords in This Noble Calling Are "Service" and "Benefit," Never "Advantage"

Henry C. Lippincott, manager of agencies and editor of the Penn Mutual's "News Letter," was one of the speakers at the dinner given last Friday at Delmonico's by Brill & Scott to officials of the company, the occasion being the opening of the new Fifth Avenue Agency. Mr. Lippincott's subject was "This Business." His address follows:

It is not possible to say anything new about life insurance. Every phase of it has been discussed and considered in a thousand different ways by thousands of different mentalities and all of these are convinced of the exalted ideals which pervade it and the equally admirable purposes which it serves faithfully and well. In this, as in other lines of human endeavor, it happens that those who think and discuss and clarify and write and print find different listeners or readers every day.

That faculty of curiosity which constantly reaches out for knowledge through observation, examination and experience, is to be gratified as the young in their turn replace the aged and begin their search for truths with which to combat the forces of nature and make life at least tolerable. And herein is the necessity for reiteration. State a fact, establish a theory, demonstrate a method and the same thing is to be done tomorrow; for other people have arrived, a new audience has assembled, new minds are to be informed.

Has Far-Reaching Purpose

All this by way of apology, if you choose, for daring to inquire whether or not we all comprehend why it is that we have a profound admiration and love for life insurance, as, indeed, do all who have a just conception of its far-reaching purposes and effects.

Let us grant that man is a social animal; that he cannot possibly live alone and as a fact has never lived alone. The hostile forces of nature would eliminate him. As an individual he would perish. Hence in the earliest dawn of human life so far as recorded there was an immediate formation of groups for defense and offense; for defense against the forces operating under national laws then inscrutable and apparently of variable application. Food, shelter, raiment, however crude, were to be obtained, if at all, only through co-operation, and thus were born those groups and that group-consciousness which to this very day subsists, often as it seems to the injury of mankind, since it interrupts and delays the growth of an all-embracing fellowship and solidarity upon which peace and well-being can alone permanently rest.

Controlling Element Fear

It has been said there was co-operation for offense, and one need not marvel at this if he be prepared to recognize that then, far greater than now, fear was the controlling element in the conduct of men—fear of hunger, fear of cold; and men operating under either influence are never reasonable nor humane. It has been said that fear is the only devil, and it is historically true that under its compelling force individual and collective murders have been perpetrated to take from others possessions which guarantee life, be these the accumulations and savings of labor or the lands from which they come and from which life-sustaining supplies must always be gathered. Fundamentally, wars have their origin in fears associated with a selfish, thievish desire to appropriate the products of other people.

Results of Selfishness

Incidentally, we find, as groups enlarge and states and nations spring into being, each in its relation to all others is actuated by supremely selfish motives and each in its turn brings upon itself, as individuals do, the consequences of any departure from the rule of justice, any limitation of liberty, any denial of equal opportunity—consequences fraught with the crimes and horrors recently making a very shambles in the heart of Europe, where civilization is alleged to have attained its maximum development.

Contrast with this the underlying principle which is the sustaining force of endeavors in the field of life insurance. Is it not that of unity as expressed in brotherhood; of a deep and

(Continued on page 8)

Canvassing and Closing in Canada

AS SEEN BY A WINNIPEG MAN

H. B. Andrews, of Imperial Life, Says Avoid Questions Which Invite Negative Answers

Some common-sense remarks on canvassing and closing were delivered recently before the University of Manitoba by H. B. Andrews, of the Imperial Life, a lecture under the auspices of the Winnipeg Life Underwriters' Association. The Eastern Underwriter is reproducing it from the columns of the "Life Underwriters' News" of Canada. Salesmanship in his opinion is the operation of converting opposition into consent. The sale begins with a rebuff, gentle or strenuous, as the case may be—otherwise the transaction is simply the giving and taking of an order. The proper handling of the rebuff and its conversion into consent constitutes the sale.

Confidence is the basis of all sales; remember you are facing your prospect. First strive to gain his confidence. If you do not feel you already have it, get it and your sale is half made; then create the desire, "the-must-have-it" desire for your policy; appeal to the very best that is in him, home and loved ones, business interests. Very few men realize what a small amount of protection they really carry, how utterly inadequate it is. How often when you suggest to your prospect the advisability of his increasing his protection, he will throw out his chest and say, "I have all the insurance I want; I carry five thousand." And as he thinks of it he gets very chesty. Try this: Say to him, "$5,000—that's fine. Let me see, $5,000 at 6 per cent.; three hundred per year, $25 per month. Why, Mr. Prospect, I thought you had a splendid position, at least $10,000 per year, but I see you only value your life at $25 per month. Less than $1 per day. Are you a $1 per day man? Is that the real value you put on your life, Mr. Prospect? Is that all you are worth to your family? Is that what they must live on if you should be taken away?" He is not feeling quite so chesty now, and if you talk to him earnestly and say: "If you were going on a trip for a month, you would stock up the pantry, put in plenty of coal and give the wife $50 for other necessaries while you were away on this trip. What about the long trip you must take some day, not to return?

Make your man put some value on his life. Make him feel he is somebody and of some value to the community and his family.

The Approach

Never approach a man in a hesitating, dubious, embarrassed way. If you have not enough "sand" or knowledge of the man's need for assurance, or sufficient appreciation of what the life assurance is, get it first. Some agents enter an office expecting a rebuff or refusal, and it is human nature to give it to them. Don't approach a prospect as if you feared or even hoped that he would be busy or would tell you to come again, or as if you would be relieved to hear him say "no." If you can't be in real earnest in so-all-important a mission, get in earnest or get out. How can you expect to transmit confidence you do not have yourself? If you do not thoroughly believe that your mission should interest your prospect, how can you expect him to believe it? Many agents are timid because they only half understand the importance of the business.

Arousing Interest

A speaker or a newspaper man starts off with something interesting. People are too busy to read half a column to find out whether it is about a prayer meeting or a murder. Most men are too busy to hear a five-minute preamble before you begin to interest them. Even a pack peddler has something attractive at the top of his pack to catch the interest of the customer. Be at least as resourceful as a pack peddler. Don't begin by asking the man if he has all the "life insurance he wants"; or by saying, "I came to talk life insurance"; or, worse yet, by telling him that you were "by that way and thought you would drop in"! Or, worse still, talk about everything else and expect finally to lead the subject around to life assurance, while he is becoming more and more impatient to know what you are really there for. In most cases it is better to ask right off, as soon as the ordinary courteous formalities are finished, a leading question, so framed that it must be answered the way you want it. Never ask questions to which the man can easily answer contrary to your purpose. Ask him, for example, if it would be a comfort to his wife to receive a check for $50 a month as long as she lives. A man will naturally answer in the affirmative.

Dealing With the Premium

Don't make the deposit prominent. Paying for it most hinders men from buying assurance. Keep your prospect from dwelling on this. It is your part to exhibit the attractiveness of assurance and his family's need of it; the prospect will think of plenty of objections without your help. If you are proposing an endowment policy, do not talk about the $50 deposit. Talk about what he can do with the $1,000. If a life income, divert his attention from the $200 he has to pay, to the $25 a month that his wife will receive as long as she lives.

It is often wiser to refer to the deposit in terms of weekly, monthly or even daily payments. If about $36 a year, ask him if $1,000 on his home paid off is not worth 10 cents a day. If it is a $50 annual deposit, ask wheth-

(Continued on page 10)

Mr. Field Man: Detroit, July 18, 1918.

Do you know:

That the NORTHERN ASSURANCE COMPANY of Detroit, Michigan, has lived up to all the traditions of the highest purposes of life insurance;

That it stands for the highest ideals in underwriting and that its slogan is, and always has been, CLEAN MEN AND CLEAN METHODS in its field work;

That it is writing more insurance per capita per agent than any other American life company?

If you are interested in knowing something of our Home Office system which makes this possible, we will be glad to hear from you.

Address, CLARENCE L. AYRES, *President,*
DETROIT, MICHIGAN.

Organized 1871

LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

OLDEST—LARGEST—STRONGEST, Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

CENTURY LIFE INSURANCE COMPANY — CENTURY — INDIANAPOLIS, IND.

1 REASON Our Policies Sell

OUR POLICY CONTRACTS contain all provisions consistent with safe underwriting and are guaranteed by a deposit of the full legal reserve with the State. Our promises are all in our contract. Good contracts for up-and-doing agents.

THOMAS J. OWENS, Pres.

DR. ALBERT SEATON, Vice-Pres. & Med. Dir. — CLAUD T. TUCK, Secretary

THE DUTIES of PEACE

When a deed is done for Freedom, through the broad earth's aching breast,
Runs a thrill of joy prophetic, trembling on from east to west.

* * * * * * * * *

New occasions teach new duties; Time makes ancient good uncouth,
They must upward still, and onward, who would keep abreast of Truth.

James R. Lowell: "The Present Crisis."

What! New Duties?

If one were to interview the Fates and ask—"Is there to be no rest, now that the war is won?" the answer would be—"Just long enough to get your breath, and get a new grip on Duty." The reason is obvious—Life has no value except as an Opportunity to do something, and the greatest thing to do is Duty.

The great Duty confronting the people of this country, and of the civilized world to-day is to preserve what has been won by the war, and to build up a civilization that shall be sane and safe, in which industry, sobriety and economy shall have their reward, and childhood, womanhood and old age shall be protected.

The Part of Life Insurance in War and Peace

Among the economic forces that have contributed to the winning of the war, Life Insurance has an honored place. The life companies have been among the largest subscribers to the several Liberty Loans; life insurance agents have been among the largest sellers of Liberty Bonds; life insurance men have been well represented in the army and navy; the Government adopted the life insurance plan as the best protection for the families of soldiers and sailors, both by providing Government Insurance, and by assuming the premiums upon certain policies already in force in private companies. Life Insurance is better than bounties and better than pensions.

What is good protection against premature death in time of war is also good protection against premature death in time of peace. Premature death is the destroyer of society, and protection against that is the mission of life insurance. Death is busy in peace as well as in war. Inside two months this Company has paid in death losses caused by Spanish Influenza a larger amount than the total of all its War losses in four and a half years.

It's always a good time to take a policy; there is no good time to drop one.

NEW YORK LIFE INSURANCE CO.

DARWIN P. KINGSLEY, President.

November 11th, 1918,
On the very day the Armistice was declared

THE PROVIDENT LIFE and TRUST COMPANY of PHILADELPHIA

Removed all War Restrictions from its Outstanding Policies and Discontinued the use of a War Rider on New Policies.

Extra War Premiums will be Returned, and if regular premium has been paid, War Claims will be paid in full.

N. W. Cor. 4th and Chestnut Sts.

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

Underselling Is Big Drawback

P. S. GORDON'S EXPERIENCE

Fidelity Mutual Agent Seldom Closes $1,000 Case—Talks Life Income Policies Instead

Phil. S. Gordon, agent of the Fidelity Mutual at Johnstown, Pa., says underselling is one of the main things in life insurance. In the "Fidelity Field Man," he tells his experience as follows:

In selling life insurance the best asset the salesman can possibly have is the number of people he knows and can call by name, and the number of people that know him and know him to be a life insurance salesman. I make it a point to meet two or three new people every day, then make a note of the fact, their place of business, etc., and particularly make it a point to call them by name the next time I see them. If possible I stop and chat with them for a few minutes, but at such times I do not mention life insurance, unless they bring up the subject, although insurance is always uppermost in my mind. I count every person I meet a prospect for life insurance and mark him as my private property from that time on. Even though I never sell him I always figure I will get business through him, for every prospect is good for several more. I keep in touch with my old policyholders and as a result have written many of them several times.

To keep away from underselling is one of the main things. I seldom sell a case of $1,000, for I reason that a man who can carry one thousand can carry two just as well, and as a result my cases average well over that amount.

A word about my October business that landed me in the honor frame. The largest case I wrote taught me a very good lesson, for as I mentioned above I try to keep from underselling my man. In this case I fell down badly at the start, but the finish was satisfactory. This was a man I had listed as a good prospect although I had never mentioned life insurance to him for he was of the type that is hard to get close to. I happened to meet him at lunch one day and suggested that I go back to his office with him and show him a real insurance policy. He said he had recently bought $10,000 from ————. However, I showed him the "Income for Life" contract and within a few minutes closed him for $10,000, premium $509.50. But I had a feeling that I had fallen down on this case and that it should have been for a larger policy. I decided to wait until the "ten" was ready for delivery before trying to increase it. When I delivered the policy three of the five directors of the firm—of which this man was the head—happened to be in the office, so I took advantage of the situation to explain the policy to three likely buyers. They were much impressed, so I said it would be a good idea to carry a policy on the life of Mr.————payable to the firm. It met with their approval, but the other directors would have to be consulted. They said they should carry about $20,000 on this plan, so the "twenty" was ordered subject to the approval of the other directors.

At their next meeting I was there with the policy and my first remark was that this was just the thing they should have, but that the amount was not large enough. During the discussion I asked them the value of their plant and they estimated it at $400,000. Then I suggested that they carry a policy for at least 10 per cent. of its value on the life of Mr.————. Result, original application for personal insurance $10,000, premium $509.50, final result $50,000, premium $2,547.50. So the above with several smaller cases put me in the frame.

The one sure way to sell life insurance is, make friends, keep friends and work. Confine your work to likely prospects and don't waste time on a case that you think cannot pass the doctors for it makes the agent dissatisfied and, as a rule, a rejected case makes an enemy for life insurance. There are too many real high-class risks at large to waste your time on poor ones.

Salesmen Can Double Production

CIRCULARIZATION A SUCCESS

C. L. Minshall, Bankers Life Company Agent, Gets Those Who Don't Answer Letters

Circularization! "Circularization, properly done, will more than double the production of any salesman." This statement is made by C. L. Minshall of Minshall & Bell, general agents of the Bankers Life Company, at Columbus, Ohio. Discussing the subject further, Mr. Minshall says:

"Circularization, properly done, depends upon the sending to the company of nothing but carefully selected lists. No single list should be of more than 25 names, and they should, in every case, be the names of men who can afford to pay life insurance premiums. They must also be the names of men who have good reasons to carry life insurance. They must be the names of men who can pass the medical examination. They must, in other words, be real prospects.

Provides Plenty of Work

"A list, so selected, and sent to the company each week will give the salesman all the work he can possibly do, if he makes it an iron clad rule to call upon each individual who has received one of the circular letters. Each salesman will find that he will sell life insurance to more men who do not send return cards than those who do.

"After 12 years of experience with circularization, I find that I have had much better success in my interviews of the men who did not reply to the letter than those who did reply. My experience has been that those who sent in the cards did so for one of two reasons—either because they believed the company was entitled to the courtesy of a reply, or they did not expect to be called upon and were really surprised when the salesman appeared, but the important point about the circularization is that most people will open all first-class mail and read the short, forceful letters used by our company. These letters start many a man on serious thoughts of life insurance, and if the salesman follows up the letter with a personal interview, he will be surprised at the number of men that he will sell that otherwise would be overlooked."

Mr. Minshall considers circular letters to carefully selected prospects the best possible form of missionary work, and he advises all agents to indulge in the practice of sending in a limited number of carefully selected names to their company each week for circularization. Mr. Minshall states that after that, it is only necessary, everlastingly, to keep busy.

EIGHT "APPS" IN TWO DAYS

Five Written on First Interview by Fred. C. Barnett of Monmouth, Illinois

Eight applications, totalling $22,000 of business in two days,—and five of them written on the first interview was accomplished by Fred C. Barnett, of Monmouth, Ill., representing the Massachusetts Mutual Life.

Mr. Barnett, says the "Radiator," for the past four years has been located as district manager at Monmouth, Ill., and last month became associate general agent with Challis & Fischer of the Massachusetts Mutual at Peoria. He will continue his work in the Monmouth territory. Mr. Barnett started in the Monmouth territory in 1914, and since that time has delivered a total of more than $700,000 of business.

EDGAR SUCCEEDS HOLDERNESS

Becomes Manager of Agencies of George Washington Life of Charleston, January first

Harrison B. Smith, president of the George Washington Life of Charleston, W. Va., announces that James A. Edgar, Jr., who has been associated with H. M. Holderness, manager of agencies for that company, will succeed Mr. Holderness as of January first, 1919.

Mr. Holderness at that time severs his relations with the George Washington Life to become associated with the Connecticut Mutual Life of Hartford.

SECOND TO NONE IN SERVICE

Long established and thoroughly modern, providing perfect protection for a net cost which is notably low, and rendering service which is unexcelled, the Massachusetts Mutual stands out as an ideal company in which to insure. Sixty-seven years of square dealing are back of every one of our representatives. They will tell you how great an asset that record is in their work.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL
LIFE INSURANCE COMPANY
Springfield, Massachusetts
Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service
by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

A French View of Enemy Companies

SUGGESTIONS OF "L'ARGUS"

Favorable to Creation of An Office to Control Private Insurance— Paper's Comments

The question, What will become of the life insurance contracts concluded between Allied insured and enemy companies? is discussed in a recent issue of "L'Argus," a point already discussed at the technical conference of Allied Delegates on Insurance and Reinsurance Matters held at Paris in October, 1917. The conference was of the opinion that it would be prejudicial to the interests of the insured in every branch of insurance, to declare their policies cancelled, as in such a case, certainly as regards life insurance, they would find it impossible to insure themselves afresh under the same terms.

According to the views of the conference the life insurance contracts between Allied insured and enemy companies, and, on the other hand, between Allied companies and enemy insured, are not cancelled as from the declaration of war. These contracts exist notwithstanding that the German Government has not hesitated to raise the moratorium which had been decreed by the Belgian Government, and so placing the insured in a position which made it impossible for them to avoid forfeiture in consequence of non-fulfillment of certain clauses in their policies. Evidently, the consequences for private persons, resulting from this state of things will be discussed, and settled at the discussion on the peace treaty.

Once the peace is signed it will be impossible for the German and Austrian companies to continue their business in the Allied countries. Who then will take over the management of the business which has survived the war? It is purely a question of the liquidation of the old business, and not the creation of a new portfolio. This liquidation could be carried out in the following manner:—

1. By the creation of a new company for the liquidation of the business of all the enemy companies.
2. By allowing the enemy companies to manage the liquidation themselves.
3. By the purchase of these portfolios by the national companies, etc.
4. By the creation of an office for this liquidation with the control of private insurances.

Our contemporary pleads for the creation of a new life insurance company to take over insurances from the enemy companies. Its object would be purely the liquidation of the old business, and it would be automatically dissolved at the expiration of the last policy taken over. This solution of the question appears, at the first sight, to be sound, and it does not seem to present great difficulties. But in studying this solution more closely difficulties arise.

The organization and existence of a new company having for its sole object the liquidation of old business, would be too costly and cumbersome, with Board of Directors, Auditors, Manager, etc., and all the costly apparatus for the collection of the premiums and the payment of losses! And how useless this equipment would be when the company only had three or four policies left. It would be more logical to pay them before the expiry date than to maintain such an organization. The difficulties in the way of creating such a company at the present time are not less. We doubt whether it would be possible for it to cover its management expenses by the encashment of premiums on old business, particularly as the greater part of the business with the German companies consisted of mixed insurances with diminishing premiums.

The second method of undertaking this liquidation, by allowing enemy companies to manage the liquidation themselves, cannot in any case be recommended, either in the public interest or for the security of the State. It must be remembered that the Boche insurance agents filled at the same time the role of confidential agents of the great military staff at Berlin. One cannot even discuss with such enemies, much less confide to them the interests of our insured citizens. They must not soil the ground of our country.

The third manner, that of liquidation by the purchase of the portfolios by the national companies, may be yet discussed, but here also difficulties arise. It is evident that this purchase depends on the quality of the portfolio. It may happen that some of the enemy companies succeed in placing their portfolios, while others do not find purchasers.

All the same, the question remains open. We wish to show here that if in peace time this kind of transaction often occurs, it will be very difficult after the war to replace the guarantees proceeding from life contracts with another country, owing to the fact that the mortality of the insured is aggravated by the war. Further, most of the insurances realized by enemy companies are mixed insurances with diminishing premiums, and by the purchase of such a portfolio the acquiring company would not be in any way improved. Added to this, the difference of the tariffs applied by the enemy and the French companies would cause great difficulties in handling the business.

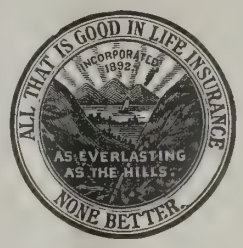
The fourth method of liquidation, the creation of an office in connection with the control of private insurances, seems to us the most natural and realizable. The State is specially called upon to watch over the interests of its assured after such a war. This charge results, in the first place, from the theory the State considers that in spite of the prohibition of trading with the enemy, it would be harmful to the interests of the insured to declare the policies of insurance effected with enemy companies as cancelled by the war.

From this it follows that the State is called upon to take every measure to protect the insured. This can only be done if the State, having refused enemy companies permission to continue operations in French territory, undertakes the management of the liquidation of this business. This case is analogous to that provided for by the law of the 17th March, 1905, Article 18, which established the cancellation of the registration of an insurance company.

This conforms with the opinion of the Consultative Committee of Life Assurance, which states that a company no longer operating in conformity with its statutes, or with the law, or with the decrees or resolutions which it provides for, has the effects of a cancellation of registration although not expressly mentioned. There is no doubt that the contracts remain in force. The company which loses the benefit of registration follows then in principle the carrying out of its current contracts, encashes the premiums, runs the risk of losses, etc. This being admitted, the solution of the matter can only be by the creation by the Consultative Committee of an office which would be charged, under its control, to manage the business until its expiration. In this way the interests of our insured would be the best protected.

Missouri State Life Policies Rich In Selling Points

Facts—



Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

Sustaining Force of Life Insurance

(Continued from page 5)

abiding interest in the welfare of all people in all lands? Not a paternalistic interest super-imposed and subject to the immeasurably great toll which paternalism always takes; but an interest beginning in justice and equality of right, where each contributes proportionately and receives correspondingly. In that calling the watchwords are "Service" and "Benefit"—never "Advantage."

Our Responsibilities

The idea which pervades all insurance, however imperfect its administration may be, is yet a manifestation of the single saving force of the world, which is love. This is its basic concept, compatible only with justice; for love cannot exist where injustice reigns. When governments are established to attain justice; when every legislative act everywhere is weighed and considered in relation to its effect upon mankind with the intent to promote justice and seek no advantage, then we shall approach that day in which peace shall be permanent and universal. Perhaps all do not recognize the responsibility which rests upon us, nor the lasting good which follows our efforts. They are wedded to their work; they love it; they may not be conscious every moment of the inspiring and exalted motives which underlie it; but deep in the nature of all, lying side by side with the call of the wild, is the undying interest of man in man which, beginning with the family, extends to groups and then to states and empires, and is to blossom fully when in its embrace the entire world is encircled. Love and justice are enshrined in life insurance. It is pointing the way. It is the only business which thinks and works for all humanity.

American Central Life

Insurance Company

INDIANAPOLIS, INDIANA

Established 1899

All agency contracts direct with the company

Address:

HERBERT M. WOOLLEN, President

PURELY MUTUAL **THE** CHARTERED 1857

Northwestern Mutual Life Insurance Co.

MILWAUKEE, WISCONSIN

GEO. C. MARKHAM, President

INSURANCE IN FORCE, $1,604,426,324

SATISFIED POLICYHOLDERS each year apply for over 35% of the new insurance issued

POLICIES MOST FLEXIBLE AND EASY TO SELL

Complete Agency Protection:
Enforced Anti-Rebate and No-Brokerage Rules

Investigate before selecting your Company

GEO. E. COPELAND, Supt. of Agencies, Milwaukee, Wis.

Effect of Fluctuating Currency on Life Insurance

By James H. Washburn, Consulting Actuary

In presenting this subject to the Institute, it is with the idea that probably this devastating war, which has already affected the credit of some of the leading nations of Europe, will produce, at least in a general way, the same financial problems which constantly confronted us in Mexico after the early days of the year 1913.

There have been such vast economic changes wrought by this world-war that, even if it should happily be ended long before the majority of us estimate, its dire effects on credit in general might be such as to endanger the very fabric of the business of life insurance, which, as we are all aware, depends as much as any other upon soundness, stability, and constancy for its foundation stones.

To those of us who have had the direction of life insurance in the Republic of Mexico, the problem of fluctuating or unsteady currency has presented itself in many vexatious ways.

At the outbreak of the revolutionary troubles the stability of the currency was not materially questioned and for considerable time following the commerce of the country was carried on in a normal manner. However, in the year 1913, when Mexico's borrowing capacity began to dwindle, its credit became impaired, the value of its currency began to diminish, and, with very few exceptions, declined steadily. Meanwhile frequent issues of paper money were resorted to until the latter part of the year 1916, when all value practically vanished.

The governmental decree of December 15, 1916, declared gold the monetary standard and placed the commerce of the nation again on a stable basis.

The decree as applied to life insurance regarded death claims and matured endowments which had been paid, and loans and indebtedness of all kinds repaid during the days of paper money, as closed transactions and dealt only with policies actually in force on the date the decree was issued. There naturally followed the question of properly adjusting these policies, some of the premiums of which had been paid in paper money.

Embodied in the decree is a table giving the average value of the paper Mexican peso (or dollar) in terms of the standard gold Mexican peso, for each month from January, 1913, to November, 1916, inclusive, and all adjustments must be made with these values as the basis. The figures are given in Table 1.

TABLE I.

Month	1913	1914	1915	1916
January	$1.00	$0.74	$0.28	$0.09
February	1.00	.69	.26	.08
March	1.00	.63	.22	.05
April	1.00	.58	.18	.07
May	1.00	.66	.17	.20
June	1.00	.65	.17	.12
July	0.90	.62	.10	.10
August	.79	.53	.13	.07
September	.73	.40	.13	.05
October	.72	.40	.14	.03
November	.71	.39	.14	0.015
December	0.71	0.37	0.12	....

By the terms of the decree the insured may elect one of the following options:

1. He may maintain his policy in force by paying the difference between the gold value of all premiums paid and the actual value of these premiums as determined by the foregoing table.

2. He may allow the difference to remain as a loan against his policy, however, if this difference exceed the loan value the excess must be paid in cash. I shall state here that the Mexican insurance laws make no provision for cash surrender values.

3. He may convert his policy into extended insurance reduced in term but not in amount, or to paid-up insurance reduced in amount in the ratio of the value of premiums actually paid to their value on the standard gold basis.

The foregoing difference in premiums is a non-interest-bearing indebtedness, no provision having been made in the decree for the payment of interest thereon.

Outstanding loans made and dividends credited during the paper-money days must be adjusted in the same manner as premiums.

The insured has been given a liberal length of time in which to decide what disposal to make of his policy, the latest extension having been made to the last day of September, 1917, or more than nine months following the date of the decree. If, however, he fail to indicate a choice, then the policy will be lapsed for extended or paid-up insurance according to its terms, though he will be allowed to continue it for a reduced amount at a correspondingly reduced premium.

The tenets of the decree will probably be more clearly understood by an example. Let us suppose a semi-tropical ordinary life policy for $1,000 issued at age thirty-five in July, 1912. Annual premium, $33.06. Concessions at the end of the fifth policy year; loan value, $56.00; paid-up value, $110.00; extended insurance for 3 years and 5 months. Dividends of 8 per cent. ($2.64) to commence at the end of the third policy year.

TABLE II

Year	Ratio of Paper to Standard Money by Decree	Value of Premiums in Standard Money	Value of Premiums Actually Paid	Value of Dividends in Standard Money	Value of Dividends Actually Paid
1912	1.00	33.06	33.06	....	....
1913	0.90	33.06	29.75	....	....
1914	0.62	33.06	20.50	....	....
1915	0.10	33.06	3.31	2.64	0.26
1916	0.10	33.06	3.31	2.64	0.26
Total	....	165.30	89.93	5.28	0.52
Difference	....	....	75.37	....	4.76

Value of premiums actually paid in terms of standard money, 0.544 (that is, 89.93 divided by 165.30).

If the policyholder select the first option, he will have a difference in premiums of $75.37 to pay in order to maintain his policy in force for the full amount. The company must also pay the adjustment in dividends amounting to $4.76.

If the second option be chosen, then we see that $56.00 being the maximum loan value, there must be paid in cash $19.37, the amount by which the difference in premiums exceeds this maximum loan value.

It is clear that in case the selection of the third option calls for extended insurance there will be no benefit, because the indebtedness of $75.37 against the policy greatly exceeds the maximum loan value as well as the single premium required to purchase any extended insurance. If, however, the policy provides for paid-up insurance, the amount to which the policyholder is entitled is $60.00 (0.544X110.00).

If the policyholder neglect entirely to choose a method of adjusting his policy to regular standing, he may be obliged either to have it lapsed for extended or paid-up insurance as shown in the last paragraph, or to have it continued for $544.00 at an annual premium of $17.99. In this case the dividends for the two years must be adjusted to 8 per cent. of $17.99 for each year ($1.44), or $2.88, necessitating the payment of $2.36 over the $0.52 previously paid in paper money.

In case of the death of the insured before the expiration of his optional period, the company will be obligated by the provisions of the decree to pay the claim in full, less the difference in premiums on the standard-money basis and on the paper-money basis.

Naturally there will be much confusion and not a little misunderstanding over the practical application of the different sections of the decree, and the Mexican government has wisely provided for the adjudication of such by the Treasury Department, which is in direct charge of the Department of Insurance.

The task of reconstruction in Mexico has been by no means an easy one, and during the laborious days of upbuilding it is best to use the simplest and withal most effective methods possible in the process of rehabilitation, and the government of Mexico is to be congratulated on having devised a method of adjusting life insurance policies which, while being accurate, is so shorn of technical phraseology and so easily applied as to be readily understood by most policyholders, and which seems to be the most practical means of conserving this great business of ours which, especially in the absence of savings banks, which are unknown institutions in Mexico, more than any other line of enterprise touches deeply the heartstrings of every family into which it has been introduced.

It would seem advisable to the writer to provide in each policy for the payment of premiums and claims in standard money, thus avoiding the disaster which has befallen the companies operating in Mexico. The following clause could be inserted into the policy conditions and would maintain the policy at an unchangeable value under all stresses and strains: "Premiums and the amount insured in this policy shall be payable in gold coin of the present legal standard of weight and fineness, or in the currency of the United States at the market value."

As a further proof of the practicability of the latter we need point merely to the recent rapid rise in the price of silver.—Courtesy American Institute of Actuaries.

THE UNITED STATES LIFE INSURANCE COMPANY
1850 IN THE CITY OF NEW YORK 1914
ISSUES GUARANTEED CONTRACTS
Good men, whether experienced in life insurance or not, may make direct contracts with this Company, for a limited territory if desired, and secure for themselves, in addition to first year's commission, a renewal interest insuring an income for the future. Address the Company at its Home Office, 277 Broadway, New York City.
JOHN P. MUNN, M. D., President
FINANCE COMMITTEE: CLARENCE H. KELSEY, Pres. Title Guarantee and Trust Co; WILLIAM H. PORTER, Banker; EDWARD TOWNSEND, Pres. Importers and Traders Nat. Bank

INTERNATIONAL LIFE of St. Louis
SMASHED ALL RECORDS IN 1917
It was the Special Combination and New T. O. Policies that did the work.
If you are not selling them we are both losing money.
J. L. BABLER, Vice-President and General Manager Agencies
MASSEY WILSON, President

HOME LIFE INSURANCE COMPANY of AMERICA
INCORPORATED 1899
PROTECTION FOR THE ENTIRE FAMILY
This Company issues all modern forms of policy contracts from age 3 months next birthday to 60 years.
INDUSTRIAL POLICIES are in full immediate benefit from date of issue.
ORDINARY POLICIES contain a valuable Disability clause and are guaranteed by State Endorsement.
GOOD CONTRACTS FOR LIVE AGENTS
Executive offices No. 506 Walnut St., Philadelphia, Pa.
BASIL S. WALSH, President JOSEPH L. DURKIN, Secretary JOHN J. GALLAGHER, Treasur

The Columbian National Life Insurance Company
ARTHUR E. CHILDS, President BOSTON, MASSACHUSETTS
LIFE, ACCIDENT, and HEALTH INSURANCE
covering Permanent and Total Disability and Weekly Indemnity for Loss of Time—
A Combination That Means Money for the Agent
Agents seeking Attractive Contracts in good territory are invited to correspond with the Agency Department of the Company.

VERMONT MEN'S MEETING

Frederick M. Corse, Russian Manager, New York Life Insurance Co., Guest of Association

The winter meeting of the Vermont Association of Life Underwriters was held last week at the Van Ness House, Burlington, Vt. The guest of honor and speaker for the occasion was Frederick M. Corse, for fourteen years manager of the New York Life Insurance Co. in Russia. Mr. Corse was at home in his visit to Burlington, as he was a graduate of the University of Vermont in the class of 1889, and was for several years a member of the faculty and secretary of that body. Mr. Corse was also precentor at the College Street church of Burlington, and his friends have a pleasant memory of his deep bass voice.

A business meeting of the association was held before the banquet.

The officers of the Vermont Association of Life Underwriters are W. R. Bliss, Burlington, president; Harry A. Butler, Burlington, vice-president; A. C. Mason, Rutland, secretary and Roger S. Pike, Rutland, treasurer.

ADVICE OF A BANKER

Hon. A. Barton Hepburn, chairman of board of the Chase National Bank, New York, says, "The potent factor, the all important factor in every business is the management. Would you insure the machine and not the man? By every rule of prudence and conservation is not life insurance just as indispensable to credit as fire insurance?"

MUTUAL BENEFIT NOVEMBER BUSINESS

The Mutual Benefit Life advises its agents that for the month of November, 1918, the company had an increase of $1,083,293 in amount of insurance paid for, as compared with November, 1917.

Canvassing and Closing in Canada

(Continued from page 6)

er $1,000 at once in case of death and in 20 years certainly, is not worth $1 a week.

Appeals to the Best in a Man

While showing the possibility of paying the deposit, do not pretend that such a payment is far too easy. It is something that only far-sighted, prosperous, successful men, who wish to leave solvent estates, who love their wives and children, and who intend to make provision for their old age, do, even if it does cost something. Let your prospect understand to which class you believe he belongs—the selfish, narrow man, or the far-sighted, prosperous man.

We can best encourage a man to make wise financial plans by assuming that he intends to do so. Assume that he expects to prosper as the years go on; that he is conservative, determined to play safe and not die nor reach old fers one definite certain life plan for creating and preserving an estate, not by speculative, reckless, spasmodic methods, but by the regular yearly payment of money for a long period of years that will, with the greatest known human certainty, provide an estate whether he lives or dies.

Forms of Competition

Never allow yourself to be diverted. Most competition is merely diverting. Any prospect who can get you to discussing some other company is sidetracking you from insuring his life. Generally speaking each individual case has to be treated according to the individual circumstances which may arise, and a great deal has to be done on the spur of the moment, when you are in the presence of your client. For this reason you should thoroughly prepare yourself by having at your fingers' ends all possible information regarding your company, its contracts, and the general business of life assurance. You must know what policy is applicable to the circumstances of the prospect you are interviewing.

Closing the Deal

The chief art and finesse of the salesman are most necessary in closing the application. Thousands of sales are almost daily spoiled by an inopportune question, manner, intonation or method. Taking assurance costing money is often unpleasant for a man, who naturally wants to avoid sacrifice. Make it easy for him. What you want is his assent; secure it in the most tactful way possible. Make it hard or humiliating for him to refuse. Never ask him to sign an application; "sign" has an offensive meaning to many. Ask if there is any reason why he should not have the benefit of your proposition: or if he would not like to be sure of his wife's comfort; or of the payment of that mortgage; or of the education of his son or the continuation of his business. It is hard to answer these questions "No."

Make it Hard to Say No

Ask if he knows of any reason why he could not get the policy if he wanted it. If he would have any hesitation about being examined. If he would not like a larger amount than you have been discussing.

Let him do the figuring with a pen. When a man has his pen in hand and is writing in one place, it is then generally easy, to have him put his signature on the dotted line.

Securing Courteous Treatment

Virtually every customer has a conscience. If you are given a cold reception, if you are subjected to discourteous treatment—WAIT! Do not be in a hurry to leave. Tolerate it for a little while. Be gentlemanly with the client and in a few moments his conscience will come to your rescue. He will suddenly realize that he has been ungentlemanly and unbusinesslike, and you will witness a complete reversal of his attitude toward you.

All the efforts in life which count are employed in meeting and overcoming opposition. The man who cannot conquer the despair of at times being considered a robber, nuisance and intruder, will never make a success as a salesman.

ILLINOIS LIFE INSURANCE CO.
CHICAGO
JAMES W. STEVENS, PRESIDENT
GREATEST
ILLINOIS
COMPANY
WANTS GOOD MEN
AND
WILL PAY THEM WELL

PROTECTION 1820 — STATE MUTUAL LIFE ASSURANCE CO. OF WORCESTER MASS. INCORPORATED 1844 — PROTECTION TO-DAY

State Mutual Life Assurance Company of WORCESTER, MASS.

Incorporated 1844

REAL MUTUALITY for nearly THREE-QUARTERS OF A CENTURY has characterized all Company activities to the advantage and satisfaction of policyholders, beneficiaries and agents.

Additions are made to our agency force when the right men are found.

B. H. WRIGHT, President
D. W. CARTER, Secretary
STEPHEN IRELAND, Superintendent of Agencies.

RIGHT AGENTS GOOD TERRITORY

still available for development by the

..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.

Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

NATIONAL LIFE INSURANCE COMPANY
MONTPELIER, VERMONT
FRED A. HOWLAND, President

A MUTUAL COMPANY
WHICH FOR
SIXTY-EIGHT YEARS
HAS PROTECTED THE
HOME AND FAMILY

Edward D. Field, Superintendent of Agencies

Millions of Life Insurance Being Sold!

By the Use of the SHANBACHER INHERITANCE TAX CHARTS

In the closing of most of the big lines to which the attention of the public has been directed during the past few months these charts have conspicuously figured.

Worth their "weight in gold" to every live life insurance agent.

For information address

THE EASTERN UNDERWRITER

Sales Agents

105 William Street, New York, N. Y.

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Fitting the Policy to the Prospect

The average man has been canvassed and re-canvassed and probably thinks he knows quite a good deal about life insurance contracts, says R. W. Simpson, Great-West Life, Windsor, Ont., in "The Life Underwriters' News." As a matter of fact he has a general idea that any life insurance policy is a thing for which he has to pay a certain amount annually, and the rest of the proposition is a very hazy generality in his mind. The big trouble with him is that the payment of premiums over a long term of years fills his thoughts to the exclusion of most of the other points of any policy he has heard about.

It has been said that a human being is always interested in a thing with which he can do something. Almost every man or woman wants something; wants to get rid of something, or would like to make some change in his or her situation, which, however, obligations or lack of money forbid. There is a natural demand for life insurance in the circumstances of every man and a great many women. It is therefore up to the solicitor to discover what that demand is in the case of the particular prospect that he is, or should be studying. It is also up to the solicitor to properly prescribe for that prospect's needs.

The diagnosis of your prospect will get many agents away from the bad habit of trying to interest the average prospect with the lowest premium policy which his company has to offer. On his ability to discover the particular prospect's need (sometimes pressing, but more often unfelt or unformulated) and his skill in prescribing the form of policy which will satisfy this need, depends his success in closing the prospect.

"If the agent will appreciate and study the usual flexibility of life insurance, he will not find it difficult to fit a life policy to almost any one of the emergencies of every day business and social life," continued Mr. Simpson. "He will consequently enlarge his list of live prospects to undreamed of proportions, and the longer the list of what he considers live prospects, the more calls made with the determination to close business. Consequently more business is closed, for it is an accepted thing that, when a man calls on a prospect with a well defined reason for expecting to get the business, in the majority of cases that particular case is closed."

* * *

Catching Society Members When Young

Arthur S. Hamilton, secretary of the Mutual Underwriter Co. of Rochester, N. Y., read a paper on "Is Whole Life Family Insurance Desirable?" in a talk before the National Association of Mutual Life Underwriters this month. There are some rather interesting extracts, showing that these mutual societies are not overlooking many opportunities, but catch their members when young, if they can:

"J. M. Kirkpatrick, national president of the Knights and Ladies of Security, of Topeka, Kans., which has admitted over 7,000 juvenile members since the establishment of the department one year ago, states that early in the experience he found that it was not satisfactory to depend entirely upon the regular deputy to secure juvenile members. As to the expense of the business, he mentioned that $3,000 had been saved out of the loading on the certificates of the seven thousand. In each subordinate council of the society a woman supervisor of juveniles has been selected. The plan has resulted in a most satisfactory growth. He told of a plan for recruiting juvenile members by entertainments. In Topeka, the home city of the society, free motion picture shows were given and were attended by crowds of children, as many as five hundred being present at each. At first it was impossible to write certificates on the children, as they were not represented by anyone capable of making a binding contract. It was advertised, then, that all children not holding certificates in the society must be accompanied by their parents. In consequence, the mothers came along and as many as fifty were written at such a meeting. This instance is given in order that an idea may be conveyed of the original plans which may be followed in developing the field.

"A prominent fraternalist believes that ten times as many parents will be brought into the organization through the children as children through the parents. The following states permit societies to write insurance on the children without restriction as to the membership of the parent in the society: Illinois, Nebraska, Kansas and Oregon.

"It is believed that, if any legislation is planned, the object should be to secure uniform action in the states, allowing co-operative associations to extend their field to admit children, without regard to any insurance held by the parents. The provisions contained in the Whole Family Bill relative to the segregation of funds and the creation of reserves to safeguard full ability to comply with the risk assumed by the organization would, of ccurse, be included in any plans formulated. The operation will require a well-developed department of solicitors trained for such work. It cannot be satisfactorily developed if merely carried on as a portion of the work of the regular solicitor. A juvenile policy written on the life of a child should mean an adult policy as soon as the proper age is reached. Such insurance has an educational value which should not be lost sight of. It may well be termed a recruiting ground for the future, and provided a systematic plan were put in force after the field is opened, the possibilities for the future are most alluring."

* * *

What Income Will $10,000 Insurance Bring In?

When a wealthy man is approached on the life insurance question, it is often found by the agent that he is carrying five or perhaps ten thousand dollars insurance. It is also found that he thinks he is carrying a large amount of insurance; possibly rather prides himself on the fact that he is carrying more than most men.

The agent should say to a man like this: "Mr. Jones, possibly it never occurred to you to figure out just how much income that would bring to your wife and family in case of your death. Now, it is an absolute fact that your ten thousand dollars insurance, invested at 6 per cent., will leave your wife and family a pittance of $1.64 per day. When we take into account the high cost of living in these times, and the fact that not more than 5 per cent. net can be safely guaranteed on money invested, I think you will realize that you are not carrying enough insurance."

The following is a table showing the amount realizable as daily income for the amounts of insurance usually carried, from one to ten thousand dollars, providing the amount is invested at 6 per cent. interest. It is a good table to have by you for occasional use, but should not be used for an ordinary case where a man is only carrying a few thousands of insurance, and is not in a position to carry a large amount.

$ 1,000, daily income	$0.16
2,000, daily income	.32
2,500, daily income	.41
3,000, daily income	.49
4,000, daily income	.65
5,000, daily income	.82
7,000, daily income	1.15
7,500, daily income	1.23
10,000, daily income	1.64

—Confederation Life Agency Notes.

* * *

Bought As Well As Sold

A former manager for the Travelers was operated on recently. While recovering he developed an infection in the foot. The doctors would not admit that the infection came from the operation, but they readily admitted that it required two more doctors to treat the foot, including the best orthopedist in his State. Altogether six doctors, several nurses, and the hospital took part in this drive on the bank account. In spite of all, the patient came out of the hospital smiling; and we judge that the explanation was to be found, in part at least, in the cryptic remark he made: "While I was selling accident and health insurance, I bought it."

* * *

Machinist Makes a Good Insurance Agent

George H. Shephard, of the Detroit Agency of the Mutual Benefit, was a machinist by trade before entering the life insurance business and is one of the men who has made both his trade and his calling contribute to his education. His favorite policy is the ordinary life with the accelerative endowment option. In 1915 he ranked first in number of lives insured.

GET A ROPE

An insurance solicitor, who understands human nature, carries a tow rope in his car to pull automobilists out of trouble. He says he invariably lands them for an application.

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company
Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, sold $65,000,000 worth of War Savings Stamps between February first and September first, 1918, and expects to sell a total of at least $100,000,000 during the year.

JOHN R. HEGEMAN, President

What An Agent Wants

A Company whose name, everywhere a household word, is his best introduction. Prestige is a door-opener, and age and size are impressive.

Policies that are unexcelled. Big dividends. Strength and safety that need no demonstration. Unsurpassed service to policyholders—the thing that makes solid patrons out of first-time customers.

The Oldest Company in America! Come with it and you will stay with it and it will stay with you.

For terms to producing agents address

The Mutual Life Insurance Company
of New York

34 NASSAU STREET, NEW YORK CITY

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

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MERRY CHRISTMAS!

This is the first of five Christmas seasons since the American people with a whole heart uttered the age-old greeting—"A Merry Christmas!"

In 1914 the black shadow had begun to hide our morning sun, and there were some who told us, that we too would be drawn into the war, and with unknowable results to ourselves, and they called upon the United States to arm and be ready.

In 1915 our ship of state was sailing in troubled waters, and we began to see that a death struggle between autocracy and democracy was being enacted—and we were the greatest of all the democratic peoples!

In 1916 died our first dead—and there were women and children among them, and the water was deep and cold:—Lusitania! a name that will bitterly live in American history.

At last we knew that we should not escape, and that we must fight for freedom, and pay a great price for its retention and supremacy, and in 1917 we plunged in and forthwith took our place beside the Allies, in withstanding the German beast.

Early in 1918 was seen the greatest marvel in all the world's long history of war—the taking of more than 2,000,000 Americans across three thousand miles of ocean to the battlefields of Flanders and of France, together with untold varieties and quantities of equipment.

Meantime our souls were sick with ever-renewed horrors, and furious with freshened rage because of what the German beast had done, and was doing, and when now they bellow across the ocean for bread,—elbowing aside those of the other lands whom they made breadless—can we forget? These are the evil things that have made hollow and faint the "Merry Christmas" of these horror years.

Now, however, the situation has been transformed. Ended are the workings of German kultur. The beast is captive, and his keeper soon is to be tried by a high court of the nations for his unimaginable crimes. And that he may have a "place in the sun," brief, and high as Haaman's scaffold, is the fiercely ardent hope of the peoples he has so heinously wronged.

The change from the hideous darkness to the light of breaking day—to whom shall the glory be given? Immortal glory be unto England and France and Belgium and Servia and Italy. But for them the unclean beast of the ages would have reached our shores, and not even Bryan's "million soldiers over night" could have stayed its havoc. Yes, the men of these nations, the living and the dead, and of poor sick Russia too,—and the heroic women of these nations—held back the horde through almost four years of terror and of death.

We are not of those shallow braggarts who declare that America did it all—that only Americans can fight. And yet we write it down that to our own dear land was given glory's crown of crowns, for when came the most ominous hour of all the war, and it seemed as if Paris would be taken and the British be crowded to the Channel ports, then with the stride of an aroused giant did the men of America rush toward the beast, and beat him back, and trample him under foot, and make possible his utter defeat and present captivity—saved democracy, preserved freedom, and kept human decency from destruction, in that hell the German's call "kultur."

And so at this Christmas season of 1918 the hearts of our people are jocund. The dangers which our heroic young men have daily confronted have passed. No more of them will be wounded, no more of them will die in battle; and in due time those who have survived will be home with us again. But greater far than that, is the joy of this people that our loved country has been privileged to fulfill its destiny—it has been true to its history, by becoming the savior of the soul and the freedom of humanity.

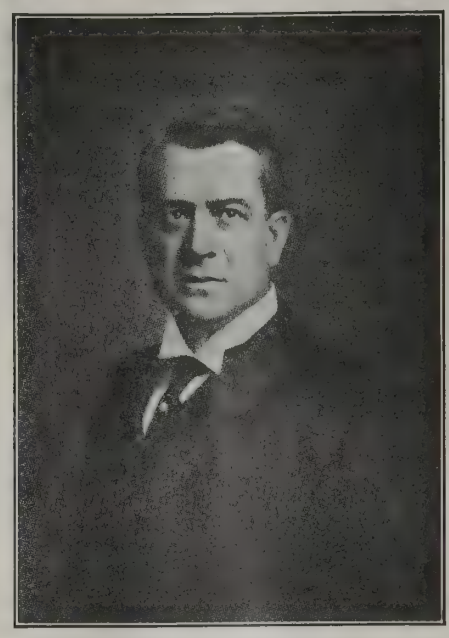
Among the readers of this journal were some who, going to France as soldiers of the Republic, now are far beyond the stars. Honor evermore be theirs! For they have made the supreme sacrifice in answering the supremest call of service that mankind has ever known.

To those whom they left we tender the tribute of sympathetic envy. May they be sustained in their grief by the knowledge that ages yet unborn will be happy, because these dead did not die in vain. "Peace on earth, good will toward men"—for that they fought and spent themselves, and its securing they have assured. The holy light of Christmas will therefore bless these stricken homes.

To the numerous body of our readers, in the United States, in noble Canada, and wherever they may be, we come, by these presents and in this issue, with the old, old greeting—"A Merry Christmas!"

The great allied fraternities of insurance have zealously borne a potent part in the war work done at home. They will have a mighty part to do in the days of reconstruction that lie just ahead. "Just ahead!"—for the war is over, peace has come, and victory is ours: Therefore again—"A Merry, Merry Christmas!"—and, "'God bless us all,' said Tiny Tim."

THE HUMAN SIDE OF INSURANCE



JAMES M. DICKEY

James M. Dickey, who has been transferred to Philadelphia from Erie, Pa., by the Mutual Life, is one of the most successful life insurance men in the State and is active in civic affairs in Erie. When news that he was to leave the city, reached the "Erie Daily Times," that paper printed an entire column about Mr. Dickey. The Mutual Life's manager came to Erie in 1902. He did nearly half a million dollars his first year, and at the end of 1917, the agency was in the three million dollar class. His work has attracted considerable favorable attention in life insurance. In his new territory, Mr. Dickey will also have the southern half of New Jersey. Among other duties, Mr. Dickey was chairman of the exemption board in his district; he managed four Red Cross campaigns, and his friends predict that he will be successful in Philadelphia.

* * *

Clarence Axman, editor of The Eastern Underwriter, sailed on Saturday for France on the "Chicago." He will be a member of the staff of the United Press Association, covering the Peace Conference proceedings and will be gone about six weeks, after which he will return to New York to resume his duties on The Eastern Underwriter.

* * *

Clarence C. Miller, who succeeds Plimpton & Bunting, as general agents of the Penn Mutual Life at Boston, entered the life insurance business as an office boy in the agency of James T. Phelps & Co. who were state agents for the National Life of Vermont in 1897. In 1899 he began his career as a life insurance salesman, paying for $52,500 of business. He paid for a constantly increasing volume until, for the year 1909, his production was $433,000 with the National Life of Vermont, and ranked as agent No. 1; at the same time he paid for $200,000 in outside companies. That year he was appointed superintendent of agents for the James T. Phelps & Co. agency. He has averaged better than $500,000 per year personal production for the last ten years. In 1913 he was made a member of the firm of J. T. Phelps & Co. On Jan. 1, 1915, he joined Wm. Morton Bunting as partner in the firm of Plimpton & Bunting, general agents of the Penn Mutual Life at Boston, and so continued up to the time of Capt. Bunting's decease. Mr. Miller is an active association worker, having been secretary of the Boston Life Underwriters' Association, chairman of its executive committee, vice-president and president. In 1914 he was president of the New England Congress of Life Underwriters.

* * *

Joseph Chapman, vice-president of the Northwestern National Bank, Minneapolis, in addressing the Association of Life Insurance Presidents last week, made the following interesting statement:

"Up in the Northwest they are conducting a school—I learned this the other day—where they are training salesmen to go out and trade the farmers out of their liberty bonds. The idea has gone out that the 'suckers' have more money in America today than they have ever had since the history of the world, and it is the business of somebody to get it away from them; and they are actually conducting schools where they train salesmen to go out and sell bogus stock to these farmers and get their bonds away from them. A very conservative estimate has been made by those who are in a position to know in the Northwest, that in the states of Montana, Minnesota, and North Dakota, alone, farmers have been separated from $25,000,000 of their liberty loan bonds, and that by the time the next issue comes along in April, if something is not done to stop it, they will be cheated out of $75,000,000 more of their Government bonds."

* * *

R. Perry Shorts, vice-president of the Massachusetts Bonding & Insurance, has been in charge of organizations comprising over 900 men in connection with the Saginaw County War Board, and is proud of the showing made by his county, which stood No. 4 in the United States for the Third Liberty Loan. Saginaw has gone far over the top in every campaign, in one instance as high as 400 per cent. of its quota, and his work was such that the state organization recently appointed him chairman of a district—thirteen counties—for the United War Work Campaign. The result of his careful preliminary work and organization plan, followed up with the usual sincerity and enthusiasm that characterizes his methods, was that every one of these counties went over the top with an average of 50 per cent. over subscription.

The State Chairman when writing Mr. Shorts in appreciation of his work said, "There was no other district, county or city in Michigan which handled the campaign so effectively and successfully."

NEW INSURANCE TAXES NAMED

The finance committee of the United States Senate has adopted new taxes on insurance of various sorts, including fire, marine and casualty. In place of 1 cent on each dollar of premiums on these policies as fixed by the House, the Senate committee voted into the bill the following rates of tax: On fire insurance, 1¾ per cent. of the premium paid; on marine insurance, 1¾ per cent.; on policies covering inland transportation, 1¾ and 2¼ per cent. on export policies. On casualty, fidelity, burglary, plate glass and similar insurance, 1½ per cent.

FIRE INSURANCE DEPARTMENT

Suburban Exchange Situation Cleared

FIREMEN'S OF N. J. REINSTATED

Company Has Paid Fine for Purely Technical Violation of Rules of Exchange Last May

The Firemen's, of Newark, has paid its fine for a technical violation of the rules of the Suburban Fire Insurance Exchange and has been reinstated as a member of that body.

This action of the Firemen's ends a situation which has been embarrassing to the Suburban Exchange and to the agents in the jurisdiction of that organization. The action of the Exchange dropping the Firemen's from membership was taken last May when similar action was also taken against four other companies. The differences with the other companies were adjusted to the satisfaction of the Exchange some time ago.

Because the other company affiliations of the Firemen's and the rules of the Exchange, the continued non-membership of that company worked a considerable hardship on the agents of that and other companies. According to the rules of the Exchange, an agent of the Firemen's was technically in violation of the rules while that company continued outside the Exchange whereas he was not molested by the rules if he represented one of the subsidiaries of the Firemen's.

The violation of the rules of the Exchange for which the Firemen's was fined was technical only and resulted through no fault of the company, which therefore protested until now the payment of the fine.

COOPER MAKES CHANGE

New Jersey Special of Commercial Union & Palatine To Join New Hampshire Fire

W. E. Cooper, now special agent for the Commercial Union Assurance Company, and the Palatine Insurance Company, in the New Jersey field, has resigned his connection with those companies, to take effect January 1st. On that date Mr. Cooper becomes special agent of the New Hampshire Fire in the same territory.

Mr. Cooper covered the New York suburban territory and a part of Connecticut for the Phenix of London before going with the Commercial Union.

LESS OPPOSITION SHOWN

Indications That New General Agent Rule for Automobile Lines Will Prove Acceptable

Following the annual meeting of the National Automobile Underwriters' Conference in Chicago, opinions were very much mixed regarding the workability of the new general agent rule. There were not a few strong intimations by members that they might find it impossible to abide by the rule and remain in the Conference.

It would appear now that opposition to the rule has in a measure spent itself and there is being shown a disposition to seek modifications of the points giving most concern, rather then opposing them in toto.

The situations in Philadelphia, New York and Boston are being handled by committees. There is also a committee working on the general field and the rate committee is busy on the new rate schedule, which will be framed along lines already explained in The Eastern Underwriter. The Chicago situation is being worked out with a minimum of trouble. This was to be expected, as it was in the West that the new agent rule originally had the most supporters.

DIVIDES N. Y. TERRITORY

Fireman's Fund Appoints Eastern and Western Special Agents Succeeding Late Charles Dosser

The Fireman's Fund Insurance Co., of San Francisco, has divided its New York State territory which has been supervised by the late Charles Dosser as state agent. Mr. Dosser's recent death was reported by The Eastern Underwriter.

George F. Tompkins, who for several years has been special agent of the Commercial Union for Eastern New York State, has resigned as of January 1 and on that date he will become special agent for the same territory for the Fireman's Fund.

L. L. Webster, who, for a number of years, has been travelling Western New York for the Fireman's Fund from Syracuse in conjunction with Mr. Dosser, has been appointed special agent for the same territory and will continue to make his headquarters at Syracuse.

REPRESENTING ATLANTIC CITY

The John E. King Company, Inc., will represent the Atlantic City Fire in New York as general agent. That company has just entered the state.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
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Greater Capacity for Local Agents

Use our unlimited capacity and wide experience for placing additional business beyond the capacity of admitted companies.

Binding Contracts with Guaranteed Underwriters at Lloyds and British Companies maintaining United States deposits. Immediate telegraphic binders given.

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19 Cedar St. NEW YORK	1615 California St. DENVER	201 Sansome St. SAN FRANCISCO	107 S. Fifth St. MINNEAPOLIS
901 Ford Bldg. DETROIT	314 Superior St. DULUTH	17 St. John St. MONTREAL	23 Leadenhall St. LONDON

"The Best there is in Insurance Service"

THE TOKIO
MARINE AND FIRE
INSURANCE COMPANY
LIMITED

UNITED STATES FIRE BRANCH
J. A. KELSEY, General Agent
80 MAIDEN LANE, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

Companies Take Hold of Theft Problem

PHILADELPHIA MEETING HELD

Charles K. Yungman Heads Committee to Co-operate With Authorities—Gang Leader Explains System

Charles K. Yungman, of the Insurance Company of North America, heads the committee of company representatives which will co-operate with the authorities in the prosecution of the automobile thieving gangs that have been so active in Philadelphia. Besides Mr. Yungman there are on the committee C. E. Porter of the Commercial Union, H. R. Clough of the Automobile of Hartford, W. Y. Crowell, Pennsylvania Fire and W. E. Chapman, Pennsylvania Indemnity Exchange.

The companies have manifested a wholesome interest in the work of cleaning up Philadelphia. Sixty of them were represented at a meeting in Philadelphia this week to consider joint action in furtherance of the investigation of automobile theft frauds.

"Everybody Was Crooked"

A start has been made toward a possible solution of the elimination of the thieves through the arrest of Emil L. Podolin, a Philadelphia attorney, who had a thieving system which he boasted was "100 per cent. safe." Podolin's plans are said to have been made known to the police through F. K. Snyder, who for three months made daily reports on the actions of the gang, with which he had been authorized to associate for the purpose of gaining information.

Podolin claimed that his system was fool proof "because it incriminated everybody and nobody would squeal." According to him the garage people got stolen cars, the gang got paid for taking the cars, the owners got their insurance, "Everybody in the deal was crooked," bragged Podolin.

Attorney Emil L. Podolin when arrested in Philadelphia, explained in detail that his organization for robbing insurance companies by stealing cars to order had three ways of making money besides the branch business of staging fake house burglaries to order for people who carried burglary insurance:

"The way things are today," said Podolin, "you have to do things on a systematic and efficient basis. You know to do it persistently. You have to go for the business, models (meaning stolen cars), separately and legitimates separately. And go after them right and pull off one or two every week. If you don't it is because you don't go at it.

Meeting Car Owners

"Now, you understand the first proposition. All you have to do is to get acquainted with people who have automobiles. You drive around in your own car and you meet the people at the garages and the service station. When you have a machine you meet people who have machines. You get together with them in a hundred ways. First thing you know, you meet a fellow who has trouble with his car and he gets mad and says: 'I wish somebody would take the d—— car away.' That's natural. All you have to say then is that you have a friend who knows a party who can arrange it to have his automobile taken away so he gets his insurance. Four out of five will take you up on that. It is absolutely safe for them. They don't know who steals their car. The boys who take the cars don't know the owner and can't identify them.

"The second proposition is to sell the cars as legitimate cars. The ordinary used car house is a fraud, even those big ones. They will fix the car to make it look decent and run decent. Say this car was originally $1,100. It is only about a year or two old and they will sell it for $600. They guarantee the mechanical equipment but on the bill of sale they put down 'as is.' You buy the car and if there is anything goes wrong, there is not a d—— thing to right it. Now we give a guarantee for three months the same as a new car, if you buy a Packard from the factory, you only get three months' guarantee. That's how we get them. We repair them free of charge if anything goes wrong.

"The third proposition, of course, is to sell legitimate cars to become models (to be stolen) later, and you have to be very careful. It is sometimes feasible to sell a man a legitimate car; I have one or two I have done it with. They come around in one or two months. 'How do you like the car?' you ask. He says: 'The carburetor gives trouble,' or something like that, and I will say: 'I can fix it and probably make you $100 on it.'"

Endless Chain

All three propositions of course, formed part of an endless-chain system. Even if a man bought a car from the gang under the delusion that it was an honest second hand car and not a stolen car, if he discovered that he had been cheated and had bought a broken-down piece of machinery ready for the junk-pile, he would be in the proper frame of mind to get even by having the car stolen, so he could collect his insurance money.

HUDSON READY TO START

New York Department Grants License —T. Y. Brown & Co. Appointed Metropolitan Managers

T. Y. Brown & Co., have been appointed metropolitan managers of the Hudson Insurance Co., which was granted a license this week by the New York Insurance Department. Andrews & Evans have been appointed Brooklyn agents of the company.

The capital of the Hudson is $500,000 and the surplus $1,000,000. J. M. Wennstrom, United States manager of the Svea and of the Christiania General, will manage the Hudson also.

CHANGES IN SUN OFFICE

United States Secretary A. M. Thorburn, of the Sun, of London, will retire within a short time to devote his attention to his brokerage business. George E. Mead, general manager of the Sun, at London, will retire December 31. He will be succeeded by F. White, sub-manager, who arrived from London this week to select a successor to United States Manager J. J. Guile. Mr. White is to be succeeded by William W. Otter-Barry, who has been assistant secretary in London.

WOLFE SUCCEEDS KING

Former Norfolk Local Agent Becomes Special Agent of Niagara for Western New York

Albert S. Wolfe, for a number of years a local agent at Norfolk, Va., has been appointed special agent of the Niagara Fire for Western New York State as of January 1 succeeding James S. King, who on December 1 was appointed special agent of the Niagara for New Jersey succeeding James Westervelt, resigned. Mr. Wolfe will make his headquarters at Rochester. Mr. King has already established his new headquarters at 20 Clinton St., Newark.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

Firemen's Insurance Co., Newark, N. J.
January 1, 1918
Cash Capital $1,250,000.00
Net Surplus $2,384,971.20
SURPLUS TO POLICYHOLDERS....$3,634,971.20
DANIEL H. DUNHAM, President
[illegible] KAY, Vice-President and Treasurer A. H. HASSINGER, Secretary
NEAL BASSETT, Vice-President J. K. MELDRUM, Assistant Secretary

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents Metropolitan District
100 WILLIAM STREET, NEW YORK

S. C. BISHOP CO.
Represented at 95 William Street. AGENTS FOR NEW JERSEY 208 Broad Street, Elizabeth, N. J.
Phone, 447 John—588 Elizabeth

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Companies Win An Important Decision In A Black Tom Case

The New Jersey Court of Errors and Appeals has decided a case, growing out of the Black Tom explosions; saving large sums to insurance companies, and placing direct responsibility for negligence of a common carrier. The case is that of the New Jersey Fidelity & Plate Glass against the Lehigh Valley.

The New Jersey F. & P. G. obtained a judgment for the sum of $23,687.37, as compensation for the damages alleged to have been sustained by it, in replacing certain glass, which the plaintiff was under a legal duty to replace, and which was broken in various buildings located in Jersey City and neighboring cities, as the result of an explosion, at one of the Jersey City terminals of the defendants along the Hudson River, at an early hour in the morning of July, 1916.

The decision, written by Judge Kalisch, reads:

"The defendant introduced no evidence. The undisputed facts in the case are that at the time of the explosion the defendant had in its possession and gathered together on its pier and for several days prior thereto, thirty-eight cars of an average holding capacity of not less than 60,000 pounds of explosives. These cars were loaded to their full capacity with this extra-hazardous material, and in the aggregate contained more than two million pounds of explosives. Eleven of these cars contained 600,000 pounds of trinitrotoluol, known as a very high and dangerous explosive. The effect of the explosive was the loss of human lives and widespread destruction and devastation of property. Where the cars had been standing, the force of the explosion produced a crater which was 375 feet long, 220 feet wide and ten to twelve feet in depth.

"The proof tends to show that the origin of the explosion was a fire, which started at or near the ammunition cars and was first discovered by a watchman in the employ of a detective agency, who notified an employee of the defendant; that the defendant had in its employ four or five watchmen who had manifold duties to perform on the inside of the various warehouses and storage rooms of the defendant company, to care for a grain elevator and the machinery around it, to look after the boilers in the various buildings and to keep the fires going and the steam up; to look after a crane on the premises and the machinery around it, etc.

Unbelievable Carelessness

"There was also testimony tending to establish that the piers and yard were approachable from the river and land sides, and that on occasions persons would come from the street and from the boats and gather and sit upon the deck until driven off by the watchman.

"Moreover it appears that this vast quantity of high explosives was stored in proximity to the habitations and businesses of a million human beings whose lives and properties were thereby exposed to a risk of unusual danger.

"The first court of the plaintiff's complaint was predicated on a nuisance but that was eliminated by the trial judge and, therefore, need not be considered.

"The second court alleged a failure to exercise proper care in watching and guarding explosives, extinguishing and controlling fires, etc.; in employing a sufficient number of watchmen and guards; in furnishing sufficient fire fighting apparatus; in storing, handling and disposing of the explosives; in keeping in repair sufficient means of communication with the fire and police departments; and in giving notice to the fire department at once.

"Taking up for consideration first, the question whether the trial judge erred in refusing to grant a non-suit or to direct a verdict for the defendant, our conclusion is that he did not.

"The legal rule as to the degree of care resting upon individuals or companies who maintain agencies which are dangerous to human life, is well expressed at page 454, by Chief Justice Magie, in Newark Electric Light Co. v. McGilvery, 62 N. J. L., where he says: 'Such companies using in business wires to carry a subtle and invisible power highly dangerous to life, must, although authorized to stretch such wires along poles in public highways, exercise a very high degree of care for the safety of those who may be thereby exposed to danger.' By consensus of opinions of text writers on the law of negligence and of judicial decisions, high degree of care means nothing more than that degree of care commensurate with the risk of danger.

"Whether the defendant had exercised that degree of care commensurate with the risk of danger arising from the accumulation of the vast quantity of high explosives upon its premises, in cars which stood in close proximity to each other, was clearly a jury question.

"Under the pleading and proof in the cause the jury was warranted in taking into consideration the exposed condition of the premises where the cars containing the explosives stood, the possibility of their being tampered with or set on fire by intruders or through the carelessness of workmen employed by the defendant in and about the premises; and might properly, have found that the number of watchmen employed by the defendant to guard this great quantity of high explosives against such happenings was inadequate; or that the watchmen had been negligent in the performance of their duties in failing to discover the fire before it was too late to prevent the disaster which followed; or that the defendant was negligent in failing to provide adequate apparatus to fight the fire; or in failing to give notice of the fire as soon as discovered to the fire department.

"It is wholly of no importance whether or not the pleader accurately stated the legal duties devolving upon the defendant, arising from the facts averred in the complaint, Chief Justice Beasley in Breese v. Trenton Horse R. R. Co., 52 N. J. L., at page 251, quotes with approval the legal rule appropriate thereto, as laid down by Addison, in his work on Torts: 'The decisions, observed Lord Campbell, show that the allegation of duty in a declaration is in all cases immaterial, and ought never to be introduced, for, if the particular facts set forth raise the duty, the allegation is unnecessary, and, if they do not, it will be unavailing. If the particular facts stated in the declaration do not raise the duty, it cannot be established by other facts not stated. The declaration, therefore, must stand or fall by the facts stated. Negligence creates no cause of action unless it expresses or establishes some breach of duty.' 2 Add. Torts, paragraph 1338.

"The complaint, in this case, tested by this legal rule, is sufficient. It sets out facts which upon proof thereof laid a proper basis for a finding by a jury that the defendant was negligent.

"The chief insistence of the appellant is that the trial judge did not permit the jury to find negligence on any theory properly inferable from the facts set forth in the complaint, but that the jury was permitted to find negligence on a theory arising out of matters not set forth in the complaint. To state the appellant's proposition concretely it is that the issue submitted to the jury upon which its verdict was based was not presented by the pleadings. In support of this assertion counsel of appellant point to the fact that under a regulation of the Interstate Commerce Commission, a common carrier is required to place on a car containing explosives a placard which shall contain the word 'Explosives,' printed in red, and amongst other things this: 'Keep fire away,' also to be printed in red ink. And that another regulation required such carrier having in custody such explosives to guard against unauthorized persons having access to such explosives. That with those regulations in view the trial judge charged the jury as follows:

> Now, gentlemen, the regulations of the Interstate Commerce Commission, as I have said, are controlling and exclusively controlling upon this subject; and in respect to matters where the regulations have been adopted I charge you that the duty of the company was, in the transportation of explosives, to exercise care commensurate with the risk, and that the company will be liable for damages resulting from the failure to exercise such care.

"It is to be observed that the trial judge despite the regulations of the Interstate Commerce Commission, imposed no greater burden upon the defendant as to the measure of care to be exercised by it in respect to the custody of the explosives than is required at common law, and by the settled law of this state.

"The assumption of appellant's counsel that an issue was injected into the case not warranted by the pleadings plainly arises from confounding

(Continued on page 18)

WANTED—Fire Insurance Company Agency

We have represented the N. W. National Insurance Co. in this city for over twenty years. Have opening for another company.

SECURITY AGENCY CO.
ROCHESTER, N. Y.

Great American
Insurance Company
New York

INCORPORATED - 1872

PAID FOR LOSSES
$96,971,238.06

STATEMENT, JANUARY 1ST 1918.

CAPITAL
$2,000,000.00
RESERVE FOR ALL OTHER LIABILITIES
12,927,269.91
NET SURPLUS
8,527,719.31
ASSETS
23,454,989.22

THE SECURITIES OF THE COMPANY ARE BASED UPON ACTUAL VALUES ON DECEMBER 31ST, 1917

HAD THE SECURITIES BEEN TAKEN AT THE VALUES AUTHORIZED BY THE NATIONAL CONVENTION OF STATE INSURANCE COMMISSIONERS THE ASSETS AND SURPLUS WOULD EACH BE INCREASED BY $2,321,032.00

Home Office, One Liberty Street
New York City

Western Department
WALTER H. SAGE, Gen'l Mgr.
INGRAM & LERCH, Managers
76 West Monroe St., Chicago, Ill.

Pacific Department
GEORGE H. TYSON, Gen'l Agent
210 Sansome Street
San Francisco, California

Boston Office
ROGERS & HOWES, Managers
4 Liberty Square, Boston, Mass.

Marine Department
WM. H. McGEE & CO., Gen'l Agts.
15 William Street, New York City

Companies Pushing Fire Specialties

TO REPLACE WAR PREMIUMS

Insurance Company of North America Issues Series of Circulars Showing Necessity for Cover

Fire companies are beginning to show additional activity in pushing the various specialties of that branch of the business as the premiums from war lines continue to decline.

The Insurance Company of North America has been among the leaders in this direction and this week issued a series of circulars, each bearing the slogan "Who Pays?", which set forth the necessity for the various forms of coverage and should be of great assistance to the local agents.

Use and Occupancy

The circular issued by the Insurance Company of North America on use and occupancy insurance is as follows:

"You know J. Dexter Jones. Perhaps you made the mistake he did. If you have—there is yet time to correct it.

"J. Dexter Jones was the owner of a well established—profitable business, built after many years of toil and almost super-human effort.

"Fire came when he least expected it—so badly damaging his plant that he was forced to look about for new quarters—

"The Jones plant was insured against fire of course, but J. Dexter Jones' first mistake was in not increasing the insurance to cover the increased valuation of his property. Right there was a serious discrepancy between the cost of rebuilding and the insurance money due him—

"But that was not all—and by no means the most serious part of his loss—

"His business was gone temporarily—

"Profits had shut off automatically—while taxes, fixed charges—salaries of skilled help he could not afford to lose—would continue during this interruption to his business—

"Equipment would cost more—there would be delays in getting started—

"So J. Dexter Jones used all of his surplus—he mortgaged everything he owned and borrowed wherever he could—to meet the disaster that had befallen him—

"Use and occupancy insurance would have prevented this embarrassing situation—at a cost to him that probably would not have equalled his fire insurance premium—

"Here is the protection a Use and Occupancy policy would have given him—

"Against loss of:—

"1. Net profits which would or might reasonably have been earned but for the fire.

"2. Taxes and ground or other rent.

"3. Interest on notes and bonds.

"4. Salaries and directors' fees.

"5. Royalties for machinery and processes payable whether operating or not.

"6. Wages of foreman and skilled help that could not be laid off.

"7. Cost of lighting, heating, watchman and maintenance consistent with a state of idleness.

"8. Other fixed charges, or special expense items which cannot be discontinued during a suspension of operation.

"And Use and Occupancy Protection can be secured in connection with your Tornado, Explosion and Sprinkler Leakage policies as well as your Fire policy.

"In the dark hour—after the fire, wouldn't it be a consolation to know that—this most serious of all losses had been anticipated and covered?

"May we tell you more about the Use and Occupancy Form?"

Sprinkler Leakage

The company's circular on sprinkler leakage insurance reads:

"Mechanical perfection is unattainable and the human unit is by no means infallible. Hence the possibility of damage to your sprinkler system through either accident or mechanical defect.

"Sprinkler Leakage Insurance is a necessary protection wherever sprinkler systems are in use; for damage resulting from an accidental discharge of water can be covered in no other way.

"Discharge of water may be brought about by any one of the following conditions:

The pipes may freeze and burst.
Supply tanks may collapse.
A sprinkler head may be defective.
The building may settle and injure the piping.
Careless workmen may knock sprinkler heads.
A belt may slip or break.
Excessive water pressure—and water hammer.
Corrosion of fusible link.
Vibration of machinery, etc.

"And frequently a great deal of damage may be done before the leak is discovered or can be turned off by day workers or watchman.

"The danger is an ever-present one.

"The cost of sprinkler leakage protection is slight, the coverage broad, and the degree of security is worth many times the cost."

O'GORMAN ELECTED PRESIDENT

Newark Insurance Society Selects W. S. Naulty Chairman of Executive Committee

Robert O'Gorman has been elected president of the Fire Insurance Society of Newark, N. J. Wm. A. Hall is vice-president; W. R. Pruden, second vice-president, and Lockwood M. Seely, secretary and treasurer.

The retiring officers are Frank B. Heller, president, and Thomas C. Moffatt, chairman of the executive committee.

The new executive committee is composed as follows: W. S. Naulty, chairman; George P. Enke, W. C. Horton, John J. Berry, Stewart C. Smith, M. J. Price, Julius Proehl, Rutherford B. H. Stell, Robert O'Gorman.

ALBANY FIELD CLUB MEETING

The annual meeting of the Albany Field Club will be held to-night at Keeler's Hotel, Albany.

Special Agent Wanted

Young man about thirty years of age, to travel New York State as Special Agent for Fire Insurance Co. Preferable to live in Syracuse or Rochester. Should have thorough knowledge of Fire Underwriting, of progressive personality and unquestioned character. One with extensive Local Agency experience might qualify. Please state age, schooling, home responsibilities, experience for past ten years, references and salary expected to start.

Address "SPECIAL AGENT"
Care of THE EASTERN UNDERWRITER,
105 William Street, New York, N. Y.

ÆTNA (FIRE)
HARTFORD, CONN., U.S.A.
Choose your company with regard to *record* in past conflagrations and present loss paying ability.



"America Fore"

A Good Company to Represent

"We want to be loyal to the local agents as well as loyal to our Country and Government."

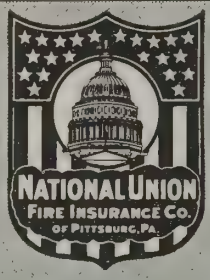
AMERICAN EAGLE
Fire Insurance Company of New York
Cash Capital .....ONE MILLION DOLLARS

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CHICAGO

NU



Four thousand men are serving under the red, white and blue emblem of the NATIONAL UNION. Loyalty is their watchword - service their forte. Protecting the public against devastating losses by fire, they help to furnish the ammunition which weaves the fabric of the Nation's credit. They are the emissaries of the NATIONAL UNION in advocating a policy which protects the homes of men and life time property accumulation. It is an army which is always prepared and wins its plaudits in times of peace. The recruiting station is at the Home Office, where your correspondence is always welcome.



FOUNDED 1792

1792 Insurance Company of 1918

NORTH AMERICA

PHILADELPHIA

126th ANNUAL STATEMENT DECEMBER 31, 1917

Cash Capital	$ 4,000,000.00
Reserve for Premiums	10,630,740.40
Reserve for Losses	4,419,000.00
Reserve for Taxes	950,000.00
Reserve for Sundries	160,000 00
Surplus	8,317,502.26
TOTAL	$28,477,242.66

The Oldest American Stock Insurance Company

Surplus to Policyholders, $12,317,502.26 Losses Paid Since Organization, $192,518,273.33

Fire Insurance, Tornado, Sprinkler, Explosion, Inland Transit, Salesman's Floater, Automobile, Use and Occupancy, Builder's Risk, Tourist War Risk, Cotton Insurance, Marine, Rent, Leasehold, Parcel Post, Regis tered Mail.

National Fire Insurance Company

OF HARTFORD, CONN.

Statement January 1, 1918, to New York Insurance Department

LIABILITIES

Capital Stock, all cash	$2,000,000.00
Funds reserved to meet all Liabilities, Re-insurance Reserve, Legal Standard	11,073,438.19
Unsettled Losses and other Claims	2,168,701.64
Net Surplus over Capital and Liabilities	3,980,020.79

Total Assets January 1, 1918.....$19,222,160.62

H. A. Smith, President F. D. Layton, Secretary F. B. Seymour, Treasurer

G. H. Tryon, Vice-President S. T. Maxwell, Ass't Secretary C. B. Roulet, General Agent

SURPLUS TO POLICYHOLDERS.....$5,980,020.79

Steam Railroad Insurance

By C. B. Edwards, Superintendent,
Railway Risk Department, Hartford Fire Insurance Company

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The director General of Railroads, in his General Order No. 24 of April 30, 1918, to all railroads under Federal control, instructed them not to renew expiring fire insurance policies on railroad property under Federal control, and not to take out any insurance policies upon such property. However, it was not necessary, as a war measure, for the government to take all of the railroads, so with the so-called "Short Lines" and those roads for which policies have not yet expired (some of which had just been issued for three years before the order was issued), we have managed to keep busy.

Government control has made great changes in organization and operation of our railways. Many believe government ownership will be adopted. Government ownership of railways means government monopoly of railways. The railways are the largest purchasers of coal, iron, steel, and lumber. We cannot establish a permanent government monopoly of railways without producing profound effects upon the business of all the concerns of which the railways are the largest customers. The adoption of government ownership of railways would establish a precedent for the adoption of government ownership of other public utilities. In brief, the logical and unavoidable result of the adoption of government ownership of railways would be the acquisition by the government of so many other industries that we would soon be embarked on a wholesale policy of state socialism. Recent facts demonstrate that the people are opposed to such undertaking by the government, and we have reason to believe that the roads will be returned to private owners within the period stipulated by Congress, namely, twenty-one months after declaration of peace.

So, let us look into the future and prepare to meet it; now is the time to formulate our plans. The market for underwriting railroad risks, while greatly hampered during the past seven months, is still intact, and when the roads are returned to private owners, the insurance companies are and will be in a position to take care of railroad risks that may be offered. The roads will be badly in need of insurance protection, and our agents should start now to work out some plan of procedure to get their share of this business.

Past Year's Experience

The Railroad Risk Department, as announced in "The Hartford Agent" for July, 1917, was established by the Company for the prompt and efficient handling of such business as may be placed by agents of the Company. Our experience during the past fifteen months leads us to believe that our agents either overlooked the announcement above referred to, or failed to take advantage of the opportunity offered. Inquiries were received from some agents for quotations on this class of business and schedules have been written for them, but railroad business written for agents has represented a very small percentage of the total volume. We see no reason why agents should not go after this business, especially where the general railroad offices are located in their home towns. In this way, they have an opportunity to get acquainted with the officials in charge and a little solicitation properly directed will sometimes land the business.

This Department was established to help you and all inquiries for information will be cheerfully and promptly furnished. It might be of interest to some of our agents to briefly outline the methods pursued by the companies in writing railroad risks. Railroad schedule business on a large scale is written only by a limited number of companies (the "Hartford," of course, being one of them) which have been associated together for a number of years for the purpose of furnishing a permanent and reliable market for an important branch of business entitled to insurance protection. The large concentration of railroad property values exposed to one fire makes it necessary for a number of fire companies to pro rate the liability assumed, as no one company can prudently underwrite the entire amount of insurance required. Under this plan, one company covers the entire schedule and then reinsures proportionate shares with affiliated companies. In this way, the liability is distributed and the roads are relieved of the necessity of dealing with a number of companies in all matters pertaining to endorsements, payment, loss adjustment, etc.

Handled On Wholesale Basis

Realizing that only a very small margin of underwriting profit, if any, is possible, the railroad business is handled by the companies on a wholesale basis at a minimum of expense, all of which is predicated upon the expectation of receiving a participation in the general railroad business of the country. Any company confining its operations to a few roads or a single section of the country will sooner or later realize it is impossible to make the business self-sustaining, as it requires a large volume distributed over a wide area to produce results which will justify any company engaging in it.

The loss ratio on railroad business is necessarily higher than on general business, and recognizing this fact, the companies have to maintain the strictest economy in the expense of operation, and hence the commission paid to agents or brokers placing railroad insurance is only 10%. While this is less than allowed on any other branch of fire insurance, the necessity for economy is evident, and when you consider the fact that total premium under a railroad schedule, generally speaking, runs into thousands of dollars, it is well worth an effort on the part of our agents.

In order to protect the interest of agents, the companies writing railroad business make it a rule to confine the quotations of terms for renewals solely to the recognized agent of record in each case, on the theory that he is entitled to protection as against unauthorized parties. Where a road desires to transfer its account to another agent, the companies recognize this, provided the change is accomplished before renewal terms have been communicated in good faith to the existing agent of record. This, of course, does not apply to schedules not presently insured, as these are considered open propositions, and terms will be quoted to any one submitting a schedule; but after the insurance is placed, the agent controlling the account receives the benefit of protection against all comers so long as he is the accredited insurance representative of the road.

I have endeavored to give a full explanation as to just how the bulk of railroad business is handled by this Company and its associates, as I feel that if the agents are familiar with the handling of this business in all its details, they will be in a much better position to successfully solicit and control it. Please keep in mind that a railroad which shows some interest in fire prevention and protection matters is a better risk than one in which this work is lacking. Therefore, our agents should endeavor to stimulate interest in fire prevention work, and this Department holds itself in readiness to co-operate with you to the fullest extent in this direction. The mere issuance and delivery of a policy does not complete your obligations to your client or the company which you represent.

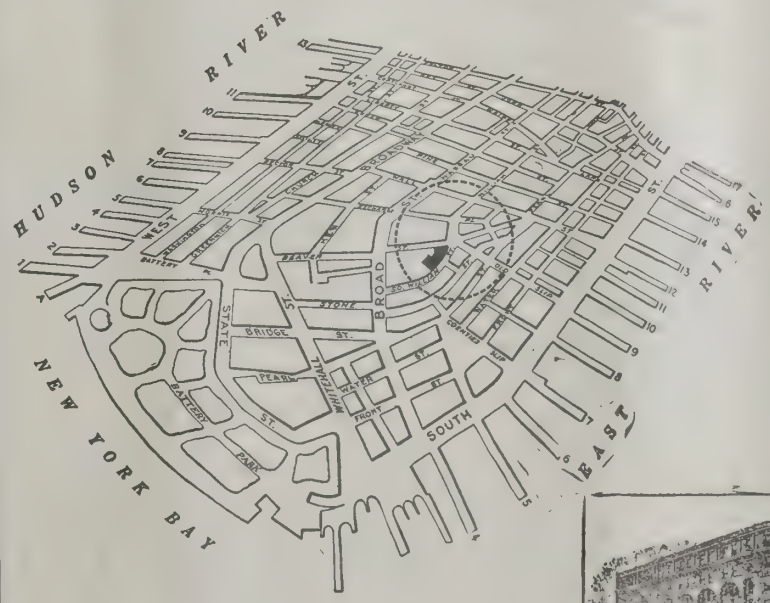
In conclusion, when writing about a railroad schedule, send to us direct at the Home Office a complete copy of schedule covering the properties to be insured, supported with a statement of losses for a period of years (five or more), and secure, if you can, letter of authority from the railroad, giving you full power to negotiate its insurance contract, and we will do the rest.

AMERICAN MERCHANT MARINE

INSURANCE COMPANY

AT

THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.

MANAGERS

Merchant Marine House New York City

South William and Beaver Streets

EXCELSIOR FIRE STATUS

Organizers of New Company at Syracuse Say Work Will Be Completed About February First

Ray B. Smith, of the law firm of Smith, Hayden & Setwright, Syracuse, New York, who is interested in the organization of the Excelsior Insurance Company in that city, advises The Eastern Underwriter that he anticipates the organization of the company will be completed about February first.

Mr. Smith advises that they have not yet definitely settled upon whom the underwriter for the company will be.

FRED S. JAMES & CO. EXPANDS

Fred S. James & Company, has secured the entire second floor of the Underwriters' Building, 123 William Street, New York, and in the near future will move its general agency business for the General Fire of Paris, Urbaine Fire of Paris, and Eagle, Star & British Dominions of London to the new quarters. These premises were formerly occupied by the Frankfort General Accident.

Companies Win Black Tom Suit

(Continued from page 15)

the issue of negligence presented by the pleadings, with the character of the evidence adduced by the plaintiff to establish such negligence. The plaintiff, in its complaint did not make the regulations of the Interstate Commission, a basis for its right of recovery against the defendant, but made use of such regulations, in the same manner, as is done in cases of negligence, where penal ordinances or statutes are introduced in evidence, which, though in themselves, cannot be made the foundation of a civil action, nevertheless, may be used as tending, in conjunction with the other evidence in the cause, to establish the negligence charged in the complaint. Evers vs. Davis, 86 N. J. L., 196. Although the learned judge adverted to the regulations and their effect, he did not instruct the jury that the defendant could be convicted of negligence and must respond in damages, if any of the regulations had been violated by it, but on the contrary expressly instructed the jury that the defendant's liability to respond in damages to the plaintiff arose if in the transportation of explosives it failed to exercise care commensurate with the risk of danger.

"But it is further objected that the regulations were not properly before the court in that they were not proven to be regulations of the Interstate Commerce Commission and not introduced in evidence and therefore they were not proper matters to be considered by the jury on the question of the alleged negligence of the defendant.

"A reference to the defendant's amended answer to the plaintiff's complaint shows that paragraphs two and three of the second defense in the answer to the second court of the plaintiff's complaint, in substance states that if the defendant carried, conveyed, transported and held the explosives in accordance with and pursuant to the Act of Congress of the United States entitled 'An Act to promote the safe transportation in interstate commerce of explosives and other dangerous articles and to provide penalties for its violation,' approved March 4, 1909, and the Act of said Congress entitled 'An Act to regulate commerce' as amended June 18, 1910, and the regulations prescribed by the Interstate Commerce Commission by authority of said Acts. Moreover, it appears that the defendant in interrogatories set forth certain placards displayed on the various cars, which it said were those required by paragraph 1666 of the rules of the Interstate Commerce Commission; and it was these placards which the trial judge said he would take judicial notice of.

"Upon what legal theory the court could properly take judicial notice of these placards or rules is not made clear unless he meant by 'judicial notice' that since the defendant had referred to them in its answer to the complaint and had stated the contents of the placards in the answer to the interrogatories and had said that they were in conformity with the regulations, he would take notice of them. The defendant having given testimony relating to these placards and regulations there appears to be no good reason why the general rule applicable to such a situation should not prevail and make these placards and regulations evidence in the cause without formal proof. There was, therefore, no impropriety in permitting these rules to be taken into consideration, in conjunction with the other evidence in the cause.

"The regulations to 'keep fire away' cast no greater burden upon the defendant than that imposed upon an individual or carrier who in the midst of a densely populated community stores vast quantities of highly explosive materials. But even if the regulation could be construed into sense that it imposed a higher degree of care than was required at common law, the trial judge did not adopt any such construction, but on the contrary instructed the jury that the care required was care commensurate with the danger of the risk; and this was no more than stating the common law rule pertaining to the circumstances of the case.

"It is plain from the judge's charge that with the regulations considered, no greater burden was imposed upon the defendant, in respect to the measure of care to be exercised by it in the handling and care of the high explosives, than if the regulations were entirely out of the case.

"The grounds of appeal resting upon the assertions that there was no evidence that the plaintiff was damaged by the explosion of explosives which were under the defendant's control; and that there was no evidence that the fire on the defendant's premises was caused by or attributable to any negligence of the defendant, are wholly without any merit.

"The judgment is affirmed with costs."

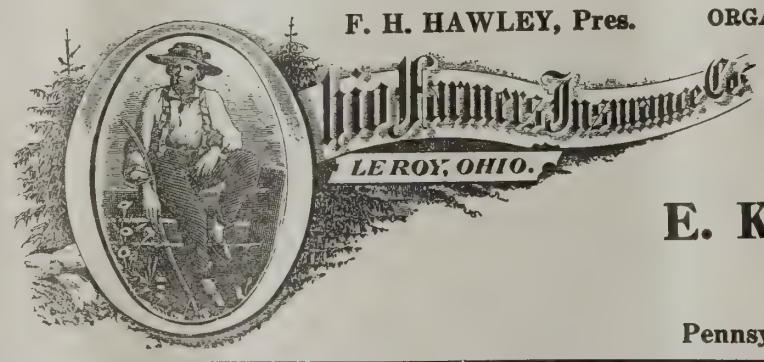
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United States Underwriters' Policy, N. Y.
F. M. GUND, Mgr. Western Dept. Freeport, Illinois
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MARINE DEPARTMENT

Real Status of American Hull Risks Placed in London Market

It must have been very amusing for American hull underwriters who noticed the article appearing in the November 7th issue of the English insurance paper "Fairplay," which reads as follows:

"It has been a sore point for underwriters for some time now, that, while they are able to obtain the agreed ten per cent. rise on all British hulls offered for renewal, American hulls continue to be placed in the London market at the previous year's rates. This is chiefly on account of the acceptance by American underwriters of the lines placed over there on that basis, and any alteration will have to have its inception in the American market."

It is rather surprising that the editor of this paper, who is usually very well posted on insurance matters, should have made a statement of this kind which is absolutely contrary to the facts as they exist. It is well known by American hull underwriters that for some time past they have been trying to enter into an agreement with the London hull underwriters to support them in a movement to improve American hull rates and conditions, but up to the present writing they have been unsuccessful. In fact, American hull underwriters have fixed rates on American fleets for renewal from time to time during the past year and New York brokers have found absolutely no difficulty in securing lower rates in the London market—if not for the entire fleet, for a very large line.

The latest case that can be cited is the Standard Oil fleet of steamers, which was rated by American underwriters, after very careful consideration, at the extremely low rate of 5 per cent. A large firm of New York brokers who placed this fleet had absolutely no difficulty in securing a cover for a very large amount at a rate of 4½ per cent. in the London market, thereby depriving American underwriters of the first participation in strictly an American fleet. The loss of the Standard Oil fleet by American hull underwriters was not very keenly felt, because they figured that the Standard Oil Company had been carrying their own insurance in an insurance fund for some years past, and that they knew just exactly what the cost was to them for insuring their own fleet for a number of years, and if any group of underwriters were willing to assume the risks on their fleet at a rate probably below cost, the Standard Oil Company must have been perfectly willing to place the fleet in the insurance market. Everyone who knows anything of the management of corporations knows that the Standard Oil Company has the reputation of being one of the best managed corporations in the world. Their success is said to be due to their management. Their cost system is said to be the height of perfection, and if they see fit to place their insurance amongst marine underwriters at a named rate, which they are said to have limited their brokers to, the outlook for underwriters accepting this class of business, from a logical point of view, does not seem to be any too bright. In fact, the number of losses that have already been reported on the fleet since the same was insured are very heavy and leave a very little margin of premium for the unexpired term of the insurance.

Therefore, the loss of this fleet did not make the majority of American hull underwriters feel very badly, as they knew that the margin of profit, even for the rate that they quoted, would have been very small, if any, but it pointed out to them the absolute impossibility of trying to get any support in an endeavor to sustain or raise rates and better conditions on American hull business, from London underwriters.

It will be recalled that the Standard Oil Company, after carrying their own liability insurance for a number of years, took similar action to the above with the result that several casualty insurance companies lost a good deal of money in handling this insurance.

OBSERVER.

A. V. HANSEN SAILS

French Representative First To Seek Expansion of Insurance Relations of Two Nations

A. V. Hansen, partner in the Paris firm of Alb. Smeesters, who has been in New York for the past three months negotiating for the interchange of facilities between French and American companies, sailed last Saturday on the French liner "Chicago."

Mr. Hansen is the first Frenchman to come here on such a mission and his efforts, together with the information about the French market which he has disseminated, have already resulted in a number of American companies seeking connections in France. Mr. Hansen, in addition to his interest in the firm of Alb. Smeesters, is managing director of L'Univers, of Paris, manager of L'Ile de France, of Paris, and foreign manager of the United French Insurance Co., of Paris. Just before sailing, Mr. Hansen said to The Eastern Underwriter:

"I regret very much indeed that important and very urgent business in France makes it impossible for me to prolong my stay over here. When I came over I found that the American market and the French market knew very little about each other. I hope that my efforts to give information to the American market about the French market may be the first stage toward important exchange of business between France and America. I feel, in spite of the short time I have had at my disposal, I have succeeded beyond all hope and not in the least thanks to the great interest which The Eastern Underwriter has taken to encourage and develop this very important question.

"I have had the opportunity of meeting many of the most important underwriters and managers on this side, and I am glad to say that connections have now been established between many of the most important American companies and many of the most important French companies—companies which have hitherto practically ignored each other's existence. I have no doubt that this is merely a beginning, and I foresee a very great development in the exchange of business between the two countries.

"One of the things which has surprised me more than anything else over here is how comparatively little the reinsurance business, as a separate independent line of insurance business, is being pursued on this side. This market is, I think generally speaking, short of reinsurance cover all around, and I firmly believe that there will be a fine scope for a first rate American reinsurance company to operate over here and thereby act as a clearing house between the American and the foreign reinsurance markets."

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WILL WRITE FIRE INSURANCE

The Scandinavian American, of Norway, of which O. G. Orr & Co., Inc., are United States managers, has applied to the New York Insurance Department for a license to write fire insurance. The Scandinavian American has been transacting a marine business here for a number of years. Trygve Wettre, home office secretary of the Scandinavian American, is in New York now and expects to return to Norway on January 4.

BURNED 43,000 DWELLINGS

The King Albert of Belgium Fund reports that more than 43,000 dwellings were burned by the Germans in Belgium before their retreat. The destruction was in 600 cities and villages as follows: Brabant, 5,833 houses; Antwerp, 3,553; Liege, 3,444; Namur, 5,243; Luxemburg, 3,000; West Flanders, 16,000.

Hopkins Suggests Plan to Marine Club

SETS STANDARD FOR NEW MEN

Development of Educational Facilities Would Make Membership in Club Basis of Employment

J. A. H. Hopkins, of Johnson & Higgins, in his address at the December meeting of the Marine Insurance Club last Thursday, outlined a plan for additional activity for the Club which has been the subject of much discussion by its members during the past week.

Mr. Hopkins introduced his plan as follows:

"Now, as to our future prospects. I have read with much interest the comments of our friend Cecil P. Stewart, in the address which he delivered to you last September, and I am inclined to agree with him that it is not necessary for us to worry in relation to what the future has in store for us. For to all who have studied the present situation it must be obvious that the next few years will register a tremendous increase in our shipping and export trade.

"Furthermore, I also agree with Mr. Stewart when he says that we need not be over-concerned over the possibility of the government taking over our shipping interests, but I reach this conclusion through a different course of reasoning. The widespread sentiment in favor of government ownership of our railroads and public utilities is fundamental, and the opposition to an extension of this principle is not based upon the fact that the 'governments cannot operate any business as cheaply as private interests.' In fact, I believe that all the weight of evidence is on the opposite side of this question. Certainly, the operation of the government owned railroads in Switzerland, the parcel post in this country (compared to the express business) and the operation of the various public utilities now owned by the Canadian Government have clearly demonstrated that under certain conditions government ownership is economical and advantageous.

"But the sentiment of our people is very decidedly in favor of granting opportunities for individual development and initiative, and the demand for government ownership only materializes in connection with utilities or industries which have outgrown the competitive stage, and have become either an integral part of our national welfare, or monopolistic in their character to such an extent that they have demonstrated the futility of advantageous continuation under private ownership. I certainly do not think that our foreign shipping trade, nor even our domestic shipping trade, except, possibly, where it merely constitutes a link in our railroad system, has reached either of these stages, nor do I think it is likely to reach them in the future if it is operated intelligently and properly. Moreover, at the present time I can find no indications that the government has any intention of taking over our shipping interests other than to regulate them from an international standpoint, which, if adequately arranged, would be extremely beneficial. Nor do I believe that the public sentiment is such that at the present time any such wholesale extension of the government ownership principle could be enacted into law.

"On the other hand, I cannot quite agree with Mr. Stewart when he says that he believes the administration has all these matters in mind and that we need not concern ourselves about them. On the contrary, I feel that they are of vital interest to us all and that we have it in our hands, if we take a sufficient interest in the subject, to guide the future policy of our government in this direction.

"To sum up, I believe that the mission of your Club is primarily to encourage co-operation between the underwriters, brokers, vessel owners and the general public, and to cheapen in every legitimate way the cost of transportation, as well as to facilitate the protection of our products, with a view to our mutual advantage. You are, it seems to me, in an especially advantageous position to accomplish these purposes; you are not simply an association of adjusters, nor of underwriters, nor of brokers, but, you represent all branches of the marine insurance industry, and I am not so sure that it would not be an advantageous move for you to include in your membership, or at least, invite to your meetings, the vessel owners, exporters and importers, in order that they may have a better appreciation of the problems which you have to solve, and consequently, an increased willingness to cooperate with you in solving them.

"But, in addition to this, there is one distinct mission which, it seems to me, clearly comes within your province and your opportunity for service.

"At the present time there is no standard in America by which the young man or woman aspiring to occupy an important position in the insurance world, can qualify. We have an adjusters' association, we have various boards of underwriters, but we have nothing which puts its official stamp of approval upon the men and women who are desirous of becoming experienced and efficient members of our profession. If your Club could establish such a standard, and through proper educational methods and examinations bestow upon those who are seeking this goal a certificate or diploma, which will stand as a mark of efficiency and a recommendation for service, you will mark an advance in our present hap-hazard system which will go a long way towards standardizing the marine insurance business and encouraging a desire for efficiency which will work to the advantage of every insurance office.

"I throw this out merely as a suggestion, but it is one that has long been in my mind, and it seems to me that through the forming of your Club you have established a channel which is particularly appropriate for this purpose."

OCCUPY OWN BUILDING

The Trans Marine Underwriting Agency, Inc., underwriting managers for the Importers & Exporters and the Washington Marine, now occupy the entire building at 17 South William Street, which was recently purchased for their account. The records and other office equipment were moved from the offices previously occupied at 56 Beaver Street on Saturday and Sunday.

GILLESPIE CO. INSURANCE

Waived Because Collectible Elsewhere —Was Not Result of Breach of Warranty

The Eastern Underwriter has been advised that the $100,000 insurance on fuses was waived by the T. A. Gillespie Co., of Morgan, N. J. It is found that insurance was collectible elsewhere and not as a result of a breach of warranty as stated in last week's issue. We are further advised that no warranties had been made in connection with the placing of the policies in question.

NEW YORK BOARD MEETS

A meeting of the New York Board of Fire Underwriters was held on Wednesday at which Wallace Reid read the report of the losses reported to the loss committee showing the claims incurred in New York City during the eleven months of 1918.

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U. S. Managers
Skandinavia Re-insurance Co. (Copenhagen)
Agents Marine Department
Providence Washington Insurance Co.
Massachusetts Fire & Marine Ins. Co.

London and Lancashire Fire Insurance Co. Ltd.
OF LIVERPOOL, ENGLAND.

Agricultural Insurance Company, of Watertown, N.Y.

65th Annual Statement

Assets	$5,574,008.60
Liabilities	2,923,025.51
Capital	500,000.00
Conflagration Surplus	250,000.00
Surplus to Policyholders	2,650,983.09

F. L. GILPIN, JR., 434 Walnut St., Phila., Special Agent.MIDDLE DEPT.
E. J. PARMELEE, Syracuse, N. Y., Special Agent..NEW YORK STATE
GEORGE SHAW, 116 Milk St., Boston, Special Agent.NEW ENGLAND
F. F. BUELL, Troy, N. Y., Special Agent.....NEW YORK STATE

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19 Elm Ave., Hackensack, N. J.

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Niagara-Detroit Und.
Eagle & Br. Dom. Ins. Co.
Glens Falls Ins. Co.
American Eagle Ins. Co.
Ohio Farmers Ins. Co.
Yorkshire Fire Ins. Co.

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123 WILLIAM STREET
NEW YORK

United States Managers
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URBAINE FIRE INSURANCE CO. of Paris, France
EAGLE & BRITISH DOMINIONS INS. CO. Ltd. of London, England

UNDERWRITING SERVICE THROUGHOUT THE UNITED STATES

CASUALTY AND SURETY NEWS

Compensation Bureau Conditions Are Mixed

AWAITING GOVERNMENT ACTION

Cantonment Situation and Expense Feature Result in Several More Resignations

What shall be done regarding a compensation insurance on cantonment and other government construction work is now up to the government. It is a case of whether the government shall declare that the plan entered into by it with some nine companies, by which this business was to be handled on a special low cost plan, shall be dropped, or whether the government shall take issue with the state insurance officials who have declared the plan unworkable. The latter course is thought to be unlikely.

The commissioners have also shown an attitude adverse to the proposals of the government that the carriers return a portion of the profits on this business. The principle of discrimination and rebating figured most prominently in the arguments of the commissioners.

Meeting Likely Today

Last week the National Workmen's Compensation Service Bureau held a meeting of a special committee composed of the opposing factions in the cantonment controversy. The idea was to get matters straightened out by the time the annual meeting of the Bureau was to be held. This committee meeting was unproductive of anything decisive and the annual meeting has now been postponed until some time in February. Another meeting of the committee was set for Tuesday of this week. Owing to the inability of Charles H. Holland, of the Royal Indemnity, to be present, the meeting was postponed and will probably be held today, December 20.

The companies which have thus far resigned from the Bureau are the Travelers, Aetna, Employers' Liability, Continental Casualty, London Guarantee & Accident, and the Standard.

Travelers First to Go

The Travelers' resignation is of the longest standing, and is based upon a number of differences as to Bureau practice. The principal reason, however, was objection to the methods of writing business on government construction work, notably cantonment. The Travelers took the position that the companies which had written this business at a higher rate than subsequently proved necessary, should return a portion of their profits to the government.

The Employers' Liability resignation followed close on that of the Travelers, but was tentative upon acceptance of the Travelers' resignation. The Travelers' resignation has not been accepted.

The Aetna resigned a few days ago for reasons quite the opposite to those of the Travelers as regards the cantonment question.

As to the other resignations, they are understood to be the result of a belief on the part of those companies that should the Travelers and the Aetna withdraw from the Bureau, the expense of conducting the institution would be too great for the other companies to bear.

The Travelers has in its accident prevention department some convincing photographs showing how necessary it is to guard against casualties that result in torn clothing.

Plate Glass Up in Thirty States

COVERS FLAT CAR SIZE COSTS

Some Cities' Rates Remain Unchanged —Difference in Replacement Expense Recognized

Plate glass rates have been changed in thirty states so as to reflect the difference in cost of replacing flat car and box car sizes, it being recognized that the flat car sizes are by far the more expensive to the companies.

Alabama, which was Manual plus 25 for both, is now plus 50 for box and 75 for flat.

Arkansas, formerly plus 25 and 75 is now plus 50 and 100.

California, formerly Manual flat for both, is now Manual for box and plus 50 for flat.

Colorado, formerly plus 50, now plus 50 for box and plus 100 for flat.

Delaware is the same as Colorado.

District of Columbia, formerly Manual flat, is now Manual plus 33 1/3.

Florida, formerly Manual plus 25, now plus 75 for box and plus 100 for flat in the southern part of the state. In the northern part it is now plus 50 for box and plus 75 for flat.

Georgia, formerly Manual plus 15, now plus 15 for box and plus 75 for flat.

Idaho: Boise, which was formerly plus 25 and 75 respectively, is now plus 50 and 100. The state at large was plus 50 and 100 and is now plus 75 and 100.

Indiana: Lake county changes from plus 75 for both to plus 75 and 100. The state at large changes from plus 33 1/3 for both to plus 33 1/3 and 100.

Idaho, formerly plus 50 for both, becomes plus 50 and 100.

Kansas: Kansas City remains as before, plus 50 for both. The state changes from plus 33 1/3 to plus 33 1/3 and 100.

Kentucky, formerly plus 25, now plus 25 and 75.

Louisiana, formerly plus 33 1/3, now plus 33 1/3 and 100. Shreveport and Delhi become plus 50 and 100.

Maryland: Baltimore remains unchanged at Manual flat. The state changes from Manual plus 25 plus 33 1/3 for box and plus 75 for flat.

Minnesota, from plus 50 to plus 50 and 100.

Missouri: St. Louis remains unchanged at plus 25 and Kansas City is unchanged at plus 50. The state changes from plus 33 1/3 to plus 33 1/3 and 75.

Montana, formerly plus 80 and 140, becomes plus 100 and 150.

New Hampshire, changes from Manual flat to plus 33 1/3 and 75

North Carolina, from plus 25 to plus 50 and 75.

North Dakota, from plus 75 to plus 100 and 150.

Ohio: Cleveland, Columbus, Cincinnati and Toledo remain unchanged at plus 25. The balance of the state takes plus 25 and 75.

Oregon, which was Manual flat now takes Manual flat for box car sizes and plus 50 for flat cars. Portland remains Manual flat.

South Carolina, from plus 25 to plus 50 and 75.

Tennessee: Knoxville remains unchanged at Manual flat, Memphis remains plus 50, Chattanooga remains plus 25 and Nashville remains plus 25. The state, which was plus 25 for both sizes is now plus 25 and 75.

Vermont, changes from Manual flat to plus 33 1/3 and 75.

Virginia was Manual flat now becomes plus 25 and 75. Richmond is Manual flat and Bristol (Va.-Tenn.) plus 25 and 75.

Washington, from Manual flat to Manual flat and plus 50.

West Virginia, from Manual flat to plus 50 and 75.

Wisconsin, from plus 33 1/3 to plus 33 1/3 and 75.

All these changes become effective February 1.

Francis Macdonald Sinclair, a manufacturer and a director in the Preferred Accident died at his home in New York after a long illness.

Something New

Residence theft insurance at one-third the former rates. This is every broker's opportunity. Call for particulars about our new **Full Value Residence Theft Policy.** Regular rate of brokerage commission paid.

General Accident
Fire and Life
Assurance Corporation, Ltd.
General Building PHILADELPHIA

Great Eastern Casualty Company
ORGANIZED 1892
55 John Street, New York

The New York Insurance Department in a recent examination says:

"While the business of the Company has increased, its liabilities have borne a decreasing ratio to the admitted assets and the surplus a corresponding increase in the ratio to liabilities. The growth of the Company, therefore, has been healthy.

The affairs of the Company are being efficiently and conservatively conducted. Liberal reserves have been set aside for outstanding losses and other liability items, and policyholders are being accorded fair and equitable treatment."

Over Three and a Half Million Dollars Paid in Claims

Cash Capital $350,000.00
Surplus to Policyholders $584,137.21

LINES WRITTEN

Accident-Health (Commercial and Industrial)—Burglary—Plate Glass—Automobile Teams and General Liability.

Agency applications will be considered for unoccupied territory.

Payroll Situation Being Reversed

HAS EFFECT ON COMPENSATION

Laws' Provisions for Payment of Injured May Work to Detriment of Companies

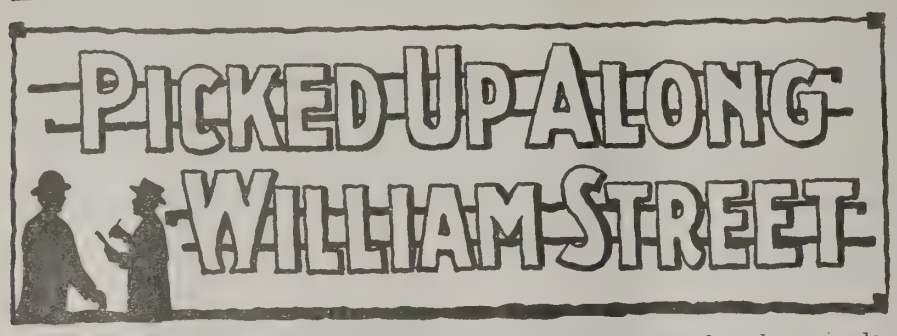
Only a short time ago there was considerable agitation by brokers and assureds because of the enormous advance in pay rolls, resulting in compensation premiums increasing tremendously in volume, while at the same time the risk assumed by the carrier was claimed to have not been proportionately increased.

The National Reference Committee of the Bureau, together with the insurance department, took the matter up at once, and all preparations were made to investigate the situation thoroughly, and if possible, arrive at some decision whereby employers would not be unnecessarily taxed for a non-existing hazard. The sudden change in the war's developments has, however, started the wage scale going down, besides reducing the number of men in many plants. Also the item of overtime has been eliminated. This item had a decided effect in swelling pay rolls.

Most compensation laws provide that the injured person shall receive a percentage of the average wages for the year immediately preceding the injury and it now becomes evident that carriers will in future be receiving premiums on a diminishing payroll while paying claims based on the abnormal conditions of the past.

TWO HONORARY MEMBERS

Bayard P. Holmes and John J. King, of the Hooper Holmes Bureau, New York, have been elected honorary members of the Health & Accident Claim Association of New York.



Return to Original Rule

The hundred square foot plate glass rule in Chicago has been returned to its original status. Some time ago the companies agreed that because of the difficulty in obtaining large sizes, they would provide in their policies, that they should have the privilege of replacing plates of over 100 sq. ft. with two smaller plates. This rule was later made optional in Chicago, but now the optional feature has been cancelled and the rule returned to its original form. At a conference in New York last week, the question of the application of this rule came up, and several thought that it might be well to abolish it. After hearing both sides to the argument, it was not only decided to maintain the rule but to strengthen it in Chicago as indicated above.

* * *

G. P. Bartenfeld Better

G. P. Bartenfeld of 220 Broadway, New York, superintendent of the liability claim department of the Fidelity & Deposit, is slowly recovering from an aggravated attack of pneumonia.

* * *

Bracing Up Collections

Most of the casualty companies are thinking of little else just now other than collections. There is a general feeling that the situation this year is better than it has been for some time. The collection situation had become quite troublesome, and a number of companies who had suffered most evidently decided that they would put a stop to the abuse of credit. More pressure has been brought to bear upon delinquents both in the agency and brokerage fields with good results. One casualty manager prides himself that he employs no collectors and still is getting in the money at a satisfactory rate and volume.

* * *

Competition Not Serious

During the Insurance Commissioners' meetings in New York it developed that the competition of the Liberty Mutual on government contract work is not as serious as was expected. It is understood that the arrangement applies only to yards located in the so-called Southeastern department covering five Southern states, none of which have workmen's compensation acts. Also that the Liberty Mutual does not guarantee to contractors and fixed dividend or immunity from assessment. But an arrangement has been made with a Pennsylvania reinsurance company by which contractors may secure the net rate and be relieved of assessment liability. Risks located outside of the five states are not involved, and the commissioners find no legal objection to the arrangement.

* * *

May Carry Case Higher

It is said in Syracuse that the case of the United States Casualty against Edward K. Fenno, a contractor, will be fought through the Appellate Division and the Court of Appeals. The Supreme Court gave a verdict to the company, which sued Fenno for the premium on a compensation policy. Fenno had contested the premium on the ground that it was excessive and that he had been promised a reduction. Instead his premium was advanced. The Supreme Court's decision upheld the legality of the Workmen's Compensation Inspection & Rating Board in making rates according to the experience rating plan.

* * *

Geo. R. Brainard Resigns

George R. Brainard has resigned as superintendent of the burglary and fidelity departments of the Ocean Accident. He will take a vacation before resuming active business. He has interests in New England outside of the insurance field.

* * *

Views on Boat Risks

In making new rates for boat building risks, the National Workmen's Compensation Service Bureau says:

With reference to boat building—wood, the committee concluded that nothing should be done at present for the reason that the available experience does not appear to be dependable and would, therefore, give no adequate basis for rate making. Furthermore, with the end of the war, the industry is becoming constantly less important. It is not expected that the construction of wood vessels will again be resumed on any large scale.

There has never been a classification in the manual to provide for the construction of concrete vessels. To remedy this situation and to provide a special classification in which risks of this character may be classified, the committee has erected a classification with the symbol CY. The committee has discontinued classification No. 6840 and has provided an entirely new method of rating iron or steel ship construction risks. If the risk is assembling fabricated plates and frames, all operations will hereafter be classified under one of the new classifications. However, if the risk fabricates and assembles plates and frames, there will be a payroll segregation and all yard work and shop work not directly connected with the erection of the hull, will be classified in accordance with certain standard shop classifications.

The Fidelity and Casualty Company of New York
92 LIBERTY STREET, NEW YORK, N. Y.
Metropolitan Office—92 William St.

SEMI-ANNUAL STATEMENT JUNE 30, 1918

Assets	$15,684,739.43
Liabilities	12,471,369.12
Capital	1,000,000.00
Surplus over all liabilities	2,213,370.31
Losses paid to June 30, 1918	63,244,803.06

This Company issues contracts as follows: Fidelity Bonds; Surety Bonds; Accident, Health, and Disability Insurance; Burglary, Larceny, and Theft Insurance; Plate Glass Insurance, Liability Insurance—Employers, Public, Teams (Personal Injury and Property Damage). Automobile (Personal Injury, Property Damage and Collision), Physicians, Druggists, Owners and Landlords, Elevator, Workmen's Compensation—Steam Boiler Insurance; Fly-Wheel Insurance.

CHICAGO BONDING AND INSURANCE COMPANY
WRITES the following lines of INSURANCE
FIDELITY AND SURETY, PLATE GLASS, BURGLARY, GENERAL LIABILITY, AUTOMOBILE LIABILITY, PROPERTY DAMAGE AND COLLISION, ACCIDENT AND HEALTH, MONTHLY PAYMENT
Charles R. Culyer & Co., Resident Manager, 428 Walnut St., Phila., Pa.
Geo. S. Dippold, Res. Mgr., 1107 Peoples Bank Bldg., Pittsburgh, Pa.
W. F. Murphy & Co., Res. Mgrs., Union Trust Bldg., Jersey City, N. J.
J. Ramsay Barry Co., General Agent, 10 South Street, Baltimore, Md.
R. H. Lambert, Branch Manager, Equitable Bldg., Washington, D. C.
Capital $500,000.00—Surplus to Policyholders, $825,544.20
F. O. ROBERTS, Vice-Pres. and Gen. Mgr. HOME OFFICE: CHICAGO, ILLINOIS

BOND AGITATION RENEWED

Automobile Casualties in New York State Emphasize Need for Public's Protection

The annual report of the National Highways Protective Society of New York shows that in 1917, 455 persons were killed by motor vehicles in that state and the injured and maimed are estimated at 30,000. Knowledge of this condition has renewed the agitation for a law compelling every driver of a car, whether he is owner or chauffeur, to furnish a bond or a liability policy for not less than $5,000. The bill would also compel every person applying for a license to pass a rigid examination. Advocates of this plan believe it would cut casualties in half and reduce insurance cost correspondingly. At present the insurance companies do not want the taxicab insurance as the men employed are generally undesirable as risks. The public does not realize this however, and when legislation of this kind is proposed it is thought that the insurance companies are seeking to increase their business. The public should be protected against reckless drivers, for in most cases where injured persons have sought to obtain redress from taxi drivers it is found that the car was mortgaged and the driver was judgment proof.

STATE FUND PROPOSED

"Insurers' Alliance" Advocating Plan For Automobile Owners—Also Compulsory Insurance

An organization calling itself the Insurers' Alliance of America has renewed the agitation for a state fund system of insuring automobile liability, to be made compulsory by legislative enactment. C. McLean Stinson, an insurance broker, at 35 West 39th Street, New York, is at the head of the Alliance. The Alliance makes a vigorous attack upon the agency and brokerage systems. It is claimed that the insurance companies returned last year to the assured only $47 out of every $100 of premium and says that the same service for which the assured now pays so high can be secured merely by the use of a three cent stamp.

The legislative program of the Alliance also calls for a law making it compulsory for every car owner in New York State to file with the secretary of state a liability policy for at least $5,000. The owners would have the choice of buying their automobile insurance from one of the regular carriers, stock or mutual, or from the state, fund, the same as is now the case with compensation insurance.

J. L. MAUTNER AGENCY

Complete Automobile Coverage
All Casualty Lines

95 William St.
NEW YORK
Phone John 1570-2622

127 Wheaton Pl.
RUTHERFORD, N. J.
Phone Rutherford 1345

T. F. BOWES CO.
SPECIALISTS SINCE 1915
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Check Raising and Check Alteration Indemnity

Brokers will find a demand for this Protection. Inquiries invited regarding our Policies, Rates and Commissions.

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NEW JERSEY FIDELITY & PLATE GLASS INSURANCE CO.
50 Broad St., New York - - - - Phone Broad 1127

CASUALTY AND SURETY POINTERS

Holding A Watch on Failure

How long does failure last? asked Charles Ingremton, of the Aetna companies, and then he answered:

If you were going to measure a failure, would you do it by years or a stop-watch? In other words, what should be the duration of a failure?

The main difference between men who succeed and men who do not, is usually expressed in the length of time they allow a failure to LIVE.

One man meets Failure, sits down and takes a drink with him, invites him to his home, introduces him to his wife, gives him three square meals a day and the spare chamber with a southern exposure and urges him to prolong his stay indefinitely.

In other words, he makes it so pleasant for Failure that he's lucky indeed if he ever gets rid of him during his lifetime.

Another man, differently constituted and possessing more pep, courage and "come back," meets Failure; gives him a curt nod and marches right along towards ultimate success as though nothing had happened.

In this daily and well nigh eternal wrestling match with life you may, it is true, occasionally get thrown to the mat, but the question is:—HOW LONG ARE YOU GOING TO STAY THERE?

In the prize ring ten seconds are allowed a man after every fall, to rise again and continue the fight.

In the squared circle of life when Failure steps up close, feints with his left hand by holding out a promise of reward and then steps in close and whales you with a mighty wallop right square on the nose, so that you see a million stars and your head bumps the floor; the point is:—HOW LONG ARE YOU GOING TO STAY DOWN?

That's the important question: HOW LONG?

Every man gets "put out" once in awhile. No one is proof against an occasional knock out, but the chap who doesn't STAY down, who bounces up from the carpet like a rubber ball and maybe after spitting out a tooth or two, goes at it again, is bound to win.

And that's the kind of conduct which, persisted in, makes collections easy.

* * *

Peace is Signal For March Forward

The General Accident reminds its field men that the end of the war is not to be the signal for a relaxation of effort, but for still greater efforts in all directions. For more than four years the world has restricted, as far as it possibly could, the manufacture of articles and the prosecution of works which in peace times it regards as necessaries. It has, to a large extent, endeavored to live on what it had. Houses have not been built, nor have those already built been repaired to any great extent. The world has mended its clothes and restricted the making of new ones. Whole nations have been prevented from following their ordinary occupations for years. In addition to these deficiencies, the world is faced with the devastations in the countries where the war has raged.

In only one way can these deficiencies be remedied, and that is by labor. The war involved a call to every individual to do his or her share, and so it will be with the tremendous work of re-construction. There will be work for everyone, and everyone will be under the necessity of working.

All of this means that for years to come the opportunities for good business opening up to the ambitious and alert insurance solicitor will be unprecedented. Increased production will be the universal slogan, and insurance solicitors must keep pace with the general trend. Nations are laying their plans betimes, to occupy leading positions in the industrial development which will follow the close of the war, and it is eminently fitting that individuals also should take note of the signs of the times and be prepared to join effectively in the march of progress. A general increase in production will open the door to the writing of more insurance, and to the conserving of that which is already on the books.

* * *

Silver Lining to the Cloud

To the Massachusetts Bonding & Insurance the influenza scourge has a silver lining Speaking of the epidemic the company says that disability insurance has never had such a widespread advertisement. The number of claims paid satisfactorily to the policyholders will do more to stimulate a demand for insurance than any thing else that has ever happened and the agent who fails to take advantage of this situation will indeed be "asleep at the switch." Regarding claims the company says:

"The epidemic started out somewhat like the wave of la grippe a few years ago, but when in full swing, instead of being confined to sections of the United States, it swept over the entire country, including every state in the Union.

"To give you an idea of the situation in regard to claims, we received in three consecutive days a total of 850 claims. During the thirty days just passed over 5,600 accident and health claims of all kinds were filed —an average of 200 for each business day. There have been a total of 3,358 claims filed on account of influenza. The limit of our claim department working overtime has been to examine and pay as high as 274 claims in a single day, and had the epidemic continued much longer it would have been necessary to double our force.

"The effect on new business when the epidemic was at its height was noticeable in that while general business conditions enabled us to write more business than in former months, dozens of our best men were confined to their homes on account of this disease and so unable to write business, and an even larger number of agents had their hands more than full in looking after claims."

FOR AMERICA FIRST

Smith-Lawson-Coambs Company, Chicago, are making a plea for support of American institutions in which they say:

"Can you conceive of a single reason why, AT THE SAME PRICE, every red-blooded American should not patronize American institutions? Don't be a listless, thoughtless buyer. Every time you patronize an American institution it makes you a better citizen, because it helps every American that helped to make the things you buy, just the same as they in turn help YOU, when THEY buy the product of YOUR hand or brain. Many of the most complex problems of the day can be solved without any expense to the American people, if they will only exercise a small part of their yankee shrewdness in the spending of American dollars. Every dollar of premium paid to this office furnishes bread and butter for American citizens—brokers, employes of general agents and home offices and company stockholders. We represent: AMERICAN COMPANIES ONLY."

W. E. SMALL, President PETER EPES, Agency Mgr. E. P. AMERINE, Secretary

GEORGIA CASUALTY COMPANY

HOME OFFICE: MACON, GEORGIA

"DIXIE AUTO POLICY"

THE LAST WORD IN MOTOR INSURANCE

Surplus and Reserves to Policyholders.....$1,688,506.87

The METROPOLITAN CASUALTY

INSURANCE CO. OF NEW YORK

HOME OFFICE, 47 CEDAR STREET

CHARTERED 1874

Plate Glass, Burglary, Accident and Health Insurance

EUGENE H. WINSLOW, President

Russell R. Cornell, Vice-Pres. S. Wm. Burton, Sec. Alonzo G. Brooks, Ass't Sec.

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F. W. LAWSON
General Manager

Liability, Accident Burglary, Boiler and Credit Insurance

Established 1869

F. J. WALTERS
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55 JOHN STREET
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Resident Managers
New England

London Guarantee & Accident Co., Ltd.

OF LONDON, ENGLAND

BUSINESS=BUILDE

DEVELOPING

Fidelity and Surety Bonds, Liability Workmen's Compensation, Automobile, Accident, Health, Burglary and Plate Glass INSURANCE

APPRECIATE THE CO-OPERATION OF THE

Massachusetts Bonding and Insurance Company

BOSTON T. J. FALVEY, President

Paid-In Capital $1,500,000 Write For Territory

C. A. TIMEWELL, Resident Manager
123 WILLIAM STREET

The Greatest Selling Help

for the accident insurance agent is

Prompt and Liberal Claim Service

WE GIVE IT

There are Great Opportunities

for agents in unoccupied territory

Write us to-day

The Standard Accident Insurance Co.
of Detroit, Mich.

NEW YORK CITY



When Distress Calls the Red Cross Answers "HERE!"

NOW the Red Cross calls! The annual Christmas Roll Call of members will echo throughout the land the week of December 16th to 23rd.

Membership in the Red Cross now is more than duty—it is an honored privilege, and an evidence of loyalty. When that Roll is called, your conscience, your sense of right and justice, your love of country and your devotion to the highest ideals of unselfish service all suggest that you answer "HERE!"

All you need is a heart and a dollar

These entitle you to membership for one year.

When you wear your button, signifying that you are a member, you will not be asked to join again this year—it means that you have answered the Roll Call.

Join—be a Christmas member—but just join once.

Our soldiers and sailors look to the Red Cross for comforts. They have never been disappointed.

The Red Cross looks to you for the moral support of your membership. Answer "HERE!" when the Roll is called.

Join the Red Cross

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1919

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THE EASTERN UNDERWRITER

(SUCCEEDING THE JOURNAL OF INSURANCE ECONOMICS, ESTABLISHED IN 1899)

A WEEKLY NEWSPAPER INTERPRETING THE TRUE SPIRIT OF INSURANCE

Published by The Eastern Underwriter Co., 105 William Street, New York, N. Y.
Entered as second-class matter April 5, 1907, at the Post Office of New York, N. Y., under the act of Congress, of March 3, 1879.

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MORE COMPANIES TO ENTER CUBA

Great American and Niagara Fire Will Start Business in Island After January First

OTHERS PLAN SIMILAR ACTION

Tariff Association Now Has Forty Members—Are Practically No Legal Restrictions

Two more companies, the Great American and the Niagara Fire, completed their plans this week to enter Cuba shortly after January 1, making eight American companies underwriting in that field to date, with several other companies planning similar action in the near future.

A. R. Phillips, secretary, and F. W. Jenness, manager of the Rochester department of the Great American, returned last week from Havana, where they spent several weeks investigating conditions and completing the arrangements for starting business. The Great American has appointed Correlia & la Guardia as general agents of the company for fire, marine and allied lines.

Niagara Office to Investigate

The Niagara has already practically completed its plans for taking up fire lines in Cuba and expects to start underwriting in the Island during January. One of the officers of the Niagara is expected to start for Havana before the end of December.

The laws of Cuba restricting insurance are practically negligible, the only requirement being a deposit of $75,000 for fire insurance and an additional $25,000 for marine insurance together with a broad power of attorney to the Cuban representative.

Home Tariff Association

There is in Cuba a tariff association which has been in existence for some time and of which all companies doing business in Cuba are members. Thirty-eight companies are members of this bureau, excluding the Great American and Niagara, which have applied for membership. The membership includes 19 British companies, 11 Cuban, one French, one Swiss and six American companies.

While the majority of the Cuban business is placed in Havana and consists of sugar plantation and factory business, some of the companies have already built up a profitable agency plant and dwelling business extending throughout the Island.

Conflagration Proof

THE HOME
INSURANCE COMPANY
NEW YORK

ELBRIDGE G. SNOW, President

Sixty-five-Year Record for Fair Dealing and Prompt Adjustment and Payment of Losses

FIRE AND ALLIED BRANCHES OF INSURANCE

Fire, Lightning, Automobile, Commissions, Explosion, Hail, Marine (Inland and Ocean), Parcel Post, Profits, Registered Mail, Rents, Rental Values, Sprinkler Leakage, Tourists' Baggage, Use and Occupancy, Windstorm, Full War Cover.

STRENGTH REPUTATION SERVICE

North British and Mercantile Insurance Co.

ESTABLISHED 1809

Fire, Tornado, Automobile, Sprinkler Leakage, War Risk, Explosion and kindred lines

Security
Resources ample for all obligations.

Service
Expert advice on insurance problems.

E. G. RICHARDS, Manager
UNITED STATES BRANCH
76 William St.,
NEW YORK CITY

THE BIG FOUR
AGE—STRENGTH—SERVICE—OPPORTUNITY
A COMBINATION WHICH MAKES A WINNER FOR THE AGENCY FORCE OF THE
EQUITABLE LIFE OF IOWA
(Organized 1867)

All previous records broken during 1917. Substantial increase in assets and paid for insurance. Net gain in insurance in force during 1917, $21,764,972.88, or 72% of the amount paid for.

MEN of CHARACTER can obtain further information as to the Company and Opportunities by addressing:

H. E. ALDRICH, Supt. of Agents
EQUITABLE BUILDING, DES MOINES, IA.

THE GAUVIN AGENCY

NEW TAX SECTIONS IN REVENUE BILL

Levies Fixed in Lieu of All Other Taxes—Provisions Made for Payment

SENATE HAS PASSED MEASURE

Impost Made on Gross Premiums—Marine Companies Have Option as to Export Business

Amendments to the Federal Revenue Bill affecting insurance companies have been passed by the United States Senate. The new taxes are in lieu of all other taxes, namely, corporate income tax, war excess profits tax, special excise tax and stamp taxes on fidelity and surety bonds. Credits are allowed under the normal individual income tax on dividends received from insurance companies taxable under Section 504 of the bill (Title II, Part II, Section 216).

Sections 503 and 504 of the existing bill are stricken out and four new sections are inserted as follows:

"Section 503. There shall be levied, collected and paid in respect of all policies (not exempt under sub division (b) of Section 505) issued by any mutual insurance company a tax equivalent to 1 per cent. of the excess of the gross amount of premiums charged (including reinsurance premiums charged) under such policies over the amount of premiums paid for reinsurance, return premiums, and premiums on policies not taken, such tax to be paid by the company issuing the policy.

"Section 504. That from and after January 1, 1918, there shall be levied, collected, and paid in respect of all policies (not exempt under subdivision (b) of Section 505) issued by any insurance company other than a mutual insurance company, the following taxes upon the excess of the gross amounts of premiums charged (including reinsurance premiums charged) under such policies, over the amount of premiums paid for reinsurance, return premiums, and premiums on policies not taken, such tax to be paid by the company issuing the policy.

"(a) In the case of policies of casualty insurance, a tax equivalent to 1½ per cent. of such excess.

Marine and Inland

"(b) In the case of policies of marine and the inland insurance (except

THE GAUVIN AGENCY

of insurance upon exports) a tax equivalent to 2¼ per cent. of such excess; Provided, that under rules precribed by the Commissioner, with the approval of the Secretary, any marine insurance company or fire and marine insurance company, may elect to be taxed in respect of all policies (including policies of insurance upon exports) issued by such company, in which case the rate shall be 1¾ per cent.; but such election once made shall be adhered to in subsequent years unless permission to change is given by the commissioner;

All Other Policies

"(c) In case of all other policies, a tax equivalent to 1¾ per cent. of such excess.

"Section 505. (a) That for the purpose of Sections 503 and 504 the term 'policies' includes contracts of reinsurance, and all fidelity and surety bonds upon which premiums are charged, and the term 'insurance company' includes reinsurance companies.

"(b) Policies issued by any corporation enumerated in Section 231*, life insurance and annuity contracts issued by any life insurance company, and mortgage guarantee policies and policies guaranteeing titles to real estate, shall be exempt from the taxes imposed by Sections 503 and 504.

Method of Payment

"Section 506. That the taxes imposed by Sections 503 and 504 shall be computed quarterly for the periods ending on March 31, June 30, September 30 and December 31 of each year, and every person subject to such taxes shall make quarterly return under oath, in duplicate, to the collector of the district in which the principal office or place of business of such person is located. Such returns shall contain such information and shall be made in such manner and at such times as the Commissioner, with the approval of the Secretary, shall prescribe. The tax shall, without assessment by the Commissioner, or notice from the Collector, be paid to the Collector at the time so prescribed for the filing of the return; Provided, that in the case of the tax imposed by Section 504 for the calendar year 1918, returns shall be made and the tax shall be paid on or before March 15, 1919, and any amount theretofore paid under subdivisions (b) or (c) of Section 504 of the Revenue Act of 1917, or under subdivision 2 of Schedule A of Title VIII of the Revenue Act of 1917, on account of any policy issued on or after January 1, 1918, shall be credited toward the payment of such tax.

"If any tax imposed by Section 503 or Section 504 is not paid when due, there shall be added as part of the tax a penalty of 5 per cent. of the amount unpaid, together with interest thereon at the rate of 1 per cent. for each full month from the time the tax became due until paid."

*Fraternal beneficiary societies.

GEM CITY INCREASES SURPLUS

Average Premium of Company Takes Big Jump—Coupon Policy Selling Well

In spite of the handicaps necessitated by the war and the unusual mortality incident to the influenza epidemic The Gem City Life of Dayton, Ohio, will show a $10,000 increase in surplus for the year and a good increase in business in force. Its average premium per $1,000 for 1918 to date is approximately $35, whereas for the same period of last year it was $24. While it has not written so many policies, the business has been of a higher premium and more permanent form of contract.

This year the company issued a new Coupon Policy. About 36 per cent. of its business this year has been written on this form. This policy has a liberalized disability clause and the paid-up insurance option is not subject to re-examination as is often the case of paid-up insurance values.

Protect Your Loved Ones

INSURANCE provides the only SAFE way

For full information, call, write or phone:

JOHN M. RIEHLE

Equitable Life Assurance Society of the United States,

68 William St., New York City 'Phone 4343 John

OLDER LIVES BEING WRITTEN

Northwestern Mutual Life Will Issue $145,000,000 for Year—Premium Average Higher

Regarding 1918 business the Northwestern Mutual Life says that although the new business approved during the first three weeks of December, this year, as compared with the similar period of last year, shows an increase of 85 per cent., the total for the year will be somewhat less than for 1917. On the other hand, the average amount and average premium will show a marked increase owing to the fact that the business of 1918 has been written on the older lives. It is probable that the Company will close the year with a new paid-for business approximating $145,000,000. The dividend scale of 1918 will be continued during 1919 notwithstanding the unusual losses on account of war and the prevailing pandemic.

Equitable Agents Qualify for Clubs

ONE IN MILLION DOLLAR CORPS

List Contains Representatives in Cities From Burlington, Vt., to Honolulu, Hawaii

The Equitable Life Assurance Society agency club qualifications thus far for the club year from July 1, 1918, to June 30, 1919, contain the names of 146 members of its agency organization, representing cities from Burlington, Vt., to Honolulu, Hawaii.

The personnel of the advance guard into the four corps and the four Century clubs follow:

Million Dollar Corps

Adolph Hollander, New York.

Three-Quarter Million Corps

F. W. Fuller, Springfield, Mass.; A. M. Shields, San Francisco.

Half-Million Corps

J. E. B. Sweeney, Wheeling, W. Va.; J. P. Hyatt, Wilmington; A. M. Shields, San Francisco; F. H. Stratton, Boston, Mass.

Quarter-Million Corps

J. D. E. Jones, Boston, Mass.; T. P. Thompson, New Orleans, La.; Cecil Frankel, Los Angeles, Cal.; Courtenay Barber, Chicago, Ill.; Frank H. Stratton, Boston, Mass.; Sheppard Homans, New York; E. Z. Wallerstein, Chicago; M. J. Donnelly, Pittsburgh; Major J. A. Murray, Toronto; S. E. Bloch, Albany; W. R. Robinson, Philadelphia; C. Wadsworth, Chicago; Abraham Schwab, New York; B. Englander, New York; Louis Rosenblatt, Wilmington; Herman Moss, Cleveland; Geo. D. Hedding, St. Paul.

Eastern Century Club

J. L. Toppin, New York; Jos. Abraham, New York; Henry W. Callahan, New York; M. J. Donnelly, Pittsburgh; Joseph Merber, New York; Mrs. Beckie Solomon, New York; Emanuel Stern, New York; Zachary Levin, New York; Abraham Schwab, New York; J. E. Rivlin, New York; Sheppard Homans, New York; W. B. Keller, Pittsburgh; Louis Rosenblatt, Wilmington; Geo. Hertrich, Pittsburgh; Byron A. Beal, New York; Henry Von Ost, New York; Azro M. Aseltine, Burlington, Vt.; A. Treadwell, New York; H. H. Pennock, New York; L. H. Hambro, New York; E. Robinson, New York; J. Finn, New York; J. N. Ryan, New York; A. M. Brody, New York; G. H. Lang, Philadelphia, Pa.; W. J. Powell, Pittsburgh, Pa.; I. L. Levin, New York; H. K. Beegle, Pittsburgh, Pa.; W. E. Graham, Pittsburgh, Pa.; O. P. Powell, Pittsburgh, Pa.; Lester Mann, Albany, N. Y.; Fred Tenney, Boston; A. H. Swift, Boston; J. C. Cosseboom, Boston; C. C. Clark, Boston; D. B. Isenberg, Boston; G. F. S. Powderly, Newark, N. J.; S. Heyman, Newark, N. J.; M. I. Selenkow, New York; B. Ganz; New York; A. L. Burnham, New York; Leon G. Simon, New York; H. Cohen, New York; L. Eisenberg, New York; H. L. Prager, New York; A. B. Levy, Philadelphia; K. Graham, Philadelphia; A. B. Brown, Pittsburgh; S. W. Guthrie, Pittsburgh; A. R. Hays, Pittsburgh.

Southern Century Club

John E. B. Sweeney, Wheeling; Frank Crews, Baltimore; J. W. Ziegler, Rock Hill; J. Douglas Freeman, Baltimore; Jacob Crystal, Baltimore; J. A. Neugebauer, Baltimore; W. H. Cord, Nashville; L. F. Savarese, Jacksonville; J. Rothschild, Baltimore; J. W. Chenault, Louisville; J. J. Conyers, Rock Hill; Robert Webster, Rock Hill; R. R. Richardson, Norfolk; L. E. Huffman, Wheeling; L. G. Moses, Nashville; W. O. Crisman, Birmingham; W. R. Scarborough, Rock Hill; H. E. Coleman, Rock Hill; R. R. Woolf, Wheeling; T. S. Christopher, Birmingham; C. B. Goodwin, Wheeling; G. C. Jordan, Washington; E. H. Thompson, Louisville; B. W. Seawell, New Orleans; J. C. Guthrie, Raleigh; Charles A. Creech, Raleigh; N. A. Gordon, Memphis; A. H. Mowry, Norfolk.

Central Century Club

G. D. Hedding, St. Paul; C. A. Seaton, Springfield, Ill.; E. Z. Wallerstein, Chicago; C. S. Brintnall, Chicago; J. H. Fitzgerald, Springfield, Ill.; Courtenay Barber, Chicago; E. H. Pickard, Omaha; F. L. Jones, Indianapolis; C. Wadsworth, Chicago; J. H. Harrop, St. Paul; J. A. Hartigan, St. Paul; F. A. Deichmann, Kansas City; H. S. Miller, Sedalia, Mo.; Herman Moss, Cleveland; E. A. Braniff, Oklahoma City; C. R. Golly, Des Moines; H. T. Wright, Chicago; J. T. Winship, Detroit; P. H. Doyle, Indianapolis; D. E. Sweeny, Detroit; C. Le R. Granger, Chicago; C. T. Anderson, Chicago; A. Holzman, Chicago; W. Hammond, Chicago; B. J. Sinai, Chicago; S. M. Snell, Minneapolis; H. A. Chipman, St. Paul; J. J. Cain; Sedalia, Mo.; W. G. Romig, Omaha; R. H. King, Mansfield; F. P. Chapin, Toledo; J. C. G. Armytage, Winnipeg.

Pacific Century Club

H. A. Binder, San Francisco, Cal.; Cecil Frankel, Los Angeles, Cal.; E. G. Durnerin, Los Angeles; B. F. Shapro, San Francisco; J. W. Babcock, Los Angeles; G. A. Rathbun, Los Angeles; M. H. Casey, San Francisco; W. C. Penfield, Boise; J. S. Mann, Portland, Ore.; J. R. Hoover, Sioux Falls; B. Salzer, Honolulu; Mrs. T. H. Lachman, San Francisco.

We NEVER Demobilize

While our country's military forces are being demobilized, GUARDIAN policyholders continue to mobilize under our plan to help increase the nation's economic strength through individual effort.

A. TO BE HEALTHY AND ACTIVE
Every policyholder is entitled to **Health Reclamation Service.**

B. TO SAVE FOOD
Every policyholder may obtain the knowledge of **Scientific Household Diets.**

C. TO PRODUCE FOOD
Every policyholder may procure information on the **Planning and Care of a Food Garden.**

D. TO BE THRIFTY
Every policyholder will be furnished with a simple plan of **Household Budgeting as a Practical Thrift Measure.**

The GUARDIAN'S perfect protection policies contain Waiver of Premiums, Disability, Annuity and Double Indemnity Clauses.

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

Fifty-eight Years of Unsurpassed Service to Policyholders

For a direct agency connection address:

T. LOUIS HANSEN, Vice-Prest & Agency Manager

50 Union Square NEW YORK, N. Y.

ACTUARY CLEVELAND LIFE

The Cleveland Life Insurance Co., of Cleveland, Ohio, announces the appointment of Adolph A. Rydgren as the company's actuary. Mr. Rydgren became an associate of the Actuarial Society of America in 1913, and became a fellow of that body in 1917. He was employed in the actuarial department of the New York Life Insurance Company for more than eleven years, leaving there to enlist in the United States Army. He was honorably discharged from the Field Artillery Central Officers' Training School, on December 7, 1918, and began his services with the Cleveland Life almost immediately.

The report of the superintendent of insurance of the District of Columbia, on business of 1917, has been issued.

The Prudential Has Great Year

MESSAGE OF PRESIDENT DRYDEN

Actual Increase Larger—Lowest Arrears—Greatest Amount Ordinary Paid for Business Co. Ever Had

"An actual increase larger than ever before."

"The lowest arrears and highest advance payments in our experience."

"Collections again well over one hundred per cent., and higher than in 1917."

"Persistency of new business again improved."

"A remarkably successful reduction in net lapse per $100 of debit."

"Earnings of the field force substantially increased over the highest previous point, without considering the temporary additional payments."

"The greatest amount of ordinary paid for business and ordinary increase we have ever had."

"Marked activity in group insurance, and intermediate business."

"Conservation of ordinary noticeably favorable both as to not takens and other cancellations."

The paragraphs above noted are from a message of President Forrest F. Dryden of The Prudential to its industrial field force. President Dryden says that in the annals of The Prudential field force, 1918, eclipsed all its predecessors in everything that represents constructive service to its policyholders, and to the two great countries in which it operates. Continuing, his message reads:

First Place To Men in War Service

"In a review of what you have done, first place must be given to the fifteen hundred who left our ranks for war service, most of them during the past year, and we honor with reverent pride a number of these co-workers who have given up their lives in the great cause. You who had to remain at your posts have stirred us many times by your response in all of the campaigns for war loans, war savings, Red Cross and other war-relief agencies, while in some sections you have helped in the food and fuel conservation and in such matters as the occupational surveys.

"Never before were you called upon to give such time, thought and effort to affairs aside from your business, and yet never have you accomplished so much in your regular work." From the advanced figures President Dryden announced the facts found above. Continuing he said:

Made Possible by Co-operation

This remarkable record was made possible only by your earnest co-operation and close attention to all important features of the business, and I congratulate you most heartily and thank you cordially for the splendid support you have given to the Company.

The greatest service that a life insurance company can render is the payment of a claim, and it has been your privilege this year to visit a largely increased number of stricken households with the practical consolation of a Prudential check. This has meant a widely extended list of understanding and appreciative friends for you and your Company.

Big Expansion Ahead

The lessons of thrift, providence and prudence have been impressed so deeply upon the people of the United States and Canada by the events of the last few years that our line of business is bound to expand marvelously in the great period of reconstruction that opens before us. We shall do well to measure and plan according to the broadest and most advanced standards.

It is not merely a new year but in many ways a new era into which we are now to enter, and I suggest as our watchword "Co-operation For Service and Progress."

New England's Scale Unchanged

GIVES USUAL YEARLY INCREASE

Writings Show Falling Off On Account of "War Business" Written in 1917

D. F. Appel, vice-president of the New England Mutual, speaking to The Eastern Underwriter regarding the year's achievements says:

"Notwithstanding the very heavy mortality resulting from war and epidemic, which will require us to draw on our surplus to quite an extent, our directors have voted to continue the present scale of dividend, which will give to policyholders the usual annual increase.

"Our new business will be about $47,000,000, which will be about $7,000,000 less than last year, but this company was very liberal in insuring men going into war service, when other companies either did not write them at all or only for small amounts. Our liberal policy brought us a very large amount of so-called 'war business,' which was not to be had this year, but our total for 1918 will show a very healthy gain over the record of 1916, which was a normal year."

Metropolitan Life Issues New Contract

AGENTS ADVISED OF ACTION

Endowment at Age 85 Policy With Increased Insurance to Age 60

The superintendents and deputy superintendents of the Metropolitan Life Insurance Company were advised this week that a new contract entitled "Endowment at age 85 Policy with Increased Insurance to Age 60" would be issued by that company on and after January 2nd. In a letter to the field force containing this information, bearing date of December 18th, Vice-President Haley Fiske said:

"We take pleasure in announcing a new form of policy to be issued on and after January 2nd next the merits of which will, we think, appeal to the insuring public.

"The features of this new policy, as illustrated upon the basis of $1,000 of insurance, are:

"In the event of the death of the insured after having passed age 60, the face amount of the policy ($1,000) will be payable.

"If death occur before the insured has attained 60 years of age, one and one-half times the face amount ($1,500) will be payable.

Double Indemnity

"If before the insured has attained 60 years of age (and before the allowance of any disability benefit) death shall occur because of bodily injury effected solely through external, violent and accidental means within sixty days after such injury, double the face amount ($2,000) will be payable.

Waiver of Premium

"The policy also includes a provision for total and permanent disability in accordance with the conditions set forth in C. L.-0479. This covers waiver of premium in the event of disability before age 60 and a monthly annuity of $10, during further lifetime, for each $1,000 face amount. If disability occur after age 60, the premiums may accumulate against the policy as a non-interest bearing loan.

"This form of contract will for the present at least be confined to the Ordinary Department on the Endowment at Age 85 plan.

"At any anniversary of the policy prior to attaining age 60, the insured may discontinue the total and permanent disability benefits, or the double indemnity benefit, or both of them, with cessation of the premium charge therefor. The additional insurance to age 60 may not be discontinued.

"In designating the plan of insurance when this form of policy is desired, write on the application, Endowment Age 85 Increased Indemnity.

"This policy will not be issued for more than $25,000 face amount ($50,000 on accidental death) on any one life.

"The commissions will be the same as on the Ordinary Endowment at Age 85 plan."

Rates With Values at End of Third Year

Age	Premium	Cash or Loan	Paid Up	Cont'd. Ins Yr.	Mo.
20	$21.87	$19	$61	2	6
21	22.30	19	62	2	7
22	22.74	20	64	2	8
23	23.22	21	65	2	9
24	23.70	22	67	2	10
25	24.23	23	68	2	11
26	24.76	24	70	3	0
27	25.33	25	72	3	1
28	25.93	26	73	3	2
29	26.56	27	75	3	4
30	27.23	28	77	3	5
31	27.92	29	78	3	6
32	28.66	30	80	3	7
33	29.44	31	82	3	8
34	30.26	33	84	3	9
35	31.13	34	86	3	10
36	32.05	36	87	3	11
37	33.05	37	89	4	0
38	34.07	39	91	4	1
39	35.18	40	93	4	2
40	36.35	42	95	4	2
41	37.60	44	97	4	3
42	38.91	45	99	4	3
43	40.33	47	101	4	3
44	41.83	49	103	4	3
45	43.46	51	104	4	3
46	45.19	53	106	4	2
47	47.03	55	108	4	1
48	49.02	57	109	4	0
49	51.15	59	111	3	11
50	53.58	61	112	3	10
51	56.06	63	113	3	8
52	58.74	65	114	3	7
53	61.68	67	115	3	5
54	64.87	69	116	3	4
55	68.59	71	116	3	2

Group Insurance
Monthly Income Insurance
Weekly Income Insurance

All Other Popular Standard Forms—
Ordinary and Industrial

Founded by JOHN F. DRYDEN
THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR
Pioneer of Industrial Insurance in America

THE
PRUDENTIAL
INSURANCE CO. OF AMERICA
Incorporated Under the Laws of the State of New Jersey

FORREST F. DRYDEN, President Home Office: NEWARK, N. J.

—Branch Offices in All Leading Cities in the United States and Canada—

EQUITABLE LIFE OF IOWA

The production for the month of November was $3,209,739, which is an increase of nearly 33 1-3 per cent. as compared with the same month of 1917; or, to be exact, the gain over the month of November, 1917, was $1,021,988. Seven agencies produced over $100,000 of approved business, which is one of the most satisfactory results obtained in the way of production.

WADE ROBINSON GROUP POLICY

Wade Robinson & Co., Inc., underwriting managers of the American Merchant Marine and the marine department of the United British Insurance Companies, announced at a dinner to their employes on Saturday that group insurance had been secured giving every employe $1,000 of life insurance. The policies are to be written by the Travelers.

The Social Value of Life Insurance

By Hon. Newton D. Baker, Secretary of War

(When Mr. Baker was mayor of Cleveland he was invited to address a meeting of agents of The Cleveland Life Insurance Company. Being unable to attend, he wrote the following article for the occasion.)

Man is distinguished from the lower animal by his ability to make provision in the time of plenty for his necessities in the time of dearth. That man is the best husband and the best father who makes out of his earnings a thrifty saving for investment in some way which will protect his family in the hour of misfortune. One of the most scientific of all contrivances yet developed by man for this purpose is life insurance. The payments required are small in comparison with the benefits received. The continuing obligation of the premium is a spur to saving of more compelling force than the mere desire to accumulate money to invest, so that many men who otherwise live up to their incomes are able to save in no other way, and many a family which might otherwise have been left helpless and in want has been saved by the money that came from the life insurance investment.

Another Investment Advantage

Investment in life insurance has another advantage. Those who are charged with the administration of the funds of a life insurance company act under the highest obligation that any trust can impose. If a man of moderate means invests his savings in ordinary commercial and industrial undertaking they constitute merely an industrial hazard, for like his health and his occupation they, too, may be swept away, and as the adage puts it, "Misfortunes never come singly." Such an investor at least runs the risk of having his investment depreciated at the very time when he or his family most need to rely upon it. This risk is almost absent from investment in a good life insurance company. There may be losses in the company but all such companies are too prudently managed to permit investment in any one enterprise so large as to cripple the company's business, and losses when they are sustained, are spread over so large a number of persons as to have no appreciable effect upon any one policy holder.

Prevents What Society Permits

There is a public aspect from which life insurance is rarely viewed to which I desire to call attention. It is of the first importance to us all that poverty and destitution be reduced to the lowest terms. For a long time in the history of the race private philanthropy and benevolence had to be appealed to to establish and maintain charitable institutions for the care of the sick, homes for orphaned and dependent children, and infirmaries for the care of the aged and the poor. In recent years we have come to realize that society as a whole has an interest in this problem. That in a certain sense society permits poverty, permits orphanage, permits the helplessness of old age, and that an obligation rests upon society so to order its social adjustments as to make such occurrences as infrequent as possible, and to spread their burden as equitably and as widely as possible so that the relief of unavoidable cases will not be a mere personal charity depending upon the bounty of some generous individual, but will rather be an opportunity for the whole of society to relieve what in spite of its best efforts it has been unable to prevent.

The natural humanity of men and women is rebelling more and more against the pity of poverty and dependence. This leads to the result that cities, counties and states are devising new ways of relief, and are more and more assuming the burden which private charity formerly carried, and it leads more and more to life insurance as a provision made in the time of prosperity against the distress which may follow a disaster to the breadwinner. All of these provisions are good from the public point of view, for the public interest is to secure that finer efficiency which comes from self-support and self-sufficiency among its constituent members. The value of life insurance can be best presented to the mind's eye by trying to imagine the widespread distress and destitution which would follow the destruction of even one of the great life insurance companies. If the whole system be taken into consideration it will at once be realized that life insurance has become almost one of the necessities of life under the conditions of modern civilization.

GOLD MEDAL MEN

Gold medals are already engraved, and will be presented at the end of the year to the following members of the Bankers Life, of Iowa, agency organization who have qualified for membership in the gold medal class of the Presidents' club for 1918: W. A. Hinshaw, Iowa; E. T. Smith, Illinois; F. J. Thorberg, Wisconsin; J. D. Horton, Washington; O. A. Schenk, Missouri and B. T. Childress, Tennessee. Mr. Childress and Mr. Hinshaw were gold medal men for the year 1917 also.

WENT "OVER THE TOP"

Guardian Life Agents Responding to President Cillis' Request Honor Vice-President Hansen

November was "Hansen Month" with the field men of the Guardian Life Insurance Co. of America. In designating this month, President Cillis wrote the agents asking that they produce new business amounting to $4,000,000 during November, in honor of Vice-President and Agency Manager T. Louis Hansen.

Just to show that their hearts were in the right place, and that it could be done, the agents went "over the top" $525,014, with a production of $4,525,014.

More Power To You

The more push there is behind you the more power you have. We furnish the push. This push is the help we give our men. No other life insurance company does as much to insure the success of its Field Force. Ask any Bankers Life man or write

Bankers Life Company
DES MOINES

HOME LIFE INSURANCE CO.
(Purely Mutual)
256 BROADWAY, NEW YORK
GEORGE E. IDE, President

The fifty-eighth annual report shows insurance in force of $146,050,144, an increase during the year of $12,556,816. The Company paid the policyholders in 1917 $3,467,823, of which $731,696 was in dividends or premium refund. Its insurance reserve fund was increased by $1,688,199 and the Assets are now $34,542,304.08.

For Agency apply to
GEORGE W. MURRAY,
Supt. of Agents.
256 Broadway, New York, N. Y.

Build Your Own Business
under our direct general agency contract
Our Policies provide for:
Double Indemnity, Disability Benefits, Reducing Premiums
See the new low Rates
JOHN F. ROCHE, Vice-Pres't
THE MANHATTAN LIFE INSURANCE COMPANY
66 BROADWAY NEW YORK
Organized 1850

THE BERKSHIRE LIFE INSURANCE CO.
OF PITTSFIELD, MASS.
Incorporated 1851
W. D. WYMAN, President
A purely mutual Company, issuing all desirable forms of life insurance.
ATTRACTIVE LITERATURE
Ambitious, Productive and Trustworthy Life Agents may be benefitted by corresponding with
W. S. WELD, Superintendent of Agencies

Established 1867



THE REAR GUARD

No more virile and efficient body of men can be found than the large army of life underwriters.

Towering back of the agent in his efforts, as a mighty rear guard, is the strength and prestige of the Company and the Institution he represents. The stronger the rear guard, the greater the agent's *morale* and chance of success.

Four big success factors in the work of the Union Central Agency Force are:

The GOOD WILL created by farm loan investments, developing the Country's agricultural resources, and thereby contributing largely to the world's food supply.

The UNIQUE SERVICE extended freely to the insured and their beneficiaries, meriting the appellation—the Great Policyholders' Company.

The SECURITY of the non-fluctuating, panic and war proof investments, limited to first mortgages on carefully selected cultivated farms, and U. S. Liberty Bonds.

The SAVING enjoyed by policyholders in premium deposits, the result of the Company's superior earnings, favorable mortality, and economy of management.

THE UNION CENTRAL LIFE INSURANCE COMPANY
Jesse R. Clark, President. of Cincinnati, O. Allan Waters, Second Vice-President

Woman's Edition of "Agency Items" Issued

EQUITABLE LIFE OF NEW YORK

On December First There Were 621 Women Holding Agency Contracts With the Equitable

Editor William Alexander of "Agency Items" of the Equitable Life Assurance Society devoted the December 21st issue of the Equitable agency paper entirely to women. It is an interesting number throughout.

Right up in front, Secretary Alexander says: "The highest public service is rendered by the women who represent the Equitable in the field. Life insurance offers the most congenial and remunerative occupation now open to women. The woman is thrice blessed who showers blessings upon those with whom she deals, while supporting herself and providing for those dependent upon her."

Speaking of the advantages afforded a woman in life insurance work, Secretary Alexander says: "It offers commercial independence. It is a most healthful occupation. It gives opportunity for humanitarian service. It offers a life time of continuous prosperity." Continuing further "Agency Items" says:

Natural Vocation For Women

"Life insurance is primarily for women. If there were no women in the world, there would be probably very little life insurance. Is it not natural that they should be its chief exponents as well as its principal beneficiaries?

"There are thousands of women who have inherited money who should carry insurance or buy annuities or income bonds. Women ought to be able to insure such women with greater ease than men.

"Woman's work in the world is to uplift, ennoble and better the lives and work of men. Life insurance likewise is a factor for good, another reason why women ought to shine in this work.

"For women of intelligence and refinement, no other occupation is so congenial or offers equal advantages, or the opportunities of rendering such valuable services to the public.

"The higher wage and salary for men has always been based upon the idea that the men would inevitably marry, and have to provide for a family. The lower wage for women was upon the theory that if she married, the opposite would happen—that she should cease providing and would be provided for out of the man's earnings. In life insurance women receive the same compensation as men.

"From January first to October, inclusive, of this year, the Equitable Life Assurance Society paid death claims on the lives of 377 women for a total of $717,256.98. In addition a large number of endowment policies on the lives of women matured during the year, and were paid either in cash or converted into paid up endowment insurance."

Prominent Women Agents

Prominent among the women agents of the Equitable are Mrs. Ray Wilner Sundelson, New York; Mrs. Florence E. Shaal, Boston; Mrs. E. Marie Little, New York, whose agency entered the million dollar class recently, and with whom is associated Miss E. Constance Woodward; Miss Annie A. Russell; Miss R. F. Maisel, and Miss Marie Virginia Smith. Miss Smith has just completed her third year of active membership in the New York Woman's Department of the Equitable. She has 150 policyholders. She made the first Century Club possible, that of 1917, qualified for the 1918, and "Agency Items" says she will qualify for the 1919 club within a few days.

Others of the prominent women agents are Miss Sara Frances Jones, Chicago; Mrs. Roberta N. Lewis, San Francisco; Miss Bertha Strauss, secretary of the Edward A. Woods Agency, Inc., Pittsburgh. During the past decade Miss Strauss has placed over a million dollars of insurance, not including policies of group insurance placed by her on employees of several leading concerns in western Pennsylvania.

Mrs. Beckie Solomon of New York is the first woman to have qualified for the 1919 Century Club. She has paid for more than $100,000 of business since July first.

Miss Rose Albers of New York has qualified for the Century Club five times since 1910.

Mrs. Henry Orton, wife of Henry Orton of the Cincinnati-Louisville agency, has shown what a woman can do in life insurance. When her husband, Henry Orton went into government service in December, 1917, and was sent to France as sergeant-major, in connection with the Bureau of War Risk Insurance, it was announced that Mrs. Orton intended to take over his insurance work at home in his absence.

Mrs. Orton went about her task with so much enthusiasm and intelligent effort that she qualified her husband for full membership in the 1917-18 quarter-million club. During the first eleven months of this year, she has paid for $231,041 with premiums of $8,550, and stands first on the honor roll of the Cincinnati-Louisville agency.

Others of the Equitable women agents who are up in front are Miss Maude Agnew, Pittsburgh, and Miss Mary F. S. Bryan, New York.

We want to compliment the editor of "Agency Items" and his assistant on the edition of their paper devoted to women. It is a tribute richly deserved, and should have a very far reaching effect in enlisting in the life insurance selling service, many other women eminently fitted for this work.

H. B. Rosen Writes Fifteen Millions

WILL NOT SEEK HIGHER RECORD

Says Opportunities of Life Insurance Man Will Be Greater Than Ever

Harry B. Rosen, of New York, has completed another wonderful year, having exceeded his goal of fifteen million dollars by over two hundred thousand. This is all paid for business. Mr. Rosen has been a leader in the production of life insurance ever since 1906, and life insurance men have to a certain extent become accustomed to hearing of his achievements. Nevertheless these figures are remarkable, almost unbelievable, considering that during practically six months of this year Mr. Rosen has given his time to various war charities. In all the big drives that have been conducted to raise money, he has taken a leading part. He says he has given only about half his time to writing life insurance.

No More Records

With this wonderful record established, Mr. Rosen is planning to go abroad. He will visit all the European countries which have been engaged in the war or have been vitally affected thereby. He will study conditions and prepare himself for extensive educational work which he intends to devote himself to in the United States. From now on it is his purpose not to make any effort to break records writing life insurance, but will content himself with a figure ranging around $5,000,000 of paid for business each year. He feels that the public has done much for him in enabling him to take such a prominent place among producers in his chosen profession, and now it is his purpose to devote a large part of his time to social welfare.

When he returns from Europe, he will have a wealth of first hand information regarding the problems that are confronting the various peoples of the world. He has visited many European countries and has resided in some of them, where he has written considerable life insurance.

He speaks a number of languages and the information he will gather is therefore to be of the best kind possible. He believes in education of the masses as the best possible means of avoiding the conflicts of opinion which have recently so often resulted in radical socialism, anarchy and similar evils. This is a work that Mr. Rosen has long wished to engage in to the fullest of his ability. It is his hobby.

Best Business on Earth

To his fellow life insurance men he sends a message of greeting and good fellowship, reminding them that they are engaged in the most wonderful business in the world, a business which does not depend on any condition, but on the man himself. In good times and in bad, the life insurance man can make an equally strong argument of his case. There never is a time when all business is depressed and the life insurance man is not restricted to any particular clientele. The whole world is open to him.

Mr. Rosen believes that in spite of minor difficulties incident to a post war period of readjustment, the United States will enter upon a period of unprecedented prosperity, in which life insurance workers will reap their share, provided they do the persistent and painstaking work he has found it necessary to do to reach the various goals he has set for himself in the years since 1906, when he became a recognized leader in the business.

Men now in the business are to benefit as never before by the work of pioneers. The business is becoming more dignified every year, he says, and the life insurance man, provided he is of the right sort, is coming to be looked upon as a person of great value and benefit to his community. All depends upon the individuality of the man, says Mr. Rosen. He can shape his own destiny if he will but love his work and do it.

Gangway

to greater growth is opened for Able Agents by the Agency Service Bureau of the Maryland Assurance Corporation, the Organization of Opportunity that concentrates on providing Complete Personal Protection—Life Insurance, Accident-Health Insurance, a wide variety of very attractive policies. Valuable agencies in productive territory for energetic ambitious men.

Maryland Assurance Corporation

Seven South Gay Street

Baltimore

JOHN T. STONE,
President.

"LIVE and DIE with ASSURANCE"

ENTERING OHIO FIELD

W. C. Lennie, secretary of the Farmers & Traders Life of Syracuse, N. Y., says that its paid business this year shows an increase of approximately 10 per cent. over that of last year, and so far the mortality has not exceeded the expected. The company is entering Ohio with the endorsement and unanimous support of the Grange of that state, and has good prospects of getting a nice business there during 1919. Thomas O. Young is president of the company. The Farmers & Traders was organized in 1914 and was started in business with a very small initial expense for promotion. It has about 600 stockholders and is believed to be wisely managed. Its investments are considered first class.

INFLUENZA LOSSES

Up to and including December 16, 1918, the total influenza losses paid by the Bankers Life Company of Des Moines, amounted to $730,000 on a total of 271 lives. These losses were all on deaths resulting from influenza or complications of influenza.

Ask Six Months To Seek Reinstatement

SENATOR PETITIONS CONGRESS

Government Will Have No Funds Due Policyholders From Which to Deduct Premiums

Washington, D. C., Dec. 24.—Soldiers and sailors are to be given six months within which to seek reinstatement in the event of their lapsing their war risk insurance policies, if Congress adopts the amendment to the existing law, offered by Senator Pomerene of Ohio.

Senator Pomerene, in offering this amendment in the Senate, presented also a statement prepared by an insurance man, which points out that when the war is over and the armies are disbanded, the pay of the soldiers and saliors will cease and the Government will have no funds due those who carry insurance from which to deduct the premiums due. A very large number will fail to pay the premiums; many of those insured do not know where to send the money to keep the insurance in force; many do not know that they will be able to convert their insurance into regular old-line contracts at net rates without medical examination.

After the flood of conventions that swept New York recently the calendar of dates ahead has been for the time being swept clean.

CONTINENTAL LIFE'S YEAR

President Burnet Reports Increase in Business, Same Dividend Scale and Large Surplus

President Philip Burnet of the Continental Life, Wilmington, Del., presents a highly encouraging report of that company's business in 1918. He says their new business on a paid for basis for the current year will aggregate something more than $4,000,000, representing a gain of nearly 35 per cent. over 1917. The net increase of insurance in force will be about 75 per cent. greater than for last year, in view of the fact that the company not only transacted a larger new business but also that terminations were smaller. President Burnet adds:

"We shall maintain our present schedule of policy dividends for 1919 in spite of the fact that our present dividends are so large that they are approached by only about half a dozen of the best companies.

"Although in common with all other companies we suffered severe losses in the influenza epidemic, yet our very large surplus in proportion to our liabilities, coupled with the fact that under normal conditions we have been earning approximately three times the large dividends paid to our policyholders, renders it unnecessary to make any reduction in our dividend scale."

PENNSYLVANIA OPPORTUNITY

If you are interested in making a permanent connection with an old well established company with a progressive management and an unequalled dividend record, it will be to your interest to investigate our proposition.

Address, PERMANENT,
Care of The Eastern Underwriter, 105 William Street, New York City

Millions of Life Insurance Being Sold!

By the Use of the SHANBACHER INHERITANCE TAX CHARTS

In the closing of most of the big lines to which the attention of the public has been directed during the past few months these charts have conspicuously figured.

Worth their "weight in gold" to every live life insurance agent.

For information address

THE EASTERN UNDERWRITER

Sales Agents

105 William Street, New York, N. Y.

Organized 1871

LIFE INSURANCE COMPANY OF VIRGINIA

RICHMOND, VIRGINIA

OLDEST–LARGEST–STRONGEST, Southern Life Insurance Company

Issues the most liberal forms of Ordinary Policies from $1,000.00 to $50,000.00, and Industrial Policies from $12.50 to $1,000.00

CONDITION ON DECEMBER 31, 1917:

Assets	$ 16,560,439.04
Liabilities	14,343,626.28
Capital and Surplus	2,216,812.76
Insurance in Force	131,790,562.00
Payments to Policyholders since Organization	19,612,616.08
Is paying its Policyholders nearly	1,500,000.00 annually

GOOD TERRITORY FOR LIVE AGENTS

A PENN MUTUAL PREMIUM, less a PENN MUTUAL DIVIDEND, purchasing a PENN MUTUAL POLICY, containing PENN MUTUAL VALUES, make an INSURANCE PROPOSITION which in the sum of ALL ITS BENEFITS, is unsurpassed for net low cost and care of interests of all members.

THE PENN MUTUAL

Life Insurance Company

OF PHILADELPHIA

On January 1, 1909, rates were reduced and values increased to full 3% reserve

15,000 PEOPLE

Wrote to us last year, in answer to our advertising, for an illustration of the Fidelity "Income for Life." This DIRECT LEAD SERVICE helped to make 1917 the best year in Fidelity's history.

AGENCY OPENINGS FOR THE RIGHT MEN.

Write to-day

FIDELITY MUTUAL LIFE

INSURANCE COMPANY, PHILADELPHIA

Insurance in force over $142,000,000

Walter LeMar Talbot, President

Security Mutual Life Insurance Company

Binghamton, N. Y.

Offers to men able to produce business first class territory, with direct contract providing liberal compensation.

For particulars, address

C. H. JACKSON, Supt. of Agencies

Are You Permanently Established?

Write for Territory

Pennsylvania—Ohio—West Virginia

PHILADELPHIA LIFE INSURANCE CO.

PHILADELPHIA

Extracts from Report of Examination of

SOUTHWESTERN LIFE INSURANCE CO.

By the State of Texas, June 28, 1915

"It is noteworthy that this Company was organized without any promotion expenses."
"I beg to report further that I find the Company in excellent financial condition."
"The volume of its business has steadily increased, its surplus is growing rapidly and its funds are being carefully conserved under expert supervision."

Home Office, DALLAS, TEXAS

November 11th, 1918,
On the very day the Armistice was declared

THE PROVIDENT LIFE and TRUST COMPANY of PHILADELPHIA

Removed all War Restrictions from its Outstanding Policies and Discontinued the use of a War Rider on New Policies.

Extra War Premiums will be Returned, and if regular premium has been paid, War Claims will be paid in full.

N. W. Cor. 4th and Chestnut Sts.

THE MOST VALUABLE POLICY FOR YOU

Mr. Agent, is to write your prospect in the Company writing the most valuable policy for the insured.
Secure **prompt action** in the

John Hancock MUTUAL LIFE INSURANCE COMPANY OF BOSTON MASSACHUSETTS

WILLIAM N. COMPTON, General Agent
Metropolitan District
St. Paul Bldg., 220 Broadway, New York, N. Y.

Continuing Insurance Is Government Duty

LETTER TO SUPERINTENDENTS

Vice-President Fiske of Metropolitan Advises Level Premium Policies For Soldiers and Sailors

"It goes without saying that the men should have level premium policies, which we understand the government offers.

"All alike ought to be insured, and the government is fulfilling a duty to them to continue their insurance to them at net cost."

The foregoing is from a letter by Vice-President Haley Fiske of the Metropolitan Life addressed to the superintendents of that company in connection with the matter of continuing the life insurance on members of the army and navy, given to them by the government. The letter follows:

Advise Men To Keep Insurance

"Now that the war is over and our men at the front coming back, the matter of life insurance on members of the Army and Navy, given to them by the Government, becomes of practical importance. Your advice and the advice of our agents may be asked. In every such case you will agree with us that our duty is to advise the men to keep up their insurance and to convert what insurance they have (which is one year renewable term) into some other form offered by the Government. Term insurance, as you know, involves the increase of premiums with the increase of age. It goes without saying that the men should have level premium policies, which we understand the Government offers. The cost of the insurance to the policyholder is much less than could be furnished by any private company, since the Government plan intends that a considerable part of the actual cost shall be paid out of general revenue. That is a good reason for its continuance by the insured. You will be glad to offer your assistance in any case where advice is needed, and in counselling as to the best form of policy and the ways of obtaining it from the United States Government.

No Twisting of Business

"Of course you will never allow your men to make any effort whatever to twist Government insurance into Metropolitan policies.

"You and we at the Home Office rejoice at the glorious peace and in welcoming our brave boys on their return and in congratulating those in the camps over the demobilization which will return them to their ordinary vocations. All alike ought to be insured and the Government is fulfilling a duty to them to continue their insurance to them at net cost."

PRUDENTIAL SMOKER

War Service Members of Home Office Staff To Be Warmly Welcomed Back

"We shall pass in review before them." That's the way President Forrest F. Dryden of The Prudential put it in his happy little speech of welcome at the "get together smoker" held in the assembly hall at The Prudential's home office, Tuesday evening, December 17th. Mr. Dryden was referring to the home office boys who have been in the war service. Mr. Dryden said:

"These boys are coming back bigger and better men for the trials they have been through, and I want to take the opportunity here and now to state that when they do return, their old places will be open for them. We shall welcome them with proud hearts. They have fought the good fight, and we shall pass in review before them."

Mr. Dryden thanked his auditors for their loyalty and earnestness during these times, and also expressed his appreciation of the many kind inquiries and messages received during his recent illness. Incidentally, he let it be known that while his doctors were on the job all the time, he was quite sure the prayers and interest of the home office and field, had more to do with his recovery.

The "Get Together Smoker" was the annual gathering of the officers, managers, assistant managers and male clerks who have seen twenty years of Prudential service.

Lieut. Col. Howard Back From France

COMES ON GEORGE WASHINGTON

Secretary of the Travelers Insurance Company of Hartford Landed Home Tuesday

Lieut. Col. James L. Howard, secretary of the Travelers Insurance Company of Hartford, Conn., who served with the "Fighting Yanks" in France on the staff of Major-General Clarence R. Edwards, landed in New York Monday of this week, coming in on the "George Washington," which took President Wilson to Brest. Lieut. Col. Howard and his wife, who met him, left for Hartford Tuesday evening. Asked by a representative of The Eastern Underwriter how he felt, just as he was about to board a train, Lieut. Col. Howard remarked "I am feeling fine and dandy. I am mighty glad to be back in the States, and anxious to get home for Christmas."

Lieut. Col. Howard was chief of operations of the 26th (New England Division). En route home, his train from Paris to Brest, where he boarded the "George Washington," passed the presidential train on its way to Paris.

Lieutenant Colonel Howard was born in Hartford March 21, 1878, and attended the public schools here. He was graduated from the Sheffield Scientific School in 1898 and soon afterwards became identified with the Travelers Insurance Company, serving in the actuarial department for several years, when he was made secretary to the president. In 1906 he was made assistant secretary in the life department, later becoming secretary of the company.

His military career has been long and has been featured by rapid promotions. In 1898 he enlisted in Battery A, Connecticut Volunteer Artillery, serving during the Spanish-American War. On April 6, 1903, he received his commission as first lieutenant in the First Infantry, Connecticut National Guard, and October 29 of that year became captain and adjutant. When Troop B, Cavalry, was formed in 1911 he was made captain, and was assigned to permanent command of the unit April 17 of that year. October 29, 1915, he was made major, and November 2, 1915, was transferred to the reserve list with that rank.

September 4, 1916, he was mustered into the Federal Service and went to the Mexican border and was made brigade adjutant of the Fifth Separate Brigade, with station at Nogales, Arizona. When the First Separate Brigade was formed in May, 1917, Major Howard was put in command and later he went to France with his men, but in August of that year before sailing the unit was changed into a machine gun organization.

Last July, Lieutenant Colonel Howard was wounded in action, a piece of shrapnel striking him in the side. In August of this year information was received that Captain Morgan G. Bulkeley, Jr., had been commissioned a major in full command of the 101st Machine Gun Battalion, which was the first information received here that Major Howard had been promoted, but confirmation of the report was received September 20 in a letter to Mrs. Howard under date of September 4. While in France he served on the staff of Major General Clarence R. Edwards, representing on the staff the machine gun units of the Twenty-sixth Division.

RIGHT AGENTS GOOD TERRITORY
still available for development by the
..... men who can place policies as well as write applications, and who know how to be successfully active. Always an opening for real workers.
Union Mutual Life Insurance Co.
PORTLAND, MAINE
ARTHUR L. BATES, President
Address: ALBERT E. AWDE
Superintendent of Agencies
7 W. Madison Street CHICAGO, ILL.

SECOND TO NONE IN SERVICE

Long established and thoroughly modern, providing perfect protection for a net cost which is notably low, and rendering service which is unexcelled, the Massachusetts Mutual stands out as an ideal company in which to insure. Sixty-seven years of square dealing are back of every one of our representatives. They will tell you how great an asset that record is in their work.

JOSEPH C. BEHAN, Superintendent of Agencies

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

Springfield, Massachusetts

Incorporated 1851

54 Millions from 42 Agencies

38 Millions Increase in Insurance in Force

The 1917 Record of Efficient Service by our Competent Agency Force

New England Mutual Life Insurance Co.
Boston, Mass.

Issues Income Bond Contract

HAS SEVERAL NEW FEATURES

Connecticut General's Latest Policy Promises to Be Good Seller—Rates Are Low

The Connecticut General Life this week announced the issuance of a new income bond policy. The announcement to its agents regarding the new contract reads in part:

"Compared with a deferred annuity the bond has the advantage that in case of death all money deposited in excess of that withdrawn will be paid to your beneficiary. Compared with any form of endowment insurance, the income is larger. If you die young, you get your money back. If you live long, you get much more.

"The life income commences at the policy anniversary nearest to age 55, 60, 65 or 70.

"The contract is issued with either a guaranteed premium or a mutual premium. The number of annual premiums is found by subtracting the age at issue from the age at maturity. Semi-annual premiums are derived by adding 2 per cent. to the annual and dividing by 2; quarterly premiums, by adding 4 per cent. to the annual and dividing by 4.

"If the bond-holder dies before the maturity age, all premiums paid will be returned without interest to the beneficiary. If the bond-holder dies after the income has commenced, the excess, if any, of the total annual premiums over the total income payments already made will be paid to the beneficiary.

Dividend Provisions

"On the mutual income bond dividends will be credited upon payment of the second annual premium and at the end of each subsequent year, until maturity. The estimated dividends are: First, 1 per cent. of the gross annual premium; second, 2 per cent. of the gross annual premium. Each dividend may be used in reduction of premium or deposited with the company at interest.

"The cash or loan value at the end of the second or any subsequent year prior to maturity is the sum of the gross annual premiums already paid less one annual premium. For instance, the tenth year cash value is equal to nine annual premiums. At the maturity age a liberal cash value stipulated in the contract may be selected in lieu of the life income.

"At the end of the second or any subsequent year, there is a proportionate automatic paid up value. For instance, if an income bond for $100 a month commencing at age 65 is issued at age 45 twenty annual premiums are required. If premium payments cease at the end of five years, the company grants an automatic paid up income bond for 5/20 of $100, that is, $25 a month commencing at age 65.

"A special application, Form 0183, should be used. No medical examination is required. The income bond is issued to both men and women whether married or single.

"The age is taken at nearest birthday. Proof of age is not required at time of application.

Conversion Privilege

"At any time before the maturity age, the contract may be converted to a life or endowment policy bearing original date with annual premium equal to or greater than the premium on the income bond, upon satisfactory evidence of insurability and upon payment of the difference in back premiums with compound interest at 5 per cent. per annum.

Maturing at Age 70

Age	—Ann'l Premium— Guaranteed	Mutual	Cash Value at Age 70
20	$ 6.15	$ 7.08	$1,068
21	6.47	7.44	1,069
22	6.81	7.83	1,070
23	7.16	8.24	1,072
24	7.54	8.67	1,074
25	7.93	9.12	1,076
26	8.35	9.60	1,078
27	8.79	10.11	1,080
28	9.27	10.66	1,082
29	9.79	11.26	1,084
30	10.35	11.91	1,086
31	10.95	12.60	1,088
32	11.59	13.33	1,091
33	12.26	14.10	1,094
34	12.97	14.92	1,097
35	13.71	15.77	1,100
36	14.50	16.68	1,103
37	15.38	17.69	1,106
38	16.36	18.82	1,110
39	17.46	20.08	1,114
40	18.66	21.46	1,118
41	19.95	22.95	1,123
42	21.34	24.54	1,128
43	22.82	26.24	1,133
44	24.40	28.06	1,138
45	26.09	30.00	1,143
46	28.21	32.12	1,149
47	30.57	34.47	1,156
48	33.29	37.17	1,163
49	36.42	40.27	1,170
50	40.01	43.83	1,177
51	43.89	47.84	1,185
52	48.22	52.31	1,194
53	53.02	57.25	1,204
54	58.30	62.65	1,214
55	64.06	68.53	1,224
56	70.50	75.07	1,235
57	77.97	82.64	1,247
58	87.27	92.07	1,260
59	99.64	104.64	1,274
60	115.77	121.03	1,289
61	135.35	141.50	1,305
62	159.13	166.36	1,322
63	187.46	195.98	1,340
64	220.66	230.69	1,359
65	271.59	283.93	1,369

"DUTCH" RICE and "SUNNY JIM"



P. B. S. RICE



JAMES A. TYSON

Pretty hard to get a happier looking pair of life insurance agents than Rice & Tyson, recently appointed general agents of the Equitable Life of Iowa, at Harrisburg, Pa., succeeding J. C. Johnson, transferred to Detroit. Speaking of this pair of mirthful looking chaps the "Equiowa" in a recent issue said: "We know of no finer or more friendly rivalry than that which has existed between Mr. Rice and Mr. Tyson, but 'Dutch' seemed to put it all over Jim last year, although both are club members, the former in the $200,000 club and the latter in the $100,000 club."

Mr. Rice commenced his service with the Equitable Life of Iowa on July 9, 1913. He has been a consistent producer of business during that period of time, ranking as one of the company's foremost agents. He won the gold watch contest in the Keystone state for 1917, and made the $200,000 club for the first club year, which terminated June 30, 1918. He has a determination which knows no bounds, and is a hard worker. His pleasant manner has made him popular with the field force of the company.

James A. Tyson entered the life insurance business in the service of the Equitable Life of Iowa on January 22, 1915, making his headquarters at Williamsport, Pa., and reporting through the Harrisburg Agency. His record for the club year, although he is a club member, was not a source of joy to him; and he has resolved to wipe out that showing and get among the "big guns" where he justly belongs. To those who know him and enjoy his personal friendship, he is "Sunny Jim"—always smiling, optimistic, enthusiastic.

"YE OLDEN TIMES"

George H. Luther, of the Chicago agency of the Mutual Life when soliciting out in one of the country towns came across Cassius M. Conrad who purchased a ten payment life policy for $2,500 in the Mutual Life 52 years ago, and the policy was still in force. Mr. Luther says the policy is somewhat of a curiosity in that it contains enough provisions to last through the entire food shortage at least. Among other things it provides that the insured shall not, without consent of the company, travel on the high seas or sojourn south of Kentucky or west of Dakota.—"The Organizer."

Missouri State Life Policies Rich In Selling Points

Facts—

Over $156,000,000 of Insurance in Force
Over $27,000,000 of New Insurance Gained in 1917
Average Interest Rate Earned in 1917 6.6%
Policy Contracts New and Attractive
Non-Participating Policies
Participating After End of Premium Paying Period
Operating in 38 States, and the Territory of Hawaii

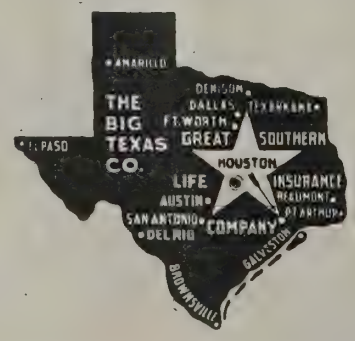
Missouri State Life Insurance Company

Fastest Growing Life Insurance Company in America

Home Office, St. Louis, Missouri

Great Southern Life Insurance Company

HOUSTON, TEXAS



For Agency Contracts address

O. S. CARLTON

PRESIDENT

LIVE HINTS FOR BUSINESS GETTERS

Practical Suggestions to Help the Man With the Rate Book Increase His Income and General Efficiency

Lapse Proof Business

I recall two periods when my lapses were conspicuously abnormal; ordinarily I think the ratio is low, but these two periods were not at all satisfactory. In the first instance, I found on analysis that the increase in lapses that year was due to the work of one agent—he had written his business right, that is, there has been no misrepresentation of the policy, but the type of risk was wrong. Some of them should have gone to an industrial company. This was easily overlooked at the time as they were temporarily earning more money than they could be expected to earn in ordinary years. I then made a rule for that agent that he should not arrange for any examinations unless authorized by my office. In that way we first passed on the risk, not infrequently declining it—somewhat to the disgust of the agent, but to the general welfare of the office and ultimately to that of the agent himself.

The second instance was with an agent who showed a 50 per cent. lapse the second year. This was startling for the agent was of good character, was truthful and earnest, and I couldn't account for it until I started in to investigate each case. I found that the agent was too earnest. He made the applicant so keenly alive to his responsibility to his family that he was persuaded in good faith to undertake more than he could possibly perform. Here the agent possessed too much of a very excellent quality, namely, earnestness.

These two illustrations are typical and prove conclusively that eternal vigilance is the price of a low-lapse ratio; they prove, moreover, that in all cases where the lapse ratio is high the first place to look for the cause is with the soliciting agent.—L. C. Slayton, in the Penn Mutual "News Letter."

* * *

Doubling the Dollar's Purchasing Power

The opportunity for larger policies is a distinctly new one. It's exactly in the nature of a season which gives the farmer two crops instead of one. It is too, a sort of double-barreled opportunity in another sense. Not only are old policyholders prime prospects for additional insurance, but almost without exception the initial lines are double what they used to be.

One thousand dollar policies are not thought of by the even tolerably fair solicitor, and the better class of writers are making $5,000 the minimum. Such a raise in the size of policies, which is absolutely necessary under existing conditions of high cost of living, and easy of practice by reason of the plentifulness of money ought to mean to every life man a doubling of his income.

The price of $2,500 of life insurance is exactly what it was five years ago, but it requires $5,000 to buy what the $2,500 would have bought then. The man who buys $5,000 life insurance now, paying for it with inflated money, has a chance of making a bargain should he live and have occasion to convert his policy into the cash value ten or twenty years hence; because in all human probability money will gain in purchasing power from now on. Should he die, of course, the protection is always there, equivalent of gold dollars.

The life man who writes the largest average lines, all other things being equal, will of course make the most money. And when we consider that the labor, time, etc., is just as great in the case of $1,000 as in $5,000, we are mighty forcibly reminded of the vital importance of getting full lines while on the job.

Efficiency means the accomplishment of the greatest possible task in the least possible time and at the least possible expenditure of vital forces.

Embrace the **New Opportunity!** Write larger policies and double your income.—The International Lifeman.

* * *

Preparing Canvass in Advance Helps

How knowledge inspires confidence is set forth in "Points," issued by the Mutual Life, New York, as follows: "When approaching a prospect you have presumably already gathered all needed information regarding him—his age, extent of his family, his business standing, probable income, ect. You are therefore prepared to offer him at once the policy which is seemingly best fitted to his needs. That policy you offer and you stick to it unless he especially asks for some other form. Even in that case your experience teaches you that, while giving him the required information, you will generally do well to direct the conversation back to your original proposition. When he asks about the cost, stating his age at nearest birthday, etc., be prepared, without consulting your rate book or dividend leaflet, to give him the premium at once and the amount by which it will be reduced by the first dividend according to the present scale. Your ability to name the figures offhand will impress the prospect favorably. The man who is applying for life insurance always wants to feel that the agent with whom he deals is thoroughly informed in his business and hence a capable adviser."

* * *

Readjustment to Peace Conditions

"Conditions just now afford a fine opening for life men to get in good and effective work among thoughtful business men," says J. L. Babler, general manager of agencies, International Life, St. Louis.

"Everybody is talking about 'readjustment of business to peace conditions.' Every business man, little or big, is interested in the question, and the life man who keeps up with the newspaper talk can make himself mighty welcome and often useful to the business man by throwing out suggestions or quoting from some high authority. One vital need in the matter of 'readjustment' is plenty of life insurance to save the business no matter which way the cat jumps. By being able to talk intelligently on the 'readjustment' question, the life man will find himself in a position to suggest more life insurance as a matter to safety first. To get next to worth-while people, a man must be able to talk about the things that are nearest to them in a business way. Now while the readjustment period is on and everybody thinking about it, and plenty of money in hand, the wide-awake life man can land some big policies by disclosing a fine acquaintance with the subject—by showing that he is alive to everything affecting the future of the trade and commerce of the country. This chance won't last long. Grab it now and make the most of it."

THE
METROPOLITAN LIFE
Insurance Company
(Incorporated by the State of New York)



Metropolitan Life Insurance Company Home Office Building

It is first in the world in amount of insurance in force....$3,936,181,898
It is greater than any other company in America in the number of its policies 18,262,933
It stood first in the world in amount of insurance placed in 1917 .....$791,060,002
It stood first in the world in gain in insurance in force in 1917 .....$453,749,902
It stood first in the world in gain in income in 1917.....$40,648,595.67

WAR SAVINGS STAMPS

The Company, through its more than 15,000 agents, sold $65,000,000 worth of War Savings Stamps between February first and September first, 1918, and expects to sell a total of at least $100,000,000 during the year.

JOHN R. HEGEMAN, President

BOSTON MUTUAL GAINS

Better Than 1917—Dividends Dropped Temporarily—Company Liberal With Policyholders Entering Army

The Boston Mutual Life's net increase in business in force for 1918 will amount to approximately $1,700,000, which exceeds the increase for 1917. The directors have voted to discontinue all dividends to policyholders, probably throughout 1919, to make it possible to recover a portion of the severe death losses owing to influenza, as well as from war risks.

The Company gave permission to all policyholders insured prior to April 19, 1917, to engage in military or naval service in the war without any restrictions and without the payment of additional premiums.

The directors believe that the suspension of dividend payments will be necessary for only a comparatively short time as the company is doing a splendid business in new policies issued.

THE PEACE CAMPAIGN

New England Mutual General Agents Pulling for $7,000,000 Production During December

Wilson Williams, president of the New England Mutual Life General Agents' Association, issued a bulletin showing the standing of the various sections of the New England Mutual's agency organization in the peace campaign for seven million dollars production during December.

Up to December 20th, $4,459,000 of business had been received at the home office in Boston. With eleven days to go, and all sections keyed up for the finish, it looks as though the goal set would be reached.

The various sections were in charge of the following general agents as commissioners: New England states, Lee C. Robens; Atlantic states, E. W. Allen; Central states, R. W. Thomas; Western states, C. D. Mill; Gulf states, Wilson Williams.

Ludwell L. Howison, private secretary to the late Fred E. Richards, president of the Union Mutual Life, Portland, Me., has confessed that he forged the endorsement of Mr. Richards to notes aggregating $132,000.

What An Agent Wants

A Company whose name, everywhere a household word, is his best introduction. Prestige is a door-opener, and age and size are impressive.

Policies that are unexcelled. Big dividends. Strength and safety that need no demonstration. Unsurpassed service to policyholders—the thing that makes solid patrons out of first-time customers.

The Oldest Company in America! Come with it and you will stay with it and it will stay with you.

For terms to producing agents address

The Mutual Life Insurance Company
of New York

34 NASSAU STREET, NEW YORK CITY

THE EASTERN UNDERWRITER

This newspaper is owned and is published every Friday by The Eastern Underwriter Company, a New York corporation, office and place of business 105 *William Street, New York City. Clarence Axman, President; W. L. Hadley, Secretary; R. W. Swayne, Assistant Secretary; W. E. Schram, associate editor. The address of the officers is the office of this newspaper. Telephone* 2497 *John.*

Subscription Price $3.00 *a year. Single copies,* 25 *cents.*

Entered as second-class matter April 5, 1907, *at the Post Office of New York, N. Y., under the act of Congress of March* 3, 1879.

LIFE INSURANCE SURPLUS

Costly as the influenza is to the life insurance companies, and consequently, to their policyholders, it will do one great thing that has increasingly needed to be done. It will put an end, at least for a long time, to the clamor on the part of demagogic politicians and ignorant editors, both for reduction in premium rates and for closer distribution of surplus. Also it will put a brake upon any tendency that might develop to increase dividend schedules to the limit of safe divisibility, solely for competitive advantage.

Nobody believed it would ever come, but at last a genuine epidemic—a pandemic—has swept over the land, and has carried away more than 300,000 lives, and a very large number of which entailed an insurance loss which total will run into tens of millions of dollars; and the consequence of this huge and unlooked for loss is the passing of dividends by some companies and reduction by others; while those who will in 1919 maintain their 1918 schedule, will be able to do so solely because of that large surplus which has been so loudly attacked by those outside the business and by some laterally connected with it, who love the policyholder better than do company executives, who day by day and year by year work for him, regard his interest and know his insurance dangers.

The one great demand and requirement of life insurance protection is absolute, indisputable, unassailable safety, and it cannot be had without a surplus large enough to meet any emergency; and the influenza has demonstrated to everybody, wise and foolish alike, that shrinkage in security values is not the only emergency that can deplete a surplus, but that the epidemic must henceforth be a factor in estimating a company's safety margin.

INROADS OF INFLUENZA MAY CONTINUE

That the influenza of the present epidemic is in reality not influenza at all; that it is a heretofore unknown disease, the treatment of which must necessarily be largely experimental, is brought forward by Dr. Douglass Symmers, professor of pathology at Bellevue Medical College, New York, and assistant director of laboratories at Bellevue and Allied Hospitals.

Dr. Symmers has given expression to the view that there will be recurring severe epidemics of the disease called Spanish influenza, for several years to come, and that, before we see the end of the pandemic, it will have taken the lives of millions of people. In Switzerland, in Scandinavia, and in Spain, where the disease raged a year ago, the doctor points out that it has returned this year, and there is no reason to suppose that other countries will escape repetition.

"Numerous physicians," says doctor Symmers, "have been of the opinion that the epidemic was simply one of ordinary influenza or grip. As a matter of fact, however, we do not know what this prevailing infection is. In the influenza which swept around the world in 1889-90, the death rate, depending on conditions of crowding, was always noticeably under 1 per cent. of the total number of people attacked. In the prevailing infection, the death rate varies, according to circumstances, from 30 to 80 per cent. The fact that the influenza bacillus has been isolated from the throat and lungs in a large number of cases is without particular significance, for the very simple reason that this bacillus may be found in a great variety of inflammatory diseases of the lungs, even in inter-epidemic periods.

"The best opinion on the subject at the present moment seems to be that the disease is due to so-called filterable virus, and that the so-called Pfeiffer's bacillus and other bacteria which have been isolated are to be regarded as purely secondary invaders."

In this connection Dr. Symmers points out that the anti-influenza vaccine which has been used during the present epidemic, and is believed by some physicians to be of indubitable merit is probably without value.

"In view of the fact that the influenza of the present epidemic is in reality not influenza at all, it is now generally conceded that the vaccine being used is without value. This opinion is borne out by reports that I have had from various parts of the country, where vaccine has been used and its value found to be very highly doubtful."

Dr. Symmers takes emphatic exception to the current belief that the prevailing epidemic is in reality a variety of bubonic plague.

In further extenuation of the belief that this disease presents new elements, undertakers who have embalmed many bodies of those who died of influenza report that they came in contact with some conditions entirely unknown to them.

PRUDENTIAL WAR CLAIMS.

In last week's issue of The Eastern Underwriter, we published an item to the effect that The Prudential Insurance Company had claims in the United States as a result of the war, numbering 6,700, and in Canada, 330. We learn that the number of Canadian claims should be 3,300. In transcribing our notes, the additional cipher was omitted.

EXCELSIOR LIFE'S RECORD YEAR

The Excelsior Life, of Toronto, closed its books for the current year December 19, with applications for $6,750,000, an increase over 1917 of over $500,000.

THE HUMAN SIDE OF INSURANCE



FRED I. AND PAUL SIPP

Fred I. Sipp, formerly a special agent of the Hartford Fire Insurance Co. in Kansas, and prior to that time an assistant examiner in the western department of the Hartford, in Chicago, is the center of an interesting story coming out of England, in connection with the war. Mr. Sipp joined the 89th Division last May and arrived overseas on June 15th, and after two months' training was sent to the front lines. He was wounded in the ankle by a gun shot, and in the head by a bayonet thrust. He was shipped from the front to London, and while convalescing, his brother, **Paul Sipp,** who has been in active service since a year ago last November accidentally learned of his brother's injury, being at that time only 25 miles away. Paul went to see Fred, and the picture above was snapped when they met, which is printed by courtesy of "The Hartford Agent," the house organ of the Hartford Fire Insurance Co.

* * *

Miss Catherine Phelps Lynch, representative of the Massachusetts Mutual Life, connected with the Springfield agency with headquarters at North Adams, Mass., is one of the new women in life insurance work who is making good. With no previous training, Miss Lynch entered life insurance selling work in the latter part of July, 1918. Her training was secured through T. R Fell, manager of the Massachusetts Mutual Life in New York City, and was conducted entirely by correspondence. In the month following the signing of her contract, she delivered policies aggregating $19,000. Her average is well over $12,000 a month for the five months she has been connected with the Massachusetts Mutual Life.

* * *

Lieut.-Colonel R. G. Cholmeley-Jones is now deputy chief of the War Risk Insurance Detachment of the American Expeditionary Forces. Before entering the army he was advertising manager of the "Review of Reviews." Lieut.-Col. Cholmeley-Jones is a nephew of the late Richard Watson Gilder and son of E. Cholmeley-Jones of Philadelphia and has been prominent in the practical administration of the new war insurance. When Major Willard D. Straight went to France a year ago in charge of the Bureau of War Risk Insurance Lieut.-Col. Cholmeley-Jones went as one of his assistants. He was then a captain. His promotion to lieutenant-colonel followed.

* * *

Luther B. Little, head of the publicity department of the Metropolitan Life, took a prominent part in the recent annual dinner of the "Amen Corner," the famous once-a-year organization of newspaper men. Mr. Little, previous to his connection with the Metropolitan Life, was a political reporter of considerable reputation, so that it was but natural that he should have been selected to play a part in the political farce which was staged at the dinner. One of Mr. Little's sallies which ilicited much applause pictured W. R. Hearst crying "Kamerad" when cornered by Bruce Bielaski, head of the U. S. Department of Justice investigation department, who was also at the dinner.

* * *

Miss Ruth Baker, Mrs. Juel Nichols, Miss May Cleghorn, Miss Rigmore Ponsaing, Captain Miss Ruth Palmer and **Miss Agnes Colin,** comprise the personnel of the Hartford Accident & Indemnity Company Girls' Bowling Team. Recently at the Wooster alleys, in Hartford, this aggregation of feminine "pin slammers" engaged a team of girls from the Hartford Market and bested them by over 200 pins. The manager of the Wooster alleys is accepting challenges for his "pets," as he calls them. He will have to change that to "maulers" if the game recorded above is a sample of what these girl bowlers can do.

* * *

Harold P. Trosper, of the selling force of the Northern Assurance Company of Michigan, has so diligently applied himself to the work of selling life insurance that his name appears at the head of the list of producers for that company for May, August, September, October and November. **Roy W. Anger** was out in front for June and July. Solomon C. Gins, John M. Hill, George F. Qua, and Millard F. Cottrell, respectively, headed the production list for January, February, March and April.

* * *

Fred L. Hahn, representative of the Mutual Life of New York connected with the Wisconsin agency, is past his 86th milestone, and is still going strong. Mr. Hahn was born April 11, 1833, ten years before the organization of the Mutual Life. His first connection with the company was at Detroit in 1862, over 56 years ago. "Points" says that Mr. Hahn is an active energetic worker, and promises to give some of the younger boys a good run for their money.

* * *

Sergeant Raymond S. Hammond, formerly cashier at the Rochester, N. Y. office, of the Guardian Life died of bronchial pneumonia October 4, at a base hospital in France. Sergeant Hammond is the first and only Guardian Life man, so far known who made the supreme sacrifice.

IVES, BAIRD & SEARS

Thomas E. Sears has joined Ives & Baird, Inc., of New York, becoming a director. The corporation is establishing an organization in Boston under the name of Ives, Baird & Sears. S. Wilson Richards, of the marine department of Fred S. James & Co., will on January 1 join Ives & Baird, Inc., as a director and treasurer of the corporation. He will co-operate with James A. Price, manager of the marine department, in the development of that branch.

FIRE INSURANCE DEPARTMENT

Albany Field Club Elects Officers

L. C. BREED IS PRESIDENT

T. C. Naulty Elected Vice-President, George Brinley Treasurer and R. T. Van Vranken Secretary

The annual meeting of the Albany Field Club was held last Friday at Keeler's, State Street, Albany. Elaborate plans were formulated for the coming year which include a schedule of prominent speakers who will address the Club on technical phases of the business.

L. C. Breed, special agent of the National of Hartford, who has been vice-president of the Club during the past year and was secretary the previous year, was elected president for 1919, succeeding R. H. Moore, formerly special agent in Eastern New York for the Insurance Company of North America who recently left the field to become superintendent of agents of the Concordia Fire.

T. C. Naulty, district secretary of the Underwriters' Association of New York State, who was secretary of the Club last year, was elected vice-president. George Brinley, special agent of the Hartford Fire, was re-elected treasurer and R. T. Van Vranken, special agent of the Home Insurance Co., was elected secretary.

BRITISH WAR RISK BUREAU

Discontinued Issuing New Insurance Except In Unusual Circumstances As of December 9

The British War Risk Insurance office announced on December 9 that the granting of fresh insurance on cargo against war risks would be discontinued as of that date except in special cases as it is the desire of the government to restore as quickly as possible the normal condition of the insurance market. The special cases referred to are those in which large amounts are wanted which cannot be secured in the open market for a reasonable rate.

INCREASED FACILITIES

McNitt & Frink were recently appointed agents of the Fidelity-Phenix Fire at Norwich, New York. This addition to the office will give the agency a splendid increase in writing facilities.

MORAL HAZARD ON ROADHOUSES

Companies Already Starting to Cancel Policies on Properties Being Vacated

Fire insurance companies are closely scrutinizing hotel and saloon risks in towns which have gone dry or properties which have been vacated because of the approaching national prohibition. In New York City alone several hundreds of saloons did not renew their licenses on expiration.

Some policies covering roadhouses and similar establishments which were formerly dependent on liquor trade for their revenue have already been cancelled. In many cases, however, the cover will be continued to expiration when renewals may be refused unless conditions have been favorably altered.

The position of the companies is that the moral hazard on this class of risk will increase in instances where the buildings remain unoccupied for any considerable time.

C. A. SHANNON MAKES CHANGE

Local Man of North British & Mercantile To Go With Darby, Hooper & McDaniel Agency

Charles A. Shannon, of the local department of the North British & Mercantile, has resigned as of January 1 and on that date will go with the Darby, Hooper & McDaniel agency. Mr. Shannon has been identified with the local department of the North British for twenty years and has been through all its departments. During this time he has made many friends among the brokerage and agency offices.

HELLRIEGEL JOINS BERNHARD

Was In Charge of Brokerage Department of Phoenix Assurance, of London

Harry Hellriegel, special agent in charge of the brokerage department of the Phoenix, of London, has resigned and is now associated with Irvin T. Bernhard, who represents a number of prominent companies for New Jersey. Mr. Hellriegel had been with the Phoenix for about eight years and started the brokerage department of that company.

William L. Jones, president of the Milwaukee Mechanics, has died, age 74. Mr. Jones entered the insurance business with the L & L. & G., in England.

THE AUTOMOBILE INSURANCE COMPANY
OF HARTFORD, CONN.
MORGAN G. BULKELEY, President

CASH CAPITAL
$2,000,000.00
ASSETS
$7,266,538.81
LIABILITIES, EXCEPT CAPITAL
$3,086,345.45
SURPLUS TO POLICYHOLDERS
$4,180,193.36

LINES WRITTEN

FIRE	MARINE	WAR RISK
TORNADO	WIND STORM	MAIL PACKAGE
RENTS	LIGHTNING	TOURIST BAGGAGE
PROFITS	EXPLOSION	SPRINKLER LEAKAGE
HULLS	COMMISSIONS	USE AND OCCUPANCY
CARGOES	AUTOMOBILES	INLAND MARINE
FLOATERS	LEASEHOLD	INLAND TRANSPORTATION

REGISTERED MAIL

Affiliated with
ÆTNA LIFE INSURANCE CO.
ÆTNA CASUALTY & SURETY CO.

THE
WILLIAM H. KENZEL CO.
FIRE INSURANCE AGENT

Representing at 79-83 William St., New York
FRANKLIN FIRE INSURANCE CO. OF PHILADELPHIA, PA.
EQUITABLE FIRE & MARINE INS. CO. OF PROVIDENCE, R. I.
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
IMPERIAL ASSURANCE COMPANY OF NEW YORK
HUMBOLDT FIRE INSURANCE CO. OF PITTSBURGH, PA.
ALLEGHENY FIRE UNDERWRITERS OF PITTSBURGH, PA.
CALEDONIAN-AMERICAN INSURANCE CO. OF NEW YORK

Representing at 154 Montague St., Brooklyn
LONDON ASSURANCE CORPORATION OF LONDON, ENGLAND
NORWICH UNION FIRE INSURANCE SOCIETY, LTD., OF ENGLAND
GRANITE STATE FIRE INS. CO. OF PORTSMOUTH, N. H.
COMMERCE INSURANCE COMPANY OF ALBANY, N. Y.
MECHANICS INSURANCE COMPANY OF PHILADELPHIA, PA.
PENNSYLVANIA FIRE INS. CO. (Suburban)

NIAGARA
Fire Insurance Company
ESTABLISHED 1850
123 William Street, NEW YORK

NORTH BRANCH FIRE INS. CO.
Sunbury, Pa.
Inc. 1911

Assets	$641,341.77
Reserve	230,513.29
Capital	300,000.00
Surplus	63,479.83

CITY INSURANCE COMPANY
Pittsburgh, Pa.
Inc. 1870

Assets	$357,318.58
Reserve	54,256.92
Capital	200,000.00
Surplus	96,379.07

OPERATING ON A CONSERVATIVE BASIS IN A LIMITED TERRITORY UNDER AN EXPERIENCED MANAGEMENT

BROKERS ACTIVITIES

PHOENIX BROKERAGE DEPT.

George A. Roberts Appointed Special Agent In Cha-ge—Was Formerly Examiner

The Phoenix Assurance, of London, has appointed George A. Roberts, who has been examiner for New Jersey for about two years, as special agent in charge of the brokerage department of the company. Mr. Roberts has already assumed his new position.

* * *

Brokers' License Law Attacked

Philip La Tourette, a New York broker, is suing FitzHugh McMaster, former insurance commissioner of South Carolina, who had refused Mr. La Tourette a license. The broker's counsel in their brief submitted to the United States Supreme Court, contend that the South Carolina brokers' license law violates the State and Federal constitutions in denying to a citizen of New York the rights and protection enjoyed by a citizen of South Carolina.

* * *

Government Work Continues

Surety business has dropped off to almost the vanishing point in a number of offices. Government bids are still being asked for on public buildings and appropriations are being made for these works. Aside from that, there is little stirring as the year draws to its close.

* * *

George K. Berthold, Placer

George K. Berthold has succeeded S A. Kirk as placer for Kookogey & Hook. Mr. Berthold was formerly with Dutcher & Edmister.

* * *

Brokerage Committee Meets

A meeting of the brokerage committee of the New York Fire Insurance Exchange was held on Tuesday.

THREE POPULAR CALENDARS

For years the calendars of the Continental Fire Insurance Company of New York have been eagerly looked forward to by thousands throughout the country, because of the valuable historical events so well illustrated and described thereon. This year, President Henry Evans is sending abroad a calendar depicting the operation of the first street railway in the world, which was the New York & Harlem road, built on the Bowery, and open for travel from Prince Street to the present site of Union Square, in November, 1832. President Evans is also sending to his friends the calendars of the Fidelity-Phenix and the American Eagle. One gives some interesting points regarding the game of ice hockey and the other shows the American Eagle in all his glory.

JAMES S. KERNAN HERE

James S. Kernan, of E. F. and J. S. Kernan, local agents at Utica, was in New York this week.

THE LATE LOUIS F. GOULE

Secretary of National Liberty Insurance Company Was In Business Many Years

Louis F. Goule, secretary of the National Liberty, died at his home in New York, December 4, of apoplexy. He was 64 years old and leaves a widow.

Mr. Goule came to New York from Cincinnati where he was a clerk in the insurance business. His first connection in New York was with the New York Underwriters' Agency. In 1882 he went with the Germania, which is now the National Liberty, as special agent in the New England field. He rose steadily to the position of general agent of the Eastern Department, becoming assistant secretary and at the time of his death he was secretary of the company. He was at one time president of the New York Suburban Exchange and throughout his entire insurance career was looked upon as a careful and painstaking underwriter. This was particularly shown in his field work. He was independent in action and had the courage of his convictions; was a man of large heart and during his 36 years with the National Liberty won the respect of a large circle of influential friends.

NATIONAL UNION'S GREETING

Sends Agents Beautiful Collection of Photographs of Allied Commanders and President

One of the most complete and beautiful season's greetings which have come to the attention of The Eastern Underwriter is that sent its agents by the National Union, of Pittsburgh. The whole takes the form of a portfolio, with fitting sentiments engraved on the front. Inside are "The American's Creed," by William Tyler Page, together with gravure photographs of Generals Pershing, Foch, Haig, Diaz, President Wilson, Abraham Lincoln and George Washington. We anticipate seeing all of the above hanging in many offices.

NEW YORK STATE DEPARTMENT
HUMBOLDT FIRE OF PA. TEUTONIA FIRE OF PA.
CAPITAL FIRE OF N. H. GEORGIA HOME OF GA.
PERCY B. DUTTON, Manager, ROCHESTER

SCHAEFER & SHEVLIN
100 William Street GENERAL AGENTS New York, N. Y.
FIRE and AUTOMOBILE INSURANCE
Excellent Facilities for Handling Suburban Business Phone: John 2312

INCORPORATED 1720
Royal Exchange Assurance
LONDON, ENGLAND
United States Branch
92 William Street, New York
RICHARD D. HARVEY
United States Manager

207th Year
SUN
INSURANCE OFFICE OF LONDON
FOUNDED 1710
UNITED STATES BRANCH:
54 Pine Street - New York
WESTERN DEPARTMENT:
76 WEST MONROE ST., CHICAGO.
PACIFIC DEPARTMENT:
N. W. Cor. Sansome & Sacramento Sts.
San Francisco, Cal.

THE HANOVER
FIRE INSURANCE COMPANY
Incorporated 1852
The real strength of an insurance company is in the conservatism of its management, and the management of THE HANOVER is an absolute assurance of the security of its policy.
R. EMORY WARFIELD, President
FRED. A. HUBBARD, Vice-President
E. S. JARVIS, Secretary
WILLIAM MORRISON, Asst. Sec'y
HOME OFFICE
Hanover Bldg., 34 Pine St.
NEW YORK
HOWIE & CAIN, General Agents
Metropolitan District
100 WILLIAM STREET, NEW YORK

S. C. BISHOP CO.
Represented at 95 William Street,
AGENTS FOR NEW JERSEY
208 Broad Street, Elizabeth, N. J.
Phone, 447 John—588 Elizabeth

LOGUE BROS. & CO., Inc.
Fire—Casualty—Automobile Insurance
Nation-Wide Facilities for Handling SURPLUS LINES
307 FOURTH AVENUE PITTSBURGH, PA.

PHILADELPHIA
ADEQUATE FACILITIES
ALL LINES
CLARENCE A. KROUSE & CO.
LOCAL AND GENERAL AGENTS
325 WALNUT STREET PHILADELPHIA, PA.
PENNSYLVANIA NEW JERSEY
SATISFACTION SERVICE
ALL LINES

B. M. CROSTHWAITE & CO.
Fire and Automobile Insurance Specialists
Lines Bound Anywhere in New York State
45 John Street, New York City, N. Y. Telephones 2404-5-6-1758-1090 John

WESTERN ASSURANCE CO.
OF TORONTO, CANADA
States from 1874 to 1917, inclusive 43,294,154.63
Fire, Marine, Explosion and Tornado Insurance
UNITED STATES BRANCH
January 1, 1918
Assets $4,194,579.34
Surplus in United States..... 1,667,691.69
Total Losses Paid in United
W. B. MEIKLE, President

EQUITABLE UNDERWRITERS of New York
— FIRE and WAR RISKS —
Lines Bound Throughout United States, Canada, Cuba and Mexico. Home Office: 68 William Street

Explosion Cover Is Replaced

BY "RIOT AND CIVIL COMMOTION"

New Policies Sent to Companies Yesterday—New Contingent Rate Schedule Also Effective

Explosion insurance no longer exists in the vernacular of stock fire insurance companies. Beginning yesterday, it was replaced by the much broader policy adopted by the Explosion Conference, which was described exclusively by The Eastern Underwriter last week, and which is to be known as the "Riot and Civil Commotion Policy." The broader coverage and lower rates insure for the new policy a much greater demand.

The policy, copies of which were sent to the companies yesterday, carries with it the following schedule of rates:

"All rates are based upon a mandatory 50 per cent. Co-insurance Clause and are subject to usual reductions (except upon floaters and Use and Occupancy) for use of 80 per cent. and 100 per cent. clause.

General Class Rates

"Class A—$.37 rate—Applies to bridges churches, dwellings, ferry terminals, fireproof grain tanks, hotels, ice manufacturing and refrigerating, offices, stores, telephone exchanges, theatres, public and private warehouses (not connected with manufacturing plants) and other buildings, and/or contents, occupied for non-manufacturing purposes.

"When Inherent Hazard is assumed, add explosion I. H. charge of risk insured.

"Class B—$.47 rate—Applies to cotton compresses excluding warehouses, dams, dry docks, glass workers, newspapers, piers, stock yards, vessels, and all manufacturing risks except those enumerated in Class 'C' and 'D.' Also to acetic, muriatic, nitric, and sulphuric acid factories where no considerable normal explosion hazard exists.

"When Inherent Hazard is assumed, add explosion I. H. charge of risk insured.

"Class C—$.56 rate—Applies to builders' risks, celluloid goods manufacturing, contractors' movable apparatus, coal or ore bridges and dock hoisting apparatus, distilleries, feed mixing, flour mills, grain elevators, milling and grinding risks, garages (public), crude oil refineries, oil distributing and oil pumping stations, oil in tanks, tank cars, patent leather manufacturing and starch mills.

"When Inherent Hazard is assumed, add explosion I. H. charge of the risk insured.

"When certain buildings of plants of Class 'B' and 'C' are selected for cover, leaving the rest of the plant uncovered, these rates are to be doubled.

"Class D—$1.19 rate—Applies to Acetone, Benzol, Casing head Gasoline, Chemical plants (except those specified in Class 'B') Floaters, Toluol Turpentine, Underground mining, Wood Alcohol and other plants having a high explosive hazard.

"When Inherent Hazard is assumed, add I. H. explosion hazard charge of risk insured."

Chamber of Commerce Wants Insurance

PRESIDENT STATES POSITION

Co-operation of Chamber Only Sought Once By Companies Since Organization in 1912

The slight of insurance interests by the United States Chamber of Commerce at its Atlantic City meeting is explained in the following letter of the president of that organization to James J. Hoey, vice-president of the Continental, who attended the meeting:

"Dear sir:—

"I very much appreciate your letter of the 16th inst., carrying with it a copy of your report on the Atlantic City meeting.

"How are we going to accomplish co-operative relationship between the insurance interests and the business interests of the country represented by groups like the Atlantic City convention of the Chamber of Commerce of the United States?

"In connection with the revenue legislation I have been appealed to by representatives of the life companies to assist them in connection with certain paragraphs of the revenue bill that bore heavily upon life insurance business, but this is the only time I think since the Chamber of Commerce was organized in 1912 that there has been any expression of desire on the part of any branch of the insurance business for assistance or for co-operation.

"Obviously we cannot further seek co-operation. If the insurance interests of the country desire to join with the business interests, they will be welcomed as one of the principal factors in American industry, but there must be some leadership and some evidence of willingness to work together on lines of confidence and co-operation, else the union would be worthless to both parties.

"It is my very sincere hope that your report may start some thinking. I shall be glad to help crystalize that thinking by any means within my power.

"Very sincerely yours,
"H. A. WHEELER,
"President."

(Accompanying the letter was an invitation to insurance companies to attend a meeting in New York on January 3.)

GILBERT COOL RETURNS

Gilbert Cool, son of C. W. Cool, prominent Glens Falls local agent, returned this week from the South where he has been attending an officers' training camp from Union College.

DROPS SURPLUS LINES

The Nebraska National Fire has given up writing surplus line business.

Lieut. Kenneth A. Bailey, son of C. W. Bailey, president of the American Insurance Company, was killed in France.

F. C. Powell, special agent for the Aetna in Ohio, has died of pneumonia.

Special Agent Wanted

Young man about thirty years of age, to travel New York State as Special Agent for Fire Insurance Co. Preferable to live in Syracuse or Rochester. Should have thorough knowledge of Fire Underwriting, of progressive personality and unquestioned character. One with extensive Local Agency experience might qualify. Please state age, schooling, home responsibilities, experience for past ten years, references and salary expected to start.

Address "SPECIAL AGENT"
Care of THE EASTERN UNDERWRITER,
105 William Street, New York, N. Y.

ÆTNA (FIRE)
HARTFORD, CONN., U. S. A.

Choose your company with regard to *record* in past conflagrations and present loss paying ability.



"AMERICA FORE"

CONTINENTAL COMMANDS CONFIDENCE

"There must be no deviation from this fixed rule of ours to protect the local agent in the field that he is given to operate in."

THE CONTINENTAL INSURANCE COMPANY

Cash Capital - - TEN MILLION DOLLARS

HENRY EVANS, President

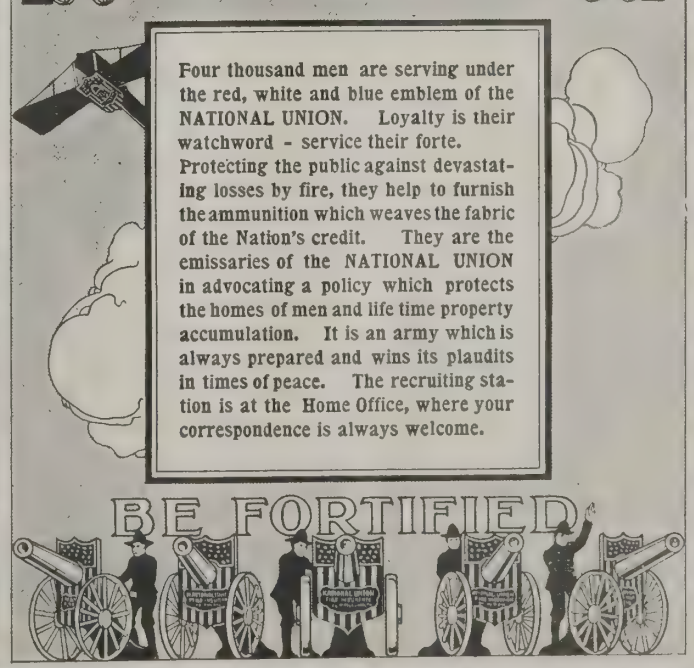
Home Office
80 MAIDEN LANE
NEW YORK

Managing Branch Offices:
CHICAGO, MONTREAL
SAN FRANCISCO

N U

NATIONAL UNION FIRE INSURANCE CO. OF PITTSBURGH, PA.

Four thousand men are serving under the red, white and blue emblem of the NATIONAL UNION. Loyalty is their watchword - service their forte. Protecting the public against devastating losses by fire, they help to furnish the ammunition which weaves the fabric of the Nation's credit. They are the emissaries of the NATIONAL UNION in advocating a policy which protects the homes of men and life time property accumulation. It is an army which is always prepared and wins its plaudits in times of peace. The recruiting station is at the Home Office, where your correspondence is always welcome.



STRENGTH INTEGRITY SERVICE

Scottish Union & National Insurance Company

HENRY J. HOUGE, J. H. VREELAND
Assistant Secretaries

JAMES H. BREWSTER, Mgr.
Hartford, Conn.

A Broad Underwriting Service to Agents
Writes Fire, Automobile, Rent, Sprinkler Leakage, Tornado, Use and Occupancy, Explosion, etc.
Works in Harmony with American Agency Principles and Practices

Authorized Capital $500,000

Detroit National Fire Insurance Co.

DETROIT, MICHIGAN

A Company to be built gradually and along the indicated lines of permanence

AGENCY CONNECTIONS SOLICITED

Necessity for Sprinkler Inspection

By C. L. Nevens, Inspector Special Risk Department, Hartford Fire Insurance Company

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The necessity of purifying water for public consumption by sedimentation, filtration, and coagulation has long been recognized and practiced, but the need of clear water for fire extinguishment is hardly as apparent. In fact, it is known that solid matter in suspension assists the actual extinction of fire, because it consumes heat thereby reducing the existing temperature and directly serving the purpose for which water is applied to a fire. In the case, however, where we are depending upon fire suppression by the automatic sprinkler system, clear water is essential.

An actual case well illustrates the degree of such obstruction which may exist. In a small manufacturing town there are seven mills aggregating a total valuation of four or five million dollars. Each mill is well equipped with automatic sprinkers, which, in turn, are primarily supplied by a common 338,000-gallon reservoir. A continuous line of underground water mains around the various properties is so equipped with gate valves that each mill is complete within itself in respect to fire protection. Also, of course, the inter-connection of all underground pipe lines makes all secondary fire protection equipment, such as fire-pumps, capable of being used all at one plant by proper manipulation of the valve control.

There are probably 8,000 sprinkler heads involved, supplied primarily by the above-mentioned reservoir, properly elevated, and secondarily, by two 1,000-gallon underwriter steam pumps and one 1,000-gallon rotary pump. In total there is a probable cost of $45,000 involved as an expenditure for protection against fire and as a consequent guarantee for continued output of their product.

The arrangement is complete and extensive. The apparent protection is excellent. The property is generally well maintained, successful, and ready to cope with any fire that may originate, with only a resultant small loss. There facts are reflected by the rate obtained for the insurance which was ten cents per hundred dollars at risk per year.

Hazards Involved

Notwithstanding this sense of security warranted by a superficial examination of the property, let us make a real inspection of these properties. We cover exposures, external and mutual; completeness of sprinkler equipment; outside protection, public and private; hazards involved; distribution of values; administration and in general all other detailed points that have any bearing upon the quality of the risks from a fire protection viewpoint. If we follow present day good practice, we will open every half inch test pipe, which is connected directly into the top of each sprinkler riser pipe, thereby noting that water is to be had at these points.

During the inspection of the seventh and last mill of the group this test develops peculiar conditions in the oldest building. Dirty water flows. There is nothing strange here for it is always dirty water that flows from a sprinkler system which has not been tested for some time. This small stream does not flow steadily but jerks and jumps, finally growing weaker and weaker until it comes down to a trickle. Still, not alarming, for nearly every week we succeed in picking up a leaf, or small stone, or some form of incrustation which temporarily stops up our test pipes. A rap with the hammer may start free flow and if not we shut off the system, open the drain to relieve the pressure, and then remove the test pipe and clean it. When restored it usually shows that the clogging was local. In this case, though, we replace the test pipe after cleaning it, but do not get our free flow of water. Again we repeat our investigation of the reason for lack of full flow and this time we attempt to run a wire into the test pipe aperture of the main feeder and by so doing find heavy pressure on the system, which spatters mud and water all over us, onto a tenter frame, the floor and ceiling. Now, we know that something is radically wrong because the control valve in the yard is shut, the 2-inch drain pipe at the base of the riser pipe is open, which should of course relieve all pressure, still, we have bespattered the place in the vicinity of our test pipe connection with mud.

Clogging of Pipes

The next thought emanates from the state of Missouri and we request to be shown. The result of the partial dismantling of this sprinkler system produces from the end and small sprinkler pipes (that are ordinarily thought to contain water) dust and rust. Following the system back from its extremity toward its source we finally find a two-inch sprinkler pipe filled solidly with mud, as complete a shut-off from water passage as any mechanical device made for the purpose could produce. With this length of two-inch pipe and its contents of mud as evidence, we proceed to the executive office with our appeal for remedies. This time, quite contrary to the custom, we need not enter into the detailed causes and underlying principles of our suggestions for improvement of the property, because the two-inch pipe is sufficient. The management is only anxious to repair this condition. The result of investigation of the sprinkler equipments in these seven mills displayed the fact that complete obstruction to flow existed repeatedly in every case.

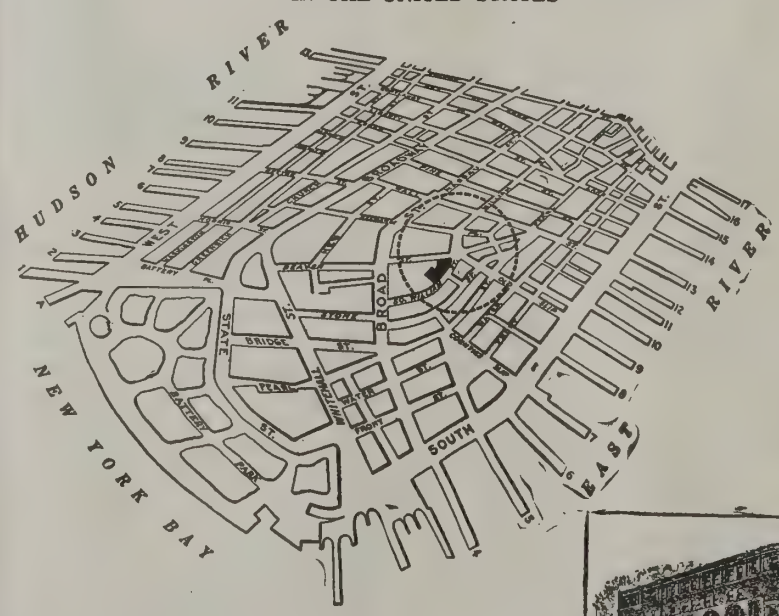
In order to give an idea of the completeness with which the sprinkler system in the mill first mentioned was crippled, let us note that water was supplied through temporary connections into the very ends of the sprinkler lines at a final pressure of 140 pounds without forcing the mud from the pipes. By applying this pressure at the top of the system we were attempting to force these obstructions from the small lines into the larger ones. The only safe method of cleaning out this sprinkler system and the one finally adopted was that of removing line after line for its individual cleaning with a ram rod. This did not apply to all of the seven mills, for generally we were able to accomplish our ends by a flushing process, assisted by occasionally removing a line of pipe here and there that was more firmly plugged than others.

Repairs Required Five Weeks

Under the best available conditions it required five weeks, working every day, to restore these systems to their normal condition.

The lesson taught the writer by this experience is expressed by "All is not gold that glitters," and as applied to automatic sprinkler installations it means intimate knowledge of all contributing circumstances. The fact that a risk is sprinkled does not make of that risk the ideal, unless that sprinkler system is cared for properly just as any mechanical device must have attention. What are the internal conditions? What is the strength of the water supplies? Is the arrangement complete and laid out so as to catch a fire in its incipiency wherever that fire may originate, and so as to be maintained without undue interruption to service? It is not in my opinion extraordinarily theoretical to suggest to any assured whose risk is protected by automatic sprinklers where the water supplies are known or suspected to contain matter in suspension that they investigate their sprinkler equipment by removing enough of the smaller sprinkler pipes to show whether there is any obstructing deposit. "Seeing is believing."

AMERICAN MERCHANT MARINE
INSURANCE COMPANY
AT
THE CENTRE OF MARINE INSURANCE
IN THE UNITED STATES





WADE ROBINSON & CO., INC.
MANAGERS
Merchant Marine House New York City
South William and Beaver Streets

FIELD FOR INSURANCE

That there is a wide field for live stock insurance is shown by the estimates that each years $250,000,000 worth of cattle and hogs are a total loss through disease. This figure compares closely with the annual fire loss.

LECTURERS ENTERTAINED

What proved a delightfully sociable affair took the form of a Christmas party arranged by women in the insurance business who have been attending the Insurance Society lectures given especially for them by R. P. Barbour, secretary of the North British and Edward R. Hardy, manager of the New York Fire Insurance Exchange. Thursday afternoon of last week two hundred and fifty of those who have enjoyed the lectures met in the rooms of the Royal, 84 William Street. The gathering gave expression of an appreciation of Mr. Barbour's and Mr. Hardy's services. Charles Lyman Case, manager of the London Assurance, extolled the lecturers, by whom responses were made. A social hour or so was enjoyed while refreshments were served. Among the guests were Frederick Richardson, United States general manager of the General Accident; Willis O. Robb, manager of the Insurance Exchange; William N. Bament, of the Home; Allen E. Clough, William M. Ballard, Charles R. Pitcher, Professor Harold Jacoby. The patronesses were Mrs. Jacoby, Mrs. Charles R. Pitcher and Mrs. Thomas W. Hotchkiss.

BURKE SUCCEEDS LYNCH

C. B. Burke, formerly special agent in Pennsylvania of the Western of Toronto and the British America, has been appointed special agent in Pennsylvania and New Jersey of the Northwestern National succeeding J. J. Lynch, resigned. Previous to his connection with the Western and British America, Mr. Burke had traveled the same territory for the Starkweather & Shepley companies.

EASTERN UNION COMMITTEES

At the meeting of the Eastern Union on Thursday, the following companies were added to the executive committee: Automobile Insurance Co., Western Assurance, Great American, New York Underwriters' Agency, and Sun. H. A. Smith, president of the National, of Hartford, was elected chairman of the executive committee and W. H. Stevens, president of the Agricultural, vice-chairman. New members elected included the Home Fire & Marine, California Insurance Co., Sterling Fire and Hudson Insurance Co.

SULLIVAN WITH L. T. HOLLISTER

George F. Sullivan, for seven years placer in the New York office of Marsh & McLennan, is now placer for L. T. Hollister. Mr. Sullivan was but recently released by the navy.

WILL FIGHT MOTOR RATES

The Motor Truck Owners' Association of Philadelphia is collecting data on insurance on trucks with a view to fighting present insurance rates.

FRANK L. ERION ILL

Frank L. Erion, assistant general manager of the Western Adjustment & Inspection Company, Chicago, is seriously ill with double pneumonia.

APPOINTS TIMMERMANN

The Seneca Fire, of Buffalo, which has been admitted to Massachusetts, has appointed D. E. Timmermann as agent in Boston.

National Liberty
INSURANCE COMPANY OF AMERICA
NEW YORK

Incorporated Under the Laws of the State of New York in 1859

Statement, January 1, 1918

Cash Capital	$1,000,000.00
Assets	8,209,763.64
Liabilities	5,223,031.71
Net Surplus	1,986,731.93
Surplus for Policy Holders	2,986,731.93

HEAD OFFICE
62 WILLIAM STREET, NEW YORK

JONES, LAUNT, BARRETT, INCORPORATED

General Insurance Agents

Represent
Eighteen Companies

411-13 WALNUT ST.
PHILA., PA.

BRITISH AMERICA ASSURANCE CO.
Incorporated 1833
(FIRE AND INLAND MARINE)
Head Office, Toronto, Canada
United States Branch
January 1, 1918

Assets	$2,192,173.14
Surplus in United States	772,927.35
Total losses paid in United States from 1874 to 1917, inclusive	25,298,472.00

W. B. MEIKLE, Pres. & Gen. Mgr.

"STRONG AS THE STRONGEST"
The Northern Assurance Co.
(LTD., OF LONDON)
Organized 1836
Entered United States 1876

Losses Paid	$109,000,000
Losses Paid in U. S.	$40,000,000

Eastern and Southern Departments
55 JOHN STREET
NEW YORK CITY

Telephone Hanover 2054 Established 1898
Marine Insurance
Local agents are invited to consult us on their marine insurance problems
OSBORN & CO.
Average Adjusters and Insurance Brokers
Insurance Exchange, CHICAGO - - 45 Wall St., NEW YORK

Great American Insurance Company New York
INCORPORATED - 1872
PAID FOR LOSSES
$96,971,238.06

STATEMENT, JANUARY 1ST 1918.
CAPITAL
$2,000,000.00
RESERVE FOR ALL OTHER LIABILITIES
12,927,269.91
NET SURPLUS
8,527,719.31
ASSETS
23,454,989.22

THE SECURITIES OF THE COMPANY ARE BASED UPON ACTUAL VALUES ON DECEMBER 31ST, 1917

HAD THE SECURITIES BEEN TAKEN AT THE VALUES AUTHORIZED BY THE NATIONAL CONVENTION OF STATE INSURANCE COMMISSIONERS THE ASSETS AND SURPLUS WOULD EACH BE INCREASED BY $2,321,032.00

Home Office, One Liberty Street
New York City

Western Department
WALTER H. SAGE, Gen'l Mgr.
INGRAM & LERCH, Managers
76 West Monroe St., Chicago, Ill.

Pacific Department
GEORGE H. TYSON, Gen'l Agent
210 Sansome Street
San Francisco, California

Boston Office
ROGERS & HOWES, Managers
4 Liberty Square, Boston, Mass.

Marine Department
WM. H. McGEE & CO., Gen'l Agts.
15 William Street, New York City

THE YORKSHIRE INSURANCE CO., LTD. OF YORK, ENGLAND
Established 1824
FIRE, LIGHTNING, SPRINKLER LEAKAGE, AUTOMOBILE, WAR AND EXPLOSION INSURANCE
U. S. BRANCH
FRANK & DUBOIS, United States Managers ERNEST B. BOYD, Underwriting Manager
No. 80 Maiden Lane, New York
New York Life Insurance & Trust Co., U. S. Trustee, No. 52 Wall St., New York
DEPARTMENT MANAGERS—METROPOLITAN, Willard S. Brown & Co., New York, N. Y.; CAROLINA-VIRGINIA, Harry R. Bush, Greensboro, N. C.; SOUTHEASTERN, Dargan & Turner, Atlanta, Ga.; LOUISIANA and MISSISSIPPI, Jas. B. Ross, New Orleans, La.; PACIFIC COAST, Jas. C. Johnston, San Francisco, Cal.; McClure Kelly and McKee Sherrard, Assistant Managers.

Caledonian Insurance Co. of Scotland
FOUNDED 1805
"THE OLDEST SCOTTISH INSURANCE OFFICE"
UNITED STATES HEAD OFFICE
Caledonian Building, 50-52 Pine Street, New York
CHAS. H. POST, U. S. Mgr. R. C. CHRISTOPHER, Asst. U. S. Mgr.
NEW YORK CITY OFFICE
Golden Hill Building, 59 John Street, New York

THE SUPERIOR FIRE INSURANCE CO.
PITTSBURGH, PA.
Conservative -- Sound -- Progressive
Statement January 1, 1918

ASSETS		LIABILITIES	
Mortgages	$950,505.65	Capital	$ 300,000.00
Stocks and Bonds	302,499.50	Unadjusted Losses	93,290.82
Real Estate	103,540.90	Reserve	1,024,694.02
Cash in Office and Banks	162,884.18	Other Liabilities	28,500.00
Interest Due and Accrued	16,915.50	Net Surplus	304,131.20
Rents Due	392.50		
Agents' Balances	180,375.54		
Collateral Loans	32,643.75		
Re-insurance Losses Due From Other Companies	858.52		
	$1,750,616.04		$1,750,616.04

A. H. TRIMBLE, President
EDWARD HEER, Vice-Pres. & Secy. F. W. SCHRATZ, Asst. Secy.

MARINE DEPARTMENT

Vessels Navigating North Atlantic Are Reported As Encountering Bad Weather

While we are writing this article, the thermometer is registering a temperature of about 65 degrees, and one would think that we are having spring weather in the Atlantic Ocean, but from the reports received from our grand fleet of battleships that are returning to port they must have encountered some very heavy and boisterous weather, as they are delayed two days in making the Port of New York over the schedule time originally allowed for their arrival. There are two auxiliary schooners which successfully delivered a cargo on a transatlantic voyage, and are now on their homeward voyage, and are reported overdue. A number of transatlantic schooners are reported in ports of distress, having sustained damage by heavy weather. Two vessels loaded with flaxseed from the River Plate are reported arriving in ports of distress with damages sustained in heavy weather. So, even if we do imagine that we are hearing the song of the robin redbreast, these reports bring us suddenly to realize there is winter weather prevailing on the Atlantic Ocean, and heavy going can be looked for, for all classes of vessels that will have to navigate this ocean for the next four months. Which brings back to our mind the warning given in our articles, that increased losses can be looked for by marine underwriters who are engaged in writing schooner and auxiliary schooner business on transatlantic voyages or voyages where the vessels are compelled to use North Atlantic waters.

The profit on this business during the past twelve months leaves very little margin, if any, for underwriters engaged in this class of risks, and if there is any hope of any future profit in this class of business, underwriters writing the same will have to use more than ordinary precaution in the selection of their risks, and materially higher rates will have to be obtained than those prevailing for the last year.

Since writing the above, one of the auxiliary schooners mentioned has arrived in New York; the other is still overdue and missing, and great fears are expressed for her safety; in addition to which a small schooner has just been reported abandoned off Cape Hatteras.

OBSERVER.

EFFECT OF RETURN OF SHIPS

Jacksonville General Agent Pictures Government As Competitor Through Giving of Insurance

Frederick C. Calkins, Jacksonville general agent, has sent the following to his clients on the effect of the Government's returning to their original owners four of the southern steamship lines which it had previously taken over:

"We have not been able to arrive at a conclusion as to a real reason why the government restored to their original owners four Southern steamship lines, which the government has been operating since April 13 under war powers of the president. The relinquishing order became effective on December 1, practically, but it seems considerable red tape must now be unwound by the Interstate Commerce Commission, with whom freight rate schedules had been filed by these lines under which the government assumed, additional to the carriage of the cargo, war and marine risk. It looks as though there was 'a nigger in the wood pile.' We say this because if the government continues to assume marine covers under freight way-bill shipments, by lines not turned back to owners it would place the released line at a disadvantage in competing where shippers had to produce their own war and marine. We can see no relief for our business until the government unhooks entirely from operating steamship lines. We have had indications from our former cotton and lumber clients that they hoped the government had relinquished the granting of war and marine covers, their desire being to return to the old manner of doing business direct with individuals and incorporated American business concerns, rather than depend upon the government for prompt financial assistance in the settling of arising claims."

WOULD CHANGE SHIPPING LAWS

Merchants' Association, Philadelphia Bourse and Similar Bodies Becoming Interested

Following the publication a few weeks ago by The Eastern Underwriter of a short analysis of the effect the present shipping laws would have on coastwise trade, a number of business organizations in various cities have taken the subject up. Prominent among these are the Merchants' Association, of New York, and the Philadelphia Bourse.

The Merchants' Association, in its official organ, has inaugurated a series of articles showing the effect of various phases of the law on local merchants.

The Philadelphia Bourse has circularized Congress and business organizations of the country with a set of resolutions adopted by its board of directors advocating the repeal of practically all present laws and providing for the subsidizing of our merchant marine under private ownership.

Concrete Ship "Atlantus" Launched

TAKES TO WATER HEAD ON

Built to Stand "Racket" and is Proportionately Light for Cargo Capacity

Oglethorp Bay, Brunswick, Ga., was the scene of the launching of the "Atlantus" a 3,000 ton, 1,400 horse power concrete ship December 4th. Speaking of the launching J. H. Lawlor, in "Emergency Fleet News" says:

"The 'Atlantus' is of ferro-concrete construction and was started as an experiment, the responsibility being assumed jointly by the Liberty Shipbuilding Company and the Emergency Fleet Corporation. The vessel was launched endwise. She is the first large concrete ship to be launched in this manner. Heretofore it has been considered necessary for safety to send a concrete vessel into the water sidewise because of fear that an unequal distribution of strain at launching might cause the ship to break.

Stress Is Measured

"In the launching of the 'Atlantus' a most interesting experiment was conducted. Numerous instruments to test the strain upon the vessel were installed in the craft. These instruments showed that the maximum stress on the steel (reinforcing) at any point was 3,000 pounds per square inch at the exact moment of launching. It was the first time such a test had been made in any ship and, therefore, there is no way of comparing the stress upon the 'Atlantus' with that upon vessels of other construction.

"One significant point observed was that the 'Atlantus' took in no water after leaving the ways. She was launched in the morning and at nightfall when an examination was made of the hull she was found to be perfectly dry.

Built to Stand Strain

"Structurally, the hull of the 'Atlantus' is made to withstand almost any amount of 'racket,' while her steel and concrete coat is intended to afford an outer protection unequalled in wood or steel, according to the builders.

"The first impression of a layman in viewing a stone boat of such proportion is that the vessel is much heavier than a similar-sized hull of either wood or steel. The 'Atlantus' is found, however, to be proportionately very light, considering her bulk cargo capacity."

FRANK M. JONES DEAD

Frank M. Jones, assistant manager in the Western Department of the Sun, died last week. He was born in Hartford in 1877 and had spent much of his insurance career in Ohio and West Virginia.

AMERICAN EQUITABLE ASSURANCE CO.
OF NEW YORK

Surplus to Policyholders $1,014,237.98

Marine and War Risk Insurance

Losses made PAYABLE in all parts of the world

C. R. EBERT & CO., Inc.
MARINE MANAGERS
48-54 BEAVER STREET, NEW YORK

ALB. SMEESTERS
6 Rue des Colonnes
PARIS
Insurance and Reinsurance

Cable: Montalais, Paris

S. D. McCOMB & CO.
INCORPORATED
56 Beaver Street New York

MANAGERS MARINE DEPARTMENT
American Insurance Co., of Newark, N. J.
Firemen's Insurance Co., of Newark, N. J.
Glens Falls Insurance Co., of Glens Falls, N. Y.
Hanover Fire Insurance Co., of New York, N. Y.

MARINE AGENTS
Globe & Rutgers Fire Insurance Co., of New York, N. Y.

MARINE AND WAR RISK INSURANCE
Losses made payable in all parts of the World

CABLE ADDRESS: MACOMB, N. Y. TELEPHONE BROAD 631

CASUALTY AND SURETY NEWS

Chas. H. Holland Heads Casualty & Surety Club

MANY ATTEND ANNUAL MEETING

Constructive Trend of Speakers' Remarks Presages Year of Unusual Advancement

All who attended the annual meeting of the Casualty & Surety Club of New York last Friday night are emphatic in their satisfaction with the way things are going in that organization. It used to be that not much was said about these meetings but now everybody has a smile and a good word on the morning after, when asked "How was the meeting?"

The new official slate meets with pronounced approval, headed as it is by Charles H. Holland, president of the Royal Indemnity. William B. Mann, of the Ocean, an old war horse in the health and accident business, who knows all the crowd and can add snap to the organization, is vice-president. John J. King, of the Hooper-Holmes Bureau, is second vice-president. He is also one of the most widely known among the casualty men. Didn't they come from all over the country to attend an anniversary dinner given to him some time ago? And aren't they talking about it yet?

R. R. Gilkey, secretary of the Surety Association of America, is the new secretary and Sam B. Brewster, of the American Surety, formerly manager of the Burglary Insurance Exchange, is treasurer.

John S. Turn Chairman

The executive committee underwent a violent eruption but John S. Turn remains as the only survivor. He is chairman. The casualty reinsurance business is now represented in the Club by A. S. Boyd, assistant United States manager of the Norwegian Globe. A. G. Oakley of the United States Fidelity & Guaranty and Mr. Dibble of the Preferred Accident, complete the executive committee.

The talks Friday night were all particularly good and hit the members in the right spot. Frederick Richardson, United States manager for the General Accident, who is also head of the Insurance Institute of America, made it clear that the Institute, with the cooperation of organizations like the Club, makes it possible to elevate the casualty and surety business to a position in which it would be so highly regarded by laymen, including legislators and state officials that it would not be subject to many of the annoyances it now suffers.

Must Take Business Seriously

Mr. Holland supported Mr. Richardson's remarks in saying that the casualty business must be taken seriously by all those who expect to excel in it and hope to see it develop a healthy growth in this country, winning respect as it goes.

John J. King, just returned from his service in the War Risk Board, Washington, told of the enormity of the task there and how some of the problems with which he was confronted were solved.

From all indications the coming year is to be a particularly profitable one for the Casualty & Surety Club.

ONE SORE SPOT

One New York casualty manager, while expressing gratification with the year's business, regrets that it seems impossible to arrive at any premium that will cover the hazard in automobile liability.

Credit Evil Being Attacked in Earnest

PREPARING FOR CASUALTY RULE

Brokers Not Yet Convinced that Companies Are More Determined Than Formerly

Most brokers have not yet taken seriously the declarations of casualty companies that they are about to prosecute the new premium collection rule in dead earnest. One can hardly blame the brokers, for threats of this kind have been made too many times and they have been short lived as some snow balls.

This time it looks as though the situation might be different. The new premium collection rules were adopted November 28 at a meeting of the Casualty Insurance Exchange of New York.

These rules have since been approved by all the companies transacting liability and workmen's compensation lines in New York. Each company is obligated to send a cancellation notice direct to the assured on all policies, premiums on which have not been paid by the tenth day of the second month following the effective date of the policy. Without further notice to the broker the companies will automatically issue a cancellation notice to the assured.

Another Abuse Attacked

Additional premiums on payroll adjustments are due and payable on the twentieth day of the month immediately following the month in which the adjustment is made. Premiums on policies of the Associated Companies are payable in accordance with the rules and agreements on which such policies are issued. The companies party to the agreement are:

Aetna Life, Aetna Casualty & Surety, Commercial Casualty, Employers' Liability, Fidelity & Casualty, General Accident, Globe Indemnity, Great Eastern Casualty, Hartford Accident & Indemnity, London Guarantee & Accident, London & Lancashire, Maryland Casualty, Massachusetts Bonding, New Amsterdam, Ocean, Royal Indemnity, Standard, Travelers, United States, U. S. F. & G., and the Zurich.

If the companies now really intend to stick together on this rule it will mean quite a revolution in the credit system which has been abused to such an extent that it constitutes a shame on the business. It is believed that should the new system be continued long enough to give it a thorough try-out, the brokerage field would benefit just as much as the companies. It is making the change and coming to realize that the change must be made and that the companies are through with this credit nuisance, that makes it a little difficult at the start. It looks as though the companies mean business and that they will get the backing of the men of broadest vision in the business.

OUR BONDS GUARANTEE INTEGRITY"

SURETY BONDS

ROYAL INDEMNITY COMPANY

CASUALTY INSURANCE

NEW YORK

CHARLES H. HOLLAND, PRESIDENT

Need for "Graduation" Of Compensation Data

VIEWS OF HARWOOD E. RYAN

Cost of Serious Injury Cases Should Be Distributed Over Large Area

That rate making methods in workmen's compensation insurance fail to employ fully the principle of distribution which underlies all forms of sound insurance, is the view expressed to The Eastern Underwriter by Harwood E. Ryan, actuary in charge of the compensation rate bureau of the New York Insurance Department. The remedy, in Mr. Ryan's opinion, lies in subjecting compensation insurance statistics to a process akin to the graduation of mortality experience data as employed in life insurance. Mr. Ryan says:

Whenever a life insurance mortality experience is compiled the crude death rates derived from the unadjusted data are subjected to a smoothing out process called "graduation." That there is need for something of the same sort in workmen's compensation has become apparent from several years of observation of rate-making methods in that field of insurance. Many of the irregularities and violent changes which are found to be necessary upon each revision of workmen's compensation rates are due to the failure of present methods of rate-making to provide for a rational system for distributing the effect of those types of cases which are of low frequency, but which at the same time are of a high degree of severity as measured by their compensation cost.

In the various rating conferences which have had occasion to utilize compensation insurance statistics a crude attempt has been made (without, however, any fixed underlying principle) to adjust the cost arising out of the occurrence of what may be termed "serious" accident cases so that the entire burden thereof may not fall upon particular classifications. Again, in the new experience rating plan, which went into effect on June 30th, 1918, the principle has been adopted of relieving the individual employer of all but a small portion of the cost of "serious" (viz. death or permanent total disability) cases in the determination of his experience rate. Both of these methods of treatment may be looked upon as a recognition of the true function of insurance since they aim to distribute over a large area the cost of losses which, if charged against individual risks, or even against fairly substantial classifications would result in financial shock which it is the purpose of insurance to absorb.

Frequency and Cost

An analysis of the policy-year returns submitted to the New York Insurance Department by the various compensation carriers for 1914 and 1915 indicates the following relative frequency and cost-severity of death and permanent total disability cases (combined) in comparison with all other compensatable cases:

	No. of Cases	Per cent. of Total	Amount of Losses	Per cent. of Total	Average Cost
Death & Permanent Total Disability	1,301	2	$4,409,428	30	$3,389
Other than Death and Permanent Total Disability	64,882	98	10,399,191	70	160
	66,183	100	$14,808,619	100	$ 224

Note that two per cent. of the entire number of cases gives rise to 30 per cent of the loss cost. Also that the cases which are of a non-serious type are nearly fifty times as frequent as are death and permanent total disability cases. (Less than 10 per cent. of the "serious" cases are permanent total injuries.) The point here is that the occasional (2 per cent.) happening of a relatively heavy loss (average $3,389) is a condition which calls for the application of the insurance principle of distribution. Unless distribution is accomplished in a broad way, insurance fails to function.

Average Cost Determined

The returns comprising policies issued in 1916 do not include a statement of the number of cases of each kind corresponding to the amount of claims incurred. It is extremely im-

(Continued on page 19)

Something New

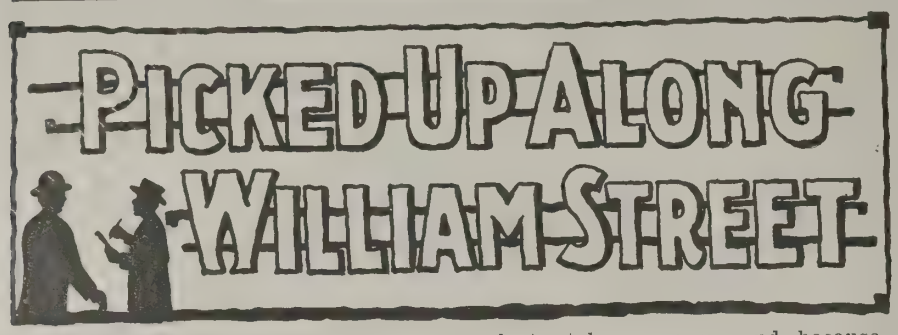
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Fire and Life

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General Building PHILADELPHIA



Possible New Competitors

When A. McDougald, accident manager for the Phoenix Assurance, London, arrived in this country recently, he said that his company has no thought of entering this country at present for casualty business. Mr. McDougald says he is still of the same mind and declares that his visit is of the most "harmless" nature. No changes of any importance in the United States branch are contemplated. The English companies know how to make money out of the liability business, as is shown by reports. At first they lost money on compensation but now that also is a good money maker. The companies soon learned how to turn a losing game into a profitable one. This being the case it is not to be wondered if they should view the enormous premiums in this country with some degree of assurance that efficient English management might still find a profitable field here. There is another English company to which thoughts revert when contemplating additions to the casualty family. It is the Railway Passengers, which is closely allied with the North British & Mercantile. These two companies have a particularly strong manager in the person of Arthur Woorley. He was accident manager for the London & Lancashire and was made secretary of the Railway Passengers, which is the oldest company in the accident business. Mr. Woorley then became joint foreign manager for the North British and manager and secretary of the Railway Passengers. Later he was made joint fire manager and now is general manager for the North British, while retaining his connection with the Railway Passengers, which is now operating a branch in Canada.

* * *

National Body Not Backed

After hearing the plea of Charles H. Burras and J. Scofield Rowe for a sort of national alliance of the insurance interests, the thought at once occurred to several that the National Insurance Congress which was started several years ago, might now come into its own. Mr. Burras was speaking for the National Association of Casualty & Surety Agents and Mr. Rowe for the International Association of Casualty & Surety Underwriters. In the meantime Charles H. Holland, president of the Royal Indemnity, who is also head of the National Insurance Congress, has been endeavoring to ascertain just what is the status of that organization. It now appears that since that body was formed in San Francisco several years ago no meetings have been held and a canvass of the members indicates that there is not sufficient interest in the organization to warrant its perpetuation. However, it seems evident that the idea still lives and possibly may be nurtured into strength through some of the changing conditions through which the insurance business is passing.

* * *

Accumulations for Fighters

Regarding what action is to be taken affecting accumulations on policies which are to be rewritten when the soldier or sailor returns from war, the Standard Accident says:

"Where a policy has been cancelled because the holder left his daily work to take up arms and because that new duty made him 'not insurable' with this company, the policy will be rewritten upon the return of that policy-holder and he will be granted all accumulations that his policy had earned at the date of cancellation. The policy will be reinstated with full benefits."

* * *

New Amsterdam Forges Ahead

This year the New Amsterdam Casualty will write around $4,000,000 of premiums, which is a big advance over 1917 when that item reached a little over $3,000,000. In 1916 it was $2,190,000. The New York office, which has been in charge of Thomas L. Purdum since July 11, 1918, produced in eleven months of 1918, $1,084,000 as against $869,000 the year before. Altogether, the New Amsterdam will show a substantial continuance of the growth that company has enjoyed for several years.

* * *

Back From the Navy

Edward V. Lonergan has returned to his place as counterman in the Commercial Casualty office at 128 William Street. He has been in the navy for sixteen months. While he says he had a bully time he does not disguise the feeling that he is glad to be back at the old job and renew his touch with the liability business. While in the service of Uncle Sam he was on the ships Kansas and Iowa.

* * *

Testimonial to John S. Turn

The employes of the Aetna Company's office at 100 William Street, New York, will give a testimonial to Resident Secretary John S. Turn in the form of a portrait painting of his son, who was killed in action in France.

* * *

Working on Experience Plan

The automobile committee of the Bureau is devoting its time at present to development of an experienced rating plan for commercial automobile vehicles.

Say Rule is Violated

Some complaints are being heard in New York regarding Bureau companies writing commercial automobile fleets on the payroll basis. While those who complain admit that this method is justified in practice, they point out that it is a flagrant violation of Bureau rules.

* * *

May Be Back Soon

A. M. Murray, liability manager for the Aetna, at 100 William Street, New York, is expected back at the office some time in January. He is a first lieutenant and assistant personnel advisor in the 20th Division at Camp Sevier, North Carolina.

* * *

Commission Must Act

The Supreme Court of Colorado has decided that the State Industrial Commision has not the right to delegate the power of hearing claims and making awards under the compensation act. The Commission must itself hear all cases and make all awards, the court holds.

* * *

John A. Kenny's New Place

John A. Kenny, who resigned as head of the burglary department of the National Surety, has joined the United States Fidelity & Guaranty as general agent for burglary and plate glass lines. He has also been appointed general agent for the Maryland Motor Car.

* * *

Company Liquidated

Having completed liquidation of the First Mutual Liability Insurance Company, the New York Insurance Department announces that it has sufficient funds on hand to pay all liabilities and to refund to the members 26.6 per cent. of the assessment paid by them.

* * *

Brokers' Branch in Lane

The National Surety has leased the four story building at 89 Maiden Lane, New York, and will occupy part of it for its brokers' branch and burglary department. Out-of-town business will be handled by Russell A. Algire and New York City business by John Best.

* * *

Change for Roy Black

Roy Black, underwriter for the New York State Compensation Insurance Fund, is to be associated with The Wynkoop Service, in the office of Smythe, Sanford & Girard, New York.

* * *

Post Office Bonds Changed

A few minor changes have been made in rates on post office bonds.

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GRAHAME'S OFFICE DOING WELL

Globe Indemnity's Metropolitan Branch Will Show Large Increase in Premiums for the Year

It has been known for some time that the New York Metropolitan branch of the Globe Indemnity, under Manager T. J. Grahame, has been doing a fine business, but it was hardly to be expected that the year's returns would show an increase of $600,000 in premium income. This amounts to 40 per cent. increase and Manager Grahame says that the losses are such that the business as a whole will show up very satisfactorily.

Frank E. Murphy has been appointed superintendent of the health and accident department, succeeding Nat W. Troutman who is now superintendent of the development department and handles all lines written by the Globe. Mr. Murphy is an old Globe man who has been in the army and is now taking up his insurance work again.

W. J. Thompson is now in charge of the automobile department. He comes from the home office, where he handled the same line and he succeeds Raymond B. Hotchkiss who will leave the Globe to take up another line of business. Mr. Thompson has besides his insurance experience, an extensive acquaintance with the automobile trade, both on the technical side and in the sales department. He has also had experience in the tire business and has traveled extensively over most of the country, so that he has a combination of experiences which stands him in good stead in his automobile insurance work.

NEW SERVICE READY SOON

National Board To Give Comprehensive Data on Those Who Have Many Fires

The National Board will put in operation in January a loss information service. The Actuarial Bureau has compiled claim data on nearly 2,500,000 assureds, many of whom have had three or more fires, some of questionable origin. Probably 25,000 cards with loss claim records will be issued during 1919. The system is so arranged that no improper information can leak out which might injure those named on the cards and the facts will be so set forth that there can be no claims for damage against those using the service.

READY FOR DISTRIBUTION

The Weekly Underwriter of 80 Maiden Lane, New York, has issued the sixth book of "Live Articles on Accident Prevention." This is one of a series of such books which have proven of much interest and benefit to all persons engaged in casualty insurance, and also to employers of labor and corporations generally. The price of "Live Articles on Accident Prevention" is $1.05 a copy.

REVAMPING MORTALITY TABLES

Actuary C. C. Smith of the New York Department has been appointed to succeed H. E. Ryan as chairman of the special committee on new mortality investigation. Mr. Ryan, who retires from the department January 1 to go with the Equitable Life as superintendent of the accident and health department, has been chairman of the mortality committee since its appointment in 1915.

NEW COMPENSATION FORM

Relative to the universal standard workmen's compensation policy form, the New York Department has notified all carriers that after January 1, the form is required to be used. In New Jersey the form is to be used on and after February 1.

CASUALTY AND SURETY POINTERS

Covering Bonds and Stamps By Endorsement

The Fidelity & Deposit advises its agents regarding liberty bonds as follows: "Practically all the banks insured under our bankers' burglary policies have subscribed for liberty bonds which they have purchased for themselves, and also have in their possession bonds which they are holding for safekeeping for their customers as an accommodation.

"As we cover securities of any description under our bank burglary policy, liberty bonds are not specifically mentioned and the purpose of this article is to call the attention of our agents to the fact that policies in force can be endorsed, when requested, to include liberty bonds whether the property of the bank or belonging to others which the bank is safeguarding, providing the bank keeps a book record of them. War savings stamps except such as are affixed to registered certificates, are considered the same as money and are not subject to the 25 per cent. discount allowed where the insurance is restricted to securities only, including liberty bonds."

Automobiles and Personal Accidents

Some casualty companies, in the scramble for automobile liability business, have in such states as it is permissible to do so, extended their policy to cover personal injuries received while riding in or operating an automobile, remarks the Chicago Bonding & Insurance. In doing so they are, of course, possibly closing the one loophole to loss that the average automobile owner leaves open when he starts buying insurance made necessary by the purchase of a car. Nevertheless, the practice means that when such a contract is sold a prospect for a regular accident or disability policy is to a large extent destroyed. By all means see that your automobile policyholder carries accident insurance, but try and make him carry a policy that will cover every accident, irrespective of whether it is suffered in connection with the operation of an automobile or not, or better still, sell him a disability policy so that if he develops la grippe or rheumatism from exposure or any other of the thousand ills to which flesh is heir, he will be properly protected, says the Company.

Need for "Graduation" of Compensation Data

(Continued from page 17)

probable, however, that the relative frequency of death and permanent total disability cases in comparison with cases of a non-serious character should differ widely between the policy-year 1916 and the two preceding policy-years. From the individual reports in death and permanent total disability cases filed with the 1916 policy-year schedules we are enabled nevertheless to determine an average cost for cases of this type. The total number of death and permanent total disability cases reported for policy-year 1916 is 826 with an average value per case of $3,787. Individual cases of permanent total disability may cost as much as $15,000 while death cases which do not involve payments to dependents occasionally cost less than $100. How much any particular case may cost is wholly unrelated to the question under discussion, so that it is proper to consider the average rather than the extreme effect of such cases.

An analysis has been made also of the causes of accidents resulting fatally. Four principal causes are indicated, as shown below; the remaining number of causes are of a miscellaneous character:

Deaths Classified by Cause

Causes	Relative Number of Cases
1. Machinery	173
2. Vehicles	133
3. Falls	263
4. Falling objects	184
5. All other cases (8 in number)	247
	1,000

From the foregoing discussion it would seem that death and permanent total disability cases, while normal phenomena of industrial accident experience, constitute in particular classifications abnormalities which cannot justly be charged entirely to such classifications. The analysis of causes indicates that a certain proportion of serious accident cases arises from hazards which are not necessarily inherent in the work in which the victim was engaged. This is true of a certain number of the deaths due to falls, of those due to falling objects and, to some extent at least, of those attributable to machinery and vehicles.

Distribution Essential

In the State of New York, the number of death cases arising in a year is hardly more than one-half the number of classifications employed in the underwriting of workmen's compensation insurance. If the indications of crude experience were followed, many classifications would be charged with the full amount of death cost, while other classifications would contribute in no measure whatever to such cost. This would be obviously illogical and would be a most unsatisfactory application of the principle of insurance, which, for emphasis, we may mention again, has for its primary purpose the distribution of risk and, hence, of loss cost.

It seems almost too obvious to require demonstration that the cost of those cases which are of low frequency and high average cost should be spread over a substantial area of exposure. The only question which admits of argument is the method which should be followed in making the distribution. This brings us to the second part of this discussion which, admittedly, is of a highly controversial nature. There are doubtless as many ways of effecting a distribution as there are persons competent to suggest one.

Method Outlined

In the present discussion we shall confine ourselves to suggesting a method which has the rather important merit of being practical while at the same time recognizing the fundamental principle of distribution which underlies the problem. Briefly, it is as follows:

1. Determine the total incurred cost in death and permanent total disability cases. Divide same by the number of such cases to determine the average cost per case.

2. Arrange the experience data for industrial classifications in homogeneous groups and ascertain the total losses of the non-serious type for each group and for each classification therein, but excluding medical cost.

3. Multiply the number of death and permanent total disability cases attributable to each group by the average cost per case. This will give the amount of such loss which is to be charged against the group and will adjust the irregularities due to variations in the individual serious losses.

4. Allocate this adjusted serious loss cost to the several classifications comprising the group in proportion to the experienced loss other than death, permanent total disability and medical loss.

In a considerable number of small classifications it will be found necessary to exercise judgment in utilizing the non-serious loss experience. Where the exposure is meagre it would be well to erect a hypothetical non-serious loss by following the non-serious pure premium indication of the group rather than that of the individual classification.

Medical Selection

The medical cost has here been disregarded for the reason that it seems to bear no definite or constant relation to the cost of compensation. The same principle has been applied here as might be applied to an individual employer whose policy it is to incur great expense for skillful medical treatment in order to minimize the cost of compensation to his injured workers. The principle of redistribution which has been followed is that death and permanent total disability cost may fairly be assessed in direct proportion to the cost of other forms of disability loss. If by reason of excellence of medical attention the non-fatal loss in a given classification has been very small then the proportionate share of death and permanent total disability cost will be likewise small. If great, the proportionate share of re-distribution loss will be likewise great.

The method herein suggested is an attempt to arrive at a more satisfactory method of re-distribution than is afforded by present methods of selecting pure premiums, with judgment as the principal, if not the sole guide. That it is a crude attempt is freely conceded, but it is believed to be better than anything that has heretofore been practiced. At all events it will serve as a basis for critical discussion which may lead to the development of a more comprehensive scheme.

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